



**AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
STUDY SESSION
MONDAY, SEPTEMBER 12, 2011
COMMUNITY ROOM
5:00 P.M.**

- I. **City-Wide Retail Assessment**
Community Development Director Alan White, Ford Frick and Adam Orens from BBC Consulting Group will discuss the City-Wide Retail Assessment.
- II. **Break at 6:00 p.m.**
- III. **2012 Budget Discussion - 6:15 p.m.**
City Council and staff will discuss the 2012 Budget and Capital Improvement Projects.
- IV. **City Manager's Choice**
- V. **City Attorney's Choice**
- VI. **Council Member'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.



C I T Y O F E N G L E W O O D
C O M M U N I T Y D E V E L O P M E N T

To: Mayor Woodward and City Council

Through: Gary Sears, City Manager
Alan White, Community Development Director

From: Darren Hollingsworth, Economic Development Coordinator ✕

Date: September 7, 2011

Subject: City-Wide Retail Assessment

Council Action

At the September 12 study session, representatives from BBC Research & Consulting will present the final recommendations on the City-Wide Retail Assessment. Attached is a copy of the final report that will be the basis for the conversation with the consultants.

Community Goal: Retail

Economic development efforts in Englewood have centered on supporting a healthy retail environment. Much of Englewood's revenue base is generated through sales and use tax. In looking at an economically sustainable economy, Englewood logically needs to understand and define opportunities to support a healthy business climate for retailers. Many communities along the Front Range have developed specific strategies for attracting and retaining retail. With the obvious importance of retail sales tax revenue to the City's budget, Englewood has hired BBC Consulting & Research and The Kornfeld Real Estate Group to prepare a study analyzing the what, where, and how of future retail development in Englewood. This retail assessment is a document and educational process that will be useful for finding and defining retail opportunities in the community.

The consultant has conducted a comprehensive analysis of 10 commercial districts throughout the community and has selected four (4) districts that show the greatest promise for additional development and redevelopment. In addition, the consultant provided specific tenants to target for retail attraction and identified specific strategies for retail enhancement. This process extended the initial scope of services (at no additional cost to the City of Englewood) and resulted in a more comprehensive assessment and accompanying retail strategies. This effort is intended to better position Englewood to attract new retail and development within the community.

Final Report

City Retail Analysis and Site Development Assessment



City of Englewood, Colorado



Final Report

August 26, 2011

**City Retail Analysis and Site
Development Strategy**

Prepared for

City of Englewood
Civic Center
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Englewood, CO 80110-2373

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SECTION I.
Introduction

SECTION I.

Introduction

In December 2010, BBC Research & Consulting was selected by the city of Englewood through a competitive request for proposals (RFP) process to document local retail conditions; describe local and national retailing trends; evaluate key local retail concentrations; and define centers with commercial development potential within the city.

This report is the culmination of Phase I of a two phase project. Based in part on the findings of Phase I, the city will consider pursuing a Phase II retail redevelopment plan and recruitment effort. At this time, the consultant team does not recommend that the city pursue Phase II of the study—instead the city should focus on individual opportunities presented by the private sector rather than instituting a broad citywide redevelopment plan and recruitment strategy. The city could potentially revisit Phase II of the study if broad national and regional retail market conditions improve.

Study Approach

This analytical approach accepted for this analysis focuses on four questions posed by the city:

- How would a retailer or retail center developer evaluate market opportunities in a metropolitan area and how would Englewood rate under this kind of evaluation mechanism?
- How has retailing changed since the economic downturn and what are the consequences of those changes for a community seeking to stimulate further retail growth?
- What specific retailers, or types of retailing, might be appropriate additions in this marketplace?
- What Englewood neighborhoods or current concentrations of Englewood retail show the greatest promise for further commercial expansion?

Report Organization

This report has five sections. Following this Introduction, Section I provides an analysis of the Englewood retail market and documents current retail performance trends. Section II examines national retailing trends and the characteristics of a successful retail environment. Section III assesses the development prospects of ten retail clusters in Englewood, identifying four as having the greatest growth potential. Finally Section IV examines the four selected sites in greater detail.

Report Preparation

The report was prepared by BBC Research & Consulting, a Denver Based economic research firm, and Brad Kornfeld of the Kornfeld Real Estate Group, LLC, owners and operators of commercial shopping centers.

SECTION II.
Englewood Retail Analysis

SECTION II

Englewood Retail Analysis

This section analyses Englewood's retail markets from the perspective of a new retail entrant into the area or a retail center developer.

Retail operators and developers have a set of metrics that are commonly used to evaluate a new market's prospects, including:

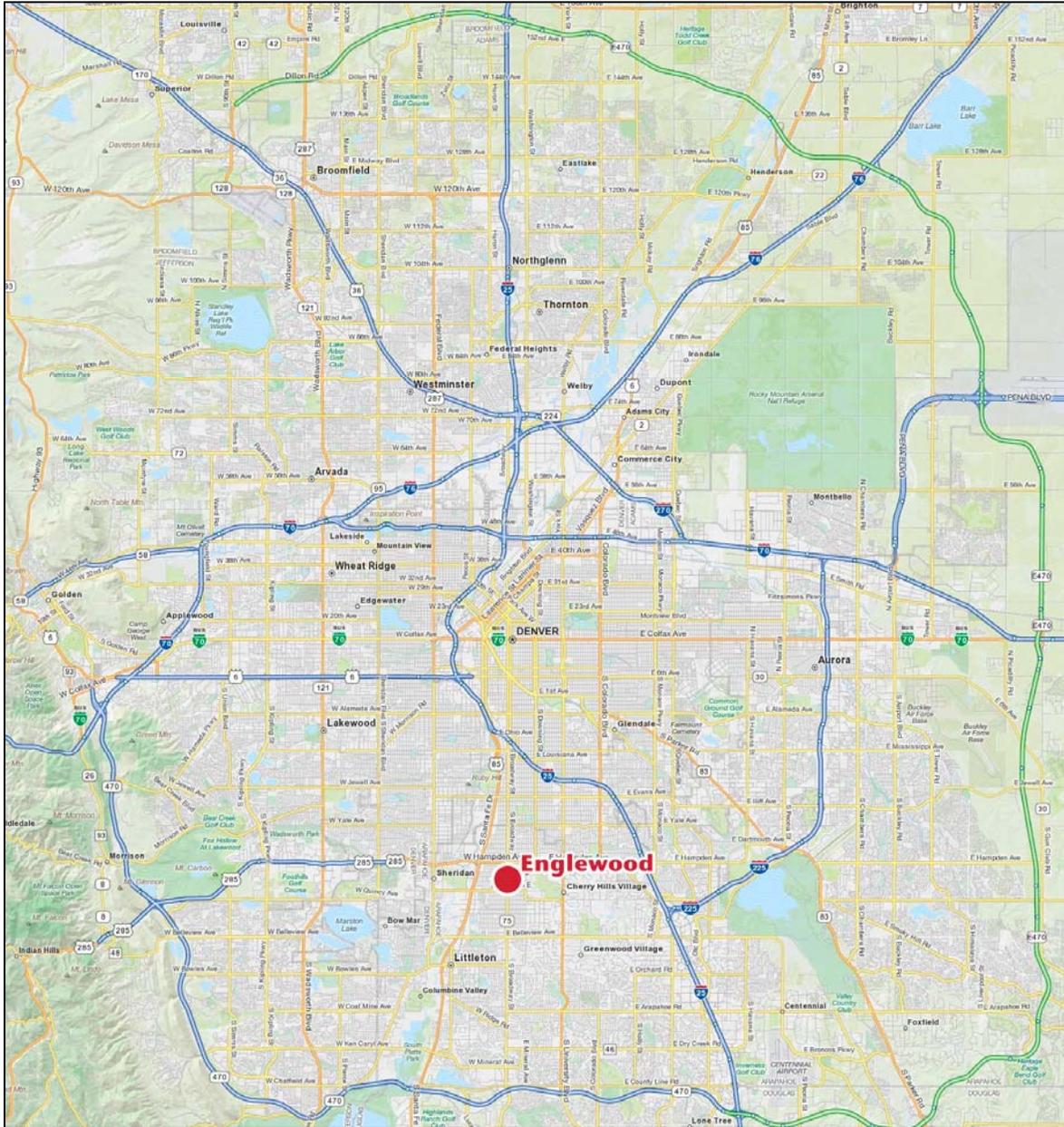
- A community's location and accessibility in relation to other surrounding communities;
- The number of households and the household incomes within the local market area;
- Residential and business growth prospects;
- The location and nature of competitive influences;
- Recent retail performance and local retail sales trends; and
- The availability of suitable development or store sites.

For a national retailer, the location of other outlets of the same or similar stores, the location of specific competitors and corporate philosophy about location strategy may also influence a siting decision. Often corporate financial strategies, for instance a decision to reduce capital expenditures or to pursue market share in a specific area, may override market conditions.

Englewood Demographics

The city of Englewood lies southwest of the city of Denver in the metropolitan area's first tier of inner-ring of suburbs. Englewood is one of a few "first-tier suburbs" and it grew rapidly during the post World War II era, but is now somewhat constrained by the more recent outer ring of suburban community growth. The majority of Englewood's growth occurred in the period between 1948 and 1965. Englewood's location in relationship to the larger Denver Metropolitan Area is shown in Figure II-1.

**Figure II-1.
Englewood and the Denver Metropolitan Area**

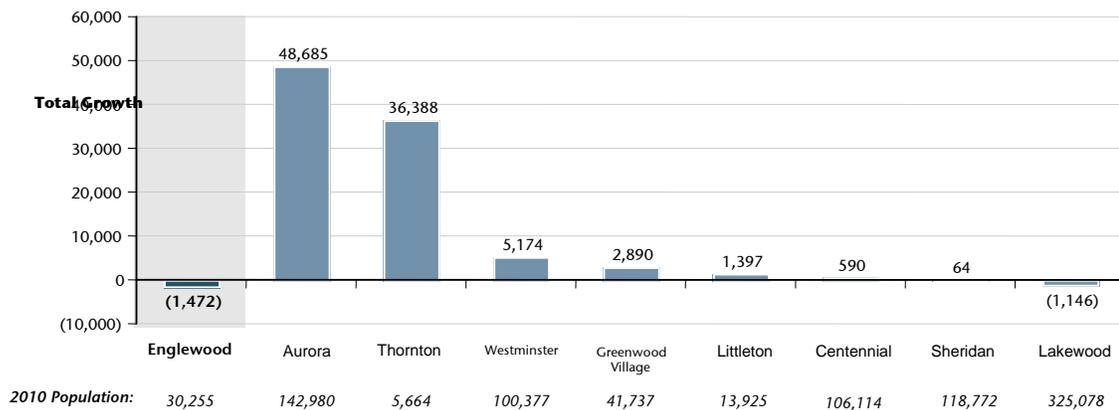


Source: MapQuest and BBC Research & Consulting, 2011.

For many years, Englewood was home to the Denver area's most successful shopping center, Cinderella City, which opened in 1968, as the largest enclosed shopping mall west of the Mississippi River. Over the next 30 years, housing growth and thus retail markets continued to migrate south, and the city encouraged demolition of the older mall and development of a transit-orientated, mixed use, City Center project, which also houses retail, apartments, and the Englewood Civic Center.

Population. Englewood is home to approximately 30,255 residents. As shown in Figure II-2 most Denver area first tier communities have grown very little in recent years. Aurora is an exception to this pattern because there are no physical growth constraints on its eastern and southern boundaries.

**Figure II-2.
Population Change, 2000 to 2010**



Note: Centennial population change based on the interval between 2003 and 2010. Centennial was not incorporated as of 2000.

Source: U.S. Census Bureau; Colorado Department of Local Affairs, Claritas.

Communities immediately adjacent to Englewood, including Sheridan, Greenwood Village, Lakewood and Littleton, have shown a similar modest loss of residents, slow growth or no-growth patterns. The absence of population growth and the maturity of the community’s built environment will be a constraining issue for new retailers.

Household income. Englewood has relatively modest average household income but the larger retail market area incorporates Cherry Hills Village and Greenwood Village and surrounding areas, which enhance the size and value of the retail marketplace.

In 2010, Englewood had a median household income of about \$44,000. The modest household income level is a barrier for some retailers but, as described below, *most retailers will look beyond immediate community households in a trade area* to better understand what broader markets are served by the community’s commercial base. Englewood’s retail sales data suggest that *local retailers serve a larger market than just the Englewood community.*

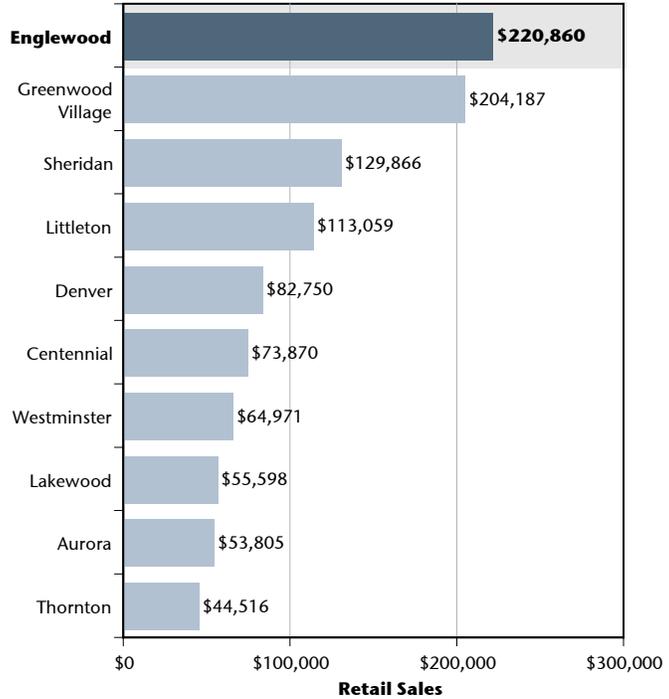
Englewood Retail Sales Performance

Retail tenants considering a new location will always evaluate the performance of other stores and retail centers as an indication of their prospects.

Retail sales. In contrast to the community’s household income data, Englewood enjoys the highest per household retail sales performance in the Denver Metropolitan area. These data include sales that occur outside of the city boundaries but are designated to Englewood because of location of deliveries, or because of variations between zip code designations and city boundaries.

**Figure II-3.
Retail Sales Per
Household, 2009**

Source:
Colorado Department of Local Affairs,
Colorado Department of Revenue.

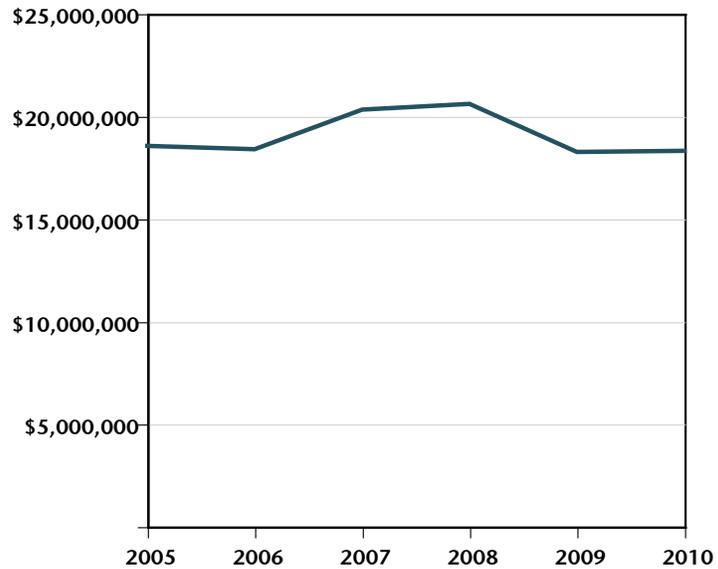


Englewood collected over \$220,000 per household in retail sales as defined by the Colorado Department of Revenue, indicating that the community draws a large share of its sales from sources outside the city boundaries.

Retail trends. Englewood has also weathered the economic downturn quite well, indicating notable economic and retail resiliency. Total retail sales tax collections in 2010 were just slightly below 2005 levels. These data include sales that occur outside of the city boundaries but are directed to Englewood because of location of deliveries.

**Figure II-4.
Total Sales Tax Revenue,
City of Englewood, 2005-2010**

Source:
City of Englewood.

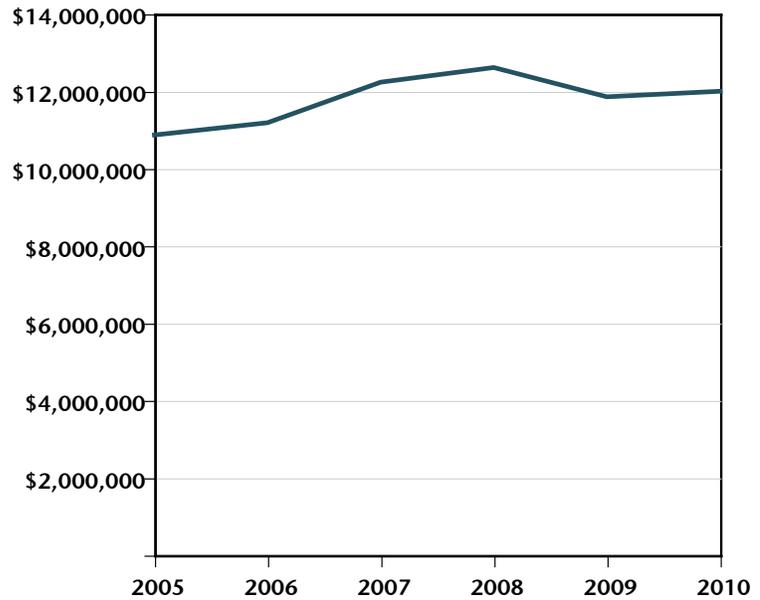


First quarter data for 2011 suggests a continuation of 2010 performance levels. Retailers will take note of Englewood’s retail stability as evidence of stability in a down market.

Inside city sales, which exclude outside community retail sales allocations, are about 60 percent of total city retail sales. Inside sales have grown faster than total sales over the past five years with 2010 sales exceeding 2005 sales by about 10 percent.

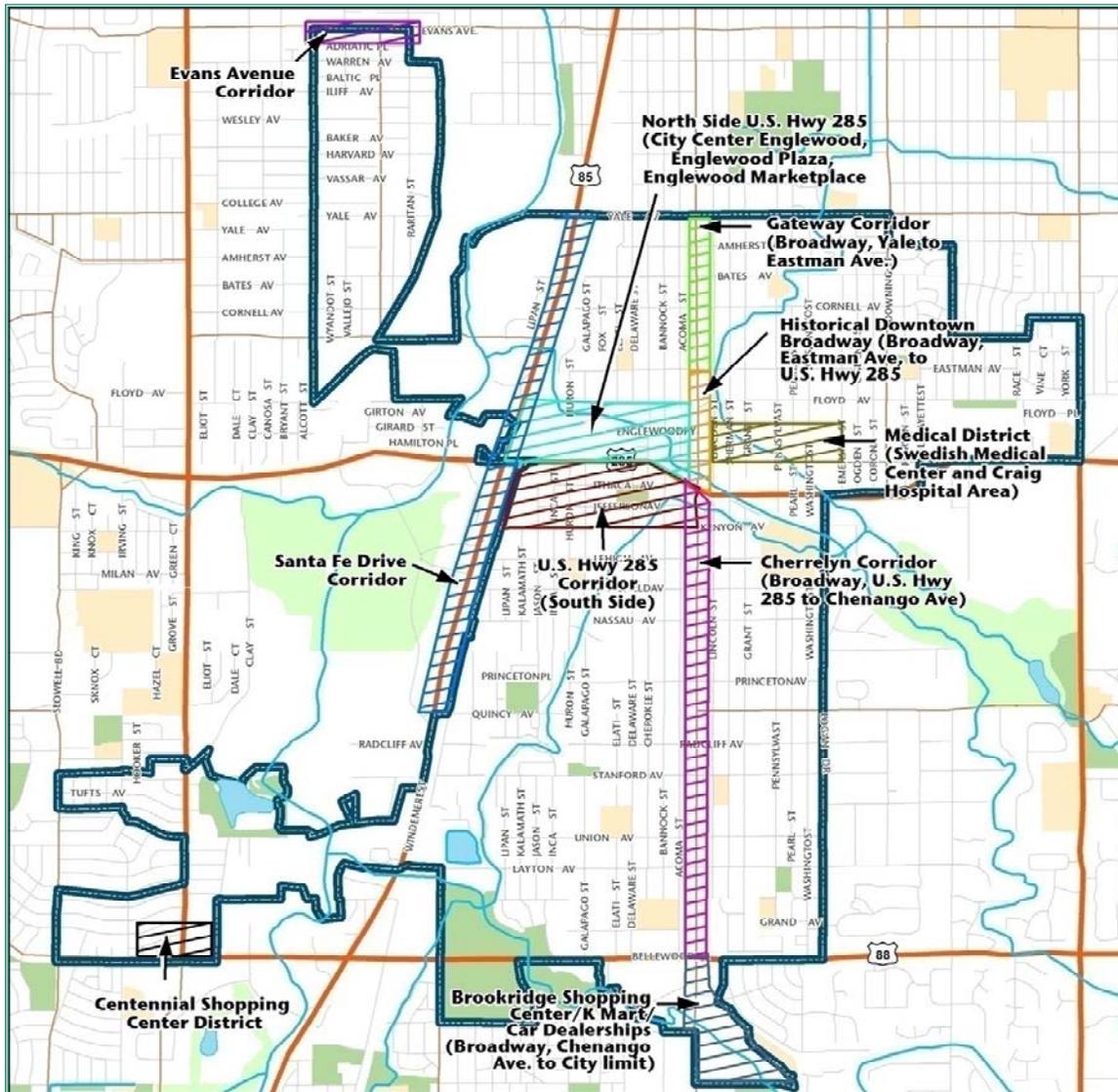
Figure II-5.
“Inside City” Sales Tax,
City of Englewood,
2005-2010

Source:
BBC Research & Consulting



Retail concentrations. Englewood presents a wide variety of shopping locations and formats. Exhibit II-6 shows the location of key retail corridors and concentrations within the community. The retail study sites are a mix of established retailing areas and potential redevelopment sites, all located along major transportation corridors in Englewood. The study sites are shown in Figure II-7.

**Figure II-6.
Englewood Retail Concentrations**



Source: City of Englewood; BBC Research & Consulting.

Location specific sales. As noted below in Exhibit II-7, there has been considerable variation in how retail centers in differing parts of the city have performed in recent years. The City Center, Englewood’s largest retail concentration, witnessed a small decline in sales between 2005 and 2010. Downtown Englewood, which incorporates portions of Broadway and adjacent commercial, grew sales by over \$1.0 million, although a share of this growth likely included the discontinuation of the urban renewal allocation (EURA), and not real sales expansion.

Figure II-7.
Change in Sales Tax, by Area, 2005 to 2010



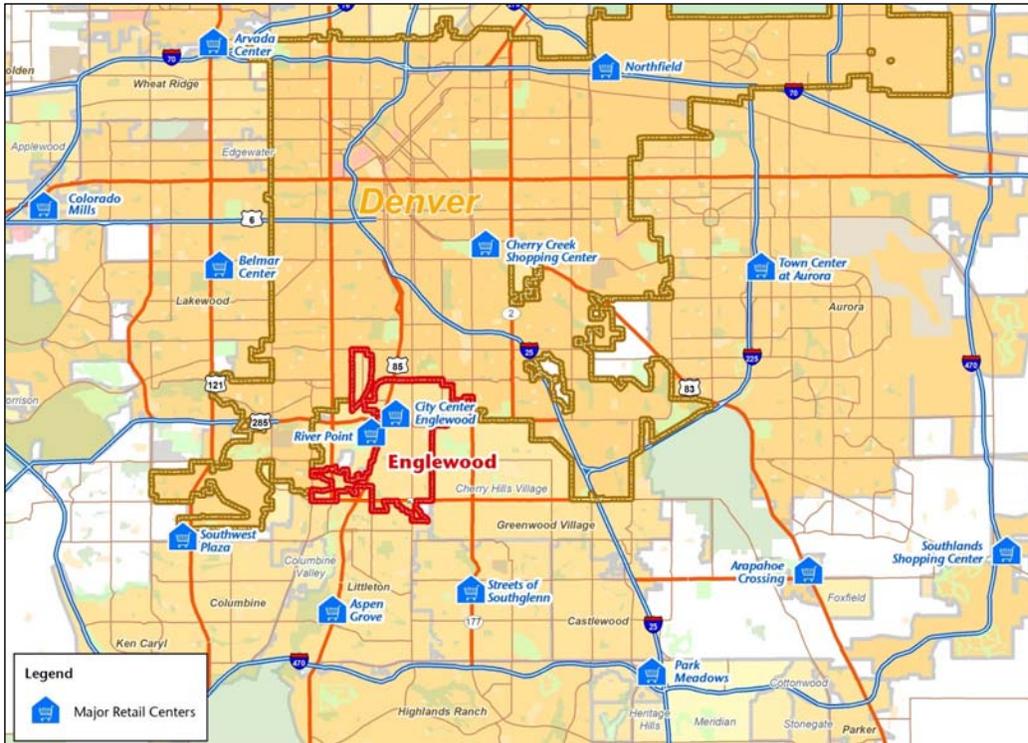
Source: City of Englewood.

Sales occurring outside of the community, or by delivery to residents within Englewood, demonstrated the largest sales drop.

