

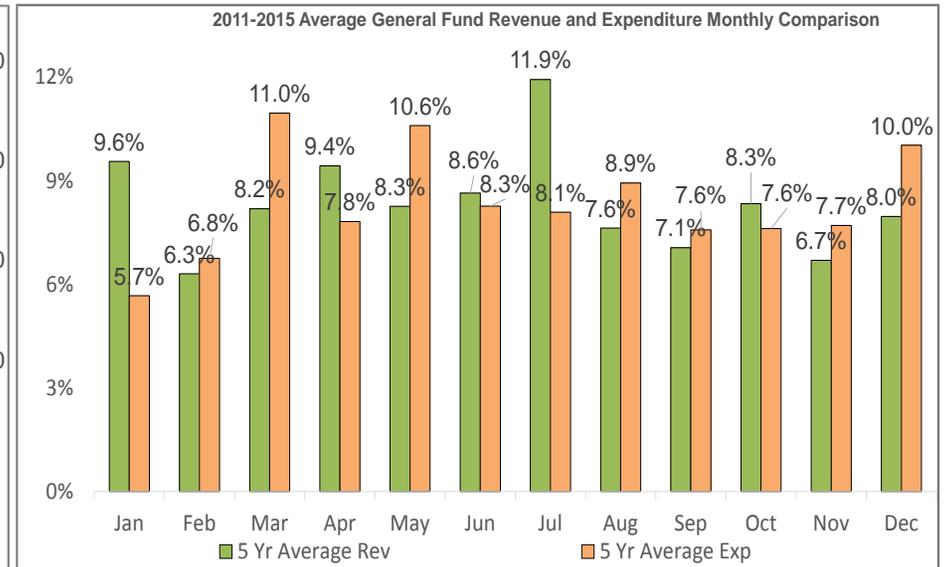
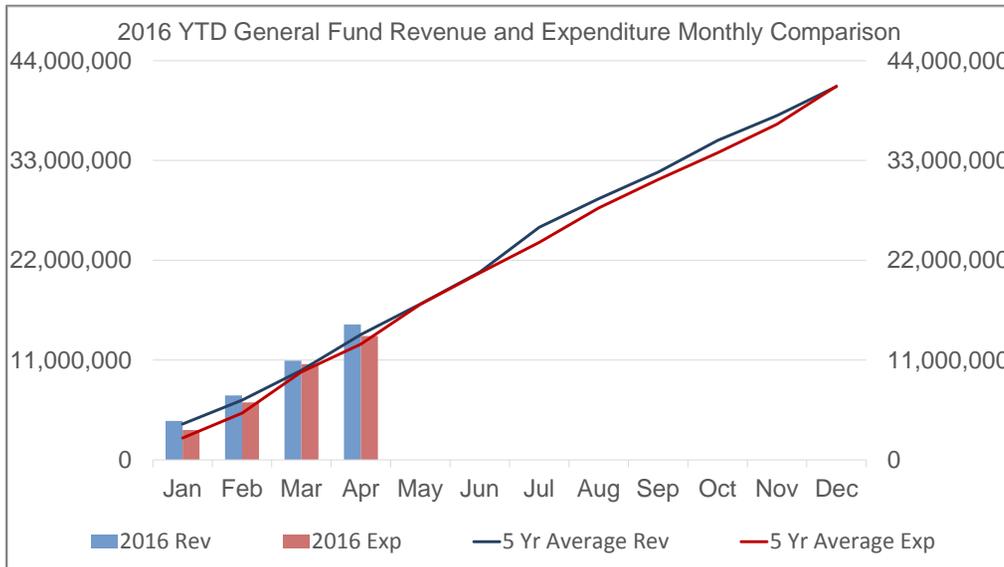


**To:** Mayor Joe Jefferson and City Council  
**Through:** Eric Keck, City Manager  
**From:** Kathy Rinkel, Finance and Administrative Services Director  
**Date:** May 19, 2016  
**Subject:** April, 2016 Financial Report

**GENERAL FUND REVENUES OVER/UNDER EXPENDITURES:**

YTD revenues exceed expenditures by **\$1,275,331** compared to revenues exceeding expenditures by \$1,935,983 in 2015. The current year-end projection is for revenues to exceed expenditures by **\$7,115**.

The following **two graphs** 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 actual amounts.



**GENERAL FUND REVENUES:** The **2016** calendar is approximately **33%** complete. The **2016** YTD revenues received, **\$14,933,657** are **34.03%** of the revenue estimate budget. Based on the 2011-2015 five year average of revenue recorded, approximately **33.5%** is received YTD.

Revenues	2016			2015			2016 vs 2015		Variance comments updated each quarter (Jan, Apr, Jul and Oct)
	Budget	Apr-16	% Budget	Dec-15	Apr-15	% YTD	\$ Diff	% Diff	
Property Tax	3,349,000	1,433,142	42.79%	2,917,413	1,243,810	42.63%	189,332	15.22%	Higher assessed property valuation in 2016
Specific Ownership Tax	260,000	96,639	37.17%	305,166	79,500	26.05%	17,139	21.56%	
Sales & Use Taxes	26,863,699	9,521,302	35.44%	26,603,384	9,853,425	37.04%	(332,123)	-3.37%	Lower due in large part to outside city filings.
Cigarette Tax	170,050	60,214	35.41%	188,285	57,436	30.50%	2,778	4.84%	
Franchise Fees	3,173,550	909,805	28.67%	3,320,046	957,061	28.83%	(47,256)	-4.94%	
Hotel/Motel Tax	12,000	4,031	33.59%	12,060	4,214	34.94%	(183)	-4.34%	
Licenses & Permits	1,169,222	442,905	37.88%	1,612,118	554,737	34.41%	(111,832)	-20.16%	
Intergovernmental Revenue	1,287,104	407,540	31.66%	1,766,019	418,871	23.72%	(11,331)	-2.71%	Timing of State grant receipts
Charges for Services	2,587,112	840,863	32.50%	2,963,932	1,063,405	35.88%	(222,542)	-20.93%	EMS Services not provided in 2016
Recreation	2,592,400	465,383	17.95%	2,464,613	437,686	17.76%	27,697	6.33%	
Fines & Forfeitures	1,008,350	309,393	30.68%	1,047,268	343,673	32.82%	(34,280)	-9.97%	
Interest	86,446	48,926	56.60%	43,866	45,517	103.76%	3,409	7.49%	
EMRF Rents	1,150,000	320,704	27.89%	873,347	316,180	36.20%	4,524	1.43%	Timing of lease receipts
Miscellaneous	174,838	72,810	41.64%	217,408	55,379	25.47%	17,431	31.48%	
<b>Total Revenues</b>	<b>43,883,771</b>	<b>14,933,657</b>	<b>34.03%</b>	<b>44,334,925</b>	<b>15,430,894</b>	<b>34.81%</b>	<b>(497,237)</b>	<b>-3.22%</b>	Overall General Fund revenues are on track to meet budgeted amounts

**GENERAL FUND EXPENDITURES:** 2016 YTD expenditures, **\$13,658,326** are **31.13%** of the budget appropriation. Based on the 2011-2015 five year average of expenditures recorded, approximately **31.2%** is spent YTD.

Expenditures	2016			2015			2016 vs 2015		Variance comments updated each quarter (Jan, Apr, Jul and Oct)
	Budget	Apr-16	% Budget	Dec-15	Apr-15	% YTD	\$ Diff	% Diff	
Legislation	365,572	157,743	43.15%	341,751	80,060	23.43%	77,683	97.03%	4th of July fireworks \$21,500 in 2016
City Attorney's Office	810,022	164,116	20.26%	717,683	225,185	31.38%	(61,069)	-27.12%	Lower salary costs during 2016
Municipal Court	1,058,583	280,219	26.47%	986,422	295,941	30.00%	(15,722)	-5.31%	Lower benefit costs during 2016
City Manager's Office	720,064	315,010	43.75%	810,429	261,954	32.32%	53,056	20.25%	2016 includes salaries for both the Deputy and Assistant City Manager
Human Resources	613,532	237,316	38.68%	570,023	175,860	30.85%	61,456	34.95%	Performance evaluation software agreement \$15,100 in 2016
Finance and Administrative Services	1,870,411	520,559	27.83%	1,676,008	539,481	32.19%	(18,922)	-3.51%	Director position was vacant during first part of 2016
Information Technology	1,481,726	430,948	29.08%	1,387,054	431,094	31.08%	(146)	-0.03%	On target to meet budget
Public Works	6,208,706	1,884,297	30.35%	5,707,695	1,849,464	32.40%	34,833	1.88%	On target to meet budget
Fire Services	5,866,698	2,513,020	42.84%	9,610,372	2,756,646	28.68%	(243,626)	-8.84%	2016 includes four months of Fire Services contract - \$450,500/month
Police Services	13,247,547	4,267,603	32.21%	12,448,235	4,072,412	32.71%	195,191	4.79%	Negotiated salary increase in 2016
Community Development	2,134,378	542,590	25.42%	1,095,440	629,519	57.47%	(86,929)	-13.81%	Director position was vacant during first part of 2016
Library Services	1,241,179	355,502	28.64%	1,179,667	376,304	31.90%	(20,802)	-5.53%	On target to meet budget
Recreation Services	6,136,594	1,587,499	25.87%	5,600,771	1,568,776	28.01%	18,723	1.19%	Lower salary and energy costs in 2016
Debt Service	1,871,644	287,505	15.36%	1,693,760	172,285	10.17%	115,220	66.88%	Paid final two yearly payments in 2016 to complete the Fire Truck lease
Contingency	250,000	114,399	45.76%	511,879	59,930	11.71%	54,469	90.89%	Leave payout for retiring employees in 2016
<b>Total Expenditures</b>	<b>43,876,656</b>	<b>13,658,326</b>	<b>31.13%</b>	<b>44,337,189</b>	<b>13,494,911</b>	<b>30.44%</b>	<b>163,415</b>	<b>1.21%</b>	<b>Overall General Fund expenditures are on track to meet budgeted amounts</b>

**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	104,356	9.00%	7	(7)	-	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 2	(30,724)	-4.68%	10	(6)	4	Variance is due primarily to better economic conditions in <b>2015</b> versus 2016.
Area 3	63,509	10.43%	11	(2)	9	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 4	13,552	2.58%	-	-	-	Variance is due primarily to better economic conditions in <b>2015</b> versus 2016.
Area 5	(2,913)	-0.93%	5	(1)	4	Variance is due primarily to better economic conditions in <b>2015</b> versus 2016.
Area 6	38,007	3.40%	32	(21)	11	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 7	(438,280)	-12.55%	132	(86)	46	Variance is due primarily to three tax remitters who filed collectively \$346,000 more in the first quarter of 2015 than in 2016.
Area 8	(72,370)	-11.68%	-	-	-	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	13,347	11.83%	2	-	2	Variance is due primarily to better economic conditions in 2016 versus 2015.
Regular Use	(17,839)	-1.44%	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	(329,354)	-3.35%	199	(123)	76	

**Outside City (Business Area 7) Sales Tax:**

- Outside City sales tax receipts (cash basis) were down **\$438,280** or **12.5** percent compared to last year. The reduction in outside city sales tax is due to several Information Technology and Communication type businesses that had 2015 sales for products that are not typically repurchased annually by consumers.
- 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 \$1,250,000.

**City Center Englewood (Business Area 1) Sales Tax:**

Sales tax revenue collected through April 2016 were **\$1,263,343** or **\$104,356** (9.0%) more than last year during the same period of time.

**GENERAL FUND TRANSFERS:**

Net 2016 transfers-*out* to date of **\$1,979,345** were made by the end of April 2016 (please refer to page 20).

**GENERAL FUND - FUND BALANCE:**

The estimated fund balance is **\$8,757,016** or **19.96** percent of estimated revenue.

- The estimated unassigned fund balance for 2016 is projected at **\$5,383,917** or **12.3** percent of estimated revenues.
- The Long Term Asset Reserve (LTAR) balance is **\$1,863,099** (please refer to page 20).
- The TABOR Emergency Reserve is **\$1,510,000**.

**PUBLIC IMPROVEMENT FUND (PIF):**

The PIF YTD revenue is \$1,982,926 and YTD expenditure is \$2,715,385. The estimated year-end **unappropriated fund balance** is **\$1,496,315**.

