



**AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
STUDY SESSION
MONDAY, JULY 18, 2011**

- I. **Executive Session**
At 6:00 p.m. in the City Council Conference Room, City Council will discuss negotiations pursuant to C.R.S. 24-6-402-4(e).
- II. **Planning and Zoning Commission**
At 6:30 p.m. in the Community Room, Members from the Planning and Zoning Commission will be present to discuss Medical District Subarea 2 with City Council.
- III. **Parks and Recreation Grant and Grant Projects**
Parks and Recreation Director Jerrell Black will discuss Parks and Recreation Grant and Grant Projects.
- IV. **Financial Report & Six-Month Budget Review**
City Manager Gary Sears and Financial & Administrative Services Director Frank Grylewicz will discuss the June, 2011 Financial Report and provide a six-month budget review.
- V. **City Manager's Choice**
- VI. **City Attorney's Choice**

Please Note: If you have a disability and need auxiliary aids or services, please notify the City of Englewood, 303-762-2407, at least 48 hours in advance of when services are needed. Thank you.



M E M O R A N D U M

TO: Mayor and City Council

FROM: Alan White, Community Development Director

DATE: July 18, 2011

SUBJECT: **Planning and Zoning Commission Recommendations Concerning Rezoning Alternatives for the 3200 Block of Sherman Street, and the 3200, 3300, and a Portion of the 3400 Block of Grant Street**

THE ROLES OF THE PLANNING AND ZONING COMMISSION

The City Planning and Zoning Commission has several roles and duties as authorized by Colorado statute, the Englewood Home Rule Charter, and the Unified Development Code (UDC) of the Englewood Municipal Code. The Commission has the authority to conduct open public hearings, investigations, studies, surveys, prepare maps, charts, exhibits, reports, and to perform other actions necessary for the promotion of public interest and understanding of the Commission's programs and plans.

The first role of the Commission is to advise City Council on land use issues by serving as a recommending body on the Comprehensive Plan. The Comprehensive Plan is the over-arching "roadmap" of community goals and objectives, describing how the City will develop physically, economically and socially in the future. It is intended to serve as the basis for making all land-use related decisions in the City. Other documents, such as the Downtown and Medical Districts Small Area Plan, supplement the comprehensive vision of future development established in the Comprehensive Plan. Such plans focus on a particular geographical area or subject matter. The Commission serves as the watchdog of the community's vision through the Comprehensive Plan and related documents.

The Commission secondly, and more frequently, serves as impartial advisors to City Council on zoning matters by providing insight into potential impacts, and by providing leadership in the resolution of issues before they arise. The Commission considers amendments of zoning regulations and modifications or revisions to the zoning map, usually as the next step in implementing the Comprehensive Plan or a small area plan. The Commission's role is to advance the cause of good planning by focusing on the long-term benefit to the community as a whole. They are the fact-finding hearing agency on all rezoning applications, zoning map amendments, and UDC amendments.

The Commission annually reviews and provides recommendations to the City Manager on multi-year capital improvement projects for the City budget. When necessary the Commission rules on interpretations of the meaning of the UDC's text.

In addition to their planning (Comprehensive Plan) and zoning (UDC) roles the Commission is also authorized and directed by Table 16-2-2.1: *Summary of Development Review and Decision-Making Procedure* (EMC) to conduct the following procedures:

- | <u>Review of:</u> | <u>Final Decision on:</u> | <u>Hear Appeals to:</u> |
|--|--|--|
| <ul style="list-style-type: none">• Adaptive Reuse of Designated Historical Buildings• Annexation Petitions• Historic Preservation Applications• Major Subdivision Plat | <ul style="list-style-type: none">• Conditional Use Permit• Conditional Use Permit – Telecommunication• Floodplain Variances | <ul style="list-style-type: none">• Minor Subdivision Plats• Temporary Use Permit• Unlisted Use decisions• Zoning Site Plan Reviews |

In all of its roles the Commission serves as a sounding board for new ideas and provides a fresh perspective to competing viewpoints. They relieve Council of commonplace, time-consuming land use reviews and often act as a buffer between the City and the general public. The Commission's role is to act apolitically in their reviews, determinations and decisions.

HISTORIC ZONING OF SUB-AREA 2

The existing MU-R-3-B zoning classification has been in effect since 1955. After World War II, a number of single unit homes had been converted into two or more unit dwellings. During the 1960 and 1970's, a number of multi-unit residential properties were developed in the area. The demand for medical and office uses failed to materialize in this area, and was confined primarily to the central business district and the Old Hampden Avenue corridor.

A major zoning code overhaul in 1985 resulted in the multi-unit residential properties constructed in the 1960's and 1970's becoming nonconforming, as they did not meet the new requirements for land area per residential unit or parking spaces per unit. The 1985 code changes were mostly targeted at increasing requirements for off-street parking and placing limits on the number of residential units per land area. The maximum height of sixty feet was not reduced. No new multi-residential buildings have been constructed in the area since the 1970's.

SUB-AREA 2 PLANNING PROCESS

The M-1 and M-2 zone districts were recently created as part of the Medical District Small Area Plan process in order to provide new zoning regulations for the hospital area that would be more conducive to medical, high density multi-unit residential, and small retail uses. The new M-1 and M-2 zone districts have also afforded the opportunity to make potential reforms to the MU-R-3-B zone district. The Phase II Medical District Small Area Plan process was conceived to address the opportunity to reform MU-R-3-B zoned areas in order to eliminate hospital use, as well as significantly reduce the size, height, and density of future office and residential development in these areas. (Subarea 3, directly north of the Swedish Hospital campus, is also zoned MU-R-3-B.)

The Planning and Zoning Commission acknowledges the many concerns that stakeholders have in regard to potential impacts from unwanted and inappropriate development. At the same time, the Commission's role is to take into consideration not only the immediate interests of local stakeholders, but also the long term interests of the City and Englewood citizens as a whole, in examining long term planning and zoning issues from a comprehensive point of view based on best practices and good planning principles.

In their discussions concerning zoning reforms in sub-area 2, the Planning and Zoning Commission made several observations:

- Down-zoning portions of sub-area 2 has the potential to create additional nonconforming properties, as well as increase the degree of existing nonconformities. Minimizing the creation of new nonconformities while addressing the desires and concerns of stakeholders should be an important analytical criterion in developing a recommended new zoning designation.
- Down-zoning portions of sub-area 2 will prevent office and multi-unit residential developments consisting of more than two units per fifty foot lot from occurring on these streets. However, this down-zoning will not have any effect on many of the adjacent streets that are zoned either MU-B-1 (Lincoln, Sherman, Hampden) or MU-R-3-B (3400 block of Logan).
- Sub-area 2 provides 18.5 acres of potential medium density, multi-unit residential infill redevelopment area. This is a key area for providing housing to support the downtown and medical districts. Due to its proximity to Swedish Medical Center, sub-area 2 would make an ideal location for medium-scale condominium and senior housing infill projects.
- A small number of structures in sub-area 2 are very small and very old single unit homes owned by landlords. Down-zoning to R-1 or R-2 will increase the likelihood that these properties will continue to be used as rental properties with little potential for investment or redevelopment.
- Retail development depends upon rooftops for success. In order to increase prospects for attracting new commercial retailing enterprises to the City, the City needs increases in population and households. One way to achieve this is to make zoning reforms that create more flexibility for multi-unit residential home builders. Rather than restricting multi-unit development, the City should provide incentives to achieve significant numbers of multi-unit residential infill redevelopment projects within the core areas of the City.

PROPOSED PLANNING AND ZONING COMMISSION REFORM OPTIONS FOR PORTIONS OF SUB-AREA 2 NORTH OF GIRARD AVENUE

In regard to sub-area 2, the Planning and Zoning Commission proposed reforming the existing MU-R-3-B zoning north of Girard Avenue in accordance with the historical policy designating Girard Avenue as the boundary line between medical-influenced uses and protected residential

areas. The reforms discussed for the residential area north of Girard included significant reductions in height, the elimination of hospital use, strict limits on sizes of office, and adjustments to the number of residential units per lot size that would prevent large multi-unit buildings on large lots. After receiving input from stakeholders in April of 2010, the Commission was also ready to consider the elimination of office use altogether.

Specifically, the Planning and Zoning Commission proposed the following reforms for MU-R-3-B zoning regulations for the portions of sub-area 2 north of Girard Avenue:

- Remove over-night, in-patient hospital as an allowed use
- Reduce maximum height from 60 to 35~40 feet
- Place a cap on maximum office building square footage
- Modify number of residential units per lot size formulas to favor smaller residential developments that can be built on one to two lots
- Consider restricting office use to existing structures only, or eliminating office use altogether

Other changes that could be considered:

- Restrict multi-unit residential rental development to two units per fifty foot lot, while allowing bonus units for deed restricted owner-occupied and senior housing
- Limit multi-unit residential development to a maximum lot width of 150 feet, as well as a maximum number of units

PROPOSED PLANNING AND ZONING COMMISSION RECOMMENDATIONS FOR PORTIONS OF SUB-AREA 2 SOUTH OF GIRARD AVENUE

The MU-R-3-B zoned portion of the 3400 block of Grant Street covers the area bounded by Girard Avenue on the north to a point 150 feet north of the Hampden Avenue right of way. The southerly 150 feet is part of the MU-B-1 zoned Englewood Central Business District. The MU-R-3-B zoned portion of the 3400 block of Grant Street is also flanked on the west by the MU-B-1 zone district fronting on Sherman Street. The adjacent area to the east fronting on Logan Street across the street from Swedish Medical Center was designated as an area of change to be rezoned to M-1 Medical. The MU-R-3-B zoned portion of the 3400 block of Grant Street is thus surrounded on the south and west by the Englewood Downtown District and on the east by the Medical District. The MU-R-3-B zoned portion of the 3400 block of Grant Street is also located on the south side of the historic dividing line between the commercial-oriented hospital district and the residentially-oriented neighborhoods to the north.

Based on these facts, the Commission concluded during the small area planning process that rezoning the area to M-1 was logical from a comprehensive planning viewpoint. The existence

of a wedge of properties situated between the City's two pre-eminent commercial and employment centers would create an artificial barrier between the two districts (Please refer to attached map entitled *Location of 3400 Block of Grant Street in Relationship to Mixed Use Commercial and High Density Residential Zones*). The Commission concluded that the MU-R-3-B zoned portions of the 3400 block of Grant Street should remain open for potential medical and high density residential redevelopment in the future, thus the recommendation to rezone the area to M-1.

The Planning and Zoning Commission welcomes the opportunity to meet with Council to discuss sub-area 2. The Commission would recommend delaying Council action on sub-area 2 in order to allow the Commission the opportunity to develop a zoning reform proposal for the portion of sub-area 2 north of Girard Avenue. The proposal would then be presented to both Council and neighborhood stakeholders for feedback. Allowing the Commission time to formulate a zoning reform proposal would fulfill the Commission's role as a citizen advisory body to Council concerning land use planning and zoning efforts.

Attachments:

1. The Role of the Planning and Zoning Commission as Established by Various Regulations
2. Multi-unit Residential Development Area Locations, Acreages, and Densities
3. Portions of Sub-area 2 Considered for Down-zoning in Relationship to Surrounding Zoning

The Role of the Planning and Zoning Commission as Established by Various Regulations

State: The State of Colorado delegates its "police power" authority to local governments through enabling legislation. CRS 31-23-202, et seq. authorizes municipalities to regulate land use through zoning, to appoint a planning commission, and to prepare and adopt a comprehensive plan for the physical development of their jurisdictions.

Home Rule Charter:

57: Authority.

The City Planning and Zoning Commission shall exercise such authority as vested in it by State Statutes, and as set forth in this Charter and as granted by ordinance.

58: Duties.

The City Planning and Zoning Commission shall prepare and submit to the Council for its approval a master plan, and current modifications thereof, for the physical development of the City. All plats of proposed subdivisions shall be submitted to the City Planning and Zoning Commission for its recommendations to Council with respect thereto. The Commission shall submit annually to the City Manager, not less than ninety days prior to the submission of the budget, a list of recommended capital improvements, arranged in order of preference, which in the opinion of the Commission are necessary or desirable to be constructed during the forthcoming five-year period.

It shall prepare and recommend to the Council, a comprehensive zoning ordinance or propose amendments or revisions thereto, with such provisions as the Commission shall deem necessary or desirable for the promotion of the health, safety, morals, and general welfare of the inhabitants of the City. The Commission shall hear applications for amendments, modifications or revisions of zoning ordinances, and shall forward such applications to the Council with its recommendations thereon. The recommendations of the Commission shall not be binding on the Council; however, no general city plan, nor zoning ordinance, nor any modification, amendment or revision thereof, shall be considered by the Council unless the same shall have been first submitted to the Commission for its examination and recommendation. The Commission shall conduct public hearings as they deem necessary.

