



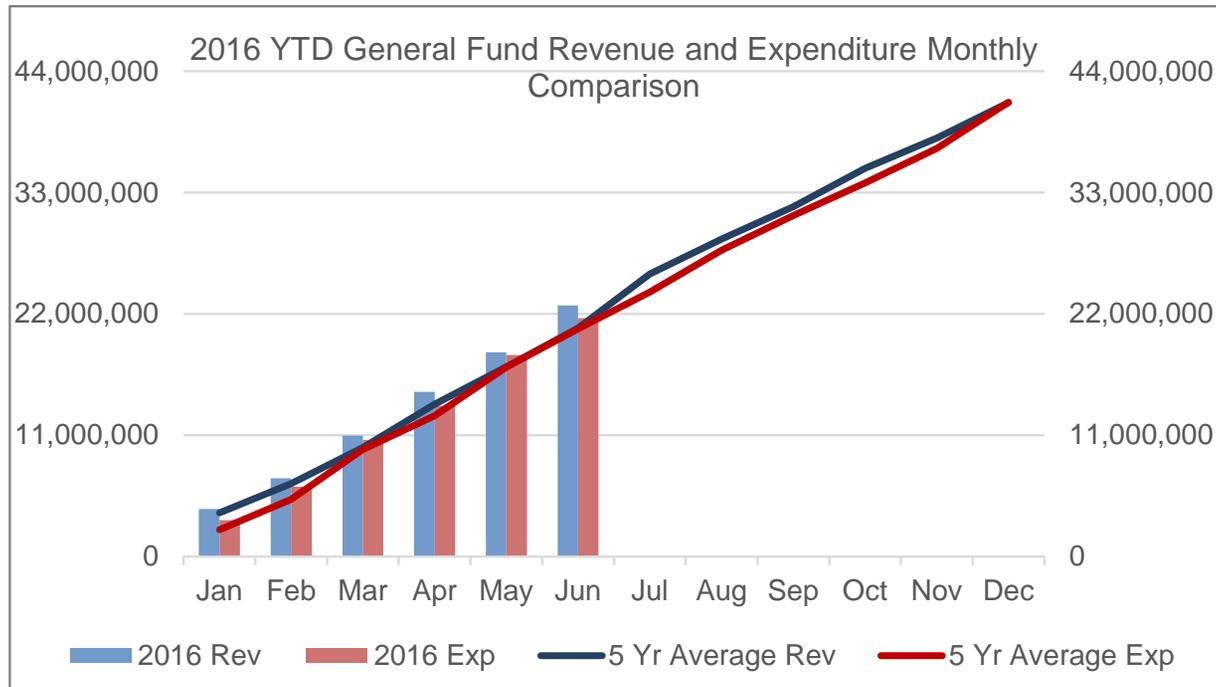
To: Mayor Joe Jefferson and City Council
Through: Eric Keck, City Manager
From: Kathleen Rinkel, Finance and Administrative Services
Date: July 18, 2016
Subject: June, 2016 Monthly Financial Report (Non-quarter ending summary)

