MEMORANDUM

To: Mayor Woodward and City Council

From: Frank Gryglewicz, Director of Finance and Administrative Services

Date: July 9, 2009

Subject: June (Mid-Year) 2009 Financial Report

Summary of the June 2009 General Fund Financial Report

REVENUES:

- Through June 2009, the City of Englewood collected **$18,867,958 or $1,013,894 (5.1 percent) less** than last year (See chart attached to the full report for detail on changes in revenue in past year).
- The City collected $163,712 less in property tax and $11,585 less in specific ownership tax this year than last year.
- **Year-to-date sales and use revenue were $10,727,548 or $1,114,716 (9.4 percent) less than year-to-date 2008***
- Cigarette tax collections were down $14,679 compared to last year.
- Franchise fee collections were down $94,324 from June 2008.
- Licenses and permit collections were $53,201 less than 2008.
- Intergovernmental revenues were $3,419 less than prior year.
- Charges for services were up $42,957 more than last June.
- Recreation revenues decreased $58,629 from 2008.
- Fines and forfeitures were $94,520 more than last year.
- Investment income was $72,799 less than last year.
- Miscellaneous revenues were $436,228 more than last year. The major source of this increase is due to the receipt of forfeiture proceeds of $230,000, additionally the City received a Kaiser refund of $110,000, a refund of $49,000 to Parks from Utilities for Water billing errors and due to new billing terms from Wells Fargo and reaching the $5 million purchasing card (pcard) transactions we received $25,000 in the pcard rebate; an increase of $10,000 over 2008.
- The City collected $390,605 in sales and use tax audit revenue and general collections of balances on account for the year.

OUTSIDE CITY:

- Outside City sales and use taxes were down $823,292 or 19 percent compared to last year.
- Outside City's impact on revenues and total sales taxes has decreased over the years but is still an important revenue source for the City of Englewood.
- At this time potential refunds total approximately $1,100,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is $1,000,000

CITY CENTER ENGLEWOOD (CCE):

- Sales tax revenues collected in June 2009 was $1,110,619 (8.1 percent less) compared to $1,208,474 collected in 2008.

EXPENDITURES:

- Expenditures through June were $19,351,193 or $120,872 (.6 percent) more than the $19,230,321 expended through June 2008.
- The City refunded $67,195 through June.

RESERVES:

- The reserves for 2009 are budgeted at $4,207,771 or 10.78 percent of budgeted revenues.
- The unreserved/undesignated fund balance for 2009 is *estimated* at $4,748,240 12.7 percent of projected revenues; incorporating the proposed 2009 budget adjustments.

TRANSFERS:

- Net transfers in of $3,682 were made this year.

REVENUES OVER/UNDER EXPENDITURES:

- Expenditures are estimated to exceed revenues by $2,799,462 for 2009. Through June, expenditures exceeded revenues by $483,235.

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected $1,425,566 in revenues and spent $2,501,279 year-to-date. Estimated year-end fund balance is $68,690.

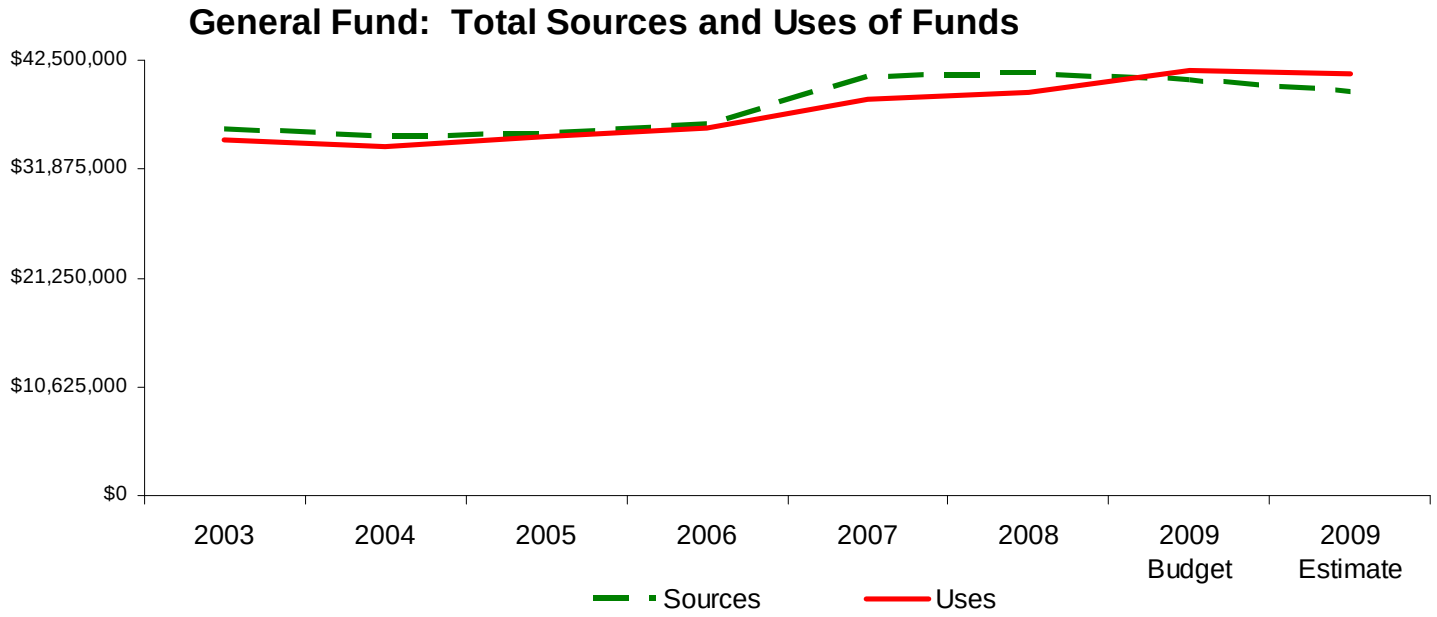
City of Englewood, Colorado
Financial Report
June 2009

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 services by 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 Deficits

The line graph below depicts the history of sources and uses of funds 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.

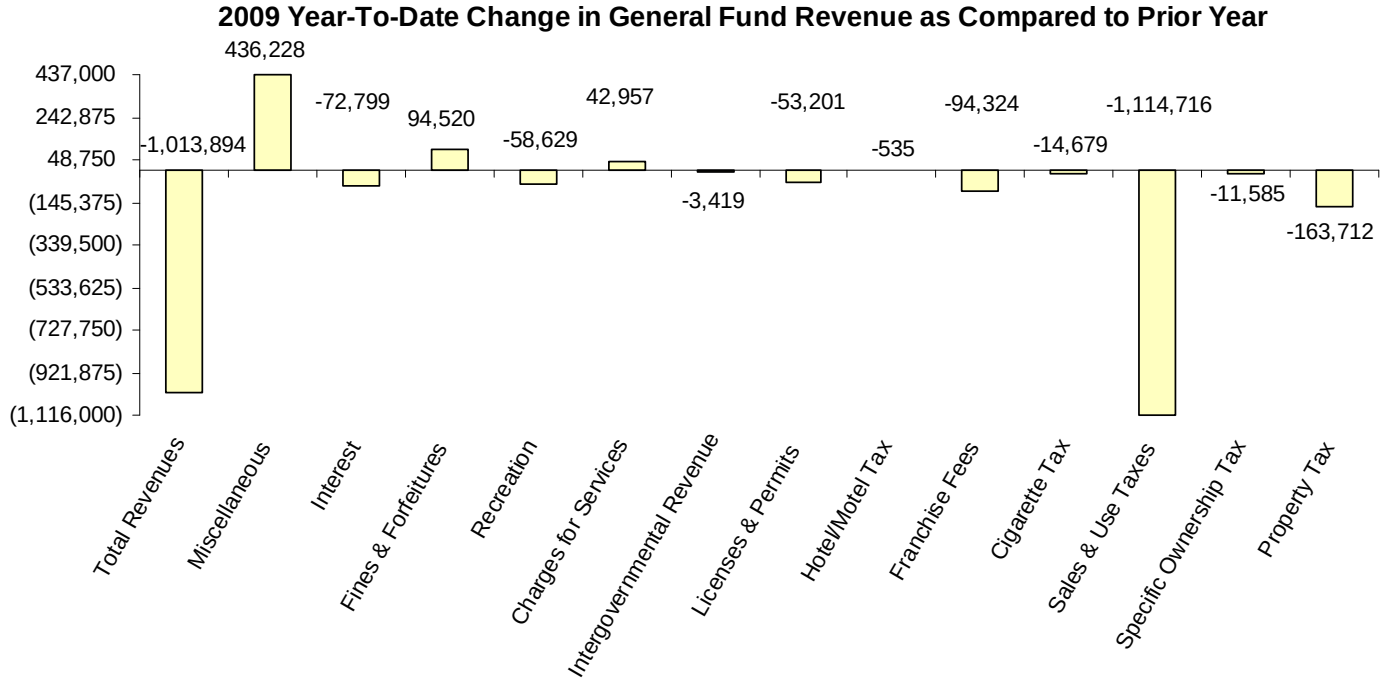


The table below summarizes General Fund Year-To-Date (YTD) Revenues, Expenditures, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended June 30, 2009. Comparative figures for years 2008 and 2007 are presented as well. The table also highlights the dollar and percentage changes between those periods.

