City of Englewood

Finance and Administrative Services
Monthly Financial Report Survey

A new year has begun and we would like your input on the Monthly Financial Report. Please return the completed survey by **February 27, 2009** to Frank Gryglewicz, Department of Finance and Administrative Services. *We appreciate your time in completing this survey.*

Is the content sufficient? **Yes** **No** If the content is not sufficient, what information would you like included? If you like, please provide examples and/or samples of information you would like included.

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Is the report too long? **Yes** **No** If the report is too long, what information would you like removed?

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MEMORANDUM

To: Mayor Woodward and City Council

From: Frank Gryglewicz, Director of Finance and Administrative Services

Date: February 12, 2009

Subject: January 2009 Financial Report and update 2009 Financial Report

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Summary of the January 2009 General Fund Financial Report

Please Note: All 2008 numbers included in this report are unaudited and subject to change

REVENUES:

- Through January 2008, the City of Englewood collected **$3,369,703 or $45,028 (1.2 percent) less** than last year (See chart attached to the full report for detail on changes in revenue in past year).
- The City did not collect any or specific ownership tax through the end of January.
- **Year-to-date sales and use collections were $2,908,256 or $14,802 (.5 percent) less than year-to-date 2007**
- Cigarette tax collections were down $5,573 compared to last year.
- Franchise fee collections were up $1,648 from January 2008.
- Hotel/Motel taxes collected were about the same as prior year.
- Licenses and permit collections were $1,112 more than 2008.
- Intergovernmental revenues were $544 less than prior year.
- Charges for services were $8,596 more than last January.
- Recreation revenues were down $6,596 from 2008.
- Fines and forfeitures were $1,554 more than last year.
- Investment income was $114,027 less than last year.
- Miscellaneous revenues were $83,657 more than last year.
- The City collected $203,633 in sales and use tax audit revenue for the year.

OUTSIDE CITY:

- Outside City sales and use taxes were down $264,348 or 19.5 percent compared to last year.
- Outside City's impact on total revenues and total sales taxes has decreased but is still and important revenue source for the City of Englewood.
- At this time potential refunds total $1,420,926 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is $650,000

CITY CENTER ENGLEWOOD (CCE):

- Sales tax revenues collected in January 2009 was $252,180 compared to $270,518 collected in 2008.

EXPENDITURES:

- Expenditures through January were $1,831,453 or $691,565 (3.1 percent) less than the $1,889,678 expended through January 2008.
- The City did not make any refunds in January.

RESERVES:

- The reserves for 2009 are budgeted at $5,242,378 or 13.4 percent of budgeted revenues.
- The unreserved/undesignated fund balance for 2009 is estimated at $4,207,771 or 10.78 percent of budgeted revenues.

TRANSFERS:

- Transfers in of $968,682 were made this year.

REVENUES OVER/UNDER EXPENDITURES:

- Expenditures are budgeted to exceed revenues by $2,394,427 for 2009. Through January, revenues exceeded expenditures by $1,838,250.

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected $226,155 in revenues and spent $2,287,251 year-to-date. Estimated year-end fund balance is ($8,153). The 2008 negative balance of ($147,348) may require a transfer from the General Fund or another fund/source.

Summary of the Unaudited December 31, 2008 General Fund Financial Report

Please Note: All the numbers below are unaudited and subject to change

REVENUES:

- The City of Englewood collected **$38,955,452 compared to $38,011,406 collected in 2007. The increase is $944,046 or 2.5 percent** more than 2007.
- The City collected $316,242 in specific ownership tax in 2008 compared to $341,423 in 2007.
- **Sales and use collections were $22,967,767 or $213,947 (one percent) more the $22,753,820 collected in 2007**
- Cigarette tax collections were $17,042 less than last year.
- Franchise fee collections were $259,481 more than 2007.
- Hotel/Motel taxes collected were a little higher than last year.
- Licenses and permit collections were $497,593 less than 2007.
- Intergovernmental revenues were $28,691 less than prior year.
- Charges for services were $385,707 more than last January.
- Recreation revenues were down $128,820 from 2008.
- Fines and forfeitures were $15,459 more than last year.
- Investment income was $108,808 less than last year.
- Miscellaneous revenues were $27,103 more than last year.
- The City collected $285,419 in sales and use tax audit revenue for the year.

OUTSIDE CITY:

- 2008 Outside City sales and use tax collections totaled 8,023,476 down $94,043 or 1.1 percent compared to the previous year.
- Outside City's impact on total revenues and total sales taxes has decreased but is still and important revenue source for the City of Englewood.
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CITY CENTER ENGLEWOOD (CCE):

- Sales tax revenues collected in January 2008 was $ 2,312,523 compared to $ 2,371,783 collected in 2007.

EXPENDITURES:

- Expenditures for the year totaled $38, 964,128 or $843,527 (2.2 percent) more than the $38,120,601 expended in 2007.
- Unaudited expenditures were 1.3 percent under budget or $529,423 less.

RESERVES:

- The reserves for 2008 are $6,673,825 or 17.1 percent of unaudited revenues

TRANSFERS:

- Net transfers in of $2,164,017 were made during the year. These transfers helped increase the unaudited fund balance.

REVENUES OVER/UNDER EXPENDITURES:

- **Expenditures were budgeted to exceed revenues by $2,401,101 for 2008, but because revenues were adjusted during the year and expenditures came in lower than budget, expenditures only exceeded revenues by $8,676 for the year.**

City of Englewood, Colorado
Financial Report
January 2009

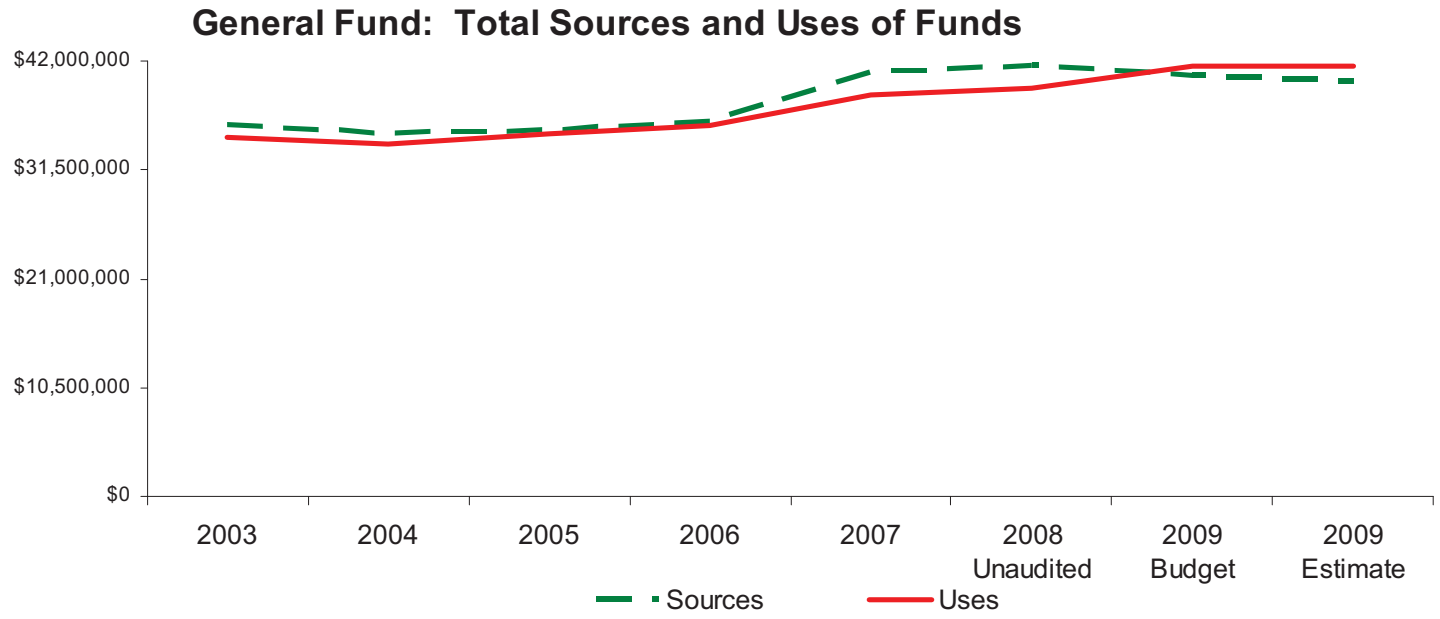
GENERAL FUND OVERVIEW AND ANALYSIS

Please Note: All 2008 numbers included in this report are unaudited and subject to change

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 services by the offices of city manager and city attorney; the departments of information technology, finance and administrative services, community development and human resources; the municipal court and legislation. Debt service, lease payments, and other contractual payments are also commitments of the General Fund.

General Fund Surplus and Deficits 2003 to 2009 Estimate

The line graph below depicts the history of revenues and expenditures from 2003 to 2009 Estimate. As illustrated, both surpluses and deficits have occurred in the past. The gap has narrowed over the past few years by reducing expenditures, freezing positions, negotiating lower-cost health benefits, increased revenue collections. Continued efforts will be required to balance revenues and expenditures, especially with persistent upward pressure on expenditures due to increases in the cost of energy, wages and benefits.