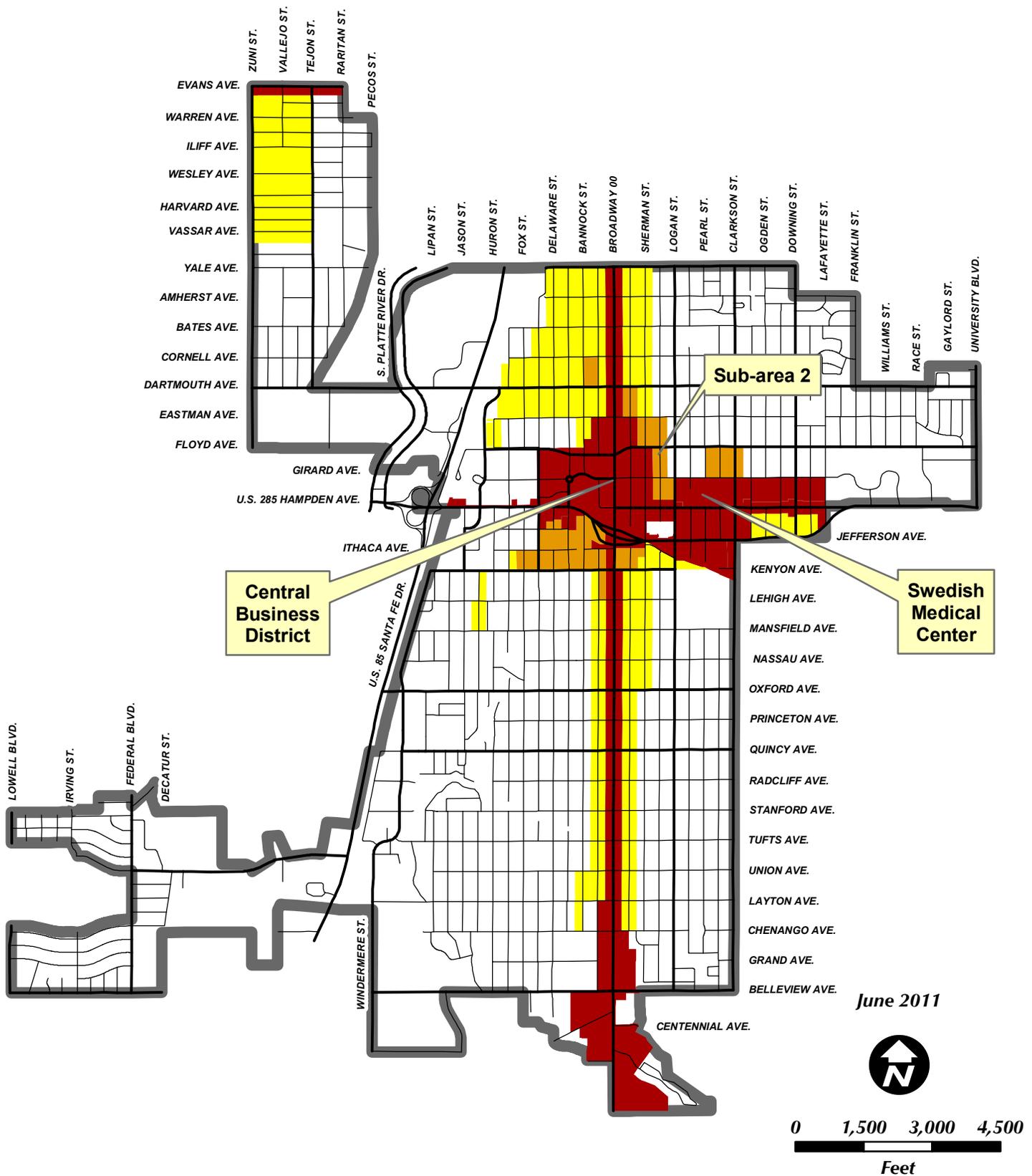
Unified Development Code:

16-2-1: Administrative and Review Roles.

B. Planning and Zoning Commission. The Planning and Zoning Commission ("Commission") shall have those administration and review roles as shown in Section 16-2-2 EMC, "Summary Table of Administrative and Review Roles". In addition, the Commission shall have the following responsibilities in administering this Title:

1. Title Interpretation. Except as to the classification of unlisted uses (see Section 16-5-1.B EMC), the Commission is authorized to interpret the provisions of this Title, and when deemed necessary by the Commission, submit reports to the Council suggesting amendments to this Title to clarify the intent and purpose of any article, section, or paragraph on which it has occasion to rule.

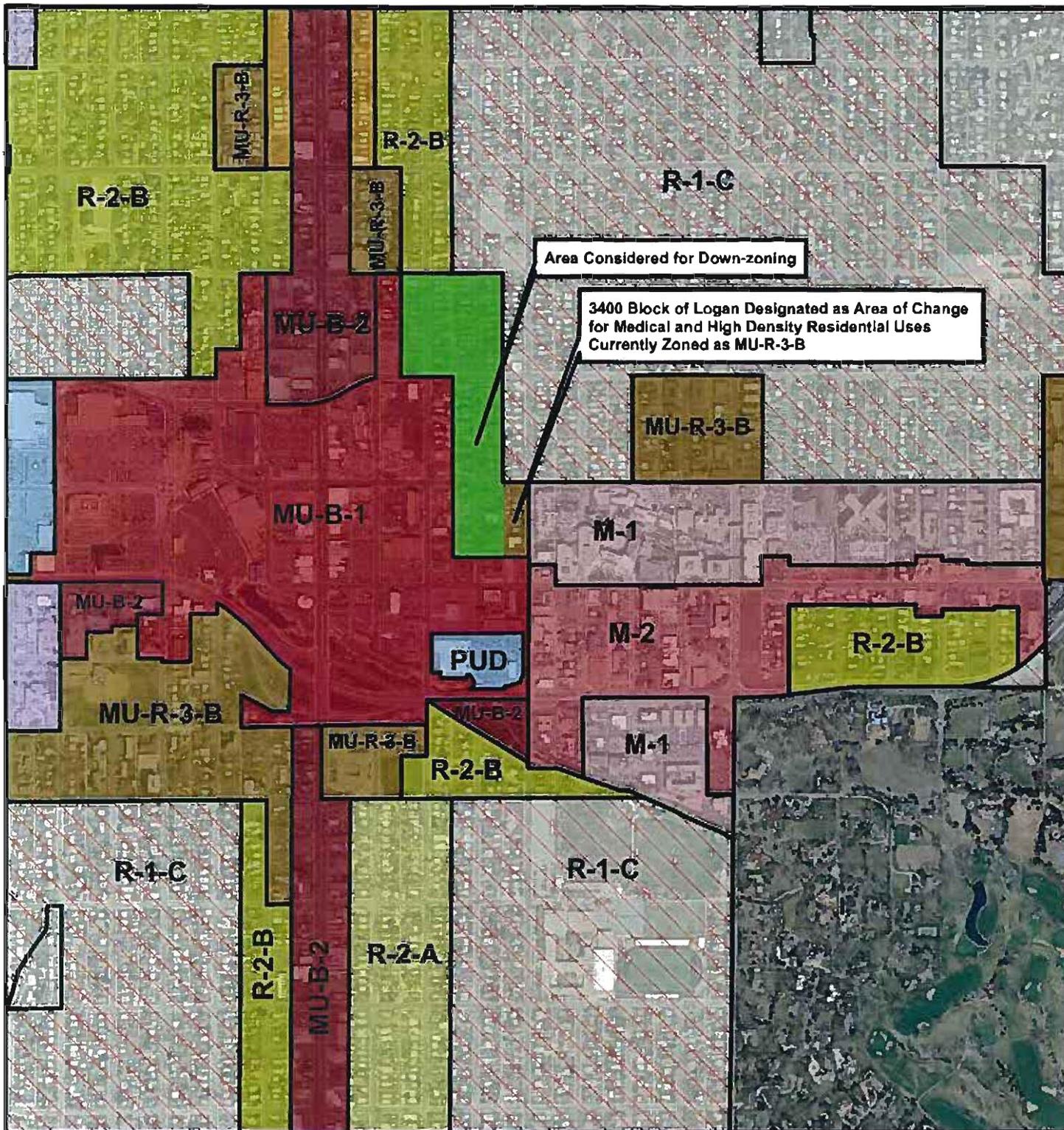
2. Fact-Finding Hearing for Rezoning Applications. The Commission shall function as the fact-finding hearing agency on all rezoning applications. Procedures to be followed by the Commission regarding its fact-finding function in the review of rezoning applications are located in Section 16-2-7 EMC.
3. Comprehensive Plan. Periodically review and make recommendations to the Council regarding amendments to the Englewood Comprehensive Plan. The Commission shall also implement the Comprehensive Plan and other adopted plans, through its powers and duties as set out in Chapter 16-2 EMC.
4. Updates of this Title and Official Zoning Map. Periodically review this Title and the Official Zoning Map to determine if they remain relevant in light of the Comprehensive Plan and current development trends and planning concerns, and make recommendations to the Council for any changes.



City of Englewood, CO: Multi-Unit Residential Development Area Locations, Acreages, and Densities

- Low Density = 430 Acres (8 Units per 200 Foot Wide Lot)
- Medium Density = 116 Acres (16 Units per 200 Foot Wide Lot)
- High Density = 437 Acres (Limited Only by Building Height and Parking)
- Arterial and Collector Streets
- Local Streets
- City Boundary

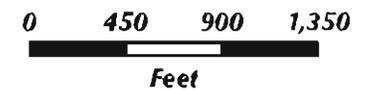
Portions of Sub-area 2 Considered for Down-zoning in Relationship to Surrounding Zoning



LEGEND

- Area Considered for Down-zoning
- R-1-A
- R-1-B
- R-1-C
- R-2-A
- R-2-B
- MU-R-3-A
- MU-R-3-B
- M-1
- M-2
- MU-B-1
- MU-B-2
- I-1
- I-2
- PUD

June, 2011



MEMORANDUM



TO: Gary Sears, City Manager
FROM: Jerrell Black, Director of Parks and Recreation ✓
DATE: July 11, 2011
RE: Parks and Recreation Grants/Projects

At the City Council Study Session on Monday July 18, 2011, Dave Lee, Open Space Manager, and I will be presenting updated information on several projects and grant awards from Arapahoe County.

Below is a listing of those projects/grants and a brief description of each item:

- Centennial Park Loop Trail Project:

Total Project Cost -	\$394,800
Arapahoe County Open Space Grant Award -	\$237,100
Fishing is Fun Grant -	\$ 13,300
Waste Management Donation -	\$ 500
Grant Matching Funds -(Budgeted in 2011 Open Space Fund) -	\$143,900

This project will replace the existing 8' asphalt path around the lake with a 10' concrete path, an ADA accessible bridge, new landscaping, additional erosion control along the bank of the lake and an educational kiosk with information about the local habitat in the area. This project will be completed in 2012.

Staff will bring forward an Intergovernmental Agreement with Arapahoe County to City Council for formal approval to accept the grant funding and initiate the project in the next few weeks..

- Riverside Park Planning Project:

Total Project Cost -	\$134,600
Arapahoe County Open Space Grant Award -	\$ 50,000
Grant Matching Funds -(Budgeted in 2011 Open Space Fund) -	\$ 84,600

This project will analyze the feasibility of developing the green space located at Broken Tee Golf Course adjacent to the Platte River. Possible amenities could include a picnic pavilion, a restroom, restroom facilities and ADA access to the Platte River. After approval of the Intergovernmental Agreement, staff will select a planning/design consultant and develop a time line for the project. The project will be completed in 2012.

- Community Gardens Project with Englewood Schools and Denver Urban Gardens:

This project incorporates new community gardens at Charles Hay World School and Clayton Elementary School. The project is funded from a grant from Tri County

Health in the amount of \$83,262. Construction is in progress now and should be substantially complete and open for use by the beginning of the school year starting in Fall 2011.

Staff will be bringing an Intergovernmental Agreement forward in the next few weeks for City Council approval formalizing the partnerships with Englewood Schools and Denver Urban Gardens.