	2009	2009 vs 2008 Increase (Decrease)		2008	2008 vs 2007 Increase (Decrease)		2007
General Fund							
Year-To-Date Revenues	**$ 18,867,958**	$ (1,013,894)	(5.10%)	**$ 19,881,852**	$ 947,777	5.01%	**$ 18,934,075**
Year-To-Date Expenditures	**19,351,193**	$ 120,872	.63%	**19,230,321**	$ (61,397)	(.32%)	**19,291,718**
Net Revenues (Expenditures)	**$ (483,235)**	$ (1,134,766)		**$ 651,531**	$ 1,009,174		**$ (357,643)**
Estimated Unreserved/ Undesignated Fund Balance	**$ 4,748,240**	$ (1,508,580)	(24.11%)	**$ 6,256,820**	$ 283,193	4.74%	**$ 5,973,627**
Sales & Use Tax Revenue YTD	**$ 10,727,548**	$ (1,114,716)	(9.41%)	**$ 11,842,264**	$ 672,716	6.02%	**$ 11,169,548**
Outside City Sales & Use Tax YTD	**$ 3,494,655**	$ (823,354)	(19.07%)	**$ 4,318,009**	$ 382,578	9.72%	**$ 3,935,431**

General Fund Revenues

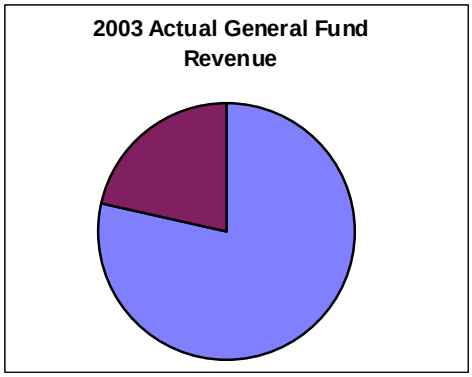
The City of Englewood's total budgeted revenue is $39,050,721. Total revenues collected through June 2009 were $18,867,958 or $1,013,894 (5.1 percent) less than was collected in 2008. The chart below illustrates changes in General Fund revenues this year compared to last year.



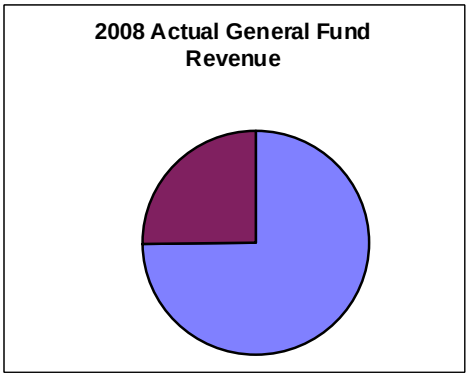
General Fund Taxes

The General Fund obtains most of its revenue from taxes. In 2008 total revenues were $38,579,518 of which $28,790,034 (74.6 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 2003 and 2008 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.

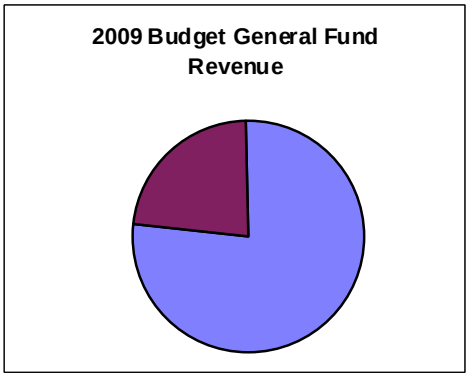
General Fund Revenues
Taxes vs. Other



Taxes	25,691,787	78%
Other	7,086,329	22%
Total	32,778,116	100%



Taxes	28,790,034	75%
Other	9,789,484	25%
Total	38,579,518	100%



Taxes	29,855,064	76%
Other	9,195,657	24%
Total	39,050,721	100%

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 10.4 percent of 2008 total taxes and 7.7 percent of total revenues from property taxes. The City budgeted $2,993,000 for 2009; the City has collected $2,059,144 compared to $2,222,856 last 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 following 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 and collected $126,310 through June.

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 and June continue to fall when the 2009 federal tax increase of approximately $.62 per pack goes into effect. This increase will go to fund the State Children's Health Insurance Program (SCHIP). In 2004 the City collected $354,876, but in 2008 the City collected $261,743, which is a *decrease* of $93,133 or 26.2 percent. These taxes account 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 $110,532 through June 2009, which is $14,679 or 11.7 percent less than the $125,211 collected through June 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 $2,588,214 in 2008, an increase of $491,789 or 23.4 percent. These taxes accounted for nine percent of taxes and 6.6 percent of total revenues in 2008. The City budgeted $2,620,851 for the year; collections through June totaled $1,038,161 compared to $1,132,485 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 $4,290 through June 2009.

