AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
STUDY SESSION
MONDAY, MAY 19, 2014

I. Executive Session

At **5:30 p.m.** in the City Council Conference Room, City Council will discuss a real estate matter (EMRF) pursuant to C.R.S. 24-6-402-4(a), union negotiations pursuant to C.R.S.24-6-402-4(e) and a personnel matter (city manager) pursuant to C.R.S. 24-6-402-4-(f)(I).

II. Comprehensive Annual Financial Report

At **6:15 p.m.** in the Community Room, Tim Mayberry of Holscher, Mayberry & Company LLC, Finance & Administrative Services Director Frank Gryglewicz and Accounting Manager Kevin Engels will discuss the Comprehensive Annual Financial Report.

III. Financial Report – 6:30 p.m.

Finance and Administrative Services Director Frank Gryglewicz will discuss the April, 2014 Financial Report.

IV. CEC Community Solar Power Purchase Agreement – 6:45 p.m.

Deputy City Manager Mike Flaherty will discuss the CEC Community Solar Power Purchase Agreement.

V. City Manager's Choice – 7:00 p.m.

A. Shared Planned Review Services with South Metro Fire District

B. HB 14-1375 letter.

VI. City Attorney's Choice

Please Note: If you have a disability and need auxiliary aids or services, please notify the City of Englewood, 303-762-2407, at least 48 hours in advance of when services are needed. Thank you.

City of Englewood
Department of
Finance and
Administrative
Services

Memorandum

To: Mayor Penn and City Council

Thru: Gary Sears, City Manager

From: Frank Gryglewicz, Director of Finance and Administrative Services

Kevin Engels, Accounting Manager

Date: May 15, 2014

Re: 2013 Comprehensive Annual Financial Report

Attached is a copy of the 2013 Comprehensive Annual Financial Report (CAFR). The CAFR will be one of the topics of discussion at the May 19, 2014 study session. Please bring your copy of the CAFR to the meeting.

Thanks to everyone who helped prepare the report, particularly those in Accounting Division who worked extremely hard to put the report together: Accountants Kathy Cassai, and Christine Hart, Payroll Technician Joel Berrelez and Accounts Payable Technician Terri Buechler. Also, thanks to the City Departments who provided information relating to the operation of their programs for inclusion in the report.

Finally, thanks to the City's auditors, Holscher Mayberry & Company LLC, for conducting the audit in a competent, professional and timely manner.

Attachment

2013 CAFR

Comprehensive Annual Financial Report

City of Englewood, Colorado

Year ended December 31, 2013

City of Englewood
1000 Englewood Parkway
Englewood, CO 80110
www.englewoodgov.org

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF ENGLEWOOD, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ended
December 31, 2013

Prepared by the Department of Finance and Administrative Services:

Frank Gryglewicz, CPA, CPFO, Director
Kevin Engels, Accounting Manager
Kathy Cassai, Accountant
Christine Hart, Accountant
Jennifer Nolan, Revenue and Budget Manager
Loucrishia Ellis, City Clerk
Carol Wescoat, Retirement Administrator

THIS PAGE LEFT BLANK INTENTIONALLY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2013

Table of Contents

Page

INTRODUCTORY SECTION

Letter of Transmittal....5
Principal Officials....11
Organization Chart....12
2012 Certificate of Achievement for Excellence in Financial Reporting....13

FINANCIAL SECTION

Independent Auditor's Report

Management's Discussion and Analysis....15

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Position....34
Statement of Activities....36

Fund Financial Statements

Governmental Funds

Balance Sheet....38
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position....39
Statement of Revenues, Expenditures and Changes in Fund Balances....40
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities....41
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund....43

Proprietary Funds

Statement of Net Position....46
Statement of Revenues, Expenses and Changes in Fund Net Position....50
Statement of Cash Flows....52

Fiduciary Funds

Statement of Fiduciary Net Position....56
Statement of Changes in Fiduciary Net Position....57

Notes to the Financial Statements....59

Table of Contents

Page

Required Supplementary Information

Schedules of Funding Progress 105
Schedules of Employer Contributions 106

Combining and Individual Fund Statements and Schedules

Nonmajor Governmental Funds

Combining Balance Sheet – Nonmajor Governmental Funds 108
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 110

Schedules of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – Budget and Actual

Special Revenue Funds – Project Budget and Actual
Conservation Trust Fund 112
Open Space Fund 113

Special Revenue Funds – Budget and Actual
Donors Fund 114
Community Development Fund 115
Neighborhood Stabilization Fund 116
Malley Center Trust Fund 117
Parks and Recreation Trust Fund 118

Debt Service Funds – Budget and Actual
General Obligation Bond Debt Service Fund 119

Capital Projects Funds – Project Budget and Actual
Public Improvement Fund 120
Capital Projects Fund 121

Schedules of Revenues, Expenditures and Changes in Funds Available – Enterprise Funds – Budget and Actual (Budgetary Basis)
Water Fund 124
Sewer Fund 125
Golf Course Fund 126
Storm Drainage Fund 127
Concrete Utility Fund 128
Housing Rehabilitation Fund 129

Nonmajor Proprietary Funds

Combining Statement of Net Position
Internal Service Funds 130

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds 132

Page

Combining Statement of Cash Flows
Internal Service Funds....134

Schedules of Revenues, Expenditures and Changes in Funds Available – Internal Service Funds – Budget and Actual (Budgetary Basis)
Central Services Fund....136
ServiCenter Fund....137
Capital Equipment Replacement Fund....138
Employee Benefits Fund....139
Risk Management Fund....140

Fiduciary Funds

Combining Statement of Fiduciary Net Position – Pension Trust Funds....142
Combining Statement of Changes in Fiduciary Net Position– Pension Trust Funds....143
Agency Fund – Basin Interceptor Fund Statement of Changes in Assets and Liabilities....144

Component Units

Englewood Environmental Foundation, Inc.
Statements of Net Position....146
Statements of Revenues, Expenses and Changes in Fund Net Position....147
Statements of Cash Flows....148

Englewood McLellan Reservoir Foundation, Inc.
Statements of Net Position....149
Statements of Revenues, Expenses and Changes in Fund Net Position....150
Statements of Cash Flows....151

Other Information

Schedules of Future Debt Service Requirements....153
Local Highway Finance Report....157

STATISTICAL SECTION

Schedule Number		Page
1	Net Position by Component (accrual basis of accounting)	160
2	Changes in Net Position (accrual basis of accounting)	162
3	Fund Balances, Governmental Funds (modified accrual basis of accounting)	164
4	Changes in Fund Balances, Governmental Funds (modified accrual basis of accounting)	166
5	Tax Revenues by Source, Governmental Funds (accrual basis of accounting)	168
6	Assessed Value and Estimated Actual Value of Taxable Property	169

Table of Contents

STATISTICAL SECTION (continued)

Schedule Number		Page
7	Direct and Overlapping Property Tax Rates	170
8	Principal Property Tax Payers	171
9	Property Tax Levies and Collections	172
10	Sales Tax Collections by Category	174
11	Ratios of Outstanding Debt by Type	176
12	Ratios of General Bonded Debt Outstanding	177
13	Direct and Overlapping Governmental Activities Debt	178
14	Legal Debt Margin Information	179
15	Pledged Revenue Coverage:	
	Water Fund	180
	Sewer Fund	181
	Golf Course Fund	182
	Storm Drainage Fund	183
16	Demographic and Economic Statistics	184
17	Principal Employers	185
18	Full-time Equivalent Employees by Function/Program	186
19	Operating Indicators by Function/Program	187
20	Capital Asset Statistics by Function/Program	188

CITY OF ENGLEWOOD

April 7, 2014

The Honorable Mayor, City Council Members,
and Citizens of the City of Englewood, Colorado

State law requires that all local governments publish within seven months of the close of each year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant. Pursuant to this requirement, the Department of Finance and Administrative Services is pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Englewood, Colorado (the City) for the year ended December 31, 2013.

This report is published to provide the City Council, City staff, our citizens, and other readers with detailed information concerning the financial position and activities of the City. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute, assurance that the financial statements are free of any material misstatements.

To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the City's financial affairs.

Holscher, Mayberry & Company LLC., Certified Public Accountants, have issued an unqualified ("clean") opinion on the City's financial statements for the year ended December 31, 2013. The independent auditor's report is located at the front of the financial section of this report. The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

1000 Englewood Parkway Englewood, Colorado 80110 Phone 303-762-2300
www.englewoodgov.org

The Report

The CAFR is presented in three sections: introductory, financial and statistical. The **introductory section** provides the reader with this transmittal letter, the City's organizational chart, a list of principal officials and last years Government Finance Officer's Association Certificate of Achievement for Excellence in Financial Reporting.

The **financial section** contains the Management's Discussion and Analysis (MD&A), the basic financial statements, required supplementary information, the combining and individual fund statements and schedules, and other information, such as schedules of future debt requirements on all outstanding long-term obligations.

MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it. The basic financial statements include the government-wide financial statements that present the City's entire operations, while the fund level statements present the financial information on each of the City's major funds, as well as nonmajor funds.

Lastly, the **statistical section** includes selected financial and demographic information, generally presented on a multi-year basis.

City Profile

Located on the southern border of Denver, Colorado's capital city, Englewood is approximately seven square miles and home to approximately 32,000 residents and 2,400 businesses. Due to easy access to two light rail train stations and the state and US highway systems, Englewood's location offers short and convenient commutes to other areas within the Denver Metro Area and the rocky mountain range. The City's mixed housing and retail environment encourages a pedestrian community. The City's economy is comprised of retail, industrial, manufacturing, healthcare and service sectors.

Englewood is said to have "small town" feel with the conveniences of big city amenities. Recreational opportunities abound in Englewood, including eleven parks, nine athletic fields, an award-winning recreation center, a golf course, and one of the most successful senior centers in the region. The Pirates Cove aquatic center offers a variety of family aquatic activities.

In addition to the recreational opportunities, the City provides a full range of services, including police (1 Station) and fire protection (3 Stations), emergency medical services, the construction and maintenance of streets and other infrastructure, library services and general government services. The City operates its own water treatment plant and distribution system, maintains a wastewater collection system and manages a jointly held regional wastewater treatment plant with the City of Littleton, a neighboring city to the south.

The City of Englewood is a municipal corporation with a Council-Manager form of government. Members of the seven member council are elected to staggered four year terms with term limits of three consecutive terms. The Mayor and Mayor Pro-Tem are selected from among the Council members. The City Council is responsible, among other things, for passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for overseeing the day-to-day operations of the City, and for appointing heads of the various departments.

The City of Englewood has several boards and commissions made up of council members, residents, local businesspeople, and others who are interested in their community. Members are interviewed and appointed by City Council, and provide guidance for many of Englewood's programs and projects.

The Englewood School District operates several educational facilities throughout the City - Early Childhood (2), Elementary (4), Middle Schools (2), High School (1) and Alternative High School (1).

Englewood residents have direct light rail access to two college campuses. To the south, Arapahoe Community College offers comprehensive courses leading to both the Associate of Arts and the Associates of Science degrees. To the north, the 37,000-student Auraria campus is home to three colleges: the University of Colorado at Denver, the Community College of Denver and Metropolitan State College of Denver. Other four year colleges/universities in the Denver Metro area include: University of Colorado-Boulder, Colorado State University (Fort Collins), University of Northern Colorado (Greeley), Colorado School of Mines (Golden), Regis University (Denver) and University of Denver.

As required by generally accepted accounting principles (GAAP), these financial statements present the City of Englewood (the primary government) and its component units. The component units, the Englewood Urban Renewal Authority (EURA), the Englewood Environmental Foundation, Inc. (EEF) and the Englewood McLellan Reservoir Foundation, Inc. (EMRF) are discretely reported in separate columns of the government-wide financial statements to emphasize that they are legally separate from the City. Each discretely presented component unit has a December 31 year-end. Separate financial statements are not prepared for EURA, EEF or the EMRF. Additional information on all three entities can be found throughout the notes to the financial statements.

The annual budget serves as the foundation for the City's financial planning and control. The City Manager must submit the proposed budget to City Council for review by September 15 of each year. The council must hold public hearings within three weeks after the proposed budget is submitted and a final budget must be prepared and adopted by December 1 of each year. The budget is prepared by fund (e.g., General Fund) and department (e.g., Public Works). Approval of the City Council is required for budget revisions, except that the City Manager may transfer any unencumbered appropriation from one expenditure classification to another for the same fund. In the General Fund, the City Manager may transfer the unencumbered appropriation balance from one expenditure classification to another only within departments.

Local Economy

Colorado The 2014 forecast is taken from the *2014 Colorado Business Economic Outlook* report prepared by the Business Research Division of the University of Colorado Leeds School of Business. The *2014 Colorado Business Economic Outlook* predicts that the Colorado unemployment rate is expected to drop to 6.4% in 2013 as job creation will continue to outpace the growth in the potential labor force. Colorado's unemployment rate is expected to continue to be below that of the nation.

Of the eleven major employment activities reported on, only the Information sector is projected to show a slight decrease in employment in 2014. Nonfarm employment is expected to increase 2.6% for a net gain of 61,300 jobs during 2014. The construction sector is expected to continue to lead the recovery with a projected gain of 9,000 jobs in 2014. Health care and education services are also projected to add jobs at a rate above the overall state average.

Colorado's abundance of renewable energy resources including wind, solar, hydroelectric, and biomass resources accounted for nearly 14% of the net power generation in 2011. Colorado is ranked 3rd nationally in overall alternative energy potential. Colorado's renewable energy standard of 30% potential renewable electricity by 2020 is one of the most aggressive in the nation.

Colorado's population forecast is for an increase 90,000, or 1.7%, for 2014. A gain of 1.7%, or 92,000, is forecast for 2015 bringing the total population to 5,456,000. Colorado is ranked as the 7th-fastest in percentage change behind North Dakota; Washington, DC; Texas; Wyoming; Utah; and Nevada. The state is 22nd in the nation for total population.

Colorado enjoyed a stronger recovery compared to most of the nation. GDP growth was 2.1% in Colorado which ranked 5th in the region, behind Texas, Utah, Arizona. Per capita personal income in Colorado grew 5.9% in 2011 and 3.6% in 2012, slightly exceeding the national average of 5.3% and 3.4%. Colorado continues to be an attractive destination for businesses and citizens due for a number of reasons including:

- Above average wages, unemployment rates below national averages and abundant recreational opportunities will continue to attract businesses and a skilled labor force.
- Colorado's population growth will remain above the national average for the near future.
- Advanced technology will continue to play an integral and evolving role in the state. A solid argument may be made that this is a good time to embark on new technologies in renewable energy as well as other natural resource related energy production.

Metro Denver The 2014 economic update for the Denver Metro Area is from the *2014 Focus Colorado: Economic and Revenue Forecast* report prepared by the Colorado Legislative Council (CLC). The CLC provides non-partisan economic research to the Colorado General Assembly. The report covers the fiscal year running from July 1, 2013 through June 30, 2014.

2013 brought Denver its fastest growth since the beginning in the recession in two key areas: employment and the number of nonresidential construction projects. Housing permits and retail trade also continued to grow, though at slower rates than in 2012.

The metro Denver region, which represents over half of the statewide labor force, will continue to see moderate employment gains. The metro Denver region's unemployment rate is 6.5% for 2013.

Gains were also seen in real estate and consumer spending. Construction of new homes in the Denver region continued to increase rapidly in 2013, as the number of housing permits issued grew 18.9% in Denver-Aurora and 22.5% in Boulder relative to 2012. Retail sales increased 4.8% during 2013. This rate is below the 2012 growth rate but above the pre-recession figures. Consumer spending will continue to fluctuate and be influenced by employment, economic factors and national policies.

Long-term Financial Planning

At the end of the year, *unassigned* fund balance for the general fund was $5,667,918, or 16.8% of total General Fund revenues. The 2014 General Fund budget is calling for a $1,207,787 deficit that will lower the percentage to an estimated 9.33% of 2014 budgeted revenues. Total 2014 general fund revenues, before transfers, are estimated at $39,670,000 or $1,230,000 less than 2013 actual revenues. Total 2014 general fund expenditures are budgeted at $42,127,000 or $2,001,000 more than the 2013 actual expenditures, a 4.9% increase.

The City is mature and landlocked; however, several development and redevelopment opportunities exist. These opportunities will influence the local economy and are a potential source of revenue for the City of Englewood.

Property owned by the Englewood/McLellan Reservoir Foundation (EMRF) is located adjacent to the four corners of the intersection of C470 and Lucent Boulevard. Any development of the site must protect the McLellan Reservoir water resources and quality. Development is underway in and around the site. The RTD has negotiated to locate a light rail station on the site as part of FasTracks. Douglas County supports a transit-oriented development at this location. Several tracts of land have been leased and are producing revenue for the City.

The Parks and Recreation Master Plan for the City of Englewood guides the future of the City as it relates to parks, trails, and recreation within the City.

The Plan defines Level of Service based on population and geography. Ideally, each citizen should be within one-half mile of a neighborhood park and 1.5 miles of a community park. A critical component of this plan is the identification of potential residential growth and development areas, and ensuring there are adequate neighborhood parks to serve them in the future. Neighborhood parks are the backbone of the community, while community parks are invaluable, citywide resources. The plan further defines the need for access, sizes, and amenities important to achieving desirable results from parks.

Recommendations of the Plan were formulated to address specific needs that arose from the planning process. Recommendations take shape in six essential forms: new parkland and amenities, major park redesigns, facility additions and enhancements, street crossing enhancements, new off-street trails, and key new on-street trail connections. Duncan Park is currently undergoing a major redesign and the Plan recommends enhancements to Cushing Park, Miller Field, Hosanna Athletic Complex, Centennial Park, and Belleview Park. Additionally, this Plan recommends numerous street crossing enhancements, off-street trails, and on-street trail connections throughout the city. Lastly, the Plan recommends phasing in a comprehensive irrigation system upgrade for all parks.

As with any plan, the effectiveness and success will be measured by the community's ability and willingness to implement the Plan. This Plan provides recommendations and directs actions for the near and more distant future. This Plan also offers specific considerations to help prioritize which projects should be implemented first. The Plan is intended to be flexible and fluid, so that as opportunities for land acquisition and park development become available, the City can immediately capitalize on these opportunities without being committed to a pre-determined project identified in a concrete prioritization system. This long-range planning proposed to establish a perpetual fund or "land bank" to strategically acquire parcels for park development that may become available in the future.

In addition to initial construction costs of any project that may be undertaken, the City would likely incur significant additional operating costs to staff, operate and maintain the new facilities.

Relevant Financial Policies

General Fund Balance

The unreserved/undesignated fund balance target for the General Fund is between 10% and 16% of total General Fund revenues or approximately one to two months of General Fund budgeted expenditures. If the unreserved/undesignated fund balance falls below the minimum target balance, additional sources of funds and/or reductions of uses of funds are identified to bring the balance to the desired level.

Long Term Asset Reserve (LTAR)

This General Fund reserve account accumulates 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 committed in this account may only be expended if appropriated in the annual budget or by supplemental appropriation.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Englewood for its comprehensive annual financial report for the fiscal year ended December 31, 2012. This was the thirtieth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.
This report would not have been possible without the efficient and dedicated service of the entire staff of the Department of Finance and Administrative Services. We wish to express our appreciation to all members of the Department who assisted and contributed to the preparation of this report. We would also like to thank the City's staff and members of City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Gary Sears

Gary Sears
City Manager

Frank Gryglewicz

Frank Gryglewicz
Director of Finance and Administrative Services

City of Englewood, Colorado
Principal Officials

Elected Officials

City Council

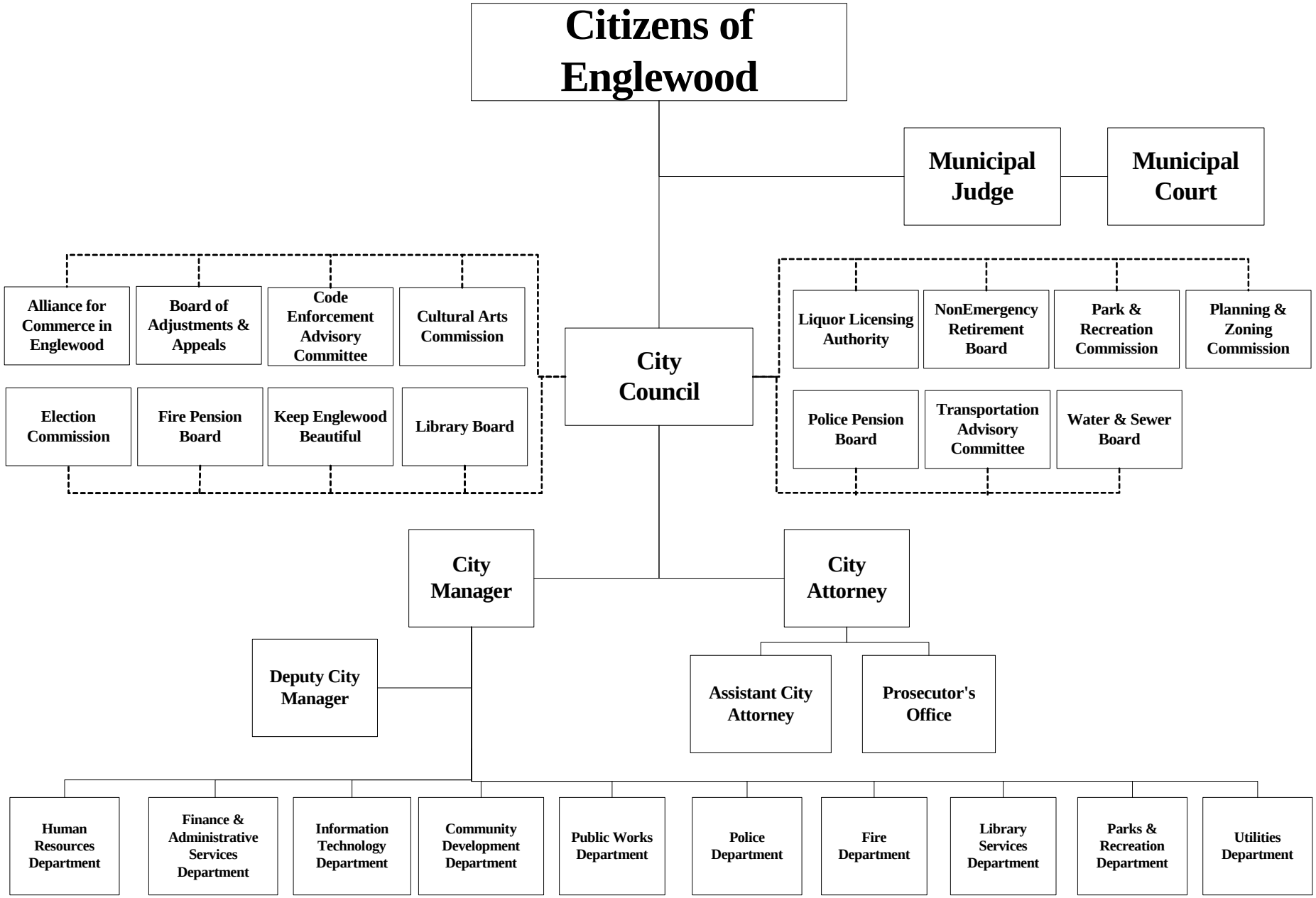
Mayor ..... Randy Penn, District 3
Mayor Pro Tem ..... Linda Olson, District 2
Council Member ..... Rick Gillit, District 4
Council Member ..... Joe Jefferson, District 1
Council Member ..... Bob McCaslin, At-Large
Council Member ..... Jill Wilson, At-Large
Council Member ..... Steven Yates, At-Large

Municipal Judge ..... Vincent Atencio

City Officials

City Manager ..... Gary Sears
Deputy City Manager ..... Michael Flaherty
City Attorney ..... Dan Brotzman
Community Development Director ..... Alan White
Finance and Administrative Services Director. ..... Frank Gryglewicz
Fire Chief ..... Andrew Marsh
Human Resources Director ..... Susan Eaton
Information Technology Director ..... Jeff Konishi
Library Services Director ..... Dorothy Hargrove
Municipal Court Administrator ..... Tamara Wolfe
Parks and Recreation Director ..... Jerrell Black
Police Chief ..... John Collins
Public Works Director. ..... Rick Kahm
Utilities Director ..... Stewart Fonda

Organization Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Englewood

Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

THIS PAGE LEFT BLANK INTENTIONALLY

Holscher, Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

City Council
City of Englewood
Englewood, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information and the budgetary comparison statement of the general fund of the City of Englewood, Colorado, as of and for the year ended December 31, 2013, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Englewood, Colorado, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows, thereof, and the budgetary comparison of the general fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the City of Englewood's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 10, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.

8310 South Valley Highway – Suite 300 Voice (303) 993 – 2199
Englewood, Colorado 80112 Fax (720) 633 – 9763

Other Matters

Required Supplementary Information – Management Discussion and Analysis, Schedules of Funding Progress and Schedules of Employer Contributions

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages 15-31, the schedules of funding progress of page 105, and the schedules of employer contributions on page 106 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Required Supplementary Information – Budgetary Comparison Schedules and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining and budgetary comparison statements and schedules on page 108-151 are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The letter of transmittal on pages 5-10 and the statistical information presented on pages 160-188 are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of future debt service requirements and *Local Highway Finance Report* on pages 153-158 are presented for purposes of debt and legal and compliance and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Holscher, Mayberry + Company, LLC

Englewood, Colorado
April 7, 2014

Management's Discussion and Analysis

As management of the City of Englewood, Colorado (the "City"), we offer readers of the City's Comprehensive Annual Financial Report (CAFR), this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of 2013 by $153.6 million ($64.9 million in governmental activity net position and $88.7 million in business-type activity net position). Of the governmental activities net position total, $13 million, or 20%, is unrestricted and may be used to meet the City's obligations to the public and creditors. Similarly, $4.1 million, or 4.7%, of business-type activity net position is unrestricted.
- The City's total net position increased by $3.5 million, or 2.3% compared to 2012. Net position of the City's governmental activities increased $2.5 million, or 4%. Net position of the business-type activities increased $980,000, or 1.1%, from 2012.
- The total cost of the City's programs decreased $2 million, or 2.1%, compared to 2012. The cost of governmental activities program expenses decreased $1.2 million to $45.4 million, and the cost of business-type activities decreased $830,000 or 3% from 2012, to $27.1 million.
- Total revenues, excluding special items and transfers, increased $2.3 million or 3.2%, compared to 2012. Governmental activities revenues increased $1.9 million, or 4.1%, to $48.5 million while revenues of business-type activities increased $422,000 or 1.6%, to $27.5 million compared to 2012.
- The City's governmental funds reported combined ending fund balances of $18.3 million, an increase of $2.6 million when compared to 2012. Of the combined ending governmental fund balances, approximately 72%, or $13.1 million is available for spending at the City's discretion subject to the City Council's approved policies (*committed, assigned and unassigned fund balances*).
- The General Fund reported a fund balance of $10.9 million as of December 31, 2013, of which $1.3 million is *restricted* for TABOR emergencies, $2.7 million is *committed* to Long Term Asset Reserve, $1.2 million is *assigned* to subsequent year budget requirements and $5.7 million is *unassigned*.
- In early 2014 the Standard and Poor's Rating agency upgraded the City's Certificates of Participation and General Obligation Water Bonds from A+ to AA. Several factors were cited including, strong budgetary performance leading to a healthy fund balance, low relative debt service requirements and a strong local economy.

Overview of the Financial Statements

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

Government-wide financial statements

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

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements 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*). The governmental activities of the City include general government, which consists of the City Council and the various Boards and Commissions, the City Attorney's Office, Municipal Court, the City Manager's Office, Community Development, Human Resources, Finance and Administrative Services and Information Technology. Governmental activities also include Police, Fire, Public Works and Culture and Recreation (including Library Services). The business-type activities of the City include the water, sewer, golf course, storm drainage, concrete utility and housing rehabilitation operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the Englewood Urban Renewal Authority (EURA), the Englewood Environmental Foundation, Inc. (EEF) and the Englewood McLellan Reservoir Foundation, Inc (EMRF). All three (known as *component units*) are legally separate entities for which the City is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains eleven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for six separate operations: Water, Sewer, Golf Course, Storm Drainage, Concrete Utility and Housing Rehabilitation. Internal service funds are an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for in-house printing, vehicle replacement and maintenance, and insurance costs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the six enterprise operations, all of which are considered major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* later in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information (RSI)* concerning the City's progress in funding its obligation to provide pension and other post employment benefits to employees.

The combining statements referred to earlier in connection with non-major governmental and proprietary funds as well as budget to actual schedules for all funds are presented immediately following the RSI.

Government-wide Financial Analysis

A. Analysis of Net position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities. At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the governmental and business-type activities. The same is true for the prior year.

Table 1 presents an analysis of the City's net position as of December 31. The City's assets exceeded liabilities by $153.6 million at the close of 2013. Governmental activities make up $64.9 million or (42%) of these assets, with business-type activities making up the remaining $88.7 million or (58%). Total net position increased by $3.4 million in 2013. The increase is comprised of the following:

- Total assets decreased by $1.8 million, or less than 1%, to $261 million.

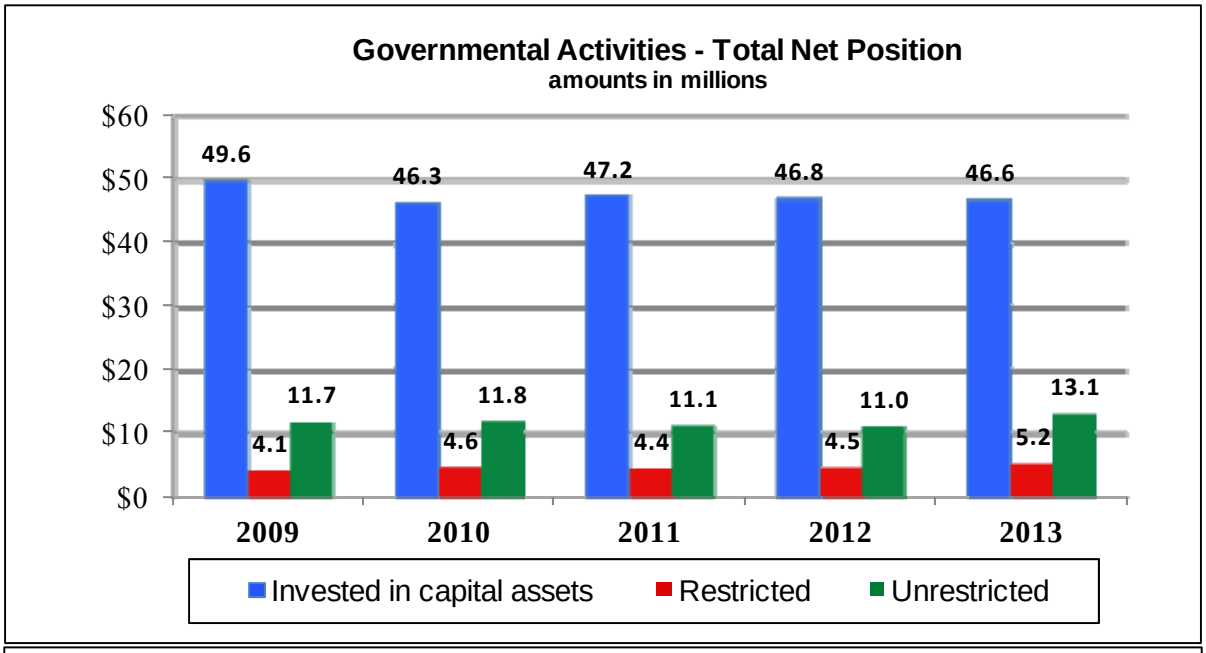
- Total liabilities also decreased by $5.5 million, or 5%, to $103.7 million. The decrease in liabilities is due primarily to regular debt service payments on the City's notes and bonds.

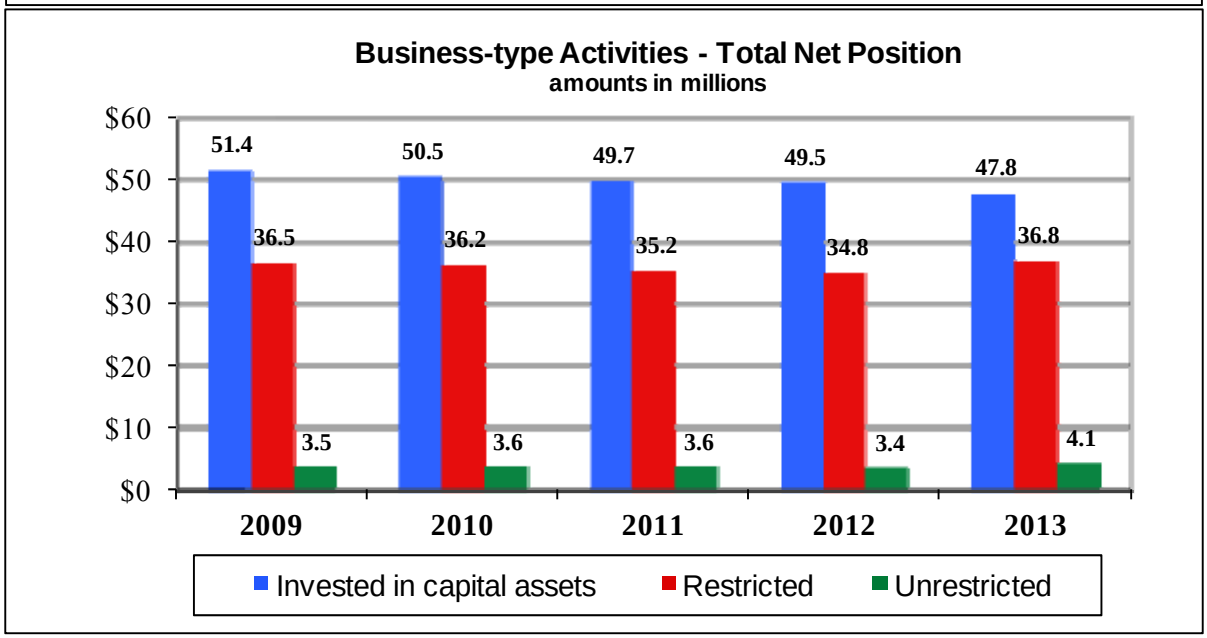
Table 1
City of Englewood
Summary of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
Assets						
Current and other assets	$ 29,604,866	$ 26,944,599	$ 94,282,561	$ 99,269,766	$ 123,887,427	$ 126,214,365
Capital assets	70,075,067	72,329,570	67,027,332	64,209,444	137,102,399	136,539,014
Total assets	99,679,933	99,274,169	161,309,893	163,479,210	260,989,826	262,753,379
Total deferred outflows of resources	198,406	236,630	116,934	133,321	315,340	369,951
Liabilities						
Long-term liabilities	26,598,508	28,555,024	61,164,095	65,342,817	87,762,603	93,897,841
Other liabilities	4,367,411	4,703,173	11,555,936	10,543,166	15,923,347	15,246,339
Total liabilities	30,965,919	33,258,197	72,720,031	75,885,983	103,685,950	109,144,180
Total deferred inflows of resources	4,047,000	3,879,753	-	-	4,047,000	3,879,753
Net Position						
Net investment in capital assets	46,622,318	46,838,945	47,756,893	49,479,564	94,379,211	96,318,509
Restricted	5,176,860	4,532,092	36,804,326	34,849,374	41,981,186	39,381,466
Unrestricted	13,066,242	11,001,812	4,145,577	3,397,610	17,211,819	14,399,422
Total net position	$ 64,865,420	$ 62,372,849	$ 88,706,796	$ 87,726,548	$ 153,572,216	$ 150,099,397

The largest portion of the City's assets (52.5%) reflects its investment of $137 million in capital assets (e.g., land, buildings, machinery and equipment). Net Capital assets are reported less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, $42 million (27.3%) represents resources that are subject to external restrictions on how they may be used. The net position of the utility funds: Water, Sewer, Storm Drainage and Concrete, are restricted by City Charter as to their use based on the purpose of their respective service fees. The remaining balance of unrestricted net position, $17.2 million (11.2%) may be used to meet the government's ongoing obligations to citizens and creditors. Of the $13.1 million of unrestricted net position attributed to governmental activities, $3.3 million represents the unrestricted net position of the City's internal service funds.





B. Analysis of Changes in Net position

As presented in Table 2, the City of Englewood's overall net position increased by $3.5 million during 2013. This increase is explained in the governmental and business-type activities discussion below.

<u>Governmental Activities</u>

Net position of governmental activities increased by $2.5 million during 2013.

Governmental revenues increased approximately $1.9 million or 4.1% compared to 2012. This increase is due primarily to increases in tax collections and building permits.

Governmental expenses decreased by approximately $1.2 million or 2.7% from 2012. This is due primarily to budgetary cost cutting measures.

Table 2

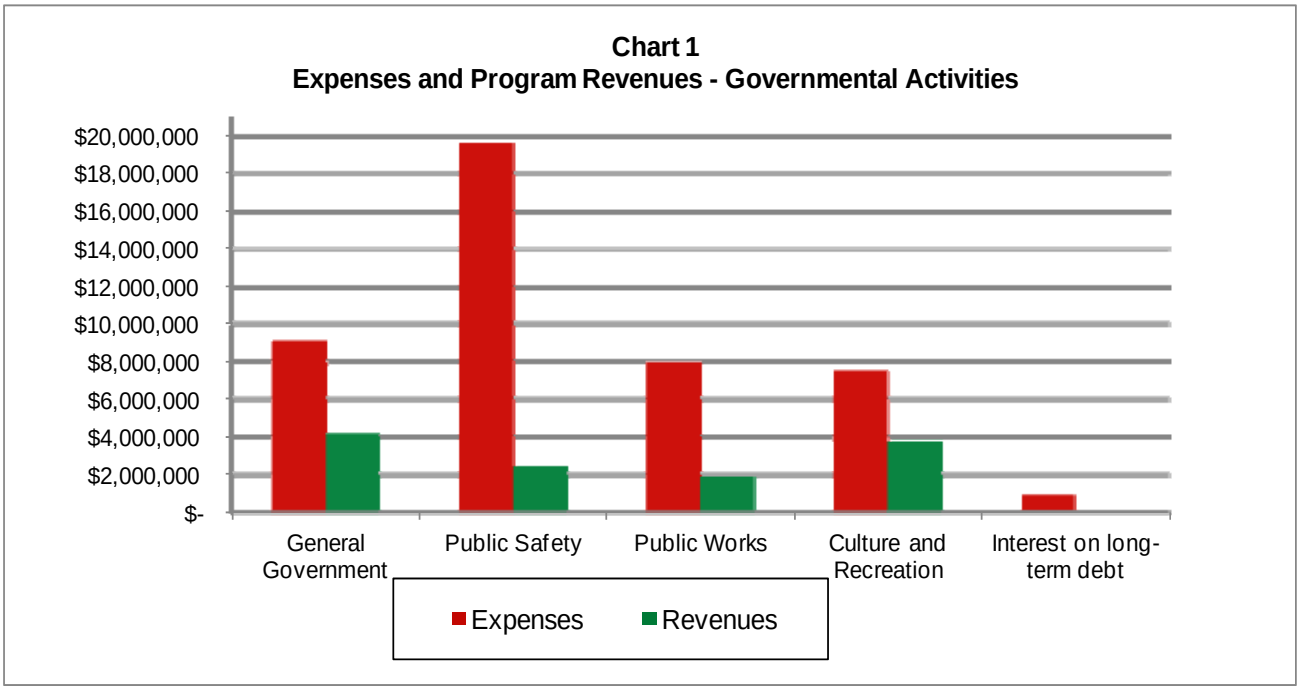
City of Englewood

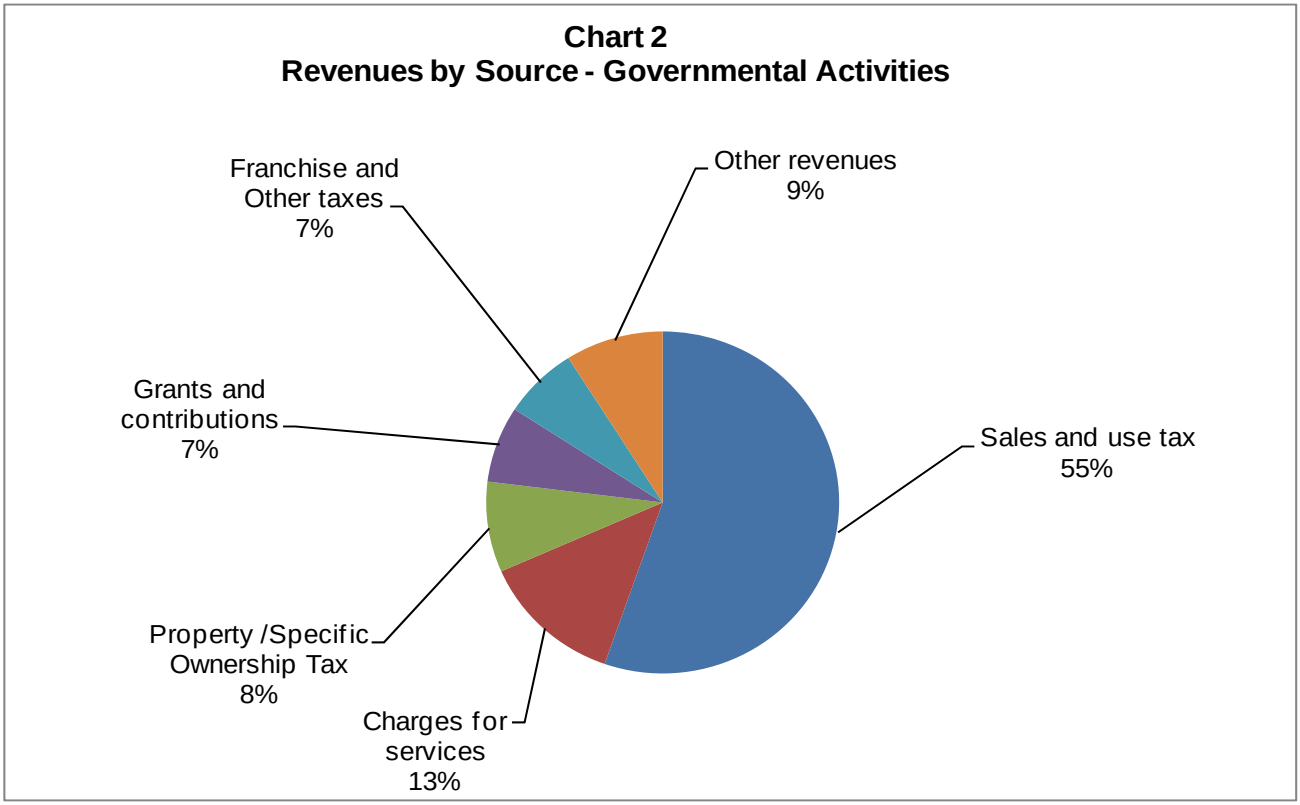
Summary of Changes in Net Position

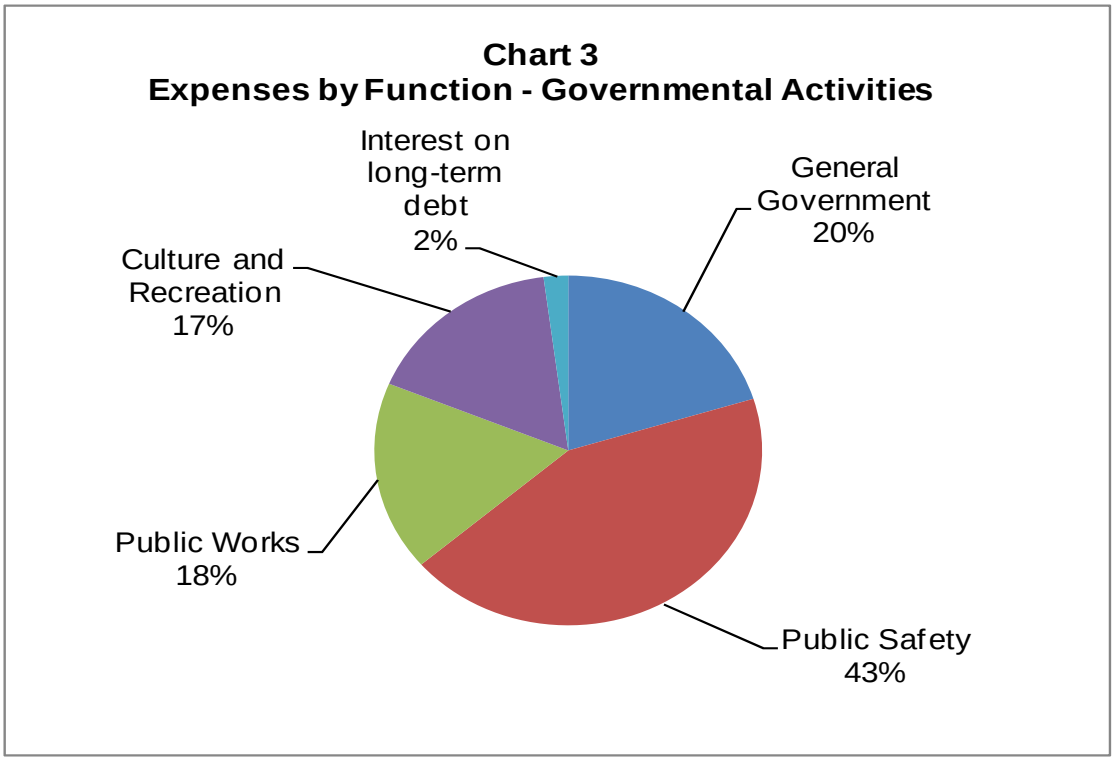
For Years Stated

	Governmental Activities		Business-type Activities		Total Primary Government	
Revenues	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Program revenues						
Permits, fees, fines and charges for services	$ 9,217,318	$ 8,853,418	$ 26,643,877	$ 26,089,475	$ 35,861,195	$ 34,942,893
Operating grants and contributions	2,829,006	3,386,614	360,112	590,338	3,189,118	3,976,952
Capital grants and contributions	65,030	69,815	525,143	426,831	590,173	496,646
General Revenues						
Taxes	34,136,103	31,573,167	-	-	34,136,103	31,573,167
Grants and contributions not restricted to specific programs	16,223	40,809	-	-	16,223	40,809
Investment earnings	(33,333)	163,573	-	-	(33,333)	163,573
Other	2,224,158	2,456,919	-	-	2,224,158	2,456,919
Total revenues	48,454,505	46,544,315	27,529,132	27,106,644	75,983,637	73,650,959
Expenses						
General government	9,104,172	9,498,751	-	-	9,104,172	9,498,751
Public Safety	19,529,393	19,597,424	-	-	19,529,393	19,597,424
Public works	7,893,742	8,130,782	-	-	7,893,742	8,130,782
Culture and recreation	7,530,317	8,033,063	-	-	7,530,317	8,033,063
Interest on long-term debt	918,447	960,650	-	-	918,447	960,650
Unallocated depreciation	436,088	436,088	-	-	436,088	436,088
Water	-	-	7,478,002	8,094,782	7,478,002	8,094,782
Sewer	-	-	16,137,479	16,283,665	16,137,479	16,283,665
Golf Course	-	-	2,176,212	2,182,690	2,176,212	2,182,690
Storm	-	-	271,351	294,241	271,351	294,241
Concrete	-	-	744,672	739,925	744,672	739,925
Housing rehabilitation	-	-	290,943	333,467	290,943	333,467
Total expenses	45,412,159	46,656,758	27,098,659	27,928,770	72,510,818	74,585,528
Increase (decrease) in Net Position before special items and transfers	3,042,346	(112,443)	430,473	(822,126)	3,472,819	(934,569)
Transfers	(549,775)	131,805	549,775	(131,805)	-	-
Change in Net Position	2,492,571	19,362	980,248	(953,931)	3,472,819	(934,569)
Net Position - beginning	62,372,849	62,353,487	87,726,548	88,680,479	150,099,397	151,033,966
Net Position - ending	$ 64,865,420	$ 62,372,849	$ 88,706,796	$ 87,726,548	$ 153,572,216	$ 150,099,397

The following graphs provide visual representations of the expenses and revenues for governmental activities for 2013.







Business-type Activities

Overall the Business-type activities increased the total net position of the City by $1 million.

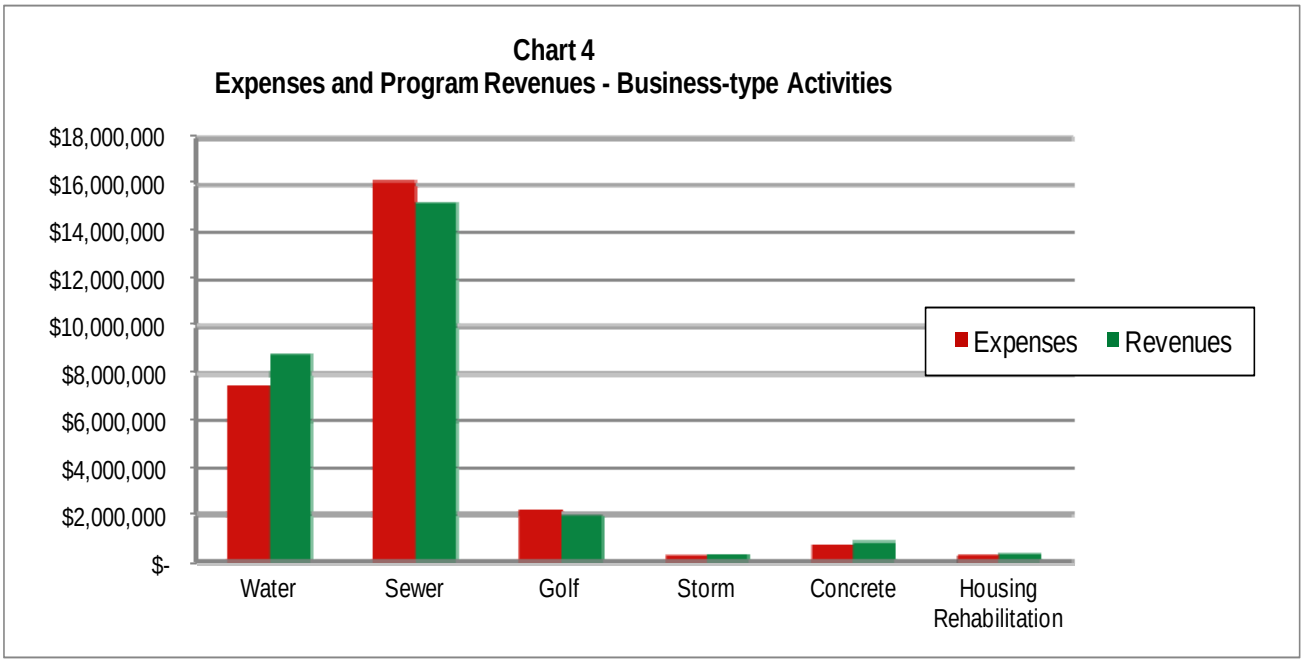
The water fund experienced an increase in net position of $1.3 million compared to an increase of $960,000 in 2012. Water rates were last increased 7% on January 1, 2011. An increase in charges for services and only a modest increase in operating expenses left the fund with a net operating income of $1.6 million. This, along with earnings on investments and other income covered the interest on long-term debt of $630,000.

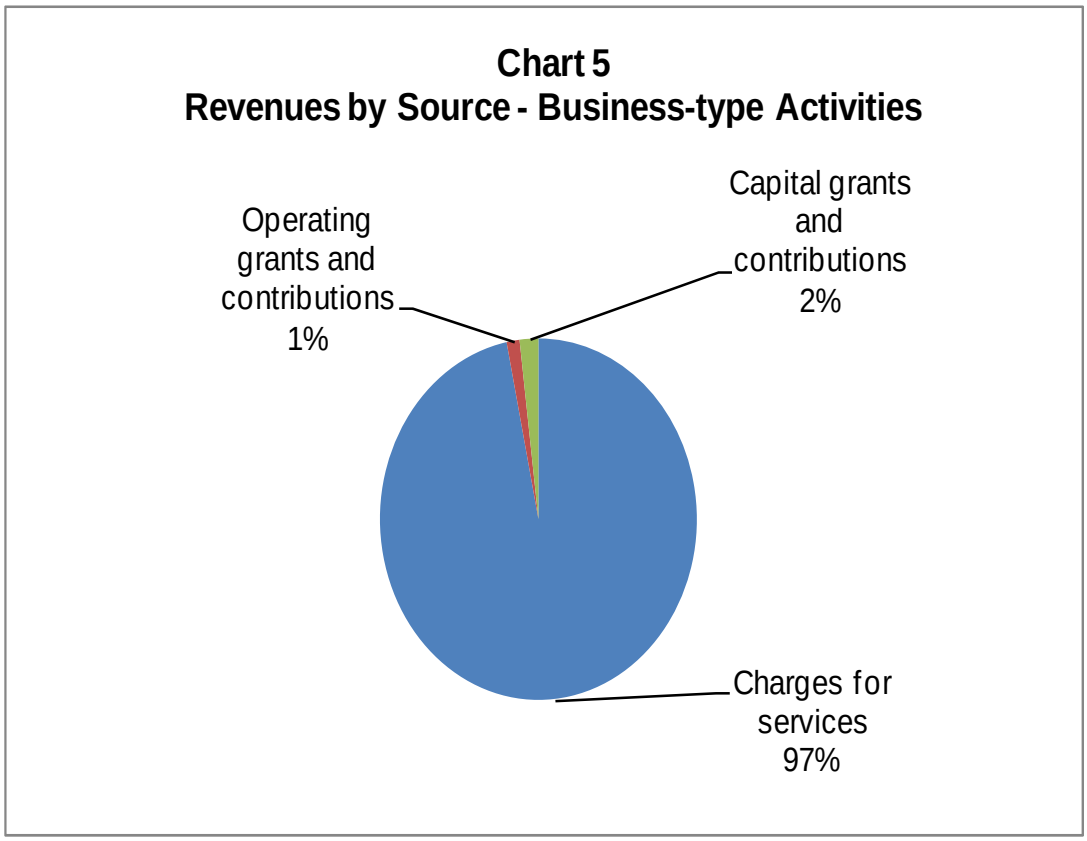
The sewer fund saw a decrease in net position of $1 million compared to a decrease of $1.6 million in 2012. Net position will continue to decrease in future years as the City's portion of depreciation on the recent treatment plant expansion is passed through to the Sewer Fund. The fund experienced income from operations of $4.4 million in 2013 compared to an operating income of $3.6 million in 2012. Sewer rate increases of 4% per year have been approved for each of the next two years (2014-2015). The rate increases are designed to provide additional resources to meet debt service requirements, and capital improvements, and to fund ongoing operations and maintenance requirements. The 2004 sewer fund loans issued by the Colorado Water Resource and Power Development Agency were refinanced in 2013 and will save the fund approximately $2.1 million in financing fees over the remaining life of the loans which have a final payment date of 2025.

The golf course fund experienced a decrease in net position of $228,000 compared to a decrease of $38,000 in 2012. Worse weather conditions in 2013 were responsible for the decrease in revenues.

The storm drainage, concrete utility and the housing rehab funds all had insignificant changes in net position when compared to 2012.

The following graphs provide visual representations of the expenses and revenues for business-type activities for 2013.





Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

A. Governmental funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. This information is necessary to assess the City's financing requirements. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

At December 31, 2013, the City's governmental funds reported combined ending fund balances of $18,300,000, an increase of $2,633,000, or 16.8%, compared to 2012. $13,116,000 (71.6%) constitutes *committed, assigned and unassigned balances*, which are available for spending at the City's discretion. Of the *committed* fund balance, $2,619,000 is for the Long Term Asset Reserve (LTAR) fund. The remainder of fund balance is *restricted* for the following purposes:

Restricted for parks and recreation	$3,661,000
Restricted for law enforcement	150,000
Restricted for debt service	25,000
Restricted for TABOR emergency	1,340,000

The General Fund is the primary operating fund of the City. At the end of 2013, *unassigned* fund balance of the General Fund was $5,668,000 while total fund balance was $10,914,000. As a measure of the General Fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and total fund balance to total fund expenditures. *Assigned* and *unassigned* fund balances represent 17.13% of total General Fund expenditures, up from 12.3% in 2012, while total fund balance represents 27.2% of that same amount (up from 22.5% in 2012).

The total fund balance of the City's General Fund increased by $1,843,000 during 2013. Revenues increase by approximately 2.6% and expenditures decrease slightly. Key factors are as follows:

- Sales and use tax collections increased 4.9% or $1,070,000 compared to 2012 due to recovering economic conditions.

- Expenditures were held slightly below 2012 levels through continuing city-wide cost cutting measures.

- The General Fund had excess *revenues* over expenditures amounting to $776,000, prior to transfers. Net transfers amounting to $1,066,000 were made to the General Fund in 2013.

The following schedule summarizes General Fund operations for the last five years:

Revenues	2009	2010	2011	2012	2013	5 year change
Taxes						
Property	$ 2,971,303	$ 3,020,884	$ 2,994,213	$ 2,874,816	$ 2,900,715	$ (70,588)
Specific ownership	276,414	263,434	246,062	243,293	266,881	(9,533)
Sales and use	20,624,659	20,866,515	21,737,110	22,363,618	23,433,775	2,809,116
Franchise	2,452,611	2,620,191	2,631,393	2,930,888	3,101,310	648,699
Cigarette	218,449	196,320	190,762	189,618	195,088	(23,361)
Hotel/motel	9,140	8,806	9,820	10,395	12,039	2,899
Subtotal taxes	26,552,576	26,976,150	27,809,360	28,612,628	29,909,808	3,357,232
Intergovernmental	1,319,282	1,465,970	1,724,807	1,865,722	1,488,204	168,922
Charges for Services	3,185,443	3,254,830	3,384,317	3,441,525	3,470,894	285,451
Recreation	2,315,598	2,489,781	2,635,221	2,615,642	2,420,443	104,845
Net Investment Income	230,000	100,545	91,034	84,046	(10,223)	(240,223)
Licenses and Permits	588,328	695,563	778,536	983,359	1,446,578	858,250
Fines and Forfeitures	1,639,678	1,437,957	1,284,759	1,381,453	1,317,707	(321,971)
Contributions from (to) component units	(188,163)	105,125	425,159	551,295	573,526	761,689
Other	635,982	293,658	173,382	354,130	284,882	(351,100)
Total Revenues	36,278,724	36,819,579	38,306,575	39,889,800	40,901,819	4,623,095
Expenditures						
General Government	7,532,196	7,068,723	7,215,089	7,286,228	7,079,062	(453,134)
Fire Services	7,320,268	7,425,903	7,666,842	8,100,554	8,002,677	682,409
Police Services	10,183,890	10,312,633	10,395,238	10,788,935	11,226,157	1,042,267
Public Works	5,152,891	5,137,364	5,259,876	5,202,903	5,234,383	81,492
Culture & Recreation	7,003,522	7,095,892	6,862,760	6,830,017	6,577,255	(426,267)
Debt Service	1,805,208	1,860,827	2,096,463	2,056,951	2,005,830	200,622
Total Expenditures	38,997,975	38,901,342	39,496,268	40,265,588	40,125,364	1,127,389
Excess Revenues Over (Under) Expenditures	(2,719,251)	(2,081,763)	(1,189,693)	(375,788)	776,455	
Other Financing Sources (Uses)						
Transfers In	1,028,456	2,091,485	1,813,945	1,968,242	1,139,574	
Transfers Out	(177,011)	(750,000)	(301,246)	(1,339,329)	(73,006)	
Total Other Financing Sources (Uses)	851,445	1,341,485	1,512,699	628,913	1,066,568	
Total Revenues and Other Financing Sources Over (Under) Total Expenditures and Other Financing Uses	(1,867,806)	(740,278)	323,006	253,125	1,843,023	
Fund Balances - Beginning	11,102,763	9,234,957	8,494,679	8,817,685	9,070,810	
Fund Balances - Ending	$ 9,234,957	$ 8,494,679	$ 8,817,685	$ 9,070,810	$ 10,913,833	
Restricted Fund Balance	$ 1,209,200	$ 1,150,000	$ 1,150,000	$ 1,200,000	$ 1,340,000	
Committed Fund Balance	3,131,979	2,429,032	2,705,161	2,917,887	2,698,128	
Assigned Fund Balance	239,543	487,204	523,053	920,353	1,207,787	
Unassigned Fund Balance	4,654,235	4,428,443	4,439,471	4,032,570	5,667,918	
Total Fund Balance	$ 9,234,957	$ 8,494,679	$ 8,817,685	$ 9,070,810	$ 10,913,833	
Assigned/Unassigned Fund Balance as a Percentage of Revenues	13.49%	13.35%	12.95%	12.42%	16.81%	
Assigned/Unassigned Fund Balance a Percentage of Expenditures	12.55%	12.64%	12.56%	12.30%	17.14%	
Total Fund Balance as a Percentage of Revenues	25.46%	23.07%	23.02%	22.74%	26.68%	
Total Fund Balance as a Percentage of Expenditures	23.68%	21.84%	22.33%	22.53%	27.20%	

The original 2013 expenditure budget adopted in October of 2012 for the General Fund was $40,949,793. Supplemental appropriations of $390,000 were made during 2013 and consisted primarily of the following:

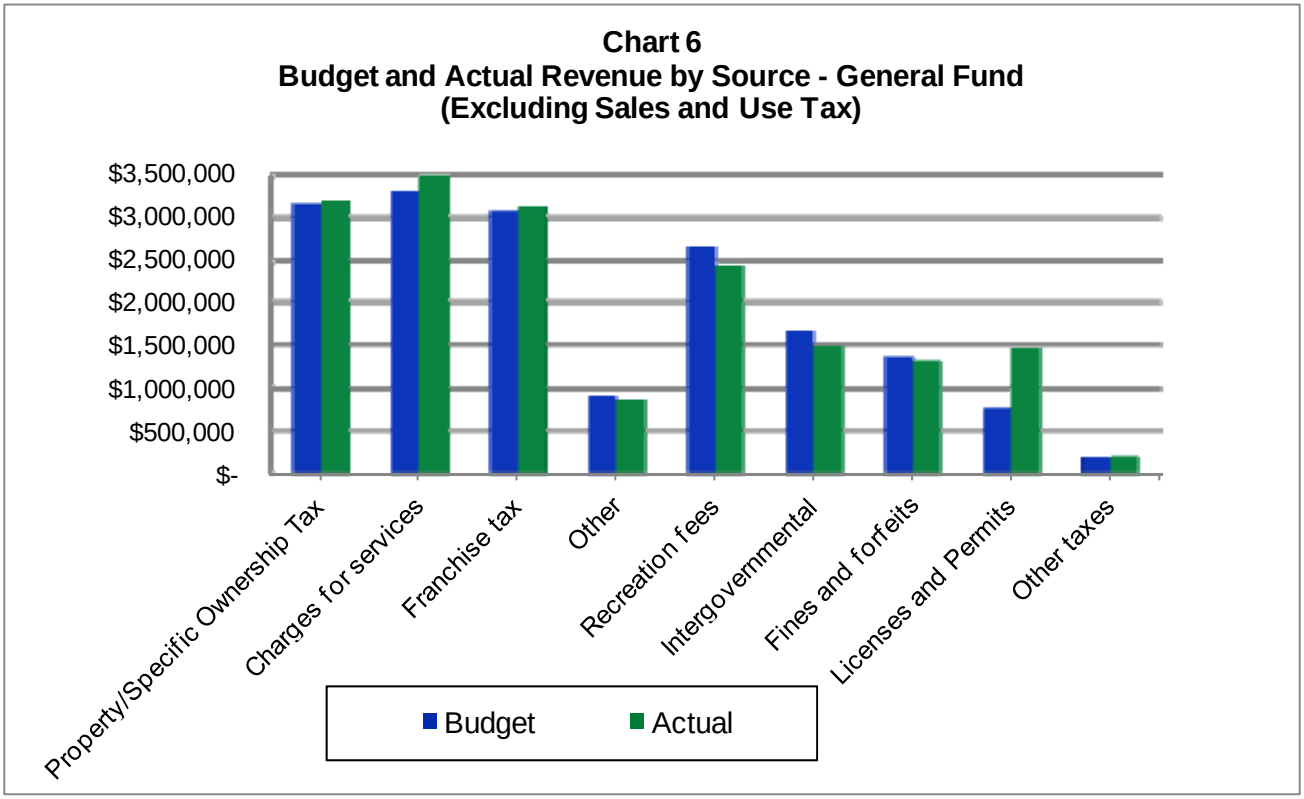
- $271,000 for expenditures relating to various police department grants-fully offset by grant revenues
- $120,000 for the Fire Department Budget-overtime and professional service costs were higher than anticipated- spending was offset by higher Building Division revenues

Actual expenditures were $1,375,000 less than the final amended budget amount, a 3.3% variance. This is primarily due to cost cutting measures implemented throughout the City during 2013.

Actual revenues were $1,582,000 more than the final amended budget amount, a 4% variance. Variances were seen in the following areas:

- Collected $1,100,000 more in sales and use tax revenues than was budgeted due mainly to improving economic conditions
- Collected $616,000 more for building permits than was budgeted due to construction activity

Charts 6 and 7 illustrate the Budget and Actual Revenue and Expenditures for the General Fund.



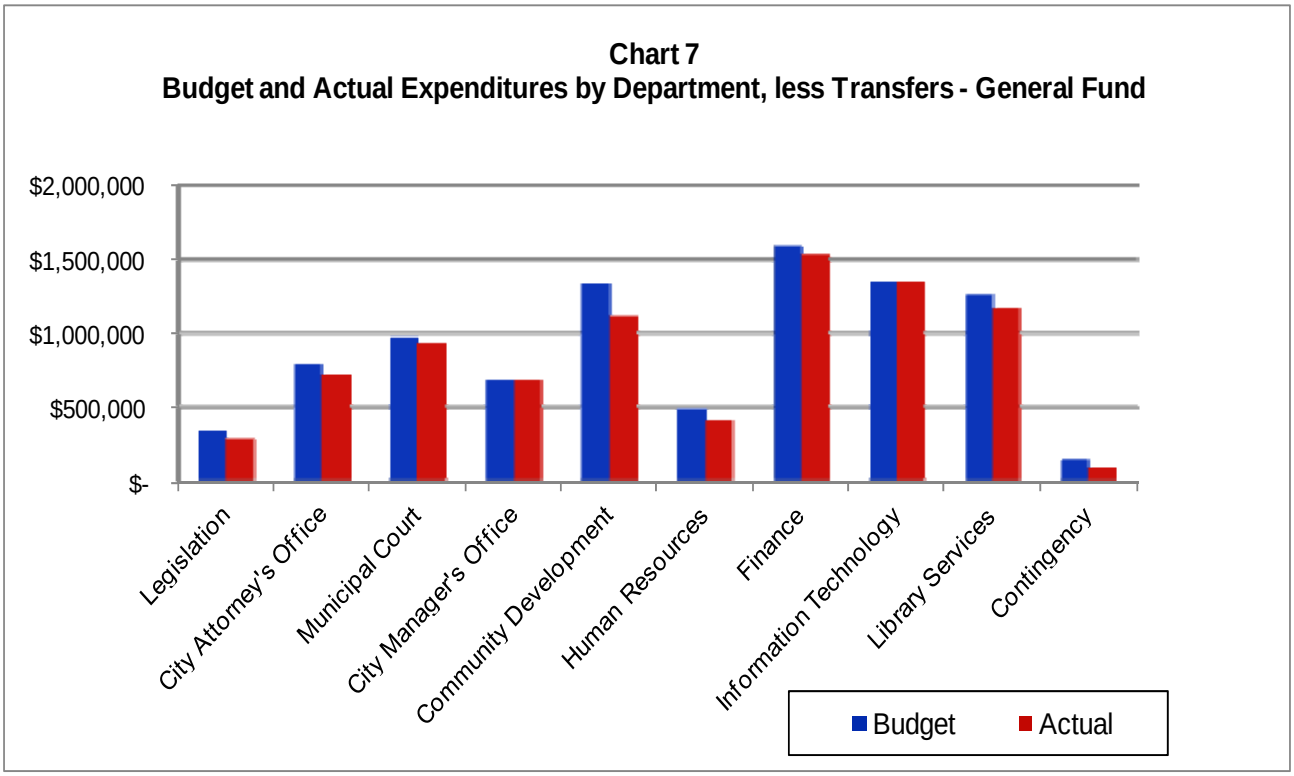


Chart 7
Budget and Actual Expenditures by Department, less Transfers - General Fund
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
Legislation
City Attorney's Office
Municipal Court
City Manager's Office
Community Development
Human Resources
Finance
Information Technology
Library Services
Contingency
Budget
Actual

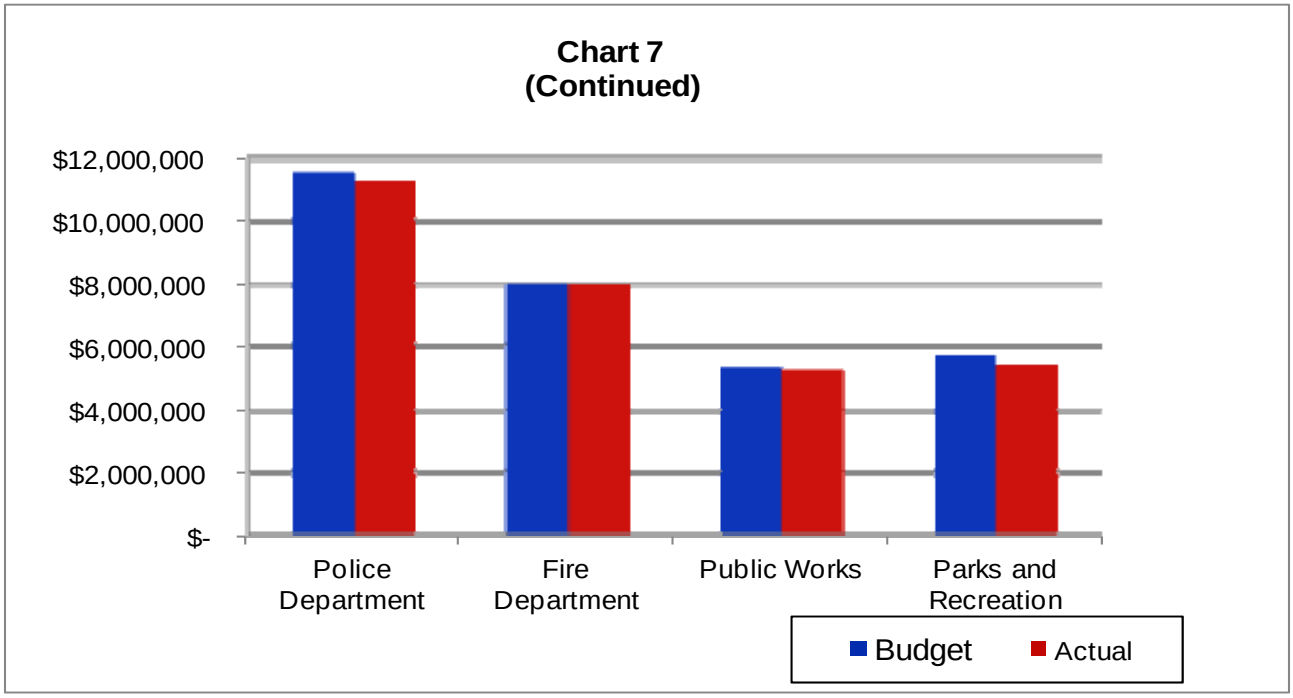
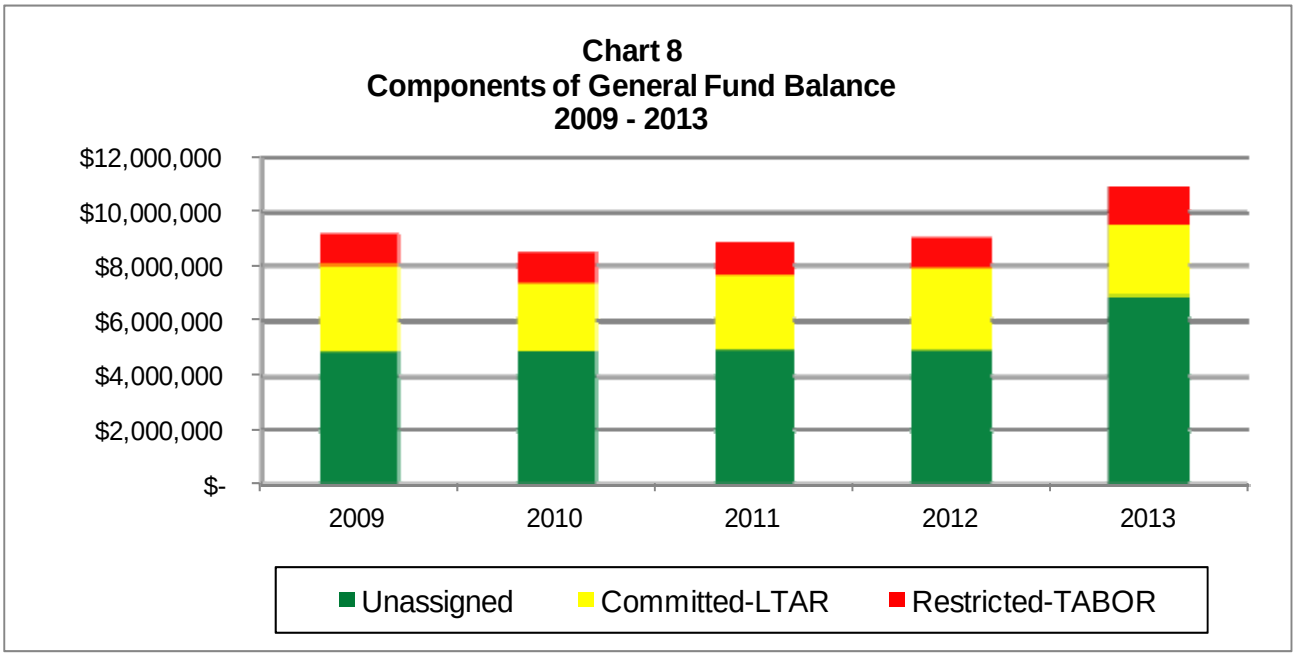


Chart 7
(Continued)
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
Police Department
Fire Department
Public Works
Parks and Recreation
Budget
Actual



Fund Balance represents the accumulated excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses, and therefore reflects cumulative results over time. Total Fund Balance consists of *restricted*, *committed* and *unassigned* portions. Only the *committed* and *unassigned* portions are available to finance future operations.

B. Proprietary funds. The City's proprietary funds provide the same type of information in the government-wide financial statements, but in more detail.

Net position of the enterprise operations at December 31, 2013 follow:

	Net Position	Change in Net Position
Water	$ 32,044,917	$ 1,293,282
Sewer	25,095,842	(1,022,580)
Golf	13,374,363	(228,803)
Storm drainage	2,135,146	61,366
Concrete utility	11,963,504	115,881
Housing rehabilitation	3,661,055	614,921
Total net position	$ 88,274,827	$ 834,067

Other factors concerning the finances of the enterprise funds have already been addressed in the discussion of the City's business-type activities.

Capital Assets and Debt Administration

A. Capital assets

As can be seen from the table below, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2013 amounts to $137.1 million (net of accumulated depreciation). This investment in capital assets includes land, plant, buildings, improvements, machinery and equipment, roads and bridges. The total increase in capital assets for the current year was $500,000, or .7%. Net capital assets of governmental activities decreased approximately $2.2 million while business-type activities increased by $2.7 million.

Major capital asset activity during 2013 included the following:

Governmental Activities:

- $900,000 million in new equipment and machinery was offset by $3.1 million of depreciation on existing assets

Business-type Activities

- $534,000 in new concrete sidewalks and alley pans were installed in the City.
- $4,850,000 was spent on the new UV treatment process in the Water Department

The following tables provide comparative information on the City's capital assets for 2013 and 2012:

Capital Assets at Year-end
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Land and improvements	$ 16,083,111	$ 16,059,231	$ 11,522,825	$ 11,522,825	$ 27,605,936	$ 27,582,056
Raw water	-	-	6,451,002	6,451,002	6,451,002	6,451,002
Works of art	203,750	203,750	-	-	203,750	203,750
Buildings	26,079,266	26,825,794	20,449,167	16,286,926	46,528,433	43,112,720
Infrastructure	18,003,909	18,818,085	11,647,889	11,494,640	29,651,798	30,312,725
Distribution and collection systems	-	-	12,064,407	12,504,411	12,064,407	12,504,411
Machinery and equipment	5,735,794	5,932,019	1,118,986	1,091,087	6,854,780	7,023,106
Improvements other than buildings	3,310,565	4,012,041	3,731,691	3,973,315	7,042,256	7,985,356
Construction in process	658,672	478,650	41,365	885,237	700,037	1,363,887
Total capital assets	$ 70,075,067	$ 72,329,570	$ 67,027,332	$ 64,209,443	$ 137,102,399	$ 136,539,013

Additional information on capital assets can be found in the notes to the financial statements (Note 3C).

B. Debt Administration

The City's bond ratings carry investment grade ratings as follows:

Bond Issue	Standard & Poors	Moody's
General Obligation	AA+	A2
COPs *	AA	A3
General Obligation Water *	AA+	Aa3
Golf Course Enterprise	Not requested	Not requested
Storm Water Enterprise	Not requested	Not requested

* Ratings were upgraded by Standard and Poors in early 2014

City Charter limits the amount of general obligation debt the City may issue to 3% of its *actual* total valuation. The current debt limitation for the City is $94,988,227, which is significantly in excess of the City's actual outstanding general obligation debt that is subject to this limitation of $9,148,964.

At the end of 2013, the City had total long-term debt of $87,762,603 as follows:

Outstanding Debt, at Year-end

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
General obligation bonds	$ 8,855,000	$ 9,530,000	$ 11,330,000	$ 11,480,000	$ 20,185,000	$ 21,010,000
Revenue bonds	-	-	3,350,000	3,445,000	3,350,000	3,445,000
Capital leases	14,341,549	15,689,292	-	-	14,341,549	15,689,292
Premiums	454,606	507,963	657,208	857,761	1,111,814	1,365,724
Notes payable	-	-	45,344,617	49,077,618	45,344,617	49,077,618
Net OPEB Obligation	343,580	252,570	119,306	100,414	462,886	352,984
Compensated absences	2,603,773	2,487,467	362,964	382,024	2,966,737	2,869,491
Total outstanding debt	$ 26,598,508	$ 28,467,292	$ 61,164,095	$ 65,342,817	$ 87,762,603	$ 93,810,109

Additional information on the City's long-term obligations can be found in the notes to the financial statements (Note 3E and 3F).

Next Year's Budgets and Rates

The **2014 Budget** is essentially "status quo." In other words, staffing and service levels are maintained as close to 2013 levels as possible while allowing for slight salary increases and inflationary adjustments for fuel and energy.

The following were the general guidelines for the 2014 Budget:

- Salary increases are based on union contracts, market surveys and performance reviews.
- Health, dental, and other insurance premiums were negotiated and provided by Human Resources. Increasing health care and insurance costs continue to play a major role in budgeting decisions.
- Required pension contributions were determined by applicable actuarial studies (defined benefit) or pre-determined contribution levels (defined contribution).
- The increase for commodities, contractual, and capital expenditures was held as close as possible to 2013 levels.
- Capital items were submitted separately, ranked by relative importance and included in the Multiple Year Capital Plan (MYCP).

The 2014 Budget identifies on-going challenges for the City. The 2014 Budget projects an imbalance between revenues and expenditures that negatively influences the fund balance. This is a concern for future years as forecasts project deficits due to expenditures growing faster than revenues. The proposed General Fund unassigned fund balance for 2014 is projected at 9.33% of projected revenues.

Estimated Revenues
Before interfund transfers, total General Fund revenues are projected at $39,670,000 for 2014; this is little changed from the 2013 revenue budget of $39,051,000. Sales and use tax revenues, which comprised approximately 52% of General Fund revenues in 2013, are estimated at $22,883,000 for 2014, a 2% increase. The sales and use tax estimate is based on historical collections data as well as information from the Community Development Department regarding new businesses anticipated to open or existing businesses expected close in 2013 and in 2014.

Expenditure Appropriations
With 2014 revenues projected at $39,670,000 and proposed expenditures of $42,127,000, the unfavorable variance between revenues and expenditures is projected to be $2.4 million.

Net Transfers No Transfer-Out from the General Fund is anticipated for 2014. The Transfer-In to the General Fund is estimated at $1,248,000. After taking into account these net transfers to the General Fund, the projected operating deficit for 2014 is $1,208,000.

Salary and wages for all City department budgets are based on the City's performance and market pay philosophy along with negotiations between the City and its three employee unions. The City's cost to provide healthcare insurance coverage to eligible employees is expected to increase in 2014. Excluding personnel, fuel and energy costs, minimal increases are proposed for all other operating and maintenance costs for 2014.

As noted above in the discussion of Business-type activities, sewer rates are increasing in the coming years to deal with increasing costs of operations as well as to fund capital investment in the system.

In the event of General Fund shortfalls in revenues or unanticipated expenditures over the next year and for the next several years, City management and City Council will need to closely monitor expenditures and revenues to maintain the goal of a 10% unassigned fund balance compared to total revenue. Looking to 2014 and beyond, the City will be actively looking for ways to reduce operating expenditures and identify new sources of revenues. While this will not be an easy task, it does provide the City with opportunities to develop and utilize new long-term revenue sources and, perhaps, find new ways to deliver services to our citizens. Collectively, it is believed that the City will be able to meet the financial challenges of the future.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. This report and additional financial information is also available on the City's website at www.englewoodgov.org. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Finance and Administrative Services, 1000 Englewood Parkway, Englewood, Colorado, 80110-2373.

THIS PAGE LEFT BLANK INTENTIONALLY

BASIC FINANCIAL STATEMENTS

CITY OF ENGLEWOOD, COLORADO

Statement of Net Position
December 31, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	$ 21,211,204	$ 21,515,575	$ 42,726,779
Receivables:			
Property taxes	4,030,000	-	4,030,000
Sales and use taxes	3,303,500	-	3,303,500
Interest	49,206	51,918	101,124
Accounts	225,101	4,050,060	4,275,161
Assessments	15,639	-	15,639
Intergovernmental	870,430	-	870,430
Other	-	359,441	359,441
Internal balances	(431,969)	431,969	-
Inventories	200,639	798,135	998,774
Other assets	131,116	-	131,116
Equity in joint venture	-	59,027,125	59,027,125
Restricted assets - cash and investments	-	4,863,246	4,863,246
Noncurrent receivables	-	3,185,091	3,185,091
Lease receivable	-	-	-
Capital assets not being depreciated	16,945,533	18,015,192	34,960,725
Capital assets, net of accumulated depreciation	53,129,534	49,012,140	102,141,674
Total assets	99,679,933	161,309,892	260,989,825
Deferred Outflows of Resources			
Deferred charge on refunding	198,406	116,934	315,340
Liabilities			
Accounts payable	800,064	432,208	1,232,272
Accrued payroll and related liabilities	1,171,989	184,648	1,356,637
Unearned revenue	1,450,000	7,788,551	9,238,551
Other liabilities	149,178	2,244,372	2,393,550
Accrued interest payable	89,266	906,156	995,422
Liabilities payable from restricted assets	706,914	-	706,914
Noncurrent liabilities:			
Due within one year	3,443,941	4,165,911	7,609,852
Due in more than one year	23,154,567	56,998,184	80,152,751
Total liabilities	30,965,919	72,720,030	103,685,949
Deferred Inflows of Resources			
Deferred revenue-property tax	4,047,000	-	4,047,000
Net Position			
Net investment in capital assets	46,622,318	47,756,893	94,379,211
Restricted for:			
Capital projects	-	1,044,974	1,044,974
Debt service	25,413	318,272	343,685
Parks and recreation	3,661,118	-	3,661,118
Law enforcement	150,329	-	150,329
TABOR emergencies	1,340,000	-	1,340,000
Water system	-	10,803,612	10,803,612
Sewer system	-	23,383,512	23,383,512
Storm drainage system	-	933,893	933,893
Concrete system	-	320,062	320,062
Unrestricted	13,066,242	4,145,578	17,211,820
Total net position	$ 64,865,420	$ 88,706,796	$ 153,572,216

The notes to the financial statements are an integral part of this statement.

Component Units		
EURA	EEF	EMRF
$ 18,863	$ 826,710	$ 17,764
-	-	-
-	-	-
47	119,251	15
-	-	15,000
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	92,774	7,855
-	-	-
-	-	-
-	-	-
-	12,555,000	-
516,995	8,496,257	5,706,166
-	6,550,280	-
535,905	28,640,272	5,746,800
-	-	-
819	79,073	10,000
-	-	-
-	-	-
-	-	-
-	46,422	-
-	-	-
-	1,025,000	-
-	11,530,000	-
819	12,680,495	10,000
-	-	-
516,995	15,046,537	5,706,166
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
18,091	913,240	30,634
$ 535,086	$ 15,959,777	$ 5,736,800

CITY OF ENGLEWOOD, COLORADO

Statement of Activities
For the Year Ended December 31, 2013

		Program Revenues		
Function/Program Activities	Expenses	Permits, Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental Activities:				
General government	$ 9,104,172	$ 4,109,380	$ 27,450	$ -
Public safety	19,529,393	2,016,060	383,943	38,925
Public works	7,893,742	560,422	1,244,722	26,105
Culture and recreation	7,530,317	2,531,456	1,172,891	-
Interest and fiscal charges	918,447	-	-	-
Unallocated depreciation	436,088	-	-	-
Total governmental activities	45,412,159	9,217,318	2,829,006	65,030
Business-type Activities:				
Water	7,478,002	8,458,786	162,204	187,280
Sewer	16,137,479	14,801,851	79,051	337,863
Golf	2,176,212	1,950,665	530	-
Storm	271,351	317,935	16,078	-
Concrete	744,672	859,754	1,046	-
Housing Rehabilitation	290,943	254,886	101,203	-
Total business-type activities	27,098,659	26,643,877	360,112	525,143
Total primary government	$ 72,510,818	$ 35,861,195	$ 3,189,118	$ 590,173
Component Units:				
EURA	$ 5,989	$ -	$ -	$ -
EEF	2,650,857	1,391,102	-	572,531
EMRF	665,097	687,437	-	-
Total component units	$ 3,321,943	$ 2,078,539	$ -	$ 572,531

General revenues:
Property taxes
Sales and use taxes
Franchise tax and other taxes
Unrestricted investment earnings
Unrestricted grants and contributions
Miscellaneous
Transfers, net
Total general revenues
Change in net position
Net position - beginning
Net position - ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenues and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	EURA	EEF	EMRF
$ (4,967,342)		$ (4,967,342)			
(17,090,465)		(17,090,465)			
(6,062,493)		(6,062,493)			
(3,825,970)		(3,825,970)			
(918,447)		(918,447)			
(436,088)		(436,088)			
(33,300,805)		(33,300,805)			
-	$ 1,330,268	1,330,268			
-	(918,714)	(918,714)			
-	(225,017)	(225,017)			
-	62,662	62,662			
-	116,128	116,128			
-	65,146	65,146			
-	430,473	430,473			
(33,300,805)	430,473	(32,870,332)			
			$ (5,989)	$ -	$ -
			-	(687,224)	-
			-	-	22,340
			(5,989)	(687,224)	22,340
4,125,612	-	4,125,612	-	-	-
26,702,054	-	26,702,054	-	-	-
3,308,437	-	3,308,437	-	-	-
(33,333)	-	(33,333)	(38)	-	(31)
16,223	-	16,223	-	-	-
2,224,158	-	2,224,158	-	-	-
(549,775)	549,775	-	-	-	-
35,793,376	549,775	36,343,151	(38)	-	(31)
2,492,571	980,248	3,472,819	(6,027)	(687,224)	22,309
62,372,849	87,726,548	150,099,397	541,113	16,647,001	5,714,491
$ 64,865,420	$ 88,706,796	$ 153,572,216	$ 535,086	$ 15,959,777	$ 5,736,800

CITY OF ENGLEWOOD, COLORADO

Balance Sheet
Governmental Funds
December 31, 2013

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	$ 10,004,098	$ 7,210,584	$ 17,214,682
Receivables:			
Property taxes	2,917,000	1,113,000	4,030,000
Sales and use taxes	3,190,632	112,868	3,303,500
Interest	23,368	16,705	40,073
Accounts	215,547	-	215,547
Assessments	15,639	-	15,639
Intergovernmental	252,810	617,620	870,430
Other assets	59,066	-	59,066
Total assets	$ 16,678,160	$ 9,070,777	$ 25,748,937
Liabilities			
Accounts payable	$ 520,851	$ 198,723	$ 719,574
Accrued payroll and related liabilities	1,126,381	-	1,126,381
Unearned revenue	1,150,000	300,000	1,450,000
Other liabilities	33,095	58,362	91,457
Total liabilities	2,830,327	557,085	3,387,412
Deferred Inflows of Resources			
Deferred revenue-property tax	2,934,000	1,113,000	4,047,000
Fund Balances			
Restricted for:			
Parks and recreation	-	3,661,118	3,661,118
Law enforcement	-	150,329	150,329
Debt service	-	46,839	46,839
Tabor emergencies	1,340,000	-	1,340,000
Committed to:			
Capital projects	-	2,698,207	2,698,207
Parks and recreation	-	456,411	456,411
Law enforcement	78,753	-	78,753
Long term asset reserve	2,619,375	-	2,619,375
Assigned to:			
Parks and recreation	-	208,943	208,943
Law enforcement	-	26,713	26,713
Fire services	-	9,965	9,965
Other purposes	-	142,167	142,167
Subsequent year appropriation of fund balance	1,207,787	-	1,207,787
Unassigned	5,667,918	-	5,667,918
Total fund balances	10,913,833	7,400,692	18,314,525
Total liabilities deferred inflows and fund balances	$ 16,678,160	$ 9,070,777	$ 25,748,937

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2013

Total fund balances for governmental funds		$ 18,314,525
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	15,743,014	
Works of art	203,750	
Construction in process	658,672	
Infrastructure, net of $15,135,662 accumulated depreciation	18,003,263	
Buildings and improvements, net of $13,872,161 accumulated depreciation	25,915,899	
Equipment, net of $9,457,527 accumulated depreciation	2,331,407	
Other improvements, net of $2,304,583 accumulated depreciation	3,281,425	66,137,430
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		198,406
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position. Balances at December 31, 2013 are:		
Bonds payable	(8,855,000)	
Issuance premiums	(454,606)	
Capital leases	(14,341,549)	
Compensated absences	(2,510,295)	
Postemployment benefits	(343,580)	(26,505,030)
Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due.		(89,266)
Internal Service Funds are used by management to charge the costs of fleet management, printing and copying, and insurance to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. Internal service fund net position are.		6,809,355
Net position of governmental activities		$ 64,865,420

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	$ 3,167,596	$ 958,016	$ 4,125,612
Sales and use taxes	23,433,775	3,268,279	26,702,054
Franchise and other taxes	3,308,437	-	3,308,437
Licenses and permits	1,446,578	-	1,446,578
Intergovernmental revenue	1,488,204	1,421,331	2,909,535
Charges for services	5,891,337	414,702	6,306,039
Fines and forfeitures	1,317,707	-	1,317,707
Net investment income	(10,223)	(14,230)	(24,453)
Contributions from component unit	573,526	-	573,526
Other	284,882	1,275,858	1,560,740
Total revenue	40,901,819	7,323,956	48,225,775
Expenditures			
Current:			
General government	7,079,062	1,610,994	8,690,056
Public safety	19,228,834	184,210	19,413,044
Public works	5,234,383	1,289,520	6,523,903
Culture and recreation	6,577,255	309,019	6,886,274
Capital outlay	-	727,432	727,432
Debt service:			
Principal	1,347,742	675,000	2,022,742
Interest and other fiscal charges	658,088	270,613	928,701
Total expenditures	40,125,364	5,066,788	45,192,152
Excess revenues over (under) expenditures	776,455	2,257,168	3,033,623
Other financing sources (uses)			
Transfers in	1,139,574	808,001	1,947,575
Transfers out	(73,006)	(2,274,343)	(2,347,349)
Total other financing sources (uses)	1,066,568	(1,466,342)	(399,774)
Net change in fund balances	1,843,023	790,826	2,633,849
Fund balances - beginning	9,070,810	6,609,866	15,680,676
Fund balances - ending	$ 10,913,833	$ 7,400,692	$ 18,314,525

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2013

Net Change in fund balances-total governmental funds		$ 2,633,849
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($3,113,073) exceeded capital outlays $764,445 in the current period.		(2,348,628)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and transfers) is to increase net position. In the statement of activities, only the gain on the disposition of capital assets is reported. However, in the governmental funds, the proceeds from the disposition, if any, increases financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the asset disposed.		
Contributed assets		4,660
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Adjustment to compensated absences liability	(22,828)	
Adjustment to postemployment benefit obligation	(91,010)	(113,838)
The issuance of long-term debt and capital leases provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and capital leases consume current financial resources of governmental funds. These transactions, however, have no effect on net position.		
Repayments:		
General Obligation Bonds	675,000	
Capital leases	1,347,742	2,022,742
Interest expense in the statement of activities differs from the amount reported in governmental funds because of additional accrued and accreted interest, amortization of bond premiums, and refunding losses.		
Change in accrued interest on long-term debt	(9,540)	
Amortization of premium	53,357	
Amortization of deferred charge	(38,224)	5,593
Internal service funds are used by management to charge the costs of fleet management, printing and copying, and insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		288,193
Change in net position of governmental activities		$ 2,492,571

The notes to the financial statements are an integral part of this statement.

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF ENGLEWOOD, COLORADO

General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
Revenues	**Original**	**Final**	**Actual Amounts**	**Positive (Negative)**	**2012 Actual**
Taxes					
Property	$ 2,898,000	$ 2,898,000	$ 2,900,715	$ 2,715	$ 2,874,816
Specific ownership	230,000	230,000	266,881	36,881	243,293
Sales and use	22,336,277	22,336,277	23,433,775	1,097,498	22,363,618
Franchise	3,067,552	3,067,552	3,101,310	33,758	2,930,888
Cigarette	184,000	184,000	195,088	11,088	189,618
Hotel/motel	9,000	9,000	12,039	3,039	10,395
Total taxes	28,724,829	28,724,829	29,909,808	1,184,979	28,612,628
Licenses and Permits					
Business licenses and permits	141,683	141,683	205,439	63,756	224,834
Building licenses and permits	625,470	625,470	1,241,139	615,669	758,525
Total licenses and permits	767,153	767,153	1,446,578	679,425	983,359
Intergovernmental					
State shared revenue	1,026,601	1,026,601	1,063,947	37,346	1,035,971
Federal grants	305,081	338,528	136,312	(202,216)	417,690
State grants	26,939	262,912	258,785	(4,127)	383,119
Payment in lieu of taxes	28,977	28,977	29,160	183	28,942
Total intergovernmental	1,387,598	1,657,018	1,488,204	(168,814)	1,865,722
Charges for Services					
Recreation programs	2,629,173	2,629,173	2,420,443	(208,730)	2,615,642
General government	1,835,302	1,835,302	1,976,751	141,449	2,051,368
Public safety	755,000	755,000	847,608	92,608	740,919
Administration of joint venture	400,000	400,000	387,095	(12,905)	382,424
Court costs	183,803	183,803	155,216	(28,587)	165,580
Highway and street	90,410	90,410	92,224	1,814	88,886
School District No. 1	13,558	13,558	12,000	(1,558)	12,348
Total charges for services	5,907,246	5,907,246	5,891,337	(15,909)	6,057,167
Fines and Forfeitures					
Court fines	1,346,450	1,346,450	1,304,378	(42,072)	1,362,867
Library fines	20,000	20,000	13,306	(6,694)	18,205
Property and liability fines	2,000	2,000	23	(1,977)	381
Total fines and forfeitures	1,368,450	1,368,450	1,317,707	(50,743)	1,381,453
Net Investment Income	100,000	100,000	(10,223)	(110,223)	84,046
Contributions from component units	638,829	638,829	573,526	(65,303)	551,295
Other	155,994	155,994	284,882	128,888	354,130
Total Revenues	39,050,099	39,319,519	40,901,819	1,582,300	39,889,800

(Continued)

CITY OF ENGLEWOOD, COLORADO

General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for December 31, 2012
(Continued)

Expenditures	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget - Positive (Negative)	2012 Actual
Current:					
General Government					
Legislation					
City Council	$ 282,224	$ 282,224	$ 264,140	$ 18,084	$ 265,561
Board of Adjustments and Appeals	1,075	1,075	1,391	(316)	1,067
Planning and Zoning Commission	3,449	3,449	1,755	1,694	1,923
Library Board	3,050	3,050	2,681	369	2,955
Parks and Recreation Commission	2,778	2,778	1,283	1,495	2,864
Cultural Arts Commission	1,150	1,150	413	737	430
Code Enforcement Advisory Commission	500	500	-	500	-
Alliance for Commerce in Englewood	1,000	1,000	-	1,000	219
Transportation Advisory Commission	500	500	110	390	122
Keep Englewood Beautiful Comission	34,710	34,710	9,147	25,563	40,902
Total Legislation	330,436	330,436	280,920	49,516	316,043
City Attorney	783,147	783,147	719,781	63,366	712,036
Municipal Court	962,993	962,993	922,245	40,748	886,249
City Manager	679,653	679,653	675,844	3,809	658,047
Community Development	1,324,774	1,324,774	1,113,710	211,064	1,262,451
Human Resources					
Administration	361,792	361,792	307,194	54,598	347,848
Employee services	119,600	119,600	101,357	18,243	121,495
Total Human Resources	481,392	481,392	408,551	72,841	469,343
Finance and Administrative Services					
Administration	306,717	306,717	306,510	207	297,443
City Clerk	337,012	337,012	282,602	54,410	273,784
Accounting	392,461	392,461	384,543	7,918	364,971
Revenue and budget	472,171	472,171	480,025	(7,854)	456,379
Purchasing	75,323	75,323	79,380	(4,057)	71,728
Total Finance and Administrative Services	1,583,684	1,583,684	1,533,060	50,624	1,464,305
Information Technology	1,340,211	1,340,211	1,336,591	3,620	1,373,943
Contingency	150,000	150,000	88,360	61,640	143,811
Total General Government	7,636,290	7,636,290	7,079,062	557,228	7,286,228

(Continued)

CITY OF ENGLEWOOD, COLORADO

General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for December 31, 2012
(Continued)

	Budgeted Amounts			Variance with Final Budget -	
Police Department	**Original**	**Final**	**Actual Amounts**	**Positive (Negative)**	**2012 Actual**
Administration	$ 761,638	$ 971,866	$ 909,748	$ 62,118	$ 973,682
Communications and records	1,251,569	1,251,569	1,219,737	31,832	1,188,556
Police operations	8,746,483	8,805,675	8,633,979	171,696	8,204,724
Neighborhood services	491,081	491,081	462,693	28,388	421,973
Total Police Department	11,250,771	11,520,191	11,226,157	294,034	10,788,935
Fire Department					
Fire operations	7,236,365	7,236,365	7,269,692	(33,327)	7,358,387
Building and safety	652,700	772,700	732,985	39,715	742,167
Total Fire Department	7,889,065	8,009,065	8,002,677	6,388	8,100,554
Public Works					
Administration	631,550	631,550	582,968	48,582	632,280
Engineering	341,555	341,555	345,972	(4,417)	334,677
Streets and drainage	1,915,115	1,915,115	1,903,260	11,855	1,823,650
Traffic maintenance	751,245	751,245	744,733	6,512	747,774
General operations and maintenance	1,668,792	1,668,792	1,657,450	11,342	1,664,522
Total Public Works	5,308,257	5,308,257	5,234,383	73,874	5,202,903
Parks and Recreation					
Administration	686,651	686,651	654,981	31,670	711,324
Recreation programs and operations	3,041,201	3,041,201	2,906,558	134,643	3,072,279
Parks	1,983,924	1,983,924	1,841,060	142,864	1,865,643
Total Parks and Recreation	5,711,776	5,711,776	5,402,599	309,177	5,649,246
Library Services	1,251,293	1,251,293	1,174,656	76,637	1,180,771
Debt Service					
Principal	1,479,574	1,479,574	1,347,742	131,832	1,350,963
Interest and other charges	583,000	583,000	658,088	(75,088)	705,988
Total debt service	2,062,574	2,062,574	2,005,830	56,744	2,056,951
Total expenditures	41,110,026	41,499,446	40,125,364	1,374,082	40,265,588
Excess revenues over (under) expenditures	(2,059,927)	(2,179,927)	776,455	2,956,382	(375,788)
Other financing sources (uses)					
Transfers in	1,139,574	1,139,574	1,139,574	-	1,968,242
Transfers out	-	-	(73,006)	(73,006)	(1,339,329)
Total other financing sources	1,139,574	1,139,574	1,066,568	(73,006)	628,913
Net change in fund balances	(920,353)	(1,040,353)	1,843,023	2,883,376	253,125
Fund Balance - beginning	5,708,501	9,070,810	9,070,810	-	8,817,685
Fund Balance - ending	$ 4,788,148	$ 8,030,457	$10,913,833	$ 2,883,376	$ 9,070,810

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Statement of Net Position
Proprietary Funds
December 31, 2013

	Business-type Activities - Enterprise Funds			
	Water	**Sewer**	**Golf**	**Storm Drainage**
Assets				
Current assets:				
Cash and investments - unrestricted	$ 8,736,340	$ 9,415,630	$ 891,813	$ 1,043,384
Cash and investments - restricted:				
Construction	1,044,974	-	-	-
Loan operations and maintenance account	1,250,000	1,250,000	-	-
Interest receivable	20,792	23,457	2,261	2,436
Accounts receivable	1,135,078	2,873,083	-	20,291
Other receivables	58,209	301,232	-	-
Inventory	230,760	4,329	63,264	-
Other assets	-	-	-	-
Total current assets	12,476,153	13,867,731	957,338	1,066,111
Noncurrent assets:				
Cash and investments - restricted:				
Revenue bond future debt service	-	-	215,772	102,500
Capital replacement	-	1,000,000	-	-
Equity in joint venture	-	59,027,125	-	-
Notes receivable	-	-	-	-
Capital assets not being depreciated	7,517,387	59,500	10,438,305	-
Capital assets, net of accumulated depreciation	29,129,474	1,918,364	4,472,699	1,843,714
Total noncurrent assets	36,646,861	62,004,989	15,126,776	1,946,214
Total assets	49,123,014	75,872,720	16,084,114	3,012,325
Deferred Outflows of Resources				
Deferred loss on refunding	116,934	-	-	-
Total deferred outflows of resources	116,934	-	-	-

Business-type Activities - Enterprise Funds			Governmental Activities
Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
$ 364,264	$ 1,064,144	$ 21,515,575	$ 3,996,522
-	-	1,044,974	-
-	-	2,500,000	-
1,024	1,948	51,918	9,133
16,981	4,627	4,050,060	9,554
-	-	359,441	-
-	499,782	798,135	200,639
-	-	-	72,050
382,269	1,570,501	30,320,103	4,287,898
-	-	318,272	-
-	-	1,000,000	-
-	-	59,027,125	-
-	3,185,091	3,185,091	-
-	-	18,015,192	340,097
11,647,889	-	49,012,140	3,597,540
11,647,889	3,185,091	130,557,820	3,937,637
12,030,158	4,755,592	160,877,923	8,225,535
-	-	116,934	-
-	-	116,934	-

(Continued)

CITY OF ENGLEWOOD, COLORADO

Statement of Net Position
Proprietary Funds
December 31, 2013
(Continued)

	Business-type Activities - Enterprise Funds			
	Water	**Sewer**	**Golf**	**Storm Drainage**
Liabilities				
Current liabilities:				
Accounts payable	$ 356,012	$ 1,199	$ 72,734	$ 1,988
Accrued wages and related liabilities	95,216	51,926	25,850	2,398
Compensated absences - current	92,602	45,559	30,817	4,780
Unearned revenue	53,404	7,638,454	30,040	24,893
Other current liabilities	-	2,176,454	67,918	-
Accrued interest payable	224,076	670,469	10,296	1,315
General Obligation bonds payable - current	150,734	-	-	-
Revenue bonds payable - current	-	-	78,244	95,242
Notes payable - current	868,339	2,755,871	-	-
Total current liabilities	1,840,383	13,339,932	315,899	130,616
Noncurrent liabilities:				
General Obligation bonds payable	11,546,104	-	-	-
Revenue bonds payable	-	-	2,350,116	741,783
Notes payable	3,640,711	37,360,231	-	-
Compensated absences	92,602	45,559	30,817	4,780
Other post employement benefits payable	75,231	31,156	12,919	-
Total noncurrent liabilities	15,354,648	37,436,946	2,393,852	746,563
Total liabilities	17,195,031	50,776,878	2,709,751	877,179
Net position				
Net investment in capital assets	20,333,831	1,977,864	12,688,120	1,109,189
Restricted for:				
Debt service	-	-	215,772	102,500
Capital projects	1,044,974	-	-	-
Unrestricted	10,666,112	23,117,978	470,471	923,457
Total net position	$ 32,044,917	$ 25,095,842	$13,374,363	$ 2,135,146

The notes to the financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds			Governmental Activities
Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
$ 189	$ 86	$ 432,208	$ 80,490
9,258	-	184,648	45,608
7,723	-	181,481	93,478
41,760	-	7,788,551	-
-	-	2,244,372	764,635
-	-	906,156	-
-	-	150,734	-
-	-	173,486	-
-	36,000	3,660,210	-
58,930	36,086	15,721,846	984,211
-	-	11,546,104	-
-	-	3,091,899	-
-	1,058,451	42,059,393	-
7,724	-	181,482	-
-	-	119,306	-
7,724	1,058,451	56,998,184	-
66,654	1,094,537	72,720,030	984,211
11,647,889	-	47,756,893	3,937,637
-	-	318,272	-
-	-	1,044,974	-
315,615	3,661,055	39,154,688	3,303,687
$ 11,963,504	$ 3,661,055	88,274,827	$ 7,241,324
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		431,969	
Net position of business type activities		$ 88,706,796	

CITY OF ENGLEWOOD, COLORADO

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type Activities-Enterprise Funds			
	Water	**Sewer**	**Golf**	**Storm Drainage**
Operating revenues				
Charges for sales and services:				
Service fees	$ 6,287,541	$ 14,801,851	$ 1,709,908	$ 317,935
Raw water sales	2,083,496	-	-	-
City ditch revenue	51,691	-	-	-
Concessions	-	-	165,261	-
Interest from notes	-	-	-	-
Other	36,058	-	75,496	-
Total operating revenues	8,458,786	14,801,851	1,950,665	317,935
Operating expenses				
Direct system operating costs:				
Source of supply	1,215,948	-	-	-
Power and pumping	781,078	-	-	-
Purification	1,437,791	-	-	-
Transmission and distribution	904,499	-	-	-
Sanitary system	-	683,042	-	-
Storm drainage system	-	-	-	22,224
Concrete repair & maintenance program	-	-	-	-
Total direct system operating costs	4,339,316	683,042	-	22,224
Littleton/Englewood WWTP operating expenses	-	6,895,597	-	-
Personal services	514,895	745,516	926,726	71,080
Customer accounting and collection	461,585	1,192,499	-	-
Commodities and contractual services	384,010	313,739	639,642	58,811
Other	177,471	442,868	89,092	-
Depreciation	1,006,947	82,714	348,862	103,241
Total operating expenses	6,884,224	10,355,975	2,004,322	255,356
Operating income (loss)	1,574,562	4,445,876	(53,657)	62,579
Nonoperating revenues (expense)				
Net investment income	(14,689)	(22,728)	(1,276)	(1,911)
Grant income	-	-	-	-
Interest expense	(630,764)	(1,597,234)	(181,326)	(17,291)
Net loss from joint venture	-	(4,293,411)	-	-
Gain (loss) on disposition of assets	-	5,275	5,650	-
Other, net	176,893	101,779	1,806	17,989
Total nonoperating revenues (expenses)	(468,560)	(5,806,319)	(175,146)	(1,213)
Income (loss) before contributions and transfers	1,106,002	(1,360,443)	(228,803)	61,366
Capital contributions - tap fees	187,280	337,863	-	-
Capital contributions - other	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Change in net position	1,293,282	(1,022,580)	(228,803)	61,366
Total net position - beginning	30,751,635	26,118,422	13,603,166	2,073,780
Total net position - ending	$ 32,044,917	$ 25,095,842	$ 13,374,363	$ 2,135,146

The notes to the financial statements are an integral part of this statement.