- Duncan Park Planning Process:

The City has completed the Request for Proposal for site planning and will be interviewing consultants on Friday, July 22, 2011. Once a planning consultant is selected, we will bring the contract forward for City Council approval. After we award the contract, the next step will be to develop a preliminary schedule. The process will be a very inclusive process with the neighborhood and the Parks and Recreation Commission. We have been working with several of the Duncan Park neighbors over the last several months to assist us in keeping the neighborhood informed of our progress. We expect this project will be completed near the beginning of the 2nd quarter of 2012.

- Fire Academy Orphan Property:

The closing on the purchase of the Fire Academy Orphan property is almost complete. South Suburban Parks and Recreation District is currently constructing a pedestrian trail along the east side of the Platte River up to the Union Avenue Bridge. We partnered with South Suburban by bidding the development of the trail head on the Orphan Property as part of their project. We are in the process of completing the contract with Sabells Enterprises, LLC, the contractor. Construction has begun on the South Suburban trail and construction should start on the Orphan Property within the next four to six weeks. The entire project is scheduled to be completed near the end of September and a grand opening should occur on both projects in October 2011.

- Hosanna Complex – Drainage renovation along the perimeter of the High School Baseball Field:

Public Works has secured funding from Urban Drainage to construct drainage improvements along the perimeter of the Englewood High School baseball field. Public Works is working with Parks and Recreation and Paul Evans, Athletic Director for Englewood High School, to avoid any scheduling conflicts. This project should begin by the end of 2011 and carry over into 2012. Estimated cost of the project is approximately \$100,000.

Please let me know if you have any questions.

TJB

City Council Study Session Projects_July 18, 2011



City of Englewood

To: Mayor Woodward and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: July 5, 2011
Subject: June 2011 (Mid-Year) Financial Report

Summary of the June 2011 General Fund Financial Report

REVENUES:

- Through June 2011, the City of Englewood collected **\$19,320,865 or \$663,068 or 3.6 percent more** than last year (See the chart on page 3 and the attached full report for detail on changes in revenue in past year). Part of the increase is due to the change in sales and use tax revenue and intergovernmental revenue (\$225,343) from 2010 to 2011. The City received grant funds from CPPW for the following projects: \$150,000 for a Bike/Pedestrian Study (CD), \$88,000 for a Downtown Street Assessment Study (CD) and \$83,000 for the Community Garden (P&R) and from an increase in sales and use tax revenue in 2011 over 2010.
- The City collected \$2,193,542 in property and \$105,264 in specific ownership tax through June.
- **Year-to-date sales and use tax revenues were \$10,908,968 or \$424,612 or 4.1% more than June 2010.** The majority of this increase (\$388,000) is due to the receipt of one-time sales/use tax revenue from a few taxpayers and a (\$56,000) refund in 2010 that did not occur in 2011.
- Cigarette tax collections were down \$3,227 compared to last year.
- Franchise fee collections were \$27,479 less than last year.
- Licenses and permit collections were \$26,118 more than 2010.
- Intergovernmental revenues were \$374,515 more than the prior year.
- Charges for services increased \$22,946 from last year.
- Recreation revenues increased \$69,098 from 2010.
- Fines and forfeitures were \$133,170 less than last year.
- Investment income was \$31,648 less than last year.
- Miscellaneous revenues were \$100,806 less than last year.

OUTSIDE CITY:

- Outside City sales and use tax were up \$993,642 or 30.4 percent compared to last year, \$988,000 of the total amount collected is due to the receipt of *one-time sales and use tax revenue* from several taxpayers and \$56,000 is due to a refund in 2010.
- At this time potential refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is \$1,150,000.

CITY CENTER ENGLEWOOD (CCE):

- Sales and use tax revenue collected through June 2011 were \$1,065,451 (1.1 percent) more than the \$1,054,220 collected during the same period in 2010.

EXPENDITURES:

- Expenditures through June were \$19,555,352 or \$21,114 (.1 percent) more than the \$19,534,238 expended through June 2010. The City refunded \$30,670 in sales and use tax claims through June.

RESERVES:

- The unreserved/undesignated reserves for 2011 are estimated at \$5,030,617 or 13.1 percent of projected revenues. The 2011 estimated Long Term Asset Reserve (LTAR) balance is \$2,713,467 (please refer to page 11).

TRANSFERS:

- Net 2011 transfers-in to date of \$1,612,238 were made by the end of June 2011 (please refer to page 11 for the make-up).

REVENUES OVER/UNDER EXPENDITURES:

- Expenditures exceeded revenues \$234,487 through June 2011.

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected \$966,720 in revenues and spent \$3,392,086 year-to-date. Estimated year-end fund balance is \$179,782. Based on a five year average approximately 49% of building use tax and 48% of vehicle use tax is collected through June.

City of Englewood, Colorado

June 2011 Financial Report

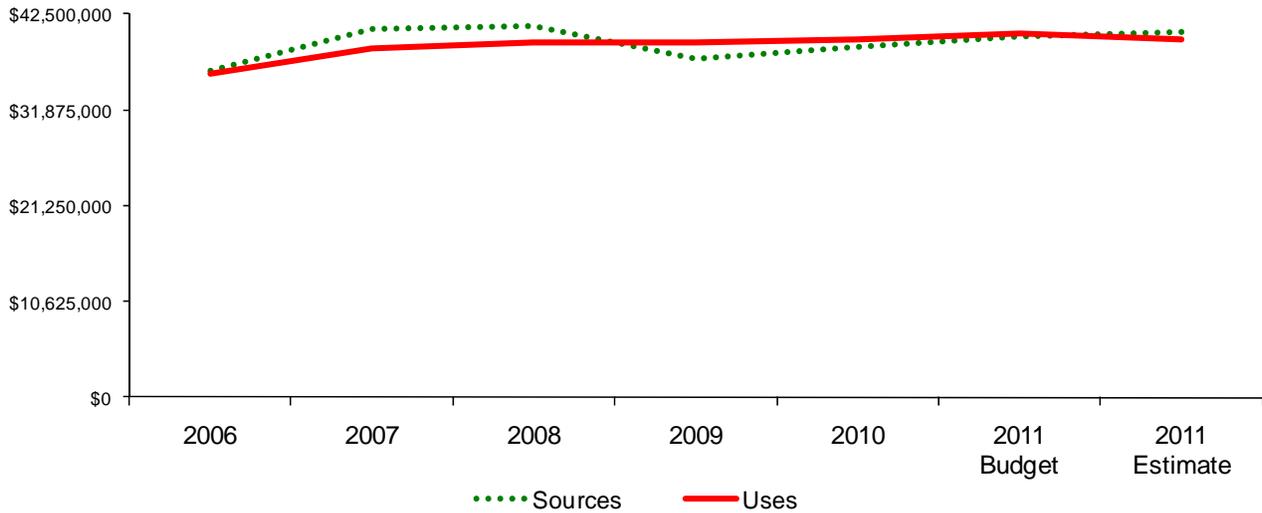
GENERAL FUND OVERVIEW AND ANALYSIS

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 2006 to 2011 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.

General Fund: Total Sources and Uses of Funds



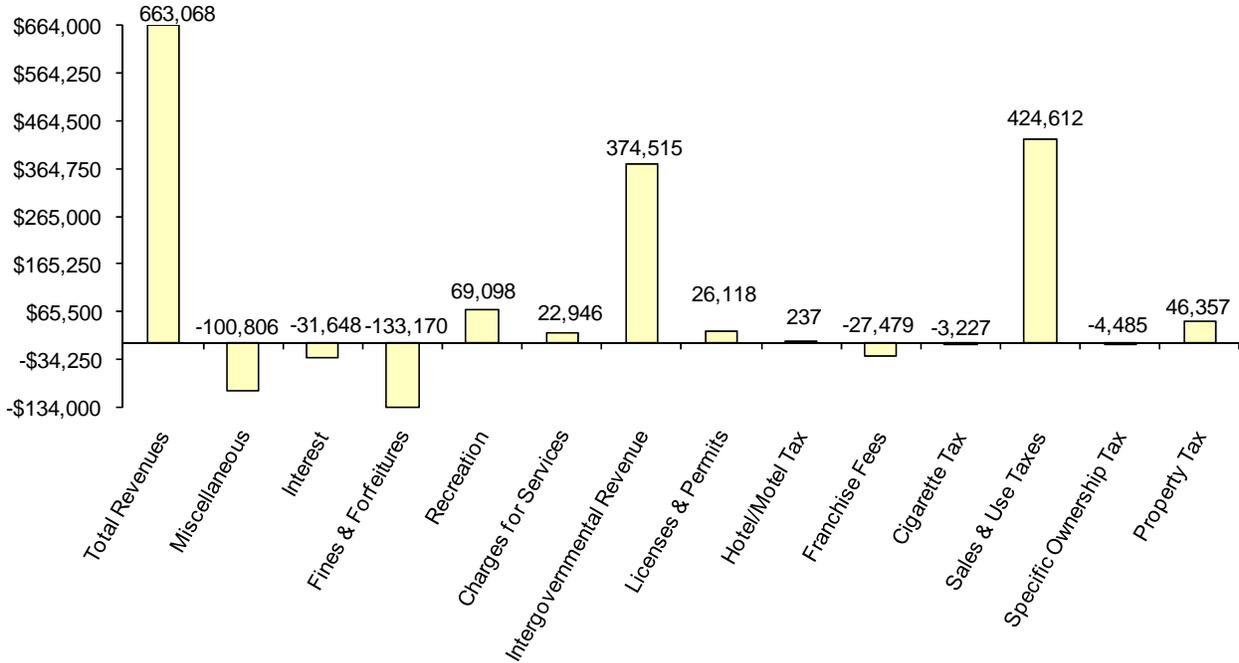
The table below summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended June, 2011. Comparative figures for years 2010 and 2009 are presented as well. The table also highlights the dollar and percentage changes between those periods.

	2011	2011 vs 2010 Increase (Decrease)		2010	2010 vs 2009 Increase (Decrease)		2009
General Fund							
Year-To-Date Revenue	\$ 19,320,865	\$ 663,068	3.55%	\$ 18,657,797	\$ (210,157)	(1.11%)	\$ 18,867,954
Year-To-Date Expenditure	19,555,352	\$ 21,114	.11%	19,534,238	\$ 183,043	.95%	19,351,195
Net Revenue (Expenditure)	\$ (234,487)	\$ 641,954		\$ (876,441)	\$ (393,200)		\$ (483,241)
Estimated Unreserved/ Undesignated Fund Balance	\$ 5,030,617	\$ 114,970	2.34%	\$ 4,915,647	\$ 21,870	.45%	\$ 4,893,777
Sales & Use Tax Revenue YTD	\$ 10,908,968	\$ 424,612	4.05%	\$ 10,484,356	\$ (243,192)	(2.27%)	\$ 10,727,548
Outside City Sales & Use Tax YTD	\$ 4,257,532	\$ 993,642	30.44%	\$ 3,263,890	\$ (230,827)	(6.61%)	\$ 3,494,717

General Fund Revenues

The City of Englewood’s total budgeted revenue is \$37,424,105. Total revenue collected through June 2011 was \$19,320,865 or \$663,068 (3.6 percent) more than was collected in 2010. The chart below illustrates changes in General Fund revenues this year compared to last year.