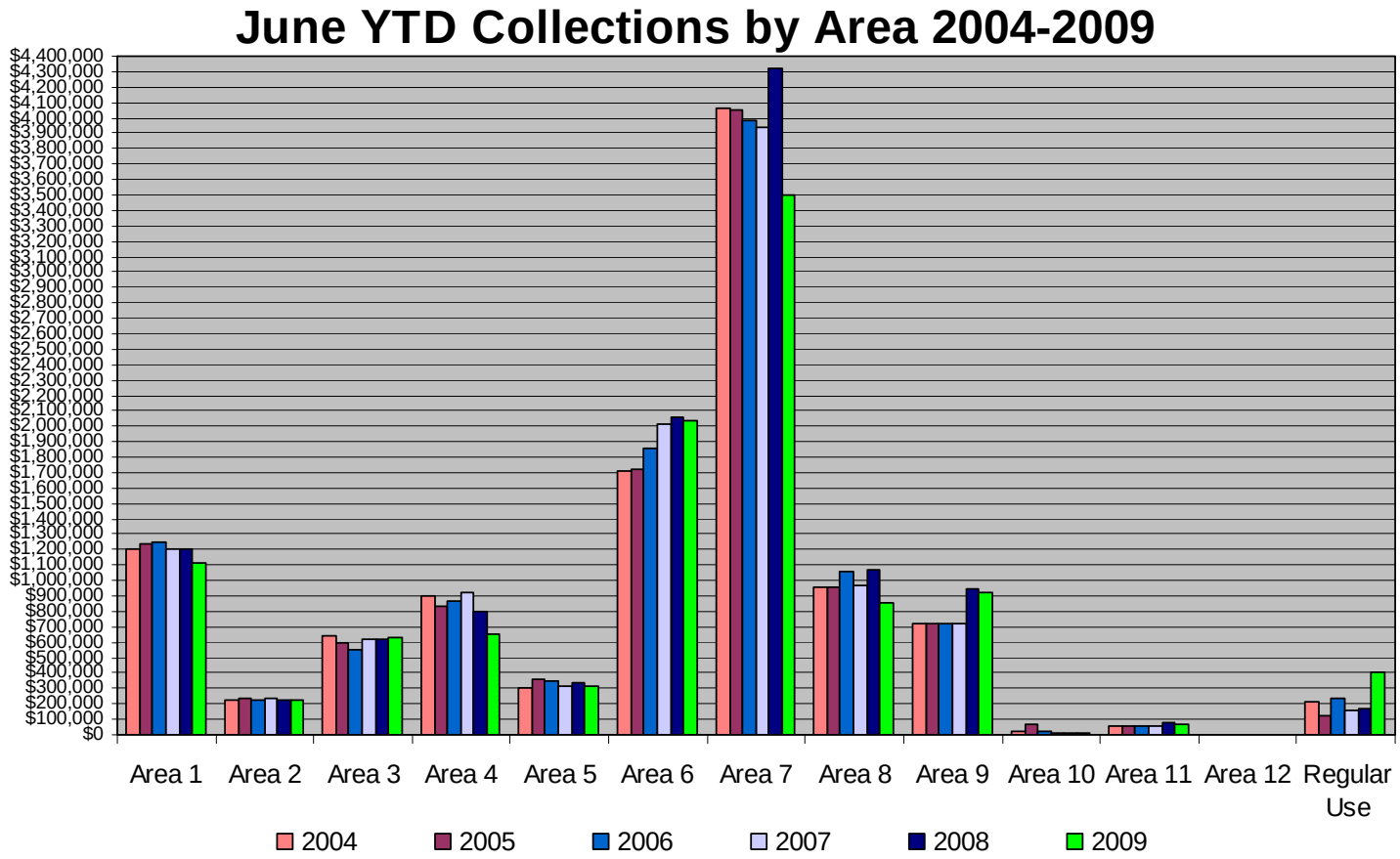
Sales and Use Taxes Analysis

Sales and use taxes are the most important (and volatile) revenue sources for the City. Sales and use taxes generated 78.6 percent of all taxes and 57.7 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 $22,617,767, and increase of 9.8 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 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 through June 2009 were $10,727,548 while collections year-to-date June 2008 were $11,842,264 a decrease of $1,114,716 or 9.4 percent.

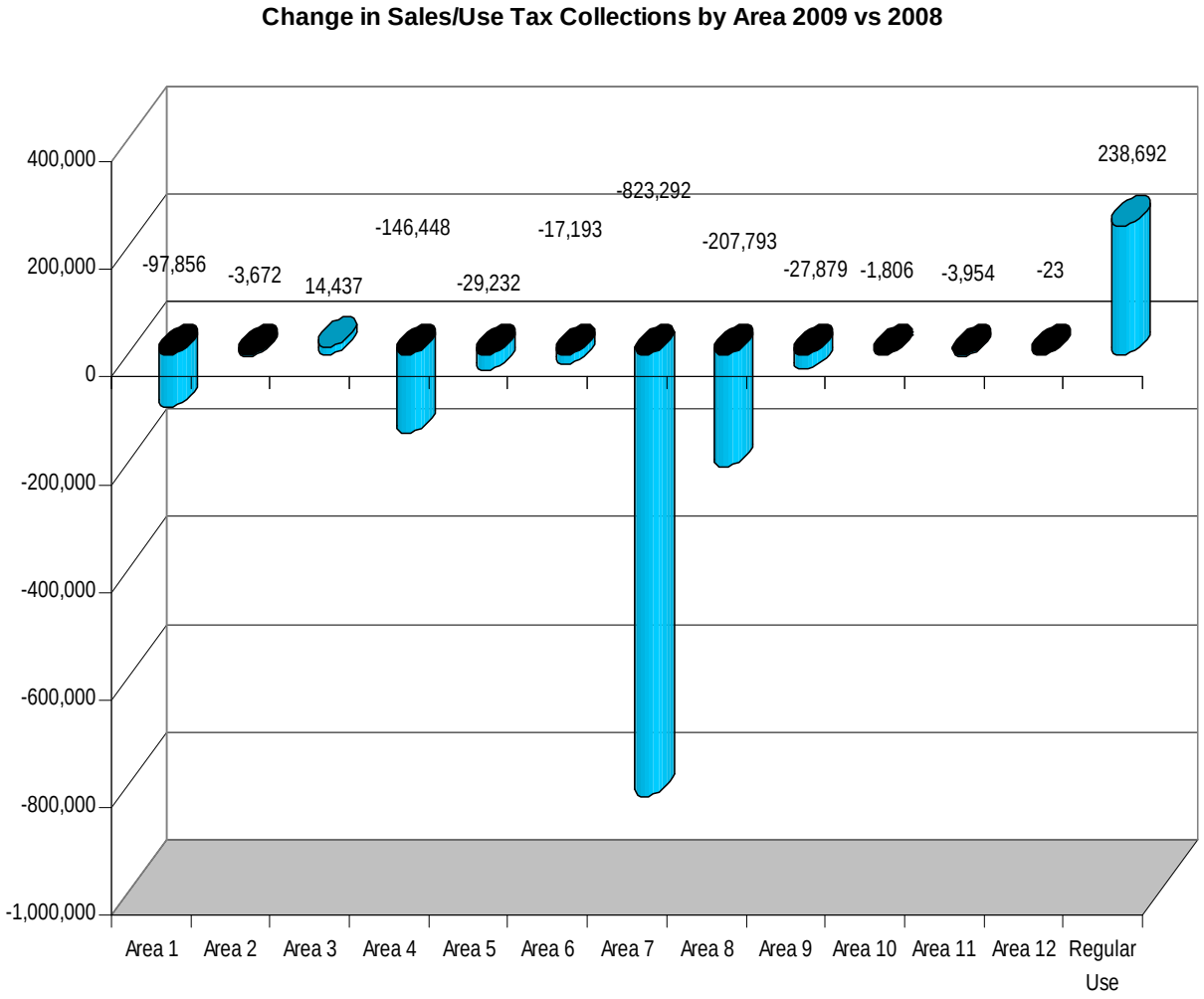
Collections for June 2009 were $1,434,275 collections for June 2008 and June 2007 were $1,736,668 and $1,501,518 respectively. June 2009 collections were $302,393 or 17.4 percent less than June 2008 collections.

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.

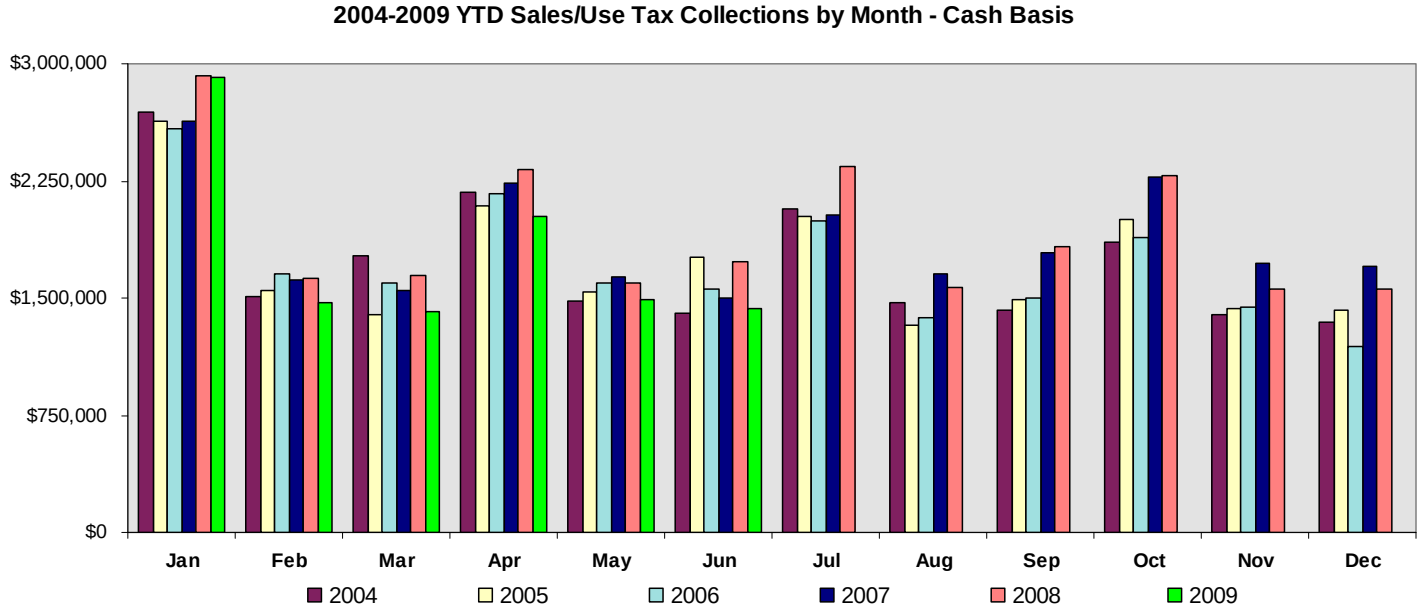


It is important to analyze which sales tax geographic areas of the City are growing or declining.