Competition

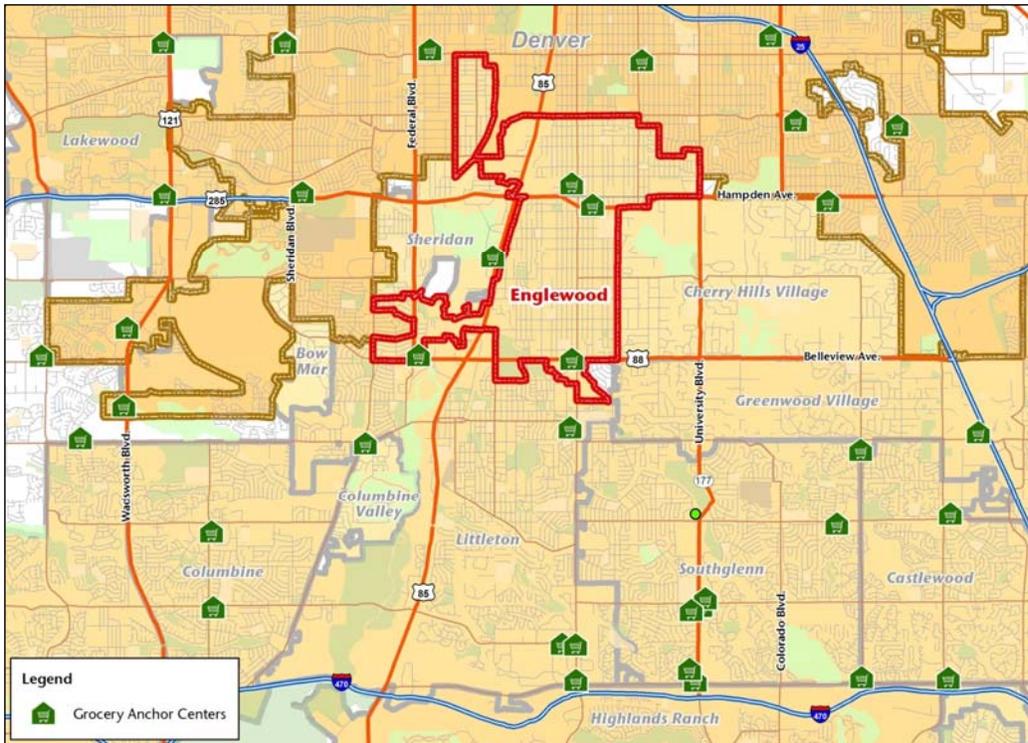
Englewood and the adjacent market areas are well served, meaning that residents have a wide variety of retail options in a reasonable driving distance. Figure II-8 and II-9 show the location of major centers around the southwestern Denver market.

**Figure II-8.
Regional Shopping Centers**



Note: Mature area means new retailers have to break existing patterns.
Source: BBC, 2011

**Figure II-9.
Grocery-anchored Centers**



Source: BBC, 2011

A national retailer or a developer will note that the area is well served. Given the absence of large undeveloped areas in Englewood, and the large number of regional and grocery anchored centers in close proximity to the community there does not appear to be a major shopping center redevelopment opportunity. The slow absorption within the River Point Center, which is just west of Englewood's boundary, is evidence that even popular big box stores are struggling to meet performance expectations. These market characteristics will generally not deter smaller, local retailers and entrepreneurs who often rely on the uniqueness of their businesses to draw customers.

Market conditions and retail performance summary.

The Data presented here on Englewood's retail and demographic trends support certain conclusions:

- Englewood is a moderate income community of about 30,255 residents. There has been no household growth in recent years, largely because the community has very little undeveloped land and no locations where it can expand. Englewood's population decreased by 4 percent between 2000 and 2010.
- Englewood enjoys very high sales tax per household, perhaps indicating that local retailers draw business from outside the community.
- The city benefits from an allocation of sales tax revenue produced by transactions that occur outside city boundaries. Nevertheless, the city's "in-city" sales growth has been its faster growing segment in recent years.

SECTION III.
Retail Industry National Trends

SECTION III.

Retail Industry National Trends

Retailer decisions about where and when to open new locations are not based entirely on local market conditions. The condition of the national economy, the financial health of individual retailers, strategic positioning against competition and the ability of shopping center developers to provide appropriate space, all contribute to a retailer's decision about expansion and location.

This section offers observations about these larger retailing economic considerations as they relate to Englewood's near term strategies for attracting new retail development.

The National Economy and Retailing

The national retail landscape has changed significantly over the past three to four years, concurrent with the national economic downturn. The commercial real estate industry is experiencing what appears to be a long term shift in how retailers evaluate expansion; how they engage with shopping center developers and operators; and what operating conditions are expected when considering new retail additions.

Over building. The recent recession and financial downturn decimated the retail industry, in part because retailing and retail development shared the same unsustainable exuberance that characterized other forms of real estate development. As a result of the recent downturn, many notable retailers, caught in the process of expanding under considerable financial leverage, went out of business. This includes notable retailers that are no longer operating, or are operating under radically changed circumstances, including Circuit City, Linens N Things, Ultimate Electronics and Blockbuster. Other retailers experienced steep declines in sales and closed hundreds of stores in order to survive. Starbucks, for example, not only closed many stores around the country, but also stopped opening new locations and reformatted menus to offer lower priced items and minimize per capita sales losses. The "new" retail landscape is comprised of fewer retailers in each category. Those who remain continue to manage costs in order to survive. Survival, not expansion, remains the theme of the day, although hopefully soon some of the stronger retailers will try to take market share and re-initiate aggressive expansion efforts.

There is evidence of retail space oversupply in Englewood. A recent data analysis conducted by city Economic Development staff indicated that Englewood contains 82 square feet of retail per capita. This figure is significantly higher than the Denver Metro Area average (50 square feet per capita) and the national average (24 square feet per capita).¹

¹ Source: City of Englewood and CoStar Realty Information, Inc., July 2011.

New store size. In addition to fewer retailers competing in the marketplace, retailers that continue to serve the public are often doing so with less square footage. PetSmart and Office Depot, for example, have downsized many of their locations, reducing their standard formats by 10,000 or 15,000 SF. Owners of “big box” retail buildings are finding it difficult to re-lease these buildings to new tenants, and when they can re-lease, they are often required to sub-divide the space. Many big box developments now have two stores operating in a space that used to be occupied by one.

At the same time, some of the very largest retailers, such as Costco, Target and Wal-Mart are promoting superstores—their largest format option. These stores can wreck havoc with other older centers that have a collection smaller tenants, which now must compete with these well financed and aggressive superstores.

On-line sales. Although it has taken longer than many observers anticipated, online sales are clearly cannibalizing local retailers. Savvy retailers that have a strong online presence are reducing their brick-and-mortar presence due to decreasing foot traffic inside their stores and the more cost effective electronic alternatives.

Financing. Financing for new stores and weak sales continue to combine to limit expansion prospects for even successful retailers. While obtaining financing in 2011 is easier than in the past year or two, it is still a barrier for many retailers. Whether it be for store construction or inventory acquisition, capital is difficult to secure as lenders tighten borrowing requirements. Many publicly-traded retailers are under pressure to maintain or improve their stock performance, and as a result are focusing on remodeling existing stores to improve same-store sales (which coincidentally tends to increase their stock price), rather than opening new locations in a weak economy. Many independent retailers are hampered by tighter lending requirements and/or the market reality that they must contribute a significant amount of their own capital to qualify for a loan. Other retailers are hindered by banks’ unwillingness to fund capital inventory purchases, and that creates problems for retailers who want to buy more merchandise, and believe they can sell it, but can’t support desired inventory levels.

Recent trends and growth prospects. In very recent months, rising energy and food prices have cut into consumer discretionary income, further pressuring retail sales. Over the past few years, as consumers cut back on retail spending, “value” retail experienced growth. Everyday needs such as haircuts, grocery shopping and fast food dining have fared well since economic downturn. For example, discount hair salons like Great Clips have experienced a prolonged period of growth as consumers stopped patronizing high-priced salons and instead turned to discount hair cutters. Similarly, fast food restaurants benefited from diners switching from sit-down restaurants like Chili’s to less expensive dining options like McDonald’s. Other QSR (quick serve restaurants—those without table service) have expanded rapidly, such as Chipotle Mexican Grill, Panera Bread, Smashburger and Garbanzo’s. The average price to feed a family of four is significantly less at these restaurants and families who want to dine out but cannot afford higher priced options have turned in large numbers to these and other restaurant concepts. Finally, dollar stores like Dollar Tree and Family Dollar as well as other value retailers like Tuesday Morning have expanded during the economic downturn as shoppers seek ways to buy more for less.

While some luxury retailers, such as Tiffany & Company, are experiencing a rebound in sales, mass market national retailers are seeing a slow recovery. These mass-market retailers are competing for shoppers with less disposable income in a more competitive retail environment. Although luxury retailers appear to be leading retail out of the recession, luxury retailers are very choosy and inflexible about location.

Project development. The balance of financial power between retailers and landlords has shifted dramatically over the past four years. Prior overbuilding of shopping centers combined with many retailers closing and fewer customers spending resulted in a steep rise in vacancy rates at shopping venues of all types. Big box retail has been hit particularly hard, but all forms of shopping centers, including enclosed malls and anchored and un-anchored strip centers, have suffered.

As the economic downturn unfolded, vacancy rates grew and the viability of some retail center owners, such as the large mall owner General Growth Properties, became increasingly uncertain. Retailers backed away from expansion plans and consolidated stores in an attempt to shore up earnings. Landlords were unable to lease retail space even though they cut rents by 33% or more. In many instances, there were simply no retailers interested in opening new stores at any price. Now, as some retailers and restaurants are again beginning to pursue grow strategies, they are in a strong negotiating position. Many retailers, who prior to the 2008 downturn would have only been able to afford “B” space, are now leasing in higher quality shopping centers because the owners have lowered rents to the same level as lower-quality, or less well situated projects. For example, Michael’s arts and crafts store relocated from a B-grade center (University Hills North) in Denver to an A-class center (University Hills—anchored by King Soopers). University Hills North now has several large spaces vacant due to closings and relocations of tenants, but the newer higher-quality University Hills remains largely full. Michael’s leased the space formerly occupied by Linens-N-Things, which went out of business nationwide.

Value retailers realize that there will be a short window of opportunity to lease space in high quality shopping centers at deep discounts, and those that are prepared to act are doing so before the spaces are gone and rents rise again. Ultimately, this transitional period could work in Englewood’s favor if additional value oriented retailers can find attractive sites in Englewood’s various retail centers.

National retailing trends as of the summer of 2011 can be summarized as follows:

- Recession reaction: *“Entire industry has changed”*
 - Oversupply of space, rents still declining
 - Corporate failures and limited liquidity
 - Financing is difficult if not impossible to find and successful retailers are holding on to cash rather than investing in growth.
 - Industry has been consolidating and contracting
 - High unemployment, high cost of living, job uncertainty thus Consumer demand is down
 - Shopping center development is not happening on any level.
 - “Amazon is the healthiest retailer” – an indication of the growing importance of online retailing.

- Shrinking big box footprint as retailers seek to reduce costs.
- Internet sales: stores as showrooms – less inventory on-site
- Non-retail uses infiltrating malls and strip centers
- Traditional retail centers and strips transitioning to multifamily residential or mixed use
- Developers: private equity and public funding more important than ever

Retail Development Formats

Individual retailers generally do not seek space on their own initiative. Brokers are retained with instructions about site preferences, or more commonly shopping center developers approach retailers directly. Most often, shopping center developers attempt to package a group of retailers into appropriate space recognizing that synergy between businesses is a critical factor in determining retail attractiveness. Generally, shopping center developers and owners specialize in certain forms of retail and over time develop relationships with the chain stores such that they can assemble a group of retailers that has proven to work well in similar past situations.

Shopping center templates. Figure III-1 shows the general categories of retail development. One initial strategy for the city of Englewood is to see if any of these templates can be accomplished in Englewood's constrained development areas.

**Figure III-1.
Shopping Center Classification**

ICSC SHOPPING CENTER CLASSIFICATIONS							
Type of Shopping Center	Concept	Sq. Ft.	Acerage	Typical Anchors		Anchor Ratio ¹	Primary Trade Area ²
				Number	Type		
MALLS							
Regional / Super Regional Center	Similar to Regional Center but has more variety and assortment	400,000–800,000+	40–120	2 or more	Full-line dept. store; jr. dept. store; mass merchant; fashion apparel	50 - 70%	5–25 miles
OPEN-AIR CENTERS							
Strip center	Convenience; specialty	20,000–80,000	2–10	x	N/A	N/A	3 miles
Grocery–anchor center	Convenience	30,000–150,000	3–15	1 or more	Supermarket	30–50%	3 miles
Community center	General Merchandise; Convenience	100,000–350,000	10–40	2 or more	Discount dept. store; supermarket; drug; home improvement	40–60%	3–6 miles
Lifestyle center	Upscale national chain specialty stores; dining and entertainment in outdoor setting	150,000–500,000	10–40	0 - 2	Large format specialty retailer; multi-plex cinema; small department store; or no anchor	0–50%	8–12 miles
Power Center	Category-dominant anchors; few small tenants	250,000–600,000	25–80	3 or more	Category killer; home improvement; dept. store; warehouse club	75–90%	5–10 miles
Theme/ Festival Center	Leisure; tourist-oriented; retail and service	80,000–250,000	5–20	N/A	Restaurants; entertainment	N/A	N/A

Notes: 1) Anchor Ratio: The share of a center's total square footage that is attributable to its anchors.

2) Primary Trade Area: The area from which 60 - 80% of the center's sales originate.

Source: International Council of Shopping Centers.

Retail clustering. Retailers tend to cluster in highly predictable patterns Shopping center templates are basically a way for aggregating retail into clusters that make sense for the consumer. Retailers do not want to be alone; they want to be in the company of other stores that help draw the appropriate customers. Certain development formats are suitable for certain types of stores and as a rule most retailers will not locate in anything but the most suitable collection of other retailers. For example, a grocery anchored center tends to use the grocery store's market attraction to support an additional amount of "in-line" convenience stores. The structure of tenant organization at an enclosed mall is another example.

Some general rules of thumb are noted below:

- Retail tends to gather in prescribed formats
- Traditional pad or inline retailers are attracted to anchored shopping centers
- Junior boxes and category killers are attracted to larger anchors
- Developers tend to specialize in the creation of certain types of shopping centers and they tend to have relationships with certain anchor tenants.
- Drive-thru sites are particularly valuable as they are increasingly scarce.

Target marketing. More recently, stores have begun to cluster around other market variables. Within a mall or center it is common to find stores clustering around demographic criteria, such as

- Teens
- Seniors
- Ethnic groups
- Lifestyles

Other stores may cluster by value, such as dollar stores or outlet stores. Fast food and casual dining tends to concentrate as well. Highly trafficked areas with good visibility are valuable sites for fast food. The quick serve or fast food lineup is changing as many of the traditional burger and chicken places are being challenged by new orientations including:

- Garbanzo
- Modmarket
- Tokyo Joe's
- Chipotle
- Panera Bread

Regardless of clustering or orientation strategy certain site fundamentals always apply:

- Convenience
- Access
- Visibility
- Parking

These observations are applied to Englewood opportunity areas in the next section.

SECTION IV.
Site Evaluations

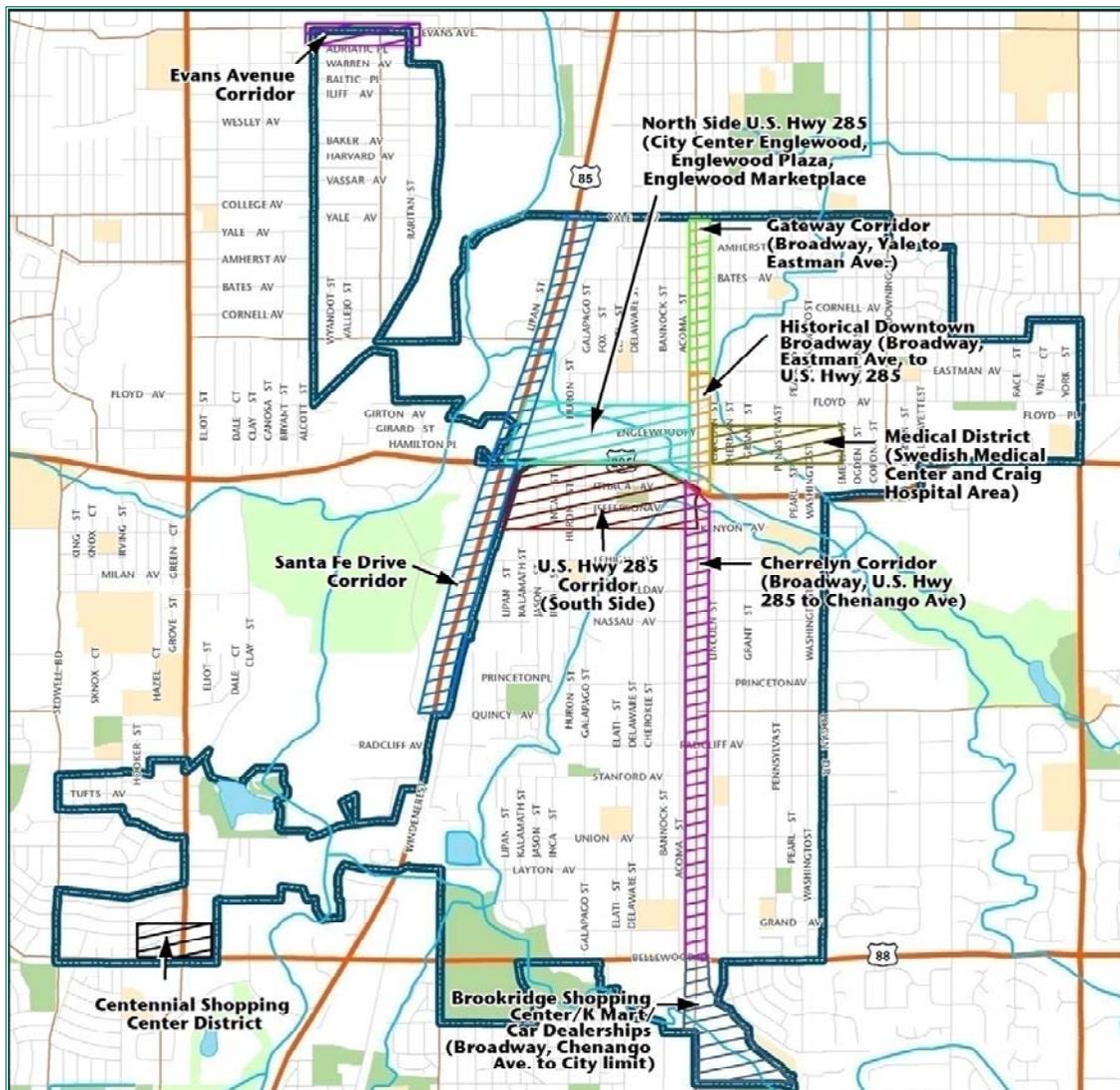
SECTION IV. Site Evaluations

In light of local market conditions and national and regional retail trends, the consultant team was asked to evaluate ten prospective retail sites in Englewood and to suggest which sites show the greatest promise for additional development or redevelopment.

Englewood Retail Study Sites

The retail study sites are a mix of established strip retailing areas and potential redevelopment sites, all located along major transportation corridors in Englewood. The study sites are shown in Exhibit IV-1.

**Figure IV-1
Englewood Retail Concentrations**



Source: City of Englewood; BBC Research & Consulting.

Characteristics of Successful Retail Sites

Retail sites must have a mix of physical and location characteristics in order to be successful. Locational characteristics such as visibility and local and regional access refer to the ease a shopper can identify and access a retail concentration by car or by foot. A prospective retail site must also have basic site requirements, such as adequate acreage, topography and utilities for development. Finally, a successful retail development must serve an appropriate market context in terms of households, income and competition. Figure IV-2 presents successful retail location, site and market characteristics.

Figure IV-2.
Characteristics of Successful Retail Sites

Category		
<i>Locational Characteristics</i>		
<input checked="" type="checkbox"/>	Visibility	→ Is the site easily seen from nearby major roadways?
<input checked="" type="checkbox"/>	Local Access	→ Can motorists and pedestrians enter and exit the site freely and directly, or is access to the property restricted and indirect?
<input checked="" type="checkbox"/>	Adjacent to Land Uses	→ Are adjacent land uses at least comparable, and hopefully complementary, with the retail development?
<input checked="" type="checkbox"/>	Regional Access	→ Can motorists easily get to this site by clear and uncongested roadways?
<i>Site Characteristics</i>		
<input checked="" type="checkbox"/>	Acreage	→ Is the parcel large enough and of the right shape to accommodate the intended development? Is it too small?
<input checked="" type="checkbox"/>	Topography	→ Is the site level and free of natural barriers (i.e.; wetlands, streams, hills), or is significant grading required?
<input checked="" type="checkbox"/>	Utilities	→ Are utilities present on the site, or can utilities easily be extended to the site?
<i>Market Characteristics</i>		
<input checked="" type="checkbox"/>	Demographics	→ Is there adequate market in terms of households and income?
<input checked="" type="checkbox"/>	Competition	→ Is there a need for more retail, or is the trade area adequately served or saturated?

Source: BBC Research & Consulting.

Few retail sites are superior in all of the above characteristics. Most successful retail sites are strong in a combination of some of the above characteristics. In practice, if a retail site is situated in an area with strong demographics and weak competition, it can overcome some disadvantageous physical attributes. If a particular retail tenant offers a unique product in a market, it may also be able to overcome unfavorable site or location attributes.

In general, retail sites in Englewood are strong on location characteristics, such as visibility, local access and regional access, and weaker in market characteristics (see Section II for a discussion of Englewood demographics). Englewood is situated at the crossroads of two major arterial roadways in the Denver metro area, Highway 285 and South Broadway, and is bounded on the west by another arterial, Santa Fe Drive, all of which supply a significant amount of regional traffic to city retail areas.

While motorists can easily identify and access Englewood retail from the arterial roadways, the immediate market area has relatively modest household income and household counts. Englewood is largely dependent on sales from consumers who work in Englewood and live elsewhere; and on sales from consumers who drive through retail areas. The immediate market area cannot support local retailers alone. There are also competitive shopping centers (e.g., River Point in Sheridan) in close proximity to Englewood's retail centers, which will also vie for traffic-dependent and local sales.

Site Analysis

The following site analysis provides the study team's evaluation of each of the ten retail sites identified by the city in the context of the successful site characteristics outlined above. Of the ten sites, the study team selected four sites for further study. The following is a description of the ten sites selected by the city and the initial assessment of strengths and challenges associated with each.

Sites Not Chosen for Further Analysis

The following six sites were not chosen for future analysis because other sites offered more favorable characteristics for potential retail success. The following provides reasoning behind why these sites were not selected as Englewood's most promising retail sites. It should be noted that the sites that were not chosen still have redevelopment potential. Many of the recommendations for the selected retail sites apply for the following sites as well.

South Side of US Highway 285

The Highway 285 south side retail area consists of the area bordering Highway 285 to the south between Santa Fe Drive and Broadway. Current retail uses in this area consist of several fast food restaurants, a sit-down steak house, several auto service establishments and other detached small format retail establishments. There is also a complement of offices and an adjacent residential neighborhood.



Strengths. Highway 285 is a major arterial road that routes a large amount of destination and pass-through traffic adjacent to the retail area. Additionally, there are two large office buildings centrally located in this retail area, which provide a daytime pedestrian market.

Challenges. Although this retail area is located adjacent to a major arterial roadway, access to the businesses from Highway 285 is often difficult when heading westbound because a landscaped median does not allow left turns at several intersections. In effect, this impedes access to the site for roughly half the driving market. Highway 285 is also very congested during peak hours, which reduces a driver's willingness to add a retail visit to his or her current trip. Particularly problematic, the parcels that front Highway 285 are relatively small and shallow and would require consolidation

to amass sufficient acreage to support a large infill retail project. The retail sites that front Highway 285 have different owners, which exacerbates difficulty in consolidation.

Cherrelyn Corridor

The Cherrelyn Corridor of South Broadway extends from Highway 285 south to Bellview Avenue. There is a diverse array of land uses along the corridor, including convenience strip retail, fast food restaurants, single family residential, motel, automotive and institutional.



Strengths. South Broadway is a major arterial road that supplies a significant amount of traffic through the retail area. Additionally, there are two large parcels that could potentially be redevelopment opportunities in the future: the Flood Middle School and the Hilltop Motel. Current land uses are low value, which could encourage consolidation.

Challenges. The parcels on either side of South Broadway in the Cherrelyn Corridor are relatively shallow and would require a significant amount of consolidation to amass enough acreage to support a large infill retail project. The parcels have many different owners, which also makes consolidation difficult for a large scale project. Current retailers include pawn shops, medicinal marijuana dispensaries, small convenience stores and other small format retailers. These retailers provide little synergy for prospective new retailers considering the area. This area of Englewood is further away from central Denver and closer to southern retail competition.

Medical District

The Medical District extends from South Broadway east to Lafayette Street along Old Hampden Avenue. Most retail in the Medical District is located immediately west of Swedish and Craig Hospitals. There is a mix of restaurants, floral shops, medical supply stores and offices in the area.



Strengths. The Medical District has potential for good daytime pedestrian traffic from hospital workers and patient families. There is opportunity for healthcare oriented businesses, medical offices

and restaurants. There is a relatively large site available for lease or redevelopment (Masonic Lodge). The small-scale nature of the existing commercial infrastructure in the Old Hampden corridor provides an opportunity for the city to partner with private owners to promote a pedestrian-oriented commercial area similar to the Denver Uptown Business District area adjacent to Saint Joseph and Saint Luke hospitals. This transition would require significant public and private investment and it is the subject of a separate evaluation commissioned by the city.

Challenges. The Medical District is not on a major arterial road and thus has less automobile traffic counts than other commercial areas in Englewood. The area's greatest strength, the hospitals, is also a challenge as the hospitals provide internal, onsite dining and gift shops. Non-hospital related traffic along Old Hampden is modest and current retailers are largely tied to hospitals activity for market support.

Santa Fe Drive Corridor

The Santa Fe Drive Corridor extends from Yale Avenue south to Chenango Avenue along Santa Fe Drive. Currently, there is virtually no retail on the Englewood (east) side of Santa Fe. Most commercial land in Englewood in this area is industrial. There is a large regional retail development on the southwest corner of the Santa Fe/Highway 285 interchange in Sheridan that competes with Englewood City Center. Other land uses on the Sheridan (west) side are generally automotive or industrial.



Strengths. Santa Fe Drive is not only a major arterial roadway but also a light rail line, making it a major multi-modal transportation corridor. Traffic counts are high and there may be potential for transit-oriented development. There are several relatively large industrial sites available for redevelopment on the Englewood side of Santa Fe Drive.

