



1000 Englewood Pkwy – Community Room
Englewood, CO 80110

AGENDA

City Council Study Session
Monday, March 21, 2016 ♦ 5:30 p.m.

City Council Dinner Available at 5:00 p.m.

- I. Marijuana Social Clubs 5:30-6:15 p.m.**
Emmett Reistroffer, from Liquor and Medical Marijuana Licensing Authority, will be present to discuss Marijuana Social Clubs.
- II. Financial Report 6:15-6:30 p.m.**
Revenue & Budget Manager Jennifer Nolan and Accounting Manager Kevin Engels will be present to discuss the financial report.
- III. Code Enforcement Discussion – Proactive/Reactive 6:30-7:30 p.m.**
Assistant City Manager Murphy Robinson will be present to discuss code enforcement.

Please note: If you have a disability and need auxiliary aids or services, please notify the City of Englewood (303-762-2405) at least 48 hours in advance of when services are needed.



Memorandum

TO: Mayor Jefferson and City Council Members
FROM: Stephanie Carlile, Deputy City Clerk
DATE: March 17, 2016
SUBJECT: Marijuana Consumption Establishments

The City Attorney's Office has prepared a draft ordinance pertaining to Marijuana Consumption Establishments based on the Ad Hoc Committee and Liquor and Medical Marijuana Licensing Authority recommendations.

I have attached the draft ordinance, as well as a report that has been submitted from the Tri-County Health department.

Setting up the licensing procedure and regulations for Marijuana Consumption Establishments has been a complicated process. Many cities are grappling with the same issues. Unfortunately, potential State legislation regarding Marijuana Consumption Clubs has been postponed. Our goal is to present a very comprehensive licensing process for the current establishment, and any future establishments, should the City of Englewood allow this.

3-16-2016
DRAFT

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2016

COUNCIL BILL NO.
INTRODUCED BY COUNCIL
MEMBER _____

A BILL FOR

AN ORDINANCE AMENDING TITLE 5, OF THE ENGLEWOOD MUNICIPAL CODE 2000 BY THE ADDITION OF A NEW CHAPTER 29, CREATING A NEW MARIJUANA CONSUMPTION ESTABLISHMENT LICENSE.

WHEREAS, a moratorium on the establishment of new Marijuana Consumption Establishments was set on July 6th, 2015, by the passage of Ordinance No. 28, Series of 2015; and

WHEREAS, a moratorium on the establishment of new Marijuana Consumption Establishments was extended to July 17, 2016, on December 7th, 2015, by the passage of Ordinance No. 54, Series of 2015; and

WHEREAS, the moratorium was established for the immediate preservation of the public property, health, peace and safety; and

WHEREAS, the Englewood City Council was concerned about impact to nearby businesses and residences; and

WHEREAS, the City Manager established an ad hoc committee to address concerns; and

WHEREAS, the pungent odor from Marijuana is objectionable to many people; and

WHEREAS, offensive odors can easily migrate in and around the Marijuana site and some strains produce odors that are detectable in the surrounding neighborhood as well as adjacent tenants;

WHEREAS, the ad hoc committee considered an overall ban on Marijuana Consumption Establishments; and

WHEREAS, the idea of such ban was rejected as a Marijuana Consumption Establishment opened in Englewood prior to the moratorium and the ad hoc committee wanted to avoid the taking of such a business; and

WHEREAS, the ad hoc committee considered licensing regulations to be a more appropriate avenue to address concerns of residences and businesses; and

WHEREAS, there are currently no State laws or regulations governing the licensing of Marijuana Consumption Establishments; and

WHEREAS, local governments can enact ordinances and regulations governing marijuana establishments operations pursuant to the Colorado Constitution, Article XVIII, Subsection 16(5)(e), (f), (h), and (i); and Colorado Revised Statute 12-43.4301(2); and

WHEREAS, Marijuana Consumption Establishments currently legally in existence in any zone district as of the effective date of this Ordinance shall be grandfathered for zoning purposes only.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ENGLEWOOD, COLORADO, THAT:

Section 1. The City Council of the City of Englewood hereby approves amending Title 5, of the Englewood Municipal Code 2000, by adding a new Chapter 29, creating a new Marijuana Consumption Establishment License, which shall read as follows:

5-29: MARIJUANA CONSUMPTION ESTABLISHMENT.

5-29-1: Definitions.

For the purpose of this chapter the following definitions apply:

Direct Measurement: Shall mean a straight line from the nearest property line of the school or campus to the nearest portion of the building used for Marijuana Consumption Establishments.

Good Cause: For purposes of refusing or denying a license renewal, reinstatement, or initial license issuance means:

- 1. The licensee or applicant has violated, does not meet, or has failed to comply with any of the terms, conditions, provisions or rules promulgated pursuant to this Title, or any supplemental state or local law, rules, or regulations;**
- 2. The licensee or applicant has failed to comply with any special terms or conditions that were placed on its license pursuant to an order of the State or Local Licensing Authority.**
- 3. The licensed premises have been operated in a manner that adversely affects the public health, welfare or the safety of the immediate neighborhood in which the establishment is located. Evidence to support such a finding may include:**
 - a. A continuing pattern of offenses against the public peace, as defined in Title 7 of this Code.**
 - b. A continuing pattern of drug-related criminal conduct within the premises or in the immediate area.**
 - c. A continuing pattern of criminal conduct directly related to or arising from the facility.**
 - d. Continuing violations of any provisions of the Englewood Municipal Code.**

4. The licensed premises will impair the use of development of adjacent conforming properties or alter the essential character of the neighborhood.

License: Shall mean to grant a license or registration pursuant to this Title.

Licensed Premises: Shall mean the premises specified in an application for a license under this Title, which are owned or in possession of the licensee and within which the licensee is authorized to operate a Marijuana Consumption Center.

Local Licensing Authority: Shall mean the Englewood Local Liquor and Medical Marijuana Licensing Authority.

Local Licensing Official: Shall mean the Director of Finance and Administrative Services or designee.

Location: Shall mean a particular parcel of land that may be identified by an address or other descriptive means.

Marijuana Consumption Establishment: Shall mean an organization, business, club, or commercial operation that allows its members or guests to burn, smoke, inhale the vapors of, or otherwise consume marijuana in any form on the premises of the business.

Marijuana Waste: Includes all definitions of Marijuana and Marijuana products as defined by Article XVIII, Section 16 of the Colorado Constitution, as well as the Colorado Retail Marijuana Code § 12-43.14-103 C.R.S., as amended

Membership Organization: Shall mean an organization and its premises catering exclusively to members and guests for social, intellectual, recreational, or athletic purposes, including Marijuana Consumption Establishments.

Member: Shall mean a person who is 21 years of age or older, who has paid for a membership in the Marijuana Consumption Establishment. Anyone who has not attained the age 21 years, including those with a Medical Marijuana Card issued by the State of Colorado are prohibited from becoming members of any Marijuana Consumption Establishment.

Person: Shall mean a natural person, partnership, association, company corporation, limited liability company, or organization, or a manager, agent, owner, director, servant, officer, or employee thereof.

Premises: Shall mean a distinct and definite location, which may include a building, a part of a building, a room, or any other definite contiguous area.

School: Shall mean a public or private preschool or a public or private elementary, middle, junior high, or high school, college or campus of a college.

Smoking: Shall mean the burning of a lighted cigarette, cigar, pipe, or any other matter or substance that contains tobacco or Marijuana, including all types of electronic smoking devices.

5-29-2: License Required.

It shall be unlawful for any person or entity to own or operate a Marijuana Consumption Establishment in the City of Englewood without having first obtained a license.

5-29-3: Application for a License.

Marijuana Consumption Establishment licenses shall be issued in accordance with Chapter 1 of this Title.

- A. An application for a License shall be filed with the Local Licensing Authority on forms provided by the Local Licensing Authority. The application shall contain such information as the Local Licensing Authority may require.**
- B. An applicant shall file at the time of application for a Local License plans and specifications for the interior of the building if the building to be occupied is in existence at the time. If the building is not in existence, the applicant shall file a plot plan and a detailed sketch for the interior and submit an architect's drawing of the building to be constructed. In its discretion, the Local Licensing Authority may impose additional requirements necessary for the approval of the application.**

5-29-4: Public Hearing Notice – Posting and Publication.

- A. Upon receipt of an application for a Local License, except an application for renewal the Local Licensing Authority shall schedule a public hearing upon the application, to be held not less than thirty (30) days after the date the application. If the Local Licensing Authority schedules a hearing for a Marijuana Consumption Establishment Application, it shall post and publish public notice thereof not less than ten (10) days prior to the hearing. The Local Licensing Authority shall give public notice by the posting by the applicant of a sign in a conspicuous place on the Marijuana Consumption establishment premises for which application has been made, by having the applicant mail a notice and by publication in a newspaper of general circulation or the City's official website in the City in which the Marijuana Consumption Establishment is to be located.**
- B. Public notice given by posting shall include a sign of suitable material, not less than twenty-two inches (22") wide and twenty-six inches (26") high, composed of letters not less than one inch (1") in height and stating the type of License applied for, the date of the application, the date of the hearing, the name and address of the applicant, and such other information as may be required to fully apprise the public of the nature of the application./ The sign shall contain the names and addresses of the officers, directors, or manager of the facility to be licensed.**
- C. Public notice given by publication shall contain the same information as that required for signs.**
- D. If the building in which Marijuana Consumption Establishment is to be operated is in existence at the time of the application, a sign posted as required in this Section shall be placed so as to be conspicuous and plainly visible from the adjoining street right-of-way. If the building is not constructed at the time of the application, the applicant**

shall post a sign at the premises upon which the building is to be constructed in such a manner that the notice shall be conspicuous and plainly visible to the general public from the adjoining street right-of-way.

E. Mailed Notice.

1. Mailed Notice to Applicant. The City shall give written notice of the date, time, and place of any scheduled hearing to the applicant either in person or by first class mail.
2. The applicant shall mail written notification of the hearing at least ten (10) days prior to the hearing to occupants and property owners within the neighborhood boundaries established by the Local Licensing Authority.
3. The applicant shall provide a mailing list to the City and certify that letters were mailed via the U. S. Postal Service to the listed addresses ten (10) days prior to the hearing.
4. After approval of an application, the Local Licensing Official shall not issue a local license until the building in which the business to be conducted is ready for occupancy with such furniture, fixtures, and equipment in place as are necessary to comply with the applicable provisions of this Title and State Statute, and then only after the Local Licensing Official has inspected the premises to determine that the applicant has complied with the Architect's Drawing and the Plot Plan and detailed sketch for the interior of the building submitted with the application.

5-29-5: Denial of Application.

- A. The Local Licensing Authority shall deny a Local License if the premises on which the applicant proposes to conduct its business do not meet the requirements of this Title or for reasons set forth in this Chapter.
- B. If the Local Licensing Authority denies a Local License, the Applicant shall be entitled to a hearing pursuant to this Title. The Local Licensing Authority shall provide written notice of the Grounds for denial of the Local License of the applicant.

5-29-6: Restrictions for Applications for New Licenses.

- A. The Local Licensing Authority shall not receive or act upon an application for the issuance of a Local License pursuant to this Title.
 1. Until it is established that the applicant is, or will be, entitled to possession of the premises for which application is made under a lease, rental agreement, or other arrangement for possession of the premises or by virtue of ownership of the premises.
 2. For a location in an area a Marijuana Consumption Establishment is not permitted under the applicable zoning laws.

3. a. If the building in which Marijuana Consumption Establishment is to be located is within two thousand feet (2,000') of a school, an alcohol or drug treatment facility, or the campus of a college, university, seminary, or a residential child care facility or within two thousand five hundred feet (2,500') of an existing Marijuana Center Consumption Establishment, or a health care facility. The provisions of this Section shall not affect the renewal or re-issuance of a license once granted or apply to licensed premises in effect and actively doing business before said principal campus was constructed.
- b. The Local Licensing Authority shall consider the evidence and make a specific finding of fact as to whether the building in which the Marijuana is to be consumed is located within any distance restrictions established or pursuant to this Paragraph 3.
- c. The distances referred to in this Title are to be computed by direct measurement from the nearest property line of the land used for a school or campus to the nearest portion of the building in which Medical Marijuana is to be consumed, using a route of direct pedestrian access.
4. The building in which the establishment is to be located shall be a stand alone building, and not connected to or share a common wall.
5. Marijuana Consumption Establishments shall be allowed in the same zone districts as Medical Marijuana, pursuant to Title 16-5-1 of the Englewood Municipal Code.
6. The Licensee shall provide proof that the building in which the Marijuana Consumption Establishment is to be located has passed all Building and Fire Code inspections.

5-29-7: Transfer of Ownership.

- A. A Local License granted under the provisions of this Title shall not be transferable except as provided in this Section.
- B. For a transfer of ownership, a License Holder shall apply to the Local Licensing Authorities on forms prepared and furnished by the Local Licensing Authority. In determining whether to permit a Transfer of Ownership, the Local Licensing Authority shall consider only the requirements of this Title, any rules promulgated by the Local Licensing Authority, and any other local restrictions. The Local Licensing Authority may hold a hearing on the Application for the Transfer of Ownership. The Local Licensing Authority shall not hold a hearing until the Local Licensing Authority has posted a notice of hearing in the manner described in this Title on the Marijuana Consumption Establishment premises for a period of ten (10) days and has provided notice of the hearing to the applicant at least ten (10) days prior to the hearing. Any transfer of ownership hearing by the Local Licensing Authority shall be held in compliance with the requirement of this Title.

5-29-8: Licensing Renewal.

- A. Ninety (90) days prior to the expiration date of an existing License, the Local Licensing Authority may notify the Licensee of the expiration date by First Class Mail at the Licensee's address of record with the Local Licensing Authority. A Licensee shall apply for the renewal of an existing License to the Local Licensing Authority not less than forty-five (45) days prior to the date of expiration. A local Licensing Authority shall not accept an application for renewal of a License after the date of expiration, except as provided in Subsection B of this Section. The Local Licensing Authority, in its discretion, subject to the requirements of this Title and based upon reasonable grounds, may waive the forty-five (45) day or thirty (30) day time requirement set forth in this Title. The Local Licensing Authority may hold a hearing on the application for renewal only if the Licensee has had complaints filed against it; and has a history of violations; or there are allegations the Licensee that would constitute good cause. The Local Licensing Authority shall not hold a renewal hearing provided for by this Title for a Marijuana Consumption Establishment until it has posted a notice on the Licensed Marijuana Consumption Establishment premises in the manner described in this Title for a period of ten (10) days and provided notice to the Applicant at least ten (10) days prior to the hearing. The Local Licensing Authority may refuse to renew any License for good cause, subject to Judicial Review.
- B. 1. Notwithstanding the provisions of Subsection A of this Section, a Licensee whose License had been expired for not more than ninety (90) days may file a Late Renewal Application upon the payment of a Nonrefundable Late Application Fee of Five Hundred Dollars (\$500.00) to the local Licensing Authority. A Licensee who files a Late Renewal Application and pays the requisite fees may continue to operate until the Local Licensing Authorities have taken final action to approve or deny the Licensee's Late Renewal Application unless the Local License Authority summarily suspends the License pursuant to the rules promulgated pursuant to this Title.
2. The Local Licensing Authorities may not accept a Late Renewal Application more than ninety (90) days after the expiration of a Licensee's Permanent Annual License. A Licensee whose Permanent Annual License has been expired for more than ninety (90) days shall not operate a Marijuana Consumption Establishment until all required Licenses have been obtained.
3. Notwithstanding the amount specified for the Late Application Fee, the Local Licensing Authority by rule or as otherwise provided by law may, in its discretion, reduce the amount of the fee.
- C. In the event that a school, an alcohol or drug treatment facility, or the principal campus of a college university, seminary, or a residential child care facility locates within two thousand feet (2,000') of a Marijuana Consumption Establishment, a renewal of the establishment's license will be denied.

5-29-9: Inactive Licenses.

The Local Licensing Authority, in its discretion, may revoke or elect not to renew any License if it determines that the Licensed Premises have been inactive, without good cause, for at least one (1) year.

5-29-10: Unlawful Financial Assistance.

- A. The Local Licensing Authority, by rule and regulation, shall require a complete disclosure of all persons having a direct or indirect financial interest, and the extent of such interest, in each License issued under this Article.
- B. A person shall not have an unreported financial interest in a License pursuant to this Title unless that person has undergone a fingerprint-based criminal history record check as provided for by the Local Licensing Authority in its rules.
- C. This Section is intended to prohibit and prevent the control of outlets for the Consumption of Marijuana by a person or party other than the persons Licensed pursuant to the provisions of this Title.

5-29-11: Fees.

Every Marijuana Consumption Establishment shall pay a fee. This fee is imposed to offset the cost of administering this License. This fee shall be determined by the City Council and set by Resolution.

5-29-12: Disciplinary Actions: Suspension – Revocation – Fines.

- A. Pursuant to the Colorado Constitution, Article XVIII, Subsection 16 (5)(e), (f), (h), and (i); and Colorado Revised Statute, 12-43.4-301 (2), which provide that a local government may enact ordinances and regulations governing the time, place, manner and number of marijuana establishment operations; establishing procedures for the issuance, suspension, and revocation of a license issued by a locality.
- B. In addition to any other sanctions the Local Licensing Authority has the power, on its own motion or on complaint, after investigation and opportunity for a Public Hearing at which the Licensee shall be afforded an opportunity for a Public Hearing at which the Licensee shall be afforded an opportunity to be heard; to suspend or revoke a License issued by the Authority for a violation by the Licensee or by any of the agents or employees of the Licensee of the provisions of this Title, or any other terms, conditions, or provisions of the License issued the Local Licensing Authority. The Local Licensing Authority has the power to administer oaths and issue subpoenas to require the presence of persons and the production of papers, books, and records necessary to the determination of a Hearing.
- C. The local Licensing Authority shall provide notice of suspension, revocation, fine, or other sanction, as well as the required Notice of the Hearing Pursuant to this Title, by ailing the same in writing to the Licensee at the address contained in the License. Except in the case of a Summary Suspension, a suspension shall not be for a longer

period than six (6) months. If a License is suspended or revoked, a part of the fees paid therefore shall not be returned to the Licensee. Any License or Permit may be summarily suspended by the issuing Licensing Authority without Notice pending any prosecution, investigation, or Public Hearing pursuant to the terms of this Title.

- D. 1. Whenever a decision of the local Licensing Authority suspending a License for fourteen (14) days or less becomes final, the Licensee may, before the operative date of the suspension, Petition for permission to pay a fine in lieu of having the License suspended for all or part of the suspension period. Upon the receipt of the petition, the Local Licensing Authority may, in its sole discretion, stay the proposed suspension and cause any investigation to be made which it deems desirable and may, in its sole discretion, grant the petition if the Local Licensing Authority is satisfied that:
- a. The public welfare and morals would not be impaired by permitting the Licensee to operate during the period set for suspension and that the payment of the fine will achieve the desired disciplinary purposes.
 - b. The books and records of the Licensee are kept in such a manner that the loss of sales that the Licensee would have suffered had the suspension gone into effect can be determined with reasonable accuracy.
 - c. The Licensee has not had his or her License suspended or revoked, nor had any suspension stayed by payment of a fine, during the two (2) years immediately preceding the date of the Motion or Complaint that resulted in a final decision to suspend the License.
- E. Upon payment of the fine, the Local Licensing Authority shall enter its further order permanently staying the imposition of the suspension. If the fine is paid to a Local Licensing Authority, the governing body of the Authority shall cause the moneys to be paid to the General Fund of the Local Licensing Authority.
- EE. In connection with a petition, the authority of the Local Licensing Authority is limited to the granting of such stays as are necessary for the Authority to complete its investigation and make its findings and if the Authority makes such findings, to the granting of an Order Permanently staying the imposition of the entire suspension or the portion of the suspension not otherwise conditionally stayed.
- G. If the Local Licensing Authority does not make the findings required in this Section and does not order the suspension permanently stayed, the suspension shall go into effect on the operative date finally set by the Local Licensing Authority.

5-29-13: Inspection of Books and Records – Inspection Procedures.

- A. Each Licensee shall keep a complete set of all records necessary to show fully the business transactions of the Licensee, all of which shall be open at all times during business hours for the inspection and examination by the Local Licensing Authority or its duly authorized representatives. The Local Licensing Authority may require any Licensee to furnish such information as it considers necessary for the proper administration of this Title and may require an audit to be made of the books of account and records on such occasions as it may consider necessary by an auditor to

be selected the Local Licensing Authority who shall likewise have access to all books and records of the Licensee, and the expense thereof shall be paid by the Licensee.

- B.** The Licensed Premises, shall be subject to inspection by the Local Licensing Authorities and their investigators, including officers of the Englewood Police Department, during all business hours and other times of apparent activity, for the purpose of inspection or investigation. For examination of any inventory or books and records required to be kept by the Licensees, access shall be required during business hours. Where any part of the licensed Premises consists of a locked area, upon demand to the Licensee, such area shall be made available for inspection without delay, and upon request by authorized representatives of the Local Licensing Authority, the Licensee shall open the area for inspection.
- C.** Each Licensee shall retain all books and records necessary to show fully the business transactions of the Licensee for a period of the current tax year and the three (3) immediately prior tax years.

5-29-14: Special Conditions and Restrictions of the License.