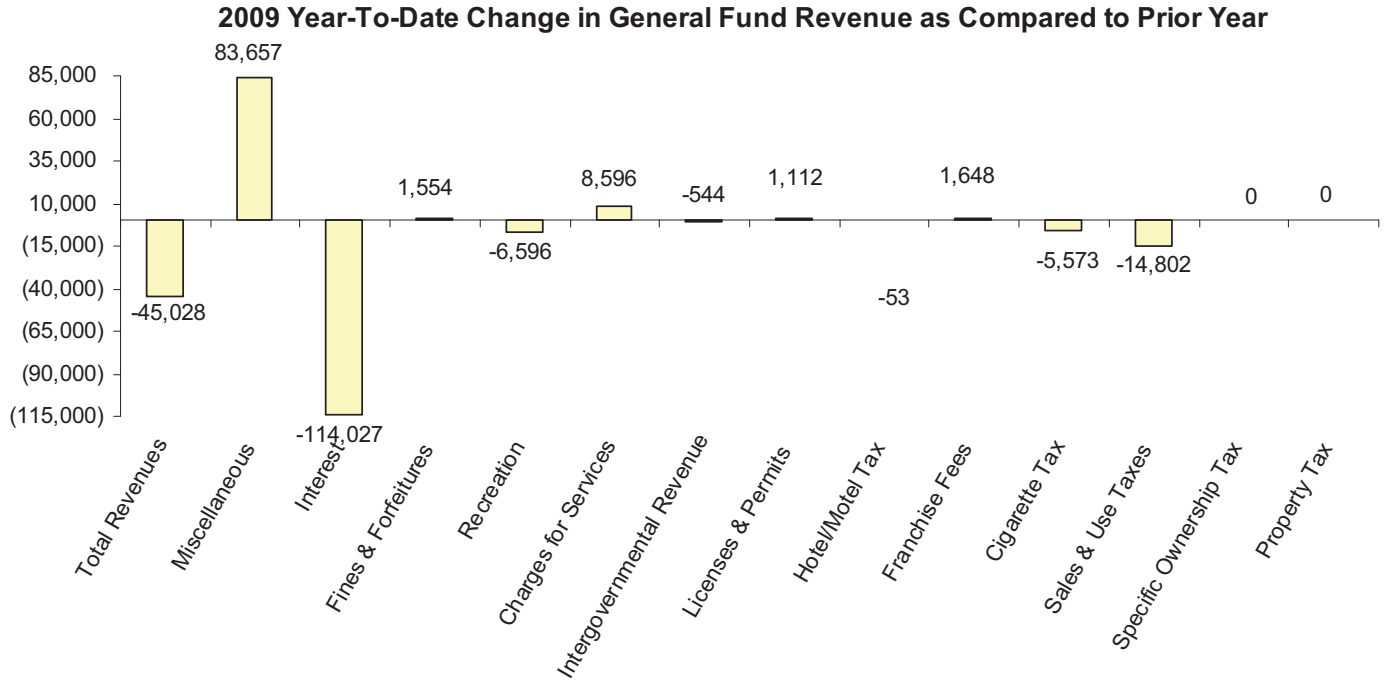


The table below summarizes General Fund Year-To-Date (YTD) Revenues, Expenditures, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended January 31, 2009. Comparative figures for years 2008 and 2007 are presented as well. The table also highlights the dollar and percentage changes between those periods.

	2009	2009 vs 2008 Increase (Decrease)		2008	2008 vs 2007 Increase (Decrease)		2007
General Fund							
Year-To-Date Revenues	**$ 3,669,703**	$ (45,028)	(1.21%)	**$ 3,714,731**	$ 474,207	14.63%	**$ 3,240,524**
Year-To-Date Expenditures	**1,831,453**	$ (58,225)	(3.08%)	**1,889,678**	$ (56,898)	(2.92%)	**1,946,576**
Net Revenues (Expenditures)	**$ 1,838,250**	$ 13,197		**$ 1,825,053**	$ 531,105		**$ 1,293,948**
Estimated Unreserved/ Undesignated Fund Balance	**$ 5,289,680**	$ (1,384,145)	(20.74%)	**$ 6,673,825**	$ 700,198	11.72%	**$ 5,973,627**
Sales & Use Tax Revenue YTD	**$ 2,908,256**	$ (14,802)	(.51%)	**$ 2,923,058**	$ 291,803	11.09%	**$ 2,631,255**
Outside City Sales & Use Tax YTD	**$ 1,090,778**	$ (264,348)	(19.51%)	**$ 1,355,126**	$ 302,451	28.73%	**$ 1,052,675**

General Fund Revenues

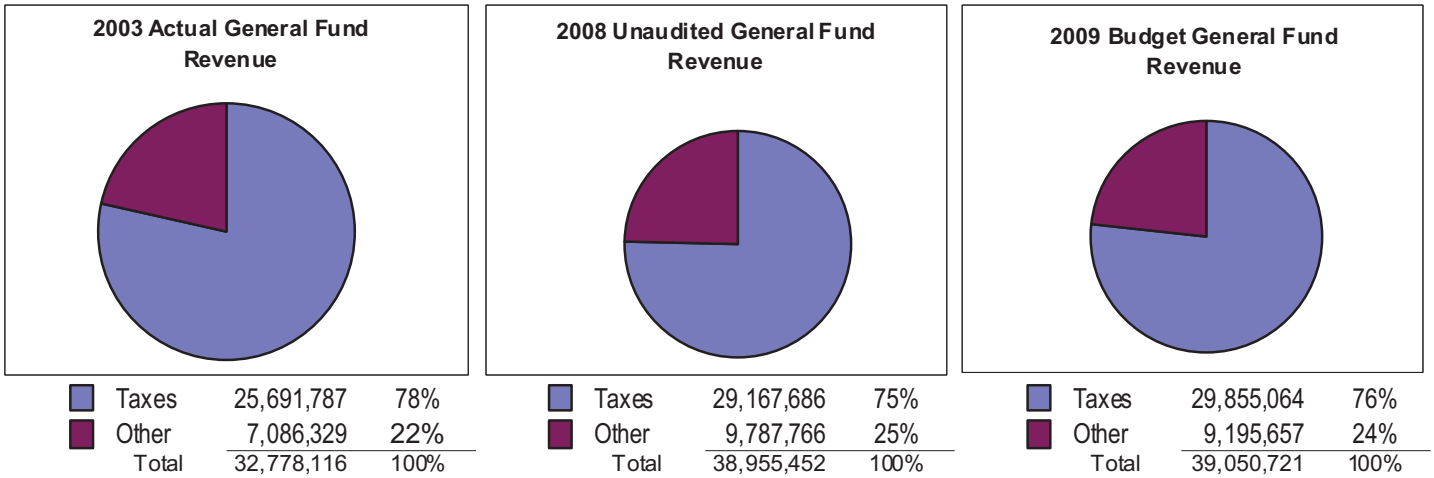
The City of Englewood's total budgeted revenue is $39,050,721. Total revenues collected through January 2009 were $3,669,703 or $452,096 (7.6 percent) more than was collected in 2008. Below is a chart displaying the change in General Fund revenues for this year compared to last year.



General Fund Taxes

The General Fund obtains most of its revenue from taxes. In 2008 total unaudited revenues were $38,955,452 of which $29,167,686 (74.9 percent) came from tax collections. Taxes include property, sales and use, specific ownership, cigarette, utilities, franchise fees, and hotel/motel. The following pie charts illustrate the contribution of taxes to total revenue for 2000 actual and budgeted 2009. Taxes as a percentage of total revenue have declined slightly as other fees and charges have been increased to help offset rising costs and relatively flat tax revenues.

General Fund Revenues
Taxes vs. Other



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 2008 mill levy collected in 2009 is 7.827 mills. The 2008 mill levy for general operations collected in 2009 is 5.880 mills. A voter approved additional mill of 1.947 mills is levied for principal and interest payments on the City's general obligation debt (parks and recreation projects). Property tax collections grew from $2,417,673 in 2004 to $2,995,990 in 2008. This was an increase of $578,317 or 23.9 percent. In 2008 the City collected $2,995,990 or 10 percent of 2008 total taxes and 7.7 percent of total revenues from property taxes. The City budgeted $2,993,000 for 2009; but the City has not collected any taxes so far this year.

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 month. The City collected $333,456 in 2004 and $316,242 in 2008 which is a decrease of $17,214 or 5.2 percent. The City collected $316,242 in 2008 which is .8 percent of total revenues and 1.1 percent of total taxes. The City budgeted $350,000 for 2009 but has not collected any taxes through January.

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 years. In 2004 the City collected $354,876, but in 2008 the City collected $278,785, which is a *decrease* of $93,133 or 26.2 percent. These taxes accounted for one percent of total taxes and less than one percent of total revenues in 2008. The City budgeted $250,000 for the year and has collected $19,352 through January 2009, which is $6,573 or 25.4 percent less than the $24,925 collected through January 2008.

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 taxes on telephone services. The City collected $2,096,425 in 2004 and $2,615,866 in 2008, an increase of $331,118 or 16.5 percent. These taxes accounted for nine percent of taxes and 6.7 percent of total revenues in 2008. The City budgeted $2,620,851 for the year; collections through January totaled $73,297 compared to $71,649 collected during the same period last year.