Business-type Activities-Enterprise Funds			Governmental Activities - Internal Service Funds
Concrete Utility	Housing Rehabilitation	Total	
$ 859,754	$ -	$ 23,976,989	$ 10,173,903
-	-	2,083,496	-
-	-	51,691	-
-	-	165,261	-
-	252,422	252,422	-
-	2,464	114,018	115,996
859,754	254,886	26,643,877	10,289,899
-	-	1,215,948	-
-	-	781,078	-
-	-	1,437,791	-
-	-	904,499	-
-	-	683,042	-
-	-	22,224	-
257,218	-	257,218	-
257,218	-	5,301,800	-
-	-	6,895,597	-
105,159	-	2,363,376	1,224,209
-	6,608	1,660,692	-
1,512	6,550	1,404,264	7,770,761
-	233,239	942,670	-
381,030	-	1,922,794	842,569
744,919	246,397	20,491,193	9,837,539
114,835	8,489	6,152,684	452,360
(1,354)	(2,297)	(44,255)	(8,880)
-	103,500	103,500	-
-	(44,546)	(2,471,161)	-
-	-	(4,293,411)	-
-	-	10,925	92,671
2,400		300,867	19,280
1,046	56,657	(6,393,535)	103,071
115,881	65,146	(240,851)	555,431
-	-	525,143	-
-	-	-	28,943
-	684,770	684,770	100,000
-	(134,995)	(134,995)	(250,000)
115,881	614,921	834,067	434,374
11,847,623	3,046,134		6,806,950
$ 11,963,504	$ 3,661,055		$ 7,241,324
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		146,181	
Change in net position of business-type activities		$ 980,248	

CITY OF ENGLEWOOD, COLORADO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type Activities-Enterprise Funds		
	Water	**Sewer**	**Golf Course**
Cash flows from operating activities			
Cash received from customers	$ 8,492,699	$ 15,686,387	$ 1,984,937
Collections of program loan principal	-	-	-
Interest received from borrowers	-	-	-
Program loans issued	-	-	-
Cash payments to suppliers for goods and services	(3,773,265)	(9,062,915)	(760,683)
Cash payments to employees for services	(2,274,062)	(1,193,741)	(925,738)
Other cash received	176,893	107,054	1,806
Net cash provided (used) by operating activities	2,622,265	5,536,785	300,322
Cash flows from noncapital financing activities			
Operating grants received	-	-	-
Principal paid on debt obligation	-	-	-
Interest paid on debt obligation	-	-	-
Transfers (to) from other funds	-	-	-
Net cash provided (used) by noncapital financing activities	-	-	-
Cash flows from capital and related financing activities			
Proceeds from debt issuance	-	-	2,530,000
Contributed capital	187,280	337,863	-
Proceeds from sale of assets	-	-	5,650
Acquisition and construction of capital assets	(3,831,267)	-	(86,161)
Acquisitions and construction of joint venture assets	-	(528,302)	-
Principal paid on long-term debt	(995,464)	(2,535,351)	(70,000)
Interest paid on long-term debt	(626,988)	(1,784,525)	(197,059)
Payment to refunded bond escrow agent	-	-	(2,516,581)
Net cash (used) by capital related financing activities	(5,266,439)	(4,510,315)	(334,151)
Cash flows from investing activities			
Net investment income	(18,551)	(14,910)	(134)
Net cash provided by investing activities	(18,551)	(14,910)	(134)
Net increase (decrease) in cash and cash equivalents	(2,662,725)	1,011,560	(33,963)
Cash and cash equivalents - beginning	13,694,039	10,654,070	1,141,548
Cash and cash equivalents - ending	$ 11,031,314	$ 11,665,630	$ 1,107,585

Business-type Activities-Enterprise Funds				Governmental Activities -
Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
$ 313,569	$ 864,004	$ 142,812	$ 27,484,408	$ 10,289,452
-	-	625,209	625,209	-
-	-	78,411	78,411	-
-	-	(247,711)	(247,711)	-
(79,221)	(24,126)	(148,982)	(13,849,192)	(8,365,254)
(69,144)	(349,059)	-	(4,811,744)	(1,208,764)
17,989	2,400	7,090	313,232	19,280
183,193	493,219	456,829	9,592,613	734,714
-	-	127,500	127,500	-
-	-	(642,500)	(642,500)	-
-	-	44,546	44,546	-
-	-	549,775	549,775	(150,000)
-	-	79,321	79,321	(150,000)
-	-	-	2,530,000	-
-	-	-	525,143	-
-	-	-	5,650	164,716
-	(534,280)	-	(4,451,708)	(895,856)
-	-	-	(528,302)	-
(95,000)	-	-	(3,695,815)	-
(17,679)	-	-	(2,626,251)	-
-	-	-	(2,516,581)	-
(112,679)	(534,280)	-	(10,757,864)	(731,140)
(920)	(881)	(2,972)	(38,368)	(6,900)
(920)	(881)	(2,972)	(38,368)	(6,900)
69,594	(41,942)	533,178	(1,124,298)	(153,326)
1,076,290	406,206	530,966	27,503,119	4,149,848
$ 1,145,884	$ 364,264	$ 1,064,144	$ 26,378,821	$ 3,996,522

(Continued)

CITY OF ENGLEWOOD, COLORADO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013
(Continued)

	Business-type Activities-Enterprise Funds		
	Water	**Sewer**	**Golf Course**
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 1,574,562	$ 4,445,876	$ (53,657)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,006,947	82,714	348,862
Miscellaneous nonoperating income	176,893	107,054	1,806
Effect of changes in operating assets and liabilities:			
Accounts receivable	5,671	(25,916)	-
Other receivables	31,040	29,280	-
Inventory	(64,938)	(122)	(7,348)
Other current assets	-	-	-
Accounts payable	(124,427)	(2,629)	17,250
Accrued payroll and related liabilities	19,315	19,356	987
Deferred revenue	(2,798)	181,977	(40,086)
Other current liabilities	-	699,195	32,508
Total adjustments	1,047,703	1,090,909	353,979
Net cash provided (used) by operating activities	$ 2,622,265	$ 5,536,785	$ 300,322

Noncash investing, capital and financing activities

The notes to the financial statements are an integral part of this statement.

Business-type Activities-Enterprise Funds				Governmental Activities -
Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
$ 62,579	$ 114,835	$ 8,489	$ 6,152,684	$ 452,360
103,241	381,030	-	1,922,794	842,569
17,989	2,400	7,090	313,232	19,280
(4,433)	(4,447)	24,000	(5,125)	(447)
-	-	(4,627)	55,693	-
-	-	282,298	209,890	(3,888)
-	-	(184,861)	(184,861)	(20,000)
1,814	189	(21)	(107,824)	(76,215)
1,936	(9,485)	-	32,109	14,547
67	8,697	-	147,857	-
-	-	324,461	1,056,164	(493,492)
120,614	378,384	448,340	3,439,929	282,354
$ 183,193	$ 493,219	$ 456,829	$ 9,592,613	$ 734,714

CITY OF ENGLEWOOD, COLORADO

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2013

	Pension Trust	Agency
Assets		
Cash and equivalents	$ 20,553	$ 3,758,469
Investments		
Mutual Funds	41,049,206	-
Real Estate equities	3,103,451	-
Total investments	44,152,657	-
Interest receivable	41,560	8,533
Accounts receivable	-	147,801
Assessment receivable	-	14,569
Total assets	$ 44,214,770	$ 3,929,372
Liabilities		
Accounts payable	$ 270	$ -
Due to other governments	-	3,929,372
Total liabilities	$ 270	$ 3,929,372

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2013

	Pension Trust
Additions	
Contributions:	
City	$ 1,541,334
Plan member	185,099
Total contributions	1,726,433
Investment income:	
Net appreciation in fair value of investments	6,258,554
Less investment expense	(63,761)
Net investment income	6,194,793
Total additions	7,921,226
Deductions	
Benefits	3,751,406
Administrative expenses	164,336
Withdrawals to other plans	-
Total deductions	3,915,742
Change in net position	4,005,484
Net position - beginning	40,209,016
Net position - ending	$ 44,214,500

The notes to the financial statements are an integral part of this statement

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF ENGLEWOOD, COLORADO
Index to Notes to the Financial Statements
December 31, 2013

Note 1. Summary of Significant Accounting Policies 60
A. Reporting Entity 60
B. Government-wide and Fund Financial Statements 61
C. Measurement Focus, Basis of Accounting and Financial Statement Presentation 61
D. Assets, Deffered Outflows, Liabilities, Deffered Inflows and Net Position or Equity 63
1. Deposits and Investments 63
2. Receivables and Payables 64
3. Inventories and Property Held for Resale 65
4. Restricted Assets and Liabilities 65
5. Capital Assets 65
6. Deferred Outflows/Inflows of Resources 65
7. Compensated Absences 65
8. Leases 66
9. Long-term Obligations 66
10. Net Position and Fund Equity 66
11. Use of Estimates 67
Note 2. Stewardship, Compliance and Accountability 68
A. Budgetary Information 68
Note 3. Detailed Notes on All Funds 68
A. Deposits and Investments 68
1. Deposits 69
2. Investments 69
B. Receivables 74
1. Notes 75
2. Unearned/Deferred 75
C. Capital Assets 76
1. Primary Government 77
2. Discretely Presented Component Units 78
D. Interfund Transfers 79
E. Capital Leases 79
1. Civic Center 80
2. Fire Equipment 80
3. Telecommunications and Security Equipment 80
F. Long-term Obligations 81
1. General Obligation Bonds 81
2. Revenue Bonds 83
3. Qualified Energy Conservation Bonds 84
4. Notes and Loans Payable 84
G. Component Unit Debt Obligations 87
Note 4. Other Information 88
A. Investment in Joint Venture 88
B. Risk Management 89
1. Property, Liability and Workers' Compensation 89
2. Employee Health Care 90
C. Commitments and Contingencies 90
1. Legal Proceedings 90
2. Federally Assisted Grant Programs 90
3. Construction Commitments 90
4. Conduit Debt Obligations 91
D. Employee Retirement Systems and Pension Plans 91
1. Nonemergency Retirement Plan-Defined Benefit (NERP) 92
2. Police Officers Retirement Plans 93
3. Firefighters Retirement Plans 96
4. ICMA-RC Money Purchase Management Plan 101
5. NonEmergency Employees Money Purchase Plan 101
6. Deferred Compensation and Disability Benefits 102
E. Other Postemployment Benefits 102
Note 5. Tax, Spending and Debt Limitations 104

The financial statements of the City of Englewood have been prepared in conformity with generally accepted accounting principles as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Englewood is a municipal corporation governed by an elected seven-member council. The accompanying financial statements present the government and its component units, entities for which the government is considered financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the City.

The City follows GASB accounting pronouncements that provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

Discretely presented component units

The Englewood Urban Renewal Authority (EURA) was created by resolution passed September 18, 1972, by the Englewood City Council under authorization of State Statutes. The purpose of the EURA is to acquire and develop or redevelop certain blighted areas in the City to maintain the public welfare. The EURA is included in the City's financial statements because the City Council appoints all board members and its tax increment financing is prima facie evidence of financial accountability.

The Englewood Environmental Foundation, Inc. (EEF), a nonprofit corporation, was established on August 14, 1997 under authorization of the Colorado Nonprofit Corporation Act. The purpose of the EEF includes, but is not limited to, maintaining the common areas of CityCenter Englewood, a mixed-use, transit oriented development that includes retail shops, luxury apartment housing and office space. The EEF is included in the City's financial statements because the City Council appoints all board members and provides substantial financial support to the EEF.

The Englewood McLellan Reservoir Foundation, Inc. (EMRF), a nonprofit corporation, was established on June 1, 1999 under authorization of the Colorado Nonprofit Corporation Act. The purpose of the EMRF includes, but is not limited to, taking title to 165 acres of land, which was acquired by the City of Englewood in 1960 as part of the acquisition of the McLellan Reservoir, and overseeing the development of such property while continuing to protect the City's water supply. During 1999, the City contributed the land to the EMRF. The EMRF is included in the City's

financial statements because the City Council appoints all board members and provides substantial financial support to the EMRF.

Each discretely presented component unit has a December 31 year-end. Separate financial statements are not prepared for the discretely presented component units.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree, to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by given function or segment; fines and forfeitures; and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Agency funds, however, are custodial in nature and do not present results of operations or have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. Property taxes, sales and use taxes, franchise taxes and interest are susceptible to accrual and so have been recognized as revenues in the current period. All other revenue items are considered to be measurable and available when cash is received by the City and are recognized as revenue at that time.

The City reports the following major governmental fund:

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

The City reports the following major proprietary funds:

The *water fund* accounts for revenues and expenses associated with providing water services to City of Englewood residents.

The *sewer fund* accounts for revenues and expenses associated with providing wastewater services to the City of Englewood residents and some county residents.

The *golf course fund* accounts for revenues and expenses associated with the operations of the Englewood Municipal Golf Course.

The *storm drainage fund* accounts for revenues and expenses associated with maintaining the City's storm drainage system.

The *concrete utility fund* accounts for revenues and expenses associated with maintaining the City's sidewalks, curbs and gutters.

The *housing rehabilitation fund* accounts for revenues and expenses associated with the City's housing rehabilitation programs.

Additionally, the City reports the following fund types:

Internal service funds account for printing fees, vehicle use and maintenance fees, capital replacement fees, and insurance provided to other departments and employees of the City on a cost-reimbursement basis.

Pension trust funds account for the NonEmergency, Police, Firefighters and Volunteer Firefighters Pension Funds administered by the City in a trustee capacity.

The *agency fund* accounts for assets held by the City in a custodial capacity, on behalf of other governmental entities, pursuant to the Big Dry Creek Basin Interceptor Agreement.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish between operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the City's enterprise funds and internal service funds are charges to customers

for sales and services, including water and sewer charges, printing fees, vehicle use and maintenance fees, capital replacement fees and insurance fees. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The City's water and sewer enterprise funds recognize as capital contributions the entire portion of tap fees, as they are intended to recover the cost of the capital investment in the water and sewer distribution system.

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity

1. Deposits and Investments

The City maintains an internal cash and investment pool that is available for use by all funds including its component units. Cash and investments are presented on the balance sheet in the basic financial statements at fair value.

All investment pool purchases and sales are part of the City's cash management activity and considered cash and cash equivalents. Activities undertaken by the pool on behalf of the proprietary funds are not part of operating, capital, investing, or financing activities of the proprietary funds, and details of these transactions are not reported in the Statement of Cash Flows. Net investment earnings from the combined investments are allocated monthly to each fund based on month-end average balances of cash and investments. Interest from non-pooled investments is recorded based on the specific investments held by the fund. Interest income is recorded in the fund that earned the interest.

The City's investment policy is approved by the City Council and covers all financial assets and funds of the City and it's discretely presented component units except for the pension trust funds. Changes to the policy are made on an as-needed basis. All investments are made in accordance with Colorado Revised Statutes. The policy authorizes the City and component units to invest primarily in the following:

- U.S. Treasury Obligations: Treasury Bills, Treasury Notes and Treasury Bonds with maturities not exceeding five years from the date of trade settlement.
- Treasury Strips (book-entry U.S. Treasury securities whose coupons have been removed) with maturities not exceeding five years from the date of trade settlement.
- Federal Instrumentalities - Debentures, Discount Notes, Medium-Term Notes, Callable Securities and Step-up Securities issued by the following only: Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC) and Federal Farm Credit Banks (FFCB), with maturities not exceeding five years from the date of trade settlement. Federal Instrumentality Securities shall be rated in the highest rating category by at least two Nationally Recognized Statistical Rating Organizations (NRSROs) that rate them, and shall be rated not less by any NRSRO that rates the debt.
- Repurchase Agreements with a termination date of 90 days or less utilizing U.S. Treasury and Federal Instrumentality securities listed above, collateralized at a minimum market value of 102 percent of the dollar value of the transaction with the accrued interest accumulated on the collateral included in the calculation. Repurchase agreements shall be entered into only with dealers who: are recognized as Primary Dealers by the Federal Reserve Bank of New York, or with firms that have a primary dealer within their holding company structure; and have executed a City approved Master Repurchase Agreement. Primary Dealers approved as Repurchase Agreement counterparties, if rated, shall have a short-term credit rating of at least A-1 or the equivalent and a long-term credit rating of at least A or

the equivalent. Collateral (purchased securities) shall be held by the City's custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily. In no case will the maturity of the collateral exceed 10 years.

- Reverse Repurchase Agreements with a maturity of 90 days or less executed only against securities owned by the City and collateralized by the same type of security reversed.
- Flexible Repurchase Agreements with a final maturity of 10 years or less entered into by the City with approved counterparties.
- Time Certificates of Deposit with a maximum maturity of five years or savings accounts in state or national banks or state or federally chartered savings banks operating in Colorado that are state approved depositories (as evidenced by a certificate issued by the State Banking Board) and are insured by the FDIC. Certificates of deposit that exceed the FDIC insured amount shall be collateralized in accordance with the Colorado Public Deposit Protection Act. The collateral shall have a market value equal to or exceeding 102 percent of the difference between the insured amount and the City's total deposits for all funds within the institution.
- Money Market Mutual Funds registered under the Investment Company Act of 1940 that: 1) are "no-load" (i.e.: no commission or fee shall be charged on purchases or sales of shares); 2) have a constant net asset value per share of $1.00; 3) limit assets of the fund to securities authorized by state statute; 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940; and 5) have a rating of AAA by Standard and Poor's, Aaa by Moody's or AAA/V1+ by Fitch.
- Colorado Local Government Liquid Asset Trust (COLOTRUST) as authorized under CRS 24-75-702.
- Prime Bankers Acceptances, rated at least A-1 by Standard & Poor's, P-1 by Moody's and F1 by Fitch at the time of purchase by at least two services that rate them and shall be rated not less by any service that rates them, with a maturity of six months or less issued on domestic banks or branches of foreign banks domiciled in the U.S. and operating under U.S. banking laws. Accepting banks must have a senior debt rating of A2 by Moody's and A by Standard & Poor's.
- Prime Commercial Paper with a maturity of 270 days or less which, at the time of purchase, is rated at least A-1 by Standard & Poor's, P-1 by Moody's and F1 by Fitch. At the time of purchase, the commercial paper must be rated by at least two of the above stated rating agencies at the stated minimum rating. If more than two of the above stated agencies rate an issuer, all of those rating agencies must rate the issuer in accordance with above stated minimum credit criteria. If the commercial paper issuer has senior debt outstanding, the senior debt must be rated by each service that publishes a rating on the issuer as at least A2 by Moody's, A by Standard and Poor's and A by Fitch.
- Corporate Bonds issued by a corporation or bank with a final maturity not exceeding three years from the date of trade settlement, rated at least AA- by Standard & Poor's, Aa3 by Moody's, or AA by Fitch at the time of purchase by each service that rates the debt. Authorized corporate bonds shall be U.S. dollar denominated, and limited to corporations organized and operated within the United States with a net worth in excess of $250 million.

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes are levied by December 15 of each year and are due in full the following year. The lien date is January 1 following the levy. Taxes may be paid in two equal installments, on or before February 28 and June 15; or in full, on or before April 30. Delinquent taxpayers are notified in August and generally, sales of the tax liens on delinquent properties are held in November or December. Property taxes are collected by Arapahoe County and then remitted, net of a 1% collection fee, to the

City. Taxes are recorded as a receivable and a deferred inflow of resources when levied, and subsequently recorded as revenue in the year they are available or collected.

3. Inventories and Property Held for Resale

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased. Property held for resale is recorded at lower of cost or estimated market value.

4. Restricted Assets and Liabilities

Certain assets and their related liabilities whose use is restricted for construction, bonded debt service and other purposes by contractual agreement and/or debt indentures are segregated on the government-wide statement of net position and the fund balance sheets. The "construction" account is used to report those proceeds of revenue bonds and loans that are restricted for use in construction. The "loan operations and maintenance account" is used to report resources set aside to subsidize potential deficiencies from the City's operation that could adversely affect debt service payments. The "insurance claims" account is used to report resources set aside for the payment of current and future long-term disability claims. The "revenue bond future debt service" account is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account. The "capital replacement" account is used to report resources set aside to fund major capital repairs and replacements at the Littleton/Englewood Wastewater Treatment Plant.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City currently capitalizes expenditures that cost more than $5,000 and have a life of one year or more. Such capital assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and depreciated over their remaining useful lives.

Capital assets of the primary government, as well as the component units, are depreciated, using the straight-line method over their estimated useful lives:

Infrastructure:	
Bridges	50 years
Streets	25 years
Storm drainage system	35 years
Concrete, curb and gutter	50 years
Buildings and improvements	15-50 years
Water distribution and sewage collection systems	50 years
Water and sewage treatment plants	25 years
Raw water service and treated water storage facilities	15-50 years
Vehicles, machinery and equipment	3-25 years

6. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of

resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has one item that qualifies for this category, a deferred charge on refunding reported in the government-wide statement of net position. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only two types of items that qualify for reporting in this category. Deferred revenue for the sources shown, represent unavailable revenues that are deferred and recognized in the period that the amounts become available. Deferred premium on refunding is deferred and amortized over the life of the refunding debt.

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and personal leave benefits. All leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, because of employee resignations and retirements.

8. Leases

Leases that meet certain criteria established by the Financial Accounting Standards Board (FASB) Statement No. 13 are classified as capital lease obligations and recorded at the lesser of the present value of minimum lease payments or the fair value of the leased property at inception. Leases that do not meet the criteria of a capital lease are classified as operating leases. The City's operating leases are not significant.

9. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium and discount. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method and charged to interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, even if withheld from the actual new proceeds received, are reported as debt service expenditures.

10. Net Position and Fund Equity

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as invested in capital assets (net of related debt), restricted or unrestricted.

Net investment in capital assets is intended to reflect the portion of net position that is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted net position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling

legislation. Pursuant to the City Charter, the net position of the City's utilities: water, sewer, storm drainage and concrete, are entirely restricted to their own purpose.

Unrestricted net position represent assets that do not have any third party limitations on their use. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for a specific purpose.

Restricted Fund Balances
Restricted fund balances carry provisions that are externally imposed by creditors or by law. Common examples of restricted fund balances are grant proceeds and debt restrictions.

Committed Fund Balances
Committed fund balances can only be created and modified by the highest formal action available to the highest decision-making authority of the government. For the City this is through the adoption of an Ordinance by City Council.

Assigned Fund Balances
Assigned fund balances are intended for a specific purpose but are neither restricted nor committed. City management may have categorized portions for various purposes. City Council has the unrestricted authority to revisit or alter these managerial decisions through the adoption of an Ordinance or the passing of a Resolution.

Unassigned Fund Balance
Unassigned fund balance is only reported in the General Fund for balances that are not restricted, committed or assigned. City Council has the unrestricted authority to appropriate these funds.

There are times when the government will fund outlays for a particular purpose from both restricted and unrestricted resources. It is the government's policy that restricted resources are considered to have been spent before any unrestricted resources are applied. In the instance where any unrestricted fund balance is available, committed fund balance is considered to have been spent before any assigned or unassigned fund balance is used.

11. Use of Estimates
The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. An example of such an estimate that has been made by management is depreciation expense.

Note 2. Stewardship, Compliance and Accountability

A. Budgetary Information

The governmental fund type annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds except the capital projects funds and certain special revenue funds (Conservation Trust and Open Space Funds), which adopt project-length budgets. The proprietary fund type annual budgets are adopted on a non-GAAP modified accrual budgetary basis. All annual appropriations lapse at year-end. Budgets are not adopted for the pension trust funds.

The appropriated budget is prepared by fund, department, division, and object. The legal level of budgetary control is at the department level for the General Fund and at the fund level for all other legally adopted funds. Supplemental appropriations and transfers of appropriations between departments and/or funds require the approval of the City Council. The City Manager may transfer any unencumbered appropriation from one expenditure classification to another within the same department.

Encumbrance accounting is used as a management tool during the year; at year-end, encumbrances are canceled. During the year, sixteen supplemental appropriation resolutions were approved by City Council.

Note 3. Detailed Notes on All Funds

A. Deposits and Investments

	Primary Government			Component Units			
	Governmental and Business-Type Activities	Fiduciary Funds	Total	EURA	EEF	EMRF	Reporting Entity Total
Unrestricted:							
Deposits and investments with City internal investment pool	$ 42,578,167	$ 3,779,022	$ 46,357,189	$ 18,863	$ 814,582	$ 9,580	$ 47,200,214
Deposits and investments outside City internal investment pool	148,612	44,194,217	44,342,829	-	12,128	8,184	44,363,141
Subtotal unrestricted deposits and investments	42,726,779	47,973,239	90,700,018	18,863	826,710	17,764	91,563,355
Restricted:							
Deposits and investments with City internal investment pool	4,863,246	-	4,863,246	-	-	-	4,863,246
Total deposits and investments	$ 47,590,025	$ 47,973,239	$ 95,563,264	$ 18,863	$ 826,710	$ 17,764	$ 96,426,601
Cash and deposits	$ 4,501,436	$ -	$ 4,501,436	$ -	$ 12,128	$ 8,184	$ 4,521,748
Investments	43,088,589	47,973,239	91,061,828	18,863	814,582	9,580	91,904,853
	$ 47,590,025	$ 47,973,239	$ 95,563,264	$ 18,863	$ 826,710	$ 17,764	$ 96,426,601

1. Deposits

Custodial credit risk – deposits:
Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The City's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels ($250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are considered to be uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2013, the City's deposits amounting to $550,367 were insured by federal depository insurance and consequently were not exposed to custodial credit risk.

The EEF and the EMRF are not eligible public entities and are not covered by the provisions of the PDPA. At year-end, the component units' cash deposits had a bank balance as follows:

	EEF	EMRF
Insured-FDIC	$ 12,128	$ 8,184

2. Investments

The table below identifies the investment types that are authorized for the City, along with the related interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Instrumentalities	5 years	None	None
Repurchase Agreements	90 days	None	None
Reverse Repurchase Agreements	90 days	None	None
Flexible Repurchase Agreements	10 years	None	None
Certificates of Deposit	5 years	50%	None
Bankers Acceptances	180 days	20%	None
Commercial Paper	270 days	40%	None
Corporate Bonds	3 years	30%	5%

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Debt securities of the U.S. government and obligations of U.S. government agencies that are explicitly guaranteed by the U.S. government are not considered to have credit risk.

The City's investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Presented below is the minimum rating required by the City's investment policy and the actual rating as of December 31, 2013 for each investment type.

Investment Type	Minimum Rating Required	Standard & Poor's Rating	Moody's Rating	Total Investment Portfolio
U.S. Treasury Notes	N/A	N/A	N/A	4%
Federal Farm Credit Banks (FFCB)	N/A	AAA	Aaa	5%
Federal Home Loan Banks (FHLB)	N/A	AAA	Aaa	6%
Federal Home Loan Mortgage Corporation (FHLMC)	N/A	AAA	Aaa	8%
Federal National Mortgage Association (FNMA)	N/A	AAA	Aaa	12%
Commercial paper	A-1/P-1	A-1	P-1	2%
Corporate bonds	AA-/Aa3	AAA	Aaa	1%
Corporate bonds	AA-/Aa3	AA+	Aa2	1%
Corporate bonds	AA-/Aa3	AA	Aa2	1%
Corporate bonds	AA-/Aa3	AA-	Aa3	4%
COLOTRUST (b)	N/A	AAAm	Aaa	8%

(a) Ratings displayed are of the underlying securities supporting the repurchase agreement

(b) COLOTRUST is a 2a7-like investment pool

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market rates. The following schedule indicates the interest rate risk of the City's investments at December 31, 2013. The Retirement Trust Funds' interest rate risk information begins on page 72.

		Investment Maturities	
	Fair Value	Less than 1 year	1 to 5 years
Primary Government:			
Investments in City internal investment pool:			
U.S. Treasury Notes	$ 4,028,126	$ -	$ 4,028,126
U.S. Instrumentalities	27,062,292	7,680,423	19,381,869
Corporate Bonds	9,299,838	3,000,240	6,299,598
Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+)	7,320,380	7,320,380	-
Less: Component unit investments in internal investment pool	(843,025)	(843,025)	-
Subtotal investments in City internal investment pool	46,867,611	17,158,018	29,709,593
Retirement Trust Fund investments	44,194,217		
Total Primary Government	91,061,828		
Component Units:			
EURA:			
Investments in internal investment pool	18,863	$ 18,863	$ -
EEF:			
Investments in internal investment pool	814,582	$ 814,582	$ -
EMRF:			
Investments in internal investment pool	9,580	$ 9,580	$ -
Total Component Units	843,025		
Total Investments	$ 91,904,853		

One of the ways the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. Additionally, the City's investment policy limits the weighted average maturity of its internal investment pool to less than two years. At December 31, 2013, the weighted average maturity of the City's internal investment portfolio was 2.19 years.

Concentration of Credit Risk

Of the City's total investments in its internal investment pool, 4% were T-Notes, 12% were FNMA Notes, 8% were FHLMC Notes, 5% were FFCB Notes and 6% were FHLB Notes. Additionally, 8% of the internal investment pool was held by COLOTRUST. All other investments not issued or explicitly guaranteed by the U.S. Government were less than 19% of the City's total pooled investments.

Retirement Trust Funds' Investments

The investments of the pension trust funds are invested separately from the internal investment pool. At December 31, 2013, the investments were as follows:

Investment Type	Fair Value
Nonemergency Pension Trust Fund	
Fixed Income securities	$ 9,097,914
Equity securities:	
Domestic	14,857,325
International	5,006,021
Subtotal equity securities	19,863,346
Real estate equity fund	3,103,451
Subtotal nonemergency employees retirement trust	32,064,711
Police Officers, Firefighters and Volunteer Firefighters Pension Trust Funds	
Fire and Police Pension Association	12,129,506
Total Retirement Trust Investments	$ 44,194,217

Assets of the Nonemergency Pension Trust Fund (Fund) are invested in accordance with Colorado Revised Statutes Section 15-1.1-102 under the Uniform Prudent Investor Act and subject to investment policy guidelines as established by the Nonemergency Retirement Plan Board. The objective of the policy is to maximize the expected return of the fund at an acceptable level of risk. The Retirement Board has established percentage guidelines for types of investments to ensure the portfolio is diversified. Assets of the Firefighters, Police Officers and Volunteer Firefighters Pension Trust Funds are invested by the Fire and Police Pension Association of Colorado (FPPA) (see Note 4.D.). The discussion that follows relating to interest rate, credit and foreign currency risk applies to the Nonemergency Pension Trust Fund only. A discussion of the investment policy and investment risks of the Firefighters, Police Officers and Volunteer Firefighters Pension Trust Funds may be found in FPPA's publicly issued Comprehensive Annual Financial Report that may be obtained from FPPA's website at www.fppaco.org.

Interest Rate and Credit Risk - Retirement Trust Funds

The fair value of fixed income investments fluctuate in response to changes in market interest rates, generally decreasing in response to increases in market interest rates. The Nonemergency Retirement Plan Board does not have a specific policy to manage interest or credit rate risk but manages its exposure to fair value losses arising from increasing interest rates by requiring retained fixed income investment managers to monitor the duration and maturity of its portfolio and diversify by issuer and by sector or industry. The managers are evaluated against specific market benchmarks that represent their investment style.

Duration measures a fixed income security's exposure to price changes arising from changing interest rates. The calculation uses the present value of cash flows, weighted according to the time to cash receipt. Effective (or option-adjusted) duration is the duration of a bond after adjusting for any embedded options. Effective duration takes into account the fact that yield changes may change the expected cash flows of the bond in the presence of an embedded option, such as a call, put, or prepayment option for asset- or mortgage-backed securities. The longer the duration, the more sensitive the bond or portfolio of bonds should be to changes in interest rates.

At December 31, 2013, the Fund's fixed income securities had an effective duration of 4.2 years.

U.S. Government obligations and those explicitly guaranteed by the U.S. Government account for 32.8% of the Fund's fixed income portfolio. The following table illustrates the credit risk exposure of the remaining fixed income securities as of December 31, 2013:

Rating	Percentage of Fixed Income Total
AAA	4.6%
AA	1.3%
A	8.4%
BBB	12.0%
BB	13.6%
B	10.9%
CCC	2.2%
Not rated	1.4%
Cash	12.8%
	67.2%

Foreign Currency Risk - Retirement Trust Funds

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The Fund's exposure to foreign currency risk derives from its allocations to non-U.S. dollar denominated international equity, fixed income, and private equity investments. Through its asset allocation policy, the Fund has set a target asset allocation of 10% to developed and emerging market international equities. Core plus fixed income managers may invest up to 10% of the portfolio in non-U.S. dollar denominated investment grade fixed income securities.

The fair value of the Fund's exposure to foreign currency risk at December 31, 2013 is summarized in the following table:

Country or Region	Currency	Fair Value	Percentage of Total
United Kingdom	British pound	$ 754,079	16.6%
Other Developed Europe	Other Europe	1,524,690	33.6%
Japan	Japanese yen	607,426	13.4%
Other Pacific Basin	Other Pacific Basin	1,027,752	22.7%
Brazil	Brazilian real	15,013	0.3%
South Africa	South African rand	46,368	1.0%
Other countries	Other countries	397,576	8.8%
		4,372,904	96.4%
	Cash and equivalents	159,525	3.6%
		$ 4,532,429	100.0%

B. Receivables

Receivables at year-end for the City's individual major, non-major and internal service funds are as follows:

	Governmental Activities			
	General	Nonmajor Funds	Internal Service	Total
Receivables:				
Property tax	$2,917,000	$ 1,113,000	$ -	$4,030,000
Sales and use tax	3,190,632	112,868	-	3,303,500
Interest	23,368	16,705	9,133	49,206
Accounts	215,547	-	9,554	225,101
Assessments	15,639	-	-	15,639
Intergovernmental	252,810	617,620	-	870,430
Total receivables	$6,614,996	$ 1,860,193	$ 18,687	$8,493,876

	Business-type Activities						
	Water	Sewer	Golf Course	Storm Drainage	Concrete Utility	Housing Rehabilitation	Total
Receivables							
Interest	$ 20,792	$ 23,457	$ 2,261	$ 2,436	$ 1,024	$ 1,948	$ 51,918
Accounts	1,135,078	2,873,083	-	20,291	16,981	4,627	4,050,060
Notes (see below)	-	-	-	-	-	3,185,091	3,185,091
Other	58,209	301,232	-	-	-	-	359,441
Total receivables	$1,214,079	$ 3,197,772	$ 2,261	$ 22,727	$18,005	$ 3,191,666	$7,646,510
Not scheduled for collection during the subsequent year	$ -	$ -	$ -	$ -	$ -	$ 3,185,091	$3,185,091

None of the notes receivable in the Housing Rehabilitation Fund are expected to be collected within one year.

1. Notes Receivable

Notes receivable in the Housing Rehabilitation Fund consist of loans to qualified borrowers for rehabilitation of existing homes. Interest rates vary from 0% to 10.8%. Terms of repayment vary from monthly amortized loans to deferred loans, where the payment of loan principal and accrued interest, if any, is payable when the property transfers ownership. A lien is filed on the property to insure loans are repaid. The total loan balance of $4,061,091 has been reduced by $876,000 to account for the present value of the receivables.

An analysis of the notes receivable follow:

Loan Type	Balance 12/31/2012	New Loans	Principal Payments	Balance 12/31/2013
Amortized loans	$ 1,822,000	$ 56,588	$ 438,134	$ 1,440,454
Deferred loans	2,645,587	196,289	263,458	2,578,418
	$ 4,467,587	$ 252,877	$ 701,592	4,018,872
Loans in progress				42,219
				4,061,091
Less unamortized discount based on imputed interest rate of 7% over 20 years				(876,000)
Total notes receivable, net				$ 3,185,091

Notes are classified as follows:	
Current	$ -
Long-term	3,185,091
	$ 3,185,091

2. Unearned Revenue/Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of December 31, 2013, the various components of *deferred* revenue and *unearned* revenue reported in the governmental funds of the primary government were as follows:

	Unavailable	Unearned	Total
Property taxes receivable (General Fund)	$2,934,000	$ -	$2,934,000
Property taxes receivable (Debt Service Fund)	1,113,000	-	1,113,000
Sales and use taxes (General Fund)	-	1,150,000	1,150,000
Grants drawdowns prior to meeting all eligibility requirements (General and Capital Projects Funds)	-	300,000	300,000
Net government-wide deferred / unearned revenue	$4,047,000	$1,450,000	$5,497,000

C. Capital Assets

1. Primary Government

Capital asset activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 16,059,231	$ 23,880	$ -	$ 16,083,111
Works of art	203,750	-	-	203,750
Construction in process	478,650	589,552	(409,530)	658,672
Total capital assets not being depreciated	16,741,631	613,432	(409,530)	16,945,533
Capital assets being depreciated				
Buildings	40,816,277	75,085	-	40,891,362
Infrastructure	32,511,609	103,934	(83,000)	32,532,543
Machinery and equipment	21,131,703	1,184,663	(414,998)	21,901,368
Other improvements	6,089,825	145,741	-	6,235,566
Total capital assets being depreciated	100,549,414	1,509,423	(497,998)	101,560,839
Less accumulated depreciation for:				
Buildings	(13,990,483)	(821,613)	-	(14,812,096)
Infrastructure	(13,693,524)	(1,533,442)	83,000	(15,143,966)
Machinery and equipment	(15,199,682)	(1,368,703)	402,811	(16,165,574)
Other improvements	(2,077,786)	(231,883)	-	(2,309,669)
Total accumulated depreciation	(44,961,475)	(3,955,641)	485,811	(48,431,305)
Total capital assets being depreciated, net	55,587,939	(2,446,218)	(12,187)	53,129,534
Governmental activities capital assets, net	$ 72,329,570	$ (1,832,786)	$ (421,717)	$ 70,075,067

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

Governmental activities:	
General Government	$ 323,209
Safety Services	203,077
Public Works	1,461,044
Culture and Recreation	689,654
Unallocated	436,088
In addition, depreciation on capital assets held by the City's internal service funds is charged to the various functions based on their usage of the assets.	844,088
Total depreciation expense - governmental activities	$ 3,957,160

Capital asset activity for the year ended December 31, 2013 (continued):

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 11,522,825	$ -	$ -	$ 11,522,825
Raw water	6,451,002	-	-	6,451,002
Construction in process	885,237	41,365	(885,237)	41,365
Total capital assets not being depreciated	18,859,064	41,365	(885,237)	18,015,192
Capital assets being depreciated:				
Distribution and collection systems	32,675,676	113,845	-	32,789,521
Plant and buildings	27,391,343	4,851,577	-	32,242,920
Improvements other than buildings	6,556,512	-	-	6,556,512
Curb, sidewalk and streets	20,709,736	534,279	-	21,244,015
Equipment and other	4,983,926	84,854	(126,683)	4,942,097
Total capital assets being depreciated	92,317,193	5,584,555	(126,683)	97,775,065
Less accumulated depreciation for:				
Distribution and collection systems	(20,171,266)	(553,848)	-	(20,725,114)
Plant and buildings	(11,104,417)	(689,337)	-	(11,793,754)
Improvements other than buildings	(2,686,029)	(56,028)	-	(2,742,057)
Curb, sidewalk and streets	(9,215,096)	(381,030)	-	(9,596,126)
Equipment and other	(3,790,005)	(242,552)	126,683	(3,905,874)
Total accumulated depreciation	(46,966,813)	(1,922,795)	126,683	(48,762,925)
Total capital assets being depreciated, net	45,350,380	3,661,760	-	49,012,140
Business-type activities capital assets, net	$ 64,209,444	$ 3,703,125	$ (885,237)	$ 67,027,332

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

Business-type activities:	
Water	$ 1,006,948
Sewer	82,714
Golf	348,862
Storm	103,241
Concrete	381,030
Total depreciation expense - business-type activities	$ 1,922,795

2. Discretely Presented Component Units

Englewood Urban Renewal Authority (EURA)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	$ 516,995	$ -	$ -	$ 516,995

The capital assets of the EURA consist of a parking lot and vacant land (approximately 1.7 acres).

Englewood Environmental Foundation (EEF)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	$ 8,496,257	$ -	$ -	$ 8,496,257
Capital assets being depreciated				
Site development	10,772,214	-	-	10,772,214
Curb, sidewalk and streets	4,841,536	-	-	4,841,536
Parking structure	3,956,348	-	-	3,956,348
Bridge	2,017,170	-	-	2,017,170
Equipment and other	185,261	-	-	185,261
Total capital assets being depreciated	21,772,529	-	-	21,772,529
Less accumulated depreciation for:				
Site development	(6,442,328)	(413,801)	-	(6,856,129)
Curb, sidewalk and streets	(4,841,538)	-	-	(4,841,538)
Parking structure	(2,057,301)	(158,254)	-	(2,215,555)
Bridge	(1,048,561)	(80,687)	-	(1,129,248)
Equipment and other	(178,430)	(1,349)	-	(179,779)
Total accumulated depreciation	(14,568,158)	(654,091)	-	(15,222,249)
Total capital assets being depreciated, net	7,204,371	(654,091)	-	6,550,280
EEF capital assets, net	$ 15,700,628	$ (654,091)	$ -	$ 15,046,537

Englewood McLellan Reservoir Foundation (EMRF)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	$ 5,706,166	$ -	$ -	$ 5,706,166

D. Interfund Transfers

The composition of interfund balances as of December 31, 2013, is as follows:

	Transfers in:				
	General Fund	Nonmajor Governmental	Proprietary	Internal Service	Total Transfers In
Transfers out:					
General Fund	$ -	$ 73,006	$ -	$ -	$ 73,006
Nonmajor governmental funds	989,574	600,000	684,770	-	2,274,344
Proprietary funds	-	134,995	-	-	134,995
Internal service funds	150,000	-	-	100,000	250,000
Total transfers out	$ 1,139,574	$ 808,001	$ 684,770	$ 100,000	$ 2,732,345

Transfers between funds provide support for various City programs in accordance with budgetary authorizations. During the year ended December 31, 2013, the City made one-time transfers to the General Fund from nonmajor governmental funds for debt service and from internal service funds to subsidize the operations of the General Fund. The Public Improvement Fund made transfers to the other capital projects funds to assist in funding for projects accounted for in those funds.

E. Capital Leases

The City has entered into capital lease agreements for the purpose of acquiring and financing the Civic Center and equipment. All of these agreements qualify as capital leases for accounting purposes and, therefore have been recorded at the present value of their future minimum lease payments as of the inception date.

Assets acquired through capital leases follow:

Asset	Cost	Accumulated Depreciation	Total
Building - Civic Center	$ 22,393,532	$ (6,914,996)	$ 15,478,536
Equipment - Other	540,000	(324,000)	216,000
Equipment - Computer Equipment	195,458	(117,275)	78,183
Equipment - Fire Operations	973,900	(289,984)	683,916
Total capital leases	$ 24,102,890	$ (7,646,255)	$ 16,456,635

1. Civic Center

On December 29, 1998, the City entered into a lease purchase agreement with the Englewood Environmental Foundation, Inc. (EEF) for the Englewood Civic Center. The lease represents a legal outstanding economic debt of the City to the EEF, a separate legal entity and not an advance between funds. The lease purchase agreement is renewable annually and lease payments are subject to annual appropriation by the City. Base rentals are intended to cover the EEF's debt service requirements on its outstanding Certificates of Participation (see Note 3.G.). Lease payments are made from the General Fund and are due in semiannual installments through June 1, 2023, with interest at 3.25% to 4.5%.

2. Fire Equipment

On April 20, 2008, the City entered into a lease agreement for two fire trucks. Lease payments are due in annual installments beginning in 2008 and ending March 1, 2017, with interest at 4.24%. Lease payments are made by the General Fund.

3. Telecommunications and Security Equipment

On November 2, 2010, the City entered into a lease agreement for a security camera system and phone equipment. Lease payements are due in semi-annual installments beginning in 2010 and ending November 2, 2016, with interest at 3.87%. Lease payments are made by the General Fund.

The net present value of these minimum lease payments as of December 31, 2013, was as follows:

	Governmental Activities			
Year Ending December 31	Civic Center	Fire Equipment	Phone/Security Equipment	Total
2014	$ 1,561,563	$ 118,393	$ 152,947	$ 1,832,903
2015	1,561,988	118,393	65,126	1,745,507
2016	1,559,219	118,393	65,128	1,742,740
2017	1,559,313	118,393	-	1,677,706
2018	1,560,650	-	-	1,560,650
2019-2023	7,770,449	-	-	7,770,449
Minimum lease payments	15,573,182	473,572	283,201	16,329,955
Less: Amount representing interest	(3,018,182)	(46,238)	(15,063)	(3,079,483)
Present value of minimum Lease Payments	$ 12,555,000	$ 427,334	$ 268,138	$ 13,250,472

F. Long-term Obligations

1. General Obligation Bonds

The City has issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City is authorized to levy an ad valorem tax to pay the principal and interest on these bonds.

A description of the general obligation bonds outstanding at the end of the year follows:

General Obligation Refunding Bonds, Series 2010. On October 19, 2010, the City issued $9,985,000 of General Obligation Refunding Bonds, to provide resources to purchase U.S. Treasury, Certificates and Notes that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of $4,000,000 of Series 2001 and $5,255,000 of Series 2002 General Obligation Bonds representing all outstanding bonds maturing on or after December 1, 2010. As a result, the refunded bonds were called in 2011 and 2012. The 2010 bonds bear interest at 2.0% to 4.0% and consist of serial bonds maturing yearly on December 1 through 2023. Bonds maturing on or after December 1, 2021 are subject to redemption at the option of the City. Interest is payable semiannually on June 1 and December 1. This refunding is estimated to save taxpayers approximately $467,000 over the life of the bonds. The original issue was used to fund improvements to the City's two recreation centers and the construction of the Pirates Cove Family Aquatics Center.

General Obligation Water Bonds, Series 2004, original principal amount of $3,055,000, dated December 1, 2004, consisting of serial bonds in the original amount of $1,865,000 due annually in varying amounts through January 1, 2019, and term bonds in the original amount of $1,190,000 due on January 1, 2025. The term bonds maturing on January 1, 2025 are subject to mandatory sinking fund redemption commencing on January 1, 2020. Interest is payable semi-annually at rates ranging from 3.375% to 4.75%. Bonds maturing on or after January 1, 2014 are callable at par in any order of maturity on January 1, 2014. The bonds are rated Aa3 by Moody's and AA+ by Standard and Poor's. The bonds were issued to finance miscellaneous water system improvement projects. Although there is a general obligation pledge on these bonds, which allows the City to certify a rate of levy for property taxes to pay principal and interest on the bonds, it is the City's intention to service the debt from available moneys in the Water Fund. All bonds maturing after January 1, 2014 have been refunded by the 2012 series refunding issue and are considered defeased.

General Obligation Water Refunding and Improvement Bonds, Series 2012, original principal amount of $8,590,000, dated July 11, 2012, consisting of serial bonds due annually in varying amounts through January 1, 2032. The term bonds maturing on January 1, 2023 are subject to redemption prior to their respective maturities at the option of the City. Interest is payable semi-annually at rates ranging from 2% to 4%. The bonds are rated Aa3 by Moody's and AA+ by Standard and Poor's. The bonds were issued to refund the Series 2004 General Obligation Water bonds. The remaining $1,970,000 of outstanding bonds were called January 1, 2014. Although there is a general obligation pledge on these bonds, which allows the City to certify a rate of levy for property taxes to pay principal and interest on the bonds, it is the City's intention to service the debt from available moneys in the Water Fund. The original 2004 bonds were issued to finance various water system improvement projects.

General Obligation Water Bonds, Series 2009, original principal amount of $2,615,000, dated June 24, 2009, consisting of serial bonds due annually in varying amounts through January 1, 2029. The bonds maturing on January 1, 2026 are subject to mandatory sinking fund redemption commencing on January 1, 2025. Interest is payable semi-annually at rates ranging from 4.15% to 4.625%. Bonds maturing on or after January 1, 2019 are callable at par in any order of maturity on January 1, 2020. The bonds are rated Aa3 by Moody's and AA+ by Standard and Poor's. The bonds were issued to finance miscellaneous water system improvement projects. Although there is a general obligation pledge on these bonds, which allows the City to certify a rate of levy for property taxes to pay principal and interest on the bonds, it is the City's intention to service the debt from available moneys in the Water Fund.

General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities	2.00% - 5.10%	$ 8,855,000
Business-type activities	3.625% - 4.75%	11,330,000
		$ 20,185,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

	Principal	Interest	Total
2014	$ 985,000	$ 641,541	$ 1,626,541
2015	1,020,000	617,640	1,637,640
2016	1,030,000	597,290	1,627,290
2017	1,050,000	576,690	1,626,690
2018	1,070,000	553,416	1,623,416
2019-2023	7,370,000	2,104,881	9,474,881
2024-2028	3,955,000	1,004,290	4,959,290
2029-2032	3,705,000	241,725	3,946,725
	$ 20,185,000	$ 6,337,473	$ 26,522,473

2. Revenue Bonds

The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding at year-end are as follows:

Golf Course Revenue Refunding Bonds, Series 2003, original principal amount of $2,935,000, dated December 15, 2003, consisting of serial bonds in the original amount of $640,000 due annually in varying amounts through December 1, 2014, and term bonds in the original amount of $875,000 due on December 1, 2019 and term bonds in the original amount of $1,420,000 due on December 1, 2024. The term bonds maturing on December 1, 2019 are subject to mandatory sinking fund redemption commencing on December 1, 2015. The term bonds maturing on December 1, 2024 are subject to mandatory sinking fund redemption commencing on December 1, 2020. Interest is payable semi-annually at rates ranging from 2.50% to 6.00%. Bonds maturing on or after December 1, 2014 are callable at par in any order of maturity on December 1, 2013. The bonds are non-rated. The original 1994 bonds that were refunded by this issue were utilized for construction of golf course improvements. All bonds maturing after December 1, 2013 have been refunded by the 2013 series refunding issue and all have been called.

Golf Course Revenue Refunding Bonds, Series 2013, original principal amount of $2,530,000, dated September 19, 2013, consisting of serial bonds in the original amount of $1,335,000 due annually in varying amounts through December 1, 2026, and term bonds in the original amount of $300,000 due on December 1, 2028 and term bonds in the original amount of $320,000 due on December 1, 2030 and term bonds in the original amount of $555,000 due on December 1, 2033. Interest is payable semi-annually at rates ranging from 2.00% to 5.625%. Bonds maturing on or after December 1, 2023 are callable at par in any order of maturity on December 1, 2013. The Bonds maturing on and after December 1, 2024 are subject to redemption prior to maturity, at the option of the City, in whole or in part, and if in part in such order of maturities as the City shall determine and by lot within a maturity, on December 1, 2023 and on any date thereafter, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date. The bonds are non-rated. The original 2003 bonds that were refunded by this issue were utilized for construction of golf course improvements. All of the remaining 2003 bonds were called in 2013.

Storm Water Enterprise Revenue Refunding Bonds, Series 2012, original principal amount of $1,025,000, dated May 30, 2012, consisting of serial bonds due annually from December 1, 2012 through December 1, 2021. Interest is payable semi-annually at rates ranging from 2% to 2.7% on the outstanding bonds. The bonds are non-rated. These bonds were issued to refund the Series 2001 Storm Water Enterprise Revenue bonds. The original bonds were issued to finance miscellaneous storm water system improvement projects. All of the remaining 2001 bonds were called in 2012.

Annual debt service requirements to maturity for revenue bonds are as follows:

	Principal	Interest	Total
2014	$ 185,000	$ 139,346	$ 324,346
2015	185,000	136,646	321,646
2016	190,000	133,696	323,696
2017	195,000	130,171	325,171
2018	200,000	125,858	325,858
2019-2023	850,000	538,896	1,388,896
2024-2028	670,000	378,358	1,048,358
2029-2033	875,000	162,530	1,037,530
	$ 3,350,000	$ 1,745,501	$ 5,095,501

3. Qualified Energy Conservation Bonds

The City issued Qualified Energy Conservation Bonds in 2010. The original principal amount of $1,355,302 dated August 19, 2010. Principal and interest are due quarterly with an interest rate of 5.41%. The interest payments are partially offset by credits from the Federal Government under Section 1112 of the American Recovery and Reinvestment Act of 2009, "Section 54D" that authorizes states and political subdivisions to issue qualified energy conservation bonds "QECBs". Proceeds will be used for qualified energy conservation purposes. Payments are made by the General Fund.

Annual debt service requirements for the qualified energy conservation bonds are as follows:

	Principal	Interest	Total
2014	$ 66,511	$ 26,304	$ 92,815
2015	70,988	24,819	95,807
2016	75,644	23,235	98,879
2017	80,483	21,550	102,033
2018	85,513	19,759	105,272
2019-2023	510,152	67,921	578,073
2024-2026	345,736	11,502	357,238
	$1,235,027	$195,090	$ 1,430,117

4. Notes and loans payable

Colorado Water Resources and Power Development Authority to fund water and sewer system improvements:

Servicing Fund	Issue Date	Original Amount	Interest Rate	Outstanding Balance	Last Payment Due
Water	10/1/1997	$ 15,292,636	4.141%	$ 4,509,050	8/1/2018
Sewer	5/1/2004	19,715,000	4.110%	10,225,000	8/1/2017
Sewer	5/1/2004	29,564,275	3.870%	29,516,116	8/1/2025
			Total	$ 44,250,166	

In 2013, these loans were refinanced by the Colorado Water Resources and Power Development Authority. Over the remaining life of the loans, the refinancing is expected to save the Water and Sewer Funds $436,000 and $2,067,000 respectively.

The City has entered into various loans with local banks to fund the housing rehabilitation loan program. The loans are serviced by the Housing Rehabilitation Fund:

Vectra and US Bank – Included with the City's notes and loans payable are lines of credit at various interest rates ranging from 3.85% to 7.00% used to provide interim financing for the Housing Rehabilitation Fund program. These funds are subsequently loaned to homeowners to assist in completing home improvements. Repayments are made when payments are received on the corresponding notes receivable. The lines of credit are retired from the proceeds of long-term notes secured by individual homeowners' notes to the City. The balances of these notes at December 31, 2013 for Vectra and US Bank are $394,653 and $699,798 respectively. As the repayments of these notes are based on the repayment of corresponding notes receivable, these notes are not included in the maturity table below.

Notes and loans currently outstanding are as follows:

Purpose	Interest Rates	Amount
Business-type activities	3.85% - 7.00%	$ 44,250,166

Annual debt service requirements to maturity for notes and loans payable are as follows (excluding notes payable from the Housing Rehabilitation Fund):

	Business-type Activities		
	Principal	Interest	Total
2014	$ 3,528,690	$ 1,797,166	$ 5,325,856
2015	3,691,125	1,637,758	5,328,883
2016	3,868,651	1,389,801	5,258,452
2017	4,054,062	1,067,452	5,121,514
2018	3,952,588	852,809	4,805,397
2019-2023	17,347,942	2,811,374	20,159,316
2024-2025	7,807,108	148,574	7,955,682
	$ 44,250,166	$ 9,704,934	$ 53,955,100

Long-term liability activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General Obligation Bonds:					
Series 2010 Refunding	$ 9,530,000	$ -	$ 675,000	$ 8,855,000	$ 835,000
Premium/(Discount)	316,372	-	22,408	293,964	27,720
Subtotal general obligation bonds	9,846,372	-	697,408	9,148,964	862,720
Capital Lease Obligations:					
Civic Center Lease, 2005 Refunding	13,545,000	-	990,000	12,555,000	1,025,000
Premium/(Discount)	191,591	-	30,949	160,642	28,820
Qualified Energy Conservation	1,297,234	-	62,207	1,235,027	63,269
Computer Equipment Lease	55,392	-	55,392	-	-
Phone/Security Equipment Lease	268,137	-	143,949	124,188	60,904
Fire Equipment, 2007	523,529	-	96,195	427,334	100,274
Subtotal capital leases	15,880,883	-	1,378,692	14,502,191	1,278,267
Other:					
Net OPEB Obligation	252,570	212,710	121,700	343,580	-
Compensated absences	2,487,467	2,181,003	2,064,697	2,603,773	1,301,886
Governmental activity total Long-term liabilities	$ 28,467,292	$ 2,393,713	$ 4,262,497	$ 26,598,508	$ 3,442,873
Business-type activities:					
General Obligation Water Bonds, 2012	$ 8,590,000	$ -	$ 10,000	$ 8,580,000	$ 15,000
Premium/(Discount)	380,221	-	443	379,778	664
General Obligation Water Bonds, 2009	2,615,000	-	-	2,615,000	-
Premium/(Discount)	(15,213)	-	(1,101)	(14,112)	(1,101)
General Obligation Water Bonds, 2004	275,000	-	140,000	135,000	135,000
Premium/(Discount)	2,411	-	1,240	1,171	1,171
Subtotal general obligation bonds	11,847,419	-	150,582	11,696,837	150,734
Revenue Bonds payable:					
Golf Course Refunding Bonds, 2003	2,515,000	-	2,515,000	-	-
Golf Course Refunding Bonds, 2013	-	2,530,000	15,000	2,515,000	85,000
Premium/(Discount)	-	(87,832)	(1,192)	(86,640)	(6,756)
Storm Water Series, 2012 Refunding	930,000	-	95,000	835,000	95,000
Premium/(Discount)	2,255	-	230	2,025	242
Subtotal revenue bonds	3,447,255	2,442,168	2,624,038	3,265,385	173,486
Notes and loans payable:					
CWR&PDA Sewer Loan, 2004	29,521,467	-	5,351	29,516,116	5,351
Premium/(Discount)	271,083	-	33,430	237,653	33,431
CWR&PDA Sewer Loan, 2004	12,755,000	-	2,530,000	10,225,000	2,655,000
Premium/(Discount)	217,004	-	79,671	137,333	62,089
CWR&PDA Water Loan, 1997	5,354,069	-	845,019	4,509,050	868,339
Notes payable (Rehab) - Vectra Bank	501,274	-	106,621	394,653	31,000
Notes payable (Rehab) - US Bank	945,808	30,000	276,010	699,798	5,000
Net OPEB Obligation	100,414	28,992	10,100	119,306	-
Compensated absences	382,024	258,050	277,110	362,964	181,481
	50,048,143	317,042	4,163,312	46,201,873	3,841,691
Business-type activity total Long-term liabilities	$ 65,342,817	$ 2,759,210	$ 6,937,932	$ 61,164,095	$ 4,165,911

There are a number of limitations and restrictions contained in the various indentures. The City believes it complies with all significant limitations and restrictions.