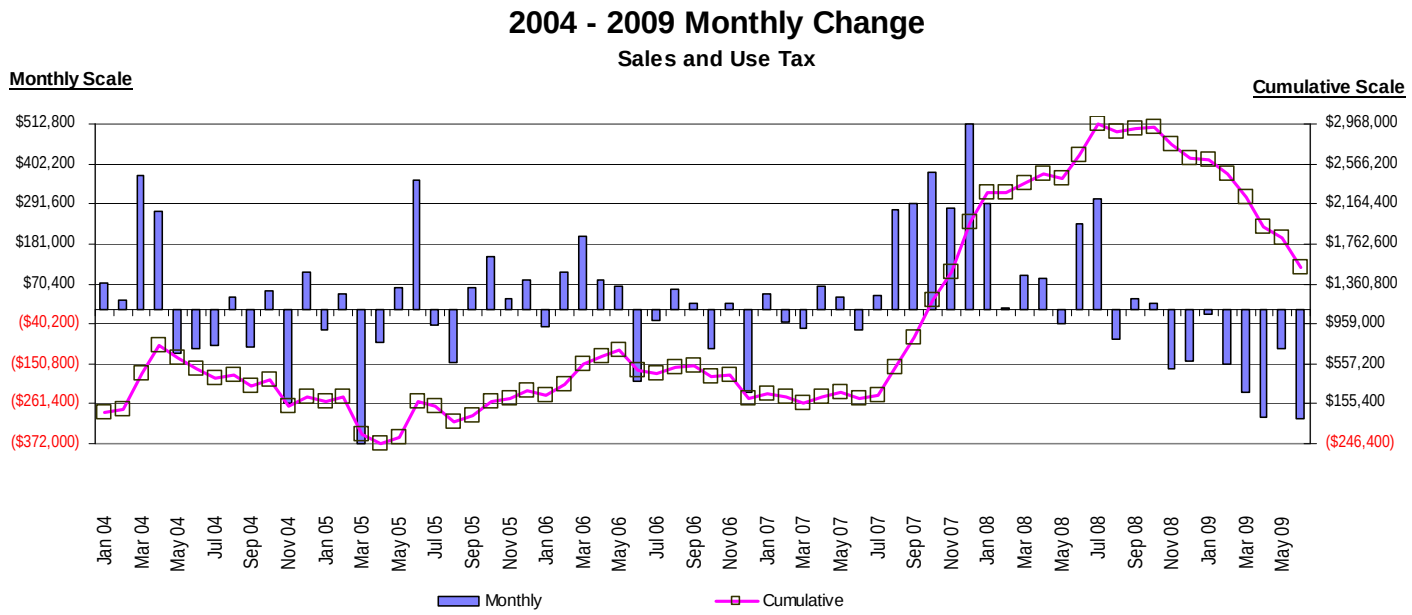
The following chart, "Change in Sales/Use Tax Collections by Area 2009 vs. 2008" indicates that most of the increase in sales tax collections is due to Outside City (Area 7) and Public Utilities (Area 8) sales. Regular use tax is up from last year due to the 2009 receipt of a 2008 audit.



The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2004 through 2009.

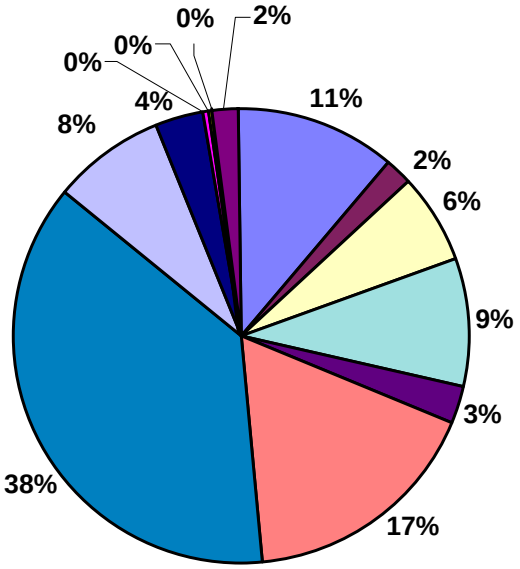


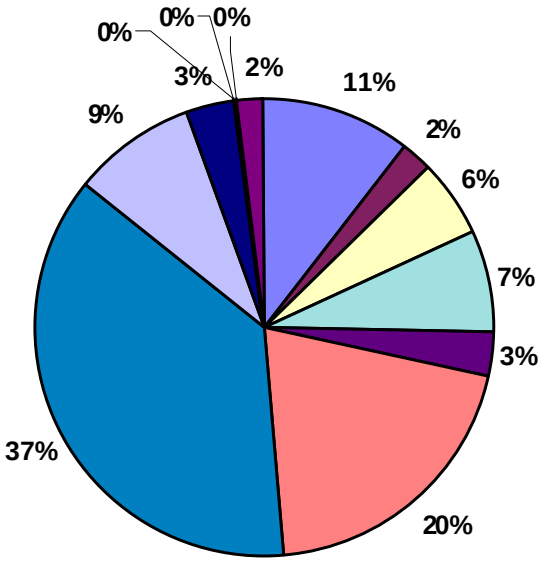
The next two charts illustrate sales tax collections (cash basis) by month and total for the year.



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.

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 Actual 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 $758,248 year-to-date 2009, in 2008, the City collected $826,436.

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 significantly (19 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 2005 for collections through the month of June. The importance of Outside City declined as a percentage of sales and use tax collections until this year; as a percentage of total revenues it continues to decline in importance, but continues to have a significant impact on the City's General Fund as illustrated by the following:

	2005	2006	2007	2008	2009
Total Sales and Use Taxes	10,970,956	11,172,352	11,169,147	11,842,777	10,732,472
Outside City Collections	4,053,643	3,979,087	3,935,431	4,318,009	3,494,655
Percentage of Total	36.9%	35.6%	35.6%	33.2%	40.2%
Total General Fund Revenues	17,958,807	18,725,544	18,934,075	19,881,858	18,867,958
Outside City Collections	4,053,643	3,979,087	3,935,431	4,318,009	3,494,655
Percentage of Revenues	22.6%	21.2%	20.8%	21.7%	18.5%

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 $1,000,000 to cover intercity claims. The City paid $67,195 in intercity sales/use tax refunds through June 2009 compared to $309,764 in June 2008. At this time potential refunds total approximately $1,100,000 for claims submitted to Englewood but not completed.

Area 8: This geographic area consists of collections from public utilities. Collections through June were down $207,793 or 19.5 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.

The City of Englewood historically collects 52.5 percent of its total year collections by the end of June. Using this percentage, 47.5 percent of the year's revenues remain to be collected for the year. Total collections for the year are projected at $20,433,424 or $2,184,343 below last year and $3,199,076 below budget. Taking sales tax revenue collected this year compared to last year is 90.6 percent. If the City ended the year with the same ratio, the City will collect $20,488,749 or $2,129,018 less than last year and $3,143,751 less than budget. Sales and use tax estimate for 2009 was been adjusted to $21,758,776 but further erosion of collections in July will most likely further reduce the estimate.

On June 27 Council discussed three scenarios, a worst, middle, and best case scenario. Council determined the middle case was the best case to use to begin budget preparations. Based on the middle case scenario, sales tax revenues are forecast expected to be collected at $21,788,533 (includes an audit expected to yield $500,000). This amount is $1,843,967 or 9.9 percent below the original budget, but may be reduced again in the July report.

Other Sales Tax Related Information

Finance and Administrative Services Department collected $391,555 in sales and use tax audit revenues and general collections of balances on account through the month of June; this compares to $327,877 collected in 2008 and $259,732 collected in 2007.