Challenges. The Englewood side of Santa Fe Drive has little to no visibility to motorists going either direction due to a raised train track that spans virtually the entire corridor and separates the roadway from adjacent parcels in Englewood. The train track not only hinders visibility but also is a physical barrier to accessing the retail sites that are tucked behind. This serves as a major deterrent to any retail development on the Englewood side of Santa Fe. In addition to visibility and access issues, the parcels on the east side are irregular in shape, which do not accommodate big box or other modern retail formats. The current industrial land uses that span the corridor on the east side provide little synergy for new retail development.

Evans Avenue Corridor

The Evans Avenue Corridor extends from Raritan Street west to Zuni Street along Evans Avenue. There is a vacant site in the retail area on the corner of Evans and Tejon that could be developed for retail. Other than that site, there is one gas station and light industrial and automotive establishments in this small area.



Strengths. There is an available vacant site that would require relatively little in demolition costs. The site is located on a peninsula of Englewood that is surrounded on three sides by Denver. This is beneficial to Englewood because the city would capture sales from Denver while not providing municipal services for the majority of the trade area.

Challenges. The area has a relatively small amount of residential land use, which makes for a challenging retailing environment. Most adjacent and proximate land is light industrial which provides little synergy for new retail development.

Promising Retail Sites

The following four retail sites were chosen for further analysis as the city's more promising retail sites for additional investment or redevelopment because they show stronger retail success characteristics. The selected sites are:

- City Center Englewood
- Centennial Shopping Center
- Broadway – Gateway & Downtown
- Brookridge Area

The study team combined the Broadway Gateway and Downtown Broadway sites identified by the city into one site, as they both present similar opportunities and challenges. The following provides an explanation for why these sites were chosen as Englewood's most promising retail sites. The following section (Section V) provides additional data and analysis of these sites.

City Center—Englewood Area

The City Center retail area consists of the area bordering Highway 285 to the north between Santa Fe Drive and Broadway. City Center is a mixed use redevelopment project that includes residential, retail, office and civic land uses. Current retail uses in this area consist of several big box and junior box retailers, associated in line retail and several fast food and fast casual restaurants.



Strengths. City Center is an established shopping destination with a strong anchor in Wal-Mart. It has good vehicle access from South Broadway and Highway 285. City Center is Englewood’s premiere regional shopping destination and is home to several national retail chains in addition to Wal-Mart. The retailers in City Center benefit from onsite residential land uses.

Challenges. Although this retail area is located adjacent to two major arterial roadways, visibility from South Broadway and Highway 285 is limited, causing motorists difficulty in identifying retail offerings. City Center has a relatively new competitive regional retail center in the area, River Point in nearby Sheridan, which has caused recent erosion in sales. Congestion along Highway 285 sometimes makes accessing the site difficult.

South Broadway—Downtown and Gateway

The South Broadway retail area extends from Yale Avenue south to Highway 285 along South Broadway. Current retail uses in this area generally consist of boutique retail establishments, auto sales, a grocery anchor center and several fast food, sit down and fast casual restaurants.



Strengths. South Broadway is an established pedestrian and auto-oriented retail district in the Denver Metro Area. It benefits from high traffic counts, good visibility, ample parking and walkability. South Broadway already has a fair amount of interesting niche retailers and has recently experienced some new retail development. There are currently several development opportunities on South Broadway, including the Funtastic Fun site and a city-owned vacant parcel.

Challenges. The parcels along South Broadway are relatively small and shallow and would require a significant amount of consolidation to amass enough acreage to support a large infill retail project. The parcels have many different owners, which also makes consolidation difficult for a large scale project.

Brookridge Shopping Center Area

The Brookridge Shopping Center area consists of the intersection of South Broadway and Belleview Avenue and extends south along South Broadway to the municipal boundary. There are two large retail concentrations in the area, the Brookridge Shopping center—a non-anchored strip center with a jeweler, fast food and fast casual restaurants; and a large K-Mart with several fast food restaurants occupying pad sites. There are also several new car dealers located within the retail area.



Strengths. The Brookridge Shopping Center Area is located at the intersection of two major arterial roadways and benefits from strong traffic, easy access and good visibility. The owner of the Brookridge Shopping Center recently reinvested in façade upgrades, and has consequently attracted a few new tenants. The K-Mart site; Larry Miller Nissan site; and a former bank site present great opportunities for redevelopment as market fundamentals are strong in the area. Other auto dealership sites may provide additional redevelopment opportunities in the future.

Challenges. The Brookridge retail area is dominated by new car dealerships that are not complementary land use for retail—there is little synergy. Redevelopment of the K-Mart site could be costly if substantial demolition of the existing structure is required.

Centennial Shopping Center Area

The Centennial Shopping Center area is located on the corner of Bellevue Avenue and South Federal Boulevard. The retail area consists of one grocery anchored center.



Strengths. The site is located on a peninsula of Englewood that is surrounded on two sides by Littleton. This is beneficial to Englewood because the city captures sales from Littleton while not providing municipal services for the majority of the area. King Soopers has expressed interest in remodeling their existing store into a more modern concept. This could spur demand for additional inline retail space in the new grocery anchored center.

Challenges. The Centennial shopping center currently has high vacancy, modest value inline tenants and a grocery anchor with limited sales growth potential. The area has limited upside if the King Soopers remodel does not occur. The city does not tax unprepared food for home consumption.

Summary

In general, the study team chose the four sites listed above because they show a mix of strong locational and market characteristics. The sites are located at high-traffic intersections or along well travelled transportation corridors, allowing them to draw from a market larger than Englewood's household base. The chosen retail sites are already established in the market, and represent the most advantageous targets for city retail reinvigoration efforts. The sites were chosen also because they are different from each other—the study team chose a strip retail district, two regional shopping centers and a grocery anchored center for further study. When considered collectively, the selected retail areas represent the most promising opportunity for Englewood to strengthen and diversify its retail base.

SECTION V.
Site Analysis

SECTION V.

Site Analysis

This section offers a detailed evaluation of the four chosen sites, additional market data, and recommendations as to how the community might stimulate new retail development in these sites. This section points toward new development ideas, redevelopment concepts, potential tenants, and market development strategies. The city originally envisioned a companion study to this analysis that would further develop and refine these ideas along with a more aggressive effort to engage retailers, developers and land owners.

At this time, the consultant team does not recommend that the city pursue Phase II of the study— instead the city should focus on individual opportunities presented by the private sector rather than instituting a broad citywide redevelopment plan and recruitment strategy. The city could potentially revisit Phase II of the study if broad national and regional retail market conditions improve.

Citywide best practices. In addition to the site specific public intervention options requested by the city and presented in the following pages, the following are recommendations for citywide best practices for to encourage a healthy retailing environment:

- Continue attendance at retail-focused trainings, seminars and conferences, such as those held by the International Council of Shopping Centers, Urban Land Institute and Downtown Colorado, Inc. Explore opportunities offered by other organizations such as the National Retail Federation.
- Continue funding and administering Englewoodsites.com to provide a low-cost means for owners to showcase properties for sale or lease and to maintain an inventory of available properties for staff to use when working with retail prospects.
- Evaluate other business assistance programs to complement the city's successful Commercial Catalyst Grant Program and Englewood Small Business Development Corporation revolving loans that provide startup assistance to small independent businesses.
- Continue to engage property owners, brokers and developers to spur redevelopment and investment partnerships.
- Maintain current development review practices that offer flexibility, openness to working with developers, predictability and fast tracking of redevelopment projects.
- Continue investing in improvements to public infrastructure, parking and streetscapes.
- Evaluate retail project incentive packages on a case-by-case basis to determine costs and benefits to the city.
- Continue promoting the benefits available under the state's Enterprise Zone tax credit program.

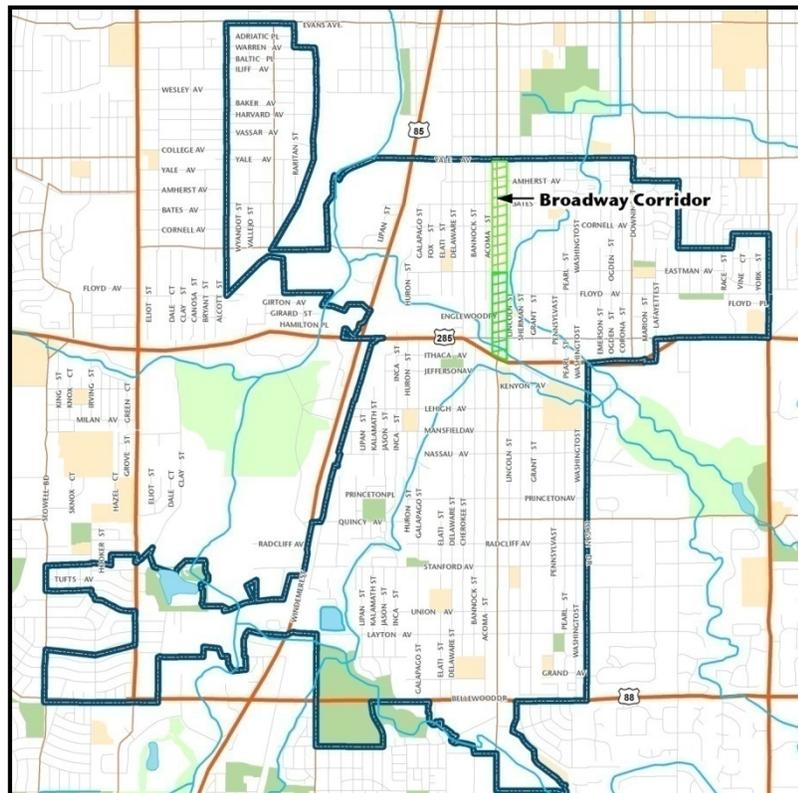
South Broadway Corridor (Yale Ave. to Hwy 285)



Description

The South Broadway retail corridor extends from Yale Avenue south to Highway 285 along South Broadway. Notable characteristics include:

- South Broadway includes the historical heart of Englewood retail. A few blocks on the southern portions of the strip have retail set against the sidewalk, which brings storefronts to the street and suggests pre World War II pedestrian orientation. The city has made some streetscape investments in this area to reinforce its iconic, pedestrian character.
- The majority of the area is a post WWII auto centric design with parking in front or on the side of small lots.
- Current tenants are a mix of boutiques, bars and restaurants, value retailers and automotive dealers.
- The existing retail is defined by small shallow lots, individual value-oriented retail and low density retail.
- The South Broadway strip in Denver, located roughly between 6th Avenue and Virginia Avenue, shows much higher levels of investment and retail health.



The South Broadway retail strip contains destination specialty boutiques, neighborhood services and local restaurants. The map below highlights the local market served by South Broadway neighborhood merchants and convenience retailers. In addition to residents in the surrounding neighborhoods, South Broadway serves high volumes of pass-through traffic travelling along Broadway and surrounding feeder roads.



- Currently, the area is best defined as an auto-centric commercial strip, containing a few destination stores, but primarily neighborhood services and auto-oriented retail. It serves auto traffic on Broadway and surrounding low density neighborhoods.
- The surrounding market is low-density and modest income. The South Broadway retailing district is currently dependent on destination shoppers from a larger geographic area and auto traffic along South Broadway.
- There are an estimated 5,700 households in the current trade area with a median household income of \$39,000; assuming households spend 33 percent of gross household income on retail goods, households in the market area spend about \$73 million on all retail purchases.
- Typical lease rates are currently: \$12 - \$16 NNN
- Vacancy: There are several vacant sites along this section of South Broadway, but vacancy is not pervasive. Currently there is the Funtastic Fun site, a recently vacated auto dealer, two recent retail redevelopment projects that are partially leased and a handful of sites near the Hampden/South Broadway interchange. BBC estimates vacancy at less than ten percent of viable space.

- Strip centers such as South Broadway are effectively incubator space for many small businesses and often subject to high business turnover. Actually, this quality is one the corridor’s major attributes, as it can serve as a relatively inexpensive site for small scale, locally owned retail.

Detailed Evaluation

The Broadway corridor offers high traffic counts, unobstructed visibility, walkability and perhaps an established presence in the Denver region. The corridor provides connectivity to Denver while also providing an opportunity for Englewood to establish a stretch of retail known more as a local and regional destination and less as a transportation corridor.

The Broadway corridor also presents some significant redevelopment challenges. Small and shallow lots limit the types of retail that can function in the area and preclude modern formats that work for most retailers. The sites can only accommodate small stores and service; never the less, this format has proven successful in many urban locations. While there are some development and redevelopment opportunities along the corridor, multiple ownership, and in some cases inactive ownership, of commercial space creates barriers for redevelopment. Large scale land acquisition is likely not an option for the city, so redevelopment will have to occur on a parcel by parcel basis.

Vital Statistics – Broadway Center

Characteristic	Rating	Comments
Availability of undeveloped or underdeveloped	+	<ul style="list-style-type: none"> • Limited undeveloped properties, but opportunities for redevelopment • Important redevelopment sites - Funtastic Fun, City property, SmartCar site
Infill opportunities	-	<ul style="list-style-type: none"> • Infill will be challenging due to fractured ownership of retail along the corridor • Large scale land assembly will be required for substantial infill redevelopment
Access and parking	±	<ul style="list-style-type: none"> • Parking is ample; however, may be a challenge if commercial activity increases • Access off Broadway is limited
Visibility	+	<ul style="list-style-type: none"> • Unobstructed visibility from road to retail along corridor • Main strength of corridor
Proximity to intersection or transportation corridor	+	<ul style="list-style-type: none"> • Broadway is one of the primary north/south local access roads in the region • Broadway/Highway 285 intersection to the south
Land ownership consolidation	-	<ul style="list-style-type: none"> • Ownership is fractured by parcel along the corridor • Parcel assembly for large redevelopment will be challenging
Current retail composition and sales trends	-	<ul style="list-style-type: none"> • Sales relatively stagnant in last 5 years • Tenant composition is limited and needs variety
Vacancy	±	<ul style="list-style-type: none"> • Moderate vacancy rates along corridor
Trade area size, character and growth trends (households and daytime markets)	+	<ul style="list-style-type: none"> • Current trade area is limited • Traffic along corridor provide opportunities for growth
Extent and nature of competitive influences	-	<ul style="list-style-type: none"> • Denver's portion of the Broadway corridor is equally as accessible and has received public and private investment for 30 years

Why is this a potential opportunity?

The Broadway corridor is one of the region's most heavily travelled north/south transportation arteries, connecting residential areas in the region's inner-ring suburbs to Denver's Central Business District. Denver's portion of the Broadway corridor has benefited from 30 years of public and private market investment. It now offers a variety of retail niches (e.g., design stores, antique stores, eclectic restaurants) mixed with multifamily residential. The Gates redevelopment just north of this site will provide an opportunity for Broadway's transformation to continue south into Englewood.

Site Vision

The key to this area is to continue the momentum of redevelopment taking place in limited portions of this strip and to the north along South Broadway in Denver. The city could build on current BID branding efforts to market South Broadway as a destination and as a distinct area of the city, and reach out to entrepreneurial (both established and emerging) businesses. Historical qualities to the buildings should be preserved. Innovative signage would be a welcome addition. Restaurants and independent retailers should be recruited, and additional events—some are already supported—that draw people to the area would enhance the ability to attract more potential shoppers to South Broadway. Sidewalks should be invigorated with inviting lighting, benches, planters etc. so to create a unified and “cared for” feel to the area. The objective is to capture vehicular traffic already passing through the area, serve neighborhood residents, and to also create enough interest to attract additional patrons to South Broadway.

Denver's success with a similar situation was predicated on multiple actions:

- Judicious use of urban renewal authority powers to create consolidated ownership, attracting new forms of retail.
- Rezoning to allow commercial uses to extend into the surrounding neighborhoods and to encourage consolidation of small parcels to create large lots
- Rezoning of adjacent areas to encourage new, higher density residential development.

Unlike the area along Broadway by the Mayan theater in Denver, Englewood's stretch of Broadway does not have a growing, diversifying and urbanizing residential base. Major redevelopment along the Broadway corridor is constrained by small, shallow lots and fractured ownership. The single most important effort the city could undertake to encourage more retail on Broadway is to encourage greater density and modernization of nearby neighborhoods.

CASE STUDY:

Improving Infrastructure and Environment – Broadway and South Pearl Corridors

What did they do? The Broadway and South Pearl Street corridors have attracted an interesting mix of retail, restaurants and services and have both become regional shopping and eating destinations in Denver.

How did it work? By focusing on improving public infrastructure and creating an inviting and cohesive feel through lighting, planters, benches, etc., both corridors provide an interesting and safe environment. Both areas benefited from increasingly diverse, well-to-do and dense residential development in adjacent neighborhoods.

Old South Pearl has a historic feel with fencing, clocks, benches and lighting:



Adding residential through mixed-use development – Colfax Corridor in Denver

What did they do? A vacant parcel was purchased by a private developer, who also organized the acquisition of adjacent homes. A mixed-use development was constructed on the site, which included first floor retail and three floors of residential.

How did it work? The project was completed through private investment. The project has helped increase occupancy and overall quality of neighboring retail. The project was made possible by new main street zoning that encourage height, density and good design. Project also helped create some visual interest in an area primarily comprised of low density retail and vacant lots.

New multifamily development with first floor retail adds variety to relatively low density area of Colfax:



Helped improve surrounding retail:



What stores might be attracted to the Broadway corridor?

The Broadway corridor is more appropriate for independent local and regional retailers than large national chains. National retailers would be more likely to favor a location in City Center over South Broadway, although not exclusively. The city may consider having a commercial broker approach independent restaurant, clothing or service retail operators in Boulder or on South Pearl St., South Gaylord St. or the Highlands in Denver to see if they would consider opening another location in the Metro Area.

In addition to recruiting independent local retailers to open additional locations, the following is a list of other appropriate retailers that are currently expanding but are under-represented in Englewood:

■ ***Fast-casual and fast food restaurants***

- Which Wich
- Garbanzo's
- Mad Greens
- Larkburger
- Abo's Pizza

■ ***Dessert specialty***

- Pinkberry
- Yogurtland
- Rocky Mountain Chocolate Factory
- Established Denver Ice Cream Shops (Sweet Action, Little Man, Liks)

■ ***Nail Salons***

- Snappy Nails
- 5th Avenue Nails

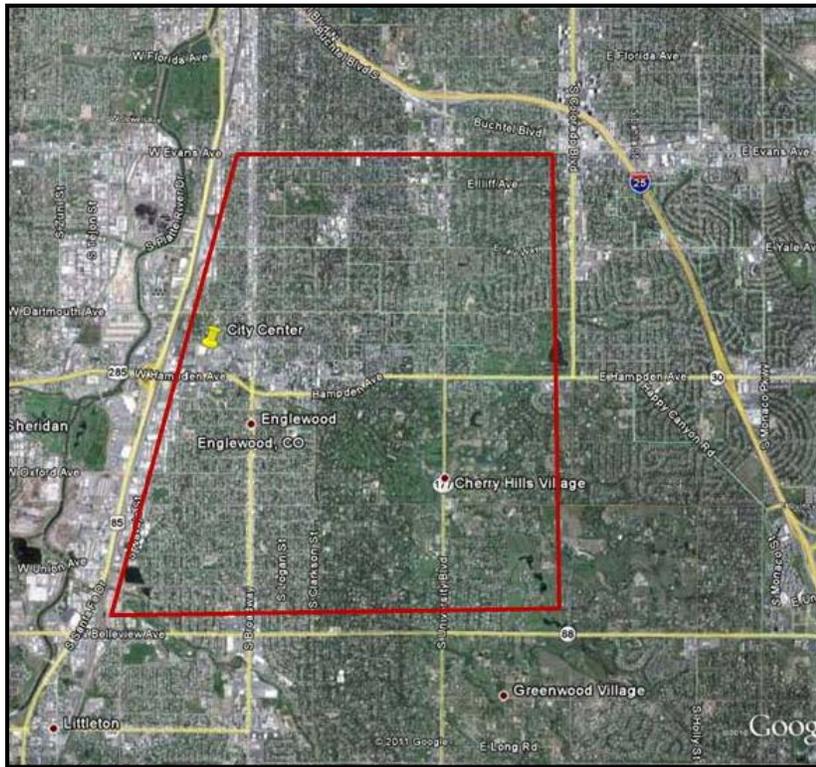
■ ***Financial services***

- Wells Fargo
- Keybank
- 1stBank
- Edward Jones

The city should evaluate the following to begin the redevelopment process of Broadway:

- Continue to engage property owners to spur redevelopment partnerships.
- Maintain awareness of general city flexibility, openness to working with developers, and fast tracking of new projects.
- Continue investing in improving public infrastructure, parking and streetscapes.
- Evaluate sales tax sharing options or other sharing agreements on a case-by-case basis to determine value to the city.
- Consider providing assistance to enhance BID effectiveness.
- Actively seek a developer for city-owned vacant parcels on South Broadway.
- Continue providing a predictable and streamlined permitting environment for redevelopment projects.
- The MU-B-1 and MU-B-2 zones on South Broadway permit residential uses. Encourage mixed use development with residential units above retail. Explore creating overlay zones to encourage varied height and density of development to create visual interest.
- Focus on tenant retention.
- Evaluate other business assistance programs to complement the city's successful Commercial Catalyst Grant Program and Englewood Small Business Development Corporation revolving loans that provide startup assistance to small independent businesses.
- Continue promoting the benefits available under the state's Enterprise Zone tax credit program.

City Center retailers offer a mix of specialty, apparel, convenience and comparative goods as well as personal care and financial services. City Center is the retail heart of Englewood and is convenient for the large residential market to the south, north and east of the site. The combination of the Platte River, Santa Fe Drive and the River Point shopping center represents a significant market barrier to the West.



- The market area, in terms of convenience and adjacency, includes affluent neighborhoods to the east and south, but the current mix of retailers does not address that upscale submarket.
- The River Point shopping area is just 1 mile away, which contains Costco and Super Target. These are two strong competitors that effectively limit City Center’s market penetration west of Santa Fe Drive.
- There are an estimated 25,900 households in the market area that could conveniently utilize this site with a median household income of \$63,000; assuming households spend 33 percent of gross household income on retail goods, households in market area spend about \$536 million annually on retail purchases.
- Typical lease rates: \$15 - \$20 NNN
- Vacancy: There are a few retail spaces vacant (3 inline spaces total) in the Big Lots- and Hobby Lobby-anchored centers at the time of publication. These centers have poor visibility to Hampden and value-oriented anchor tenants. In the current market, these are challenging spaces to fill. Vacancy is more prevalent in the small store strips further west towards Civic Center, as visibility and access are limited and the neighboring population is relatively small.

Detailed Evaluation

City Center Englewood has the designation of being one of the region's first Transit Oriented Development sites. City Center is a former redevelopment project, which carries the benefit of having solved potential land acquisition and ownership quandaries. However, the site lacks visibility from both its adjacent corridors. Visibility is particularly important given the site's proximity to River Point on Santa Fe, which not only contains two of Wal-Mart's largest competitors, Costco and Target, but also has vacancies that could attract some of City Center's current tenants.

Vital Statistics – City Center Englewood

Characteristic	Rating	Comments
Availability of undeveloped or underdeveloped	±	<ul style="list-style-type: none"> • Site recently redeveloped • May be opportunities for subdividing existing retail space
Infill opportunities	±	<ul style="list-style-type: none"> • Could introduce additional pad sites
Access and parking	+	<ul style="list-style-type: none"> • Good access from both Broadway and Highway 285 • Sufficient parking
Visibility	-	<ul style="list-style-type: none"> • Limited visibility from both Broadway and Highway 285
Proximity to intersection or transportation corridor	+	<ul style="list-style-type: none"> • Located near two major intersections: Broadway and Highway 285 • Located adjacent to light rail station
Land ownership consolidation	±	<ul style="list-style-type: none"> • Since site has recently redeveloped, land consolidation issues already solved
Current retail composition and sales trends	±	<ul style="list-style-type: none"> • Strong anchor in Walmart • Competition and vacancies in nearby River Point create challenges for City Center
Vacancy	±	<ul style="list-style-type: none"> • Strong anchor in Walmart, but some inline vacancies
Trade area size, character and growth trends (households and daytime markets)	+	<ul style="list-style-type: none"> • Relatively large trade area with unlimited potential due to light rail stop • Stable daytime market
Extent and nature of competitive influences	-	<ul style="list-style-type: none"> • Nearby River Point Shopping Center contains Costco and Super Target • Experienced recent erosion in sales due to River Point competition

Why is this a potential opportunity?

City Center has some attributes that retailers seek. It has good access from a heavily-traveled corridor; it has a residential component and benefits from ample parking. However, it faces new competition from River Point, which has created a superior market position, in terms of big box retailing. River Point has two of the strongest names in large format retail—Target and Costco. Rather than attempt to compete with River Point for big boxes, City Center should play to its strengths. If a box at City Center becomes available, consider splitting the box to accommodate smaller tenants. City Center should be more attractive to smaller tenants (1,000 SF to 10,000 SF) as it is more accessible to quick in-and-out trips than River Point. Also, many of the large format retailers are finding that their River Point stores are not performing well, so this is less of a benefit for a smaller retailer looking to siphon off some of those customers. Signage improvements together with strong and unique branding (think the “Denver” sign on the Denver Pavilions, or a marquis art piece or very tall fountain) could re-energize City Center. The objective of branding is to encourage people to think of City Center again and to make it feel like a new retail area once more.

What stores might be attracted to this location?

As mentioned above, City Center is potentially attractive to relatively smaller tenants or “junior boxes” if there is vacancy in City Center. The following is a list of appropriate retailers for City Center, in pad sites or in the boxes that are currently expanding but are under-represented in Englewood. The city should consider the current tenant mix when deciding to approach a specific tenant in the list below.