General obligation indebtedness of the City is limited by the City Charter to three percent of actual valuation of taxable property within the City. At December 31, 2013, this limit was $94,988,227 providing a debt margin of $85,839,263.

G. Component Unit Debt Obligations

Englewood Environmental Foundation, Inc.

As discussed in Note 1, the Englewood Environmental Foundation, Inc. (EEF), a separate legal entity, was created in 1997. The EEF has not adopted an annual budget as it was incorporated as a Colorado not-for-profit corporation and not a Colorado local government.

An analysis of changes in long-term obligations for the year ended December 31, 2013 follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Certificates of Participation:					
Series 2005 Refunding	$ 13,545,000	$ -	$ 990,000	$ 12,555,000	$ 1,025,000

The detail of the EEF's long-term debt is as follows:

On December 29, 1998, the EEF issued Series 1998 Certificates of Participation dated December 1, 1998 to finance the acquisition and renovation of an existing building for use as a Civic Center (the leased property) and the construction of various public improvements adjacent to the Civic Center. The Certificates have been issued in connection with a lease from the City to the EEF and a lease back to the City by the EEF.

On October 4, 2005, the EEF issued $18,880,000 Refunding Certificates of Participation, Series 2005, to provide resources to purchase U.S. Treasury Notes that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of $18,125,000 Series 1998 Certificates of Participation. As a result, the certificates were called in 2008. The 2005 certificates bear interest at 3.25% to 4.5% and consist of term certificates due June 1, 2020. Interest is payable semiannually on June 1 and December 1. The Certificates are subject to redemption at par prior to maturity on any date on or after June 1, 2016. The Certificates are subject to mandatory redemption beginning June 1, 2017 for Certificates maturing on June 1, 2020. Repayment of both principal and interest on the Certificates are insured by MBIA Insurance Corporation.

The EEF's long-term debt service obligations are as follows:

	Certificates of Participation		
	Principal	Interest	Total
2014	$ 1,025,000	$ 536,563	$ 1,561,563
2015	1,070,000	491,988	1,561,988
2016	1,115,000	444,219	1,559,219
2017	1,165,000	394,313	1,559,313
2018	1,220,000	340,650	1,560,650
2019-2023	6,960,000	810,449	7,770,449
Total	$ 12,555,000	$ 3,018,182	$ 15,573,182

At December 31, 2013, the EEF has recorded a lease receivable for $12,555,000. As the City remits the base rentals required by the lease purchase agreement, the EEF will reduce the lease receivable by the principal amount of the base rentals and record lease interest income for the interest portion of the base rentals (see Note 3.E.).

Note 4. Other Information

A. Investment in Joint Venture

The City participates with the City of Littleton, Colorado in a joint venture for the operation of a wastewater treatment facility ("Littleton/Englewood Wastewater Treatment Plant Joint Venture" or "Joint Venture"). Control of the Joint Venture vests in a four-member committee, with two members appointed by each City. Each City owns a 50 percent interest in the Joint Venture, and oversight responsibilities are divided equally. The City's investment in the Joint Venture is accounted by the equity method in the Sewer Fund. Summary audited financial information as of and for the year ended December 31, 2013 follows:

	Total	City's Share
Assets		
Current assets	$ 1,677,139	$ 838,570
Capital assets, net	117,938,574	58,969,287
Total assets	119,615,713	59,807,857
Liabilities		
Current liabilities	1,561,463	780,732
Net position	118,054,250	59,027,125
Revenues	13,959,754	6,979,877
Expenses	21,489,973	10,744,986
Change in net position	$ (7,530,219)	$ (3,765,109)

The City's Sewer Fund has reflected a net loss from joint venture for $3,765,109. This amount includes the City's share of the Joint Venture's net loss of $4,293,413 less capital contributions from the City to the Joint Venture of $528,302.

Complete financial statements for the Joint Venture may be obtained from City's Department of Finance and Administrative Services.

B. Risk Management

1. Property, Liability and Workers' Compensation

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors or omissions; injuries to employees; and natural disasters.

The City is insured for property, liability and workers' compensation claims above its deductible amount of $150,000. The City established a Risk Management Fund (an internal service fund) to account for and finance these risks of loss. For claims in excess of these amounts, the City participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). All funds of the City participate in the Risk Management Fund. Amounts payable to the Risk Management Fund are based on historical claims experience. A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimated.

Risk Management Fund - Claims Liability

Changes in the balance of claims liabilities during the years ended December 31, 2013 and 2012 are as follows:

	Property & Liability	Workers' Compensation	Totals
Unpaid claims - December 31, 2011	$ 182,007	$ 332,265	$ 514,272
Incurred claims (including claims reserve)	618,400	1,655,374	2,273,774
Claim payments	(430,544)	(1,159,137)	(1,589,681)
Unpaid claims - December 31, 2012	369,863	828,502	1,198,365
Incurred claims (including claims reserve)	262,490	(417,578)	(155,088)
Claim payments	(318,604)	(17,759)	(336,363)
Unpaid claims - December 31, 2013	$ 313,749	$ 393,165	$ 706,914

Colorado Intergovernmental Risk Sharing Agency (CIRSA)

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution. The City has participated in CIRSA since its inception in 1982.

CIRSA is a joint self-insurance pool created by intergovernmental agreement to provide property, general and automobile liability, workers' compensation and public official's coverage to its members. A seven member Board elected by and from its members governs CIRSA.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and those amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The City has not been informed of any excess losses that may have been incurred by the pool.

2. Employee Health Care

Medical, accidental death and disability and life insurance

The City provides medical, accidental death and disability and life insurance to employees through commercial insurance with no risk of loss to the City.

Dental insurance

Dental benefits are entirely self-insured with coverage limited to $2,000 per covered employee and each eligible dependent per year. In the past three years, there have been no claims that have exceeded this coverage.

The City established the Employee Benefits Fund (an internal service fund) to account for and finance these health benefits. All funds of the City participate in the Employee Benefits Fund. Amounts payable to the Employee Benefits Fund are based on commercial insurance premiums and passed on to the participating funds. A liability for dental claims is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimated.

C. Commitments and Contingencies

1. Legal proceedings

A number of claims are presently pending against the City. The City is denying the allegations and is defending against them. Although the eventual outcome of these matters cannot be predicted, it is the opinion of management, based upon advice of legal counsel, that the City's ultimate liability is not expected to have a material effect on the City's financial position.

2. Federally assisted grant programs

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

3. Construction Commitments

There were no significant construction commitments at December 31, 2013.

4. Conduit Debt Obligations

From time to time, the City has issued Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of residential facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from revenues of the private sector entities. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. There is no obligation by the City, the State, or any other political subdivision for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2013, there were four series of Revenue Bonds outstanding, with an aggregate principal amount payable of $27,090,752.

D. Employee Retirement Systems and Pension Plans

Eligible City employees are covered by one of twelve retirement plans; participation depends on occupation and date of hire, as follows:

1. NonEmergency Employees Retirement Plan (NERP) – Defined Benefit
2. Police Officers Retirement Plans (six plans)
   Police Officers Pension Plan – Defined Benefit
   ICMA-RC Money Purchase Police Plan – Defined Contribution

   Fire and Police Pension Association (FPPA) Plans – Police Officers

   FPPA State Wide Defined Benefit (SWDB) – Defined Benefit
   FPPA State Wide Defined Benefit (SWDB) – Defined Benefit
   FPPA Hybrid Plan – Defined Benefit/Money Purchase
   FPPA Money Purchase portion only of Hybrid plan

3. Firefighters Retirement Plan (three plans)
   Firefighters Pension Plan – Defined Benefit
   Volunteer Firefighters Plan – Defined Benefit
   FPPA State Wide Defined Benefit (SWDB) – Defined Benefit

4. ICMA-RC Money Purchase Management Plan – Defined Contribution
5. NonEmergency Employees Money Purchase Plan (NEMP) – Defined Contribution
6. Deferred Compensation and Disability Benefits

1. Nonemergency Employees Retirement Plan (NERP)

Plan Description. The NonEmergency Employees Retirement Plan (NERP) is a defined benefit, single-employer; non-contributory plan (a mandatory three percent employee contribution is required after December 31, 2012). The plan was established by the City for employees other than management staff, mid-managers, supervisors, confidentials, police officers and firefighters. Employees hired into this group are offered the choice of joining the NERP plan, or the NonEmergency Employees Money Purchase Plan (NEMP), which is discussed later in this section.

Benefits for retired Members begin on the first day of the month following termination or other eligibility. Members of this plan are eligible for normal retirement benefits after age 65 or earlier if eligible under the Rule of 88 (members who have attained age 55 where age combined with their years of credited service equals or exceeds 88). A Member can elect a monthly benefit for life and for a minimum of ten years for the members and his or her beneficiaries, based on 1.5% of their final average monthly compensation multiplied by their years of credited service. Alternate actuarially equivalent payment options may be selected. Average monthly compensation equals to 1/36th of the 36 highest paid consecutive months during the last ten years of the employee's eligibility.

Members who receive long-term disability benefits continue to accrue years of service credits and are eligible to receive retirement benefits on the first day of the month following the normal retirement age. Benefits are based on the credited service the employee accrues during the period of time he or she receives the City's long-term disability.

If a pre-retirement member dies prior to reaching normal retirement and has five or more years of credited service, the surviving spouse will receive 50% of the monthly accrued benefit for life. If the member is not survived by a spouse, the designated beneficiary will receive 50% of the monthly benefit for ten years. Payments commence on the first day of the month following the later of the member's death, or the date the member would have attained age 55. Members vest after five years of credited service with the City.

The Englewood Municipal Code establishes Member benefits and other Plan provisions and are summarized as follows: The City reserves the right to alter, amend, or terminate the plan or any part thereof provided that no such alteration or amendment shall provide that the retirement benefit payable to any retired member shall be less than that provided by the member's accumulated contributions or affect the right of any member to receive a refund of his or her accumulated contributions and shall not directly or indirectly reduce any member's accrued pension. Additionally, no alteration or termination of the plan or any part thereof shall permit any part of the fund to revert to or be recoverable by the City or be used for or diverted to purposes other than the exclusive benefit of members, retired members, vested members or beneficiaries. Further, no amendment shall cause the elimination of an optional form of benefit or the elimination of an early retirement benefit that continues after retirement.

The plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by formal action of the City Council. Ad hoc retirement increases are granted only if funds are available and do not violate TABOR provisions restricting incurring multiple year obligations without a vote.

The Plan includes a Deferred Retirement Option Plan (DROP). This option allows a member who has attained age and service requirements to begin receiving retirement benefits while continuing employment. The retirement benefits are used to fund a separate self-directed, deferred retirement account. The member contracts with the City for the member-determined period of time not to exceed

three years at which time employment terminates. The benefit payments are held in a separate account until the member terminates employment. The member is permitted distribution from the separate account only upon death or termination of employment. The member may terminate employment at any time prior to the designated termination date.

Contributions. The Englewood Municipal Code requires the City to provide funds necessary pay Member benefits as actuarially determined. The City expects to continue contributing to the plan, but assumes no responsibility to do so in the future and reserves the right to suspend or to reduce contributions at any time. The total contribution amount to fund the Plan has been historically determined by annual actuarial studies that determine the contribution based on a percentage of eligible compensation. Effective December 31, 2012 each Member shall contribute three percent (3%) of their Compensation to the Plan, as a portion of the actuarially required contribution, by means of payroll deduction for the periods the Member earns Credited Service. If a non-vested Member leaves employment prior to vesting and his or her Accumulated Contributions are more than $1,000, the former Member may request a refund or rollover the funds to a qualified plan. If the Members Accumulated Contributions are less than $1,000 the Member is allowed the opportunity to rollover the funds within 30 days or the Accumulated Contributions will be distributed to the former Member.

Administrative costs of the plan, if not paid by the City, are paid from the Plan. There are no investments in, loans to, or leases with parties related to the plan.

2. Police Officers Retirement Plans

Police Officers Pension Plan

Plan Description. The Police Officers Pension Plan is a defined benefit, single employer plan established for Police Officers hired prior to April 8, 1978. The plan is affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension plan administered by FPPA. Police Officers hired after April 8, 1978 are covered under a 401(a) defined contribution plan administered by ICMA-RC.

Members of this plan attain normal retirement age when they are 55 years old and have completed 20 years of credited service with the City or when they have completed 25 years of credited service at any age. Members eligible for normal retirement will receive a monthly pension equal to 2-1/2% of final monthly base pay times the first 20 years of service plus 1% of final monthly base pay for each additional year of service up to a maximum of 65% of the final twelve months average pay including longevity.

If a retired police officer dies, the surviving spouse receives, until death or remarriage, a monthly pension equal to one half of the amount the officer was entitled to receive prior to death plus one-eighth of such monthly benefit for each dependent child under age 16. If there is no surviving spouse or children, the benefit is payable to a dependent parent or parents. If there are two dependent parents, the benefit is divided equally.

Police officers who leave the City prior to vesting in the plan receive a refund with interest. Vested officers may receive a refund of their contributions or may remain in the plan.

The authority under which benefit provisions are established or amended are provided within Colorado Revised Statutes (CRS 31—30.5-210). City Council, 65% of active plan members and the Board of Directors of the Colorado Fire and Police Pension Association must approve plan

amendments. Any modification must maintain or enhance the actuarial soundness of the plan and cannot adversely affect the benefits of members.

The plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by the City Council, as funds are available and subject to TABOR provisions restricting incurring multiple year obligations, without to a vote.

The Plan includes a Deferred Retirement Option Plan (DROP). This option allows a member who has attained age and service requirements to begin receiving retirement benefits into a separate, self-directed, deferred retirement account while continuing employment. The member contracts with the City for the member-determined period of time not to exceed five years at which time employment terminates. The member's five percent contribution continues to fund his or her DROP account. The benefit payments and member contributions are held in their account until the member terminates employment. The member is permitted distribution from the separate account only upon death or termination of employment. The member may terminate employment at any time prior to the designated termination date.

Contributions. Funding for the plan is provided within the Plan document and Colorado statutes that state the City shall contribute to the fund to the extent necessary to finance the benefits provided by the plan on a sound actuarial basis. Police Officers contribute 5% of their covered salary per the plan document. The City contributes to the Police Officers Pension Fund at a rate determined by an actuarial study done at least every three (3) years. The resultant percentage will be paid annually from general revenues of the City into the Police Officers Retirement Fund. The contribution amount for the plan has been historically determined by biennial actuarial studies.

Administrative costs of the plan are paid from the pension fund (CRS 31—30.5-204(3)). There are no investments in, loans to or leases with parties related to the plan.

Fire and Police Pension Association Plans *(FPPA)*

Each full-time police officers covered by the ICMA-RC Police Money Purchase Plan employed by the City at the beginning of 2013 was provided the one-time opportunity to elect to remain in the ICMA-RC Money Purchase Police Plan or change plans to the FPPA Statewide Defined Benefit, FPPA Hybrid Plan or the money purchase portion plan only of the FPPA Hybrid Plan.

ICMA-RC Money Purchase Police Plan (Police 401a)

Under the State of Colorado Fire and Police Pension Plan's provision in the state statutes, the City established a 401(a) defined contribution plan for all police officers hired on or after April 8, 1978. This Plan is administered by ICMA-RC. The Police Officers eligible for the Police 401a were given a one-time option in 2013 to elect a plan from FPPA or remain in the Police 401a. No new Members are permitted after May 20, 2013. The City and qualified employees each contribute 10% of the employee's base salary. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employee participation begins on their date of employment. The City's contributions for each employee (and earnings allocated to the employee's account) begin to vest when the employee has three years of service, and are fully vested after seven years of service. Non-vested City contributions and earnings thereon for employees who leave employment before seven years of service are used to reduce the City's contribution requirement.

The authority to amend the provisions of the three defined contribution plans lies within the respective plan documents, which state that the City Council may amend the terms of the plan provided that active or retired Members' benefits are not adversely affected.

There are no investments in, loans to, or leases with parties related to the plans. The plans are financed on a pay-as-you-go basis with the expected benefits being budgeted annually within the General Fund and other funds according to personnel assignments.

Police Officer FPPA Statewide Defined Benefit Plan Description

The City contributes to the FPPA Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The FPPA SWDB provides retirement benefits for Members and beneficiaries.

The City police officers hired after April 8, 1978 and before May 20, 2013 electing to change from the ICMA-RC Money Purchase Police Plan are Members of the FPPA SWDB Plan, FPPA Hybrid Plan or only the money purchase portion of the FPPA Hybrid Plan.

All full-time, paid police officers of the City hired after May 20, 2013 are Members of the FPPA SWDB Plan. Colorado Statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the SWDB Plan. The report may be obtained from FPPA's website at www.fppaco.org or by calling FPPA at 303-770-3772 in the Denver Metro area and 1-800-332-FPPA (3772) from outside the metro area.

Basis of Accounting. The financial statements of the FPPA SWDB Plan are prepared using the accrual basis of accounting. Plan Member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The SWDB Plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

Funding Policy. Plan Members and the City are required to contribute at a rate set by statute. The contribution requirements of Plan Members and the City are established under Title 31, Article 31, Part 4 of the CRS, as amended. The contribution rate for FPPA Plan Members and the City is 10.0% of covered salary if hired before May 20, 2013 or 8.0% of covered salary if hired after May 20, 2013.

Police Officer FPPA Statewide Hybrid Plan Description

The City contributes to the FPPA Statewide Hybrid Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Plan provides retirement benefits for Members and beneficiaries.

Funding Policy. FPPA Statewide Hybrid Plan Members and the City are required to contribute at a rate set by statute. The contribution requirements of FPPA Statewide Hybrid Plan Members and the City are established under Title 31, Article 31, Part 11 of the CRS, as amended. The contribution rate for FPPA Statewide Hybrid Plan Members and the City is 10.0% of covered salary if hired before May 20, 2013.

The basis of accounting policy for the FPPA Statewide Hybrid Plan coincides with the FPPA SWDB Plan.

Police Officer FPPA Statewide Hybrid Plan the Money Purchase Plan Portion Only Description

The City contributes to the Money Purchase Plan Portion of the FPPA Statewide Hybrid Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Plan provides retirement benefits for Members and beneficiaries.

Police officers that elected the FPPA money purchase plan are in the money purchase plan only of the Hybrid Plan.

Funding Policy. Plan Members and the City are required to contribute at a rate set by statute. The contribution requirements of Plan Members and the City are established under Title 31, Article 31, Part 5 of the CRS, as amended. The contribution rate for FPPA Plan Members and the City is 10.0% of covered salary if hired before May 20, 2013.

The basis of accounting policy for the money purchase plan only portion of the FPPA Statewide Hybrid Plan coincides with the FPPA Statewide Defined Benefit Plan.

3. Firefighters Retirement Plans

Firefighters Pension Plan

Plan Description. The Firefighters Pension Plan is a defined benefit, single employer plan established for firefighters hired prior to April 8, 1978. The Plan is affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension plan administered by FPPA. Firefighters hired on or after April 8, 1978 are covered under the Statewide Defined Benefit Plan of FPPA.

Normal retirement for firefighters is 50 years of age and with 20 years of credited service. The monthly benefit equals 2 1/2% of final monthly base pay times 20 for the first 20 years of service plus 1% of final monthly base pay for each additional year of service up to a maximum of 65% of final monthly base pay. Alternate actuarially equivalent payment options may be selected.

If a retired firefighter dies, the surviving spouse shall receive, until death or remarriage, a monthly pension equal to the greater of: (a) one-third of the salary of a first grade firefighter at the time of retirement or (b) 50% of the monthly amount received by the participant at his death; plus $30 per month for each dependent child under age 18.

Firefighters vest after five years with the City. Firefighters who terminate prior to fully vesting receive their contributions with interest. Vested Members who terminate may elect to leave their contributions in the Plan and be eligible for a deferred retirement pension payable at age 50.

The authority under which benefit provisions are established or amended are provided within Colorado Revised Statutes (CRS 31-30.5-210). The City Council, 65% of active Plan Members and the Board of Directors of the Colorado Fire and Police Pension Association must approve Plan amendments. Any modification must maintain or enhance the actuarial soundness of the plan and cannot adversely affect the benefits of Members.

The Plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by the City Council, as funds are available and subject to TABOR provisions restricting incurring multiple year obligations, without a vote.

The Plan includes a Deferred Retirement Option Plan (DROP). The DROP allows a Member who has attained age and service requirements to begin receiving retirement benefits into a separate deferred retirement account and continue employment. The Member contracts with the City for the Member-determined period of time not to exceed five years at which time employment terminates. The Member's five percent contribution continues to the separate DROP account. The benefit payments and Member contributions are held in a separate account until the Member terminates employment. The Member is permitted distribution from the separate account only upon death or termination of employment. The Member may terminate employment at any time prior to the designated termination date.

Contributions. Funding for the Plan is provided within the Plan document and Colorado statutes that state the City shall contribute to the fund to the extent necessary to finance the benefits provided by the Plan on a sound actuarial basis. Firefighters contribute 5% of their covered salary per the Plan document. The City contributes to the Firefighters Pension Fund at a rate determined in the following manner: at least every three (3) years, the Firefighters Pension Fund shall have an actuarial study done. The resultant percentage will be paid annually from general revenues of the City into the Firefighters Pension Fund. The contribution amount for the Plan has been historically determined by biennial actuarial studies.

Administrative costs of the Plan are paid from the pension fund (CRS 31-30.5-204(3)). There are no investments in, loans to, or leases with parties related to the Plan.

Fire and Police Pension Plan (FPPA) Statewide Defined Benefit

Plan Description. The City contributes to the FPPA Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The SWDB Plan provides retirement benefits for Members and beneficiaries.

All full-time, paid firefighters of the City hired after April 8, 1978 are Members of the SWDB Plan. Colorado Statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the SWDB Plan. The report may be obtained from FPPA's website at www.fppaco.org or by calling FPPA at 303-770-3772 in the Denver Metro area and 1-800-332-FPPA (3772) from outside the metro area.

Basis of Accounting. The financial statements of the SWDB Plan are prepared using the accrual basis of accounting. Plan Member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The SWDB Plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

Funding Policy. Plan Members and the City are required to contribute at a rate set by statute. The contribution requirements of Plan Members and the City are established under Title 31, Article 31, Part 4 of the CRS, as amended. The contribution rate for both Plan Members and the City is 8.0% of covered salary.

Volunteer Firefighters Pension Plan

Plan Description. The Volunteer Firefighters Pension Plan is a defined benefit, single employer plan affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension Plan administered by FPPA. The Plan provides retirement benefits for Members and beneficiaries according to Plan provisions as enacted and governed by the Firefighters Pension Board. Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the Plan. The monthly benefit amount for retirees and beneficiaries are $450 and $225, respectively.

Contributions. The City funds the Plan per provisions in the Plan document and Colorado statutes. The City shall contribute amounts required to fund the benefits provided by the Plan on a sound actuarial basis. The City contributes to the Volunteer Fire Department Pension Fund at a rate determined in the following manner: at least every three (3) years, the Volunteer Fire Department Pension Fund shall have an actuarial study prepared to determine the funds required. The required funds will be paid annually from general revenues of the City into the Volunteer Fire Department Pension Fund.

The financial statements of the volunteer Plan are prepared using the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The investments are presented at fair value except for short-term investments that are recorded at cost, which approximates fair value.

Administrative costs of the Plan are paid from the pension fund (CRS 31-30.5-204(3)). There are no investments in, loans to, or leases with parties related to the Plan.

The City administers four single-employer, defined benefit pension plans that are reported as Pension Trust Funds in the financial statements. The financial statements for the individual funds, for the year ended December 31, 2013, are presented below:

	Nonemergency Employees	Police	Firefighters	Volunteer Firefighters	Total
Assets					
Cash and short-term investments	$ 19,640	$ 418	$ 412	$ 83	$ 20,553
Investments					
Mutual Funds	28,961,260	4,893,873	7,143,812	91,821	41,090,766
Real Estate equities	3,103,451	-	-	-	3,103,451
Total investments	32,064,711	4,893,873	7,143,812	91,821	44,194,217
Total assets	32,084,351	4,894,291	7,144,224	91,904	44,214,770
Liabilities					
Accounts payable	270	-	-	-	270
Net position held in trust for pension benefits	$ 32,084,081	$ 4,894,291	$ 7,144,224	$ 91,904	$ 44,214,500
Additions					
Contributions:					
City	$ 854,568	$ 442,700	$ 237,746	$ 6,320	$ 1,541,334
Plan member	185,099	-	-	-	185,099
Total contributions	1,039,667	442,700	237,746	6,320	1,726,433
Investment income:					
Net appreciation in fair value of investments	4,520,394	700,660	1,023,583	13,917	6,258,554
Less investment expense	(63,761)	-	-	-	(63,761)
Net investment income	4,456,633	700,660	1,023,583	13,917	6,194,793
Total additions	5,496,300	1,143,360	1,261,329	20,237	7,921,226
Deductions					
Benefits	1,773,915	952,858	1,003,033	21,600	3,751,406
Management fees	85,919	31,942	44,943	1,532	164,336
Total deductions	1,859,834	984,800	1,047,976	23,132	3,915,742
Change in net position	3,636,466	158,560	213,353	(2,895)	4,005,484
Net position - beginning	28,447,615	4,735,731	6,930,871	94,799	40,209,016
Net position - ending	$ 32,084,081	$ 4,894,291	$ 7,144,224	$ 91,904	$ 44,214,500

The annual pension cost, net pension obligation and related information for the Nonemergency, Police Officers, Firefighters and Volunteer Firefighters pension funds for the current year are presented below:

	Non-Emergency	Police Officers	Firefighters	Volunteer Firefighters
Current membership:				
Retirees and beneficiaries receiving benefits	140	41	45	9
Terminated plan members entitled to but not yet receiving benefits	73	-	-	-
Active plan members	123	-	-	-
	336	41	45	9
Contribution Rates:				
City	18.7%	N/A	N/A	N/A
Plan members	3.0%	N/A	N/A	N/A
Annual pension cost (APC)	$1,067,519	$442,700	$237,746	$6,320
Contributions made	$1,067,655	$442,700	$237,746	$6,320
Net pension obligation	$(136)	$0	$0	$0
Percentage of APC contributed	100%	100%	100%	100%
Actuarial valuation date	1/1/2013	1/1/2012	1/1/2012	1/1/2013
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Level amount Open	Level amount Open	Level amount Open	Level amount Open
Remaining amortization period	Variable-minimum 10 years	17 years	16 years	9 years
Asset valuation method	5 year smoothed market	3 year smoothed market	3 year smoothed market	5 year smoothed market
Actuarial assumptions:				
Investment rate of return	7.5%	7.5%	7.5%	7.5%
Projected salary increases*	3.3-6.3%	4.0%	4.0%	N/A
*Includes inflation at	3.0%	3.0%	3.0%	3.0%
Cost of living adjustments	None	None	None	None

Funded Status and Funding Progress. The following is funded status information for each plan as of the most recent actuarial valuation date:

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded (Funded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Non-Emergency	1/1/2013	$27,812,420	$34,825,526	$7,013,106	79.9%	$6,374,407	110.0%
Police Officers	1/1/2012	5,422,212	9,775,821	4,353,609	55.5%	-	N/A
Firefighters	1/1/2012	7,985,581	10,229,033	2,243,452	78.1%	-	N/A
Volunteer Firefighters	1/1/2013	100,401	121,155	20,754	82.9%	-	N/A

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

Three-year Trend Information:

	Year Ending December 31,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
NonEmergency	2011	$ 936,781	100%	$ -
Retirement Plan	2012	954,781	100%	-
	2013	1,067,519	100%	(136)
Police Officers	2011	340,020	100%	(522)
Retirement Plan	2012	340,025	100%	(507)
	2013	442,700	100%	-
Firefighters	2011	153,694	100%	(17,933)
Retirement Plan	2012	154,521	100%	(17,435)
	2013	237,746	100%	-
Volunteer	2011	4,180	100%	-
Firefighters	2012	6,320	100%	-
Retirement Plan	2013	6,320	100%	-

4. ICMA-RC Money Purchase Management Plan

The City provides a 401(a) defined contribution plan for City management staff employees. The City contributes 10% percent of each eligible employee's base salary, and each eligible employee contributes 6% of base salary. The Plan is administered by ICMA-RC. Management staff is eligible to participate upon employment, and all contributions vest immediately.

5. NonEmergency Employees Money Purchase Plan (NEMP)

In December 1987, a majority of the employees classified as mid-managers, supervisors and confidential (MSC) who were covered by the NonEmergency Employees Retirement Plan (NERP) requested the creation of a 401(a) defined contribution plan. Because of this request, the NEMP was formed. The NEMP is administered by ICMA-RC. All employees promoted into the MSC are offered the choice of remaining in the NERP, or joining the NEMP. All eligible new hire MSC employees join the NEMP. The City contributes 7% of each employee's base salary to the Plan, and each eligible employee contributes 3% of base salary. The City's contributions and account earnings begin to vest when the employee has two years of service, and are fully vested after five years of service. The City’s contributions and earnings for the employees who leave employment prior to fully vesting are used to reduce the City's NEMP contribution requirement.

If a promoted employee with less than five years of credited service elects to join the NERP plan, the employee immediately vests in the accrued benefit of the NERP and continues to accrue credited service towards vesting in the NEMP.

Required employer and employee contributions for the year ended December 31, 2013, is presented below:

	City Management	NEMP	Police
Employers required, which equal actual, contributions:			
Amount	$ 177,518	$ 639,856	$ 525,345
As a percent of covered payroll	10.00%	7.00%	10.00%
Employees required, which equal actual, contributions:			
Amount	106,836	274,223	525,345
As a percent of covered payroll	6.00%	3.00%	10.00%

There are no investments in, loans to, or leases with parties related to the plans. The plans are financed on a pay-as-you-go basis with the expected benefits being budgeted annually within the General fund and other funds according to personnel assignments.

6. Deferred Compensation and Disability Benefits

The City has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by ICMA-RC. Participation in the Plan is optional for all employees. The Plan allows employees to defer a portion of their salary until future years.

Police and Firefighters Disability Benefits

Statewide Death and Disability Plan coverage is provided by the Fire and Police Pension Association of Colorado for all the City's police officers and firefighters. The Plan is noncontributory for those hired prior to January 1, 1997. For employees hired subsequent to January 1, 1997, the City and employee each contribute 1.30% of covered salary. The coverage is both on and off duty and is for Members who have not met 25 years of accumulated service and age 55.
Colorado Statutes, Title 31, Article 31, Part 8, assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Statewide Death and Disability Plan.

Police and Fire Supplemental Disability Benefit

Per Englewood Municipal Code police officers and firefighters who are deemed totally or occupationally disabled by FPPA, receive a 20% or 10%, respectively, of their monthly salary from the date of the disability until their Normal Retirement date or will terminate if FPPA discontinues the disability payments prior to Normal Retirement date.

E. Other Postemployment Benefits

Plan Description

The City of Englewood Retiree Health Insurance Assistance Plan ("the Retiree Assistance Plan") is a single employer defined benefit plan. The Retiree Assistance Plan provides a retiree assistance benefit by contract with various groups of retired employees and by policy for those not covered by a collective bargaining agreement. The City pays amounts that ranges from $50 to $100 dependent on which employment contract (or policy) the individual was under while employed by the City. The

City pays 50% of the firefighter retiree and dependent monthly coverage cost of any plan selected by a retiree up to an amount of $100 based on which employment contract the individual was under while employed by the City. The Retiree Assistance Plan does not issue a publicly available financial report.

Funding Policy

The plan is financed on a pay-as-you-go basis with the expected benefits being budgeted annually within the General fund and other governmental funds where appropriate.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

	2013	2012	2011
Annual required contribution	$ 226,701	$ 221,888	$ 221,888
ARC Adjustment	(23,074)	-	(13,454)
Interest on Net OPEB Obligation	18,622	13,212	10,858
Annual OPEB Cost	222,249	235,100	219,292
Prior period actuarial adjustment	(13,783)	-	-
Contributions made	(131,800)	(146,350)	(153,056)
Increase in net OPEB obligation	76,666	88,750	66,236
Net OPEB Obligation - beginning of year	386,220	297,470	231,234
Net OPEB Obligation - end of year	$ 462,886	$ 386,220	$ 297,470
Percentage of Annual OPEB Cost Contributed	59.3%	62.3%	69.8%

Funded Status and Funding Progress

Details of the most recent actuarial study follow:

Actuarial accrued liability (AAL)	$ 3,049,876	$ 2,917,280	$ 2,917,280
Actuarial value of plan assets	-	-	-
Unfunded actuarial accrued liability (UAAL)	$ 3,049,876	$ 2,917,280	$ 2,917,280
Funded ratio (actuarial value of plan assets/AAL)	0%	0%	0%
Covered payroll (active plan members)	$ 22,548,601	$ 22,390,909	$ 22,390,909
UAAL as a percentage of covered payroll	13.5%	13.0%	13.0%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability for occurrence of events far into the future. Examples include assumptions about future employment and mortality. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions were as follows:

Actuarial valuation date	1/1/2013	1/1/2011	1/1/2011
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level Amount - Open	Level Amount - Open	Level Amount - Open
Asset Valuation Method	N/A	N/A	N/A
Remaining amortization period	30 years	28 years	29 years
Actuarial assumptions:			
Investment rate of return (includes inflation at 4%; unfunded basis)	5.0%	5.0%	5.0%
Healthcare cost trend rate	N/A	N/A	N/A

Note 5. Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations, which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The City's management believes its Enterprise Funds, as listed in the Table of Contents, qualify for this exclusion.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, may require judicial interpretation.

On November 4, 1997, a majority of the City's electors authorized the City to collect and spend or retain in a reserve all revenues without regard to any limitations under TABOR.

City of Englewood, Colorado

Required Supplementary Information

Schedules of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded (Funded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Health Insurance Assistance Plan (B)						
1/1/2009	$ -	$ 2,378,461	$ 2,378,461	0.0%	$ 22,721,979	10.5%
1/1/2011	-	2,917,280	2,917,280	0.0%	22,390,909	13.0%
1/1/2013	-	3,049,876	3,049,876	0.0%	22,548,601	13.5%
Non-Emergency Employees Pension Plan (A)						
1/1/2009	27,367,136	30,242,430	2,875,294	90.5%	8,001,941	35.9%
1/1/2010	27,167,254	31,714,788	4,547,534	85.7%	7,970,574	57.1%
1/1/2011	27,603,964	32,532,251	4,928,287	84.9%	7,654,420	64.4%
1/1/2012	27,768,132	33,368,197	5,600,065	83.2%	7,061,581	79.3%
1/1/2013	27,812,420	34,825,526	7,013,106	79.9%	6,374,407	110.0%
Police Officers Pension Plan (B)						
1/1/2008	7,447,065	10,067,219	2,620,154	74.0%	156,910	1669.8%
1/1/2010	6,223,109	9,641,165	3,418,056	64.5%	173,045	1975.2%
1/1/2012	5,422,212	9,775,821	4,353,609	55.5%	-	N/A
Firefighters Pension Plan (B)						
1/1/2008	11,822,112	11,787,457	(34,655)	100.3%	85,669	(40.5%)
1/1/2010	9,398,792	10,821,073	1,422,281	86.9%	92,860	1531.6%
1/1/2012	7,985,581	10,229,033	2,243,452	78.1%	-	N/A
Volunteer Firefighters Pension Plan (B)						
1/1/2009	175,956	214,557	38,601	82.0%	-	N/A
1/1/2011	124,457	165,844	41,387	75.0%	-	N/A
1/1/2013	100,401	121,155	20,754	82.9%	-	N/A

(A) Actuarial valuations performed annually.

(B) Actuarial valuations performed biannually.

CITY OF ENGLEWOOD, COLORADO

Required Supplementary Information

Schedules of Employer Contributions

	Non-Emergency Employees Pension Plan		Police Officers Pension Plan		Firefighters Pension Plan		Volunteer Firefighters Pension Plan	
Year Ended 12/31	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2009	$ 624,134	100.0%	$ 289,033	97.0%	$ -	N/A	$ -	N/A
2010	764,844	100.0%	289,033	100.0%	4,723	100.0%	4,801	100.0%
2011	936,781	100.0%	340,010	100.0%	112,425	100.0%	4,801	100.0%
2012	954,781	100.0%	340,010	100.0%	154,023	100.0%	4,801	100.0%
2013	1,067,519	100.0%	442,700	100.0%	237,746	100.0%	6,320	100.0%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated.

Nonmajor Governmental Funds

Special Revenue Funds

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

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 by State Lottery 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. The Open Space Tax was originally voter approved on January 1, 2004 and after a voter approved extention will now expire on December 31, 2023.

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

Community Development Fund – Accounts for grant funds of the Brownfields Pilot Grants Program administered by the United States Environmental Protection Agency. This fund also accounts for the operations of the ***art*** circulator shuttle which is funded by the Regional Transportation District.

Neighborhood Stabilization Fund – Accounts for the acquisition, rehabilitation and sale of foreclosed residential properties in the City. Financing is provided by the State. This fund was closed in 2013.

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

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.

Debt Service Funds

Debt Service Funds account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

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

Capital Projects Funds

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).

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

Capital Projects Fund – Accounts for the acquisition and/or construction of major capital improvements and facilities. Financing is provided primarily with transfers from other City Funds.

CITY OF ENGLEWOOD, COLORADO

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013

	Special Revenue Funds				
	Conservation Trust	**Open Space**	**Donors**	**Community Development**	**Neighborhood Stabilization**
Assets					
Cash and investments	$ 1,522,678	$ 1,694,380	$ 532,231	$ -	$ -
Receivables:					
Property taxes	-	-	-	-	-
Sales and use	-	-	-	-	-
Interest	3,391	4,130	1,217	-	-
Intergovernmental	-	496,645	4,743	80,195	-
Total assets	$ 1,526,069	$ 2,195,155	$ 538,191	$ 80,195	$ -
Liabilities and fund balances					
Liabilities:					
Accounts payable	$ -	$ 16,194	$ 74	$ 21,833	$ -
Due to other funds	-	-	-	58,362	-
Unearned revenue	-	300,000	-	-	-
Total liabilities	-	316,194	74	80,195	-
Deferred Inflows of Resources					
Deferred revenue-property tax	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund balances:					
Restricted for:					
Parks and recreation	1,526,069	1,878,961	-	-	-
Law enforcement	-	-	150,329	-	-
Debt service	-	-	-	-	-
Committed to:					
Capital projects	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Assigned to:					
Parks and recreation	-	-	208,943	-	-
Law enforcement	-	-	26,713	-	-
Fire services	-	-	9,965	-	-
Other purposes	-	-	142,167	-	-
Total fund balances	1,526,069	1,878,961	538,117	-	-
Total liabilities and fund balances	$ 1,526,069	$ 2,195,155	$ 538,191	$ 80,195	$ -

See Independent Auditor's Report

			Debt Service	Capital Projects Funds			Total
Malley Center Trust	Parks and Recreation Trust	Total	General Obligation Bond	Public Improvement	Capital Projects	Total	Nonmajor Governmental Funds
$ 255,473	$ 455,351	$ 4,460,113	$ 46,254	$ 1,871,745	$ 832,472	$ 2,704,217	$ 7,210,584
-	-	-	1,113,000	-	-	-	1,113,000
-	-	-	-	112,868	-	112,868	112,868
615	1,060	10,413	580	3,895	1,817	5,712	16,705
-	-	581,583	5	36,032	-	36,032	617,620
$ 256,088	$ 456,411	$ 5,052,109	$ 1,159,839	$ 2,024,540	$ 834,289	$ 2,858,829	$ 9,070,777
$ -	$ -	$ 38,101	$ -	$ 119,087	$ 41,535	$ 160,622	$ 198,723
-	-	58,362	-	-	-	-	58,362
-	-	300,000	-	-	-	-	300,000
-	-	396,463	-	119,087	41,535	160,622	557,085
-	-	-	1,113,000	-	-	-	1,113,000
-	-	-	1,113,000	-	-	-	1,113,000
256,088	-	3,661,118	-	-	-	-	3,661,118
-	-	150,329	-	-	-	-	150,329
-	-	-	46,839	-	-	-	46,839
-	-	-	-	1,905,453	792,754	2,698,207	2,698,207
-	456,411	456,411	-	-	-	-	456,411
-	-	208,943	-	-	-	-	208,943
-	-	26,713	-	-	-	-	26,713
-	-	9,965	-	-	-	-	9,965
-	-	142,167	-	-	-	-	142,167
256,088	456,411	4,655,646	46,839	1,905,453	792,754	2,698,207	7,400,692
$ 256,088	$ 456,411	$ 5,052,109	$ 1,159,839	$ 2,024,540	$ 834,289	$ 2,858,829	$ 9,070,777

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2013

	Special Revenue Funds				
	Conservation Trust	**Open Space**	**Donors**	**Community Development**	**Neighborhood Stabilization**
Revenues					
Property taxes	$ -	$ -	$ 11,545	$ -	$ -
Vehicle use tax	-	-	-	-	-
Building use tax	-	-	-	-	-
Intergovernmental	331,227	807,754	12,380	-	-
Charges for services	-	-	102,993	244,553	-
Construction reimbursements	-	-	-	-	-
Net investment income	(3,109)	(4,347)	(1,118)	-	172
Contributions	-	-	184,905	60,328	-
Other	-	-	-	-	891,950
Total revenues	328,118	803,407	310,705	304,881	892,122
Expenditures					
Current:					
General government	-	-	11,669	304,881	864,257
Public safety	-	-	161,175	-	-
Public works	-	-	-	-	-
Culture and recreation	31,698	163,719	46,016	-	-
Capital outlay	-	280,166	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	31,698	443,885	218,860	304,881	864,257
Excess revenues over (under) expenditures	296,420	359,522	91,845	-	27,865
Other financing sources (uses)					
Transfers in	-	-	-	-	208,001
Transfers out	-	-	-	-	(684,769)
Total other financing sources (uses)	-	-	-	-	(476,768)
Net change in fund balances	296,420	359,522	91,845	-	(448,903)
Fund balances - beginning	1,229,649	1,519,439	446,272	-	448,903
Fund balances - ending	$ 1,526,069	$1,878,961	$ 538,117	$ -	$ -

See Independent Auditor's Report

			Debt Service	Capital Projects Funds			Total
Malley Center Trust	Parks and Recreation Trust	Total	General Obligation Bond	Public Improvement	Capital Projects	Total	Nonmajor Governmental Funds
$ -	$ -	$ 11,545	$ 946,471	$ -		$ -	$ 958,016
-	-	-	-	1,408,029	-	1,408,029	1,408,029
-	-	-	-	1,860,250	-	1,860,250	1,860,250
-	-	1,151,361	-	269,970	-	269,970	1,421,331
-	1,300	348,846	-	-	-	-	348,846
-	-	-	-	10,000	55,856	65,856	65,856
(527)	(938)	(9,867)	320	(2,568)	(2,115)	(4,683)	(14,230)
2,641	12,210	260,084	-	-	-	-	260,084
-	-	891,950	-	123,824	-	123,824	1,015,774
2,114	12,572	2,653,919	946,791	3,669,505	53,741	3,723,246	7,323,956
-	-	1,180,807	9,964	93,305	326,918	420,223	1,610,994
-	-	161,175	-	-	23,035	23,035	184,210
-	-	-	-	1,187,996	101,524	1,289,520	1,289,520
15,000	10,808	267,241	-	32,778	9,000	41,778	309,019
-	-	280,166	-	180,770	266,496	447,266	727,432
-	-	-	675,000	-	-	-	675,000
-	-	-	270,613	-	-	-	270,613
15,000	10,808	1,889,389	955,577	1,494,849	726,973	2,221,822	5,066,788
(12,886)	1,764	764,530	(8,786)	2,174,656	(673,232)	1,501,424	2,257,168
-	-	208,001	-	-	600,000	600,000	808,001
-	-	(684,769)	-	(1,589,574)	-	(1,589,574)	(2,274,343)
-	-	(476,768)	-	(1,589,574)	600,000	(989,574)	(1,466,342)
(12,886)	1,764	287,762	(8,786)	585,082	(73,232)	511,850	790,826
268,974	454,647	4,367,884	55,625	1,320,371	865,986	2,186,357	6,609,866
$256,088	$ 456,411	$ 4,655,646	$ 46,839	$ 1,905,453	$ 792,754	$ 2,698,207	$ 7,400,692

CITY OF ENGLEWOOD, COLORADO

Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget and Actual - Budgetary Basis
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Project Budget	Actual Amounts	Project Budget Remaining	2012 Actual
Revenues				
Lottery proceeds	$ 331,227	$ 331,227	$ -	$ 302,792
Net investment income	(3,109)	(3,109)	-	9,868
Total revenues	328,118	328,118	-	312,660
Expenditures				
Current:				
Culture and recreation	127,973	31,698	96,275	175,839
Capital outlay	1,322,724	-	1,322,724	92,054
Total expenditures	1,450,697	31,698	1,418,999	267,893
Excess revenues over (under) expenditures	$ (1,122,579)	296,420	$ 1,418,999	44,767
Fund balances - beginning		1,229,649		1,184,882
Fund balances - ending		1,526,069		1,229,649
Less: Fund Balance Designated for Completion of Projects		(1,418,999)		(1,175,927)
Unappropriated fund balance		$ 107,070		$ 53,722

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Open Space Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget and Actual - Budgetary Basis
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Project Budget	Actual Amounts	Project Budget Remaining	2012 Actual
Revenues				
Open Space Tax Shareback	$ 651,154	$ 651,154	$ -	$ 602,771
Open Space Grants	831,600	156,600	675,000	297,854
Net investment income	(4,347)	(4,347)	-	11,384
Total revenues	1,478,407	803,407	675,000	912,009
Expenditures				
Current:				
Culture and recreation	229,932	163,719	66,213	209,378
Capital outlay	2,575,541	280,166	2,295,375	550,447
Total expenditures	2,805,473	443,885	2,361,588	759,825
Excess revenues over (under) expenditures	$ (1,327,066)	359,522	$ 1,686,588	152,184
Fund balances - beginning		1,519,439		1,367,255
Fund balances - ending		1,878,961		1,519,439
Less: Fund Balance Designated for Completion of Projects		(1,686,588)		(1,343,374)
Unappropriated fund balance		$ 192,373		$ 176,065

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Donors Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Intergovernmental	$ -	$ -	$ 23,925	$ 23,925	$ 26,103
Charges for services	37,000	37,000	102,993	65,993	27,854
Net investment income	5,000	5,000	(1,118)	(6,118)	3,055
Contributions	50,500	50,500	184,905	134,405	164,408
Total revenues	92,500	92,500	310,705	218,205	221,420
Expenditures					
Current:					
General government	780	10,780	11,669	(889)	-
Police department	250,000	250,000	138,092	111,908	119,992
Fire department	2,500	2,500	-	2,500	-
Culture and recreation	140,500	140,500	46,016	94,484	35,778
Capital outlay	-	-	23,083	(23,083)	-
Total expenditures	393,780	403,780	218,860	184,920	155,770
Excess expenditures over revenues	(301,280)	(311,280)	91,845	403,125	65,650
Fund balances - beginning	420,122	446,272	446,272	-	380,622
Fund balances - ending	$ 118,842	$ 134,992	$ 538,117	$ 403,125	$ 446,272

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Community Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Charges for Services	$ 350,000	$ 350,000	$ 304,881	$ (45,119)	$ 307,356
Expenditures					
Current:					
General government	350,000	350,000	304,881	45,119	307,356
Excess revenues over expenditures	-	-	-	-	-
Fund balances - beginning	-	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -	$ -

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Neighborhood Stabilization Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Intergovernmental	$ -	$ -	$ -	$ -	$ 26,893
Net investment income	-	-	172	172	1,515
Transfers in	1,170,000	1,170,000	208,001	(961,999)	383,751
Other	-	-	891,950	891,950	879,450
Total revenues	1,170,000	1,170,000	1,100,123	(69,877)	1,291,609
Expenditures					
Current:					
General government	1,421,983	1,421,983	864,257	557,726	796,795
Tranfers out	100,000	130,000	684,769	(554,769)	454,343
Total expenditures	1,521,983	1,551,983	1,549,026	2,957	1,251,138
Excess expenditures over revenues	(351,983)	(381,983)	(448,903)	(66,920)	40,471
Fund balances - beginning	351,983	448,903	448,903	-	408,432
Fund balances - ending	$ -	$ 66,920	$ -	$ (66,920)	$ 448,903

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Malley Center Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Contributions	$ 2,500	$ 2,500	$ 2,641	$ 141	$ 2,598
Net investment income	3,000	3,000	(527)	(3,527)	2,321
Total revenues	5,500	5,500	2,114	(3,386)	4,919
Expenditures					
Culture and recreation	20,000	20,000	15,000	5,000	14,983
Excess revenues over (under) expenditures	(14,500)	(14,500)	(12,886)	1,614	(10,064)
Fund balances - beginning	264,538	268,974	268,974	-	279,038
Fund balances - ending	$ 250,038	$ 254,474	$ 256,088	$ 1,614	$ 268,974

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Parks and Recreation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Contributions	$ 10,000	$ 10,000	$ 12,210	$ 2,210	$ 11,215
Charges for services	-	-	1,300	1,300	-
Net investment income	5,000	5,000	(938)	(5,938)	3,741
Total revenues	15,000	15,000	12,572	(2,428)	14,956
Expenditures	320,000	320,000	10,808	309,192	12,023
Excess revenues over (under) expenditures	(305,000)	(305,000)	1,764	306,764	2,933
Fund balances - beginning	446,714	454,647	454,647	-	451,714
Fund balances - ending	$ 141,714	$ 149,647	$ 456,411	$ 306,764	$ 454,647

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

General Obligation Bond Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
Revenues	**Original**	**Final**	**Actual Amounts**	**Positive (Negative)**	**2012 Actual**
Taxes	$ 940,000	$ 940,000	$ 946,471	$ 6,471	$ 852,663
Net investment income	2,000	2,000	320	(1,680)	3,872
Total revenues	942,000	942,000	946,791	4,791	856,535
Expenditures					
Debt service:					
Principal	675,000	675,000	675,000	-	655,000
Interest	270,613	270,613	270,613	-	289,900
Other	13,300	13,300	9,964	3,336	10,277
Total expenditures	958,913	958,913	955,577	3,336	955,177
Excess revenues over (under) expenditures	(16,913)	(16,913)	(8,786)	8,127	(98,642)
Fund balances - beginning	48,967	55,625	55,625	-	154,267
Fund balances - ending	$ 32,054	$ 38,712	$ 46,839	$ 8,127	$ 55,625

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Public Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget And Actual - Budgetary Basis
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Project Budget	Actual	Project Budget Remaining	2012 Actual
Revenues				
Vehicle use tax	$ 1,408,029	$ 1,408,029	$ -	$ 1,294,050
Building use tax	1,860,250	1,860,250	-	813,826
Intergovernmental	269,970	269,970	-	328,767
Net investment income	(2,568)	(2,568)	-	7,673
Construction reimbursement	10,000	10,000	-	-
Other	123,824	123,824	-	-
Total revenues	3,669,505	3,669,505	-	2,444,316
Expenditures				
Current:				
General government	154,319	93,305	61,014	137,574
Public works	1,887,899	1,187,996	699,903	1,309,956
Public safety	5,175	-	5,175	-
Culture and recreation	151,790	32,778	119,012	-
Capital outlay	248,918	180,770	68,148	82,149
Total expenditures	2,448,101	1,494,849	953,252	1,529,679
Excess revenues over (under) expenditures	1,221,404	2,174,656	(953,252)	914,637
Other financing sources (uses)				
Transfers in	-	-	-	434,000
Transfers out	(1,589,574)	(1,589,574)	-	(962,517)
Total other financing sources (uses)	(1,589,574)	(1,589,574)	-	(528,517)
Excess revenues and other financing sources over (under) expenditures and other financing uses	$ (368,170)	585,082	$ (953,252)	386,120
Fund balances - beginning		1,320,371		934,251
Fund balances - ending		1,905,453		1,320,371
Less: Fund Balance Designated for Completion of Projects		(953,252)		780,246
Unappropriated fund balance		$ 952,201		$ 2,100,617

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget And Actual - Budgetary Basis
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Project Budget	Actual	Project Budget Remaining	2012 Actual
Revenues				
Intergovernmental revenues	$ -	$ -	$ -	$ 41,045
Net investment income	(2,115)	(2,115)	-	6,037
Construction reimbursement	55,856	55,856	-	28,410
Total revenues	53,741	53,741	-	75,492
Expenditures				
Current:				
General government	605,985	326,918	279,067	126,325
Public safety	64,516	23,035	41,481	8,672
Public works	101,524	101,524	-	106,224
Culture and recreation	48,579	9,000	39,579	660
Capital outlay	650,413	266,496	383,917	164,808
Total expenditures	1,471,017	726,973	744,044	406,689
Excess expenditures over revenues	(1,417,276)	(673,232)	744,044	(331,197)
Other financing sources (uses)				
Transfers in	600,000	600,000	-	370,000
Excess revenues and other financing sources over (under) expenditures and other financing uses	$ (817,276)	(73,232)	$ 744,044	38,803
Fund balances - beginning		865,986		827,183
Fund balances - ending		792,754		865,986
Less: Fund Balance Designated for Completion of Projects		(744,044)		(844,088)
Unappropriated fund balance		$ 48,710		$ 21,898

See Independent Auditor's Report

Proprietary Funds

Enterprise Funds

Enterprise Funds account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of City Council is that 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 Council has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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

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

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

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

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

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

Internal Service Funds

Internal Service Funds account for the financing of goods or services provided by one department to other departments of the City, and to other governmental units, on a cost reimbursement basis.

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.

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.