In addition to the requirements of Chapter 1 of this title, the following special conditions and restrictions apply:

- A.** No person under 21 years of age shall be allowed access to any Marijuana Consumption Establishment, including those individuals who hold a valid Medical Marijuana License, and have not attained the age of 21.
- B.** To prevent odors, the following type of filtration system shall be installed:
- 1.** Activated Carbon Filtration is required. Carbon filtration has been effective for controlling marijuana odors. The system involves forcing the air circulating within the HVAC system through an activated carbon filter that will filter out odors.
 - a.** The size and layout of the establishment will determine the requirements for the carbon filtration system. Larger scale operations will require the use of larger fans and more carbon and will typically increase the requirements of existing HVAC systems. Inspection and determination that the filtering system shall limit marijuana odor to 1 part odor to 7 parts filtered air shall be required by the Chief Building Official prior to the approval of a license.
 - b.** In addition, as filters age and the activated carbon become clogged with impurities, it will be necessary to replace the carbon, per manufacturer's recommendation. To ensure proper air flow through the filters, the dust collector "sock" associated with the carbon filter should be changed regularly, per manufacturer's recommendation. The Fire Marshal shall inspect the carbon filter replacement with the yearly renewal of the license.
 - c.** Hours of Operations. Marijuana Consumption Establishments may be open to their members between the hours of 7:00 AM and 2:00 AM.

- d. Supervision. During the hours of operations, no owner, employee or supervisory personnel who are acting in their ownership, employee or supervisory capacity shall consume marijuana. This Section shall not apply when the owner, employee or supervisory personnel are not engaged in their respective capacity.
- e. No consumption or sale of alcoholic beverages shall be allowed on the premises of any Marijuana Consumption Establishment.
- f. No outdoor/patio shall be used for the consumption of Marijuana.
- g. No Butane torches which have the capacity to remain ignited without shall be allowed. This does not apply to torches which can be shut off automatically.
- h. Waste Disposal. Any marijuana waste generated during the hours of operations shall be disposed of in a manner that shall render it unusable and unrecognizable. This may be accomplished by the following methods:

 - i. Grinding and incorporating the marijuana waste with non-consumable, solid wastes such that the resulting mixture is at least fifty percent (50%) non-marijuana waste. Marijuana waste may be incorporated in the following ways:

 - (a) Paper waste.
 - (b) Plastic waste.
 - (c) Cardboard waste.
 - (d) Food waste.
 - (e) Grease or other compostable waste.
 - (f) A licensee shall not dispose of any waste containing marijuana in unsecured waste receptacles not in possession and control of the licensee.
- C. Every Marijuana Consumption Establishment shall post a sign at each entry point, twelve (12) inches by twelve (12) inches which shall state: Marijuana Consumption Establishment No One Under the Age of 21 Years Allowed. The sale or transfer of Marijuana Is Strictly Prohibited, Alcohol Is Not Allowed On The Premises.
- D. No Marijuana Consumption Establishment shall allow the sale, transfer with or without remuneration give distribute, permit the sale of or permit the transfer with remuneration of Marijuana, Medical Marijuana or Marijuana product upon the licensed premises. As used in this Subsection, "remuneration" includes, but is not limited to any payment, compensation, reimbursement, coupon, donation, barter, trade or other monetary or non-monetary benefit, or consideration of any kind.

E. No Marijuana consumption establishment shall cultivate, manufacture, store or permit the cultivation, manufacture, or storage of Marijuana, Medical Marijuana or Marijuana product upon the Licensed premises.

E. No Licensee shall operate a Marijuana Consumption Establishment in a movable or mobile structure.

5-29-15: Security.

A. Each licensed premises shall have a security alarm system, as well as a video monitoring system, which shall provide a recording system in a digital format. All video and security alarm system must be stored in a secure area that is accessible to a Licensee's management staff. Such video systems shall cover any entrances and exists, and common areas of the establishment. Such video footage shall be made available upon the request of a Police Officer investigating any suspected criminal activity occurring on, in, or around a Marijuana Consumption Establishment.

Section 2. License required. A License to operate a Marijuana Consumption Establishment shall be required after January 21, 2016. Due to the health, safety, and welfare aspects of operating a Marijuana Consumption Establishment no grandfathering of license requirements is permitted.

Section 3. Safety Clauses. The City Council hereby finds, determines, and declares that this Ordinance is promulgated under the general police power of the City of Englewood, that it is promulgated for the health, safety, and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The City Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained.

Section 4. Severability. If any clause, sentence, paragraph, or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect, impair or invalidate the remainder of this Ordinance or it application to other persons or circumstances.

Section 5. Inconsistent Ordinances. All other Ordinances or portions thereof inconsistent or conflicting with this Ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 6. Effect of repeal or modification. The repeal or modification of any provision of the Code of the City of Englewood by this Ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purposes of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

Section 7. Grandfather Clause. Marijuana Consumption Establishments currently legally in existence in any zone district as of the effective date of this Ordinance shall be grandfathered for zoning purposes only.

Section 8. Penalty. The Penalty Provision of Section 1-4-1 EMC shall apply to each and every violation of this Ordinance.

Introduced, read in full, and passed on first reading on the ____ day of _____, 2016.

Published by Title as a Bill for an Ordinance in the City's official newspaper on the ____ day of _____, 2016.

Published as a Bill for an Ordinance on the City's official website beginning on the ____ day of _____, 2016 for thirty (30) days.

Joe Jefferson, Mayor

ATTEST:

Loucrishia A. Ellis, City Clerk

I, Loucrishia A. Ellis, City Clerk of the City of Englewood, Colorado, hereby certify that the above and foregoing is a true copy of a Bill for an Ordinance, introduced, read in full, and passed on first reading on the ____ day of _____, 2016.

Loucrishia A. Ellis



January 28, 2016

City Council Members
Liquor & Medical Marijuana Licensing Authority Members
c/o Stephanie Carlile
Deputy City Clerk
City of Englewood
1000 Englewood Parkway
Englewood, Colorado 80110

By email to: scarlile@englewoodgov.org

RE: Health Concerns Regarding Creation of a New Marijuana Consumption Establishment License in Englewood

Dear City Council & Licensing Authority Members:

Tri-County Health Department (TCHD) appreciates this opportunity to comment on the City of Englewood's proposed Ordinance Creating a New Marijuana Consumption License. Based on several public health concerns that we think will be very difficult to mitigate, TCHD does not support the creation of a new marijuana consumption license by Englewood.

Our major public health concerns are secondhand marijuana smoke exposure in adjacent premises and among club employees, and the potential for impaired driving by private marijuana club patrons. In addition, we have two other concerns relevant to community well-being: the social norming of marijuana consumption, particularly for youth, and health equity issues related to the location of marijuana businesses. We have attached, for your consideration, a more detailed analysis of each of these concerns, drawing from the scientific literature as well as Colorado-specific data and information surrounding marijuana use among youth and adults.

After consideration of these issues, should the City of Englewood decide to move forward with allowing additional marijuana –consumption establishments or, if the city chooses instead to more effectively regulate the city's currently existing marijuana club, TCHD believes that the proposed ordinance or regulations could be clarified and strengthened by taking several factors, identified by our policy and environmental staff, into consideration. These suggestions are detailed in Part 2 of the attached document.

In closing, I would like to reiterate our appreciation for this opportunity to provide a public health perspective on the ordinance under consideration, and commend the City for taking seriously the potential health impacts of its policy decisions on Englewood residents and workers, including its most vulnerable populations.

City of Englewood
January 28, 2016
Page Two of Two

We consider the City's leadership important partners in the effort to create healthier communities and hope that you will reconsider licensing additional marijuana clubs in Englewood in order to protect the health of the people of Englewood.

Sincerely,

John M. Douglas, Jr., M.D.
Executive Director



Enclosure: Tri-County Health Department Comment on City of Englewood's Proposed Ordinance Creating a New Marijuana Consumption License: Additional Information



**Tri-County Health Department Comment on City of Englewood's Proposed Ordinance
Creating a New Marijuana Consumption License: Additional Information**

Part 1: Public Health Concerns:

1. Secondhand marijuana smoke exposure in adjacent premises and among club employees

TCHD is concerned that marijuana smoke from private clubs creates a health danger both from smoke drifting directly and via shared heating and ventilation systems into the same building or adjacent premises and also to club employees inhaling marijuana smoke while on the job.

This concern is based in part on the analogy with tobacco smoke for which second-hand exposure is now widely accepted as a major health risk, a similarity that Colorado policymakers took into consideration when they added marijuana smoke to the Colorado Clean Indoor Air Act. The U. S. Surgeon General has concluded that "There is no risk-free level of exposure to secondhand smoke. ... Separating smokers from nonsmokers, cleaning the air, and ventilating buildings cannot eliminate exposures of nonsmokers to secondhand smoke."¹ Experts in heating, refrigeration and air conditioning from the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) state: "At present, the only means of effectively eliminating health risks associated with indoor exposure is to ban smoking activity."²

Regarding the health impact of inhaled marijuana, Colorado's own scientific review, conducted by the Colorado Department of Public Health and Environment's (CDPHE) Retail Marijuana Public Health Advisory Committee, *2014 Marijuana Use and Respiratory Effects: Systematic Literature Review*, "found substantial evidence that marijuana smoke, both mainstream and sidestream, contains many of the same cancer-causing chemicals as tobacco smoke and that marijuana smoke may deposit more particulate matter in the lungs per puff compared to tobacco smoke."³ Specific health effects of heavy

¹ U.S. Surgeon General's Report (2006) The Health Consequences of Involuntary Exposure to Tobacco Smoke. USDHHS. Accessed 1-6-16 at: <http://www.surgeongeneral.gov/library/reports/secondhandsmoke/fullreport.pdf>

² CDC Fact Sheet, "Ventilation Does Not Effectively Protect Nonsmokers from Secondhand Smoke." Accessed 1-28-16 at: http://www.cdc.gov/tobacco/data_statistics/fact_sheets/secondhand_smoke/protection/ventilation/

³ Moir, D., et al., "A comparison of mainstream and sidestream marijuana and tobacco cigarette smoke produced under two machine smoking conditions." *Chem Res Toxicol*, 2008. 21(2): p. 494-502. Lee, M.L., M. Novotny, and K.D. Bartle, "Gas chromatography/mass spectrometric and nuclear magnetic resonance spectrometric studies of carcinogenic polynuclear aromatic hydrocarbons in tobacco and marijuana smoke condensates." *Anal Chem*, 1976. 48(2): p. 405-16. Sparacino, C.M., P.A. Hyldborg, and T.J. Hughes, *Chemical and Biological Analysis of Marijuana Smoke Condensate*, U.S.D.o.H.a.H. Services, Editor. 1990..

exposure to inhaled marijuana include a strong association with pre-malignant bronchial lesions, and chronic bronchitis, and a possible association with bullous lung disease.

A 2015 study, designed to evaluate secondhand exposure to marijuana smoke, found that heavy secondhand exposure of drug-free nonsmokers to marijuana smoke mimicked, though to a lesser extent, the effects of active cannabis smoking, including components of marijuana smoke such as THC in saliva and blood up to 3 hours following exposure, and produced similar subjective psychological effects.⁴ These study results raise concerns about the effect of secondhand smoke exposure on private club employees and their ability to effectively supervise others' use of marijuana on the club's premises.

Finally, marijuana smoke is included in the Colorado Clean Indoor Air Act (CCIAA), which prohibits smoking in indoor workplace areas, including private workplaces not open to the public, unless they have three or fewer employees. Englewood's proposed ordinance would allow for a "room" or "part of a building" to become a licensed private marijuana club raising CCIAA public health concerns about smoke drifting from "private" clubs to neighboring or adjoining public areas in the same building, and "public buildings" as a whole are covered by the CCIA (C.R.S. 25-14-204 (1) (v)). It should be noted that marijuana consumption clubs that currently exist in Colorado are all, reportedly, open to members of the public upon payment of a nominal fee.

2. Potential for impaired driving by private marijuana club patrons

The National Institute on Drug Abuse (NIDA) reports that after alcohol, marijuana is the drug most often linked to impaired driving. Marijuana can slow reaction time, impair judgment of time and distance, and decrease motor coordination. Studies have shown negative effects of marijuana on drivers, including an increase in lane weaving and poor reaction time and attention to the road. Use of alcohol with marijuana made drivers more impaired, causing even more lane weaving.⁵ A recent review of scientific literature on marijuana's effects on driving by NIDA researchers concluded that "recent smoking and/or THC [blood] concentrations of 2-5 ng/mL are associated with substantial driving impairment, particularly in occasional smokers."⁶

The National Highway Traffic Safety Association's (NHTSA) 2013-2014 National Roadside Survey found that 12.6 % of drivers on weekend nights tested positive for THC, significantly higher than the 8.6 % testing positive in NHTSA's 2007 report.⁷ In another study of driver deaths in six states, 28.3 % of drivers tested positive for drugs in 2010, including 12.2 % for marijuana, significantly higher than in 1999 when

⁴ Cone, E. et. al. "Nonsmoker Exposure to Secondhand Cannabis Smoke. III. Oral Fluid and Blood Drug Concentrations and Corresponding Subjective Effects." *J Anal Toxicol*, 2015 Sep ;39(7):497-509. doi: 10.1093/jat/bkv070. Epub 2015 Jul 2. <http://www.ncbi.nlm.nih.gov/pubmed/26139312>

⁵ National Institute on Drug Abuse, "Drug Facts: Drugged Driving" Revised May 2015. Accessed 1/6/16 at: <http://www.drugabuse.gov/publications/drugfacts/drugged-driving>

⁶ Hartman, R. and Huestis, M. "Cannabis Effects on Driving Skills" *Clinical Chemistry*, March 2013, 59 (3) 478-492.

⁷ Berning, A., Compton, R., & Wochinger, K. (2015, February). Results of the 2013–2014 National Roadside Survey of alcohol and drug use by drivers. (Traffic Safety Facts Research Note. Report No. DOT HS 812 118). Washington, DC: National Highway Traffic Safety Administration.

16.6 % of drivers tested positive for drugs, including 4.2 % for marijuana.⁸ In Colorado in 2014, the most recent year for which CDPHE data are available, 18.8 % of adult marijuana users reported driving after using.⁹ In a 2011 study, about 17 percent of college students with access to a car (1 in 6) reported driving under the influence of a drug other than alcohol, with marijuana being the most common drug used by students surveyed. Among these students who drove while drugged, 57 to 67 percent did so at least three times and 27 to 37 percent at least 10 times.¹⁰

These high rates of driving while under the influence of marijuana raise concerns for Englewood community traffic safety in the vicinity of private clubs where people use marijuana, even occasionally, as an important public health issue. Colorado law recognizes the danger of driving while impaired by marijuana by establishing a presumption of impaired ability to operate a motor vehicle for drivers whose THC blood level exceeds 5 nanograms. Although a quick, standard roadside test for marijuana impairment has not yet been adopted for use throughout Colorado, it does not lessen the scientific evidence supporting the public health dangers of marijuana-impaired driving.

Other Concerns Regarding Community Well-being

1. Social norming of marijuana consumption, particularly for youth

Social norming of marijuana use, by the presence and advertising of a marijuana consumption club in Englewood can inadvertently communicate to youth that using marijuana is a “normal” activity. Not locating a private marijuana club in Englewood will help avoid sending a message to children and teens that using marijuana is the social norm and/or a welcome or sophisticated adult activity for the community. This is in accord with the city’s mission statement to promote and ensure a high quality of life, economic vitality, and a uniquely desirable community identity.

Although marijuana use is illegal for anyone in Colorado less than 21 years old, Healthy Kids Colorado Survey (HKCS) results for 2013 for Arapahoe County high school students report that many more students say they have used marijuana one or more times (40.7 %) than have ever smoked a whole tobacco cigarette (19.8 %). In Arapahoe County, 59.7 % of students surveyed in 2013, even prior to retail marijuana legalization, felt that “it would be sort of easy or very easy to get marijuana if they wanted.” For this reason, school districts in the Tri-County area have shown great interest partnering with TCHD for marijuana prevention.

TCHD works with school districts in the area on comprehensive approaches to youth tobacco prevention that can also be useful for youth marijuana prevention. For tobacco, research shows that social and

⁸ Brady JE, Guohua L. “Trends in alcohol and other drugs detected in fatally injured drivers in the United States, 1999-2010. *American Journal of Epidemiology*. 2014; 179(6):692-699.

⁹ Colorado Department of Public Health and Environment, “Marijuana Use in Colorado, Colorado adults, ages 18 and older, 2014” accessed 1/25/16 at: <http://www.chd.dphe.state.co.us/MJ/2014-Adult-Marijuana-Use-In-Colorado.html>

¹⁰ Arria AM, Caldeira KM, Vincent KB, Garnier-Dykstra LM, O’Grady KE. “Substance-related traffic-risk behaviors among college students”. *Drug Alcohol Depend*. 2011;118 (2-3):306-312.

physical environments correlate with youth usage. According to studies compiled by the Centers for Disease Control and Prevention and the Surgeon General, youth are more likely to use tobacco if they see that tobacco use is acceptable or normal among their peers or when media show tobacco use as a normal activity. Other influences that affect youth tobacco use include accessibility and availability of tobacco products and exposure to tobacco advertising.¹¹

Strategies that work as part of a comprehensive approach to prevent youth tobacco use include¹²:

- Prohibiting smoking at worksites and other indoor public places
- Community programs and school policies and interventions that encourage tobacco-free environments and lifestyles, and
- Community programs to reduce tobacco advertising, promotions, and product availability.

If it chooses not to license private marijuana clubs, the city of Englewood will be taking a positive step toward adopting these same strategies for youth marijuana prevention; that is, the city will be reducing marijuana availability, encouraging a marijuana-free environment and lifestyle, and reducing marijuana product availability in the community, just as it has already done by not allowing retail marijuana establishments.

2. Health equity issues related to the location of marijuana businesses

The Denver Post reported recently that marijuana-related businesses are disproportionately located in Denver's low-income, minority neighborhoods, including along and near the South Broadway corridor that extends into Englewood.¹³ In Denver neighborhoods where marijuana businesses have located, the Post reports that "Odors from the pot grows and fears of rising crime and youth marijuana usage top the neighborhood concerns. There have been persistent complaints about unlocked trash bins – by law they are supposed to be padlocked when not in use – and vagrants picking through them for marijuana remnants." "Residents say the potential benefits from a growing industry in the community, such as job opportunities are less evident to them. They see marijuana as just the latest in a string of undesirable

¹¹ U.S. Department of Health and Human Services. [Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General](#). Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2012. U.S. Department of Health and Human Services. [Reducing Tobacco Use: A Report of the Surgeon General](#). Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2000.

¹² Centers for Disease Control and Prevention. [Best Practices for Comprehensive Tobacco Control Programs—2014](#). Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014. Centers for Disease Control and Prevention web page, "Youth and Tobacco Use" accessed 1/26/16 at: http://www.cdc.gov/tobacco/data_statistics/fact_sheets/youth_data/tobacco_use/

¹³ "Where the pot is: marijuana-related businesses disproportionately located in Denver's low-income minority neighborhoods," *The Sunday Denver Post*, January 3, 2016, accessed 1/26/16 at: http://www.denverpost.com/datacenter/ci_29337458/marijuana-denver-map-pot-related-businesses-by-neighborhood

industries settling in their midst. 'The areas are the trash can of the Denver community and that's been the view for years,' said Vernon Hill, a Globeville resident who works with Globeville Civic Partners."

Some of these same considerations apply to areas of Englewood. As reported in U.S. Census data¹⁴, Englewood has a higher poverty rate (15.2 %) than Colorado as a whole (13.2 %), a slightly higher American Indian/Alaska Native population (1.4 %) than the state as a whole (1.1 %) and a substantial Hispanic/Latino community of 18.1 %. For Englewood's low-income and minority residents already living in poverty, allowing additional private marijuana clubs in the city could, we believe, contribute to an unhealthy environment that would disproportionately affect people in these communities.

Part 2: Suggestions to Make New Regulations or the Proposed Ordinance More Protective of the Public's Health

After consideration of the above issues, if Englewood decides to move forward with allowing additional private marijuana clubs or if, as an alternative, the city chooses to more effectively regulate the city's currently existing marijuana consumption establishment, TCHD suggests that the proposed ordinance or regulations could be more protective of the public's health by taking the following factors identified by TCHD's policy and environmental staff into consideration. Those comments follow on specific sections of the proposed draft ordinance:

1. Findings-Preamble Section and Section 5-29-12. Disciplinary Actions: Suspension-Revocation-Fines, Subsection A

The preamble section of the draft ordinance states that "there are currently no State laws or regulations governing the licensing of Marijuana Consumption Establishments; and" that "local governments can enact ordinances and regulations governing marijuana establishments operations pursuant to the Colorado Constitution, Article XVIII, Subsection 16(5)(e), (f), (h), and (i); and Colorado Revised Statutes 12-43.4301 (2)." Section 5-29-12, Subsection A of the proposed ordinance also cites these same constitutional and statutory sections as authority.

As a general comment, TCHD policy staff notes that the Constitutional and statutory sections referenced provide authority for local governments to enact ordinances or regulations governing only four specific types of marijuana establishments -- "a marijuana cultivation facility, marijuana testing facility, a marijuana product manufacturing facility, or a retail marijuana store." Private marijuana consumption clubs are not among the four types of establishments authorized by the Colorado Constitution.

¹⁴ U.S. Census Bureau: State and County QuickFacts. Englewood Data derived from Population Estimates, American Community Survey, Census of Population and Housing, County Business Patterns, Economic Census, Survey of Business Owners, Building Permits, Census of Governments Last Revised: Wednesday, 02-Dec-2015. Accessed 1/26/16 at: <http://quickfacts.census.gov/qfd/states/08/0824785.html>

2. Section 5-29-1: Definitions of Good Cause, Marijuana Consumption Establishment, Person, Premises and Smoking

“Good Cause” – Subsection 3 of the definition of “Good Cause” lists reasons to refuse or deny a license renewal or reinstatement based on considerations related to “adverse” effects on “public health, welfare of the safety of the immediate neighborhood in which the establishment is located.” All of the examples of evidence that would support a finding of such adverse effects (in 3. a., b. and c.) relate to criminal offenses or conduct. TCHD suggests that this section also include potential adverse effects on environmental public health such as effects on air quality, land or water contamination, or fire hazards.