# City of Englewood, Colorado

## April, 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.

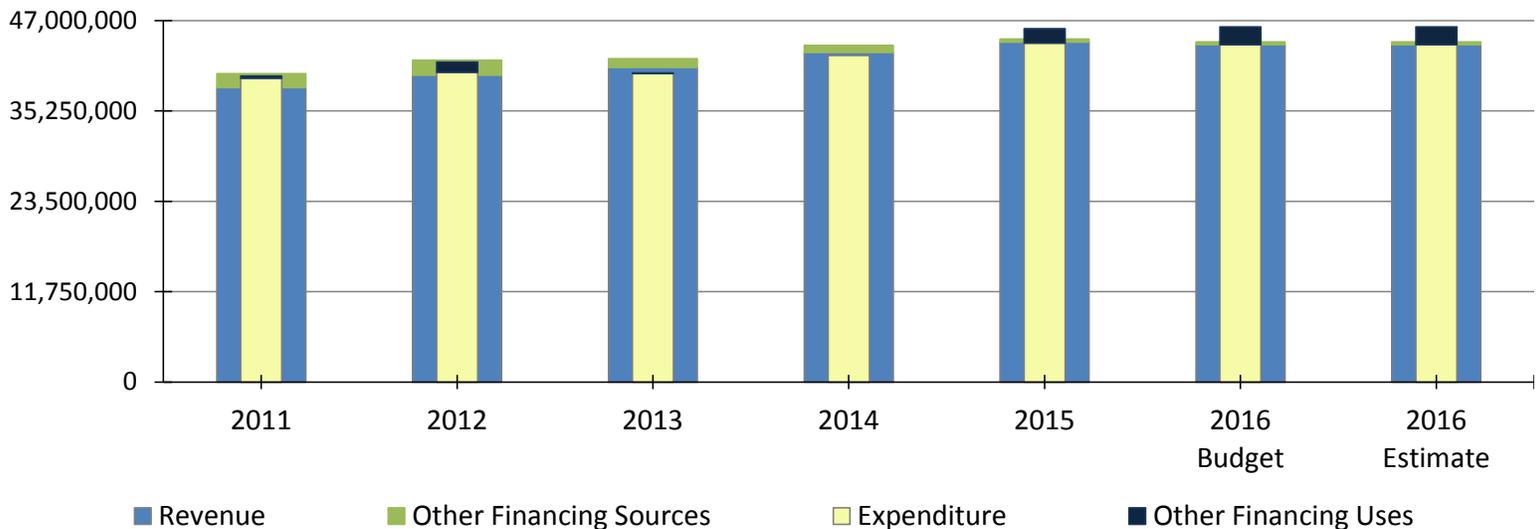
### **GENERAL FUND OVERVIEW AND ANALYSIS**

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**



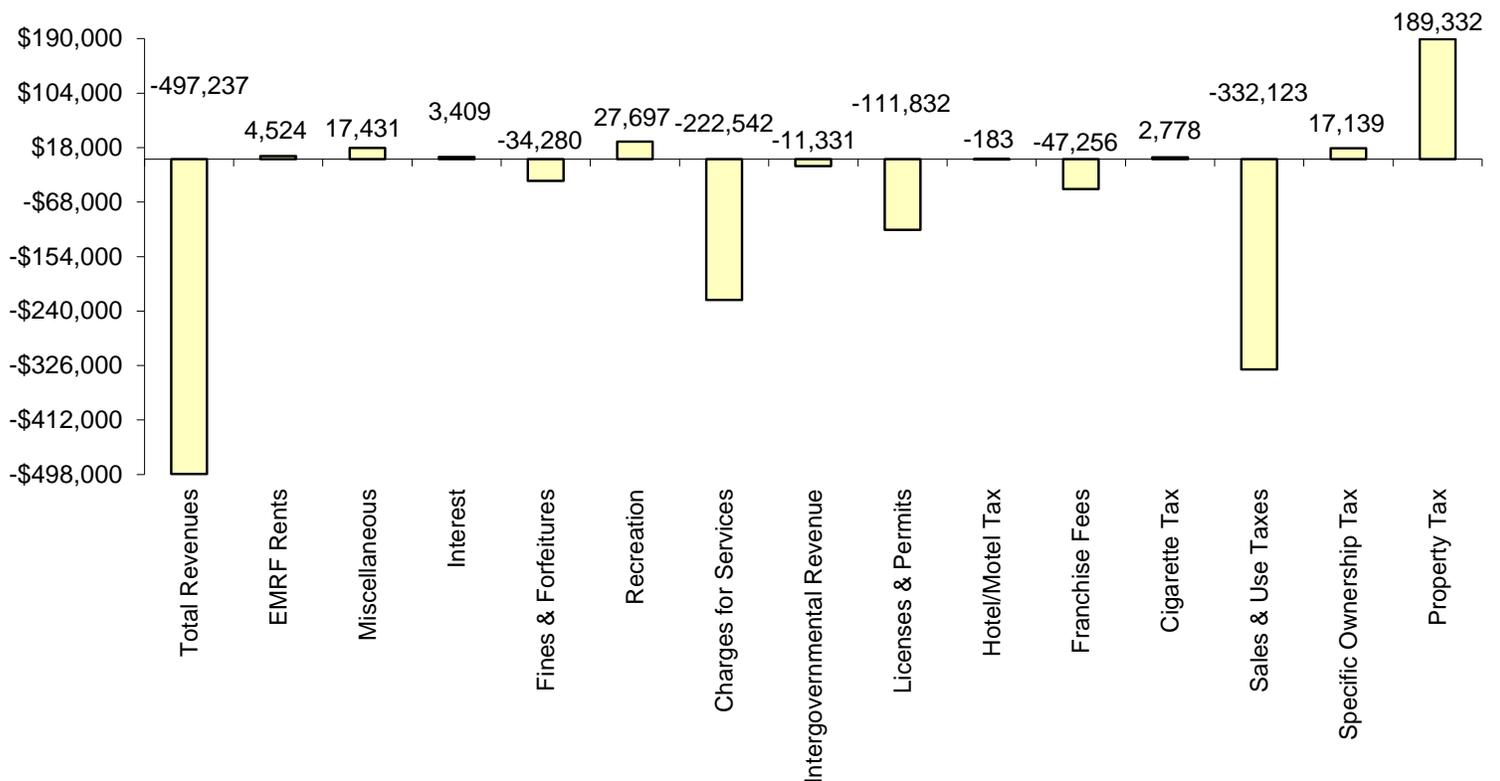
The following table summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended April, 2016. Comparative figures for years 2015 and 2015 are presented as well. The table also highlights the dollar and percentage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

	2016	2016 vs 2015 Increase (Decrease)		2015	2015 vs 2014 Increase (Decrease)		2014
<b>General Fund</b>							
Year-To-Date Revenue	\$ 14,933,657	\$ (497,237)	( 3.22%)	\$ 15,430,894	\$ 1,373,155	9.77%	\$ 14,057,739
Year-To-Date Expenditure	13,658,326	\$ 163,415	1.21%	13,494,911	\$ 749,797	5.88%	12,745,114
Net Revenue (Expenditure)	\$ 1,275,331	\$ (660,652)		\$ 1,935,983	\$ 623,358		\$ 1,312,625
Unassigned Fund Balance	\$ 5,383,917	\$ (1,172,230)	( 17.88%)	\$ 6,556,147	\$ (1,592,004)	( 19.54%)	\$ 8,148,151
Sales & Use Tax Revenue YTD	\$ 9,521,302	\$ (332,123)	( 3.37%)	\$ 9,853,425	\$ 1,137,628	13.05%	\$ 8,715,797
Outside City Sales Tax YTD	\$ 3,054,094	\$ (438,280)	( 12.55%)	\$ 3,492,374	\$ 710,432	25.54%	\$ 2,781,942

### General Fund Revenues

The City of Englewood's total budgeted revenue is \$43,883,771. Total revenue collected through April 2016 was \$10,939,889 or \$110,857 (1.0 percent) less than was collected in 2015. The chart below illustrates changes in General Fund revenues this year as compared to last year.

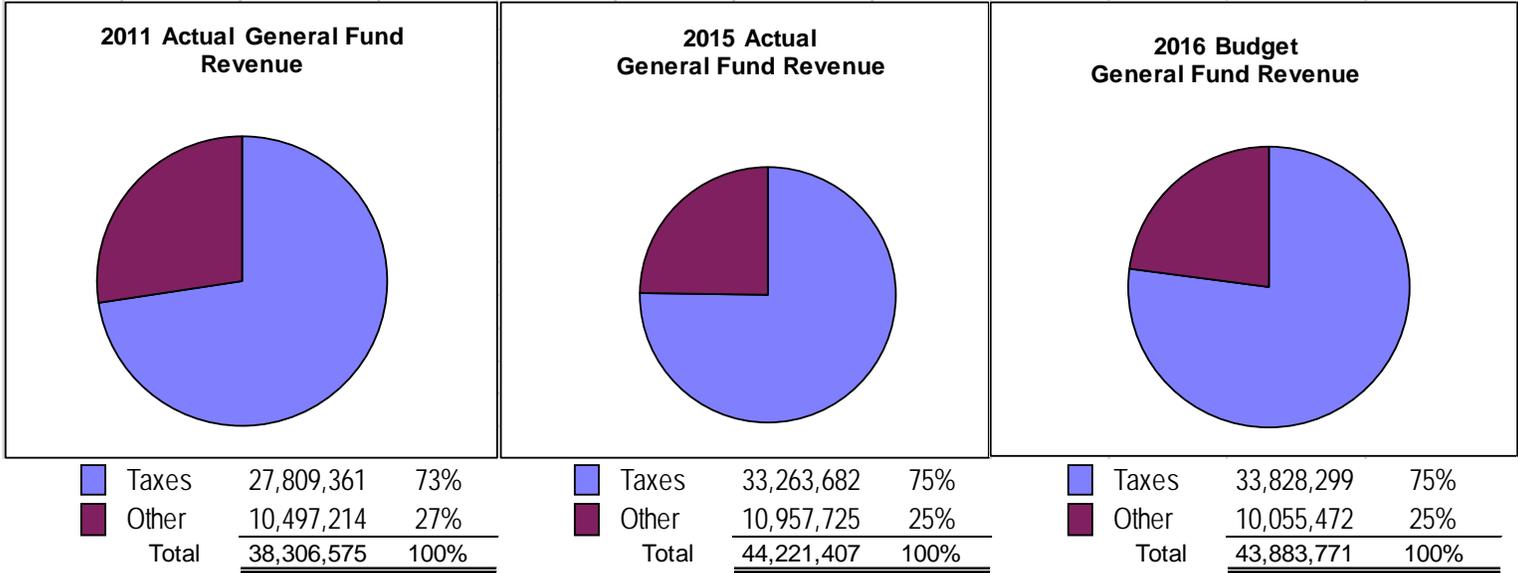
**2015 Year-To-Date Change in General Fund Revenue as Compared to Prior Year**



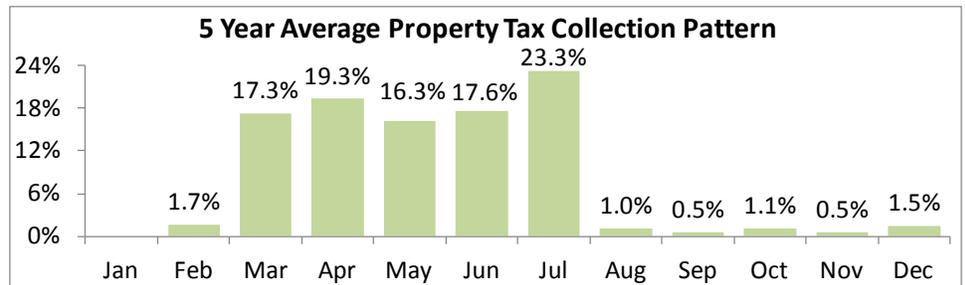
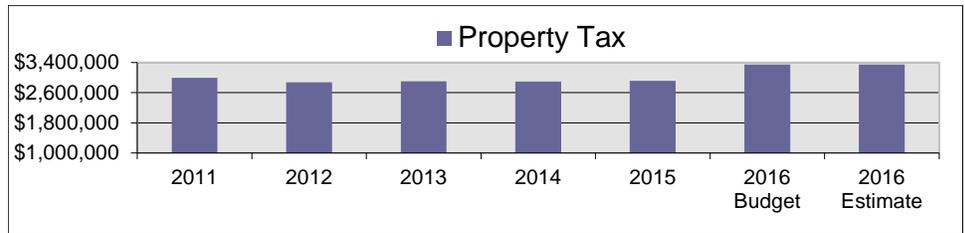
**General Fund - Taxes**

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**

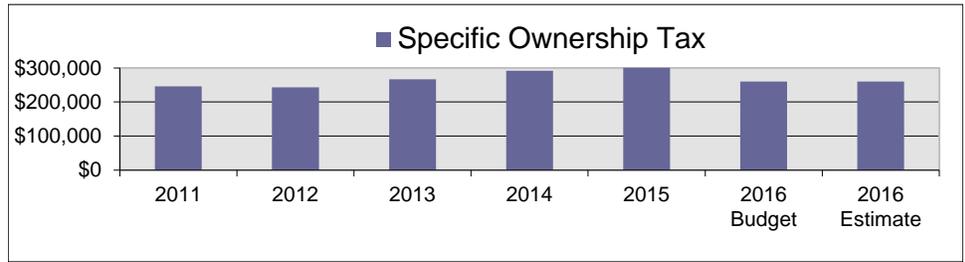


**Property taxes:** These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2015 mill levy collected in 2016 is 7.804 mills. The 2015 mill levy for general operations collected in 2016 is 5.880 mills. Voters 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 \$1,433,142 through April 2016.