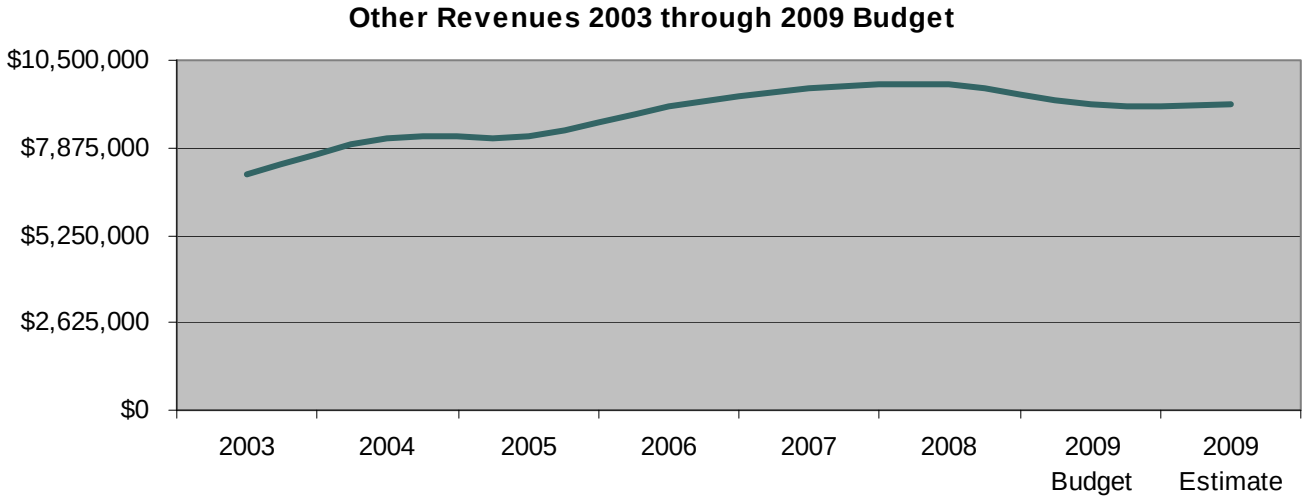
Of 64 sales tax accounts reviewed in the various geographic areas, 21 (33 percent) showed improved collections and 43 (67 percent) showed reduced collections this year compared to the same period last year.

The Department issued 198 new sales tax licenses through June 2009; 220 and 266 were issued through June 2008 and 2007 respectively.

City records indicate that year to date 243 businesses closed (144 of them were outside the physical limits of Englewood) and 199 opened (128 of them were outside the physical limits of Englewood).

General Fund Other Revenue

Other revenues accounted for $9,789,484 or 25.4 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 $671,609 in 2008, a 6.9 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 $243,249, $53,201 (17.9 percent) less than the $296,450 collected in June 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 $1,079,285 in 2008, a 15.5 percent *decrease*. The City collected $440,667 through June 2009 this is $3,419 (.8 percent) less than the $444,086 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 $3,476,583 in 2008, a 26.4 percent increase. Total collected year-to-date was $1,589,381 or $42,957 (2.8 percent) more than the $1,546,424 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 June 2009 were $1,040,222 compared to $1,098,851 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 $859,770 or $94,520 (12.3 percent) more than the $765,250 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 $139,903 through June 2009; the City earned $212,702 through June 2008 or $72,799 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 $215,824 in 2008, a 26 percent increase. Total collected year-to-date is $488,781 (830 percent more) compared to the $52,553 collected last year during the same period.

General Fund Expenditures

Outcome Based Budgeting

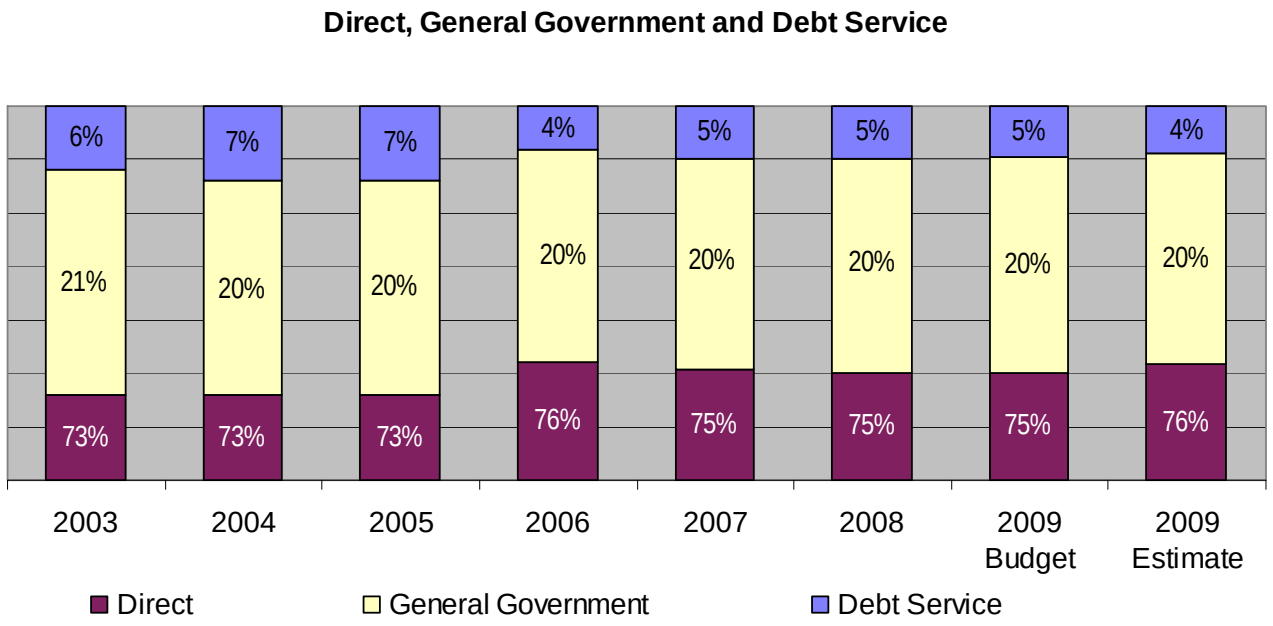
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

- 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 June 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 $39,015,198 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 June were $16,456,824 compared to $16,250,230 in 2008 and $15,369,034 2007.

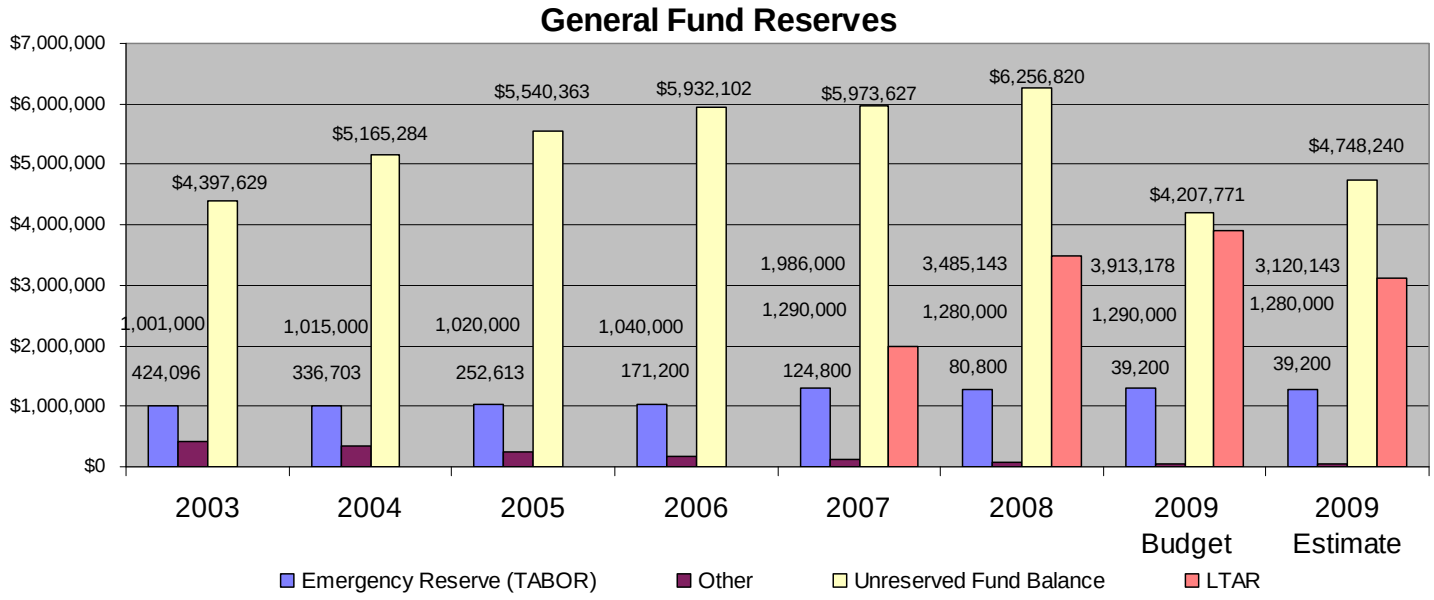
The chart below illustrates the breakdown of expenditures into debt service, general and direct government expenditures.

