AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
STUDY SESSION
MONDAY, DECEMBER 12, 2011
COMMUNITY ROOM
6:00 P.M.

I. **Nonemergency Employees Retirement Plan Changes**
Financial and Administrative Services Director Frank Gryglewicz will discuss changes to the Nonemergency Employees Retirement Plan.

II. **Financial Report – 6:15 p.m.**
Financial and Administrative Services Director Frank Gryglewicz will discuss the November, 2011, Financial Report.

III. **Subarea 2 – 6:30 p.m.**
Community Development Director Alan White will provide an update on Subarea 2.

IV. **Kent Place Art Piece Committee – 7:15 p.m.**
City Council will discuss establishing a committee to select a piece of art for Kent Place.

V. **Board/Commission Reappointment Discussion – 7:20 p.m.**
City Council will discuss applicants who are interested in being reappointed to various boards and commissions.

VI. **Aid To Other Agencies – 7:35 p.m.**
City Council will discuss donations to various agencies who serve Englewood residents.

VII. **Board and Commission Liaison Reports – 8:05 p.m.**
City Council will provide an update on boards and commissions.

VIII. **City Manager's Choice – 8:30 p.m.**

IX. **City Attorney's Choice – 8:35 p.m.**

X. **Council Member's Choice – 8:40 p.m.**

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.

City of Englewood
Department of Finance
and Administrative
Services

Memorandum

To: Mayor Randy Penn and City Council

Through: Gary Sears, City Manager

From: Frank Gryglewicz, Director of Finance and Administrative Services

Date: November 23, 2011

Re: December 12, 2011 Study Session Materials

Changes to the NonEmergency Employees Retirement Plan (NERP) were approved by the NERP Board at their November 15, 2011 meeting. Additional required changes to the NERP will be presented to Council in 2012 to implement the three percent employee contribution to the Plan that was agreed to with the Englewood Employees Association in 2011.

Amendments reflect the following changes:

Change in Mortality Assumptions for Calculating "Actuarially Equivalent" Benefits. This is a change in the mortality assumption for purposes of calculating "actuarially equivalent" benefits. This change is not required, but is recommended by the actuary to correspond to a similar change in mortality assumption used for the plan's actuarial valuation. The change in mortality assumption will cause some "actuarially equivalent" benefit amounts to increase and some to decrease. Changes proposed in the next paragraph respond to the legal issues that this paragraph may raise if they cause a decrease in an "actuarially equivalent" benefit.

Change in Description (or Clarification) of Benefits that May Not Be Reduced by Amendment. This changes a Plan provision that currently prohibits the City from adopting a Plan amendment that would "directly or indirectly reduce any Member's Accrued Pension." The Plan does not define the term "Accrued Pension." If a Member's "Accrued Pension" includes all actuarially equivalent payment forms, a change in the mortality assumption used to calculate "actuarially equivalent" benefits could cause a prohibited reduction in a Member's Accrued Pension unless an extra calculation is made to compare and preserve the calculation in effect before the change in mortality assumptions. This Section is an attempt to avoid this legal complication by substituting the defined term "Accrued Benefit" for "Accrued Pension." Although the Plan does not define the term "Accrued Pension," the Plan does define the term "Accrued Benefit" to mean the benefit calculated in the normal form of a ten year certain and life benefit. A change in mortality assumptions does not change the "Accrued Benefit." This amendment assumes that because the Plan does not define the term "Accrued Pension," the use of this term was an error and the intended term was "Accrued Benefit."

Allow Nonspouse Beneficiary for Pre-Retirement Death Benefits. The remaining proposed changes allow a Member to name a non-spouse beneficiary for pre-retirement death benefits, provided the spouse gives written consent. These amendments give Members added flexibility in the choice of beneficiary, but also add complexity to the beneficiary designation. The selection of a nonspouse beneficiary for the pre-retirement death benefit is generally not advisable because the pre-retirement death benefit lasts only 10 years if paid to a nonspouse beneficiary. If paid to a surviving spouse, the same death benefit lasts for the life of the spouse, with a 10 year guarantee. To help Members and their spouses understand the loss of benefits that may result from naming a nonspouse beneficiary, the pre-retirement death beneficiary designation form has been rewritten.

Clarify Asset Transfer Rules for Employees Who Rejoin the Plan After Transferring to the Money Purchase Plan. This change states that assets will not be transferred from the money purchase plan to this Plan when an employee who previously transferred to the money purchase plan rejoins this Plan.

With Council's approval I would like to take present this bill for an ordinance to Council at the regular Council meeting on January 9, 2012. I have attached a draft of the Council Communication.

Attachment

COUNCIL COMMUNICATION

Date	Agenda Item	Subject
January 9, 2012		A bill for an ordinance updating the NonEmergency Employees Retirement Plan (NERP), by removing undefined terms, changing mortality tables and clarifying the death benefit for a non-spousal beneficiary.

Initiated By	Staff Source
City of Englewood, Finance and Administrative Services Department	Frank Gryglewicz, Director

COUNCIL GOAL AND PREVIOUS COUNCIL ACTION

The City Council discussed these issues at the December 12, 2011 Study Session.

RECOMMENDED ACTION

The NonEmergency Employees Retirement Plan Board recommends the City Council approve the attached bill for an ordinance making changes to NERP by replacing the undefined term "Accrued Pension" with the defined term "Accrued Benefit," clarifies the death benefit for a non-spousal beneficiary and changes the mortality table from the 1983 Mortality Table to the more current 1994 Mortality Table.

BACKGROUND, ANALYSIS, AND ALTERNATIVES IDENTIFIED

This bill for an ordinance provides for NonEmergency Employees Retirement Plan to replace the term Accrued Pension, which is not defined, with Accrued Benefit.

The proposed bill for an ordinance amends Sections 3-4-2-2.3. a and b and 3-4-18-3 to the more current 1994 Mortality Table in place of the 1983 Mortality Table. The change to 1994 Mortality Tables makes the Plan consistent with actuarial standards.

The proposed bill for an ordinance amends Sections 3-4-7-5, 3-4-8-1, 3-4-8-7, 3-4-9-1, 3-4-9-2, 3-4-9-3 and 3-4-9-5 to clarify the language allowing a Member, Deferred Vested Member or disabled Member to designate their beneficiary of choice and requiring a spousal waiver if married.

The proposed bill for an ordinance amends Sections 3-4-18-2 to clarify funds transferred from the NERP to the money purchase plan cannot be transferred back.

These amendments do not change Plan benefits but may require additional funding to accommodate the change of Mortality Tables.

FINANCIAL IMPACT

These changes have no substantial impact on the funding of the Plan or the City's overall financial condition.

LIST OF ATTACHMENTS

Proposed bill for an ordinance

City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: December 1, 2011
Subject: November 2011 Financial Report

Summary of the November 2011 General Fund Financial Report

REVENUES:

- Through November 2011, the City of Englewood collected **$35,126,090 or $1,731,316 or 5.2 percent more** than last year (See the chart on page 3 and the attached full report for details on changes in revenue in past year
- The City collected $2,964,942 in property and $210,529 in specific ownership tax through November.
- **Year-to-date sales and use tax revenues were $20,203,274 or $1,166,196 or 6.1 percent more than November 2010**
- Cigarette tax collections were down $3,597compared to last year.
- Franchise fee collections were $853 more than last year.
- Licenses and permit collections were $65,628 more than 2010.
- Intergovernmental revenues were $485,103 more than the prior year.
- Charges for services increased $152,878 from last year.
- Recreation revenues increased $129,221 from 2010.
- Fines and forfeitures were $147,503 less than last year.
- Investment income was $34,727 less than last year.
- Miscellaneous revenues were $83,502 less than last year.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were up $1,573,408 or 26.62 percent compared to last year, $1,188,000 of the total amount collected is due to the receipt of *one-time sales and use tax revenue* from several taxpayers and $56,000 is due to a refund in 2010. The City has classified $600,000 as "unearned" at this time.
- At this time potential refunds total approximately $1,500,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is $1,150,000.

CITY CENTER ENGLEWOOD (CCE):

- Sales and use tax revenue collected through November 2011 were $1,900,451 or $13,150 less than last year during the same period.

EXPENDITURES:

- Expenditures through November were $35,562,561 or $273,020 (.77 percent) more than the $35,289,541 expended through November 2010. The City refunded $33,486 in sales and use tax claims through November.

RESERVES:

- Total fund balance is estimated at $8,749,857. The unreserved/undesignated reserves for 2011 are estimated at $4,587,878 or 12.02 percent of projected revenues. The 2011 estimated Long Term Asset Reserve (LTAR) balance is $2,713,467 (please refer to page 11)

TRANSFERS:

- Net 2011 transfers-in to date of $1,734,810 were made by the end of November 2011 (please refer to page 11 for the make-up).

REVENUES OVER/UNDER EXPENDITURES:

- Expenditures exceeded revenues by $436,471 this year compared to expenditures exceeding revenues by $1,894,767 in 2010.

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected $1,801,010 in revenues and spent $3,713,230 year-to-date. Estimated year-end fund balance is $272,184. Based on a five year average approximately 96% of building use tax and 92% of vehicle use tax is collected through November.

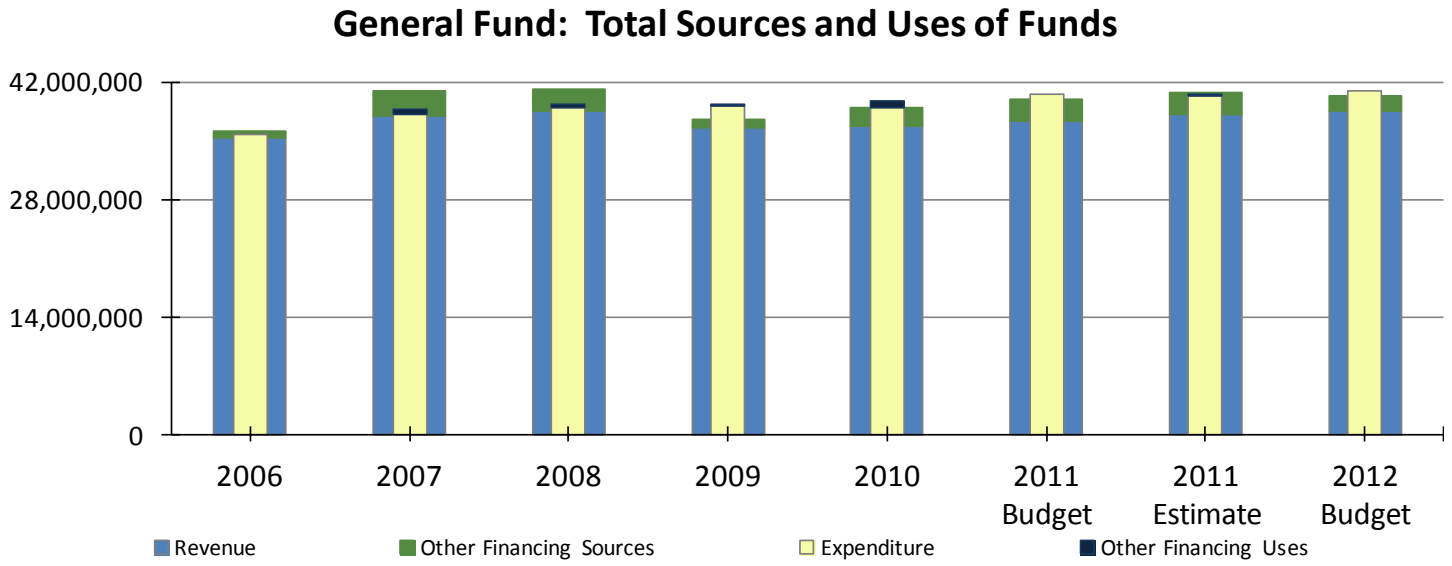
City of Englewood, Colorado
November 2011 Financial Report

GENERAL FUND OVERVIEW AND ANALYSIS

The General Fund accounts for the major "governmental" activities of the City. These activities include "direct" services to the public such as police, fire, public works, parks and recreation, and library services. General government also provides administrative and oversight services through the offices of city manager and city attorney; the departments of information technology, finance and administrative services, community development, human resources, municipal court and legislation. Debt service, lease payments, and other contractual payments are also commitments of the General Fund.

General Fund - Surplus and Deficits

The graph below depicts the history of sources and uses of funds from 2006 to 2012 Budget. As illustrated, both surpluses and deficits have occurred in the past. The gap has narrowed over the past few years by reducing expenditures, freezing positions, negotiating lower-cost health benefits, increased revenue collections. Continued efforts will be required to balance revenues and expenditures, especially with persistent upward pressure on expenditures due to increases in the cost of energy, wages and benefits.