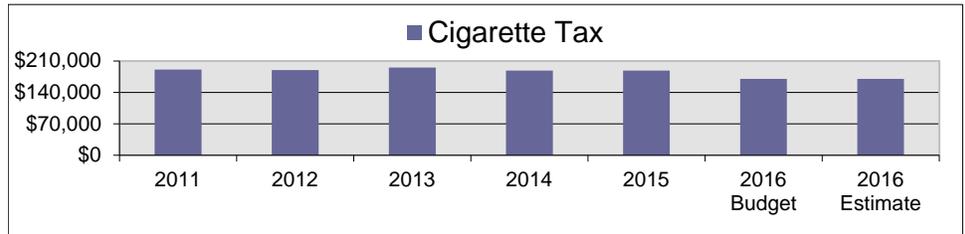


Property Tax Mill Levy	2011	2012	2013	2014	2015	2016 Budget
General Fund	5.880	5.880	5.880	5.880	5.880	5.880
Debt Service Fund	2.130	1.741	1.914	2.244	2.244	1.924
<b>Total Mill Levy</b>	<b>8.010</b>	<b>7.621</b>	<b>7.794</b>	<b>8.124</b>	<b>8.124</b>	<b>7.804</b>

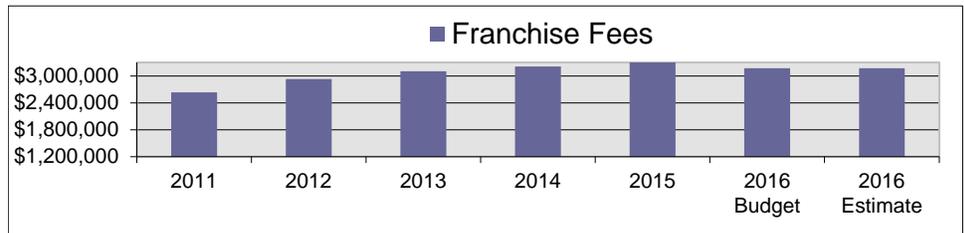
**Specific ownership:** These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected \$246,062 in 2011 and \$305,165 in 2015 which is an increase of \$59,103 or 24 percent. 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 \$96,639 through April 2016.



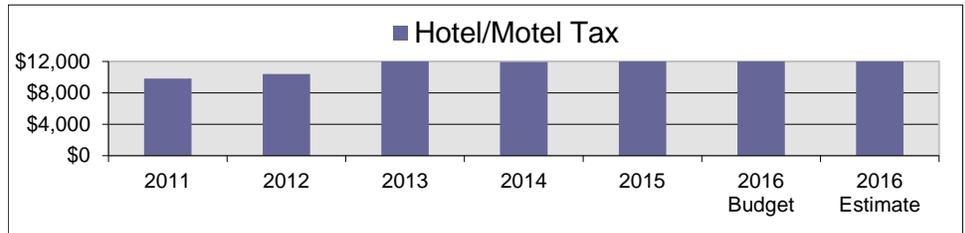
**Cigarette Taxes:** The State of Colorado levies a \$.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen significantly in the past and continue to 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 \$60,214 through April 2016, which is \$2,778 or 4.8 percent more than the \$57,436 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 April totaled \$909,805 compared to \$957,061 collected during the same period last year.

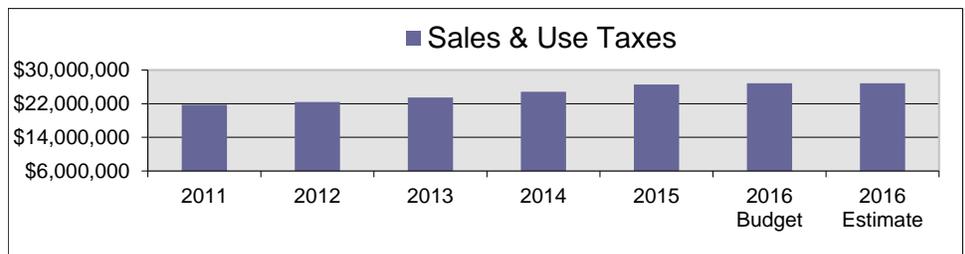


**Hotel/Motel Tax:** This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted \$12,000 for the year and has collected \$4,031 through April 2016.

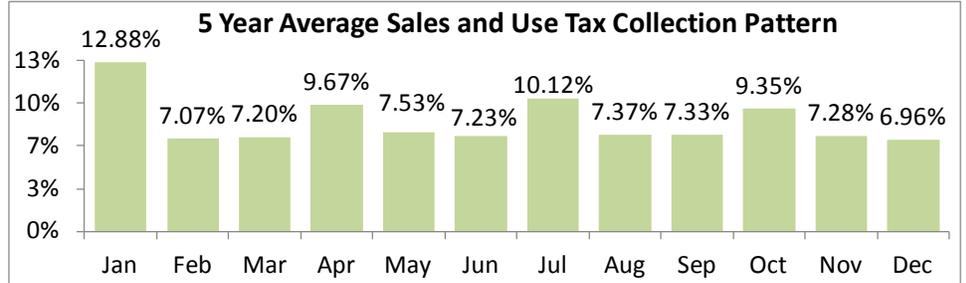


### Sales and Use Taxes Analysis

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 \$26,603,384, an increase of \$4,866,274 (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 April 2016 was \$9,521,302 while sales tax collected year-to-date for April 2015 was \$9,853,425 a decrease of \$332,123 or 3.4 percent.

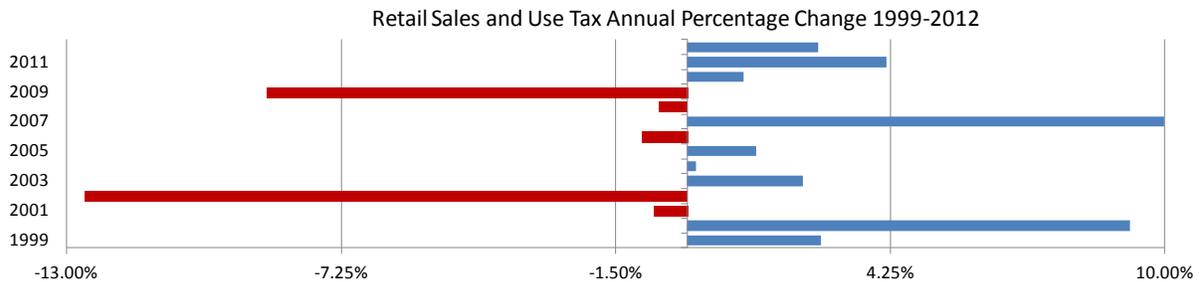


*In 2013, the City partnered with MUNIREvs to provide the City’s business licensing and tax collection system. The system more accurately reports the sales versus use tax collections. In the former system, if an account was coded as a sales tax account, both sales and use tax remitted by the account 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 April 2016 were \$2,393,256 while collections for April 2015 and April 2014 were \$2,599,712 and \$2,240,144 respectively. April 2016 collections were 7.9 percent or \$206,456 less than April 2015 collections and \$153,112 or 6.8 percent more than April 2014 collections.

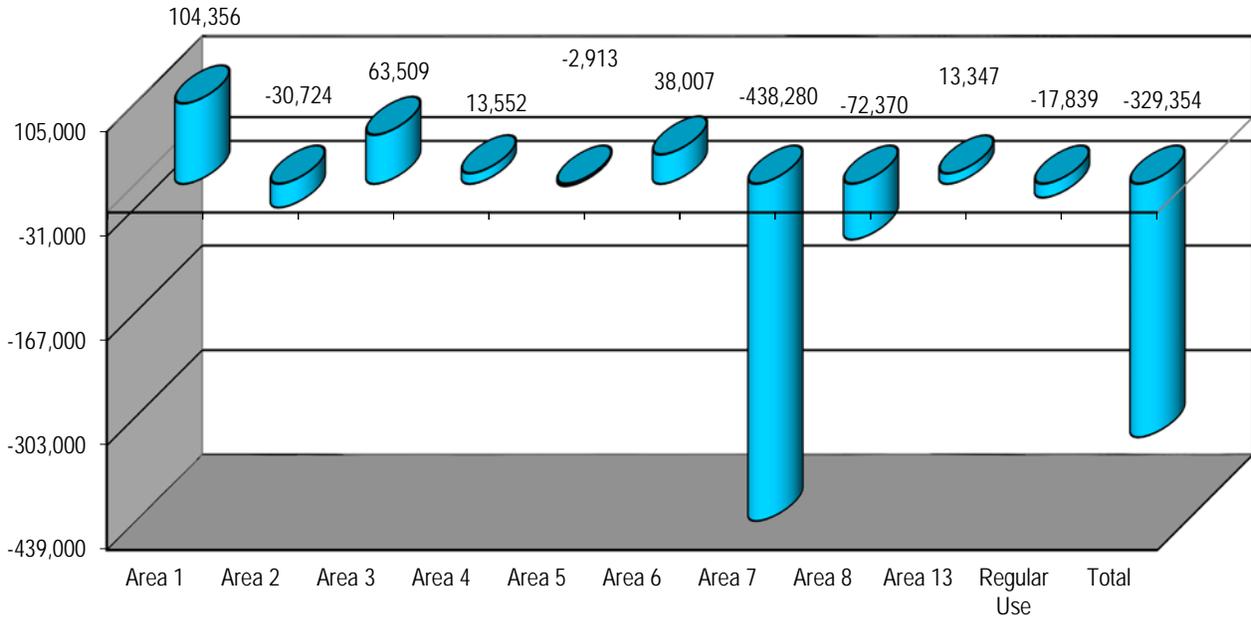
Based on year-to-date collections, the City collected \$329,354 less than last year for a total of \$9,512,167. Collections through April were 96.7 percent of last YTD April collections.