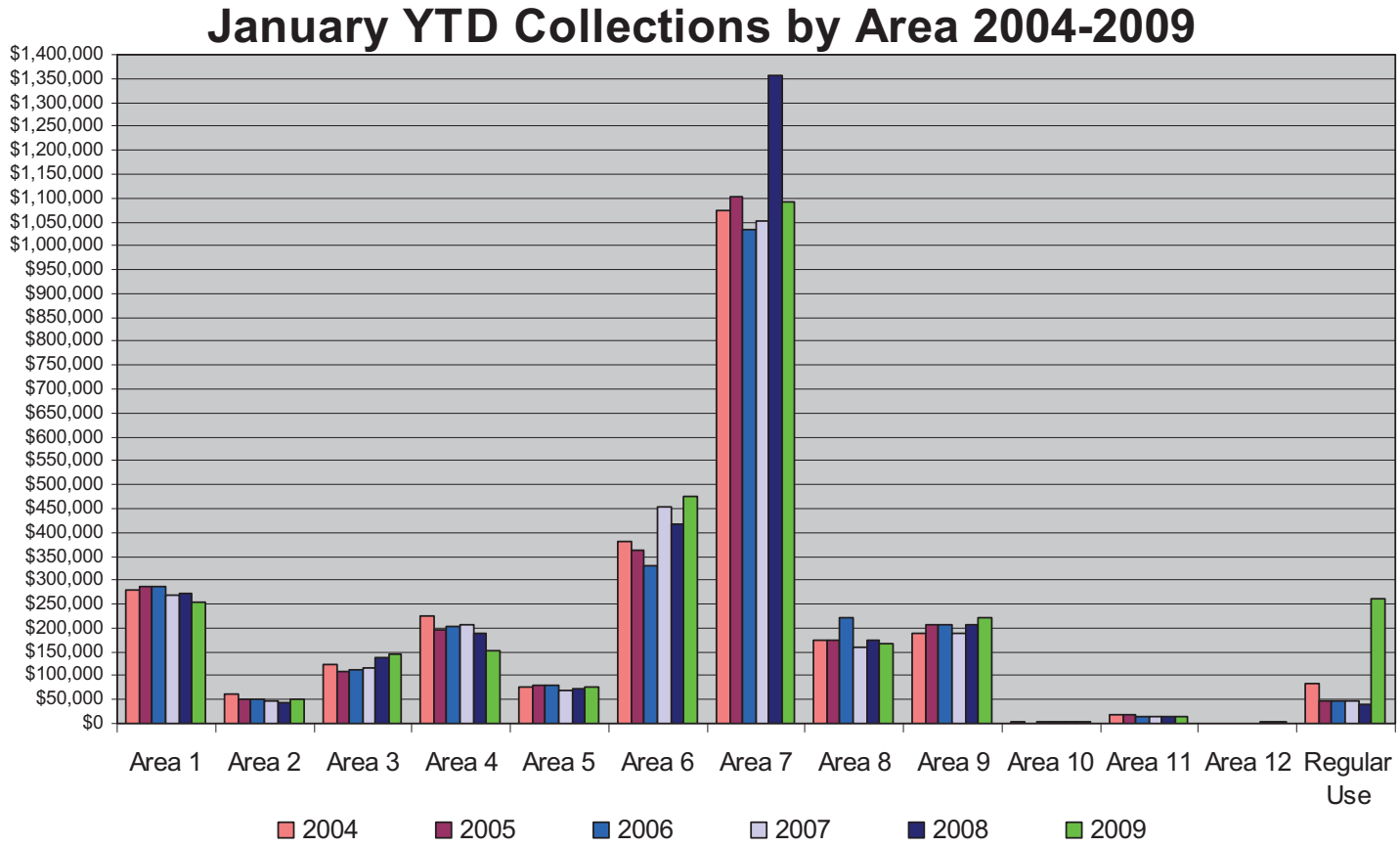
Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted $8,713 for the year and has collected $1,056 through January 2009.

Sales and Use Taxes Analysis

Sales and use taxes are the most important (and volatile) revenue sources for the City. Sales and use taxes generated 78.7 percent of all taxes and 59 percent of total revenues collected in 2008. In 2004, this tax generated $20,591,394 for the City of Englewood; in 2008 the City collected $22,967,767. 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 receive a .5

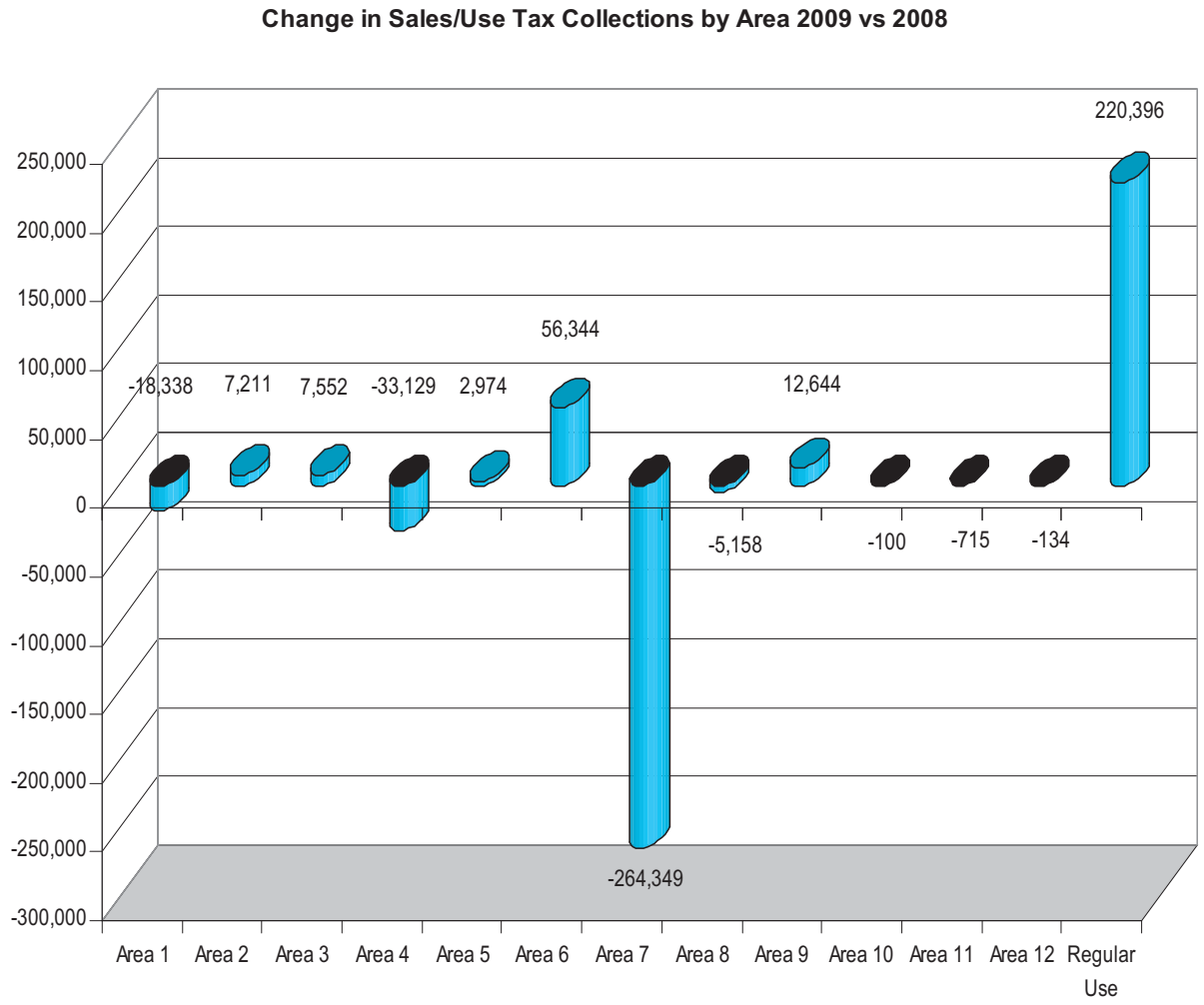
percent fee for collecting and remitting the taxes to the City by the due date. Taxes for the current month are due to the City by the twentieth day of the following month. The City budgeted $23,632,500 for 2009. Collections for January 2009 were $2,908,256 while collections for January 2008 were $2,923,058 a slight decrease of $14,802 or less than one half of one percent.

This revenue source tends to ebb and flow with the economy, growing during economic expansions and contracting during downturns. The bar graph below illustrates the economic areas' collection patterns for 2004 through 2009.