“Marijuana Consumption Establishment” - The definition seems over-broad (although honest) by including a range of establishments that are not PRIVATE social clubs. For example, the definition broadly includes “organization” “business” or “commercial operation.”

“Premises” – There may be indoor air quality issues and fire safety issues with allowing “part of a building” or a “room” to be licensed as a private marijuana consumption club premises. TCHD suggests not permitting this use for parts of a building or rooms within a building.

“Smoking” – TCHD suggests adding electronic smoking devices and dabs to this definition and not limiting it to tobacco and “Medical Marijuana.” For example, the word “Medical” could be deleted from the definition and electronic smoking could be added so that the definition reads: “Smoking: Shall mean the burning of a lighted cigarette, cigar, pipe, or any other matter or substance that contains tobacco or marijuana, including all types of electronic smoking devices such as one composed of a heating element, battery, and/or electronic circuit that provides an aerosol of a solution including nicotine, marijuana or any other substance for inhalation. This term shall include every variation and type of such devices whether they are manufactured, distributed, marketed, or sold as an electronic cigarette, an electronic cigar, an electronic cigarillo, and electronic pen, an electronic pipe, electronic hookah, vape pen, vape mod or any other product name or descriptor for such devices. The term shall also include consumption by dabbing, that is, pressing a piece of cannabis extract usually made by a process involving butane and known as butane hash oil against a heated surface of an oil rig pipe or similar device and inhaling the smoke. The term ‘electronic smoking device’ does not include any device specifically approved by the United States Food and Drug Administration for any medical purpose, when such a device is being marketed and sold solely for such approved purpose.”

3. Section 5-29-6. Restrictions for Applications for New Licenses.

A. 3. a. We suggest adding “local health department offices” and “health care clinics” to the distancing requirements for when the Licensing Authority shall not receive or act upon an application for a license for a private consumption club. In order to provide a buffer zone of at least 2500 feet for pregnant women who are served by the health department at its Englewood location, this subsection, subparagraph a, would then read: “If the building in which THE Marijuana Consumption Establishment is to be located IS within two thousand FIVE HUNDRED feet (2,500’) of a school, an alcohol or drug

treatment facility, LOCAL HEALTH DEPARTMENT OFFICE, HEALTH CARE CLINIC, or the principal campus of a college university, seminary, or a residential child care facility or an existing Marijuana Consumption Establishment.” TCHD also applauds Englewood’s stated intention not to permit more than one additional marijuana consumption establishment, if any, in the city.

3.b.c. Reference in this section needs to be updated from “Medical Marijuana” to include application of the restrictions to private clubs.

4. Section 5-29-8. Licensing Renewal.

Subsection C. We suggest adding local health department offices and health care clinics to the distancing requirements in this subsection too, in order to provide a buffer zone for pregnant women who are served by the health department at its Englewood location. This section would then read: “In the event that a school, an alcohol or drug treatment facility, LOCAL HEALTH DEPARTMENT OFFICE, HEALTH CARE CLINIC, or the principal campus of a college university, seminary, or a residential child care facility locates within two thousand FIVE HUNDRED feet (2,500’) of a consumption establishment, a renewal of the establishment’s license will be denied.

5. Section 5-29-13. Inspection of Books and Records – Inspection Procedures.

Subsection B. To enhance fire safety, we suggest adding the local Fire Department as an entity that can inspect licensed premises, in addition to the authorization that this section already provides for the Local Licensing Authority and Englewood Police Department to inspect licensed premises.

6. Section 5-29-14. Special Conditions and Restrictions of the License.

Subsection A. We suggest adding the term “aerosols” to this section to cover consumption of marijuana in electronic smoking devices and to reflect that the devices do not emit harmless water vapor. This sentence would then read: “No person under 21 years of age shall be allowed anywhere in the establishment marijuana is being burned, smoked, vapors OR AEROSOLS being inhaled, or otherwise being consumed.”

Subsection B. 1. A. would require activated carbon filtration for “controlling marijuana odors,” however; this type of air filtration does not address potential health effects of marijuana smoke in neighboring or adjoining businesses (as has apparently already been a concern in Englewood) or residences. See supporting scientific information above in the “Public health concerns” section of this document.

Subsection B. 1. c. Waste Disposal. This section of the proposed ordinance would require that “Any marijuana waste generated during the hours of operations shall be disposed of in a manner that shall render it unusable and unrecognizable. This may be accomplished by the following methods:

i. Grinding and incorporating the marijuana waste with non-consumable, solid wastes such that the resulting mixture is a least fifty percent (50%) non-marijuana waste. Marijuana waste may be incorporated in the following ways:

(a) Paper waste, (b) Plastic waste, (c) Cardboard waste, (d) Food waste, (e) Grease or other compostable waste.

2. A licensee shall not dispose of any waste containing marijuana in unsecured waste receptacles not in possession and control of the licensee.”

This section does not define what constitutes marijuana waste and doesn't address potential toxicity of marijuana waste once it leaves the control of licensees, for example to pets, wildlife or sanitation workers, nor any health effects when the material is disposed of at landfill sites.

To address these concerns, TCHD suggests that the ordinance also include a section paralleling Colorado Department of Revenue Regulation R-307 F, for example, language could be added to this section of the ordinance stating:

After the marijuana waste is made unusable and unrecognizable, the rendered waste shall then be:

- 1. Disposed of at a solid waste site and disposal facility that has a Certificate of Designation from the local governing body;*
- 2. Deposited at a compost facility that has a Certificate of Designation from the Department of Public Health and Environment; or*
- 3. Composted on-site at a facility owned by the generator of the waste and operated in compliance with the Regulations Pertaining to Solid Waste Sites and Facilities (6 CCR 1007-2, Part 1) in the Department of Public Health and Environment.*

TCHD also suggests that a definition of Marijuana Waste be included in the ordinance. A suggested definition based on Colorado's definition of retail marijuana product is:

"Marijuana Product Waste" means waste or any remnants from a product that is comprised of marijuana and/or any combination of marijuana and other ingredients, including, but not limited to, inhaled product, edible product, ointments and tinctures.



To: Mayor Joe Jefferson and City Council
Through: Eric Keck, City Manager
From: Kevin Engels, Accounting Manager and Jennifer Nolan, Revenue and Budget Manager
Date: March 17, 2016
Subject: February, 2016 Financial Report with a 2015 YTD December Update

Please note the 2015 financial information included in this report is unaudited and subject to change due to yearend adjustments.

GENERAL FUND REVENUES: The 2016 calendar is approximately 17% complete. The 2016 YTD revenues received, \$7,100,607 are 16.18% of the revenue estimate budgeted.

<i>Fund Balance January</i>	\$ 9,658,951	\$10,874,312		\$ 12,211,250	\$12,211,250			
	2016			2015			2015 vs 2014	
	Budget	Feb-16	% Budget	Dec-14	Feb-15	% YTD	\$ Diff	% Diff
<i>Revenues</i>								
Property Tax	3,349,000	115,385	3.45%	2,917,413	30,738	1.05%	84,647	275.38%
Specific Ownership Tax	260,000	40,196	15.46%	305,165	26,457	8.67%	13,739	51.93%
Sales & Use Taxes	26,863,699	5,406,813	20.13%	26,521,617	5,152,531	19.43%	254,282	4.94%
Cigarette Tax	170,050	30,719	18.06%	188,285	29,553	15.70%	1,166	3.95%
Franchise Fees	3,173,550	296,819	9.35%	3,317,390	389,350	11.74%	(92,531)	-23.77%
Hotel/Motel Tax	12,000	1,874	15.62%	13,812	2,414	17.48%	(540)	-22.37%
Licenses & Permits	1,169,222	233,638	19.98%	1,611,274	208,377	12.93%	25,261	12.12%
Intergovernmental Revenue	1,287,104	110,540	8.59%	1,766,019	108,407	6.14%	2,133	1.97%
Charges for Services	2,587,112	239,888	9.27%	2,933,932	516,011	17.59%	(276,123)	-53.51%
Recreation	2,592,400	254,029	9.80%	2,464,612	250,983	10.18%	3,046	1.21%
Fines & Forfeitures	1,008,350	140,989	13.98%	1,047,268	175,882	16.79%	(34,893)	-19.84%
Interest	86,446	33,269	38.49%	43,865	29,315	66.83%	3,954	13.49%
EMRF Rents	1,150,000	149,864	13.03%	873,347	165,798	18.98%	(15,934)	-9.61%
Miscellaneous	174,838	46,584	26.64%	217,408	46,854	21.55%	(270)	-0.58%
Total Revenues	43,883,771	7,100,607	16.18%	44,221,407	7,132,670	16.13%	(32,063)	-0.45%

Sales and Use Tax by Business Area:

Business Area	\$ YTD Variance CY vs PY	% YTD Variance CY vs PY	YTD New Businesses	YTD Closed Businesses	YTD Net New (Closed) Businesses	Comments
Area 1	130,014	22.26%	3	(3)	-	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 2	(24,815)	-6.96%	2	(1)	1	Variance is due primarily to better economic conditions in 2015 versus 2016.
Area 3	25,309	8.99%	4	(1)	3	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 4	17,102	5.99%	-	-	-	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 5	(7,711)	-4.28%	2	(1)	1	Variance is due primarily to better economic conditions in 2015 versus 2016.
Area 6	112,103	20.03%	20	(8)	12	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 7	(77,177)	-4.23%	66	(36)	30	Variance is due primarily to better economic conditions in 2015 versus 2016.
Area 8	(29,861)	-9.00%	-	-	-	Variance is due in part to mild temperatures that led to lower energy usage in 2016 versus 2015 and to more customers switching from landlines to cellphones in 2016 as compared to 2015.
Area 13	7,483	12.16%	1	-	1	Variance is due primarily to better economic conditions in 2016 versus 2015.
Regular Use	4,135	0.58%	N/A	N/A	N/A	Use tax revenue fluctuates depending on the timing of when businesses replace large ticket items such as operating machinery and equipment. If items purchased outside of Englewood at a local tax rate less than 3.5%, then the tax payer is liable for the difference between the local tax paid and 3.5% tax due.
Totals	156,582	3.03%	98	(50)	48	

Outside City (Business Area 7):

- Outside City sales tax receipts (cash basis) were down **\$77,177** or **4.2** percent compared to last year.
- At this time potential refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is \$1,150,000.

City Center Englewood (Business Area 1):

- Sales tax revenue collected through February 2016 were **\$714,066** or **\$130,014** (22.3%) more than last year during the same period of time.

GENERAL FUND EXPENDITURES: 2016 YTD expenditures, **\$6,338,472** are **14.45%** of the budget appropriation.

<i>Expenditures</i>	2016			2015			2015 vs 2014		Variance comments updated each quarter (Jan, Apr, Jun and Oct)
	Budget	Feb-16	% Budget	Dec-14	Feb-15	% YTD	\$ Diff	% Diff	
Legislation	365,572	45,490	12.44%	341,751	45,856	13.42%	(366)	-0.80%	
City Attorney's Office	810,022	70,844	8.75%	717,683	104,042	14.50%	(33,198)	-31.91%	
Municipal Court	1,058,583	125,903	11.89%	986,421	137,027	13.89%	(11,124)	-8.12%	
City Manager's Office	720,064	160,088	22.23%	810,429	161,655	19.95%	(1,567)	-0.97%	
Human Resources	613,532	91,779	14.96%	570,022	96,939	17.01%	(5,160)	-5.32%	
Finance and Administrative Services	1,870,411	230,419	12.32%	1,676,009	256,768	15.32%	(26,349)	-10.26%	
Information Technology	1,481,726	124,410	8.40%	1,387,054	206,518	14.89%	(82,108)	-39.76%	
Public Works	6,208,706	803,546	12.94%	5,707,695	845,678	14.82%	(42,132)	-4.98%	
Fire Services	5,866,698	1,396,986	23.81%	9,610,372	1,222,335	12.72%	174,651	14.29%	
Police Services	13,247,547	1,797,174	13.57%	12,448,235	1,824,394	14.66%	(27,220)	-1.49%	
Community Development	2,134,378	210,272	9.85%	1,089,534	251,395	23.07%	(41,123)	-16.36%	
Library Services	1,241,179	154,420	12.44%	1,179,667	159,974	13.56%	(5,554)	-3.47%	
Recreation Services	6,136,594	560,779	9.14%	5,600,772	642,965	11.48%	(82,186)	-12.78%	
Debt Service	1,871,644	259,888	13.89%	1,693,760	145,344	8.58%	114,544	78.81%	
Contingency	250,000	306,474	122.59%	259,201	13,858	5.35%	292,616	2111.53%	
Total Expenditures	43,876,656	6,338,472	14.45%	44,078,605	6,114,748	13.87%	223,724	3.66%	

GENERAL FUND REVENUES OVER/UNDER EXPENDITURES:

YTD revenues exceed expenditures by **\$762,135** compared to revenues exceeding expenditures by \$1,017,922 in 2016.

The **two graphs on the right** show how closely the revenue and expenditure amounts track year to date. Fund Balance reserves help to stabilize operations for unexpected adverse fluctuations in revenue or expenditure amounts.

GENERAL FUND TRANSFERS:

Net 2016 transfers-out to date of **\$1,979,345** were made by the end of February 2016 (please refer to page 23).

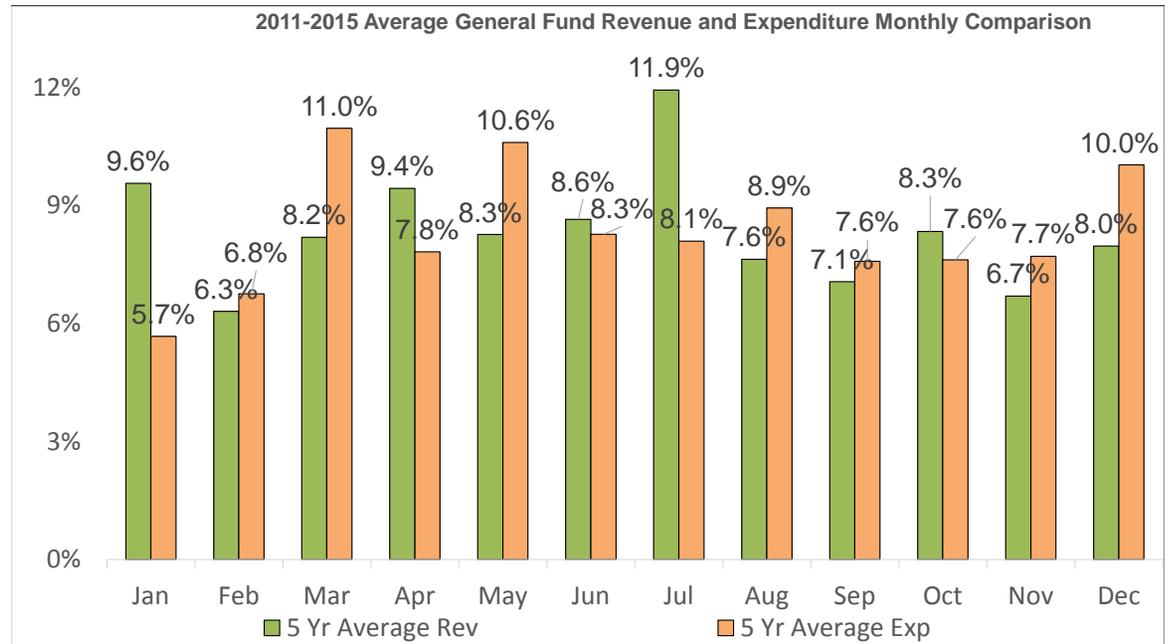
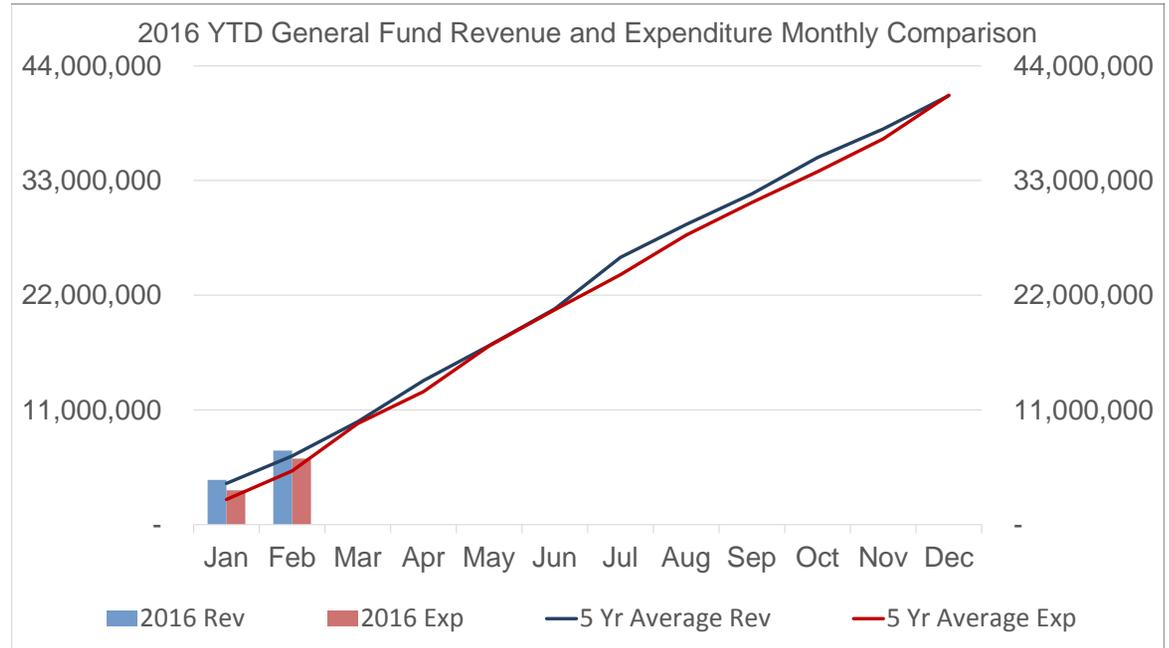
GENERAL FUND - FUND BALANCE:

The estimated fund balance is **\$9,657,102** or **22** percent of estimated revenue.

- The estimated unassigned fund balance for 2016 is projected at **\$6,394,003** or **14.6** percent of estimated revenues.
- The Long Term Asset Reserve (LTAR) balance is **\$1,863,099** (please refer to page 18).
- The TABOR Emergency Reserve is **\$1,400,000**.

PUBLIC IMPROVEMENT FUND (PIF):

The PIF YTD revenue is \$1,441,175 and YTD expenditure is \$2,524,399. Prior to adjustments to budget estimates, the estimated year-end **unappropriated fund balance** is **\$1,478,061**.



Please note the 2015 financial information included in this report is unaudited and subject to change due to yearend adjustments.

City of Englewood, Colorado

February, 2016 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 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.

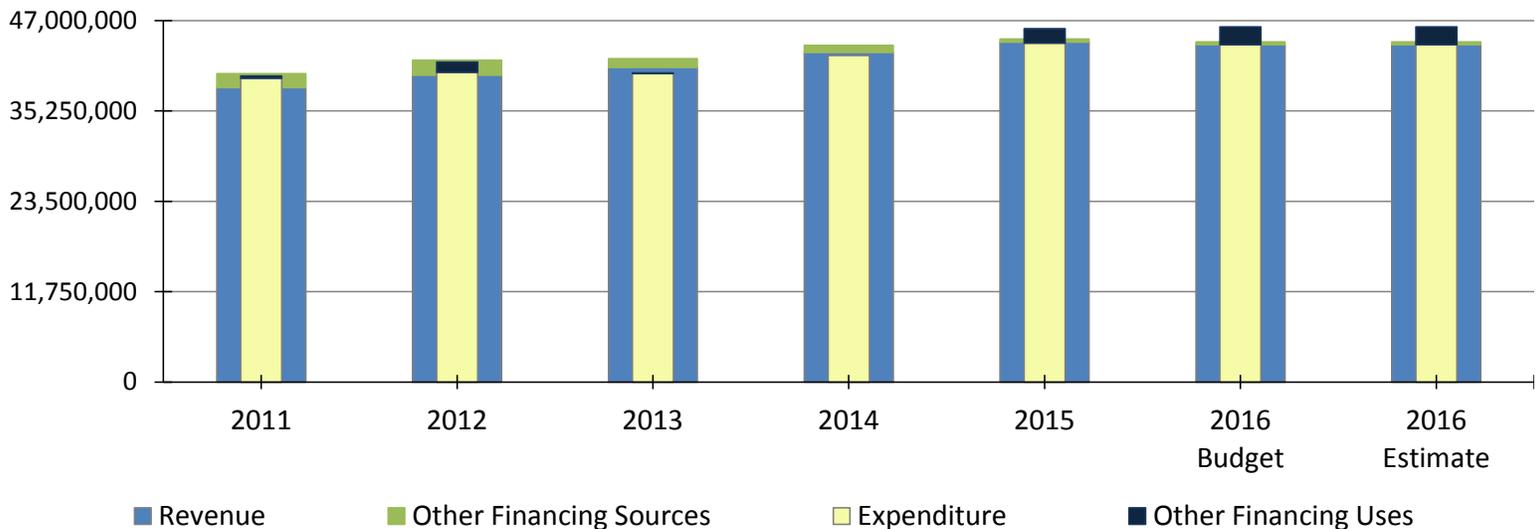
GENERAL FUND OVERVIEW AND ANALYSIS

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 2011 to 2016 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.