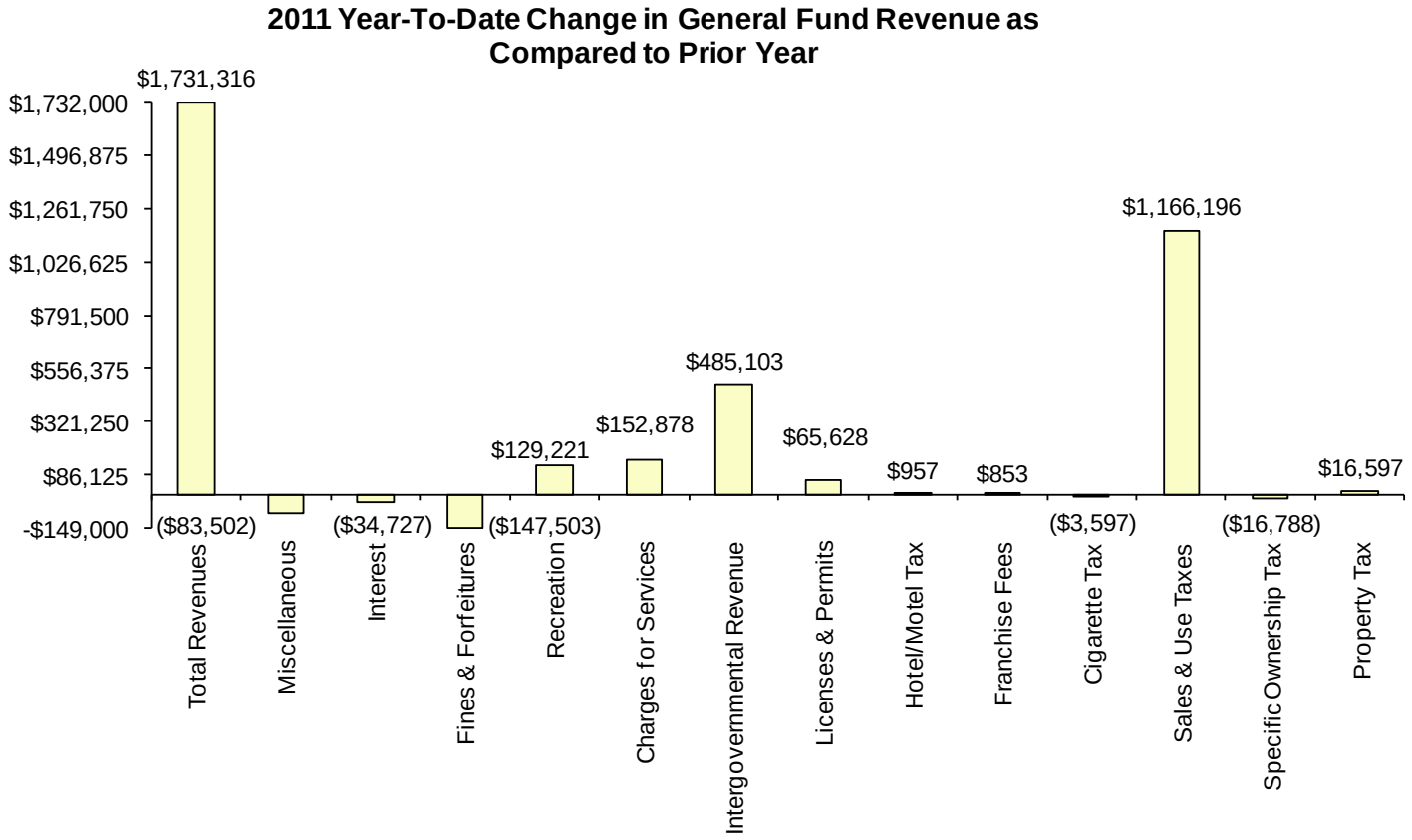


The table below summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended November, 2011. Comparative figures for years 2010 and 2009 are presented as well. The table also highlights the dollar and percentage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

	2011	2011 vs 2010 Increase (Decrease)		2010	2010 vs 2009 Increase (Decrease)		2009
General Fund							
Year-To-Date Revenue	**$ 35,126,090**	$ 1,731,316	5.18%	**$ 33,394,774**	$ (136,138)	(.41%)	**$ 33,530,912**
Year-To-Date Expenditure	**35,562,561**	$ 273,020	.77%	**35,289,541**	$ 137,197	.39%	**35,152,344**
Net Revenue (Expenditure)	**$ (436,471)**	$ 1,458,296		**$ (1,894,767)**	$ (273,335)		**$ (1,621,432)**
Estimated Unreserved/ Undesignated Fund Balance	**$ 4,587,878**	$ (327,769)	(6.67%)	**$ 4,915,647**	$ 21,870	.45%	**$ 4,893,777**
Sales & Use Tax Revenue YTD	**$ 20,203,274**	$ 1,166,196	6.13%	**$ 19,037,078**	$ (11,229)	(.06%)	**$ 19,048,307**
Outside City Sales & Use Tax YTD	**$ 7,484,116**	$ 1,573,408	26.62%	**$ 5,910,708**	$ (185,739)	(3.05%)	**$ 6,096,447**

General Fund - Revenues

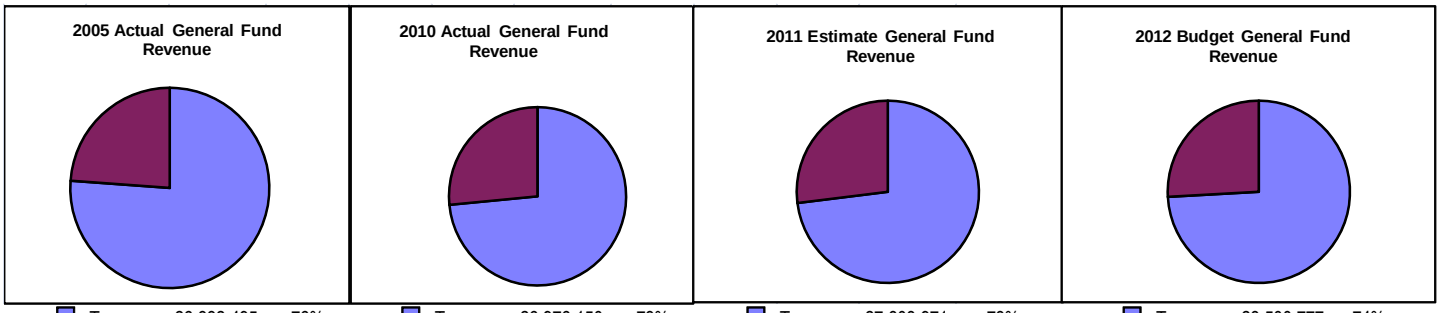
The City of Englewood's total budgeted revenue is $37,424,105. Total revenue collected through November 2011 was $35,126,090 or $1,731,316 (5.2 percent) more than was collected in 2010. The chart below illustrates changes in General Fund revenues this year as compared to last year.



General Fund - Taxes

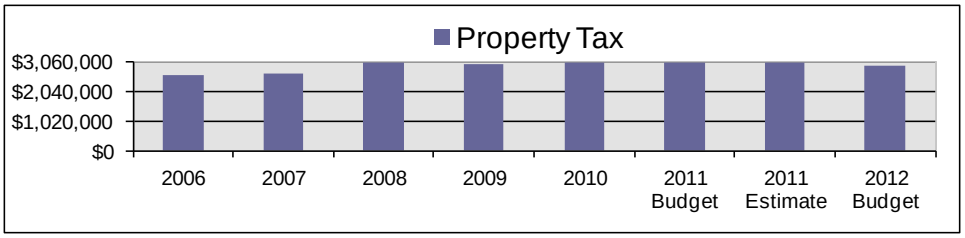
The General Fund obtains most of its revenue from taxes. In 2010 total audited revenues were $36,714,454 of which $26,976,150 (73.5 percent) came from tax collections. Taxes include property, sales and use, specific ownership, cigarette, utilities, franchise fees, and hotel/motel. The following pie charts illustrate the contribution of taxes to total revenue for 2005, 2010, 2011 Estimate and 2012 Budget. Taxes as a percentage of total revenue have declined slightly as other fees and charges have been increased to help offset rising costs and relatively flat tax revenues.

General Fund Revenues
Taxes vs. Other

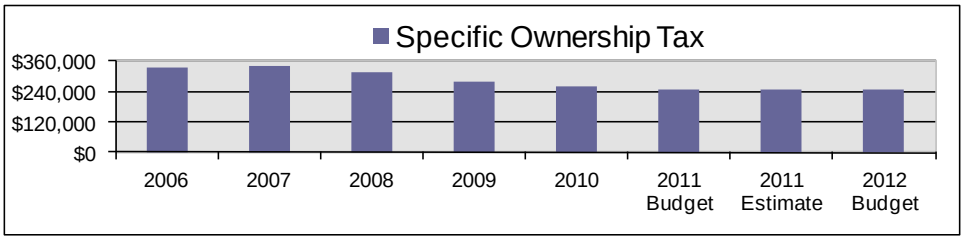


	2005		2010		2011		2012	
Taxes	26,332,495	76%	26,976,150	73%	27,808,971	73%	28,500,777	74%
Other	8,242,006	24%	9,738,304	27%	10,214,379	27%	9,956,178	26%
Total	34,574,501	100%	36,714,454	100%	38,023,350	100%	38,456,955	100%

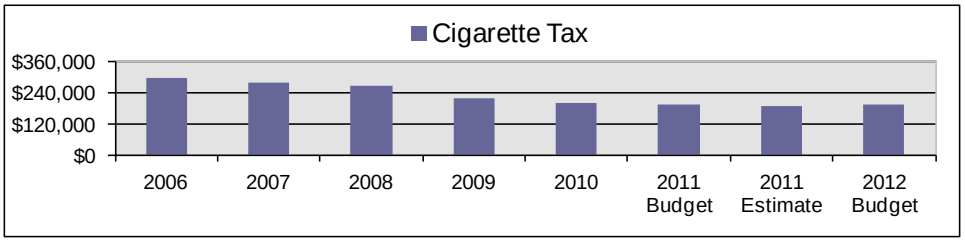
Property taxes: These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2009 mill levy collected in 2010 is 7.911 mills. The 2010 mill levy for general operations collected in 2011 is 5.880 mills. Voters approved a separate, dedicated mill levy for principal and interest payments on the City's general obligation debt for the construction of parks and recreation projects. The dedicated general obligation debt mill levy is accounted for in the Debt Service Fund. The dedicated general obligation debt 2010 mill levy dedicated for the City's general obligation debt collected in 2011 is 2.130 mills. Property tax collections grew from $2,559,369 in 2006 to $3,020,884 in 2010. This was an increase of $461,515 or 18 percent. In 2010 the City collected $3,020,884 or 11.2 percent of 2010 total taxes and 8.2 percent of total revenues from property taxes. The City budgeted $3,017,000 for 2011; and collected $2,964,942 through November 2011. The estimate for the year remains at $3,017,000.



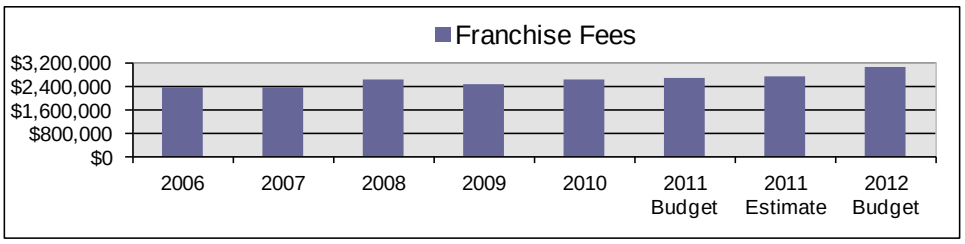
Specific ownership: These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected $333,018 in 2006 and $263,434 in 2010 which is a decrease of $69,584 or 20.9 percent. The City collected $263,434 in 2010 which is less than one percent of total revenues and one percent of total taxes. The City budgeted $250,000 for 2011 and collected $210,529 through November 2011. The estimate for the year remains $250,000.



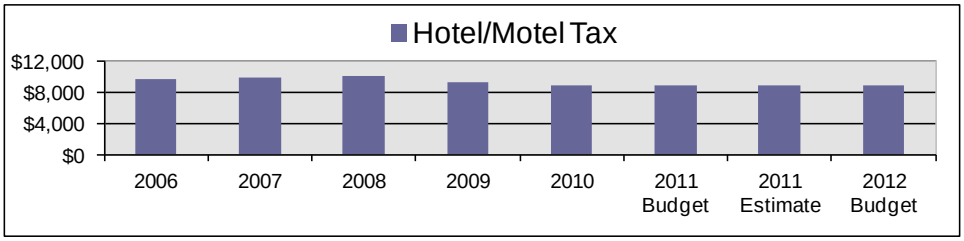
Cigarette Taxes: The State of Colorado levies a $.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen *significantly* in the past and continue to fall after the 2009 federal tax increase of approximately $.62 per pack went into effect. This federal tax increase will fund the State Children's Health Insurance Program (SCHIP). In 2006 the City collected $293,776, but in 2010 the City collected $196,320, which is a *decrease* of $97,456 or 33.2 percent. These taxes accounted for less than one percent of total taxes and less than one percent of total revenues in 2010. The City budgeted $190,000 for the year and collected $174,041 through November 2011, which is $3,597 or two percent less than the $177,638 collected through November 2010. The estimate for the year is $185,000.



Franchise Fees: The City collects a number of taxes on various utilities. This includes franchise tax on water, sewer, and public services, as well as occupational tax on telephone services. The City collected $2,362,000 in 2006 and $2,620,191 in 2010, an increase of $258,191 or 10.9 percent. These taxes accounted for 9.7 percent of taxes and 7.1 percent of total revenues in 2010. The City budgeted $2,650,851 for the year; collections through November totaled $2,238,058 compared to $2,237,205 collected during the same period last year. The estimate for the year is $2,702,938.

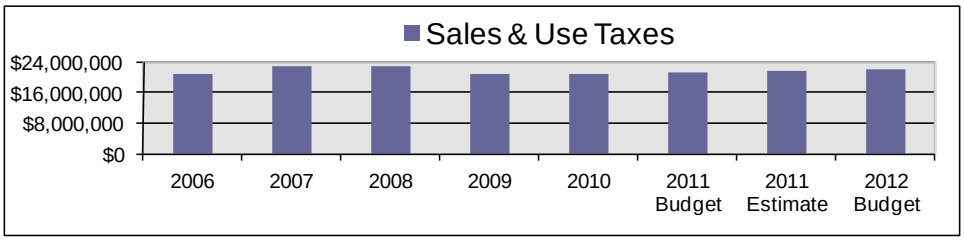


Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted $8,713 for the year and has collected $9,120 through November 2011. The estimate for the year is $9,500.



Sales and Use Taxes Analysis

Sales and use taxes are the most important (and volatile) revenue sources for the City. Sales and use taxes generated 77.5 percent of all taxes and 56.9 percent of total revenues collected in 2010. In 2006, this tax generated $20,688,258 for the City of Englewood; in 2010 the City collected $20,866,515, an increase of less than one percent. This tax is levied on the sale price of taxable goods. Sales tax is calculated by multiplying the sales price of taxable goods times the sales tax rate of 3.5 percent. Vendors receive a .25 percent fee for collecting and remitting the taxes to the City by the due date (vendors will no longer be allowed to collect the fee after December 31, 2011). Taxes for the current month are due to the City by the twentieth day of the following month. The City budgeted $21,216,000 for 2011. Sales and Use Tax revenue through November 2011 was $20,203,274 while revenue year-to-date for November 2010 was $19,073,808, an increase of $1,166,196 or 6.1 percent.



