



To: Mayor Joe Jefferson and City Council
Through: Eric Keck, City Manager
From: Kathleen Rinkel, Finance and Administrative Services
Date: October 17, 2016
Subject: September, 2016 Monthly Financial Report (Non-quarter ending summary)

September 2016 Year-To-Date City Funds Summary

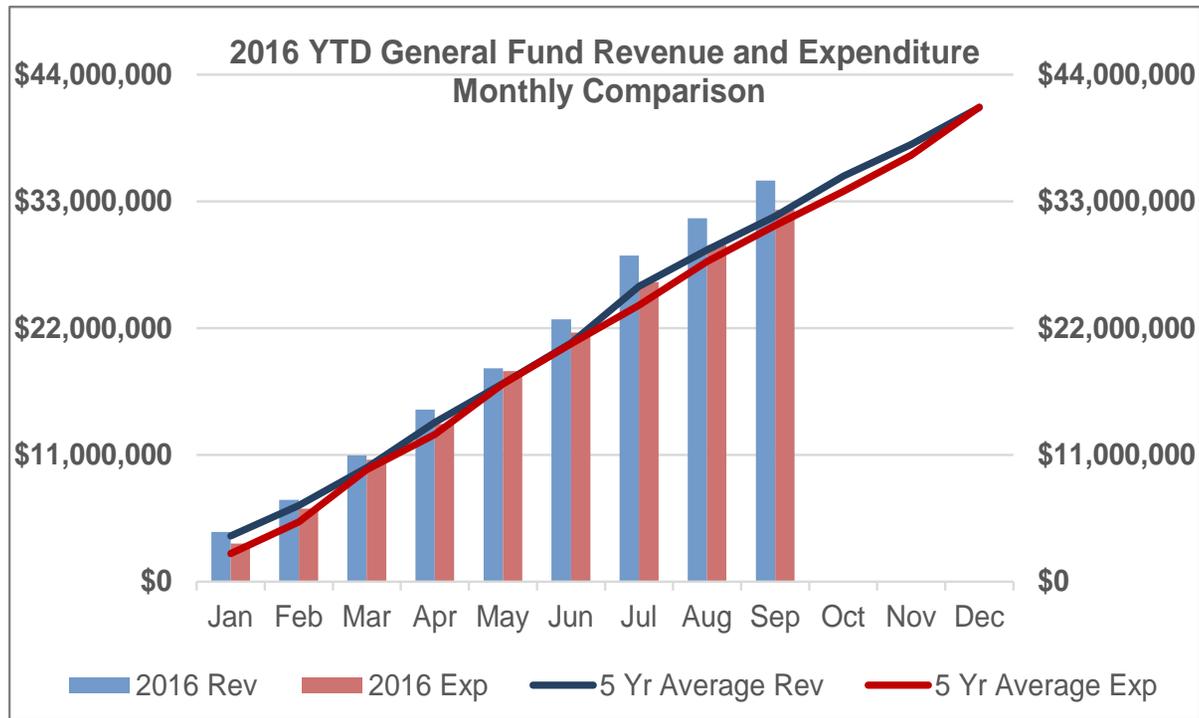
	Beginning Balance	YTD Revenue	YTD Expenditure	Transfers and Encumbrances	Restricted/ Committed Balance	YTD Ending Balance
Governmental Fund Types (Fund Balance)						
General Fund	\$ 10,729,246	\$ 34,800,579	\$ 32,271,776	\$ (1,979,345)	\$ 3,373,099	\$ 7,905,605
Special Revenue Funds						
Conservation Trust	1,714,869	291,250	280,378	(1,537,190)	-	188,552
Open Space	1,741,753	440,489	1,149,889	(797,985)	-	234,367
Donors	568,955	163,451	110,686	-	-	621,720
Community Development	-	172,778	195,315	22,537	-	-
Malley Center Trust	235,328	3,761	-	-	-	239,089
Parks & Recreation Trust	457,750	4,334	3,078	-	-	459,007
Debt Service Fund						
General Obligation Bond	70,248	1,091,156	122,840	-	-	1,038,565
Capital Projects Funds						
Public Improvement (PIF)	5,104,383	2,387,200	1,800,661	(3,547,921)	-	2,143,001
Multi-Year Capital Projects (MYCP) ¹	987,871	21,330	400,300	(908,841)	-	(299,940)
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	\$ 11,272,599	\$ 5,930,327	\$ 5,781,744	\$ -	\$ -	\$ 11,421,182
Sewer	5,352,110	14,146,711	11,283,488	-	1,000,000	7,215,333
Stormwater Drainage	1,305,792	285,437	105,824	-	102,500	1,382,906
Golf Course	566,152	1,757,900	1,258,408	-	215,773	849,871
Concrete Utility	533,599	789,850	424,565	-	-	898,884
Housing Rehabilitation	1,239,257	270,083	387,197	-	-	1,122,143
Internal Service Funds						
Central Services	55,995	196,989	211,786	-	-	41,198
ServiCenter	1,753,510	1,611,895	1,276,678	-	-	2,088,727
Capital Equipment Replacement (CERF)	2,041,158	875,437	701,428	-	-	2,215,167
Employee Benefits ²	219,842	3,712,583	4,231,721	-	-	(299,295)
Risk Management	402,211	1,576,838	956,491	-	-	1,022,558