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

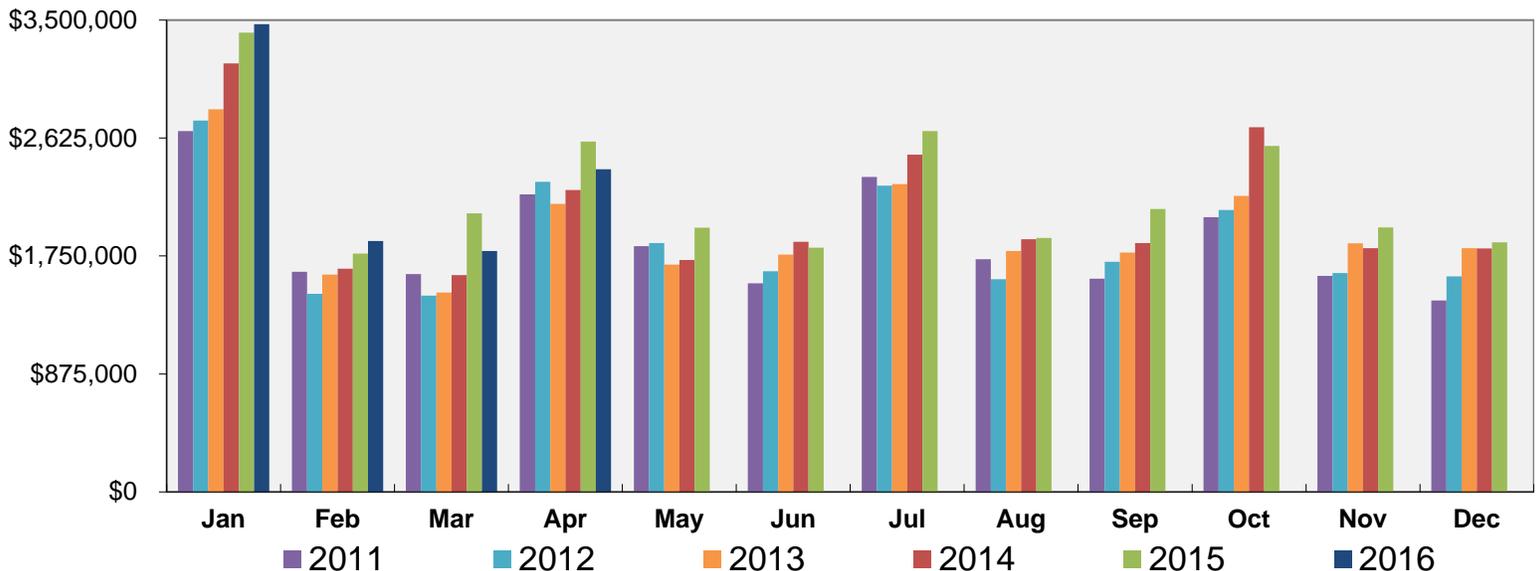


Please note that the geographic map of the sales tax areas was changed in 2012. EURA Areas 9 & 10 and EURA Areas 11 & 12 were incorporated into Areas 1, 2 and 6. Specific changes include:

- 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: Belleview Ave, Fox St and Logan St
- The north and south side of the street included in Area 1: Jefferson Avenue
- The north and south side of the street included in Area 2: Jefferson Ave/Hampden Ave/US 285

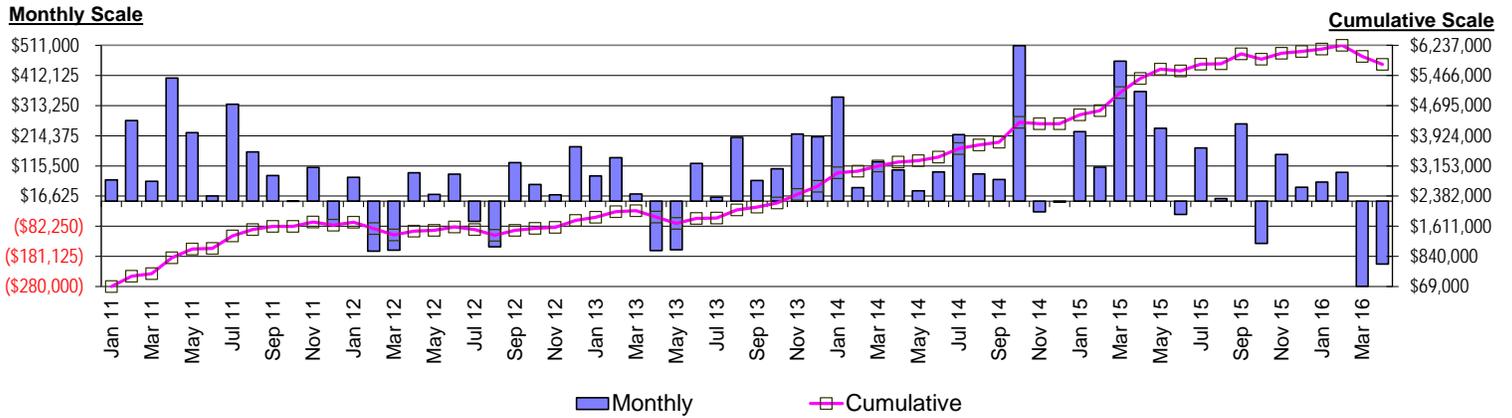
The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2010 through 2016.

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

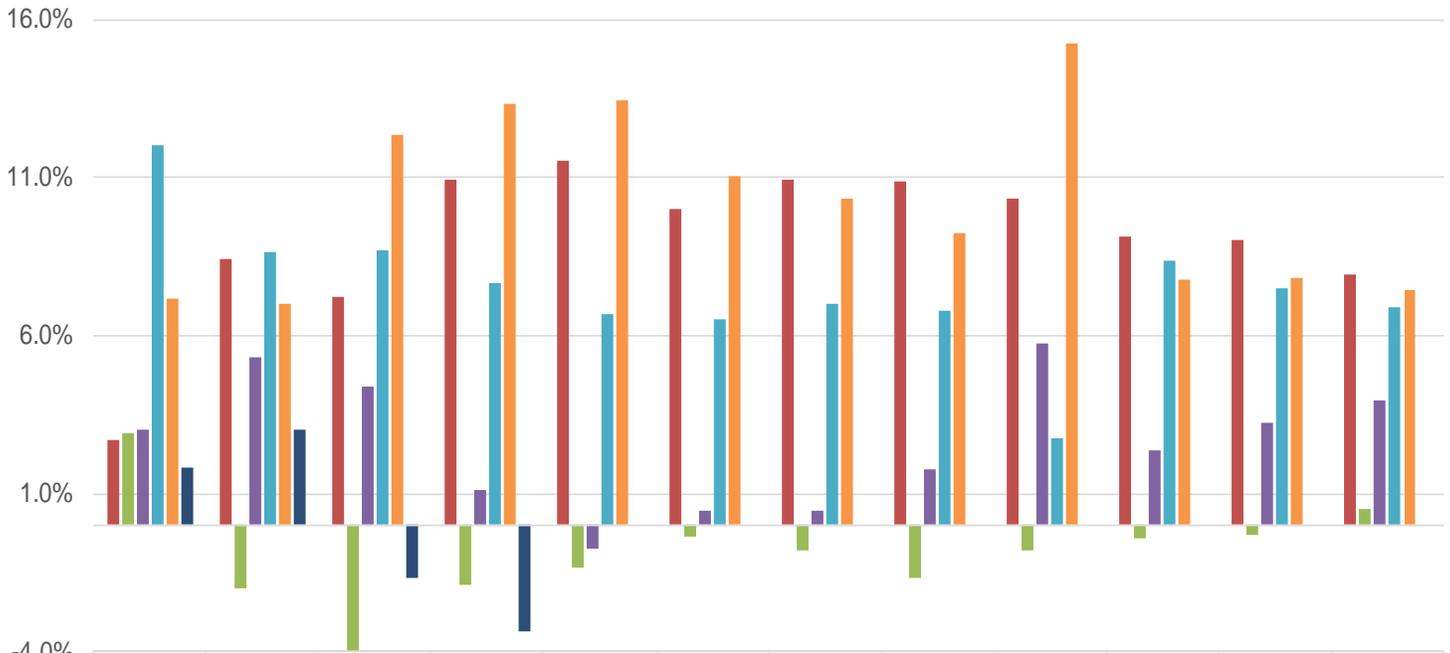


The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly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

### 2011 - 2016 Monthly Change Sales and Use Tax Receipts



### Sales and Use Tax Annual Cumulative Percentage Change By Month

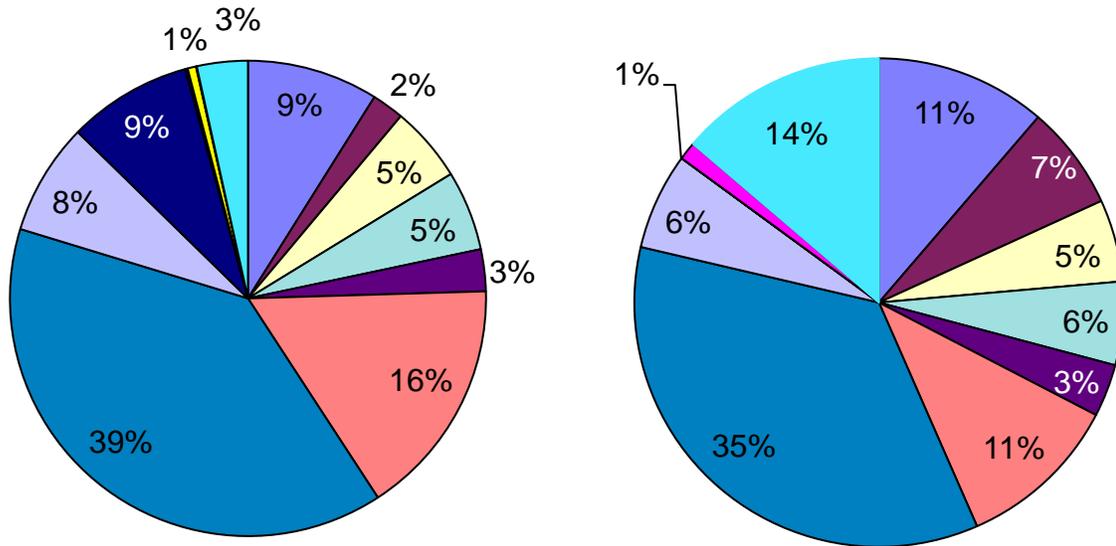


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
■ 2011	2.7%	8.4%	7.2%	11.0%	11.5%	10.0%	10.9%	10.8%	10.3%	9.1%	9.0%	8.0%
■ 2012	2.9%	-2.0%	-4.2%	-1.9%	-1.3%	-0.4%	-0.8%	-1.7%	-0.8%	-0.4%	-0.3%	0.5%
■ 2013	3.0%	5.3%	4.4%	1.1%	-0.7%	0.5%	0.5%	1.8%	5.7%	2.3%	3.2%	3.9%
■ 2014	12.0%	8.7%	8.7%	7.6%	6.7%	6.5%	7.0%	6.8%	2.7%	8.4%	7.5%	6.9%
■ 2015	7.2%	7.0%	12.4%	13.3%	13.4%	11.0%	10.3%	9.2%	15.2%	7.8%	7.8%	7.5%
■ 2016	1.8%	3.0%	-1.7%	-3.3%								

■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016

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



**2011 Actual Cash Receipts by Area**

Area 1	9%	Area 8	8%
Area 2	2%	Area 9 & 10	9%
Area 3	5%	Area 11 & 12	1%
Area 4	5%	Area 13	0%
Area 5	3%	Regular Use	3%
Area 6	16%		
Area 7	39%		

**2015 Cash Receipts by Area**

Area 1	11%	Area 8	6%
Area 2	7%	Area 9 & 10	0%
Area 3	5%	Area 11 & 12	0%
Area 4	6%	Area 13	1%
Area 5	3%	Regular Use	14%
Area 6	11%		
Area 7	35%		

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 \$1,263,343 year-to-date or 9.0 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 April were \$311,232 or .93 (less than one) percent less than last year.

**Area 6:** This geographic area is up 3.4 percent or \$38,007 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 12.5 percent from the same period last year. The chart at the top of the next page 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:

	2012	2013	2014	2015	2016
Total Sales and Use Tax Revenue	7,968,086	8,068,283	8,715,797	9,853,425	9,521,302
Outside City Collections	2,952,711	2,655,394	2,781,942	3,492,374	3,054,094
<b>Percentage of Total</b>	<b>37.1%</b>	<b>32.9%</b>	<b>31.9%</b>	<b>35.4%</b>	<b>32.1%</b>
Total General Fund Revenues	13,115,024	13,379,564	14,057,739	15,430,894	14,933,657
Outside City Collections	2,952,711	2,655,394	2,781,942	3,492,374	3,054,094
<b>Percentage of Revenues</b>	<b>22.5%</b>	<b>19.8%</b>	<b>19.8%</b>	<b>22.6%</b>	<b>20.5%</b>

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 \$1,250,000 to cover intercity claims. The City paid \$23,922 in sales/use tax claims through April 2016 compared to \$5,184 through April 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 April were 11.7 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 April were \$126,138 compared to \$112,791 last year.

#### **Other Sales Tax Related Information**

Finance and Administrative Services Department collected \$58,061 in sales and use tax audit revenues and general collections of balances on account through the month of April 2016, this compares to \$123,527 collected in 2015 and \$126,284 collected in 2014.

Of the 80 sales tax accounts reviewed in the various geographic areas, 49 (61 percent) showed improved collections and 31 (39 percent) showed reduced collections this year compared to the same period last year.

The Department issued 151 new sales tax licenses through April 2016; 108 and 95 were issued through April 2015 and 2014 respectively.