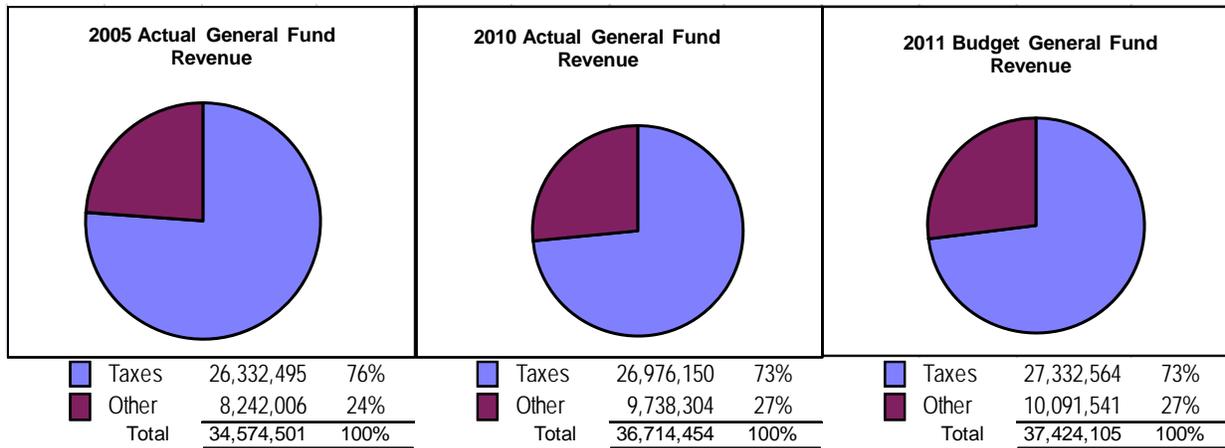
2011 Year-To-Date Change in General Fund Revenue as Compared to Prior Year



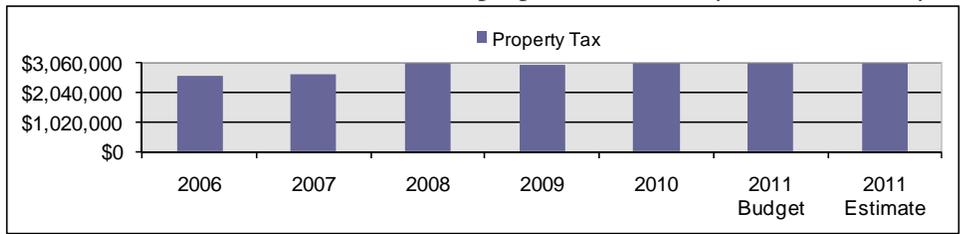
General Fund Taxes

The General Fund obtains most of its revenue from taxes. In 2010 total audited revenues were \$36,714,454 of which \$26,976,150 (73.5 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 2005, 2010 unaudited and budgeted 2011. 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

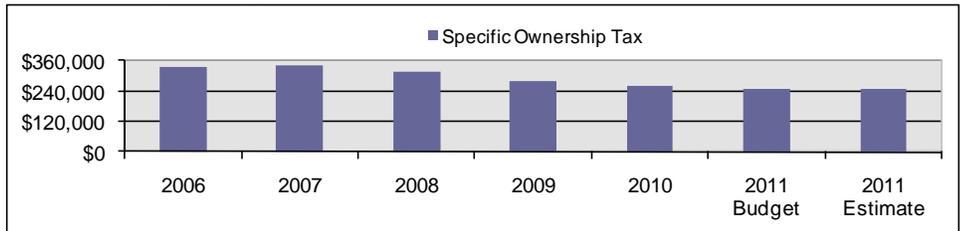


Property taxes: These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2009 mill levy collected in 2010 is 7.911 mills. The 2009 mill levy for general operations collected in 2010 is 5.880 mills. Voters approved a separate, dedicated mill levy for principal and interest



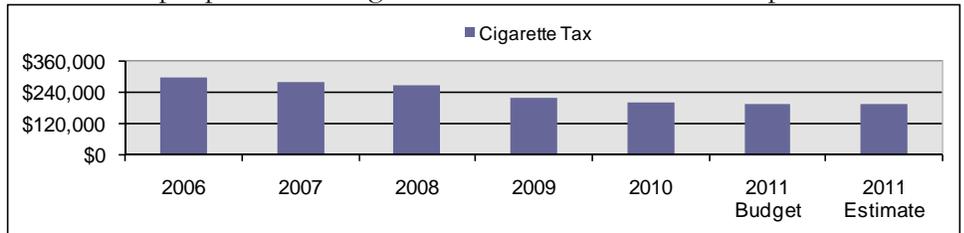
payments on the City's general obligation debt (parks and recreation projects). The 2010 mill levy collected in 2011 is 2.130 mills. Property tax collections grew from \$2,559,369 in 2006 to \$3,020,884 in 2010. This was an increase of \$461,515 or 18 percent. In 2010 the City collected \$3,020,884 or 11.2 percent of 2010 total taxes and 8.2 percent of total revenues from property taxes. The City budgeted \$3,017,000 for 2011; and collected \$2,193,542 through June 2011. The estimate for the year remains at \$3,017,000.

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



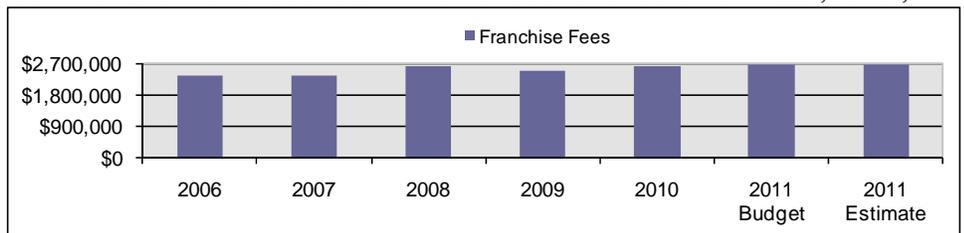
County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected \$333,018 in 2006 and \$263,434 in 2010 which is a decrease of \$69,584 or 20.9 percent. The City collected \$263,434 in 2010 which is less than one percent of total revenues and one percent of total taxes. The City budgeted \$250,000 for 2011 and collected \$105,264 through June 2011. The estimate for the year remains \$250,000.

Cigarette Taxes: The State of Colorado levies a \$.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen significantly in the past and continue to fall after the 2009 federal tax increase of approximately \$.62 per pack went into effect. This



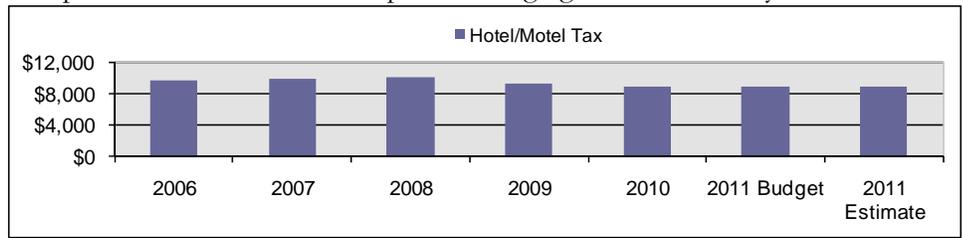
increase will fund the State Children's Health Insurance Program (SCHIP). In 2006 the City collected \$293,776, but in 2010 the City collected \$196,320, which is a decrease of \$97,456 or 33.2 percent. These taxes accounted for less than one percent of total taxes and less than one percent of total revenues in 2010. The City budgeted \$190,000 for the year and collected \$91,509 through June 2011, which is \$3,227 or 3.4 percent less than the \$94,736 collected through June 2010. The estimate for the year is \$190,000.

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 \$2,362,000 in 2006 and \$2,620,191 in 2010, an increase of \$258,191 or 10.9 percent. These taxes accounted for 9.7 percent of taxes and 7.1 percent of total revenues in 2010. The City budgeted \$2,650,851 for the year; collections through June totaled \$1,082,275 compared to \$1,109,754 collected during the same period last year. The estimate for the year is \$2,585,212.

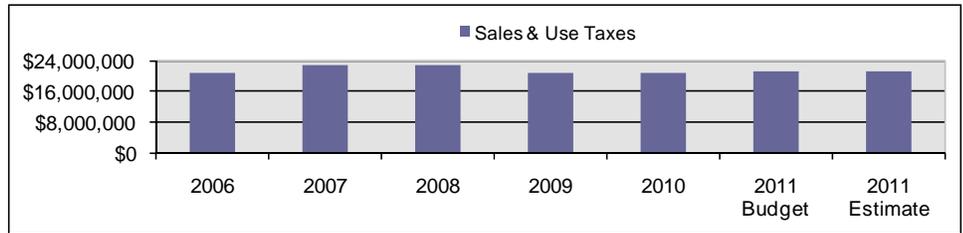
Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted \$8,713 for the year and has collected \$4,385 through June 2011. The estimate for the year is \$8,713.



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 77.5 percent of all taxes and 56.9 percent of total revenues collected in 2010.

In 2006, this tax generated \$20,688,258 for the City of Englewood; in 2010 the City collected \$20,866,515, an increase of less than one 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 .25 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 \$21,216,000 for 2011. Sales and Use Tax revenue through June 2011 was \$10,908,968 while revenue year-to-date for June 2010 was \$10,484,356, an increase of \$424,612.



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A portion (\$600,000) of the collections from outside city has been put into the “unearned revenue” account because staff believes it could be subject to an intergovernmental claim. If no claim is made after three years, the funds will be recognized as revenue at that time.

Collections (cash basis) for June 2011 were \$1,547,381 while collections for June 2010 and June 2009 were \$1,530,247 and \$1,434,275 respectively. June 2011 collections were \$17,137 or 1.1 percent more than June 2010 and \$113,106 or 7.9 percent more than 2009 collections.

Outside City sales and use tax collections through June were \$4,257,532 an increase of approximately \$993,642 over 2010 of which \$988,000 of this increase is due to the receipt of one-time sales and use tax revenue from several taxpayers and \$56,000 is due to a refund in 2010.

Based on historical sales tax collections, the City of Englewood collects 51.7 percent of total year’s sales tax collections through June; if this pattern holds this year, 48.3 percent is left to collect over the next seven months. Based on June’s collections, the City will collect an additional \$10,191,550 over the next six months for a total of \$21,100,518.

The City collected 104.1 percent of last year; if this pattern holds for the entire year the City could collect \$21,722,042 for the year.

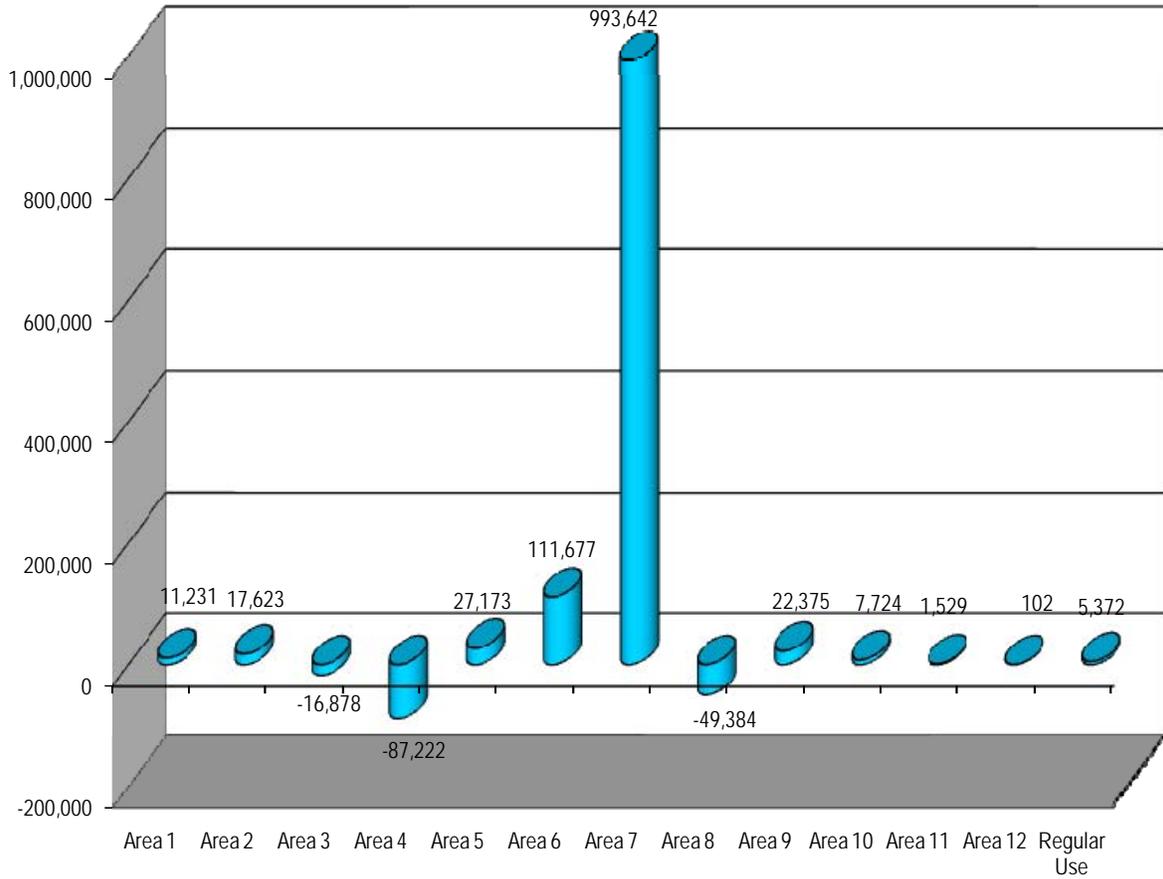
The estimate for the year is \$21,640,320 at this time, but will be continually reviewed each month.

This revenue source tends to ebb and flow (often dramatically) with the economy, growing during economic expansions and contracting during downturns. The past two years of sales tax collections have been exceptionally erratic with no discernable trend to make accurate short or long term forecasts. It is important to continually review and analyze sales and use tax data including trends in the various geographic areas of the City.