¹ Pending transfer will cover negative ending balance

² Insurance payments are made one month in advance (approximately \$400,000)

GENERAL FUND REVENUES OVER/UNDER EXPENDITURES:

YTD revenues exceed expenditures by \$2,528,803 compared to revenues exceeding expenditures by \$504,038 in 2015. The current year-end projection (based on the 2016 Budget) is for revenues to exceed expenditures by \$101,991.



GENERAL FUND REVENUES:

The 2016 calendar is 75% complete. The 2016 YTD revenues received, \$34,800,578 are 79.3% of the revenue estimate budget. Based on the 2011-2015 five year average of revenue recorded, approximately 77.1% is received YTD.

Revenues	2016			2015			2016 vs 2015		Variance comments
	Budget	Sep-16	% Budget	Dec-15	Sep-15	% YTD	\$ Diff	% Diff	
Property Tax	3,349,000	3,323,609	99.2%	2,917,413	2,886,878	99.0%	436,731	15.1%	Higher assessed property valuation in 2016
Specific Ownership Tax	260,000	233,447	89.8%	305,166	205,586	67.4%	27,861	13.6%	
Sales & Use Taxes	26,863,699	20,053,029	74.6%	26,603,384	20,261,332	76.2%	(208,303)	-1.0%	Lower due mainly to outside city filings.
Cigarette Tax	170,050	141,501	83.2%	188,285	136,001	72.2%	5,500	4.0%	
Franchise Fees	3,173,550	2,266,124	71.4%	3,320,046	2,323,252	70.0%	(57,128)	-2.5%	
Hotel/Motel Tax	12,000	9,593	79.9%	12,060	10,751	89.1%	(1,158)	-10.8%	
Licenses & Permits	1,169,222	1,199,024	102.5%	1,612,118	1,215,022	75.4%	(15,998)	-1.3%	
Intergovernmental Revenue	1,287,104	1,417,621	110.1%	1,766,019	1,165,120	66.0%	252,501	21.7%	State and Local Police grants \$298,000 (also see Police expenditures)
Charges for Services	2,587,112	1,888,087	73.0%	2,963,932	2,282,425	77.0%	(394,338)	-17.3%	EMS Services not provided in 2016 \$430,000
Parks and Recreation	2,592,400	2,343,619	90.4%	2,464,613	2,213,587	89.8%	130,032	5.9%	Pirates Cove fee increase and better weather in 2016
Fines & Forfeitures	1,008,350	637,461	63.2%	1,047,268	802,699	76.6%	(165,238)	-20.6%	Change in Court and Police community practices
Interest	86,446	71,857	83.1%	43,866	62,667	142.9%	9,190	14.7%	
EMRF Rents	1,150,000	671,449	58.4%	873,347	663,300	75.9%	8,149	1.2%	
Miscellaneous	174,838	544,157	311.2%	217,408	166,613	76.6%	377,544	226.6%	2016 includes \$215,000 from EURA - Broadway Lofts development
Total Revenues	43,883,771	34,800,578	79.3%	44,334,925	34,395,233	77.6%	405,345	1.2%	

GENERAL FUND EXPENDITURES:

2016 YTD expenditures, \$32,271,775 are 73.6% of the budget appropriation. Based on the 2011-2015 five year average of expenditures recorded, approximately 75% is spent YTD.