Collections (cash basis) for November 2011 were $1,602,719 while collections for November 2010 and November 2009 were $1,491,903 and $1,628,270 respectively. November 2011 collections were 7.4 percent or $110,816 more than November 2010 collections and $25,551 or 1.6 percent less than November 2009 collections.

Outside City sales and use tax collections through November were $7,484,116 an increase of approximately $1,573,408 over 2010 of which $988,000 of this increase is due to the receipt of one-time sales and use tax revenue from several taxpayers and $56,000 is due to a refund in 2010.

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

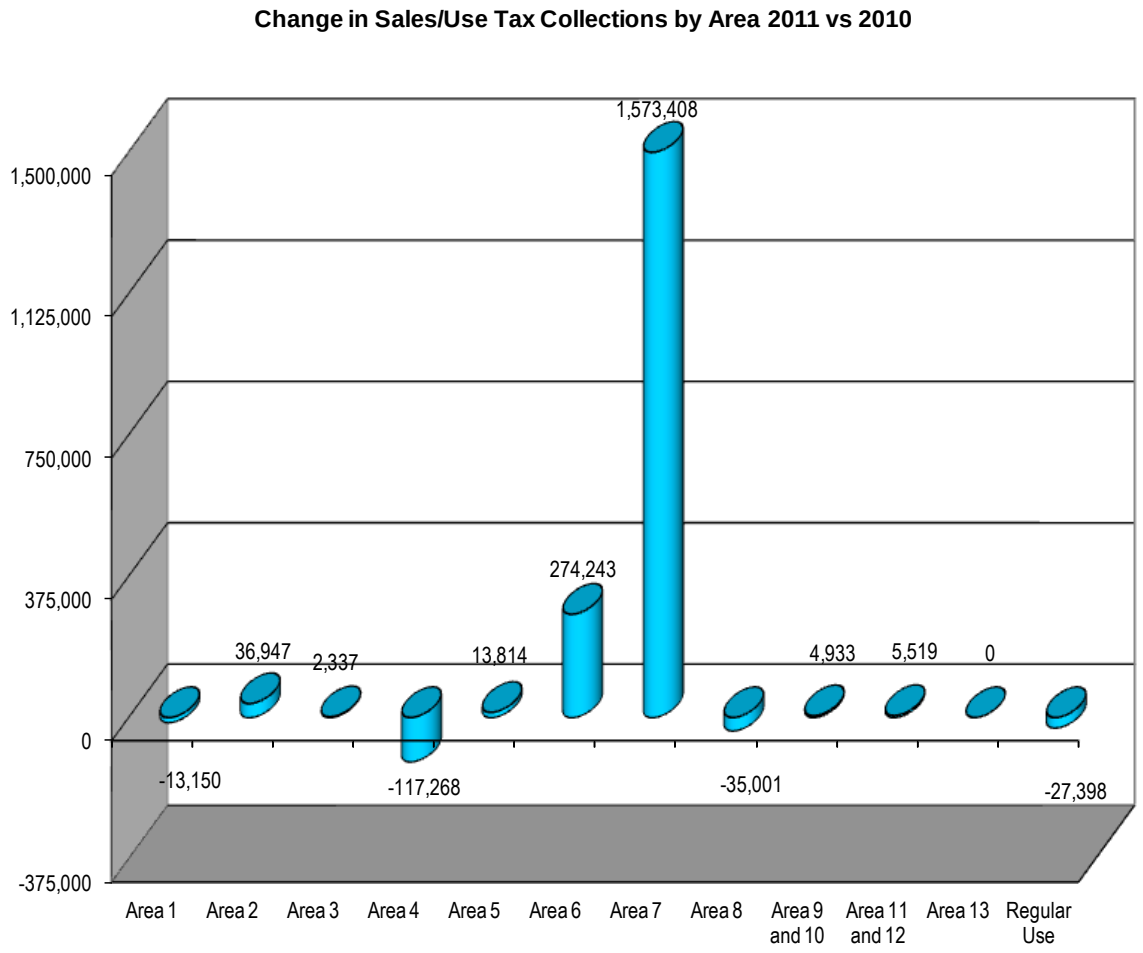
Based on historical sales tax collections, the City of Englewood collects 92.95 percent of total year's sales tax collections through November; if this pattern holds this year, 7.05 percent is left to collect over the next three months. Based on November collections, the City will collect an additional $1,532,362 over the next few months for a total of **$21,735,636**.

The City collected 106.13 percent of last year's revenue; if this pattern holds for the entire year the City could collect **$22,421,070** for the year. Also, the average sales and use taxes collected in December for the past five years is $1,511,380; if this is added to the $20,203,274 already collected, the total for the year will be **$21,714,654. The average of the three projections is $21,957,120.**

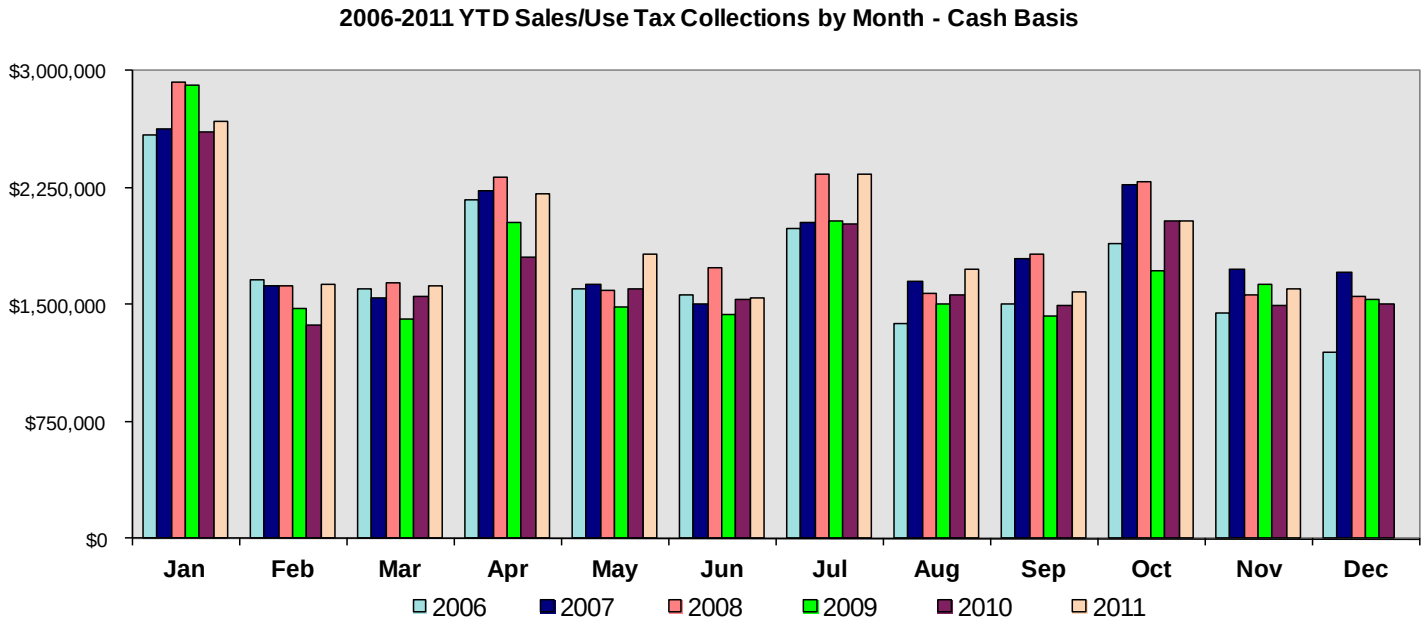
The estimate for the year has been increased to **$21,950,000**.

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

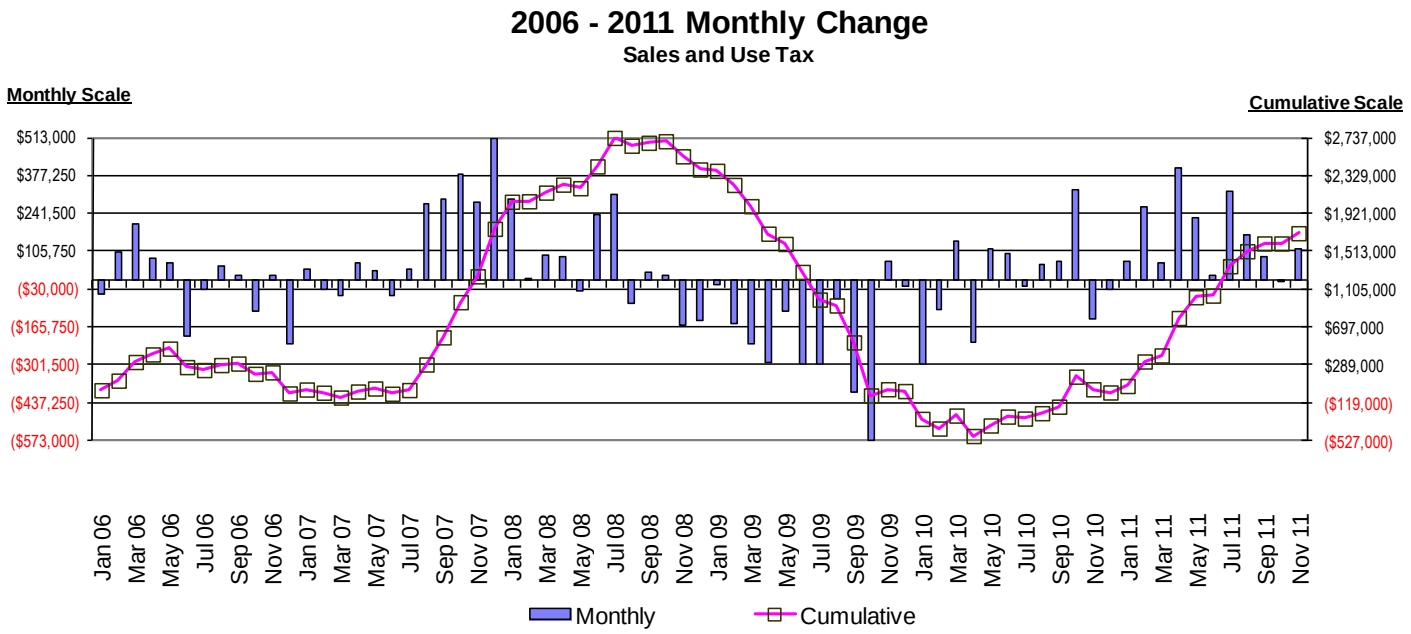
The chart on the next page, "Change in Sales/Use Tax Collections by Area 2011 vs. 2010" indicates that most of the increase in sales tax collections is due to Outside City (Area 7) and Miscellaneous Areas throughout the City (Area 6). Economic conditions, judged by sales tax collections, appears to be a "mixed bag" with some geographic areas increasing and some decreasing compared to the same period last year.



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

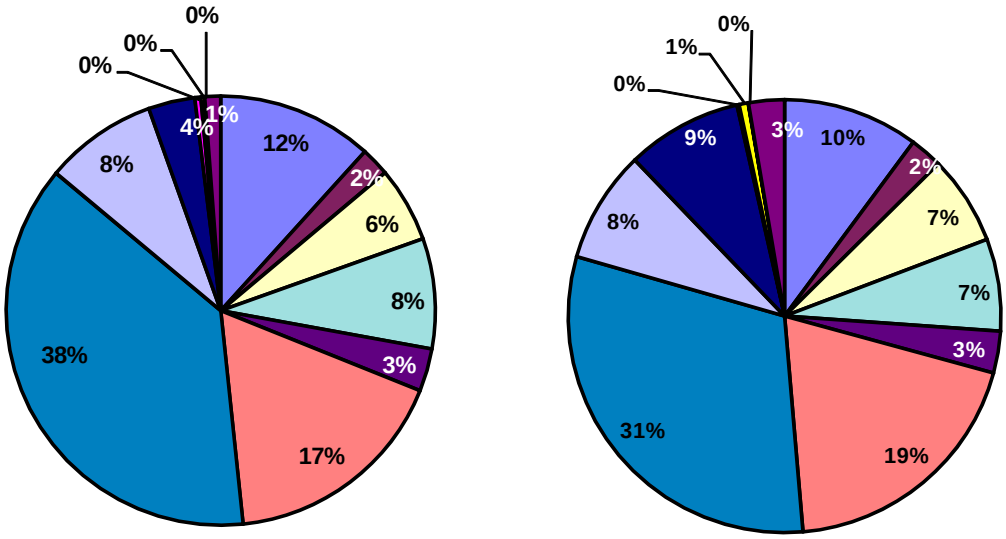


The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented.



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

Geographic Sales Tax Collection Areas



2005 Actual Cash Receipts by Area

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

2010 Actual Cash Receipts by Area

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

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

Area 1: This geographic area accounts for the sales tax collections from CityCenter Englewood. CityCenter Englewood had collections of $1,900,451 year-to-date 2011, $13,150 or .7 percent less was collected last year.

Area 4: This geographic area is down just over nine percent from last year. It appears one large retailer's revenues have dropped dramatically since last year but may rebound in the future as their new format attracts more customers.

Area 6: This geographic area is up 7.45 percent from last year. Part of the increase is due to the receipt of $72,000 from an audit in January 2011.