The chart on the next page, “Change in Sales/Use Tax Collections by Area 2011 vs. 2010” indicates that most of the increase in sales tax collections is due to Outside City (Area 7) and Regular Use Tax. Economic conditions, judged by

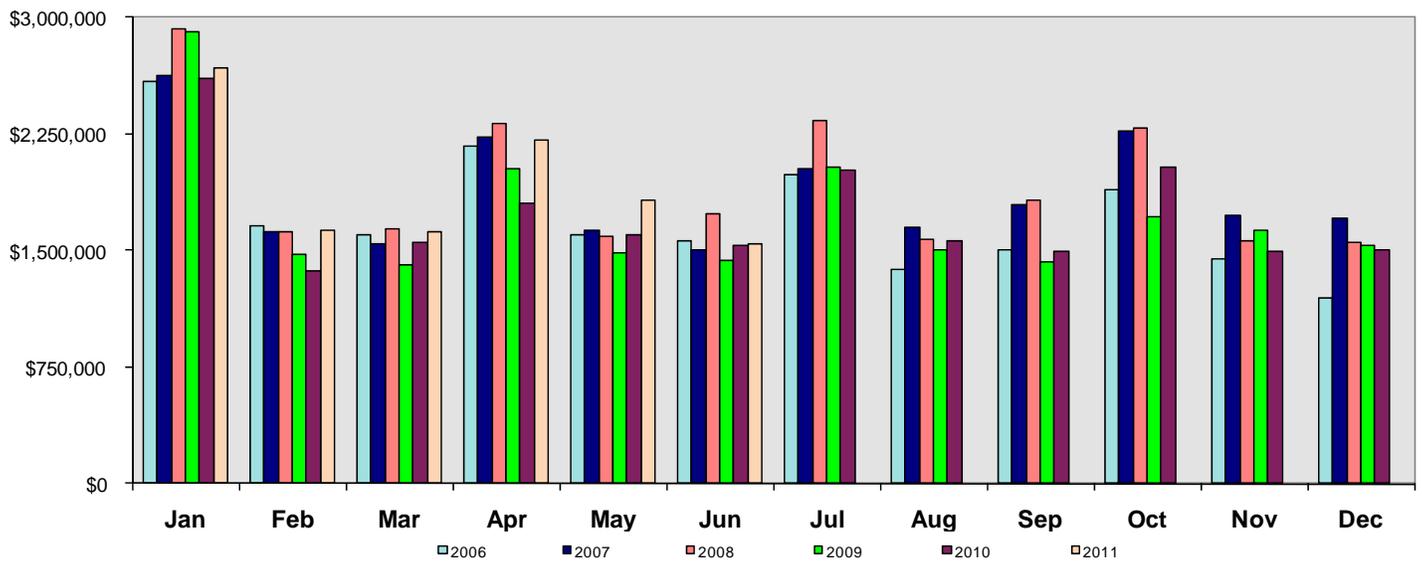
sales tax collections, appears to be a “mixed bag” with some geographic areas increasing and some decreasing compared to the same period last year.

Change in Sales/Use Tax Collections by Area 2011 vs 2010



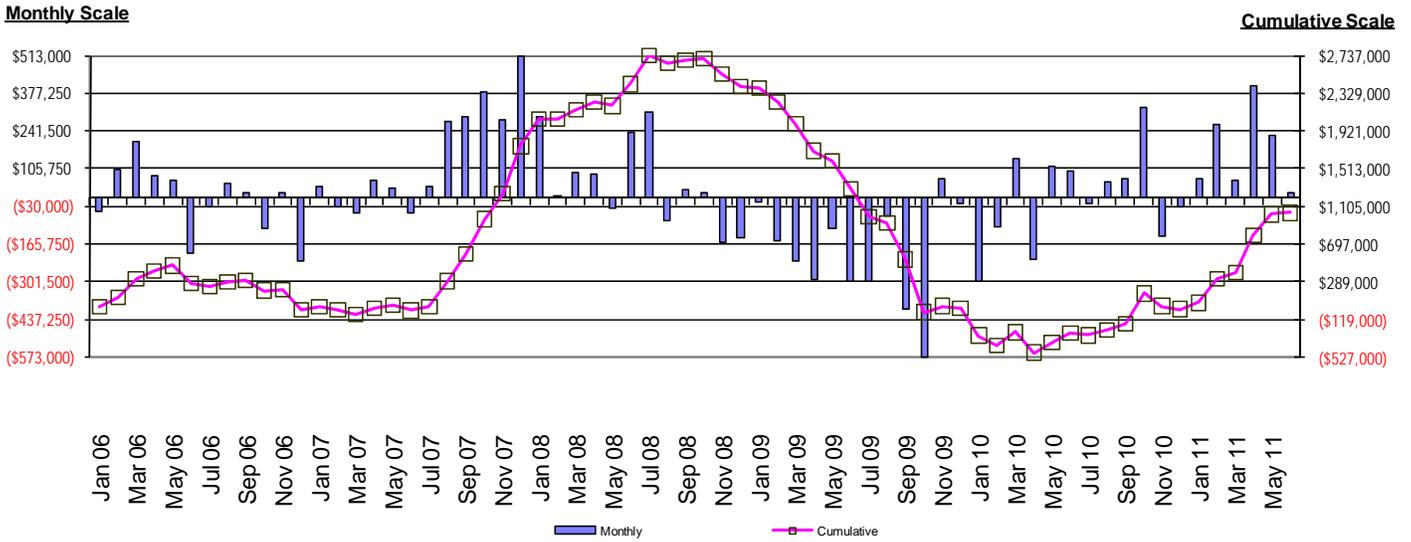
The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2006 through 2011.

2006-2011 YTD Sales/Use Tax Collections by Month - Cash Basis



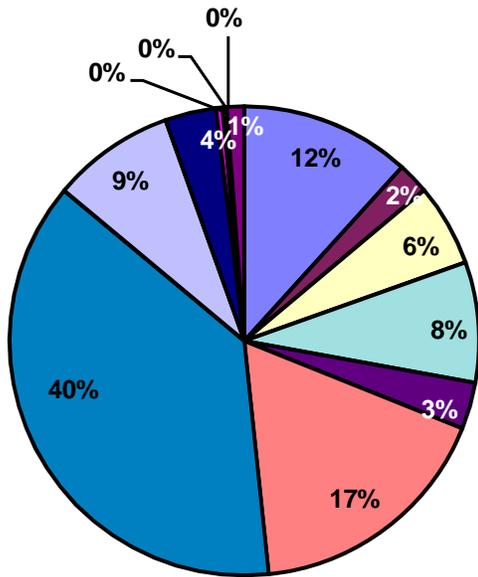
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented.

2006 - 2011 Monthly Change Sales and Use Tax



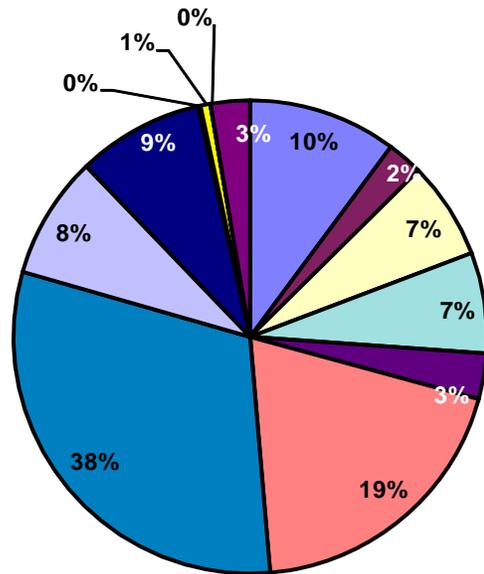
Sales tax collections are reported by various geographic areas as illustrated in the following pie charts. These illustrate the changing collection patterns for 2005 and 2010.

Geographic Sales Tax Collection Areas



2005 Actual Cash Receipts by Area

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



2010 Actual Cash Receipts by Area

Area 1	10%	Area 8	8%
Area 2	2%	Area 9	9%
Area 3	7%	Area 10	0%
Area 4	7%	Area 11	1%
Area 5	3%	Area 12	0%
Area 6	19%	Regular Use	3%
Area 7	31%		

A brief description and analysis of the significant geographic areas follows:

Area 1: This geographic area accounts for the sales tax collections from CityCenter Englewood. CityCenter Englewood had collections of \$1,065,073 year-to-date 2011, in 2010, the City collected \$1,882,218.

Area 6: This geographic area is up 5.9 percent from last year. \$72,000 of the increase is due to an audit receipt in January 2011.

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 3.05 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 2007 for collections through the month of June. The importance of Outside City has declined as a percentage of sales and use tax collections but it continues to remain an important impact on the City’s General Fund as illustrated by the following:

	2007	2008	2009	2010	2011
Total Sales and Use Taxes	11,169,147	11,842,777	10,736,758	10,460,612	11,505,576
Outside City Collections	3,935,431	4,318,009	3,494,717	3,263,890	4,257,532
Percentage of Total	35.2%	36.5%	40.2%	33.4%	28.4%
Total General Fund Revenues	18,934,075	19,881,852	18,867,954	18,357,797	19,320,865
Outside City Collections	3,935,431	4,318,009	3,494,717	3,263,890	4,257,532
Percentage of Revenues	20.8%	21.7%	18.5%	17.8%	22.0%

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 \$1,150,000 to cover intercity claims. The City paid \$30,670 in refunds including intercity sales/use tax claims through June 2011 compared to \$167,706 through June 2010. At this time potential refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed.

Area 8: This geographic area consists of collections from public utilities. Collections through June were down \$49,384 or 5.3 percent over last year. Weather conditions, energy usage conservation, and rising energy prices play an important role in revenue collections. Collections could increase or decrease if the remainder of the year is significantly hotter/colder than normal.

Other Sales Tax Related Information

Finance and Administrative Services Department collected \$144,406 in sales and use tax audit revenues and general collections of balances on account through the month of June; this compares to \$231,472 collected in 2010 and \$391,555 collected in 2009.

Of the 72 sales tax accounts reviewed in the various geographic areas, 37 (51 percent) showed improved collections and 35 (49 percent) showed reduced collections this year compared to the same period last year.

The Department issued 233 new sales tax licenses through June 2011; 214 and 198 were issued through June 2010 and 2009 respectively.

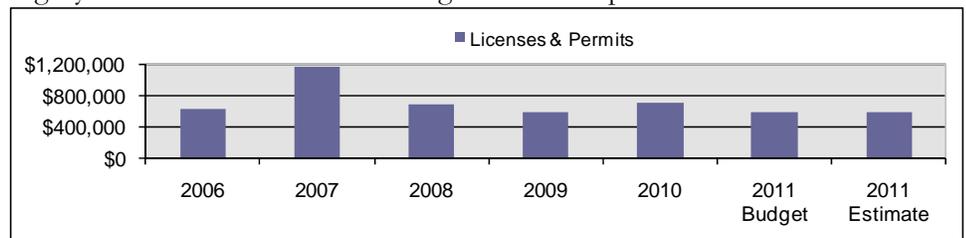
City records indicate that year-to-date 104 businesses closed (58 of them were outside the physical limits of Englewood) and 233 opened (158 of them were outside the physical limits of Englewood).

General Fund Other Revenue

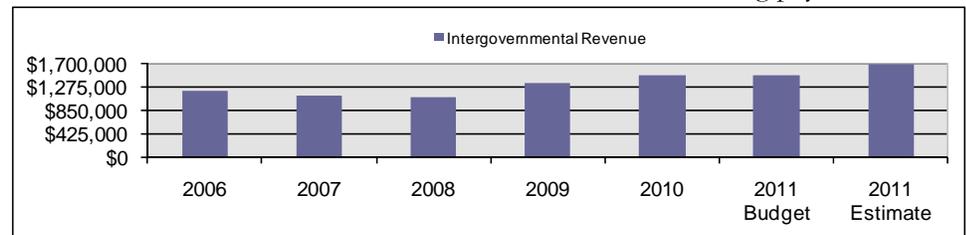
Other revenues accounted for \$9,738,304 or 26.5 percent of the total revenues for 2010; the City budgeted \$10,091,541 for 2011.