June 2016 Year-To-Date City Funds Summary

	Beginning Balance	YTD Revenue	YTD Expenditure	Other Sources (Uses)	Restricted/ Committed Balance	YTD Ending Balance
Governmental Fund Types (Fund Balance)						
General Fund	10,729,246	22,752,398	21,605,457	(1,979,345)	3,373,099	6,523,744
Special Revenue Funds						
Conservation Trust	1,714,869	215,816	193,795	(1,561,589)	-	175,302
Open Space	1,741,753	195,057	1,086,374	(616,069)	-	234,367
Donors	568,955	101,380	77,266	-	-	593,070
Community Development	-	102,016	121,499	19,483	-	-
Malley Center Trust	235,328	3,847	-	-	-	239,175
Parks & Recreation Trust	457,750	4,250	3,775	-	-	458,225
Debt Service Fund						
General Obligation Bond	70,248	828,612	120,211	-	-	778,649
Capital Projects Funds						
PIF	5,104,383	1,573,979	597,574	(4,573,787)	-	1,507,001
MYCP	987,871	21,967	200,181	(1,149,291)	-	(339,634)
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	11,272,599	3,622,277	3,589,909	-	-	11,304,968
Sewer	5,352,110	9,354,256	5,073,405	-	1,000,000	8,632,961
Stormwater Drainage	1,305,792	202,394	50,694	-	102,500	1,354,992
Golf Course	566,152	921,431	740,785	-	215,773	531,025
Concrete Utility	533,599	654,241	87,447	-	-	1,100,393
Housing Rehabilitation	1,239,257	174,939	130,829	-	-	1,283,367
Internal Service Funds						
Central Services	55,995	132,560	133,181	-	-	55,375
ServiCenter	1,753,510	1,084,056	818,115	-	-	2,019,450
CERF	2,041,158	494,836	679,590	-	-	1,856,404
Employee Benefits	219,842	2,494,110	2,920,327	-	-	(206,374)
Risk Management	402,211	1,577,115	862,921	-	-	1,116,406

GENERAL FUND REVENUES OVER/UNDER EXPENDITURES:

YTD revenues exceed expenditures by **\$1,146,941** compared to expenditures exceeding revenues by \$777,862 in 2015. The current year-end projection (based on the 2016 Budget) is for revenues to exceed expenditures by **\$7,115**.



GENERAL FUND REVENUES:

The **2016** calendar is 50% complete. The **2016** YTD revenues received, **\$22,752,399** are **51.9%** of the revenue estimate budget. Based on the 2011-2015 five year average of revenue recorded, approximately **49.6%** is received YTD.

Revenues	2016			2015			2016 vs 2015		Variance comments updated each quarter (Jan, Apr, Jul and Oct)
	Budget	Jun-16	% Budget	Dec-15	Jun-15	% YTD	\$ Diff	% Diff	
Property Tax	3,349,000	2,522,799	75.33%	2,917,413	2,112,282	72.40%	410,517	19.43%	Higher assessed property valuation in 2016
Specific Ownership Tax	260,000	146,659	56.41%	305,166	129,645	42.48%	17,014	13.12%	
Sales & Use Taxes	26,863,699	13,525,647	50.35%	26,603,384	13,620,040	51.20%	(94,393)	-0.69%	Lower due in large part to outside city filings.
Cigarette Tax	170,050	90,808	53.40%	188,285	87,011	46.21%	3,797	4.36%	
Franchise Fees	3,173,550	1,376,601	43.38%	3,320,046	1,443,185	43.47%	(66,584)	-4.61%	
Hotel/Motel Tax	12,000	6,146	51.22%	12,060	7,765	64.39%	(1,619)	-20.85%	
Licenses & Permits	1,169,222	747,739	63.95%	1,612,118	762,309	47.29%	(14,570)	-1.91%	
Intergovernmental Revenue	1,287,104	741,343	57.60%	1,766,019	717,085	40.60%	24,258	3.38%	
Charges for Services	2,587,112	1,260,267	48.71%	2,963,932	1,589,995	53.64%	(329,728)	-20.74%	EMS Services not provided in 2016
Parks and Recreation	2,592,400	1,206,804	46.55%	2,464,613	1,079,098	43.78%	127,706	11.83%	2016 Pirates Cove fee increase and better weather
Fines & Forfeitures	1,008,350	450,651	44.69%	1,047,268	536,368	51.22%	(85,717)	-15.98%	
Interest	86,446	72,166	83.48%	43,866	49,173	112.10%	22,993	46.76%	
EMRF Rents	1,150,000	476,319	41.42%	873,347	446,561	51.13%	29,758	6.66%	
Miscellaneous	174,838	128,450	73.47%	217,408	96,910	44.58%	31,540	32.55%	
Total Revenues	43,883,771	22,752,399	51.85%	44,334,925	22,677,427	51.15%	74,972	0.33%	General Fund revenues are on track to meet or exceed budgeted amounts

GENERAL FUND EXPENDITURES:

2016 YTD expenditures, **\$21,605,458** are **49.2%** of the budget appropriation. Based on the 2011-2015 five year average of expenditures recorded, approximately **49.9%** is spent YTD.