- **Large format liquor store** – consider approaching an established store in the metro area
- **Discount clothing** (TJ Maxx, Marshalls, SteinMart)
- **Specialty grocery store** (Sunflower Market, Sprouts, Vitamin Cottage)
- **Other smaller format retailers:**
 - Sunglass Hut
 - Mattress store
 - Floyd’s Barbershop
 - Specialty camera/electronics
- **Fast food or Fast casual restaurant**
 - Which Wich
 - Einstein Brothers
 - Garbanzo’s
 - Five Guys
- **Paint or Hardware store** (Sherwin Williams, or local independent operator)

Site Vision

City Center could be improved with only modest investment from the city. The city should create more publicity and interest in the site through signage and branding. The city might also consider a major re-evaluation of the project, engaging tenants, brokers and neighbors to evaluate a redesign option to physically alter the center and improve access, visibility, store alignments and overall density.

Creating Cohesion and Branding — various locations

What did they do? A number of places throughout the Denver region have created destinations from their older shopping sites, including the 16th Street Mall, Original Aurora and Cherry Creek North.

How did it work? Creating interest and publicity around sites is done through signage, public art and other simple tools to create the feeling that a location is a destination. Business Improvement Districts and common area maintenance agreements are often used to enhance public spaces.

This Denver Pavilions creates a defined place along the 16th Street Mall:



The City of Aurora has done a good job of publicizing its public art program:



Smaller Retail Sites — Colorado Blvd.

Many retailers have begun opting for smaller and more unique spaces.

These two retail sites on Colorado Blvd. house up and coming retailers, and have accommodated them by developing retail sites with small square footage and modern design:



Public Intervention Options

Englewood should consider the following steps to improve City Center:

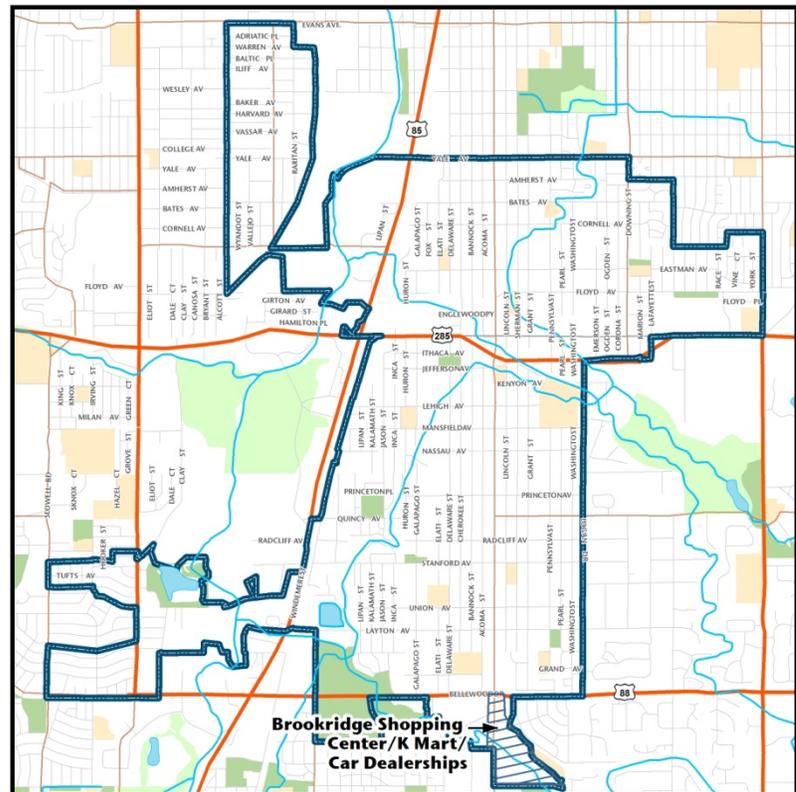
- One simple public/private intervention strategy could be to improve wayfinding signage along both Broadway and Highway 285 to draw attention to City Center.
- Consider expanding the current summer concert series and recruiting or expanding other draws such as a farmer's market or free movie night. The city could also expand its public art program to include events introducing new art.
- Continue investment in pedestrian-oriented and placemaking site improvements, such as sidewalks, monuments, public spaces and public art. The center would benefit from improved walkability and better pedestrian clarity.
- Explore ways to capitalize on the market created by transit users.
- Consider a significant investment in the center by engaging design assistance and revisiting the center's functions, access, density, and its relationship with adjacent land uses. Access, store visibility and overall "retail clarity" can improve by dramatically changing the way the Center addresses Hampden, or by modifying overall land uses and density.
- Continue promoting the benefits available under the state's Enterprise Zone tax credit program.

Brookridge Shopping Center Area

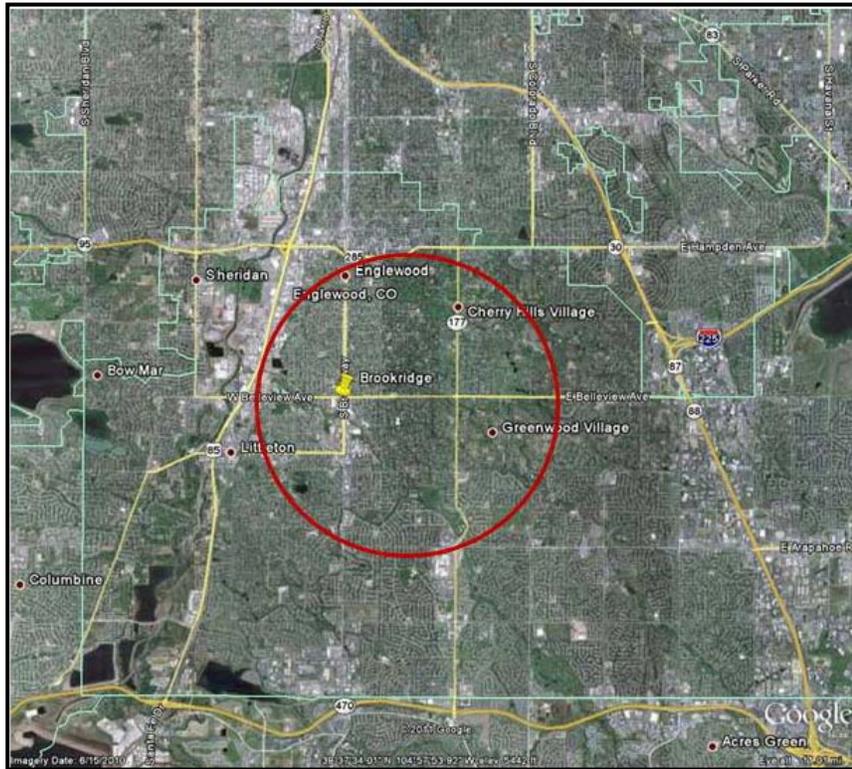


Description

The Brookridge Shopping Center area consists of the intersection of South Broadway and Bellevue Avenue and extends south along South Broadway to the municipal boundary. There are two large retail concentrations in the area, the Brookridge Shopping center—a non-anchored strip center with a jeweler, fast food and fast casual restaurants; and a large K-Mart with several fast food restaurants occupying pad sites. The retail area is also home to multiple auto dealerships.



The Brookridge shopping center area currently contains a mix of convenience and comparative retail, fast food and chain restaurants as well as auto dealerships. The retail district is surrounded by residential development, including dense multifamily immediately to the west, and affluent single family neighborhoods to the north, east and south. The market area is relatively dense and affluent, which is attractive to retailers looking for a site in the Denver Metro Area.



- Brookridge contains a relatively unconstrained market area, the only market barrier being Santa Fe Drive to the west. As such, it contains the largest market area of the sites evaluated for this study.
- There are an estimated 37,800 households in the market area with a median household income of \$73,000; assuming households spend 33 percent of gross household income on retail goods, households in market area spend about \$911 million annually on retail purchases.
- Typical lease rate: \$18 - \$24 NNN
- Vacancy: The Brookridge Shopping Center was recently renovated and vacancy is currently minimal. There is one 7,000 square foot space currently vacant in the center. There two other potential retail spaces on the market in the area—the former Wachovia bank building on the northwest corner of South Broadway and Belleview, and the Larry Miller Nissan dealership on the west side of Broadway, just north of the Belleview intersection. All other properties are currently occupied, including the Kmart site and associated pad sites.

Detailed Evaluation

The Brookridge area's greatest asset is its proximity to two major highway corridors, as well as its nearly unconstrained market area. Its access to both Denver and the southern suburbs provide an opportunity to improve the retail performance of the site, as well as to potentially add a residential component to the current retail mix.

Vital Statistics - Brookridge Shopping Center Area

Vital Statistics	Brookridge Shopping Center Area	Comments
Availability of undeveloped or underdeveloped properties	±	<ul style="list-style-type: none"> K-Mart site presents opportunity for redevelopment or opportunity to serve as new center's anchor
Infill opportunities	+	<ul style="list-style-type: none"> Potential opportunities for additional retail in Kmart parking lot Larry Miller Nissan site, Wachovia bank site
Access and parking	+	<ul style="list-style-type: none"> Good access from two major local corridors Ample parking
Visibility	+	<ul style="list-style-type: none"> Strong visibility from Broadway and Belleview
Proximity to intersection or transportation corridor	+	<ul style="list-style-type: none"> Located at intersection of two major local corridors Provides access to both Denver and DTC
Land ownership consolidation	+	<ul style="list-style-type: none"> Single owner
Current retail composition and sales trends	-	<ul style="list-style-type: none"> Despite Brookridge remodel, low performing retail mix
Vacancy	±	<ul style="list-style-type: none"> Brookridge Center has some vacancy, but major anchor site (Kmart) is still occupied
Trade area size, character and growth trends (households and daytime markets)	+	<ul style="list-style-type: none"> Large trade area driven by strong access Most spending power of all sites evaluated
Extent and nature of competitive influences	+	<ul style="list-style-type: none"> Depending on retail tenant, potential for limited competition

Assessment

Why is this a potential opportunity?

This site presents several opportunities for redevelopment. If the site at the southwest corner of Broadway and Belleview becomes vacant, the simplest way to encourage redevelopment would be to work with the owner to recruit a stronger large-format retailer, such as Target or Wal-Mart, and to make additional supporting retail available in a modern format.

Another possibility would be to divide the space into two or three retail stores, and create a mix of retailers on the site. Grocery, pet stores, office supply stores and discount retailers are all candidates. These retailers will consider other sites with greater retail synergy such as River Point and Englewood City Center, but some retailers are strong enough that they would not need to draw off other competitors' traffic. Traffic counts along Broadway and Santa Fe combined with the surrounding density would be attractive enough for them to open at the site.

The third concept is a redevelopment that would modernize the site. This option could involve dividing the K-Mart building into two or three spaces and adding retail along Belleview and Broadway. The parking field would be reduced and density on the site would be increased. New pad buildings could be single or multi-tenant and may include drive-thru facilities. Potential tenants include fast food, quick serve food, financial services, medical and traditional retail. A recent example of such a redevelopment is the former Albertsons building at Colorado Boulevard and Buchtel Blvd. (near I-25) in Denver.

There are indications that one or more car dealerships will be put on the market in the near future. Car dealership sites have relatively low redevelopment costs because a typical dealership site is mostly used for parking auto inventory. The city should encourage redevelopment of car dealerships to other uses, including grocery-anchored or other retail center, multifamily housing or some form of mixed use development.

What stores might be attracted to this location?

As mentioned above, the city may consider trying to recruit a stronger large format retailer to simply replace the existing K-Mart. Another strategy may be to divide the K-Mart into several smaller boxes. The following is a list of appropriate retailers for the K-Mart site that are currently expanding but are under-represented in Englewood.

■ *The following retailers would be appropriate for the subdivided K-Mart box:*

- Specialty Grocer: Vitamin Cottage, Sprouts or Sunflower Market
- Office Supply: Office Max, Office Depot or Staples
- National Pet Supply: PetSmart or Petco
- Discount Clothing Retailer: SteinMart, Ross, Marshalls, TJ Maxx
- National Gym Club: 24-Hour Fitness, Bally's, Gold's Gym, Planet Fitness
- Tuesday Morning

■ *The following retailers would be appropriate for a pad site:*

- Financial Services: Wells Fargo, KeyBank, 1stBank
- Traditional Fast Food: Subway, Pizza Hut, Popeye's, Chick Fil-A
- New Fast Casual Restaurant: Garbanzo's, Mad Greens, Tokyo Joe's, PeiWei, Buffalo Wild Wings
- Specialty Dessert: Pinkberry, Yogurtland, Cold Stone Creamery
- National Wireless Retailer: Verizon, AT&T

The Brookridge Shopping Center Area presents a future redevelopment opportunity for the city to modernize its retail base at an area that is close to two major corridors—Broadway and Santa Fe. The residential areas adjacent to the site provide enough density to support a variety of retail options. The overall vision of Brookridge should focus on:

- Creating a modern retail format attractive to new retailers as the center ages
- Increasing retail diversity
- Improving the anchor tenant

Division of Large Retail Site — Colorado Blvd. and Buchtel Blvd

What did they do? A former Albertsons grocery store was divided to allow for an Office Depot, Ultimate Electronics (now vacant) and Vitamin Cottage. New retail buildings were constructed on the site, and tenants now include Wells Fargo, Mad Greens, Pei Wei Asian Diner, Which Wich sandwich shop, a dentist and others.

How did it work? The site works by creating some visual interest from Colorado Blvd., not only with the retail space located close to Colorado Blvd., but also with a public art installation located at the corner of Colorado Blvd. and Buchtel Blvd., which creates cohesion among all three retail complexes located on site.

Albertson’s was divided into smaller retail sites, including a Vitamin Cottage Natural Grocers, a now vacant Ultimate Electronics and an Office Depot:



Smaller retail sites, such as Mad Greens, Verizon and Wells Fargo, are set closer to Colorado Blvd., and are visible to vehicular traffic on Colorado:



A third retail site is set further back from Colorado Blvd. and is accessible via Buchtel. The retail pad primarily includes restaurants:



An interesting visual feature at the intersection of Colorado Blvd. and Buchtel Blvd. introduce the site and has some site cohesion:



Site Redevelopment — Elitch's Redevelopment in Denver

What did they do? The vacant site in northwest Denver formerly occupied by Elitch Gardens provided an opportunity for a large-scale redevelopment. While Brookridge is not as large as the Elitch site, Elitch's provides an alternative model that could be appropriately scaled to the Brookridge site.

How did it work? Elitch's contains a mix of residential and neighborhood retail that is cohesive and succinct. Retail includes a gym, a liquor store, a grocery store, and other neighborhood amenities.

Elitch's retail visible from 38th St:



Site anchored by Sunflower Market:



Mix of neighborhood retail:



Street and sidewalk infrastructure create walkability and site cohesion:



Public Intervention Options

Englewood could stimulate redevelopment in the Brookridge Retail Area by taking the following steps:

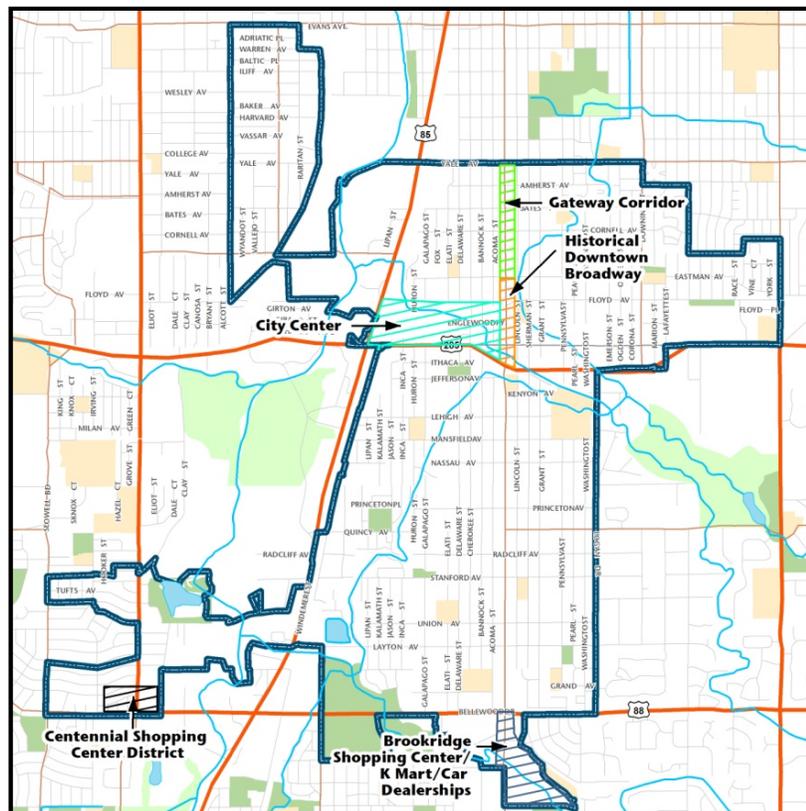
- Engage the property owner at the Kmart site to encourage modernization of the center.
- Evaluate sales tax sharing agreements if a developer proposes a mutually beneficial redevelopment project.
- Continue providing a predictable and streamlined permitting process.
- Encourage mixed-used redevelopment on the Kmart site and Larry Miller Nissan and former bank site.
- If large-scale redevelopment is desired, the city could consider establishing a new urban renewal area as a tool for redevelopment.
- Invest in public improvements in the retail district such as landscaped medians, monumentation and street lighting. This intersection is the southern entrance into Englewood and should be aesthetically enhanced like the northern gateway on South Broadway.
- Continue promoting the benefits available under the state's Enterprise Zone tax credit program.

Centennial Shopping Center Area



Description

The Centennial Shopping Center area is located on the corner of Belleview Avenue and South Federal Boulevard. The site currently anchored by King Soopers and supported with modest value inline tenants. The site is located on a peninsula of Englewood that is surrounded on two sides by Littleton. This is beneficial to Englewood because the city captures sales from Littleton while not providing municipal services for the majority of the area. King Soopers has expressed interest in building a new store with a more modern and appealing concept.



The Centennial Shopping Center Area contains one site—a King Soopers-anchored center at Belleview and Federal. The Centennial Shopping Area provides a convenient location at the intersection of two major local corridors. Furthermore, the location provides a viable grocery store option for both Englewood and Littleton residents wanting to avoid the congestion of the Santa Fe corridor. The site is currently hindered by its out-dated King Soopers store model, modest value inline tenants and high vacancy.

Vital Statistics - Centennial Shopping Center Area

Characteristic	Rating	Comments
Availability of undeveloped or underdeveloped	±	<ul style="list-style-type: none"> Potential opportunities for acquisition of adjacent properties
Infill opportunities	+	<ul style="list-style-type: none"> King Soopers has indicated a desire to renovate store and develop new model with fuel center
Access and parking	+	<ul style="list-style-type: none"> Access from both Federal and Belleview Sufficient parking
Visibility	+	<ul style="list-style-type: none"> Strong visibility from both Federal and Belleview
Proximity to intersection or transportation corridor	+	<ul style="list-style-type: none"> Located at intersection of two heavily traveled corridors
Land ownership consolidation	+	<ul style="list-style-type: none"> Single owner on the site creates no land consolidation challenges
Current retail composition and sales trends	-	<ul style="list-style-type: none"> Modest value inline tenants However, King Soopers wants to update and continue to use site
Vacancy	-	<ul style="list-style-type: none"> High inline vacancy
Trade area size, character and growth trends (households and daytime markets)	+	<ul style="list-style-type: none"> Large residential trade area
Extent and nature of competitive influences	+	<ul style="list-style-type: none"> No nearby King Soopers Competitors located further east on Santa Fe

Why is this a potential opportunity?

Market conditions are positively influencing Centennial Shopping Center. King Soopers has expressed interest in demolishing the outdated existing store and redeveloping the site with a new store and fuel center. This parcel is a strategic property for Englewood as it clearly imports sales into the city from other areas.

The existing center suffers from high vacancy, modest value inline tenants, antiquated styling and a dated grocery store. The city would benefit from a state-of-the-art grocery store and fuel center if current discussion and plans come to fruition.

Along with a new grocery store will come other ancillary retail, and occupancy and quality of the neighboring tenants should improve. King Soopers recently opened a new store in a closed Cub Foods building in Glendale, CO, and the store is performing at a significantly higher level than Cub Foods did at its peak. King Soopers remains the number one grocer in the market, and the benefits of a new store may spread to neighboring properties as well.

What stores might be attracted to this location?

King Soopers will remain the anchor tenant in this location. The following traditional inline or pad tenants at grocery-anchored centers are considered stable tenants that generate additional traffic:

- Liquor store or specialty wine shop;
- Fast food—Subway, Quiznos, Jimmy John's; Little Caesar's, Domino's;
- Quick-serve restaurants—Garbanzo, Chipotle, Tokyo Joe's
- National coffee retailer—Starbucks, Caribou Coffee
- Discount hair salon/barber—Cost Cutters, Floyd's Barbers;
- Financial services/Insurance—Edward Jones, Wells Fargo, 1stBank, State Farm; and
- Unbranded wireless retailer.

Site Vision

The market area still supports a King Soopers-anchored retail site. However, the site and the surrounding area would greatly benefit from an updated store model. The market will drive the changes to the site, and the city should offer its support to ensure this happens as quickly as possible. There may be an opportunity to incorporate a contiguous site for an expanded commercial footprint.

City Cooperation in Development of Panda Express — City of Englewood

What did they do? A Panda Express was constructed in Englewood on South Broadway. Real estate officials with Panda Express praised the city for the strong support they received when constructing their restaurant on South Broadway.

How did it work? To support the development of the restaurant, the city allowed Panda Express to install a large sign, moved a pole and assisted in other ways to ready the site for redevelopment. As a result, the store was one of the fastest constructed in the company's history, and company officials say the city's responsiveness, understanding of their brand and physical improvements contributed significantly to that achievement.



Public Intervention Options

The best strategy for the city is to allow market forces to work as efficiently and quickly as possible. The city should continue providing their streamlined approval processes, and allow King Soopers as much leeway as possible to build their premier prototype, making sure access and off-site city-controlled infrastructure is well-suited for the store.

- The city's development review and permitting process should be an attraction to the redevelopment of this site. Continue to make every effort to meet and even exceed expectations for a fast permitting and approval process.
- The city could approach the developer and suggest adding pad or inline space if the site can meet King Soopers' parking ratios and still accommodate additional retail space.
- The city should be as liberal as possible on signage for the site, potentially granting a zoning code variance if necessary.
- If deemed beneficial to the community, a sales tax sharing or other financial incentive could be considered to leverage redevelopment of the entire center, expand in-line retail space or initiate redevelopment of pad sites.
- Continue promoting the benefits available under the state's Enterprise Zone tax credit program.



City of Englewood

MEMORANDUM

TO: Mayor Woodward and Members of City Council
FROM: City Manager Gary Sears
DATE: September 8, 2011
SUBJECT: 2012 Budget Workshop on September 12, 2011

PLEASE BRING YOUR 2012 PROPOSED BUDGET

Dear Mayor and Members of the City Council,

In preparation for the upcoming Budget Workshop on September 12, 2011, I have asked City staff to review their budgets and look for various revenue and expenditure alternatives that can be considered by City Council regarding the 2012 budget. This information is in addition to the former budget summary sheets which are, again, included in your packet.

It is important to note that the proposed budget reflects the information and estimates available at the time the budget was prepared. As budget related information changes, the assumptions and budget estimates are generally adjusted during the year to reflect either major expenditure or revenue changes. For example, an adjustment to the proposed budget is the **reduction of property taxes**, which is based upon information received (August 29) from Arapahoe County. According to the County's estimate, Englewood will receive approximately \$137,000 less in property tax in 2012. This will reduce the proposed unreserved/undesignated fund balance in 2012 to **9.81%** from 10.21% (this puts the General Fund reserve \$85,000 below the amount to get to the 10% level). As City Council is aware, these types of adjustments will be made to our budget throughout the year as we receive new, critical information.

Potential Budget Alternatives

The following are items which were either not resolved or introduced at the last budget meeting. If accepted, these changes will help us meet our 10% reserve requirements. We look forward to City Council's discussion and direction regarding these and other budget related issues so the budget appropriations and mill levy bills for ordinances can be presented to City Council at the October 3, 2011 City Council meeting.

Revenue Alternatives

Some potential revenue items for City Council's consideration include:

- (1) The City's Human Resources Department just received information from CIRSA on Wednesday, August 30 that they will be extending the City's equity and loss control credits into 2012, resulting in a \$170,000 savings to the City. This is in addition to the year end 2011 fund balance of \$300,000 in the City's Risk Management Fund which was also the result of previous credits. While, in the past we have retained these funds for potential unexpected losses, Sue Eaton believes that we have adequately budgeted for potential claims and could transfer up to \$470,000 to the General Fund.
- (2) While the Finance Department has made monthly budgetary adjustments to reflect changes in the key revenue and expenditure amounts based upon the most recent information, it should be noted that the August sales tax collection continues to show a major increase in sales taxes for the City over 2010. For the month of August (which will be summarized in Frank's monthly financial report next week), the City sales tax collections are 10.85% ahead of 2010. As of the end of August 2011, sales collected were \$15,569,443, versus \$14,045,567 in 2010 and \$14,284,984 in 2009. Based upon Frank's report next week, Council could consider adjustments to our projected reserves for 2011 or 2012.
- (3) Attached is the analysis by Public Works Director Rick Kahm regarding the City's ServiCenter Fund and CERF (Capital Equipment Replace Fund). While Rick originally proposed \$300,000 of ServiCenter Funds be transferred to the CERF Fund, Rick suggests that the proposed CERF shortfall may not occur until 2014 and that we could transfer \$100,000 annually to the General Fund, ServiCenter Fund through 2013, through the revision of our policies. Rick Kahm and Pat White will be at the meeting to discuss these issues. It should be noted that the City has not yet budgeted the replacement of any of the City's fire apparatus. The City will need to continue to lease/purchase these vehicles when we are faced with replacing them.
- (4) Because of the good work of Englewood's EMRF Board, an additional lease is pending that may be signed with a new tenant at the McLellan Reservoir site in early 2012. This lease, could provide an addition 2012 lease payment in the range of \$175,000 and \$230,000, annually (escalated for inflation) thereafter to the General Fund. Currently, the City is receiving \$492,000 in EMRF lease payments to the General Fund, which is included in the 2012 budget. These are long-term leases that will be sustainable into the future.
- (5) The proposed 2012 Budget includes an increase of \$271,249 for the proposed increase of \$.43 per cubic yard deposited at the Waste Transfer Station. While this amount is based upon the increases to the cost-of-living adjustments since the fee was established in 1985 an additional \$.07 (\$.50 per cubic yard) would result in an additional \$82,554 annually, to General Fund revenues.
- (6) As a point of information, the proposed budget includes an additional \$42,000 for the removal of the sales tax vendor's fee in 2012.