General Fund: Total Sources and Uses of Funds



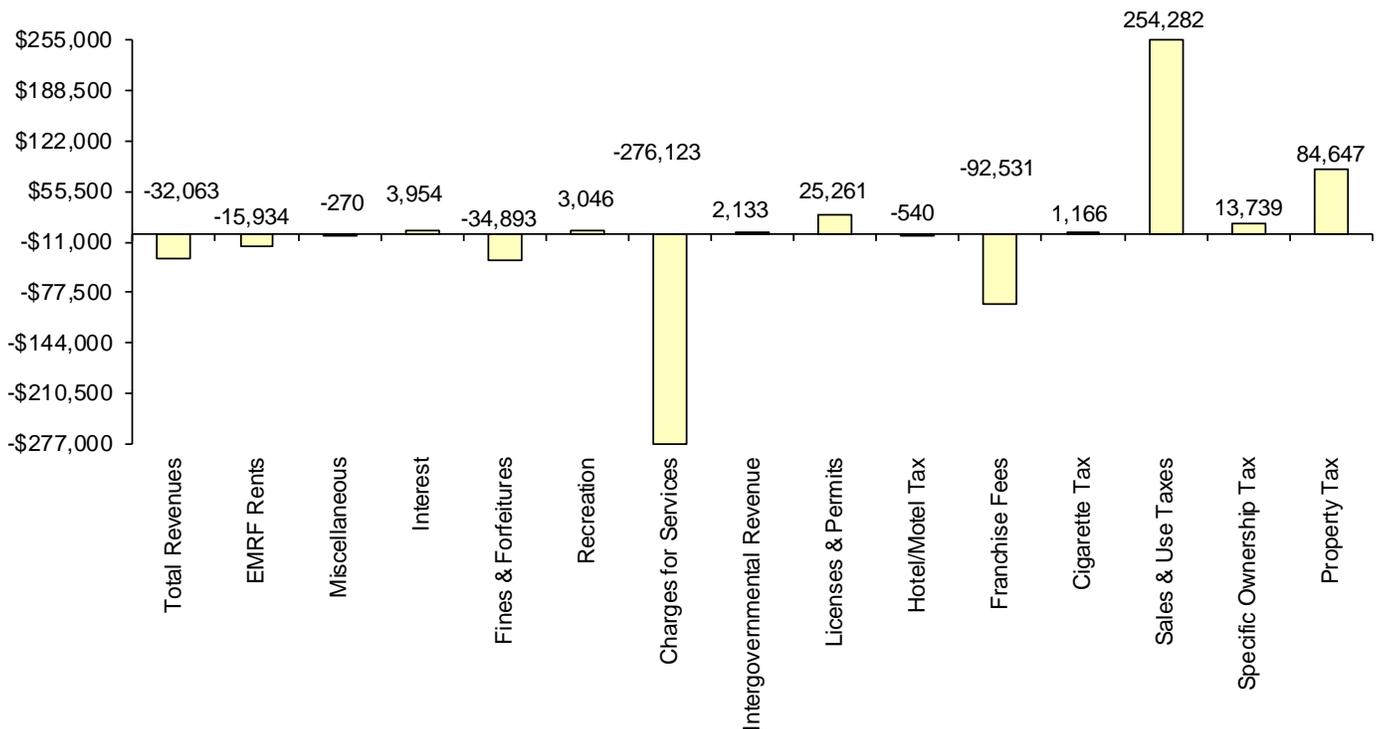
The following table summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended February, 2016. Comparative figures for years 2015 and 2015 are presented as well. The table also highlights the dollar and percentage changes between those periods.

	2016	1905 vs 1905 Increase (Decrease)		2015	1905 vs 1905 Increase (Decrease)		2014
General Fund							
Year-To-Date Revenue	\$ 7,100,607	\$ (32,063)	(.45%)	\$ 7,132,670	\$ 60,034	.85%	\$ 7,072,636
Year-To-Date Expenditure	6,338,472	\$ 223,724	3.66%	6,114,748	\$ 417,441	7.33%	5,697,307
Net Revenue (Expenditure)	\$ 762,135	\$ (255,787)		\$ 1,017,922	\$ (357,407)		\$ 1,375,329
Unassigned Fund Balance	\$ 6,394,003	\$ (367,210)	(5.43%)	\$ 6,761,213	\$ (1,386,938)	(17.02%)	\$ 8,148,151
Sales & Use Tax Revenue YTD	\$ 5,406,813	\$ 254,282	4.94%	\$ 5,152,531	\$ 291,923	6.01%	\$ 4,860,608
Outside City Sales Tax YTD	\$ 1,745,726	\$ (77,177)	(4.23%)	\$ 1,822,903	\$ 206,486	12.77%	\$ 1,616,417

General Fund Revenues

The City of Englewood's total budgeted revenue is \$43,883,771. Total revenue collected through February 2016 was \$7,100,607 or \$32,063 (.45 percent) less than was collected in 2015. The chart below illustrates changes in General Fund revenues this year as compared to last year.

2016 Year-To-Date Change in General Fund Revenue as Compared to Prior Year

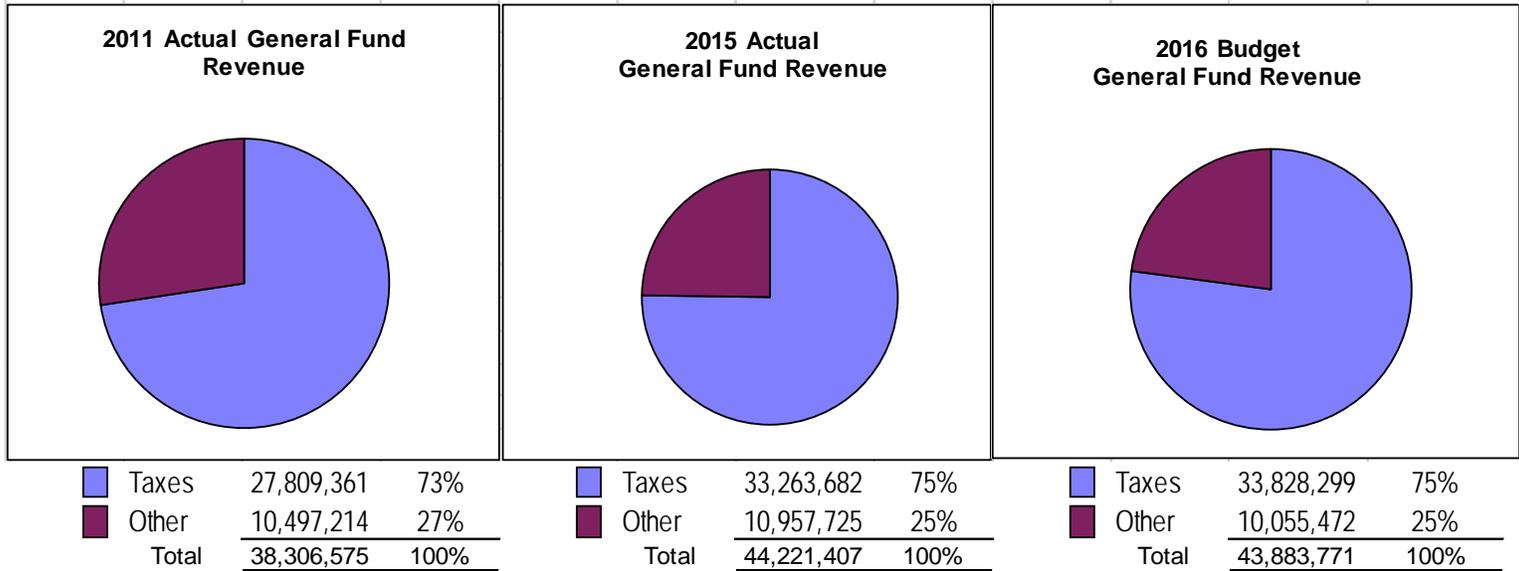


General Fund - Taxes

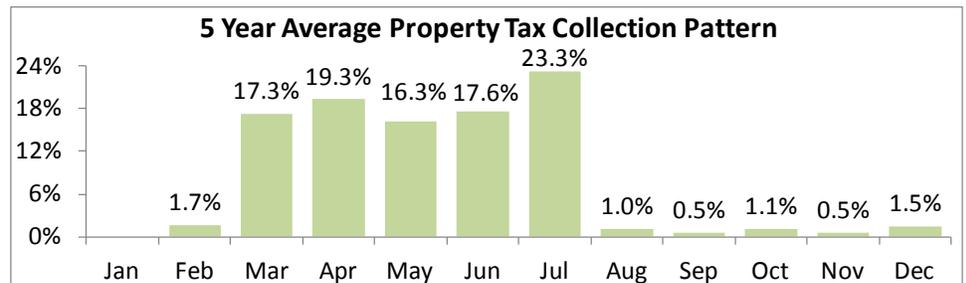
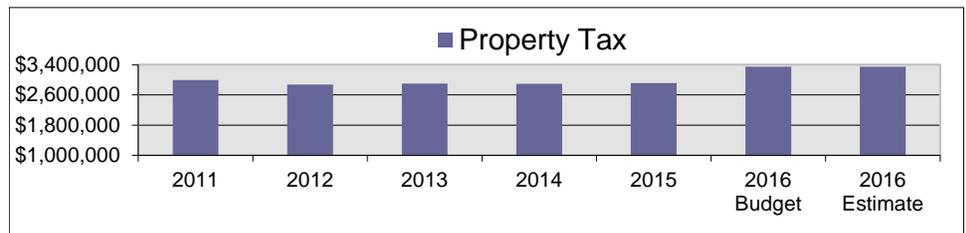
The General Fund obtains most of its revenue from taxes. In 2015 total revenues were \$44,221,407 of which \$33,263,682 (75.2 percent) came from tax collections. Taxes include property, sales and use, specific ownership,

cigarette, utilities, franchise fees, and hotel/motel. The pie charts below illustrate the contribution of taxes to total revenue for 2011, 2015 and 2016 Budget. Taxes as a percentage of total revenue have increased slightly as other fees and charges have been decreased. Other fees and charges help to offset rising costs and relatively flat tax revenues.

General Fund Revenues - Taxes vs. Other

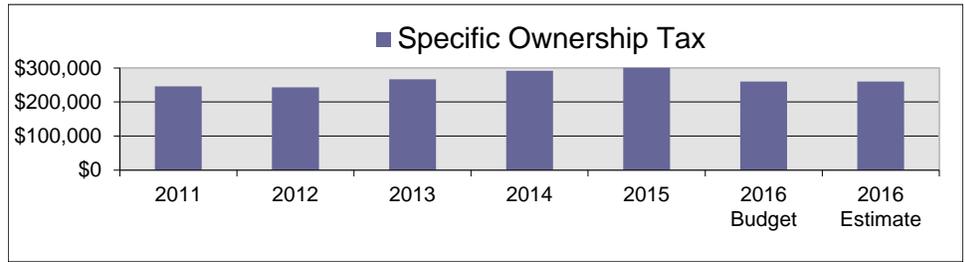


Property taxes: These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2015 mill levy collected in 2016 is 7.804 mills. The 2015 mill levy for general operations collected in 2016 is 5.880 mills. Voters 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. This dedicated general obligation debt mill levy is accounted for in the Debt Service Fund. Property tax collections declined from \$2,994,213 in 2011 to \$2,917,413 in 2015. This was a decrease of \$76,800 or 2.6 percent. In 2015 the City collected \$2,917,413 or 8.8 percent of 2015 total taxes and 6.5 percent of total revenues from property taxes. The City budgeted \$3,349,000 for 2016; and collected \$115,385 through February 2016.

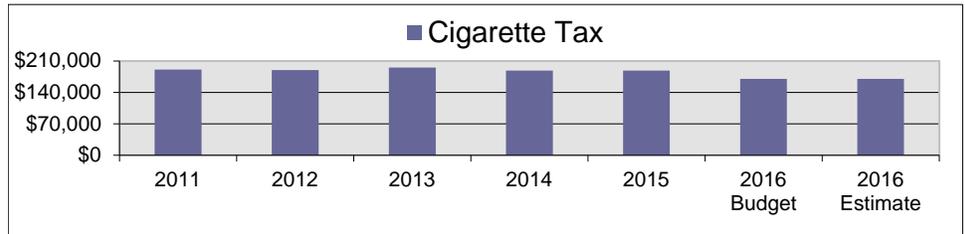


Property Tax Mill Levy	2011	2012	2013	2014	2015	2016 Budget
General Fund	5.880	5.880	5.880	5.880	5.880	5.880
Debt Service Fund	2.130	1.741	1.914	2.244	2.244	1.924
Total Mill Levy	8.010	7.621	7.794	8.124	8.124	7.804

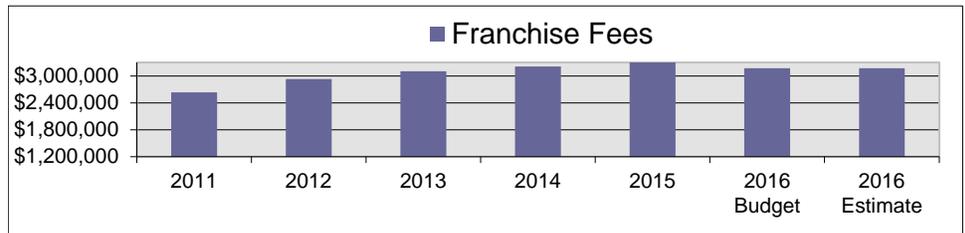
Specific ownership: These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected \$246,062 in 2011 and \$305,165 in 2015 which is an increase of \$59,103 or 24percent. The City collected \$305,165 in 2015 which is less than one percent of total revenues and total taxes. The City budgeted \$260,000 for 2016 and collected \$40,196 through February 2016.



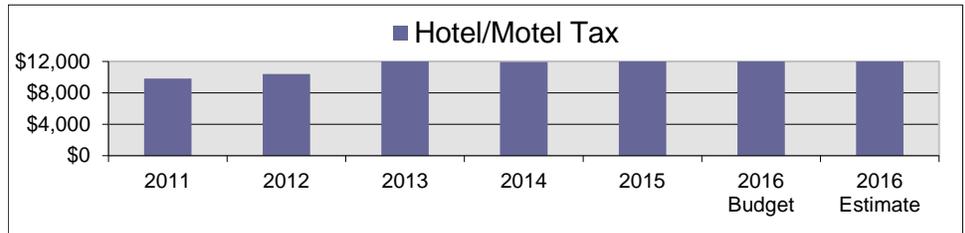
Cigarette Taxes: The State of Colorado levies a \$.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen significantly in the past and continue to fall 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 2011 the City collected \$190,763, but in 2015 the City collected \$188,285, which is a decrease of \$2,478 or 1.3 percent. These taxes accounted for less than one percent of total taxes and less than one percent of total revenues in 2015. The City budgeted \$170,050 for the year and collected \$30,719 through February 2016, which is \$1,166 or 3.9 percent more than the \$29,553 collected in same period last year.



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 \$2,631,393 in 2011 and \$3,317,390 in 2015, an increase of \$685,997 or 26.1 percent. These taxes accounted for 10 percent of taxes and 7.3 percent of total revenues in 2015. The City budgeted \$3,173,550 for the year; collections through February totaled \$296,819 compared to \$389,350 collected during the same period last year.

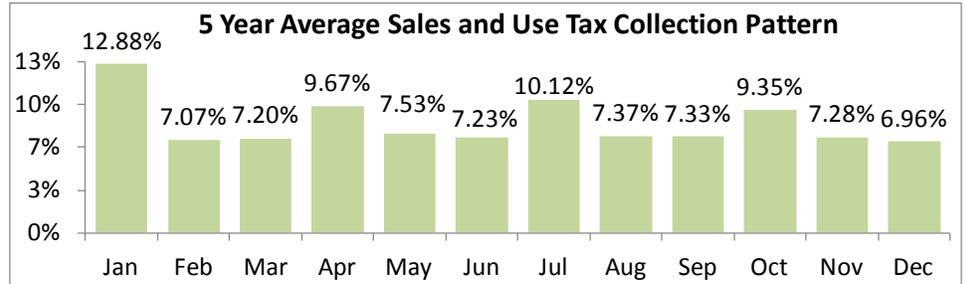
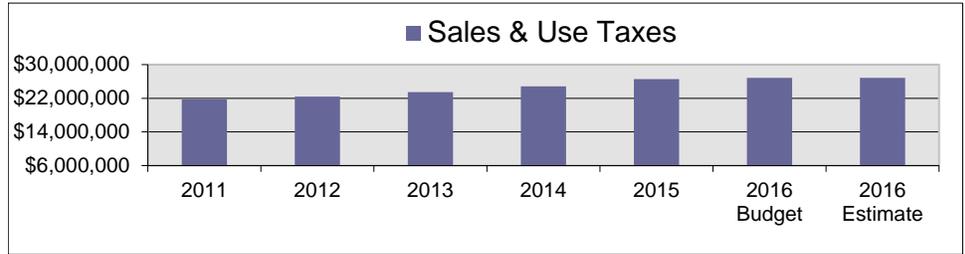


Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted \$12,000 for the year and has collected \$1,874 through February 2016.



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 79.7 percent of all taxes and 58.8 percent of total revenues collected in 2015. In 2011, this tax generated \$21,737,110 for the City of Englewood; in 2015 the City collected \$26,521,617, an increase of \$4,784,507 (22 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 \$26,863,699 for 2016. Sales and Use Tax revenue (cash basis) through February 2016 was \$5,406,813 while sales tax collected year-to-date for February 2015 was \$5,152,531 an increase of \$254,282 or 4.94 percent.

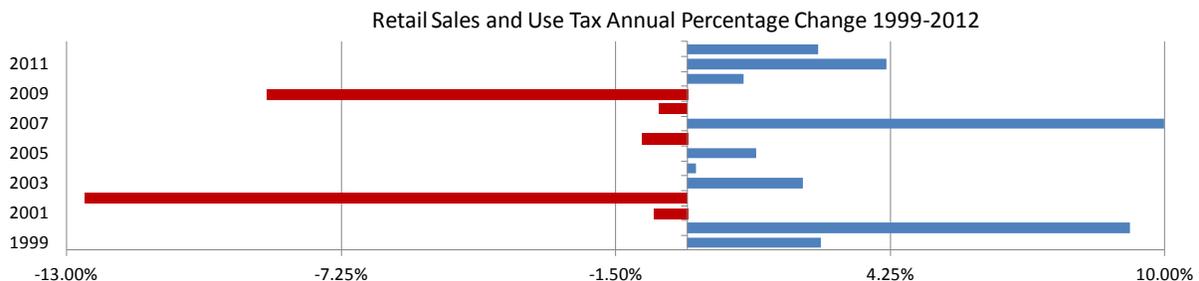


In 2013, the City partnered with MUNIREvs to provide the City's business licensing and tax collection system. The system more accurately reports the sales versus use tax collections. In the former system, if an account was coded as a sales tax account, both sales and use tax remitted by the account was reported as sales tax. This was also the case with an account coded as use tax, both use and sales tax remitted by the account was reported as use tax. In total the amount of sales and use tax collections is the same, the allocation between sales and use has changed. This month we have restated 2013 to match the restated 2015 reporting. The revised Sales and Use Tax Collections Year-To-Date Comparison (Cash Basis) report is located on page 24.

Collections (cash basis) for February 2016 were \$1,861,718 while collections for February 2015 and February 2015 were \$1,767,659 and \$1,656,545 respectively. February 2016 collections were 5.32 percent or \$94,059 more than February 2015 collections and \$205,173 or 12.4 percent more than February 2015 collections.

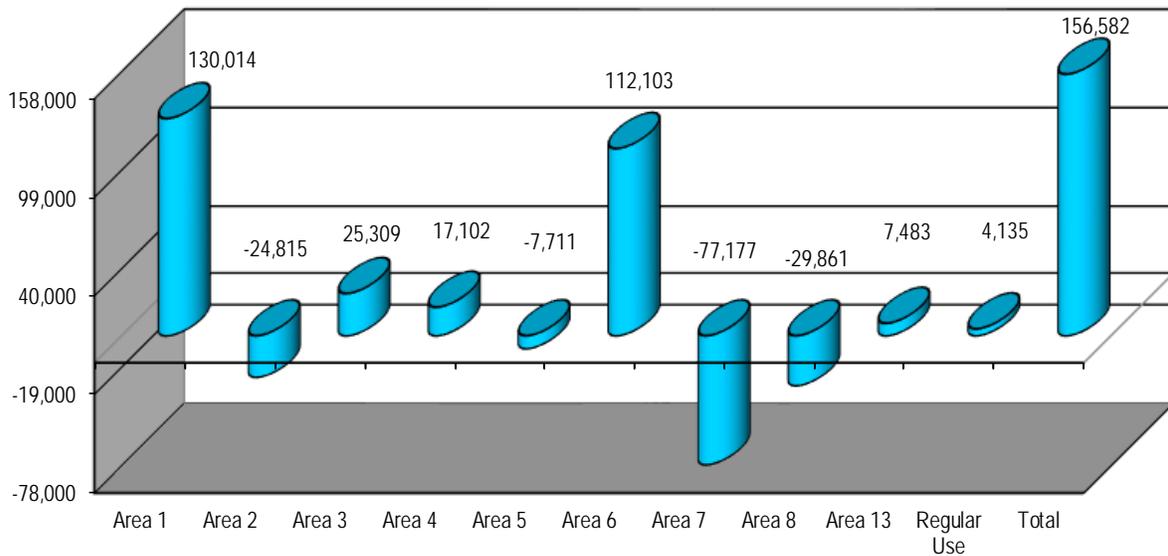
Based on year-to-date collections, the City collected an additional \$156,582 over last year for a total of \$5,331,422. Collections through February were 103 percent of last February collections.