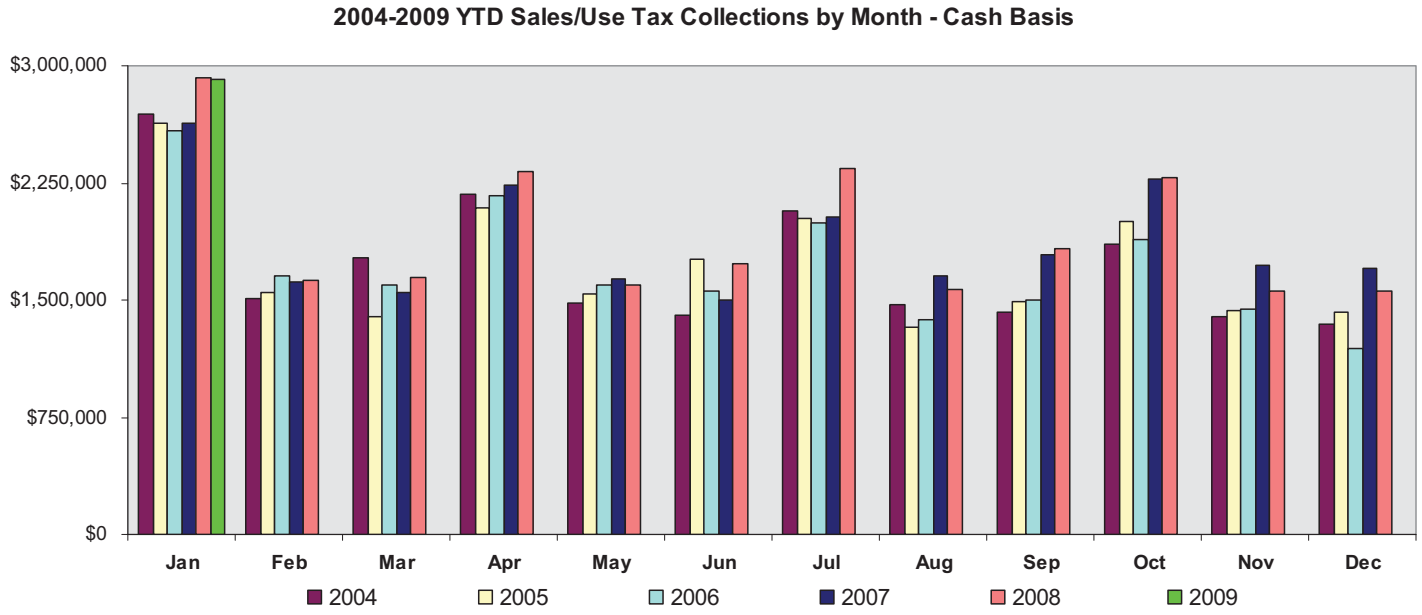


It is important to analyze which sales tax geographic areas of the City are growing or declining.

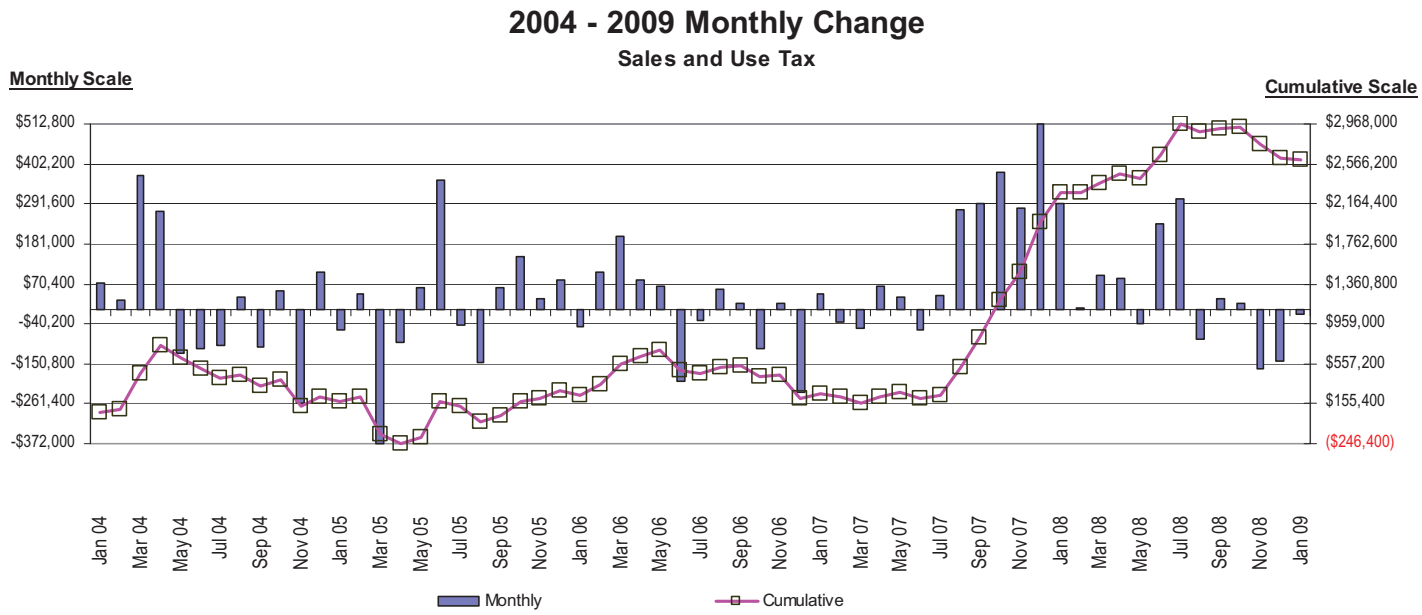
The following chart, "Change in Sales/Use Tax Collections by Area 2008 vs. 2007" indicates that most of the increase in sales tax collections is due to Outside City (Area 7) and Public Utilities (Area 8) sales. Regular use taxes are down from last year.



The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2002 through 2009.

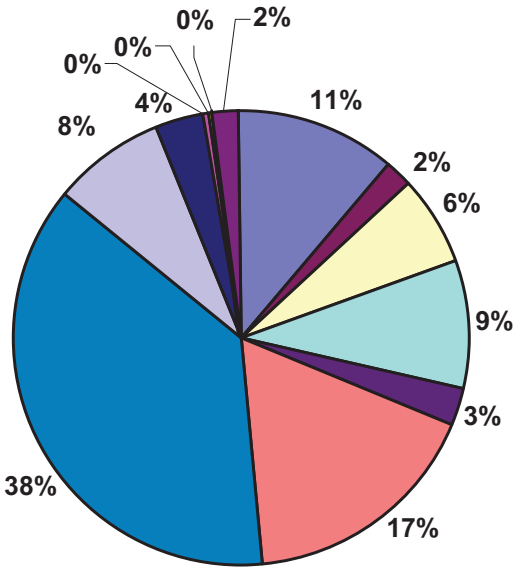


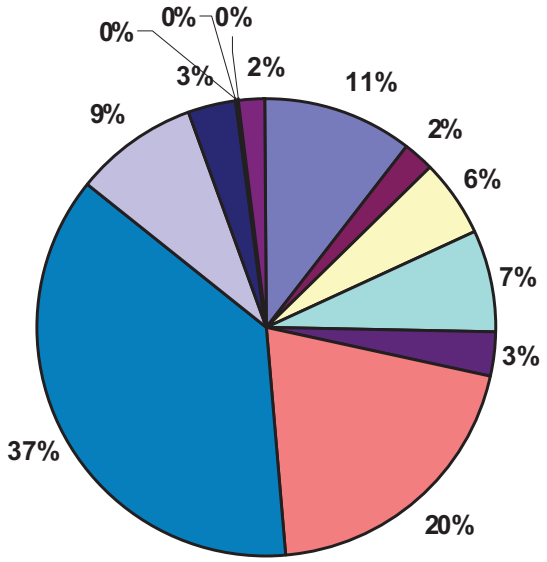
The next two charts illustrate sales tax collections (cash basis) by month and total for the year.



Sales tax collections are reported by various geographic areas as illustrated in the following pie charts. These illustrate the changing collection patterns for 2003 and 2008 Unaudited.

Geographic Sales Tax Collection Areas





2003 Actual Cash Receipts by Area

Area 1	11%	Area 8	8%
Area 2	2%	Area 9	4%
Area 3	6%	Area 10	0%
Area 4	9%	Area 11	0%
Area 5	3%	Area 12	0%
Area 6	17%	Regular Use	2%
Area 7	38%		

2008 Unaudited Cash Receipts by Area

Area 1	11%	Area 8	9%
Area 2	2%	Area 9	3%
Area 3	6%	Area 10	0%
Area 4	7%	Area 11	0%
Area 5	3%	Area 12	0%
Area 6	20%	Regular Use	2%
Area 7	37%		

Economic improvement, judged strictly by sales tax collections, appears to be improving somewhat in most of the geographic areas compared to the same period last year.

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 $252,180 year-to-date 2009, in 2008, the City collected $270,518. Total collections for the year are estimated between $2.2 and $2.5 million.

Area 7: This geographic area records the outside city sales tax collections (Outside City). Outside City has been the geographic area responsible for much of the sales tax growth (and decline) in past years. Outside City collections have increased considerably (28.73 percent) from the same period last year. The chart below illustrates this area's contribution to total sales and use taxes (cash basis) as well as total revenues since 2002 for collections through the month of January. The importance of Outside City is slowly declining as a percentage of sales and use tax collections and total revenues, but continues to have a significant impact on the City's General Fund as illustrated by the chart following.

	2005	2006	2007	2008	2009
Total Sales and Use Taxes	2,636,736	2,588,301	2,630,656	2,923,058	2,908,256
Outside City Collections	1,102,663	1,034,227	1,052,675	1,355,126	1,090,778
Percentage of Total	41.8%	40.0%	39.3%	36.0%	46.6%
Total General Fund Revenues	3,190,487	3,240,524	3,332,818	3,714,731	3,669,703
Outside City Collections	1,102,663	1,034,227	1,034,227	1,052,675	1,355,126
Percentage of Revenues	34.6%	31.9%	31.0%	28.3%	36.9%

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 $650,000 to cover intercity claims. The City did not pay any intercity sales/use tax refunds through January 2009 compared to $8,916 in January 2008. At this time potential refunds total $1,420,926 for claims submitted to Englewood but not completed.

Area 8: This geographic area consists of collections from public utilities. Collections through January were down $5,158 or three percent under last year. Weather conditions, energy usage, 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.

Other Sales Tax Related Information

Finance and Administrative Services Department collected $203,633 in sales tax audit revenues through the month of January; this compares to $158,450 collected in 2008 and $75,808 collected in 2007.