Expenditure Alternatives

While most of the potential expenditure reductions have either been included in the proposed budget or are listed in the budget information in the packet, the following are additional options that Council could consider.

- (1) **Freezing open positions, or extending the time when replacements are hired** - While this could be on a case-by-case basis, certain vacancies could be reviewed by City Council, at the recommendation of staff for extensions of when these vacancies need to be filled. There are several positions in which employees have announced they will be retiring or leaving the City in early 2012 or by the end of the year (especially those in the DROP) and delays in hiring would result in savings to the budget. In some cases (police and fire positions) there are long lead times to fill the positions, which will normally result in savings to the City.
- (2) **Request funding from donors of the Art Shuttle in 2012** - In 2011, the City received \$14,500 from outside sources to help fund the Art Shuttle and we will request support from these sources again. At this time, the budget for Art Shuttle is the same as last year (\$57,456) and this is included in the Community Development budget.
- (3) **Transfer from the LTAR fund for the Catalyst Program** - The full Catalyst Program funding of \$120,000 is in the Community Development 2012 Budget. City Council could consider funding the Catalyst Program from another source (LTAR) or reduce the funding of the Program or drop the Program for 2012.
- (4) **Reduction in hours** - As stated by several department directors, they would like to see an increase in hours not a decrease.
- (5) **Furlough Days** - The current budget reflects two furlough days in 2012, resulting in \$90,000 per day to the General Fund. It should be noted that while the continuation of furlough days into 2012 is not a subject for collective bargaining, the 2012 approved pay increases and employee concessions will be impacted negatively by the continuation of furlough day pay reductions.
- (6) **Personnel Reductions (Layoffs)** - Depending upon the position and the resulting reduction of service, City Council consider personnel layoffs or eliminating one or more City services.

There may be additional expenditure reductions that can be considered by City Council. We look forward to discussing these options and City Council's direction in order to include any agreed upon changes prior to finalizing the 2012 Budget Ordinance.

We look forward to seeing you at the **Budget Workshop of September 12, 2011.**

PLEASE BRING YOUR 2012 PROPOSED BUDGET BOOK!!

Cc: City Attorney Dan Brotzman
Departmental Directors



M E M O R A N D U M
C O M M U N I T Y D E V E L O P M E N T

TO: Gary Sears, City Manager ✓
FROM: Alan White, Community Development Director ✓
DATE: September 7, 2011
RE: Art Shuttle Cost Update

Since our last study session with Council concerning the 2012 Budget, we have received new information about the cost of the Art Shuttle for next year.

RTD staff has indicated that the budget for the Shuttle has been approved and Englewood's share for 2012 is likely to be the same as 2011 at \$57,456. The actual amount will be determined by a rider survey taken in mid-October.

RTD staff did say that the Shuttle was one of the only services that has not been affected by budget cuts for the past two years, but if additional reductions for 2012 are needed, the Shuttle is a potential area where reductions could occur.

MEMORANDUM

TO: Gary Sears, City Manager

FROM: Rick Kahm, Director of Public Works

DATE: September 1, 2011

SUBJECT: SERVICENTER AND CERF FUNDING

Servicenter management staff and I have analyzed these funds over the past several years. The transferring of funds from these two accounts to the General fund, totaling \$3,115,358 between the years of 2002 and 2011, was accomplished with a full understanding of the impacts on this internal service fund. They were anticipated to be, and have proven to be, minimal.

As we continued to look several years into the future, with our ever changing economy and demands, it became apparent that the CERF fund will experience a funding shortfall in 2014. Our most recent projection, attached, would estimate the funding deficiency at \$344,758 in the CERF fund for 2014 (much lower than an earlier projection).

On a parallel track, we have reviewed the Servicenter Fund, and believe that its current revolving fund balance of approximately \$800,000 could comfortably be reduced to about \$500,000. This would still provide the operating funding required for the overall Servicenter operation. The idea of moving \$300,000 from the Servicenter fund to the CERF fund came from this analysis.

The attached 5-year CERF funding projection demonstrates that a \$600,000 transfer from the Servicenter fund in years 2011 through 2014 would avoid the currently anticipated shortfall of \$344,758 in 2014. However, I see no reason that the proposed \$100,000 per year transfer can't be continued in 2015 and beyond. If any or all of the proposed \$300,000 transfer went somewhere else, say the General Fund, the fund balances in the CERF for years 2011 through 2015 would just be lowered accordingly; i.e. a reduction of the \$300,000 in 2011 to \$150,000, and the inclusion of \$100,000 in 2015, would still leave a fund balance at the end of 2015 at \$138,648.

Additionally, we anticipate an increase in our loaded shop rate for 2013 and beyond to better reflect the cost of doing business, while remaining competitive with the outside market.

/lw

Attach.



C I T Y O F E N G L E W O O D
D E P A R T M E N T O F P U B L I C W O R K S
S E R V I C E N T E R

To: Rick Kahm, Director of Public Works
From: Pat White, Servicer Fleet Manager
Date: September 1, 2011
Subject: Servicer Fund

Attached is an estimated fund balance sheet for the Servicer Fund. Included in this estimate is the transfer of \$100,000.00 to the General Fund for budget year 2011. In addition to this is the proposed fund transfer of \$300,000 to the CERF Fund. This transfer would bring the Servicer Fund balance to an estimate of \$500,846.00. As the Servicer is self supporting, this should be the absolute minimum fund balance retained. This provides a reserve for parts and fuel purchases, unexpected repair issues for the Servicer facility, and capital projects that require additional funding.

The Servicer Fund has been able to provide a revenue source to provide relief for the General Fund shortfalls that have occurred. The outside maintenance contracts (Sheridan and Cherry Hills) and direct charges have made this possible. In addition to these contracts, prudent expenditures and collaboration of user departments have provided an efficient model of management.

The rates charged to user departments for vehicle maintenance have remained flat for the last 10 years (the last increase was in 2001). This has been made possible by the outside contracts that the Fleet Division has maintained. During this period the cost of business has increased significantly. If the Servicer Fund balance drops below a reasonable level, the only way to recover the funds would be to increase the vehicle maintenance charges and building rent. Currently the loaded shop rate of the Fleet Division is \$53.62 per hour (average retail labor rate for light duty is \$105.00 per hour and heavy duty is \$125.00 per hour). Currently the Servicer charges user departments \$9.60 per square foot for office and warehouse space and \$.34 per square foot for outside lot space. This is competitive with current retail rates.

Fleet Maintenance Streets & Traffic Maintenance Building Maintenance

2800 S. Platte River Drive Englewood, Colorado 80110 Phone 303-762-2520 FAX 303-762-1683
www.engagewoodgov.org

Fleet Revenue	
Vehicle Maint.	\$968,108.00
Direct Charges	\$550,972.00
Intergovernmental	\$131,969.00
Sub total	\$1,651,049.00
Sericenter Admin Revenue	
Building Rental	\$413,248.00
Stores Charges	\$29,653.00
Sub total	\$442,901.00
Total Billings	\$2,093,950.00
Net investment income	\$7,097.00
Other	\$12,585.00
Total Revenue	\$2,113,632.00
Funds Available 2011	\$886,522.00
Grand Total Estimate	\$3,000,154.00
Fleet Expenditures-1007	
Personnel	\$664,093.00
Commodities	\$23,710.00
Contractual	\$743,573.00
Capital	\$6,801.00
Debt Service	
Transfer Out	
Total 1007 Expenditures	\$1,438,177.00
Admin. Expenditures-1008	
Personnel	\$169,977.00
Commodities	\$17,334.00
Contractual	\$289,820.00
Capital	\$184,000.00
Debt Service	
(2011)Transfer Out to General Fund	
(Amount of proposed future CERF	
transfers 2012-2015)	\$100,000.00
Total 1008 Expenditures	\$761,131.00
Grand Total Expenditures	\$2,199,308.00
Estimated Fund Balance (sub total)	\$800,846.00
Proposed CERF Transfer	\$300,000.00
Estimated Fund Balance (total)	\$500,846.00



CITY OF ENGLEWOOD
DEPARTMENT OF PUBLIC WORKS
SERVICENTER

To: Rick Kahm, Director of Public Works
 From: Pat White, Fleet Servicer Manger
 Date: August 31, 2011
 Subject: CERF

With the transfers from the CERF Fund to the General Fund, the fund would experience a significant deficit in 2014. The following table shows the projected funds available, revenue, expenditures, and ending balances based upon the existing rates that were in place in 2010. The CERF rate was calculated as: Purchase Price of the Unit *minus* (-) 10% salvage value, *multiplied* (*) by 0.95 (the current rate), and then *divided* (/) by the projected years of service.

Beginning Funds Available	Revenue	Expenditures	End balance	Year
\$720,739.00	\$682,839.00	\$786,477.00	\$617,101.00	2010
\$617,101.00	\$682,839.00	\$706,856.00	\$593,084.00	2011
\$593,084.00	\$682,839.00	\$1,045,167.00	\$230,756.00	2012
\$230,756.00	\$682,839.00	\$909,710.00	\$3,885.00	2013
\$3,885.00	\$682,839.00	\$1,222,386.00	\$535,662.00	2014

The deficit strategy that was employed was to modify the rate for all *new purchases*. The purchase price would not be reduced by the salvage value, and the rate changed from 0.95 to 1.00. This change would have an effect on future purchases and provide additional revenue for the fund without impacting current budgets. The following table describes the impact of this strategy.

Beginning Funds Available	Revenue (including est. auction amt.)	Expenditures	End Balance	Year
\$832,458.00	\$766,277.00	\$353,767.00	\$1,244,968.00	2011
\$1,244,968.00	\$896,536.00	\$1,242,322.00	\$899,182.00	2012
\$899,182.00	\$811,311.00	\$1,492,823.00	\$217,670.00	2013
\$217,670.00	\$761,746.00	\$1,324,174.00	-\$344,758.00	2014

Fleet Maintenance Streets & Traffic Maintenance Building Maintenance

If additional contributions from the Servicer fund would take place as described in the following table, the fund would not experience the above mentioned deficit.

Beginning Funds Available	Revenue (including est. auction amt.)	Expenditures	Servicer Contribution	End Balance	Year
\$832,458.00	\$766,277.00	\$353,767.00	\$300,000.00	\$1,544,968.00	2011
\$1,544,968.00	\$896,536.00	\$1,242,322.00	\$100,000.00	\$1,299,182.00	2012
\$1,299,182.00	\$811,311.00	\$1,492,823.00	\$100,000.00	\$717,670.00	2013
\$717,670.00	\$928,967.00	\$1,324,174.00	\$100,000.00	\$422,463.00	2014
\$422,463.00	\$927,253.00	\$1,161,068.00		\$188,648.00	2015

Attached is a copy of the memo describing the transfers that have taken place to the General Fund from both the Servicer and CERF funds and a Servicer Fund Balance Estimate for 2011.

To: Rick Kahm, Director of Public Works
From: Pat White, Fleet Servicer Manager
Date: July 26, 2011
Subject: CERF and Servicer

The following table describes the fund transfers that have been made from the CERF and Servicer funds to the General Fund since 2002:

Year	CERF	SERVICENTER
2002	41,152.00	151,639.00
2003	525,000.00	775,000.00
2004	55,226.00	64,150.00
2005		
2006	570,000.00	66,714.00
2007		60,000.00
2008		60,000.00
2009		
2010	446,477.00	200,000.00
2011		100,000.00
Total	1,637,855.00	1,477,503.00

The grand total of Servicer and CERF funds transferred to the General Fund is \$3,115,358.00.

Projected CERF Balance

8/31/2011

Year	Beginning Funds Available	Revenue (including est. auction amt.)	Expenditures	End Balance	
2011	832458	766277	353767	1244968	
2012	1244968	896536	1242322	899182	
2013	899182	811311	1492823	217670	
2014	217670	761746	1324174	-344753	
Year	Beginning Funds Available	Revenue (including est. auction amt.)	Expenditures	Servicenter Contribution	End Balance
2011	832458	766277	353767	200000	1444968
2012	1444968	896536	1242322	100000	1199182
2013	1199182	811311	1492823	100000	617670
2014	617670	928967	1324174	100000	322463
2015	322463	927253	1161068		88648



CITY OF ENGLEWOOD
HUMAN RESOURCES

TO: MAYOR WOODWARD AND CITY COUNCIL
THROUGH: GARY SEARS, CITY MANAGER ✓
FROM: SUE EATON, DIRECTOR OF HUMAN RESOURCES ✓
DATE: AUGUST 7, 2011
SUBJECT: RISK MANAGEMENT FUND RESERVES

Each year CIRSA provides its member cities with their upcoming property/liability and workers' compensation premium rates on or about September 1. The estimated rate projections currently included in the 2012 proposed budget align very closely to the actual rates we received from CIRSA on August 31. The unexpected (and welcome!) news is that CIRSA has once again offset the actual rates with "member equity adjustments". This credit is similar to what they've provided to members for the last two years, and has contributed to the fund balance that has enabled the Risk Management Fund to transfer monies into the General Fund in both 2010 and 2011.

Because of these equity adjustments – coupled with credit granted based on our excellent loss experience - \$170,000 is available for transfer to the General Fund. Additionally, we have \$300,000 due to equity adjustments and loss ratio credits from previous years available for transfer. In the past, we have retained any excess funds for potential unexpected losses, but we feel we have adequately budgeted for 2012 claims based on past trends, so could transfer the total \$470,000 to the General Fund.

I will be available to answer any questions on the above at our September 12th budget workshop.



MEMORANDUM

TO: Michael Pattarozzi, Fire Chief
FROM: Lance Smith, Chief Building Official
DATE: September 8, 2011
SUBJECT: DRCOG Elevator Program /Budget Impact

The current contract with DRCOG is \$26,460.00 per year, this equates to \$180.00 for 2 safety inspections per year for 147 elevators. Plan review fees for new elevators are included in the inspection fee with no additional costs by DRCOG for this service.

Because DRCOG is eliminating the Conveyance Program as of December 31, 2011 our estimates for inspection fees and plan review may increase. However, because the users pay for this service there will be no impact on the General Fund Budget.

DRCOG is looking at establishing a relationship with one or more private inspection companies that will establish a regional inspection rate for DRCOG members. We may be able to join this required inspection program.

Memorandum

To: Mayor Jim Woodward and City Council
Through: Gary Sears, City Manager
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: September 8, 2011
Re: September 12, 2011 Study Session Materials

Attached you will find two General Fund Pro-Formas. The first is the same document Council reviewed at the August 22 Study Session less the reduction in property taxes for 2012; also, the \$120,000 for the catalyst program is in Community Development's proposed 2012 Budget. The second pro forma includes all the additional revenue and transfers included in the City Manager's letter to Council. Those additional revenues and transfers include:

Property Tax Revised Arapahoe County Assessed Valuator	(137,000)
Charges for services	(1,312)
Franchise Fee - Waste Transfer Surcharge Increase	82,000
Servicenter Transfer	100,000
Risk Management Transfer - CIRSA Credit	170,000
Risk Management Transfer Reserve Excess	300,000
EMRF Transfer additional rents from potential tenant	<u>225,000</u>
Total Adjustments	<u>738,688</u>
Original Proposed 2012 Budget General Fund Balance	<u>8,052,097</u>
Revised Proposed 2012 Budget General Fund Balance	<u><u>8,790,785</u></u>

Please note two furlough days are included in the Original Proposed 2012 Budget dated August 29, 2011.

Attachments

City of Englewood, General Fund Revenue, Expenditure, & Fund Balance 2007 - 2012
 Scenario IV
 2012 provides for Salary and wage increases as negotiated

Sales & Use Tax Growth:	#DIV/0!	0.95%	-3.31%	-0.60%	4.49%	-8.81%	8.12%	1.17%	-4.86%
Property Tax Increase:	#DIV/0!	2.27%	7.51%	14.21%	-0.10%	-0.83%	2.51%	1.64%	-0.96%
All Other Tax Growth Rate:	2.50%	2.50%	2.50%	6.36%	2.50%	-6.92%	10.25%	4.47%	-4.91%
All Other Revenue Growth Rate:	3.00%	3.00%	3.00%	1.46%	3.00%	1.28%	0.13%	-1.78%	1.65%
Investment Income Growth Rate:	2.00%	2.00%	2.00%	26.44%	2.00%	-55.80%	62.01%	-56.28%	-46.32%
Combined Expenditure Growth:	0.00%	0.00%	0.00%	2.35%	0.00%	0.44%	3.65%	-0.73%	-0.46%

Line	Budget 2007	Actual 2007	Budget 2008	Actual 2008	Budget 2009	Actual 2009	Budget 2010	Actual 2010	Budget 2011	8/1/2011 Estimated 2011	8/29/2011 Estimated 2011	Difference	Proposed 2012	Notes
0	REVENUES													
1	2,565,000	2,623,118	2,820,000	2,995,990	2,993,000	2,971,303	3,046,000	3,020,884	3,017,000	3,017,000	3,017,000	0	2,880,000	Revenue Assumptions for 2012: - Property tax is based on the assessed valuation provided by Arapahoe County - No use of LATR funds - Sales/Use Tax Revenue projects a 2% annual increase for 2012 (2011 estimate projects an increase to \$21,640,320 vs. budget of \$21,216,000) - Use of EMRF rents for General Fund Operations (2011-\$325,000; 2012-\$663,046 per year) - Intergovernmental revenue includes a one-time payment of \$218,000 from Denver Metro Drug Task Force \$118,000 recognized 2011 and \$100,000 in 2012 - P&R increased 2011 revenue projections by \$35,000 - 2011 Permits Revenue projection increased by approximately \$76,000 - 2012 Waste Transfer increase \$271,000 (\$.23) plus \$82,000 (\$.07) increase
2	386,335	341,423	395,993	316,242	350,000	276,415	350,000	283,434	250,000	250,000	250,000	0	250,000	
3	22,540,447	22,753,820	22,000,000	22,617,767	23,632,500	20,624,659	22,300,000	20,866,515	21,216,000	21,640,320	21,640,320	0	22,115,126	
4	2,408,750	2,356,385	2,545,448	2,588,214	2,620,851	2,452,611	2,650,851	2,620,191	2,850,851	2,702,938	2,702,938	0	2,974,938	
5	310,000	278,785	280,000	261,743	250,000	218,448	250,000	196,320	190,000	190,000	190,000	0	190,000	
6	8,713	9,722	8,500	10,078	8,713	9,141	8,713	8,806	8,713	8,713	8,713	0	8,713	
7	28,219,245	28,363,253	28,049,941	28,790,034	29,855,064	26,552,577	28,605,564	26,976,150	27,332,564	27,808,971	27,808,971	0	28,418,777	
8												0		
9	621,090	1,168,977	575,425	671,609	576,907	588,303	573,300	695,563	575,100	574,025	650,000	75,975	574,025	
10	1,190,470	1,106,280	1,094,573	1,079,285	991,448	1,333,688	1,185,204	1,465,970	1,459,564	1,753,114	1,753,114	0	1,552,315	
11	3,182,500	3,113,550	2,938,128	3,476,583	3,056,177	3,163,735	3,333,114	3,254,830	3,336,962	3,359,171	3,359,004	(177)	3,391,255	
12	2,261,428	2,235,938	2,266,998	2,364,758	2,334,265	2,315,998	2,625,194	2,489,781	2,587,653	2,585,158	2,620,158	35,000	2,599,668	
13	1,493,500	1,445,641	1,519,500	1,461,100	1,584,349	1,639,678	1,426,801	1,437,957	1,509,150	1,318,450	1,318,450	0	1,318,450	
14	300,000	411,516	355,500	520,325	372,611	229,999	372,611	100,545	200,000	100,000	100,000	0	100,000	
15	150,000	166,247	277,385	215,824	277,900	643,311	411,177	293,658	423,112	413,653	413,653	0	419,153	
16	37,418,233	38,011,402	37,077,450	38,579,518	39,050,721	36,466,889	38,532,965	36,714,454	37,424,105	37,912,552	38,023,350	110,798	38,373,643	
17												0		
18	Expenditures													
19	General Government													
20	229,959	227,964	255,513	254,254	283,853	250,044	263,314	213,870	250,120	249,640	245,236	(4,404)	232,343	Expenditure Assumptions for 2012: - 2012 Budget for all departments at 2011 estimate amount as adjusted for pay, benefit, and other increases. - No Personal Leave Payouts for EEA, MSC, and Director employees - Pension Contribution rate at 2011 levels - Healthcare benefits increase by \$235,000 in 2012 a 7.04% increase - Two furlough days included for 2012 - CD reduced 2011 expenditure estimate by \$30,000; - 2012 expenditure includes \$120,000 for the Catalyst Program
21	720,646	694,358	762,280	698,563	799,937	678,038	767,546	702,228	762,518	768,302	747,268	(21,034)	742,645	
22	932,562	890,152	982,006	914,303	1,026,917	914,499	1,005,723	901,469	999,105	978,735	978,735	0	969,655	
23	655,188	673,949	679,806	674,322	707,145	674,170	668,633	659,882	664,732	663,543	638,800	(24,743)	667,887	
24	1,686,645	1,412,444	1,576,862	1,464,725	1,639,615	1,366,437	1,457,667	1,301,473	1,344,556	1,496,766	1,466,766	(30,000)	1,471,376	
25	563,298	557,855	570,474	579,136	560,898	456,275	504,898	419,421	481,102	435,833	435,833	0	469,194	
26	1,700,220	1,568,074	1,724,429	1,626,571	1,764,772	1,575,924	1,684,000	1,445,581	1,550,906	1,519,463	1,519,463	0	1,531,813	
27	1,281,168	1,254,364	1,289,131	1,280,156	1,448,147	1,360,237	1,342,948	1,280,660	1,338,543	1,316,648	1,343,419	26,771	1,353,543	
28	395,000	130,925	100,000	59,759	60,000	160,578	60,000	48,139	90,000	150,000	150,000	0	150,000	
29	8,164,688	7,410,085	7,940,501	7,552,789	8,291,284	7,436,196	7,754,729	6,972,723	7,481,582	7,578,930	7,525,520	(53,410)	7,588,456	
30												0		
31	16,833,823	16,497,359										0		
32			7,306,414	7,215,444	7,487,169	7,320,268	7,394,951	7,425,903	7,465,775	7,492,341	7,492,341	0	7,667,953	
33			10,089,810	9,974,925	10,538,437	10,183,890	10,481,933	10,312,633	10,587,026	10,599,704	10,599,704	0	10,873,315	
34	4,830,026	5,122,603	4,894,474	4,862,524	5,176,184	4,806,065	5,151,055	4,790,538	5,158,842	5,055,665	5,055,665	0	5,075,952	
35	5,705,171	5,566,094	5,713,430	5,916,449	6,117,008	5,727,968	6,034,770	5,811,809	5,969,515	5,823,758	5,823,758	0	5,818,361	
36	1,336,263	1,259,525	1,294,640	1,261,112	1,398,558	1,275,554	1,352,221	1,284,083	1,256,520	1,228,286	1,228,286	0	1,242,472	
37						188,165	0					0		
38												0		
39												0		
40	28,705,283	28,445,581	29,298,768	29,230,454	30,717,356	29,501,910	30,414,930	29,624,966	30,437,678	30,199,754	30,199,754	0	30,678,053	
41												0		
42	36,869,969	35,855,666	37,239,269	36,783,243	39,008,640	36,938,106	38,169,659	36,597,689	37,919,260	37,778,684	37,725,274	(53,410)	38,266,509	
43												0		
44	Debt Service & Contractual (Non-Discretionary):													
45	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	0	96,000	
46	346,826	299,171	346,826	326,649	346,826	346,826	346,826	346,826	340,049	340,049	340,049	0	340,049	
47	1,575,731	1,572,731	1,578,000	1,571,000	1,575,000	1,571,750	1,574,000	1,570,705	1,577,000	1,577,000	1,577,000	0	1,574,000	
48	2,018,557	1,967,902	2,020,826	1,993,649	2,017,826	2,014,576	2,016,826	2,013,531	2,013,049	2,013,049	2,013,049	0	2,010,049	
49												0		
50	178,967	178,967										0		
51	15,000	18,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	0	15,000	
52	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	0	100,063	
53					185,226	0	197,000	56,666	113,332	113,332	113,332	0	113,331	
54							15,781	15,781	37,644	34,378	34,378	0	87,068	
55							(15,781)	(15,781)	(37,644)			0		
56									151,416	152,946	152,946	0	152,947	
57			118,393	118,393	118,393	118,393	118,393	118,393	118,393	118,393	118,393	0	118,393	
58	294,030	297,030	233,456	233,456	418,682	233,456	430,456	290,122	498,204	534,112	534,112	0	486,739	
59	2,312,587	2,264,932	2,254,282	2,227,105	2,436,508	2,248,034	2,447,282	2,303,653	2,511,253	2,547,161	2,547,161	0	2,496,788	
60												0		
61	39,182,556	38,120,598	39,493,551	39,015,198	41,445,148	39,186,140	40,616,941	38,901,342	40,430,513	40,325,845	40,272,435	(53,410)	40,763,297	
62												0		
63	(1,764,323)	(109,196)	(2,416,101)	(435,680)	(2,394,427)	(2,719,251)	(2,083,976)	(2,186,888)	(3,006,408)	(2,413,293)	(2,249,085)	164,208	(2,389,654)	
64												0		
65	294,030	297,030	233,456	233,456	418,682	233,456	430,456	290,122	498,204	534,112	534,112	0	486,739	
66												0		
67	(15,000)	2,043,291	1,740,333	1,930,560	1,063,035	617,987	1,413,977	1,156,488	2,021,000	2,021,000	1,973,948	(47,052)	1,063,046	
68	279,030	2,340,321	1,973,789	2,164,016	1,481,717	851,445	1,844,433	1,446,610	2,519,204	2,555,112	2,508,060	(47,052)	1,549,785	
69												0		
70	(1,485,293)													