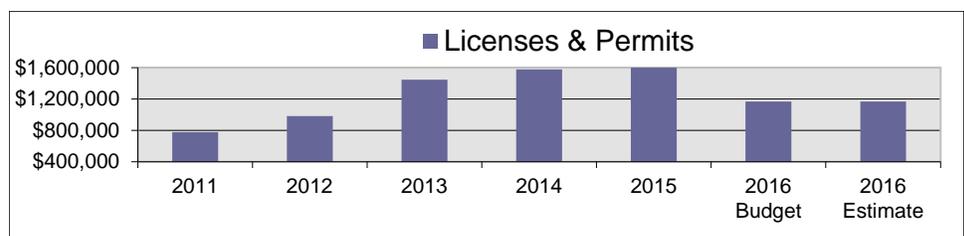
City records indicate that year-to-date 89 businesses closed (62 were outside the physical limits of Englewood) and 151 opened (101 of them were outside the physical limits of Englewood).

#### **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.

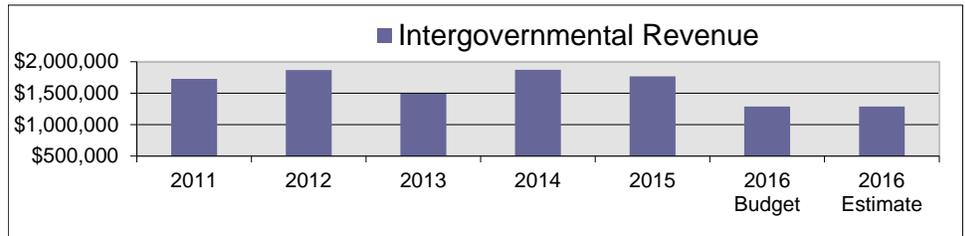
Significant revenue sources of the General Fund follows:

**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

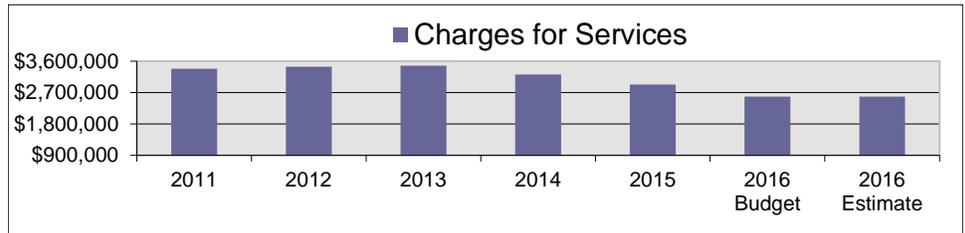


and increased to \$1,611,274 in 2015, a 107 percent increase. The City budgeted \$1,169,222 for 2016 and year-to-date collected \$442,905 or \$111,832 (20.2 percent) less than the \$554,737 collected through April 2015.

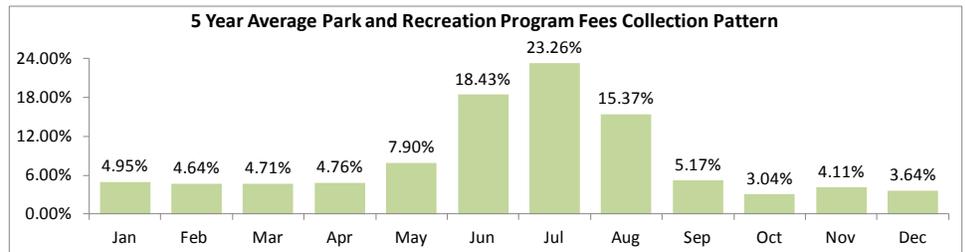
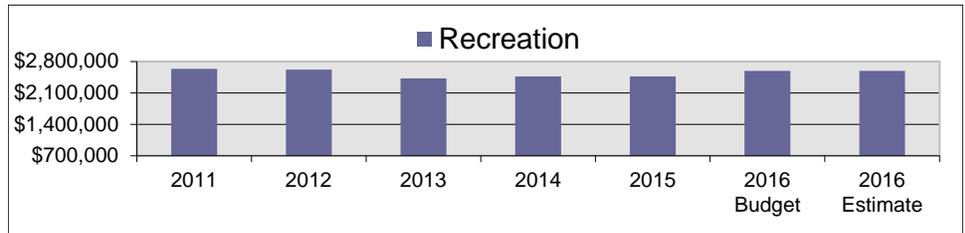
**Intergovernmental Revenues:** This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at \$1,287,104 for 2016. This revenue source totaled \$1,724,807 in 2011 and the City collected \$1,766,019 in 2015, a 2.4 percent increase. The City collected \$407,540 through April 2016 this is \$11,331 less than the \$418,871 collected in the same period last year.



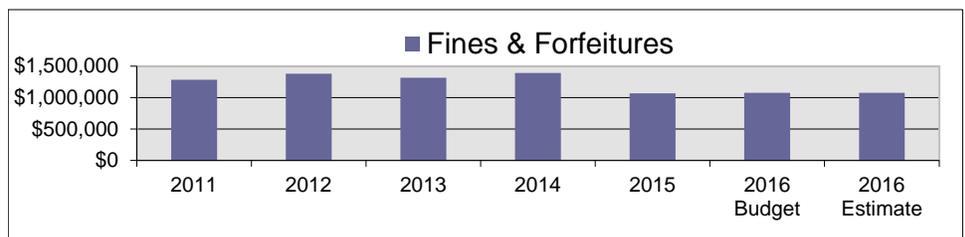
**Charges for Services:** This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at \$2,587,112 for 2016. This revenue source totaled \$3,384,318 in 2011 and decreased to \$2,933,932 in 2015, a 13.3 percent decrease. Total collected year-to-date was \$840,863 or \$222,542 (20.9 percent) less than the \$1,063,405 collected year-to-date last year.



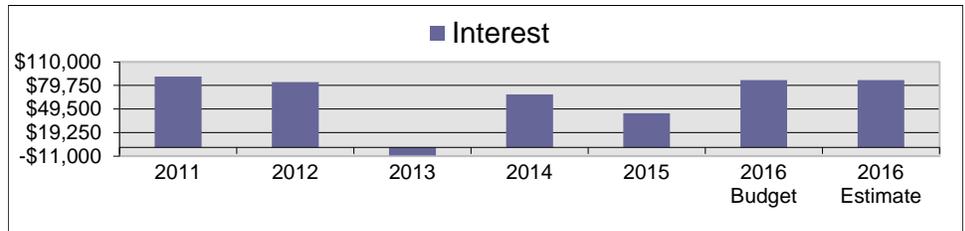
**Recreation:** This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at \$2,592,400 for 2016. This revenue source totaled \$2,635,221 in 2011 and decreased to \$2,464,612 in 2015, a 6.5 percent decrease. Total collections through April 2016 were \$465,383 compared to \$437,686 collected year-to-date last year.



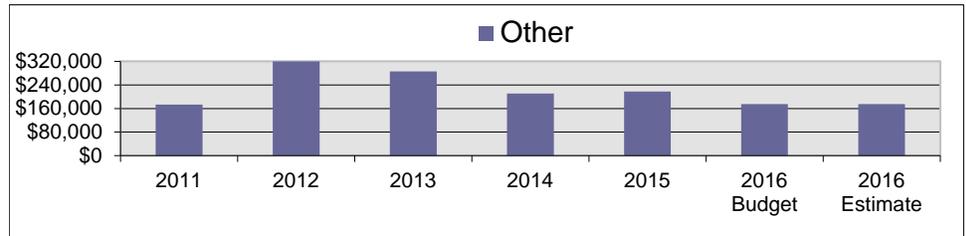
**Fines and Forfeitures:** This revenue source includes court, library, and other fines. The 2016 budget for this source is \$1,008,350. This revenue source totaled \$1,284,758 in 2011 and decreased to \$1,047,268 in 2015, a 16.9 percent decrease. Total collected year-to-date was \$309,393 or \$34,280 (9.97 percent) less than the \$343,673 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 \$48,926 through April 2016; compared to \$45,517 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 \$72,810 or (31.5 percent) more than the \$55,379 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.

<b>Business</b>	<b>Public Use of Incentive Funds</b>
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).

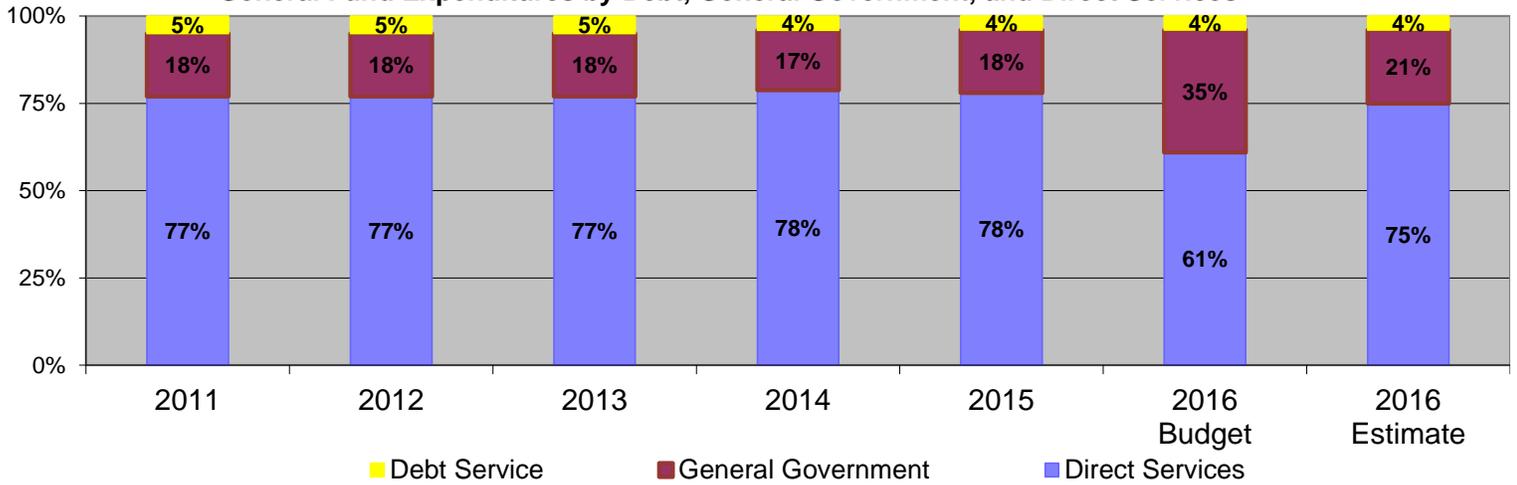
**General Fund - Expenditures**

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 April were \$13,658,326 compared to \$13,494,911 and \$12,745,114 in 2015 and 2014 respectively.

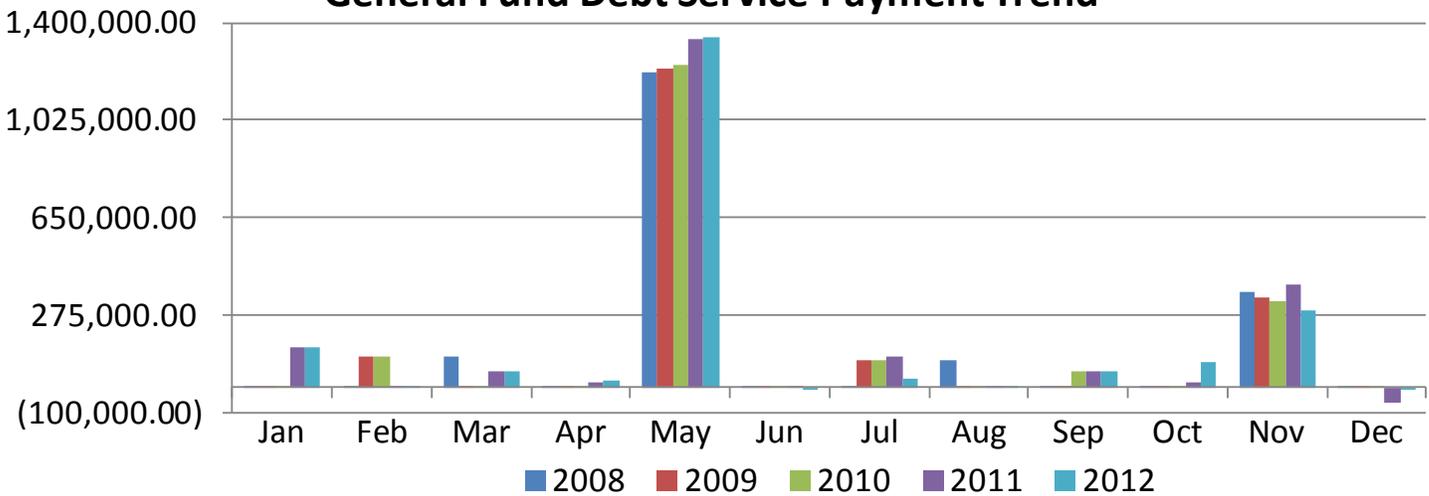
The chart at the top of the next page illustrates the breakdown of expenditures into debt service, general and direct government services.