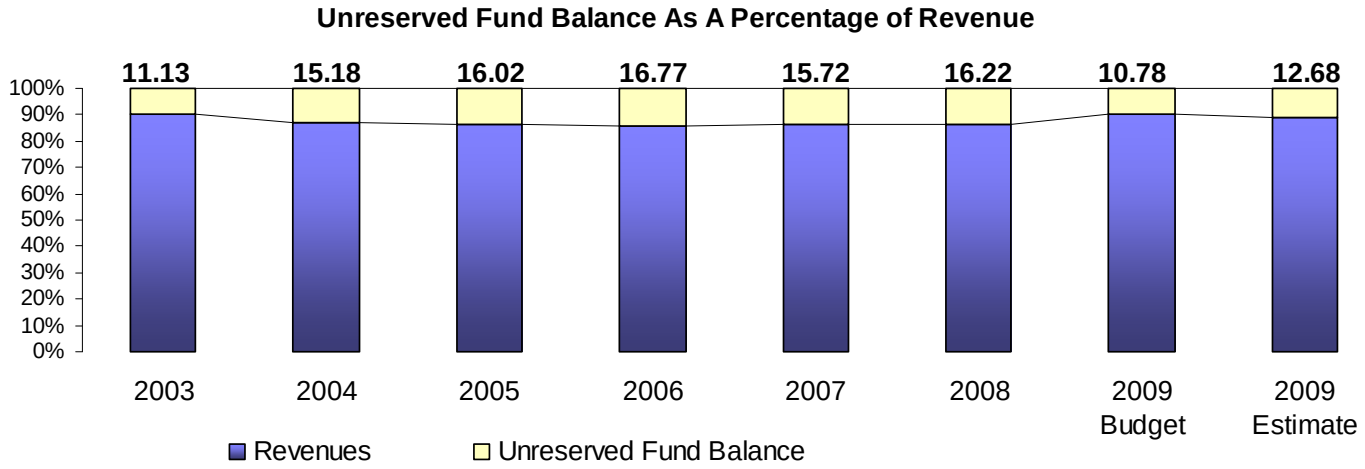


General Fund Reserves

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 June only be expended if the funds are appropriated in the annual budget or by supplemental appropriation. The balance in the account is $2,520,143, but the Englewood McLellan Reservoir Foundation Fund expects to repay approximately $600,000 to the LTAR by year's end.





The City ended 2008 with an unreserved/undesignated general fund balance of $6,256,820 or 16 percent of revenues. The 2009 estimate shows a projected ending fund balance of $4,748,240 (after the inclusion of the 2009 budget adjustments) or 12.7 percent of estimated revenues. The $4,748,240 would allow the City to operate for 41.8 days (using average daily estimated 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	**$ 1,425,566**	$ 119,584	9.16%	**$ 1,305,982**	$ (813,682)	(38.39%)	**$ 2,119,664**
YTD Expenditures	**2,501,279**	$ (2,867,929)	(53.41%)	**5,369,208**	$ 867,477	19.27%	**4,501,731**
Net Revenues (Expenditures)	**$ (1,075,713)**	$ 2,987,513		**$ (4,063,226)**	$ (1,681,159)		**$ (2,382,067)**
Beginning PIF Fund Balance	**$ 1,067,525**			**$ 3,359,169**			**$ 5,773,194**
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	**$ (8,188)**			**$ (704,057)**			**$ 3,391,127**
Plus: Remaining Annual Revenue	**2,013,217**			**3,087,666**			**2,594,102**
Less: Remaining Annual Appropriation	**(1,936,339)**			**(2,100,395)**			**(5,650,961)**
Estimated Ending Fund Balance	**$ 68,690**			**$ 283,214**			**$ 334,268**
Unappropriated Fund Balance as of December 31,				**$ 21,117**			**$ 221,946**

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

	2009 Estimate	2009 Original	2009 YTD Actual	2009 Vs 2008 $	2009 Vs 2008 %	2008 YTD Actual	2008 Vs 2007 $	2008 Vs 2007 %	2007 YTD Actual
Vehicle Use Tax	$ 1,100,000	$ 1,400,000	$ 387,303	$ (145,526)	-27%	$ 532,829	$ (68,756)	-11%	$ 601,585
Building Use Tax	$ 450,000	$ 450,000	$ 155,362	$ (294,758)	-65%	$ 450,120	$ (233,774)	-34%	$ 683,894
Arapahoe County Road and Bridge Tax	$ 200,990	$ 198,000	$ 70,346	$ 1,136	2%	$ 69,210	$ (101,368)	-59%	$ 170,577

Vehicle Use Tax is based on the number of new vehicles purchased by City of Englewood residents. As of June 2009, Vehicle Use Tax Revenue totaled $387,303 compared to $532,829 and $601,585 reported for the same period in 2008 and 2007 respectively. Vehicle Use Tax revenue is down $145,526 or 27% in 2009 over 2008. The 2009 Vehicle Use Tax budget estimate has been reduced by $300,000 to $1,100,000. ***Building Use Tax*** is based on the number of building permits issued by the City of Englewood. The Building Use Tax revenue appears to be on track with the budget. We will continue to monitor this revenue source to determine if the 2009 estimate needs to be revised. ***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 the City's assessed valuation multiplied by 50%. By January of the current year we are notified of the amount to be distributed; therefore, the budgeted amount June differ from the actual amount received. The City may expect to receive the full $200,990 in 2009.

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

(Please refer to "Funds Glossary" for the 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	11,102,763	18,867,955	19,351,195	(1,086,941)	4,784,343	4,748,240
Special Revenue Funds						
Conservation Trust	927,981	163,302	65,522	(706,643)	-	319,118
Open Space	1,327,371	608,119	1,165,403	(597,583)	-	172,504
Donors	155,818	59,870	81,171	-	-	134,517
Community Development	-	89,483	108,828	19,346	-	-
Malley Center Trust	278,586	5,914	-	-	-	284,500
Parks & Recreation Trust	454,700	7,757	7,406	-	-	455,051
Debt Service Fund						
General Obligation Bond	166,137	686,639	262,329	-	-	590,447
Capital Projects Funds						
PIF	1,067,525	1,260,566	1,443,806	(815,595)	-	68,690
MYCP	1,338,085	17,237	175,979	(1,133,271)	-	46,073
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	4,467,524	3,337,639	4,212,450	-	-	3,592,713
Sewer	8,495,965	7,513,906	5,871,925	-	1,000,000	9,137,946
Stormwater Drainage	1,120,382	202,343	77,723	-	137,818	1,107,185
Golf Course	809,363	1,299,434	1,053,365	-	293,500	761,933
Concrete Utility	257,218	480,846	257,183	-	-	480,881
Housing Rehabiliation	321,441	60,700	307,966	-	-	74,175
Internal Service Funds						
Central Services	218,674	181,135	150,432	(50,000)	-	199,378
ServiCenter	590,934	964,349	798,233	-	-	757,049
CERF	1,118,318	375,283	387,677	-	-	1,105,924
Employee Benefits	818,779	2,724,858	2,494,340	(500,000)	152,608	396,689
Risk Management	1,174,681	1,503,630	649,250	-	-	2,029,061

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.

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.