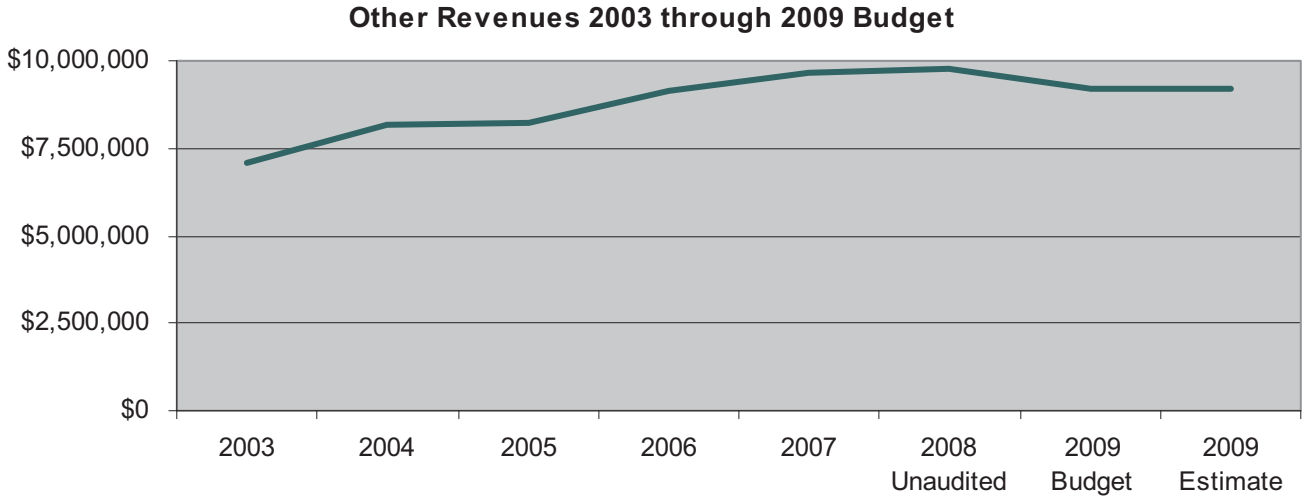
Of 84 sales tax accounts reviewed in the various geographic areas, 44 (52 percent) showed improved collections and 40 (48 percent) showed reduced collections this year compared to the same period last year.

The Department issued 52 new sales tax licenses through January 2009; 28 and 61 were issued through January 2008 and 2007 respectively.

City records indicate that year to date 85 businesses closed (60 of them were outside the physical limits of Englewood) and 54 opened (20 of them were outside the physical limits of Englewood).

General Fund Other Revenue

Other revenues accounted for $9,787,766 or 25 percent of the total revenues for 2008 and the City budgeted $9,195,657 for 2009. The following graph illustrates other revenue collections from 2003 through 2009 Budget.



Additional significant revenue sources are listed below:

Licenses and Permits: This revenue category includes business and building licenses and permits. This revenue source generated $1,168,977 during 2007 or 12.1 percent of total revenue and 3 percent of total other revenue. This revenue source totaled $628,363 in 2004 and increased to $671,384 in 2008, a 6.8 percent increase. The City budgeted $577,100 for 2009 or 6.3 percent of budgeted total other revenues and year-to-date the City collected $53,476, $1,112 (2.2 percent) more than the $52,364 collected in January 2008.

Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at $1,003,462 for 2009, this is 11 percent of total other revenue. This revenue source totaled $1,277,490 in 2004 and the City collected $1,090,225 in 2008, a 14.6 percent *decrease*. The City collected $4,579 through January 2009 this is $544 (10.6 percent) less than the $5,123 collected in same period in 2008.

Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at $3,216,286 for 2009 or 35 percent of total other revenue. This revenue source totaled $2,750,211 in 2004 and increased to $3,453,704 in 2008, a 25.6 percent increase. Total collected year-to-date was $253,927 or $8,596 (3.5 percent) more than the $245,331 collected year-to-date in 2008.

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 $2,334,265 for 2009 or 25.4 percent of total other revenue. This revenue source totaled $1,986,688 in 2004 and increased to $2,364,758 in 2008, a 19 percent increase. Total collections for January 2009 were $114,885 compared to $121,481 collected year-to-date in 2008.

Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2009 budget for this source is $1,389,150 or 15 percent of total other revenue. This revenue source totaled $1,263,206 in 2004 and increased to $1,461,100 in 2008, a 16.7 percent increase. Total collected year-to-date was $120,434 or $1,554 (1.3 percent) more than the $118,880 collected in the same time period last year.

Interest: This is the amount earned on the City's cash investments. The 2009 budget for this source is $372,611 or 4.1 percent of total other revenue. This revenue source totaled $84,295 in 2004 and increased to $520,325 in 2008, a 517 percent increase. The City earned $16,740 in January 2009; the City earned $130,767 in January 2008 or $114,027 more than this year.

Miscellaneous: This source includes all revenues that do not fit in another revenue category. The 2009 budget for this source is $302,783 or 3.3 percent of total other revenue. This revenue source totaled $171,658 in 2004 and increased to $226,155 in 2008, a 31.7 percent increase. Total collected year-to-date is $103,701 (417.4 percent more) compared to the $20,044 collected last year during the same period.

General Fund Expenditures

Outcome Based Budgeting

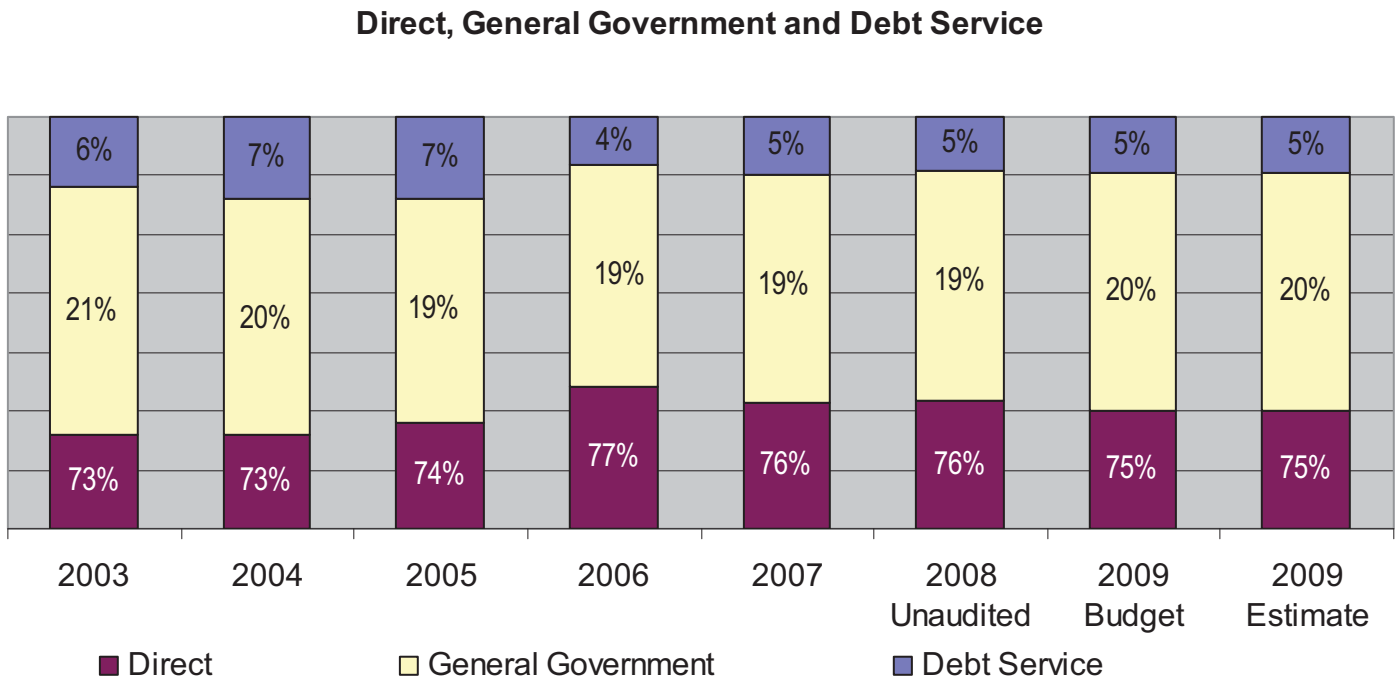
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the services delivered to the citizens of Englewood. The five outcomes identified include:

- A City that provides and maintains quality infrastructure,
- A safe, clean, healthy, and attractive City,
- A progressive City that provides responsive and cost efficient services,
- A City that is business friendly and economically diverse, and
- A City that provides diverse cultural, recreational, and entertainment opportunities.

Outcome based budgeting is an additional tool the City Council and staff may use to better develop ways to serve our citizens. This type of budgeting is a new concept and will be refined and reviewed on an on-going basis to help us better focus our resources on ways to meet the objectives of our citizens.

The City budgeted total expenditures at $41,445,148 for 2009, this compares to $38,964,128 and $38,120,601 expended in 2008 and 2007 respectively. Budgeted expenditures for 2009 general government totals $8,387,284 or 20.2 percent of the total. Direct government expenditures are budgeted at $31,064,182 or 75.0 percent of the total. Debt service payments are $1,993,682 or 4.8 percent of the total. Total expenditures through January were $1,831,453 compared to $1,889,678 in 2008 and $2,062,440 in 2007.