Area 7: This geographic area records the outside city sales tax collections (Outside City). Outside City has been the geographic area responsible for much of the sales tax growth (and decline) in past years. Outside City collections have increased 27.4 percent from the same period last year. The chart below illustrates this area's contribution to total sales and use taxes (cash basis) as well as total revenues since 2007 for collections through the month of November. The importance of Outside City has declined as a percentage of sales and use tax collections but it continues to remain an important impact on the City's General Fund as illustrated by the following:

	2007	2008	2009	2010	2011
Total Sales and Use Taxes	20,644,306	21,426,975	19,055,369	19,073,808	20,792,191
Outside City Collections	7,559,524	7,578,112	6,096,447	5,910,708	7,484,116
Percentage of Total	36.6%	35.4%	32.0%	31.0%	36.0%
Total General Fund Revenues	34,593,119	37,092,450	33,530,912	33,394,774	35,126,090
Outside City Collections	7,559,524	7,578,112	6,096,447	5,910,708	7,484,116
Percentage of Revenues	21.9%	20.4%	18.2%	17.7%	21.3%

The City records the proceeds of some returns from Outside City into an unearned revenue (liability) account. The criteria staff uses to decide if proceeds should be placed in the unearned account is if a reasonable probability exists for another municipality to claim the revenue. This account currently has a balance of $1,150,000 to cover intercity claims. The City paid $33,486 in refunds including intercity sales/use tax claims through November 2011 compared to $215,756 through November 2010. At this time *potential* refunds total approximately $1,500,000 for claims submitted to Englewood but not completed.

Area 8: This geographic area consists of collections from public utilities. Collections through November were down $35,001 or 2.2 percent under last year. Weather conditions, energy usage conservation, and rising energy prices play an important role in revenue collections. Collections could increase or decrease if the remainder of the year is significantly hotter/colder than normal.

Other Sales Tax Related Information

Finance and Administrative Services Department collected $187,641 in sales and use tax audit revenues and general collections of balances on account through the month of November; this compares to $375,242 collected in 2010 and $475,488 collected in 2009.

Of the 76 sales tax accounts reviewed in the various geographic areas, 48 (63.2 percent) showed improved collections and 28 (36.8 percent) showed reduced collections this year compared to the same period last year.

The Department issued 422 new sales tax licenses through November 2011; 365 and 341 were issued through November 2010 and 2009 respectively.

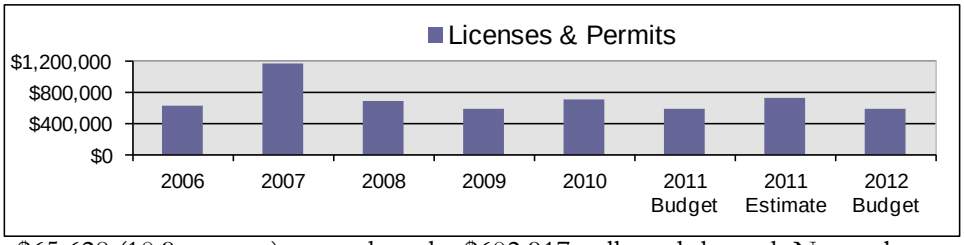
City records indicate that year-to-date 196 businesses closed (117 of them were outside the physical limits of Englewood) and 422 opened (297 of them were outside the physical limits of Englewood).

General Fund - Other Revenue

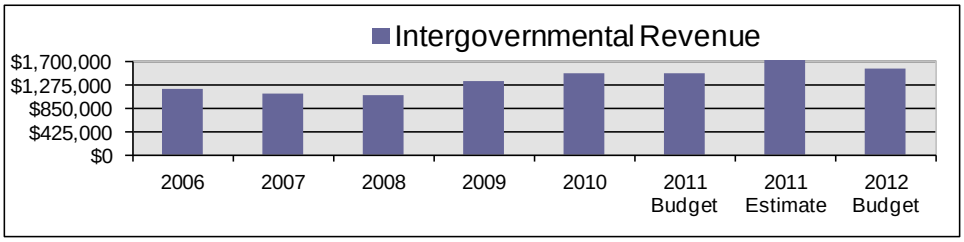
Other revenues accounted for $9,738,304 or 26.5 percent of the total revenues for 2010; the City budgeted $10,091,541 for 2011.

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

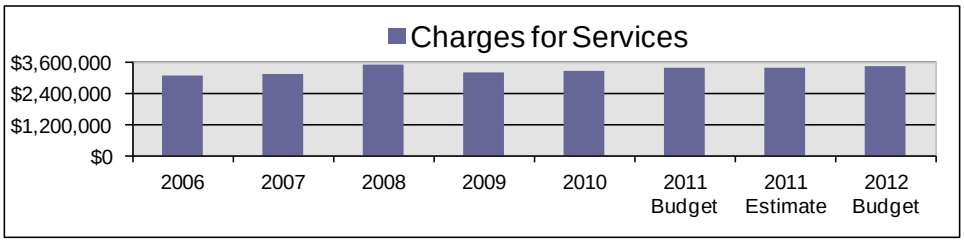
Licenses and Permits: This revenue category includes business and building licenses and permits. This revenue source generated $695,663 during 2010 or 1.9 percent of total revenue and 6.8 percent of total other revenue. This revenue source totaled $623,945 in 2006 and increased to $695,663 in 2010, an 11.5 percent increase. The City budgeted $575,100 for 2011 and year-to-date the City collected $668,545 or $65,628 (10.9 percent) more than the $602,917 collected through November 2010. The estimate for the year is $719,000.



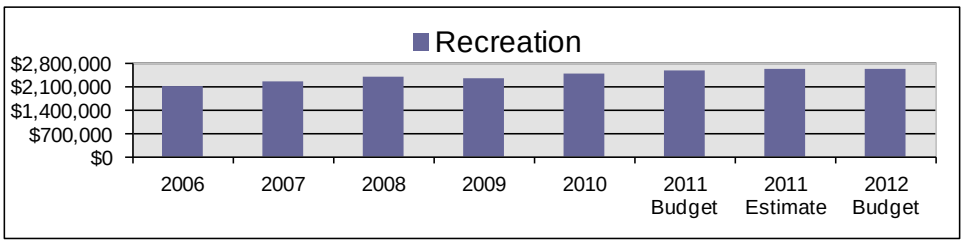
Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at $1,459,564 for 2011. This revenue source totaled $1,193,863 in 2006 and the City collected $1,465,970 in 2010, a 22.7 percent increase. The City collected $1,687,087 through November 2011 this is $485,103 (40.3 percent) more than the $1,201,984 collected in the same period in 2010. The estimate for the year is $1,753,114. Part of the reason for the large increase in intergovernmental revenue from 2010 to 2011 is the City received grant funds from CPPW for the following projects: $150,000 for a Bike/Pedestrian Study (CD), $88,000 for a Downtown Street Assessment Study (CD) and $83,000 for the Community Garden (P&R)



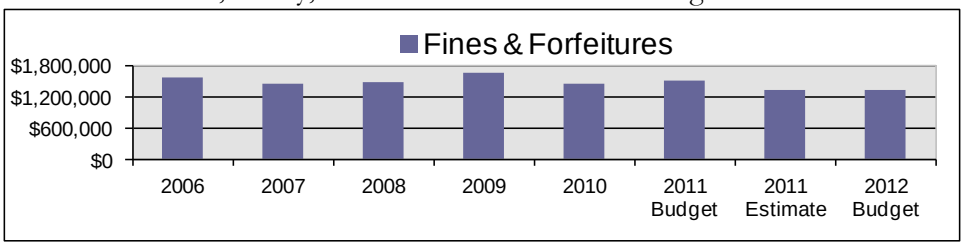
Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at $3,318,587 for 2011. This revenue source totaled $3,053,106 in 2006 and increased to $3,254,830 in 2010, a 6.6 percent increase. Total collected year-to-date was $2,963,078 or $152,100 (5.4 percent) more than the $2,810,200 collected year-to-date in 2010. The estimate for the year is $3,359,004.



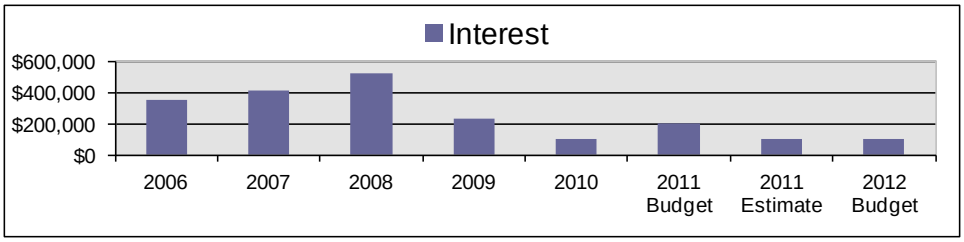
Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at $2,587,653 for 2011. This revenue source totaled $2,099,202 in 2006 and increased to $2,489,781 in 2010, an 18.6 percent increase. Total collections through November 2011 were $2,547,336 compared to $2,418,115 collected in 2010. The estimate for the year is $2,620,158.



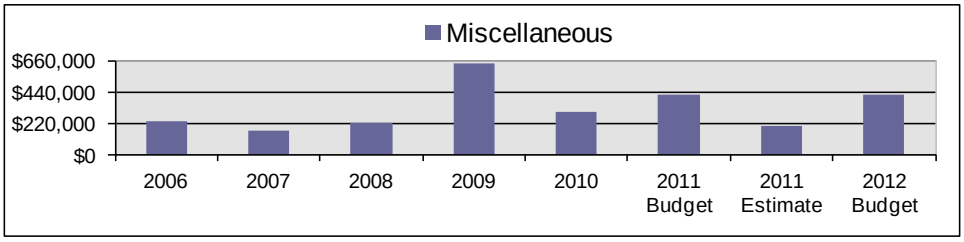
Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2010 budget for this source is $1,426,801 or 14.7 percent of total other revenue. This revenue source totaled $1,543,353 in 2006 and decreased to $1,437,957 in 2010, a 6.8 percent decrease. Total collected year-to-date was $1,191,938 or $147,503 (11.1 percent) less than the $1,339,441 collected in the same time period last year. The estimate for the year is $1,287,346.



Interest: This is the amount earned on the City's cash investments. The 2011 budget for this source is $200,000. This revenue source totaled $353,575 in 2006 and decreased to $100,544 in 2010, a 71.6 percent decrease. The City earned $78,600 through November 2011; while the City earned $113,327 through November 2010. The estimate for the year is $100,000.



Miscellaneous: This source includes all revenues that do not fit in another revenue category. The 2011 budget for this source is $421,507. This revenue source totaled $229,675 in 2006 and increased to $293,658 in 2010, a 27.9 percent increase. Total collected year-to-date is $189,542 (30.6 percent) less compared to the $273,044 collected last year during the same period. The estimate for the year is $200,000.



General Fund - Expenditures

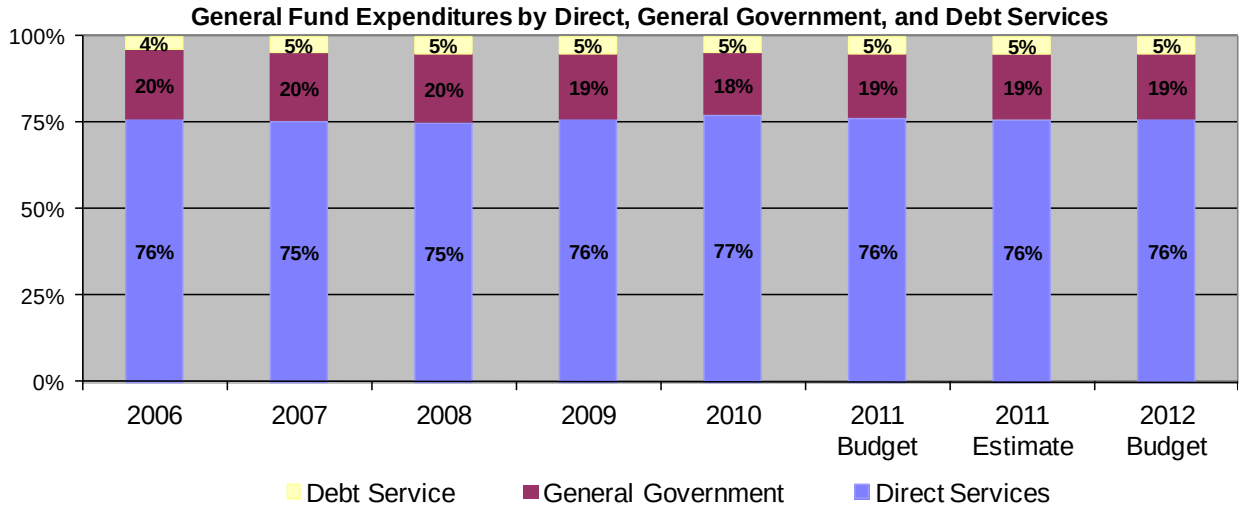
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

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

Outcome based budgeting is an additional tool the City Council and staff use to better develop ways to serve our citizens. This type of budgeting is refined and reviewed on an on-going basis to help us better focus our resources in meeting the objectives of our citizens.

The City budgeted total expenditures at $40,430,513 for 2011, this compares to $38,901,342 and $38,997,977 expended in 2010 and 2009 respectively. Budgeted expenditures for 2011 general government (City Manager, Human Resources, etc.) totals $8,387,284 or 20.2 percent of the total. Direct government expenditures (Police, Fire, etc.) are budgeted at $31,064,182 or 75.0 percent of the total. Debt service (fixed costs) payments are $1,993,682 or 4.8 percent of the total. Total expenditures through November were $35,562,561 compared to $35,289,541 in 2010 and $35,152,344 in 2009. The year-end expenditure estimates were provided by the departments as part of the 2012 budget process.