### General Fund Expenditures by Debt, General Government, and Direct 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.

### General Fund Debt Service Payment Trend



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

Expenditure	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
<b>General Government</b>						
Legislation	298,731	316,043	280,920	329,738	341,751	365,572
City Manager	639,184	658,047	675,844	673,402	810,429	6,586,762
City Attorney	706,841	712,036	719,781	726,377	717,683	810,022
Municipal Court	848,775	886,249	922,245	942,264	986,422	1,058,583
Human Resources	430,792	469,343	408,551	441,955	570,023	-
Finance & Administrative Services	1,446,313	1,464,305	1,533,061	1,566,733	1,676,009	3,965,669
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	1,095,440	2,134,378
Contingencies	152,423	143,810	88,360	211,623	511,879	250,000
Contribution to Component Unit(s)	-	-	-	-	-	-
General Government Subtotal	7,215,089	7,286,227	7,079,062	7,368,401	8,096,690	15,170,986
<b>Direct Services</b>						
Public Works	5,259,875	5,202,903	5,234,382	5,440,975	5,707,695	6,208,706
Police	10,395,239	10,788,935	11,226,157	11,872,226	12,448,235	13,247,547
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
Parks and Recreation	5,717,147	5,649,246	5,402,600	5,574,428	5,600,771	6,136,594
Direct Services Subtotal	30,184,716	30,922,409	31,040,472	33,229,316	34,546,740	26,834,026
<b>Debt Service</b>						
Debt Service-Civiccenter	1,658,857	1,570,921	1,565,625	1,434,082	1,693,760	1,520,979
Debt Service-Other	437,606	486,030	440,205	435,820	-	350,665
Debt Service Subtotal	2,096,463	2,056,951	2,005,830	1,869,902	1,693,760	1,871,644
Total Expenditure	39,496,268	40,265,587	40,125,364	42,467,619	44,337,190	43,876,656
% Expenditure Change	1.53%	1.95%	-0.35%	5.84%	4.40%	8.97%
<b>Other Financing Uses</b>						
Transfers Out	301,246	1,339,330	73,006	-	1,875,516	2,330,000
Total Other Financing Uses	301,246	1,339,330	73,006	0	1,875,516	0
Total Uses of Funds	39,797,514	41,604,917	40,198,370	42,467,619	46,212,706	43,876,656
% Uses of Funds Change	0.37%	4.54%	-3.38%	5.65%	8.82%	5.46%

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
<b>Population*</b>	30,809	31,258	31,674	32,671	32,671	32,671
<b>General Fund</b>						
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
<b>Debt Service Fund</b>						
General Obligation Debt Per Capita	\$ 31	\$ 31	\$ 35	\$ 34	\$ 34	\$ 34

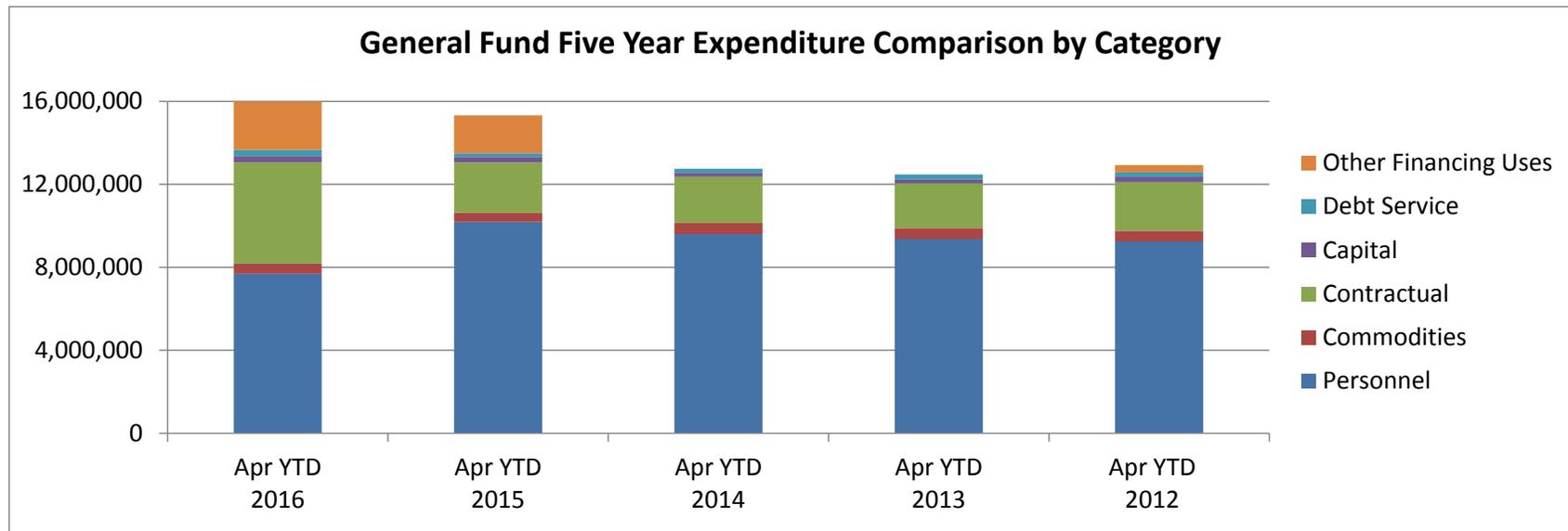
\* Source: Colorado Department of Local Affairs Municipal Population Estimates By County

City of Englewood, Colorado

General Fund - Five Year Expenditure Comparison by Category

	Apr YTD 2016	YTD % Change	% of Total	Apr YTD 2015	YTD % Change	% of Total	Apr YTD 2014	YTD % Change	% of Total	Apr YTD 2013	YTD % Change	% of Total	Apr YTD 2012	% of Total
Personnel services														
Salaries and wages	5,255,177	-23.980%	11.977%	6,912,641	5.940%	15.683%	6,524,907	-1.180%	15.364%	6,603,067	0.160%	16.456%	6,592,476	16.372%
Overtime	107,186	-56.570%	0.244%	246,794	17.460%	0.560%	210,107	14.700%	0.495%	183,172	-17.920%	0.456%	223,160	0.554%
Benefits	2,325,036	-23.040%	5.299%	3,021,262	5.580%	6.854%	2,861,696	10.620%	6.739%	2,586,944	6.910%	6.447%	2,419,798	6.010%
Personnel services total	7,687,399	-24.490%	17.520%	10,180,698	6.090%	23.097%	9,596,710	2.380%	22.598%	9,373,183	1.490%	23.360%	9,235,434	22.936%
Commodities total	489,064	10.280%	1.115%	443,464	-17.280%	1.006%	536,088	4.130%	1.262%	514,819	-0.950%	1.283%	519,734	1.291%
Contractual services total	4,883,688	100.510%	11.130%	2,435,636	9.150%	5.526%	2,231,373	3.640%	5.254%	2,153,008	-8.290%	5.366%	2,347,521	5.830%
Capital total	310,668	18.200%	0.708%	262,828	30.880%	0.596%	200,809	4.040%	0.473%	193,010	-23.240%	0.481%	251,430	0.624%
Total Expenditures	13,370,819	0.360%	30.474%	13,322,627	6.030%	30.225%	12,564,980	2.710%	29.587%	12,234,020	-0.970%	30.489%	12,354,121	30.682%
Debt service total	287,505	66.880%	0.655%	172,285	-4.360%	0.391%	180,133	-23.690%	0.424%	236,046	0.790%	0.588%	234,204	0.582%
Other financing uses total	2,330,000	0.000%	5.310%	1,826,000		4.143%	0		0.000%	0		0.000%	334,000	0.829%
Total Uses of Funds	15,988,324	0.000%	36.439%	15,320,912	0.000%	34.758%	12,745,113	0.000%	30.011%	12,470,067	0.000%	31.078%	12,922,325	32.093%
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	36.439%			34.758%			30.011%			31.078%			32.093%	

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**General Fund - Transfers**

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

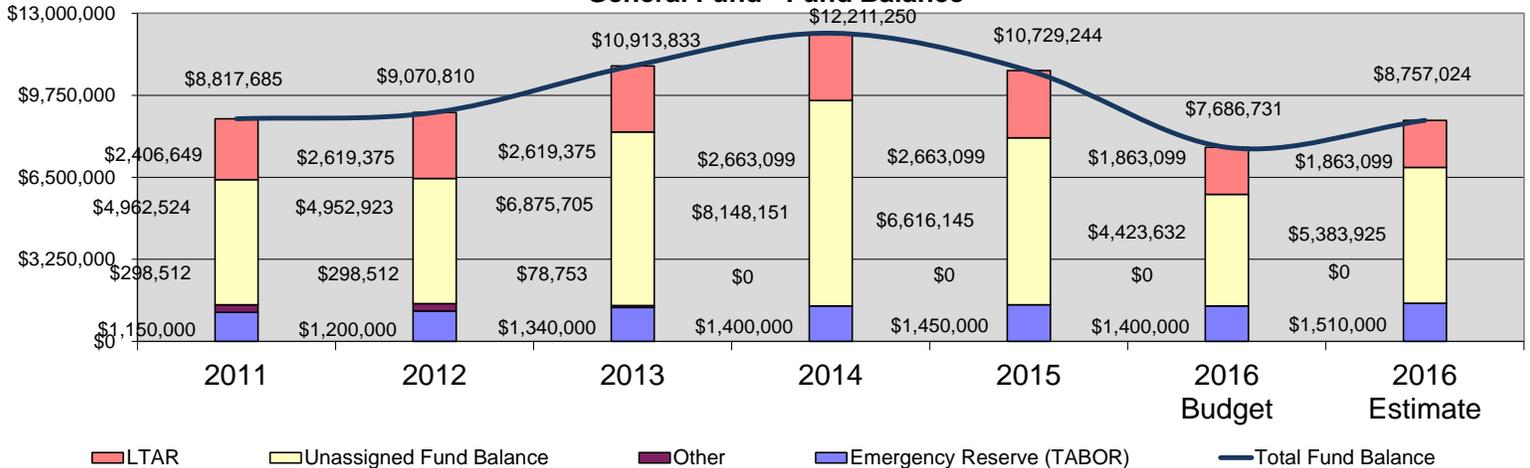
Source of Funds	2016 Budget Amount	2016 YTD Net Amount	2015 YTD Net Amount
<b>Special Revenue Funds</b>			
Donors Fund	\$ -	\$ -	\$ 101,450
<b>Capital Project Funds</b>			
Public Improvement Fund (PIF)	(1,179,335)	(1,179,335)	(1,577,190)
<b>Internal Service Funds</b>			
Capital Equipment Replacement Fund	-	-	(4,000)
<b>Component Units</b>			
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**

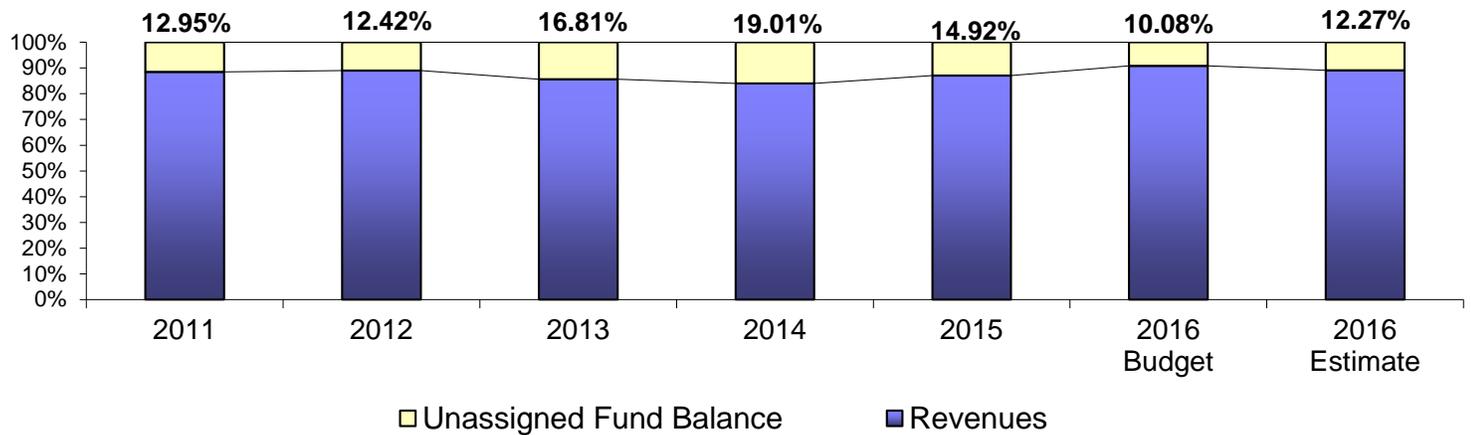
The City designates the fund balance into two categories, restricted and unrestricted. The portion of the fund balance which is restricted is referred to as the “Reserves” while the unrestricted portion is referred to as the unassigned fund balance. The unassigned fund balance represents funds the City 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 April 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.

