AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
EXECUTIVE SESSION/STUDY SESSION
MONDAY, MAY 20, 2013

I. **Executive Session**
At 6:00 p.m. in the City Council Conference Room, City Council will discuss a (Union) negotiation matter pursuant to C.R.S. 25-6-402-4 (e).

II. **Comprehensive Annual Financial Report**
At 6:30 p.m. in the Community Room, Tim Mayberry, Holscher, Mayberry & Company, LLC, Finance & Administrative Services Director Frank Gryglewicz and Accounting Manager Kevin Engels will discuss the Comprehensive Annual Financial Report.

III. **Financial Report**
Finance & Administrative Services Director Frank Gryglewicz will discuss the April, 2013 Financial Report.

IV. **Board and Commission Reports**
City Council will discuss the various boards and commissions in which they participate.

V. **City Manager's Choice.**
A. Sales Tax System
B. Brownfields MOU Update
C. Home Occupation Issues

VI. **City Attorney's Choice.**

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

City of Englewood Department of Finance and Administrative Services

Memorandum

To: Mayor Penn and City Council

Thru: Gary Sears, City Manager

From: Frank Gryglewicz, Director of Finance and Administrative Services

Kevin Engels, Accounting Manager

Date: May 16, 2013

Re: 2012 Comprehensive Annual Financial Report

Attached is a copy of the 2012 Comprehensive Annual Financial Report (CAFR). The CAFR will be one of the topics of discussion at the May 20, 2013 study session. Please bring your copy of the CAFR to the meeting.

Thanks to everyone who helped prepare the report, particularly those in Accounting Division who worked extremely hard to put the report together: Accountants Kathy Cassai, and Christine Hart, Payroll Technician Joel Berrelez and Accounts Payable Technician Terri Buechler. Also, thanks to the City Departments who provided information relating to the operation of their programs for inclusion in the report.

Finally, thanks to the City's auditors, Holscher Mayberry & Company LLC, for conducting the audit in a competent, professional and timely manner.

Attachment

2012
CAFR

Comprehensive Annual Financial Report

City of Englewood, Colorado

Year ended December 31, 2012

City of Englewood
1000 Englewood Parkway
Englewood, CO 80110
www.englewoodgov.org

CITY OF ENGLEWOOD, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ended
December 31, 2012

Prepared by the Department of Finance and Administrative Services:

Frank Gryglewicz, CPA, CPFO, Director
Kevin Engels, Accounting Manager
Kathy Cassai, Accountant
Christine Hart, Accountant
Jennifer Nolan, Revenue and Budget Manager
Loucrishia Ellis, City Clerk
Carol Wescoat, Retirement Administrator

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2012

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CITY OF ENGLEWOOD

May 10, 2013

The Honorable Mayor, City Council Members,
and Citizens of the City of Englewood, Colorado

State law requires that all local governments publish within seven months of the close of each year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant. Pursuant to this requirement, the Department of Finance and Administrative Services is pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Englewood, Colorado (the City) for the year ended December 31, 2012.

This report is published to provide the City Council, City staff, our citizens, and other readers with detailed information concerning the financial position and activities of the City. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute, assurance that the financial statements are free of any material misstatements.

To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the City's financial affairs.

Holscher, Mayberry & Company LLC., Certified Public Accountants, have issued an unqualified ("clean") opinion on the City's financial statements for the year ended December 31, 2012. The independent auditor's report is located at the front of the financial section of this report. The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

1000 Englewood Parkway Englewood, Colorado 80110 Phone 303-762-2300
www.englewoodgov.org

The Report

The CAFR is presented in three sections: introductory, financial and statistical. The **introductory section** provides the reader with this transmittal letter, the City's organizational chart, a list of principal officials and last years Government Finance Officer's Association Certificate of Achievement for Excellence in Financial Reporting.

The **financial section** contains the Management's Discussion and Analysis (MD&A), the basic financial statements, required supplementary information, the combining and individual fund statements and schedules, and other information, such as schedules of future debt requirements on all outstanding long-term obligations.

MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it. The basic financial statements include the government-wide financial statements that present the City's entire operations, while the fund level statements present the financial information on each of the City's major funds, as well as nonmajor funds.

Lastly, the **statistical section** includes selected financial and demographic information, generally presented on a multi-year basis.

City Profile

Located on the southern border of Denver, Colorado's capital city, Englewood is approximately seven square miles and home to approximately 31,000 residents and 2,400 businesses. Due to easy access to two light rail train stations and the state and US highway systems, Englewood's location offers short and convenient commutes to other areas within the Denver Metro Area and the rocky mountain range. The City's mixed housing and retail environment encourages a pedestrian community. The City's economy is comprised of retail, industrial, manufacturing, healthcare and service sectors.

Englewood is said to have "small town" feel with the conveniences of big city amenities. Recreational opportunities abound in Englewood, including eleven parks, nine athletic fields, an award-winning recreation center, a golf course, and one of the most successful senior centers in the region. The Pirates Cove aquatic center offers a variety of family aquatic activities.

In addition to the recreational opportunities, the City provides a full range of services, including police (1 Station) and fire protection (3 Stations), emergency medical services, the construction and maintenance of streets and other infrastructure, library services and general government services. The City operates its own water treatment plant and distribution system, maintains a wastewater collection system and manages a jointly held regional wastewater treatment plant with the City of Littleton, a neighboring city to the south.

The City of Englewood is a municipal corporation with a Council-Manager form of government. Members of the seven member council are elected to staggered four year terms with term limits of three consecutive terms. The Mayor and Mayor Pro-Tem are selected from among the Council members. The City Council is responsible, among other things, for passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for overseeing the day-to-day operations of the City, and for appointing heads of the various departments.

The City of Englewood has several boards and commissions made up of council members, residents, local businesspeople, and others who are interested in their community. Members are interviewed and appointed by City Council, and provide guidance for many of Englewood's programs and projects.

The Englewood School District operates several educational facilities throughout the City - Early Childhood (2), Elementary (4), Middle Schools (2), High School (1) and Alternative High School (1).

Englewood residents have direct light rail access to two college campuses. To the south, Arapahoe Community College offers comprehensive courses leading to both the Associate of Arts and the Associates of Science degrees. To the north, the 37,000-student Auraria campus is home to three colleges: the University of Colorado at Denver, the Community College of Denver and Metropolitan State College of Denver. Other four year colleges/universities in the Denver Metro area include: University of Colorado-Boulder, Colorado State University (Fort Collins), University of Northern Colorado (Greeley), Colorado School of Mines (Golden), Regis University (Denver) and University of Denver.

As required by generally accepted accounting principles (GAAP), these financial statements present the City of Englewood (the primary government) and its component units. The component units, the Englewood Urban Renewal Authority (EURA), the Englewood Environmental Foundation, Inc. (EEF) and the Englewood McLellan Reservoir Foundation, Inc. (EMRF) are discretely reported in separate columns of the government-wide financial statements to emphasize that they are legally separate from the City. Each discretely presented component unit has a December 31 year-end. Separate financial statements are not prepared for EURA, EEF or the EMRF. Additional information on all three entities can be found throughout the notes to the financial statements.

The annual budget serves as the foundation for the City's financial planning and control. The City Manager must submit the proposed budget to City Council for review by September 15 of each year. The council must hold public hearings within three weeks after the proposed budget is submitted and a final budget must be prepared and adopted by December 1 of each year. The budget is prepared by fund (e.g., General Fund) and department (e.g., Public Works). Approval of the City Council is required for budget revisions, except that the City Manager may transfer any unencumbered appropriation from one expenditure classification to another for the same fund. In the General Fund, the City Manager may transfer the unencumbered appropriation balance from one expenditure classification to another only within departments.

Local Economy

Colorado The 2013 forecast is taken from the *2013 Colorado Business Economic Outlook* report prepared by the Business Research Division of the University of Colorado Leeds School of Business. The *2013 Colorado Business Economic Outlook* predicts that the Colorado unemployment rate is expected to drop to 7.4% in 2013 as job creation will continue to outpace the growth in the potential labor force. Colorado's unemployment rate is expected to continue to be well below that of the nation.

Of the eleven major employment activities reported on, only the Information sector is projected to show a decrease in employment in 2013. Nonfarm employment is expected to increase 1.4% for a net gain of 49,000 jobs during 2013. The construction sector is expected to show continued job growth as housing and investment in new infrastructure remain strong.

Colorado's abundance of renewable energy resources including wind, solar, hydroelectric, and biomass resources accounted for nearly 10% of the net power generation in 2010. Colorado is ranked 10th nationally in overall alternative energy generation. Colorado's renewable energy standard of 30% potential renewable electricity by 2020 is one of the most aggressive in the nation.

Colorado continues to be a desirable destination with net migration to the state of 300,000 during the decade from 2000 to 2010. During this decade Colorado's total population grew by more than 700,000 or 16.9%, far outpacing the national average of 9.6%. This is dramatic slowing compared to the 31% increase during the 1990's.

The recovery has gained momentum in some sectors but overall remains slow for most of the economy. Consumers will remain concerned about their employment outlook and home values (wealth). Colorado's durable and diverse economy has allowed the state to recover from the economic decline more quickly than most of the nation due in part to the following:

- Above average wages, unemployment rates below national averages and abundant recreational opportunities will continue to attract businesses and a skilled labor force
- Colorado's population growth will remain above the national average for the near future.
- Advanced technology will continue to play an integral and evolving role in the state. A solid argument may be made that this is a good time to embark on new technologies in renewable energy as well as other natural resource related energy production.

Metro Denver The 2013 economic update for the Denver Metro Area is from the **2013 Focus Colorado: Economic and Revenue Forcast** report prepared by the Colorado Legislative Council (CLC). The CLC provides non-partisan economic research to the Colorado General Assembly. The report covers the fiscal year running from July 1, 2012 through June 30, 2013.

The metro Denver economy improved modestly during 2012. Gains were seen in real estate and consumer spending. Retail sales increased 8.1% during 2012, almost double the rate seen in 2011. Consumer spending will continue to fluctuate and be influenced by national policies.

The metro Denver region, which represents over half of the statewide labor force, will continue to see moderate employment gains. The metro Denver region's unemployment rate is 8% for 2012 and is expected to decrease to 7.3% in 2013

The housing market in the metro Denver region has shown strong gains with housing prices increasing 7.8% in 2012. New single-family housing permits increased by 58% in 2012.

Long-term Financial Planning

At the end of the year, *unassigned* fund balance for the general fund was $4,953,000, or 12.4% of total General Fund revenues. The 2013 General Fund budget is calling for a $920,000 deficit that will lower the percentage to an estimated 9.32% of 2013 budgeted revenues. Total 2013 general fund revenues, before transfers, are estimated at $39,050,000 or $840,000 less than 2012 actual revenues. Total 2013 general fund expenditures are budgeted at $41,110,000 or $844,000 more than the 2012 actual expenditures, a 2.1% increase.

The City is mature and landlocked; however, several development and redevelopment opportunities exist. These opportunities will influence the local economy and are a potential source of revenue for the City of Englewood.

Property owned by the Englewood/McLellan Reservoir Foundation (EMRF) is located adjacent to the four corners of the intersection of C470 and Lucent Boulevard. Any development of the site must protect the McLellan Reservoir water resources and quality. Development is underway in and around the site. The RTD has negotiated to locate a light rail station on the site as part of FasTracks. Douglas County supports a transit-oriented development at this location. Several tracts of land have been leased and are producing revenue for the City.

The Parks and Recreation Master Plan for the City of Englewood guides the future of the City as it relates to parks, trails, and recreation within the City.

The Plan defines Level of Service based on population and geography. Ideally, each citizen should be within one-half mile of a neighborhood park and 1.5 miles of a community park. A critical component of this plan is the identification of potential residential growth and development areas, and ensuring there are adequate neighborhood parks to serve them in the future. Neighborhood parks are the backbone of the community, while community parks are invaluable, citywide resources. The plan further defines the need for access, sizes, and amenities important to achieving desirable results from parks.

Recommendations of the Plan were formulated to address specific needs that arose from the planning process. Recommendations take shape in six essential forms: new parkland and amenities, major park redesigns, facility additions and enhancements, street crossing enhancements, new off-street trails, and key new on-street trail connections. Duncan Park is currently undergoing a major redesign and the Plan recommends enhancements to Cushing Park, Miller Field, Hosanna Athletic Complex, Centennial Park, and Belleview Park. Additionally, this Plan recommends numerous street crossing enhancements, off-street trails, and on-street trail connections throughout the city. Lastly, the Plan recommends phasing in a comprehensive irrigation system upgrade for all parks.

As with any plan, the effectiveness and success will be measured by the community's ability and willingness to implement the Plan. This Plan provides recommendations and directs actions for the near and more distant future. This Plan also offers specific considerations to help prioritize which projects should be implemented first. The Plan is intended to be flexible and fluid, so that as opportunities for land acquisition and park development become available, the City can immediately capitalize on these opportunities without being committed to a pre-determined project identified in a concrete prioritization system. This long-range planning proposed to establish a perpetual fund or "land bank" to strategically acquire parcels for park development that may become available in the future.

In addition to initial construction costs of any project that may be undertaken, the City would likely incur significant additional operating costs to staff, operate and maintain the new facilities.

Relevant Financial Policies

General Fund Balance

The unreserved/undesignated fund balance target for the General Fund is between 10% and 16% of total General Fund revenues or approximately one to two months of General Fund budgeted expenditures. If the unreserved/undesignated fund balance falls below the minimum target balance, additional sources of funds and/or reductions of uses of funds are identified to bring the balance to the desired level.

Long Term Asset Reserve (LTAR)

This General Fund reserve account accumulates 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 committed in this account may only be expended if appropriated in the annual budget or by supplemental appropriation.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Englewood for its comprehensive annual financial report for the fiscal year ended December 31, 2011. This was the twenty-ninth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.
This report would not have been possible without the efficient and dedicated service of the entire staff of the Department of Finance and Administrative Services. We wish to express our appreciation to all members of the Department who assisted and contributed to the preparation of this report. We would also like to thank the City's staff and members of City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Gary Sears

Gary Sears
City Manager

Frank Gryglewicz

Frank Gryglewicz
Director of Finance and Administrative Services

City of Englewood, Colorado

Principal Officials

Elected Officials

City Council

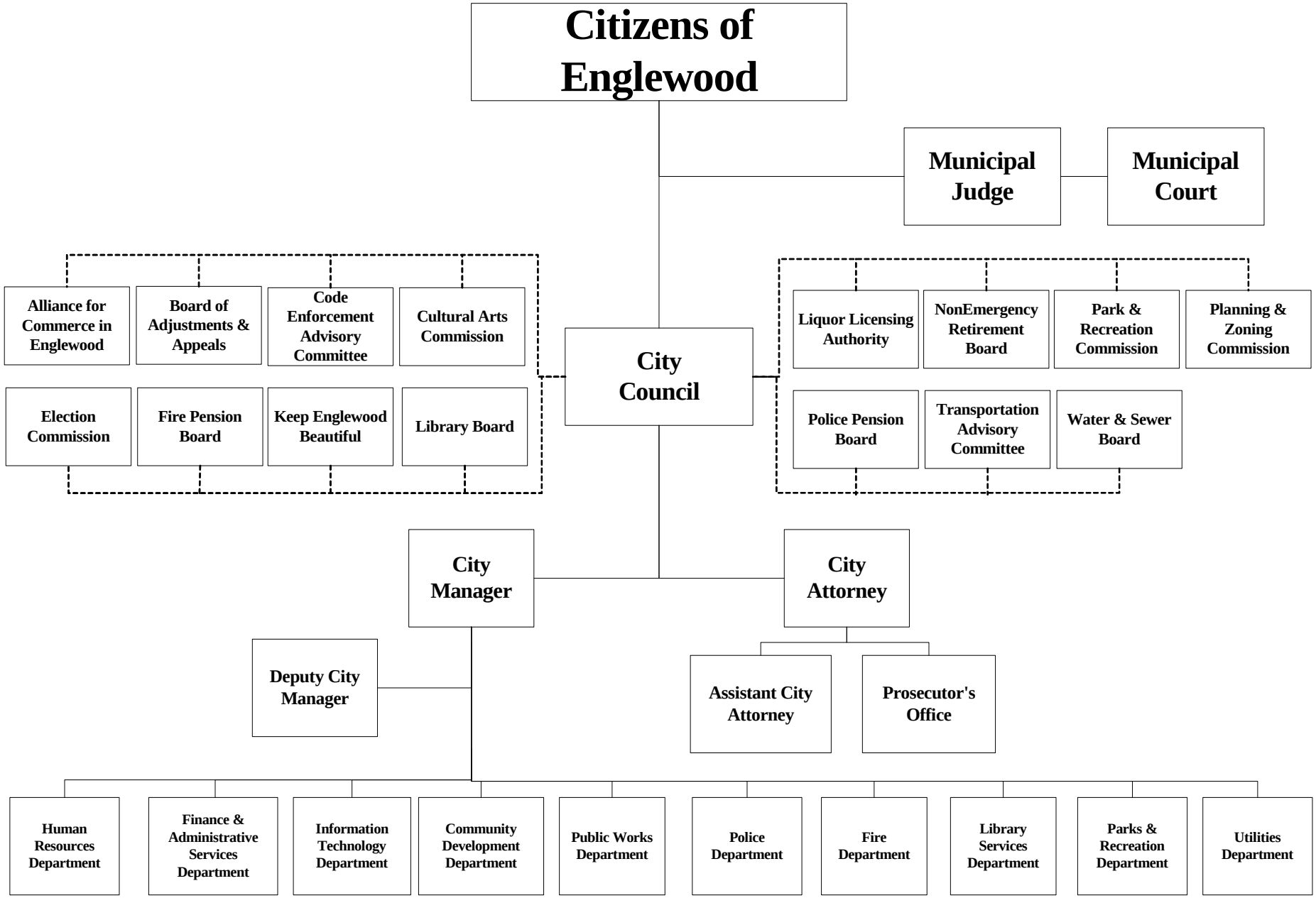
Mayor ..... Randy Penn, District 3
Mayor Pro Tem ..... Jim Woodward, At-Large
Council Member ..... Rick Gillit, District 4
Council Member ..... Joe Jefferson, District 1
Council Member ..... Bob McCaslin, At-Large
Council Member ..... Linda Olson, District 2
Council Member ..... Jill Wilson, At-Large

Municipal Judge ..... Vincent Atencio

City Officials

City Manager ..... Gary Sears
Deputy City Manager ..... Michael Flaherty
City Attorney ..... Dan Brotzman
Community Development Director ..... Alan White
Finance and Administrative Services Director. ..... Frank Gryglewicz
Fire Chief ..... Mike Pattarozzi
Human Resources Director ..... Susan Eaton
Information Technology Director ..... Jeff Konishi
Library Services Director ..... Dorothy Hargrove
Municipal Court Administrator ..... Tamara Wolfe
Parks and Recreation Director ..... Jerrell Black
Police Chief ..... John Collins
Public Works Director. ..... Rick Kahm
Utilities Director ..... Stewart Fonda

Organization Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Englewood Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

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Holscher, Mayberry & Company, LLC
Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

City Council
City of Englewood
Englewood, Colorado

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information and the budgetary comparison statement of the general fund of the City of Englewood, Colorado, as of and for the year ended December 31, 2012, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Englewood, Colorado, as of December 31, 2012, and the respective changes in financial position, and, where applicable, cash flows, thereof, and the budgetary comparison of the general fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

8310 South Valley Highway – Suite 300
Englewood, Colorado 80112
Voice (303) 993 – 2199
Fax (720) 633 – 9763

Report on Summarized Comparative Information

We have previously audited the City of Englewood's 2011 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 17, 2012. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information – Management Discussion and Analysis, Schedules of Funding Progress and Schedules of Employer Contributions

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages 15-31, the schedules of funding progress of page 105, and the schedules of employer contributions on page 106 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining and budgetary comparison statements and schedules on page 108-151 are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The letter of transmittal on pages 5-10 and the statistical information presented on pages 160-188 are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of future debt service requirements and *Local Highway Finance Report* on pages 153-158 are presented for purposes of debt and legal and compliance and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2013 on our consideration of the City of Englewood's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Englewood's internal control over financial reporting and compliance.

Englewood, Colorado
May 10, 2013

Management's Discussion and Analysis

As management of the City of Englewood, Colorado (the "City"), we offer readers of the City's Comprehensive Annual Financial Report (CAFR), this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of 2012 by $150.1 million ($62.4 million in governmental activity net position and $87.7 million in business-type activity net position). Of the governmental activities net position total, $11 million, or 17.6%, is unrestricted and may be used to meet the City's obligations to the public and creditors. Similarly, $3.4 million, or 3.9%, of business-type activity net position is unrestricted.
- The City's total net position decreased by $1.2 million, or 1% compared to 2011. Net position of the City's governmental activities decreased $403,000, or 0.6%. Net position of the business-type activities decreased $803,000, or 1%, from 2011.
- The total cost of the City's programs increased by $2.9 million, or 4.1%, compared to 2011. The cost of governmental activities program expenses increased $2 million to $46.7 million, and the cost of business-type activities increased $1 million or 3.4% from 2011, to $27.9 million.
- Total revenues, excluding special items and transfers, increased $3.2 million or 4.6%, compared to 2011. Governmental activities revenues increased $1.9 million, or 4.2%, to $46.5 million while revenues of business-type activities increased $1.3 million or 5.1%, to $27.1 million compared to 2011.
- The City's governmental funds reported combined ending fund balances of $15.7 million, an increase of $875,000 when compared to 2011. Of the combined ending governmental fund balances, approximately 71%, or $11.1 million is available for spending at the City's discretion subject to the City Council's approved policies (*committed, assigned and unassigned fund balances*).
- The General Fund reported a fund balance of $9.1 million as of December 31, 2012, of which $1.2 million is *restricted* for TABOR emergencies, $2.6 million is *committed* to Long Term Asset Reserve, $920,000 is *assigned* to subsequent year budget requirements and $4 million is *unassigned*.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements 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*). The governmental activities of the City include general government, which consists of the City Council and the various Boards and Commissions, the City Attorney's Office, Municipal Court, the City Manager's Office, Community Development, Human Resources, Finance and Administrative Services and Information Technology. Governmental activities also include Police, Fire, Public Works and Culture and Recreation (including Library Services). The business-type activities of the City include the water, sewer, golf course, storm drainage, concrete utility and housing rehabilitation operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the Englewood Urban Renewal Authority (EURA), the Englewood Environmental Foundation, Inc. (EEF) and the Englewood McLellan Reservoir Foundation, Inc (EMRF). All three (known as *component units*) are legally separate entities for which the City is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself.

Fund financial statements

A *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. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the other eleven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for six separate operations: Water, Sewer, Golf Course, Storm Drainage, Concrete Utility and Housing Rehabilitation. Internal service funds are an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for in-house printing, vehicle replacement and maintenance, and insurance costs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the six enterprise operations, all of which are considered major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* later in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information (RSI)* concerning the City's progress in funding its obligation to provide pension and other post employment benefits to employees.

The combining statements referred to earlier in connection with non-major governmental and proprietary funds as well as budget to actual schedules for all funds are presented immediately following the RSI.

Government-wide Financial Analysis

A. Analysis of Net position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities. At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the governmental and business-type activities. The same is true for the prior year.

Table 1 presents an analysis of the City's net position as of December 31. The City's assets exceeded liabilities by $150.1 million at the close of 2012. Governmental activities make up $62.4 million or (42%) of these assets, with business-type activities making up the remaining $87.7 million or (58%). Total net position decreased by $1.2 million in 2012. The decrease is comprised of the following:

- Total assets increased $200,000, or less than 1%, to $262.7 million. This included a decrease in capital assets of $2.5 million combined with an increase in current and other assets of $2.3 million. The majority of this increase $1.5 million took place in the City's business-type activities and is attributable to the proceeds from the issuance of new debt.

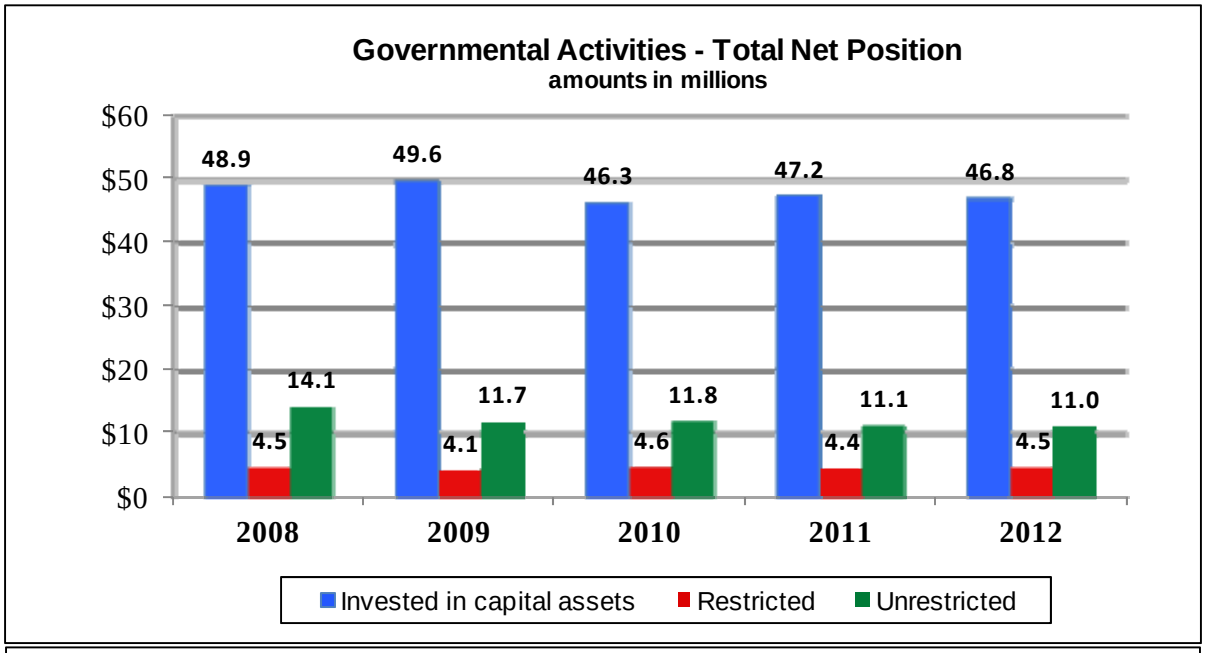
- Total liabilities increased $1.3 million, or 1.3%, to $113 million. The new business-type debt increase was partially offset by regular debt service payments on the City's notes and bonds.