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

Funds Glossary

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 June 30, 2009

Percentage of Year Completed = 50%

	2009				2008			2007		
Fund Balance January 1	$ 10,362,859	$ 11,102,763		$ 11,102,763	$ 9,374,427	$ 9,374,427		$ 7,143,302	$ 7,143,302	
	Budget	Jun-09	% Budget	YE Estimate	Dec-08	Jun-08	% YTD	Dec-07	Jun-07	% YTD
Revenues										
Property Tax	2,993,000	2,059,144	68.80%	2,993,000	2,995,990	2,222,856	74.19%	2,623,118	1,914,508	72.99%
Specific Ownership Tax	350,000	126,310	36.09%	350,000	316,242	137,895	43.60%	341,423	148,657	43.54%
Sales & Use Taxes	23,632,500	10,727,548	45.39%	21,788,533	22,617,767	11,842,264	52.36%	22,753,820	11,169,548	49.09%
Cigarette Tax	250,000	110,532	44.21%	250,000	261,743	125,211	47.84%	278,785	129,047	46.29%
Franchise Fees	2,620,851	1,038,161	39.61%	2,620,851	2,588,214	1,132,485	43.76%	2,356,385	1,057,272	44.87%
Hotel/Motel Tax	8,713	4,290	49.24%	8,713	10,078	4,825	47.88%	9,722	4,759	48.95%
Licenses & Permits	577,100	243,249	42.15%	577,100	671,609	296,450	44.14%	1,168,977	551,482	47.18%
Intergovernmental Revenue	1,003,462	440,667	43.91%	1,003,462	1,079,285	444,086	41.15%	1,118,916	438,149	39.16%
Charges for Services	3,216,286	1,589,381	49.42%	3,216,286	3,476,583	1,546,424	44.48%	3,067,997	1,507,574	49.14%
Recreation	2,334,265	1,040,222	44.56%	2,484,265	2,364,758	1,098,851	46.47%	2,235,938	1,021,608	45.69%
Fines & Forfeitures	1,389,150	859,770	61.89%	1,489,150	1,461,100	765,250	52.37%	1,445,641	731,982	50.63%
Interest	372,611	139,903	37.55%	300,000	520,325	212,702	40.88%	411,517	145,223	35.29%
Miscellaneous	302,783	488,781	161.43%	375,000	215,824	52,553	24.35%	199,167	114,266	57.37%
Total Revenues	39,050,721	18,867,958	48.32%	37,456,360	38,579,518	19,881,852	51.53%	38,011,406	18,934,075	49.81%
Expenditures										
Legislation	379,853	181,980	47.91%	379,853	350,254	169,855	48.49%	323,964	182,234	56.25%
City Attorney	799,937	307,703	38.47%	796,937	698,563	314,905	45.08%	694,359	341,002	49.11%
Court	1,026,917	437,646	42.62%	1,013,417	915,303	456,283	49.85%	890,152	411,258	46.20%
City Manager	707,145	354,720	50.16%	681,645	674,322	359,855	53.37%	673,949	349,004	51.78%
Human Resources	560,898	211,241	37.66%	530,898	579,136	264,781	45.72%	557,855	270,845	48.55%
Financial Services	1,764,772	754,298	42.74%	1,683,972	1,626,571	781,388	48.04%	1,568,074	783,900	49.99%
Information Technology	1,448,147	624,781	43.14%	1,425,147	1,280,156	606,618	47.39%	1,254,364	596,056	47.52%
Public Works	5,523,010	2,446,610	44.30%	5,389,010	5,189,173	2,510,254	48.37%	5,421,775	2,883,260	53.18%
Fire Department	7,487,169	3,543,566	47.33%	7,383,169	7,215,444	3,464,174	48.01%	6,840,649	3,323,328	48.58%
Police Department	10,538,437	4,981,244	47.27%	10,390,437	9,974,925	4,875,245	48.88%	9,656,710	4,824,870	49.96%
Community Development	1,639,615	674,712	41.15%	1,527,415	1,464,725	656,916	44.85%	1,412,444	628,045	44.47%
Library	1,398,558	670,474	47.94%	1,363,958	1,261,112	636,046	50.44%	1,259,526	672,011	53.35%
Recreation	6,117,008	2,773,934	45.35%	6,008,508	5,916,449	2,785,203	47.08%	5,566,093	2,675,293	48.06%
Debt Service	1,993,682	1,348,683	67.65%	1,808,456	1,809,306	1,337,252	73.91%	1,869,762	1,296,506	69.34%
Contingency	60,000	39,601	66.00%	(127,000)	59,759	11,546	19.32%	130,925	54,106	41.33%
Total Expenditures	41,445,148	19,351,193	46.69%	40,255,822	39,015,198	19,230,321	49.29%	38,120,601	19,291,718	50.61%
Excess revenues over (under) expenditures	(2,394,427)	(483,235)	20.18%	(2,799,462)	(435,680)	651,531		(109,195)	(357,643)	
Net transfers in (out)	1,481,717	3,682	0.25%	884,282	2,164,016	2,352,932	108.73%	2,340,320	(270,970)	-11.58%
Total Fund Balance	$ 9,450,149	$ 10,623,210	112.41%	$ 9,187,583	$ 11,102,763	$ 12,378,890	111.49%	$ 9,374,427	$ 6,514,689	69.49%