This revenue source tends to ebb and flow (often dramatically) with the economy, growing during economic expansions and contracting during downturns. The past several years (1999-2012) 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 chart on the next page, "Change in Sales/Use Tax Collections by Area 2016 vs. 2015," provides for the month the annual sales and use tax increases and decreases in the various geographic areas. Economic conditions, judged by sales and use tax collections, appears to be a "mixed bag" with some geographic areas increasing and some decreasing compared to the same period last year.

Change in Sales/Use Tax Collections by Area 2016 vs 2015

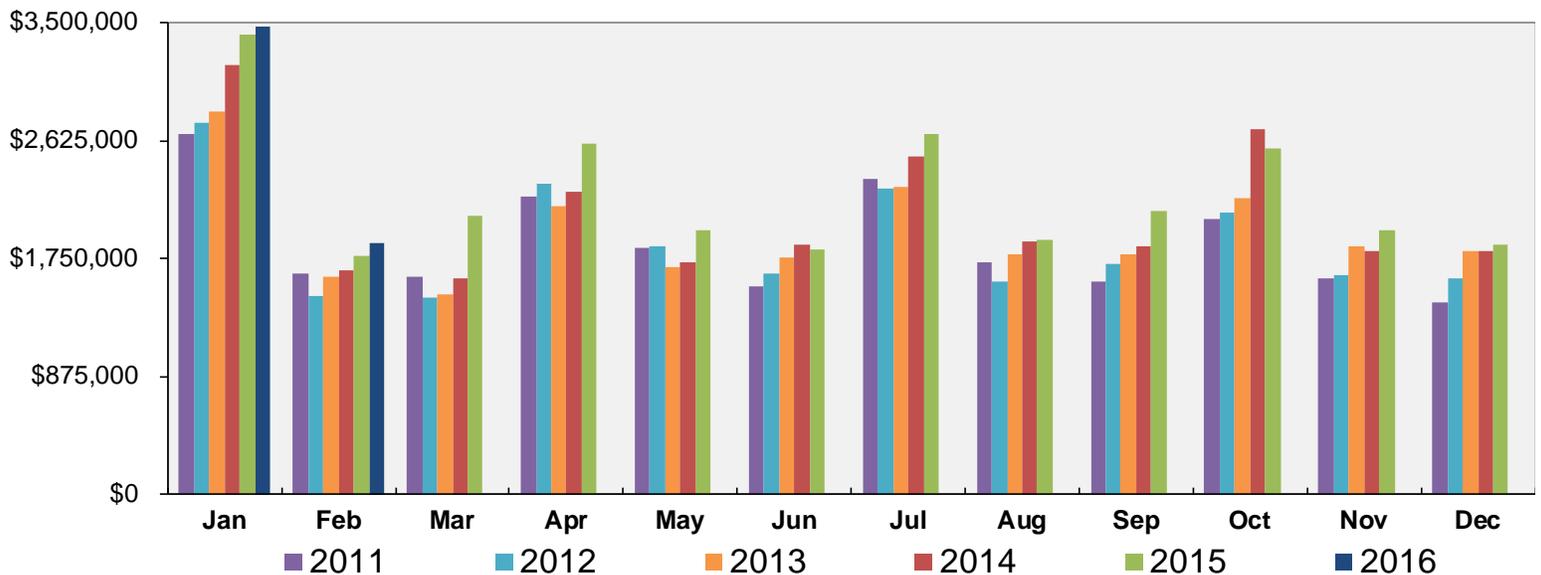


Please note that the geographic map of the sales tax areas was changed in 2012. EURA Areas 9 & 10 and EURA Areas 11 & 12 were incorporated into Areas 1, 2 and 6. Specific changes include:

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

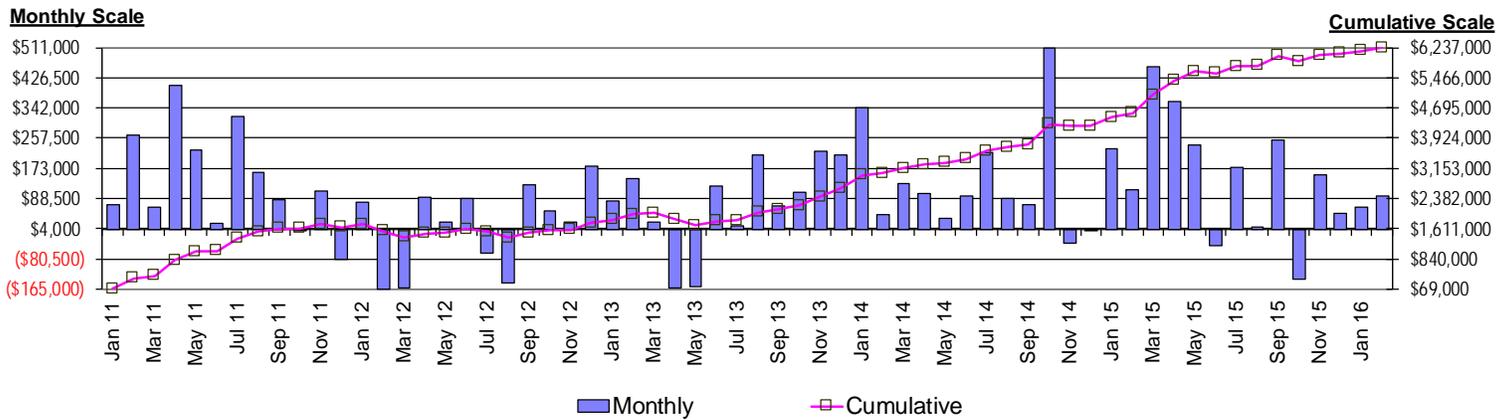
The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2010 through 2016.

2011-2016 YTD Sales/Use Tax Collections by Month - Cash Basis



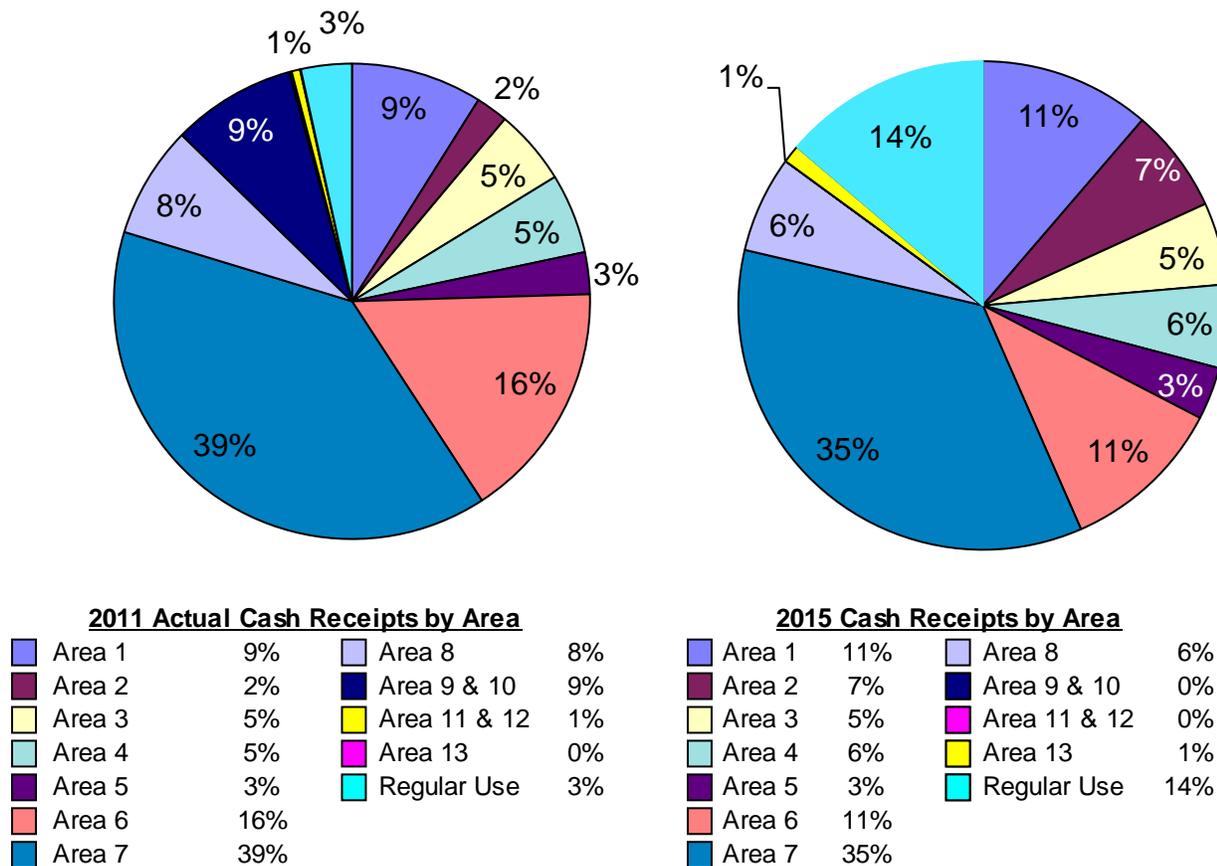
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly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

2011 - 2016 Monthly Change Sales and Use Tax Receipts



Sales tax collections are reported by various geographic areas as illustrated in the following pie charts. These illustrate the changing collection patterns for 2011 and 2015.

Geographic Sales Tax Collection Areas



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 \$714,066 year-to-date or 22.3 percent more than was collected during the same period last year.

Area 5: This area includes the remodeled King Soopers. Year to date collections for February were \$172,369 or 4.3 percent less than last year.

Area 6: This geographic area is up 20 percent or \$671,669 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 decreased 4.2 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 YTD revenues since 2012. 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:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Sales and Use Tax Revenue	4,226,841	4,453,028	4,860,608	5,152,531	5,406,813
Outside City Collections	1,656,773	1,561,332	1,616,417	1,822,903	1,745,726
Percentage of Total	39.2%	35.1%	33.3%	35.4%	32.3%
Total General Fund Revenues	6,169,681	6,435,959	7,072,636	7,132,670	7,100,607
Outside City Collections	1,656,773	1,561,332	1,616,417	1,822,903	1,745,726
Percentage of Revenues	26.9%	24.3%	22.9%	25.6%	24.6%

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 \$21,970 in sales/use tax claims through February 2016 compared to \$5,184 through February 2015. At this time *potential* refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed.

Area 8: This geographic area consists of collections from public utilities. Collections through February were 9 percent less than last year. Weather conditions, energy usage conservation, and rising energy prices play an important role in revenue collections. Collections could increase or decrease if the remainder of the year is significantly hotter/colder than normal.

Area 13: This geographic area encompasses the Kent Place Development. Collections through February were \$69,033 compared to \$61,550 last year.

Other Sales Tax Related Information

Finance and Administrative Services Department collected \$20,452 in sales and use tax audit revenues and general collections of balances on account through the month of February 2016, this compares to \$30,877 collected in 2015 and \$70,083 collected in 2014.

Of the 79 sales tax accounts reviewed in the various geographic areas, 53 (67 percent) showed improved collections and 27 (34 percent) showed reduced collections this year compared to the same period last year.

The Department issued 98 new sales tax licenses through February 2016; 70 and 73 were issued through February 2015 and 2014 respectively.

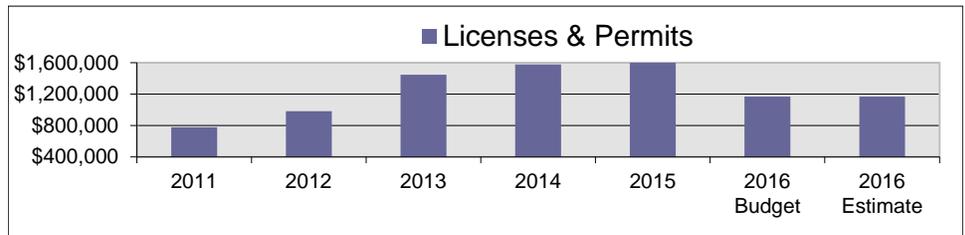
City records indicate that year-to-date 50 businesses closed (36 were outside the physical limits of Englewood) and 98 opened (66 of them were outside the physical limits of Englewood).

General Fund - Other Revenue

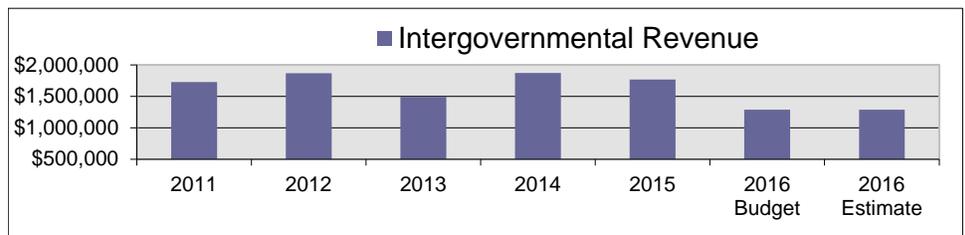
Other revenues (including McLellan rent) accounted for \$11,807,730 or 26.2 percent of the total revenues for 2015. The City budgeted \$11,185,472 for 2016.

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

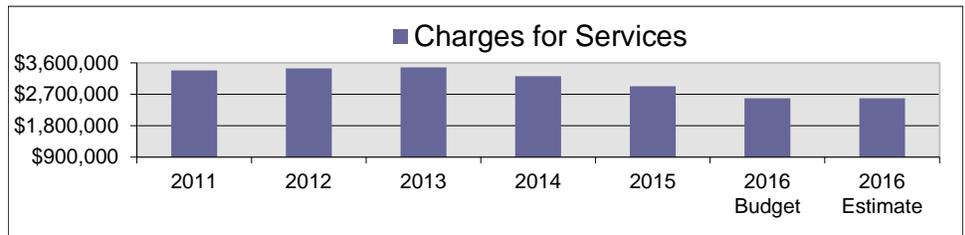
Licenses and Permits: This category includes fees from business and building licenses and permits. This revenue source generated \$1,611,274 during 2015 or 3.6 percent of total revenue and 13.6 percent of total other revenue. This revenue source totaled \$778,536 in 2011 and increased to \$1,611,274 in 2015, a 107 percent increase. The City budgeted \$1,169,222 for 2016 and year-to-date collected \$233,638 or \$25,261 (12.1 percent) more than the \$208,377 collected through February 2015.



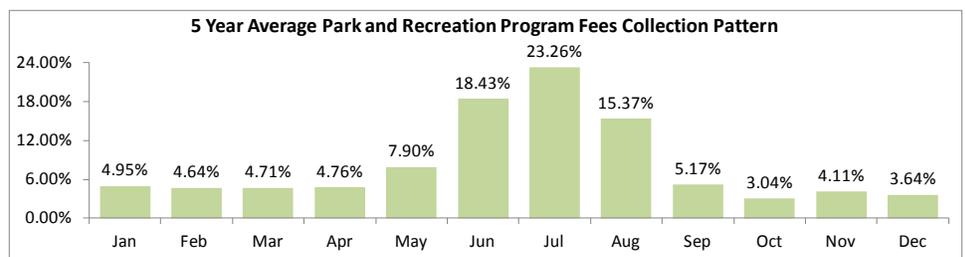
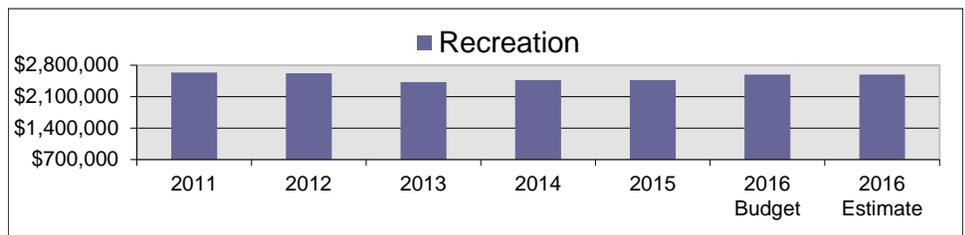
Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at \$1,287,104 for 2016. This revenue source totaled \$1,724,807 in 2011 and the City collected \$1,766,019 in 2015, a 2.4 percent increase. The City collected \$110,540 through February 2016 this is \$2,133 more than the \$108,407 collected in the same period last year.



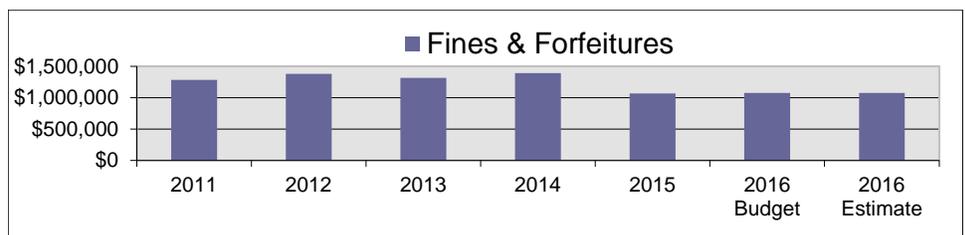
Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at \$2,587,112 for 2016. This revenue source totaled \$3,384,318 in 2011 and decreased to \$2,933,932 in 2015, a 13.3 percent decrease. Total collected year-to-date was \$239,888 or \$516,011 collected year-to-date last year.



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 \$2,592,400 for 2016. This revenue source totaled \$2,635,221 in 2011 and decreased to \$2,464,612 in 2015, a 6.5 percent decrease. Total collections through February 2016 were \$254,029 compared to \$250,983 collected year-to-date last year.

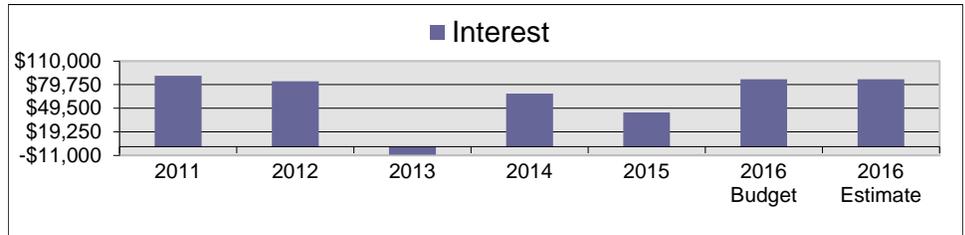


Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2016 budget for this source is \$1,008,350. This revenue source totaled \$1,284,758 in 2011 and decreased to \$1,047,268 in 2015, a 16.9 percent decrease. Total collected year-to-date

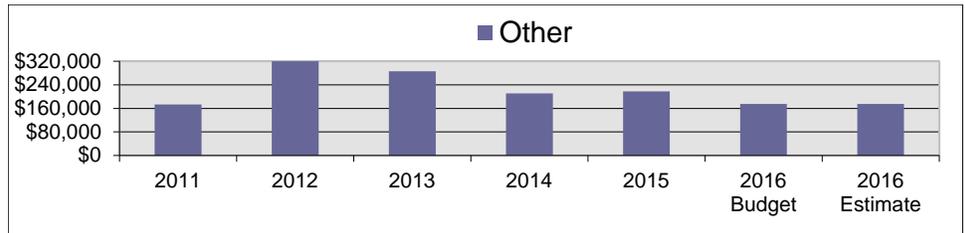


was \$140,989 or \$34,893 (19.8 percent) less than the \$175,882 collected in the same time period last year.

Interest: This is the amount earned on the City's cash investments. The 2016 budget for this source is \$88,164. This revenue source totaled \$91,034 in 2011 and decreased to \$43,865 in 2015, a 51.8 percent decrease. The City earned \$33,269 through February 2016; compared to \$29,315 through the same period last year.



Other: This source includes all revenues that do not fit in another revenue category. The 2016 budget for this source is \$174,838. This revenue source totaled \$173,381 in 2011 and increased to \$217,408 in 2015, a 25.4 percent increase. Total collected year-to-date is \$46,584 or (.58 percent) less than the \$46,854 collected last year during the same period.



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.

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.
KRF II LLC (dba Kentro Group) for the Rite Aid Pharmacy	Underground/relocation of current overhead utility lines; Relocation and demolition of existing sewer line; Construction of underground detention/water quality; and Potential relocation of city ditch (depending on the development plan of northern parcel).