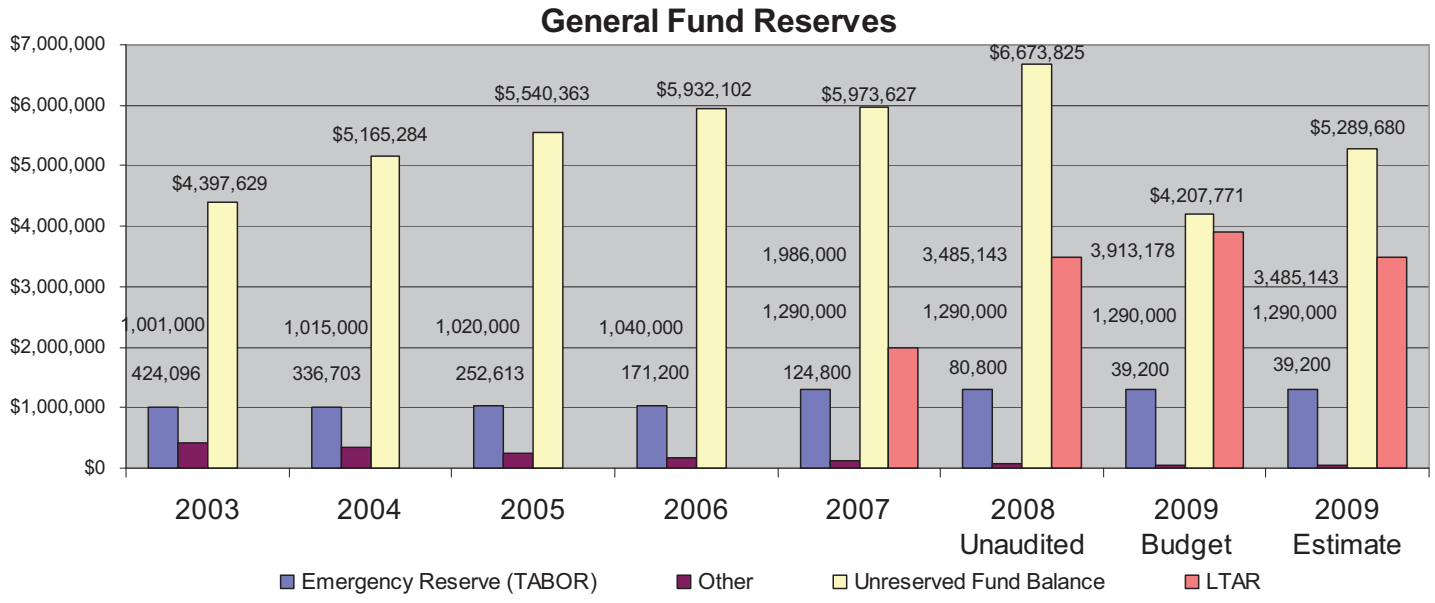
The chart below illustrates the breakdown of expenditures into debt service, general and direct government expenditures.

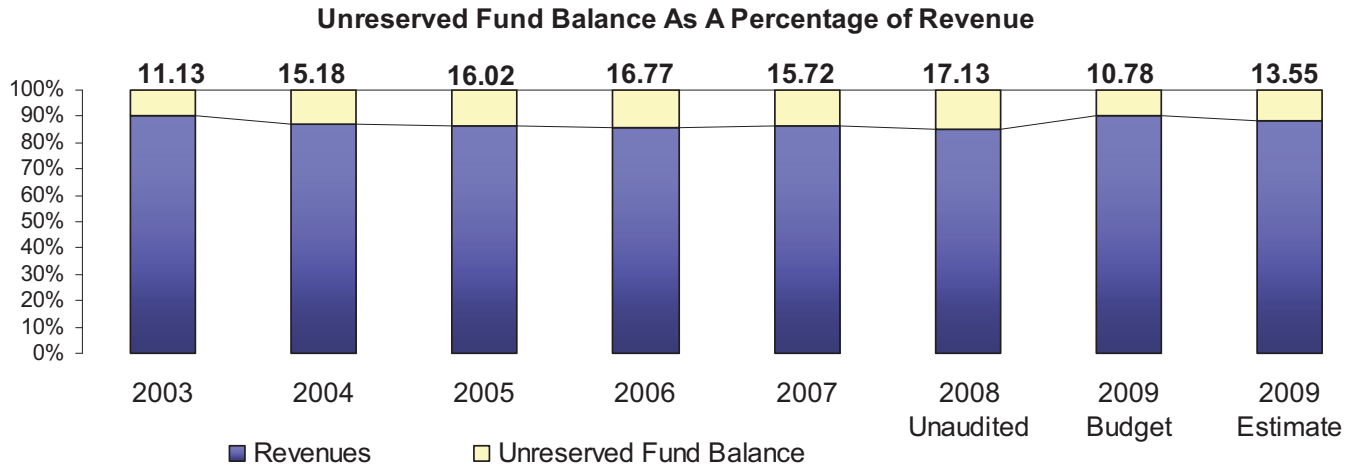


General Fund Reserves

Reserves are those funds the City sets aside for a "rainy day". The intent is to smooth over unexpected revenue declines and expenditure increases. The fund is normally built up when revenues exceed expenditures. In the past, excess reserves have been transferred out to other funds, usually for capital projects identified in the Multiple Year Capital Plan (MYCP). The reserve 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 held on September 22, 2007, 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 may only be expended if the funds are appropriated in the annual budget or by supplemental appropriation. The balance in the account is $3,485,143.





The City ended 2008 with an unaudited unreserved/undesignated general fund balance of $6,673,825 or 17.1 percent of revenues. The 2009 budget shows an ending fund balance at $4,207,771 or 10.78 percent of budgeted revenues. The $4,207,771 would allow the City to operate for 37 days (using budgeted expenditures) if all other revenues and financing sources ceased. It is more important now than ever to maintain reserves to help the City make up for revenue shortfalls and unexpected expenditure increases given that the one-time transfers made to the General Fund to help maintain reserves are no longer available.

PUBLIC IMPROVEMENT FUND OVERVIEW

The Public Improvement Fund (PIF) accounts for the City's "public-use" capital projects (e.g. roads, bridges, pavement, etc.). The PIF funding is from the collection of vehicle and building use taxes, intergovernmental revenues, interest income, and other miscellaneous sources.

Provided for your information is the table below that illustrates the PIF Year-To-Date (YTD) revenues and expenditures for the years 2009 through 2007. 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.

	2009	2009 vs 2008 Increase (Decrease)		2008	2008 vs 2007 Increase (Decrease)		2007
Public Improvement Fund (PIF)							
YTD Revenues	$ 226,155	$ (33,722)	(12.98%)	$ 259,877	$ (337,161)	(56.47%)	$ 597,038
YTD Expenditures	2,287,251	$ (563,094)	(19.76%)	2,850,345	$ 2,304,018	421.73%	546,327
Net Revenues (Expenditures)	$ (2,061,096)	$ 529,372		$ (2,590,468)	$ (2,641,179)		$ 50,711
Beginning PIF Fund Balance	$ 854,098			$ 2,970,108			$ 5,769,484
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	$ (1,206,998)			$ 379,640			$ 5,820,195
Plus: Remaining Annual Revenue	3,039,388			4,715,931			2,918,451
Less: Remaining Annual Appropriation	(1,840,543)			(4,084,597)			(4,420,060)
Estimated Ending Fund Balance	$ (8,153)			$ 1,010,974			$ 4,318,586
Unappropriated Fund Balance as of December 31,				$ (147,348)			$ 2,970,108

2009 Year-To-Date City Funds At-A-Glance

(Please refer to "Funds Glossary" for Brief Description of Funds and Fund Types)

	Beginning Balance	Revenues	Expenditures	Other Sources (Uses)	Reserved Balance	Ending Balance
Governmental Fund Types (Fund Balance)						
General Fund	11,529,768	3,669,702	1,831,453	(3,263,994)	4,814,343	5,289,680
Special Revenue Funds						
Conservation Trust	922,481	1,461	-	(637,566)	-	286,375
Open Space	907,521	1,385	68,737	(451,021)	-	389,148
Donors	184,065	3,392	874	-	-	186,583
Community Development	-	23	1,521	1,498	-	-
Malley Center Trust	278,586	441	-	-	-	279,027
Parks & Recreation Trust	454,700	718	1,750	-	-	453,669
Debt Service Fund						
General Obligation Bond	166,137	253	-	-	-	166,389
Capital Projects Funds						
PIF	770,614	226,154	228,519	(776,402)	-	(8,153)
MYCP	1,409,168	2,164	79,157	(1,225,598)	-	106,577
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	4,483,833	476,229	549,743	-	-	4,410,318
Sewer	9,399,796	969,195	1,551,097	-	1,000,000	7,817,894
Stormwater Drainage	1,120,382	46,463	6,518	-	137,818	1,022,510
Golf Course	752,829	48,820	74,448	-	293,500	433,701
Concrete Utility	257,218	283,973	26,724	-	-	514,466
Housing Rehabiliation	383,335	7,330	12,903	-	-	377,762
Internal Service Funds						
Central Services	215,866	33,927	22,274	(50,000)	-	177,519
ServiCenter	602,151	152,922	107,453	-	-	647,620
CERF	1,118,318	57,043	-	-	-	1,175,361
Employee Benefits	823,784	353,358	386,676	(500,000)	138,634	151,832
Risk Management	1,266,626	77,101	439,272	-	-	904,455

CLOSING

The Finance and Administrative Services Department staff works closely with the City Manager's Office and the various departments to help identify revenue and expenditure threats, trends and opportunities as well as strategies to balance revenues and expenditures. I will continue to provide Council with monthly reports. It is important to frequently monitor the financial condition of the City so City staff and Council can work together to take action, if necessary, to maintain service levels, employees, and fiscal health of the City.