Internal Service Funds (continued)

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

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

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

CITY OF ENGLEWOOD, COLORADO

Water Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Water sales	$ 6,493,738	$ 6,493,738	$ 6,287,541	$ (206,197)	$ 6,782,379
Raw water sales	1,850,000	1,850,000	2,083,496	233,496	1,859,598
City ditch revenues	69,288	69,288	51,691	(17,597)	69,288
System development fees	23,400	23,400	187,280	163,880	54,343
Net investment income	142,584	142,584	(14,689)	(157,273)	61,929
Late fees	21,000	21,000	23,033	2,033	24,917
Water meter sales	21,000	21,000	36,058	15,058	25,295
Rentals	9,500	9,500	9,512	12	9,512
Other	79,500	79,500	144,348	64,848	118,099
Bond Proceeds	-	-	-	-	8,590,000
Total revenues	8,710,010	8,710,010	8,808,270	98,260	17,595,360
Expenditures					
Source of supply	1,426,309	1,426,309	1,215,948	210,361	1,607,611
Power and pumping	913,523	913,523	781,078	132,445	792,191
Purification	1,984,983	1,984,983	1,437,791	547,192	1,564,957
Transmission and distribution	1,008,856	1,008,856	904,499	104,357	687,411
Customer accounting and collection	470,000	470,000	461,585	8,415	461,585
Personal services	492,687	492,687	514,895	(22,208)	482,179
Commodities and contractual services	455,433	455,433	384,010	71,423	658,341
Franchise tax	194,812	194,812	177,471	17,341	193,521
Capital outlay	3,207,500	3,207,500	4,120,243	(912,743)	660,059
Debt service:					
Principal payments	968,954	968,954	995,018	(26,064)	948,954
Interest expense	690,067	690,067	617,760	72,307	507,430
Payment to refunding escrow agent	-	-	-	-	1,970,000
Total expenditures	11,813,124	11,813,124	11,610,298	202,826	10,534,239
Excess revenues over (under) expenditures	(3,103,114)	(3,103,114)	(2,802,028)	301,086	7,061,121
Funds available - beginning	10,930,946	14,364,269	14,364,269	-	7,303,148
Funds available - ending	$ 7,827,832	$ 11,261,155	$ 11,562,241	$ 301,086	$ 14,364,269

Funds available is computed as follows:		
Current assets	$ 12,476,153	$ 15,114,513
Current liabilities	(1,932,985)	(1,745,844)
Add current portion of long-term debt	1,019,073	995,600
	$ 11,562,241	$ 14,364,269

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Sewer Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Disposal services	$ 14,252,564	$ 14,252,564	$ 14,762,251	$ 509,687	$ 13,909,041
System development fees	222,500	222,500	337,863	115,363	372,488
South Englewood maintenance fee	39,600	39,600	39,600	-	39,600
Net investment income	109,959	109,959	(22,728)	(132,687)	106,578
Late fees	95,000	95,000	99,906	4,906	110,602
Bond Proceeds	2,000,000	2,000,000	-	(2,000,000)	-
Other	3,107	3,107	7,148	4,041	4,007
Total revenues	16,722,730	16,722,730	15,224,040	(1,498,690)	14,542,316
Expenditures					
Joint Venture operations	7,473,403	7,473,403	6,895,597	577,806	6,813,658
Joint Venture capital	1,350,000	1,350,000	528,302	821,698	572,425
Sanitary systems	597,512	597,512	683,042	(85,530)	707,726
Customer accounting and collection	1,230,000	1,230,000	1,192,499	37,501	1,198,058
Personal services	774,078	774,078	745,516	28,562	714,058
Commodities and contractual services	504,367	504,367	313,739	190,628	393,458
Franchise tax	430,409	430,409	442,868	(12,459)	417,272
Capital outlay	140,000	140,000	-	140,000	-
Debt service:					
Principal payments	2,535,351	2,535,351	2,535,351	-	3,270,884
Interest expense	1,787,065	1,787,065	1,709,144	77,921	1,646,306
Total expenditures	16,822,185	16,822,185	15,046,058	1,776,127	15,733,845
Excess revenues over (under) expenditures	(99,455)	(99,455)	177,982	277,437	(1,191,529)
Funds available - beginning	1,395,840	3,060,129	3,060,129	-	4,251,658
Funds available - ending	$ 1,296,385	$ 2,960,674	$ 3,238,111	$ 277,437	$ 3,060,129

Funds available is computed as follows:

Current assets	$ 13,867,731	$ 12,867,230
Current liabilities	(13,385,491)	(12,455,553)
Add current portion of long-term debt	2,755,871	2,648,452
	$ 3,238,111	$ 3,060,129

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Golf Course Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance- Variance with Final Budget -	
Revenues	**Original**	**Final**	**Actual Amounts**	**Positive (Negative)**	**2012 Actual**
Green fees	$ 1,197,241	$ 1,197,241	$ 1,145,323	$ (51,918)	$ 1,195,700
Rentals	353,192	353,192	319,767	(33,425)	337,538
Driving range	230,000	230,000	231,019	1,019	247,032
Merchandise sales	125,000	125,000	129,261	4,261	180,520
Concessions	24,000	24,000	36,000	12,000	43,215
Memberships	45,000	45,000	13,799	(31,201)	15,971
Learning center	25,000	25,000	24,861	(139)	24,700
Net investment income	16,151	16,151	(1,276)	(17,427)	7,312
Bond Proceeds	-	2,530,000	2,530,000	-	-
Other	86,000	86,000	52,441	(33,559)	61,406
Total revenues	2,101,584	4,631,584	4,481,195	(150,389)	2,113,394
Expenditures					
Personal services	930,203	930,203	926,726	3,477	916,513
Commodities and contractual services	914,911	914,911	633,993	280,918	606,423
Cost of goods sold	75,000	75,000	89,092	(14,092)	119,784
Capital outlay	50,000	50,000	86,161	(36,161)	65,857
Debt service:					
Principal payments	70,000	70,000	85,000	(15,000)	65,000
Interest expense	146,371	146,371	98,152	48,219	97,303
Payment to refunding escrow agent	-	2,636,148	2,516,581	119,567	-
Total expenditures	2,186,485	4,822,633	4,435,705	386,928	1,870,880
Excess revenues over (under) expenditures	(84,901)	(191,049)	45,490	236,539	242,514
Funds available - beginning	453,694	643,376	643,376	-	400,862
Funds available - ending	$ 368,793	$ 452,327	$ 688,866	$ 236,539	$ 643,376

Funds available is computed as follows:

Current assets	$ 957,338	$ 907,367
Current liabilities	(346,716)	(333,991)
Add current portion of long-term debt	78,244	70,000
	$ 688,866	$ 643,376

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Storm Drainage Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Storm drainage services	$ 318,347	$ 318,347	$ 317,935	$ (412)	$ 316,244
Net investment income	8,685	8,685	(1,911)	(10,596)	8,151
Bond Proceeds	-	-	-	-	1,025,000
Other	4,653	4,653	17,989	13,336	8,273
Total revenues	331,685	331,685	334,013	2,328	1,357,668
Expenditures					
Storm drainage system	19,976	19,976	22,224	(2,248)	14,332
Personal services	51,280	51,280	58,811	(7,531)	58,337
Commodities and contractual services	32,700	32,700	71,080	(38,380)	60,397
Capital outlay	100,000	100,000	-	100,000	-
Debt service:					
Principal payments	95,000	95,000	95,000	-	90,000
Payment to refunding escrow agent	-	-	-	-	940,000
Interest expense	17,680	17,680	17,521	159	75,239
Total expenditures	316,636	316,636	264,636	52,000	1,238,305
Excess revenues over (under) expenditures	15,049	15,049	69,377	54,328	119,363
Funds available - beginning	842,611	956,580	956,580	-	837,217
Funds available - ending	$ 857,660	$ 971,629	$ 1,025,957	$ 54,328	$ 956,580

Funds available is computed as follows:

Current assets	$ 1,066,111	$ 993,075
Current liabilities	(135,396)	(131,725)
Add current portion of long-term debt	95,242	95,230
	$ 1,025,957	$ 956,580

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Concrete Utility Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Concrete repair and maintenance fees	$ 863,000	$ 863,000	$ 859,754	$ (3,246)	$ 695,466
Late fees	1,200	1,200	2,400	1,200	3,480
Net investment income	20,000	20,000	(1,354)	(21,354)	4,278
Total revenues	884,200	884,200	860,800	(23,400)	703,224
Expenditures					
Concrete repair and maintenance program	189,723	189,723	257,218	(67,495)	178,156
Personal services	180,509	180,509	105,159	75,350	180,094
Commodities and contractual services	6,037	6,037	1,512	4,525	1,505
Capital outlay	499,100	524,100	534,280	(10,180)	328,782
Total expenditures	875,369	900,369	898,169	2,200	688,537
Excess revenues over (under) expenditures	8,831	(16,169)	(37,369)	(21,200)	14,687
Funds available - beginning	351,786	352,984	352,984	-	338,297
Funds available - ending	$ 360,617	$ 336,815	$ 315,615	$ (21,200)	$ 352,984

Funds available is computed as follows:

Current assets	$ 382,269	$ 420,236
Current liabilities	(66,654)	(67,252)
	$ 315,615	$ 352,984

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Housing Rehabilitation Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Grant income	$ 83,044	$ 83,044	$ 103,500	$ 20,456	$ 149,000
Loan interest income	202,532	202,532	252,422	49,890	220,893
Net change in notes receivable/payable	164,865	164,865	205,477	40,612	7,924
Net investment income	(1,843)	(1,843)	(2,297)	(454)	4,119
Late fees	369	369	461	92	468
Other	1,606	1,606	2,001	395	35,202
Transfers in	549,427	579,427	684,770	105,343	141,617
Total revenues	1,000,000	1,030,000	1,246,334	216,334	559,223
Expenditures					
Interest expense	104,583	104,583	44,546	60,037	52,870
Customer accounting and collection	15,514	15,514	6,608	8,906	10,494
Grants to individuals	547,589	547,589	233,239	314,350	238,720
Commodities and contractual services	15,378	15,378	6,550	8,828	31,383
Transfers out	316,936	316,936	134,995	181,941	273,422
Total expenditures	1,000,000	1,000,000	425,938	574,062	606,889
Excess revenues over (under) expenditures	-	30,000	820,396	790,396	(47,666)
Funds available - beginning	797,685	750,019	750,019	-	797,685
Funds available - ending	$ 797,685	$ 780,019	$ 1,570,415	$ 790,396	$ 750,019

Funds available is computed as follows:

Current assets	$ 1,570,501	$ 750,126
Current liabilities	(36,086)	(36,107)
Add current portion of long-term debt	36,000	36,000
	$ 1,570,415	$ 750,019

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Net Position
Internal Service Funds
December 31, 2013

	Central Services	Servi-Center	Capital Equipment Replacement
Assets			
Current assets:			
Cash and investments	$ 140,408	$ 1,322,955	$ 1,611,441
Interest receivable	337	3,071	3,697
Accounts receivable	-	9,554	-
Inventory	12,855	187,784	-
Other current assets	-	-	-
Total current assets	153,600	1,523,364	1,615,138
Capital assets:			
Land	-	340,097	-
Building	-	1,103,302	-
Other improvements	-	55,876	-
Automotive	-	-	7,978,961
Operating machines and equipment	80,908	380,555	1,659,310
Total capital assets	80,908	1,879,830	9,638,271
Less - accumulated depreciation	(73,316)	(1,298,711)	(6,289,345)
Total capital assets, net	7,592	581,119	3,348,926
Total assets	161,192	2,104,483	4,964,064
Liabilities			
Current liabilities:			
Accounts payable	1,354	20,340	-
Accrued payroll and related liabilities	2,995	31,026	-
Compensated absences	15,558	56,194	-
Deposits	-	-	-
Claims and judgments payable	-	-	-
Total liabilities	19,907	107,560	-
Net position			
Invested in capital assets	7,592	581,119	3,348,926
Unrestricted	133,693	1,415,804	1,615,138
Total net position	$ 141,285	$ 1,996,923	$ 4,964,064

See Independent Auditor's Report

Employee Benefits	Risk Management	Total
$ 85,640	$ 836,078	$ 3,996,522
(298)	2,326	9,133
-	-	9,554
-	-	200,639
67,050	5,000	72,050
152,392	843,404	4,287,898
-	-	340,097
-	-	1,103,302
-	-	55,876
-	-	7,978,961
-	-	2,120,773
-	-	11,599,009
-	-	(7,661,372)
-	-	3,937,637
152,392	843,404	8,225,535
24,711	34,085	80,490
5,793	5,794	45,608
10,863	10,863	93,478
57,721	-	57,721
-	706,914	706,914
99,088	757,656	984,211
-	-	3,937,637
53,304	85,748	3,303,687
$ 53,304	$ 85,748	$ 7,241,324

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2013

	Central Services	Servi-Center	Capital Equipment Replacement
Operating revenues			
Billings to departments	$ 347,016	$ 2,351,914	$ 770,494
Intergovernmental	4,941	111,055	-
Total operating revenues	351,957	2,462,969	770,494
Operating expenses			
Cost of goods sold	71,909	943,342	-
Personal services	78,200	859,597	-
Commodities and contractual services	194,689	258,874	18,946
Depreciation	1,340	19,383	821,846
Insurance expense:			
Medical	-	-	-
Life	-	-	-
Long-term disability	-	-	-
Employee assistance program	-	-	-
Unemployment	-	-	-
General liability	-	-	-
Workers' compensation	-	-	-
Claims expense:			
Dental	-	-	-
General liability	-	-	-
Workers' compensation	-	-	-
Total operating expenses	346,138	2,081,196	840,792
Operating income (loss)	5,819	381,773	(70,298)
Nonoperating revenues			
Net investment income	(299)	(2,886)	(2,794)
Gain on disposition of equipment	-	-	92,671
Other	860	8,626	9,794
Total nonoperating revenues	561	5,740	99,671
Income before contributions and transfers	6,380	387,513	29,373
Capital contributions - other	-	-	28,943
Transfers in	-	-	100,000
Transfers out	(50,000)	(200,000)	-
Change in net position	(43,620)	187,513	158,316
Total net position - beginning	184,905	1,809,410	4,805,748
Total net position - ending	$ 141,285	$ 1,996,923	$ 4,964,064

See Independent Auditor's Report

Employee Benefits	Risk Management	Total
$ 5,503,312	$ 1,201,167	$ 10,173,903
-	-	115,996
5,503,312	1,201,167	10,289,899
-	-	1,015,251
141,615	144,797	1,224,209
19,531	4,124	496,164
-	-	842,569
4,750,591	-	4,750,591
62,072	-	62,072
49,410	-	49,410
17,681	-	17,681
32,749	-	32,749
-	365,519	365,519
-	265,603	265,603
379,358	-	379,358
-	318,604	318,604
-	17,759	17,759
5,453,007	1,116,406	9,837,539
50,305	84,761	452,360
(153)	(2,748)	(8,880)
-	-	92,671
-	-	19,280
(153)	(2,748)	103,071
50,152	82,013	555,431
-	-	28,943
-	-	100,000
-	-	(250,000)
50,152	82,013	434,374
3,152	3,735	6,806,950
$ 53,304	$ 85,748	$ 7,241,324

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2013

	Central Services	Servi-Center	Capital Equipment Replacement
Cash flows from operating activities			
Cash received from interfund charges	$ 347,016	$ 2,351,914	$ 770,494
Cash received from customers	4,941	110,608	-
Cash payments to suppliers for goods and services	(257,526)	(1,226,901)	(18,946)
Cash paid to employees for services	(77,557)	(848,681)	-
Other cash receipts	860	8,626	9,794
Net cash provided (used) by operating activities	17,734	395,566	761,342
Cash flows from noncapital financing activities			
Transfers to/from other funds	(50,000)	(200,000)	100,000
Net cash (used) by noncapital financing activities	(50,000)	(200,000)	100,000
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(8,932)	(8,950)	(877,974)
Proceeds from sale of assets	-	-	164,716
Net cash (used) by capital and related financing activities	(8,932)	(8,950)	(713,258)
Cash flows from investing activities			
Net investment income	10	(2,198)	(1,754)
Net cash provided by investing activities	10	(2,198)	(1,754)
Net increase (decrease) in cash and cash equivalents	(41,188)	184,418	146,330
Cash and cash equivalents - beginning	181,596	1,138,537	1,465,111
Cash and cash equivalents - ending	$ 140,408	$ 1,322,955	$ 1,611,441
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 5,819	$ 381,773	$ (70,298)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	1,340	19,383	821,846
Miscellaneous nonoperating income	860	8,626	9,794
Effect of changes in operating assets and liabilities:			
Accounts receivable	-	(447)	-
Inventories	8,087	(11,975)	-
Other current assets	-	-	-
Accounts payable	984	(11,810)	-
Accrued payroll and related liabilities	644	10,016	-
Estimated claims payable	-	-	-
Other current liabilities	-	-	-
Total adjustments	11,915	13,793	831,640
Net cash provided (used) by operating activities	$ 17,734	$ 395,566	$ 761,342
Noncash investing, capital and financing activities			
Contributions of capital assets from other funds	$ -	$ -	$ 28,943

See Independent Auditor's Report

Employee Benefits	Risk Management	Total
$ 5,503,312	$ 1,201,167	$10,173,903
-	-	115,549
(5,326,453)	(1,535,428)	(8,365,254)
(139,672)	(142,854)	(1,208,764)
-	-	19,280
37,187	(477,115)	734,714
-	-	(150,000)
-	-	(150,000)
-	-	(895,856)
-	-	164,716
-	-	(731,140)
(739)	(2,219)	(6,900)
(739)	(2,219)	(6,900)
36,448	(479,334)	(153,326)
49,192	1,315,412	4,149,848
$ 85,640	$ 836,078	$ 3,996,522
$ 50,305	$ 84,761	$ 452,360
-	-	842,569
-	-	19,280
-	-	(447)
-	-	(3,888)
(20,000)	-	(20,000)
6,980	(72,369)	(76,215)
1,943	1,944	14,547
-	(491,451)	(491,451)
(2,041)	-	(2,041)
(13,118)	(561,876)	282,354
$ 37,187	$ (477,115)	$ 734,714
$ -	$ -	$ 28,943

CITY OF ENGLEWOOD, COLORADO

Central Services Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)	2012 Actual
Revenues					
Billings to departments:					
Postage	$ 140,000	$ 140,000	$ 119,059	$ (20,941)	$ 127,172
Inside printing	45,000	45,000	33,259	(11,741)	34,346
Copier/printer services	155,500	155,500	186,753	31,253	187,611
Supplies	8,400	8,400	8,805	405	8,290
Intergovernmental	1,500	1,500	4,941	3,441	2,141
Net investment income	3,000	3,000	(299)	(3,299)	1,475
Total revenues	353,400	353,400	352,518	(882)	361,035
Expenditures					
Postage	122,137	122,137	105,026	17,111	111,243
Printing charges	215,687	225,687	239,772	(14,085)	216,210
Capital outlay	7,500	7,500	8,932	(1,432)	-
Transfers out	50,000	50,000	50,000	-	-
Total expenditures	395,324	405,324	403,730	1,594	327,453
Excess revenues over (under) expenditures	(41,924)	(51,924)	(51,212)	712	33,582
Funds available - beginning	154,874	184,905	184,905	-	151,323
Funds available - ending	$ 112,950	$ 132,981	$ 133,693	$ 712	$ 184,905

Funds available is computed as follows:

Current assets	$ 153,600	$ 203,184
Current liabilities	(19,907)	(18,279)
	$ 133,693	$ 184,905

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

ServiCenter Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Billings:					
Garage:					
Vehicle maintenance	$ 1,054,296	$ 1,054,296	$ 1,068,992	$ 14,696	$ 982,981
Direct charges	656,800	656,800	792,079	135,279	812,341
Intergovernmental	154,837	154,837	111,055	(43,782)	147,682
Subtotal garage revenues	1,865,933	1,865,933	1,972,126	106,193	1,943,004
Administration:					
Building rentals	454,133	454,133	454,133	-	413,248
Stores charges	35,000	35,000	36,710	1,710	32,696
Subtotal administrative revenues	489,133	489,133	490,843	1,710	445,944
Total billings to departments	2,355,066	2,355,066	2,462,969	107,903	2,388,948
Net investment income	9,578	9,578	(2,886)	(12,464)	8,335
Other	8,163	8,163	8,626	463	6,391
Total revenues	2,372,807	2,372,807	2,468,709	95,902	2,403,674
Expenditures					
Garage:					
Personal services	693,967	693,967	690,034	3,933	662,970
Cost of goods sold	781,966	781,966	912,246	(130,280)	930,919
Commodities and contractual services	126,251	126,251	113,463	12,788	141,508
Capital outlay	6,801	6,801	6,801	-	6,801
Subtotal garage expenditures	1,608,985	1,608,985	1,722,544	(113,559)	1,742,198
Administration:					
Personal services	167,060	167,060	168,663	(1,603)	106,072
Commodities and contractual services	299,817	299,817	139,510	160,307	136,162
Cost of goods sold	30,000	30,000	31,096	(1,096)	21,525
Capital outlay	93,300	93,300	8,950	84,350	73,734
Transfers out	200,000	200,000	200,000	-	100,000
Subtotal administrative expenditures	790,177	790,177	548,219	241,958	437,493
Total expenditures	2,399,162	2,399,162	2,270,763	128,399	2,179,691
Excess revenues over (under) expenditures	(26,355)	(26,355)	197,946	224,301	223,983
Funds available - beginning	988,526	1,217,858	1,217,858	-	993,875
Funds available - ending	$ 962,171	$ 1,191,503	$ 1,415,804	$ 224,301	$ 1,217,858

Funds available is computed as follows:

Current assets	$ 1,523,364	$ 1,327,212
Current liabilities	(107,560)	(109,354)
	$ 1,415,804	$ 1,217,858

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Capital Equipment Replacement Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Billings to departments	$ 770,494	$ 770,494	$ 770,494	$ -	$ 722,415
Proceeds from sale of equipment	62,000	62,000	104,856	42,856	142,145
Net investment income	21,500	21,500	(2,793)	(24,293)	11,289
Other	20,000	20,000	9,794	(10,206)	6,089
Transfers in	100,000	100,000	100,000	-	-
Total revenues	973,994	973,994	982,351	8,357	881,938
Expenditures					
Capital outlay	1,493,521	1,493,521	916,475	577,046	831,616
Commodities and contractual services	22,614	22,614	18,946	3,668	20,139
Total expenditures	1,516,135	1,516,135	935,421	580,714	851,755
Excess revenues over (under) expenditures	(542,141)	(542,141)	46,930	589,071	30,183
Funds available - beginning	1,435,526	1,568,208	1,568,208	-	1,538,025
Funds available - ending	$ 893,385	$ 1,026,067	$ 1,615,138	$ 589,071	$ 1,568,208

Funds available is computed as follows:

Current assets	$ 1,615,138	$ 1,568,208
Current liabilities	-	-
	$ 1,615,138	$ 1,568,208

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Employee Benefits Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Billings to departments:					
Medical	$ 4,694,238	$ 4,694,238	$ 4,599,163	$ (95,075)	$4,412,738
Dental	417,176	417,176	424,801	7,625	420,801
Life	65,000	65,000	61,837	(3,163)	61,549
Long-term disability	94,478	94,478	30,155	(64,323)	30,390
Administrative fees	409,077	409,077	387,356	(21,721)	363,168
Transfers in	-	-	-	-	80,000
Net investment income	-	-	(153)	(153)	(1,359)
Total revenues	5,679,969	5,679,969	5,503,159	(176,810)	5,367,287
Expenditures					
Insurance expense:					
Medical	4,836,138	4,836,138	4,750,591	85,547	4,553,696
Life	65,000	65,000	62,072	2,928	58,823
Long-term disability	55,000	55,000	49,410	5,590	46,122
Employee assistance program	52,700	52,700	17,681	35,019	27,671
Unemployment	48,000	48,000	32,749	15,251	54,952
Claims expense:					
Dental	417,176	417,176	379,358	37,818	396,974
Long-term disability	39,478	39,478	-	39,478	43,475
Personal services	140,291	140,291	141,615	(1,324)	132,226
Commodities and contractual services	26,411	26,411	19,531	6,880	18,132
Transfers out	-	-	-	-	37,000
Total expenditures	5,680,194	5,680,194	5,453,007	227,187	5,369,071
Excess revenues over (under) expenditures	(225)	(225)	50,152	50,377	(1,784)
Funds available - beginning	1,279	3,152	3,152	-	4,936
Funds available - ending	$ 1,054	$ 2,927	$ 53,304	$ 50,377	$ 3,152

Funds available is computed as follows:		
Current assets	$ 152,392	$ 95,359
Current liabilities	(99,088)	(92,207)
	$ 53,304	$ 3,152

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Risk Management Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2012 Actual
Revenues					
Billings to departments:					
Property and liability	$ 724,612	$ 724,612	$ 724,612	$ -	$ 755,842
Workers' compensation	476,298	476,298	476,555	257	406,182
Transfers In	-	-	-	-	715,000
Net investment income	15,000	15,000	(2,748)	(17,748)	10,320
Total revenues	1,215,910	1,215,910	1,198,419	(17,491)	1,887,344
Expenditures					
Insurance:					
General liability	340,770	340,770	365,519	(24,749)	325,264
Workers' compensation	217,245	217,245	265,603	(48,358)	36,855
Claims:					
General liability	253,299	253,299	318,604	(65,305)	399,600
Workers' compensation	225,430	225,430	17,759	207,671	1,159,137
Personal services	140,291	140,291	144,796	(4,505)	132,742
Commodities and contractual services	23,060	23,060	4,125	18,935	5,337
Transfers out	-	-	-	-	926,000
Total expenditures	1,200,095	1,200,095	1,116,406	83,689	2,984,935
Excess revenues over (under) expenditures	15,815	15,815	82,013	66,198	(1,097,591)
Funds available - beginning	91,980	3,735	3,735	-	1,101,326
Funds available - ending	$ 107,795	$ 19,550	$ 85,748	$ 66,198	$ 3,735

Funds available is computed as follows:

Current assets	$ 843,404	$ 1,323,267
Current liabilities	(757,656)	(1,319,532)
	$ 85,748	$ 3,735

See Independent Auditor's Report

Fiduciary Funds

Pension Trust Funds:

Nonemergency Employees Pension Trust Fund
Police Pension Trust Fund
Firefighters Pension Trust Fund
Volunteer Firefighters Pension Trust Fund

All four respective funds account for the accumulation of resources for pension benefit payments to qualified employees.

Agency Fund:

Basin Interceptor Fund – Fulfills the custodial duty of accounting for the Big Dry Creek Interceptor Agreement.

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2013

	Nonemergency Employees	Police	Firefighters	Volunteer Firefighters	Total
Assets					
Cash and equivalents	$ 19,640	$ 418	$ 412	$ 83	$ 20,553
Investments	32,064,711	4,893,873	7,143,812	91,821	44,194,217
Total assets	32,084,351	4,894,291	7,144,224	91,904	44,214,770
Liabilities					
Accounts payable	270	-	-	-	270
Net position held in trust for pension benefits	$ 32,084,081	$ 4,894,291	$ 7,144,224	$ 91,904	$ 44,214,500

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended December 31, 2013

	Nonemergency Employees	Police	Firefighters	Volunteer Firefighters	Total
Additions					
Contributions:					
City	$ 854,568	$ 442,700	$ 237,746	$ 6,320	$ 1,541,334
Plan member	185,099	-	-	-	185,099
Total contributions	1,039,667	442,700	237,746	6,320	1,726,433
Investment income:					
Net appreciation in fair value of investments	4,520,394	700,660	1,023,583	13,917	6,258,554
Less investment expense	(63,761)	-	-	-	(63,761)
Net investment income	4,456,633	700,660	1,023,583	13,917	6,194,793
Total additions	5,496,300	1,143,360	1,261,329	20,237	7,921,226
Deductions					
Benefits	1,773,915	952,858	1,003,033	21,600	3,751,406
Administrative expenses	85,919	31,942	44,943	1,532	164,336
Total deductions	1,859,834	984,800	1,047,976	23,132	3,915,742
Change in net position	3,636,466	158,560	213,353	(2,895)	4,005,484
Net position - beginning	28,447,615	4,735,731	6,930,871	94,799	40,209,016
Net position - ending	$ 32,084,081	$ 4,894,291	$ 7,144,224	$ 91,904	$44,214,500

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Agency Fund
Basin Interceptor Fund
Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2013

	Balance December 31, 2012	Additions: Line Charges	Additions: Interest	Additions: Maintenance Fees	Deductions: Maintenance/ Administration	Balance December 31, 2013
Assets						
Cash and investments	$ 3,183,236	$ 43,736	$ (5,492)	$ 724,314	$ (187,325)	$ 3,758,469
Interest receivable	10,623	-	(2,090)	-	-	8,533
Accounts receivable	130,721	-	-	17,080	-	147,801
Assessment receivable	15,209	-	-	(640)	-	14,569
Total assets	$ 3,339,789	$ 43,736	$ (7,582)	$ 740,754	$ (187,325)	$ 3,929,372

	Balance December 31, 2012	Additions: Line Charges	Additions: Interest	Additions: Maintenance Fees	Deductions: Maintenance/ Administration	Balance December 31, 2013
Liabilities						
Interceptor Maintenance Account	$ 1,715,792	$ -	$ (7,518)	$ 740,754	$ (54,449)	$ 2,394,579
Southgate Sanitation District	1,620,949	42,803	(64)	-	(129,828)	1,533,860
South Arapahoe Sanitation District	-	200	-	-	-	200
South Englewood Sanitation District	1,669	300	-	-	(1,669)	300
City of Englewood	876	333	-	-	(876)	333
Greenwood Village Sewer Improvement District	503	100	-	-	(503)	100
Total liabilities	$ 3,339,789	$ 43,736	$ (7,582)	$ 740,754	$ (187,325)	$ 3,929,372

See Independent Auditor's Report

Component Units

Englewood Environmental Foundation – This fund is used to account for the activities of the Englewood Environmental Foundation, Inc.

Englewood McLellan Reservoir Foundation – This fund is used to account for the activities of the Englewood McLellan Reservoir Foundation, Inc.

CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation
Statements of Net Position
December 31, 2013
With Comparative Totals for December 31, 2012

Assets	**2013**	**2012**
Current assets		
Cash and investments	$ 826,710	$ 930,268
Interest receivable	119,251	60,015
Prepaid expense	92,774	83,153
Lease receivable - current	1,025,000	990,000
Total current assets	2,063,735	2,063,436
Noncurrent assets		
Lease receivable	11,530,000	12,555,000
Capital assets		
Land and improvements	8,496,257	8,496,257
Site development	10,772,213	10,772,213
Streets	4,841,536	4,841,536
Parking structure	3,956,348	3,956,348
Rail bridge	2,017,170	2,017,170
Other improvements	159,229	159,229
Operating machinery and equipment	26,032	26,032
Total capital assets	30,268,785	30,268,785
Less accumulated depreciation	(15,222,248)	(14,568,157)
Total capital assets, net	15,046,537	15,700,628
Total assets	28,640,272	30,319,064
Liabilities		
Current liabilities		
Accounts payable	79,073	77,547
Interest payable	46,422	49,516
Certificates of participation - current	1,025,000	990,000
Total current liabilities	1,150,495	1,117,063
Noncurrent liabilities		
Certificates of participation	11,530,000	12,555,000
Total liabilities	12,680,495	13,672,063
Net position		
Invested in capital assets	15,046,537	15,700,628
Unrestricted	913,240	946,373
Total net position	$ 15,959,777	$ 16,647,001

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation
Statements of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	2013	2012
Operating revenues		
Common area maintenance	$ 1,267,694	$ 1,417,525
Operating expenses		
Common area maintenance	1,304,125	1,394,031
Professional services	69,823	57,026
Legal	424	199
Repair and maintenance	39,013	37,639
General administrative and office	1,061	2,644
Insurance	6,693	4,795
Utilities	1,529	2,762
Depreciation	654,091	654,091
Total operating expenses	2,076,759	2,153,187
Operating loss	(809,065)	(735,662)
Nonoperating revenues (expenses)		
Net investment income	-	6,314
Lease interest income	572,531	608,612
Interest expense	(574,098)	(608,612)
Other, net	123,408	156,872
Total nonoperating revenues (expenses)	121,841	163,186
Change in net position	(687,224)	(572,476)
Net position - beginning	16,647,001	17,219,477
Net position - ending	$ 15,959,777	$ 16,647,001

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation
Statements of Cash Flows
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	2013	2012
Cash flows from operating activities		
Cash received from customers	$ 1,204,541	$ 1,409,687
Cash payments to suppliers for goods and services	(1,430,763)	(1,583,638)
Other cash received	123,408	156,872
Net cash (used) by operating activities	(102,814)	(17,079)
Cash flows from capital and related financing activities		
Lease principal received	1,025,000	990,000
Lease interest received	575,625	611,497
Principal paid on long-term debt	(1,025,000)	(990,000)
Interest paid on long-term debt	(575,625)	(611,497)
Net cash provided by capital and related financing activities	-	-
Cash flows from investing activities		
Net investment income	(744)	7,352
Net increase (decrease) in cash and cash equivalents	(103,558)	(9,727)
Cash and cash equivalents - beginning	930,268	939,995
Cash and cash equivalents - ending	$ 826,710	$ 930,268
Reconciliation of operating (loss) to net cash (used) by operating activities:		
Operating loss	$ (809,065)	$ (735,662)
Adjustments to reconcile operating loss to net cash (used) by operating activities:		
Depreciation	654,091	654,091
Miscellaneous nonoperating income	123,408	156,872
Effect of changes in operating assets and liabilities:		
Accounts receivable	(63,153)	(7,838)
Other receivables	(9,621)	(9,554)
Accounts payable	1,526	(74,988)
Total adjustments	706,251	718,583
Net cash (used) by operating activities	$ (102,814)	$ (17,079)

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.
Statements of Net Position
December 31, 2013
With Comparative Totals for December 31, 2012

	2013	2012
Assets		
Current assets		
Cash and investments	$ 17,764	$ 11,454
Interest receivable	15	25
Accounts receivable	15,000	-
Prepaid insurance	7,855	6,846
Total current assets	40,634	18,325
Capital assets		
Land and improvements	5,706,166	5,706,166
Total assets	5,746,800	5,724,491
Liabilities		
Current liabilities		
Accounts payable	10,000	10,000
Net position		
Invested in capital assets	5,706,166	5,706,166
Unrestricted	30,634	8,325
Total net position	$ 5,736,800	$ 5,714,491

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.
Statements of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	2013	2012
Operating revenues		
Charges for services	$ 686,792	$ 597,694
Operating expenses		
Professional services	37,779	87,558
Insurance	8,680	6,541
Legal	44,118	13,414
General administrative and office	994	1,283
Total operating expenses	91,571	108,796
Operating income (loss)	595,221	488,898
Nonoperating revenues (expenses)		
Net investment income	(31)	320
Contribution to primary government	(573,526)	(551,295)
Other, net	645	-
Total nonoperating revenues (expenses)	(572,912)	(550,975)
Change in net position	22,309	(62,077)
Net position - beginning	5,714,491	5,776,568
Net position - ending	$ 5,736,800	$ 5,714,491

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.
Statements of Cash Flows
For the Year Ended December 31, 2013
With Comparative Totals for the Year Ended December 31, 2012

	2013	2012
Cash flows from operating activities		
Cash received from customers	$ 671,792	$ 597,694
Cash payments to suppliers for goods and services	(92,580)	(110,916)
Other cash receipts	645	-
Net cash provided (used) by operating activities	579,857	486,778
Cash flows from noncapital financing activities		
Contributions from (to) primary government	(573,526)	(551,295)
Cash flows from investing activities		
Net investment income	(21)	611
Net increase in cash and cash equivalents	6,310	(63,906)
Cash and cash equivalents - January 1,	11,454	75,360
Cash and cash equivalents - December 31,	$ 17,764	$ 11,454
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 595,221	$ 488,898
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Miscellaneous nonoperating income	645	-
Prepaid insurance	(1,009)	(2,120)
Accounts receivable	(15,000)	-
Total adjustments	(15,364)	(2,120)
Net cash provided (used) by operating activities	$ 579,857	$ 486,778

See Independent Auditor's Report

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2013

General Obligation Refunding Bonds, Series 2010

Year	Rate	Principal	Interest	Total
2014	2.00	$ 835,000	$ 257,113	$ 1,092,113
2015	2.00	855,000	240,412	1,095,412
2016	2.00	870,000	223,312	1,093,312
2017	2.25	890,000	205,912	1,095,912
2018	2.75	905,000	185,888	1,090,888
2019	3.00	935,000	161,000	1,096,000
2020	3.00	965,000	132,950	1,097,950
2021	4.00	985,000	104,000	1,089,000
2022	4.00	1,025,000	64,600	1,089,600
2023	4.00	590,000	23,600	613,600
		$ 8,855,000	$ 1,598,787	$ 10,453,787

Golf Course Revenue Refunding Bonds - 2013

Year	Rate	Principal	Interest	Total
2014	2.00	$ 85,000	$ 123,566	$ 208,566
2015	2.00	85,000	121,866	206,866
2016	2.25	90,000	120,166	210,166
2017	2.75	90,000	118,141	208,141
2018	3.25	95,000	115,666	210,666
2019	3.75	95,000	112,579	207,579
2020	4.00	100,000	109,016	209,016
2021	4.50	105,000	105,016	210,016
2022	4.75	110,000	100,291	210,291
2023	5.00	115,000	95,066	210,066
2024	5.25	120,000	89,316	209,316
2025	5.50	125,000	83,017	208,017
2026	5.63	125,000	76,142	201,142
2027	5.75	145,000	69,110	214,110
2028	5.75	155,000	60,773	215,773
2029	5.80	155,000	51,860	206,860
2030	5.80	165,000	42,870	207,870
2031	6.00	175,000	33,300	208,300
2032	6.00	185,000	22,800	207,800
2033	6.00	195,000	11,700	206,700
		$ 2,515,000	$ 1,662,261	$ 4,177,261

(Continued)

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2013
(Continued)

	General Obligation Water Bonds - 2012				General Obligation Water Bonds - 2009			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2014	2.00	$ 15,000	$ 261,200	$ 276,200	4.500	$ -	$ 117,828	$ 117,828
2015	2.00	165,000	259,400	424,400	4.500	-	117,828	117,828
2016	2.00	160,000	256,150	416,150	4.500	-	117,828	117,828
2017	2.00	160,000	252,950	412,950	4.500	-	117,828	117,828
2018	2.00	165,000	249,700	414,700	4.500	-	117,828	117,828
2019	2.00	170,000	246,350	416,350	4.500	-	117,828	117,828
2020	4.00	480,000	235,050	715,050	4.150	155,000	117,828	272,828
2021	4.00	500,000	215,450	715,450	4.250	160,000	111,395	271,395
2022	4.00	520,000	195,050	715,050	4.300	170,000	104,595	274,595
2023	2.50	540,000	177,900	717,900	4.400	175,000	97,285	272,285
2024	3.00	560,000	162,750	722,750	4.500	180,000	89,585	269,585
2025	3.00	570,000	145,800	715,800	4.500	195,000	81,485	276,485
2026	3.00	585,000	128,475	713,475	4.500	205,000	72,710	277,710
2027	3.00	380,000	114,000	494,000	4.600	435,000	63,485	498,485
2028	3.00	385,000	102,525	487,525	4.625	460,000	43,475	503,475
2029	3.00	400,000	90,750	490,750	4.625	480,000	22,200	502,200
2030	3.00	915,000	71,025	986,025		$ 2,615,000	$ 1,511,011	$ 4,126,011
2031	3.00	940,000	43,200	983,200				
2032	3.00	970,000	14,550	984,550				
		$ 8,580,000	$ 3,222,275	$ 11,802,275				

	Storm Water Revenue Refunding Bonds - 2012				General Obligation Water Bonds - 2004			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2014	1.00	$ 100,000	$ 15,780	$ 115,780	4.000	$ 135,000	$ 5,400	$ 140,400
2015	1.25	100,000	14,780	114,780		$ 135,000	$ 5,400	$ 140,400
2016	1.50	100,000	13,530	113,530				
2017	1.75	105,000	12,030	117,030				
2018	2.00	105,000	10,192	115,192				
2019	2.25	105,000	8,093	113,093				
2020	2.50	105,000	5,730	110,730				
2021	2.70	115,000	3,105	118,105				
		$ 835,000	$ 83,240	$ 918,240				

(Continued)

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2013
(Continued)

Colorado Water Resources and Power Development Authority

	May 1, 2004 - Sewer Fund				May 1, 2004 - Sewer Fund			
	Water Pollution Control Revolving Fund				Water Revenue Bond Program			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2014	3.87	$ 5,351	$ 1,097,875	$ 1,103,226	4.11	$ 2,655,000	$ 511,250	$ 3,166,250
2015	3.87	5,351	1,097,875	1,103,226	4.11	2,790,000	378,500	3,168,500
2016	3.87	5,351	1,033,750	1,039,101	4.11	2,925,000	239,000	3,164,000
2017	3.87	1,182,571	942,433	2,125,004	4.11	1,855,000	92,750	1,947,750
2018	3.87	3,162,441	872,842	4,035,283		$ 10,225,000	$ 1,221,500	$ 11,446,500
2019	3.87	3,258,759	775,725	4,034,484				
2020	3.87	3,360,428	670,156	4,030,584				
2021	3.87	3,467,448	566,627	4,034,075				
2022	3.87	3,574,468	461,729	4,036,197				
2023	3.87	3,686,839	337,137	4,023,976				
2024	3.87	3,799,210	146,883	3,946,093				
2025	3.87	4,007,899	1,691	4,009,590				
		$ 29,516,116	$ 8,004,723	$ 37,520,839				

	October 1, 1997 - Water Fund			
	State Revolving Loan Fund			
Year	Rate	Principal	Interest	Total
2014	4.141	$ 868,339	$ 188,041	$ 1,056,380
2015	4.141	895,774	161,383	1,057,157
2016	4.141	938,300	117,051	1,055,351
2017	4.141	1,016,491	32,269	1,048,760
2018	4.141	790,147	(20,033)	770,114
		$ 4,509,051	$ 478,711	$ 4,987,762

(Continued)

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2013
(Continued)

	Qualified Energy Conservation Bonds - 2010				Certificates of Participation, Series 2005 Refunding Civic Center Project Englewood Environmental Foundation, Inc.			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2014	5.41	$ 66,511	$ 26,304	$ 92,815	4.000	$ 1,025,000	$ 536,563	$ 1,561,563
2015	5.41	70,988	24,819	95,807	4.500	1,070,000	491,988	1,561,988
2016	5.41	75,644	23,235	98,879	4.250	1,115,000	444,219	1,559,219
2017	5.41	80,483	21,550	102,033	4.500	1,165,000	394,313	1,559,313
2018	5.41	85,513	19,759	105,272	4.500	1,220,000	340,650	1,560,650
2019	5.41	90,741	17,858	108,599	4.500	1,275,000	284,513	1,559,513
2020	5.41	96,171	15,843	112,014	4.500	1,325,000	226,012	1,551,012
2021	5.41	101,813	13,708	115,521	4.500	1,390,000	164,925	1,554,925
2022	5.41	107,672	11,450	119,122	4.500	1,455,000	100,912	1,555,912
2023	5.41	113,755	9,062	122,817	4.500	1,515,000	34,087	1,549,087
2024	5.41	120,070	6,542	126,612		$ 12,555,000	$ 3,018,182	$ 15,573,182
2025	5.41	126,627	3,882	130,509				
2026	5.41	99,039	1,078	100,117				
		$ 1,235,027	$ 195,090	$ 1,430,117				

	Capital Lease - Fire Equipment - 2007				Capital Lease - Security / Phone Equipment - 2010			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2014	4.24	$ 100,274	$ 18,119	$ 118,393	3.87	$ 60,904	$ 4,222	$ 65,126
2015	4.24	104,526	13,867	118,393	3.87	63,285	1,843	65,128
2016	4.24	108,957	9,436	118,393		$ 124,189	$ 6,065	$ 130,254
2017	4.24	113,577	4,816	118,393				
		$ 427,334	$ 46,238	$ 473,572				

Financial Planning 02/01

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

Form # 350-050-36

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Englewood
	YEAR ENDING : December 2013
This Information From The Records Of: City of Englewooc	Prepared By: Christine Hart Phone: 303-783-6885

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	4,340,440
3. Other local imposts (from page 2)	198,528
4. Miscellaneous local receipts (from page 2)	1,120,861
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	5,659,829
B. Private Contributions	
C. Receipts from State government (from page 2)	1,046,194
D. Receipts from Federal Government (from page 2)	58,493
E. Total receipts (A.7 + B + C + D)	6,764,516

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	855,867
2. Maintenance:	1,690,824
3. Road and street services:	
a. Traffic control operations	948,538
b. Snow and ice removal	245,990
c. Other	510,461
d. Total (a. through c.)	1,704,989
4. General administration & miscellaneous	466,583
5. Highway law enforcement and safety	2,046,253
6. Total (1 through 5)	6,764,516
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	0
D. Payments to toll facilities	0
E. Total disbursements (A.6 + B.3 + C + D)	6,764,516

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	6,764,516	6,764,516		0

Notes and Comments:

FORM FHWA-536 (Rev. 1-05) PREVIOUS EDITIONS OBSOLETE (Next Page)

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2013

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	-	a. Interest on investments	-
b. Other local imposts:		b. Traffic Fines & Penalities	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	887,640
5. Specific Ownership &/or Other	198,528	g. Other Misc. Receipts	233,221
6. Total (1. through 5.)	198,528	h. Other	1,120,861
c. Total (a. + b.)	198,528	i. Total (a. through h.)	(Carry forward to page 1)
	(Carry forward to page 1)		

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	936,172	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	22,388
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	110,022	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	36,105
f. Total (a. through e.)	110,022	g. Total (a. through f.)	58,493
4. Total (1. + 2. + 3.f)	1,046,194	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		887,640	887,640
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	887,640	887,640
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	887,640	887,640
			(Carry forward to page 1)

Notes and Comments:

Statistical Section

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

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 160-167

Revenue Capacity
These schedules contain information to help the reader assess the City's most significant local revenue sources: property tax and sales tax. 168-175

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 167-183

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 184-185

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and activities it performs. 186-188

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1

City of Englewood, Colorado
Net Position by Component
Last Five Years
(Accrual basis of accounting)

	2013	2012	2011	2010	2009
Governmental activities					
Net investment in capital assets	$ 46,622,318	$ 46,838,945	$ 47,246,217	$ 46,285,709	$ 49,625,695
Restricted	5,176,860	4,532,092	4,412,743	4,592,402	4,119,645
Unrestricted	13,066,242	11,001,812	11,116,981	11,831,202	11,722,072
Total governmental activities net position	$ 64,865,420	$ 62,372,849	$ 62,775,941	$ 62,709,313	$ 65,467,412
Business-type activities					
Net investment in capital assets	$ 47,756,893	$ 43,869,721	$ 50,160,730	$ 50,454,808	$ 51,426,192
Restricted	36,804,325	40,459,217	35,191,685	36,189,692	36,473,848
Unrestricted	4,145,578	3,397,610	3,592,620	3,567,826	3,536,633
Total business-type activities net position	$ 88,706,796	$ 87,726,548	$ 88,945,035	$ 90,212,326	$ 91,436,673
Primary government					
Net investment in capital assets	$ 94,379,211	$ 90,708,666	$ 97,406,947	$ 96,740,517	$ 101,051,887
Restricted	41,981,185	44,991,309	39,604,428	40,782,094	40,593,493
Unrestricted	17,211,820	14,399,422	14,709,601	15,399,028	15,258,705
Total primary government net position	$ 153,572,216	$ 150,099,397	$ 151,720,976	$ 152,921,639	$ 156,904,085

THIS PAGE LEFT BLANK INTENTIONALLY

City of Englewood, Colorado
Changes in Net Position
Last Five Years
(Accrual basis of accounting)

Schedule 2

Expenses	**2013**	**2012**	**2011**	**2010**	**2009**
Governmental activities					
General government	$ 9,104,172	$ 9,460,341	$ 9,645,356	$ 9,812,541	$ 8,580,881
Safety services	19,529,393	19,597,424	17,948,951	17,969,898	17,828,000
Public works	7,893,742	8,130,782	7,879,992	8,247,383	8,168,268
Culture and recreation	7,530,317	8,033,063	7,662,387	8,162,117	8,161,986
Interest and fiscal charges	918,447	999,060	1,069,971	1,495,358	1,314,152
Unallocated depreciation	436,088	436,088	436,088	435,804	432,309
Total governmental activities expenses	45,412,159	46,656,758	44,642,745	46,123,101	44,485,596
Business-type activities					
Water	7,478,002	8,094,782	7,962,145	7,737,323	7,665,820
Sewer	16,137,479	16,283,665	15,579,812	16,217,746	14,435,228
Golf	2,176,212	2,182,690	2,100,887	2,188,539	2,227,877
Storm	271,351	294,241	286,702	342,273	356,146
Concrete	744,672	739,925	742,759	721,120	729,777
Housing Rehabilitation	290,943	333,467	328,067	509,568	662,299
Total business-type activities expenses	27,098,659	27,928,770	27,000,372	27,716,569	26,077,147
Total primary government expenses	$ 72,510,818	$ 74,585,528	$ 71,643,117	$ 73,839,670	$ 70,562,743
Program revenues					
Governmental activities					
Permits, fees, fines and charges for services					
General government	$ 4,109,380	$ 4,080,163	$ 4,030,425	$ 3,966,251	$ 4,158,838
Safety services	2,016,060	1,735,851	1,456,260	1,281,299	1,160,399
Public works	560,422	363,733	441,119	390,270	384,023
Culture and recreation	2,531,456	2,673,671	2,704,610	2,566,878	2,656,850
Operating grants and contributions	2,829,006	3,386,614	3,249,568	4,647,383	3,348,039
Capital grants and contributions	65,030	69,815	-	10,835	967,440
Total governmental activities program revenues	12,111,354	12,309,847	11,881,982	12,862,916	12,675,589

(Continued)

City of Englewood, Colorado
Changes in Net Position
Last Five Years
(Accrual basis of accounting)
(Continued)

Schedule 2

	2013	2012	2011	2010	2009
Business-type activities					
Charges for services					
Water	8,458,786	8,770,989	8,790,259	8,590,134	7,761,574
Sewer	14,801,851	13,948,641	12,981,737	13,497,477	12,353,255
Golf	1,950,665	2,101,572	1,825,599	2,008,788	2,070,514
Storm	317,935	316,244	319,211	318,981	320,781
Concrete	859,754	695,466	693,921	692,774	699,546
Housing Rehabilitation	254,886	256,563	204,036	480,248	467,426
Operating grants and contributions	360,112	590,338	706,241	636,496	812,727
Capital grants and contributions	525,143	426,831	254,699	217,324	369,474
Total business-type activities program revenues	27,529,132	27,106,644	25,775,703	26,442,222	24,855,297
Total primary government program revenues	$ 39,640,486	$ 39,416,491	$ 37,657,685	$ 39,305,138	$ 37,530,886
Net (expense)					
Governmental activities	$ (33,300,805)	$ (34,346,911)	$ (32,760,763)	$ (33,260,185)	$ (31,810,007)
Business-type activities	430,473	(822,126)	(1,224,669)	(1,274,347)	(1,221,850)
Total primary government net expense	$ (32,870,332)	$ (35,169,037)	$ (33,985,432)	$ (34,534,532)	$ (33,031,857)
General Revenues and Other Changes in Net Position					
Governmental activities					
Property taxes	$ 4,125,612	$ 3,970,772	$ 4,327,526	$ 4,331,033	$ 4,233,116
Sales and use taxes	26,702,054	24,471,494	23,372,970	22,339,217	22,020,529
Franchise and other taxes	3,308,437	3,130,901	2,831,975	2,825,317	2,680,200
Unrestricted investment earnings	(33,333)	163,573	191,431	186,414	416,807
Unrestricted grants and contributions	16,223	40,809	30,883	112,116	-
Miscellaneous	2,224,158	2,456,919	2,029,984	757,989	1,000,343
Transfers, net	(549,775)	131,805	42,622	(50,000)	(646,957)
Total governmental activities	35,793,376	34,366,273	32,827,391	30,502,086	29,704,038
Business-type activities					
Special item - loss on disposition of assets	-	-	-	-	(10,372)
Transfers, net	549,775	(131,805)	(42,622)	50,000	646,957
Total business-type activities	549,775	(131,805)	(42,622)	50,000	636,585
Total primary government	$ 36,343,151	$ 34,234,468	$ 32,784,769	$ 30,552,086	$ 30,340,623
Change in net position					
Governmental activities	$ 2,492,571	$ 19,362	$ 66,628	$ (2,758,099)	$ (2,105,969)
Business type-activities	980,248	(953,931)	(1,267,291)	(1,224,347)	(585,265)
Total primary government	$ 3,472,819	$ (934,569)	$ (1,200,663)	$ (3,982,446)	$ (2,691,234)

City of Englewood, Colorado **Schedule 3**
Fund Balances, Governmental Funds
Last Ten Years
(Modified accrual basis of accounting)

	2013	2012	2011	2010	2009
General Fund					
Restricted for:					
Tabor emergencies	$ 1,340,000	$ 1,200,000	$ 1,150,000	$ 1,150,000	$ 1,209,200
Committed to:					
Law enforcement	78,753	298,512	298,512	298,512	-
Long term asset reserve	2,619,375	2,619,375	2,406,649	2,130,520	3,131,979
Assigned:					
Subsequent year budgeted deficit	1,207,787	920,353	523,053	487,204	239,543
Unassigned	5,667,918	4,032,570	4,439,471	4,428,443	4,654,235
Total general fund	$ 10,913,833	$ 9,070,810	$ 8,817,685	$ 8,494,679	$ 9,234,957
All Other Governmental Funds					
Restricted for:					
Parks and recreation	$ 3,661,118	$ 3,018,062	$ 2,831,175	$ 2,866,204	$ 2,831,428
Law enforcement	150,329	280,956	301,459	99,657	57,412
Debt service	46,839	55,625	154,267	499,671	58,665
Committed to:					
Capital projects	2,698,207	2,186,357	1,761,434	3,066,775	1,941,867
Parks and recreation	456,411	454,647	451,714	681,420	514,541
Housing	-	448,903	408,432	-	-
Assigned to:					
Parks and recreation	208,943	138,724	45,705	283,316	19,857
Law enforcement	26,713	19,231	28,819	-	-
Fire services	9,965	6,577	3,861	3,113	3,598
Other purposes	142,167	784	778	10,000	35,050
Total all other governmental funds	$ 7,400,692	$ 6,609,866	$ 5,987,644	$ 7,510,156	$ 5,462,418

Schedule 3

2008	2007	2006	2005	2004
$ 1,360,800	$ 1,414,800	$ 1,211,200	$ 1,272,613	$ 1,351,703
-	-	-	-	-
4,397,853	2,428,312	2,507,034	-	-
912,710	442,312	1,485,293	-	893,489
4,431,400	5,089,003	1,939,775	5,540,363	4,271,795
$ 11,102,763	$ 9,374,427	$ 7,143,302	$ 6,812,976	$ 6,516,987
$ 2,988,638	$ 2,818,515	$ 2,463,577	$ 1,986,795	$ 1,044,570
65,619	146,212	146,276	199,719	259,070
166,137	87,630	58,283	122,389	87,145
2,017,325	4,491,115	2,750,772	1,980,226	1,874,887
388,285	582,547	3,934,695	305,739	588,727
-	-	-	-	-
54,152	91,515	318,710	318,772	307,297
-	-	-	-	-
3,865	-	-	-	-
32,182	118,366	35,471	22,747	-
$ 5,716,203	$ 8,335,900	$ 9,707,784	$ 4,936,387	$ 4,161,696

City of Englewood, Colorado **Schedule 4**

Changes in Fund Balances, Governmental Funds

Last Ten Years

(Modified accrual basis of accounting)

	2013	2012	2011	2010	2009
Revenues					
Taxes (see Schedule 5)	$ 34,136,103	$ 31,573,167	$ 30,532,471	$ 29,495,567	$ 28,933,845
Licenses and permits	1,446,578	983,359	778,536	695,563	588,328
Intergovernmental revenue	2,909,535	3,491,447	3,277,833	4,375,328	4,315,479
Charges for services	6,306,039	6,363,331	6,410,092	6,353,327	5,992,943
Fines and forfeitures	1,317,707	1,381,453	1,284,759	1,437,957	1,639,678
Special assessments	-	-	-	-	31,922
Net investment income	(24,453)	133,512	152,697	152,240	333,115
Contributions (to) from component unit	573,526	551,295	425,159	105,125	(188,163)
Other	1,560,740	1,469,757	1,523,234	632,696	749,472
Total revenues	48,225,775	45,947,321	44,384,781	43,247,803	42,396,619
Expenditures					
Current:					
General government	8,690,056	8,664,555	9,256,214	9,387,348	8,071,028
Safety services	19,413,044	19,018,153	18,142,085	17,824,861	17,635,319
Public works	6,523,903	6,619,083	6,550,114	6,374,708	6,713,512
Culture and recreation	6,886,274	7,278,678	7,122,606	7,562,631	8,171,347
Capital outlay	727,432	889,458	2,345,049	1,278,288	1,676,676
Debt service:					
Principal	2,022,742	2,005,963	1,962,271	1,907,772	1,620,766
Interest and other fiscal charges	928,701	995,888	1,064,105	1,041,109	1,279,562
Lease issue costs	-	-	-	250,128	-
Total expenditures	45,192,152	45,471,778	46,442,444	45,626,845	45,168,210
Excess revenues over (under) expenditures	3,033,623	475,543	(2,057,663)	(2,379,042)	(2,771,591)
Other financing sources (uses)					
Proceeds from borrowing	-	-	-	12,506,373	-
Transfers in	1,947,575	3,155,993	2,547,813	2,962,606	1,366,294
Transfers out	(2,347,349)	(2,756,189)	(1,689,656)	(1,716,128)	(716,294)
Payment to refunded lease escrow agent	-	-	-	(10,066,349)	-
Proceeds from sale of fixed assets	-	-	-	-	-
Total other financing sources (uses)	(399,774)	399,804	858,157	3,686,502	650,000
Net change in fund balances	2,633,849	875,347	(1,199,506)	1,307,460	(2,121,591)
Fund balances - beginning	15,680,676	14,805,329	16,004,835	14,697,375	16,818,966
Fund balances - ending	$ 18,314,525	$ 15,680,676	$ 14,805,329	$ 16,004,835	$ 14,697,375
Debt service as a percentage of noncapital expenditures	6.6%	6.7%	6.9%	6.6%	6.7%

Schedule 4

2008	2007	2006	2005	2004
$ 31,978,782	$ 32,876,011	$ 29,300,961	$ 29,518,593	$ 28,844,148
671,609	1,168,977	623,945	609,971	628,363
3,919,829	4,020,738	2,967,346	2,885,737	2,847,942
6,021,313	5,590,788	5,405,336	5,349,340	5,277,969
1,461,100	1,445,641	1,566,922	1,386,842	1,263,206
31,922	37,245	72,947	68,245	71,824
791,326	972,058	620,093	290,216	171,896
599,143	-	-	-	-
351,329	289,652	363,732	219,801	258,316
45,826,353	46,401,110	40,921,282	40,328,745	39,363,664
8,232,062	8,108,949	7,714,343	7,511,420	7,381,008
17,263,053	16,612,084	15,841,211	14,979,319	14,628,887
7,497,736	8,037,202	6,219,939	5,954,345	6,474,438
7,958,537	7,676,521	7,113,732	6,897,197	6,468,782
3,020,685	3,111,726	1,646,913	1,157,876	4,327,760
1,570,602	1,655,228	856,530	1,551,413	1,657,080
1,335,039	1,349,059	1,515,171	1,417,069	1,621,135
-	-	-	367,352	-
46,877,714	46,550,769	40,907,839	39,835,991	42,559,090
(1,051,361)	(149,659)	13,443	492,754	(3,195,426)
-	-	-	19,346,678	-
2,997,239	4,949,278	1,854,213	990,035	1,748,527
(2,837,239)	(4,889,278)	(1,351,999)	(990,035)	(1,629,151)
-	948,900	-	(19,101,385)	-
-	-	4,586,066	332,633	52,537
160,000	1,008,900	5,088,280	577,926	171,913
(891,361)	859,241	5,101,723	1,070,680	(3,023,513)
17,710,327	16,851,086	11,749,363	10,678,683	13,702,196
$ 16,818,966	$ 17,710,327	$ 16,851,086	$ 11,749,363	$ 10,678,683
6.6%	6.9%	6.0%	7.7%	8.6%

City of Englewood, Colorado
Tax Revenues by Source, Governmental Funds
Last Ten Years
(Accrual basis of accounting)

Schedule 5

Fiscal Year	Property	Specific Ownership	Sales and Regular Use	Vehicle Use	Building Use	Cigarette	Franchise	Other	Total
2004	$ 3,416,455	$ 346,888	$ 20,591,394	$ 1,416,817	$ 612,217	$ 354,876	$ 2,096,425	$ 9,076	$ 28,844,148
2005	3,522,020	334,768	20,886,855	1,294,635	863,275	313,731	2,294,972	8,337	29,518,593
2006	3,525,200	333,018	20,688,258	1,239,648	849,507	293,776	2,362,000	9,554	29,300,961
2007	3,727,407	341,423	22,753,820	1,440,089	1,968,380	278,785	2,356,385	9,722	32,876,011
2008	4,163,482	316,242	22,617,767	1,252,178	769,078	261,743	2,588,214	10,078	31,978,782
2009	3,956,702	276,414	20,624,659	993,597	402,273	218,449	2,452,611	9,140	28,933,845
2010	4,067,599	263,434	20,866,515	926,715	545,987	196,320	2,620,191	8,806	29,495,567
2011	4,081,464	246,062	21,737,110	1,030,776	605,084	190,762	2,631,393	9,820	30,532,471
2012	3,727,479	243,293	22,363,618	1,294,050	813,826	189,618	2,930,888	10,395	31,573,167
2013	3,858,731	266,881	23,433,775	1,408,029	1,860,250	195,088	3,101,310	12,039	34,136,103
Change 2004-2013	12.95%	(23.06%)	13.80%	(0.62%)	203.85%	(45.03%)	47.93%	32.65%	18.35%

Schedule 6

City of Englewood, Colorado
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

Year	Residential	Commercial	Vacant	Industrial	State Assessed	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a % of Actual Value
2004	$ 168,876,590	$ 224,991,250	$ 3,127,920	$ 19,422,400	$ 21,461,920	$ 437,880,080	8.310	$ 3,048,915,044	14.36%
2005	168,929,440	232,267,780	3,854,840	18,079,950	19,069,900	442,201,910	8.320	3,064,300,553	14.43%
2006	175,035,270	251,099,410	3,517,820	18,066,570	19,815,060	467,534,130	8.100	3,207,387,104	14.58%
2007	175,463,640	253,673,240	3,044,070	17,857,810	18,239,950	468,278,710	8.400	3,213,823,727	14.57%
2008	190,192,280	273,510,780	7,308,110	19,713,830	20,899,330	511,624,330	8.173	3,497,493,528	14.63%
2009	190,910,110	272,343,170	7,460,020	19,073,670	21,637,760	511,424,730	7.911	3,503,350,564	14.60%
2010	176,323,980	296,310,110	7,235,300	19,798,060	19,545,870	519,213,320	8.010	3,397,252,527	15.28%
2011	177,896,360	293,377,190	6,232,240	18,339,590	19,821,960	515,667,340	7.621	3,399,357,133	15.17%
2012	171,837,160	278,532,750	5,016,550	18,101,510	24,699,380	498,187,350	7.794	3,283,907,557	15.17%
2013	171,896,760	277,807,930	5,329,940	16,691,820	26,665,110	498,391,560	8.124	3,166,274,240	15.74%

Note: Property in Colorado is reassessed every two years. Tax rates are per $1,000 of assessed value. The assessed value of taxable property is determined by multiplying the "actual" value times an assessment ratio. The assessment ratio of residential property changes every two years based on a constitutionally mandated requirement to keep the ratio of the assessed value of commercial property to residential property at the same level as it was in the property tax year commencing January 1, 1985 (the "Gallagher Amendment"). The Gallagher Amendment requires that statewide residential assessed values must be approximately 45% of the total assessed value in the State with commercial and other assessed values making up the other 55% of the assessed values in the State. In order to maintain this 45%/55% ratio, the commercial assessment rate is established at 29% of the actual value of commercial property and the residential assessment rate fluctuates. The assessment rate of residential property by collection year was:

Year	
2002-2003	9.15%
2004-2005	7.96%
2006-2007	7.96%
2008-2009	7.96%
2010-2011	8.77%
2012-2013	7.96%

Source : Arapahoe County Assessor.