The next page provides additional information on the significant revenue sources of the General Fund:

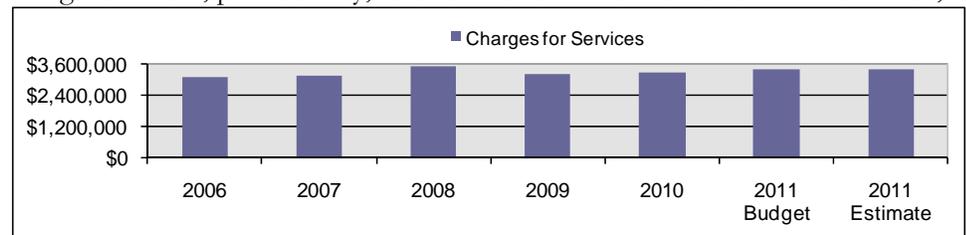
Licenses and Permits: This revenue category includes business and building licenses and permits. This revenue source generated \$695,663 during 2010 or 1.9 percent of total revenue and 6.8 percent of total other revenue. This revenue source totaled \$623,945 in 2006 and increased to \$695,663 in 2010, an 11.5 percent increase. The City budgeted \$575,100 for 2011 and year-to-date the City collected \$350,658 or \$26,118 (8.1 percent) more than the \$324,540 collected through June 2010. The estimate for the year is \$650,000.



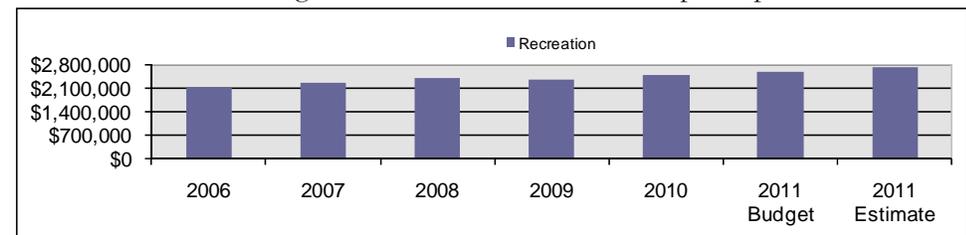
Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at \$1,459,564 for 2011. This revenue source totaled \$1,193,863 in 2006 and the City collected \$1,465,970 in 2010, a 22.7 percent increase. The City collected \$983,383 through June 2011 this is \$374,515 (61.2 percent) more than the \$608,868 collected in the same period in 2010. The estimate for the year is \$1,659,564.



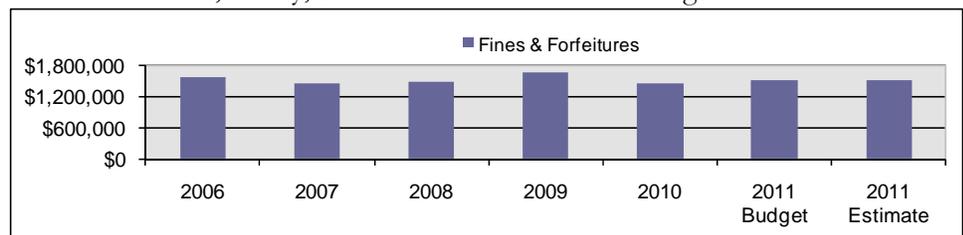
Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at \$3,318,587 for 2011. This revenue source totaled \$3,053,106 in 2006 and increased to \$3,254,830 in 2010, a 6.6 percent increase. Total collected year-to-date was \$1,597,936 or \$22,946 (1.5 percent) more than the \$1,574,990 collected year-to-date in 2010. The estimate for the year is \$3,302,250.



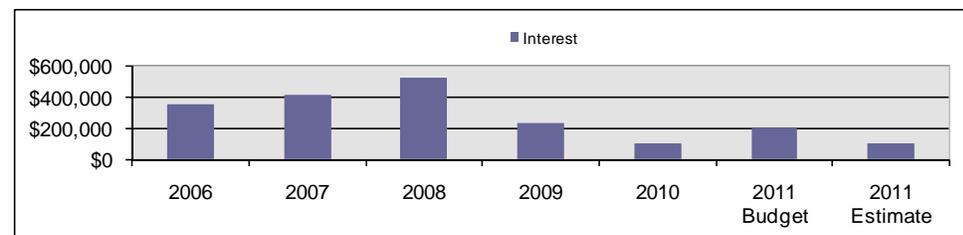
Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at \$2,587,653 for 2011. This revenue source totaled \$2,099,202 in 2006 and increased to \$2,489,781 in 2010, an 18.6 percent increase. Total collections through June 2011 were \$1,187,454 compared to \$1,118,356 collected in 2010. The estimate for the year is \$2,702,162.



Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2010 budget for this source is \$1,426,801 or 14.7 percent of total other revenue. This revenue source totaled \$1,543,353 in 2006 and decreased to \$1,437,957 in 2010, a 6.8 percent decrease. Total collected year-to-date was \$655,412 or \$133,170 (16.9 percent) less than the \$788,582 collected in the same time period last year. The estimated for the year is \$1,483,253.

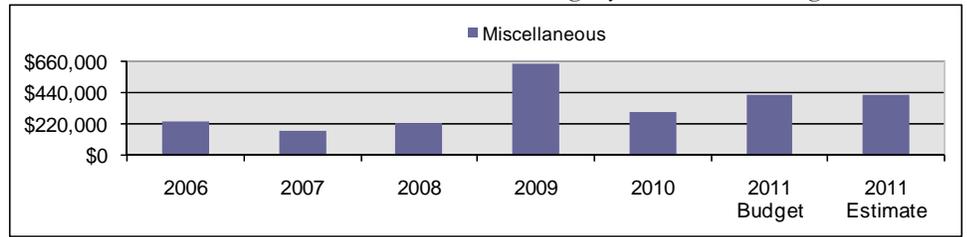


Interest: This is the amount earned on the City's cash investments. The 2011 budget for this source is \$200,000. This



revenue source totaled \$353,575 in 2006 and decreased to \$100,544 in 2010, a 71.6 percent decrease. The City earned \$55,841 through June 2011; while the City earned \$87,489 through June 2010. The estimate for the year is \$100,000.

Miscellaneous: This source includes all revenues that do not fit in another revenue category. The 2011 budget for this source is \$421,507. This revenue source totaled \$229,675 in 2006 and increased to \$293,658 in 2010, a 27.9 percent increase. Total collected year-to-date is \$104,238 (53.9 percent) less compared to the \$205,044 collected last year during the same period. The estimate for the year is \$683,000.



General Fund Expenditures

Outcome Based Budgeting

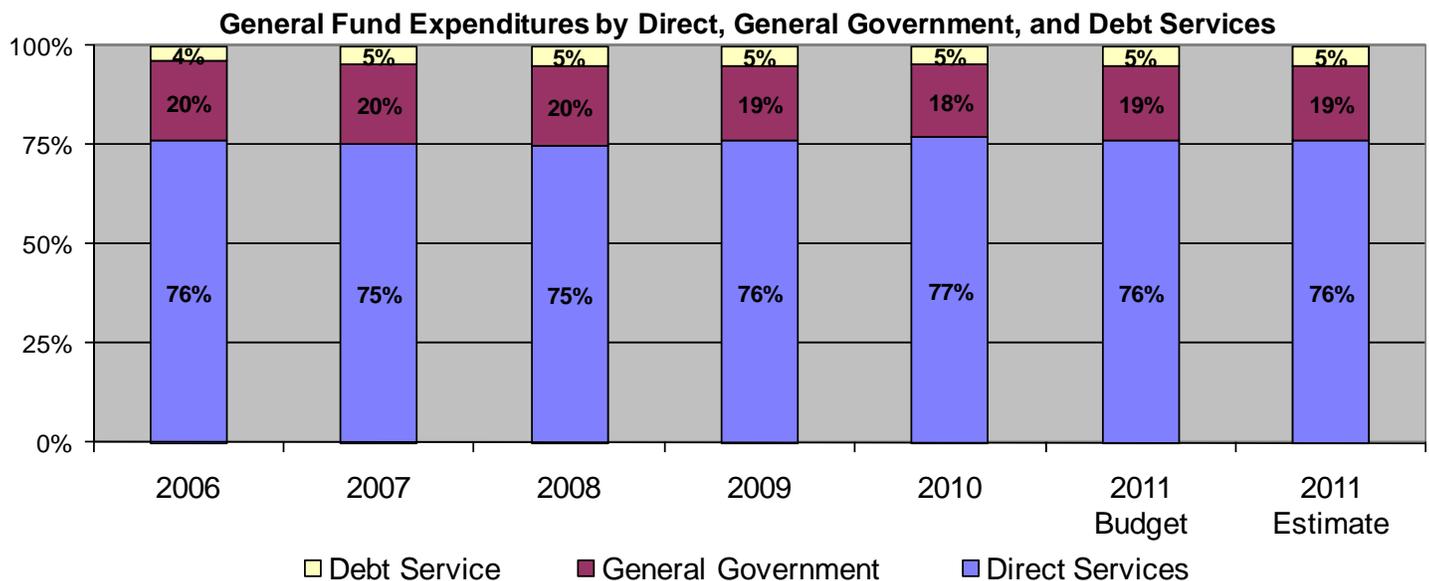
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

- ▶ 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 use to better develop ways to serve our citizens. This type of budgeting is a new concept and is refined and reviewed on an on-going basis to help us better focus our resources in meeting the objectives of our citizens.

The City budgeted total expenditures at \$40,430,513 for 2011, this compares to \$38,901,342 and \$38,997,977 expended in 2010 and 2009 respectively. Budgeted expenditures for 2011 general government (City Manager, Human Resources, etc.) totals \$8,387,284 or 20.2 percent of the total. Direct government expenditures (Police, Fire, etc.) are budgeted at \$31,064,182 or 75.0 percent of the total. Debt service (fixed costs) payments are \$1,993,682 or 4.8 percent of the total. Total expenditures through June were \$19,555,352 compared to \$19,534,238 in 2010 and \$19,351,195 in 2009.

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



Transfers

The General Fund has provided funds to and has received funds from Special Revenue Funds, Capital Projects Funds, Internal Service Funds and Component Units in order to buffer temporary gaps in revenue and expenditure amounts. In 2011 the General Fund was not in the position to provide funding to the Capital Projects Funds but has received the following transfers:

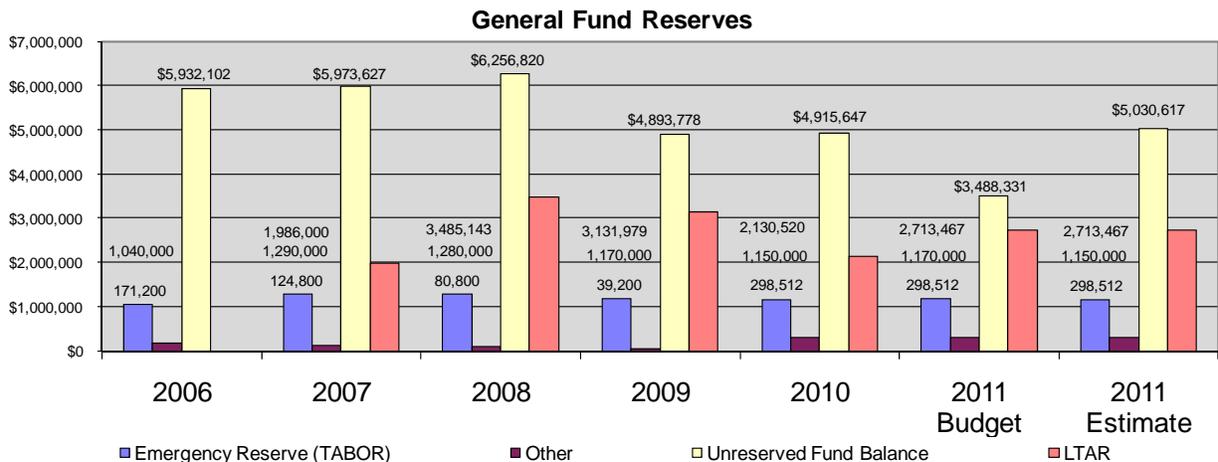
Source of Funds	Budget Amount	YTD Amount
Special Revenue Funds		
Neighborhood Stabilization Program Fund*	\$ 750,000	\$ 32,760
Capital Project Funds		
Public Improvement Fund (PIF)	471,815	471,815
Internal Service Funds		
Central Services Fund	100,000	100,000
Servicenter Fund	105,278	100,000
Risk Management Fund	546,000	546,000
Employee Benefits Fund	200,000	200,000
Component Units		
Englewood/McLellan Reservoir Foundation, Inc (EMRF)	325,000	161,663
Enterprise Funds		
	21,111	-
Transfers Total	\$ 2,519,204	\$ 1,612,238

*In addition to the 2011 amount received, the Neighborhood Stabilization Program Fund returned \$47,052 of the \$750,000 received in 2010.