Expenditures	2016			2015			2016 vs 2015		Variance comments updated each quarter (Jan, Apr, Jul and Oct)
	Budget	Jun-16	% Budget	Dec-15	Jun-15	% YTD	\$ Diff	% Diff	
Legislation	365,572	194,376	53.17%	341,751	157,709	46.15%	36,667	23.25%	4th of July fireworks \$32,250 through June 30, 2016
City Attorney's Office	810,022	237,585	29.33%	717,683	333,516	46.47%	(95,931)	-28.76%	Lower salary costs during 2016
Municipal Court	1,058,583	422,057	39.87%	986,422	465,549	47.20%	(43,492)	-9.34%	On target to meet budget
City Manager's Office	720,064	436,080	60.56%	810,429	370,765	45.75%	65,315	17.62%	A portion of 2016 includes salaries for both the Deputy and Assistant City Manager
Human Resources	613,532	337,870	55.07%	570,023	255,338	44.79%	82,532	32.32%	2016 includes performance evaluation software \$15,100 and higher legal expenses of \$54,000
Finance and Admin Services	1,870,411	811,865	43.41%	1,676,008	812,018	48.45%	(153)	-0.02%	On target to meet budget
Information Technology	1,481,726	652,367	44.03%	1,387,054	660,955	47.65%	(8,588)	-1.30%	On target to meet budget
Public Works	6,208,706	2,860,434	46.07%	5,707,695	2,654,787	46.51%	205,647	7.75%	On target to meet budget
Fire	5,866,698	3,456,745	58.92%	9,610,372	6,109,388	63.57%	(2,652,643)	-43.42%	2015 includes final fire payout (\$2,146,000) and 2016 Fire Services contract is paid one month in advance (\$450,500/month)
Police	13,247,547	6,447,017	48.67%	12,448,235	6,115,643	49.13%	331,374	5.42%	2016 negotiated salary increase = 3.13%
Community Development	2,134,378	857,217	40.16%	1,095,440	920,896	84.07%	(63,679)	-6.91%	Director position was vacant during first part of 2016
Library	1,241,179	526,951	42.46%	1,179,667	535,215	45.37%	(8,264)	-1.54%	On target to meet budget
Parks and Recreation	6,136,594	2,529,480	41.22%	5,600,771	2,416,956	43.15%	112,524	4.66%	On target to meet budget
Debt Service	1,871,644	1,704,895	91.09%	1,693,760	1,526,875	90.15%	178,020	11.66%	Paid final two yearly payments in 2016 to complete the Fire Truck lease
Contingency	250,000	130,519	52.21%	511,879	119,680	23.38%	10,839	9.06%	On target to meet budget
Total Expenditures	43,876,656	21,605,458	49.24%	44,337,189	23,455,290	52.90%	(1,849,832)	-7.89%	General Fund expenditures are on track to meet budgeted amounts

GENERAL FUND TRANSFERS:

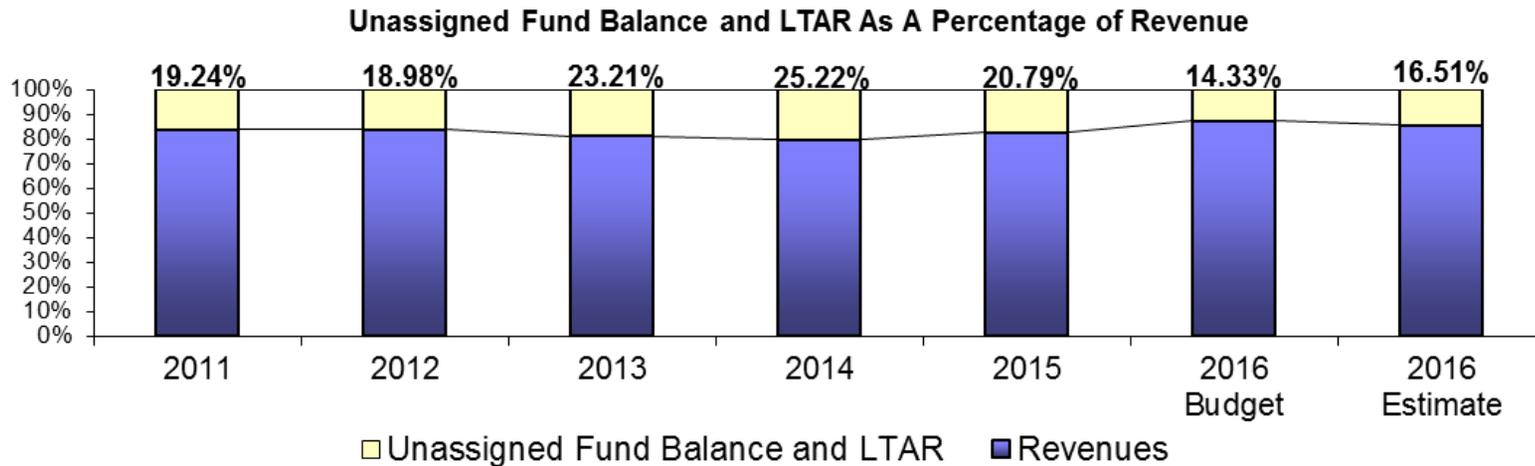
Net 2016 transfers-*out* to date of **\$1,979,345** were made by the end of June 2016.

- \$1,179,335 transferred to the Public Improvement Fund for capital improvement projects.
- \$800,000 transferred to the Englewood McLellan Reservoir Fund for road construction to be repaid in 2017-2018.

GENERAL FUND - FUND BALANCE:

The estimated year-end total fund balance is **\$8,757,016** or **19.96%** of projected total revenue. Recently adopted Fund Balance Policy calls for a targeted unassigned fund balance of 16.67%.

- The estimated combined unassigned and LTAR fund balances for 2016 are projected at **\$7,247,016** or **16.51%** of projected revenues.
- The Long Term Asset Reserve (LTAR) balance is **\$1,863,099**.
- The TABOR Emergency Reserve is **\$1,510,000**.