City of Englewood, General Fund Revenue, Expenditure, & Fund Balance 2007 - 2012

Scenario IV:
2012 provides for Salary and wage increases as negotiated

Sales & Use Tax Growth:	#DIV/0!	0.95%	-3.31%	-0.60%	4.49%	-8.81%	8.12%	1.17%	-4.86%
Property Tax Increase:	#DIV/0!	2.27%	7.51%	14.21%	-0.10%	-0.83%	2.51%	1.64%	-0.96%
All Other Tax Growth Rate:	2.50%	2.50%	2.50%	6.36%	2.50%	-6.92%	10.25%	4.47%	-4.91%
All Other Revenue Growth Rate:	3.00%	3.00%	3.00%	1.46%	3.00%	1.28%	0.13%	-1.78%	1.65%
Investment Income Growth Rate:	2.00%	2.00%	2.00%	26.44%	2.00%	-55.80%	62.01%	-56.28%	-46.32%
Combined Expenditure Growth:	0.00%	0.00%	0.00%	2.35%	0.00%	0.44%	3.65%	-0.73%	-0.46%

Line	Budget 2007	Actual 2007	Budget 2008	Actual 2008	Budget 2009	Actual 2009	Budget 2010	Actual 2010	Budget 2011	8/1/2011 Estimated 2011	9/12/2011 Estimated 2011	Difference	Proposed 2012	Notes
0	REVENUES													
1	2,565,000	2,623,118	2,820,000	2,995,990	2,993,000	2,971,303	3,046,000	3,020,884	3,017,000	3,017,000	3,017,000	0	2,880,000	Revenue Assumptions for 2012: - Property tax is based on the assessed valuation provided by Arapahoe County - No use of LATR funds - Sales/Use Tax Revenue projects a 2% annual increase for 2012 (2011 estimate projects an increase to \$21,640,320 vs. budget of \$21,216,000) - Use of EMRF rents for General Fund Operations (2011-\$325,000; 2012-\$663,046 per year) - Intergovernmental revenue includes a one-time payment of \$218,000 from Denver Metro Drug Task Force \$118,000 recognized 2011 and \$100,000 in 2012 - P&R increased 2011 revenue projections by \$35,000 - 2011 Permits Revenue projection increased by approximately \$76,000 - 2012 Waste Transfer increase \$271,000 (\$.23) plus \$82,000 (\$.07) increase
2	386,335	341,423	395,993	316,242	350,000	350,000	276,415	350,000	263,434	250,000	250,000	0	250,000	
3	22,540,447	22,753,820	22,000,000	22,617,767	23,632,500	20,624,659	22,300,000	20,866,515	21,216,000	21,640,320	21,640,320	0	22,115,126	
4	2,408,750	2,356,385	2,545,448	2,588,214	2,620,851	2,452,611	2,650,851	2,620,191	2,650,851	2,702,938	2,702,938	0	3,056,938	
5	310,000	278,785	280,000	261,743	250,000	218,448	250,000	196,320	190,000	190,000	190,000	0	190,000	
6	8,713	9,722	8,500	10,078	8,713	9,141	8,713	8,806	8,713	8,713	8,713	0	8,713	
7	28,219,245	28,363,253	28,049,941	28,790,034	29,855,064	26,552,577	28,605,564	26,976,150	27,332,564	27,808,971	27,808,971	0	28,500,777	
8												0		
9	621,090	1,168,977	575,425	671,609	576,907	588,303	573,300	695,563	575,100	574,025	650,000	75,975	574,025	
10	1,190,470	1,106,280	1,094,573	1,079,285	991,448	1,333,688	1,185,204	1,465,970	1,459,564	1,753,114	1,753,114	0	1,552,315	
11	3,182,500	3,113,550	2,938,128	3,476,583	3,058,177	3,163,735	3,333,114	3,254,830	3,336,962	3,359,181	3,359,004	(177)	3,391,255	
12	2,261,428	2,235,938	2,266,998	2,364,758	2,334,265	2,315,598	2,625,194	2,489,781	2,587,653	2,585,158	2,620,158	35,000	2,599,668	
13	1,493,500	1,445,641	1,519,500	1,461,100	1,584,349	1,639,678	1,426,801	1,437,957	1,509,150	1,318,450	1,318,450	0	1,318,450	
14	300,000	411,516	355,500	520,325	372,611	229,999	372,611	100,545	200,000	100,000	100,000	0	100,000	
15	150,000	166,247	177,385	215,824	277,900	643,311	411,177	293,658	423,112	413,653	413,653	0	419,153	
16	37,418,233	38,011,402	37,077,450	38,579,518	39,050,721	36,466,889	38,532,965	36,714,454	37,424,105	37,912,552	38,023,350	110,798	38,455,643	
17												0		
18	Expenditures													
19	General Government													
20	229,959	227,964	255,513	254,254	263,853	250,044	263,314	213,870	250,120	249,640	245,236	(4,404)	232,343	
21	720,646	694,358	762,280	698,563	799,937	678,038	767,546	702,228	762,518	768,302	747,268	(21,034)	742,645	
22	932,562	890,152	982,006	915,303	1,026,917	914,469	1,005,723	901,469	999,105	978,735	978,735	0	969,655	
23	655,188	673,949	679,806	674,322	707,145	674,170	668,633	659,882	664,732	663,543	638,800	(24,743)	667,887	
24	1,686,645	1,412,444	1,576,862	1,464,725	1,639,615	1,366,437	1,457,667	1,301,473	1,344,556	1,496,766	1,466,766	(30,000)	1,471,376	
25	563,298	557,855	570,474	579,136	560,898	456,275	504,898	419,421	481,102	435,833	435,833	0	469,194	
26	1,700,220	1,568,074	1,724,429	1,626,571	1,764,772	1,575,924	1,684,000	1,445,581	1,550,906	1,519,463	1,519,463	0	1,531,813	
27	1,281,168	1,254,364	1,289,131	1,280,156	1,448,147	1,360,237	1,342,948	1,280,660	1,338,543	1,316,648	1,343,419	26,771	1,353,543	
28	395,000	130,925	100,000	99,759	60,000	160,578	60,000	48,139	90,000	150,000	150,000	0	150,000	
29	8,164,686	7,410,085	7,940,501	7,552,789	8,291,284	7,436,196	7,754,729	6,972,723	7,481,582	7,578,930	7,525,520	(53,410)	7,588,456	
30												0		
31	16,833,823	16,497,359	7,306,414	7,215,444	7,487,169	7,320,268	7,394,951	7,425,903	7,465,775	7,492,341	7,492,341	0	7,667,953	
32			10,089,810	9,974,925	10,538,437	10,183,890	10,481,933	10,312,633	10,587,026	10,599,704	10,599,704	0	10,873,315	
33	4,830,026	5,122,603	4,894,474	4,862,524	5,176,184	4,806,065	5,151,095	4,790,538	5,158,842	5,055,665	5,055,665	0	5,075,952	
34	5,705,171	5,566,094	5,713,430	5,916,449	6,117,008	5,727,988	6,034,770	5,811,809	5,969,515	5,823,758	5,823,758	0	5,818,361	
35	1,336,263	1,259,525	1,294,840	1,261,112	1,398,558	1,275,554	1,352,221	1,284,083	1,256,520	1,228,286	1,228,286	0	1,242,472	
36						188,165	0					0		
37												0		
38												0		
39												0		
40	28,705,283	28,445,581	29,298,768	29,230,454	30,717,356	29,501,910	30,414,930	29,624,966	30,437,678	30,199,754	30,199,754	0	30,678,053	
41												0		
42	36,869,969	35,855,666	37,239,269	36,783,243	38,008,640	36,938,106	38,169,659	36,597,689	37,919,260	37,778,684	37,725,274	(53,410)	38,266,509	
43												0		
44	Debt Service & Contractual (Non-Discretionary):													
45	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	0	96,000	
46	346,826	299,171	346,826	326,649	346,826	346,826	346,826	346,826	340,049	340,049	340,049	0	340,049	
47	1,575,731	1,572,731	1,578,000	1,571,000	1,575,000	1,571,750	1,574,000	1,570,705	1,577,000	1,577,000	1,577,000	0	1,574,000	
48	2,018,557	1,967,902	2,020,826	1,993,649	2,017,826	2,014,576	2,016,826	2,013,531	2,013,049	2,013,049	2,013,049	0	2,010,049	
49												0		
50	178,967	178,967										0		
51	15,000	18,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	0	15,000	
52	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	0	100,063	
53					185,226	0	197,000	56,666	113,332	113,332	113,332	0	113,331	
54							15,781	15,781	37,644	34,378	34,378	0	87,068	
55							(15,781)	(15,781)	(37,644)			0		
56									151,416	152,946	152,946	0	152,947	
57			118,393	118,393	118,393	118,393	118,393	118,393	118,393	118,393	118,393	0	118,393	
58	294,030	297,030	233,456	233,456	418,682	233,456	430,456	290,122	498,204	534,112	534,112	0	486,739	
59	2,312,587	2,264,932	2,254,282	2,227,105	2,436,508	2,248,034	2,447,282	2,303,653	2,511,253	2,547,161	2,547,161	0	2,496,788	
60												0		
61	39,182,556	38,120,598	39,493,551	39,015,198	41,445,148	39,186,140	40,616,941	38,901,342	40,430,513	40,325,845	40,272,435	(53,410)	40,763,297	
62												0		
63	(1,764,323)	(109,196)	(2,416,101)	(435,680)	(2,394,427)	(2,719,251)	(2,083,976)	(2,186,888)	(3,006,408)	(2,413,293)	(2,249,085)	164,208	(2,307,654)	
64												0		
65	294,030	297,030	233,456	233,456	418,682	233,456	430,456	290,122	498,204	534,112	534,112	0	486,739	
												0		
												0		
66	(15,000)	2,043,291	1,740,333	1,930,560	1,063,035	617,987	1,413,977	1,156,488	2,021,000	2,021,000	1,973,948	(47,052)	1,858,046	
67												0		
68	279,030	2,340,321	1,973,789	2,164,016	1,481,717	851,445	1,844,433	1,446,610	2,519,204	2,555,112	2,508,060	(47,052)	2,344,785	
69												0		
70	(1,485,293)	2,												

City of Englewood, General Fund Revenue, Expenditure, & Fund Balance 2007 - 2012
Scenario IV:
2012 provides for Salary and wage increases as negotiated

Sales & Use Tax Growth:	#DIV/0!	0.95%	-3.31%	-0.60%	4.49%	-8.81%	8.12%	1.17%	-4.86%
Property Tax Increase:	#DIV/0!	2.27%	7.51%	14.21%	-0.10%	-0.83%	2.51%	1.64%	-0.96%
All Other Tax Growth Rate:	2.50%	2.50%	2.50%	6.36%	2.50%	-6.92%	10.25%	4.47%	-4.91%
All Other Revenue Growth Rate:	3.00%	3.00%	3.00%	1.46%	3.00%	1.28%	0.13%	-1.78%	1.65%
Investment Income Growth Rate:	2.00%	2.00%	2.00%	26.44%	2.00%	-55.80%	62.01%	-56.28%	-46.32%
Combined Expenditure Growth:	0.00%	0.00%	0.00%	2.35%	0.00%	0.44%	3.65%	-0.73%	-0.46%

Line	Budget 2007	Actual 2007	Budget 2008	Actual 2008	Budget 2009	Actual 2009	Budget 2010	Actual 2010	Budget 2011	8/1/2011 Estimated 2011	9/12/2011 Estimated 2011	Difference	Proposed 2012	Notes
0 REVENUES														
1 Property	2,565,000	2,623,118	2,820,000	2,995,990	2,993,000	2,971,303	3,046,000	3,020,884	3,017,000	3,017,000	3,017,000	0	2,880,000	Revenue Assumptions for 2012: - Property tax is based on the assessed valuation provided by Arapahoe County - No use of LATR funds - Sales/Use Tax Revenue projects a 2% annual increase for 2012 (2011 estimate projects an increase to \$21,640,320 vs. budget of \$21,216,000) - Use of EMRF rents for General Fund Operations (2011-\$325,000; 2012-\$663,046 per year) - Intergovernmental revenue includes a one-time payment of \$218,000 from Denver Metro Drug Task Force \$118,000 recognized 2011 and \$100,000 in 2012 -P&R increased 2011 revenue projections by \$35,000 -2011 Permits Revenue projection increased by approximately \$76,000 -2012 Waste Transfer increase \$271,000 (\$.23) plus \$82,000 (\$.07) increase Expenditure Assumptions for 2012: - 2012-Budget for all departments at 2011 estimate amount as adjusted for pay, benefit, and other increases. - No Personal Leave Payouts for EEA, MSC, and Director employees - Pension Contribution rate at 2011 levels - Healthcare benefits increase by \$235,000 in 2012 a 7.04% increase - No furlough days included for 2012 (2 days approx cost \$173,646) - CD reduced 2011 expenditure estimate by \$30,000; - 2012 expenditure includes \$120,000 for the Catalyst Program
2 Specific Ownership	386,335	341,423	395,993	316,242	350,000	276,415	350,000	263,434	250,000	250,000	250,000	0	250,000	
3 Sales and Use (Net of Refunds)	22,540,447	22,753,820	22,000,000	22,617,767	23,632,500	20,624,659	22,300,000	20,866,515	21,216,000	21,640,320	21,640,320	0	22,115,126	
4 Franchise Fees	2,408,750	2,356,385	2,545,448	2,588,214	2,620,851	2,452,611	2,650,851	2,620,181	2,650,851	2,702,938	2,702,938	0	3,056,938	
5 Cigarette	310,000	278,785	280,000	261,743	250,000	218,448	250,000	196,320	190,000	190,000	190,000	0	190,000	
6 Hotel/Motel	8,713	9,722	8,500	10,078	8,713	9,141	8,713	8,806	8,713	8,713	8,713	0	8,713	
7 Total Taxes	28,219,245	28,363,253	28,049,941	28,790,034	29,855,064	26,552,577	28,605,564	26,976,150	27,332,564	27,808,971	27,808,971	0	28,500,777	
8 Licenses and Permits	621,090	1,168,977	575,425	671,609	576,907	588,303	573,300	695,563	575,100	574,025	650,000	75,975	574,025	
9 Intergovernmental Revenue	1,190,470	1,106,280	1,094,573	1,079,285	991,448	1,333,688	1,185,204	1,465,970	1,459,564	1,753,114	1,753,114	0	1,552,315	
10 Charges for Services	3,182,500	3,113,550	2,938,128	3,476,583	3,058,177	3,163,735	3,333,114	3,254,830	3,336,962	3,359,181	3,359,004	(177)	3,391,255	
11 Recreation	2,261,428	2,235,938	2,266,996	2,364,758	2,334,265	2,315,598	2,625,194	2,489,781	2,587,653	2,585,158	2,620,158	35,000	2,599,668	
12 Fines and Forfeitures	1,493,500	1,445,641	1,519,500	1,461,100	1,584,349	1,639,678	1,426,801	1,437,957	1,509,150	1,318,450	1,318,450	0	1,318,450	
13 Net Investment Income	300,000	411,516	355,500	520,325	372,611	229,999	372,611	100,545	200,000	100,000	100,000	0	100,000	
14 Other Revenue	150,000	166,247	277,385	215,824	277,900	643,311	411,177	293,658	423,112	413,653	413,653	0	419,153	
16 Total Revenues	37,418,233	38,011,402	37,077,450	38,579,518	39,050,721	36,466,889	38,532,965	36,714,454	37,424,105	37,912,552	38,023,350	110,798	38,455,643	
17														
18 Expenditures														
19 General Government														
20 Legislation	229,959	227,964	255,513	254,254	283,853	250,044	263,314	213,870	250,120	249,640	245,236	(4,404)	232,343	
21 City Attorney	720,646	694,358	762,280	696,563	799,937	678,038	767,546	702,228	762,516	768,302	747,268	(21,034)	746,734	
22 Municipal Court	932,562	890,152	982,006	915,303	1,026,917	914,493	1,005,723	901,469	999,105	978,735	978,735	0	974,417	
23 City Manager	655,188	673,949	679,806	674,322	707,145	674,170	668,633	659,882	664,732	663,543	638,800	(24,743)	672,072	
24 Community Development	1,666,645	1,412,444	1,576,862	1,464,725	1,639,615	1,366,437	1,457,667	1,301,473	1,344,556	1,496,766	1,466,766	(30,000)	1,478,398	
25 Human Resources	563,298	557,855	570,474	579,136	560,898	456,275	504,898	419,421	481,102	435,833	435,833	0	470,910	
26 Finance & Administrative Services	1,700,220	1,568,074	1,724,429	1,626,571	1,764,772	1,575,924	1,684,000	1,445,581	1,550,906	1,519,463	1,519,463	0	1,541,645	
27 Information Technology	1,281,168	1,254,364	1,289,131	1,280,156	1,448,147	1,360,237	1,342,948	1,280,660	1,338,543	1,316,648	1,343,419	26,771	1,360,355	
28 Contingency (Leave Cashouts Main Expenditure)	395,000	130,925	100,000	59,759	60,000	160,578	60,000	48,139	90,000	150,000	150,000	0	150,000	
29 Total General Government	8,164,686	7,410,085	7,940,501	7,552,789	8,291,284	7,436,196	7,754,729	6,972,723	7,481,582	7,578,930	7,525,520	(53,410)	7,626,874	
30														
31 Safety Services	15,833,823	16,497,359												
32 Fire			7,306,414	7,215,444	7,487,169	7,320,268	7,394,951	7,425,903	7,465,775	7,492,341	7,492,341	0	7,711,732	
33 Police			10,089,810	9,974,925	10,538,437	10,183,890	10,481,933	10,312,633	10,587,026	10,598,704	10,599,704	0	10,921,455	
34 Public Works	4,830,026	5,122,603	4,894,474	4,862,524	5,176,184	4,806,065	5,151,055	4,790,532	5,158,842	5,055,665	5,055,665	0	5,096,588	
35 Recreation	5,705,171	5,566,094	5,713,430	5,916,449	6,117,008	5,727,968	6,034,770	5,811,809	5,969,515	5,823,758	5,823,758	0	5,834,425	
36 Library	1,336,263	1,259,525	1,294,640	1,261,112	1,398,558	1,275,554	1,352,221	1,284,083	1,256,520	1,228,286	1,228,286	0	1,249,081	
37 Contributions to Component Unit						188,165	0					0		
38														
39														
40 Total "Direct" Government	28,705,283	28,445,561	29,298,768	29,230,454	30,717,356	29,501,910	30,414,930	29,624,966	30,437,678	30,199,754	30,199,754	0	30,813,281	
41														
42 Total Expenditures Before Non-Discretionary	36,869,969	35,855,666	37,239,269	36,783,243	39,008,640	36,938,106	38,169,659	36,597,689	37,919,260	37,778,684	37,725,274	(53,410)	38,440,155	
43														
44 Debt Service & Contractual (Non-Discretionary):														
45 DTD/MTA - Legislation	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	0	96,000	
46 Common Area Maintenance - Public Works	346,826	299,171	346,826	326,649	346,826	346,826	346,826	346,826	340,049	340,049	340,049	0	340,049	
47 Civic Center COP's (2023)	1,575,731	1,572,731	1,576,000	1,571,000	1,575,000	1,571,750	1,574,000	1,570,705	1,577,000	1,577,000	1,577,000	0	1,574,000	
48 Subtotal Debt Service/Contractual GF Funded	2,018,557	1,967,902	2,020,826	1,993,649	2,017,826	2,014,576	2,016,826	2,013,531	2,013,049	2,013,049	2,013,049	0	2,010,049	
49 Debt Service Paid from PIF Transfers:														
50 IBIS Lease	178,967	178,967												
51 Prepayment Lease - PIF (2065)	15,000	18,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	0	15,000	
52 Brownfields - PIF (2011)	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	0	100,063	
53 Information Tech Lease - CPF (2013)					185,226	0	197,000	56,666	113,332	113,332	113,332	0	113,331	
54 Ameresco Lease (2026)							15,781	15,781	37,644	34,378	34,378	0		
55 Ameresco Lease (2026) - Offset							(15,781)	(15,781)	(37,644)			0		
56 Delcer, VOIP, Cameras (2015)										152,946	152,946	0	152,947	
57 Fire Equipment Lease - PIF (2017)			118,393	118,393	118,393	118,393	118,393	118,393	118,393	118,393	118,393	0	118,393	
58 Subtotal Debt Service Paid from Transfers	294,030	297,030	233,456	233,456	418,682	233,458	430,456	290,122	498,204	534,112	534,112	0	486,739	
59 Total Non-Discretionary Expenditures	2,312,587	2,264,932	2,254,282	2,227,105	2,436,508	2,248,034	2,447,282	2,303,653	2,511,253	2,547,161	2,547,161	0	2,496,788	
60														
61 Total Expenditures	39,182,556	38,120,598	39,493,551	39,015,198	41,445,148	39,186,140	40,616,941	38,901,342	40,430,513	40,325,845	40,272,435	(53,410)	40,936,943	
62														
63 Revenues Over (Under) Expenditures	(1,764,323)	(109,196)	(2,416,101)	(435,680)	(2,394,427)	(2,719,251)	(2,083,976)	(2,186,888)	(3,006,408)	(2,413,293)	(2,249,085)	164,208	(2,481,300)	
64 Other Financing Sources (Uses)														
65 Net Transfers in (Out) - Debt Service	294,030	297,030	233,456	233,456	418,682	233,458	430,456	290,122	498,204	534,112	534,112	0	486,739	
66														
67 Net Transfers In (out) - GF Operations	(15,000)	2,043,291	1,740,333	1,930,560	1,063,035</									



MEMORANDUM

TO: Mayor Woodward and Members of City Council
FROM: City Manager Gary Sears
DATE: September 8, 2011
SUBJECT: 2012 Budget Information

Attached are memoranda from the 2012 Budget Study Session on August 22nd including the Capital Improvement Fund and Public Improvement Fund information. These documents have been previously transmitted.

If you have any questions, please contact me.



MEMORANDUM

TO: Mayor Woodward and Members of City Council
FROM: City Manager Gary Sears
DATE: July 28, 2011
SUBJECT: 2012 Budget

Dear Mayor and Members of the City Council,

Attached you will find memoranda from the Department Directors regarding the 2012 budgets. Each of the departments will be discussing their proposed budgets at the upcoming Monday evening study session and will focus on

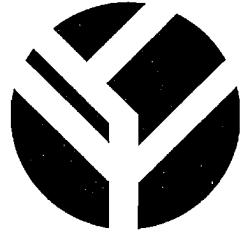
- (1) their department's key projects and services,
- (2) their proposed reduction to their budgets by 2% in 2011, and
- (3) a summary of their proposed 2012 budgets.

I would like to thank all of the departments for their work in preparing these budget estimates and in working with Revenue & Budget Manager Jennifer Nolan and Finance & Administrative Services Director Frank Gryglewicz to update this complicated document. Also, in the packet is the preliminary summary sheet for 2011 and 2012, which Frank Gryglewicz will discuss at the budget meeting. I would also like to note that the proposed 2012 Budget includes the pay and benefit increases for 2012, which the City Council will consider at the regular meeting and the elimination of all four furlough days for 2012.

After a review of our finances by Frank Gryglewicz, the following is a proposed lineup of presentations by departmental directors: Parks and Recreation, Public Works, Police, Fire, Community Development, Finance & Administrative Services, Library, Information Technology, Human Resources, Municipal Court, Water and Wastewater, City Attorney, City Manager and discussion of the Capital Project Fund. Because there is a great amount of information to cover, I anticipate that there may need to be a follow-up meeting before the proposed budget document can be prepared, and such a meeting has been tentatively set for the study session of **August 22, 2011**, if desired by City Council.

We look forward to your comments and direction at the Study Session on Monday, August 1, 2011. As a reminder, this meeting will begin at 5:00 p.m. in the Community Room.

MEMORANDUM



TO: Gary Sears, City Manager
FROM: Jerrell Black, Director of Parks and Recreation
DATE: July 22, 2011
SUBJECT: 2012 Parks and Recreation Department Budget

The 2012 Parks and Recreation Department Budget reflects a reduction of 2.3% from the 2011 Budget.

Listed below are key elements related to the 2012 Parks, Recreation, and Golf budgets:

- Pirates Cove is projected to bring in an additional \$35,000 in revenues over the 2011 Budget.
- Included are the approved salary increases for the Englewood Employees Association and the Managerial, Secretarial and Confidential categories.
- Elimination of one Recreation Program Administrator position (currently vacant). This will result in the reduction of Outdoor and Travel classes at the Senior Recreation Center, Fitness and Cultural Arts program offerings and deferred projects and special events.
- Elimination of one Parks Specialist position (currently vacant). Some temporary reorganization has occurred to adjust for the loss of this position. Staff availability for evening and weekend functions, special events and special programs will be reduced. Response to storm clean up, site, facility, and equipment evaluations and request for immediate response time will be increased.
- Increase in part time temporary salaries to assist in day to day operations during the summer months in the Parks Division.
- Complete the Planning and Design phase of the Duncan Park Development. Seek grant opportunities and funding for site development.
- Complete the Riverside Park planning project located at Broken Tee Golf Course.
- Englewood Schools – Monitor and adjust accordingly to any changes that may occur with Englewood Schools. This could greatly impact current programming based on facility use and could provide additional open space or park opportunities.

- Seek additional opportunities for partnerships, corporative agreements and volunteer support both locally and regionally.
- Funding is requested in the capital project plan to replace and renovate existing medians along Broadway, Hampden Ave. and Santa Fe.
- The golf course will have a slight fee increase in 2012

I, along with some of our management staff, will be available at the August 1, 2011 budget session to answer any questions that Council may have related to our 2012 Budget.

TJB

2011 Budget Session_August 1, 2011_Revised 8/10/2011

MEMORANDUM



TO: Gary Sears, City Manager
FROM: Rick Kahm, Director of Public Works
DATE: July 25, 2011
SUBJECT: PUBLIC WORKS BUDGET (2011 budget adjustments and 2012 Proposed Budget)

The 2011 approved budget included staff reductions, from 2010 levels, of 2 FTE's (both were positions that became vacant in 2010). One was an equipment operator in Streets, and the other a custodian position.