**General Fund - Fund Balance**



### Unassigned Fund Balance As A Percentage of Revenue



The City's General Fund ended 2015 with total reserves of \$10,729,246 and an unassigned fund balance of \$6,556,147 or 14.8 percent of revenues (14.8 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 \$8,757,016 with an unassigned fund balance of \$5,383,917 or 12.3 percent of estimated revenue. The estimated unassigned fund balance would allow the City to operate for approximately 45 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	\$ 1,982,926	\$ (1,820,290) (47.86%)	\$ 3,803,216	\$ 2,486,307 188.80%	\$ 1,316,909
YTD Expenditures	2,715,385	\$ (505,234) (15.69%)	3,220,619	\$ 1,696,237 111.27%	1,524,382
Net Revenues (Expenditures)	\$ (732,459)	\$ (1,315,056)	\$ 582,597	\$ 790,070	\$ (207,473)
Beginning PIF Fund Balance	\$ 5,104,383		\$ 2,345,137		\$ 1,905,453
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	\$ 4,371,924		\$ 2,927,734		\$ 1,697,980
Plus: Remaining Annual Revenue	2,541,110		1,131,784		1,692,090
Less: Remaining Annual Appropriation	(5,416,719)		(3,245,639)		(3,370,272)
Estimated Ending Unappropriated Fund Balance	\$ 1,496,315		\$ 813,879		\$ 19,798
<b>Unappropriated Fund Balance as of December 31,</b>			<b>\$ 2,372,810</b>		<b>\$ 869,835</b>

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	\$ 552,038	\$ 109,715	25%	\$ 442,323	\$ 95,351	27%	\$ 346,972
Building Use Tax	\$ 1,700,000	\$ 1,700,000	\$ 334,373	\$ (1,124,257)	-77%	\$ 1,458,630	\$ 564,020	63%	\$ 894,610
Arapahoe County Road and Bridge Tax	\$ 199,000	\$ 199,000	\$ 65,925	\$ (2,035)	-3%	\$ 67,960	\$ (291)	0%	\$ 68,251

**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
<b>Governmental Fund Types (Fund Balance)</b>						
<b>General Fund</b>	10,729,246	14,622,355	13,658,324	(3,046,260)	3,263,099	5,383,917
<b>Special Revenue Funds</b>						
Conservation Trust	1,714,869	87,524	24,490	(1,741,352)	-	36,552
Open Space	1,741,753	5,284	40,712	(1,634,036)	-	72,288
Donors	568,955	66,550	50,950	-	-	584,555
Community Development	-	19,714	73,802	54,089	-	-
Malley Center Trust	235,328	2,696	-	-	-	238,024
Parks & Recreation Trust	457,750	2,808	1,362	-	-	459,196
<b>Debt Service Fund</b>						
General Obligation Bond	70,248	469,765	4,688	-	-	535,325
<b>Capital Projects Funds</b>						
PIF	5,104,383	982,926	210,337	(4,380,657)	-	1,496,315
MYCP	987,871	13,526	150,767	(1,194,128)	-	(343,499)
<b>Proprietary Fund Types (Funds Available Balance)</b>						
<b>Enterprise Funds</b>						
Water	11,272,599	2,594,848	2,510,000	-	-	11,357,448
Sewer	5,352,110	5,831,041	3,352,478	-	1,000,000	6,830,673
Stormwater Drainage	1,305,792	142,086	23,413	-	102,500	1,321,966
Golf Course	566,152	348,350	385,467	-	215,773	313,262
Concrete Utility	533,599	272,166	60,779	-	-	744,986
Housing Rehabilitation	1,239,257	23,742	9,778	-	-	1,253,220
<b>Internal Service Funds</b>						
Central Services	55,995	87,499	90,142	-	-	53,352
ServiCenter	1,753,510	718,321	550,721	-	-	1,921,109
CERF	2,041,158	343,176	329,554	-	-	2,054,780
Employee Benefits	219,842	1,805,519	2,081,338	-	-	(55,977)
Risk Management	402,211	1,462,114	805,983	-	-	1,058,343

## 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 me at **303.762.2401**.

## FUNDS GLOSSARY

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

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

**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.

## **FUNDS GLOSSARY**

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

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

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

**MOA** – Museum of Outdoor Arts

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

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

**Open Space Fund** – Accounts for the acquisition of parks and open space land not previously owned by the City and for improvements to existing park and recreation facilities. Financing is provided from the Arapahoe County Open Space Sales Tax of .25%. The Open Space Tax was created on April 1, 2004 and expires on April 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 April 30, 2016

Percentage of Year Completed = 33%

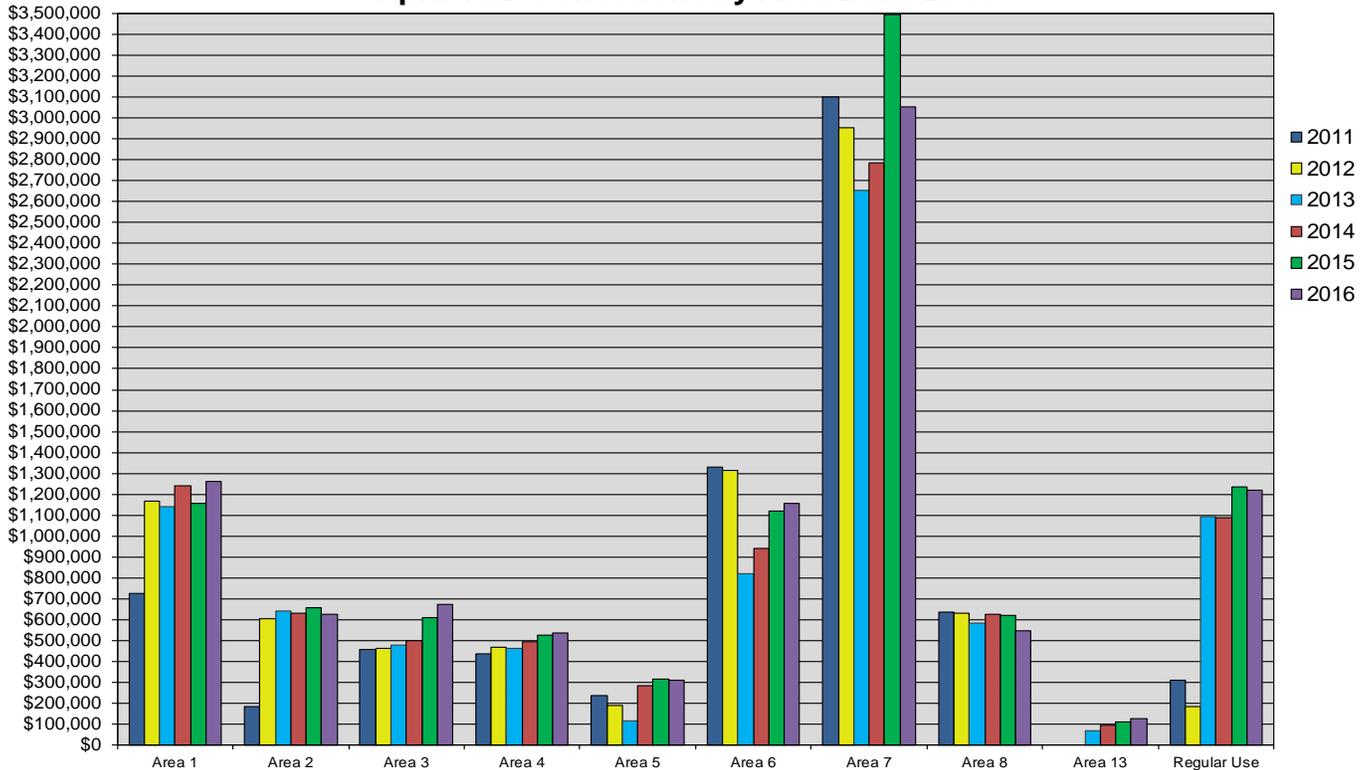
Fund Balance January 1	\$ 9,658,951	\$ 10,729,246	\$ 10,729,246	\$ 12,211,250	\$ 12,211,250	\$ 10,913,833	\$ 10,913,833			
	2016				2015			2014		
	Budget	Apr-16	% Budget	YE Estimate	Dec-15	Apr-15	% YTD	Dec-14	Apr-14	% YTD
<b>Revenues</b>										
Property Tax	3,349,000	1,433,142	42.79%	3,349,000	2,917,413	1,243,810	42.63%	2,892,433	1,178,441	40.74%
Specific Ownership Tax	260,000	96,639	37.17%	260,000	305,166	79,500	26.05%	291,670	72,929	25.00%
Sales & Use Taxes	26,863,699	9,521,302	35.44%	26,863,699	26,603,384	9,853,425	37.04%	24,839,297	8,715,797	35.09%
Cigarette Tax	170,050	60,214	35.41%	170,050	188,285	57,436	30.50%	188,652	61,810	32.76%
Franchise Fees	3,173,550	909,805	28.67%	3,173,550	3,320,046	957,061	28.83%	3,207,978	907,356	28.28%
Hotel/Motel Tax	12,000	4,031	33.59%	12,000	12,060	4,214	34.94%	11,948	4,177	34.96%
Licenses & Permits	1,169,222	442,905	37.88%	1,169,222	1,612,118	554,737	34.41%	1,576,299	447,462	28.39%
Intergovernmental Revenue	1,287,104	407,540	31.66%	1,287,104	1,766,019	418,871	23.72%	1,869,045	332,329	17.78%
Charges for Services	2,587,112	840,863	32.50%	2,587,112	2,963,932	1,063,405	35.88%	3,215,032	1,051,587	32.71%
Recreation	2,592,400	465,383	17.95%	2,592,400	2,464,613	437,686	17.76%	2,466,421	465,597	18.88%
Fines & Forfeitures	1,008,350	309,393	30.68%	1,008,350	1,047,268	343,673	32.82%	1,350,164	460,355	34.10%
Interest	86,446	48,926	56.60%	86,446	43,866	45,517	103.76%	68,340	37,376	54.69%
EMRF Rents	1,150,000	320,704	27.89%	1,150,000	873,347	316,180	36.20%	684,683	234,931	34.31%
Miscellaneous	174,838	72,810	41.64%	174,838	217,408	55,379	25.47%	210,531	87,592	41.61%
<b>Total Revenues</b>	<b>43,883,771</b>	<b>14,933,657</b>	<b>34.03%</b>	<b>43,883,771</b>	<b>44,334,925</b>	<b>15,430,894</b>	<b>34.81%</b>	<b>42,872,493</b>	<b>14,057,739</b>	<b>32.79%</b>
<b>Expenditures</b>										
Legislation	365,572	157,743	43.15%	365,572	341,751	80,060	23.43%	329,738	137,725	41.77%
City Attorney	810,022	164,116	20.26%	810,022	717,683	225,185	31.38%	726,377	220,721	30.39%
Court	1,058,583	280,219	26.47%	1,058,583	986,422	295,941	30.00%	942,264	285,319	30.28%
City Manager	720,064	315,010	43.75%	720,064	810,429	261,954	32.32%	673,402	237,797	35.31%
Human Resources	613,532	237,316	38.68%	613,532	570,023	175,860	30.85%	441,956	111,893	25.32%
Financial Services	1,870,411	520,559	27.83%	1,870,411	1,676,008	539,481	32.19%	1,566,733	492,087	31.41%
Information Technology	1,481,726	430,948	29.08%	1,481,726	1,387,054	431,094	31.08%	1,348,275	398,365	29.55%
Public Works	6,208,706	1,884,297	30.35%	6,208,706	5,707,695	1,849,464	32.40%	5,440,975	1,811,022	33.28%
Fire Department	5,866,698	2,513,020	42.84%	5,866,698	9,610,372	2,756,646	28.68%	9,176,241	2,437,611	26.56%
Police Department	13,247,547	4,267,603	32.21%	13,247,547	12,448,235	4,072,412	32.71%	11,872,226	3,896,604	32.82%
Community Development	2,134,378	542,590	25.42%	2,134,378	1,095,440	629,519	57.47%	1,128,034	554,087	49.12%
Library	1,241,179	355,502	28.64%	1,241,179	1,179,667	376,304	31.90%	1,165,446	346,394	29.72%
Recreation	6,136,594	1,587,499	25.87%	6,136,594	5,600,771	1,568,776	28.01%	5,574,428	1,601,294	28.73%
Debt Service	1,871,644	287,505	15.36%	1,871,644	1,693,760	172,285	10.17%	1,869,902	180,133	9.63%
Contingency	250,000	114,399	45.76%	250,000	511,879	59,930	11.71%	211,623	34,062	16.10%
<b>Total Expenditures</b>	<b>43,876,656</b>	<b>13,658,326</b>	<b>31.13%</b>	<b>43,876,656</b>	<b>44,337,189</b>	<b>13,494,911</b>	<b>30.44%</b>	<b>42,467,620</b>	<b>12,745,114</b>	<b>30.01%</b>
Excess revenues over (under) expenditures	7,115	1,275,331	17924.54%	7,115	(2,264)	1,935,983		404,873	1,312,625	
Net transfers in (out)	(1,979,335)	(1,979,345)	100.00%	(1,979,345)	(1,479,740)	(1,531,674)	103.51%	892,544	848,820	95.10%
<b>Total Fund Balance</b>	<b>\$ 7,686,731</b>	<b>\$ 10,025,232</b>	<b>130.42%</b>	<b>\$ 8,757,016</b>	<b>\$ 10,729,246</b>	<b>\$ 12,615,559</b>	<b>117.58%</b>	<b>\$ 12,211,250</b>	<b>\$ 13,075,278</b>	<b>107.08%</b>