Expenditures	2016			2015			2016 vs 2015		Variance comments
	Budget	Sep-16	% Budget	Dec-15	Sep-15	% YTD	\$ Diff	% Diff	
Legislation	365,572	230,942	63.2%	341,751	194,783	57.0%	36,159	18.6%	On target to meet budget
City Attorney	810,022	374,826	46.3%	717,683	516,397	72.0%	(141,571)	-27.4%	Lower personnel costs in 2016
Court	1,058,583	685,547	64.8%	986,422	721,538	73.1%	(35,991)	-5.0%	On target to meet budget
City Manager (Including Fire Contract)	6,586,762	5,520,278	83.8%	10,420,801	8,251,620	79.2%	(2,731,342)	-33.1%	2015 includes the final fire payout of \$2,146,000.
Finance and Human Resources	2,483,943	1,781,176	71.7%	2,246,031	1,595,178	71.0%	185,998	11.7%	On target to meet budget
Information Technology	1,481,726	1,018,372	68.7%	1,387,054	997,299	71.9%	21,073	2.1%	On target to meet budget
Public Works	6,208,706	4,403,050	70.9%	5,707,695	4,086,051	71.6%	316,999	7.8%	On target to meet budget
Police	13,247,547	9,791,730	73.9%	12,448,235	9,201,479	73.9%	590,251	6.4%	State and Local Police grants \$298,000 (also see intergovernmental revenue)
Community Development	2,134,378	1,349,243	63.2%	1,095,440	1,452,910	132.6%	(103,667)	-7.1%	Lower personnel costs in 2016
Parks, Recreation and Library	7,377,773	5,196,268	70.4%	6,780,438	5,092,854	75.1%	103,414	2.0%	On target to meet budget
Debt Service	1,871,644	1,736,367	92.8%	1,693,760	1,569,148	92.6%	167,219	10.7%	2016 Paid final two yearly Fire Truck lease payments \$236,000
Contingency	250,000	183,976	73.6%	511,879	211,938	41.4%	(27,962)	-13.2%	On target to meet budget
Total Expenditures	43,876,656	32,271,775	73.6%	44,337,189	33,891,195	76.4%	(1,619,420)	-4.8%	General Fund expenditures are on track to meet budgeted amounts

GENERAL FUND TRANSFERS:

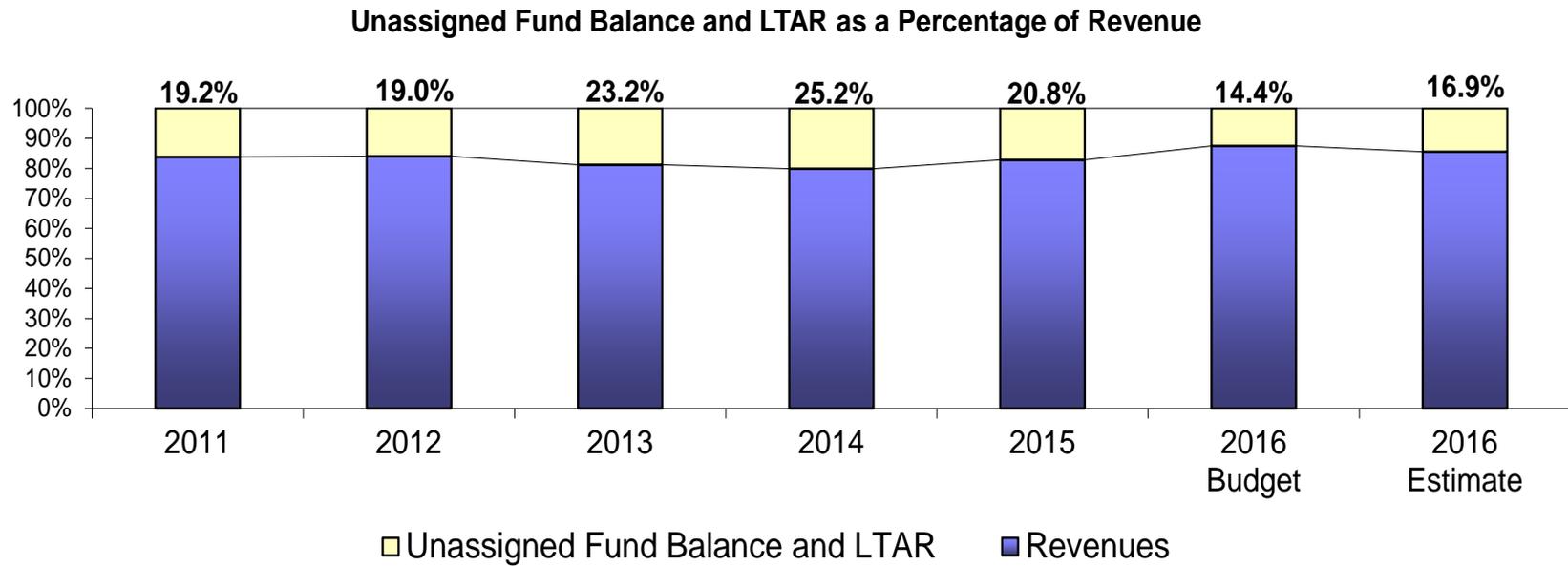
2016 year-to-date net transfers-out of \$1,979,345 were made as of September 2016.

- \$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.

GENERAL FUND - FUND BALANCE:

The estimated year-end total fund balance is \$8,851,892 or 20.3% of projected total revenue. Recently adopted Fund Balance Policy calls for a targeted unassigned fund balance of 16.7%.

- The estimated combined Unassigned and LTAR fund balances for 2016 are projected at \$7,341,892 or 16.9% of projected revenues.
- The Long Term Asset Reserve (LTAR) balance is \$1,863,099.
- The TABOR Emergency Reserve is \$1,510,000.



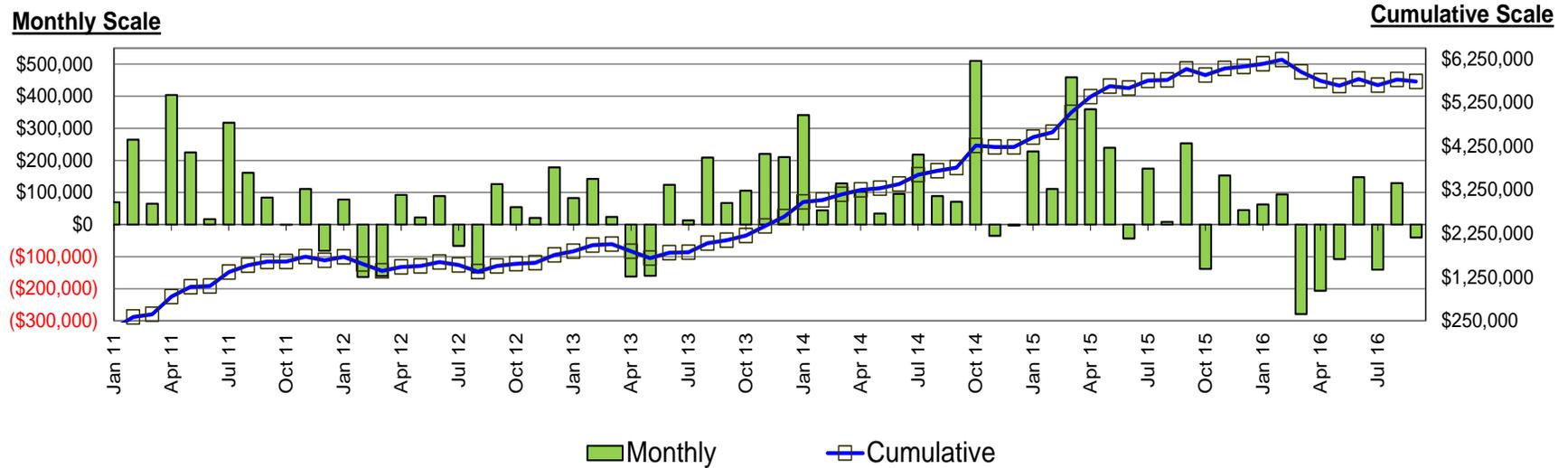
General Fund Comparative Revenue, Expenditure & Fund Balance Report
as of September 30, 2016
Percentage of Year Completed = 75%