Over the last seven budget cycles (including the 2011 Budget), Public Works has reduced General Fund staffing levels by 12 FTE's...17.4% (Engineering by 2.5, Traffic Engineering by 0.50, Streets by 5.0, and Building Operations by 4). Through new found efficiencies, we have managed to minimize loss of service to the public. **Those reductions and efficiencies equate to sustainable savings of over \$735,000 per year.**

The approved Public Works budget for 2011 (excluding CityCenter CAM of \$340,049) is \$5,158,842. **Our revised budget objective, representing a savings of 2% (\$103,177) is \$5,055,665.** For 2011, we are able to reach that goal through **one time savings** from short term vacancies when filling necessary positions, lower energy costs than those anticipated in the 2011 budget, reducing contracts for professional services, and in general scrutinizing of all commodity expenditures. We anticipate little impact on service levels to either the public, or our in-house customers.

Our goal in preparing the 2012 Budget is to maintain the **2011 target of \$5,055,665.** Even with great attention to expenditures, increases in wages, benefit costs, fuel costs, an anticipated 10% increase in energy costs, and the reduction of furlough days drives our **proposed budget up \$46,635 (.92%) to \$5,102,300.**

The second piece of our 2012 Budget goal is for our Budget to be sustainable. Our budget is about 61% personnel related costs and 39% commodity driven. With the rising costs of commodities being mostly out of our control, I don't believe that a sustainable budget is possible without addressing personnel reductions and/or Department reorganization. Even minor increases in the costs of energy, fuel, vehicles, asphalt, and concrete, to name a few, can cause a substantial increase in future Public Works Budgets.

/lw



Memorandum

To: Gary Sears, City Manager
From: John Collins, Chief of Police
Date: July 27, 2011
Subject: 2011/2012 Budget Reduction

On May 7, 2011, I assumed the position of Chief of Police. I have impressed upon the members of the organization an emphasis on internal and external excellence as a guideline for their performance. We will strive to enhance training and individual development as well as increasing our outreach to the community. I am pleased with the accomplishments that we have made in 2011 and look forward to building upon these accomplishments in 2012. I have outlined below a number of projects that we are working on:

Community Relations:

- We continue to build upon our Neighborhood Watch Program, National Night Out, Graffiti paint outs, Citizen Self-Defense, Citizens Police Academy and CERT
- We are in the planning stages for a Juvenile Citizens Academy and Juvenile Self-Defense Class
- "Love Your Neighborhood" - will be rolled out on August 2nd
- Kids proof Colorado - The Police Department will sponsor family safety courses through this organization

Impact Team: The Impact Team has been a success in regards to the organization's focus on problem solving and developing Community Partnerships

- We are developing a Senior Citizen Program where they will receive education relative to elder abuse, fraud/scams, and what resources are available to them
- Business partnerships: we have been realizing success in this endeavor and communication has significantly improved
- We continue to focus our efforts upon improving the quality of life for our citizens and visitors in our parks and neighborhoods

Police Operations:

- An impressive project that we have undertaken is the acquisition of CrimeReports.com. This is a web-based program that allows the community to go on-line and to see what type of crime activity is taking place in their neighborhoods. Another component of this software enhances the police department's crime analysis capabilities and to review crime statistics in real time. A spinoff project that we have undertaken is that we are in the process of purchasing a flat screen television and computer so that these crime statistics can be reviewed at our daily roll calls. This will certainly improve our response to crime issues and trends. This project is funded with forfeiture funds.
- Partnership with Englewood Schools – We have partnered with staff from the Englewood Public Schools and are focused upon interoperable communications and overall school safety.
- We continue to seek alternative funding via federal and state grant opportunities
- Participation in the SARS Task Force – this task force has a significant potential for developing alternative funding via criminal investigations and asset forfeitures

The Police Department's budget for 2011 is set at \$10,587,026.00. I have been asked to present to you a 2% overall reduction for 2011 which equates to \$10,375,285.00 (a reduction of \$211,741.00). As you know, in mid 2011, the Executive Board of the South Metro Drug Task Force authorized the use of their forfeiture fund to provide for an additional two full time agents. Two agencies, the Englewood Police Department being one, were selected to receive \$218,000.00 each to provide these resources. The Police Department utilized an existing officer to send to the task force. The \$218,000.00 has been placed into the General Fund (revenue account).

In order to achieve a 2% reduction in the 2011 budget, three full-time positions and one part-time position would need to be eliminated. These reductions would be sustainable through the 2012 budget cycle. The reductions would have an impact on service delivery in the Patrol Operations Division. The Police Department has established responsive programs that fit the needs of the community and these would most certainly be impacted. The Police Department is very attentive to the needs of the community and victims of crime and our ability to continue this outreach would be compromised. These position cuts are not sufficient to meet the 2% reduction where a freeze on training and equipment needs would have to be implemented to reach this goal.

2012 Budget Scenario: The current workbook reveals an overall 2012 budget of \$10,938,245.00. In order to achieve the 2011 benchmark of \$10,375,285.00, I must reduce the 2012 budget by \$562,960.00, or 5.6%. Again, this would include the 2011 sustainable

budget reductions. The Police Department is comprised of four divisions, Patrol Operations, Investigative Services, Support Services, and Neighborhood Services. Seven full-time positions would need to be eliminated in order to achieve the benchmark of \$10,375,285.00. These reductions transcend each Division and would significantly impact service delivery in all, especially the specialized programs that have been developed to further our community outreach efforts. It is nearly certain that the organization's Impact Team would be eliminated as the budget cuts would have a dire impact on the Patrol Operations Division personnel allocation. This action would most certainly compromise our grant status with the COPS Program.

The totality of the budget cuts would essentially eliminate our proactive programs that we have developed over the years and especially current plans that we have been developing to build upon our outreach to the community.



C I T Y O F E N G L E W O O D
F I R E D E P A R T M E N T

MEMORANDUM

TO: City Manager Gary Sears
FROM: Fire Chief Michael Pattarozzi
DATE: July 27, 2011
SUBJECT: 2011 and 2012 Budget Reductions

The Fire Department consists of the Building and Safety Division, and the Fire Operations Division. The Mission Statement of the Fire Department states;

“The Englewood Fire Department is dedicated to the protection of life, property and the environment through a commitment to excellence in emergency response, training, public education, fire prevention, and the efficient utilization of resources.”

The Fire Department supports the following outcomes as adopted by the City.

- 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.

2011

The estimated budget for the Fire Department for 2011 is \$7,492,341. The two percent reduction target budget as calculated by the Finance Department is \$7,316,460. To meet the target budget will require a reduction of \$175,881. Enhanced revenues may be used to offset this reduction for 2011.

Revenue enhancements for 2011 total \$302,167. Personnel costs will be reduced \$67,437. The total for revenue enhancements and personnel cost reductions is \$369,604.

2012

The estimated budget for the Fire Department for 2012 is \$7,721,353. The target budget as calculated by the Finance Department is \$7,316,460. To meet the target budget will require a reduction of \$404,893. The 2012 budget is required to be sustainable.

Line items can be reduced \$26,000. To meet the remainder of the required reduction will necessitate a reduction of five personnel. The implementation of the line item reductions and personnel reductions will result in a savings of \$422,000.

EMERGING ISSUES

There are several emerging issues confronting the Fire Department. The concept of regionalization and the potential for reducing expenditures by minimizing the duplication of services should be analyzed and studied. The first step in this process should be to conduct a study of the services provided by the Fire Department and the possible effects regionalization may have on these services. This study should be conducted by an outside, non-partial party. Additionally, the retirement of the Fire Marshal in January, and subsequent appointment of the Assistant Fire Marshal to the Fire Marshal's position has placed the fire prevention program in a precarious position. To assist the Fire Marshal, we propose hiring a part-time Fire Marshal. This position will allow for flexibility in that critically important office.



C I T Y O F E N G L E W O O D
F I R E D E P A R T M E N T

MEMORANDUM

TO: City Manager Gary Sears
FROM: Fire Chief Michael Pattarozzi
DATE: July 27, 2011
SUBJECT: Proposed Part-Time Assistant Fire Marshal

The retirement of the Fire Marshal in January, and the subsequent appointment of the Assistant Fire Marshal left the Fire Prevention office in the need of additional personnel. The Fire marshal is doing an excellent job, and has settled into her new role. However, when she is taking time off, the duties of her office still need to be addressed. We had an agreement with the Sheridan Fire Marshal to assist when needed, but he has separated from the city. We have tried dividing her responsibilities among Fire Department staff, but staff lacks the necessary knowledge, expertise, and certifications, to fulfill her duties. A part-time Assistant Fire Marshal is a potential solution to this issue. This position would allow for coverage for time off, and could assist the Fire Marshal by taking some of her work load. It could also be of an aid to succession planning for the Fire Marshal's position upon her retirement.

This position would be classified as part-time, 20 hours per week. The grade for this position would 0115. Starting salary would be approximately \$27.00 per hour. Salary and benefits should be \$37,500 annually.

I will be happy to discuss this proposal with you.



MEMORANDUM

COMMUNITY DEVELOPMENT

TO: Gary Sears, City Manager

FROM: Alan White, Community Development Director ✓

DATE: August 11, 2011

RE: Revised 2011 Estimated Budget and 2012 Proposed Budget

This memo summarizes the **Revised** Estimated 2011 Budget and the Proposed 2012 Budget.

The Department's approved budget for 2011 was \$1,343,556.00. A 2% reduction is equal to \$26,871, or a total budget of \$1,316,685.00.

2011 Estimated Budget

The Department's Estimated 2011 Budget is \$1,496,766.00, or an increase in expenditures of \$153,210.00. This expenditure increase is due to the two CPPW Tri-County grants the Department received totaling \$238,634.00, which is being used for consultants (professional services) to perform the two studies. It is anticipated that all but \$50,000.00 of the grant funding will be spent in 2011, resulting in grant expenditures of \$188,634.00. The grant expenditures are offset by corresponding increases in revenue. There were no matching funds required for these grants.

The expenditures of the Department will decrease by **\$65,454**, excluding the grant expenditures. The Estimated 2011 Budget contains the following adjustments:

Personnel Costs	- \$ 5,454
Postage Print Shop	+\$ 1,000
Software/Hardware Maintenance	+\$ 4,000
Professional Services	- \$37,500
Other Expenses (Art Shuttle)	- <u>\$27,500</u>
Net Decrease	- \$65,454

The decrease in professional services will mean that Phase II of the Citywide Retail Assessment will not be initiated. The \$65,454 is a reduction of **4.9%** of the approved 2011 Budget.

2012 Proposed Budget

The Department was also awarded a DRCOG TIP grant in the amount of \$120,000.00 to prepare station area plans for three stations along the Southwest light rail line. The funds will be used to hire consultants to prepare the plans. Department expenditures in the professional

services line item will include this amount, the \$50,000.00 estimated to be left over from the CPPW grants, and \$70,000 to be used to start a small area planning process for the West 285 Corridor. Excluding the grants, professional services expenditures will decrease by \$55,000.00.

The Catalyst Program is proposed to be funded by the General Fund in the amount of \$120,000.

The Department’s proposed 2012 budget includes the following adjustments to the 2011 Estimated Budget:

Personnel Costs	+\$30,933
Copiers/Print Shop	- \$ 1,000
Computer Supplies	- \$ 500
Software/Hardware Maintenance	+\$ 1,625
Professional Services	- \$47,500
Vehicle Maint.	+\$ 10
Building Rental Servicer	+\$ 90
Risk Mgmt Premiums	+\$ 1,295
Travel	+\$ 9,800
Aid to Other Agencies	- \$ 1,000
Other Expenses (Art Shuttle)	<u>+\$ 7,500</u>
Net Increase	+\$ 1, 253

The above amounts include \$10,000 in travel expenses to attend the ICSC convention in May 2012 and additional funding for the Art Shuttle. The amount needed for the Shuttle will not be known until October, when RTD does its ridership survey and management decides whether to continue funding the service or not. Should the service continue to be funded by RTD, the amount budgeted should cover the City’s portion of the cost. This budgeted amount also assumes receiving the approximate funding participation from those organizations who contributed to the funding for 2011. The proposed increase in funding over the 2011 actual level of funding may not be needed.

The proposed budget is a 0.01% increase in the 2011 Estimated Budget.

Program Funding Issues

As noted above, the City’s share of the cost of providing the Art Shuttle service is not yet known for 2012. The future of RTD funding is not known and it is possible that RTD could cut funding for the service altogether. If RTD funding is cut, a decision will need to be made to continue providing the service and under what circumstances (reduce hours, collect fares, longer headways, etc.)

Fund 46 is an enterprise fund established for the housing rehab program. Loans and related expenses are not funded by the General Fund. Personnel and vehicle costs are funded by the General Fund. Some personnel costs (approximately \$15,000) are covered by CDBG administrative cost allowances. Continuation of the program will require a continued commitment to fund a majority of the personnel costs from the General Fund.

Budget Outcomes

The following major programs will be initiated or continued in 2012 to address the City's Budget Outcomes:

A progressive city that provides responsive and cost-efficient services

- Continue providing information packets and checklists for development application processes and permits; update or improve as needed
- Continue to provide development application information, forms and checklists on the City's website
- Continue providing free Art Shuttle service to transit patrons at the same service level provided in 2011
- Continue to provide oversight and updates to englewoodsites.com
- Continue to provide timely and efficient review of development applications, including the Development Review Team process

A city that is safe, clean, healthy and attractive

- Continue drafting UDC Amendments pertaining to the Sign Code
- Prepare Medical District Subareas 3 and 5 Zoning Reforms
- Initiate the planning processes for the station area plans for the Bates, Englewood and Oxford stations on the Southwest Rail Line
- Initiate the small area planning process for the West 285 Corridor, perhaps in conjunction with the station area planning process
- Continue managing the programs of Keep Englewood Beautiful: household hazardous waste roundup, tire and leaf drop-off, holiday lighting, clean-up coupons, and Arbor Day in conjunction with the Parks and Recreation Department

A city that offers diverse cultural, recreational, and entertainment opportunities

- Continue to oversee the Art Shuttle art program at the shuttle stops

A city that is business-friendly and economically diverse

- Continue administering the Catalyst Program
- Continue administering the Arapahoe County Enterprise Zone
- Continue to participate in the economic development opportunities afforded by South Metro Denver Chamber of Commerce Economic Development Group, Metro Denver Economic Development Corporation, Economic Development Council of Colorado, International Council of Shopping Centers, and Urban Land Institute Colorado

A city that provides and maintains quality infrastructure

- Continue the Housing Rehabilitation Program and the second year of the Energy Efficient Englewood Program
- Continue to manage the City's bus shelter, bus bench and newspaper corral programs
- Finalize the implementation phase of the Master Bicycle Plan Route Selection and Implementation Program funded by a Tri-County grant

Interoffice Memo

To: Gary Sears, City Manager
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: August 18, 2011
Subject: Finance and Administrative Services Budget 2011/2012

The Department's 2012 budget target is two percent less than the 2011 budget per your guidelines.

Finance and Administration reduced its 2011 budget by cutting food, training, commodities, and realized some savings in personnel expenditures due to hiring an employee at a lower rate of pay.

The Department's expenditures are comprised of approximately 83 percent wages and benefits so it very difficult to reduce the budget further without personnel reductions. Since 2002, FAS has reduced its staffing from 20.55 FTE to 17.9 FTE, a 12.90 percent decrease.

Prior personnel reductions included one sales tax auditor, one person in purchasing, and reduced the revenue technicians from full to part-time. Finance and Administrative Services reduced one accountant position last year (2010) when the Accounting Manager position was filled internally.

Central Services has transferred \$100,000 to the General Fund in 2010 and 2008 as well as \$50,000 in 2009.

We have already eliminated or significantly reduced commodities and contractual so only personnel reductions remain. If additional expenditure reductions are required, there are two options available, both will require the reduction of one full-time position. The result of the reduction in personnel could reduce revenues to some extent or increase the time to process the various license requests the Department receives.

I have also attached information showing the amount of revenue the City would save if it eliminated the vendor fee. Also included are estimates of additional revenue that could be collected by raising the Waste Transfer Surcharge.

Attachments

Interoffice Memo

To: Gary Sears, City Manager
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: August 17, 2011
Subject: Waste Transfer and Vendor Fee

At previous study sessions I have briefly discussed reducing the vendor fee to zero. Currently, the City allows a vendor to keep .25 percent of the taxes remitted to the City for the administrative cost of collecting and remitting sales taxes to the City. The Finance and Administrative Services Department requests Council eliminate the vendor fee. This would result in a savings of approximately \$42,000 per year. This savings could fund a program or half the average salary and benefits of one employee. Many municipalities in the Metro Area have eliminated their vendor fees.

Also, at previous study sessions I have brought up the topic of the Waste Transfer Fee. This fee was enacted in 1985 at \$.20 per cubic yard and has not been changed since that time. There are very few comparable municipalities charging this fee as waste transfer stations are not widely distributed in the Metro Area, but an example of a municipality charge fee is the City of Boulder. Boulder imposes an \$.85 per cubic yard fee.

This fee was imposed to offset the wear and tear on City streets. This fee is imposed on all persons using the waste transfer facilities, many of them are not residents of the City of Englewood and pay no taxes for City services.

The City collected \$235,000 in 2010. If this fee would have been increased by an average inflation rate of three percent per year, the fee would be \$.43 per cubic yard and would have generated approximately \$507,118. I have attached information regarding estimated collections at various fee levels.

As Council is aware the Public Improvement Fund (PIF) continues to be underfunded. If Council desired, a portion of any increase could be used to fund PIF projects with the remainder funding General Fund operations.

Attachment

Waste Transfer Surcharge
\$.20/cubic yard in effect since 1985

2010 Total Collections	\$235,869
Charge per Cubic Yard	\$0.20
Cubic Yards	1,179,345

Rate	Collections	Increase \$	Increase %
\$0.20	\$235,869		
\$0.25	\$294,836	\$58,967	25%
\$0.30	\$353,804	\$117,935	50%
\$0.35	\$412,771	\$176,902	75%
\$0.40	\$471,738	\$235,869	100%
\$0.43	\$507,118	\$271,249	115%
\$0.45	\$530,705	\$294,836	125%
\$0.50	\$589,673	\$353,804	150%

Vendor Fee Reduction to Zero

Licenses	Vendor Fee	Fee Per License
2,400	\$42,000	\$17.50



MEMORANDUM

To: City Manager Gary Sears
From: Library Director Dorothy Hargrove
Date: July 20, 2011
Subject: 2012 Budget Highlights

In order to reduce expenses by at least 2% in 2011 the Library has:

- Eliminated one library assistant position (due to a resignation)
- Minimized the use of substitute librarians by rearranging staff schedules and using supervisors for direct public service
- Created a new paraprofessional customer service position to fill schedules at lower cost
- Eliminated minor unnecessary expenses

We will meet targeted reductions while maintaining current service levels. We have opened an additional meeting room and a study room for community use and have assumed responsibility for managing Hampden Hall at no additional expense. We have a record number of participants in summer reading and the children's programs continue to be popular. We are partnering with the Literacy Coalition of Colorado and with Arapahoe Douglas Works to provide additional programs for our community. We are able to provide downloadable media at a discounted rate through a state-wide purchasing consortium.

These service levels are sustainable into 2012. To hold the line on expenses we will:

- Continue to use new customer service personnel to supplement professional staff
- Outsource processing and cataloging of materials to lower-cost vendors
- Reduce the cost of our contract for the library computer system
- Partner with Parks/Recreation Department on programs for children, teens and seniors

The demand for library services, however, will continue to put pressure on our current resources. As we move into 2012, we should consider:

- A capital expense of roughly \$24,000 to replace our current adult and children's computers. These computers are in constant demand and need to be updated.
- Opening the Library at 10:00 instead of 10:30 Monday – Saturday. The additional staff time would cost approximately \$7,500 for the year. Too many people are waiting every day for us to open, especially parents of young children.

I will also continue to explore the possibility of cooperative agreements with neighboring library districts. By sharing resources we may be able to trim costs and expand access to materials and special programs.



C I T Y O F E N G L E W O O D
I N F O R M A T I O N T E C H N O L O G Y

To: Gary Sears, City Manager

From: Jeff Konishi, Director – Information Technology

Date: August 1, 2011

RE: 2012 Budget Proposal

Executive Summary:

To accomplish a 2% reduction for the 2011 and 2012 budgets the Information Technology Department will require a reduction in FTE count from 11 to 10.

Information Technology - Projects

For the Information Technology Department, 2011 will be an impressive year for IT related projects since there are several large projects that have been completed or are in progress. Those projects, in addition to future projects include:

- Successfully implemented a new telephone system, replacing a 15+ year old system.
- Successfully implemented the ability to purchase Pirate's Cove tickets online and to scan them at the front gate.

- In progress – security camera replacements for the City
- In progress – Oracle upgrade to the latest version to insure that the City is in compliance with all Oracle maintenance agreements.
- In progress – data migration of all history on the City legacy system.
- In progress – replacement of the Police mug shot software.
- In progress – online sales tax submission and replacement of the existing sales tax software.
- In progress – update to Court software to allow for several online Court transactions in the coming months.

- Future project – One online sales tax submission website for several municipalities allowing businesses to file their tax information online.
- Future project – mobile applications for staff and constituents such as scheduling for inspections, request for permits, etc.
- Future project – online access for email, word processing, and storage of documents. Access can be from any source at any location – not just from work.



C I T Y O F E N G L E W O O D
I N F O R M A T I O N T E C H N O L O G Y

Information Technology - Budget

The original 2011 Information Technology budget is currently at \$1,338,543. A 2% sustainable reduction for 2011 and 2012 would be \$26,770, which would reduce the 2011 estimate to a net budget amount of \$1,316,648. Since the current IT budget is 71% Personnel costs and 17% fixed contracts, the only way to accomplish a reduction of this size is to eliminate a regular FTE. With technology constantly changing and the increasing demand that technology aid in the efficiency of day-to-day work; reducing IT staff at this time would put a huge roadblock in the ability to meet those demands and slow the progress of all projects and technology goals for the City. Other Department Directors also support this conclusion, and would be willing to allow the IT Department to maintain the FTE count at 11.

A budget savings of \$10,000 for the Information Technology Department is available due to the work of 2 IT staff members. Technical Support Specialist Russ Vaughn spent numerous hours auditing all of the City's phone lines, which produced a list of those that were no longer in use. Eliminating these lines will save the City \$5,000 in annual charges. In addition, Ted Wargin, Network Manager re-worked existing T1 contracts to improve the quality and efficiency while saving the City an additional \$5,000. The total reduction of \$10,000 will be reflected only in the 2012 budget since the majority of these savings will be realized beginning in that year.

As Director for the Information Technology Department, I will strive to maintain an efficient and cost effective technology operation in balance with the needs of the City Departments and Constituents. We will continue to explore shared services and combine operations where necessary while insuring that the user and constituent needs are being met. In addition, existing contracts will be reviewed to insure that the City is engaged in the most cost effective contracts possible.



CITY OF ENGLEWOOD
HUMAN RESOURCES

TO: GARY SEARS, CITY MANAGER

CC: MIKE FLAHERTY, DEPUTY CITY MANAGER; FRANK GRYGLEWICZ, DIRECTOR OF FINANCE AND ADMINISTRATIVE SERVICES

FROM: SUE EATON, DIRECTOR OF HUMAN RESOURCES

DATE: JULY 25, 2011

SUBJECT: HUMAN RESOURCES BUDGET –REVISED 2011/PROPOSED 2012

Gary,

Per your direction, I have evaluated the Human Resources general fund budget to reflect a year end 2011 reduction of at least 2% below the approved budget, AND a 2% reduction below the approved 2011 budget amount continuing into 2012.

As of mid-year, I project that HR will end 2011 9.41% below the approved budget amount of \$481,102. This reduction was made possible by turnover that occurred in the department late in 2010 after the 2011 budget process was already completed. This reduction will not be sustainable into future years, however, because reorganization of department duties will cause me to add back the position that was vacated late last year. (See July 13 memo regarding the details of that reorganization)

For 2012 (and going forward), I will be able to eliminate our budget for recruitment advertising. The implementation of NeoGov recruitment software has been instrumental in the wide dissemination of all of our position postings on the web, eliminating the need for costly print publication of our openings. This savings will be sustainable. For 2012, even with the staffing changes you approved, the HR general fund budget will be 2% below the 2011 approved budget.

There are several regionalization initiatives that we have either already implemented or are exploring that will likely provide savings in the future – possibly as early as 2012. The first is the expansion of the regional focus of our annual Summit for Professional Growth begun in 2010. We generated revenue from the attendance of over 120 participants from 27 cities, counties, special districts, universities and the State. In an effort to increase those revenues for 2011, we have included several of the local government proponents of the Summit model in our planning committee for this year's event. We're anticipating that their involvement and support will translate into increased participation by employees at their entities. We're also working again with our 2010 sponsors: University College- University of Denver; Colorado chapter of the International Public Management Association – HR (IPMA-HR); Colorado Parks & Recreation Association (CPRA); CIRSA; Denman & Associates; Horizon Health and

Kaiser Permanente. Additionally, Colorado Municipal League will continue its support by providing Sam Mame's services as a Summit speaker and again advertising in their newsletter. State Senator Linda Newell has offered to promote the event through her town hall meetings and a number of other outreach methods. She is also presenting at the Summit.

In the exploration phases are the possibilities of: partnering with other agencies to reduce redundancies in recruitment (especially public safety), joint collective bargaining, shared use of training facilities with West Metro Fire District and opening up the Englewood Leadership Institute to outside participants.

From an internal service fund perspective, there are several cost-saving efforts in progress. We plan to leverage our technology capabilities during (or shortly after) the Oracle upgrade to eliminate benefit administration duties that previously required a .5FTE position. We've negotiated new rates with our insurance brokers that will equate to roughly a 1.5% reduction in 2012 insurance premiums, and are partnering with Kaiser to implement a comprehensive wellness program that will reduce our premiums by 2.6%. With your agreement, we're piloting property/liability allocation procedures which are less conservative than our previous methods. We will monitor them carefully over the next several years to ensure they provide the City with acceptable levels of risk management. All of the departments will benefit as a result of these cost containment efforts.