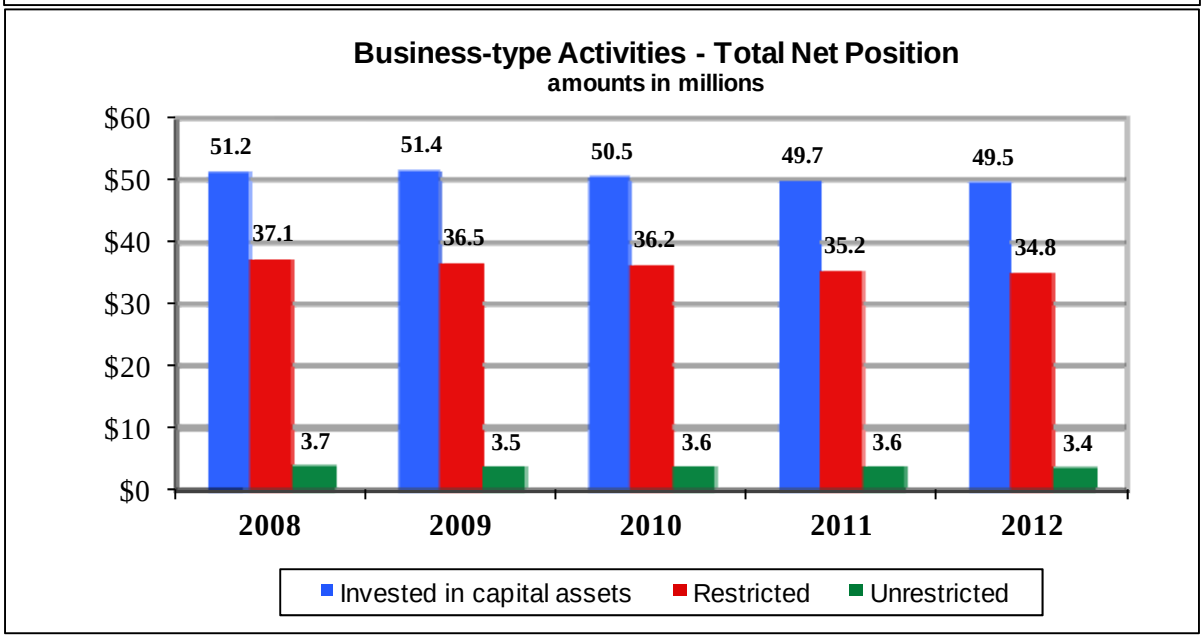
Table 1
City of Englewood
Summary of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**
Assets						
Current and other assets	$ 26,944,599	$ 26,643,615	$ 99,269,766	$ 97,250,338	$ 126,214,365	$ 123,893,953
Capital assets	72,329,570	74,321,911	64,209,444	64,738,714	136,539,014	139,060,625
Total assets	99,274,169	100,965,526	163,479,210	161,989,052	262,753,379	262,954,578
Total deferred outflows of resources	236,630	-	133,321	-	369,951	-
Liabilities						
Long-term liabilities	28,555,024	30,064,729	65,342,817	62,807,867	93,897,841	92,872,596
Other liabilities	4,703,173	8,124,856	10,543,166	10,650,790	15,246,339	18,775,646
Total liabilities	33,258,197	38,189,585	75,885,983	73,458,657	109,144,180	111,648,242
Total deferred inflows of resources	3,879,753	-	-	-	3,879,753	-
Net Position						
Invested in capital assets, net of related debt	46,838,945	47,246,217	49,479,564	49,746,090	96,318,509	96,992,307
Restricted	4,532,092	4,412,743	34,849,374	35,191,685	39,381,466	39,604,428
Unrestricted	11,001,812	11,116,981	3,397,610	3,592,620	14,399,422	14,709,601
Total net position	$ 62,372,849	$ 62,775,941	$ 87,726,548	$ 88,530,395	$ 150,099,397	$ 151,306,336

The largest portion of the City's assets (51.9%) reflects its investment of $137 million in capital assets (e.g., land, buildings, machinery and equipment). Net Capital assets are reported less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, $39.4 million (26%) represents resources that are subject to external restrictions on how they may be used. The net position of the utility funds: Water, Sewer, Storm Drainage and Concrete, are restricted by City Charter as to their use based on the purpose of their respective service fees. The remaining balance of unrestricted net position, $14.4 million (9.6%) may be used to meet the government's ongoing obligations to citizens and creditors. Of the $11 million of unrestricted net position attributed to governmental activities, $3.0 million represents the unrestricted net position of the City's internal service funds.





B. Analysis of Changes in Net position

As presented in Table 2, the City of Englewood's overall net position decreased $1.6 million during 2012. This decrease is explained in the governmental and business-type activities discussion below.

<u>Governmental Activities</u>

Net position of governmental activities decreased $403,000 during 2012.

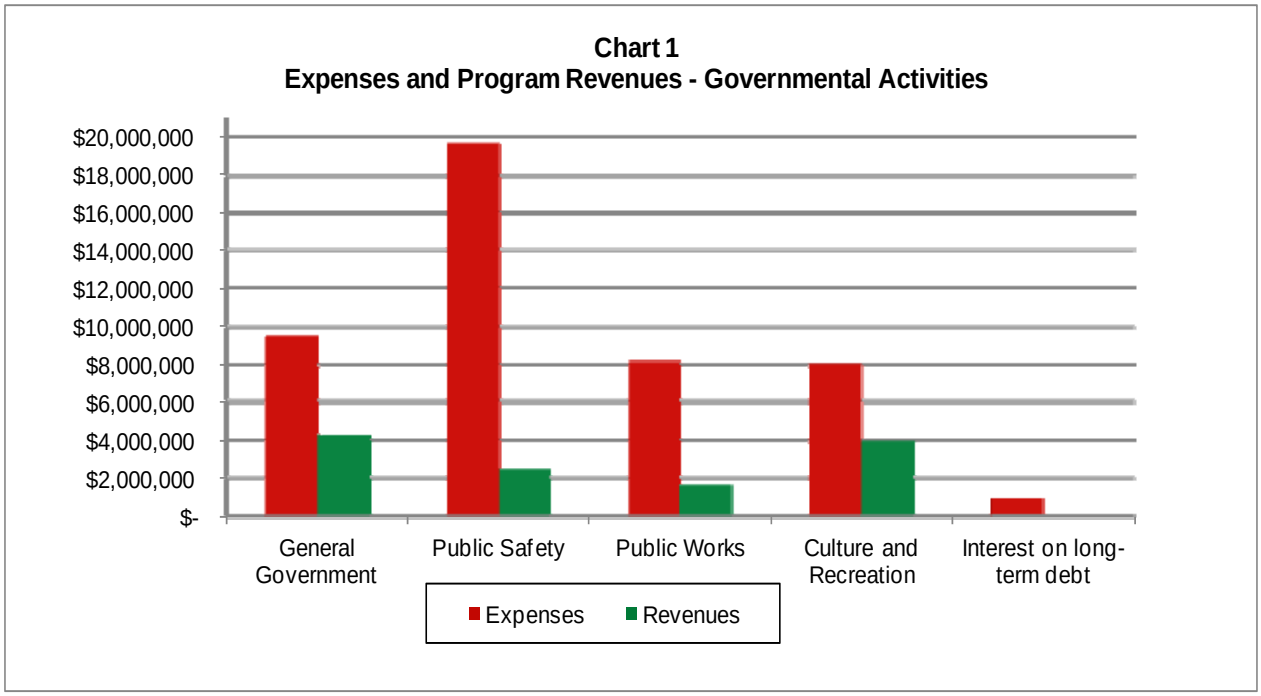
Governmental revenues increased approximately $1.9 million or 4.2% compared to 2011. This increase is due primarily to increases in tax collections and building permits.

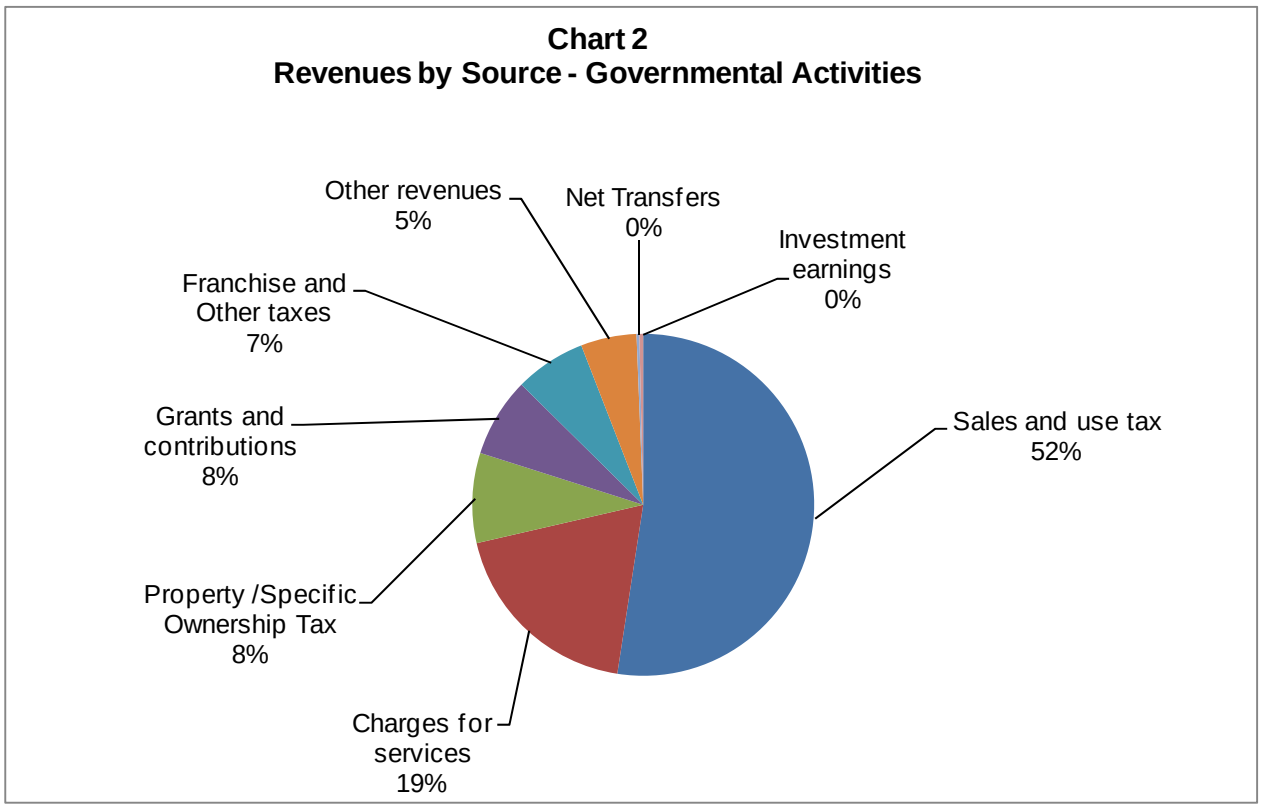
Governmental expenses also increased by approximately $2 million or 4.5% from 2011. This is due primarily to increases in personnel and insurance costs.

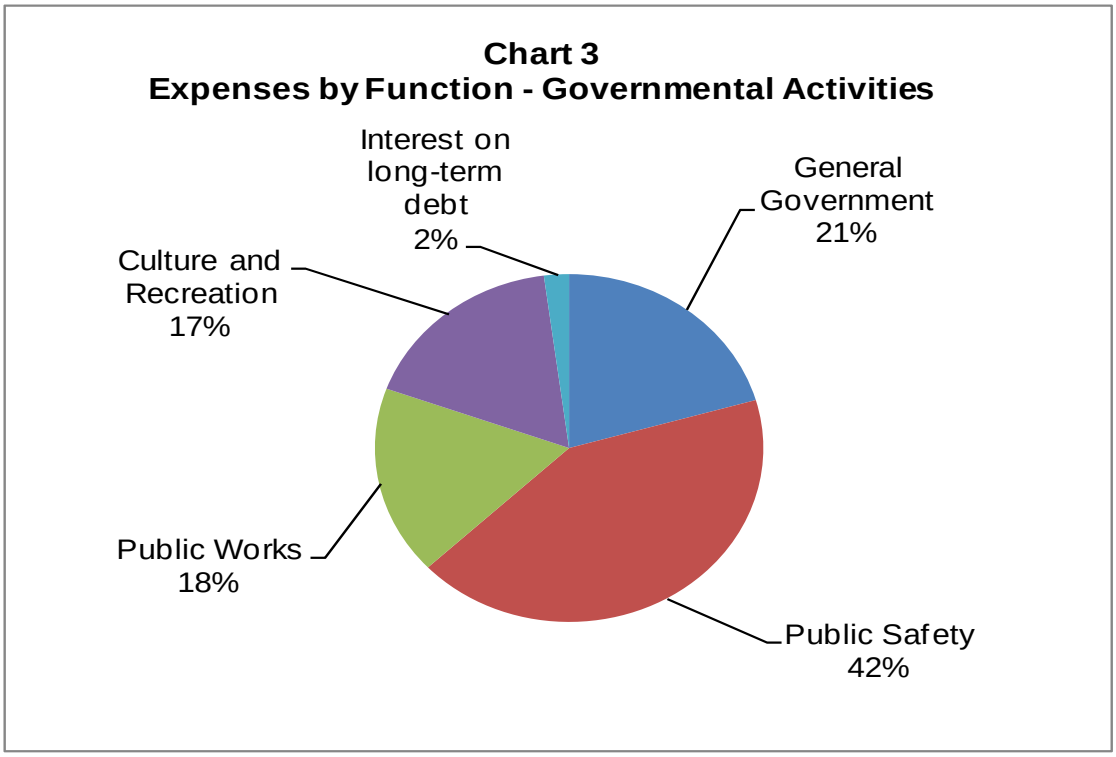
Table 2
City of Englewood
Summary of Changes in Net Position
For Years Stated

	Governmental Activities		Business-type Activities		Total Primary Government	
Revenues	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Program revenues						
Permits, fees, fines and charges for services	$ 8,853,418	$ 8,632,414	$ 26,089,475	$ 24,814,763	$ 34,942,893	$ 33,447,177
Operating grants and contributions	3,386,614	3,249,568	590,338	706,241	3,976,952	3,955,809
Capital grants and contributions	69,815	-	426,831	254,699	496,646	254,699
General Revenues						
Taxes	31,573,167	30,532,471	-	-	31,573,167	30,532,471
Grants and contributions not restricted to specific programs	40,809	30,883	-	-	40,809	30,883
Investment earnings	163,573	191,431	-	-	163,573	191,431
Other	2,456,919	2,029,984	-	-	2,456,919	2,029,984
Total revenues	46,544,315	44,666,751	27,106,644	25,775,703	73,650,959	70,442,454
Expenses						
General government	9,498,751	9,645,356	-	-	9,498,751	9,645,356
Public Safety	19,597,424	17,948,951	-	-	19,597,424	17,948,951
Public works	8,130,782	7,879,992	-	-	8,130,782	7,879,992
Culture and recreation	8,033,063	7,662,387	-	-	8,033,063	7,662,387
Interest on long-term debt	960,650	1,069,971	-	-	960,650	1,069,971
Unallocated depreciation	436,088	436,088	-	-	436,088	436,088
Water	-	-	8,094,782	7,962,145	8,094,782	7,962,145
Sewer	-	-	16,283,665	15,579,812	16,283,665	15,579,812
Golf Course	-	-	2,182,690	2,100,887	2,182,690	2,100,887
Storm	-	-	294,241	286,702	294,241	286,702
Concrete	-	-	739,925	742,759	739,925	742,759
Housing rehabilitation	-	-	333,467	328,067	333,467	328,067
Total expenses	46,656,758	44,642,745	27,928,770	27,000,372	74,585,528	71,643,117
Increase (decrease) in Net Position before special items and transfers	(112,443)	24,006	(822,126)	(1,224,669)	(934,569)	(1,200,663)
Transfers	131,805	42,622	(131,805)	(42,622)	-	-
Change in Net Position	19,362	66,628	(953,931)	(1,267,291)	(934,569)	(1,200,663)
Net Position - beginning	62,353,487	62,709,313	88,680,479	90,212,326	151,033,966	152,921,639
Net Position - ending	$ 62,372,849	$ 62,775,941	$ 87,726,548	$ 88,945,035	$ 150,099,397	$ 151,720,976

The following graphs provide visual representations of the expenses and revenues for governmental activities for 2012.







Business-type Activities

Overall the Business-type activities decreased the total net position of the City by $1 million.

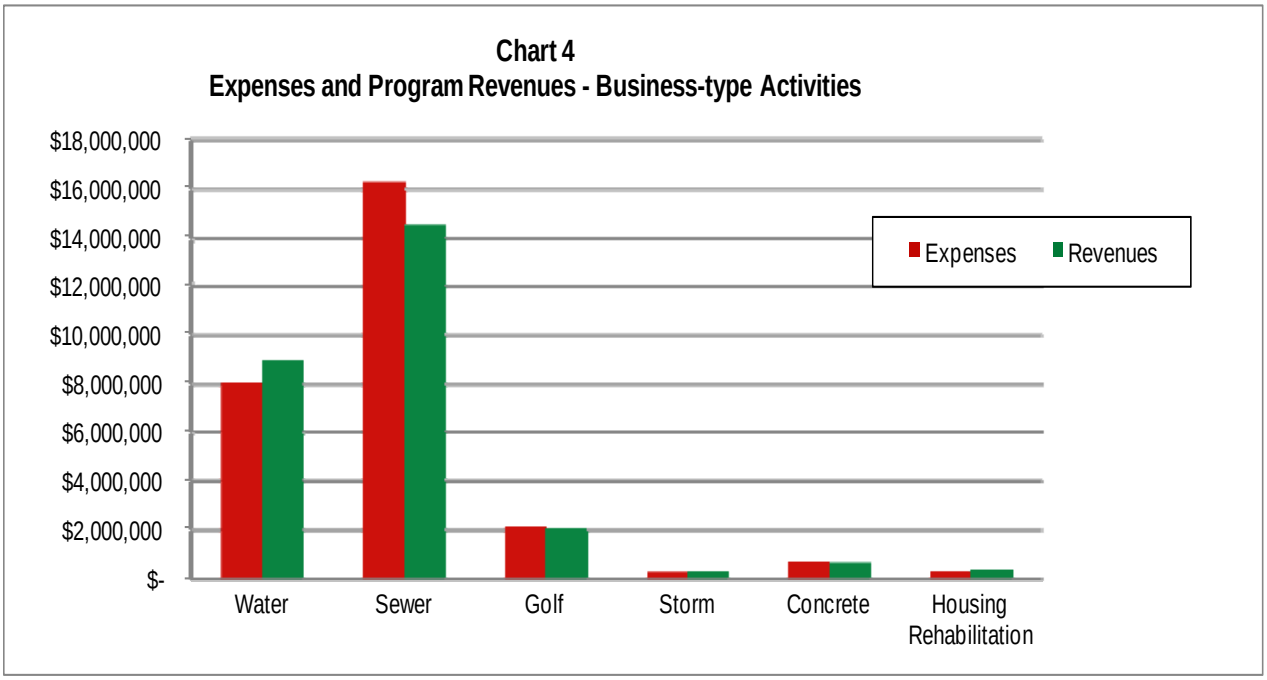
The water fund experienced an increase in net position of $960,000 compared to an increase of $997,000 in 2011. Water rates were last increased 7% on January 1, 2011. An increase in charges for services and only a modest increase in operating expenses left the fund with a net operating income of $1,474,000. This, along with earnings on investments and other income covered the interest on long-term debt of $601,000.

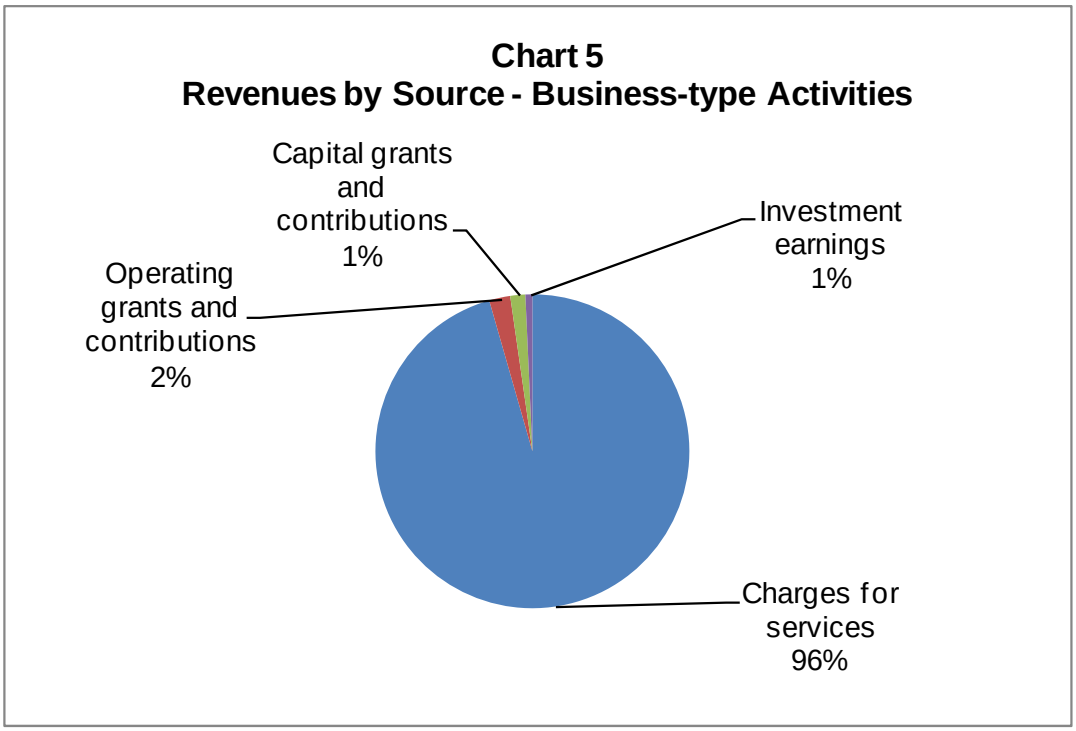
The sewer fund saw a decrease in net position of $1.6 million compared to a decrease of $2,218,000 in 2011. Net position will continue to decrease in future years as the City's portion of depreciation on the recent treatment plant expansion is passed through to the Sewer Fund. The fund experienced income from operations of $3.6 million in 2012 compared to an operating income of $3,214,000 in 2011. Sewer rate increases of 4% per year have been approved for each of the next three years (2013-2015). The rate increases are designed to provide additional resources to meet debt service requirements, and capital improvements, and to fund ongoing operations and maintenance requirements. The 2004 sewer fund loans issued by the Colorado Water Resource and Power Development Agency have been refinanced in 2013 and will save the fund approximately $2.1 million in financing fees over the remaining life of the loans which have a final payment date of 2025.

The golf course fund experienced a decrease in net position of $38,000 compared to an increase of $281,000 in 2011. Better weather conditions in 2012 were responsible for increased revenues that offset most of the higher cost of operations and debt financing.

The storm drainage, concrete utility and the housing rehab funds all had insignificant changes in net position when compared to 2011.

The following graphs provide visual representations of the expenses and revenues for business-type activities for 2012.





Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

A. Governmental funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. This information is necessary to assess the City's financing requirements. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

At December 31, 2012, the City's governmental funds reported combined ending fund balances of $15,680,000, an increase of $875,000, or 5.9%, compared to 2011. $11,126,000 (71%) constitutes *committed, assigned and unassigned balances*, which are available for spending at the City's discretion. Of the *committed* fund balance, $2,619,000 is for the Long Term Asset Reserve (LTAR) fund. The remainder of fund balance is *restricted* for the following purposes:

Restricted for parks and recreation	$3,018,062
Restricted for law enforcement	280,956
Restricted for debt service	55,625
Restricted for TABOR emergency	1,200,000

The General Fund is the primary operating fund of the City. At the end of 2012, *unassigned* fund balance of the General Fund was $4,032,570 while total fund balance was $9,070,810. As a measure of the General Fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and total fund balance to total fund expenditures. *Assigned* and *unassigned* fund balances represent 12.3% of total General Fund expenditures, down from 12.6% in 2011, while total fund balance represents 22.5% of that same amount (up from 22.3% in 2011).