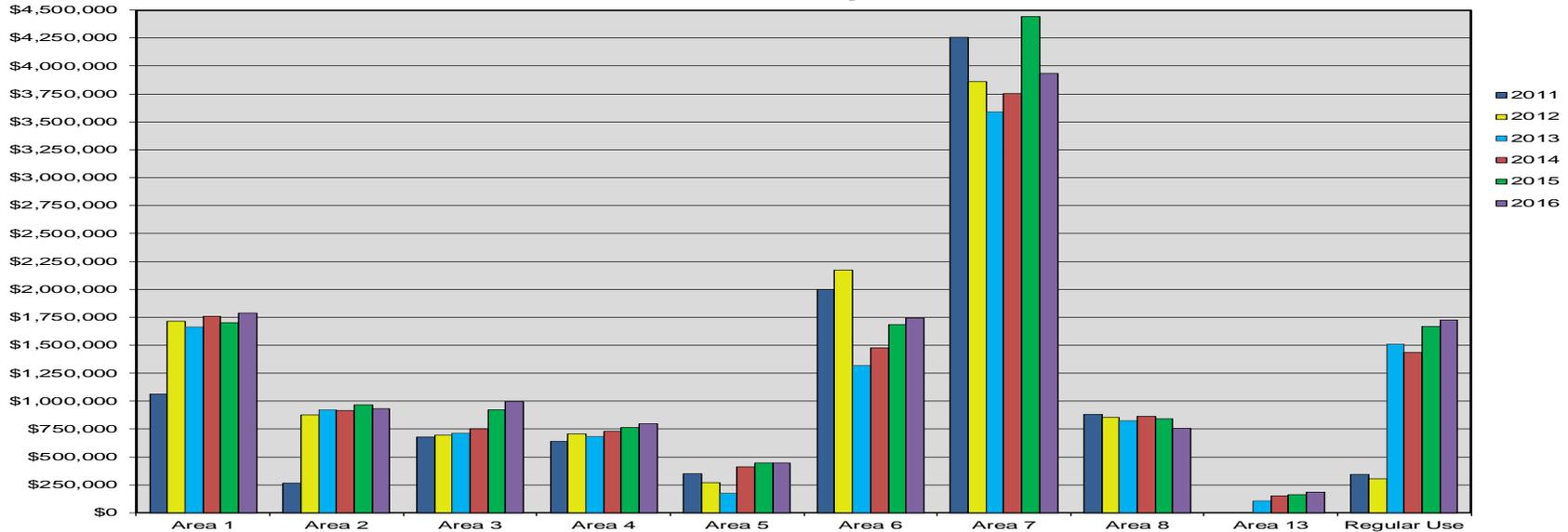
Fund Balance Analysis	Budget	May-16	YE Estimate	Dec-15	Dec-14
Excess revenues over (under) expenditures	7,115	1,146,941	7,115	(2,264)	404,873
Net transfers in (out)	(1,979,335)	(1,979,345)	(1,979,345)	(1,479,740)	892,544
Total Fund Balance	\$ 7,686,731	\$ 9,896,842	\$ 8,757,016	\$ 10,729,246	\$ 12,211,250
Restricted Fund Balance					
-Emergencies (TABOR)	1,400,000	1,510,000	1,510,000	1,510,000	1,400,000
Committed Fund Balance					
-LTAR	1,863,099	1,863,099	1,863,099	2,663,099	2,663,099
Estimated Unassigned Fund Balance	\$ 4,423,632	\$ 6,523,743	\$ 5,383,917	\$ 6,556,147	\$ 8,148,151
Unassigned plus Committed (LTAR) Fund Balance	\$ 6,286,731	\$ 8,386,842	\$ 7,247,016	9,219,246	10,811,250
As a percentage of projected revenues	14.33%	19.11%	16.51%	20.79%	25.22%
As a percentage of budgeted revenues	14.33%	19.11%	16.51%		
Target (16.7%)	7,328,590		7,328,590		

SALES AND USE TAX BY BUSINESS AREA:

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

	2011	% Change	2012	% Change	2013	% Change	2014	% Change	2015	% Change	2016	% Change	\$ Change
Area 1	1,065,451	1.07%	1,716,414	61.10%	1,666,440	-2.91%	1,761,561	5.71%	1,701,959	-3.38%	1,791,412	5.26%	89,454
Area 2	267,011	7.07%	875,919	228.05%	922,928	5.37%	918,908	-0.44%	967,863	5.33%	935,138	-3.38%	-32,725
Area 3	676,579	-2.43%	696,665	2.97%	713,559	2.42%	750,011	5.11%	924,769	23.30%	997,731	7.89%	72,961
Area 4	639,936	-11.99%	707,300	10.53%	684,338	-3.25%	732,368	7.02%	761,918	4.03%	800,437	5.06%	38,519
Area 5	349,101	8.44%	273,516	-21.65%	175,431	-35.86%	413,620	135.77%	446,309	7.90%	446,097	-0.05%	-212
Area 6	1,997,244	5.92%	2,173,101	8.80%	1,318,497	-39.33%	1,478,025	12.10%	1,686,902	14.13%	1,744,562	3.42%	57,660
Area 7	4,257,532	30.44%	3,861,483	-9.30%	3,586,736	-7.12%	3,751,558	4.60%	4,441,975	18.40%	3,937,593	-11.35%	-504,382
Area 8	884,954	-5.29%	853,070	-3.60%	825,962	-3.18%	867,056	4.98%	843,220	-2.75%	758,647	-10.03%	-84,573
Area 13	0	0.00%	0	0.00%	105,871	0.00%	151,152	42.77%	166,335	10.04%	186,361	12.04%	20,026
Regular Use	345,189	1.58%	304,426	-11.81%	1,513,792	397.26%	1,435,760	-5.15%	1,671,165	16.40%	1,724,726	3.21%	53,561
Subtotal	10,482,997	10.70%	11,461,894	9.34%	11,513,554	0.45%	12,260,019	6.48%	13,612,415	11.03%	13,322,704	-2.13%	-289,711
Area 9	935,074	2.45%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 10	16,128	91.91%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 9 and 10	951,202	3.27%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 11	68,816	2.27%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 12	2,561	4.16%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 11 and 12	71,377	2.34%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Subtotal	1,022,579	3.20%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Total	11,505,576	9.99%	11,461,894	-0.38%	11,513,554	0.45%	12,260,019	6.48%	13,612,415	11.03%	13,322,704	-2.13%	-289,711
Refunds	31,220	-81.38%	95,482	205.84%	13,248	-86.13%	75,193	467.59%	24,336	-67.64%	49,487	103.35%	25,151
Audit & Collections Revenue**	144,406	-37.61%	90,186	-37.55%	87,297	-3.20%	137,871	57.93%	144,473	4.79%	79,449	-45.01%	-65,024
**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%	1,250,000	8.70%	1,250,000	0.00%	0
Building Use	368,609	66.23%	370,851	0.61%	317,030	-14.51%	1,048,681	230.78%	1,714,602	63.50%	518,860	-69.74%	-1,195,742
Vehicle Use	445,388	-0.61%	633,080	42.14%	696,770	10.06%	737,076	5.78%	864,558	17.30%	1,025,530	18.62%	160,971

June YTD Collections by Area 2011-2016



Area Descriptions

Area 1 - CityCenter (Formerly Cinderella City)
Area 2 - S of Yale, north & south side of Jefferson Ave/US 285 between Bannock and Sherman
Area 3 - S of Jefferson Ave/US 285 between Bannock & Sherman and north side of Belleview between Logan & Delaware
Area 4 - Broadway and Belleview (Between Fox and Sherman and south side of Belleview and to the Southern City Limits)

Area 5 - Federal and Belleview W of Santa Fe Drive
Area 6 - All other City locations
Area 7 - Outside City limits
Area 8 - Public Utilities
Area 13 - Hampden Avenue (US 285) and University Boulevard

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	89,454	5.26%	8	(9)	(1)	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 2	(32,725)	-3.38%	13	(7)	6	Variance is due primarily to better economic conditions in 2015 versus 2016.
Area 3	72,961	7.89%	12	(4)	8	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 4	38,519	5.06%	1	-	1	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 5	(212)	-0.05%	6	(2)	4	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 6	57,660	3.42%	38	(21)	17	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 7	(504,382)	-11.35%	169	(96)	73	Variance is due primarily to several tax remitters who filed collectively more "one-time taxable sales" in 2015 than in 2016.
Area 8	(84,573)	-10.03%	-	-	-	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	20,026	12.04%	2	-	2	Variance is due primarily to better economic conditions in 2016 versus 2015.
Regular Use	53,561	3.21%	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	(289,711)	-2.13%	249	(139)	110	

Outside City (Business Area 7) Sales Tax:

- Outside City sales tax receipts (cash basis) were down **\$504,382** or **11.4** 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 June 2016 were **\$1,791,412** or **\$89,454** or **5.3%** more than last year during the same period of time.

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**.



This page was left blank intentionally.