Gary, we'll continue to analyze all of our processes for potential streamlining. It is also important to remember that many of our services are "ad hoc" in nature and dependant on needs of the organization that are not always known during the budget planning process.

Thank you for your continued support of the Human Resources department's work, and please let me know if you have any questions about any of the above.



C I T Y O F E N G L E W O O D
H U M A N R E S O U R C E S

TO: MAYOR WOODWARD AND CITY COUNCIL MEMBERS
THROUGH: GARY SEARS, CITY MANAGER
FROM: SUE EATON, DIRECTOR OF HUMAN RESOURCES
DATE: AUGUST 17, 2011
SUBJECT: 2011 SUMMIT FOR PROFESSIONAL GROWTH

On behalf of the members of the *2011 Summit for Professional Growth* Planning Committee, I'm proud to announce our 4th annual event. The Planning Committee is composed of inter-departmental City employees as well as representatives from other public sector entities. One of the goals of the committee is to continue to increase participation by government employees from across the metro region. Last year's *Summit* drew in over 120 "outside City" participants representing over 26 agencies and we're on track to exceed that number this year! By extending registrations to external participants we reduce the costs associated with producing this event.

The theme of this year's Summit is ***Today's Resilience is Tomorrow's Success*** and it will be held October 4th, 5th and 6th. The committee, led by Karen Main, HR's Training Specialist, has done an excellent job identifying speakers and topics that are relevant, timely and informative. While the Summit is specifically geared toward governmental employees, there are several keynotes and workshops council members may find of general interest and are welcome to attend if schedules allow:

- "Little Steps, Big Feat", Polly Letofsky – *Opening Keynote*, 8:30-10AM, Tuesday, October 4.
- "What's the Future of Local Government?" – Sam Mamet, CML, *Workshop*, 8:30-10AM, Oct. 5.
- "Inspired Integrity, Chasing Authentic Success – Corey Ciochetti, DU, *Keynote*, 3-4:30PM, Oct. 5.
- "Do I *Want* to be Resilient", Senator Linda Newell, *Workshop*, 8:30-10AM, Thursday, October 6.
- "Discover your Inner Champion", Tricia Downing, *Keynote*, 10:30-Noon, October 6.

For more details on the above programs and to see what's in store for employees at the rest of the Summit go to <http://summit.englewoodgov.org>.

Thank you for your support of City employees' professional development and our efforts to provide networking opportunities and to contain costs through the regionalization of the Summit.



MEMORANDUM

TO: Gary Sears, City Manager, Mayor Woodward and Members of City Council

FROM: Tamara Wolfe, Court Administrator

DATE: Aug 1, 2011

SUBJECT: Municipal Court Budget

As requested, the Court has reduced its anticipated 2011 budget by 2%. We were able to accomplish this through current personnel vacancies and a small reduction in security guard and service hours to the public. This is in addition to the .70 fte position that was forfeited during the 2011 budget process. We anticipate carrying at least one additional personnel vacancy as well as the security guard and service hour reductions through 2012. The Court hopes to be able to maintain current service levels with this staffing level provided we realize some on-line implementations as scheduled in 2011 and 2012. The reductions in personnel hours and services will allow us to sustain the 2% overall reduction into 2012 even with the implementation of proposed wage increases and discontinuation of furloughs.

Revenues continued a slight decline for a variety of reasons including differing judicial approaches and reduced filings. We don't expect any significant changes over the next year unless the economy in general would be subjected to a major fluctuation in one direction or another and anticipate revenues to maintain their currently reported status.

The Court appreciates the opportunity to discuss any issues that may need clarification.

MEMORANDUM



To: Englewood City Council

From: Stewart Forde, Director of Utilities

Date: July 19, 2011

Subject: Water Enterprise Fund 2012 Budget

The budget for the Water Fund has been examined using a five year cash flow model which projects revenues and expenses. Given our current situation, no rate increase is anticipated for 2012. Our fund balance and present income appear to cover all of our projected expenditures.

A 2% reduction in the Water Department's 2012 budget can be accomplished through cutbacks in spending for water meter replacements, funds set aside for water rights legal counsel and a variety of other spending reductions. Routine capital replacements are expected to be lower in 2012 which will also contribute to the overall reduction.

The proposed major capital projects for 2012 include:

- Relining of the 16" Union Avenue water main.
- Installation of Ultraviolet disinfection at the Allen Water Treatment Plant.
- Repairs to the roofs on the Overhead Treated Water Tanks.
- Replacement of the Allen Water Treatment Plant Roof.



MEMORANDUM

To: Englewood City Council

From: Stewart Poppe, Director of Utilities

Date: July 19, 2011

Subject: Stormwater Enterprise Fund 2012 Budget

The Stormwater Fund pays other City departments for storm sewer system repair, maintenance and management.

The budget for the Stormwater Fund has been examined using a five year cash flow model which projects revenues and expenses. Given our current situation, no rate increase is anticipated the foreseeable future. Our fund balance and present income appear to cover all of our projected expenditures.

No major capital expenditures are planned.



MEMORANDUM

To: Englewood City Council #

From: Stewart Fonda, Director of Utilities

Date: July 19, 2011

Subject: Sewer Enterprise Fund 2012 Budget

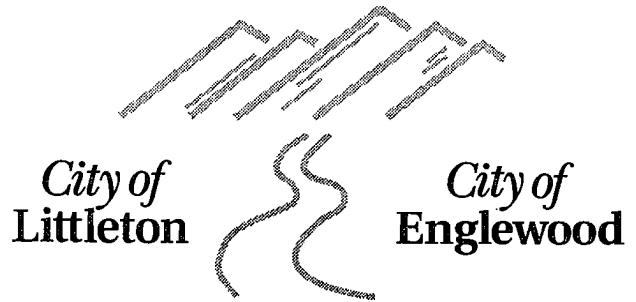
The budget for the Sewer Fund has been examined using a five year cash flow model which projects revenues and expenses. Our fund balance and present income appear to cover our projected expenditures. However, rate increases may be necessary in the coming years depending on capital improvement requirements at the Littleton/Englewood Wastewater Treatment Plant. Council may choose either to wait until the fund balance indicates the need for rate increases, or to implement a series of smaller rate increases next year. Because of various factors involved with billing our outside City Customers on an annual basis, rate increases need to be effective on June 1st rather than January 1st.

Because Littleton/Englewood Wastewater Treatment Plant charges and expenses are the majority of the Sewer Fund budget, a 2% reduction would be accomplished through their reductions and through a variety of other cuts to the Sewer Fund spending.

There are no major capital projects planned for the Sewer Fund in 2012.

**LITTLETON/ENGLEWOOD
WASTEWATER TREATMENT PLANT**

2900 S. Platte River Drive
Englewood, Colorado 80110
(303) 762-2600
FAX 762-2620



MEMORANDUM

TO: Englewood City Council
FROM: Stewart Fond ~~Director~~ of Wastewater Treatment
DATE: July 25, 2011
SUBJECT: Littleton/Englewood Wastewater Treatment Plant
2012 Budget

The proposed 2012 budget for the treatment plant is based on continuing the existing level of service in the operations, beneficial use, engineering and maintenance, business services, laboratory, regulatory compliance and pretreatment divisions. The proposed budget also includes several capital projects in construction and infrastructure maintenance.

A 2% reduction in the operations and maintenance 2012 budget, compared to the 2011, may be accomplished by reducing energy costs (several energy conservation projects are being implemented), eliminating energy escalation costs, reducing the vehicle fleet, deferring a number of routine capital purchases, extending position vacancies and reducing commodities purchases in several divisions.

Two construction projects are included in the proposed budget: ultraviolet light disinfection and an administration building addition. Both of these projects are multi-year in nature and the costs included in 2012 are primarily for design for each project. City Council has not approved these two projects and, although the projects are included the proposed budget, funds would only be expended upon Council approval. No work has been contracted for 2012.

A number of infrastructure maintenance projects are included in the proposed budget. This is work that keeps buildings and major structures in good repair and facility work that is beyond the scope of normal maintenance. The need for this work is based on inspections of facilities and is not based on a set schedule. The proposed 2012 budget includes roof replacements, building exterior masonry repairs and weatherproofing, energy conservation projects (HVAC and lighting), piping replacements and security improvements.

The Water Quality Control Commission is conducting a major rule making hearing in March 2012. The Commission will be deciding what appropriate water quality standards and regulatory requirements are regarding nutrients, primarily phosphorus and nitrogen and probably including chlorophyll a, biological integrity, etc. The earliest impact on budget would be in 2014 when the current discharge permit expires and a new permit could be issued. The Water Quality Control Division generally does not issue new permits for several years so the impact could be later.

MEMORANDUM



TO: Mayor Woodward
Englewood City Council Member

FROM: Dan Brotzman, City Attorney

DATE: July 12, 2011

REGARDING: Budget Reduction.

The City Attorney Budget for 2011 is \$762,518. A reduction of \$15,250 will be necessary to meet the City Manager's additional 2% cut for 2011. In a similar fashion to budget cuts in prior years, such reduction would need to come from a combination of personnel and outside attorney fees. To maintain that level for 2012 additional reductions will have to be made to compensate for insurance increases and benefits. Again that amount will have to be balanced between personnel and outside attorney fees.

It should be noted that the further reduction to personnel costs will affect services. Contact with departments, outside agencies, and citizens will be delayed. Legislation, contract review and other legal reviews will also be delayed. It should also be noted that the City Attorney has recommended departments needing outside attorneys review their individual budgets to address anticipated items such as labor negotiations, pension issues, sales tax advocacy, IT consulting, and any anticipated projects outside of the norm.

NOTE: Due to an adverse ruling from the IRS, outside contract prosecutors are now required to be listed and paid as employees. The change is reflected in an increase in personnel and a reduction in contractual. There is little very effect to the budget with this change.

CC: Gary Sears
Frank Gryglewicz
Jennifer Nolan

DB/nf



Memorandum

City Manager's Office

TO: Gary Sears, City Manager
FROM: Michael Flaherty, Deputy City Manager
DATE: July 28, 2011
SUBJECT: City Manager's Office 2012 Budget Summary

The City Manager's Office total expenditure for 2010 came in approximately \$11,000 under the authorized budget amount. The 2011 authorized budget is \$664,732, which is approximately \$5000 less than the 2010 authorized budget. Expenditure for 2011 are currently estimated at \$663,550, however, we have been operating with a vacant clerical position since mid-June. While we have utilized an intermittent on-call replacement for the vacancy, the position will not be filled with a permanent replacement until mid-August, which will generate some saving in our 2011 budget.

To reduce our budget, the vacant position will be filled at a lower level with a salary differential of approximately \$12,000. Since benefits for this position are unknown at this time, actual saving in our 2012 are not yet determined, but should be close to that salary differential. In order to reduce expenditures further would require a personnel reduction within the City Manager's Office.



Memorandum

City Manager's Office

To: Mayor Jim Woodward and City Council Members
Through: Gary Sears, City Manager
From: Michael Flaherty, Deputy City Manager ✓
Date: August 1, 2011
Subject: 2012 Preliminary Capital Project Recommendations

Source of Funds

Capital Project Fund (CPF) and Public Improvement Fund (PIF)

The source of funding for both the Capital Projects Fund (CPF) and the Public Improvement Fund (PIF) are revenues received to the Public Improvement Fund, primarily from auto and building use taxes and transfers in from other funds, including grant funds and the City General Fund. PIF revenues continue to trend lower in 2011 due to the recessionary impacts on construction and auto sales. We expect this trend to continue into 2012, although new construction projects, Kent Place and the Centennial Center Kings Soopers, in particular could improve the revenue picture. Projected PIF revenues for 2011 are currently estimated at \$1.6million. Anticipated 2011 year-end fund balance is anticipated to be less than \$50,000. No transfers from the General Fund are proposed in the 2011 budget.

Conservation Trust Fund (CTF)

Conservation Trust Fund revenues, annually distributed from the State of Colorado Lottery proceeds, are projected to remain at or near the 2011 level of approximately \$325,000, including interest. The unappropriated fund and contingencies balances at year-end 2011 are estimated at \$240,000, for a total of funds available in 2012 of approximately \$565,000. Use of Conservation Trust Fund proceeds is limited to parks, recreation, cultural and historic purposes.

Open Space Fund (OSF)

The City's share of Arapahoe County Open Space Fund 2012 revenues is estimated at \$640,000. The estimated fund balance at year-end 2011 is approximately \$295,000. Total funding available for appropriation in 2012 is approximately \$935,000 for eligible projects and maintenance personnel (ten percent of the annual distribution of Open Space funds is eligible for parks and open space maintenance purposes.) The Open Space Fund use is limited to parks and open space purposes.

Use of Funds

Capital Project Fund and Public Improvement Fund (PIF)

Requests for capital funding in 2012 are primarily relate to on-going maintenance of the City's infrastructure, building and technology systems and capital equipment. With potential funding of currently estimated at \$1.6 million available, we are able to fund only the very basic on-going capital infrastructure/system programs. Due to the fact that we are still evaluating potential revenue streams from new projects, we have grouped capital requests in priority order with thresholds of \$2 million, \$2.5 million and \$2.7 million, although it is unlikely that we will be able to fund projects requests beyond the \$2 million threshold. In addition, there are several projects that we know that we cannot fund that might possibly be considered for other funding sources. The most critical of these projects is the repair of the Dartmouth bridge over the South Platte River estimated at a cost of \$500,000. The bridge has a low sufficiency rating based on the Colorado Department of Transportation standards and in need of repairs to avoid further deterioration. However, if we were to fund the bridge repairs with available 2012 capital funds, we would have to reduce our annual street maintenance program by 2/3. We are already behind in our street maintenance program as indicated by the \$500,000 unfunded request in the deferred category.

Council may consider funding one of more of these unfunded projects by reordering of the proposed project priority or by looking to other sources of funding that may be available, such as the LATR fund or a future General Obligation Bond issue.

Conservation Trust Fund (CTF)

Recommendations for 2012 CTF projects total \$403,500. These recommendations matching funds for a future expansion of Pirates Cove, several Recreation Center and Pirates Cove equipment replacements and repairs and replacement of the RecTrac system (automated scheduling and registration system.)

Open Space Fund (OSF)

Recommended Open Space Fund projects for 2012 is \$772,000. Recommended projects include the, irrigation system replacement and automation, park landscape improvements, capital maintenance and equipment replacement, continuation of the tree replacement and flower bed programs, funding for allowable maintenance personnel, and set asides for future open space land acquisition and matching funds for potential grant funded park and open space projects.

The 2012 capital projects program will continue to be refined, with input of City Council, during upcoming budget deliberations.

Attachments:

2012 Preliminary Capital Project Preliminary recommendations

2012 Preliminary Conservation Trust Fund and Open Space Fund Funding recommendations

2012 Proposed Capital Projects Plan

Fund	Department	Description	Request	Recommended	Comments
31	FAS	1% Art in Public Places	\$1,660	\$1,660	Estimated 1% of CPF appropriations per ordinance requirement
30	FAS	Transfer to General Fund-Debt Service	\$486,739	\$486,739	2012 debt service/lease obligations- capital leases and capital equipment lease/purchases
30	PW	Road and Bridge	\$750,000	\$750,000	Annual street rehabilitation program
30	PW	Concrete Utility-City's share of Utility	\$280,000	\$224,000	City's share of Concrete Utility program expenses
30	PW	Bridge Repairs	\$50,000	\$50,000	Planned bridge rehabilitation - annual program
30	PW	Transportation System Upgrade	\$175,000	\$175,000	Annual transportation system program
30	PW	Building Maintenance/annual maintenance & improvements	\$106,060	\$106,060	Annual building maintenance and improvement program -14 facilites
31	IT	Software - Microsoft licenses	\$86,000	\$86,000	Licensing (contract) requirement
31	IT	Departmental PC Replacement	\$80,000	\$80,000	Scheduled desk top replacements
30	CD	TIP Station Area Planning Grant Matching Funds	\$30,000	\$30,000	Matching funds for grant award
		\$2 million threshold	\$2,045,459	\$1,989,459	
		PIF Totals	\$1,877,799	\$1,821,799	
		CPF Totals	\$167,660	\$167,660	
31	IT	Server Virtualization and Storage	\$15,000		Annual maintenance and upgrade program
31	IT	Telecommunications Systems	\$50,000		Mobile and desktop application software and hardware
31	Fire	Alert System replacement	\$49,600		Replacement of warning sirens - required to meet FCC requirements
31	IT	Library System	\$24,500		Hardware replacement
31	PW	Safety Service Building roof replacement	\$84,500		Completes reroofing of building
31	IT	Permit Tracking System	\$30,000		Upgrade of existing system
31	Police	Radio CERF	\$30,000		Annual equipment replacement program
31	Police	Computer Assist Dispatch/MIS System	\$30,000		Annual equipment replacement program
31	FAS	Financial & HR System	\$40,000		Final funding requirement for new automated Sales Tax reporting system
30	PW	Concrete Program-Handicap ramps	\$20,000		Continuation of handicap replacement program
31	FAS	Transportation Action Plan	\$3,000		ETAC recommendations implementation
31	PW	Safety Service Building sliding glass door replacement	\$12,000		Upgrade/improvement of existing entry
30	PW	Civic Center carpet replacement -3rd floor	\$115,000		Final phase of initial Civic Center carpet replacment
		\$2.5 million threshold	\$2,549,059		

2012 Conservation Trust Fund and Arapahoe County Open Space Funding

Fund	Department	Project Description	Request	Recommendation	Comments
03	CTF	ERC/Malley fitness equipment replacement	25,000.00		
03	CTF	ERC pool -paint pool deck	2,500.00		
03	CTF	ERC pool-regrout	2,000.00		
03	CTF	ERC pool-acid crossover system	2,000.00		
03	CTF	ERC pool cover pits	20,000.00		
03	CTF	ERC racquetball cts. -wall & floor replace	50,000.00		
03	CTF	ERC rec zone furniture replace	5,000.00		
03	CTF	RecTrac POS hardware replacement	7,000.00		
03	CTF	Pirates Cove expansion fund	100,000.00		
03	CTF	Pirates Cove improvements	5,000.00		
03	CTF	Pirates Cove Lazy River repaint/repair	40,000.00		
03	CTF	Pirates Cove Lazy River handicap lift	5,000.00		
03	CTF	Pirates Cove play structure repaint/repair	50,000.00		
03	CTF	Bellevue Park Children's Train track repair	15,000.00		
03	CTF	CTF Contingency Fund	75,000.00		
		Total CTF	403,500.00		
10	Open Space	Tree maintenance program	20,000.00		
10	Open Space	Parks flowerbed program	19,000.00		
10	Open Space	Open Space land bank	100,000.00		
10	Open Space	Parks landscape improvements	50,000.00		
10	Open Space	Irrigation system replacement	75,000.00		
10	Open Space	Small equipment replacement	20,000.00		
10	Open Space	Parks maintenance employee compensation	63,000.00		
10	Open Space	Contingency	25,000.00		
10	Open Space	GPS/GIS	75,000.00		
10	Open Space	Grant matching funds	325,000.00		
		Total Open Space	772,000.00		



What if % for Non-
 Personnel Line
 Items

0.0000%

Division: 0101

Fund	Object #	Description	Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget	Mar-11 Actual	2011 Position Sheet	2011 Estimate	2012 Charges Intrdptmnl	2012 Position Sheet	2012 Budget	2012 Comments
02	36201	Contributions	0101	330.00	1,175.00	(670.00)	505.00	475.00	-	100.00	-	100.00	-	-	100.00	
		Total Revenue		330.00	1,175.00	(670.00)	505.00	475.00	-	100.00	-	100.00	-	-	100.00	
02	51101	Regular Employees Salaries and Wages	0101	52,327.44	52,421.18	52,585.52	52,384.80	51,983.60	52,200.00	9,834.68	51,417.00	51,417.00	-	51,782.40	51,782.00	Council salaries
02	51201	Social Security	0101	3,204.66	3,083.19	3,588.74	3,435.78	3,517.82	4,085.00	649.22	3,933.40	3,933.00	-	3,961.35	3,961.00	
02	51203	Workers' Compensation	0101	192.00	-	-	-	-	-	-	-	-	-	-	-	
02	51205	Other Group Insurance	0101	887.00	917.00	948.00	986.00	986.00	986.00	986.00	-	986.00	986.00	-	986.00	Unemployment, Flex & Admin. Costs, EAP
02	52101	Office Supplies - General	0101	2,832.60	3,343.01	1,670.71	1,676.43	3,201.02	1,600.00	323.82	-	1,600.00	-	-	1,600.00	General office supplies
02	52102	Postage/Mail Services	0101	13,889.67	16,397.70	14,457.52	17,159.22	15,554.74	20,500.00	2,764.34	-	20,500.00	-	-	20,500.00	Citizen Newsletter (\$15,408) + mailing costs + other postage
02	52103	Inside Printing Print Shop	0101	6,451.34	9,753.37	8,674.26	6,311.42	3,438.70	7,000.00	1,018.35	-	7,000.00	-	-	7,000.00	Print Shop copies for Council packets, copies and other in-house printing
02	52104	Copiers/Printers Print Shop	0101	7,215.71	8,979.66	10,132.14	7,349.46	4,329.20	8,000.00	578.65	-	8,000.00	-	-	8,000.00	Copies from in-house printers on 3rd floor
02	52105	Office Supplies Print Shop	0101	119.07	56.25	250.24	247.21	409.16	125.00	19.75	-	125.00	-	-	125.00	City of Englewood notecards for Citizen of Year from Print Shop
02	52106	Postage Print Shop	0101	642.14	1,091.21	711.63	523.71	892.71	1,000.00	75.63	-	1,000.00	-	-	1,000.00	Postage for Council mailings
02	52151	Operating Supplies - General	0101	541.07	2,114.14	581.09	1,503.50	386.79	5,600.00	109.50	-	5,600.00	-	-	5,600.00	2010 Redux of \$2,100 - Discretionary \$50/member/month (\$4,200), Calendar artist acknowledgements (\$1,000), MMCYA (\$500), gifts, flowers
02	52152	Operating Supplies Servicerter	0101	63.68	-	-	-	-	-	-	-	-	-	-	-	
02	52153	Computer Supplies	0101	-	-	-	-	62.99	-	-	-	-	-	-	-	
02	52651	Food	0101	5,714.47	5,879.03	6,138.34	4,619.56	4,777.15	6,000.00	878.89	-	6,000.00	-	-	6,000.00	Council dinners (\$2,400), other dinners & lunches, receptions, B/C appreciation ice cream (\$100)
02	52701	Books/Magazines/Subscriptions	0101	280.00	-	(232.06)	-	-	-	-	-	-	-	-	-	2010 Redux of \$250 - New Council Member books
02	54201	Professional Services	0101	7,836.32	6,617.86	3,140.75	12,830.00	4,537.32	3,000.00	-	-	3,000.00	-	-	3,000.00	2010 Redux of \$12,000 for Citizen Survey - Calendar art scanning (\$1,300), calendar framing (\$1,500), other prof. services, meeting facilitation
02	55504	Machinery and Equipment Rental	0101	-	273.00	-	-	-	-	-	-	-	-	-	-	
02	56208	P&L Departmental Premiums Risk Manag	0101	1,371.00	1,365.00	1,327.00	876.00	876.00	876.00	876.00	-	876.00	514.85	-	515.00	Property/Liability Allocation
02	56301	Telephone/Cellphone/Pagers	0101	902.29	893.72	320.96	331.90	-	-	-	-	-	-	-	-	Phones/DSL/Internet
02	56401	Advertising	0101	13,000.00	13,781.34	12,718.82	11,760.24	13,000.00	15,000.00	1,000.00	-	15,000.00	-	-	15,000.00	2010 Redux Eliminate Chamber Lunch of \$2,500 - Sponsorships include July 4th (\$8,000), Chamber events (\$5,000), Citizen/Year (\$1,000), B/C appreciation gifts (\$1,000), other community events
02	56501	Outside Printing	0101	20,927.00	24,327.25	19,470.00	23,533.51	23,858.88	25,540.00	1,806.85	-	25,540.00	-	-	25,140.00	2012 Redux of \$400 for calendar printing + 2010 Redux of \$1,200 for calendar printing - Citizen Newsletter printing (\$11,606), Calendar printing (\$12,000) & other outside printing
02	56601	Travel	0101	4,971.22	11,821.17	14,202.06	13,651.25	6,055.15	6,500.00	3,503.25	-	6,500.00	-	-	6,500.00	2010 Redux of \$700 & 2011 Redux of \$3,000 - NLC, CML & other conference expenses
02	56602	Mileage and Parking	0101	123.91	73.05	125.11	-	60.00	-	-	-	-	-	-	-	
02	56701	Professional Development	0101	3,959.00	3,668.00	5,445.00	3,453.00	5,105.00	2,500.00	1,655.00	-	2,500.00	-	-	2,500.00	2010 Redux of \$1,000 & 2011 Redux of \$1,000 - NLC, CML & other conference registration
02	56704	Memberships & Dues	0101	14,858.22	14,863.68	14,863.68	12,037.09	11,796.37	12,037.00	3,781.37	-	12,037.00	-	-	11,037.00	2012 Redux of Chamber dues by \$1,000 - Englewood Chamber dues (\$3,515), South Metro Chamber dues (\$1,500), RACQ (\$4,500), Metro Mayor's Caucus (\$2,207)
02	57101	Council Approved Aids	0101	31,250.00	31,250.00	32,150.00	30,250.00	26,525.00	25,000.00	22,974.00	-	25,000.00	-	-	15,000.00	2012 Redux of \$10,000 - Various agency donations
02	57102	Aid to Individuals	0101	237.45	550.00	500.00	500.00	500.00	1,000.00	-	-	1,000.00	-	-	1,000.00	Donations to individuals
02	57103	Aid to Other Agencies	0101	96,000.00	96,709.01	96,000.00	96,000.00	96,000.00	96,000.00	-	-	96,000.00	-	-	96,000.00	MOA Contract
02	57204	Other Expenses	0101	50.00	95.74	46.48	-	-	-	-	-	-	-	-	-	
		Total Expenditure		289,847.26	310,324.56	299,815.99	301,420.08	277,853.60	294,549.00	52,835.30	55,350.40	293,614.00	1,500.85	55,743.75	282,246.00	