<i>Fund Balance January 1</i>	\$ 9,658,951	\$ 10,729,246	\$ 10,729,246	\$ 12,211,250	\$ 12,211,250	\$ 10,913,833	\$ 10,913,833					
	2016				2015			2014			2016 vs 2015	
	Original Budget	Sep-16	% Budget	YE Estimate*	Dec-15	Sep-15	% YTD	Dec-14	Sep-14	% YTD	\$ Diff	% Diff
Revenues												
Property Tax	\$ 3,349,000	\$ 3,323,609	99.2%	\$ 3,359,000	\$ 2,917,413	\$ 2,886,878	99.0%	\$ 2,892,433	\$ 2,866,798	99.1%	\$ 436,731	15.1%
Specific Ownership Tax	260,000	233,447	89.8%	300,000	305,166	205,586	67.4%	291,670	190,950	65.5%	27,861	13.6%
Sales & Use Taxes	26,863,699	20,053,029	74.6%	26,188,699	26,603,384	20,261,332	76.2%	24,839,297	18,481,668	74.4%	(208,303)	-1.0%
Cigarette Tax	170,050	141,501	83.2%	180,000	188,285	136,001	72.2%	188,652	137,472	72.9%	5,500	4.0%
Franchise Fees	3,173,550	2,266,124	71.4%	3,192,550	3,320,046	2,323,252	70.0%	3,207,978	2,216,394	69.1%	(57,128)	-2.5%
Hotel/Motel Tax	12,000	9,593	79.9%	12,000	12,060	10,751	89.1%	11,948	8,832	73.9%	(1,158)	-10.8%
Licenses & Permits	1,169,222	1,199,024	102.5%	1,316,338	1,612,118	1,215,022	75.4%	1,576,299	1,117,417	70.9%	(15,998)	-1.3%
Intergovernmental Revenue	1,287,104	1,417,621	110.1%	1,289,529	1,766,019	1,165,120	66.0%	1,869,045	1,011,539	54.1%	252,501	21.7%
Charges for Services	2,587,112	1,888,087	73.0%	2,585,577	2,963,932	2,282,425	77.0%	3,215,032	2,355,142	73.3%	(394,338)	-17.3%
Parks and Recreation	2,592,400	2,343,619	90.4%	2,600,850	2,464,613	2,213,587	89.8%	2,466,421	2,232,404	90.5%	130,032	5.9%
Fines & Forfeitures	1,008,350	637,461	63.2%	895,450	1,047,268	802,699	76.6%	1,350,164	1,045,838	77.5%	(165,238)	-20.6%
Interest	86,446	71,857	83.1%	55,446	43,866	62,667	142.9%	68,340	51,356	75.1%	9,190	14.7%
EMRF Rents	1,150,000	671,449	58.4%	1,071,000	873,347	663,300	75.9%	684,683	503,694	73.6%	8,149	1.2%
Miscellaneous	174,838	544,157	311.2%	463,862	217,408	166,613	76.6%	210,531	166,771	79.2%	377,544	226.6%
Total Revenues	\$ 43,883,771	\$ 34,800,578	79.3%	\$ 43,510,301	\$ 44,334,925	\$ 34,395,233	77.6%	\$ 42,872,493	\$ 32,386,275	75.5%	\$ 405,345	1.2%
Expenditures												
Legislation	365,572	230,942	63.2%	450,904	341,751	194,783	57.0%	329,738	204,690	62.1%	36,159	18.6%