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



General Fund - Transfers

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

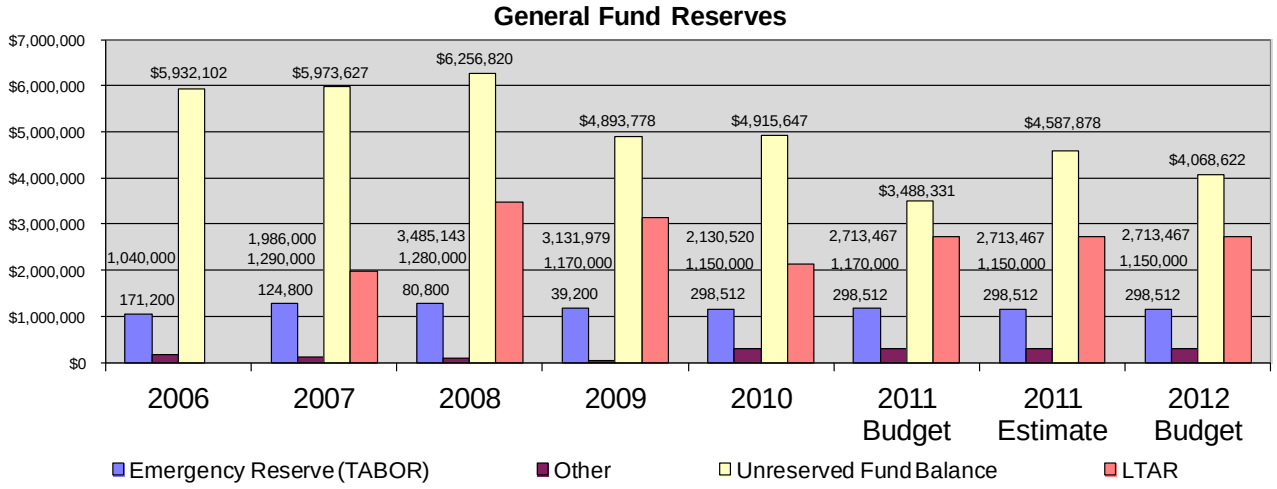
Source of Funds	Budget Amount	YTD Amount
Special Revenue Funds		
Neighborhood Stabilization Program Fund*	$ 750,000	$ 32,760
Capital Project Funds		
Public Improvement Fund (PIF)	471,815	338,308
Internal Service Funds		
Central Services Fund	100,000	100,000
Servicenter Fund	105,278	100,000
Risk Management Fund	546,000	546,000
Employee Benefits Fund	200,000	200,000
Component Units		
Englewood/McLellan Reservoir Foundation, Inc (EMRF)	325,000	417,742
Enterprise Funds	21,111	-
Transfers Total	$ 2,519,204	$ 1,734,810

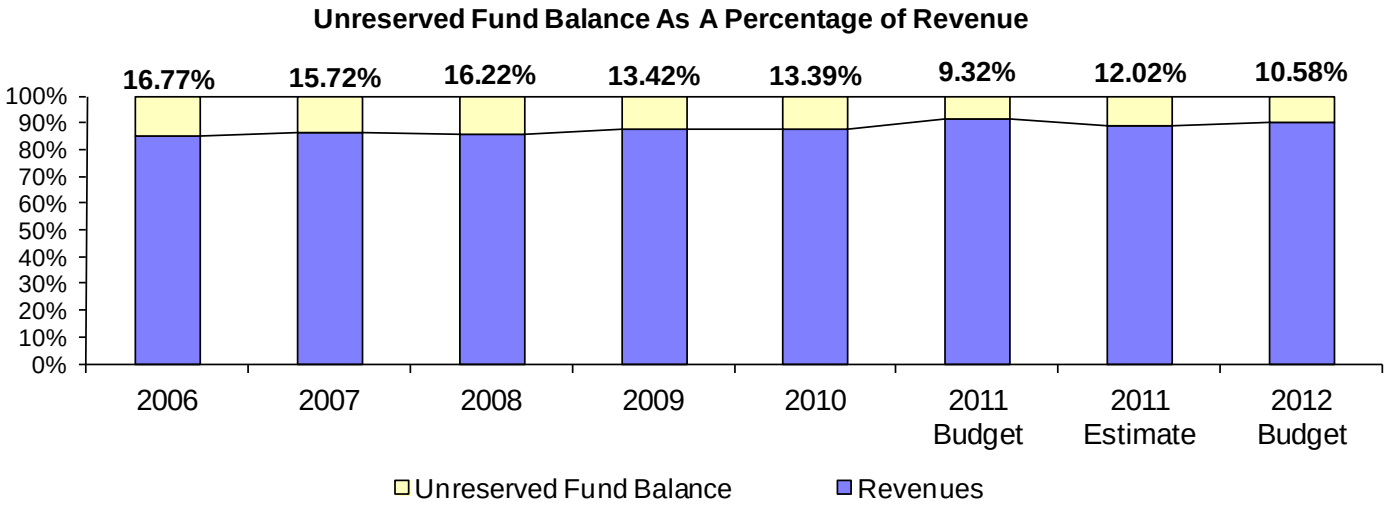
*In addition to the 2011 amount received, the Neighborhood Stabilization Program Fund returned $47,052 received in 2010 of the $750,000 borrowed in 2010.

General Fund - Fund Balance

The City designates the fund balance into two categories. A portion of the fund balance which is restricted is referred to as the "Reserves" while the unrestricted portion is referred to as the unreserved/undesignated fund balance. The unreserved/undesignated fund balance represents funds the City sets aside for a "rainy day". Another way to view these unrestricted funds is as a stabilization fund, the intent of which is to smooth over unexpected fluctuations in revenues and expenditures. The fund balance is normally built up when revenues exceed expenditures. In the past, excess funds have been transferred out, usually for capital projects identified in the Multiple Year Capital Plan (MYCP). The unreserved/undesignated fund balance is not adequate to provide for a transfer from the General Fund to the capital projects funds.

Long Term Asset Reserve (LTAR) At the 2008 Budget workshop held on November 22, 2007, City Council discussed and directed staff to establish a General Fund reserve account to accumulate funds from the sale, lease, or earnings from long-term assets. It was also determined that these funds should be used in a careful, judicious and strategic manner. The funds restricted in this account are to be expended if the funds are appropriated in the annual budget or by supplemental appropriation. Approximately $200,000 should be returned from NSP to the LTAR before the final 2011 financial report is issued bringing the balance to approximately $2,243,280 with $470,187 to be returned from NSP in 2012. *The balance also includes a $120,000 transfer from LTAR to fund the Community Development Department's 2011 Catalyst Program.*





The City's General Fund ended 2010 with total reserves of $8,494,679, and an unreserved/undesignated fund balance of $4,915,647 or 13.4 percent of revenues. The General Fund's 2011 estimates a year end fund balance at $8,883,364 and an ending unreserved/undesignated balance of $4,721,385 or 12.4 percent of projected revenues or 11.7 percent of estimated expenditures. The $4,721,385 would allow the City to operate for approximately 41.7 days (using average daily budgeted expenditures) if all other revenues and financing sources ceased. In these times of economic uncertainty, it is more important than ever to maintain reserves to help the City make up for revenue shortfalls and unexpected expenditure increases given that the one-time transfers made to the General Fund to help maintain reserves are no longer available.

PUBLIC IMPROVEMENT FUND OVERVIEW

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

Provided for your information is the table below that illustrates the PIF Year-To-Date (YTD) revenues and expenditures for the years 2009 through 2011. The dollar and percentage change between each year is also provided. The Estimated Ending Fund Balance is included in order to account for the remaining PIF appropriation in addition to the remaining annual revenue anticipated for the fund.

Public Improvement Fund (PIF)	**2011**	2011 vs 2010 Increase (Decrease)		**2010**	2010 vs 2009 Increase (Decrease)		**2009**
YTD Revenues	**$ 1,801,010**	$ 249,415	16.07%	**$ 1,551,595**	$ (1,197,339)	(43.56%)	**$ 2,748,934**
YTD Expenditures	**3,713,230**	$ 1,665,422	81.33%	**2,047,808**	$ (967,640)	(32.09%)	**3,015,448**
Net Revenues (Expenditures)	**$ (1,912,220)**	$ (1,416,007)		**$ (496,213)**	$ (229,699)		**$ (266,514)**
Beginning PIF Fund Balance	**$ 2,686,457**			**$ 1,515,399**			**$ 1,067,525**
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	**$ 774,237**			**$ 1,019,186**			**$ 801,011**
Plus: Remaining Annual Revenue	**145,231**			**295,727**			**476,107**
Less: Remaining Annual Appropriation	**(647,284)**			**(703,755)**			**(958,617)**
Estimated Ending Fund Balance	**$ 272,184**			**$ 611,158**			**$ 318,501**
Unappropriated Fund Balance as of December 31,				**$ 440,771**			**$ 339,405**

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

	2011 Estimate	2011 Adopted Budget	2011 YTD Actual	2011 Vs 2010 Amount	2011 Vs 2010 %	2010 YTD Actual	2010 Vs 2009 Amount	2010 Vs 2009 %	2009 YTD Actual
Vehicle Use Tax	$ 1,000,000	$ 1,000,000	$ 838,728	$ 54,457	7%	$ 784,271	$ (43,233)	-5%	$ 827,504
Building Use Tax	$ 550,000	$ 400,000	$ 579,228	$ 56,009	11%	$ 523,220	$ 146,629	39%	$ 376,591
Arapahoe County Road and Bridge Tax	$ 191,000	$ 191,000	$ 184,488	$ 1,985	1%	$ 182,503	$ (8,437)	-4%	$ 190,940

Vehicle Use Tax is based on the valuation of new vehicles purchased by City of Englewood residents. This tax is collected and remitted by Arapahoe County at the time the vehicle is registered. ***Building Use Tax*** is based on the valuation of building permits issued by the City of Englewood. We will monitor these revenue sources are monitored periodically to determine the revision of the 2011 Estimate. ***Arapahoe County Road and Bridge Tax*** is restricted to the construction and maintenance of streets and bridges. This tax is based on a mill levy established by Arapahoe County multiplied by the City's assessed valuation multiplied by 50%.

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

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

	Beginning Balance	Revenue	Expenditure	Other Sources (Uses)	Reserved Balance	Ending Balance
Governmental Fund Types (Fund Balance)						
General Fund	8,494,679	35,126,090	35,562,562	691,650	4,161,979	4,587,878
Special Revenue Funds						
Conservation Trust	1,052,255	239,900	173,355	(1,022,884)	-	95,916
Open Space	1,072,979	386,191	309,360	(805,443)	-	344,367
Neighborhood Stabilization Program	718,290	1,234,008	1,343,915	(608,383)	-	-
Donors	167,852	78,330	89,084	-	-	157,099
Community Development	-	232,715	253,394	20,678	-	-
Malley Center Trust	291,667	4,586	17,426	-	-	278,827
Parks & Recreation Trust	449,303	5,195	8,597	-	-	445,902
Debt Service Fund						
General Obligation Bond	9,616	1,085,528	945,770	-	-	149,374
Capital Projects Funds						
PIF	2,686,457	1,667,503	2,549,795	(1,531,982)	-	272,184
MYCP	1,061,738	8,158	757,633	(357,296)	-	(45,033)
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	7,027,103	7,477,411	7,379,918	-	-	7,124,596
Sewer	6,792,828	13,260,288	13,373,014	-	1,000,000	5,680,102
Stormwater Drainage	903,814	327,621	225,917	-	137,818	867,700
Golf Course	713,451	1,827,135	1,683,058	-	293,500	564,029
Concrete Utility	277,905	690,266	604,399	-	-	363,772
Housing Rehabiliation	404,633	162,038	213,870	-	-	352,801
Internal Service Funds						
Central Services	234,309	295,836	270,107	(100,000)	-	160,038
ServiCenter	902,008	2,016,495	1,613,849	(100,000)	-	1,204,654
CERF	728,781	764,611	281,455	-	-	1,211,937
Employee Benefits	210,918	4,664,179	4,990,525	(200,000)	43,848	(359,276)
Risk Management	1,201,929	1,392,208	850,595	(546,000)	-	1,197,542

CLOSING

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

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

FUNDS GLOSSARY

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

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

Central Services Fund – Accounts for the financing of printing services and for maintaining an inventory of frequently used or essential office supplies provided by Central Services to other departments of the City on a cost reimbursement basis.

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

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

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

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

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

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

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

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

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

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

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

FUNDS GLOSSARY

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

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

MOA – Museum of Outdoor Arts

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

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

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

Open Space Fund – Accounts for the acquisition of parks and open space land not previously owned by the City and for improvements to existing park and recreation facilities. Financing is provided from the Arapahoe County Open Space Sales Tax of .25%. The Open Space Tax was created on January 1, 2004 and expires on December 31, 2013.

Parks and Recreation Trust Fund – Accounts for a trust established by the City, financed primarily by donations, to be used exclusively for specific park and recreation projects.

Proprietary Funds account for operations that are financed and operated in a manner similar to private business enterprises. It is the intent that the cost of providing such goods or services will be recovered through user charges.

Public Improvement Fund (PIF) – Accounts for the acquisition and/or construction of major capital improvements and facilities. Financing is provided primarily from building and vehicle use taxes.

Risk Management Fund – Accounts for the administration of maintaining property and liability and workers' compensation insurance.

ServiCenter Fund – Accounts for the financing of automotive repairs and services provided by the ServiCenter to other departments of the City, or to other governmental units, on a cost reimbursement basis.

Sewer Fund – Accounts for revenues and expenses associated with providing wastewater services to the City of Englewood residents and some county residents.

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

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Storm Drainage Fund – Accounts for revenues and expenses associated with maintaining the City's storm drainage system.

Water Fund – Accounts for revenues and expenses associated with providing water services to City of Englewood residents.