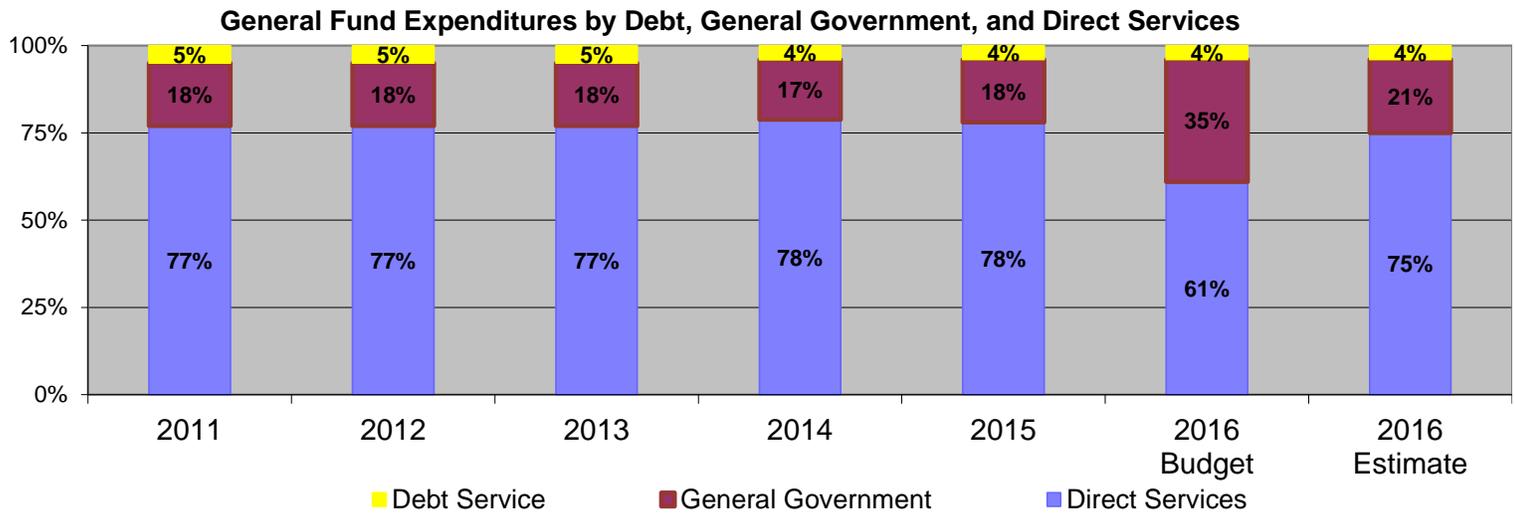
General Fund - Expenditures

In 2016, the City began the implementation of Priority Based Budgeting (PBB) and will incorporate PBB in the development of the 2017 Budget. **PBB** is a process used by cities to understand their larger community priorities, and budget accordingly to those priorities, while providing flexibility in order to meet the changing needs of the community. The PBB approach will help us develop a strategic budget that both reflects our community values and ensures that residents will continue to receive a high level of city services. The budget focus changes from a department or line item methodology to a program based approach.

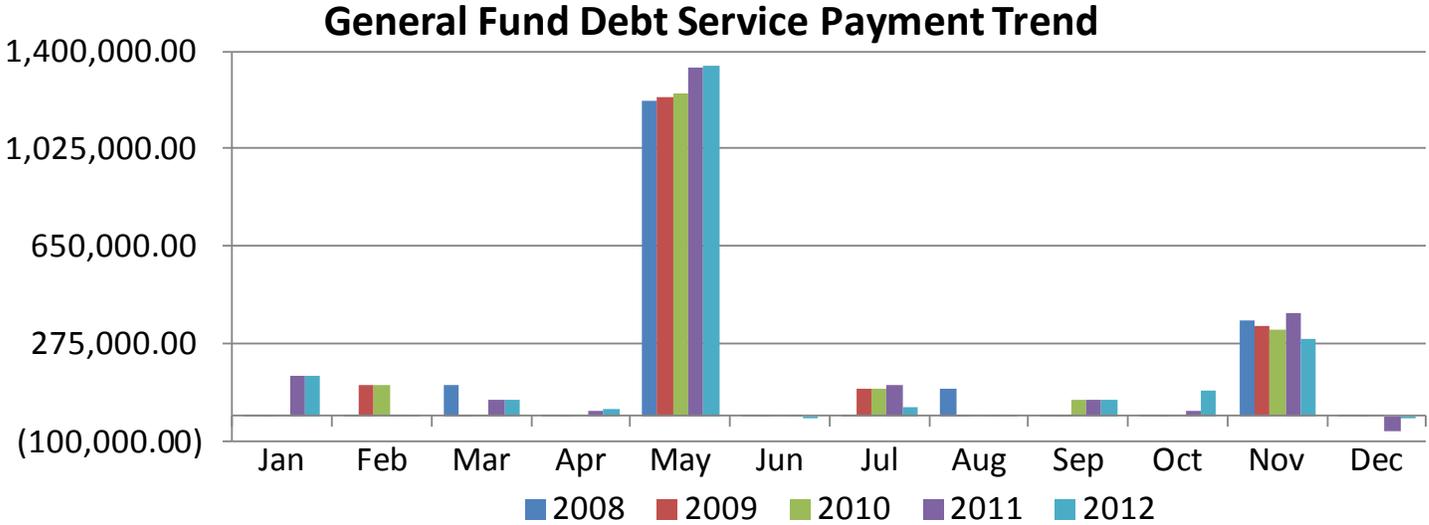
The City budgeted total expenditures at \$43,876,656 2016, this compares to \$44,078,605 and \$42,467,620 expended in 2015 and 2014 respectively. Budgeted expenditures for 2016 general government (City Manager (including the Denver Fire Contract), Administrative Services, etc.) totals \$15,170,986 or 35 percent of the total. Direct government

expenditures (Police, Public Works etc.) are budgeted at \$26,834,026 or 61 percent of the total. Debt service (fixed costs) payments are \$1,871,644 or 4 percent of the total. Total expenditures through February were \$259,888 compared to \$145,344 and \$153,905 in 2015 and 2014 respectively.

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



For illustrative purposes and based on the five year period (2008-2012), the following graph depicts the debt service payments cash outflow. The majority of debt service payments are typically made twice a year.



The schedule on the next page provides the expenditure for each of the General Fund departments for the years 2011 through 2016 Budget.

Expenditure	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget	2016 Estimate
General Government							
Legislation	298,731	316,043	280,920	329,738	341,751	365,572	365,572
City Manager	639,184	658,047	675,844	673,402	810,429	6,586,762	8,226,080
City Attorney	706,841	712,036	719,781	726,377	717,683	810,022	886,605
Municipal Court	848,775	886,249	922,245	942,264	986,421	1,058,583	1,038,709
Human Resources	430,792	469,343	408,551	441,955	570,022	-	-
Finance & Administrative Services	1,446,313	1,464,305	1,533,061	1,566,733	1,676,009	3,965,669	3,878,168
Information Technology	1,332,766	1,373,943	1,336,590	1,348,275	1,387,054	-	-
Community Development	1,359,264	1,262,451	1,113,710	1,128,034	1,089,534	2,134,378	2,081,148
Contingencies	152,423	143,810	88,360	211,623	259,201	250,000	258,112
Contribution to Component Unit(s)	-	-	-	-	-	-	-
General Government Subtotal	7,215,089	7,286,227	7,079,062	7,368,401	7,838,104	15,170,986	16,734,394
Direct Services							
Public Works	5,259,875	5,202,903	5,234,382	5,440,975	5,707,695	6,208,706	5,730,645
Police	10,395,239	10,788,935	11,226,157	11,872,226	12,448,235	13,247,547	12,436,555
Fire	7,666,842	8,100,554	8,002,677	9,176,241	9,610,372	-	-
Library	1,145,613	1,180,771	1,174,656	1,165,446	1,179,667	1,241,179	1,283,016
Parks and Recreation	5,717,147	5,649,246	5,402,600	5,574,428	5,600,772	6,136,594	6,027,588
Direct Services Subtotal	30,184,716	30,922,409	31,040,472	33,229,316	34,546,741	26,834,026	25,477,804
Debt Service							
Debt Service-Civiccenter	1,658,857	1,570,921	1,565,625	1,434,082	1,693,760	1,520,979	1,568,988
Debt Service-Other	437,606	486,030	440,205	435,820	-	350,665	124,772
Debt Service Subtotal	2,096,463	2,056,951	2,005,830	1,869,902	1,693,760	1,871,644	1,693,760
Total Expenditure	39,496,268	40,265,587	40,125,364	42,467,619	44,078,605	43,876,656	43,905,958
% Expenditure Change	1.53%	1.95%	-0.35%	5.84%	3.79%	8.97%	0.07%
Other Financing Uses							
Transfers Out	301,246	1,339,330	73,006	-	1,875,516	2,330,000	1,871,516
Total Other Financing Uses	301,246	1,339,330	73,006	0	1,875,516	0	1,871,516
Total Uses of Funds	39,797,514	41,604,917	40,198,370	42,467,619	45,954,121	43,876,656	45,777,474
% Uses of Funds Change	0.37%	4.54%	-3.38%	5.65%	8.21%	5.46%	4.33%

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

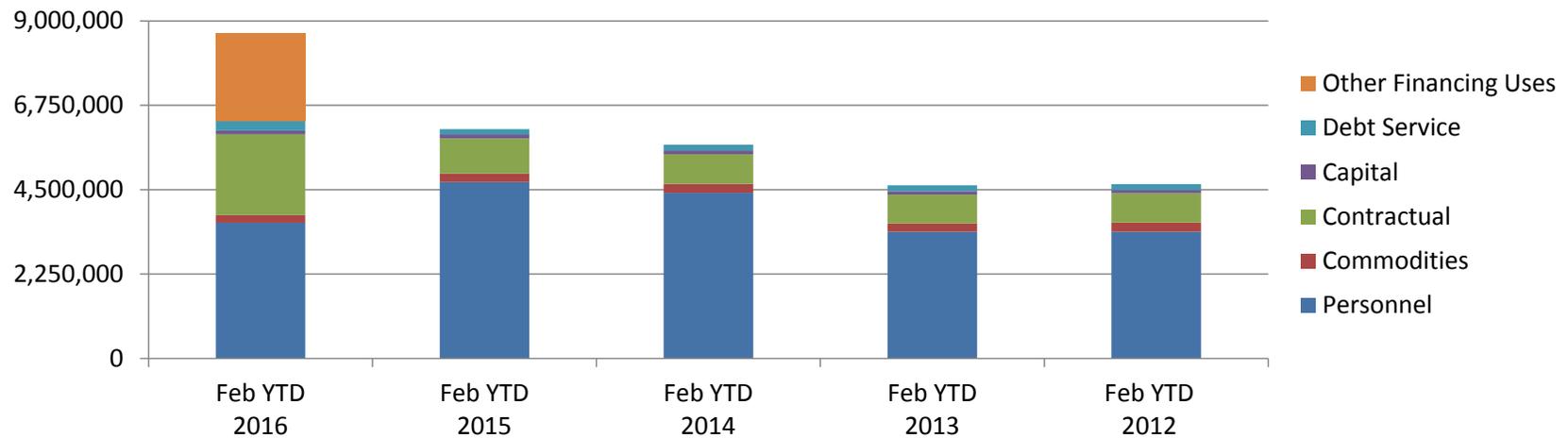
	2011	2012	2013	2014	2015	2016 Budget
Population*	30,809	31,258	31,674	32,671	32,671	32,671
General Fund						
General Government Services	\$ 234	\$ 233	\$ 223	\$ 226	\$ 240	\$ 240
Direct Services	\$ 980	\$ 989	\$ 980	\$ 1,017	\$ 1,057	\$ 1,057
Public Works	\$ 171	\$ 166	\$ 165	\$ 167	\$ 175	\$ 175
Police	\$ 337	\$ 345	\$ 354	\$ 363	\$ 381	\$ 381
Fire	\$ 249	\$ 259	\$ 253	\$ 281	\$ 294	\$ 294
Library	\$ 37	\$ 38	\$ 37	\$ 36	\$ 36	\$ 36
Parks & Recreation	\$ 186	\$ 181	\$ 171	\$ 171	\$ 171	\$ 171
Debt Service	\$ 68	\$ 66	\$ 63	\$ 57	\$ 52	\$ 52
Total Expenditure Per Capita	\$ 1,282	\$ 1,288	\$ 1,267	\$ 1,300	\$ 1,349	\$ 1,349
Debt Service Fund						
General Obligation Debt Per Capita	\$ 31	\$ 31	\$ 35	\$ 34	\$ 34	\$ 34

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

City of Englewood, Colorado General Fund - Five Year Expenditure Comparison by Category

	Feb YTD 2016	YTD % Change	% of Total	Feb YTD 2015	YTD % Change	% of Total	Feb YTD 2014	YTD % Change	% of Total	Feb YTD 2013	YTD % Change	% of Total	Feb YTD 2012	% of Total
Personnel services														
Salaries and wages	2,750,292	-18.790%	6.268%	3,386,482	5.930%	7.683%	3,196,868	28.920%	7.528%	2,479,653	-0.380%	6.180%	2,489,204	6.182%
Overtime	52,612	-55.500%	0.120%	118,242	26.950%	0.268%	93,143	55.060%	0.219%	60,070	-29.400%	0.150%	85,089	0.211%
Benefits	814,827	-31.850%	1.857%	1,195,710	5.920%	2.713%	1,128,884	34.390%	2.658%	839,983	4.360%	2.093%	804,924	1.999%
Personnel services total	3,617,731	-23.030%	8.245%	4,700,433	6.370%	10.664%	4,418,895	30.750%	10.405%	3,379,707	0.010%	8.423%	3,379,217	8.392%
Commodities total	202,855	-9.010%	0.462%	222,948	-5.240%	0.506%	235,282	7.030%	0.554%	219,820	-10.080%	0.548%	244,461	0.607%
Contractual services total	2,157,894	129.180%	4.918%	941,553	19.380%	2.136%	788,716	3.070%	1.857%	765,215	-2.090%	1.907%	781,541	1.941%
Capital total	100,102	-4.180%	0.228%	104,467	3.930%	0.237%	100,513	3.560%	0.237%	97,059	12.350%	0.242%	86,392	0.215%
Total Expenditures	6,078,582	1.830%	13.854%	5,969,401	7.680%	13.543%	5,543,406	24.240%	13.053%	4,461,801	-0.660%	11.120%	4,491,611	11.155%
Debt service total	259,888	78.810%	0.592%	145,344	-5.560%	0.330%	153,905	0.140%	0.362%	153,683	0.150%	0.383%	153,447	0.381%
Other financing uses total	2,330,000	0.000%	5.310%	0	0.000%	0	0	0.000%	0	0	0.000%	0	0	0.000%
Total Uses of Funds	8,668,469	0.000%	19.756%	6,114,746	0.000%	13.872%	5,697,311	0.000%	13.416%	4,615,484	0.000%	11.503%	4,645,058	11.536%
Annual Total	43,876,656	-0.458%		44,078,605	3.793%		42,467,620	5.837%		40,125,364	-0.348%		40,265,587	
YTD % of Annual Total	19.756%			13.872%			13.416%			11.503%			11.536%	

General Fund Five Year Expenditure Comparison by Category



General Fund - Transfers

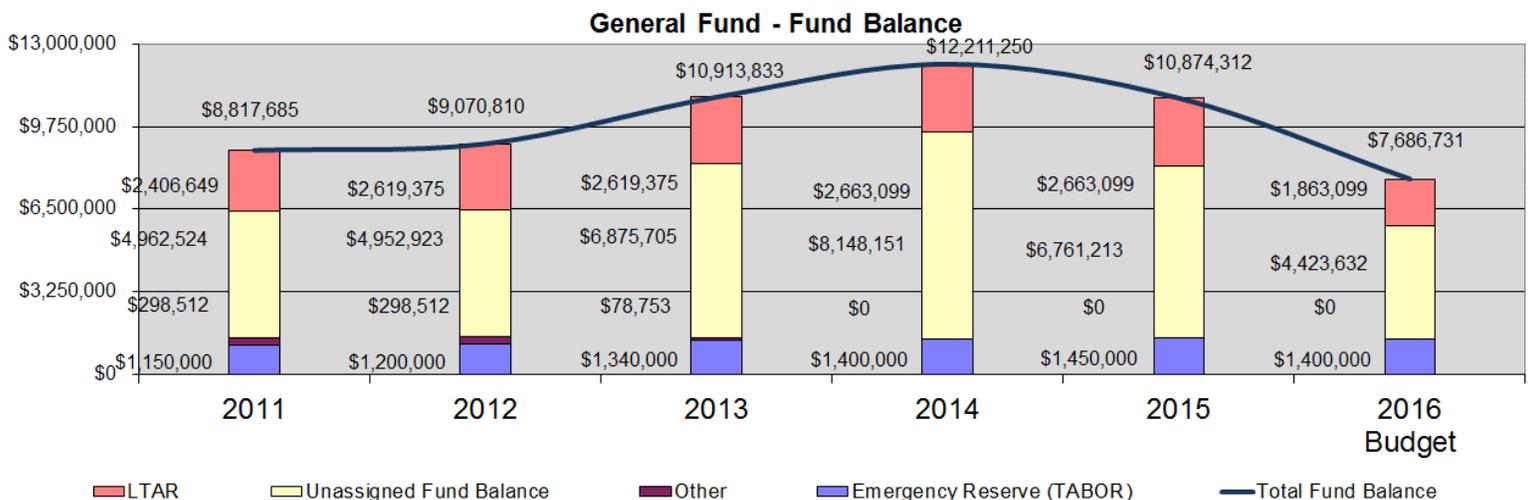
The General Fund has provided funds to and has received funds from Special Revenue Funds, Capital Projects Funds, and Internal Service Funds in order to buffer temporary gaps in revenue and expenditure amounts. The General Fund received the following net transfers:

Source of Funds	2016 Budget Amount	2016 YTD Net Amount	2015 YTD Net Amount
Special Revenue Funds			
Donors Fund	\$ -	\$ -	\$ 101,450
Capital Project Funds			
Public Improvement Fund (PIF)	(1,179,335)	(1,179,335)	(1,577,190)
Internal Service Funds			
Capital Equipment Replacement Fund	-	-	(4,000)
Component Units			
Englewood/McLellan Reservoir Fund	(800,000)	(800,000)	-
Net Transfers In (Out) Total	<u>\$ (1,979,335)</u>	<u>\$ (1,979,335)</u>	<u>\$ (1,479,740)</u>

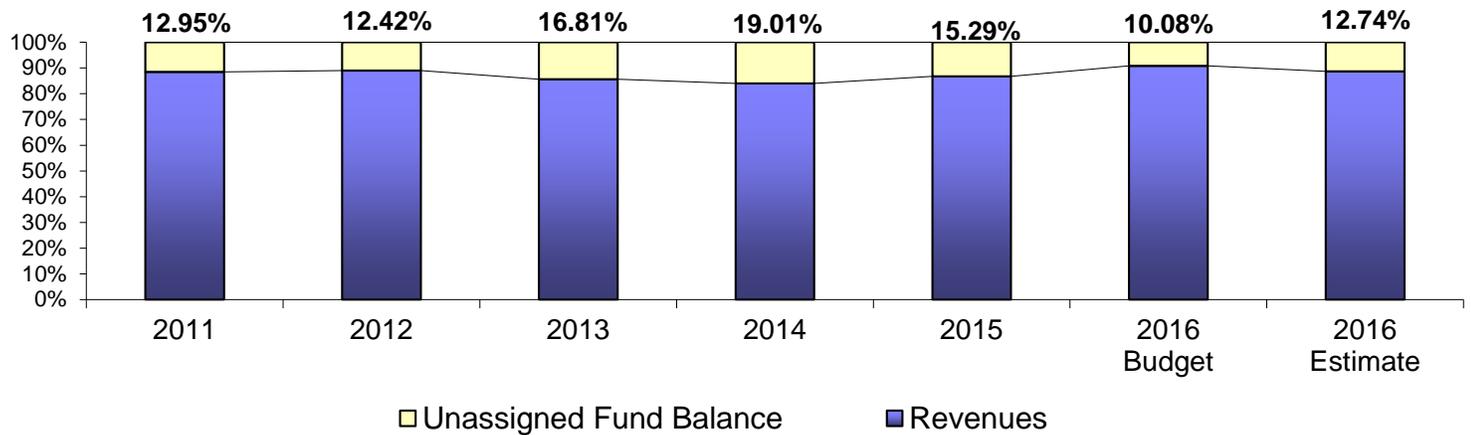
General Fund - Fund Balance

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 February 2015 was \$1,863,099. This amount includes the \$800,000 transfer out to the Englewood/McLellan Reservoir Fund (EMRF) for the road construction project. The \$800,000 is to be repaid by the EMRF over a two year period beginning in 2017. The current and estimated year-end LTAR balance is \$1,863,099.



Unassigned Fund Balance As A Percentage of Revenue



The City's General Fund ended 2015 with total reserves of \$10,874,312, and an unassigned fund balance of \$6,761,213 or 15.3 percent of revenues (15.3 percent of expenditures). The *budgeted* total reserves for 2016 are \$7,686,731 with an unassigned fund balance of \$4,423,632 or 10.1 percent of budgeted revenues or 10.1 percent of budgeted expenditures. Estimated total reserves for 2016 are \$8,902,082 with an unassigned fund balance of \$5,588,983 or 12.7 percent of estimated revenue. The \$5,588,983 unassigned fund balance would allow the City to operate for approximately 46 days (using average daily projected 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.