City Attorney	810,022	374,826	46.3%	732,030	717,683	516,397	72.0%	726,377	516,947	71.2%	(141,571)	-27.4%
Court	1,058,583	685,547	64.8%	1,017,873	986,422	721,538	73.1%	942,264	686,813	72.9%	(35,991)	-5.0%
City Manager (Including Fire Contract)	6,586,762	5,520,278	83.8%	6,672,531	10,420,801	8,251,620	79.2%	9,849,643	6,046,224	61.4%	(2,731,342)	-33.1%
Finance and Human Resources	2,483,943	1,781,176	71.7%	2,506,768	2,246,031	1,595,178	71.0%	2,008,689	1,437,693	71.6%	185,998	11.7%
Information Technology	1,481,726	1,018,372	68.7%	1,405,269	1,387,054	997,299	71.9%	1,348,275	958,664	71.1%	21,073	2.1%
Public Works	6,208,706	4,403,050	70.9%	6,075,591	5,707,695	4,086,051	71.6%	5,440,975	3,967,248	72.9%	316,999	7.8%
Police	13,247,547	9,791,730	73.9%	13,140,563	12,448,235	9,201,479	73.9%	11,872,226	8,610,547	72.5%	590,251	6.4%
Community Development	2,134,378	1,349,243	63.2%	2,123,588	1,095,440	1,452,910	132.6%	1,128,034	1,267,266	112.3%	(103,667)	-7.1%
Parks, Recreation and Library	7,377,773	5,196,268	70.4%	7,213,889	6,780,438	5,092,854	75.1%	6,739,874	5,288,596	78.5%	103,414	2.0%
Debt Service	1,871,644	1,736,367	92.8%	1,871,644	1,693,760	1,569,148	92.6%	1,869,902	1,549,521	82.9%	167,219	10.7%
Contingency	250,000	183,976	73.6%	197,660	511,879	211,938	41.4%	211,623	156,203	73.8%	(27,962)	-13.2%
Total Expenditures	\$ 43,876,656	\$ 32,271,775	73.6%	\$ 43,408,310	\$ 44,337,189	\$ 33,891,195	76.4%	\$ 42,467,620	\$ 30,690,412	72.3%	\$ (1,619,420)	-4.8%
Fund Balance Analysis	Budget	Sep-16		YE Estimate*	Dec-15			Dec-14				
Excess revenues over (under) expenditures	7,115	2,528,803		101,991	(2,264)			404,873				
Net transfers in (out)	(1,979,345)	(1,979,345)		(1,979,345)	(1,479,740)			892,544				
Total Fund Balance	\$ 7,686,721	\$ 11,278,704		\$ 8,851,892	\$ 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	\$ 4,423,622	\$ 7,905,605		\$ 5,478,793	\$ 6,556,147			\$ 8,148,151				
Unassigned plus Committed (LTAR) Fund Balance	\$ 6,286,721	\$ 9,768,704		\$ 7,341,892	\$ 9,219,246			\$ 10,811,250				
As a percentage of projected revenues	14.4%	22.5%		16.9%	20.8%			25.2%				
As a percentage of budgeted revenues	14.3%	22.3%		16.7%								
				Target (16.7%) = \$ 7,253,167								