General Fund Comparative Revenue, Expenditure & Fund Balance Report

as of November 30, 2011

Percentage of Year Completed = 92%

	2011				2010			2009		
	Budget	Nov-11	% Budget	YE Estimate	Dec-10	Nov-10	% YTD	Dec-09	Nov-09	% YTD
Fund Balance January 1	$ 8,157,514	$ 8,494,679		$ 8,494,679	$ 9,234,957	$ 9,234,957		$ 11,102,763	$ 11,102,763	
Revenues										
Property Tax	3,017,000	2,964,942	98.27%	3,017,000	3,020,884	2,948,345	97.60%	2,971,303	2,932,894	98.71%
Specific Ownership Tax	250,000	210,529	84.21%	250,000	263,434	227,317	86.29%	276,415	243,130	87.96%
Sales & Use Taxes	21,216,000	20,203,274	95.23%	21,950,000	20,866,515	19,037,078	91.23%	20,624,659	19,048,307	92.36%
Cigarette Tax	190,000	174,041	91.60%	185,000	196,320	177,638	90.48%	218,448	201,579	92.28%
Franchise Fees	2,650,851	2,238,058	84.43%	2,702,938	2,620,191	2,237,205	85.38%	2,452,611	2,069,483	84.38%
Hotel/Motel Tax	8,713	9,120	104.67%	9,500	8,806	8,163	92.70%	9,141	8,535	93.37%
Licenses & Permits	575,100	668,545	116.25%	719,000	695,563	602,917	86.68%	588,303	471,783	80.19%
Intergovernmental Revenue	1,459,564	1,687,087	115.59%	1,753,114	1,465,970	1,201,984	81.99%	1,333,688	1,062,350	79.66%
Charges for Services	3,338,567	2,963,078	88.75%	3,359,004	3,254,830	2,810,200	86.34%	3,163,735	2,873,553	90.83%
Recreation	2,587,653	2,547,336	98.44%	2,620,158	2,489,781	2,418,115	97.12%	2,315,598	2,223,552	96.02%
Fines & Forfeitures	1,509,150	1,191,938	78.98%	1,287,346	1,437,957	1,339,441	93.15%	1,639,678	1,522,353	92.84%
Interest	200,000	78,600	39.30%	100,000	100,545	113,327	112.71%	229,999	248,270	107.94%
Miscellaneous	421,507	189,542	44.97%	200,000	293,658	273,044	92.98%	643,311	625,123	97.17%
Total Revenues	37,424,105	35,126,090	93.86%	38,153,060	36,714,454	33,394,774	90.96%	36,466,889	33,530,912	91.95%
Expenditures										
Legislation	346,120	270,835	78.25%	341,236	309,870	314,184	101.39%	346,045	323,415	93.46%
City Attorney	762,518	627,041	82.23%	747,268	702,228	626,046	89.15%	678,038	599,962	88.49%
Court	999,105	757,471	75.81%	978,735	901,469	805,111	89.31%	914,493	821,486	89.83%
City Manager	664,732	573,151	86.22%	638,800	659,882	627,970	95.16%	674,170	608,277	90.23%
Human Resources	481,102	379,075	78.79%	435,833	419,421	378,479	90.24%	456,275	410,766	90.03%
Financial Services	1,550,906	1,284,320	82.81%	1,519,463	1,445,581	1,291,328	89.33%	1,575,924	1,388,572	88.11%
Information Technology	1,338,543	1,170,201	87.42%	1,343,419	1,280,660	1,150,433	89.83%	1,360,237	1,175,427	86.41%
Public Works	5,498,891	4,564,645	83.01%	5,395,714	5,137,364	4,637,266	90.27%	5,152,891	4,524,817	87.81%
Fire Department	7,465,775	6,917,378	92.65%	7,492,341	7,425,903	6,694,418	90.15%	7,320,268	6,594,134	90.08%
Police Department	10,587,026	9,256,652	87.43%	10,599,704	10,312,633	9,256,401	89.76%	10,183,891	9,100,396	89.36%
Community Development	1,344,556	1,188,597	88.40%	1,466,766	1,301,473	1,111,585	85.41%	1,366,437	1,191,662	87.21%
Library	1,256,520	1,024,206	81.51%	1,228,286	1,284,083	1,161,064	90.42%	1,275,554	1,156,570	90.67%
Recreation	5,969,515	5,249,493	87.94%	5,823,758	5,811,809	5,334,051	91.78%	5,727,968	5,304,496	92.61%
Debt Service	2,075,204	2,154,515	103.82%	2,111,112	1,860,827	1,859,577	99.93%	1,805,208	1,802,708	99.86%
Contingency	90,000	144,981	161.09%	150,000	48,139	41,628	86.47%	160,578	149,656	93.20%
Total Expenditures	40,430,513	35,562,561	87.96%	40,272,435	38,901,342	35,289,541	90.72%	38,997,977	35,152,344	90.14%
Excess revenues over (under) expenditures	(3,006,408)	(436,471)	14.52%	(2,119,375)	(2,186,888)	(1,894,767)		(2,531,088)	(1,621,432)	
Net transfers in (out)	2,519,204	1,734,810	68.86%	2,374,553	1,446,610	1,516,224	104.81%	663,282	51,445	7.76%
Total Fund Balance	$ 7,670,310	$ 9,793,018	127.67%	$ 8,749,857	$ 8,494,679	$ 8,856,414	104.26%	$ 9,234,957	$ 9,532,776	103.22%

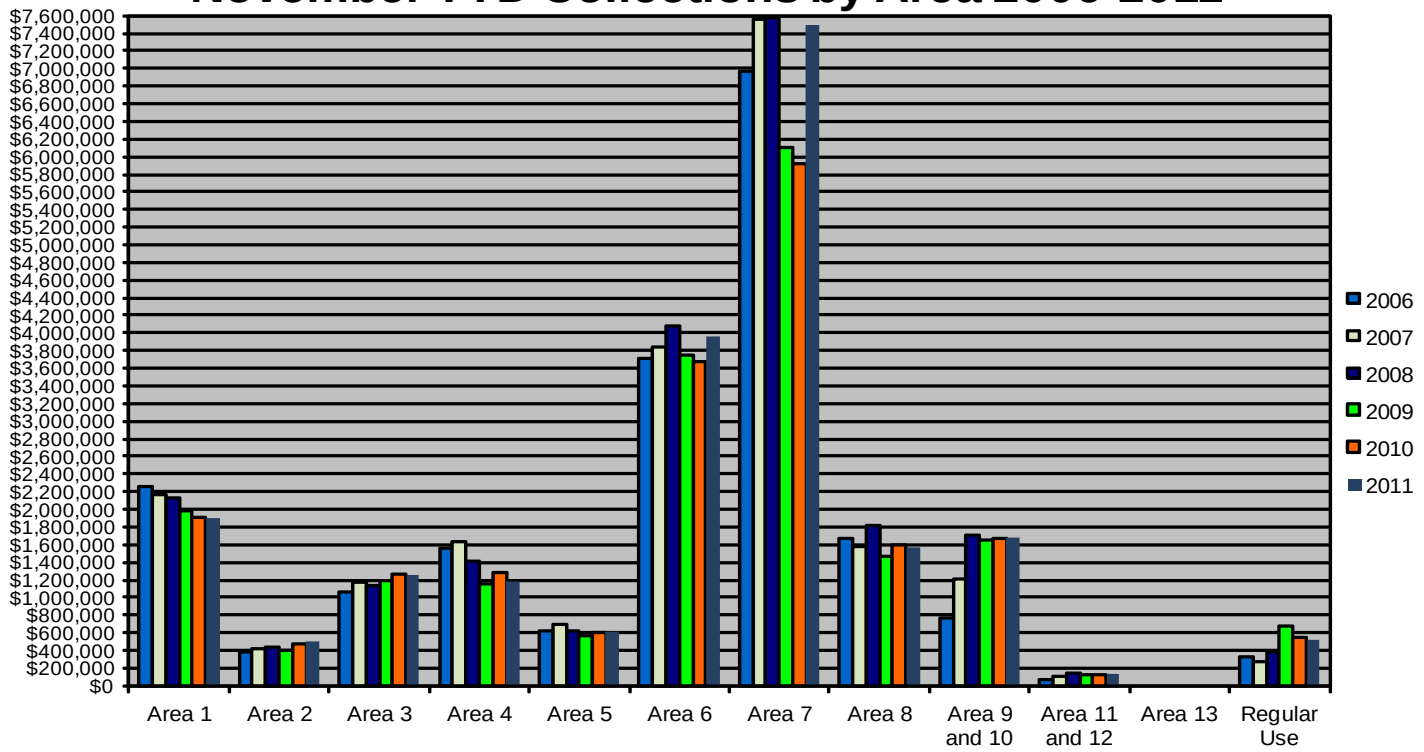
Fund Balance Analysis

Total Fund Balance	$ 7,670,310	$ 9,793,018	$ 8,749,857	$ 8,494,679		$ 9,234,957
Reserves/designations:						
-Emergencies (TABOR)	1,170,000	1,150,000	1,150,000	1,150,000		1,170,000
-LTAR	2,713,467	2,096,094	2,713,467	2,130,520		3,131,980
-MOA	-	-	-	-		39,200
-COPS Grant	298,512	298,512	298,512	298,512		-
Reserved Fund Balance	$ 4,181,979	$ 3,544,606	$ 4,161,979	$ 3,579,032		$ 4,341,180
Estimated unres/undesig Fund Balance	$ 3,488,331	$ 6,248,412	$ 4,587,878	$ 4,915,647		$ 4,893,777
As a percentage of projected revenues	9.14%		12.02%	13.39%		13.42%
As a percentage of budgeted revenues	9.32%		12.26%			
Target	3,742,411	-	5,613,616			

Sales & Use Tax Collections Year-to-Date Comparison
for the month of November 2011
Cash Basis

	2006	% Change	2007	% Change	2008	% Change	2009	% Change	2010	% Change	2011	% Change
Area 1	2,264,437	2.06%	2,175,685	-3.92%	2,129,953	-2.10%	1,975,634	-9.19%	1,913,601	-10.16%	1,900,451	-0.69%
Area 2	373,964	-9.94%	419,681	12.23%	435,910	3.87%	408,181	-2.74%	465,800	6.86%	502,746	7.93%
Area 3	1,058,124	-1.39%	1,178,549	11.38%	1,142,679	-3.04%	1,188,350	0.83%	1,261,773	10.42%	1,264,110	0.19%
Area 4	1,566,442	-0.41%	1,629,295	4.01%	1,406,413	-13.68%	1,157,374	-28.96%	1,293,127	-8.05%	1,175,858	-9.07%
Area 5	618,721	-0.15%	691,458	11.76%	616,443	-10.85%	568,045	-17.85%	599,394	-2.77%	613,208	2.30%
Area 6	3,705,832	12.52%	3,832,369	3.41%	4,077,720	6.40%	3,744,561	-2.29%	3,681,891	-9.71%	3,956,134	7.45%
Area 7	6,967,314	-5.59%	7,559,524	8.50%	7,578,112	0.25%	6,096,447	-19.35%	5,910,708	-22.00%	7,484,116	26.62%
Area 8	1,670,754	4.96%	1,582,734	-5.27%	1,808,383	14.26%	1,464,648	-7.46%	1,605,547	-11.22%	1,570,546	-2.18%
Area 9 and 10	762,324	-6.76%	1,207,512	58.40%	1,704,120	41.13%	1,644,622	-3.49%	1,671,163	1.61%	1,676,096	0.30%
Area 11 and 12	61,797	3.54%	100,830	63.16%	141,492	40.33%	133,531	-5.63%	130,499	-2.27%	136,018	4.23%
Area 13											0	0.00%
Regular Use	330,604	70.54%	266,669	-19.34%	385,749	44.65%	673,977	152.74%	540,306	40.07%	512,908	-5.07%
Total	**19,380,313**	**-3.64%**	**20,644,306**	**6.52%**	**21,426,975**	**3.79%**	**19,055,369**	**-7.70%**	**19,073,808**	**-10.98%**	**20,792,191**	**9.01%**
Refunds	229,469	41.92%	241,870	5.40%	499,573	106.55%	287,190	-42.51%	215,756	-24.87%	44,602	-79.33%
Audit & Collections Revenue*	414,199	-35.80%	518,234	25.12%	699,457	34.97%	475,488	-32.02%	375,242	-21.08%	192,805	-48.62%
*included Above												
Unearned Sales Tax	650,000	-7.14%	650,000	0.00%	650,000	0.00%	600,000	-7.69%	600,000	0.00%	1,150,000	91.67%
Building Use	839,879	42.76%	1,950,095	132.19%	684,960	-64.88%	376,591	-45.02%	523,220	38.94%	579,228	10.70%
Vehicle Use	1,132,448	-13.61%	1,298,419	14.66%	1,201,023	-7.50%	911,089	-24.14%	871,708	-4.32%	909,415	4.33%

November YTD Collections by Area 2006-2011



Area Descriptions

Area 1 - CityCenter (Formerly Cinderella City)

Area 2 - S of Yale, N of Kenyon between Bannock & Sherman

Area 3 - S of Kenyon, N of Chenango between Bannock & Sherman and S of Chenango, N of Bellewood between Logan & Delaware

Area 4 - Broadway and Belleview (Between Fox and Sherman and North side of Belleview and to the Southern City Limits)