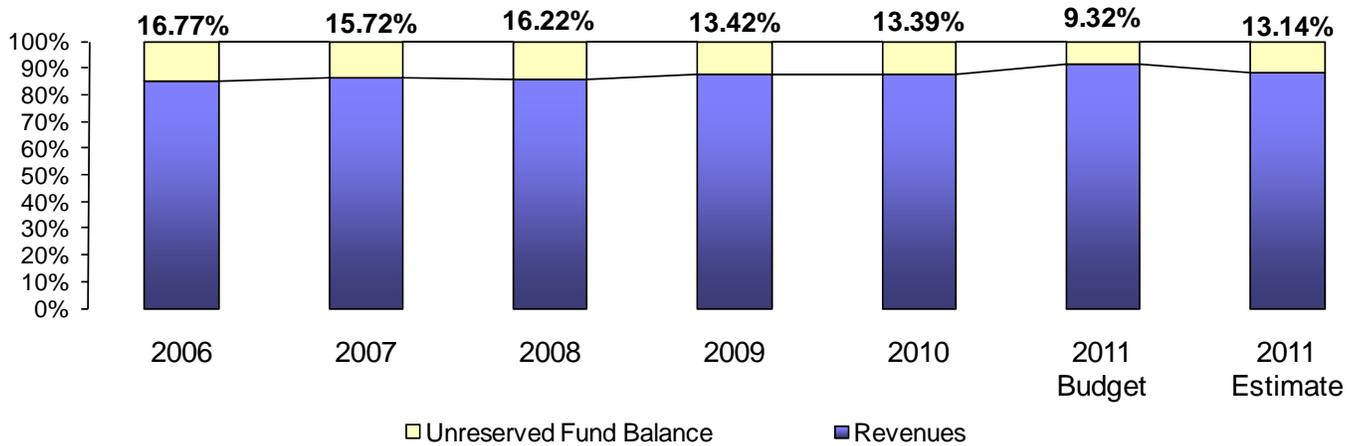
General Fund Reserves

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 June 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 can only be expended if the funds are appropriated in the annual budget or by supplemental appropriation. The 2011 estimated year-end balance in the account is \$2,713,467. The balance reflects a \$750,000 transfer that was appropriated in 2010 for the purchase of two homes and rehabilitation of ten homes and will be returned to the LTAR in 2011. *The balance also includes a \$120,000 transfer from LTAR to fund the Community Development Department’s 2011 Catalyst Program.*



Unreserved Fund Balance As A Percentage of Revenue



The City ended 2010 with an unreserved/undesignated general fund balance of \$4,915,647 or 13.39 percent of (unaudited) revenues. The 2011 estimate shows an unaudited ending fund balance of \$5,030,617 or 13.1 percent of projected revenues or 12.66 percent of budgeted expenditures. The \$5,030,617 would allow the City to operate for approximately 46.2 days (using average daily budgeted expenditures) if all other revenues and financing sources ceased. In these times of economic uncertainty, it is more important than ever to maintain reserves to help the City make up for revenue shortfalls and unexpected expenditure increases given that the one-time transfers made to the General Fund to help maintain reserves are no longer available.

PUBLIC IMPROVEMENT FUND OVERVIEW

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

Provided for your information is the table below that illustrates the PIF Year-To-Date (YTD) revenues and expenditures for the years 2009 through 2011. 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.

	2011	2011 vs 2010 Increase (Decrease)		2010	2010 vs 2009 Increase (Decrease)		2009
Public Improvement Fund (PIF)							
YTD Revenues	\$ 966,720	\$ 174,712	22.06%	\$ 792,008	\$ (633,558)	(44.44%)	\$ 1,425,566
YTD Expenditures	3,392,086	\$ 1,467,694	76.27%	1,924,392	\$ (576,887)	(23.06%)	2,501,279
Net Revenues (Expenditures)	\$ (2,425,366)	\$ (1,292,982)		\$ (1,132,384)	\$ (56,671)		\$ (1,075,713)
Beginning PIF Fund Balance	\$ 2,686,457			\$ 1,515,399			\$ 1,067,525
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	\$ 261,091			\$ 383,015			\$ (8,188)
Plus: Remaining Annual Revenue	696,014			907,751			2,013,217
Less: Remaining Annual Appropriation	(777,323)			(1,135,450)			(1,936,339)
Estimated Ending Fund Balance	\$ 179,782			\$ 155,316			\$ 68,690
Unappropriated Fund Balance as of December 31,				\$ 440,771			\$ 339,405

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

	2011 Estimate	2011 Adopted Budget	2011 YTD Actual	2011 Vs 2010		2010 YTD Actual	2010 Vs 2009		2009 YTD Actual
				\$	%		\$	%	
Vehicle Use Tax	\$ 1,000,000	\$ 1,000,000	\$ 374,700	\$ 14,024	4%	\$ 360,677	\$ (26,627)	-7%	\$ 387,303
Building Use Tax	\$ 400,000	\$ 400,000	\$ 368,609	\$ 146,860	66%	\$ 221,749	\$ 66,387	43%	\$ 155,362
Arapahoe County Road and Bridge Tax	\$ 191,000	\$ 191,000	\$ 172,413	\$ (485)	0%	\$ 172,898	\$ (7,993)	-4%	\$ 180,891

Vehicle Use Tax is based on the valuation of new vehicles purchased by City of Englewood residents. This tax is collected and remitted by Arapahoe County at the time the vehicle is registered. **Building Use Tax** is based on the valuation of building permits issued by the City of Englewood. We will monitor these revenue sources to determine if the 2010 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%.

2011 Year-To-Date City Funds At-A-Glance

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

	Beginning Balance	Revenue	Expenditure	Other Sources (Uses)	Reserved Balance	Ending Balance
Governmental Fund Types (Fund Balance)						
General Fund	8,494,679	19,320,866	19,555,353	369,456	3,599,031	5,030,617
Special Revenue Funds						
Conservation Trust	1,052,255	169,143	43,758	(1,078,724)	-	98,916
Open Space	1,072,979	141,370	140,479	(738,964)	-	334,905
Neighborhood Stabilization Program	718,290	267,730	664,674	(321,346)	-	-
Donors	167,852	51,135	43,629	-	-	175,359
Community Development	-	112,043	127,706	15,663	-	-
Malley Center Trust	291,667	3,115	-	-	-	294,782
Parks & Recreation Trust	449,303	4,258	6,563	-	-	446,999
Debt Service Fund						
General Obligation Bond	9,616	803,085	168,632	-	-	644,070
Capital Projects Funds						
PIF	2,686,457	966,720	1,194,339	(2,279,057)	-	179,782
MYCP	1,061,738	6,276	221,819	(888,524)	-	(42,329)
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	7,027,103	3,308,434	4,102,475	-	-	6,233,061
Sewer	6,792,828	6,808,739	5,700,567	-	1,000,000	6,901,000
Stormwater Drainage	903,814	192,397	70,146	-	137,818	888,247
Golf Course	713,451	869,771	804,978	-	293,500	484,745
Concrete Utility	277,905	478,151	160,709	-	-	595,348
Housing Rehabilitation	404,633	71,502	45,051	-	-	431,084
Internal Service Funds						
Central Services	234,309	151,806	133,913	(100,000)	-	152,202
ServiCenter	902,008	1,124,477	884,948	(100,000)	-	1,041,537
CERF	728,781	393,422	55,269	-	-	1,066,934
Employee Benefits	210,918	2,684,865	2,851,095	(200,000)	59,814	(215,126)
Risk Management	1,201,929	1,383,094	601,823	(546,000)	-	1,437,200

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 the **art** Shuttle Program which is funded in part by the Regional Transportation District (RTD). **art** provides riders free transportation to 19 stops connecting CityCenter Englewood, businesses in downtown Englewood, and the medical facilities in and near Craig Hospital and Swedish Medical Center.

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

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

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

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

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

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

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

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

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

FUNDS GLOSSARY

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

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

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

MOA – Museum of Outdoor Arts

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

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

Neighborhood Stabilization Program Fund – Accounts for the federal grant awarded to acquire, rehabilitate and resale approximately eleven foreclosed residential properties in the City.

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, 2011

Percentage of Year Completed = 50%

Fund Balance January 1	2011				2010			2009		
	\$ 8,157,514	\$ 8,494,679	\$ 8,494,679		\$ 9,234,957	\$ 9,234,957	\$ 11,102,763		\$ 11,102,763	
	Budget	Jun-11	% Budget	YE Estimate	Dec-10	Jun-10	% YTD	Dec-09	Jun-09	% YTD
Revenues										
Property Tax	3,017,000	2,193,542	72.71%	3,017,000	3,020,884	2,147,185	71.08%	2,971,303	2,059,144	69.30%
Specific Ownership Tax	250,000	105,264	42.11%	250,000	263,434	109,749	41.66%	276,415	126,309	45.70%
Sales & Use Taxes	21,216,000	10,908,968	51.42%	21,640,320	20,866,515	10,484,356	50.24%	20,624,659	10,727,548	52.01%
Cigarette Tax	190,000	91,509	48.16%	190,000	196,320	94,736	48.26%	218,448	110,532	50.60%
Franchise Fees	2,650,851	1,082,275	40.83%	2,585,212	2,620,191	1,109,754	42.35%	2,452,611	1,038,160	42.33%
Hotel/Motel Tax	8,713	4,385	50.33%	8,713	8,806	4,148	47.10%	9,141	4,289	46.92%
Licenses & Permits	575,100	350,658	60.97%	650,000	695,563	324,540	46.66%	588,303	243,273	41.35%
Intergovernmental Revenue	1,459,564	983,383	67.38%	1,659,564	1,465,970	608,868	41.53%	1,333,688	438,261	32.86%
Charges for Services	3,338,567	1,597,936	47.86%	3,302,250	3,254,830	1,574,990	48.39%	3,163,735	1,595,344	50.43%
Recreation	2,587,653	1,187,454	45.89%	2,702,162	2,489,781	1,118,356	44.92%	2,315,598	1,040,222	44.92%
Fines & Forfeitures	1,509,150	655,412	43.43%	1,483,253	1,437,957	788,582	54.84%	1,639,678	859,770	52.44%
Interest	200,000	55,841	27.92%	100,000	100,545	87,489	87.01%	229,999	139,903	60.83%
Miscellaneous	421,507	104,238	24.73%	683,000	293,658	205,044	69.82%	643,311	485,199	75.42%
Total Revenues	37,424,105	19,320,865	51.63%	38,271,474	36,714,454	18,657,797	50.82%	36,466,889	18,867,954	51.74%
Expenditures										
Legislation	346,120	152,984	44.20%	341,118	309,870	160,720	51.87%	346,045	181,980	52.59%
City Attorney	762,518	325,553	42.69%	747,268	702,228	345,998	49.27%	678,038	307,703	45.38%
Court	999,105	407,630	40.80%	979,123	901,469	416,669	46.22%	914,493	437,646	47.86%
City Manager	664,732	329,565	49.58%	651,437	659,882	340,656	51.62%	674,170	354,720	52.62%
Human Resources	481,102	202,353	42.06%	471,480	419,421	183,907	43.85%	456,275	211,242	46.30%
Financial Services	1,550,906	687,573	44.33%	1,519,888	1,445,581	720,370	49.83%	1,575,924	754,299	47.86%
Information Technology	1,338,543	664,879	49.67%	1,311,772	1,280,660	604,639	47.21%	1,360,237	624,781	45.93%
Public Works	5,498,891	2,500,057	45.46%	5,395,714	5,137,364	2,563,295	49.90%	5,152,891	2,446,609	47.48%
Fire Department	7,465,775	3,693,196	49.47%	7,316,460	7,425,903	3,655,226	49.22%	7,320,268	3,543,566	48.41%
Police Department	10,587,026	5,106,583	48.23%	10,375,285	10,312,633	5,162,420	50.06%	10,183,891	4,981,244	48.91%
Community Development	1,344,556	561,264	41.74%	1,317,665	1,301,473	593,324	45.59%	1,366,437	674,712	49.38%
Library	1,256,520	575,049	45.77%	1,241,190	1,284,083	663,497	51.67%	1,275,554	670,475	52.56%
Recreation	5,969,515	2,692,818	45.11%	5,850,125	5,811,809	2,752,525	47.36%	5,727,968	2,773,934	48.43%
Debt Service	2,075,204	1,563,998	75.37%	2,112,848	1,860,827	1,364,429	73.32%	1,805,208	1,348,683	74.71%
Contingency	90,000	91,850	102.06%	110,000	48,139	6,563	13.63%	160,578	39,601	24.66%
Total Expenditures	40,430,513	19,555,352	48.37%	39,741,372	38,901,342	19,534,238	50.21%	38,997,977	19,351,195	49.62%
Excess revenues over (under) expenditures	(3,006,408)	(234,487)	7.80%	(1,469,898)	(2,186,888)	(876,441)		(2,531,088)	(483,241)	
Net transfers in (out)	2,519,204	1,612,238	64.00%	2,167,815	1,446,610	1,134,433	78.42%	663,282	3,682	0.56%
Total Fund Balance	\$ 7,670,310	\$ 9,872,430	128.71%	\$ 9,192,596	\$ 8,494,679	\$ 9,492,949	111.75%	\$ 9,234,957	\$ 10,623,204	115.03%