Schedule 7

City of Englewood, Colorado
Direct and Overlapping Property Tax Rates
Last Ten Years

	City Direct Rates			Overlapping Rates						
Collection Year	Basic Rate	Debt Service	Total Direct	Arapahoe County	Englewood School District	Littleton School District	Sheridan School District	Valley Sanitation District	South Englewood Sanitation District	Urban Drainage & Flood Control District
2004	5.880	2.430	8.310	15.140	39.431	45.304	40.836	2.409	1.100	0.533
2005	5.880	2.440	8.320	15.451	44.419	50.515	40.634	2.477	1.100	0.066
2006	5.880	2.220	8.100	15.421	40.141	49.509	35.989	2.493	0.000	0.597
2007	5.880	2.520	8.400	16.083	40.354	48.907	39.419	2.493	0.000	0.608
2008	5.880	2.293	8.173	15.217	37.211	46.791	38.294	2.493	0.000	0.568
2009	5.880	2.031	7.911	15.672	37.199	46.081	37.627	2.493	0.000	0.508
2010	5.880	2.130	8.010	15.949	37.495	55.389	37.891	2.493	0.000	0.576
2011	5.880	1.741	7.621	17.316	45.858	57.530	38.764	2.493	0.000	0.623
2012	5.880	1.914	7.794	17.150	46.719	56.935	41.998	2.493	0.000	0.657
2013	5.880	2.244	8.124	17.130	46.874	56.985	42.823	2.493	0.000	0.672

Notes:

The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

Overlapping rates are those governments that apply to property owners within the City of Englewood. Not all overlapping rates apply to all Englewood property owners; for example, although the county rate applies to all City property owners, the rates for the various school districts apply to only property owners whose property is located within that district's geographic boundaries.

Tax rates are per $1000 of assessed valuation.

Source : Arapahoe County Assessor.

Schedule 8

City of Englewood, Colorado
Principal Property Tax Payers
Current Year and Nine Years Ago

	Collection Year					
	2013			2004		
Taxpayer	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Columbia Healthone LLC	$ 23,200,010	1	4.65%	$ 28,580,750	1	6.53%
HTA Hampden Place LLC	2,900,000	2	0.58%			
Northern Englewood Limited	2,800,820	3	0.56%			
Englewood Meridian LTD	2,742,220	4	0.55%			
Health One	2,638,088	5	0.53%			
CH Greenwood Point Communities	2,637,352	6	0.53%			
801/901 Englewood Parkway	2,481,534	7	0.50%	2,481,530	8	0.57%
EKM Corp	2,445,860	8	0.49%			
EQR Marks A LLC	2,393,612	9	0.48%			
Situs Enterprises	2,378,000	10	0.48%	2,465,000	9	0.56%
Qwest Corporation				8,589,400	2	1.96%
Public Service Company				6,627,440	3	1.51%
Wal-Mart				2,971,510	4	0.68%
Northern Englewood Limited				2,645,000	5	0.60%
Omni Development Corp				2,609,990	6	0.60%
Wilkerson Corporation				2,518,970	7	0.58%
Wellsford marks B Corp				2,126,270	10	0.49%
	$ 46,617,496		9.35%	$ 61,615,860		14.07%

Source : Arapahoe County Assessor.

Schedule 9

City of Englewood, Colorado
Property Tax Levies and Collections
Last Ten Years

Collection Year	Total Levy	Current Collection	Percentage of Levy	Delinquent Taxes Collected	Total Tax Collection	Percentage of Levy
2004	$ 3,481,858	$ 3,416,328	98.12%	$ 127	$ 3,416,455	98.12%
2005	3,448,640	3,431,795	99.51%	4,255	3,436,050	99.63%
2006	3,559,146	3,542,013	99.52%	(16,813)	3,525,200	99.05%
2007	3,702,457	3,687,969	99.61%	(6,778)	3,681,191	99.43%
2008	4,181,506	4,158,223	99.44%	5,259	4,163,482	99.57%
2009	4,002,921	3,971,026	99.20%	16,549	3,987,575	99.62%
2010	4,107,497	4,094,389	99.68%	(30,276)	4,064,113	98.94%
2011	4,130,497	4,093,763	99.11%	(14,973)	4,078,790	98.75%
2012	3,796,686	3,736,555	98.42%	(11,422)	3,725,133	98.12%
2013	3,882,872	3,863,693	99.51%	(18,391)	3,845,302	99.03%

Note:

Taxes are levied by December 15 of each year and are due and payable on January 1. Taxes may be paid in two equal installments, on or before February 28 and June 15; or in full, on or before April 30. After October 1, delinquent real estate is advertised for sale. The tax sale is held on or about December 1 of each year. Delinquent tax collections, as shown above, may be negative due to tax abatements.

Source : Arapahoe County Assessor and Treasurer.

THIS PAGE LEFT BLANK INTENTIONALLY

Schedule 10

City of Englewood, Colorado
Sales Tax Collections by Category (1)
Last Ten Years

Category	2013	2012	2011	2010
General Retail	$ 4,812,424	$ 4,830,062	$ 4,653,258	$ 4,330,293
Utilities	3,510,853	3,526,513	4,109,175	3,357,033
Eating/Drinking Places	2,111,639	1,956,410	1,901,217	1,867,441
Automotive Dealers/Service Stations	2,089,906	2,088,087	1,952,101	1,925,035
Bldg Materials/Hardware	2,072,084	1,670,205	1,479,608	1,197,084
Personal Service other than Lodging	2,004,760	1,932,614	1,742,996	1,736,575
General Merchandise	1,766,664	1,778,732	1,732,192	1,729,813
Non-classifiable	1,026,549	968,416	1,035,461	1,002,921
Food	963,623	665,713	868,206	732,163
Apparel/Accessories	862,196	825,966	779,874	727,018
Finance/Insurance/Real Estate	760,729	822,862	833,329	771,929
Furniture/Home	664,584	736,958	741,818	718,916
Manufacturing	450,280	446,649	308,440	411,951
Contract Construction	84,831	62,943	59,189	53,281
Hotels/Lodging	32,949	28,955	25,741	22,591
	$ 23,214,071	$ 22,341,085	$ 22,222,605	$ 20,584,044

The City direct sales tax rate is 3.5% for all years presented.

(1) Includes the Englewood Urban Renewal Authority,
a Tax Increment Financing District, which ended on August 23, 2007.

Amounts are presented on a cash basis.
Source : City of Englewood Revenue and Budget Division

Schedule 10

2009	2008	2007	2006	2005	2004
$ 4,149,309	$ 4,881,581	$ 5,446,717	$ 5,415,504	$ 5,272,169	$ 5,064,840
3,248,988	3,847,273	3,636,480	3,314,418	3,582,230	3,598,872
1,939,054	2,008,877	1,970,427	1,880,357	1,790,727	1,665,241
1,833,262	1,954,468	2,112,028	2,020,048	2,441,788	2,369,812
1,239,205	1,629,274	1,503,922	1,568,946	1,121,973	1,141,660
1,923,168	1,844,698	1,918,597	1,180,089	1,211,622	1,122,037
1,786,989	2,016,736	2,097,943	2,145,435	2,126,762	2,084,527
1,114,561	929,063	676,711	511,151	534,610	694,865
666,727	691,164	724,817	796,463	725,549	751,955
700,194	711,537	732,103	709,763	685,281	678,999
828,804	1,192,040	968,783	978,359	1,098,376	1,120,778
667,597	760,602	707,230	733,986	813,110	1,091,367
395,798	412,842	397,553	331,814	283,794	207,309
73,398	85,415	94,516	100,542	83,022	78,832
23,283	16,998	17,394	16,653	14,710	15,920
$ 20,590,337	$ 22,982,568	$ 23,005,221	$ 21,703,528	$ 21,785,723	$ 21,687,014

City of Englewood, Colorado
Ratios of Outstanding Debt by Type
Last Ten Years

Schedule 11

	Governmental Activities					Business-Type Activities					
Year	General Obligation Bonds	Certificates of Participation	Special Assessment Bonds	Loans Payable	Capital Leases	General Obligation Bonds (1)	Revenue Bonds	Loans Payable (1)	Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
2004	$ 13,435,770	$ 19,175,000	$ 121,000	$647,608	$ 675,577	$3,055,000	$ 4,435,000	$70,657,951	$112,202,906	16.52%	$ 3,453
2005	13,022,939	18,880,000	77,000	560,497	340,275	3,055,000	4,365,000	66,256,469	106,557,180	15.69%	3,280
2006	12,538,359	18,820,000	36,000	471,644	173,598	2,955,000	4,255,000	64,781,401	104,031,002	15.32%	3,202
2007	12,000,000	18,010,000	-	381,014	948,900	2,845,000	4,135,000	63,235,475	101,555,389	15.05%	3,145
2008	11,435,000	17,175,000	-	288,571	870,741	2,735,000	4,010,000	61,613,444	98,127,756	14.43%	3,016
2009	10,850,000	16,315,000	-	194,279	789,268	5,240,000	3,885,000	59,908,415	97,181,962	14.29%	2,987
2010	10,800,000	15,425,000	-	98,101	2,864,424	5,115,000	3,750,000	55,903,684	93,956,209	14.86%	3,105
2011	10,185,000	14,500,000	-	-	2,540,254	4,990,000	3,610,000	51,720,374	87,545,628	11.03%	2,894
2012	9,846,372	13,736,591	-	-	2,144,292	11,847,419	3,447,255	50,048,143	91,070,072	10.95%	2,944
2013	9,148,964	12,715,642	-	-	1,786,549	11,696,837	3,265,385	46,072,234	84,685,611	10.80%	2,773

Notes: Details of the City's outstanding debt can be found in the notes to the financial statements.

(1) In addition to the $3,055,000 of 2004 General Obligation Water Bonds, the City issued $51,126,340 of new loans with the Colorado Water and Power Development Authority in 2004.
In 2009 the City issued an additional $2,615,000 of General Obligation Water Bonds.
In 2012 a portion of the 2004 General Obligation Water Bond issue was refunded and an additional $6,730,000 was issued.

(2) See Schedule 16 for personal income and population data.

City of Englewood, Colorado **Schedule 12**

Ratios of General Bonded Debt Outstanding

Last Ten Years

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2004	$ 16,490,770	$ (82,742)	$ 16,408,028	0.54%	$ 505.00
2005	16,077,939	(119,638)	15,958,301	0.52%	491.16
2006	15,493,359	(48,541)	15,444,818	0.48%	475.36
2007	14,845,000	(87,630)	14,757,370	0.46%	457.08
2008	14,170,000	(166,137)	14,003,863	0.40%	430.46
2009	16,090,000	(58,665)	16,031,335	0.46%	492.79
2010	15,915,000	(9,616)	15,905,384	0.47%	525.71
2011	15,175,000	(154,267)	15,020,733	0.44%	496.47
2012	21,693,791	(55,625)	21,638,166	0.66%	699.59
2013	20,845,801	(46,839)	20,798,962	0.66%	681.17

Notes: (1) See Schedule 6 for property value data.

(2) See Schedule 16 for population data.

Prior years have been restated to include Water Fund general obligation debt which has historically been serviced by funds available in the Water fund.

Details of the City's outstanding debt can be found in the notes to the financial statements.

City of Englewood, Colorado **Schedule 13**

Direct and Overlapping Governmental Activities Debt

December 31, 2013

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct debt	$ 25,727,255	100.000%	$ 25,727,255
Overlapping entities:			
Englewood School District No. 1	68,587,509	97.320%	66,749,364
Sheridan School District No. 2	18,706,823	33.050%	6,182,605
Littleton School District No. 6	77,095,000	2.130%	1,642,124
Cherry Creek School District No. 5	578,503,000	0.390%	2,256,162
Total overlapping debt	742,892,332		76,830,255
Total direct and overlapping debt	$ 768,619,587		$ 102,557,510

Sources: Assessed value data used to estimate applicable percentages provided by the Arapahoe County Assessor. Debt outstanding data provided by each governmental entity.

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

Schedule 14

City of Englewood, Colorado
Legal Debt Margin Information
Last Ten Years

Year	Actual Valuation	Debt Limit Percentage	Debt Limit	Debt Applicable to Limit	Legal Debt Margin	As a Percentage of Debt Limit
2004	$ 2,877,509,209	3.00%	$ 86,325,276	$ 13,800,745	$ 72,524,531	19.0%
2005	2,896,261,123	3.00%	86,887,834	13,435,770	73,452,064	18.3%
2006	3,018,993,737	3.00%	90,569,812	13,022,939	77,546,873	16.8%
2007	3,024,628,577	3.00%	90,738,857	12,538,359	78,200,498	16.0%
2008	3,297,243,391	3.00%	98,917,302	12,000,000	86,917,302	13.8%
2009	3,308,401,216	3.00%	99,252,036	11,435,000	87,817,036	13.0%
2010	3,399,357,133	3.00%	101,980,714	10,850,000	91,130,714	11.9%
2011	3,266,465,613	3.00%	97,993,968	10,185,000	87,808,968	11.6%
2012	3,283,907,557	3.00%	98,517,227	9,846,372	88,670,855	11.1%
2013	3,166,274,240	3.00%	94,988,227	9,148,964	85,839,263	10.7%

On November 6, 2001, a majority of the City's electors voted to change the Home Rule Charter of the City of Englewood by allowing the debt ceiling to be three percent (3%) of **actual** valuation versus three percent (3%) of **assessed** valuation. The entire section (Section 104) of the Charter that establishes the debt margin follows:

> Indebtedness and obligations of the City shall be incurred and limited as provided in Article XI of the Constitution of the State of Colorado applicable to towns and cities except as otherwise provided in this Charter. Council shall have power to issue general obligation bonds of the City for any public capital purpose, upon majority vote of the registered electors of the City voting thereon at a special election; provided, however, that water extension and water improvement bonds may be issued without an election upon determination to that effect by Council. The total outstanding general obligation indebtedness of the City, other than for water bonds, shall not at any time exceed three percent (3%) of the actual valuation of the taxable property within the City as shown by the last preceding assessment for tax purposes. Water bonds shall mature and be payable as provided by the ordinance authorizing the issuance of said bonds.

Refer to the Notes to Financial Statements, particularly Note 3F, for detailed information regarding long-term indebtedness of the City.

Future debt issuance may be subject to the Taxpayer's Bill of Rights (TABOR).

Schedule 15

City of Englewood, Colorado
Pledged Revenue Coverage
Water Fund
Last Ten Years

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage	Required Coverage *
2004	$ 5,990,739	$ 5,128,618	$ 862,121	$ 668,057	$ 467,637	$ 1,135,694	0.76	1.10
2005	7,053,794	5,454,431	1,599,363	684,520	567,293	1,251,813	1.28	1.10
2006	7,496,977	6,244,504	1,252,473	700,981	426,267	1,127,248	1.11	1.10
2007	7,788,802	6,082,067	1,706,735	717,442	405,555	1,122,997	1.52	1.10
2008	8,260,511	6,385,693	1,874,818	735,276	392,266	1,127,542	1.66	1.10
2009	7,939,517	6,149,780	1,789,737	755,852	372,978	1,128,830	1.59	1.10
2010	8,743,689	6,204,171	2,539,518	773,686	352,233	1,125,919	2.26	1.10
2011	9,020,153	6,467,258	2,552,895	795,634	330,360	1,125,994	2.27	1.10
2012	9,005,360	6,447,796	2,557,564	818,954	307,230	1,126,184	2.27	1.10
2013	8,808,270	5,877,277	2,930,993	845,018	203,621	1,048,639	2.80	1.10

* As defined in the applicable bond indenture

Schedule 15 (Cont)

City of Englewood, Colorado
Pledged Revenue Coverage
Sewer Fund
Last Ten Years

Year	Gross Revenue*	Expense*	Rate Stabilization Used	Total Funds Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage	Required Coverage *
2004	$ 8,840,659	$ 7,234,156	$ 834,630	$ 2,441,133	$ 723,306	$ 1,495,905	$ 2,219,211	1.10	1.10
2005	9,724,748	8,314,913	1,730,387	3,140,222	723,306	2,131,441	2,854,748	1.10	1.10
2006	10,211,409	8,376,818	1,497,778	3,332,369	774,087	2,255,340	3,029,427	1.10	1.10
2007	11,247,422	8,684,566	831,149	3,394,005	828,484	2,256,976	3,085,459	1.10	1.10
2008	12,813,297	9,956,867	491,302	3,347,732	886,755	2,156,638	3,043,393	1.10	1.10
2009	13,227,399	10,016,885	136,743	3,347,257	949,177	2,093,784	3,042,961	1.10	1.10
2010	14,080,938	9,840,996	1,545,014	5,784,956	3,231,045	2,028,006	5,259,051	1.10	1.10
2011	13,526,579	9,677,968	1,945,476	5,794,087	3,387,676	1,879,676	5,267,352	1.10	1.10
2012	14,542,316	10,244,230	1,203,807	5,501,893	3,270,884	1,730,837	5,001,721	1.10	1.10
2013	15,218,765	10,273,261	-	4,945,504	2,535,351	1,784,525	4,319,876	1.14	1.10

* As defined in the applicable bond indenture
Since 2004 a rate stabilization account has been maintained to ensure that debt coverage requirements are met.

Schedule 15 (Cont)

City of Englewood, Colorado
Pledged Revenue Coverage
Golf Course Fund
Last Ten Years

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage	Required Coverage *
2004	$ 1,764,197	$1,429,211	$ 334,986	$ 10,000	$ 164,689	$ 174,689	1.92	1.35
2005	1,895,142	1,562,840	332,302	10,000	163,525	173,525	1.92	1.35
2006	2,006,955	1,453,014	553,941	50,000	163,070	213,070	2.60	1.35
2007	1,716,358	1,330,281	386,077	55,000	161,463	216,463	1.78	1.35
2008	1,979,946	1,616,896	363,050	55,000	159,494	214,494	1.69	1.35
2009	2,097,188	1,681,836	415,352	55,000	157,098	212,098	1.96	1.35
2010	2,029,283	1,633,823	395,460	60,000	155,245	215,245	1.84	1.35
2011	1,834,831	1,548,002	286,829	60,000	152,605	212,605	1.35	1.35
2012	2,113,394	1,642,720	470,674	65,000	149,815	214,815	2.19	1.35
2013	1,953,899	1,566,368	387,531	85,000	124,744	209,744	1.85	1.35

* As defined in the applicable bond indenture

Schedule 15 (Cont)

City of Englewood, Colorado
Pledged Revenue Coverage
Storm Drainage Fund
Last Ten Years

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage	Required Coverage *
2004	$ 300,054	$ 116,286	$ 183,768	$ 55,000	$ 77,740	$ 132,740	1.38	1.15
2005	341,519	86,611	254,908	60,000	75,463	135,463	1.88	1.15
2006	364,833	105,393	259,440	60,000	72,938	132,938	1.95	1.15
2007	384,088	110,346	273,742	65,000	70,334	135,334	2.02	1.15
2008	378,299	105,869	272,430	70,000	67,450	137,450	1.98	1.15
2009	347,503	121,774	225,729	70,000	64,294	134,294	1.68	1.15
2010	331,715	144,104	187,611	75,000	61,342	136,342	1.38	1.15
2011	337,317	112,833	224,484	80,000	57,818	137,818	1.63	1.15
2012	332,668	133,066	199,602	95,000	42,305	137,305	1.45	1.15
2013	334,013	152,115	181,898	95,000	17,291	112,291	1.62	1.15

The 2001 Storm Drainage Revenue Bonds were refunded in 2012.

* As defined in the applicable bond indenture

Schedule 16

City of Englewood, Colorado
Demographic and Economic Statistics
Last Ten Years

Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(2) Median Age	(3) School Enrollment	(4) Unemployment Rate	(5) Consumer Price Index
2004	32,491	$ 679,191,864	$ 20,904	36.2	3,883	6.5%	0.11%
2005	32,491	679,191,864	20,904	36.2	3,733	6.0%	2.09%
2006	32,491	679,191,864	20,904	36.2	3,495	5.0%	3.56%
2007	32,286	674,906,544	20,904	36.2	3,427	4.5%	2.18%
2008	32,532	680,048,928	20,904	36.2	3,298	6.0%	3.91%
2009	32,532	680,048,928	20,904	36.2	3,427	7.3%	-1.34%
2010	30,255	632,450,520	20,904	36.2	3,414	8.9%	1.86%
2011	30,255	793,528,140	26,228	37.1	2,954	8.5%	3.75%
2012	30,930	831,460,260	26,882	37.1	2,954	7.8%	2.23%
2013	30,534	784,174,188	25,682	38.3	4,018	7.4%	2.83%

Sources:

(1) & (2) Colorado Department of Local Affairs, Division of Local Government

(3) Colorado Department of Education, Fall Enrollment

(4) U.S. Dept. of Labor, Bureau of Labor Statistics - Annual Averages, City of Englewood

(5) U.S. Dept. of Labor, Bureau of Labor Statistics - Annual Increase, Denver/Boulder area. All Urban Consumers

Schedule 17

City of Englewood, Colorado
Principal Employers
Current Year and Nine Years Ago

	2013			2004		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
Columbia Swedish Medical Center	2,000	1	7.87%	2,581	1	11.57%
Craig Hospital	750	2	2.95%	594	4	2.66%
The Sports Authority	600	3	2.36%	603	2	2.70%
Englewood School District	525	4	2.07%	603	3	2.70%
City of Englewood	474	5	1.87%	516	5	2.31%
Burt Automotive Dealers	400	6	1.57%	422	6	1.89%
Windsor Industries, Inc	350	7	1.38%	284	7	1.27%
7-Up Bottling Company	300	8	1.18%	0		0.00%
Meadow Gold Dairies	230	9	0.91%	239	9	1.07%
Wal-Mart	150	10	0.59%	257	8	1.15%
Waste Management				218	10	0.98%
Total	5,779		22.75%	6,317		28.32%

Sources:
City of Englewood Community Development Department

Schedule 18

City of Englewood, Colorado
Full-time Equivalent Employees by Function/Program
Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government:										
City Manager	5.60	5.00	5.50	5.50	5.38	5.00	5.00	4.92	5.00	5.00
City Attorney	4.80	5.38	5.38	5.50	5.50	5.50	5.50	5.66	5.78	6.15
Municipal Court	10.20	10.99	10.99	11.06	10.90	10.61	10.38	10.20	10.00	10.05
Human Resources	8.42	6.62	7.48	7.48	7.17	6.57	6.17	6.10	6.40	6.51
Finance & Admin Services	19.25	19.33	19.58	18.60	18.90	17.90	17.76	17.63	17.90	17.90
Central Services	1.00	1.00	1.00	1.00	1.10	1.10	1.09	1.08	1.10	1.10
Information Technology	10.00	8.50	9.60	9.60	10.60	11.50	10.42	10.34	10.50	10.50
Community Development	11.50	11.50	12.00	12.00	12.00	11.00	10.92	10.83	11.00	11.00
Fire:										
Fire Operations	59.00	65.75	58.00	57.00	58.00	58.80	58.42	56.99	58.40	58.37
Building and Safety	7.00	7.00	7.00	7.00	7.00	7.00	6.94	6.89	7.00	7.00
Police:										
Administration	11.60	10.63	10.70	10.60	8.60	8.60	8.53	8.47	8.60	8.60
Communications and Records	17.00	17.25	19.63	18.13	17.13	15.40	14.79	14.68	14.20	15.00
Police Operations	75.27	60.00	70.15	69.90	69.90	70.70	72.14	70.89	73.00	73.00
Neighborhood Services	8.00	8.00	6.00	6.00	6.00	6.00	5.95	4.92	5.00	5.00
Public Works:										
Administration	2.00	3.31	2.00	2.00	2.00	2.70	2.80	2.78	2.56	2.58
Engineering	6.90	2.75	4.08	4.22	4.22	3.13	2.99	2.96	3.00	3.00
Streets and Drainage	13.90	13.00	13.00	13.00	13.00	13.00	10.92	10.83	11.00	11.00
Traffic Maintenance	7.00	7.13	6.50	6.50	6.50	6.50	6.45	6.40	6.50	6.50
General Ops and Maintenance	25.00	23.00	22.70	22.70	21.70	21.70	21.84	21.68	21.00	21.00
Concrete Utility	1.00	1.00	3.53	3.53	3.54	3.92	3.89	3.86	3.92	3.92
Servicenter	10.00	11.00	10.30	11.30	11.30	11.30	9.92	9.85	10.00	10.00
Parks and Recreation:										
Administration	4.00	5.00	4.00	4.00	4.00	5.00	4.96	4.92	5.74	5.00
Programs	17.50	15.25	17.19	18.70	18.41	18.41	18.52	18.37	17.16	17.50
Parks	15.00	17.00	17.00	16.50	17.00	15.50	15.38	14.28	13.50	13.50
Golf	9.00	9.98	8.75	8.75	9.00	8.50	7.44	7.39	7.38	7.38
Library	17.20	15.63	16.38	15.97	15.70	16.64	16.27	15.60	15.34	15.61
Utilities:										
Water Operations	24.00	25.00	22.55	24.30	23.80	24.30	23.12	22.94	23.30	24.50
Sewer Operations	4.00	5.00	5.70	5.75	5.50	5.50	5.46	5.42	5.50	4.40
Storm Drainage Operations	0.65	-	0.45	0.65	0.65	0.65	0.65	0.64	0.65	0.55
Utilities Administration	14.00	15.67	15.62	15.36	15.55	15.05	14.93	14.82	17.05	15.55
Littleton/Englewood Wastewater Treatment Plant	74.00	74.00	75.13	76.37	76.50	77.50	78.89	77.15	81.50	76.96
Total	493.79	480.67	487.89	488.96	486.55	484.98	478.44	469.49	478.98	474.12

Source: City Revenue and Budget Division. Includes permanent full and part-time employees only; seasonal employees are excluded.

City of Englewood, Colorado
Operating Indicators by Function/Program
Last Ten Years

Schedule 19

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Calls for assistance	22,228	38,904	39,911	40,680	40,207	43,766	43,365	45,647	45,337	50,882
Number of uniformed officers	68	69	68	68	69	71	72	71	71	71
Fire										
Number of calls	3,595	4,100	3,844	4,085	4,058	3,987	3,911	4,153	4,436	4,387
Number of firefighters	52	55	55	56	56	56	55	53	51	51
Building Division										
Commercial construction value	$ 603,833	$ 2,792,800	$ 41,143,000	$ 3,766,805	$ 22,071,707	$ 8,402,603	$ 14,919,187	$ 9,984,183	$ 30,797,601	$ 12,432,894
Number of units	3	5	8	15	130	77	99	88	92	68
Residential construction value	$ 638,115	$ 2,846,597	$ 4,927,013	$ 9,976,544	$ 4,177,080	$ 3,700,373	$ 3,681,187	$ 5,021,642	$ 4,969,163	$ 5,461,307
Number of units	6	21	25	20	264	236	230	264	302	251
Building permits value	$ 29,107,108	$ 26,092,072	$ 27,051,370	$ 85,478,543	$ 31,659,277	$ 18,318,108	$ 30,235,127	$ 26,247,031	$ 49,405,068	$ 145,154,652
Number of permits	2352	2110	1842	2147	2065	2018	2479	2517	2446	2096
Parks and Recreation										
Englewood Recreation Center										
Admissions	313,000	310,000	315,000	317,000	309,000	313,000	308,000	307,000	305,500	287,000
Malley Recreation Center										
Memberships	4,281	4,116	2,882	2,775	2,812	2,504	2,477	2,154	3,522	2,502
Park Shelter Reservations	509	487	414	475	454	476	459	482	538	511
Golf Rounds Played: *										
9 hole	19,718	19,672	19,047	22,070	17,000	16,078	16,578	17,408	19,645	18,157
18 hole	28,484	30,113	25,995	-	19,061	25,277	25,570	25,508	26,628	25,900
Par 3 Course	22,131	20,469	16,149	-	11,794	21,985	20,961	19,454	22,234	20,020
Water										
New connections	18	11	22	18	8	5	6	13	3	8
Water Main Breaks	30	45	29	39	36	34	34	44	38	35
Average Daily Consumption										
(Millions of gallons)	5.200	7.010	7.093	6.050	7.000	6.800	6.300	5.650	5.454	4.703
Peak Daily Consumption										
(Millions of gallons)	15.2	16.2	16.3	15.45	15.75	16.5	12.27	11.24	11.91	10.89
Wastewater										
Average Daily Sewage Treated										
(Millions of gallons)	22.3	21.4	22.0	22.1	21.8	22.8	22.6	21.6	20.9	21.1

* Portions of the Golf Course were closed for reconstruction during 2006-2008

Sources: Various City Departments

Schedule 20

City of Englewood, Colorado
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Marked police vehicles	23	21	21	19	18	20	20	20	20	19
Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	3	3	3	3	3	3
Public Works										
Miles of streets and alleys										
Streets	121.63	121.63	121.63	121.63	121.63	121.63	121.63	121.63	121.63	121.63
Alleys	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5
Parks and Recreation										
Parks	12	12	12	12	12	12	12	12	12	12
Acreage	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1
Median strips	5	5	5	5	5	5	5	5	5	5
Acreage	2.86	2.86	2.86	2.86	2.86	2.86	2.86	2.86	2.86	2.86
Greenbelts	3	3	3	3	3	3	3	3	3	3
Acreage	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67
Athletic fields	3	3	3	3	3	3	3	3	3	3
Acreage	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87
Facility sites	9	9	9	9	9	9	9	9	9	9
Acreage	34.15	34.15	34.15	34.15	34.15	34.15	34.15	34.15	34.15	34.15
Miscellaneous areas	11	11	11	11	11	11	11	11	11	11
Acreage	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92
Landscaped areas	6	6	6	6	6	6	6	7	7	7
Acreage	5.54	5.54	5.54	5.54	5.54	5.54	5.54	6.26	6.26	6.26
Dog Park	-	-	1	1	1	1	1	1	1	1
Recreation Centers	2	2	2	2	2	2	2	2	2	2
Swimming pools	2	2	2	2	2	2	2	2	2	2
Golf courses - 18 hole	1	1	1	1	1	1	1	1	1	1
Golf courses - 9 hole	1	1	1	1	1	1	1	1	1	1
Golf courses - Par 3	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains (miles)	155	155	155	155	155	155	155	155	155	155
Fire hydrants	550	550	550	550	550	570	570	570	570	570
Storage Capacity (Millions of gallons)	13.5	13.5	13.5	6.5	6.7	6.7	6.7	6.7	6.7	6.7
Daily Plant Capacity (Millions of gallons)	28	28	28	28	28	28	28	28	28	28
Wastewater										
Sanitary Sewers (miles)	530	530	530	530	530	530	530	530	530	530
Treatment Capacity (Millions of gallons)	36.3	36.3	36.3	36.3	36.3	50	50	50	50	50

Sources: Various City Departments

City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: May 13, 2014
Subject: April 2014 Financial Report

REVENUES:

- Through April 2014, the City of Englewood collected **$14,057,739 or $678,176 (5.1 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.
- The City collected $1,178,440 in property taxes and $72,928 in specific ownership tax through April.
- **Year-to-date sales and use tax revenues were $8,715,797 or $647,514 (eight percent) more than April 2013**
- Cigarette tax collections were up $286 compared to last year.
- Franchise fee collections were $48,298 more than last year.
- Licenses and permit collections were $12,878 more than April 2013.
- Intergovernmental revenues were $2,858 less than the prior year.
- Charges for services decreased $50,018 from last year.
- Recreation revenues increased $11,521 from 2013.
- Fines and forfeitures were $3,178 less than last year.
- Investment income was $21,406 more than last year.
- Miscellaneous revenues were $28,896 less than last year.
- Net Rent revenues from McLellan Reservoir were $234,931.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were down $20,684 or .7 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 April 2014 were $1,126,125 or $51,624 less than last year during the same period.

EXPENDITURES:

- Expenditures through April were $12,745,115 or $275,052 (2.2 percent) more than the $12,470,063 expended through April 2013. The City refunded $51,122 sales and use tax claims through April 2014; the City of Englewood refunded $9,955 in April 2013.

REVENUES OVER/UNDER EXPENDITURES:

- Revenues exceeded expenditures by $1,312,624 this year compared to expenditures exceeding revenues by $909,500 in 2013.

TRANSFERS:

- Net 2014 transfers-in to date of $848,820 were made by the end of April 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 $1,316,909.45 in revenues and spent $1,524,382.35 year-to-date. Estimated year-end fund balance is $19,798.

City of Englewood, Colorado
April 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.

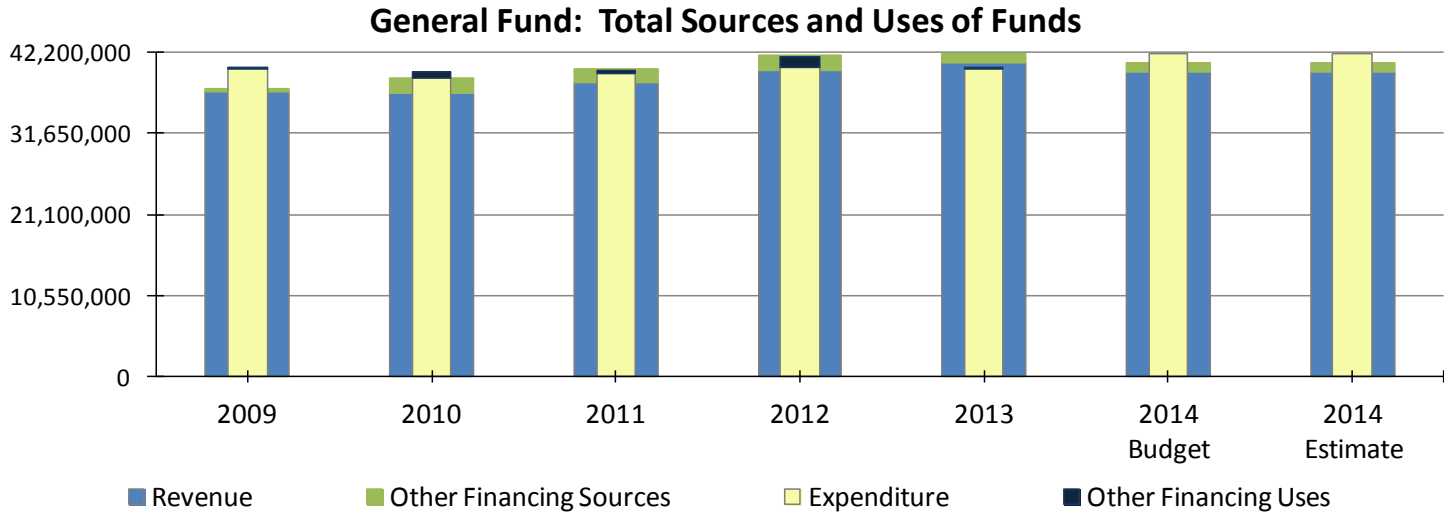
The monthly financial report provides on a periodic basis the review of the actual revenues and expenditures as compared to the budget. This point in time analysis compares the current year to the prior year and determines if the revenues and expenditures are on track with the budget. By monitoring the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

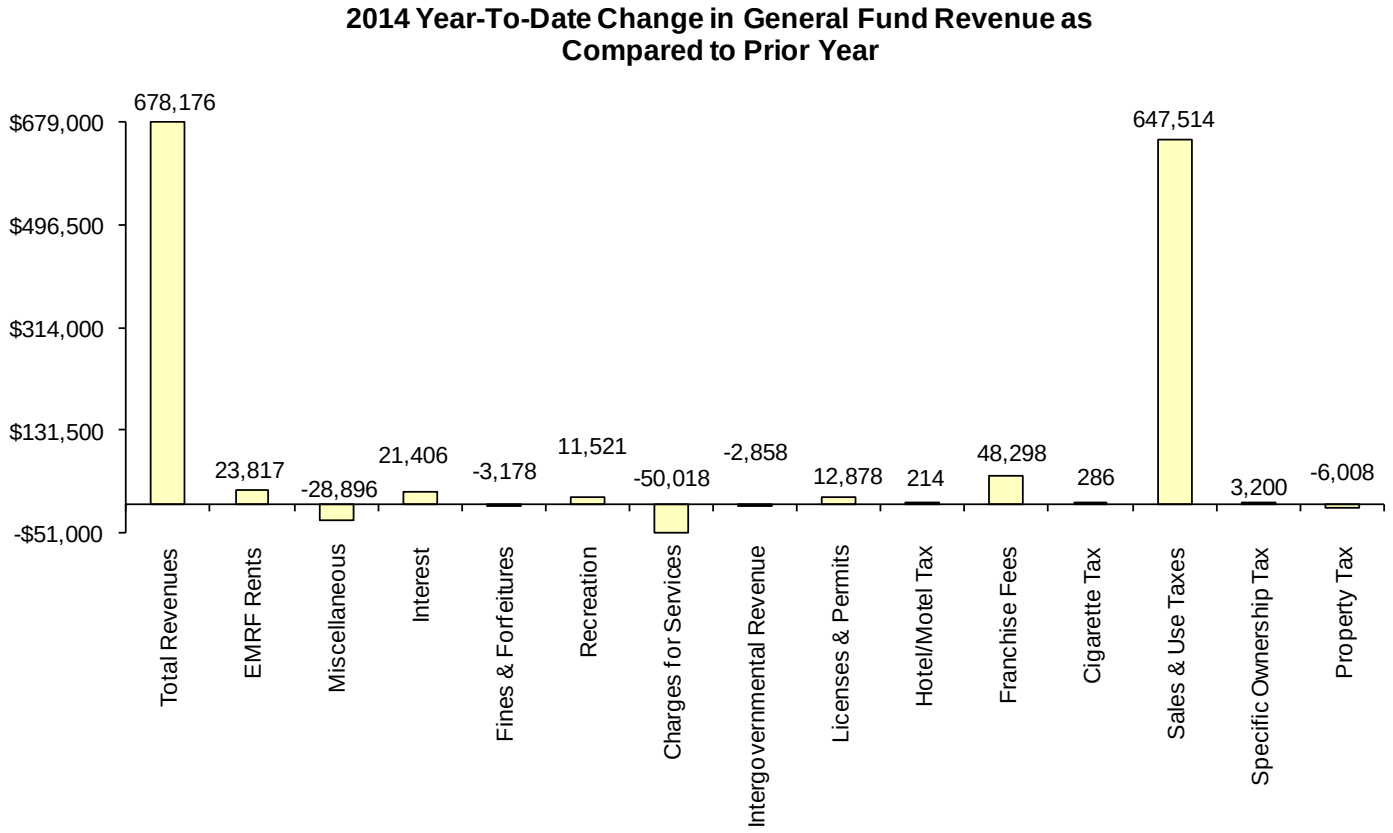


The table on the next page summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended April, 2014. Comparative figures for years 2013 and 2012 are presented as well. The table also highlights the dollar and percentage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

	Apr-14	2014 vs 2013 Increase (Decrease)		Apr-13	2013 vs 2012 Increase (Decrease)		Apr-12
General Fund							
Year-To-Date Revenue	$ 14,057,739	$ 678,176	5.07%	$ 13,379,563	$ 264,535	2.02%	$ 13,115,028
Year-To-Date Expenditure	12,745,115	$ 275,052	2.21%	12,470,063	$ (118,263)	(.94%)	12,588,326
Net Revenue (Expenditure)	$ 1,312,624	$ 403,124		$ 909,500	$ 382,798		$ 526,702
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	$ 8,715,797	$ 647,514	8.03%	$ 8,068,283	$ 100,197	1.26%	$ 7,968,086
Outside City Sales & Use Tax YTD	$ 2,885,259	$ (20,684)	(.71%)	$ 2,905,943	$ (46,768)	(1.58%)	$ 2,952,711

General Fund Revenues

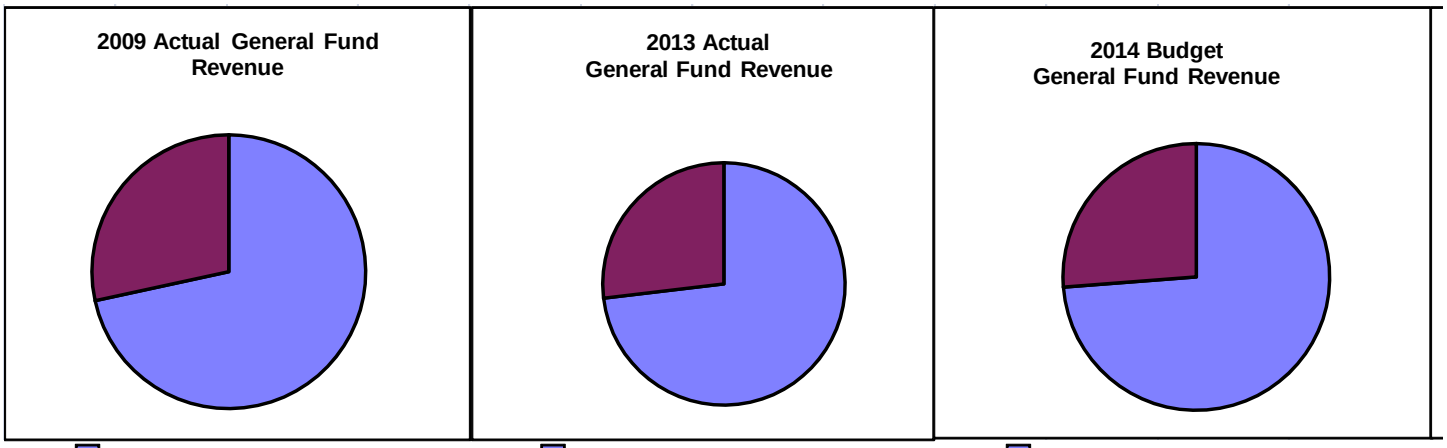
The City of Englewood's total budgeted revenue is $39,670,112. Total revenue collected through April 2014 was $14,057,739 or $678,176 (5.1 percent) more than was collected in 2013. The chart below illustrates changes in General Fund revenues this year as compared to last year.



General Fund - Taxes

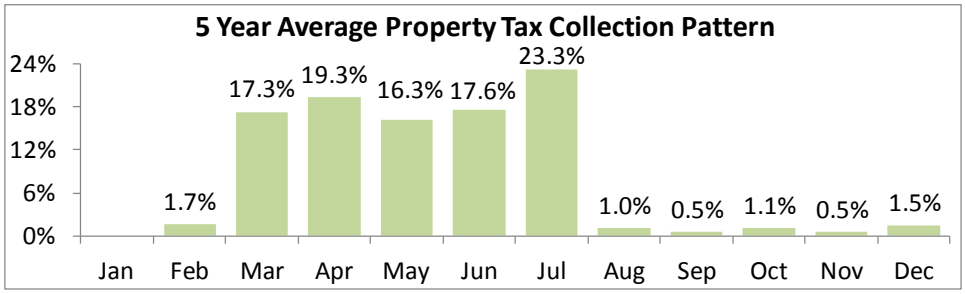
The General Fund obtains most of its revenue from taxes. In 2013 total revenues were $40,901,819 of which $29,909,808 (73.1 percent) came from tax collections. Taxes include property, sales and use, specific ownership, cigarette, utilities, franchise fees, and hotel/motel. The pie charts on the next page illustrate the contribution of taxes to total revenue for 2009, 2013 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



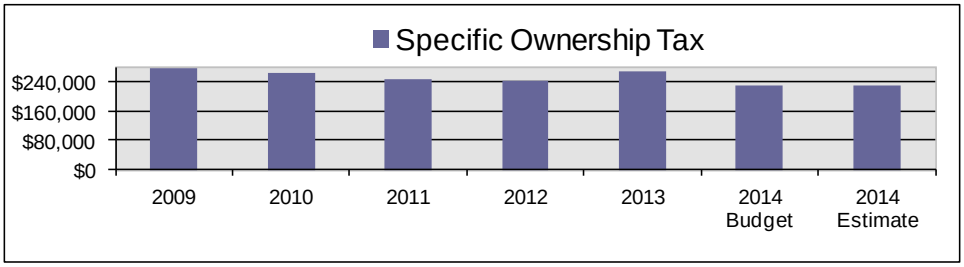
	2009 Actual		2013 Actual		2014 Budget	
Taxes	26,552,576	72%	29,909,808	73%	29,269,503	74%
Other	10,526,148	28%	10,992,011	27%	10,400,609	26%
Total	37,078,724	100%	40,901,819	100%	39,670,112	100%

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 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 $1,178,440 April 2014. The estimate for the year is $2,898,000.

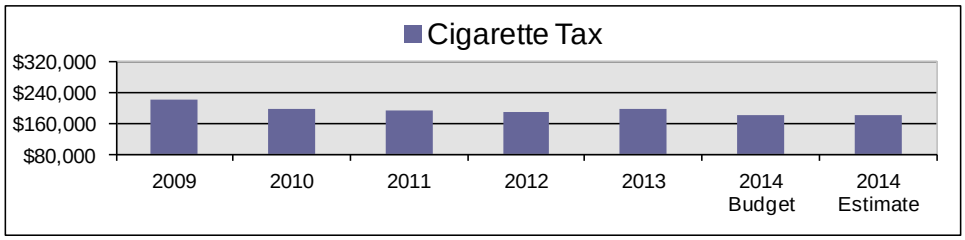


Property Tax Mill Levy	2009	2010	2011	2012	2013	2014 Budget	2014 Estimate
General Fund	5.880	5.880	5.880	5.880	5.880	5.880	5.880
Debt Service Fund	1.947	2.031	2.130	1.741	1.914	2.244	2.244
Total Mill Levy	7.827	7.911	8.010	7.621	7.794	8.124	8.124

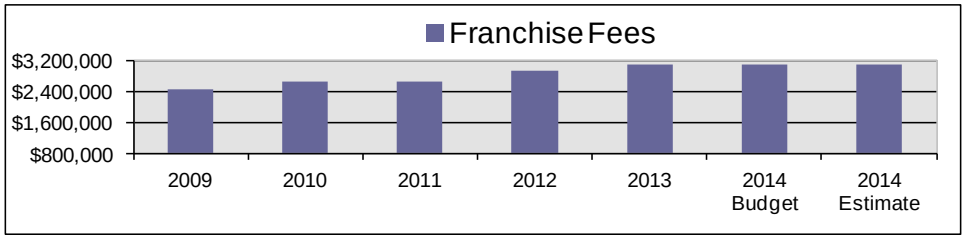
Specific ownership: These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected $276,414 in 2009 and $266,881 in 2013 which 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 $72,928 through April 2014. The estimate for the year is $230,000.



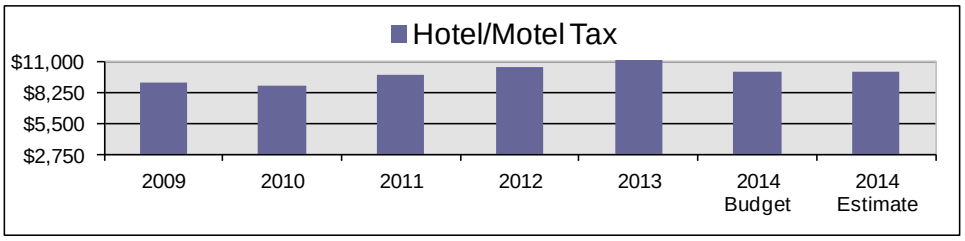
Cigarette Taxes: The State of Colorado levies a $.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen significantly in the past and continue to fall 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 $61,810 through April 2014, which is $286 or .5 percent more than the $61,524 collected through April 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 April totaled $907,357 compared to $859,059 collected during the same period last year. The estimate for the year is $3,069,500.

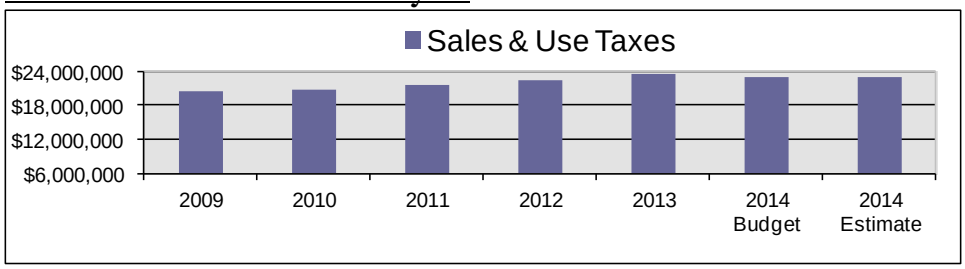


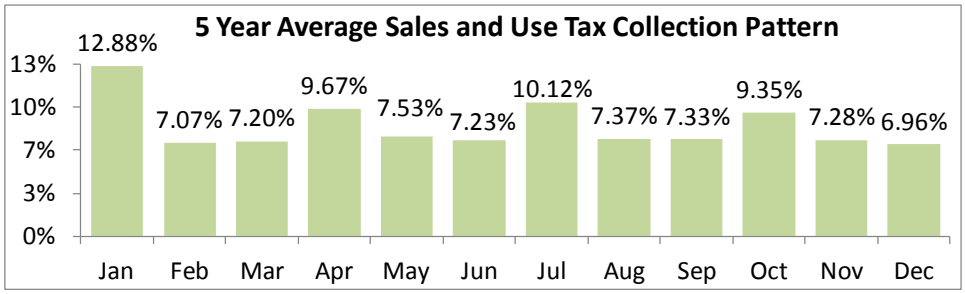
Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted $10,000 for the year and has collected $4,177 through April 2014. The estimate for the year is $10,000.