Fund Balance Analysis										
Total Fund Balance	\$ 7,686,731	\$ 10,025,232	\$ 8,757,016	\$ 10,729,246	\$ 12,211,250					
Restricted Fund Balance				1,510,000	1,400,000					
-Emergencies (TABOR)	1,400,000	1,510,000	1,510,000							
Committed Fund Balance				2,663,099	2,663,099					
-LTAR	1,863,099	1,863,099	1,863,099							
Restricted/Committed	<b>\$ 3,263,099</b>	<b>\$ 3,373,099</b>	<b>\$ 3,373,099</b>	<b>\$ 4,173,099</b>	<b>\$ 4,063,099</b>					
Estimated Unassigned Fund Balance	<b>\$ 4,423,632</b>	<b>\$ 6,652,133</b>	<b>\$ 5,383,917</b>	<b>\$ 6,556,147</b>	<b>\$ 8,148,151</b>					
As a percentage of projected revenues	10.08%	15.16%	12.27%	14.79%	19.01%					
As a percentage of budgeted revenues	10.08%	15.16%	12.27%							
Target	4,388,377	-	6,582,566							

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

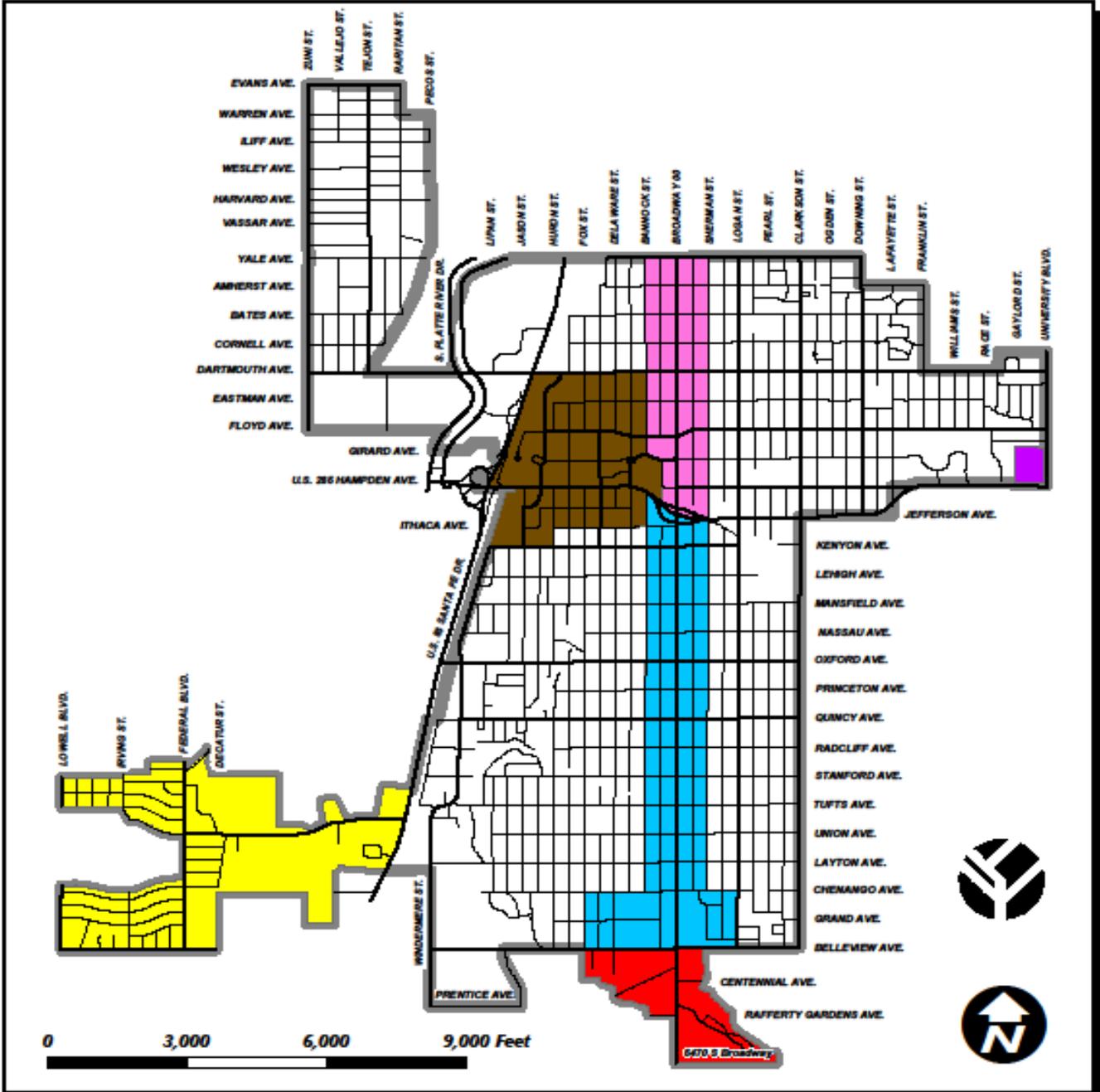
	2011	% Change	2012	% Change	2013	% Change	2014	% Change	2015	% Change	2016	% Change	\$ Change
<b>Area 1</b>	726,415	0.41%	1,167,254	60.69%	1,138,947	-2.43%	1,240,035	8.88%	1,158,987	-6.54%	1,263,343	9.00%	104,356
<b>Area 2</b>	185,744	7.35%	604,149	225.26%	640,364	5.99%	630,121	-1.60%	655,870	4.09%	625,146	-4.68%	-30,724
<b>Area 3</b>	458,601	-2.93%	465,495	1.50%	480,682	3.26%	502,460	4.53%	608,796	21.16%	672,305	10.43%	63,509
<b>Area 4</b>	438,534	-15.74%	467,458	6.60%	464,953	-0.54%	495,282	6.52%	525,484	6.10%	539,036	2.58%	13,552
<b>Area 5</b>	237,983	14.61%	192,825	-18.98%	119,362	-38.10%	287,494	140.86%	314,145	9.27%	311,232	-0.93%	-2,913
<b>Area 6</b>	1,328,558	8.08%	1,313,463	-1.14%	822,327	-37.39%	940,207	14.33%	1,117,981	18.91%	1,155,988	3.40%	38,007
<b>Area 7</b>	3,100,824	31.99%	2,952,711	-4.78%	2,655,394	-10.07%	2,781,942	4.77%	3,492,374	25.54%	3,054,094	-12.55%	-438,280
<b>Area 8</b>	638,677	-5.47%	631,819	-1.07%	584,480	-7.49%	623,953	6.75%	619,636	-0.69%	547,266	-11.68%	-72,370
<b>Area 13</b>	0	0.00%	0	0.00%	68,382	0.00%	96,246	40.75%	112,791	17.19%	126,138	11.83%	13,347
<b>Regular Use</b>	313,308	3.15%	185,852	-40.68%	1,092,728	487.96%	1,086,700	-0.55%	1,235,459	13.69%	1,217,619	-1.44%	-17,839
<b>Subtotal</b>	<b>7,428,644</b>	<b>11.62%</b>	<b>7,981,025</b>	<b>7.44%</b>	<b>8,067,620</b>	<b>1.09%</b>	<b>8,684,441</b>	<b>7.65%</b>	<b>9,841,522</b>	<b>13.32%</b>	<b>9,512,167</b>	<b>-3.35%</b>	<b>-329,354</b>
<b>Area 9</b>	643,883	3.39%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
<b>Area 10</b>	12,483	108.01%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
<b>Area 9 and 10</b>	656,365	4.39%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
<b>Area 11</b>	46,863	3.82%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
<b>Area 12</b>	2,526	7.32%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
<b>Area 11 and 12</b>	49,388	3.99%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
<b>Subtotal</b>	<b>705,754</b>	<b>4.37%</b>	<b>0</b>	<b>-100.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>
<b>Total</b>	<b>8,134,398</b>	<b>10.95%</b>	<b>7,981,025</b>	<b>-1.89%</b>	<b>8,067,620</b>	<b>1.09%</b>	<b>8,684,441</b>	<b>7.65%</b>	<b>9,841,522</b>	<b>13.32%</b>	<b>9,512,167</b>	<b>-3.35%</b>	<b>-329,354</b>
<b>Refunds</b>	25,158	-84.85%	83,537	232.06%	9,955	-88.08%	69,543	598.58%	8,156	-88.27%	25,358	210.90%	17,202
<b>Audit &amp; Collections Revenue**</b>	119,297	-45.80%	13,015	-89.09%	37,844	190.78%	126,284	233.70%	123,527	-2.18%	58,061	-53.00%	-65,466
<b>**Included Above</b>													
<b>Unearned Sales Tax</b>	1,100,000	83.33%	1,150,000	4.55%	1,150,000	0.00%	1,150,000	0.00%	1,250,000	8.70%	1,250,000	0.00%	0
<b>Building Use</b>	272,150	73.67%	245,066	-9.95%	191,248	-21.96%	894,610	367.78%	1,458,630	63.05%	334,373	-77.08%	-1,124,257
<b>Vehicle Use</b>	283,934	-4.85%	432,350	52.27%	477,656	10.48%	459,840	-3.73%	588,818	28.05%	749,890	27.36%	161,072

### April 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



**City of Englewood, Colorado: Sales Tax Areas**

- |  |   |   |
|--|---|---|
| <span style="display:inline-block; width:15px; height:15px; background-color:brown; border:1px solid black;"></span> Area 1*     | <span style="display:inline-block; width:15px; height:15px; background-color:red; border:1px solid black;"></span> Area 4     | <span style="display:inline-block; width:15px; border-bottom:1px solid black;"></span> Arterials and Collectors                           |
| <span style="display:inline-block; width:15px; height:15px; background-color:lightpink; border:1px solid black;"></span> Area 2* | <span style="display:inline-block; width:15px; height:15px; background-color:yellow; border:1px solid black;"></span> Area 5  | <span style="display:inline-block; width:15px; border-bottom:1px solid black;"></span> Local Streets                                      |
| <span style="display:inline-block; width:15px; height:15px; background-color:lightblue; border:1px solid black;"></span> Area 3  | <span style="display:inline-block; width:15px; height:15px; background-color:purple; border:1px solid black;"></span> Area 13 | <span style="display:inline-block; width:15px; height:15px; background-color:gray; border:1px solid black;"></span> 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

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