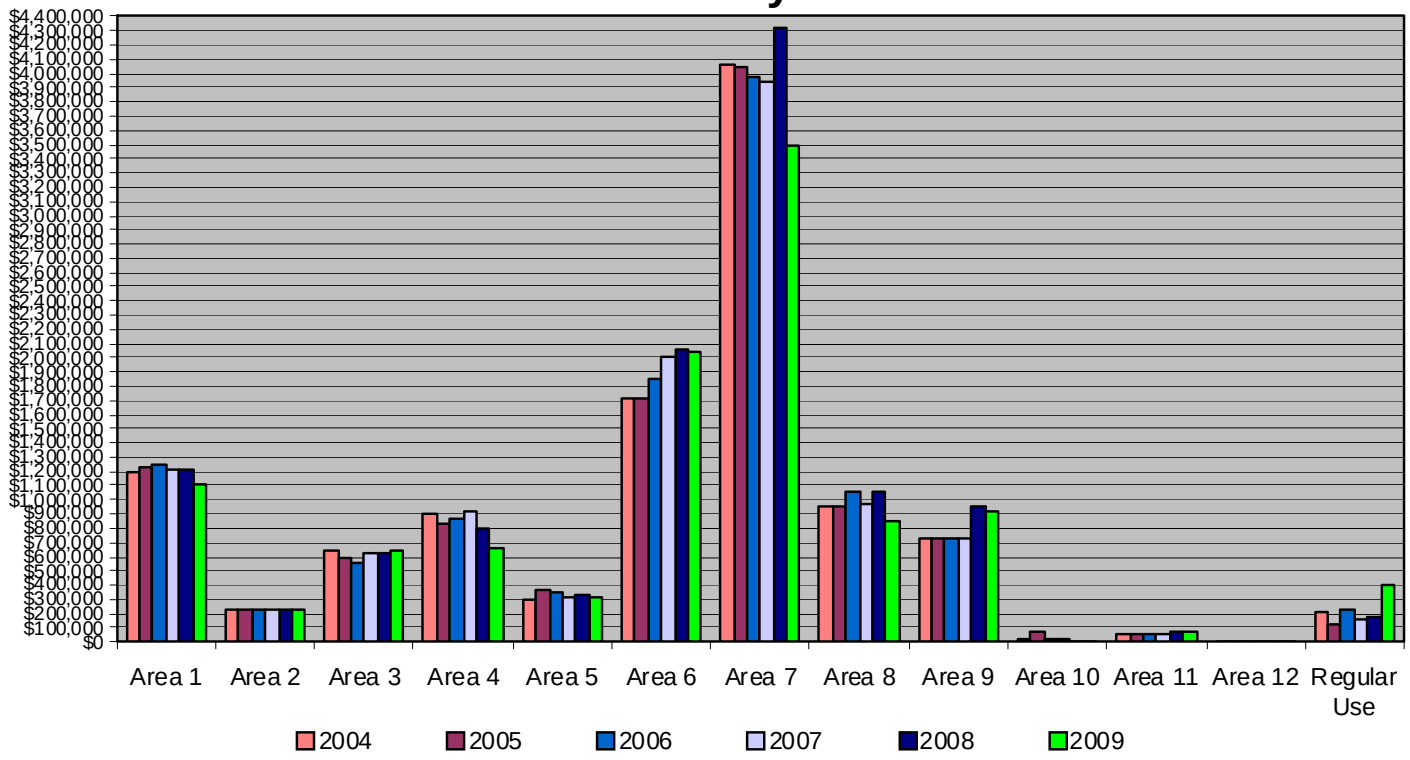
Fund Balance Analysis

Total Fund Balance	$ 9,450,149			$ 9,187,583	$ 11,102,763			$ 9,374,427		
Reserves/designations:										
-Emergencies (TABOR)	1,290,000			1,280,000	1,280,000			1,290,000		
-LTAR	3,913,178			3,120,143	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			$ 4,748,240	$ 6,256,820			$ 5,973,627		
Potential reserves/designati	-			-	-			-		
Estimated unres/undesig Fund Balance	$ 4,207,771			$ 4,748,240	$ 6,256,820			$ 5,973,627		
As a percentage of projected revenues	11.23%			12.68%	16.22%			15.72%		
As a percentage of budgeted revenues	10.78%			12.16%						
Target	3,905,072	-	5,857,608							

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

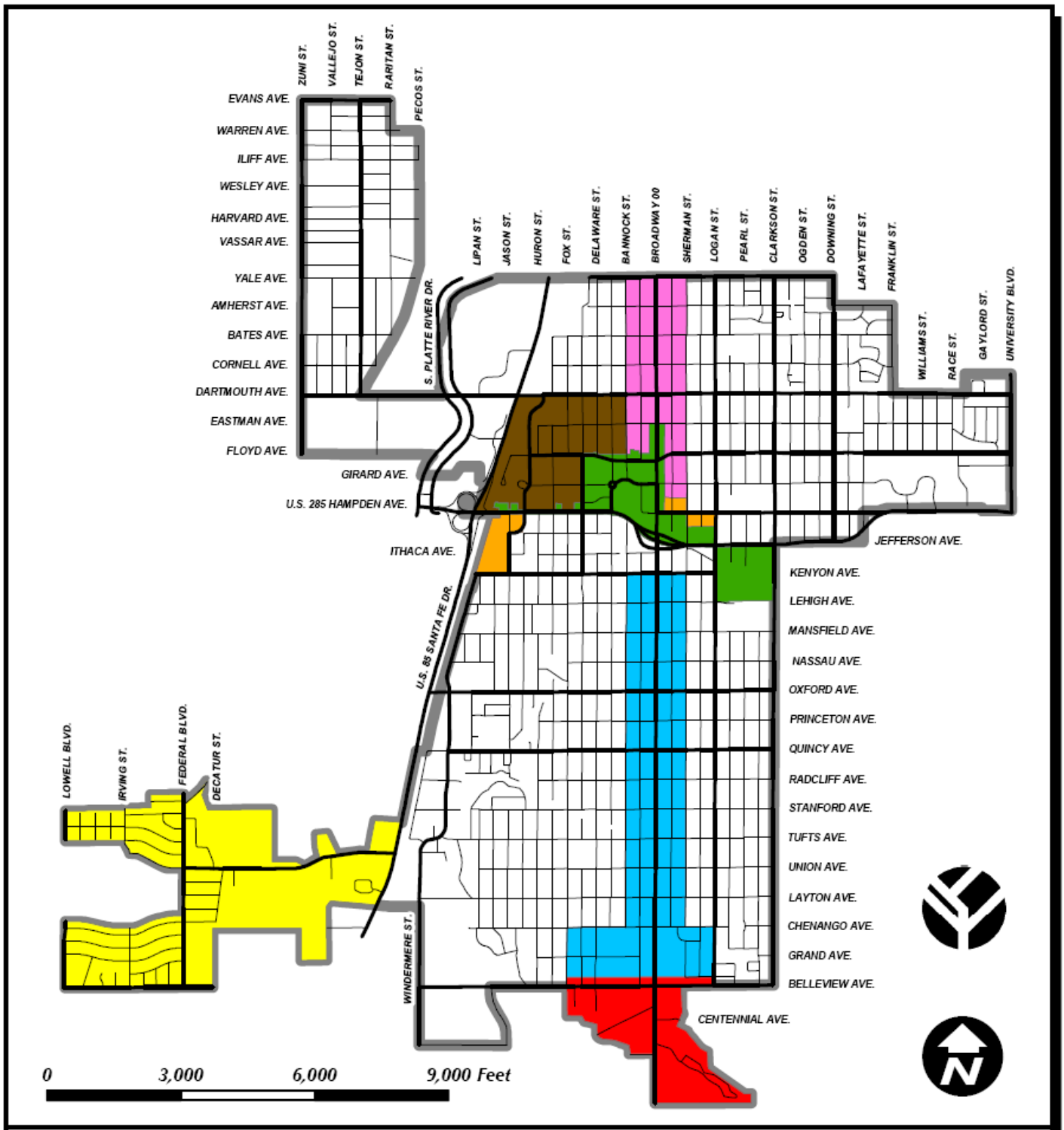
	2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change	2009	% Change
Area 1	1,198,922	4.22%	1,236,711	3.15%	1,251,217	1.17%	1,206,657	-3.56%	1,208,474	0.15%	1,110,619	-8.10%
Area 2	227,846	6.34%	234,583	2.96%	222,904	-4.98%	231,034	3.65%	228,876	-0.93%	225,204	-1.60%
Area 3	641,034	-2.52%	594,637	-7.24%	551,676	-7.22%	621,650	12.68%	620,344	-0.21%	634,781	2.33%
Area 4	898,588	-2.42%	836,258	-6.94%	867,156	3.69%	919,364	6.02%	801,521	-12.82%	655,073	-18.27%
Area 5	301,502	-0.90%	364,342	20.84%	345,884	-5.07%	319,125	-7.74%	339,295	6.32%	310,063	-8.62%
Area 6	1,709,120	-0.68%	1,717,243	0.48%	1,854,490	7.99%	2,013,915	8.60%	2,059,234	2.25%	2,042,041	-0.83%
Area 7	4,066,014	8.27%	4,053,643	-0.30%	3,979,087	-1.84%	3,935,431	-1.10%	4,318,009	9.72%	3,494,717	-19.07%
Area 8	957,185	16.01%	959,711	0.26%	1,061,016	10.56%	963,214	-9.22%	1,064,030	10.47%	856,237	-19.53%
Area 9	725,669	0.00%	725,669	0.00%	725,669	0.00%	725,669	0.00%	946,626	30.45%	918,747	-2.95%
Area 10	18,115	-30.35%	67,750	274.00%	18,832	-72.20%	12,437	-33.96%	10,862	-12.66%	9,056	-16.63%
Area 11	58,239	0.00%	58,239	0.00%	58,239	0.00%	58,239	0.00%	73,410	26.05%	69,456	-5.39%
Area 12	4,997	508.65%	1,073	-78.53%	2,116	97.20%	1,791	-15.36%	2,482	38.58%	2,459	-0.93%
Regular Use	214,215	49.07%	121,097	-43.47%	234,066	93.29%	160,619	-31.38%	169,614	5.60%	408,307	140.73%
Total	11,021,446	4.93%	10,970,956	-0.46%	11,172,352	1.84%	11,169,147	-0.03%	11,842,777	6.03%	10,736,758	-9.34%
Refunds	104,251	-6.82%	59,806	-42.63%	66,850	11.78%	71,114	6.38%	309,764	335.59%	67,195	-78.31%
Audit & Collections Revenue*	48,585	-61.62%	521,644	973.66%	228,808	-56.14%	259,732	13.52%	327,877	26.24%	391,555	19.42%
*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%	1,000,000	53.85%
Building Use	238,691	-25.40%	238,691	0.00%	626,049	162.28%	672,841	7.47%	450,120	-33.10%	155,362	-65.48%
Vehicle Use	692,821	-5.90%	692,821	0.00%	566,286	-18.26%	710,844	25.53%	647,292	-8.94%	470,888	-27.25%

June 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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