The table below illustrates the PIF Year-To-Date (YTD) revenues and expenditures for the years 2014 through 2016. 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)	2016	2016 vs 2015 Increase (Decrease)		2015	2015 vs 2014 Increase (Decrease)		2014
YTD Revenues	\$ 1,441,175	\$ 830,695	136.07%	\$ 610,480	\$ (268,449)	(30.54%)	\$ 878,929
YTD Expenditures	2,524,399	\$ 149,048	6.27%	2,375,351	\$ 1,125,396	90.03%	1,249,955
Net Revenues (Expenditures)	\$ (1,083,224)	\$ 681,647		\$ (1,764,871)	\$ (1,393,845)		\$ (371,026)
Beginning PIF Fund Balance	\$ 5,104,383			\$ 2,345,137			\$ 1,905,453
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	\$ 4,021,159			\$ 580,266			\$ 1,534,427
Plus: Remaining Annual Revenue	3,072,181			2,498,520			2,130,071
Less: Remaining Annual Appropriation	(5,615,279)			(2,264,907)			(4,044,295)
Estimated Ending Unappropriated Fund Balance	\$ 1,478,061			\$ 813,879			\$ (379,797)
Unappropriated Fund Balance as of December 31,				\$ 2,372,810			\$ 869,835

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

	2016 Estimate	2016 Adopted Budget	2016 YTD Actual	2016 Vs 2015		2015 YTD Actual	2015 Vs 2014		2014 YTD Actual
				Amount	%		Amount	%	
Vehicle Use Tax	\$ 1,600,000	\$ 1,600,000	\$ 170,088	\$ 18,440	12%	\$ 151,648	\$ 38,446	34%	\$ 113,202
Building Use Tax	\$ 1,700,000	\$ 1,700,000	\$ 251,967	\$ (201,766)	-44%	\$ 453,733	\$ (304,670)	-40%	\$ 758,403
Arapahoe County Road and Bridge Tax	\$ 199,000	\$ 199,000	\$ -	\$ -	---	\$ -	\$ -	---	\$ -

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 annual 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 50% of the City's assessed property valuation.

2016 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	10,874,312	6,955,541	6,338,469	(3,804,653)	3,263,099	4,423,632
Special Revenue Funds						
Conservation Trust	1,714,869	6,865	-	(1,687,899)	-	33,836
Open Space	1,741,753	3,489	6,765	(1,666,189)	-	72,288
Donors	568,955	8,280	25,947	-	-	551,288
Community Development	-	6,501	24,149	17,648	-	-
Malley Center Trust	235,328	1,042	-	-	-	236,370
Parks & Recreation Trust	457,750	1,831	819	-	-	458,763
Debt Service Fund						
General Obligation Bond	70,248	38,048	378	-	-	107,918
Capital Projects Funds						
PIF	5,104,383	639,027	31,613	(4,233,736)	-	1,478,061
MYCP	987,871	15,591	86,205	(1,263,933)	-	(346,677)
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	11,272,599	565,854	1,131,564	-	-	10,706,889
Sewer	5,760,242	2,948,788	1,430,202	-	1,000,000	6,278,829
Stormwater Drainage	1,312,573	87,036	10,881	-	102,500	1,286,229
Golf Course	713,966	100,174	138,780	-	215,773	459,587
Concrete Utility	639,046	141,197	25,472	-	-	754,771
Housing Rehabilitation	1,239,257	13,686	5,873	-	-	1,247,070
Internal Service Funds						
Central Services	55,995	42,028	42,756	-	-	55,267
ServiCenter	1,772,834	357,091	260,107	-	-	1,869,819
CERF	2,041,158	150,808	44	-	-	2,191,922
Employee Benefits	219,842	713,171	1,185,902	-	-	(252,889)
Risk Management	402,211	1,513	717,996	-	-	(314,272)

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. The City Council will be provided monthly financial 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.

This report will be reviewed with City Council at an upcoming study session. If you have any questions regarding this report, please contact Eric Keck at **303.762.2311**.

FUNDS GLOSSARY

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).

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.

FUNDS GLOSSARY

MOA – Museum of Outdoor Arts

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

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

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

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

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

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

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

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

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

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

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

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

General Fund Comparative Revenue, Expenditure & Fund Balance Report as of February 28, 2016

Percentage of Year Completed = 17%

Fund Balance January 1	\$ 9,658,951	\$ 10,874,312	\$ 10,874,312	\$ 12,211,250	\$ 12,211,250	\$ 10,913,833	\$ 10,913,833			
Revenues	2016				2015			2014		
	Budget	Feb-16	% Budget	YE Estimate	Dec-15	Feb-15	% YTD	Dec-14	Feb-14	% YTD
Property Tax	3,349,000	115,385	3.45%	3,349,000	2,917,413	30,738	1.05%	2,892,433	57,720	2.00%
Specific Ownership Tax	260,000	40,196	15.46%	260,000	305,165	26,457	8.67%	291,670	27,352	9.38%
Sales & Use Taxes	26,863,699	5,406,813	20.13%	26,863,699	26,521,617	5,152,531	19.43%	24,839,297	4,860,608	19.57%
Cigarette Tax	170,050	30,719	18.06%	170,050	188,285	29,553	15.70%	188,652	31,989	16.96%
Franchise Fees	3,173,550	296,819	9.35%	3,173,550	3,317,390	389,350	11.74%	3,207,978	357,988	11.16%
Hotel/Motel Tax	12,000	1,874	15.62%	12,000	13,812	2,414	17.48%	11,948	2,145	17.95%
Licenses & Permits	1,169,222	233,638	19.98%	1,169,222	1,611,274	208,377	12.93%	1,576,299	318,419	20.20%
Intergovernmental Revenue	1,287,104	110,540	8.59%	1,287,104	1,766,019	108,407	6.14%	1,869,045	207,281	11.09%
Charges for Services	2,587,112	239,888	9.27%	2,587,112	2,933,932	516,011	17.59%	3,215,032	510,665	15.88%
Recreation	2,592,400	254,029	9.80%	2,592,400	2,464,612	250,983	10.18%	2,466,421	256,233	10.39%
Fines & Forfeitures	1,008,350	140,989	13.98%	1,008,350	1,047,268	175,882	16.79%	1,350,164	226,244	16.76%
Interest	86,446	33,269	38.49%	86,446	43,865	29,315	66.83%	68,340	39,210	57.37%
EMRF Rents	1,150,000	149,864	13.03%	1,150,000	873,347	165,798	18.98%	684,683	117,466	17.16%
Miscellaneous	174,838	46,584	26.64%	174,838	217,408	46,854	21.55%	210,531	59,316	28.17%
Total Revenues	43,883,771	7,100,607	16.18%	43,883,771	44,221,407	7,132,670	16.13%	42,872,493	7,072,636	16.50%
Expenditures										
Legislation	365,572	45,490	12.44%	365,572	341,751	45,856	13.42%	329,738	48,594	14.74%
City Attorney	810,022	70,844	8.75%	810,022	717,683	104,042	14.50%	726,377	102,858	14.16%
Court	1,058,583	125,903	11.89%	1,058,583	986,421	137,027	13.89%	942,264	139,701	14.83%
City Manager	720,064	160,088	22.23%	720,064	810,429	161,655	19.95%	673,402	133,768	19.86%
Human Resources	613,532	91,779	14.96%	613,532	570,022	96,939	17.01%	441,956	49,451	11.19%
Financial Services	1,870,411	230,419	12.32%	1,870,411	1,676,009	256,768	15.32%	1,566,733	228,828	14.61%
Information Technology	1,481,726	124,410	8.40%	1,481,726	1,387,054	206,518	14.89%	1,348,275	205,446	15.24%
Public Works	6,208,706	803,546	12.94%	6,208,706	5,707,695	845,678	14.82%	5,440,975	783,762	14.40%
Fire Department	5,866,698	1,396,986	23.81%	5,866,698	9,610,372	1,222,335	12.72%	9,176,241	1,037,675	11.31%
Police Department	13,247,547	1,797,174	13.57%	13,247,547	12,448,235	1,824,394	14.66%	11,872,226	1,749,617	14.74%
Community Development	2,134,378	210,272	9.85%	2,134,378	1,089,534	251,395	23.07%	1,128,034	251,871	22.33%
Library	1,241,179	154,420	12.44%	1,241,179	1,179,667	159,974	13.56%	1,165,446	161,997	13.90%
Recreation	6,136,594	560,779	9.14%	6,136,594	5,600,772	642,965	11.48%	5,574,428	628,935	11.28%
Debt Service	1,871,644	259,888	13.89%	1,871,644	1,693,760	145,344	8.58%	1,869,902	153,905	8.23%
Contingency	250,000	306,474	122.59%	250,000	259,201	13,858	5.35%	211,623	20,899	9.88%
Total Expenditures	43,876,656	6,338,472	14.45%	43,876,656	44,078,605	6,114,748	13.87%	42,467,620	5,697,307	13.42%
Excess revenues over (under) expenditures	7,115	762,135	10711.67%	7,115	142,802	1,017,922		404,873	1,375,329	
Net transfers in (out)	(1,979,335)	(1,979,345)	100.00%	(1,979,345)	(1,479,740)	294,326	-19.89%	892,544	848,820	95.10%
Total Fund Balance	\$ 7,686,731	\$ 9,657,102	125.63%	\$ 8,902,082	\$ 10,874,312	\$ 13,523,498	124.36%	\$ 12,211,250	\$ 13,137,982	107.59%

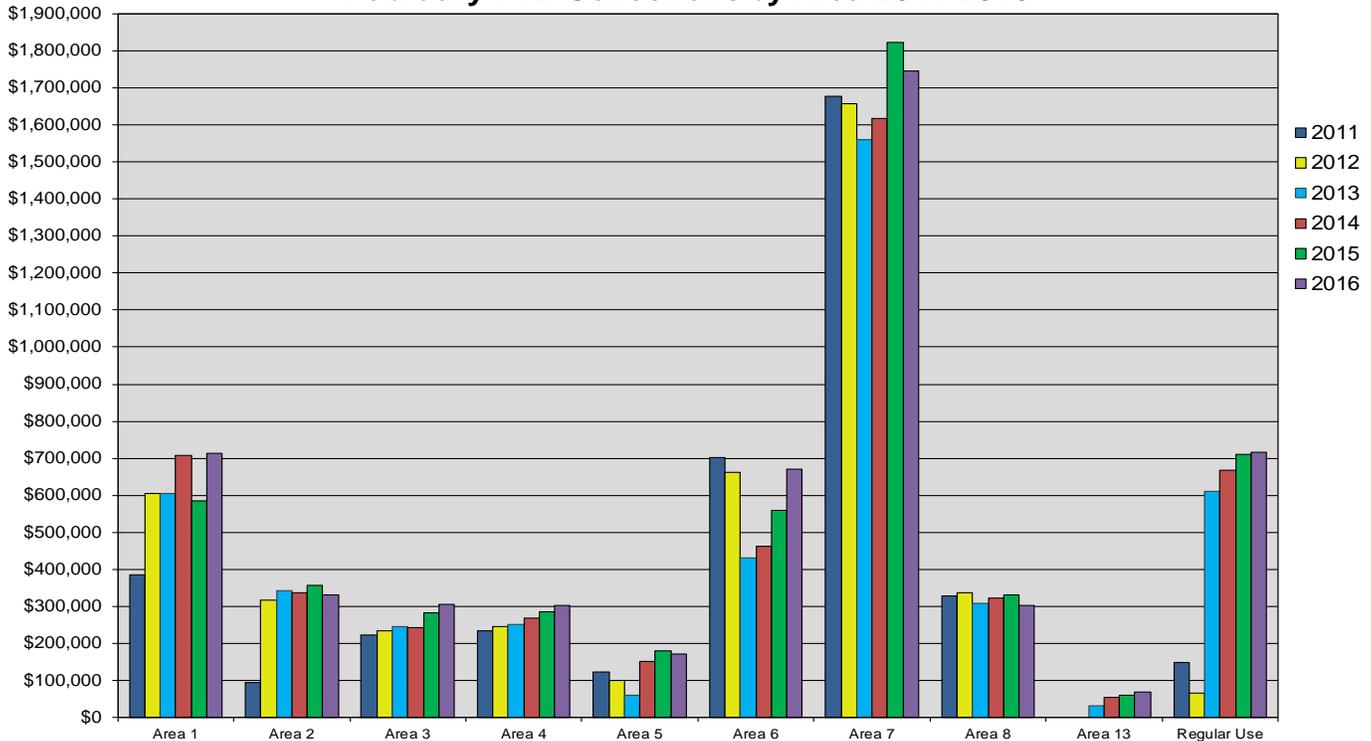
Fund Balance Analysis										
Total Fund Balance	\$ 7,686,731	\$ 9,657,102	\$ 8,902,082	\$ 10,874,312	\$ 12,211,250					
Restricted Fund Balance										
-Emergencies (TABOR)	1,400,000	1,400,000	1,450,000	1,450,000	1,400,000					
Committed Fund Balance										
-LTAR	1,863,099	1,863,099	1,863,099	2,663,099	2,663,099					
Restricted/Committed	\$ 3,263,099	\$ 3,263,099	\$ 3,313,099	\$ 4,113,099	\$ 4,063,099					
Estimated Unassigned Fund Balance	\$ 4,423,632	\$ 6,394,003	\$ 5,588,983	\$ 6,761,213	\$ 8,148,151					
As a percentage of projected revenues	10.08%	14.57%	12.74%	15.29%	19.01%					
As a percentage of budgeted revenues	10.08%	14.57%	12.74%							
Target	4,388,377	-	6,582,566							

Please note the 2015 financial information included in this report is unaudited and subject to change due to yearend adjustments.

Sales & Use Tax Collections Year-to-Date Comparison (Cash Basis) for the month of February 2016

	2011	% Change	2012	% Change	2013	% Change	2014	% Change	2015	% Change	2016	% Change	\$ Change
Area 1	384,368	-2.82%	605,339	57.49%	605,008	-0.05%	707,440	16.93%	584,051	-17.44%	714,066	22.26%	130,014
Area 2	94,059	10.73%	318,120	238.21%	341,710	7.42%	336,352	-1.57%	356,417	5.97%	331,602	-6.96%	-24,815
Area 3	221,744	-9.38%	233,797	5.44%	245,174	4.87%	241,968	-1.31%	281,664	16.41%	306,973	8.99%	25,309
Area 4	234,362	-8.67%	246,568	5.21%	251,232	1.89%	269,584	7.30%	285,657	5.96%	302,758	5.99%	17,102
Area 5	122,800	13.37%	99,308	-19.13%	61,923	-37.65%	152,539	146.34%	180,080	18.05%	172,369	-4.28%	-7,711
Area 6	702,046	8.91%	661,505	-5.77%	432,448	-34.63%	463,720	7.23%	559,566	20.67%	671,669	20.03%	112,103
Area 7	1,676,973	18.77%	1,656,773	-1.20%	1,561,332	-5.76%	1,616,417	3.53%	1,822,903	12.77%	1,745,726	-4.23%	-77,177
Area 8	328,184	-7.29%	336,257	2.46%	309,204	-8.05%	323,238	4.54%	331,605	2.59%	301,744	-9.00%	-29,861
Area 13	0	0.00%	0	0.00%	31,517	0.00%	55,722	76.80%	61,550	10.46%	69,033	12.16%	7,483
Regular Use	148,941	37.08%	67,620	-54.60%	611,031	803.63%	669,110	9.51%	711,347	6.31%	715,481	0.58%	4,135
Subtotal	3,913,477	8.43%	4,225,288	7.97%	4,450,579	5.33%	4,836,091	8.66%	5,174,840	7.00%	5,331,422	3.03%	156,582
Area 9	362,696	6.73%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 10	7,650	165.78%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 9 and 10	370,346	8.06%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 11	24,832	9.61%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 12	2,210	13.90%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 11 and 12	27,043	9.95%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Subtotal	397,388	8.19%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Total	4,310,866	8.41%	4,225,288	-1.99%	4,450,579	5.33%	4,836,091	8.66%	5,174,840	7.00%	5,331,422	3.03%	156,582
Refunds	7,976	-89.35%	42,821	436.86%	4,747	-88.91%	828	-82.55%	5,184	525.82%	21,970	323.84%	16,787
Audit & Collections Revenue**	99,834	226.71%	5,176	-94.82%	13,201	155.07%	70,083	430.88%	30,877	-55.94%	20,452	-33.76%	-10,425
**included Above													
Unearned Sales Tax	1,100,000	83.33%	1,150,000	4.55%	1,150,000	0.00%	1,150,000	0.00%	1,150,000	0.00%	1,150,000	0.00%	0
Building Use	49,658	-3.70%	65,089	31.07%	63,999	-1.68%	758,403	1085.03%	453,733	-40.17%	251,967	-44.47%	-201,766
Vehicle Use	136,125	-7.16%	235,269	72.83%	249,869	6.21%	226,070	-9.52%	298,142	31.88%	367,940	23.41%	69,797

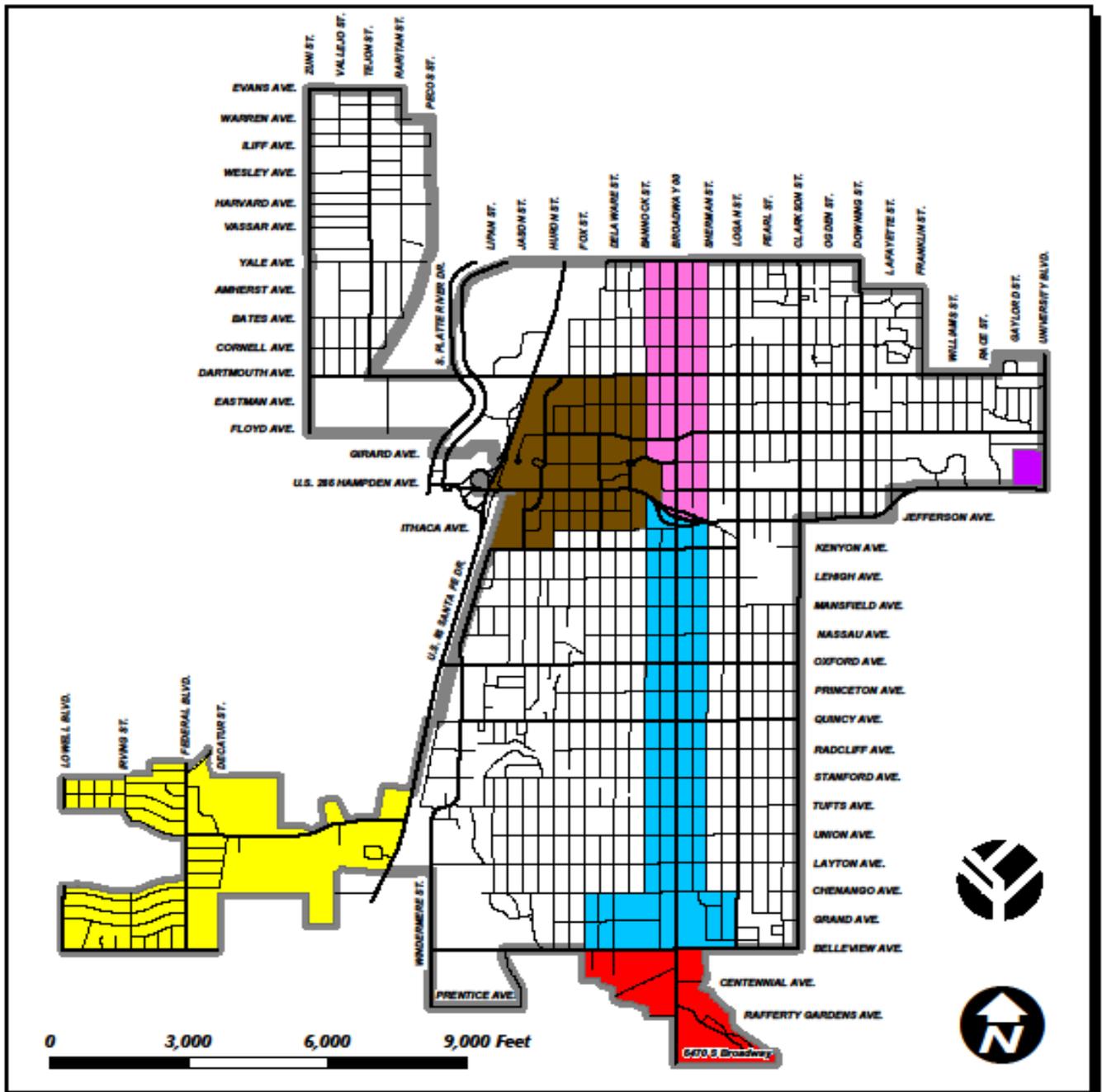
February YTD Collections by Area 2011-2016



Area Descriptions

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

Please note the 2015 financial information included in this report is unaudited and subject to change due to yearend adjustments.



City of Englewood, Colorado: Sales Tax Areas

- Area 1*
- Area 2*
- Area 3
- Area 4
- Area 5
- Area 13
- Arterials and Collectors
- Local Streets
- 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

Please note the 2015 financial information included in this report is unaudited and subject to change due to yearend adjustments.

City of Englewood, Colorado

December, 2015 Unaudited General Fund Financial Summary Report Update

GENERAL FUND REVENUES: The **2015** calendar year has ended. The 2015 YTD revenues received, **\$44,221,407** are **105.22%** of the revenue estimate budgeted.