Area 5 - Federal and Belleview W of Santa Fe

Area 6 - All other City locations

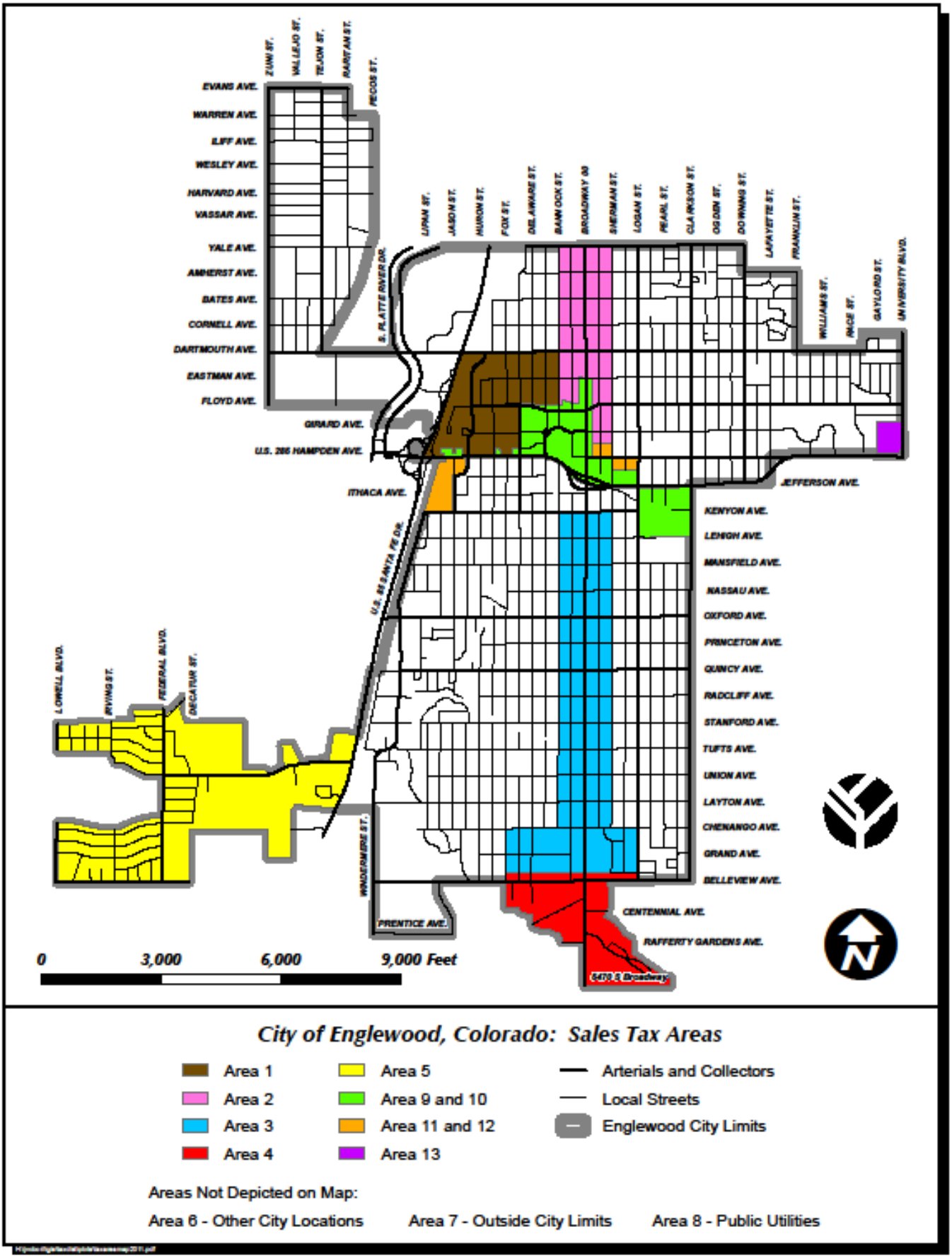
Area 7 - Outside City limits

Area 8 - Public Utilities

Area 9 and 10 - Downtown & Englewood Pkwy

Area 11 and 12 - S of 285, N of Kenyon between Jason and Santa Fe

Area 13 - Hampden Avenue (US 285) and University Boulevard


ZUNI ST.
VALLEJO ST.
TEJON ST.
RARITAN ST.
RECOS ST.
EVANS AVE.
WARREN AVE.
ELIFF AVE.
WESLEY AVE.
HARVARD AVE.
VASSAR AVE.
YALE AVE.
AMHERST AVE.
BATES AVE.
CORNELL AVE.
DARTMOUTH AVE.
EASTMAN AVE.
FLOYD AVE.
S. PLATTE RIVER DR.
LIPAN ST.
JASON ST.
HURON ST.
FOX ST.
DELAWARE ST.
BANNOCK ST.
BROADWAY 88
SHERMAN ST.
LOGAN ST.
PEARL ST.
CLARKSON ST.
OGDEN ST.
DOWNING ST.
LAFAYETTE ST.
FRANKLIN ST.
WILLIAMS ST.
PAGE ST.
GAYLORD ST.
UNIVERSITY BLVD.
GIRARD AVE.
U.S. 285 HAMPDEN AVE.
ITHACA AVE.
JEFFERSON AVE.
KENYON AVE.
LEHIGH AVE.
MANSFIELD AVE.
NASSAU AVE.
OXFORD AVE.
PRINCETON AVE.
QUINCY AVE.
RADCLIFF AVE.
STANFORD AVE.
TUFTS AVE.
UNION AVE.
LAYTON AVE.
CHENANGO AVE.
GRAND AVE.
BELLEVIEW AVE.
CENTENNIAL AVE.
RAFFERTY GARDENS AVE.
U.S. 85 SANTA FE DR.
LOWELL BLVD.
IRVING ST.
FEDERAL BLVD.
DECATUR ST.
WINDERMERE ST.
PRENTICE AVE.
5470 S Broadway
0
3,000
6,000
9,000 Feet
N
City of Englewood, Colorado: Sales Tax Areas
Area 1
Area 2
Area 3
Area 4
Area 5
Area 9 and 10
Area 11 and 12
Area 13
Arterials and Collectors
Local Streets
Englewood City Limits
Areas Not Depicted on Map:
Area 6 - Other City Locations
Area 7 - Outside City Limits
Area 8 - Public Utilities

MEMORANDUM
COMMUNITY DEVELOPMENT

TO: **Mayor Penn and City Council**

THRU: **Gary Sears, City Manager**
Alan White, Community Development Director

FROM: **John Voboril, Planner II**

DATE: **December 12, 2011**

SUBJECT: **Medical District Sub-area 2**

According to the schedule for addressing sub-area 2 presented to Council in August of this year, Community Development staff put together a proposal designed to serve as a middle ground solution to bridge the positions of a number of sub-area 2 stakeholders and Planning and Zoning Commission members. The compromise proposal, based on national zoning practice research, consisted of a neighborhood preservation overlay that would add new rules to the existing MU-R-3-B zoning regulations that would essentially limit redevelopment of existing single family properties to 1 to 4 units per fifty foot lot, and prevent any new office development, while still allowing full development rights for existing multi-unit apartment buildings. (See attached memo to Planning and Zoning Commission)

After much discussion concerning the merits of the proposal, as well as existing conditions in sub-area 2, and the long term interests (20 to 40 year planning horizon) of the City in preserving the potential for new mixed use housing and office development in areas where these conditions already exist, the Planning and Zoning Commission felt the neighborhood preservation overlay option did not establish the appropriate future direction for the sub-area. The Commission strongly believes the 3400 block of South Grant Street should be rezoned to M-1, Mixed Use Medical, Office, and High Density Residential District. However, in light of the challenges of coming to a consensus on the proper zoning reforms for Sherman and Grant Street, the Commission voted to make the following recommendation to Council:

> The Medical District Sub-area 2 zoning for the 3200 block of Sherman Street, and the 3200, 3300, and 3400 blocks of Grant Street should remain MU-R-3-B, with the caveat that hospital use should be eliminated as a use by right north of Girard Avenue.

The Commission cited the following points in making their decision:

- The area has been zoned as a mixed use residential and office district since 1955.
- The area is bordered by the MU-B-1 zoned Central Business District along the entire western and southern flanks, and is located in close proximity to the M-1 Medical District to the east. The presence of these intensive commercial zone districts severely reduces the

economic viability of selectively redeveloping small aging single family properties with new single and two unit family developments.

- The following percentages of properties used as commercial rental units severely reduces the economic viability of selectively redeveloping small aging single family properties with new single and two unit family developments.

    - 3200 block of Sherman: 40%
    - 3200 block of Grant: 30%
    - 3300 block of Grant: 50%
    - 3400 block of Grant: 50%

- Entirely eliminating office and multi-unit development land uses could be challenged as a regulatory taking of personal property rights and diminishment of potential property value by residential landlords.

- By leaving the existing MU-R-3-B zoning in place, there is little danger of immediate redevelopment, as the current regulations have remained unchanged since the 1980's, and no office or multi-unit residential buildings have been constructed since that time. The existing MU-R-3-B zoning requires the consolidation of multiple properties under single ownership in order to build office or multi-unit residential development, which is very difficult to accomplish.

- Because conversations concerning the possibility of zoning changes have caused anxiety over uncertainties of what changes might occur, the Commission has concluded that the best course of action is to leave the current zoning in place, while offering to remove hospital use as a use by right north of Girard Avenue, in accordance with the long-standing Council policy of support for the prevention of hospital encroachment north of this established boundary.

The Planning Commission will hold a study session early next year in order to make a final recommendation for the 3400 block of Logan Street.

Staff Request for Council Direction Concerning Sherman and Grant Street

In an effort to identify a zoning reform approach that addresses the preservation of neighborhood character as well as the preservation of some property rights, it appears no progress has been made. Staff is seeking direction on how Council wishes staff to proceed. The following courses of action are available:

1. Proceed with the Planning and Zoning Commission recommendation. This requires only a change to the text of the Unified Development Code to eliminate hospital as a permitted use in the MU-R-3-B zone district. This action could be accomplished in approximately four months.

2. Proceed with the neighborhood preservation overlay concept. This would involve a stakeholder meeting, preparation of the ordinance to amend the UDC, and the ordinance adoption process. This action could be accomplished in approximately six to eight months.

3. Proceed with rezoning to R-2-A or R-2-B. Once the appropriate designation is selected, this action would take approximately four months.

Each of these options would require separate public hearings conducted by the Planning and Zoning Commission and City Council.

In addition to Council direction for sub-area 2, staff also would like to ascertain Council support for moving forward with zoning reforms for sub-area 3, bounded by Girard Avenue on the south, Floyd Avenue on the north, Pearl Street on the west, and the Clarkson-Emerson alley on the east. Planning and Zoning has finished developing zoning reform proposals for sub-area 3. The next step would be to call a new sub-area 3 stakeholders meeting to present the zoning reform proposals and collect stakeholder feedback.

Att: Planning and Zoning Commission Memorandum
Sub-area 2 Moratorium Map with Current Land Use and Zoning Boundaries
Portions of Sub-area 2 Considered for Down-zoning in Relationship to Surrounding Zoning

M E M O R A N D U M

TO: **Englewood Planning and Zoning Commission**

THRU: **Gary Sears, City Manager**
Alan White, Community Development Director

FROM: **John Voboril, Long Range Planner II**

DATE: **November 22, 2011**

SUBJECT: **Sub-area 2 Zoning Strategy Proposal**

In August of this year, City Council enacted a temporary suspension on the issuance of certain building permits in sub-area 2 in order to address the issue of down-zoning the 3200 block of Sherman Street and the 3200, 3300, and 3400 blocks of Grant Street from MU-R-3-B to an R-2 district. During this pause, Community Development staff researched and developed an alternative strategy designed to bridge the gap between the positions of both the Planning and Zoning Commission and neighborhood stakeholders. Staff desires to present this alternative strategy for discussion.

The following lists document the positions voiced by a number of concerned neighborhood stakeholders, as well as positions voiced by Planning and Zoning Commissioners.

Viewpoints of Neighborhood Stakeholders

- Opposed to hospital expansion
- Opposed to any new medical clinics or new office buildings
- Opposed to use of existing homes for offices (1 such home office currently exists)
- Opposed to new apartment buildings similar in scale to existing apartment buildings
- Two unit developments are acceptable
- Favor allowing existing apartment building owners the right to rebuild at existing densities

Viewpoints of Planning and Zoning Commission

- Opposed to down-zoning to an R-2 zone district
- Favor continuing the historic Council policy of dividing hospital influence and neighborhood protected areas at Girard Avenue
- Favor banning hospital use north of Girard
- Willing to consider significantly limiting medical clinic and office uses north of Girard
- Favor retaining area south of Girard as a future medical expansion area

Compromise Sub-area 2 Zoning Strategy North of Girard:
Neighborhood Conservation Overlay

Community development staff has developed the concept of a neighborhood conservation overlay which would apply to redevelopment of existing single unit properties, while pre-existing multi-unit properties would be exempt from these requirements, and would be subject to the regulations of the underlying MU-R-3-B zoning, with changes to height and land area per unit that the Planning Commission had agreed to for sub-area 3. These provisions would protect existing multi-unit property owners from a severe diminishment of their current property rights, and also would effectively eliminate non-conforming status of these properties in terms of land area per unit.

Rules for redeveloping single unit properties were inspired by urban infill zoning regulations extensively applied in Portland, Oregon. Under the neighborhood conservation overlay, redevelopment of existing single use properties would be restricted to a maximum of 4 attached units. Up to four attached units would be allowed on a standard fifty foot wide lot, and two sets of 4 attached units would be allowed on a 100 foot wide lot. Placing a cap of four on the number of attached units per building essentially incentivizes limited, targeted urban infill replacement of existing sub-standard single family rental properties, and eliminates the need to acquire multiple fifty foot wide properties under a single ownership in order to develop. Furthermore, three and four-plex properties would be similar in scale and design to contemporary single family and two unit townhome designs, and look nothing like the larger existing apartment buildings that stakeholders oppose.