I plan to discuss this report with Council at an upcoming study session. If you have any questions regarding this report, I can be reached at **303.762.2401**.

Funds Glossary

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

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

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.

Commercial Revolving Loan Fund – Accounts for funds used for making low interest loans to existing businesses in downtown Englewood to promote revitalization of the area.

Community Development Fund – Accounts for grant funds of the Brownfields Pilot Grants Program administered by the United States Environmental Protection Agency and the Art Shuttle Program administered by the Regional Transportation District (RTD).

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

Conservation Trust Fund – Accounts for the acquisition of parks and open space land not previously owned by the City and for improvements to existing park and recreation facilities. Financing is provided primarily from State Lottery funds.

Debt Service Funds account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond and loan principal and interest from special assessment levies when the government is obligated in some manner for payment.

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

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

Enterprise Funds account for operations that: (a) are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the City Council has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management controls, accountability or other purposes.

Fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

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

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

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

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

Funds Glossary

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.

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 Assessment Funds account for and pay special assessment bond principal and interest and/or inter-fund loan principal and interest: Following are funds to account for special assessments: **Paving District No. 35, Paving District No. 38,** and **Concrete Replacement District 1995.**

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 January 31, 2009

Percentage of Year Completed = 8%

	2009				2008			2007		
Fund Balance January 1	$ 10,362,859	$ 11,529,768		$ 11,529,768	$ 9,374,427	$ 9,374,427		$ 7,143,302	$ 7,143,302	
	Budget	Jan-09	% Budget	YE Estimate	Dec-08	Jan-08	% YTD	Dec-07	Jan-07	% YTD
Revenues										
Property Tax	2,993,000	-	0.00%	2,993,000	2,995,990	-	0.00%	2,623,118	-	0.00%
Specific Ownership Tax	350,000	-	0.00%	350,000	316,242	-	0.00%	341,423	-	0.00%
Sales & Use Taxes	23,632,500	2,908,256	12.31%	23,632,500	22,967,767	2,923,058	12.73%	22,753,820	2,631,255	11.56%
Cigarette Tax	250,000	19,352	7.74%	250,000	261,743	24,925	9.52%	278,785	25,505	9.15%
Franchise Fees	2,620,851	73,297	2.80%	2,620,851	2,615,866	71,649	2.74%	2,356,385	78,888	3.35%
Hotel/Motel Tax	8,713	1,056	12.12%	8,713	10,078	1,109	11.00%	9,722	1,024	10.53%
Licenses & Permits	577,100	53,476	9.27%	577,100	671,384	52,364	7.80%	1,168,977	43,673	3.74%
Intergovernmental Revenue	1,003,462	4,579	0.46%	1,003,462	1,090,225	5,123	0.47%	1,118,916	4,659	0.42%
Charges for Services	3,216,286	253,927	7.90%	3,216,286	3,453,704	245,331	7.10%	3,067,997	271,690	8.86%
Recreation	2,334,265	114,885	4.92%	2,334,265	2,364,758	121,481	5.14%	2,235,938	110,700	4.95%
Fines & Forfeitures	1,389,150	120,434	8.67%	1,389,150	1,461,100	118,880	8.14%	1,445,641	113,173	7.83%
Interest	372,611	16,740	4.49%	372,611	520,325	130,767	25.13%	411,517	18,296	4.45%
Miscellaneous	302,783	103,701	34.25%	302,783	226,270	20,044	8.86%	199,167	33,955	17.05%
Total Revenues	39,050,721	3,669,703	9.40%	39,050,721	38,955,452	3,714,731	9.54%	38,011,406	3,332,818	8.77%
Expenditures										
Legislation	379,853	46,351	12.20%	379,853	350,236	41,014	11.71%	323,964	44,576	13.76%
City Attorney	799,937	31,592	3.95%	799,937	695,318	34,150	4.91%	694,359	32,767	4.72%
Court	1,026,917	44,995	4.38%	1,026,917	915,223	47,107	5.15%	890,152	45,427	5.10%
City Manager	707,145	33,576	4.75%	707,145	674,323	38,696	5.74%	673,949	71,289	10.58%
Human Resources	560,898	19,410	3.46%	560,898	577,679	28,051	4.86%	557,855	25,327	4.54%
Financial Services	1,764,772	71,180	4.03%	1,764,772	1,625,947	78,768	4.84%	1,568,074	85,296	5.44%
Information Technology	1,448,147	53,988	3.73%	1,448,147	1,280,156	50,179	3.92%	1,254,364	57,662	4.60%
Public Works	5,523,010	222,496	4.03%	5,523,010	5,185,423	276,564	5.33%	5,421,775	356,981	6.58%
Fire Department	7,487,169	332,973	4.45%	7,487,169	7,215,443	354,568	0.00%	6,840,649	361,237	0.00%
Police Department	10,538,437	593,776	5.63%	10,538,437	9,973,477	544,978	0.00%	9,656,710	550,327	-
Community Development	1,639,615	59,702	3.64%	1,639,615	1,448,795	58,799	4.06%	1,412,444	65,474	4.64%
Library	1,398,558	103,897	7.43%	1,398,558	1,260,483	107,226	8.51%	1,259,526	146,804	0
Recreation	6,117,008	215,968	3.53%	6,117,008	5,892,560	228,328	3.87%	5,566,093	217,406	3.91%
Debt Service	1,993,682	1,250	0.06%	1,993,682	1,809,306	1,250	0.07%	1,869,762	1,250	0
Contingency	60,000	299	0.50%	60,000	59,759	-	0.00%	130,925	617	0.47%
Total Expenditures	41,445,148	1,831,453	4.42%	41,445,148	38,964,128	1,889,678	4.85%	38,120,601	2,062,440	5.41%
Excess revenues over (under) expenditures	(2,394,427)	1,838,250	-76.77%	(2,394,427)	(8,676)	1,825,053		(109,195)	1,270,378	
Net transfers in (out)	1,481,717	968,682	65.38%	968,682	2,164,017	1,973,789	91.21%	2,340,320	-	0.00%
Total Fund Balance	$ 9,450,149	$ 14,336,700	151.71%	$ 10,104,023	$ 11,529,768	$ 13,173,269	114.25%	$ 9,374,427	$ 8,413,680	89.75%

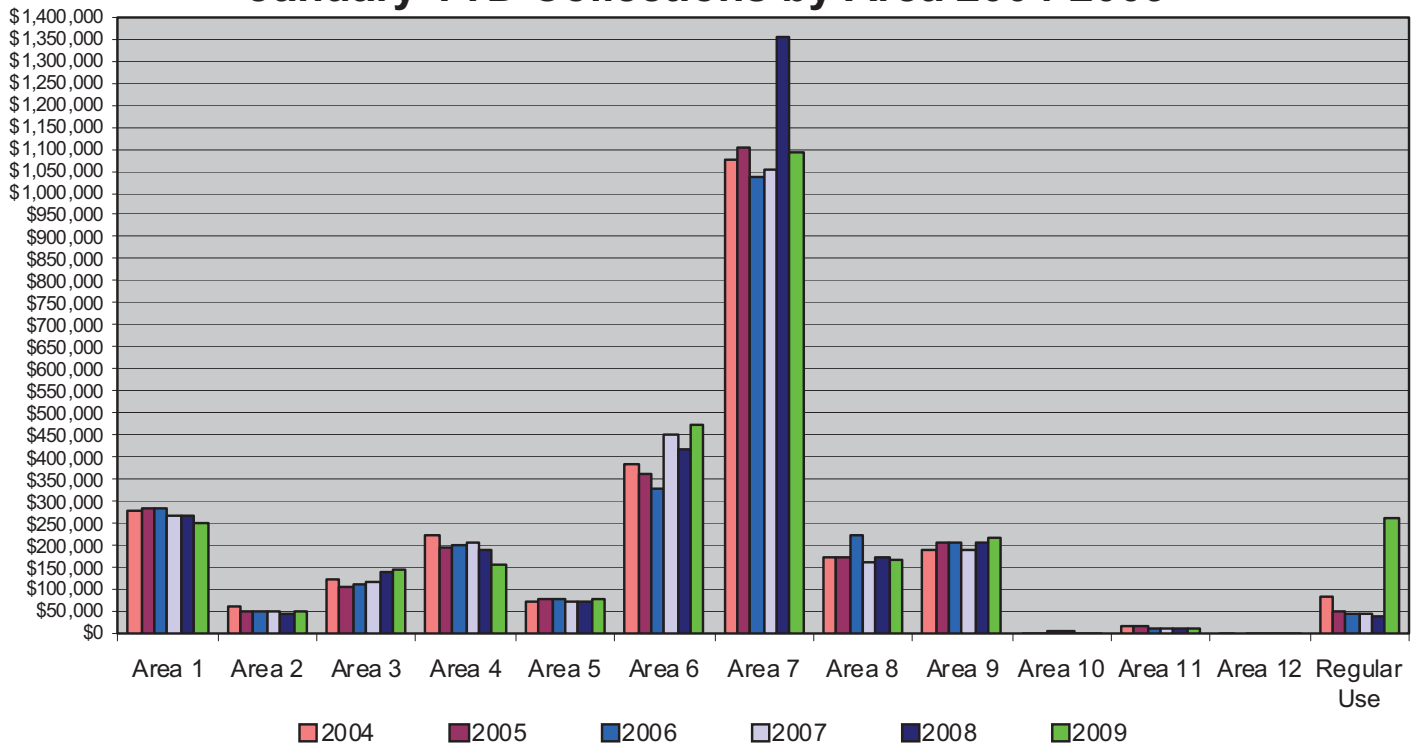
Fund Balance Analysis

Total Fund Balance	$ 9,450,149			$ 10,104,023	$ 11,529,768			$ 9,374,427		
Reserves/designations:										
-Emergencies (TABOR)	1,290,000			1,290,000	1,290,000			1,290,000		
-LTAR	3,913,178			3,485,143	3,485,143			1,986,000		
-Museum of Outdoor Arts	39,200			39,200	80,800			124,800		
Unreserved/undesignated Fund Balance	$ 4,207,771			$ 5,289,680	$ 6,673,825			$ 5,973,627		
Potential reserves/designati	-			-	-			-		
Estimated unres/undesig Fund Balance	$ 4,207,771			$ 5,289,680	$ 6,673,825			$ 5,973,627		
As a percentage of projected revenues	10.78%			13.55%	17.13%			15.72%		
As a percentage of budgeted revenues	10.78%			13.55%						
Target	3,905,072	-	5,857,608							