Fund Balance Analysis

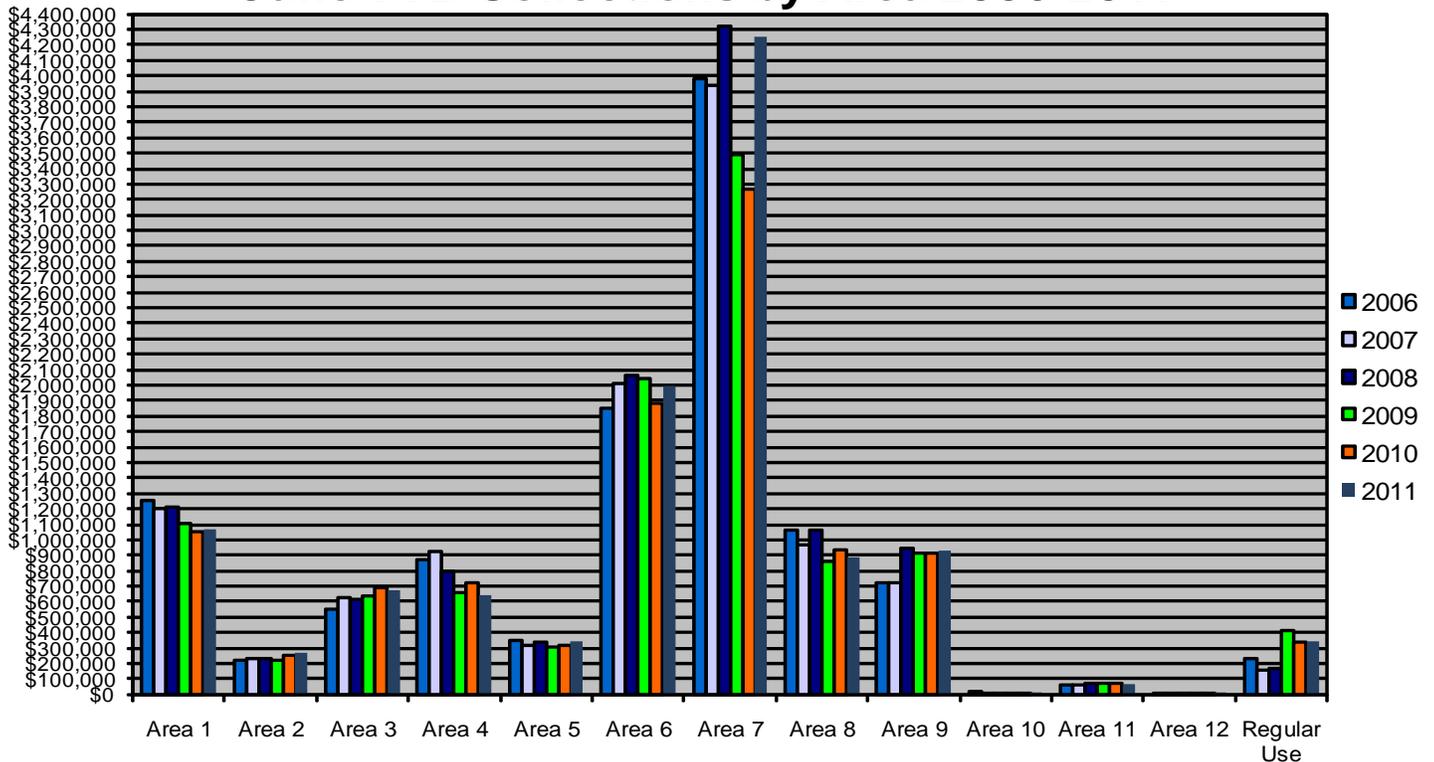
Total Fund Balance	\$ 7,670,310	\$ 9,872,430	\$ 9,192,596	\$ 8,494,679	\$ 9,234,957
Reserves/designations:					
-Emergencies (TABOR)	1,170,000	1,150,000	1,150,000	1,150,000	1,170,000
-LTAR	2,713,467	2,096,094	2,713,467	2,130,520	3,131,980
-MOA	-	-	-	-	39,200
-COPS Grant	298,512	298,512	298,512	298,512	-
Unreserved/undesignated Fund Balance	\$ 3,488,331	\$ 6,327,824	\$ 5,030,617	\$ 4,915,647	\$ 4,893,777
Potential reserves/designated Fund Balance	\$ 3,488,331	\$ 6,327,824	\$ 5,030,617	\$ 4,915,647	\$ 4,893,777
As a percentage of projected revenues	9.11%	13.14%	13.39%	13.42%	
As a percentage of budgeted revenues	9.32%	13.44%			
Target	3,742,411	-	5,613,616		

Sales & Use Tax Collections Year-to-Date Comparison for the month of June 2011

Cash Basis

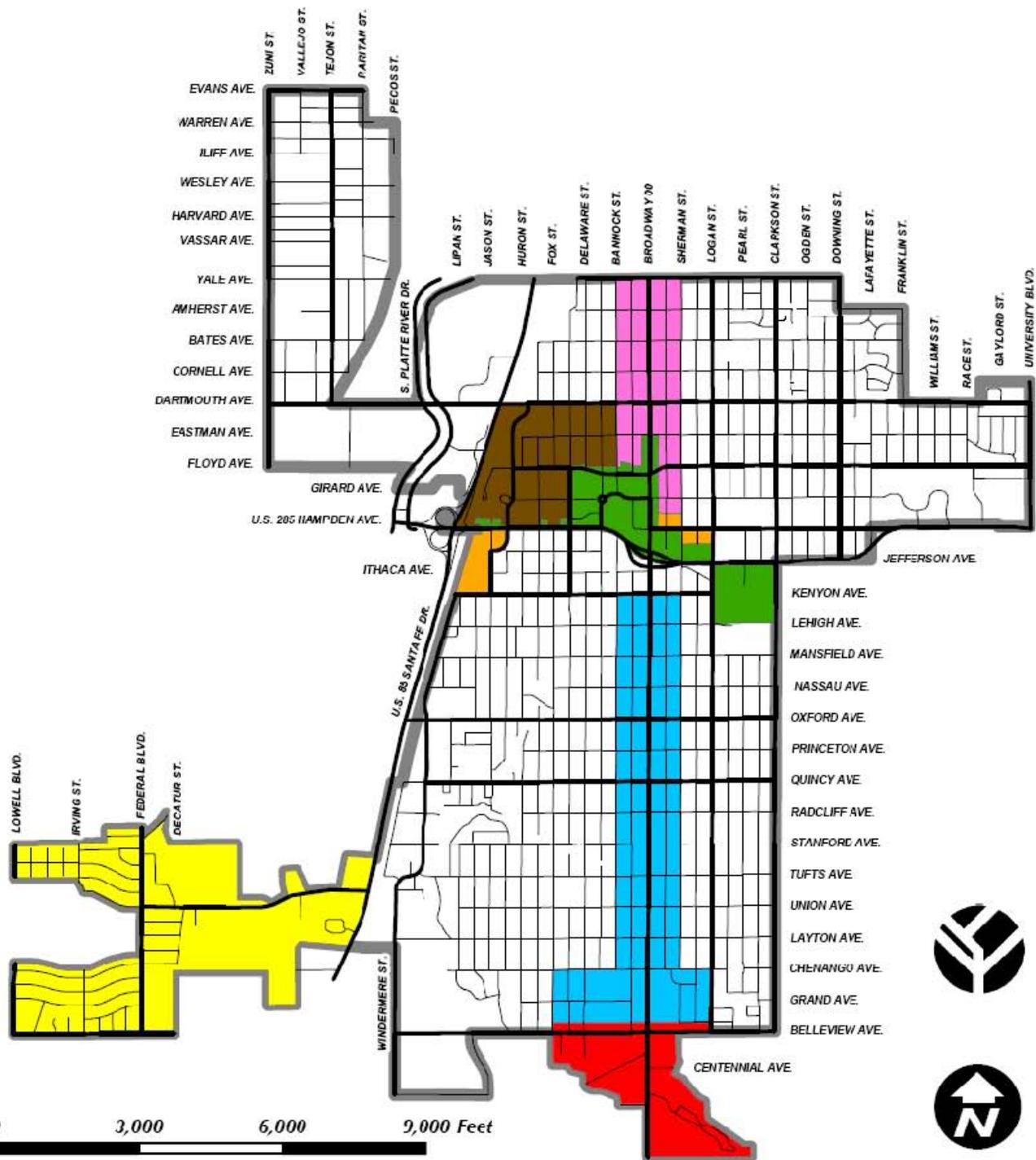
	2006	% Change	2007	% Change	2008	% Change	2009	% Change	2010	% Change	2011	% Change
Area 1	1,251,217	1.17%	1,206,657	-3.56%	1,208,474	0.15%	1,110,619	-7.96%	1,054,220	-12.76%	1,065,451	1.07%
Area 2	222,904	-4.98%	231,034	3.65%	228,876	-0.93%	225,204	-2.52%	249,387	8.96%	267,011	7.07%
Area 3	551,676	-7.22%	621,650	12.68%	620,344	-0.21%	634,781	2.11%	693,456	11.79%	676,579	-2.43%
Area 4	867,156	3.69%	919,364	6.02%	801,521	-12.82%	655,073	-28.75%	727,158	-9.28%	639,936	-11.99%
Area 5	345,884	-5.07%	319,125	-7.74%	339,295	6.32%	310,063	-2.84%	321,928	-5.12%	349,101	8.44%
Area 6	1,854,490	7.99%	2,013,915	8.60%	2,059,234	2.25%	2,042,041	1.40%	1,885,567	-8.43%	1,997,244	5.92%
Area 7	3,979,087	-1.84%	3,935,431	-1.10%	4,318,009	9.72%	3,494,717	-11.20%	3,263,890	-24.41%	4,257,532	30.44%
Area 8	1,061,016	10.56%	963,214	-9.22%	1,064,030	10.47%	856,237	-11.11%	934,338	-12.19%	884,954	-5.29%
Area 9	725,669	0.00%	725,669	0.00%	946,626	30.45%	918,747	26.61%	912,699	-3.58%	935,074	2.45%
Area 10	18,832	-72.20%	12,437	-33.96%	10,862	-12.66%	9,056	-27.18%	8,404	-22.63%	16,128	91.91%
Area 11	58,239	0.00%	58,239	0.00%	73,410	26.05%	69,456	19.26%	67,287	-8.34%	68,816	2.27%
Area 12	2,116	97.20%	1,791	-15.36%	2,482	38.58%	2,459	37.28%	2,458	-0.94%	2,561	4.16%
Regular Use	234,066	93.29%	160,619	-31.38%	169,614	5.60%	408,307	154.21%	339,817	100.35%	345,189	1.58%
Total	11,172,352	1.84%	11,169,147	-0.03%	11,842,777	6.03%	10,736,758	-3.87%	10,460,612	-11.67%	11,505,576	9.99%
Refunds	66,850	11.78%	71,114	6.38%	309,764	335.59%	67,195	-78.31%	167,706	149.58%	30,670	-81.71%
Audit & Collections Revenue*	228,808	-56.14%	259,732	13.52%	327,877	26.24%	391,555	19.42%	231,472	-40.88%	144,406	-37.61%
*included Above												
Unearned Sales Tax	650,000	-7.14%	650,000	0.00%	650,000	0.00%	600,000	-7.69%	600,000	0.00%	1,150,000	91.67%
Building Use	626,049	162.28%	672,841	7.47%	450,120	-33.10%	155,362	-65.48%	221,749	42.73%	367,983	65.95%
Vehicle Use	566,286	-18.26%	710,844	25.53%	647,292	-8.94%	470,888	-27.25%	448,113	-4.84%	445,388	-0.61%

June YTD Collections by Area 2006-2011



Area Descriptions

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