The total fund balance of the City's General Fund increased by $253,000 during 2012. Revenues increase by approximately 4.1% and expenditures increased by 2.0%. Key factors are as follows:

- Sales and use tax collections increased 2.9% or $627,000 compared to 2011 due to recovering economic conditions.

- Expenditures were held close to 2012 levels through continuing city-wide cost cutting measures.

- The General Fund had excess *expenditures* over revenues amounting to $376,000, prior to transfers. Net transfers amounting to $629,000 were made to the General Fund in 2012.

The following schedule summarizes General Fund operations for the last five years:

Revenues	2008	2009	2010	2011	2012	5 year change
Taxes						
Property	$ 2,995,990	$ 2,971,303	$ 3,020,884	$ 2,994,213	$ 2,874,816	$ (121,174)
Specific ownership	316,242	276,414	263,434	246,062	243,293	(72,949)
Sales and use	22,617,767	20,624,659	20,866,515	21,737,110	22,363,618	(254,149)
Franchise	2,588,214	2,452,611	2,620,191	2,631,393	2,930,888	342,674
Cigarette	261,743	218,449	196,320	190,762	189,618	(72,125)
Hotel/motel	10,078	9,140	8,806	9,820	10,395	317
Subtotal taxes	28,790,034	26,552,576	26,976,150	27,809,360	28,612,628	(177,406)
Intergovernmental	1,079,285	1,319,282	1,465,970	1,724,807	1,865,722	786,437
Charges for Services	3,476,583	3,185,443	3,254,830	3,384,317	3,441,525	(35,058)
Recreation	2,364,758	2,315,598	2,489,781	2,635,221	2,615,642	250,884
Net Investment Income	520,325	230,000	100,545	91,034	84,046	(436,279)
Licenses and Permits	671,609	588,328	695,563	778,536	983,359	311,750
Fines and Forfeitures	1,461,100	1,639,678	1,437,957	1,284,759	1,381,453	(79,647)
Contributions from (to) component units	599,143	(188,163)	105,125	425,159	551,295	(47,848)
Other	814,966	635,982	293,658	173,382	354,130	(460,836)
Total Revenues	39,777,803	36,278,724	36,819,579	38,306,575	39,889,800	111,997
Expenditures						
General Government	7,648,789	7,532,196	7,068,723	7,215,089	7,286,228	(362,561)
Fire Services	7,215,444	7,320,268	7,425,903	7,666,842	8,100,554	885,110
Police Services	9,974,925	10,183,890	10,312,633	10,395,238	10,788,935	814,010
Public Works	5,189,173	5,152,891	5,137,364	5,259,876	5,202,903	13,730
Culture & Recreation	7,177,561	7,003,522	7,095,892	6,862,760	6,830,017	(347,544)
Debt Service	1,809,306	1,805,208	1,860,827	2,096,463	2,056,951	247,645
Total Expenditures	39,015,198	38,997,975	38,901,342	39,496,268	40,265,588	1,250,390
Excess Revenues Over (Under) Expenditures	762,605	(2,719,251)	(2,081,763)	(1,189,693)	(375,788)	(1,138,393)
Other Financing Sources (Uses)						
Transfers In	1,374,646	1,028,456	2,091,485	1,813,945	1,968,242	593,596
Transfers Out	(408,915)	(177,011)	(750,000)	(301,246)	(1,339,329)	(930,414)
Total Other Financing Sources (Uses)	965,731	851,445	1,341,485	1,512,699	628,913	(336,818)
Total Revenues and Other Financing Sources Over (Under) Total Expenditures and Other Financing Uses	1,728,336	(1,867,806)	(740,278)	323,006	253,125	(303,617)
Fund Balances - Beginning	9,374,427	11,102,763	9,234,957	8,494,679	8,817,685	9,374,427
Fund Balances - Ending	$ 11,102,763	$ 9,234,957	$ 8,494,679	$ 8,817,685	$ 9,070,810	$ 9,070,810
Restricted Fund Balance	$ 1,360,800	$ 1,209,200	$ 1,150,000	$ 1,150,000	$ 1,200,000	$ (160,800)
Committed Fund Balance	4,397,853	3,131,979	2,429,032	2,705,161	2,917,887	(1,479,966)
Assigned Fund Balance	912,710	239,543	487,204	523,053	920,353	7,643
Unassigned Fund Balance	4,431,400	4,654,235	4,428,443	4,439,471	4,032,570	(398,830)
Total Fund Balance	$ 11,102,763	$ 9,234,957	$ 8,494,679	$ 8,817,685	$ 9,070,810	$ (2,031,953)
Assigned/Unassigned Fund Balance as a Percentage of Revenues	13.43%	13.49%	13.35%	12.95%	12.42%	-1.02%
Assigned/Unassigned Fund Balance a Percentage of Expenditures	13.70%	12.55%	12.64%	12.56%	12.30%	-1.40%
Total Fund Balance as a Percentage of Revenues	27.91%	25.46%	23.07%	23.02%	22.74%	-5.17%
Total Fund Balance as a Percentage of Expenditures	28.46%	23.68%	21.84%	22.33%	22.53%	-5.93%

The original 2012 expenditure budget adopted in October of 2011 for the General Fund was $40,949,793. Supplemental appropriations of $2,085,179 were made during 2012 and consisted primarily of the following:

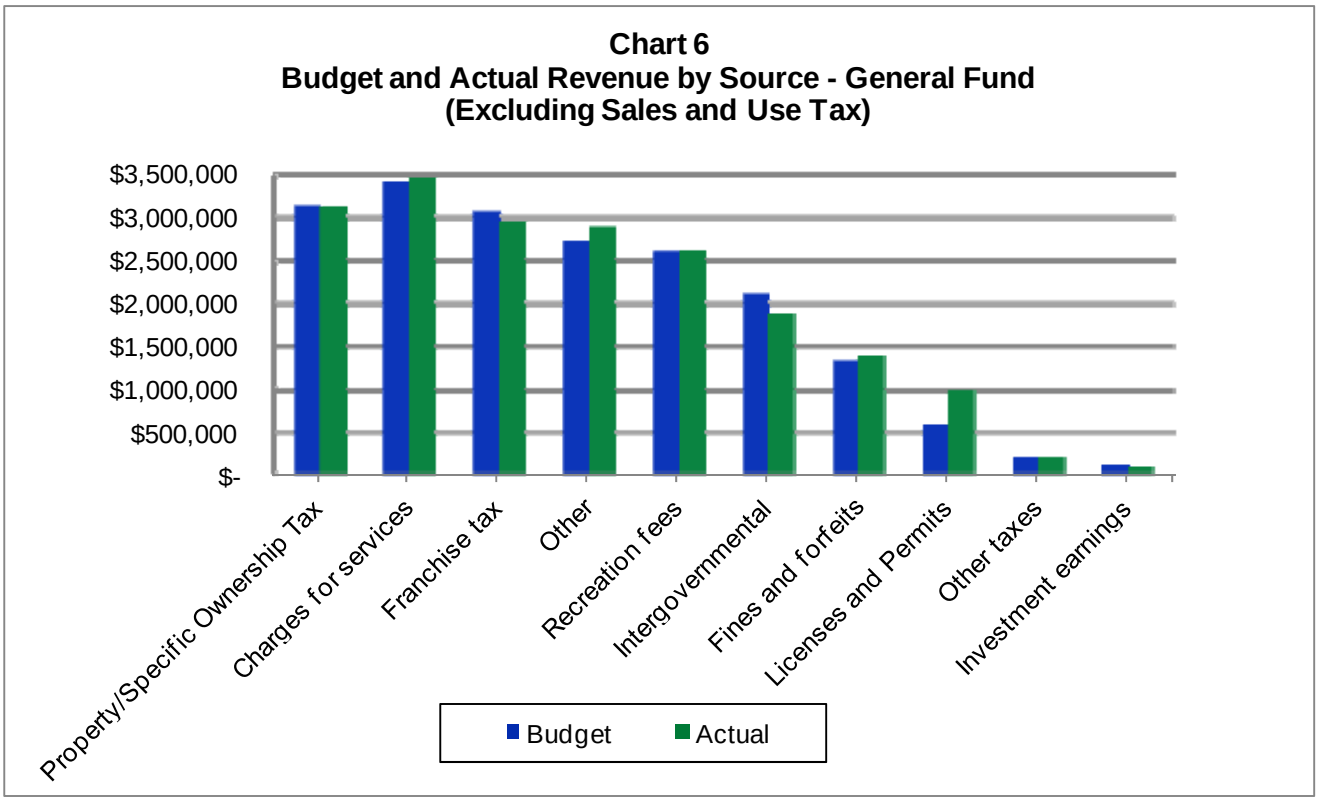
- $334,000 transfer to PIF fund to fund street paving-$100,000 was later returned to the General Fund
- $41,000 for the additional funding of the Humane Society of the South Platte Valley
- $215,903 for expenditures relating to the POST police department grant-fully offset by grant revenues
- $146,748 for the City's portion of two new ambulances purchases
- $715,000 to return funds to the Risk Management Fund to cover higher than anticipated insurance claims-$926,000 had previously been transferred to the General Fund
- $80,000 transfer to the Employee Benefits fund to cover higher than anticipated insurance costs
- $245,000 for the Fire Department Budget-overtime and professional service costs were higher than anticipated-partially offset by $141,000 received from the Colorado Forest Service for Fire Department employees deployed to fight forest fires

Actual expenditures were $1,540,000 less than the final amended budget amount, a 3.7% variance. This is primarily due to cost cutting measures implemented throughout the City during 2012.

Actual revenues were $215,000 more than the final amended budget amount, a 0.5% variance. Variances were seen in the following areas:

- Collected $250,000 more in sales and use tax revenues than was budgeted due mainly to improving economic conditions
- Collected $321,000 more for building permits than was budgeted

Charts 6 and 7 illustrate the Budget and Actual Revenue and Expenditures for the General Fund.



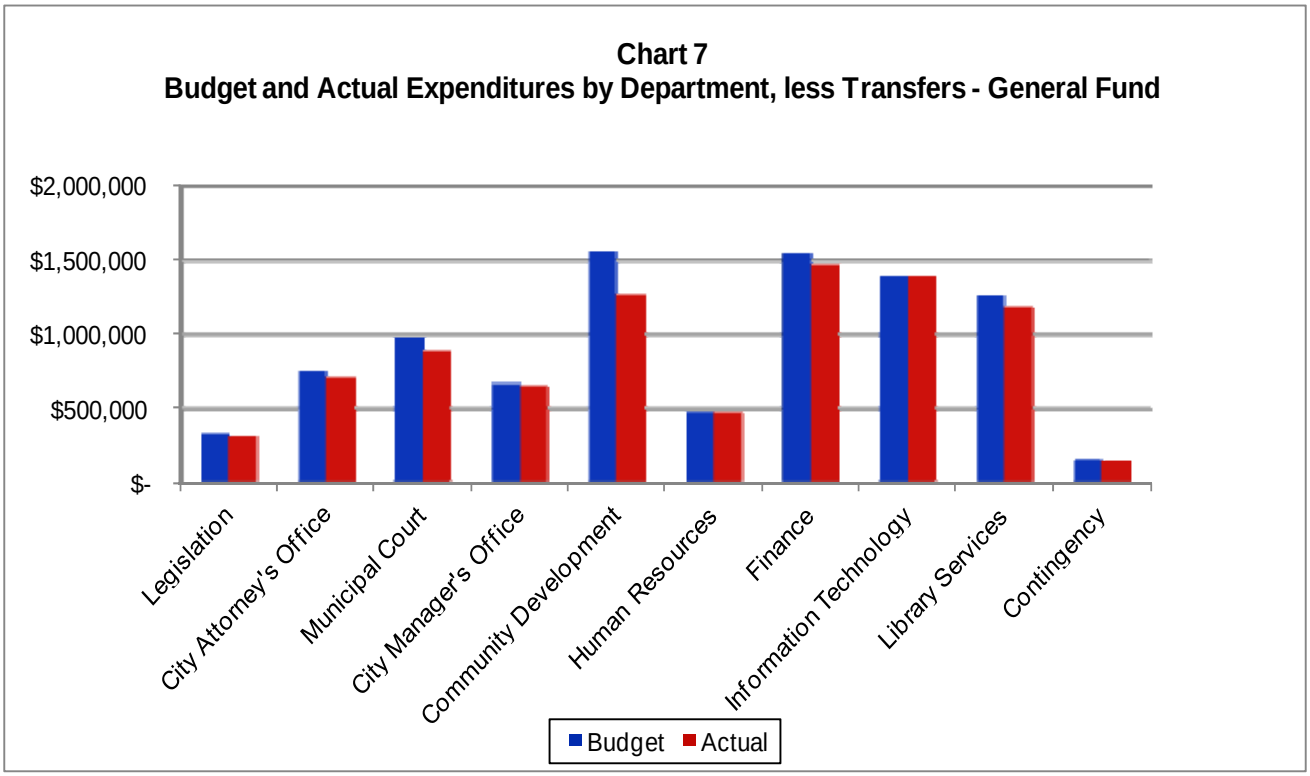


Chart 7
Budget and Actual Expenditures by Department, less Transfers - General Fund
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
Legislation
City Attorney's Office
Municipal Court
City Manager's Office
Community Development
Human Resources
Finance
Information Technology
Library Services
Contingency
Budget
Actual

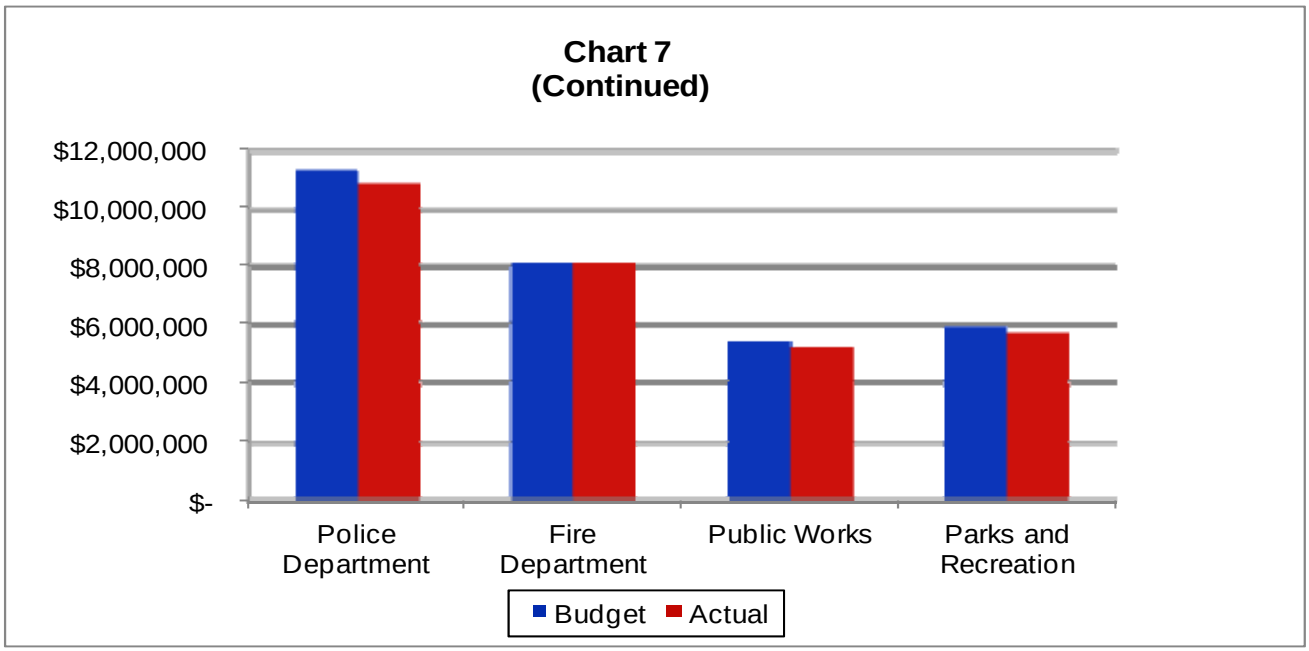
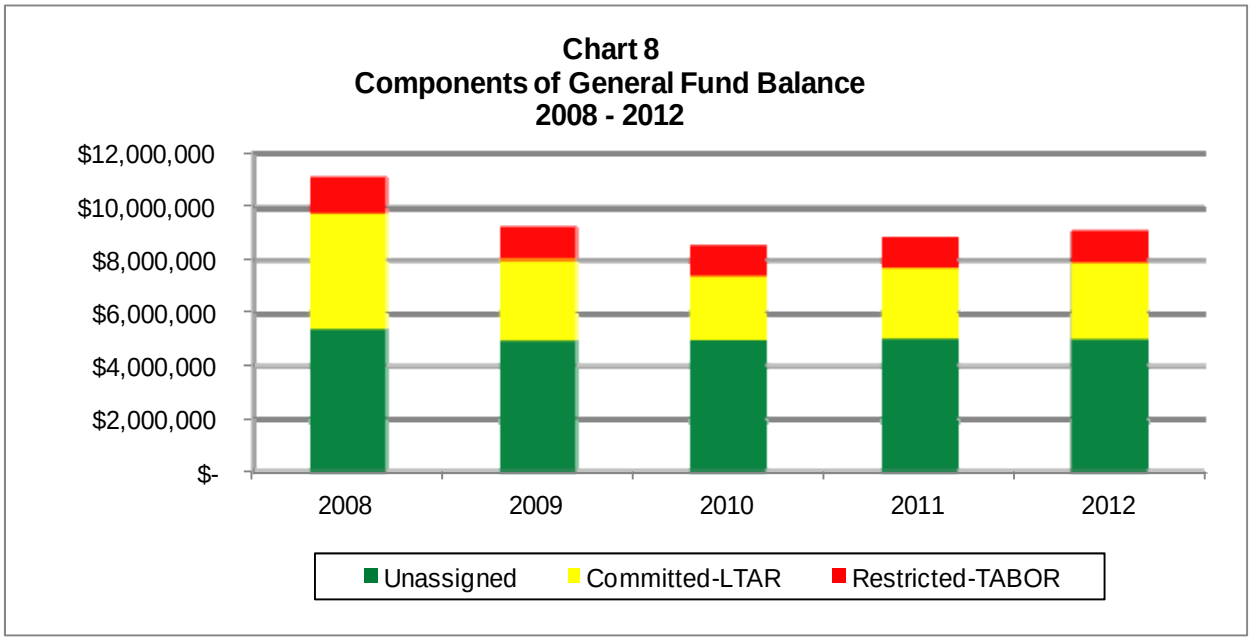


Chart 7
(Continued)
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
Police Department
Fire Department
Public Works
Parks and Recreation
Budget
Actual

Fund Balance represents the accumulated excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses, and therefore reflects cumulative results over time. Total Fund Balance consists of *restricted*, *committed* and *unassigned* portions. Only the *committed* and *unassigned* portions are available to finance future operations.



B. Proprietary funds. The City's proprietary funds provide the same type of information in the government-wide financial statements, but in more detail.

Net position of the enterprise operations at December 31, 2012 follow:

	Net Position	Change in Net Position
Water	$ 30,751,635	$ 960,128
Sewer	26,118,422	(1,628,167)
Golf	13,603,166	(38,566)
Storm drainage	2,073,780	36,472
Concrete utility	11,847,623	(35,923)
Housing rehabilitation	3,046,134	(55,590)
	$ 87,440,760	$ (761,646)

Other factors concerning the finances of the enterprise funds have already been addressed in the discussion of the City's business-type activities.

Capital Assets and Debt Administration

A. Capital assets

As can be seen from the table below, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2012 amounts to $136.5 million (net of accumulated depreciation). This investment in capital assets includes land, plant, buildings, improvements, machinery and equipment, roads and bridges. The total decrease in capital assets for the current year was $2.5 million, or 1.8%. Net capital assets of governmental activities decreased approximately $2 million while business-type activities decreased $529,000.

Major capital asset activity during 2012 included the following:

Governmental Activities:

- $1.2 million in new equipment and machinery was offset by $3.3 million of depreciation on existing assets

Business-type Activities

- $329,000 in new concrete sidewalks and alley pans were installed in the City.
- $624,000 was spent on the new UV treatment process in the Water Department-project completion is estimated to be in 2013

The following tables provide comparative information on the City's capital assets for 2012 and 2011:

Capital Assets at Year-end
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Land and improvements	$ 16,059,231	$ 15,939,202	$ 11,522,825	$ 11,522,825	$ 27,582,056	$ 27,462,027
Raw water	-	-	6,451,002	6,451,003	6,451,002	6,451,003
Works of art	203,750	203,750	-	-	203,750	203,750
Buildings	26,825,794	27,545,605	16,286,926	16,860,405	43,112,720	44,406,010
Infrastructure	18,818,085	20,288,778	11,494,640	11,730,845	30,312,725	32,019,623
Distribution and collection systems	-	-	12,504,411	12,821,666	12,504,411	12,821,666
Machinery and equipment	5,932,019	5,418,424	1,091,087	1,518,140	7,023,106	6,936,564
Improvements other than buildings	4,012,041	3,978,412	3,973,315	3,572,927	7,985,356	7,551,339
Construction in process	478,650	947,740	885,237	260,903	1,363,887	1,208,643
	$ 72,329,570	$ 74,321,911	$ 64,209,443	$ 64,738,714	$ 136,539,013	$ 139,060,625

Additional information on capital assets can be found in the notes to the financial statements (Note 3C).

B. Debt Administration

The City's bond ratings carry investment grade ratings as follows:

Bond Issue	Standard & Poors	Moody's
General Obligation	AA-	A2
COPs	A+	A3
General Obligation Water	AA-	Aa3
Golf Course Enterprise	Not requested	Not requested
Storm Water Enterprise	Not requested	Not requested

City Charter limits the amount of general obligation debt the City may issue to 3% of its *actual* total valuation. The current debt limitation for the City is $98,517,227, which is significantly in excess of the City's actual outstanding general obligation debt of $21,010,000.

At the end of 2012, the City had total long-term debt of $93,737,209 as follows:

Outstanding Debt, at Year-end

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
General obligation bonds	$ 9,530,000	$ 10,185,000	$ 11,480,000	$ 4,990,000	$ 21,010,000	$ 15,175,000
Revenue bonds	-	-	3,445,000	3,610,000	3,445,000	3,610,000
Capital leases	15,689,292	17,040,254	-	-	15,689,292	17,040,254
Premiums	507,962	550,158	857,761	613,401	1,365,723	1,163,559
Charge on refunding	236,630	277,264	133,321	32,855	369,951	310,119
Notes payable	-	-	49,077,618	53,146,675	49,077,618	53,146,675
Net OPEB Obligation	252,570	181,539	100,414	77,210	352,984	258,749
Compensated absences	2,487,467	2,301,442	382,023	373,047	2,869,490	2,674,489
Total	$ 28,703,921	$ 30,535,657	$ 65,476,137	$ 62,843,188	$ 94,180,058	$ 93,378,845

Additional information on the City's long-term obligations can be found in the notes to the financial statements (Note 3E and 3F).

Next Year's Budgets and Rates

The **2013 Budget** is essentially "status quo." In other words, staffing and service levels are maintained as close to 2012 levels as possible.

The following were the general guidelines for the 2013 Budget:

- Salary increases are based on union contracts, market surveys and performance reviews.
- Health, dental, and other insurance premiums were negotiated and provided by Human Resources. Increasing health care and insurance costs have negatively impacted many departments.
- Required pension contributions were determined by applicable actuarial studies (defined benefit) or pre-determined contribution levels (defined contribution).
- The increase for commodities, contractual, and capital expenditures was held as close as possible to 2012 levels.
- Capital items were submitted separately, ranked by relative importance and included in the Multiple Year Capital Plan (MYCP).

The 2013 Budget identifies on-going challenges for the City. The 2013 Budget projects an imbalance between revenues and expenditures that negatively influences the fund balance. This is a concern for future years as forecasts project deficits due to expenditures growing faster than revenues. The proposed General Fund unassigned fund balance for 2013 is projected at 9.32% of projected revenues.

Estimated Revenues
Before interfund transfers, total General Fund revenues are projected at $39,050,000 for 2013; this is little changed from the 2012 revenue budget of $39,120,000. Sales and use tax revenues, which comprised approximately 52% of General Fund revenues in 2012, are estimated at $22,336,000 for 2013, a 1% increase. The sales and use tax estimate is based on historical collections data as well as information from the Community Development Department regarding new businesses anticipated to open or existing businesses expected close in 2012 and in 2013.

Expenditure Appropriations
With 2013 revenues projected at $39,050,000 and proposed expenditures of $41,110,000, the unfavorable variance between revenues and expenditures is projected to be $2.1 million.

Net Transfers No Transfer-Out from the General Fund is anticipated for 2013. The Transfer-In to the General Fund is estimated at $1,139,574. After taking into account these net transfers to the General Fund, the projected operating deficit for 2013 is $920,353.

Salary and wages for all City department budgets are based on the City's performance and market pay philosophy along with negotiations between the City and its three employee unions. The City's cost to provide healthcare insurance coverage to eligible employees is expected to increase in 2013. Excluding personnel, fuel and energy costs, minimal increases are proposed for all other operating and maintenance costs for 2013.