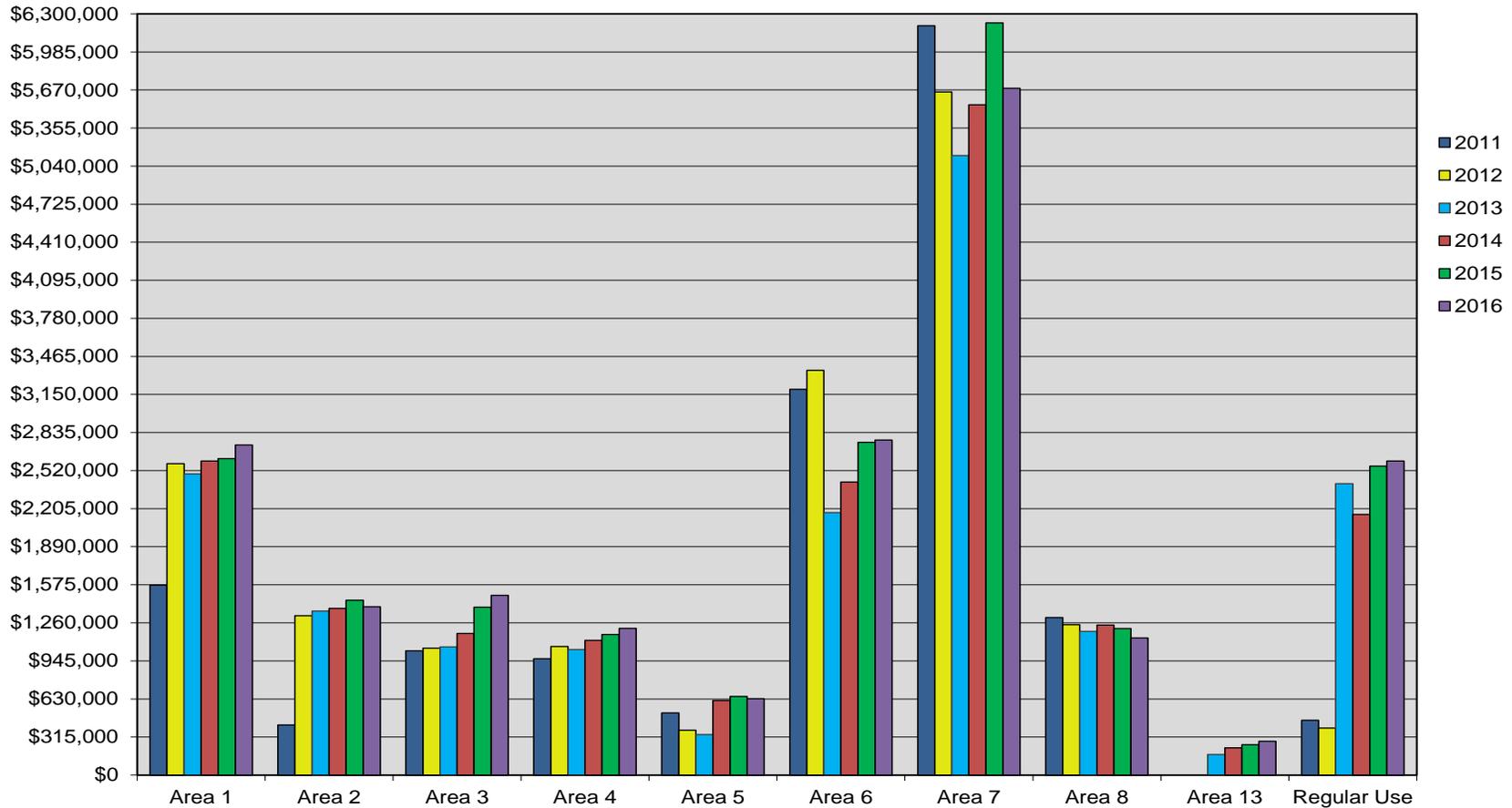
SALES AND USE TAX ANALYSIS:

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



YTD Sales and Use Collections by Area 2011-2016



Outside City (Business Area 7) Sales Tax:

- Outside City sales tax receipts (cash basis) were down \$541,682 or 8.7 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 September 2016 were up \$112,433 or 4.3% more than last year during the same period of time.

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

	2011	% Change	2012	% Change	2013	% Change	2014	% Change	2015	% Change	2016	% Change	\$ Change
Area 1	1,572,222	-0.71%	2,577,971	63.97%	2,493,748	-3.27%	2,599,747	4.25%	2,620,080	0.78%	2,732,512	4.29%	112,433
Area 2	415,582	10.61%	1,318,991	217.38%	1,358,626	3.00%	1,379,299	1.52%	1,447,071	4.91%	1,392,810	-3.75%	-54,261
Area 3	1,029,138	-1.47%	1,050,005	2.03%	1,061,708	1.11%	1,172,191	10.41%	1,389,515	18.54%	1,487,373	7.04%	97,858
Area 4	962,708	-12.07%	1,063,716	10.49%	1,038,767	-2.35%	1,114,767	7.32%	1,164,076	4.42%	1,214,155	4.30%	50,078
Area 5	515,203	5.19%	370,731	-28.04%	335,735	-9.44%	617,980	84.07%	651,065	5.35%	631,987	-2.93%	-19,078
Area 6	3,192,774	8.50%	3,349,839	4.92%	2,172,790	-35.14%	2,425,044	11.61%	2,754,420	13.58%	2,772,779	0.67%	18,359
Area 7	6,202,314	29.33%	5,653,044	-8.86%	5,127,595	-9.29%	5,548,215	8.20%	6,224,960	12.20%	5,683,278	-8.70%	-541,682
Area 8	1,304,621	-3.47%	1,244,356	-4.62%	1,188,977	-4.45%	1,242,245	4.48%	1,212,407	-2.40%	1,135,188	-6.37%	-77,218
Area 13	0	0.00%	0	0.00%	169,692	0.00%	226,384	33.41%	251,638	11.16%	280,826	11.60%	29,187
Regular Use	454,123	14.82%	389,735	-14.18%	2,411,435	518.74%	2,157,881	-10.51%	2,557,185	18.50%	2,599,460	1.65%	42,275
Subtotal	15,648,684	11.19%	17,018,388	8.75%	17,359,073	2.00%	18,483,753	6.48%	20,272,416	9.68%	19,930,367	-1.69%	-342,049
Area 9	1,368,624	1.82%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 10	20,748	10.67%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 9 and 10	1,389,373	1.94%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 11	110,357	6.00%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 12	2,920	5.66%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Area 11 and 12	113,277	5.99%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Subtotal	1,502,650	2.23%	0	-100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Total	17,151,334	10.34%	17,018,388	-0.78%	17,359,073	2.00%	18,483,753	6.48%	20,272,416	9.68%	19,930,367	-1.69%	-342,049
Refunds	33,486	-83.23%	154,453	361.24%	31,272	-79.75%	75,718	142.13%	132,446	74.92%	50,285	-62.03%	-82,161
Audit & Collections Revenue	176,618	-47.40%	104,911	-40.60%	107,704	2.66%	169,467	57.35%	294,709	73.90%	79,449	-73.04%	-215,260
**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	470,266	0.08%	646,980	37.58%	1,568,759	142.47%	1,578,756	0.64%	2,048,732	29.77%	803,778	-60.77%	-1,244,954
Vehicle Use	726,861	5.93%	965,338	32.81%	1,056,850	9.48%	1,162,691	10.01%	1,351,733	16.26%	1,508,068	11.57%	156,335

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	112,433	4.29%	12	(14)	(2)	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 2	(54,261)	-3.75%	21	(12)	9	Variance is due primarily to better economic conditions in 2015 versus 2016.
Area 3	97,858	7.04%	13	(8)	5	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 4	50,078	4.30%	2	-	2	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 5	(19,078)	-2.93%	12	(4)	8	Variance is due primarily to better economic conditions in 2015 versus 2016.
Area 6	18,359	0.67%	59	(35)	24	Variance is due primarily to better economic conditions in 2016 versus 2015.
Area 7	(541,682)	-8.70%	280	(174)	106	Variance is due primarily to several tax remitters who filed collectively more "one-time taxable sales" in 2015 than in 2016.
Area 8	(77,218)	-6.37%	-	-	-	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	29,187	11.60%	1	-	1	Variance is due primarily to better economic conditions in 2016 versus 2015.
Regular Use	42,275	1.65%	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	(342,049)	-1.69%	400	(247)	153	

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. 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.

If you have any questions regarding this report, please contact me at 303.762.2401.