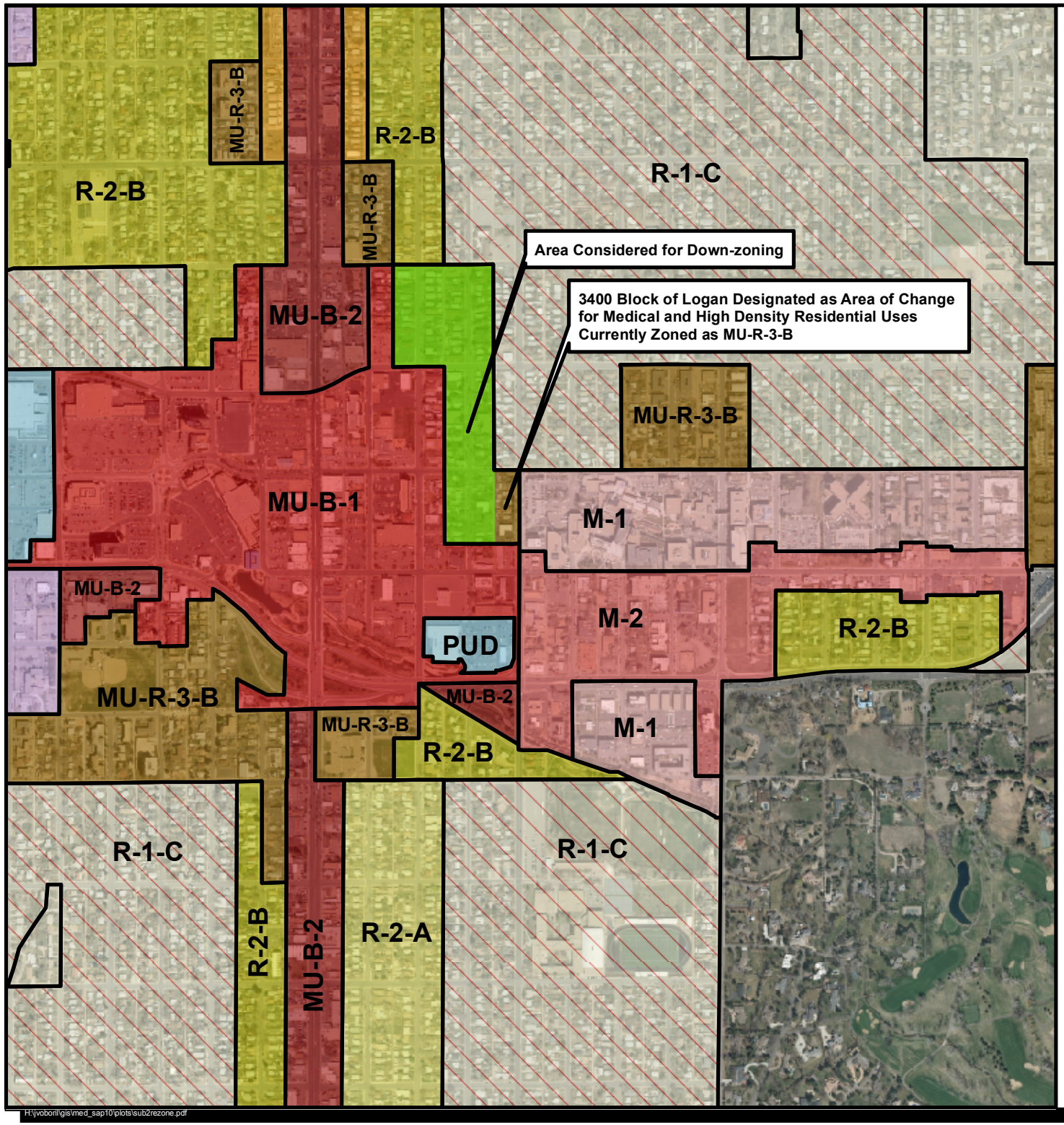
The neighborhood conservation overlay would not allow new medical clinic or office developments. However, the use of existing single family homes as office space would be allowed subject to regulations limiting the number of employees and client visitation hours, and restricting office use to type 2 limited, which does not allow medical or dental.

Potential Sub-area 2 Zoning Strategy South of Girard

Opposition to any rezoning of the MU-R-3-B zoned portions of the 3400 block of Grant Street that allows hospital expansion makes rezoning to M-1 Medical politically untenable. In order to retain the future possibility of hospital expansion in this area, the optimal scenario would be to simply retain the existing MU-R-3-B zoning. However, this may not mollify residents who have been stirred up by conspiracies of imminent hospital expansion. A possible strategy to help assuage their fears might include a provision that no hospital expansion is allowed unless the hospital has acquired a minimum land area of 37,500 square feet, the same amount of land area required for a base zoning change.

A second possible strategy may consist of a version of a Relaxed Zoning Overlay, which was recently documented in the September, 2011 issue of *Zoning Practice*. The Relaxed Zoning Overlay is classified as a "dynamic development" zoning technique, as related in Land Use Attorney and City Planner Don Elliott's *A Better Way to Zone – Ten Principles to Create More Livable Cities*. The concept revolves around a triggering mechanism that once reached, opens an area to additional uses or entitlements. A potential way in which this could be applied to hospital use in sub-area 2 on Grant Street south of Girard could be the establishment of a trigger where a certain percentage of properties become rentals. After reaching this established percentage figure, the area would then be considered as a predominantly commercial area allowing hospital expansion.

C: Alan White
Tricia Langon
File



City of Englewood, Colorado

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

LEGEND

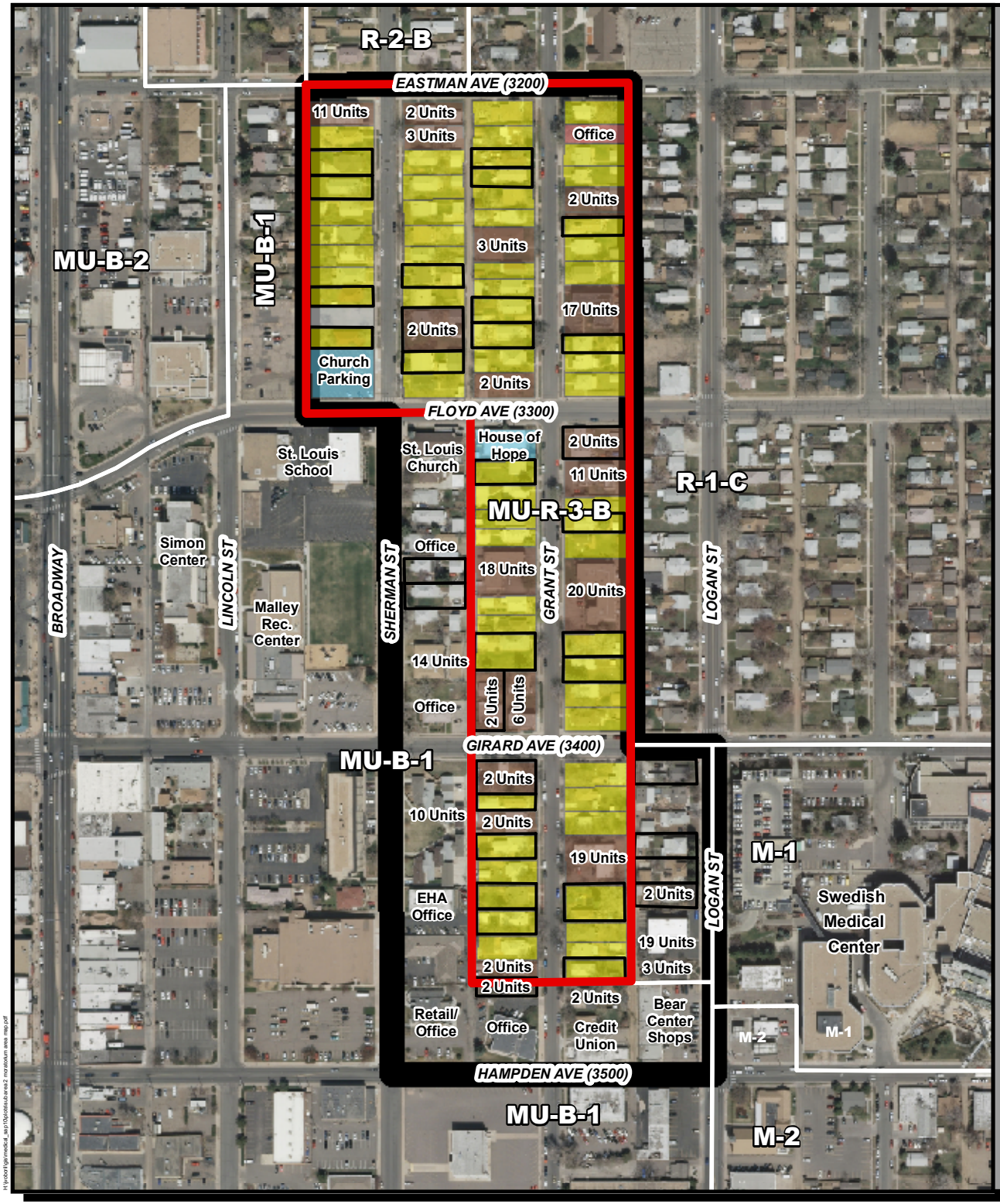
- Area Considered for Down-zoning
- R-1-A
- R-1-B
- R-1-C
- R-2-A
- R-2-B
- MU-R-3-A
- MU-R-3-B
- M-1
- M-2
- MU-B-1
- MU-B-2
- I-1
- I-2
- PUD

June, 2011

0 450 900 1,350

Feet

H:\jvoboril\gis\med_sap10\plots\sub2rezone.pdf



City of Englewood, Colorado

Englewood Medical District Small Area Plan: Sub-area 2 Properties Subject to Proposed Moratorium Preventing Change in Use or Increases in Number of Residential Units

3200 Block of Sherman Street, 3200, 3300 Blocks of Grant Street, and Portions of 3400 Block of Grant Street

LEGEND

- Moratorium Boundary
- Commercial-Office
- Institutional
- Residential-Multi-Family
- Residential-Single Family
- Vacant
- Single Family Rental Properties
- Subarea Boundary
- Zoning Boundaries

May 2011

N

0 150 300 450

Feet

MEMORANDUM
COMMUNITY DEVELOPMENT

TO: Mayor and City Council

THRU: Gary Sears, City Manager

FROM: Alan White, Community Development Director

DATE: December 7, 2011

SUBJECT: Kent Place Art Selection Committee

The 2nd Amendment to the Denver Seminary PUD (Kent Place) requires the developer to provide a "City-approved public art/entry feature at the southeast corner of the site." The art and its installation will be paid for by the developer. No other guidance is given as to the manner of selecting or approving the art.

Using the selection process for "Virere" (grass sculpture on Broadway at Yale) as a model, staff has worked with the developer to propose that a selection committee be appointed by Council consisting of the following members:

2 citizens
1 member of Cultural Arts Commission
1 Council Member
1 developer representative, chosen by developer

The developer has hired a consultant to conduct the call for entries process and assist the committee in the selection of the art piece to address issues such as anchoring, wind load, ability to fabricate the piece, assembly methods, graffiti resistance, etc.

Staff is requesting consensus on the composition of the committee as noted above and, if possible, selection of volunteers or appointment of members who will serve on the committee. As this process will take several months, the developer is anxious to initiate the process.

MEMORANDUM

TO:	Mayor Penn and Members of City Council
THROUGH:	Gary Sears, City Manager
FROM:	Sue Carlton-Smith, Executive Assistant
DATE:	December 8, 2011
SUBJECT:	Board and Commission Reappointments

At the Study Session on Monday, December 12, 2011, City Council will be discussing board and commission members who are interested in reapplying for another term with their current board or commission. No interviews will be held this evening.

Attached is a list of board and commission vacancies, applications, worksheets, and an updated Roster.

All Chairs have been contacted regarding the board and commission members who are reapplying for another term.

Board of Adjustment and Appeals Chair Carson Green has submitted a memorandum which is enclosed.

Election Commission Chair Jo Lay has recommended Ann Nabholz for reappointment.

Keep Englewood Beautiful Commission Chair Susan Bayless has recommended reappointment for James Garnett, Paul Kern, Kaylene McCrum and Cate Townley.

Public Library Board Chair Mark Adams has recommended reappointment for Julie Grazulis, Stephanie McNutt and Thomas Kelly.

Planning and Zoning Commission Chair Chad Knoth stated that "Steve King has been a very good member of P&Z. His professional background has been a great asset to the commission. I believe he should be reappointed."

Information has not been submitted from Urban Renewal Authority Chair Jim Weeks. Any communication received prior to the Study Session on December 12th will be forwarded to City Council.

Also attached is the memorandum to all board, commission and authority members concerning the interview process and current deadlines. This memorandum was distributed on October 24, 2011 and included in the Council Newsletter.

If you need additional information, please call me at 303-762-2311.

COUNCIL APPROVED AID TO OTHER AGENCIES

AGENCY	2011 Funding	2012 Requests	Penn	Woodward	Gillit	Jefferson	McCaslin	Olson	Wilson	Final 2012 Funding
Arap. Co. Metropolitan Mayors & Commissioners Youth Awards (MMCYA)	$425	$300	$250			200				
Arapahoe Philharmonic	213	1,000				200				
Arapahoe Santa Claus Shop	425	800	500			300				
Beacon Center	213	0				0				
Cornerstone Food Bank	1,445	2,000	1,000			1300				
Doctor's Care	850	1,500				400				
Englewood Cultural Arts Center Assn.	425	1,000	500			300			500	
EHS After Prom	383	500	250			300				
Food Bank of the Rockies	1,148	5,000	1,000			1000				
Freedom Service Dogs	850	5,000	500			400				
Gateway Battered Women's Shelter	850	3,000				400			1500	
Hospice of Metro Denver	765	5,000				400				
Inter-Faith Task Force	10,200	20,000	8,000			9200			10,000	
Living Branch Community Fellowship	383	1,800				300			900	
Meals on Wheels	1,700	5,000	750			1500			2500	
Special Olympics Program	574	800 to 1,000				300				
Up Close and Musical	2,125	5,000	1,800			1900			2500	
Discretionary	2,000	2,000	3,000			1600				
TOTALS	**$ 24,974.00**	**$59,700-59,900**	**$ 17,550.00**			**$ 20,000.00**			**$ 17,900.00**	

COUNCIL APPROVED AID TO OTHER AGENCIES

AGENCY	2011 Funding	2012 Requests	Penn	Woodward	Gillit	Jefferson	McCaslin	Olson	Wilson	Final 2012 Funding
Arap. Co. Metropolitan Mayors & Commissioners Youth Awards (MMCYA)*	$425	$300		$275						
Arapahoe Philharmonic	213	1,000		0						
Arapahoe Santa Claus Shop	425	800		0						
Beacon Center	213	0		0						
Cornerstone Food Bank	1,445	2,000		1,400						
Doctor's Care	850	1,500		700						
Englewood Cultural Arts Center Assn.	425	1,000		400						
EHS After Prom	383	500		300						
Food Bank of the Rockies	1,148	5,000		1,100						
Freedom Service Dogs **	850	5,000		400						
Gateway Battered Women's Shelter	850	3,000		700						
Hospice of Metro Denver	765	5,000		750						
Inter-Faith Task Force	10,200	20,000		8,000						
Living Branch Community Fellowship	383	1,800		375						
Meals on Wheels	1,700	5,000		1,700						
Special Olympics Program	574	800 to 1,000		500						
Up Close and Musical	2,125	5,000		2,050						
Discretionary	2,000	2,000		1,350						
TOTALS	**$24,974**	**$59,700-59,900**		**20,000**						

* Offer use of Community Room for County awards.

** Offer use of Hampden Hall for graduations.