As noted above in the discussion of Business-type activities, sewer rates are increasing in the coming years to deal with increasing costs of operations as well as to fund capital investment in the system.

In the event of General Fund shortfalls in revenues or unanticipated expenditures over the next year and for the next several years, City management and City Council will need to closely monitor expenditures and revenues to maintain the 10% unassigned fund balance compared to total revenue. Looking to 2013 and beyond, the City will be actively looking for ways to reduce operating expenditures and identify new sources of revenues. While this will not be an easy task, it does provide the City with opportunities to develop and utilize new long-term revenue sources and, perhaps, find new ways to deliver services to our citizens. Collectively, it is believed that the City will be able to meet the financial challenges of the future.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Finance and Administrative Services, 1000 Englewood Parkway, Englewood, Colorado, 80110-2373.

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BASIC FINANCIAL STATEMENTS

CITY OF ENGLEWOOD, COLORADO

Statement of Net Position
December 31, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	$ 18,769,736	$ 17,997,276	$ 36,767,012
Receivables:			
Property taxes	3,862,000	-	3,862,000
Sales and use taxes	2,962,004	-	2,962,004
Interest	65,890	65,527	131,417
Accounts	357,367	4,016,308	4,373,675
Assessments	9,234	-	9,234
Intergovernmental	926,567	-	926,567
Other	-	443,761	443,761
Internal balances	(285,788)	285,788	-
Inventories	196,751	419,832	616,583
Other assets	80,838	-	80,838
Equity in joint venture	-	62,792,234	62,792,234
Restricted assets - cash and investments	-	9,505,843	9,505,843
Noncurrent receivables	-	3,743,197	3,743,197
Lease receivable	-	-	-
Capital assets not being depreciated	16,741,631	18,859,064	35,600,695
Capital assets, net of accumulated depreciation	55,587,939	45,350,380	100,938,319
Total assets	99,274,169	163,479,210	262,753,379
Deferred Outflows of Resources			
Deferred loss on refunding	236,630	133,321	369,951
Total deferred outflows of resources	236,630	133,321	369,951
Liabilities			
Accounts payable	953,365	260,543	1,213,908
Accrued payroll and related liabilities	971,246	152,370	1,123,616
Unearned revenue	1,356,600	7,640,693	8,997,293
Other liabilities	124,791	1,510,905	1,635,696
Accrued interest payable	98,805	978,655	1,077,460
Liabilities payable from restricted assets	1,198,366	-	1,198,366
Noncurrent liabilities:			
Due within one year	3,319,833	4,036,295	7,356,128
Due in more than one year	25,235,191	61,306,522	86,541,713
Total liabilities	33,258,197	75,885,983	109,144,180
Deferred Inflows of Resources			
Deferred revenue-property tax	3,879,753	-	3,879,753
Total deferred inflows of resources	3,879,753	-	3,879,753
Net Position			
Net investment in capital assets	46,838,945	43,869,721	90,708,666
Restricted for:			
Capital projects	-	5,609,843	5,609,843
Debt service	33,074	396,000	429,074
Parks and recreation	3,018,062	-	3,018,062
Law enforcement	280,956	-	280,956
TABOR emergencies	1,200,000	-	1,200,000
Water system	-	9,013,460	9,013,460
Sewer system	-	24,219,511	24,219,511
Storm drainage system	-	863,220	863,220
Concrete system	-	357,183	357,183
Unrestricted	11,001,812	3,397,610	14,399,422
Total net position	$ 62,372,849	$ 87,726,548	$ 150,099,397

The notes to the financial statements are an integral part of this statement.

Component Units		
EURA	EEF	EMRF
$ 24,032	$ 930,268	$ 11,454
-	-	-
-	-	-
86	60,015	25
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	83,153	6,846
-	-	-
-	-	-
-	-	-
-	13,545,000	-
516,995	8,496,257	5,706,166
-	7,204,371	-
541,113	30,319,064	5,724,491
-	-	-
-	-	-
-	77,547	10,000
-	-	-
-	-	-
-	-	-
-	49,516	-
-	-	-
-	990,000	-
-	12,555,000	-
-	13,672,063	10,000
-	-	-
-	-	-
516,995	15,700,628	5,706,166
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
24,118	946,373	8,325
$ 541,113	$ 16,647,001	$ 5,714,491

CITY OF ENGLEWOOD, COLORADO

Statement of Activities
For the Year Ended December 31, 2012

		Program Revenues		
Function/Program Activities	Expenses	Permits, Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental Activities:				
General government	$ 9,460,341	$ 4,080,163	$ 199,452	$ -
Public safety	19,597,424	1,735,851	699,742	56,815
Public works	8,130,782	363,733	1,234,945	-
Culture and recreation	8,033,063	2,673,671	1,252,475	13,000
Interest and fiscal charges	999,060	-	-	-
Unallocated depreciation	436,088	-	-	-
Total governmental activities	46,656,758	8,853,418	3,386,614	69,815
Business-type Activities:				
Water	8,094,782	8,770,989	180,028	54,343
Sewer	16,283,665	13,948,641	221,187	372,488
Golf	2,182,690	2,101,572	11,822	-
Storm	294,241	316,244	16,424	-
Concrete	739,925	695,466	7,758	-
Housing Rehabilitation	333,467	256,563	153,119	-
Total business-type activities	27,928,770	26,089,475	590,338	426,831
Total primary government	$ 74,585,528	$ 34,942,893	$ 3,976,952	$ 496,646
Component Units:				
EURA	$ 2,650	$ -	$ -	$ -
EEF	2,761,799	1,574,397	-	608,612
EMRF	660,091	597,694	-	-
Total component units	$ 3,424,540	$ 2,172,091	$ -	$ 608,612

General revenues:
Property taxes
Sales and use taxes
Franchise tax and other taxes
Unrestricted investment earnings
Unrestricted grants and contributions
Miscellaneous
Transfers, net
Total general revenues
Change in net position
Net position - beginning
Net position - ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenues and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	EURA	EEF	EMRF
$ (5,180,726)		$ (5,180,726)			
(17,105,016)		(17,105,016)			
(6,532,104)		(6,532,104)			
(4,093,917)		(4,093,917)			
(999,060)		(999,060)			
(436,088)		(436,088)			
(34,346,911)		(34,346,911)			
-	$ 910,578	910,578			
-	(1,741,349)	(1,741,349)			
-	(69,296)	(69,296)			
-	38,427	38,427			
-	(36,701)	(36,701)			
-	76,215	76,215			
-	(822,126)	(822,126)			
(34,346,911)	(822,126)	(35,169,037)			
			$ (2,650)	$ -	$ -
			-	(578,790)	-
			-	-	(62,397)
			(2,650)	(578,790)	(62,397)
3,970,772	-	3,970,772	-	-	-
24,471,494	-	24,471,494	-	-	-
3,130,901	-	3,130,901	-	-	-
163,573	-	163,573	217	6,314	320
40,809	-	40,809	-	-	-
2,456,919	-	2,456,919	-	-	-
131,805	(131,805)	-	-	-	-
34,366,273	(131,805)	34,234,468	217	6,314	320
19,362	(953,931)	(934,569)	(2,433)	(572,476)	(62,077)
62,353,487	88,680,479	151,033,966	543,546	17,219,477	5,776,568
$ 62,372,849	$ 87,726,548	$ 150,099,397	$ 541,113	$ 16,647,001	$ 5,714,491

CITY OF ENGLEWOOD, COLORADO

Balance Sheet
Governmental Funds
December 31, 2012

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	$ 8,516,025	$ 6,103,863	$ 14,619,888
Receivables:			
Property taxes	2,914,000	948,000	3,862,000
Sales and use taxes	2,839,094	122,910	2,962,004
Interest	32,882	21,894	54,776
Accounts	249,900	-	249,900
Assessments	9,234	-	9,234
Intergovernmental	247,877	678,690	926,567
Other assets	28,788	-	28,788
Total assets	$ 14,837,800	$ 7,875,357	$ 22,713,157
Liabilities			
Accounts payable	$ 704,557	$ 92,103	$ 796,660
Accrued payroll and related liabilities	934,438	-	934,438
Unearned revenue	1,150,000	206,600	1,356,600
Other liabilities	46,242	18,788	65,030
Total liabilities	2,835,237	317,491	3,152,728
Deferred Inflows of Resources			
Deferred revenue-property tax	2,931,753	948,000	3,879,753
Total deferred inflows of resources	2,931,753	948,000	3,879,753
Fund Balances			
Restricted for:			
Parks and recreation	-	3,018,062	3,018,062
Law enforcement	-	280,956	280,956
Debt service	-	55,625	55,625
Tabor emergencies	1,200,000	-	1,200,000
Committed to:			
Capital projects	-	2,186,357	2,186,357
Parks and recreation	-	454,647	454,647
Law enforcement	298,512	-	298,512
Housing	-	448,903	448,903
Long term asset reserve	2,619,375	-	2,619,375
Assigned to:			
Parks and recreation	-	138,724	138,724
Law enforcement	-	19,231	19,231
Fire services	-	6,577	6,577
Other purposes	-	784	784
Subsequent year appropriation of fund balance	920,353	-	920,353
Unassigned	4,032,570	-	4,032,570
Total fund balances	9,070,810	6,609,866	15,680,676
Total liabilities deferred inflows and fund balances	$ 14,837,800	$ 7,875,357	$ 22,713,157

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2012

Total fund balances for governmental funds		$ 15,680,676
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	15,719,134	
Works of art	203,750	
Construction in process	478,650	
Infrastructure, net of $13,686,679 accumulated depreciation	19,132,596	
Buildings and improvements, net of $13,059,683 accumulated depreciation	26,653,291	
Equipment, net of $8,946,713 accumulated depreciation	2,638,330	
Other improvements, net of $2,073,206 accumulated depreciation	3,674,727	68,500,478
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		236,630
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position. Balances at December 31, 2012 are:		
Bonds payable	(9,530,000)	
Issuance premiums	(507,963)	
Capital leases	(15,689,292)	
Compensated absences	(2,487,467)	
Postemployment benefits	(252,570)	(28,467,292)
Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due.		(98,805)
Internal Service Funds are used by management to charge the costs of fleet management, printing and copying, and insurance to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. Internal service fund net position are.		6,521,162
Net position of governmental activities		$ 62,372,849

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	$ 3,118,109	$ 852,663	$ 3,970,772
Sales and use taxes	22,363,618	2,107,876	24,471,494
Franchise and other taxes	3,130,901	-	3,130,901
Licenses and permits	983,359	-	983,359
Intergovernmental revenue	1,865,722	1,625,725	3,491,447
Charges for services	6,057,167	306,164	6,363,331
Fines and forfeitures	1,381,453	-	1,381,453
Net investment income	84,046	49,466	133,512
Contributions from component unit	551,295	-	551,295
Other	354,130	1,115,627	1,469,757
Total revenue	39,889,800	6,057,521	45,947,321
Expenditures			
Current:			
General government	7,286,228	1,378,327	8,664,555
Public safety	18,889,489	128,664	19,018,153
Public works	5,202,903	1,416,180	6,619,083
Culture and recreation	6,830,017	448,661	7,278,678
Capital outlay	-	889,458	889,458
Debt service:			
Principal	1,350,963	655,000	2,005,963
Interest and other fiscal charges	705,988	289,900	995,888
Total expenditures	40,265,588	5,206,190	45,471,778
Excess revenues over (under) expenditures	(375,788)	851,331	475,543
Other financing sources (uses)			
Transfers in	1,968,242	1,187,751	3,155,993
Transfers out	(1,339,329)	(1,416,860)	(2,756,189)
Total other financing sources (uses)	628,913	(229,109)	399,804
Net change in fund balances	253,125	622,222	875,347
Fund balances - beginning	8,817,685	5,987,644	14,805,329
Fund balances - ending	$ 9,070,810	$ 6,609,866	$ 15,680,676

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2012

Net Change in fund balances-total governmental funds		$ 875,347
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($3,269,344) exceeded capital outlays $968,326 in the current period.		(2,301,018)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and transfers) is to increase net assets. In the statement of activities, only the gain on the disposition of capital assets is reported. However, in the governmental funds, the proceeds from the disposition, if any, increases financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the asset disposed.		
Contributed assets		10,458
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Adjustment to compensated absences liability	(186,025)	
Adjustment to postemployment benefit obligation	(71,031)	(257,056)
The issuance of long-term debt and capital leases provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and capital leases consume current financial resources of governmental funds. These transactions, however, have no effect on net position.		
Repayments:		
General Obligation Bonds	655,000	
Capital leases	1,350,963	2,005,963
Interest expense in the statement of activities differs from the amount reported in governmental funds because of additional accrued and accreted interest, amortization of bond premiums, and refunding losses.		
Change in accrued interest on long-term debt	(5,231)	
Amortization of premium	42,195	
Amortization of deferred loss	(40,633)	(3,669)
Internal service funds are used by management to charge the costs of fleet management, printing and copying, and insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		(310,663)
Change in net position of governmental activities		$ 19,362

The notes to the financial statements are an integral part of this statement.

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CITY OF ENGLEWOOD, COLORADO

General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
Revenues	**Original**	**Final**	**Actual Amounts**	**Positive (Negative)**	**2011 Actual**
Taxes					
Property	$ 2,880,000	$ 2,880,000	$ 2,874,816	$ (5,184)	$ 2,994,213
Specific ownership	250,000	250,000	243,293	(6,707)	246,062
Sales and use	22,115,126	22,115,126	22,363,618	248,492	21,737,110
Franchise	3,056,938	3,056,938	2,930,888	(126,050)	2,631,393
Cigarette	190,000	190,000	189,618	(382)	190,762
Hotel/motel	8,713	8,713	10,395	1,682	9,820
Total taxes	28,500,777	28,500,777	28,612,628	111,851	27,809,360
Licenses and Permits					
Business licenses and permits	137,225	137,225	224,834	87,609	172,047
Building licenses and permits	436,800	436,800	758,525	321,725	606,489
Total licenses and permits	574,025	574,025	983,359	409,334	778,536
Intergovernmental					
State shared revenue	1,081,132	1,081,132	1,035,971	(45,161)	1,036,623
Federal grants	412,541	593,673	417,690	(175,983)	599,500
State grants	29,665	403,711	383,119	(20,592)	60,419
Payment in lieu of taxes	28,977	28,977	28,942	(35)	28,265
Total intergovernmental	1,552,315	2,107,493	1,865,722	(241,771)	1,724,807
Charges for Services					
Recreation programs	2,599,668	2,599,668	2,615,642	15,974	2,635,221
General government	1,941,480	1,941,480	2,051,368	109,888	1,949,981
Public safety	755,000	755,000	740,919	(14,081)	777,027
Administration of joint venture	415,771	415,771	382,424	(33,347)	371,976
Court costs	183,803	183,803	165,580	(18,223)	172,976
Highway and street	90,410	90,410	88,886	(1,524)	97,023
School District No. 1	13,558	13,558	12,348	(1,210)	15,334
Total charges for services	5,999,690	5,999,690	6,057,167	57,477	6,019,538
Fines and Forfeitures					
Court fines	1,296,450	1,296,450	1,362,867	66,417	1,264,756
Library fines	20,000	20,000	18,205	(1,795)	19,884
Property and liability fines	2,000	2,000	381	(1,619)	119
Total fines and forfeitures	1,318,450	1,318,450	1,381,453	63,003	1,284,759
Net Investment Income	100,000	100,000	84,046	(15,954)	91,034
Contributions from component units	663,046	663,046	551,295	(111,751)	425,159
Other	411,698	411,698	354,130	(57,568)	173,382
Total Revenues	39,120,001	39,675,179	39,889,800	214,621	38,306,575

(Continued)

CITY OF ENGLEWOOD, COLORADO

General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011
(Continued)

Expenditures	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget - Positive (Negative)	2011 Actual
Current:					
General Government					
Legislation					
City Council	$ 287,696	$ 287,696	$ 265,561	$ 22,135	$ 268,660
Board of Adjustments and Appeals	1,075	1,075	1,067	8	1,250
Planning and Zoning Commission	3,449	3,449	1,923	1,526	1,793
Library Board	3,050	3,050	2,955	95	3,280
Parks and Recreation Commission	2,778	2,778	2,864	(86)	1,701
Cultural Arts Commission	1,150	1,150	430	720	447
Code Enforcement Advisory Commission	500	500	-	500	-
Alliance for Commerce in Englewood	1,000	1,000	219	781	1,477
Transportation Advisory Commission	500	500	122	378	130
Keep Englewood Beautiful Comission	32,595	32,595	40,902	(8,307)	19,993
Total Legislation	333,793	333,793	316,043	17,750	298,731
City Attorney	746,734	746,734	712,036	34,698	706,841
Municipal Court	974,417	974,417	886,249	88,168	848,775
City Manager	672,072	672,072	658,047	14,025	639,184
Community Development	1,478,398	1,553,933	1,262,451	291,482	1,359,264
Human Resources					
Administration	352,310	352,310	347,848	4,462	314,372
Employee services	118,600	118,600	121,495	(2,895)	116,420
Total Human Resources	470,910	470,910	469,343	1,567	430,792
Finance and Administrative Services					
Administration	301,859	301,859	297,443	4,416	296,648
City Clerk	312,212	312,212	273,784	38,428	268,873
Accounting	381,512	381,512	364,971	16,541	367,145
Revenue and budget	472,303	472,303	456,379	15,924	442,270
Purchasing	73,759	73,759	71,728	2,031	71,377
Total Finance and Administrative Services	1,541,645	1,541,645	1,464,305	77,340	1,446,313
Information Technology	1,360,355	1,375,355	1,373,943	1,412	1,332,766
Contingency	150,000	150,000	143,811	6,189	152,423
Total General Government	7,728,324	7,818,859	7,286,228	532,631	7,215,089

(Continued)

CITY OF ENGLEWOOD, COLORADO

General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011
(Continued)

	Budgeted Amounts			Variance with Final Budget -	
Police Department	**Original**	**Final**	**Actual Amounts**	**Positive (Negative)**	**2011 Actual**
Administration	$ 720,076	$ 977,991	$ 973,682	$ 4,309	$ 727,351
Communications and records	1,174,114	1,174,114	1,188,556	(14,442)	1,095,288
Police operations	8,581,455	8,619,398	8,204,724	414,674	8,140,140
Neighborhood services	445,810	486,810	421,973	64,837	432,459
Total Police Department	10,921,455	11,258,313	10,788,935	469,378	10,395,238
Fire Department					
Fire operations	7,051,515	7,358,263	7,358,387	(124)	7,037,597
Building and safety	660,217	745,217	742,167	3,050	629,245
Total Fire Department	7,711,732	8,103,480	8,100,554	2,926	7,666,842
Public Works					
Administration	621,568	621,568	632,280	(10,712)	623,990
Engineering	350,274	350,274	334,677	15,597	321,054
Streets and drainage	1,982,158	1,982,158	1,823,650	158,508	1,964,537
Traffic maintenance	771,877	771,877	747,774	24,103	746,139
General operations and maintenance	1,710,760	1,710,760	1,664,522	46,238	1,604,156
Total Public Works	5,436,637	5,436,637	5,202,903	233,734	5,259,876
Parks and Recreation					
Administration	689,021	726,059	711,324	14,735	745,495
Recreation programs and operations	3,135,323	3,135,323	3,072,279	63,044	3,182,635
Parks	2,010,081	2,010,081	1,865,643	144,438	1,789,017
Total Parks and Recreation	5,834,425	5,871,463	5,649,246	222,217	5,717,147
Library Services	1,256,481	1,256,481	1,180,771	75,710	1,145,613
Debt Service					
Principal	1,441,739	1,441,739	1,350,963	90,776	1,347,271
Interest and other charges	619,000	619,000	705,988	(86,988)	749,192
Total debt service	2,060,739	2,060,739	2,056,951	3,788	2,096,463
Total expenditures	40,949,793	41,805,972	40,265,588	1,540,384	39,496,268
Excess revenues over (under) expenditures	(1,829,792)	(2,130,793)	(375,788)	1,755,005	(1,189,693)
Other financing sources (uses)					
Transfers in	1,306,739	1,655,517	1,968,242	312,725	1,813,945
Transfers out	-	(1,229,000)	(1,339,329)	110,329	(301,246)
Total other financing sources	1,306,739	426,517	628,913	423,054	1,512,699
Net change in fund balances	(523,053)	(1,704,276)	253,125	2,178,059	323,006
Fund Balance - beginning	6,040,187	8,817,685	8,817,685	-	8,494,679
Fund Balance - ending	$ 5,517,134	$ 7,113,409	$ 9,070,810	$ 2,178,059	$ 8,817,685

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Statement of Net Position
Proprietary Funds
December 31, 2012

	Business-type Activities -			
	Water	**Sewer**	**Golf**	**Storm Drainage**
Assets				
Current assets:				
Cash and investments - unrestricted	$ 6,834,196	$ 8,404,070	$ 848,048	$ 973,790
Cash and investments - restricted:				
Construction	5,609,843	-	-	-
Loan operations and maintenance account	1,250,000	1,250,000	-	-
Interest receivable	24,654	31,274	3,403	3,427
Accounts receivable	1,140,749	2,847,167	-	15,858
Other receivables	89,249	330,512	-	-
Inventory	165,822	4,207	55,916	-
Other assets	-	-	-	-
Total current assets	15,114,513	12,867,230	907,367	993,075
Noncurrent assets:				
Cash and investments - restricted:				
Revenue bond future debt service	-	-	293,500	102,500
Capital replacement	-	1,000,000	-	-
Equity in joint venture	-	62,792,234	-	-
Notes receivable	-	-	-	-
Capital assets not being depreciated	8,402,624	59,500	10,396,940	-
Capital assets, net of accumulated depreciation	25,130,941	2,001,079	4,776,765	1,946,955
Total noncurrent assets	33,533,565	65,852,813	15,467,205	2,049,455
Total assets	48,648,078	78,720,043	16,374,572	3,042,530
Deferred Outflows of Resources				
Deferred loss on refunding	117,070	-	16,251	-
Total deferred outflows of resources	117,070	-	16,251	-

Enterprise Funds			Governmental Activities
Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
$ 406,206	$ 530,966	$ 17,997,276	$ 4,149,848
-	-	5,609,843	-
-	-	2,500,000	-
1,496	1,273	65,527	11,114
12,534	-	4,016,308	107,467
-	24,000	443,761	-
-	193,887	419,832	196,751
-	-	-	52,050
420,236	750,126	31,052,547	4,517,230
-	-	396,000	-
-	-	1,000,000	-
-	-	62,792,234	-
-	3,743,197	3,743,197	-
-	-	18,859,064	340,097
11,494,640	-	45,350,380	3,488,995
11,494,640	3,743,197	132,140,875	3,829,092
11,914,876	4,493,323	163,193,422	8,346,322
-	-	133,321	-
-	-	133,321	-

(Continued)

CITY OF ENGLEWOOD, COLORADO

Statement of Net Position
Proprietary Funds
December 31, 2012
(Continued)

	Business-type Activities -			
	Water	**Sewer**	**Golf**	**Storm Drainage**
Liabilities				
Current liabilities:				
Accounts payable	$ 199,186	$ 3,828	$ 57,248	$ 174
Accrued wages and related liabilities	77,537	40,072	22,235	2,002
Compensated absences - current	98,510	42,403	34,257	4,010
Unearned revenue	56,201	7,456,477	70,126	24,826
Other current liabilities	-	1,477,259	33,646	-
Accrued interest payable	220,301	744,659	12,222	1,473
General Obligation bonds payable - current	150,582	-	-	-
Revenue bonds payable - current	-	-	70,000	95,230
Notes payable - current	845,018	2,648,452	-	-
Total current liabilities	1,647,335	12,413,150	299,734	127,715
Noncurrent liabilities:				
General Obligation bonds payable	11,696,837	-	-	-
Revenue bonds payable	-	-	2,445,000	837,025
Notes payable	4,509,051	40,116,102	-	-
Compensated absences	98,509	42,402	34,257	4,010
Other post employement benefits payable	61,781	29,967	8,666	-
Total noncurrent liabilities	16,366,178	40,188,471	2,487,923	841,035
Total liabilities	18,013,513	52,601,621	2,787,657	968,750
Net position				
Net investment in capital assets	16,228,846	2,060,579	12,968,456	1,117,200
Restricted for:				
Debt service	-	-	293,500	102,500
Capital projects	5,609,843	-	-	-
Unrestricted	8,912,946	24,057,843	341,210	854,080
Total net position	$ 30,751,635	$ 26,118,422	$13,603,166	$ 2,073,780

The notes to the financial statements are an integral part of this statement.