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 2013. 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 April 2014 was $8,572,291 while sales tax collected year-to-date for April 2013 was $8,067,620, an increase of $504,671 or 6.3 percent.

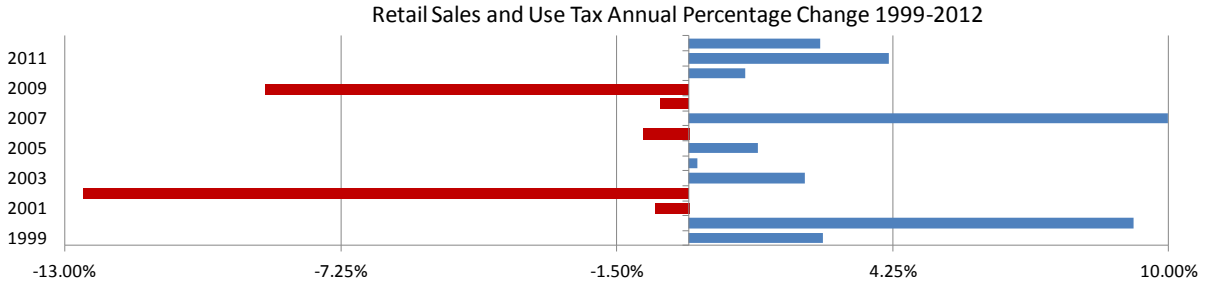




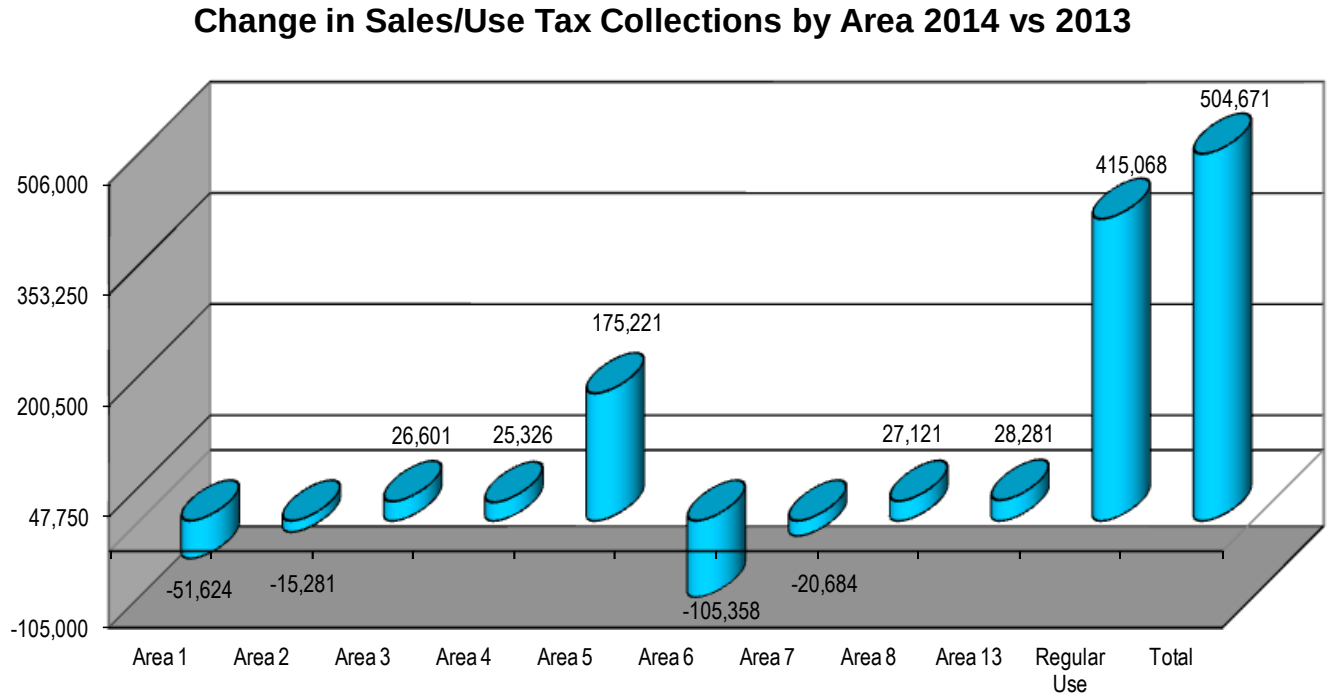
Collections (cash basis) for April 2014 were $2,242,207 while collections for April 2013 and April 2012 were $2,137,726 and $2,300,093 respectively. April 2014 collections were 4.9 percent or $104,481 more than April 2013 collections and $57,886 or 2.5 percent less than April 2012 collections.

Based on the last five years of sales tax collection data, December contributes 36.1 percent of total year's sales tax collections; if this pattern holds this year, 63.9 percent is left to collect over the remainder of the year. Based on year-to-date collections, the City will collect an additional $15,151,168 over the remainder of the year for a total of $23,723,459. Collections through December were 106.3 percent of last December's collections. If this were applied to the entire year, the total collected would be $24,889,681. The average of the two forecasts is $24,331,570 ($1,428,567 or 6.2 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.



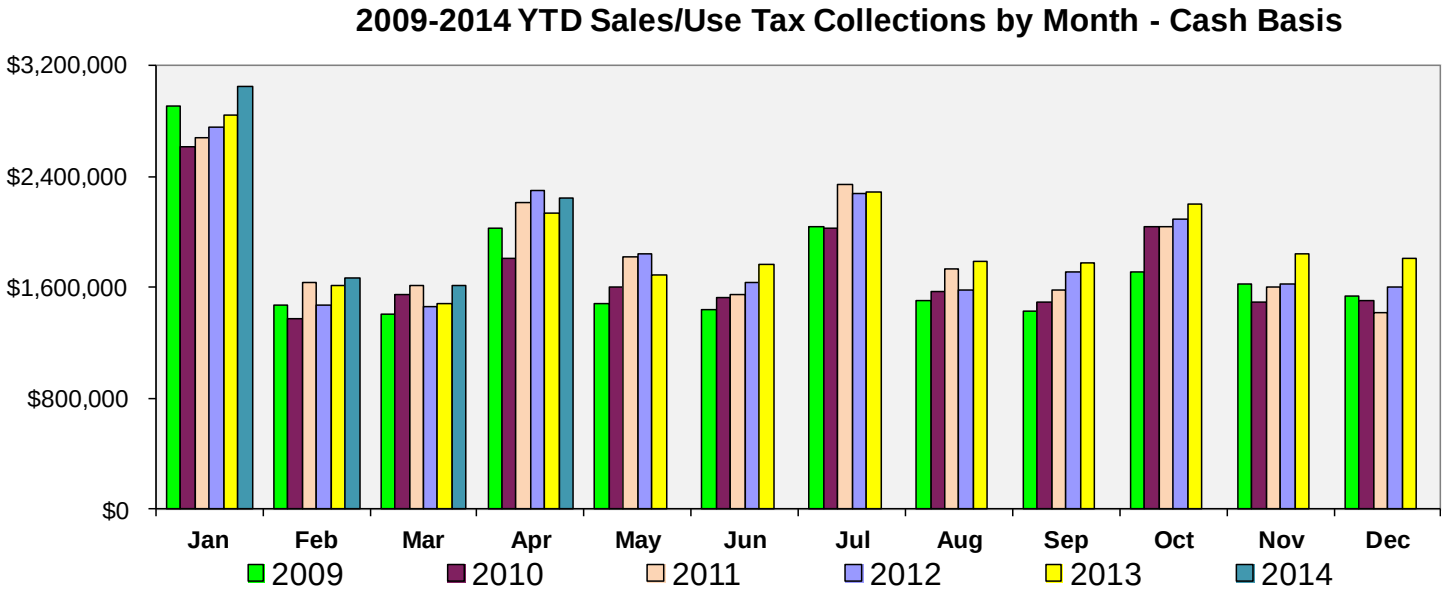
The next chart, "Change in Sales/Use Tax Collections by Area 2014 vs. 2013" provides for the month the annual sales and use tax increases and decreases in the various geographic areas. Economic conditions, judged by sales and use tax collections, appears to be a "mixed bag" with some geographic areas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



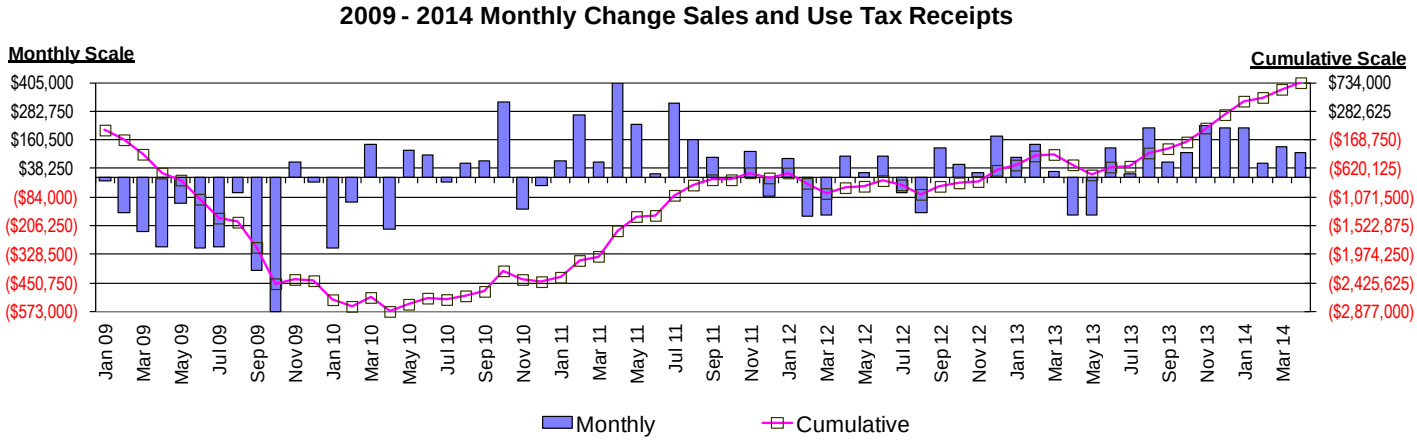
Please note that the geographic map of the sales tax areas was changed within the first quarter of 2012, and hopefully makes more sense. Some of the areas will look skewed until more comparable data is available in 2013. EURA Areas 9 & 10 and EURA Areas 11 & 12 were incorporated into Areas 1, 2 and 6.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

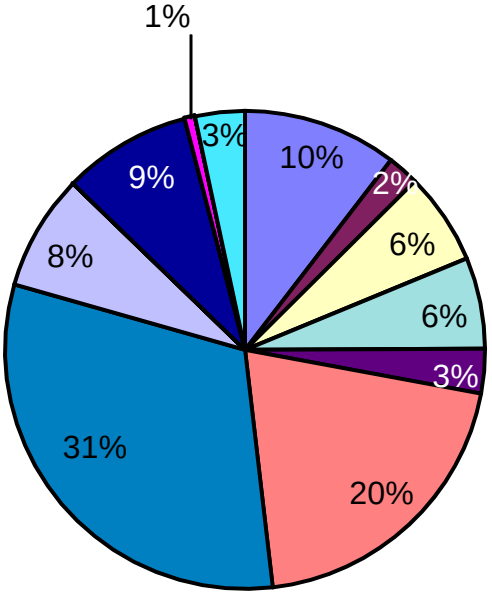


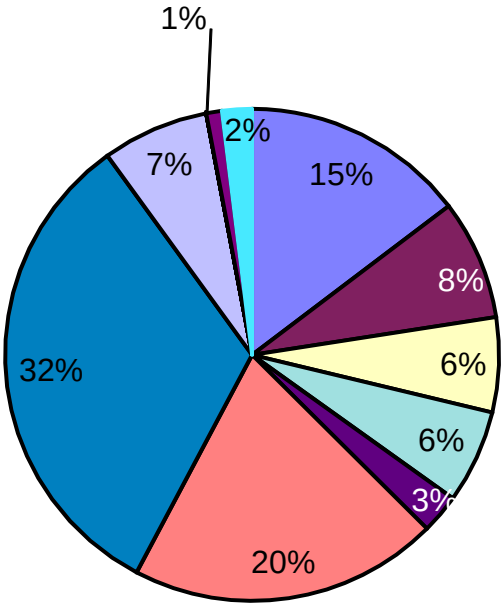
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly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



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 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	7,331,300	8,134,398	7,981,025	8,067,620	8,572,291
Outside City Collections	2,349,374	3,100,824	2,952,711	2,905,943	2,885,259
Percentage of Total	**32.0%**	**38.1%**	**37.0%**	**36.0%**	**33.7%**
Total General Fund Revenues	12,193,893	13,076,168	13,115,028	13,379,563	14,057,739
Outside City Collections	2,349,374	3,100,824	2,952,711	2,905,943	2,885,259
Percentage of Revenues	**19.3%**	**23.7%**	**22.5%**	**21.7%**	**20.5%**

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 April 2014 compared to $9,995 through April 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 April were 4.4 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 April were $96,311 compared to $68,030 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 April 2014, this compares to $37,844 collected in 2013 and $13,015 collected in 2012.

Of the 64 sales tax accounts reviewed in the various geographic areas, 40 (63 percent) showed improved collections and 24 (38 percent) showed reduced collections this year compared to the same period last year.

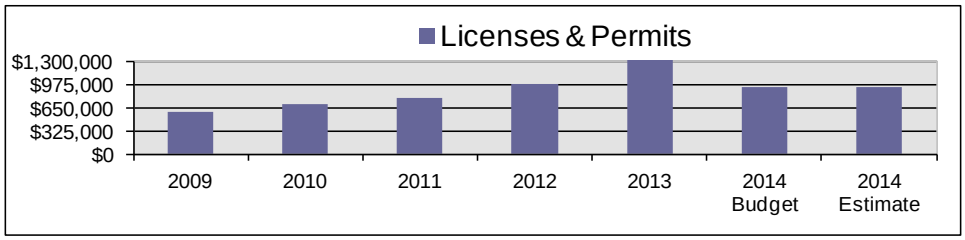
The Department issued 173 new sales tax licenses through April 2014; 135 and 158 were issued through April 2013 and 2012 respectively.

City records indicate that year-to-date 55 businesses closed (42 were outside the physical limits of Englewood) and 173 opened (122 of them were outside the physical limits of Englewood).

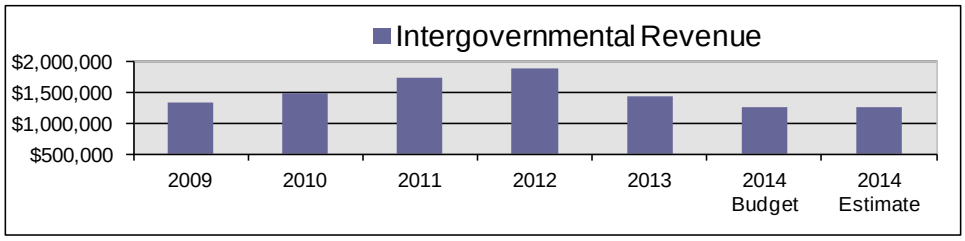
General Fund - Other Revenue

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:

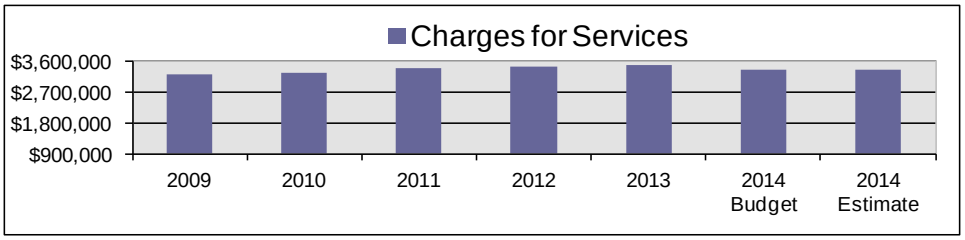


Licenses and Permits: This revenue category includes fees from business and building licenses and permits. This revenue source generated $1,446,578 during 2013 or 3.5 percent of total revenue and 13.2 percent of total other revenue. This revenue source totaled $588,328 in 2009 and increased to $1,446,578 in 2013, a 145.9 percent increase. The City budgeted $882,550 for 2014 and year-to-date collected $447,462 or $12,878 (three percent) more than the $434,584 collected through April 2014. The estimate for the year is $882,550.

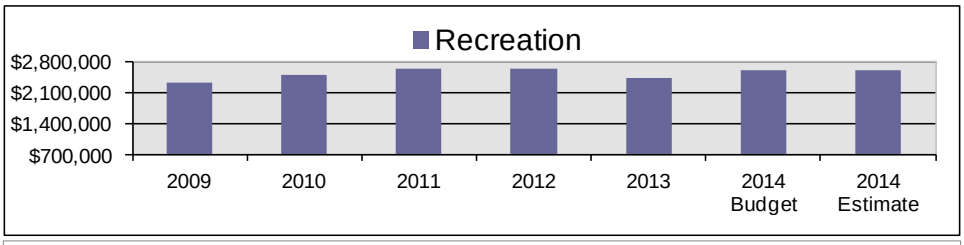


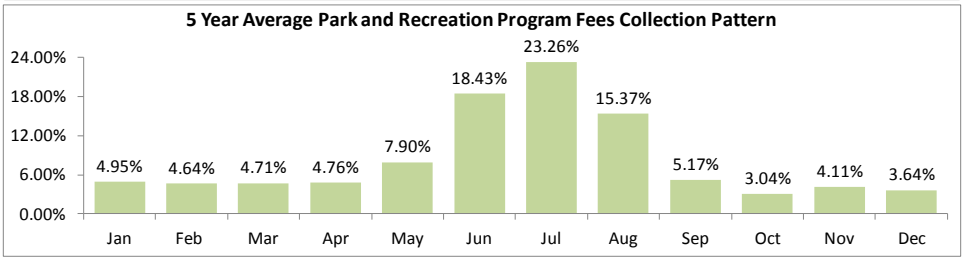
Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at $1,243,281 for 2014. This revenue source totaled $1,319,282 in 2009 and the City collected $1,488,204 in 2013, an.12.8 percent increase. The City collected $332,329 through April 2014 this is $2,858 more than the $335,187 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 $1,051,587 or $50,018 (4.5 percent) less than the $1,101,805 collected year-to-date in 2013. The estimate for the year is $3,345,353.

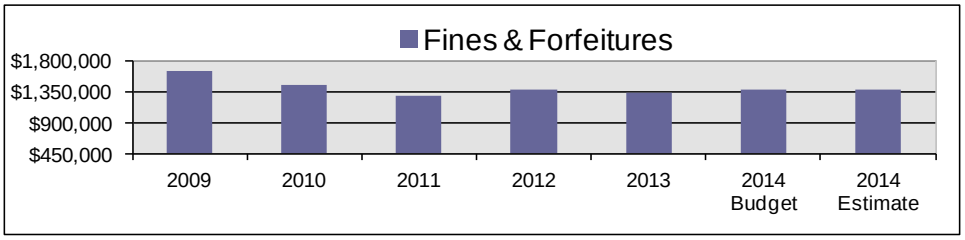


Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at $2,594,232 for 2014. This revenue source totaled $2,315,598 in 2009 and increased to $2,420,443 in 2013, a 4.5 percent increase. Total collections through April 2014 were $465,597 compared to $454,076 collected in 2013. The estimate for the year is $2,594,232.

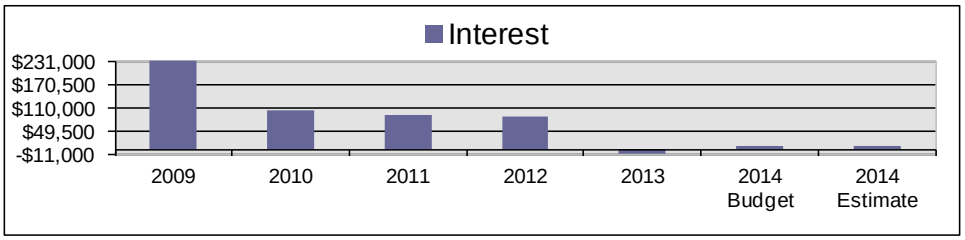




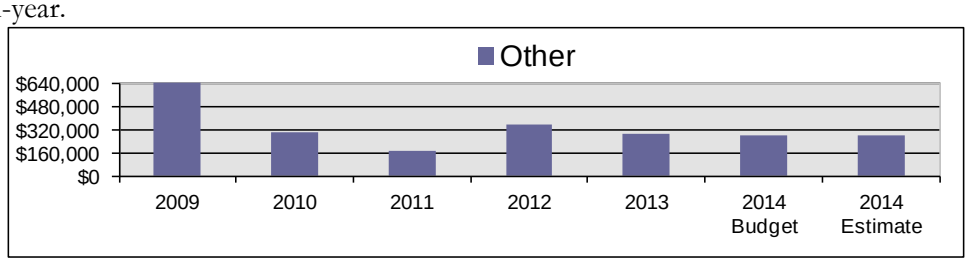
Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2014 budget for this source is $1,368,450. This revenue source totaled $1,639,678 in 2009 and decreased to $1,317,707 in 2013, a 19.6 percent decrease. Total collected year-to-date was $460,356 or $3,178 (.7 percent) less than the $463,534 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 $37,376 through April 2014; while the City earned $15,970 through April 2013. The estimate for the year remains $8,164 but will be reviewed and possibly increased at mid-year.



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 $87,592 (24.8 percent) less than the $116,488 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

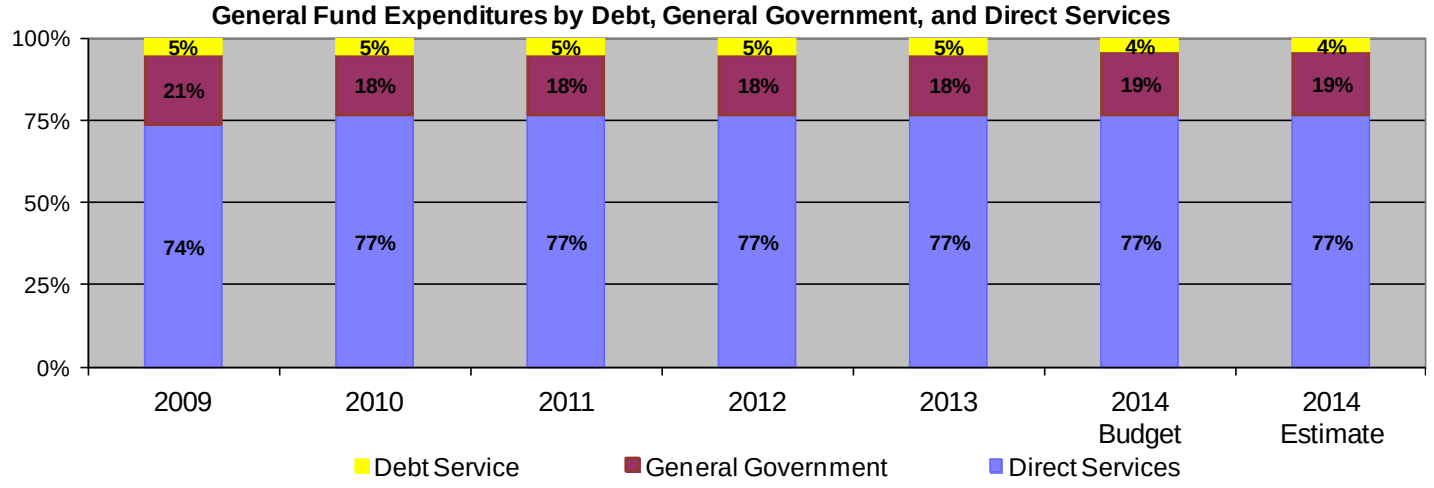
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

- 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.

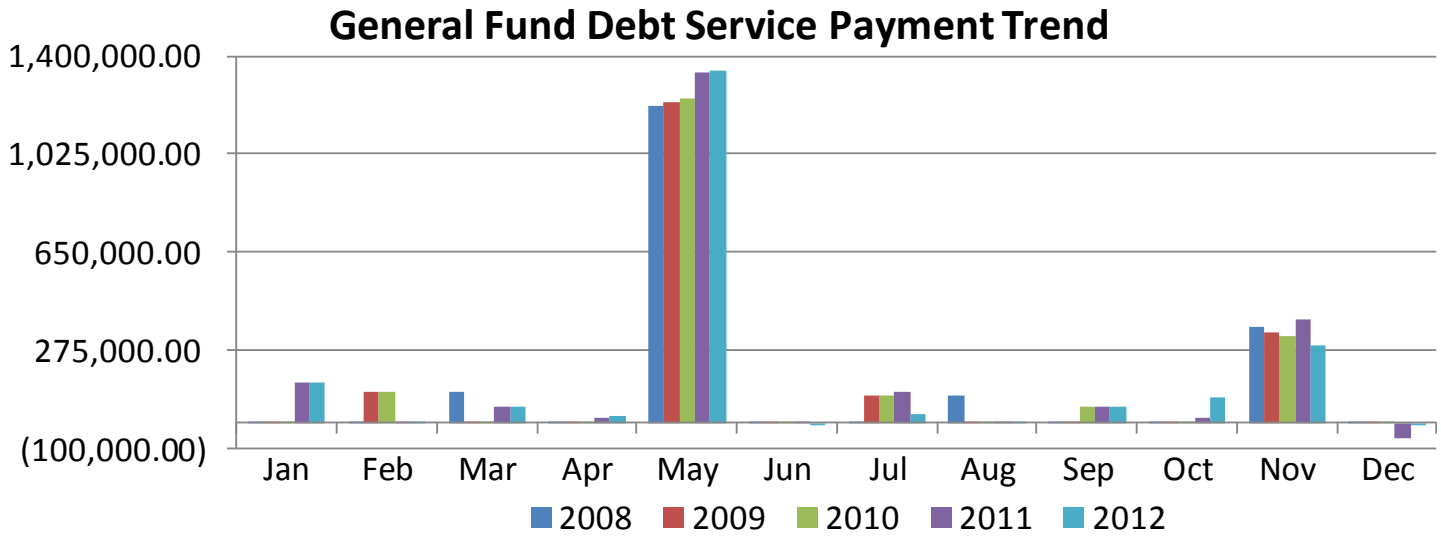
Outcome based budgeting is an additional tool the City Council and staff use to better develop ways to serve our citizens. This type of budgeting is refined and reviewed on an on-going basis to help us better focus our resources in meeting the objectives of our citizens.

The City budgeted total expenditures at $42,126,719 for 2014, this compares to $40,125,364 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 April 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.



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 Actual	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
Muncipal 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	1,533,061	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	7,079,062	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**	**40,125,364**	**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**	**40,198,370**	**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.

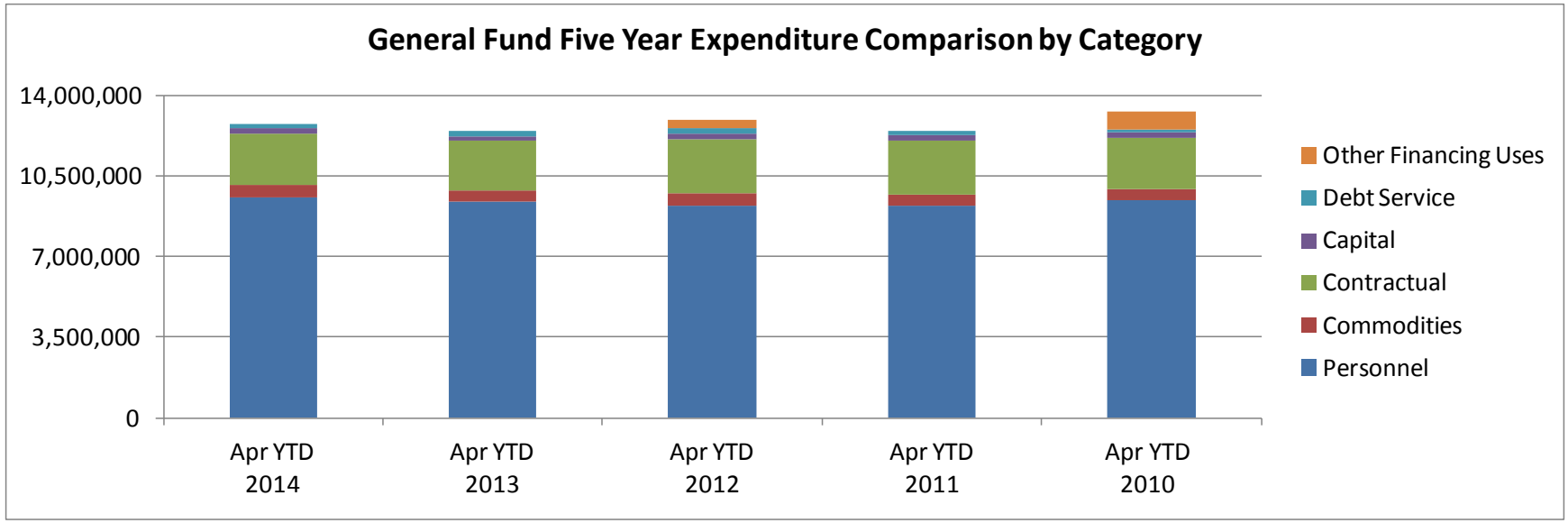
	2009	2010	2011	2012	2013	2014 Budget	2014 Estimate
Population*	30,761	30,354	30,720	31,138	31,138	31,138	31,138
General Fund							
General Government Services	$ 271	$ 233	$ 235	$ 232	$ 248	$ 248	$ 231
Direct Services	$ 964	$ 987	$ 983	$ 969	$ 1,001	$ 1,001	$ 985
Public Works	$ 168	$ 169	$ 171	$ 169	$ 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

	Apr YTD 2014	YTD % Change	% of Total	Apr YTD 2013	YTD % Change	% of Total	Apr YTD 2012	YTD % Change	% of Total	Apr YTD 2011	YTD % Change	% of Total	Apr YTD 2010	% of Total
Personnel services														
Salaries and wages	6,524,907	-1.180%	15.489%	6,603,067	0.160%	16.062%	6,592,476	-0.080%	16.565%	6,597,666	-2.800%	16.639%	6,787,914	16.980%
Overtime	210,107	14.700%	0.499%	183,172	-17.920%	0.446%	223,160	57.430%	0.561%	141,755	-13.400%	0.358%	163,682	0.409%
Benefits	2,861,696	10.620%	6.793%	2,586,944	6.910%	6.293%	2,419,798	-1.600%	6.080%	2,459,101	-0.760%	6.202%	2,477,989	6.199%
Personnel services total	9,596,710	2.380%	22.781%	9,373,183	1.490%	22.800%	9,235,434	0.400%	23.206%	9,198,521	-2.450%	23.199%	9,429,585	23.589%
Commodities total	536,088	4.130%	1.273%	514,819	-0.950%	1.252%	519,734	3.100%	1.306%	504,120	-4.650%	1.271%	528,706	1.323%
Contractual services total	2,231,373	3.640%	5.297%	2,153,008	-8.290%	5.237%	2,347,521	1.700%	5.899%	2,308,194	4.650%	5.821%	2,205,616	5.517%
Capital total	200,809	4.040%	0.477%	193,010	-23.240%	0.469%	251,430	4.950%	0.632%	239,564	-7.980%	0.604%	260,345	0.651%
Total Expenditures	12,564,980	2.710%	29.827%	12,234,020	-0.970%	29.759%	12,354,121	0.850%	31.042%	12,250,399	-1.400%	30.895%	12,424,251	31.080%
Debt service total	180,133	-23.690%	0.428%	236,046	0.790%	0.574%	234,204	2.300%	0.588%	228,940	85.540%	0.577%	123,393	0.309%
Other financing uses total	0			0			334,000			0			750,000	
Total Uses of Funds	12,745,113	0.000%	30.254%	12,470,067	0.000%	30.333%	12,922,325	0.000%	31.631%	12,479,339	0.000%	31.473%	13,297,644	33.265%
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	30.254%			30.333%			32.470%			31.473%			33.265%	



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. The General Fund received the following net transfers; Council determined not to make the additional transfer from the PIF in 2014.

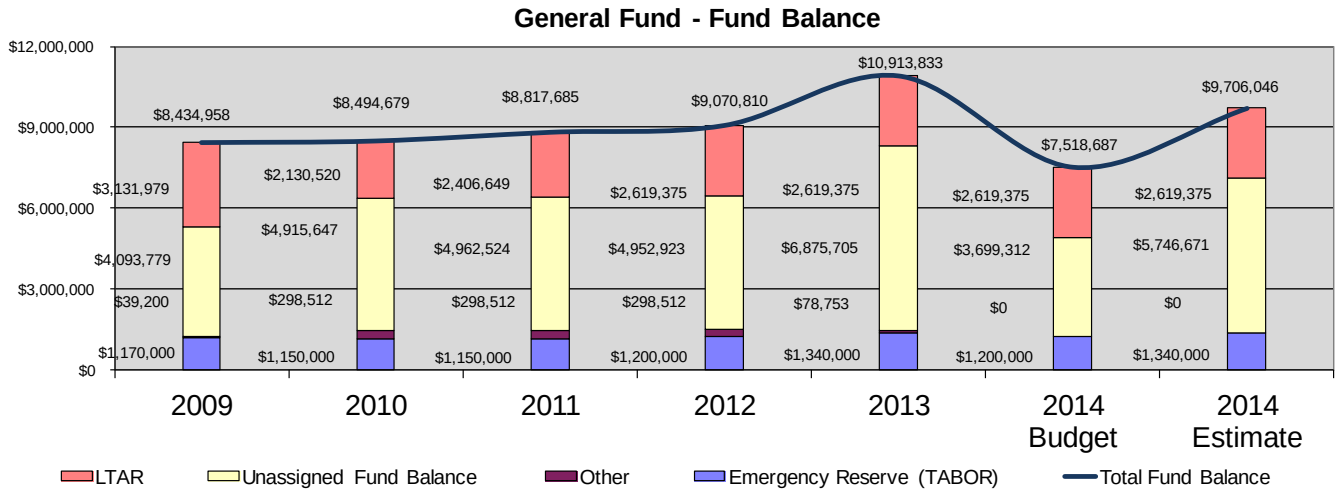
Source of Funds	2014 Budget Amount	2014 YTD Net Amount	2013 Net Annual Amount
Special Revenue Funds			
Neighborhood Stabilization Program Fund	$ -	$ -	$ (73,006)
Capital Project Funds			
Public Improvement Fund (PIF)	835,820	435,820	989,574
Enterprise Funds			
Golf Course Fund	63,000	63,000	-
Internal 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

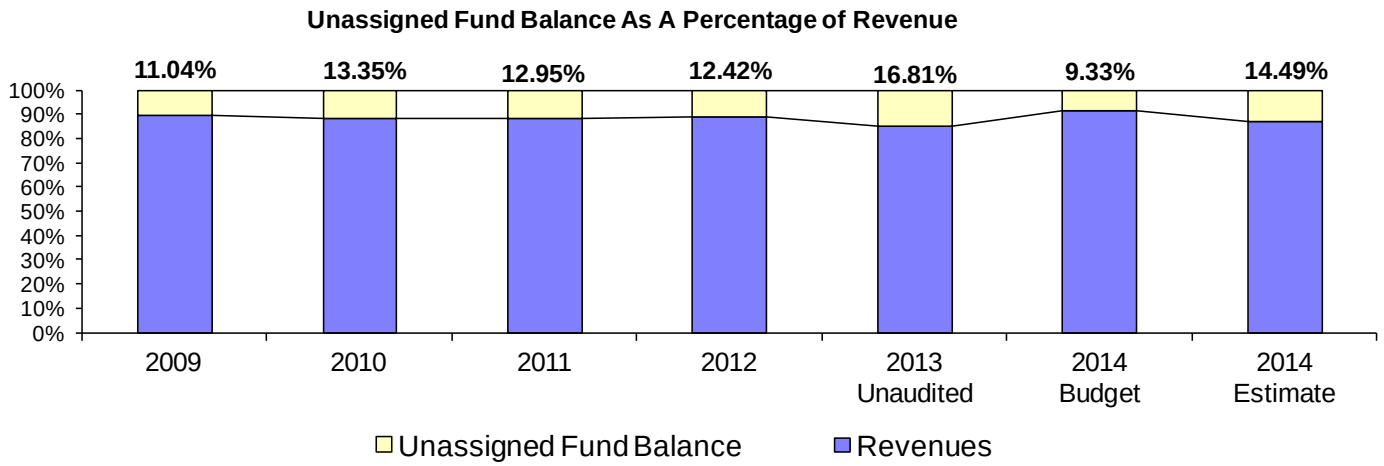
General Fund - Fund Balance

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.





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**	2014 vs 2013 Increase (Decrease)		**2013**	2013 vs 2012 Increase (Decrease)		**2012**
YTD Revenues	**$ 1,316,909**	$ 805,099	157.30%	**$ 511,810**	$ (226,695)	(30.70%)	**$ 738,505**
YTD Expenditures	**1,524,382**	$ (378,983)	(19.91%)	**1,903,365**	$ 558,935	41.57%	**1,344,430**
Net Revenues (Expenditures)	**$ (207,473)**	$ 1,184,082		**$ (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	**$ 1,697,980**			**$ (71,184)**			**$ 328,326**
Plus: Remaining Annual Revenue	**1,692,090**			**2,892,853**			**1,406,660**
Less: Remaining Annual Appropriation	**(3,370,272)**			**(1,816,819)**			**(1,664,559)**
Estimated Ending Fund Balance	**$ 19,798**			**$ 1,004,850**			**$ 70,427**
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 YTD Actual	2014 Vs 2013 Amount	2014 Vs 2013 %	2013 YTD Actual	2013 Vs 2012 Amount	2013 Vs 2012 %	2012 YTD Actual
Vehicle Use Tax	$ 1,300,000	$ 1,300,000	$ 346,972	$ (7,773)	-2%	$ 354,745	$ 30,570	9%	$ 324,175
Building Use Tax	$ 1,500,000	$ 1,500,000	$ 894,610	$ 703,362	368%	$ 191,248	$ (53,818)	-22%	$ 245,066
Arapahoe County Road and Bridge Tax	$ 199,000	$ 199,000	$ 68,251	$ (1,234)	-2%	$ 69,485	$ 508	1%	$ 68,977

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	13,822,808	12,745,113	(2,325,482)	3,919,375	5,746,671
Special Revenue Funds						
Conservation Trust	1,526,069	88,197	51,998	(1,482,198)	-	80,070
Open Space	1,878,961	11,756	60,842	(1,811,574)	-	18,301
Donors	538,116	40,630	157,278	-	-	421,469
Community Development	-	22,718	56,644	33,927	-	-
Malley Center Trust	256,088	975	-	-	-	257,063
Parks & Recreation Trust	456,411	7,563	2,267	-	-	461,707
Debt Service Fund						
General Obligation Bond	46,839	461,620	4,530	-	-	503,929
Capital Projects Funds						
PIF	1,905,453	1,316,909	124,315	(3,078,250)	-	19,798
MYCP	792,754	1,674	377,587	(378,136)	-	38,706
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	11,487,009	2,305,852	2,634,402	-	-	11,158,459
Sewer	4,206,955	5,463,251	3,529,476	-	1,000,000	5,140,730
Stormwater Drainage	1,128,456	134,939	25,527	-	102,500	1,135,369
Golf Course	891,719	348,053	571,305	(63,000)	215,773	389,694
Concrete Utility	315,615	230,332	85,805	-	-	460,142
Housing Rehabiliation	1,218,829	24,956	76,488	-	-	1,167,296
Internal Service Funds						
Central Services	133,693	99,652	96,017	(50,000)	-	87,329
ServiCenter	1,415,804	813,160	650,446	(300,000)	-	1,278,518
CERF	1,615,138	280,125	117,636	-	-	1,777,628
Employee Benefits	53,304	2,300,889	2,390,098	-	-	(35,905)
Risk Management	85,748	1,442,515	906,428	-	-	621,836

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 April 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 April 30, 2014

Percentage of Year Completed = 33%

	2014				2013			2012		
	Budget	Apr-14	% Budget	YE Estimate	Dec-13	Apr-13	% YTD	Dec-12	Apr-12	% YTD
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	
Revenues										
Property Tax	2,898,000	1,178,440	40.66%	2,898,000	2,900,715	1,184,448	40.83%	2,874,816	1,179,373	41.02%
Specific Ownership Tax	230,000	72,928	31.71%	230,000	266,881	69,728	26.13%	243,293	65,764	27.03%
Sales & Use Taxes	22,883,003	8,715,797	38.09%	22,883,003	23,433,775	8,068,283	34.43%	22,363,618	7,968,086	35.63%
Cigarette Tax	179,000	61,810	34.53%	179,000	195,088	61,524	31.54%	189,618	60,156	31.72%
Franchise Fees	3,069,500	907,357	29.56%	3,069,500	3,101,310	859,059	27.70%	2,930,888	820,616	28.00%
Hotel/Motel Tax	10,000	4,177	41.77%	10,000	12,039	3,963	32.92%	10,395	3,354	32.27%
Licenses & Permits	882,250	447,462	50.72%	882,250	1,446,578	434,584	30.04%	983,359	247,501	25.17%
Intergovernmental Revenue	1,243,281	332,329	26.73%	1,243,281	1,488,204	335,187	22.52%	1,865,722	425,572	22.81%
Charges for Services	3,345,353	1,051,587	31.43%	3,345,353	3,469,845	1,101,605	31.75%	3,441,525	1,033,833	30.04%
Recreation	2,594,232	465,597	17.95%	2,594,232	2,420,443	454,076	18.76%	2,615,642	476,596	18.22%
Fines & Forfeitures	1,368,450	460,356	33.64%	1,368,450	1,317,707	463,534	35.18%	1,381,453	498,960	36.12%
Interest	8,164	37,376	457.81%	8,164	(10,223)	15,970	-156.22%	84,045	33,891	40.32%
EMRF Rents	638,829	234,931	36.78%	638,829	573,526	211,114	36.81%	551,295	224,914	40.80%
Miscellaneous	320,050	87,592	27.37%	320,050	285,931	116,488	40.74%	354,130	76,412	21.58%
Total Revenues	39,670,112	14,057,739	35.44%	39,670,112	40,901,819	13,379,563	32.71%	39,889,799	13,115,028	32.88%
Expenditures										
Legislation	354,570	137,725	38.84%	354,570	280,920	104,011	37.03%	316,043	128,861	40.77%
City Attorney	818,514	220,721	26.97%	818,514	719,781	223,452	31.04%	712,036	229,717	32.26%
Court	1,026,895	285,319	27.78%	1,026,895	922,245	289,029	31.34%	886,249	272,928	30.80%
City Manager	703,758	237,798	33.79%	703,758	675,844	240,738	35.62%	658,047	233,134	35.43%
Human Resources	468,826	111,893	23.87%	468,826	408,551	119,244	29.19%	469,343	139,740	29.77%
Financial Services	1,625,150	492,087	30.28%	1,625,150	1,533,060	464,233	30.28%	1,464,305	471,632	32.21%
Information Technology	1,378,942	398,365	28.89%	1,378,942	1,336,591	421,547	31.54%	1,373,943	430,786	31.35%
Public Works	5,504,669	1,811,022	32.90%	5,504,669	5,234,383	1,723,130	32.92%	5,202,903	1,682,181	32.33%
Fire Department	8,202,319	2,632,026	32.09%	8,202,319	8,002,677	2,623,917	32.79%	8,100,554	2,711,841	33.48%
Police Department	11,543,760	3,896,604	33.76%	11,543,760	11,226,157	3,806,275	33.91%	10,788,935	3,621,710	33.57%
Community Development	1,235,802	359,672	29.10%	1,235,802	1,113,710	333,975	29.99%	1,262,451	439,391	34.80%
Library	1,250,536	346,394	27.70%	1,250,536	1,174,656	391,622	33.34%	1,180,771	386,001	32.69%
Recreation	5,804,158	1,601,294	27.59%	5,804,158	5,402,599	1,450,275	26.84%	5,649,246	1,565,301	27.71%
Debt Service	2,008,820	180,133	8.97%	2,008,820	2,005,830	236,296	11.78%	2,056,951	234,236	11.39%
Contingency	200,000	34,062	17.03%	200,000	88,360	42,319	47.89%	143,810	40,867	28.42%
Total Expenditures	42,126,719	12,745,115	30.25%	42,126,719	40,125,364	12,470,063	31.08%	40,265,587	12,588,326	31.26%
Excess revenues over (under) expenditures	(2,456,607)	1,312,624	-53.43%	(2,456,607)	776,455	909,500		(375,788)	526,702	
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	$ 13,075,277	173.90%	$ 9,706,046	$ 10,913,833	$ 10,619,884	97.31%	$ 9,070,810	$ 10,317,126	113.74%

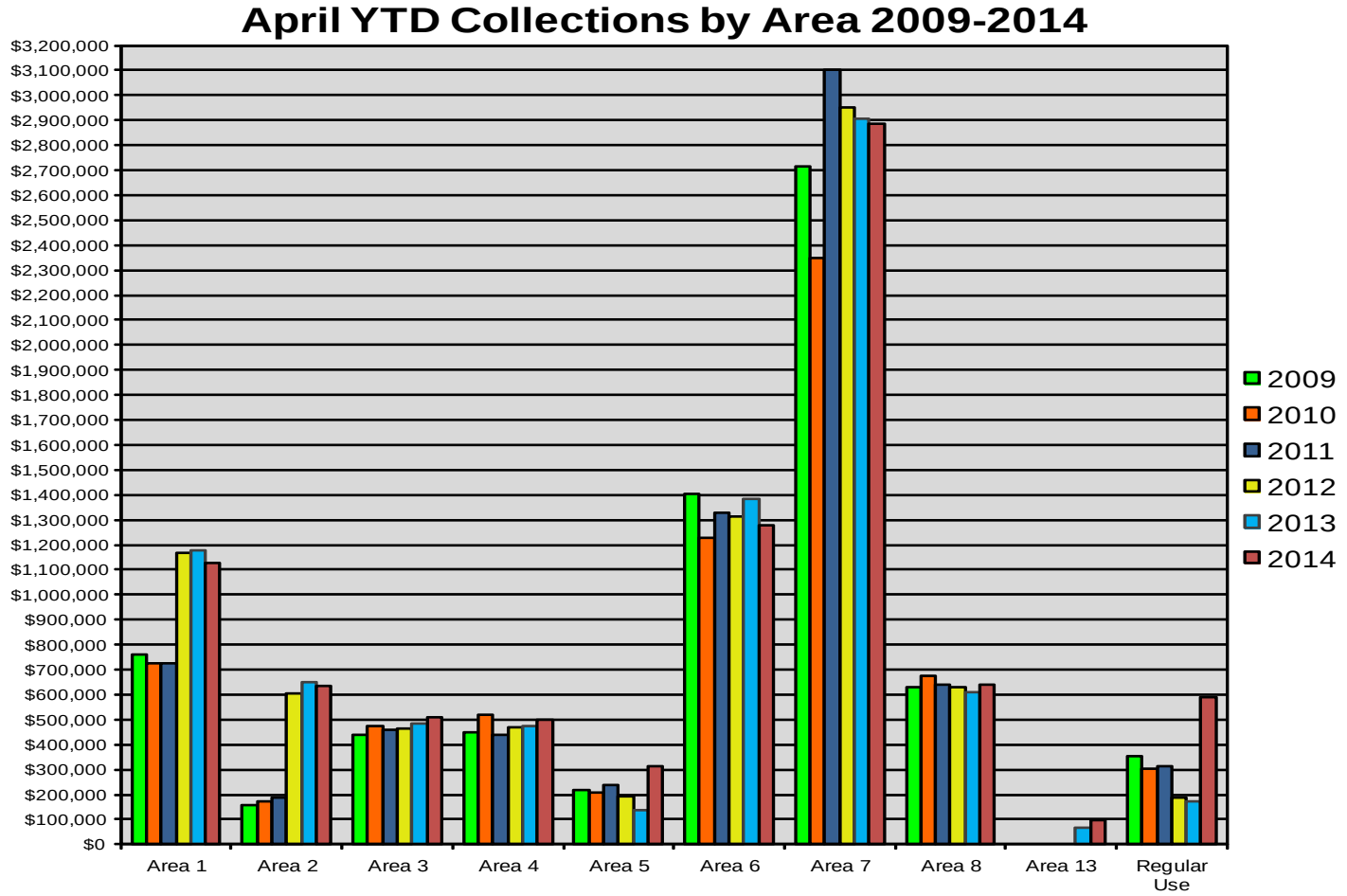
Fund Balance Analysis

Total Fund Balance	$ 7,518,687	$ 13,075,277	$ 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	-	-	-	78,753		298,512
Restricted/Committed	$ 3,819,375	$ 3,959,375	$ 3,959,375	$ 4,038,128		$ 4,117,887
Estimated Unassigned Fund Balance	$ 3,699,312	$ 9,115,902	$ 5,746,671	$ 6,875,705		$ 4,952,923
As a percentage of projected revenues	9.33%	22.98%	14.49%	16.81%		12.42%
As a percentage of budgeted revenues	9.33%	22.98%	14.49%			
Target	3,967,011	-	5,950,517			

Sales & Use Tax Collections Year-to-Date Comparison
for the month of April 2014
Cash Basis

	2009	% Change	2010	% Change	2011	% Change	2012	% Change	2013	% Change	2014	% Change
Area 1	758,248	-8.30%	723,462	-12.46%	726,415	0.41%	1,167,254	60.69%	1,177,749	0.90%	1,126,125	-4.38%
Area 2	159,711	-1.56%	173,028	11.01%	185,744	7.35%	604,149	225.26%	650,697	7.70%	635,416	-2.35%
Area 3	440,825	2.75%	472,465	13.33%	458,601	-2.93%	465,495	1.50%	484,153	4.01%	510,754	5.49%
Area 4	448,785	-31.13%	520,475	-6.78%	438,534	-15.74%	467,458	6.60%	474,137	1.43%	499,463	5.34%
Area 5	220,305	4.28%	207,642	-9.57%	237,983	14.61%	192,825	-18.98%	137,068	-28.92%	312,289	127.83%
Area 6	1,402,322	2.32%	1,229,244	-13.96%	1,328,558	8.08%	1,313,463	-1.14%	1,383,279	5.32%	1,277,921	-7.62%
Area 7	2,716,973	-5.67%	2,349,374	-29.01%	3,100,824	31.99%	2,952,711	-4.78%	2,905,943	-1.58%	2,885,259	-0.71%
Area 8	627,734	-12.05%	675,639	-11.54%	638,677	-5.47%	631,819	-1.07%	611,773	-3.17%	638,894	4.43%
Area 13					0	0.00%	0	0.00%	68,030	0.00%	96,311	41.57%
Regular Use	355,106	236.27%	303,735	172.37%	313,308	3.15%	185,852	-40.68%	174,791	-5.95%	589,859	237.46%
Subtotal	**7,130,008**	**6.91%**	**6,655,065**	**-14.68%**	**7,428,644**	**11.62%**	**7,981,025**	**7.44%**	**8,067,620**	**1.09%**	**8,572,291**	**6.26%**
Area 9 and 10	636,717	-3.31%	628,744	-1.25%	656,365	4.39%	0	-100.00%	0	0.00%	0	0.00%
Area 11 and 12	50,269	-2.23%	47,491	-5.53%	49,388	3.99%	0	-100.00%	0	0.00%	0	0.00%
Subtotal	**686,986**	**-3.23%**	**676,236**	**-1.56%**	**705,754**	**4.37%**	**0**	**-100.00%**	**0**	**0.00%**	**0**	**0.00%**
Total	**7,816,994**	**-8.15%**	**7,331,300**	**-6.21%**	**8,134,398**	**10.95%**	**7,981,025**	**-1.89%**	**8,067,620**	**1.09%**	**8,572,291**	**6.26%**
Refunds	7,658	-97.49%	166,046	2068.27%	25,158	-84.85%	83,537	232.06%	9,955	-88.08%	51,122	413.53%
Audit & Collections Revenue**	356,128	40.78%	220,092	-38.20%	119,297	-45.80%	13,015	-89.09%	37,844	190.78%	17,098	-54.82%
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	89,362	-73.11%	156,704	75.36%	272,150	73.67%	245,066	-9.95%	191,248	-21.96%	894,610	367.78%
Vehicle Use	343,662	-24.62%	298,399	-13.17%	283,934	-4.85%	432,350	52.27%	477,656	10.48%	459,840	-3.73%

Audit & Collections Revenue included Above



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 Belleview between Logan & Delaware

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

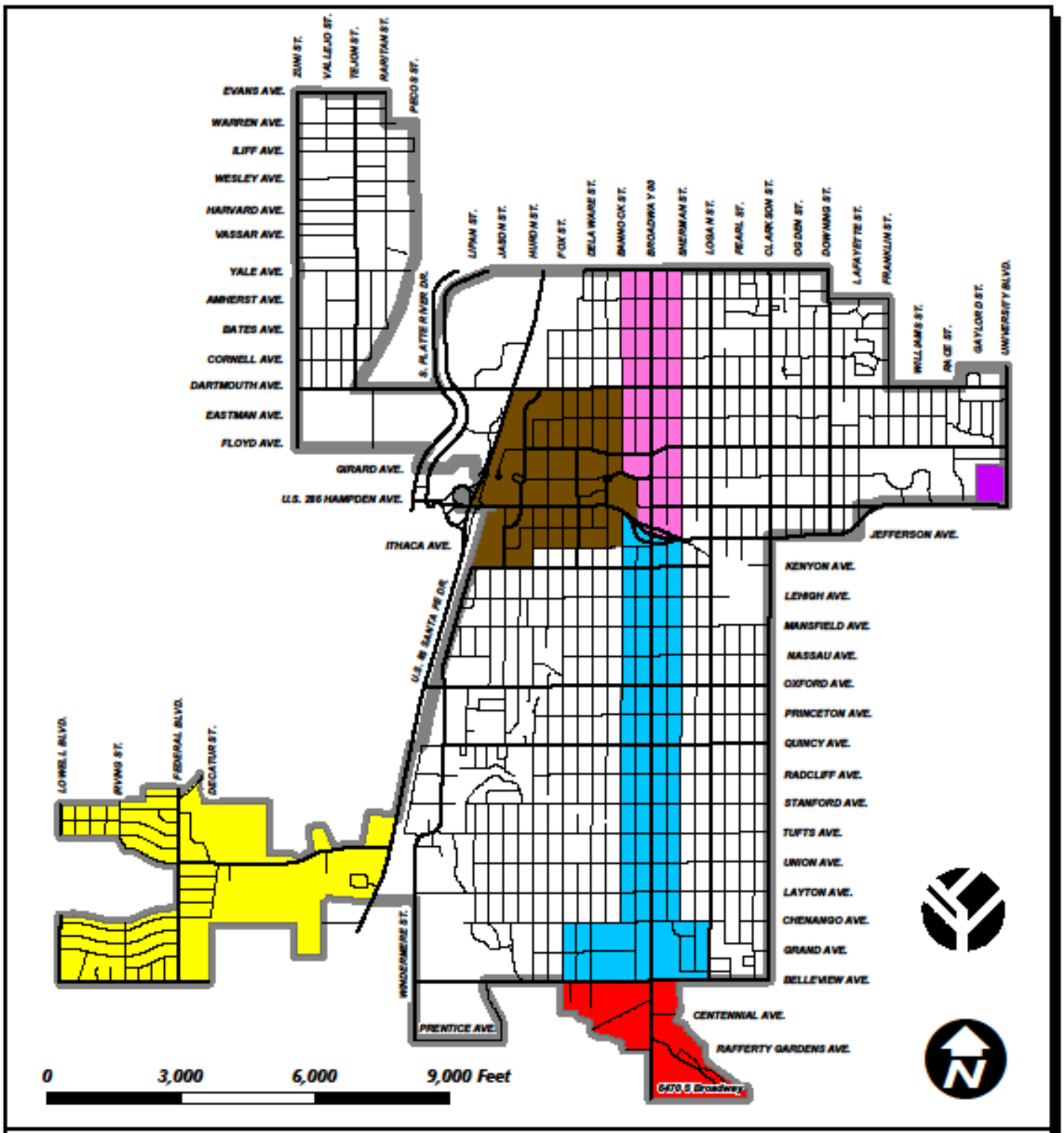
Area 5 - Federal and Belleview W of Santa Fe

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

Memorandum

City Manager's Office

TO: Mayor Penn and Members of City Council

THROUGH: Gary Sears, City Manager

FROM: Michael Flaherty, Deputy City Manager

DATE: May 14, 2014

SUBJECT: Clean Energy Collective Agreement – Xcel Energy Solar Community Program

Members of City Council have previously expressed interest in the Xcel "Solar Garden" program. Staff was contacted late last year by the Clean Energy Collective (CEC), an entity that administers the Xcel "Solar Rewards Community" program. Under this program the City of Englewood may purchase solar panels in the Arapahoe County Xcel solar array in Aurora to offset Xcel electrical energy used at selected Englewood facilities with high demand factors. Staff provided information to City Council on this program during the Council Study Session on January 27, 2014, and Council appropriated $30,000 towards future purchase of solar panels under this program on February 18, 2014.