Sales & Use Tax Collections Year-to-Date Comparison
for the month of January 2009
Cash Basis

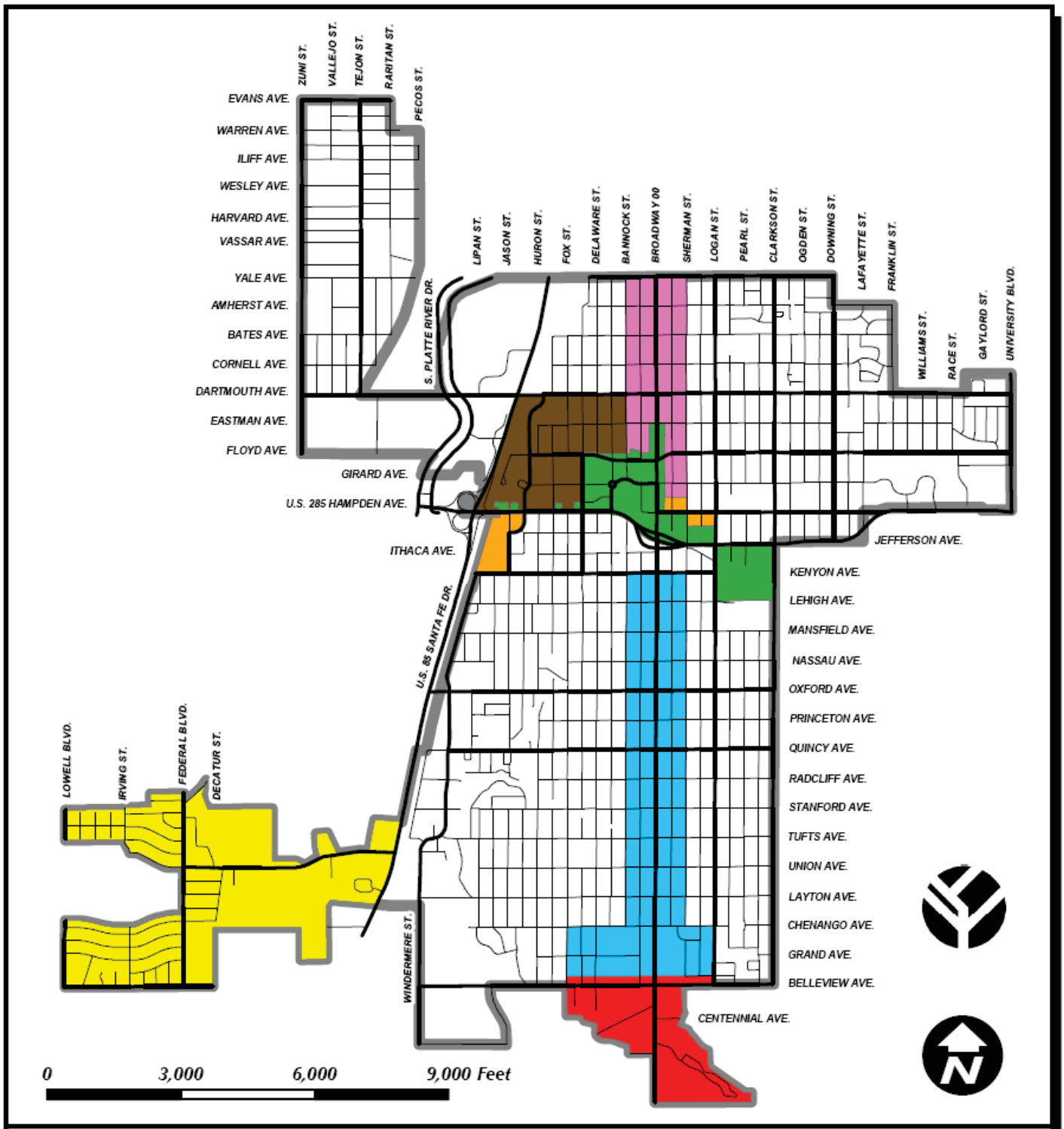
	2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change	2009	% Change
Area 1	278,516	3.13%	285,052	2.35%	285,288	0.08%	269,175	-5.65%	270,518	0.50%	252,180	-6.78%
Area 2	63,457	44.16%	51,770	-18.42%	50,019	-3.38%	48,901	-2.24%	42,735	-12.61%	49,946	16.87%
Area 3	122,963	3.11%	108,298	-11.93%	112,858	4.21%	115,123	2.01%	136,795	18.83%	144,347	5.52%
Area 4	225,547	6.72%	195,849	-13.17%	202,177	3.23%	207,926	2.84%	187,229	-9.95%	154,100	-17.69%
Area 5	74,629	7.59%	79,303	6.26%	80,238	1.18%	70,439	-12.21%	73,429	4.25%	76,404	4.05%
Area 6	382,238	7.20%	363,283	-4.96%	329,623	-9.27%	453,069	37.45%	417,640	-7.82%	473,984	13.49%
Area 7	1,072,757	-8.75%	1,102,663	2.79%	1,034,227	-6.21%	1,052,675	1.78%	1,355,126	28.73%	1,090,778	-19.51%
Area 8	174,216	30.52%	174,276	0.03%	221,009	26.82%	159,909	-27.65%	173,106	8.25%	167,948	-2.98%
Area 9	189,398	11.13%	207,002	9.29%	205,991	-0.49%	189,919	-7.80%	207,867	9.45%	220,511	6.08%
Area 10	2,036	-54.69%	1,374	-32.52%	3,662	166.52%	3,650	-0.33%	1,929	-47.16%	1,829	-5.18%
Area 11	18,367	1.04%	19,770	7.64%	13,644	-30.99%	12,705	-6.88%	13,860	9.09%	13,145	-5.16%
Area 12	366	351.85%	96	-73.77%	1,607	1573.96%	1,286	-19.98%	2,249	74.86%	2,115	-5.97%
Regular Use	83,978	88.39%	48,000	-42.84%	47,958	-0.09%	45,879	-4.34%	40,573	-11.56%	260,970	543.21%
Total	2,688,468	2.71%	2,636,736	-1.92%	2,588,301	-1.84%	2,630,656	1.64%	2,923,058	11.12%	2,908,256	-0.51%
Refunds	10,007	-75.59%	22,918	129.01%	0	-100.00%	264	–	8,916	3276.05%	0	-100.00%
Audit & Collections Revenue*	15,705	-41.13%	7,412	-52.80%	6,553	-11.59%	75,808	1056.84%	158,450	109.02%	203,633	28.52%
*included Above												
Unearned Sales Tax	988,364	-10.15%	700,000	-29.18%	650,000	-7.14%	650,000	0.00%	650,000	0.00%	650,000	0.00%
Building Use	26,421	-40.48%	26,421	0.00%	405,440	1434.54%	470,260	15.99%	260,087	-44.69%	7,080	-97.28%
Vehicle Use	109,878	-20.16%	109,878	0.00%	119,635	8.88%	109,259	-8.67%	114,464	4.76%	83,585	-26.98%

January YTD Collections by Area 2004-2009



Area Descriptions

Area 1 - CityCenter (Formerly Cinderella City)
Area 2 - S of Yale, N of Kenyon between Bannock & Sherman (excludes EURA 1)
Area 3 - S of Kenyon, N of Chenango between Bannock & Sherman and S of Chenango, N of Bellewood between Logan & Delaware
Area 4 - Brookridge Shopping Center (Between Fox and Sherman and North side of Belleview and to the Southern City Limits)
Area 5 - Centennial Area W of Santa Fe
Area 6 - All other City locations
Area 7 - Outside City limits
Area 8 - Public Utilities (Xcel Energy, Qwest)
Area 9 - Downtown & Englewood Pkwy
Area 10 - Downtown & Englewood Pkwy Use Tax Only
Area 11 - S of 285, N of Kenyon between Jason and Santa Fe
Area 12 - S of 285, N of Kenyon between Jason and Santa Fe Use Tax Only



City of Englewood, Colorado: Sales Tax Areas

- Area 1
- Area 2
- Area 3
- Area 4
- Area 5
- Area 9 and 10
- Area 11 and 12
- Arterials and Collectors
- Local Streets
- Englewood City Limits

Areas Not Depicted on Map:

Area 6 - Other City Locations Area 7 - Outside City Limits Area 8 - Public Utilities

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