Enterprise Funds			Governmental Activities
Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
$ -	$ 107	$ 260,543	$ 156,705
10,524	-	152,370	36,808
11,833	-	191,013	87,732
33,063	-	7,640,693	-
-	-	1,510,905	1,258,127
-	-	978,655	-
-	-	150,582	-
-	-	165,230	-
-	36,000	3,529,470	-
55,420	36,107	14,579,461	1,539,372
-	-	11,696,837	-
-	-	3,282,025	-
-	1,411,082	46,036,235	-
11,833	-	191,011	-
-	-	100,414	-
11,833	1,411,082	61,306,522	-
67,253	1,447,189	75,885,983	1,539,372
11,494,640	-	43,869,721	3,829,092
-	-	396,000	-
-	-	5,609,843	-
352,983	3,046,134	37,565,196	2,977,858
$ 11,847,623	$ 3,046,134	87,440,760	$ 6,806,950
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		285,788	
Net position of business type activities		$ 87,726,548	

CITY OF ENGLEWOOD, COLORADO

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012

	Business-type Activities -			
	Water	**Sewer**	**Golf**	**Storm Drainage**
Operating revenues				
Charges for sales and services:				
Service fees	$ 6,816,808	$ 13,948,641	$ 1,796,241	$ 316,244
Raw water sales	1,859,598	-	-	-
City ditch revenue	69,288	-	-	-
Concessions	-	-	223,735	-
Interest from notes	-	-	-	-
Other	25,295	-	81,596	-
Total operating revenues	8,770,989	13,948,641	2,101,572	316,244
Operating expenses				
Direct system operating costs:				
Source of supply	1,607,611	-	-	-
Power and pumping	792,191	-	-	-
Purification	1,564,957	-	-	-
Transmission and distribution	687,411	-	-	-
Sanitary system	-	707,726	-	-
Storm drainage system	-	-	-	14,332
Concrete repair & maintenance program	-	-	-	-
Total direct system operating costs	4,652,170	707,726	-	14,332
Littleton/Englewood WWTP operating expenses	-	6,813,658	-	-
Personal services	482,179	714,058	916,513	58,337
Customer accounting and collection	461,585	1,198,058	-	-
Commodities and contractual services	658,341	393,458	606,423	60,397
Other	193,521	417,272	119,784	-
Depreciation	996,086	95,636	340,399	113,786
Total operating expenses	7,443,882	10,339,866	1,983,119	246,852
Operating income (loss)	1,327,107	3,608,775	118,453	69,392
Nonoperating revenues (expense)				
Net investment income	61,929	106,578	7,312	8,151
Grant income	-	-	-	-
Interest expense	(601,350)	(1,575,110)	(166,156)	(49,344)
Net loss from joint venture	-	(4,255,507)	-	-
Gain (loss) on disposition of assets	-	-	(2,685)	-
Other, net	118,099	114,609	4,510	8,273
Total nonoperating revenues (expenses)	(421,322)	(5,609,430)	(157,019)	(32,920)
Income (loss) before contributions and transfers	905,785	(2,000,655)	(38,566)	36,472
Capital contributions - tap fees	54,343	372,488	-	-
Capital contributions - other	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Change in net position	960,128	(1,628,167)	(38,566)	36,472
Total net position - beginning	29,791,507	27,746,589	13,641,732	2,037,308
Total net position - ending	$ 30,751,635	$ 26,118,422	$ 13,603,166	$ 2,073,780

The notes to the financial statements are an integral part of this statement.

Enterprise Funds			Governmental Activities - Internal Service Funds
Concrete Utility	Housing Rehabilitation	Total	
$ 695,466	$ -	$ 23,573,400	$ 9,771,770
-	-	1,859,598	-
-	-	69,288	-
-	-	223,735	-
-	220,893	220,893	-
-	35,670	142,561	149,652
695,466	256,563	26,089,475	9,921,422
-	-	1,607,611	-
-	-	792,191	-
-	-	1,564,957	-
-	-	687,411	-
-	-	707,726	-
-	-	14,332	-
178,156	-	178,156	-
178,156	-	5,552,384	-
-	-	6,813,658	-
180,094	-	2,351,181	1,109,205
-	10,494	1,670,137	-
1,505	31,383	1,751,507	8,691,815
-	238,720	969,297	-
379,392	-	1,925,299	815,344
739,147	280,597	21,033,463	10,616,364
(43,681)	(24,034)	5,056,012	(694,942)
4,278	4,119	192,367	30,061
-	149,000	149,000	-
-	(52,870)	(2,444,830)	-
-	-	(4,255,507)	-
-	-	(2,685)	125,555
3,480		248,971	12,650
7,758	100,249	(6,112,684)	168,266
(35,923)	76,215	(1,056,672)	(526,676)
-	-	426,831	-
-	-	-	291,726
-	141,617	141,617	795,000
-	(273,422)	(273,422)	(1,063,000)
(35,923)	(55,590)	(761,646)	(502,950)
11,883,546	3,101,724		7,309,900
$ 11,847,623	$ 3,046,134		$ 6,806,950
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		(192,285)	
Change in net position of business-type activities		$ (953,931)	

CITY OF ENGLEWOOD, COLORADO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	Business-type Activities -			
	Water	**Sewer**	**Golf Course**	**Storm Drainage**
Cash flows from operating activities				
Cash received from customers	$ 8,830,984	$ 13,872,728	$ 2,076,925	$ 318,450
Collections of program loan principal	-	-	-	-
Interest received from borrowers	-	-	-	-
Program loans issued	-	-	-	-
Cash payments to suppliers for goods and services	(4,311,486)	(9,159,140)	(749,083)	(78,714)
Cash payments to employees for services	(2,389,280)	(1,099,969)	(907,317)	(57,873)
Other cash received	118,099	114,608	4,510	8,151
Net cash provided (used) by operating activities	2,248,317	3,728,227	425,035	190,014
Cash flows from noncapital financing activities				
Operating grants received	-	-	-	-
Line of credit advances	-	-	-	-
Principal paid on debt obligation	-	-	-	-
Interest paid on debt obligation	-	-	-	-
Transfers (to) from other funds	-	-	-	-
Net cash provided (used) by noncapital financing activities	-	-	-	-
Cash flows from capital and related financing activities				
Proceeds from debt issuance	8,590,000	-	-	-
Contributed capital	54,343	372,488	-	-
Proceeds from sale of assets	-	-	(2,685)	-
Acquisition and construction of capital assets	(499,220)	-	(60,371)	-
Acquisitions and construction of joint venture assets	-	(572,425)	-	-
Principal paid on long-term debt	(948,954)	(3,270,884)	(65,000)	(95,000)
Interest paid on long-term debt	(525,694)	(1,730,562)	(149,815)	(39,226)
Payment to refunded bond escrow agent	(1,970,000)	-	-	-
Net cash (used) by capital related financing activities	4,700,475	(5,201,383)	(277,871)	(134,226)
Cash flows from investing activities				
Net investment income	9,137	123,643	7,561	8,782
Net cash provided by investing activities	9,137	123,643	7,561	8,782
Net increase (decrease) in cash and cash equivalents	6,957,929	(1,349,513)	154,725	64,570
Cash and cash equivalents - beginning	6,736,110	12,003,583	986,823	1,011,720
Cash and cash equivalents - ending	$ 13,694,039	$ 10,654,070	$ 1,141,548	$ 1,076,290

Enterprise Funds			Governmental Activities -
Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
$ 695,366	$ -	$ 25,794,453	$ 9,927,925
-	173,793	173,793	-
-	220,893	220,893	-
-	(158,680)	(158,680)	-
(63,022)	(428,997)	(14,790,442)	(7,956,676)
(330,213)	-	(4,784,652)	(1,105,200)
3,480	35,670	284,518	12,650
305,611	(157,321)	6,739,883	878,699
-	149,000	149,000	-
-	205,823	205,823	-
-	(234,934)	(234,934)	-
-	(52,870)	(52,870)	-
-	(131,805)	(131,805)	(268,000)
-	(64,786)	(64,786)	(268,000)
-	-	8,590,000	-
-	-	426,831	-
-	-	(2,685)	43,785
(328,782)	-	(888,373)	(848,885)
-	-	(572,425)	-
-	-	(4,379,838)	-
-	-	(2,445,297)	-
-	-	(1,970,000)	-
(328,782)	-	(1,241,787)	(805,100)
4,922	5,484	159,529	36,539
4,922	5,484	159,529	36,539
(18,249)	(216,623)	5,592,839	(157,862)
424,455	747,589	21,910,280	4,307,710
$ 406,206	$ 530,966	$ 27,503,119	$ 4,149,848

(Continued)

CITY OF ENGLEWOOD, COLORADO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012
(Continued)

	Business-type Activities -			
	Water	**Sewer**	**Golf Course**	**Storm Drainage**
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 1,327,107	$ 3,608,775	$ 118,453	$ 69,392
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	996,086	95,636	340,399	113,786
Miscellaneous nonoperating income	118,099	114,608	4,510	8,151
Effect of changes in operating assets and liabilities:				
Accounts receivable	76,794	(392,286)	-	2,207
Other receivables	42,898	(15,509)	-	-
Inventory	(5,650)	3,204	1,156	-
Accounts payable	(199,758)	(33,455)	14,405	(3,985)
Accrued payroll and related liabilities	(47,562)	15,372	8,784	464
Deferred revenue	(59,697)	341,282	(41,850)	(1)
Other current liabilities	-	(9,400)	(20,822)	-
Total adjustments	921,210	119,452	306,582	120,622
Net cash provided (used) by operating activities	$ 2,248,317	$ 3,728,227	$ 425,035	$ 190,014

Noncash investing, capital and financing activities

The notes to the financial statements are an integral part of this statement.

Enterprise Funds			Governmental Activities -
Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
$ (43,681)	$ (24,034)	$ 5,056,012	$ (694,942)
379,392	-	1,925,299	815,344
3,480	35,670	284,518	12,650
(329)	(24,000)	(337,614)	6,503
-	1,364	28,753	-
-	(1,022)	(2,312)	(26,239)
(32,271)	(125,299)	(380,363)	65,073
(1,209)	-	(24,151)	4,004
229	(20,000)	219,963	-
-	-	(30,222)	696,306
349,292	(133,287)	1,683,871	1,573,641
$ 305,611	$ (157,321)	$ 6,739,883	$ 878,699

CITY OF ENGLEWOOD, COLORADO

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2012

	Pension Trust	Agency
Assets		
Cash and equivalents	$ 12,105	$ 3,183,236
Investments		
Mutual Funds	37,416,999	
Real Estate equities	2,737,287	
Total investments	40,154,286	
Interest receivable	42,625	10,623
Accounts receivable	-	130,721
Assessment receivable	-	15,209
Total assets	$ 40,209,016	$ 3,339,789
Liabilities		
Due to other governments	-	3,339,789
Total liabilities	$ -	$ 3,339,789
Net position held in trust for pension benefits	$ 40,209,016	

The notes to the financial statements are an integral part of this statement.

CITY OF ENGLEWOOD, COLORADO

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2012

	Pension Trust
Additions	
Contributions:	
City	$ 1,455,134
Investment income:	
Net appreciation in fair value of investments	4,487,016
Less investment expense	(50,840)
Net investment income	4,436,176
Total additions	5,891,310
Deductions	
Benefits	3,594,363
Administrative expenses	185,444
Total deductions	3,779,807
Change in net position	2,111,503
Net position - beginning	38,097,513
Net position - ending	$ 40,209,016

The notes to the financial statements are an integral part of this statement.

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CITY OF ENGLEWOOD, COLORADO
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December 31, 2012

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The financial statements of the City of Englewood have been prepared in conformity with generally accepted accounting principles as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Englewood is a municipal corporation governed by an elected seven-member council. The accompanying financial statements present the government and its component units, entities for which the government is considered financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the City.

The City follows GASB accounting pronouncements that provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

Discretely presented component units

The Englewood Urban Renewal Authority (EURA) was created by resolution passed September 18, 1972, by the Englewood City Council under authorization of State Statutes. The purpose of the EURA is to acquire and develop or redevelop certain blighted areas in the City to maintain the public welfare. The EURA is included in the City's financial statements because the City Council appoints all board members and its tax increment financing is prima facie evidence of financial accountability.

The Englewood Environmental Foundation, Inc. (EEF), a nonprofit corporation, was established on August 14, 1997 under authorization of the Colorado Nonprofit Corporation Act. The purpose of the EEF includes, but is not limited to, maintaining the common areas of CityCenter Englewood, a mixed-use, transit oriented development that includes retail shops, luxury apartment housing and office space. The EEF is included in the City's financial statements because the City Council appoints all board members and provides substantial financial support to the EEF.

The Englewood McLellan Reservoir Foundation, Inc. (EMRF), a nonprofit corporation, was established on June 1, 1999 under authorization of the Colorado Nonprofit Corporation Act. The purpose of the EMRF includes, but is not limited to, taking title to 165 acres of land, which was acquired by the City of Englewood in 1960 as part of the acquisition of the McLellan Reservoir, and overseeing the development of such property while continuing to protect the City's water supply. During 1999, the City contributed the land to the EMRF. The EMRF is included in the City's

financial statements because the City Council appoints all board members and provides substantial financial support to the EMRF.

Each discretely presented component unit has a December 31 year-end. Separate financial statements are not prepared for the discretely presented component units.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree, to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by given function or segment; fines and forfeitures; and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Agency funds, however, are custodial in nature and do not present results of operations or have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. Property taxes, sales and use taxes, franchise taxes and interest are susceptible to accrual and so have been recognized as revenues in the current period. All other revenue items are considered to be measurable and available when cash is received by the City and are recognized as revenue at that time.

The City reports the following major governmental fund:

The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

The *water fund* accounts for revenues and expenses associated with providing water services to City of Englewood residents.

The *sewer fund* accounts for revenues and expenses associated with providing wastewater services to the City of Englewood residents and some county residents.

The *golf course fund* accounts for revenues and expenses associated with the operations of the Englewood Municipal Golf Course.

The *storm drainage fund* accounts for revenues and expenses associated with maintaining the City's storm drainage system.

The *concrete utility fund* accounts for revenues and expenses associated with maintaining the City's sidewalks, curbs and gutters.

The *housing rehabilitation fund* accounts for revenues and expenses associated with the City's housing rehabilitation programs.

Additionally, the City reports the following fund types:

Internal service funds account for printing fees, vehicle use and maintenance fees, capital replacement fees, and insurance provided to other departments and employees of the City on a cost-reimbursement basis.

Pension trust funds account for the NonEmergency, Police, Firefighters and Volunteer Firefighters Pension Funds administered by the City in a trustee capacity.

The *agency fund* accounts for assets held by the City in a custodial capacity, on behalf of other governmental entities, pursuant to the Big Dry Creek Basin Interceptor Agreement.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicant for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all City levied taxes.

Proprietary funds distinguish between operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the City's enterprise funds and internal service funds are charges to customers

for sales and services, including water and sewer charges, printing fees, vehicle use and maintenance fees, capital replacement fees and insurance fees. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The City's water and sewer enterprise funds recognize as capital contributions the entire portion of tap fees, as they are intended to recover the cost of the capital investment in the water and sewer distribution system.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Position or Equity

1. Deposits and Investments

The City maintains an internal cash and investment pool that is available for use by all funds including its component units. Cash and investments are presented on the balance sheet in the basic financial statements at fair value.

All investment pool purchases and sales are part of the City's cash management activity and considered cash and cash equivalents. Activities undertaken by the pool on behalf of the proprietary funds are not part of operating, capital, investing, or financing activities of the proprietary funds, and details of these transactions are not reported in the Statement of Cash Flows. Net investment earnings from the combined investments are allocated monthly to each fund based on month-end average balances of cash and investments. Interest from non-pooled investments is recorded based on the specific investments held by the fund. Interest income is recorded in the fund that earned the interest.

The City's investment policy is approved by the City Council and covers all financial assets and funds of the City and it's discretely presented component units except for the pension trust funds. Changes to the policy are made on an as-needed basis. All investments are made in accordance with Colorado Revised Statutes. The policy authorizes the City and component units to invest primarily in the following:

- U.S. Treasury Obligations: Treasury Bills, Treasury Notes and Treasury Bonds with maturities not exceeding five years from the date of trade settlement.
- Treasury Strips (book-entry U.S. Treasury securities whose coupons have been removed) with maturities not exceeding five years from the date of trade settlement.
- Federal Instrumentalities - Debentures, Discount Notes, Medium-Term Notes, Callable Securities and Step-up Securities issued by the following only: Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC) and Federal Farm Credit Banks (FFCB), with maturities not exceeding five years from the date of trade settlement. Federal Instrumentality Securities shall be rated in the highest rating category by at least two Nationally Recognized Statistical Rating Organizations (NRSROs) that rate them, and shall be rated not less by any NRSRO that rates the debt.
- Repurchase Agreements with a termination date of 90 days or less utilizing U.S. Treasury and Federal Instrumentality securities listed above, collateralized at a minimum market value of 102 percent of the dollar value of the transaction with the accrued interest accumulated on the collateral included in the calculation. Repurchase agreements shall be entered into only with dealers who: are recognized as Primary Dealers by the Federal Reserve Bank of New York, or with firms that have a primary dealer within their holding company structure; and have executed a City approved Master Repurchase Agreement. Primary Dealers approved as Repurchase Agreement counterparties, if rated, shall have a short-term credit rating of at least A-1 or the equivalent and a long-term credit rating of at least A or

the equivalent. Collateral (purchased securities) shall be held by the City's custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily. In no case will the maturity of the collateral exceed 10 years.

- Reverse Repurchase Agreements with a maturity of 90 days or less executed only against securities owned by the City and collateralized by the same type of security reversed.
- Flexible Repurchase Agreements with a final maturity of 10 years or less entered into by the City with approved counterparties.
- Time Certificates of Deposit with a maximum maturity of five years or savings accounts in state or national banks or state or federally chartered savings banks operating in Colorado that are state approved depositories (as evidenced by a certificate issued by the State Banking Board) and are insured by the FDIC. Certificates of deposit that exceed the FDIC insured amount shall be collateralized in accordance with the Colorado Public Deposit Protection Act. The collateral shall have a market value equal to or exceeding 102 percent of the difference between the insured amount and the City's total deposits for all funds within the institution.
- Money Market Mutual Funds registered under the Investment Company Act of 1940 that: 1) are "no-load" (i.e.: no commission or fee shall be charged on purchases or sales of shares); 2) have a constant net asset value per share of $1.00; 3) limit assets of the fund to securities authorized by state statute; 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940; and 5) have a rating of AAA by Standard and Poor's, Aaa by Moody's or AAA/V1+ by Fitch.
- Colorado Local Government Liquid Asset Trust (COLOTRUST) as authorized under CRS 24-75-702.
- Prime Bankers Acceptances, rated at least A-1 by Standard & Poor's, P-1 by Moody's and F1 by Fitch at the time of purchase by at least two services that rate them and shall be rated not less by any service that rates them, with a maturity of six months or less issued on domestic banks or branches of foreign banks domiciled in the U.S. and operating under U.S. banking laws. Accepting banks must have a senior debt rating of A2 by Moody's and A by Standard & Poor's.
- Prime Commercial Paper with a maturity of 270 days or less which, at the time of purchase, is rated at least A-1 by Standard & Poor's, P-1 by Moody's and F1 by Fitch. At the time of purchase, the commercial paper must be rated by at least two of the above stated rating agencies at the stated minimum rating. If more than two of the above stated agencies rate an issuer, all of those rating agencies must rate the issuer in accordance with above stated minimum credit criteria. If the commercial paper issuer has senior debt outstanding, the senior debt must be rated by each service that publishes a rating on the issuer as at least A2 by Moody's, A by Standard and Poor's and A by Fitch.
- Corporate Bonds issued by a corporation or bank with a final maturity not exceeding three years from the date of trade settlement, rated at least AA- by Standard & Poor's, Aa3 by Moody's, or AA by Fitch at the time of purchase by each service that rates the debt. Authorized corporate bonds shall be U.S. dollar denominated, and limited to corporations organized and operated within the United States with a net worth in excess of $250 million.

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes are levied by December 15 of each year and are due in full the following year. The lien date is January 1 following the levy. Taxes may be paid in two equal installments, on or before February 28 and June 15; or in full, on or before April 30. Delinquent taxpayers are notified in August and generally, sales of the tax liens on delinquent properties are held in November or December. Property taxes are collected by Arapahoe County and then remitted, net of a 1% collection fee, to the

City. Taxes are recorded as a receivable and a deferred inflow of resources when levied, and subsequently recorded as revenue in the year they are available or collected.

3. Inventories and Property Held for Resale

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased. Property held for resale is recorded at lower of cost or estimated market value.

4. Restricted Assets and Liabilities

Certain assets and their related liabilities whose use is restricted for construction, bonded debt service and other purposes by contractual agreement and/or debt indentures are segregated on the government-wide statement of net position and the fund balance sheets. The "construction" account is used to report those proceeds of revenue bonds and loans that are restricted for use in construction. The "loan operations and maintenance account" is used to report resources set aside to subsidize potential deficiencies from the City's operation that could adversely affect debt service payments. The "insurance claims" account is used to report resources set aside for the payment of current and future long-term disability claims. The "revenue bond future debt service" account is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account. The "capital replacement" account is used to report resources set aside to fund major capital repairs and replacements at the Littleton/Englewood Wastewater Treatment Plant.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City currently capitalizes expenditures that cost more than $5,000 and have a life of one year or more. Such capital assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and depreciated over their remaining useful lives.

Capital assets of the primary government, as well as the component units, are depreciated, using the straight-line method over their estimated useful lives:

Infrastructure:	
Bridges	50 years
Streets	25 years
Storm drainage system	35 years
Concrete, curb and gutter	50 years
Buildings and improvements	15-50 years
Water distribution and sewage collection systems	50 years
Water and sewage treatment plants	25 years
Raw water service and treated water storage facilities	15-50 years
Vehicles, machinery and equipment	3-25 years

6. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of

resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has one item that qualifies for this category, a deferred charge on refunding reported in the government-wide statement of net position. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only two types of items that qualify for reporting in this category. Deferred revenue for the sources shown, represent unavailable revenues that are deferred and recognized in the period that the amounts become available. Deferred premium on refunding is deferred and amortized over the life of the refunding debt.

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and personal leave benefits. All leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, because of employee resignations and retirements.

8. Leases

Leases that meet certain criteria established by the Financial Accounting Standards Board (FASB) Statement No. 13 are classified as capital lease obligations and recorded at the lesser of the present value of minimum lease payments or the fair value of the leased property at inception. Leases that do not meet the criteria of a capital lease are classified as operating leases. The City's operating leases are not significant.

9. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium and discount. Bond premiums, discounts and deferred losses on bond refundings are deferred and amortized over the life of the bonds using the effective interest method and charged to interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, even if withheld from the actual new proceeds received, are reported as debt service expenditures.

10. Net Position and Fund Equity

The government-wide and business-type fund financial statements utilize a net position presentation. Net position are categorized as invested in capital assets (net of related debt), restricted and unrestricted.

Net investment in capital assets is intended to reflect the portion of net position that are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted net position are subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling

legislation. Pursuant to the City Charter, the net position of the City's utilities: water, sewer, storm drainage and concrete, are entirely restricted to their own purpose.

Unrestricted net position represent assets that do not have any third party limitations on their use. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions.

A new accounting standard (GASB 65) is being adopted in 2012 and requires that debt issue costs be recognized in the period that they incur. Previously for proprietary funds, debt issue costs have been amortized over the life of the associated debt. This change makes it necessary to restate the previous years ending net position so that debt issue costs previously reported as non-current assets are removed from the net position of the government. The effects of this restatement are to reduce the prior years ending net position as follows: Water Fund ($142,328), Sewer Fund ($73,194), Golf Course Fund ($49,035), Storm Drainage Fund (15,766).

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for a specific purpose.

Restricted Fund Balances
Restricted fund balances carry provisions that are externally imposed by creditors or by law. Common examples of restricted fund balances are grant proceeds and debt restrictions.

Committed Fund Balances
Committed fund balances can only be created and modified by the highest formal action available to the highest decision-making authority of the government. For the City this is through the adoption of an Ordinance by City Council.

Assigned Fund Balances
Assigned fund balances are intended for a specific purpose but are neither restricted nor committed. City management may have categorized portions for various purposes, and City Council has the unrestricted authority to revisit or alter these managerial decisions.

Unassigned Fund Balance
Unassigned fund balance is only reported in the General Fund for balances that are not restricted, committed or assigned. City Council has the unrestricted authority to appropriate these funds.

There are times when the government will fund outlays for a particular purpose from both restricted and unrestricted resources. It is the government's policy that restricted resources are considered to have been spent before any unrestricted resources are applied. In the instance where any unrestricted fund balance is available, committed fund balance is considered to have been spent before any assigned or unassigned fund balance is used.

11. Use of Estimates
The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. An example of such an estimate that has been made by management is depreciation expense.

Note 2. Stewardship, Compliance and Accountability

A. Budgetary Information

The governmental fund type annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds except the capital projects funds and certain special revenue funds (Conservation Trust and Open Space Funds), which adopt project-length budgets. The proprietary fund type annual budgets are adopted on a non-GAAP modified accrual budgetary basis. All annual appropriations lapse at year-end. Budgets are not adopted for the pension trust funds.

The appropriated budget is prepared by fund, department, division, and object. The legal level of budgetary control is at the department level for the General Fund and at the fund level for all other legally adopted funds. Supplemental appropriations and transfers of appropriations between departments and/or funds require the approval of the City Council. The City Manager may transfer any unencumbered appropriation from one expenditure classification to another within the same department.

Encumbrance accounting is used as a management tool during the year; at year-end, encumbrances are canceled. During the year, sixteen supplemental appropriation resolutions were approved by City Council.