In the initial discussion with City Council, staff proposed three options for purchase of solar panels, each of which included the financing of a purchase over either a five or ten year term. After review by Michael Hogan, Public Works Facilities and Operations Manager, a one-time purchase of solar panels to offset energy usage at the Parks and Recreation Belleview pumping station is recommended. The one-time cost of the system (42 panels/235 watts) is $34,634, with a payback period of slightly over four years. The total savings over the 20 year term of the agreement is $215,462, for a net savings estimated at $188,708. Based on the actual performance of this agreement, additional purchases may be recommended in the future.

A copy of CEC proposal, which describes the program details and projected savings, is attached. Also attached is the draft agreement that has been reviewed and approved to form by the City Attorney.

Subject to Council direction, formal approval of the agreement and required supplemental appropriation of $4,634 will be placed on the City Council regular agenda of June 2, 2014.

Clean Energy COLLECTIVE

April 18, 2014

City of Englewood
2501 W. Union Ave. Unit Pump, Premise #302041098
Englewood, CO 80203

The following proposal has been revised to reflect a new rebate program of $0.20/watt in the upfront price of a purchase in our Arapahoe County array. The rebate program is good until May 31, 2014.

Clean Energy Collective (CEC) is pleased to present the City of Englewood with the opportunity to own solar panels in our community-owned solar array for Xcel Energy's Solar*Rewards Community program in Arapahoe County. You are currently spending $0.56991 for electricity per kWh with Xcel. With a CEC purchase, the estimated on-bill credit and REC combined equals $0.47669 per kWh earned through our program. Your 12 month electrical usage was 38,040 kWh with a total electric expense of $20,776. Below represents offsetting 43% of your electric usage with a 9.87 kW system. The savings shows a payback of your system between year 4 and 5.

System Size		
Panel Size (watts)	**Panels**	**Watts**
235	42	9,870
System Price		
	Per Watt	**Total**
Gross Price	$5.29	$52,170
30% Discount From Federal Tax Credit	($1.59)	($15,651)
CEC Rebate	($0.20)	($1,974)
Net Purchase Price	$3.50	$34,545

Year 1	
Bill Credits	**$6,558**
REC Payments	**$1,322**
Total Savings	**$7,880**
First Year Payback	**22.8%**
20 Years	
Bill Credits	**$191,298**
REC Payments	**$24,164**
Total Savings	**$215,462**
Savings vs. Purchase Price	**$180,917**
20 Year ROI	**524%**
20 Year Environmental Benefits	
CO2 Avoided (lbs)	**534,634**
Car Travel Avoided (miles)	**606,221**
Trees Planted	**825**

401 Tree Farm Drive, Carbondale, CO 81623 // phone 800.646.0323 // fax 970.692.2592 // easycleanenergy.com

The information contained in this proposal has been prepared in good faith. All figures herein are only estimates of future costs, production and savings. Actual performance will vary. Clean Energy Collective bears no responsibility for variations between its projections and the actual realized performance. This proposal should not be considered as investment or tax advice, nor is it the offering of a financial instrument or security. Consult your accountant about any possible tax implications related to this proposal. Projected bill credit savings estimates assume 4.8% annual electricity price inflation.

Clean Energy COLLECTIVE

ESTIMATED POWER PRODUCTION AND SAVINGS								
Bill Credit Escalator			4.80%				**Panels**	42
Bill Credit Rate			$0.39669				**Watts**	9,870
Class of Service			SG/PG - Custom				**Net Purchase Price**	$34,545
							20 Year ROI	524%
Year	**Annual kWh**	**Credit Rate**	**Est. Bill Credits**	**Est. REC Payments Credits**	**Est. Total Savings**	**O&M Expense**	**Total Est. Savings**	**Cumulative Savings**
1	16,531	$0.39669	$6,558	$1,322	$7,880	$0	$7,880	$7,880
2	16,365	$0.41573	$6,803	$1,309	$8,112	$0	$8,112	$15,993
3	16,198	$0.43569	$7,057	$1,296	$8,353	$0	$8,353	$24,346
4	16,032	$0.45660	$7,320	$1,283	$8,603	$0	$8,603	$32,949
5	15,866	$0.47852	$7,592	$1,269	$8,861	$0	$8,861	$41,810
6	15,700	$0.50148	$7,873	$1,256	$9,129	$0	$9,129	$50,939
7	15,534	$0.52556	$8,164	$1,243	$9,406	$0	$9,406	$60,346
8	15,367	$0.55078	$8,464	$1,229	$9,693	$0	$9,693	$70,039
9	15,201	$0.57722	$8,774	$1,216	$9,990	$0	$9,990	$80,030
10	15,035	$0.60493	$9,095	$1,203	$10,298	$0	$10,298	$90,327
11	14,924	$0.63396	$9,461	$1,194	$10,655	$0	$10,655	$100,982
12	14,812	$0.66439	$9,841	$1,185	$11,026	$0	$11,026	$112,008
13	14,701	$0.69628	$10,236	$1,176	$11,412	$0	$11,412	$123,421
14	14,589	$0.72971	$10,646	$1,167	$11,813	$0	$11,813	$135,234
15	14,478	$0.76473	$11,072	$1,158	$12,230	$0	$12,230	$147,464
16	14,367	$0.80144	$11,514	$1,149	$12,663	$0	$12,663	$160,127
17	14,255	$0.83991	$11,973	$1,140	$13,114	$0	$13,114	$173,241
18	14,144	$0.88022	$12,450	$1,132	$13,581	$0	$13,581	$186,822
19	14,033	$0.92247	$12,945	$1,123	$14,067	$0	$14,067	$200,890
20	13,921	$0.96675	$13,458	$1,114	$14,572	$0	$14,572	$215,462
Total	302,053		$191,298	$24,164	$215,462	$0	$215,462	$215,462

401 Tree Farm Drive, Carbondale, CO 81623 // phone **800.646.0323** // fax **970.692.2592** // **easycleanenergy.com**

The information contained in this proposal has been prepared in good faith. All figures herein are only estimates of future costs, production and savings. Actual performance will vary. Clean Energy Collective bears no responsibility for variations between its projections and the actual realized performance. This proposal should not be considered as investment or tax advice, nor is it the offering of a financial instrument or security. Consult your accountant about any possible tax implications related to this proposal. Projected bill credit savings estimates assume 4.8% annual electricity price inflation.

Clean Energy COLLECTIVE

How the Xcel Energy Solar*Rewards Community Program Works

Xcel Energy's Solar*Rewards Community Program provides Xcel Energy customers with the opportunity to purchase solar power from a number of community-owned solar facilities being built by Clean Energy Collective. The solar arrays are established by County and are designated to serve only those customers physically located within the county boundaries.

CEC has 11 approved solar facilities in the following counties; Denver (3), Jefferson (2), Boulder (3), Summit (2) and Arapahoe (1). Each of the solar arrays is progressing through a series of engineering and interconnection activities to determine optimal build characteristics and to establish the construction schedules.

The table below shows the initial estimated credit rates Xcel Energy will apply to kWh's produced by panels in the community-owned solar facilities. Commercial credit rates are determined by customer and rate class and will vary from the estimated amounts listed below, primarily due to the impact of Demand Charges.

Customers with high demand charges and low kWh usage will receive a higher credit per kWh.

Xcel Fixed Credit Rates			
C	$0.07369		
SG,SGL,SST	$0.06902	V	Secondary General, Low-load, Standby
STOU	$0.06598	V	Secondary Time of Use
SPVTOU	$0.06591	V	Secondary PV Time of Use
PG,PST,SCS-7	$0.05806	V	Primary General, Standby, Regional Transportation District
TG, TST, TTOU	$0.05526	V	Transmission, Standby, Time of Use

V *denotes credits rates that are variable by customer, and are established based on the preceding calendar year's actual usage and demand charges.*

The credit rates are tied to the retail rate charged by class and will rise and fall with Xcel Energy's retail rates, providing energy inflation protection for solar array customers. There are no caps on the credit rates.

Monthly Bill Credits

Xcel Energy will calculate the amount of kWh's attributable to each customer in the solar array on a monthly basis. Once the kWh's attributable to each customer are determined, Xcel Energy will calculate the credit amount owed and post it to their bill, one month in arrears. For example, September solar power will be credited to customers on their October dated bills from Xcel Energy.

Xcel Energy will continue to bill all customers for the actual usage under prevailing tariff rates and will apply the solar array credits as a single line item entry, before taxes. Credits will reduce the amount of the current month's billings. Any credits that are unused will be rolled over and applied to future month's billings.

Bill credits can be assigned or reassigned to any meter and any account you have with Xcel Energy in the County of the solar facility you are a part of. The reassignment capability allows your company the opportunity to move the bill credits from one location or account as service needs change over the 20 year contract.

401 Tree Farm Drive, Carbondale, CO 81623 // phone 800.646.0323 // fax 970.692.2592 // easycleanenergy.com

The information contained in this proposal has been prepared in good faith. All figures herein are only estimates of future costs, production and savings. Actual performance will vary. Clean Energy Collective bears no responsibility for variations between its projections and the actual realized performance. This proposal should not be considered as investment or tax advice, nor is it the offering of a financial instrument or security. Consult your accountant about any possible tax implications related to this proposal. Projected bill credit savings estimates assume 4.8% annual electricity price inflation.

Clean Energy COLLECTIVE

Renewable Energy Certificate Payments (REC Payments)

Xcel Energy makes Renewable Energy Certificate (REC) payments for the carbon offset and environmental benefits generated by clean renewable power produced by the solar array. CEC receives the REC Payments from Xcel Energy and deducts a portion of the REC Payment each month to fund the ongoing operations and maintenance of the solar array, ensuring that the facility has sufficient funds to operate for the first 20 years. CEC deposits these funds into the Operations & Maintenance Trust account.

- CEC has set the initial O&M deduction at $0.02/kWh. This deduction is applied to all customers and all power produced on a monthly basis. CEC believes this amount will be sufficient to cover the operations and maintenance of the array for the first 20 years.

After the deduction for operations and maintenance, CEC will calculate the remaining REC Payment attributable to each customer on a monthly basis. REC Payments will be equal to the customer's portion of the kWh produced for the month multiplied by the $0.08 Net REC Rate. Payments will be released on a quarterly basis in arrears. REC payments will be made via electronic funds transfer or check.

Federal Tax Credit

The current federal tax code includes an available tax credit incentive for individuals and businesses who install a solar PV system on their property. This direct tax credit is unavailable to offsite community solar customers. CEC, however, is able to provide a 30% discount in the one-time system cost by capturing the federal tax credit for the entire array. This discount is equal to the value of the federal investment tax credit for solar installations. As a result, all CEC customers, regardless of their tax status, can experience the full value of the tax incentive without having to file for anything on their tax returns.

Contract Structure

Your organization will be purchasing a specific number of panels within CEC's solar facility. Under the terms of the contract you will appoint CEC as your agent to sell the power produced and environmental attributes of your panels to Xcel Energy. In return, you will receive both the energy bill credit on your Xcel Energy bill each month and a quarterly payment of Renewable Energy Credits from CEC. Taking direct ownership of the panels allows you to benefit from the estimated 50 year life of the solar facility and significantly increase the amount of savings your panels will generate.

Reservations can be secured with a fully refundable 10% deposit with the full purchase price required at closing (upon activation of the array).

CEC has financing partners available to provide loans for the purchase of interest in the solar arrays.

Customer Purchase Restrictions

Under the Xcel Energy program, customers cannot purchase interest in capacity greater than 120% of their average annual use, over the past 12 months. CEC works with Xcel Energy to confirm your previous 12 month usage and will present the analysis to you. Xcel Energy also restricts the purchase of interest in capacity to no more than 40% of the array's nameplate capacity to a single customer premise.

Transfer and Sale

Bill credits can be assigned to any meter under your Xcel Energy account, at any time. The reassignment capability allows you the opportunity to move the bill credits from one location or account as your organization's service need change over the 20 year contract. You can sell your interest in the solar array at any time, to any other qualifying Xcel Energy customer within the same county as the solar facility you have interest in.

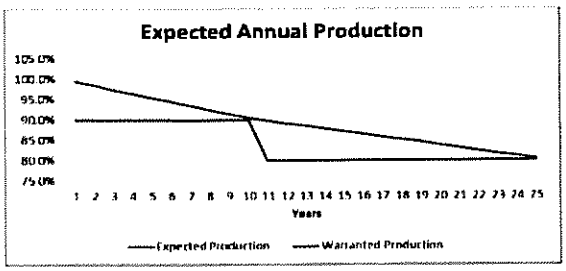
401 Tree Farm Drive, Carbondale, CO 81623 // phone **800.646.0323** // fax **970.692.2592** // **easycleanenergy.com**

The information contained in this proposal has been prepared in good faith. All figures herein are only estimates of future costs, production and savings. Actual performance will vary. Clean Energy Collective bears no responsibility for variations between its projections and the actual realized performance. This proposal should not be considered as investment or tax advice, nor is it the offering of a financial instrument or security. Consult your accountant about any possible tax implications related to this proposal. Projected bill credit savings estimates assume 4.8% annual electricity price inflation.

Clean Energy COLLECTIVE

Operations & Maintenance Program

CEC is responsible for the ongoing operations and maintenance of each solar array. This includes active daily monitoring of production and weather information, as well as real-time visibility into actual production. Any unexpected degradation in production is flagged and investigated by CEC and our maintenance personnel. To ensure that maintenance is provided over the life of the array, CEC establishes a separate O&M Trust account, which holds all of the funds necessary to pay for maintenance, insurance, property taxes and land costs.



The manufacturer's 25 year panel warranty covers expected annual production at or above 90% in the first 10 years, and 80% for the remaining 15 years. Panels not meeting the warrantied production levels will be replaced. The CEC O&M Trust program seeks to maximize production with proper monitoring, maintenance and timely repair.

CEC's service and maintenance program is anchored by the creation of the O&M Trust and the funding that is placed in the account. The O&M Trust account is funded with an initial contribution by CEC and ongoing monthly contributions from the REC payment stream of $.02/kWh, for every hour of production. The Trust Account is established to ensure that the solar facility is able to operate for years to come, independent of CEC's continued operations.

The CEC O&M Trust provides:

- A segregated Trust Account that holds all of the Operations and Maintenance funds, the contract with Xcel Energy, the land lease and all of the manufacturers' warranties.
- Real time monitoring of the array's production.
- Real time monitoring of the weather and irradiation at the array.
- Baseline production monitoring against the expected production per year, not just the manufacturers' warranties. If production falls by more than 2%, the array is inspected and faulty components are replaced or repaired.
- Annual inspections of the array by certified technicians.
- 25 year panel warranties from the manufacturer.
- 10 year successive inverter warranties from the manufacturer.
- 10 year installation warranty from the installation contractor.
- Immediate repair or replacement of faulty or defective parts.
- Insurance against all damages at full replacement value.

401 Tree Farm Drive, Carbondale, CO 81623 // phone **800.646.0323** // fax **970.692.2592** // **easycleanenergy.com**

The information contained in this proposal has been prepared in good faith. All figures herein are only estimates of future costs, production and savings. Actual performance will vary. Clean Energy Collective bears no responsibility for variations between its projections and the actual realized performance. This proposal should not be considered as investment or tax advice, nor is it the offering of a financial instrument or security. Consult your accountant about any possible tax implications related to this proposal. Projected bill credit savings estimates assume 4.8% annual electricity price inflation.

Clean Energy COLLECTIVE

Get Started Today

Complete ALL of the following steps to reserve your system.

1. **Choose your system size:**

kW System Size:	Price:	Deposit:

2. **Send your Payment and Information** – Complete all of the information on this page and then send with your refundable deposit check payable to: **CEC Deposit Trust**

   Mail to: **CEC, P.O. Box 1828, Boulder, CO 80306**

   Your deposit is fully refundable and secures your system in the array on a first-come, first-serve basis.

3. **E-Sign your Agreements** – Once we receive your information and deposit, we will create your customer agreements. You will receive an e-mail with instructions for completing the agreements electronically via CEC's secure website.

4. **Customer Information** – for all agreements (print)

City of Englewood
Business or Organization

Michael Hogan
Contact Name

Englewood	CO	80110	Arapahoe
City	State	Zip	County

2800 S. Platte River Dr.
Mailing Address (if different than physical address above)

303-762-2540
Primary Phone Number Secondary Phone Number

Xcel Account Number Xcel Premise Number

Customer Signature Date

5. **Confirmation** –Your reservation is confirmed after receipt of your deposit. Your final payment is required to activate your panels once construction is complete. Thank you for joining Clean Energy Collective!

401 Tree Farm Drive, Carbondale, CO 81623 // phone **800.646.0323** // fax **970.692.2592** // **easycleanenergy.com**

The information contained in this proposal has been prepared in good faith. All figures herein are only estimates of future costs, production and savings. Actual performance will vary. Clean Energy Collective bears no responsibility for variations between its projections and the actual realized performance. This proposal should not be considered as investment or tax advice, nor is it the offering of a financial instrument or security. Consult your accountant about any possible tax implications related to this proposal. Projected bill credit savings estimates assume 4.8% annual electricity price inflation.

COMMUNITY SOLAR INTEREST PURCHASE AND ENERGY AGENCY AGREEMENT

This Community Solar Interest Purchase and Energy Agency Agreement (the "***Agreement***") is made by and between the City of Englewood ("***Customer***"), a Colorado municipality with an address of 1000 Englewood Parkway, Englewood, CO 80110, and a utility account serving the address set forth in **Appendix A** (the "***Location***"), and Can Solar 1, LLC, a Colorado limited liability company with principal offices at 3005 Center Green Drive Suite 205, Boulder, CO 80301 ("***Company***"), effective as of the Effective Date (as set forth in **Appendix A**) (Customer and Company are referred to individually as a "***Party***" and collectively as the "***Parties***"). Capitalized terms used in this Agreement shall have the meanings set forth in the body of this Agreement and/or in an **Appendix**.

RECITALS

A. Customer is a customer of Public Service Company of Colorado d/b/a Xcel Energy (the "***Utility***") for electric service at the Location, and desires to participate in the Solar*Rewards Community program currently offered by Utility pursuant to the terms of a Rate Schedule found at Colo. PUC No. 7 Electric, Sheet Nos. 94 through 94G (the "***Program***"), as may be amended from time-to-time.

B. Company has constructed or intends to construct a community solar garden as that term is defined in the Program at the location set forth in **Appendix A** (the "Facility"). Company will also interconnect the Facility with the Utility pursuant to the terms of a power purchase agreement, interconnection agreement, any applicable tariff, and/or any other required agreement with Utility (collectively, the "ICA") pursuant to which Company and/or its Affiliate will deliver power generated at the Facility to Utility and Utility will provide credits on the bills for certain customers for power generated by the Facility ("***Bill Credits***"), as set forth in the ICA and the Program and as directed by Company and/or its Affiliate.

C. Customer wishes to purchase from Company the electric generating capacity and actual electric production of solar panels at the Facility with nameplate electric generation capacity as set forth on **Appendix A** and intends for this purchase to qualify as the acquisition of a Photovoltaic Energy Subscription (the "***Interest***") as that term is defined in the Program.

D. Customer wishes to appoint Company as Customer's agent with authority to deliver and sell power and related Environmental Attributes (as defined in **Appendix B**) attributable to the Interest. Customer also wishes to appoint Company as Customer's agent with authority to exchange information with Utility with respect to Customer's account for electric service at the Location to effectuate the terms of this Agreement, the ICA and the Program.

NOW, THEREFORE, for and in consideration of the mutual promises contained herein, Customer and Company agree as follows:

1. Purchase of Interest

1.1 Sale and Purchase. Company hereby sells to Customer, and Customer hereby purchases from Company, the entire electric generating capacity of solar panels at the Facility with nameplate electric generation capacity as set forth on **Appendix A** (the "***Capacity***") along with the actual electric production attributable to the Capacity (the "***Customer Output***"), calculated as set

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

forth in **Appendix B**, for the Term (as defined herein). The Capacity represents the percentage of the total nameplate electric generating capacity of the Facility as set forth on **Appendix A** as Customer Portion (as defined in **Appendix B**).

1.2 Purchase Price. Customer agrees to pay Company for the Capacity, the Customer Output, and all other services and rights under this Agreement, the total amount of $_____ (the "***Purchase Price***" as further defined in **Appendix B**), payable as set forth below.

(a) Timing of Payment. If the Facility is interconnected with Utility as of the Effective Date of this Agreement, Customer shall pay the entire Purchase Price on or before the Effective Date. If the Facility is not interconnected with Utility as of the Effective Date, Customer shall pay a deposit and the balance of the Purchase Price as set forth in Sections 1.2(b) and (c).

(b) Deposit. If the Facility is not interconnected with Utility as of the Effective Date, Customer shall pay a deposit in the amount of _____ percent of the Purchase Price (the "***Deposit***") on or before the Effective Date of this Agreement. The Deposit shall be refundable upon request of the Customer made in writing at any time before payment of the balance of the Purchase Price is due under Section 1.2(c), in which case this Agreement shall terminate.

(c) Balance. If Customer has paid a deposit under Section 1.2(b), then Customer shall pay the balance of the Purchase Price within seven (7) days after Company provides notice to Customer that the Facility has been interconnected to the Utility and is capable of delivering electricity to Utility. Company may provide such notice by mail, email, or fax addressed as set forth in Appendix A. Notice by email or fax is effective when sent. If Customer does not pay the balance of the Purchase Price as required by this Section, then Company may, at its sole option, terminate this Agreement by refunding the Deposit.

2. Appointment of Company as Customer's Agent

2.1 Sale of Energy and Environmental Attributes. Customer hereby appoints Company and its Affiliates as Customer's exclusive and authorized agent with full power and authority to deliver, assign, transfer, and sell all of the Customer Output to Utility pursuant to the terms of the ICA as it may be amended or replaced from time to time, and to enter into, administer, and enforce the ICA on Customer's behalf. Customer also appoints Company and its Affiliates as Customer's exclusive and authorized agent with full power and authority to deliver, assign, transfer, and sell all of the Environmental Attributes associated with the Capacity and the Customer Output to Utility and/or other third parties. Customer waives, relinquishes, and quitclaims any right, claim, and interest in the Customer Output and associated Environmental Attributes. Customer shall execute any additional documents and instruments necessary to evidence the Environmental Attributes and to effect or evidence the transfer of the Environmental Attributes to Company and/or its Affiliates, Utility, a third party, or their designee.

2.2 Interaction with Utility. Customer hereby appoints Company and its Affiliates as Customer's authorized agent with full power and authority to provide information to Utility as provided in the ICA and the Program to allow Utility to provide Bill Credits to which Customer may be entitled, based on Customer's Interest, on Customer's account and bills for electric service from Utility to the Location. Such information includes, but is not limited to,

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

Customer's name, address, Utility account number, the Capacity, Customer's Portion, and the Customer Output, on a monthly or other periodic basis. Customer retains authority to communicate with, instruct, and direct the Utility with respect to other matters pertaining to electric service to the Location, as well as with respect to Customer's participation in the Program.

2.3 Release/Letter of Authorization. Customer will permit Utility to release consumption and other information to Company to effectuate the terms of this Agreement, the ICA and the Program. Customer will execute any documents reasonably requested by Utility and Company to permit the release of such information.

2.4 Effect of Termination of Program by Utility. In the event Utility ceases to offer the Program or a comparable substitute, then the Parties shall use commercially reasonable efforts to explore and consider alternative means by which Customer may realize value from the Interest. If the Parties agree to a different arrangement, that will be documented in a new agreement. If the Parties are unable to so agree, then provided that Customer is not in default of this Agreement and this Agreement has not been earlier terminated, Customer may exercise its Purchase Option as set forth in Section 9 of this Agreement by giving 90 days' notice after the date Utility ceases to offer the Program or a comparable substitute. Whether or not Customer chooses to exercise the Purchase Option as set forth above, this Agreement will terminate on the date when Utility ceases to offer bill credits or other payments to Customer in respect of the Interest.

3. Bill Credits and Incentive Payments

3.1 Payable by Utility. Customer shall be entitled to receive credits on its bills from Utility in respect of the Customer Output, to be made solely by Utility and according to the terms of the Program. Customer acknowledges that the duration, terms and conditions of the Program, including the amount of Bill Credits to be applied, are subject to the sole and exclusive control of Utility. For informational purposes only, as of the Effective Date, the Program provides that Utility shall provide a bill credit in the amount of $_____ per kilowatt-hour for the Customer Output, and also provides that this rate may be revised by Utility from time-to-time. Customer acknowledges that Company has not made any representations or warranties with respect to the expected duration of the Program or the amounts to be provided by Utility as bill credits.

3.2 Incentive Payments. Customer acknowledges that Utility and/or another third party may provide incentives and/or renewable energy incentives, including payments or bill credits, with respect to the Environmental Attributes attributable to Customer's Interest, or otherwise, other than as a bill credit for Customer Output as addressed in Section 3.1 (collectively, the "***Incentives***"), and that Utility and/or another third party may pay the Incentives directly to Company and/or its Affiliates. Customer waives, relinquishes, and quitclaims any right, claim, and interest in the Incentives and, to the extent necessary, assigns all right, title, and interest to the Incentives to Company and acknowledges that Customer is not entitled to retain any such Incentives. Customer hereby authorizes Company to notify Utility that Customer has assigned such Incentives to Company and that Utility may make any such payment to which Customer may otherwise be entitled directly to Company. Customer will promptly execute any additional documents as requested by Utility, Company and/or another third party necessary for Company to claim such Incentives and/or to enable or authorize Utility and/or another third party to make such payments directly to Company. In the event that Utility and/or another third party provides any such Incentives directly to Customer, whether as a payment or bill credit, Customer agrees to inform Company and to pay the

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

amount of such Incentives to Company within ten (10) days of Customer's receipt.

3.3 No Other Payments. Customer acknowledges and agrees that Company's only obligations with respect to payments to Customer are that Company shall request and use commercially reasonable efforts to require Utility to make Bill Credits and the REC Payments discussed in Section 3.4 below. In addition, Company shall not be required to request Utility to make any credits or Payments in excess of the limitations set forth in Section 6.3 of this Agreement.

3.4 REC Payments. The Incentives may include payments made to Company by Utility in respect of RECs assigned to Utility relating to the Facility (the ***"REC Payments"***). Company agrees to share with Customer a portion of the REC Payments it actually receives from Utility. Customer acknowledges and agrees that Company shall first apply a portion of the REC Payments to the O&M Fund as described in Section 5. Company shall pay to Customer all amounts remaining, if any, from the REC Payments that are not applied to the O&M Fund, on a quarterly basis (the Customer REC Payments). The Customer REC Payments will be made to Customer by bill credit, check or electronic funds transfer within 30 days following the end of a calendar quarter in respect of REC Payments received for the prior calendar quarter.

4. Term and Termination

4.1 Term. The Term of this Agreement shall be the Initial Term plus any Extended Term, unless the Agreement is terminated earlier as provided in Section 4.4, in which case the Term shall expire on the effective date of such termination.

4.2 Initial Term. The Initial Term of this Agreement shall commence on the Effective Date and end twenty (20) years after the Interconnection Date set forth in Appendix A.

4.3 Extended Term. In the event that the term of the ICA continues or is extended beyond the Initial Term, the term of this Agreement shall automatically be extended for commensurate terms (the ***"Extended Terms"***).

4.4 Termination.

(a) Termination of ICA. This Agreement will terminate automatically upon the expiration or termination of the ICA unless a new ICA is entered as provided in section 2.1.

(b) Material Breach. Either Party may terminate this Agreement upon written notice if a Party breaches any of the material terms of this Agreement, including without limitation the representations and warranties. Before terminating the Agreement, the non-breaching Party shall give the breaching Party written notice of the breach and thirty (30) days to cure any such breach to the non-breaching Party's reasonable satisfaction.

(c) Termination in Other Events. This Agreement may also be terminated as provided in Sections 1.2, 2.4, 8.3, 8.4, 9.4, and 18.

(d) Survival. In the event of expiration or earlier termination of this Agreement, the following sections shall survive: Sections 3.2, 11, 12, 13 and 14.

5. Operation and Maintenance of Facility

5.1 Company shall perform acts necessary or appropriate for the proper operation

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

and maintenance of the Facility. Company shall employ or retain qualified personnel to perform services customarily performed with respect to property of the type comprising the Facility, in keeping with industry standards, and shall pay such persons reasonable compensation for performing such services. Company will initially appoint or has appointed CE Services, Ltd. as property manager to operate and maintain the Facility.

5.2 In order to ensure that there is sufficient funding to pay for initial operation and maintenance of the Facility, Company shall deposit $_____ into a segregated and independently administered account with a reputable banking institution or savings and loan association within twenty (20) business days of the receipt of the full Purchase Price, as defined in Section 1.2, from the Customer, which segregated account shall be dedicated solely to the costs of operation and maintenance of the Facility as provided in this Section 5 and the payment of insurance costs (the "O&M Fund"). The money to be deposited in the O&M Fund as set forth in this Section 5 is for the benefit of the entire Facility, not just the portion that represents Customer's Interest.

5.3 Supplemental Operation and Maintenance Fee. Company shall be entitled to utilize additional funds from what would otherwise be paid as Customer REC Payments (the "Recurring O&M Fee"). The Recurring O&M Fee shall be $0.02 per kWh of Customer Output. Customer hereby authorizes Company to make deductions for the Recurring O&M Fee. Any amounts Company receives as a Recurring O&M Fee will be deposited into the O&M Fund.

6. Customer's Representations and Warranties

Customer represents and warrants the following:

6.1 Utility Customer Status. Customer is an electric service customer of Utility at the Location and shall so remain for the entire Term of this Agreement, except as permitted in section 8.2.

6.2 Provision of Information to Utility. Customer shall provide to Utility all applications, documentation and information required by Utility and otherwise to qualify Customer to participate in the Program.

6.3 Maximum Capacity. Customer's Capacity does not and shall not exceed the limitations set forth in **Appendix C** (the "***Maximum Capacity***"). Customer acknowledges that Utility is not obligated to make any payment or bill credit to the extent Customer's Capacity exceeds those limitations. Customer also acknowledges that the limitations set forth in **Appendix C** are derived from the ICA and the Program and agrees that this Agreement will be deemed automatically amended to incorporate any changes to corresponding provisions in the ICA or the Program.

6.4 No Other Assignment or Authorization. Customer has not assigned or sold the Capacity, Interest, Customer Output or Environmental Attributes to any other person or entity, and will not do so during the Term of this Agreement, except as permitted under Section 8.3. Customer has not provided any other person or entity any of the authority granted to Company under this Agreement and will not do so during the Term of this Agreement.

6.5 No Liens or Encumbrances. Customer has not granted or placed or allowed others to place any liens, security interests, or other encumbrances on the Capacity, Customer Output or Environmental Attributes and will not do so during the Term of this

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

Agreement. Customer may grant a security interest in the Interest and this Agreement to secure a loan for the Purchase Price.

7. Company's Representations and Warranties

Company represents and warrants that it shall at all times perform its obligations under the ICA and the Program and exercise commercially reasonable efforts to maintain the ICA in effect for the Term of this Agreement.

8. Change of Customer Location For the Posting of Bill Credits

8.1 Notice. Customer shall notify Company in writing thirty (30) days prior to any change in Customer's Location during the Term.

8.2 New Location Within Utility Service Territory. If Customer ceases to be a Utility customer at the Location and moves to a new location within the service territory of Utility, then Customer shall take all steps and provide all information required by Utility under the Program to transfer the Interest to the new location, which shall be substituted as the Location under this Agreement and this Agreement shall continue in effect. Customer acknowledges that it will no longer be entitled to participate in the Program, or Customer's participation may be limited, if the Location or any new location of Customer within Utility's service territory does not comply with the Utility's requirements, including but not limited to Maximum Capacity.

8.3 Transfer to Another Utility Customer. So long as permitted to do so under, and in compliance with all terms of, the Program, if Customer ceases to be a Utility customer at the Location, Customer may transfer the Interest to another Utility customer(s) who qualifies for participation in the Program (including but not limited to Maximum Capacity). Customer shall provide Company with all requested documentary evidence and information relating to the transfer, including without limitation the new customer's name, address, Utility account number, and qualification by the Utility to participate in the Program. Upon receipt of such documents and information, Company will prepare an agreement similar to this Agreement for execution by the new customer, except that the Term shall be only the remaining Term under this Agreement. Upon execution of such new agreement, this Agreement will terminate. Company shall have no obligation to assist Customer in identifying any new customer to whom Customer may transfer the Interest, nor shall Company be obligated to purchase the Interest or otherwise compensate Customer in the event Customer does not transfer the Interest. In addition, prior to obtaining approval for any such transfer, the new customer must cure all outstanding obligations of Customer under this Agreement.

8.4 Other Termination of Utility Service. If Customer ceases to be a Utility customer for electric service at the Location and does not comply with either Section 8.2 or 8.3 within the time periods set forth in the Program, then Customer shall cease to receive any billing credits or other payments from Utility in respect of the Interest and this Agreement will terminate. Customer will not make any claim against Company for payment or other compensation with respect to Customer's Interest.

8.5 Re-Assignment by Customer's Lender. In the event a Lender (as defined herein) or other third party is granted any rights under this Agreement, then in the event of Customer's default or otherwise, Company may follow any reasonable instructions by such third party with respect to changing the location and/or beneficiary of this Agreement, and Customer hereby releases Company from any liability in that regard. Any such new location

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

or beneficiary must comply with all applicable requirements and procedures set forth in Section 8.3 for transfer of the Interest to another customer.

9. Purchase Option

9.1 Grant of Option. During the period beginning upon the fifth anniversary of the Interconnection Date and ending upon the last day of the Term, and provided that Customer is not in default of this Agreement and this Agreement has not been earlier terminated, Customer may purchase the solar panels upon which Customer's Interest is based, on an AS IS BASIS from Company for the Purchase Option Price as set forth in Section 9.2. In the event Customer purchases such panels, Customer will provide Company with a valid sales tax exemption certificate in respect to such purchase. Customer must give Company at least thirty (30) days, but no more than ninety (90) days, prior written notice of its election to exercise this option to purchase. Upon payment of the Purchase Option Price and execution of the Co-Location Agreement and other purchase-related documents, Company will convey ownership of the panels, including, without limitation, all Environmental Attributes (that are still owned by Company at the time of conveyance or not otherwise encumbered by Incentives, the ICA or the Program) by Bill of Sale. The obligations of both Parties in this Agreement will continue as to such panels and their output to the extent permissible under the ICA and the Program.

9.2 Purchase Option Price. The price for exercising the purchase option (the "***Purchase Option Price***") shall be (a) the fair market value of the panels as of the Exercise Date, minus (b) the product of (i) the fraction obtained by dividing the number of years remaining in the Term by 20 and (ii) the Purchase Price; however, in no event shall the Purchase Option Price be less than $1.00. If the Parties cannot agree to a fair market value, the Parties shall select a nationally recognized independent appraiser with experience and expertise in the solar photovoltaic industry to determine the fair market value of the panels. Such appraiser shall act reasonably and in good faith to determine the fair market value of the panels on an installed basis and shall set forth such determination in a written opinion delivered to the Parties. The valuation made by the appraiser shall be binding upon the Parties in the absence of fraud or manifest error. The costs of the appraisal shall be borne by the Parties equally. Notwithstanding any other provision of this Agreement to the contrary, in the event Customer has elected to purchase the panels before the fair market value is finally determined, then Customer shall have the right to withdraw such election without liability or obligation to Company within thirty (30) days after the date upon which Customer receives notice of the final determination of such fair market value.

9.3 Continuing and Additional Obligations Following Purchase. In the event Customer exercises this purchase option, except if done under Section 2.4, it is the Parties' intention that Company shall continue to sell and deliver the Customer Output and all Environmental Attributes to Utility and/or another third-party and that Utility shall continue to provide bill credits to Customer to the extent permissible under the ICA and the Program, and that this Agreement shall continue to operate for the Term. If Customer is no longer permitted to participate in the Program after purchasing the panels, then the Parties shall explore and consider alternative means by which Customer may realize value from the Panels.

9.4 Removal or Sale of Panels. Following exercise of its purchase option, Customer may request Company to remove Customer's panels from the Facility. Customer shall be required to pay all costs of removal as determined by Company in its sole discretion, including but not limited to any required modifications to the Facility to accommodate such removal, in advance of Company performing any such work. Upon completion of such removal, this Agreement shall terminate. Customer may also sell Customer's panels, to the extent

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

permitted by law, to another Utility customer who qualifies for participation in the Program and in compliance with all of the requirements and procedures of Section 8.3 (pertaining to transfer of Customer's Interest).

10. Assignment

10.1 Assignment by Customer. Customer may not assign this Agreement and may not otherwise assign or transfer Customer's Interest except as provided in Section 8.3. Company shall not unreasonably withhold, condition or delay its consent to any Customer request to assign this Agreement or Customer's Interest.

10.2 Assignment by Company. Except as otherwise provided in this Agreement, Company may not assign this Agreement except with the consent of Customer, which will not be unreasonably withheld, conditioned or delayed.

10.3 Permitted Actions. Provided that the Company remains responsible for the ultimate performance of Company obligations under this Agreement, Company may assign any of its rights, duties, or obligations under this Agreement to another entity or individual, including any Affiliate, whether by contract, change of control, operation of law or otherwise, without Customer's prior written consent.

11. Dispute Resolution

11.1 Credit or Payment Dispute. If Customer disputes the amount of any Bill Credit or Customer REC Payment made under this Agreement, Customer shall provide written notice explaining the dispute to Company, along with documentation sufficient to support Customer's claim. Company shall consider Customer's claim and respond in writing within twenty (20) days.

11.2 Choice of Law. This Agreement will be governed by and construed in accordance with the laws of the state of Colorado without regard to its conflict of laws rules.

11.3 Attorney's Fees and Costs. In any proceeding to enforce any of the provisions or rights under this Agreement, the prevailing Party shall be entitled to recover all costs and reasonable attorney's fees incurred by the prevailing Party.

12. Hold Harmless

13. Reporting and Marketing

Customer authorizes Company and its affiliates to use Customer's name and Capacity ("***Customer Information***") for reporting and marketing purposes. Company shall use the Customer Information only for official reporting to governmental authorities, Utility, public utility commissions, and similar organizations, and in marketing material generated and distributed by Company or its affiliates. Under no circumstances, except as required by law and as otherwise provided in this Agreement, will Company release or otherwise publish any information collected from Customer other than the Customer Information. Notwithstanding this Section, Company will not use or disclose Customer's name for marketing purposes if Customer provides written notice prohibiting such use.

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

14. Applicability of Open Records Act

The parties acknowledge and agree (a) that the Customer is required to comply with the Colorado Open Records Act, and (b) that the terms of this Agreement contain and constitute confidential and privileged market information and trade secrets of Company, which if disclosed to Company's competitors could harm the Company. The Customer agrees to not disclose the terms hereof to any other entity or person, except whereas Customer is required to publish details of agreements that are approved during a City Council meeting, for the limited purpose of facilitating the business relationship with Company and the transactions contemplated herein or as may be required under the Open Records Act or other requirements of law. Customer will advise Company of any request for the foregoing information under the Open Records Act.

15. Notices

In the event that any notice or other communication is required or permitted to be given hereunder, such notice or communications will be in writing and may be delivered in person or sent by certified mail, overnight courier or transmitted by facsimile to the address of the addressee as specified below. Except as otherwise provided, all such notices or other communications will be deemed to have been duly given and received upon receipt.

To Company:	Can Solar 1, LLC PO Box 1828, Boulder, CO 80306 Attn: Manager Fax No.: 970-692-2592
To Customer:	As set forth in **Appendix A.**

16. Entire Agreement

This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes any other agreement or understanding, written or oral. Customer acknowledges that it will also execute Utility's SRC Subscriber Agency Agreement for the Program. In the event of any conflict between the terms of that agreement and this Agreement, this Agreement shall control.

Customer acknowledges that the Utility's SRC Subscriber Agency Agreement is needed for participation under the Program. In the event that Customer elects not to execute the Utility's SRC Subscriber Agency Agreement, or the Customer elects to revoke or cancel the Utility's SRC Subscriber Agency Agreement, then the Customer may terminate this contract, and such termination shall be considered a termination for convenience and not for breach of either Party. The provisions of the Utility's SRC Subscriber Agency Agreement shall not be considered to modify any of the terms or conditions of this Agreement, except as may be detailed in a subsequent written amendment to this Agreement, duly executed by both Parties hereto.

17. Governmental Immunity

Customer and its officers, attorneys and employees, are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to Customer and its officers, attorneys or employees.

18. Annual Appropriation

Financial obligations of the Customer under this Agreement payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available by the Town Council of the City of Englewood, Colorado. If sufficient funds shall not be made available, this Agreement may be terminated by either Party without penalty; provided, however, that in the event of termination of this Agreement pursuant to this section Customer shall pay all sums due from it prior to the date of termination. The Customer's obligations hereunder shall not constitute a general obligation indebtedness or multiple year direct or indirect debt or other financial obligation whatsoever within the meaning of the Constitution or laws of the State of Colorado.

19. General

19.1 Modification and Waiver. This Agreement may be modified, or any provision waived, only by a written instrument signed by both Parties.

19.2 Authority. The Parties represent and warrant that they have full authority to execute and deliver this Agreement and to perform their obligations under this Agreement, and that the person whose signature appears on the Agreement is duly authorized to enter into this Agreement on behalf of the respective Party.

19.3 Severability. Should any terms of this Agreement be declared void or unenforceable by any court of competent jurisdiction, such terms will be amended to achieve as nearly as possible the same economic effect for the Parties as the original terms and the remainder of the Agreement will remain in full force and effect.

19.4 No Partnership. Nothing contained in this Agreement will constitute Company as a joint venturer, employee, or partner of Customer, or render Company liable for any debts, obligations, acts, omissions, representations, or contracts of Customer, including without limitation Customer's obligations to Utility for electric service.

19.5 Third Party Beneficiaries. There are no third party beneficiaries of this Agreement.

IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the date of last signature provided below.

Can Solar 1, LLC

By: _____ Date: _____

Name: Mark Boyer

Title: Manager

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

CUSTOMER

The City of Englewood, a Colorado municipal corporation

By: _____

Title: _____ Date: _____

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

APPENDIX A

Customer and Facility Information

Customer Name(s):	City of Englewood
Customer's Location:	2800 S. Platte River Dr, Englewood, CO 80110
Initial Meter # for Crediting:	
Tel:	303-994-4198
Fax:	
Email:	
Facility Company Name:	Can Solar 1, LLC
Facility Name:	Aurora Arapahoe Community Solar Array
Facility Location:	790 N. Tower Road, Aurora, CO 80011
Capacity purchased by Customer:	_____ kW
Estimated initial annual amount of Customer Output ("Estimated initial Annual Production"):	_____ kWh
Customer Portion:	_____ %
Effective Date:	_____ 2014
Interconnection Date:	_____ 2014
Panels:	Panel serial numbers are not available. Serial numbers will be provided in an updated Appendix A upon facility completion
Panel Locations:	

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

APPENDIX B

Definitions

Capitalized terms used in the Agreement are defined as follows unless defined in the body of the Agreement.

"***Affiliate***" means any person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by or partnered with, or is under common control with the person or entity specified.

"***Customer Output***" equals Customer Portion times Output for any applicable time period.

"***Customer Portion***" means the fraction or percentage obtained by dividing (i) Customer's Capacity by (ii) the total nameplate generating capacity of all panels at the Facility.

"***Effective Date***" means the date set forth on Appendix A.

"***Environmental Attributes***" means the full set of environmental, power source and emissions characteristics, whether in the form of credits (including Renewable Energy Credits), benefits, emissions reductions, offsets, allowances or by any other designation, attributable to the Capacity and Customer Output. Environmental Attributes include but are not limited to (1) any avoided emissions of carbon dioxide (CO_2), methane (CH_4), nitrous oxide, hydrofluoro carbons, perfluoro carbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change as of the effective date of this agreement, or otherwise under Law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere, (2) any avoided emissions of sulfur oxides (S_{ox}), nitrogen oxides (N_{ox}) and carbon monoxide (CO), and of any other pollutant of the air, soil or water (other than GHGs) that is now regulated under law, including as part of any renewable portfolio standard, or tradable under any registration or trading program; and (3) the right of the Utility and/or another third party as the owner or prospective owner of Environmental Attributes to report the ownership of accumulated Environmental Attributes to any agency, authority or other party, including without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present domestic, international or foreign Law, renewable portfolio standard or registration or trading program. One (1) MWh of energy output is assumed to be the equivalent to one unit of Environmental Attributes, subject to applicable law, standards, or trading program requirements. Environmental Attributes do not include: (i) any energy, capacity, reliability or other power attributes from the Panels or the Facility; (ii) production tax credits associated with the construction or operation of the energy projects and other financial incentives in the form of credits, reductions, or allowances associated with the project that are applicable to a state or federal income taxation obligation; or (iii) fuel-related subsidies or "tipping fees" that may be paid to accept or dispose of certain fuels, or local subsidies received by the generator for the destruction of particular pre-existing pollutants or the promotion of local environmental benefits.

"***Output***" means the actual generating output of the Facility that is delivered to Utility as measured by the Utility's meter for any applicable time period. Output is net of any electricity consumed at the Facility.

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

"***Purchase Price***" equals the Total System Price less the PeakSavings Discount less any applicable rebates or incentives from the Utility (all as specified on the Closing Statement provided by Company).

Renewable Energy Credit" or "***REC***" means a contractual right to the full set of Environmental Attributes resulting from one megawatt-hour of electric energy generated from an Eligible Energy Resource, as further provided in regulations adopted pursuant to C.R.S. § 40-2-124, currently set forth at 4 CCR 733-3, Rule 3652(n), as may be amended from time to time or as further defined or supplemented by law.

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. cipav030113 2/3/2014

APPENDIX C

The Estimated Initial Annual Production as set forth in Appendix A shall not exceed 120% of Customer's average annual electric power consumption at the Location. In addition, should Customer have an interest in any other Community Solar Facility, the sum total of the annual production attributable to all such interests shall not exceed 120% of Customer's average annual electric power consumption at the Location. Should Customer also be a net-metered customer of Utility at the Location, the sum total of the annual production attributable to all Community Solar interests in combination with the estimated output from its net-metered Eligible Energy Resource Facility shall not exceed the limits described herein.

© 2010-2013 Clean Energy Collective, LLC All Rights Reserved. clpav030113 2/3/2014

Memorandum

Englewood Fire Department

TO:	Mayor Penn and City Council
THROUGH:	Gary Sears, City Manager
	Andrew Marsh, Fire Chief
FROM:	Laura Herblan, Fire Marshal
DATE:	May 14, 2014
SUBJECT:	Fire Prevention Services IGA with South Metro Fire Rescue Authority

Issue

Consideration of a proposal that would establish an agreement between the City of Englewood Fire Department (EFD) and South Metro Fire Rescue Authority (SMFRA) to provide plan review, fire inspection, and training services for each other.

Background

The EFD and SMFRA have identified a common interest in providing a reasonable level of life safety and property protection from the hazards of fire, explosion, and dangerous conditions in new and existing buildings, structures and premises, and in providing safety to firefighters and emergency responders during emergency operations. Through cooperative efforts, EFD and SMFRA are willing and able to conduct plan reviews and fire code inspections within each other's jurisdictions--upon request as needed--and also to assist in the training of personnel in plan review and fire inspection techniques and procedures. This combined effort will serve the public purpose and will promote the health, safety, security, and general welfare of the inhabitants and visitors of each jurisdiction.

Proposal

The current proposal would establish an Intergovernmental Agreement (IGA) with SMFRA to provide plan review, fire inspection, and training services to each other. Staff requests City Council direction to schedule the proposed IGA as an agenda item for the regular City Council meeting on June 2, 2014.

CITY OF ENGLEWOOD

CITY COUNCIL

May 14, 2014

The Honorable John W. Hickenlooper
Governor of Colorado
136 State Capitol
Denver, Colorado 80203

Dear Governor Hickenlooper:

The City of Englewood respectfully requests your veto of HB 14-1375, which weakens the effective use of urban renewal as a tool to redevelop and transform blighted urban properties into productive and beneficial projects within a community. Urban renewal is a public/private partnership used by many municipalities, including the City of Englewood, to revitalize blighted areas which are plagued by a number of difficulties that make redevelopment of the properties financially unfeasible solely by the private sector. Tax Increment Financing (TIF), or the new tax revenue generated by the redevelopment project, is what makes public investment in the redevelopment project, and the project itself, possible.

We ask for your veto of the legislation for the following reasons:

- Urban renewal financing packages are complex and difficult to complete - generally taking more than a year and often much longer to work out between the urban renewal authority and the private sector. The draft bill adds another layer of complication and delay to the process. Time costs money and delays could kill projects. The result would be the continuation of blight and possibly lowering surrounding property values, thus costing everybody money.

- Taxing entities do not experience a reduction in tax revenue as the result of an urban renewal project. Each property taxing entity continues to receive the same property tax revenue it received before the URA project was created, in addition to increases every two years when properties are re-assessed. Increases above the "base" amount of property tax revenue during the 25 year life of the URA project are the "tax increment" which by law is allocated to the urban renewal authority to repay bonds and other financial obligations that made the project possible. Many counties levy a sales tax and this revenue is not negatively impacted by the use of TIF. In fact, the amount of additional county sales tax generated by a retail project can be significant. Without the urban renewal project, the blighted properties continue their decline in value, yielding fewer property tax dollars and no new tax dollars for all taxing entities.

Mayor Randy Penn, District 3 • Mayor Pro Tem Linda Olson, District 2
Rick Gillit, District 4 • Joe Jefferson, District 1 • Bob McCaslin, At Large • Jill Wilson, At Large • Steven R. Yates, At Large

1000 Englewood Parkway • Englewood, Colorado 80110 • Phone 303-762-2310 • FAX 303-762-2408
www.englewoodgov.org • E-mail: council@englewoodgov.org

- The bill implies that municipalities take unfair advantage of other taxing entities through the use of urban renewal. This is not true. Municipalities and the private sector are the only entities putting upfront dollars into an urban renewal project. Other taxing entities make no upfront investment in urban renewal projects but they do reap benefits as a result.

- While the bill allows municipalities to gain some credit for dollar investments made in the project before the creation of the project TIF district, the mandatory sales tax commitment does not recognize the other ways in which the City contributes to project costs by contributing use taxes, authorizing fee waivers, requiring the imposition of public improvement fees, creating special districts to provide public improvements in tandem with tax increment funds that in no way impact other taxing entities.

- Today many urban renewal TIFs include municipal sales tax increment, others don't, and a few use solely municipal sales tax without property tax. This is because each project has its unique challenges. Many factors are considered when crafting a workable financing package. This proposed legislation complicates an already complicated process.

- The legislation provides counties a seat at the table when TIF decisions are made, presumably to protect their interests. Counties and other taxing entities already have a voice in the process. Municipalities are required to submit to counties an impact report estimating county service costs created by the urban renewal project. Counties have 30 days to object to those estimates or provide their own. Few counties do. Urban renewal authorities have a strong track record of negotiating arrangements with counties, fire districts and school districts to address their service impacts created by a project.

- Any taxing body that chooses to disagree with the allocation of municipal sales taxes (right or wrong) may elect to file suit and force protracted delays, possibly killing viable, important redevelopment projects.

- The bill places a county appointed representative on an urban renewal authority board. This poses questions of attorney/client privilege and executive session confidentiality for this authority created by municipal government. There are inherently conflicting interests in such appointments as urban renewal boards exist to carry out plans approved by city councils or town boards. Are the county appointees appointed to serve as urban renewal commissioners or to represent interests of the County? Will other taxing bodies want representatives in the future so they can appoint commissioners to represent their interests?

- This bill imposes extra requirements on those cities that have appointed boards. Denver and Broomfield are exempted, and it is not clear how this legislation applies or does not apply to those municipalities where the city council or town board serves as the commission. Is this intended to be preferential treatment for some cities? If an urban renewal plan is adopted that only uses municipal sales taxes and other methods of financing the project, the county is nevertheless required to appoint a commissioner.

- If the urban renewal board is at the statutory maximum, will a member of the existing board have to resign before his or her term is up? If the urban renewal board has less than the

statutory maximum of commissioners, when the county commissioners appoint a board member, the city council will have to also appoint one to meet the statutory requirements.

The use of urban renewal and TIF is vital to encouraging in-fill urban development. As a "first-ring" suburb, Englewood's only redevelopment opportunities are in-fill. With the myriad challenges faced by in-fill development projects, the use of urban renewal and TIF provide us with one of the few tools we can use to make redevelopment financially feasible. Englewood, as well as other municipalities, allocate additional resources to redevelopment projects to make them feasible. These are not insignificant contributions to these projects and they do not affect any other taxing district.

Englewood currently has one urban renewal district, the former General Iron Works site. This is the site of a former foundry that was closed nearly 30 years ago and for which the current owner has spent a great deal of time and money in cleaning the site of contamination. The project is just getting to the point that a successful redevelopment is possible but much remains to be done, and will require the City's participation. The use of TIF is being carefully considered, but if this legislation were to pass, it is doubtful that any viable funding mechanism would be available to make redevelopment possible. Then the neighborhood will have to endure the blighted conditions for another 30 years.

We understand the impetus for this bill stems from an instance where a county believed it wouldn't be compensated enough from a proposed urban renewal project. This was a local disagreement that was elevated to the legislature for a statewide solution. These types of issues are typically worked out at the local level and that is where the solution should remain, as each project and the local conditions vary. The "one size fits all" statewide solution contained in HB 14-1375 will severely limit our ability to revitalize blighted areas in Englewood.

HB 14-1375 arbitrarily limits possible available funding for necessary in-fill projects and may simply lead to continuing decline and exacerbation of blight by reducing new tax increment revenue in those areas that need the most investment. Therefore, we respectfully request your veto of HB 14-1375.

Sincerely,

Randy P. Penn
Mayor