<i>Fund Balance January</i>	\$ 10,416,386	\$12,211,250		\$ 10,913,833	\$10,913,833			
<i>Revenues</i>	2015			2014			2015 vs 2014	
	Budget	Dec-15	% Budget	Dec-14	Dec-14	% YTD	\$ Diff	% Diff
Property Tax	2,900,000	2,917,413	100.60%	2,892,433	2,892,433	100.00%	24,980	0.86%
Specific Ownership Tax	260,000	305,165	117.37%	291,670	291,670	100.00%	13,495	4.63%
Sales & Use Taxes	24,200,000	26,521,617	109.59%	24,839,297	24,839,297	100.00%	1,682,320	6.77%
Cigarette Tax	179,000	188,285	105.19%	188,652	188,652	100.00%	(367)	-0.19%
Franchise Fees	3,017,550	3,317,390	109.94%	3,207,978	3,207,978	100.00%	109,412	3.41%
Hotel/Motel Tax	12,000	13,812	115.10%	11,948	11,948	100.00%	1,864	15.60%
Licenses & Permits	1,107,122	1,611,274	145.54%	1,576,299	1,576,299	100.00%	34,975	2.22%
Intergovernmental Revenue	1,803,943	1,766,019	97.90%	1,869,045	1,869,045	100.00%	(103,026)	-5.51%
Charges for Services	3,335,262	2,933,932	87.97%	3,215,032	3,215,032	100.00%	(281,100)	-8.74%
Recreation	2,556,900	2,464,612	96.39%	2,466,421	2,466,421	100.00%	(1,809)	-0.07%
Fines & Forfeitures	1,396,844	1,047,268	74.97%	1,350,164	1,350,164	100.00%	(302,896)	-22.43%
Interest	88,164	43,865	49.75%	68,340	68,340	100.00%	(24,475)	-35.81%
EMRF Rents	858,882	873,347	101.68%	684,683	684,683	100.00%	188,664	27.55%
Miscellaneous	313,312	217,408	69.39%	210,531	210,531	100.00%	6,877	3.27%
Total Revenues	42,028,979	44,221,407	105.22%	42,872,493	42,872,493	100.00%	1,348,914	3.15%

Sales and Use Tax by Business Area:

Business Area	\$ YTD Variance CY vs PY	% YTD Variance CY vs PY	YTD New Businesses	YTD Closed Businesses	YTD Net New (Closed) Businesses	Comments
Area 1	32,834	0.95%	21	(14)	7	In Jan 2014 we received additional tax dollars from a tax remitter that did not occur in Jan 2015. If we adjust for the timing of these receipts, Area 1 would report a favorable variance of \$156,825 or 4.5% increase in 2015 over 2014.
Area 2	75,790	4.10%	31	(23)	8	Variance is due to better economic conditions experienced in 2015 versus 2014.
Area 3	419,234	26.44%	32	(22)	10	Variance is due primarily to better economic conditions in 2015 versus 2014.
Area 4	63,069	4.22%	9	(5)	4	Variance is due primarily to better economic conditions in 2015 versus 2014.
Area 5	(5,956)	-0.69%	6	(7)	(1)	Variance is due primarily to better economic conditions in 2015 versus 2014. Please note the Littleton King Soopers reopened 1/28/2015 after being closed for a year during their reconstruction project at Broadway and Littleton Blvd.
Area 6	433,677	13.30%	56	(63)	(7)	Variance is due primarily to better economic conditions in 2015 versus 2014.
Area 7	349,955	4.64%	351	(228)	123	Variance is due primarily to better economic conditions in 2015 versus 2014.
Area 8	(50,136)	-3.13%	-	-	-	Variance is due in part to mild temperatures that led to lower energy usage in 2015 versus 2014 and to more customers switching from landlines to cellphones in 2015 as compared to 2014.
Area 13	35,244	11.66%	-	-	-	Variance is due primarily to better economic conditions in 2015 versus 2014.
Regular Use	494,579	17.35%	N/A	N/A	N/A	Use tax revenue fluctuates depending on the timing of when businesses replace large ticket items such as operating machinery and equipment. If items purchased outside of Englewood at a local tax rate less than 3.5%, then the tax payer is liable for the difference between the local tax paid and 3.5% tax due.
Totals	1,848,290	7.45%	506	(362)	144	

Outside City (Business Area 7):

- Outside City sales tax receipts (cash basis) were up **\$349,955** or **4.6** percent compared to last year.
- At this time potential refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is \$1,150,000.

City Center Englewood (Business Area 1):

- Sales tax revenue collected through December 2015 were **\$3,490,164** or **\$32,834** more than last year during the same period of time.

GENERAL FUND EXPENDITURES: 2015 YTD expenditures, \$44,078,605 are 96.52% of the budget appropriation.

Expenditures	2015			2014			2015 vs 2014		Variance comments updated each quarter (Jan, Apr, Jun and Oct)
	Budget	Dec-15	% Budget	Dec-14	Dec-14	% YTD	\$ Diff	% Diff	
Legislation	357,575	341,751	95.57%	329,738	329,738	100.00%	12,013	3.64%	No executive search expense in 2015 as what existed in 2014.
City Attorney's Office	869,106	717,683	82.58%	726,377	726,377	100.00%	(8,694)	-1.20%	Variance is due to a combination of a reduction to benefits relating to full time salaries and a reduction in outside attorney fees.
Municipal Court	1,085,494	986,421	90.87%	942,264	942,264	100.00%	44,157	4.69%	Variance is due to anticipated personnel increases and reductions in expenditures.
City Manager's Office	877,464	810,429	92.36%	673,402	673,402	100.00%	137,027	20.35%	The addition of a 24 hour per week administrative assistant and the inclusion of contract cost for the summer meals program and 4th of July planner increased expenses over 2014.
Human Resources	560,893	570,022	101.63%	441,956	441,956	100.00%	128,066	28.98%	Variance is due in part to the salary and benefits of 1.6 FTE reclassified from the Employee Benefits and Risk Management Funds to the General Fund (\$97,000) and to the NEOGov and Perform Software Maintenance Agreement (\$22,100).
Finance and Administrative Services	1,805,052	1,676,009	92.85%	1,566,733	1,566,733	100.00%	109,276	6.97%	Variance is due in part to the vacancy of the Sales Tax Auditor Position from February 1 to November 3, 2014 and the Revenue Technician Position from 6/27/2014 to 10/20/2014 (2015 increase in salary and benefits from February through December is approx \$72,000), and a \$13,000 YTD increase in banking fees associated with the usage of the online MUNIRevs business licensing and tax collection system (2014 first full year of new system).
Information Technology	1,425,389	1,387,054	97.31%	1,348,275	1,348,275	100.00%	38,779	2.88%	The variance is due in part to department reorganization which replaced the outgoing director with a manager and the made the IT division part of the Finance and Administrative Services Department.
Public Works	5,790,091	5,707,695	98.58%	5,440,975	5,440,975	100.00%	266,720	4.90%	
Fire Services	9,614,834	9,610,372	99.95%	9,176,241	9,176,241	100.00%	434,131	4.73%	Variance due to firefighter payout and closure of department.
Police Services	12,508,221	12,448,235	99.52%	11,872,226	11,872,226	100.00%	576,009	4.85%	Variance is due in part to \$450,000 in anticipated increases to salary and benefits and filling three new positions; \$83,000 in reimbursable E911 Radio Grant purchases, \$20,000 in maintenance service agreements and \$67,000 in reimbursable POST costs.
Community Development	1,338,781	1,089,534	81.38%	1,128,034	1,128,034	100.00%	(38,500)	-3.41%	The CD variance is due to the 2015 appropriation of \$100K for the Englewood Forward initiatives.
Library Services	1,317,657	1,179,667	89.53%	1,165,446	1,165,446	100.00%	14,221	1.22%	Variance due to vacancy savings and reduction in Marmot network expense.
Recreation Services	6,053,116	5,600,772	92.53%	5,574,428	5,574,428	100.00%	26,344	0.47%	Variance due to increases in salaries for seasonal employees to recruit sufficient staff for summer operations.
Debt Service	1,863,314	1,693,760	90.90%	1,869,902	1,869,902	100.00%	(176,142)	-9.42%	
Contingency	200,000	259,201	129.60%	211,623	211,623	100.00%	47,578	22.48%	Variance is due to an increase in annual leave payouts in 2015 versus 2014 for employees separating from the City.
Total Expenditures	45,666,987	44,078,605	96.52%	42,467,620	42,467,620	100.00%	1,610,985	3.79%	

GENERAL FUND REVENUES OVER/UNDER EXPENDITURES:

YTD revenues exceed expenditures by **\$142,802** compared to revenues exceeding expenditures by \$404,873 in 2015.

The **two graphs on the right** show how closely the revenue and expenditure amounts track year to date. Fund Balance reserves help to stabilize operations for unexpected adverse fluctuations in revenue or expenditure amounts.

GENERAL FUND TRANSFERS:

Net 2016 transfers-out to date of **\$1,479,740** were made by the end of February 2016 (please refer to page 23). Please note this includes a transfer of \$1,500,000 to the Public Improvement Fund for the Dartmouth Bridge (Reso 43, 2016), \$361,516 Recreation Center HVAC (Reso 43 and 53, 2016), \$10,000 for the Council Chambers Improvements (Reso 50, 2016) Projects, \$51,450 and \$50,000 transferred in from the Donors Fund for the City's Branding/Marketing Initiative (Reso 54, 2016), Commercial Catalyst Program (Reso 58, 2016) and \$4,000 transferred to the Capital Equipment Replacement Fund for Police vehicles upgrade (Reso 7, 2016) respectively.

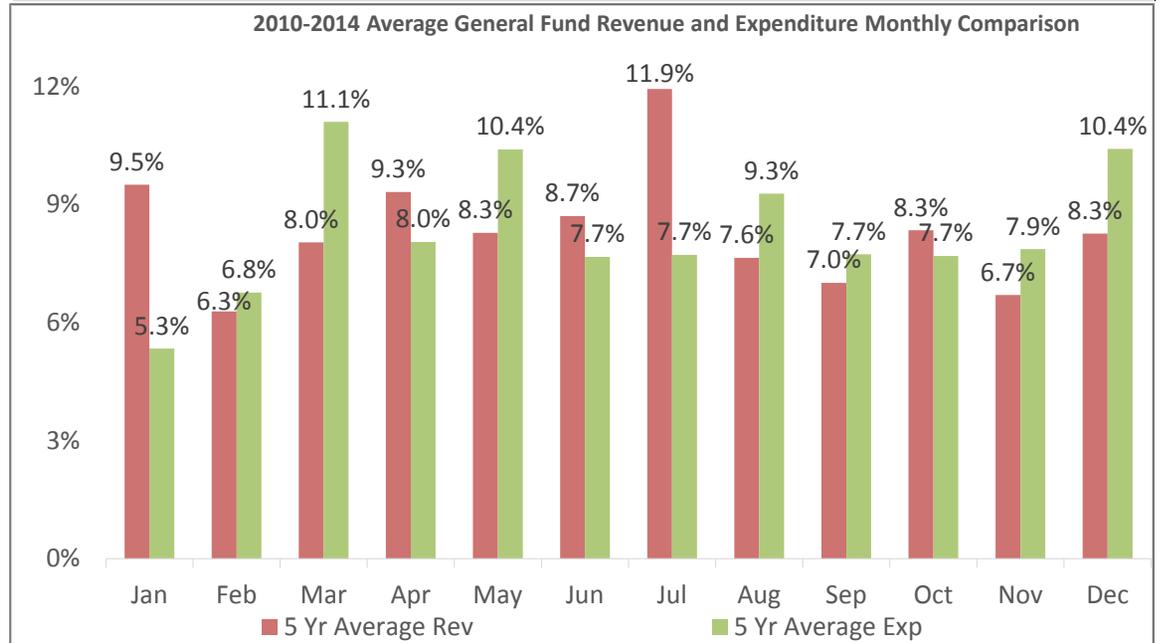
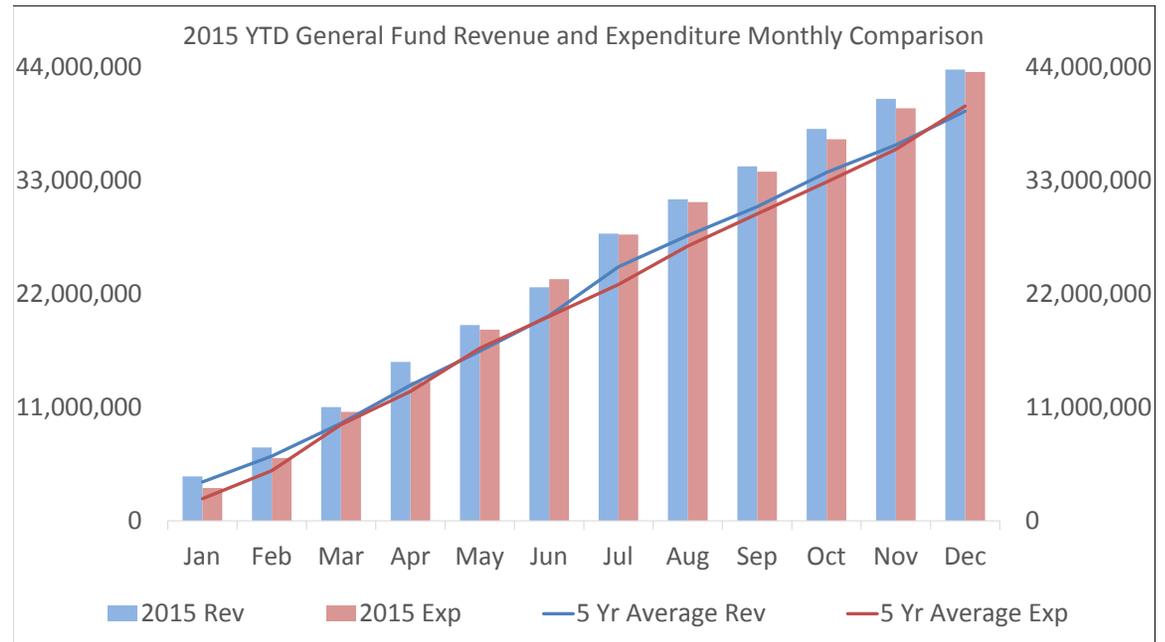
GENERAL FUND - FUND BALANCE:

The estimated fund balance is **\$10,874,312** or **24.6** percent of estimated revenue.

- The estimated unassigned fund balance for 2015 is **\$6,761,213** or **15.3** percent of estimated revenues.
- The Long Term Asset Reserve (LTAR) balance is **\$2,663,099** (please refer to page 23).
- The TABOR Emergency Reserve is **\$1,450,000**.

PUBLIC IMPROVEMENT FUND (PIF):

The PIF YTD revenue is \$6,596,648 and YTD expenditure is \$3,837,403. Prior to adjustments to budget estimates, the estimated year-end **unappropriated fund balance** is **\$2,372,810**.



General Fund Comparative Revenue, Expenditure & Fund Balance Report
as of December 31, 2015 - Preliminary
Percentage of Year Completed = 100%

<i>Fund Balance January 1</i>	\$ 10,416,386	\$ 12,211,250	\$ 12,211,250	\$ 10,913,833	\$ 10,913,833	\$ 9,070,810	\$ 9,070,810			
	2015				2014			2013		
	Budget	Dec-15	% Budget	YE Estimate	Dec-14	Dec-14	% YTD	Dec-13	Dec-13	% YTD
Revenues										
Property Tax	2,900,000	2,917,413	100.60%	2,917,413	2,892,433	2,892,433	100.00%	2,900,715	2,900,715	100.00%
Specific Ownership Tax	260,000	305,165	117.37%	305,165	291,670	291,670	100.00%	266,881	266,881	100.00%
Sales & Use Taxes	24,200,000	26,521,617	109.59%	26,521,617	24,839,297	24,839,297	100.00%	23,433,775	23,433,775	100.00%
Cigarette Tax	179,000	188,285	105.19%	188,285	188,652	188,652	100.00%	195,088	195,088	100.00%
Franchise Fees	3,017,550	3,317,390	109.94%	3,317,390	3,207,978	3,207,978	100.00%	3,101,310	3,101,310	100.00%
Hotel/Motel Tax	12,000	13,812	115.10%	13,812	11,948	11,948	100.00%	12,039	12,039	100.00%
Licenses & Permits	1,107,122	1,611,274	145.54%	1,611,274	1,576,299	1,576,299	100.00%	1,446,578	1,446,578	100.00%
Intergovernmental Revenue	1,803,943	1,766,019	97.90%	1,766,019	1,869,045	1,869,045	100.00%	1,488,204	1,488,204	100.00%
Charges for Services	3,335,262	2,933,932	87.97%	2,933,932	3,215,032	3,215,032	100.00%	3,469,845	3,469,845	100.00%
Recreation	2,556,900	2,464,612	96.39%	2,464,612	2,466,421	2,466,421	100.00%	2,420,443	2,420,443	100.00%
Fines & Forfeitures	1,396,844	1,047,268	74.97%	1,047,268	1,350,164	1,350,164	100.00%	1,317,707	1,317,707	100.00%
Interest	88,164	43,865	49.75%	43,865	68,340	68,340	100.00%	(10,223)	(10,223)	100.00%
EMRF Rents	858,882	873,347	101.68%	873,347	684,683	684,683	100.00%	573,526	573,526	100.00%
Miscellaneous	313,312	217,408	69.39%	217,408	210,531	210,531	100.00%	285,931	285,931	100.00%
Total Revenues	42,028,979	44,221,407	105.22%	44,221,407	42,872,493	42,872,493	100.00%	40,901,819	40,901,819	100.00%
Expenditures										
Legislation	357,575	341,751	95.57%	341,751	329,738	329,738	100.00%	280,920	280,920	100.00%
City Attorney	869,106	717,683	82.58%	717,683	726,377	726,377	100.00%	719,781	719,781	100.00%
Court	1,085,494	986,421	90.87%	986,421	942,264	942,264	100.00%	922,245	922,245	100.00%
City Manager	877,464	810,429	92.36%	810,429	673,402	673,402	100.00%	675,844	675,844	100.00%
Human Resources	560,893	570,022	101.63%	570,022	441,956	441,956	100.00%	408,551	408,551	100.00%
Financial Services	1,805,052	1,676,009	92.85%	1,676,009	1,566,733	1,566,733	100.00%	1,533,060	1,533,060	100.00%
Information Technology	1,425,389	1,387,054	97.31%	1,387,054	1,348,275	1,348,275	100.00%	1,336,591	1,336,591	100.00%
Public Works	5,790,091	5,707,695	98.58%	5,707,695	5,440,975	5,440,975	100.00%	5,234,383	5,234,383	100.00%
Fire Department	9,614,834	9,610,372	99.95%	9,610,372	9,176,241	9,176,241	100.00%	8,002,677	8,002,677	100.00%
Police Department	12,508,221	12,448,235	99.52%	12,448,235	11,872,226	11,872,226	100.00%	11,226,157	11,226,157	100.00%
Community Development	1,338,781	1,089,534	81.38%	1,089,534	1,128,034	1,128,034	100.00%	1,113,710	1,113,710	100.00%
Library	1,317,657	1,179,667	89.53%	1,179,667	1,165,446	1,165,446	100.00%	1,174,656	1,174,656	100.00%
Recreation	6,053,116	5,600,772	92.53%	5,600,772	5,574,428	5,574,428	100.00%	5,402,599	5,402,599	100.00%
Debt Service	1,863,314	1,693,760	90.90%	1,693,760	1,869,902	1,869,902	100.00%	2,005,830	2,005,830	100.00%
Contingency	200,000	259,201	129.60%	259,201	211,623	211,623	100.00%	88,360	88,360	100.00%
Total Expenditures	45,666,987	44,078,605	96.52%	44,078,605	42,467,620	42,467,620	100.00%	40,125,364	40,125,364	100.00%
Excess revenues over (under) expenditures	(3,638,008)	142,802	-3.93%	142,802	404,873	404,873		776,455	776,455	
Net transfers in (out)	(1,479,740)	(1,479,740)	100.00%	(1,479,740)	892,544	892,544	100.00%	1,066,568	1,066,568	100.00%
Total Fund Balance	\$ 5,298,638	\$ 10,874,312	205.23%	\$ 10,874,312	\$ 12,211,250	\$ 12,211,250	100.00%	\$ 10,913,833	\$ 10,913,833	100.00%

Fund Balance Analysis										
Total Fund Balance	\$ 5,298,638	\$ 10,874,312		\$ 10,874,312	\$ 12,211,250		\$ 10,913,833			
Restricted Fund Balance										
-Emergencies (TABOR)	1,340,000	1,450,000		1,450,000	1,400,000		1,340,000			
Committed Fund Balance										
-LTAR	2,663,099	2,663,099		2,663,099	2,663,099		2,619,375			
-COPS Grant	-	-		-	-		78,753			
Restricted/Committed	\$ 4,003,099	\$ 4,113,099		\$ 4,113,099	\$ 4,063,099		\$ 4,038,128			
Estimated Unassigned Fund Balance										
Fund Balance	\$ 1,295,539	\$ 6,761,213		\$ 6,761,213	\$ 8,148,151		\$ 6,875,705			
As a percentage of projected revenues	2.93%	15.29%		15.29%	19.01%		16.81%			
As a percentage of budgeted revenues	3.08%	16.09%		16.09%						
Target	4,202,898	-		6,304,347						

Please note the 2015 financial information included in this report is unaudited and subject to change due to yearend adjustments.



TO: City Council

FROM: Murphy Robinson, Assistant City Manager

DATE: March 17, 2016

SUBJECT: Code Enforcement Advisory Committee Update

The Code Advisory Committee met on March 16, 2016 to hear public comments & concerns, discuss the construction noise issues, and to get an update from the Englewood Police Department about the recent changes made in the Code Enforcement Division. The following recommendations and future action items have been recommended by the committee to the City Council:

- A. CEAC would like to amend 6-2-5 E. Specific Prohibitions (Construction Work)
They would like it to read:

“Monday thru Saturday 7 a.m. to 7 p.m. and Sunday’s 8 a.m. to 5 p.m.”

- B. CEAC would also like to create an informational check list to be available to contractors educating them on the ordinance and expectations while doing work in the City of Englewood.

Next CEAC meeting to discuss this matter is on Wednesday, April 20, at 7:00 p.m.

- C. The Committee is going to extend an invitation to Judge Atencio to attend the Wednesday, May 18, 2016, meeting to discuss the summary of fines, and enforcement of fines on permit violators.
- D. Finally, the CEAC requested that staff do research on alley way ordinances and the clean-up of alleys to address a concern that a member of the public brought to the meeting.