Note 3. Detailed Notes on All Funds

A. Deposits and Investments

	Primary Government			Component Units			
	Governmental and Business-Type Activities	Fiduciary Funds	Total	EURA	EEF	EMRF	Reporting Entity Total
Unrestricted:							
Deposits and investments with City internal investment pool	$ 36,579,296	$ 3,195,341	$ 39,774,637	$ 24,032	$ 808,919	$ 86	$ 40,607,674
Deposits and investments outside City internal investment pool	187,716	40,196,911	40,384,627	-	121,349	11,368	40,517,344
Subtotal unrestricted deposits and investments	36,767,012	43,392,252	80,159,264	24,032	930,268	11,454	81,125,018
Restricted:							
Deposits and investments with City internal investment pool	9,505,843	-	9,505,843	-	-	-	9,505,843
Total deposits and investments	$ 46,272,855	$ 43,392,252	$ 89,665,107	$ 24,032	$ 930,268	$ 11,454	$ 90,630,861
Cash and deposits	$ 1,862,939	$ -	$ 1,862,939	$ -	$ 121,349	$ 11,368	$ 1,995,656
Investments	44,409,916	43,392,252	87,802,168	24,032	808,919	86	88,635,205
	$ 46,272,855	$ 43,392,252	$ 89,665,107	$ 24,032	$ 930,268	$ 11,454	$ 90,630,861

1. Deposits

Custodial credit risk – deposits:
Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The City's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels ($250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are considered to be uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2012, the City's deposits amounting to $618,524 were insured by federal depository insurance and consequently were not exposed to custodial credit risk.

The EEF and the EMRF are not eligible public entities and are not covered by the provisions of the PDPA. At year-end, the component units' cash deposits had a bank balance as follows:

	EEF	EMRF
Insured-FDIC	$ 121,349	$ 11,368

2. Investments

The table below identifies the investment types that are authorized for the City, along with the related interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Instrumentalities	5 years	None	None
Repurchase Agreements	90 days	None	None
Reverse Repurchase Agreements	90 days	None	None
Flexible Repurchase Agreements	10 years	None	None
Certificates of Deposit	5 years	50%	None
Bankers Acceptances	180 days	20%	None
Commercial Paper	270 days	40%	None
Corporate Bonds	3 years	30%	5%

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Debt securities of the U.S. government and obligations of U.S. government agencies that are explicitly guaranteed by the U.S. government are not considered to have credit risk.

The City's investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Presented below is the minimum rating required by the City's investment policy and the actual rating as of December 31, 2012 for each investment type.

Investment Type	Minimum Rating Required	Standard & Poor's Rating	Moody's Rating	Total Investment Portfolio
U.S. Treasury Notes	N/A	N/A	N/A	2%
Federal Farm Credit Banks (FFCB)	N/A	AAA	Aaa	2%
Federal Home Loan Banks (FHLB)	N/A	AAA	Aaa	9%
Federal Home Loan Mortgage Corporation (FHLMC)	N/A	AAA	Aaa	7%
Federal National Mortgage Association (FNMA)	N/A	AAA	Aaa	12%
Commercial paper	A-1/P1	A-1+	P1	3%
Corporate bonds	AA-/Aa3	AAA	Aaa	1%
Corporate bonds	AA-/Aa3	AA+	Aa2	3%
Corporate bonds	AA-/Aa3	AA-	Aa3	3%
Corporate bonds		A+	Aa2	2%
COLOTRUST (b)	N/A	AAAm	Aaa	13%

(a) Ratings displayed are of the underlying securities supporting the repurchase agreement

(b) COLOTRUST is a 2a7-like investment pool

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market rates. The following schedule indicates the interest rate risk of the City's investments at December 31, 2012. The Retirement Trust Funds' interest rate risk information begins on page 72.

		Investment Maturities	
	Fair Value	Less than 1 year	1 to 5 years
Primary Government:			
Investments in City internal investment pool:			
U.S. Treasury Notes	$ 2,085,312	$ -	$ 2,085,312
U.S. Instrumentalities	24,015,935	9,055,273	14,960,662
Corporate Bonds	11,101,072	6,943,610	4,157,462
Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+)	11,235,975	11,235,975	-
Less: Component unit investments in internal investment pool	(833,037)	(833,037)	-
Subtotal investments in City internal investment pool	47,605,257	26,401,821	21,203,436
Retirement Trust Fund investments	40,196,911		
Total Primary Government	87,802,168		
Component Units:			
EURA:			
Investments in internal investment pool	24,032	$ 24,032	$ -
EEF:			
Investments in internal investment pool	808,919	$ 808,919	$ -
EMRF:			
Investments in internal investment pool	86	$ 86	$ -
Total Component Units	833,037		
Total Investments	$ 88,635,205		

One of the ways the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. Additionally, the City's investment policy limits the weighted average maturity of its internal investment pool to less than two years. At December 31, 2012, the weighted average maturity of the City's internal investment portfolio was 1.41 years.

Concentration of Credit Risk

Of the City's total investments in its internal investment pool, 2% were T-Notes, 12% were FNMA Notes, 7% were FHLMC Notes, 2% were FFCB Notes and 9% were FHLB Notes. Additionally, 13% of the internal investment pool was held by COLOTRUST. All other investments not issued or explicitly guaranteed by the U.S. Government were less than 24% of the City's total pooled investments.

Retirement Trust Funds' Investments

The investments of the pension trust funds are invested separately from the internal investment pool. At December 31, 2012, the investments were as follows:

Investment Type	Fair Value
Nonemergency Pension Trust Fund	
Fixed Income securities	$ 8,955,369
Equity securities:	
Domestic	12,642,658
International	4,101,499
Subtotal equity securities	16,744,157
Real estate equity fund	2,737,287
Subtotal nonemergency employees retirement trust	28,436,813
Police Officers, Firefighters and Volunteer Firefighters Pension Trust Funds	
Fire and Police Pension Association	11,760,098
Total Retirement Trust Investments	$ 40,196,911

Assets of the Nonemergency Pension Trust Fund (Fund) are invested in accordance with Colorado Revised Statutes Section 15-1.1-102 under the Uniform Prudent Investor Act and subject to investment policy guidelines as established by the Nonemergency Retirement Plan Board. The objective of the policy is to maximize the expected return of the fund at an acceptable level of risk. The Retirement Board has established percentage guidelines for types of investments to ensure the portfolio is diversified. Assets of the Firefighters, Police Officers and Volunteer Firefighters Pension Trust Funds are invested by the Fire and Police Pension Association of Colorado (FPPA) (see Note 4.D.). The discussion that follows relating to interest rate, credit and foreign currency risk applies to the Nonemergency Pension Trust Fund only. A discussion of the investment policy and investment risks of the Firefighters, Police Officers and Volunteer Firefighters Pension Trust Funds may be found in FPPA's publicly issued Comprehensive Annual Financial Report that may be obtained from FPPA's website at www.fppaco.org.

Interest Rate and Credit Risk - Retirement Trust Funds

The fair value of fixed income investments fluctuate in response to changes in market interest rates, generally decreasing in response to increases in market interest rates. The Nonemergency Retirement Plan Board does not have a specific policy to manage interest or credit rate risk but manages its exposure to fair value losses arising from increasing interest rates by requiring retained fixed income investment managers to monitor the duration and maturity of its portfolio and diversify by issuer and by sector or industry. The managers are evaluated against specific market benchmarks that represent their investment style.

Duration measures a fixed income security's exposure to price changes arising from changing interest rates. The calculation uses the present value of cash flows, weighted according to the time to cash receipt. Effective (or option-adjusted) duration is the duration of a bond after adjusting for any embedded options. Effective duration takes into account the fact that yield changes may change the expected cash flows of the bond in the presence of an embedded option, such as a call, put, or prepayment option for asset- or mortgage-backed securities. The longer the duration, the more sensitive the bond or portfolio of bonds should be to changes in interest rates.

At December 31, 2012, the Fund's fixed income securities had an effective duration of 4.1 years.

U.S. Government obligations and those explicitly guaranteed by the U.S. Government account for 27.3% of the Fund's fixed income portfolio. The following table illustrates the credit risk exposure of the remaining fixed income securities as of December 31, 2012:

Rating	Percentage of Fixed Income Total
AAA	6.2%
AA	2.2%
A	12.3%
Baa	17.3%
Ba	2.9%
BBB	4.3%
BB	7.1%
B	11.6%
Caa	0.0%
CCC	3.4%
Not rated	0.7%
	67.9%

Foreign Currency Risk - Retirement Trust Funds

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The Fund's exposure to foreign currency risk derives from its allocations to non-U.S. dollar denominated international equity, fixed income, and private equity investments. Through its asset allocation policy, the Fund has set a target asset allocation of 10% to developed and emerging market international equities. Core plus fixed income managers may invest up to 10% of the portfolio in non-U.S. dollar denominated investment grade fixed income securities.

The fair value of the Fund's exposure to foreign currency risk at December 31, 2012 is summarized in the following table:

Country or Region	Currency	Fair Value	Percentage of Total
United Kingdom	British pound	$ 549,476	17.1%
Other Europe	Other Europe	1,205,042	37.4%
Japan	Japanese yen	321,383	10.0%
Other Pacific Basin	Other Pacific Basin	687,808	21.4%
Brazil	Brazilian real	128,321	4.0%
Other countries	Other countries	205,610	6.4%
		3,097,640	96.3%
	Cash and equivalents	123,218	3.7%
		$ 3,220,858	100.0%

B. Receivables

Receivables at year-end for the City's individual major, non-major and internal service funds are as follows:

	Governmental Activities			
	General	Nonmajor Funds	Internal Service	Total
Receivables:				
Property tax	$2,914,000	$ 948,000	$ -	$3,862,000
Sales and use tax	2,839,094	122,910	-	2,962,004
Interest	32,882	21,894	11,114	65,890
Accounts	249,900	-	107,467	357,367
Assessments	9,234	-	-	9,234
Intergovernmental	247,877	678,690	-	926,567
	$6,292,987	$ 1,771,494	$ 118,581	$8,183,062

	Business-type Activities						
	Water	Sewer	Golf Course	Storm Drainage	Concrete Utility	Housing Rehabilitation	Total
Receivables							
Interest	$ 24,654	$ 31,274	$ 3,403	$ 3,427	$ 1,496	$ 1,273	$ 65,527
Accounts	1,140,749	2,847,167	-	15,858	12,534	-	4,016,308
Notes (see below)	-	-	-	-	-	3,743,197	3,743,197
Other	89,249	330,512	-	-	-	24,000	443,761
	$1,254,652	$ 3,208,953	$ 3,403	$ 19,285	$14,030	$ 3,768,470	$8,268,793
Not scheduled for collection during the subsequent year	$ -	$ -	$ -	$ -	$ -	$ 3,743,197	$3,743,197

None of the notes receivable in the Housing Rehabilitation Fund are expected to be collected within one year.

1. Notes Receivable

Notes receivable in the Housing Rehabilitation Fund consist of loans to qualified borrowers for rehabilitation of existing homes. Interest rates vary from 0% to 10.8%. Terms of repayment vary from monthly amortized loans to deferred loans, where the payment of loan principal and accrued interest, if any, is payable when the property transfers ownership. A lien is filed on the property to insure loans are repaid. The total loan balance of $4,795,783 has been reduced by $943,000 to account for the present value of the receivables.

An analysis of the notes receivable follow:

Loan Type	Balance 12/31/2011	New Loans	Principal Payments	Balance 12/31/2012
Amortized loans	$ 1,621,519	411,187	210,706	$ 1,822,000
Deferred loans	2,726,266	101,080	181,759	2,645,587
	$ 4,347,785	$ 512,267	$ 392,465	4,467,587
Loans in progress				218,610
				4,686,197
Less unamortized discount based on imputed interest rate of 7% over 20 years				(943,000)
Total notes receivable, net				$ 3,743,197

Notes are classified as follows:	
Current	$ -
Long-term	3,743,197
	$ 3,743,197

2. Unearned Revenue/Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of December 31, 2012, the various components of *deferred* revenue and *unearned* revenue reported in the governmental funds of the primary government were as follows:

	Unavailable	Unearned	Total
Property taxes receivable (General Fund)	$2,931,753	$ -	$2,931,753
Property taxes receivable (Debt Service Fund)	948,000	-	948,000
Sales and use taxes (General Fund)	-	1,150,000	1,150,000
Grants drawdowns prior to meeting all eligibility requirements (General and Capital Projects Funds)	-	206,600	206,600
Net government-wide deferred / unearned revenue	$3,879,753	$1,356,600	$5,236,353

C. Capital Assets

1. Primary Government

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 15,939,202	$ 120,029	$ -	$ 16,059,231
Works of art	203,750	-	-	203,750
Construction in process	947,740	621,178	(1,090,268)	478,650
Total capital assets not being depreciated	17,090,692	741,207	(1,090,268)	16,741,631
Capital assets being depreciated				
Buildings	40,721,936	94,341	-	40,816,277
Infrastructure	32,463,333	48,276	-	32,511,609
Machinery and equipment	19,812,108	2,034,579	(714,984)	21,131,703
Other improvements	5,809,023	280,802	-	6,089,825
Total capital assets being depreciated	98,806,400	2,457,998	(714,984)	100,549,414
Less accumulated depreciation for:				
Buildings	(13,176,331)	(814,152)	-	(13,990,483)
Infrastructure	(12,174,555)	(1,518,969)	-	(13,693,524)
Machinery and equipment	(14,393,682)	(1,504,394)	698,394	(15,199,682)
Other improvements	(1,830,613)	(247,173)	-	(2,077,786)
Total accumulated depreciation	(41,575,181)	(4,084,688)	698,394	(44,961,475)
Total capital assets being depreciated, net	57,231,219	(1,626,690)	(16,590)	55,587,939
Governmental activities capital assets, net	$ 74,321,911	$ (885,483)	$ (1,106,858)	$ 72,329,570

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General Government	$ 505,512
Safety Services	186,204
Public Works	1,466,714
Culture and Recreation	674,826
Unallocated	436,088
In addition, depreciation on capital assets held by the City's internal service funds is charged to the various functions based on their usage of the assets.	815,344
Total depreciation expense - governmental activities	$ 4,084,688

Capital asset activity for the year ended December 31, 2012 (continued):

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 11,522,825	$ -	$ -	$ 11,522,825
Raw water	6,451,002	-	-	6,451,002
Construction in process	260,904	624,333	-	885,237
Total capital assets not being depreciated	18,234,731	624,333	-	18,859,064
Capital assets being depreciated:				
Distribution and collection systems	32,358,486	346,815	(29,625)	32,675,676
Plant and buildings	27,391,343	-	-	27,391,343
Improvements other than buildings	6,280,486	276,026	-	6,556,512
Curb, sidewalk and streets	20,380,954	328,782	-	20,709,736
Equipment and other	5,139,948	101,583	(257,605)	4,983,926
Total capital assets being depreciated	91,551,217	1,053,206	(287,230)	92,317,193
Less accumulated depreciation for:				
Distribution and collection systems	(19,536,821)	(531,616)	(102,829)	(20,171,266)
Plant and buildings	(10,530,940)	(573,477)		(11,104,417)
Improvements other than buildings	(2,521,963)	(164,066)	-	(2,686,029)
Curb, sidewalk and streets	(8,835,704)	(379,392)	-	(9,215,096)
Equipment and other	(3,621,807)	(276,748)	108,550	(3,790,005)
Total accumulated depreciation	(45,047,235)	(1,925,299)	5,721	(46,966,813)
Total capital assets being depreciated, net	46,503,982	(872,093)	(281,509)	45,350,380
Business-type activities capital assets, net	$ 64,738,713	$ (247,760)	$ (281,509)	$ 64,209,444

Depreciation expense was charged to functions/programs of the primary government as follows:

Business-type activities:	
Water	$ 996,086
Sewer	95,636
Golf	340,399
Storm	113,786
Concrete	379,392
Total depreciation expense - business-type activities	$ 1,925,299

2. Discretely Presented Component Units

Englewood Urban Renewal Authority (EURA)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	$ 516,995	$ -	$ -	$ 516,995

The capital assets of the EURA consist of a parking lot and vacant land (approximately 1.7 acres).

Englewood Environmental Foundation (EEF)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	$ 8,496,257	$ -	$ -	$ 8,496,257
Capital assets being depreciated				
Site development	10,772,214	-	-	10,772,214
Curb, sidewalk and streets	4,841,536	-	-	4,841,536
Parking structure	3,956,348	-	-	3,956,348
Bridge	2,017,170	-	-	2,017,170
Equipment and other	185,261	-	-	185,261
Total capital assets being depreciated	21,772,529	-	-	21,772,529
Less accumulated depreciation for:				
Site development	(6,028,528)	(413,800)	-	(6,442,328)
Curb, sidewalk and streets	(4,841,538)	-	-	(4,841,538)
Parking structure	(1,899,048)	(158,253)	-	(2,057,301)
Bridge	(967,876)	(80,685)	-	(1,048,561)
Equipment and other	(177,075)	(1,355)	-	(178,430)
Total accumulated depreciation	(13,914,065)	(654,093)	-	(14,568,158)
Total capital assets being depreciated, net	7,858,464	(654,093)	-	7,204,371
EEF capital assets, net	$ 16,354,721	$ (654,093)	$ -	$ 15,700,628

Englewood McLellan Reservoir Foundation (EMRF)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	$5,706,166	$ -	$ -	$5,706,166

D. Interfund Transfers

The composition of interfund balances as of December 31, 2012, is as follows:

	Transfers in:				
	General Fund	Nonmajor Governmental	Proprietary	Internal Service	Total Transfers In
Transfers out:					
General Fund	$ -	$ 544,329	$ -	$ 795,000	$ 1,339,329
Nonmajor governmental funds	948,242	327,000	141,617	-	1,416,859
Proprietary funds	-	273,422	-	-	273,422
Internal service funds	1,020,000	43,000	-	-	1,063,000
Total transfers out	$ 1,968,242	$ 1,187,751	$ 141,617	$ 795,000	$ 4,092,610

Transfers between funds provide support for various City programs in accordance with budgetary authorizations. During the year ended December 31, 2012, the City made one-time transfers to the General Fund from nonmajor governmental funds and internal service funds to subsidize the operations of the General Fund. The Public Improvement Fund made transfers to the other capital projects funds to assist in funding for projects accounted for in those funds.

E. Capital Leases

The City has entered into capital lease agreements for the purpose of acquiring and financing the Civic Center and equipment. All of these agreements qualify as capital leases for accounting purposes and, therefore have been recorded at the present value of their future minimum lease payments as of the inception date.

Assets acquired through capital leases follow:

Asset	Cost	Accumulated Depreciation	Total
Building - Civic Center	$ 22,393,532	$ (6,495,712)	$ 15,897,820
Equipment - Other	540,000	(216,000)	324,000
Equipment - Computer Equipment	195,458	(78,183)	117,275
Equipment - Fire Operations	973,900	(241,289)	732,611
Total	$ 24,102,890	$ (7,031,184)	$ 17,071,706

1. Civic Center

On December 29, 1998, the City entered into a lease purchase agreement with the Englewood Environmental Foundation, Inc. (EEF) for the Englewood Civic Center. The lease represents a legal outstanding economic debt of the City to the EEF, a separate legal entity and not an advance between funds. The lease purchase agreement is renewable annually and lease payments are subject to annual appropriation by the City. Base rentals are intended to cover the EEF's debt service requirements on its outstanding Certificates of Participation (see Note 3.G.). Lease payments are made from the General Fund and are due in semiannual installments through June 1, 2023, with interest at 3.25% to 4.5%.

2. Fire Equipment

On April 20, 2008, the City entered into a lease agreement for two fire trucks. Lease payments are due in annual installments beginning in 2008 and ending March 1, 2017, with interest at 4.24%. Lease payments are made by the General Fund.

3. Computer Equipment

On April 7, 2010, the City entered into a lease agreement for computer equipment. Lease payments are due in semi-annual installments beginning in 2010 and ending April 1, 2013, with interest at 4.6%. Lease payments are made by the General Fund.

4. Telecommunications and Security Equipment

On November 2, 2010, the City entered into a lease agreement for a security camera system and phone equipment. Lease payements are due in semi-annual installments beginning in 2010 and ending November 2, 2016, with interest at 3.87%. Lease payments are made by the General Fund.

The net present value of these minimum lease payments as of December 31, 2012, was as follows:

	Governmental Activities				
Year Ending December 31	Civic Center	Fire Equipment	Computer Equipment	Phone/Security Equipment	Total
2013	$ 1,565,625	$ 118,393	$ 113,331	$ 152,947	$ 1,950,296
2014	1,561,563	118,393	56,666	152,947	1,889,569
2015	1,561,988	118,393	-	65,126	1,745,507
2016	1,559,219	118,393	-	65,128	1,742,740
2017	1,559,313	118,393	-	-	1,677,706
2018-2022	7,782,012	-	-	-	7,782,012
2023	1,549,087	-	-	-	1,549,087
Minimum lease payments	17,138,807	591,965	169,997	436,148	18,336,917
Less: Amount representing interest	(3,593,807)	(68,436)	(7,530)	(29,474)	(3,699,247)
Present value of minimum Lease Payments	$ 13,545,000	$ 523,529	$ 162,467	$ 406,674	$ 14,637,670

F. Long-term Obligations

1. General Obligation Bonds

The City has issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City is authorized to levy an ad valorem tax to pay the principal and interest on these bonds.

A description of the general obligation bonds outstanding at the end of the year follows:

General Obligation Refunding Bonds, Series 2010. On October 19, 2010, the City issued $9,985,000 of General Obligation Refunding Bonds, to provide resources to purchase U.S. Treasury, Certificates and Notes that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of $4,000,000 of Series 2001 and $5,255,000 of Series 2002 General Obligation Bonds representing all outstanding bonds maturing on or after December 1, 2010. As a result, the refunded bonds are considered to be defeased and their liability has been removed from the statement of net position. The 2011 bonds bear interest at 2.0% to 4.0% and consist of serial bonds maturing yearly on December 1 through 2023. Bonds maturing on or after December 1, 2021 are subject to redemption at the option of the City. Interest is payable semiannually on June 1 and December 1. This refunding is estimated to save taxpayers approximately $467,000 over the life of the bonds.

General Obligation Bonds, Series 2001, original principal amount of $5,988,924 dated December 1, 2001. The bonds were issued to fund improvements to the City's two recreation centers. The bonds consist of $5,810,000 of serial bonds due annually in varying amounts through 2022, with interest payable semiannually at rates ranging from 3.0% to 5.1%; and $178,924 of "B" Interest Registered Coupons due in 2003 and 2004, with interest accruing through maturity at stated yield rates of 3.2% to 3.6%. Serial bonds maturing on or after December 1, 2012 are callable at par in any order of maturity on December 1, 2012. The "B" Interest Registered Coupons are not callable. The bonds are rated "AAA" by Standard & Poor's and "Aaa" by Moody's. The underlying rating by Standard & Poor's and Moody's is "A" and "A2", respectively. Repayment of both principal and interest on the bonds are insured by MBIA Insurance Corporation. Bonds maturing on or after December 1, 2010 have been refunded (see General Obligation Refunding Bonds, Series 2010 above).

General Obligation Bonds, Series 2002, original principal amount of $7,846,879 dated August 15, 2002. The bonds were issued primarily to fund the construction of the Pirates Cove Family Aquatics Center. The bonds consist of $6,990,000 of serial bonds due annually in varying amounts from 2008 through 2023, with interest payable semiannually at rates ranging from 3.50% to 4.75%; and $856,879 of "B" Interest Registered Coupons due in varying amounts through 2007, with interest accruing through maturity at stated yield rates of 2.2% to 3.3%. Serial bonds maturing on or after December 1, 2013 are callable at par in any order of maturity on December 1, 2013. The "B" Interest Registered Coupons are not callable. The bonds are rated "AAA" by Standard & Poor's and "Aaa" by Moody's. The underlying rating by Standard & Poor's and Moody's is "A" and "A2", respectively. Repayment of both principal and interest on the bonds are insured by MBIA Insurance Corporation. Bonds maturing on or after December 1, 2010 have been refunded (see General Obligation Refunding Bonds, Series 2010 above).

General Obligation Water Bonds, Series 2004, original principal amount of $3,055,000, dated December 1, 2004, consisting of serial bonds in the original amount of $1,865,000 due annually in varying amounts through January 1, 2019, and term bonds in the original amount of $1,190,000 due on January 1, 2025. The term bonds maturing on January 1, 2025 are subject to mandatory sinking fund redemption commencing on January 1, 2020. Interest is payable semi-annually at rates ranging from 3.375% to 4.75%. Bonds maturing on or after January 1, 2015 are callable at par in any order of maturity on January 1, 2014. The bonds are rated A2 by Moody's and A by Standard and Poor's. The bonds were issued to finance miscellaneous water system improvement projects. Although there is a general obligation pledge on these bonds, which allows the City to certify a rate of levy for property taxes to pay principal and interest on the bonds, it is the City's intention to service the debt from available moneys in the Water Fund. All bonds maturing after January 1, 2014 have been refunded by the 2012 series refunding issue detailed below.

General Obligation Water Bonds, Series 2009, original principal amount of $2,615,000, dated June 24, 2009, consisting of serial bonds due annually in varying amounts through January 1, 2029. The bonds maturing on January 1, 2026 are subject to mandatory sinking fund redemption commencing on January 1, 2025. Interest is payable semi-annually at rates ranging from 4.15% to 4.625%. Bonds maturing on or after January 1, 2019 are callable at par in any order of maturity on January 1, 2020. The bonds are rated A2 by Moody's and AA- by Standard and Poor's. The bonds were issued to finance miscellaneous water system improvement projects. Although there is a general obligation pledge on these bonds, which allows the City to certify a rate of levy for property taxes to pay principal and interest on the bonds, it is the City's intention to service the debt from available moneys in the Water Fund.

General Obligation Water Refunding and Improvement Bonds, Series 2012, original principal amount of $8,590,000, dated July 11, 2012, consisting of serial bonds due annually in varying amounts through January 1, 2032. The term bonds maturing on January 1, 2023 are subject to redemption prior to their respective maturities at the option of the City. Interest is payable semi-annually at rates ranging from 2% to 4%. The bonds are rated Aa3 by Moody's and AA- by Standard and Poor's. The bonds were issued to refund the Series 2004 General Obligation Water bonds that mature after January 1, 2014 and to finance miscellaneous water system improvement projects. Although there is a general obligation pledge on these bonds, which allows the City to certify a rate of levy for property taxes to pay principal and interest on the bonds, it is the City's intention to service the debt from available moneys in the Water Fund.

General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities	2.00% - 5.10%	$ 9,530,000
Business-type activities	3.625% - 4.75%	11,480,000
		$ 21,010,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

	Principal	Interest	Total
2013	$ 825,000	$ 653,450	$ 1,478,450
2014	985,000	641,541	1,626,541
2015	1,020,000	617,640	1,637,640
2016	1,030,000	597,290	1,627,290
2017	1,050,000	576,690	1,626,690
2018-2022	7,135,000	2,359,512	9,494,512
2023-2027	4,415,000	1,157,075	5,572,075
2028-2032	4,550,000	387,725	4,937,725
	$ 21,010,000	$ 6,990,923	$ 28,000,923

2. Revenue Bonds

The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding at year-end are as follows:

Golf Course Revenue Refunding Bonds, Series 2003, original principal amount of $2,935,000, dated December 15, 2003, consisting of serial bonds in the original amount of $640,000 due annually in varying amounts through December 1, 2014, and term bonds in the original amount of $875,000 due on December 1, 2019 and term bonds in the original amount of $1,420,000 due on December 1, 2024. The term bonds maturing on December 1, 2019 are subject to mandatory sinking fund redemption commencing on December 1, 2015. The term bonds maturing on December 1, 2024 are subject to mandatory sinking fund redemption commencing on December 1, 2020. Interest is payable semi-annually at rates ranging from 2.50% to 6.00%. Bonds maturing on or after December 1, 2014 are callable at par in any order of maturity on December 1, 2013. The bonds are non-rated. The original 1994 bonds that were refunded by this issue were utilized for construction of golf course improvements.

Storm Water Enterprise Revenue Bonds, Series 2001, original principal amount of $1,675,000, dated October 1, 2001, consisting of serial bonds due annually from December 1, 2002 through December 1, 2021. Interest is payable semi-annually at rates ranging from 3.75% to 5.50% on the outstanding bonds. Bonds maturing on or after December 1, 2012 are callable at par in any order of maturity on December 1, 2012. The bonds are non-rated. The bonds were issued to finance miscellaneous storm water system improvement projects. These bonds have been refunded by the 2012 series detailed below.

Storm Water Enterprise Revenue Refunding Bonds, Series 2012, original principal amount of $1,025,000, dated May 30, 2012, consisting of serial bonds due annually from December 1, 2012 through December 1, 2021. Interest is payable semi-annually at rates ranging from 2% to 2.7% on the outstanding bonds. The bonds are non-rated. These bonds were issued to refund the Series 2001 Storm Water Enterprise Revenue bonds. The original bonds were issued to finance miscellaneous storm water system improvement projects.

Annual debt service requirements to maturity for revenue bonds are as follows:

	Principal	Interest	Total
2013	$ 165,000	$ 164,343	$ 329,343
2014	250,000	158,942	408,942
2015	255,000	150,292	405,292
2016	265,000	140,130	405,130
2017	280,000	129,142	409,142
2018-2022	1,470,000	448,383	1,918,383
2023-2024	760,000	76,500	836,500
	$ 3,445,000	$ 1,267,732	$ 4,712,732

3. Qualified Energy Conservation Bonds

The City issued Qualified Energy Conservation Bonds in 2010. The original principal amount of $1,355,302 dated August 19, 2010. Principal and interest are due quarterly with an interest rate of 5.41%. The interest payments are partially offset by credits from the Federal Government under Section 1112 of the American Recovery and Reinvestment Act of 2009, "Section 54D" that authorizes states and political subdivisions to issue qualified energy conservation bonds "QECBs". Proceeds will be used for qualified energy conservation purposes. Payments are made by the General Fund.

Annual debt service requirements for the qualified energy conservation bonds are as follows:

	Principal	Interest	Total
2013	$ 62,206	$ 27,697	$ 89,903
2014	66,511	26,304	92,815
2015	70,988	24,819	95,807
2016	75,644	23,235	98,879
2017	80,483	21,550	102,033
2018-2022	481,910	78,618	560,528
2023-2026	459,491	20,564	480,055
	$1,297,233	$222,787	$ 1,520,020

4. Notes and loans payable

Colorado Water Resources and Power Development Authority to fund water and sewer system improvements:

Servicing Fund	Issue Date	Original Amount	Interest Rate	Outstanding Balance	Last Payment Due
Water	10/1/1997	$ 15,292,636	4.141%	$ 5,354,069	8/1/2018
Sewer	5/1/2004	19,715,000	4.110%	12,755,000	8/1/2017
Sewer	5/1/2004	29,564,275	3.870%	29,521,467	8/1/2025
			Total	$ 47,630,536	

In 2013, these loans were refinanced by the Colorado Water Resources and Power Development Authority. Over the remaining life of the loans, the refinancing is expected to save the Water and Sewer Funds $436,000 and $2,067,000 respectively.

The City has entered into various loans with local banks to fund the housing rehabilitation loan program. The loans are serviced by the Housing Rehabilitation Fund:

Vectra and US Bank – Included with the City's notes and loans payable are lines of credit at various interest rates ranging from 3.85% to 7.00% used to provide interim financing for the Housing Rehabilitation Fund program. These funds are subsequently loaned to homeowners to assist in completing home improvements. Repayments are made when payments are received on the corresponding notes receivable. The lines of credit are retired from the proceeds of long-term notes secured by individual homeowners' notes to the City. The balances of these notes at December 31, 2012 for Vectra and US Bank are $465,264 and $1,091,394, respectively. As the repayments of these notes are based on the repayment of corresponding notes receivable, these notes are not included in the maturity table below.

Notes and loans currently outstanding are as follows:

Purpose	Interest Rates	Amount
Business-type activities	3.85% - 7.00%	$ 47,630,536

Annual debt service requirements to maturity for notes and loans payable are as follows (excluding notes payable from the Housing Rehabilitation Fund):

	Business-type Activities		
	Principal	Interest	Total
2013	$ 3,380,369	$ 2,069,354	$ 5,449,723
2014	3,528,690	1,917,030	5,445,720
2015	3,691,125	1,757,725	5,448,850
2016	3,868,651	1,575,441	5,444,092
2017	4,054,062	1,350,110	5,404,172
2018-2022	17,613,691	4,637,390	22,251,081
2023-2025	11,493,948	1,348,252	12,842,200
	$ 47,630,536	$ 14,655,302	$ 62,285,838

Long-term liability activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General Obligation Bonds:					
Series 2010 Refunding	$ 9,810,000	$ -	$ 280,000	$ 9,530,000	$ 675,000
Premium/(Discount)	325,667	-	9,295	316,372	22,408
Series 2002 (Refunded)	375,000	-	375,000	-	-
Subtotal general obligation bonds	10,510,667	-	664,295	9,846,372	697,408
Capital Lease Obligations:					
Civic Center Lease, 2005 Refunding	14,500,000	-	955,000	13,545,000	990,000
Premium/(Discount)	224,491	-	32,900	191,591	30,949
Computer Equipment Lease	162,467	-	107,075	55,392	55,392
Phone/Security Equipment Lease	406,674	-	138,537	268,137	143,949
Fire Equipment, 2007	615,811	-	92,282	523,529	96,195
Subtotal capital leases	15,909,443	-	1,325,794	14,583,649	1,316,485
Notes Payable:					
Qualified Energy Conservation bonds	1,355,302	-	58,068	1,297,234	62,206
Net OPEB Obligation	181,539	208,731	137,700	252,570	-
Compensated absences	2,301,442	2,316,786	2,043,029	2,575,199	1,287,600
Governmental activity total Long-term liabilities	$ 30,258,393	$ 2,525,517	$ 4,228,886	$ 28,555,024	$ 3,363,699
Business-type activities:					
General Obligation Water Bonds, 2012	$ -	$ 8,590,000	$ -	$ 8,590,000	$ 10,000
Premium/(Discount)	-	380,221	-	380,221	443
General Obligation Water Bonds, 2009	2,615,000	-	-	2,615,000	-
Premium/(Discount)	(16,313)	-	(1,100)	(15,213)	(1,100)
General Obligation Water Bonds, 2004	2,375,000	-	2,100,000	275,000	140,000
Premium/(Discount)	11,080	-	8,669	2,411	1,239
Subtotal general obligation bonds	4,984,767	8,970,221	2,107,569	11,847,419	150,582
Revenue Bonds payable:					
Golf Course Refunding Bonds, 2003	2,580,000	-	65,000	2,515,000	70,000
Storm Water Series, 2012 Refunding	-	1,025,000	95,000	930,000	95,000
Premium/(Discount)	-	2,485	230	2,255	230
Storm Water Series, 2001 (Refunded)	1,030,000	-	1,030,000	-	-
Subtotal revenue bonds	3,610,000	1,027,485	1,190,230	3,447,255	165,230
Notes and loans payable:					
CWR&PDA Sewer Loan, 2004	29,526,818	-	5,351	29,521,467	5,351
Premium/(Discount)	330,360	-	59,277	271,083	33,430
CWR&PDA Sewer Loan, 2004	15,165,000	-	2,410,000	12,755,000	2,530,000
Premium/(Discount)	313,429	-	96,425	217,004	79,670
CWR&PDA Sewer Loan, 1990	855,533	-	855,533	-	-
CWR&PDA Water Loan, 1997	6,173,023	-	818,954	5,354,069	845,019
Notes payable (Rehab) - Vectra Bank	534,684	36,000	69,410	501,274	31,000
Notes payable (Rehab) - US Bank	891,618	226,683	172,493	945,808	5,000
Net OPEB Obligation	77,210	31,854	8,650	100,414	-
Compensated absences	373,047	336,178	327,201	382,024	191,013
	54,240,722	630,715	4,823,294	50,048,143	3,720,483
Business-type activity total Long-term liabilities	$ 62,835,489	$ 10,628,421	$ 8,121,093	$ 65,342,817	$ 4,036,295

There are a number of limitations and restrictions contained in the various indentures. The City believes it complies with all significant limitations and restrictions.

General obligation indebtedness of the City is limited by the City Charter to three percent of actual valuation of taxable property within the City. At December 31, 2012, this limit was $98,517,227 providing a debt margin of $88,987,227.

G. Component Unit Debt Obligations

Englewood Environmental Foundation, Inc.

As discussed in Note 1, the Englewood Environmental Foundation, Inc. (EEF), a separate legal entity, was created in 1997. The EEF has not adopted an annual budget as it was incorporated as a Colorado not-for-profit corporation and not a Colorado local government.

An analysis of changes in long-term obligations for the year ended December 31, 2012 follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Certificates of Participation:					
Series 2005 Refunding	$14,500,000	$ -	$ 955,000	$13,545,000	$ 990,000

The detail of the EEF's long-term debt is as follows:

On December 29, 1998, the EEF issued Series 1998 Certificates of Participation dated December 1, 1998 to finance the acquisition and renovation of an existing building for use as a Civic Center (the leased property) and the construction of various public improvements adjacent to the Civic Center. The Certificates have been issued in connection with a lease from the City to the EEF and a lease back to the City by the EEF.

On October 4, 2005, the EEF issued $18,880,000 Refunding Certificates of Participation, Series 2005, to provide resources to purchase U.S. Treasury Notes that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of $18,125,000 Series 1998 Certificates of Participation. As a result, the certificates are considered to be defeased and their liability has been removed from the statement of net position. The 2005 certificates bear interest at 3.25% to 4.5% and consist of term certificates due June 1, 2020. Interest is payable semiannually on June 1 and December 1. The Certificates are subject to redemption at par prior to maturity on any date on or after June 1, 2016. The Certificates are subject to mandatory redemption beginning June 1, 2017 for Certificates maturing on June 1, 2020. Repayment of both principal and interest on the Certificates are insured by MBIA Insurance Corporation.

The EEF's long-term debt service obligations are as follows:

	Certificates of Participation		
	Principal	Interest	Total
2013	$ 990,000	$ 575,625	$ 1,565,625
2014	1,025,000	536,563	1,561,563
2015	1,070,000	491,988	1,561,988
2016	1,115,000	444,219	1,559,219
2017	1,165,000	394,313	1,559,313
2018-2022	6,665,000	1,117,012	7,782,012
2023	1,515,000	34,087	1,549,087
Total	$ 13,545,000	$ 3,593,807	$ 17,138,807

At December 31, 2012, the EEF has recorded a lease receivable for $13,545,000. As the City remits the base rentals required by the lease purchase agreement, the EEF will reduce the lease receivable by the principal amount of the base rentals and record lease interest income for the interest portion of the base rentals (see Note 3.E.).

Note 4. Other Information

A. Investment in Joint Venture

The City participates with the City of Littleton, Colorado in a joint venture for the operation of a wastewater treatment facility ("Littleton/Englewood Wastewater Treatment Plant Joint Venture" or "Joint Venture"). Control of the Joint Venture vests in a four-member committee, with two members appointed by each City. Each City owns a 50 percent interest in the Joint Venture, and oversight responsibilities are divided equally. The City's investment in the Joint Venture is accounted by the equity method in the Sewer Fund. Summary audited financial information as of and for the year ended December 31, 2012 follows:

	Total	City's Share
Assets		
Current assets	$ 1,388,702	$ 694,351
Capital assets, net	125,468,792	62,734,396
Total assets	126,857,494	63,428,747
Liabilities		
Current liabilities	1,273,025	636,513
Net position	125,584,469	62,792,234
Revenues	13,907,368	6,953,684
Expenses	21,273,531	10,636,766
Change in net position	$ (7,366,163)	$ (3,683,082)

The City's Sewer Fund has reflected a net loss from joint venture for $3,683,082. This amount includes the City's share of the Joint Venture's net loss of $4,252,882 less capital contributions from the City to the Joint Venture of $572,425.

Complete financial statements for the Joint Venture may be obtained from City's Department of Finance and Administrative Services.

B. Risk Management

1. Property, Liability and Workers' Compensation

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors or omissions; injuries to employees; and natural disasters.

The City is insured for property, liability and workers' compensation claims above its deductible amount of $150,000. The City established a Risk Management Fund (an internal service fund) to account for and finance these risks of loss. For claims in excess of these amounts, the City participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). All funds of the City participate in the Risk Management Fund. Amounts payable to the Risk Management Fund are based on historical claims experience. A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimated.

Risk Management Fund - Claims Liability

Changes in the balance of claims liabilities during the years ended December 31, 2012 and 2011 are as follows:

	Property & Liability	Workers' Compensation	Totals
Unpaid claims - December 31, 2010	$ 32,487	$ 493,144	$ 525,631
Incurred claims (including claims reserve)	470,284	(38,527)	431,757
Claim payments	(320,764)	(122,352)	(443,116)
Unpaid claims - December 31, 2011	182,007	332,265	514,272
Incurred claims (including claims reserve)	618,400	1,655,374	2,273,774
Claim payments	(430,544)	(1,159,137)	(1,589,681)
Unpaid claims - December 31, 2012	$ 369,863	$ 828,502	$ 1,198,365

Colorado Intergovernmental Risk Sharing Agency (CIRSA)

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution. The City has participated in CIRSA since its inception in 1982.

CIRSA is a joint self-insurance pool created by intergovernmental agreement to provide property, general and automobile liability, workers' compensation and public official's coverage to its members. A seven member Board elected by and from its members governs CIRSA.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and those amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The City has not been informed of any excess losses that may have been incurred by the pool.

2. Employee Health Care

Medical, accidental death and disability and life insurance

The City provides medical, accidental death and disability and life insurance to employees through commercial insurance with no risk of loss to the City.

Dental insurance

Dental benefits are entirely self-insured with coverage limited to $2,000 per covered employee and each eligible dependent per year. In the past three years, there have been no claims that have exceeded this coverage.

The City established the Employee Benefits Fund (an internal service fund) to account for and finance these health benefits. All funds of the City participate in the Employee Benefits Fund. Amounts payable to the Employee Benefits Fund are based on commercial insurance premiums and passed on to the participating funds. A liability for dental claims is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimated.

C. Commitments and Contingencies

1. Legal proceedings

A number of claims are presently pending against the City. The City is denying the allegations and is defending against them. Although the eventual outcome of these matters cannot be predicted, it is the opinion of management, based upon advice of legal counsel, that the City's ultimate liability is not expected to have a material effect on the City's financial position.

2. Federally assisted grant programs

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

3. Construction Commitments

There were no significant construction commitments at December 31, 2012.

4. Conduit Debt Obligations

From time to time, the City has issued Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of residential facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from revenues of the private sector entities. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2012, there were four series of Revenue Bonds outstanding, with an aggregate principal amount payable of $27,185,566.

D. Employee Retirement Systems and Pension Plans

City employees are covered by one of eight different pension plans, depending on occupation and date of hire, as follows:

- NonEmergency Employees Retirement Plan
- Police Officers Pension Plan (two plans)
- Firefighters Pension Plan (three plans)
- City Management Retirement Plan
- NonEmergency Employees Money Purchase Plan

The City administers four single-employer, defined benefit pension plans that are reported as Pension Trust Funds in the financial statements and maintains three single-employer defined contribution plans administered by the International City Managers Association Retirement Corporation (ICMA-RC). The City participates in the Statewide Defined Benefit Pension Plan administered by the Fire and Police Pension Association of Colorado (FPPA). The City also maintains a deferred compensation plan for the benefit of its employees administered by ICMA-RC.

1. Defined Benefit Plans

The defined benefit pension plans do not issue separate financial statements. The financial statements for the individual funds, for the year ended December 31, 2012, are presented below.

	Nonemergency Employees	Police	Firefighters	Volunteer Firefighters	Total
Assets					
Cash and short-term investments	$ 10,802	$ 605	$ 594	$ 104	$ 12,105
Investments					
Mutual Funds	25,699,526	4,735,126	6,930,277	94,695	37,459,624
Real Estate equities	2,737,287	-	-	-	2,737,287
Total investments	28,436,813	4,735,126	6,930,277	94,695	40,196,911
Total assets	28,447,615	4,735,731	6,930,871	94,799	40,209,016
Net position held in trust for pension benefits	$ 28,447,615	$ 4,735,731	$ 6,930,871	$ 94,799	$ 40,209,016
Additions					
Contributions:					
City	$ 954,781	$ 340,010	$ 154,023	$ 6,320	$ 1,455,134
Plan member	-	-	-	-	-
Total contributions	954,781	340,010	154,023	6,320	1,455,134
Investment income:					
Net appreciation in fair value of investments	3,072,847	568,688	833,588	11,893	4,487,016
Less investment expense	(50,840)	-	-	-	(50,840)
Net investment income	3,022,007	568,688	833,588	11,893	4,436,176
Total additions	3,976,788	908,698	987,611	18,213	5,891,310
Deductions					
Benefits	1,519,208	972,874	1,080,681	21,600	3,594,363
Management fees	78,244	43,170	63,095	935	185,444
Total deductions	1,597,452	1,016,044	1,143,776	22,535	3,779,807
Change in net position	2,379,336	(107,346)	(156,165)	(4,322)	2,111,503
Net position - beginning	26,068,279	4,843,077	7,087,036	99,121	38,097,513
Net position - ending	$ 28,447,615	$ 4,735,731	$ 6,930,871	$ 94,799	$ 40,209,016

NonEmergency Employees Retirement Plan (NERP)

Plan Description. The NonEmergency Employees Retirement Plan (NERP) is a defined benefit, single-employer; non-contributory plan established by the City for employees other than management staff, mid-managers, supervisors, confidentials, police officers and firefighters. Employees hired into this group are offered the choice of joining the NERP plan, or the NonEmergency Employees Money Purchase Plan (NEMP), which is discussed later in this section.

Members of this plan are eligible for normal retirement benefits after age 65 or earlier if eligible under the Rule of 88 (members who have attained the age of 55 where age combined with their years of credited service equals 88). Members can elect a benefit paid monthly for life and for a minimum of ten years total to members and their beneficiaries, based on 1.5% of their final average monthly compensation multiplied by their years of eligible service credits. Alternate actuarially equivalent payment options may be selected. The average monthly compensation is equal to 1/36th of the 36 highest paid consecutive months of the last ten years of the employee's eligibility.

Members who receive long-term disability benefits continue to accrue years of service credits and are eligible to receive retirement benefits on the first day of the month following the normal retirement date. Benefits are computed on credited service the employee accrues during the period of time he/she receives long-term disability.

If a pre-retirement member dies prior to the normal retirement date and has five or more years of credited service, the surviving spouse will receive 50% of the monthly accrued benefit for life. If the member is not survived by a spouse, the designated beneficiary will receive 50% of the monthly benefit for ten years. Payments commence on the first day of the month following the later of the member's death, or the date the member would have attained age 55. Members vest after five years of credited service with the City.

The authority under which benefit provisions are established or amended are provided within the Englewood Municipal Code and are summarized as follows: The City reserves the right to alter, amend, or terminate the plan or any part thereof provided that no such alteration or amendment shall provide that the retirement benefit payable to any retired member shall be less than that provided by the member's accumulated contributions or affect the right of any member to receive a refund of his or her accumulated contributions and shall not directly or indirectly reduce any member's accrued pension. Additionally, no alteration or termination of the plan or any part thereof shall permit any part of the fund to revert to or be recoverable by the City or be used for or diverted to purposes other than the exclusive benefit of members, retired members, vested members or beneficiaries. Further, no amendment shall cause the elimination of neither an optional form of benefit nor the elimination of an early retirement benefit that continues after retirement.

The plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by the City Council, as funds are available and subject to TABOR restraints regarding issuance of multiple year obligations, which may be subject to a vote.

The Plan includes a Deferred Retirement Option Plan (DROP). This option allows a member that has attained age and service requirements to begin receiving retirement benefits into a separate deferred retirement account and continue employment. The member contracts with the City for the member-determined period of time not to exceed three years at which time employment terminates. The benefit payments are held in a separate account until the member terminates employment. The member is permitted distribution from the separate account only upon death or termination of employment. The member may terminate employment at any time prior to the designated termination date.

Contributions. Funding for the plan is provided within the Englewood Municipal Code that states that the City will contribute to the fund to the extent necessary to finance the benefits provided by the plan on a sound actuarial basis. The City expects to continue such contributions to the plan, but assumes no responsibility to do so and reserves the right to suspend or to reduce contributions at any time. Members do not contribute. The contribution amount for the plan has been historically determined by annual actuarial studies that resulted in contribution amounts based on a percentage of covered salary.

Administrative costs of the plan, if not paid by the City, are paid from the fund. There are no investments in, loans to or leases with parties related to the plan.

Police Officers Pension Plan

Plan Description. The Police Officers Pension Plan is a defined benefit, single employer plan established for Police Officers hired prior to April 8, 1978. The plan is affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension plan administered by FPPA. Police Officers hired after April 8, 1978 are covered under a 401(a) defined contribution plan administered by ICMA-RC.

Members of this plan attain normal retirement date when they are 55 years old and have completed 20 years of credited service with the City or when they have completed 25 years of credited service at any age. Members eligible for normal retirement will receive a monthly pension equal to 2-1/2% of final monthly base pay times the first 20 years of service plus 1% of final monthly base pay for each additional year of service up to a maximum of 65% of the final twelve months average pay including longevity.

If a retired police officer dies, the surviving spouse receives until death or remarriage a monthly pension equal to one half of the amount the officer was entitled to receive prior to death plus one-eighth of such monthly benefit for each dependent child under age 16. If there is no surviving spouse or children, the benefit is payable to a dependent parent or parents. If there are two dependent parents, the benefit is divided equally by them.

Although not a provision in the plan, under a separate agreement with the City, Police officers who receive a total disability from FPPA receive a monthly supplemental disability payment equal to 20% of their monthly salary at the date of the disability payable until their normal retirement date. Police officers who are given an occupational disability from FPPA receive a monthly supplemental pension equal to 10% of their monthly salary at date of the disability until their normal retirement date.

Police officers who leave the City prior to the five years required to vest in the plan receive a refund with interest. Vested officers receive a refund of their contributions or may remain in the plan.

The authority under which benefit provisions are established or amended are provided within Colorado Revised Statutes (CRS 31—30.5-210). The City Council, 65% of active plan members and the Board of Directors of the Colorado Fire and Police Pension Association must approve plan amendments. Any modification must maintain or enhance the actuarial soundness of the plan and cannot adversely affect the benefits of members.

The plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by the City Council, as funds are available and subject to TABOR restraints regarding issuance of multiple year obligations, which may be subject to a vote.

The Plan includes a Deferred Retirement Option Plan (DROP). This option allows a member that has attained age and service requirements to begin receiving retirement benefits into a separate deferred retirement account and continue employment. The member contracts with the City for the member-determined period of time not to exceed five years at which time employment terminates. The member's five percent contribution continues to the separate DROP account. The benefit payments and member contributions are held in a separate account until the member terminates employment. The member is permitted distribution from the separate account only upon death or termination of employment. The member may terminate employment at any time prior to the designated termination date.

Contributions. Funding for the plan is provided within the Plan document and Colorado statutes that state the City shall contribute to the fund to the extent necessary to finance the benefits provided by the plan on a sound actuarial basis. Police Officers contribute 5% of their covered salary per the plan document. The City contributes to the Police Officers Pension Fund at a rate determined in the following manner: at least every three (3) years, the Police Officers Pension Fund shall have an actuarial study prepared relating to the Police Officers Pension Fund. The resultant percentage will be paid annually from general revenues of the City into the Police Officers Retirement Fund. The contribution amount for the plan has been historically determined by biennial actuarial studies.

Administrative costs of the plan are paid from the pension fund (CRS 31—30.5-204(3)). There are no investments in, loans to or leases with parties related to the plan.

Firefighters Pension Plan

Plan Description. The Firefighters Pension Plan is a defined benefit, single employer plan established for firefighters hired prior to April 8, 1978. The plan is affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension plan administered by FPPA. Firefighters hired on or after April 8, 1978 are covered under the Statewide Defined Benefit Plan of FPPA.

Normal retirement for firefighters is the date the firefighter attains 50 years of age and completes 20 years of credited service. Normal benefits are monthly amounts equal to 2 1/2% of final monthly base pay times the first 20 years of service plus 1% of final monthly base pay for each additional year of service up to a maximum of 65% of final monthly base pay. Alternate actuarially equivalent payment options may be selected.

If a retired firefighter dies, the surviving spouse shall receive until death or remarriage a monthly pension equal to the greater of: (a) one-third of the salary of a first grade firefighter at the time of retirement or (b) 50% of the monthly amount received by the participant at his death; plus $30 per month for each dependent child under age 18.

Firefighters vest after five years with the City. Firefighters who terminate prior to that time receive their contributions with interest. Vested members who terminate may elect to leave their contributions in the plan and be eligible for a deferred retirement pension payable at age 50.

Although not a provision in the plan, under a separate agreement with the City, firefighters who receive a total disability from FPPA receive a monthly supplemental disability payment equal to 20% of their monthly salary at the date of the disability payable until their normal retirement date. Firefighters who are given an occupational disability from FPPA receive a monthly supplemental pension equal to 10% of their monthly salary at the date of the disability until their normal retirement date.

The authority under which benefit provisions are established or amended are provided within Colorado Revised Statutes (CRS 31—30.5-210). The City Council, 65% of active plan members and the Board of Directors of the Colorado Fire and Police Pension Association must approve plan amendments. Any modification must maintain or enhance the actuarial soundness of the plan and cannot adversely affect the benefits of members.

The plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by the City Council, as funds are available and subject to TABOR restraints regarding issuance of multiple year obligations, which may be subject to a vote.

The Plan includes a Deferred Retirement Option Plan (DROP). This option allows a member that has attained age and service requirements to begin receiving retirement benefits into a separate deferred retirement account and continue employment. The member contracts with the City for the member-determined period of time not to exceed five years at which time employment terminates. The member's five percent contribution continues to the separate DROP account. The benefit payments and member contributions are held in a separate account until the member terminates employment. The member is permitted distribution from the separate account only upon death or termination of employment. The member may terminate employment at any time prior to the designated termination date.

Contributions. Funding for the plan is provided within the Plan document and Colorado statutes that state the City shall contribute to the fund to the extent necessary to finance the benefits provided by the plan on a sound actuarial basis. Firefighters contribute 5% of their covered salary per the plan document. The City contributes to the Firefighters Pension Fund at a rate determined in the following manner: at least every three (3) years, the Firefighters Pension Fund shall have an actuarial study prepared relating to the Firefighters Pension Fund. The resultant percentage will be paid annually from general revenues of the City into the Firefighters Pension Fund. The contribution amount for the plan has been historically determined by biennial actuarial studies.

Administrative costs of the plan are paid from the pension fund (CRS 31—30.5-204(3)). There are no investments in, loans to or leases with parties related to the plan.

Volunteer Firefighters Pension Plan

Plan Description. The Volunteer Firefighters Pension plan is a defined benefit, single employer plan that is affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension plan administered by FPPA. The plan provides retirement benefits for members and beneficiaries according to plan provisions as enacted and governed by the Firefighters Pension Board. Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the plan. The monthly benefit amount for retirees and beneficiaries are $450 and $225, respectively.

Contributions. Funding for the plan is provided within the Plan document and Colorado statutes that state the City shall contribute to the fund to the extent necessary to finance the benefits provided by the plan on a sound actuarial basis. The City contributes to the Volunteer Fire Department Pension Fund at a rate determined in the following manner: at least every three (3) years, the Volunteer Fire Department Pension Fund shall have an actuarial study prepared relating to the Volunteer Fire Department Pension Fund. The resultant amount will be paid annually from general revenues of the City into the Volunteer Fire Department Pension Fund. The contribution amount for the plan has been historically determined by biennial actuarial studies.

The financial statements of the volunteer plan are prepared using the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The investments are presented at fair value except for short-term investments that are recorded at cost, which approximates fair value.

Administrative costs of the plan are paid from the pension fund (CRS 31—30.5-204(3)). There are no investments in, loans to or leases with parties related to the plan.

The annual pension cost, net pension obligation and related information for the Nonemergency, Police officers, Firefighters and Volunteer firefighters pension funds for the current year were as follows:

	Non-Emergency	**Police Officers**	**Firefighters**	**Volunteer Firefighters**
Current membership:				
Retirees and beneficiaries receiving benefits	122	41	45	9
Terminated plan members entitled to but not yet receiving benefits	75	-	-	-
Active plan members	136	-	-	-
	333	41	45	9
Contribution Rates:				
City	13.9%	N/A	N/A	N/A
Plan members	-	N/A	N/A	N/A
Annual pension cost (APC)	$936,781	$340,025	$154,521	$4,180
Contributions made	$954,781	$340,010	$154,023	$4,180
Net pension obligation	$0	($507)	($17,435)	$0
Percentage of APC contributed	102%	100%	100%	100%
Actuarial valuation date	1/1/2012	1/1/2012	1/1/2012	1/1/2011
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Level amount Open	Level amount Open	Level amount Open	Level amount Open
Remaining amortization period	11 years	18 years	17 years	9 years
Asset valuation method	5 year smoothed market	3 year smoothed market	3 year smoothed market	3 year moving average
Actuarial assumptions:				
Investment rate of return	7.5%	7.5%	7.5%	8.0%
Projected salary increases*	3.30-6.30%	4.00%	4.00%	N/A
*Includes inflation at	3.0%	3.0%	3.0%	3.5%
Cost of living adjustments	None	None	None	None

Funded Status and Funding Progress. The following is funded status information for each plan as of the most recent actuarial valuation date:

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded (Funded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Non-Emergency	1/1/2012	$27,768,132	$33,368,197	$5,600,065	83.2%	$7,061,581	79.3%
Police Officers	1/1/2012	5,422,212	9,775,821	4,353,609	55.5%	-	N/A
Firefighters	1/1/2012	7,985,581	10,229,033	2,243,452	78.1%	-	N/A
Volunteer Firefighters	1/1/2011	124,457	165,844	41,387	75.0%	-	N/A

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

Three-year Trend Information:

	Year Ending December 31,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
NonEmergency	2010	$ 764,844	100%	$ -
Retirement Plan	2011	936,781	100%	-
	2012	1,048,465	100%	-
Police Officers	2010	288,501	100%	(532)
Retirement Plan	2011	340,020	100%	(522)
	2012	340,025	100%	(507)
Firefighters	2010	427	100%	(18,304)
Retirement Plan	2011	153,694	100%	(17,933)
	2012	154,521	100%	(17,435)
Volunteer	2010	4,180	100%	-
Firefighters	2011	4,180	100%	-
Retirement Plan	2012	6,320	100%	-

State Fire and Police Pension Plan (FPPA)

Plan Description

The City contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for all the City's police officers and firefighters hired prior to

January 1, 1997 through the Statewide Death and Disability Plan that is also administered by FPPA. This is a noncontributory plan.

All full-time, paid firefighters of the City hired after April 8, 1978 are members of the Statewide Defined Benefit Plan and all full-time, paid police officers and firefighters are members of the Statewide Death and Disability Plan. Colorado Statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. The report may be obtained from FPPA's website at www.fppaco.org. or by calling FPPA at 303-770-3772 in the Denver Metro area and 1-800-332-FPPA (3772) from outside the metro area.

Basis of Accounting

The financial statements of the Statewide Defined Benefit Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Statewide Defined Benefit Plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

Funding Policy

Plan members and the City are required to contribute at a rate set by statute. The contribution requirements of plan members and the City are established under Title 31, Article 30, Part 10 of the CRS, as amended. For 2012 and the previous two years, the contribution rate for both plan members and the City is 8.0% of covered salary. The City's contributions to the Statewide Defined Benefit Plan for the years ending December 31, 2012, 2011, and 2010 were $289,554, $277,078, and $289,320 respectively, equal to their required contributions for each year.

Statewide Death and Disability Plan

Death and disability coverage is provided for all the City's police officers and firefighters. The plan is noncontributory for those hired prior to January 1, 1997. For employees hired subsequent to January 1, 1997, the City and employee each contribute 1.30% of covered salary.

2. Defined Contribution Plans

City Management Employees Money Purchase Plan

The City established a 401(a) defined contribution plan for City management staff employees for whom the City contributes 10% percent of each eligible employee's base salary, and each eligible employee contributes 6% of base salary. The plan is administered ICMA-RC. All management staff are eligible to participate upon employment, and all contributions vest immediately.

NonEmergency Employees Money Purchase Plan (NEMP)

In December 1987, a majority of the employees classified as mid-managers, supervisors and confidential who were covered by the NonEmergency Employees Retirement Plan (NERP) requested the creation of a 401(a) defined contribution plan. Because of this request, such a plan was formed. The plan is administered by ICMA-RC. All employees promoted into this group from the NERP are offered the choice of remaining in the defined benefit plan, or joining the defined contribution plan. All new hire employees in this group join the defined contribution plan. The City contributes 7% of

each employee's salary to the plan, and each eligible employee contributes 3% of base salary. The City's contributions for each employee (and earnings allocated to the employee's account) begin to vest with the employee after two years of service, and are fully vested after five years of service. Non-vested City contributions and earnings thereon for employees who leave employment before five years of service are used to reduce the City's contribution requirement.

If a promoted employee with less than five years of credited service elects to join the defined contribution plan, the employee immediately vests in the NERP and continues to accrue credited service towards vesting in the defined contribution plan.

Police Officers Money Purchase Plan

Under the State of Colorado Fire and Police Pension Plan's provision in the state statutes, the City established a 401(a) defined contribution plan for all police officers hired on or after April 8, 1978. This plan is administered by ICMA-RC. The City and qualified employees each contribute 10% of the employee's base salary. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Qualified employees may contribute more than 10% under specific guidelines. Employee participation begins on their date of employment. The City's contributions for each employee (and earnings allocated to the employee's account) begin to vest with the employee after three years of service, and are fully vested after seven years of service. Non-vested City contributions and earnings thereon for employees who leave employment before seven years of service are used to reduce the City's contribution requirement.

The authority to amend the provisions of the three defined contribution plans lies within the respective plan documents, which state that the City Council may amend the terms of the plan provided that active or retired members' benefits are not adversely affected.

Required employer and employee contributions for the year ended December 31, 2012, is presented below:

	City Management	NEMP	Police
Employers required, which equal actual, contributions:			
Amount	$ 166,377	$ 643,175	$ 506,955
As a percent of covered payroll	10.00%	7.00%	10.00%
Employees required, which equal actual, contributions:			
Amount	99,826	275,646	506,955
As a percent of covered payroll	6.00%	3.00%	10.00%

There are no investments in, loans to, or leases with parties related to the plans. The plans are financed on a pay-as-you-go basis with the expected benefits being budgeted annually within the General fund and other funds according to personnel assignments.

3. Deferred Compensation Plan

The City has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by ICMA-RC. Participation in the plan is optional for all employees. The plan allows employees to defer a portion of their salary until future years.

E. Other Postemployment Benefits

Plan Description

The City of Englewood Retiree Health Insurance Assistance Plan ("the Retiree Assistance Plan") is a single employer defined benefit plan. The Retiree Assistance Plan provides a retiree assistance benefit by contract with various groups of retired employees and by policy for those not covered by a collective bargaining agreement. The City pays up to an amount that ranges from $50 to $100 dependent on which employment contract (or policy) the individual was under while employed by the City. The City pays 50% of the firefighter retiree and dependent monthly coverage cost of any plan selected by a retiree up to an amount of $100 based on which employment contract the individual was under while employed by the City. The Retiree Assistance Plan does not issue a publicly available financial report.

Funding Policy

The plan is financed on a pay-as-you-go basis with the expected benefits being budgeted annually within the General fund and other governmental funds where appropriate.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

	2012	2011	2010
Annual required contribution	$ 221,888	$ 221,888	$ 172,672
Actuarial adjustment	-	(13,454)	-
Interest on Net OPEB Obligation	13,212	10,858	6,497
Annual OPEB Cost	235,100	219,292	179,169
Contributions made	(146,350)	(153,056)	(120,758)
Increase in net OPEB obligation	88,750	66,236	58,411
Net OPEB Obligation - beginning of year	297,470	231,234	172,823
Net OPEB Obligation - end of year	$ 386,220	$ 297,470	$ 231,234
Percentage of Annual OPEB Cost Contributed	62.3%	69.8%	67.4%

Funded Status and Funding Progress

Details of the most recent actuarial study follow:

Actuarial accrued liability (AAL)	$ 2,917,280	$ 2,917,280	$ 2,378,461
Actuarial value of plan assets	-	-	-
Unfunded actuarial accrued liability (UAAL)	$ 2,917,280	$ 2,917,280	$ 2,378,461
Funded ratio (actuarial value of plan assets/AAL)	0%	0%	0%
Covered payroll (active plan members)	$ 22,390,909	$ 22,390,909	$ 22,721,979
UAAL as a percentage of covered payroll	13.0%	13.0%	10.5%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability for occurrence of events far into the future. Examples include assumptions about future employment and mortality. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions were as follows:

Actuarial valuation date	1/1/2011	1/1/2011	1/1/2010
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level Amount - Open	Level Amount - Open	Level Amount - Open
Asset Valuation Method	N/A	N/A	N/A
Remaining amortization period	28 years	29 years	30 years
Actuarial assumptions:			
Investment rate of return (includes inflation at 4%; unfunded basis)	5.0%	5.0%	5.0%
Healthcare cost trend rate	N/A	N/A	N/A

Note 5. Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations, which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The City's management believes its Enterprise Funds, as listed in the Table of Contents, qualify for this exclusion.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, may require judicial interpretation.

On November 4, 1997, a majority of the City's electors authorized the City to collect and spend or retain in a reserve all revenues without regard to any limitations under TABOR.

Note 6. Prior Period Restatement

For the fiscal year ended December 31, 2012, the City adopted GASB Statement Number 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* as well as GASB Statement Number 65 – *Items Previously Reported as Assets and Liabilities*. The adoption of these standards modified the presentation of items previously reported as assets and liabilities on the government-wide and proprietary statement of net assets and on the governmental fund balance sheet. The City's most significant changes are that the former deferred property tax liability is now shown as a deferred inflow of resources on both the governmental fund balance sheet and the government-wide statement of net position, and the City no longer recognized debt issuance costs as a prepaid amortizable item. Debt issuance costs are now expensed when incurred. In addition, all items previously referred to as "net assets" are now titled "net position". These changes in presentation were reported retroactively, effective December 31, 2011 and resulted in the following restatements:

Restatements to December 31, 2011 Net Assets

	Water	Sewer	Golf Course	Storm Drainange
Previous Net Assets	$ 29,933,835	$ 27,819,783	$ 13,690,767	$ 2,053,074
Restatement	(142,328)	(73,194)	(49,035)	(15,766)
Restated Net Position	$ 29,791,507	$ 27,746,589	$ 13,641,732	$ 2,037,308

If the above adoption was applied retroactively to the fiscal year ended December 31, 2011, the amounts for these funds would not be material and therefore the comparative information has not been restated in these financial statements.

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City of Englewood, Colorado

Required Supplementary Information

Schedules of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded (Funded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Health Insurance Assistance Plan (B)						
1/1/2007	$ -	$ 2,884,837	$ 2,884,837	0.0%	$ 25,357,523	11.4%
1/1/2009	-	2,378,461	2,378,461	0.0%	22,721,979	10.5%
1/1/2011	-	2,917,280	2,917,280	0.0%	22,390,909	13.0%
Non-Emergency Employees Pension Plan (A)						
1/1/2008	27,295,776	28,927,998	1,632,222	94.4%	7,332,171	22.3%
1/1/2009	27,367,136	30,242,430	2,875,294	90.5%	8,001,941	35.9%
1/1/2010	27,167,254	31,714,788	4,547,534	85.7%	7,970,574	57.1%
1/1/2011	27,603,964	32,532,251	4,928,287	84.9%	7,654,420	64.4%
1/1/2012	27,768,132	33,368,197	5,600,065	83.2%	7,061,581	79.3%
Police Officers Pension Plan (B)						
1/1/2008	7,447,065	10,067,219	2,620,154	74.0%	156,910	1669.8%
1/1/2010	6,223,109	9,641,165	3,418,056	64.5%	173,045	1975.2%
1/1/2012	5,422,212	9,775,821	4,353,609	55.5%	-	N/A
Firefighters Pension Plan (B)						
1/1/2008	11,822,112	11,787,457	(34,655)	100.3%	85,669	(40.5%)
1/1/2010	9,398,792	10,821,073	1,422,281	86.9%	92,860	1531.6%
1/1/2012	7,985,581	10,229,033	2,243,452	78.1%	-	N/A
Volunteer Firefighters Pension Plan (B)						
1/1/2007	256,120	244,526	(11,594)	104.7%	-	N/A
1/1/2009	175,956	214,557	38,601	82.0%	-	N/A
1/1/2011	124,457	165,844	41,387	75.0%	-	N/A

(A) Actuarial valuations performed annually.

(B) Actuarial valuations performed biannually.

CITY OF ENGLEWOOD, COLORADO

Required Supplementary Information

Schedules of Employer Contributions

	Non-Emergency Employees Pension Plan		Police Officers Pension Plan		Firefighters Pension Plan		Volunteer Firefighters Pension Plan	
Year Ended 12/31	**Annual Required Contribution**	**Percentage Contributed**	**Annual Required Contribution**	**Percentage Contributed**	**Annual Required Contribution**	**Percentage Contributed**	**Annual Required Contribution**	**Percentage Contributed**
2008	$ 708,160	100.0%	$ 439,853	98.1%	$ 76,935	94.2%	$ -	N/A
2009	624,134	100.0%	289,033	97.0%	-	N/A	-	N/A
2010	764,844	100.0%	289,033	100.0%	4,723	100.0%	4,801	100.0%
2011	936,781	100.0%	340,010	100.0%	112,425	100.0%	4,801	100.0%
2012	954,781	100.0%	340,010	100.0%	154,023	100.0%	4,180	114.9%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated.

Nonmajor Governmental Funds

Special Revenue Funds

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

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 by State Lottery funds.

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. The Open Space Tax was originally voter approved on January 1, 2004 and after a voter approved extention will now expire on December 31, 2023.

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

Community Development Fund – Accounts for grant funds of the Brownfields Pilot Grants Program administered by the United States Environmental Protection Agency. This fund also accounts for the operations of the ***art*** circulator shuttle which is funded by the Regional Transportation District.

Neighborhood Stabilization Fund – Accounts for the acquisition, rehabilitation and sale of foreclosed residential properties in the City. Financing is provided by the State.

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

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.

Debt Service Funds

Debt Service Funds account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources

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

Capital Projects Funds

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).

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

Capital Projects Fund – Accounts for the acquisition and/or construction of major capital improvements and facilities. Financing is provided primarily with transfers from other City Funds.

CITY OF ENGLEWOOD, COLORADO

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Special Revenue Funds				
	Conservation Trust	**Open Space**	**Donors**	**Community Development**	**Neighborhood Stabilization**
Assets					
Cash and investments	$ 1,225,545	$ 1,283,112	$ 446,390	$ -	$ 458,228
Receivables:					
Property taxes	-	-	-	-	-
Sales and use	-	-	-	-	-
Interest	4,104	4,983	1,570	-	1,044
Intergovernmental	-	475,564	-	39,433	-
Total assets	$ 1,229,649	$ 1,763,659	$ 447,960	$ 39,433	$ 459,272
Liabilities and fund balances					
Liabilities:					
Accounts payable	$ -	$ 37,620	$ 1,688	$ 20,645	$ 10,369
Due to other funds	-	-	-	18,788	-
Unearned revenue	-	206,600	-	-	-
Total liabilities	-	244,220	1,688	39,433	10,369
Deferred Inflows of Resources					
Deferred revenue-property tax	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund balances:					
Restricted for:					
Parks and recreation	1,229,649	1,519,439	-	-	-
Law enforcement	-	-	280,956	-	-
Debt service	-	-	-	-	-
Committed to:					
Capital projects	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Housing	-	-	-	-	448,903
Assigned to:					
Parks and recreation	-	-	138,724	-	-
Law enforcement	-	-	19,231	-	-
Fire services	-	-	6,577	-	-
Other purposes	-	-	784	-	-
Total fund balances	1,229,649	1,519,439	446,272	-	448,903
Total liabilities and fund balances	$ 1,229,649	$ 1,763,659	$ 447,960	$ 39,433	$ 459,272

See Independent Auditor's Report

			Debt Service	Capital Projects Funds			Total
Malley Center Trust	Parks and Recreation Trust	Total	General Obligation Bond	Public Improvement	Capital Projects	Total	Nonmajor Governmental Funds
$ 268,004	$ 453,077	$ 4,134,356	$ 54,731	$ 1,074,584	$ 840,192	$ 1,914,776	$ 6,103,863
-	-	-	948,000	-	-	-	948,000
-	-	-	-	122,910	-	122,910	122,910
970	1,570	14,241	1,475	3,833	2,345	6,178	21,894
-	-	514,997	-	122,648	41,045	163,693	678,690
$ 268,974	$ 454,647	$ 4,663,594	$ 1,004,206	$ 1,323,975	$ 883,582	$ 2,207,557	$ 7,875,357
$ -	$ -	$ 70,322	$ 581	$ 3,604	$ 17,596	$ 21,200	$ 92,103
-	-	18,788	-	-	-	-	18,788
-	-	206,600	-	-	-	-	206,600
-	-	295,710	581	3,604	17,596	21,200	317,491
-	-	-	948,000	-	-	-	948,000
-	-	-	948,000	-	-	-	948,000
268,974	-	3,018,062	-	-	-	-	3,018,062
-	-	280,956	-	-	-	-	280,956
-	-	-	55,625	-	-	-	55,625
-	-	-	-	1,320,371	865,986	2,186,357	2,186,357
-	454,647	454,647	-	-	-	-	454,647
-	-	448,903	-	-	-	-	448,903
-	-	138,724	-	-	-	-	138,724
-	-	19,231	-	-	-	-	19,231
-	-	6,577	-	-	-	-	6,577
-	-	784	-	-	-	-	784
268,974	454,647	4,367,884	55,625	1,320,371	865,986	2,186,357	6,609,866
$ 268,974	$ 454,647	$ 4,663,594	$ 1,004,206	$ 1,323,975	$ 883,582	$ 2,207,557	$ 7,875,357

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2012

	Special Revenue Funds				
	Conservation Trust	**Open Space**	**Donors**	**Community Development**	**Neighborhood Stabilization**
Revenues					
Property taxes	$ -	$ -	$ -	$ -	$ -
Vehicle use tax	-	-	-	-	-
Building use tax	-	-	-	-	-
Intergovernmental	302,792	900,125	26,103	-	26,893
Charges for services	-	-	27,854	249,900	-
Construction reimbursements	-	-	-	-	-
Net investment income	9,868	11,384	3,055	-	1,515
Contributions	-	-	164,408	57,456	-
Other	-	500	-	-	879,450
Total revenues	312,660	912,009	221,420	307,356	907,858
Expenditures					
Current:					
General government	-	-	-	307,356	796,795
Public safety	-	-	119,992	-	-
Public works	-	-	-	-	-
Culture and recreation	175,839	209,378	35,778	-	-
Capital outlay	92,054	550,447	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	267,893	759,825	155,770	307,356	796,795
Excess revenues over (under) expenditures	44,767	152,184	65,650	-	111,063
Other financing sources (uses)					
Transfers in	-	-	-	-	383,751
Transfers out	-	-	-	-	(454,343)
Total other financing sources (uses)	-	-	-	-	(70,592)
Net change in fund balances	44,767	152,184	65,650	-	40,471
Fund balances - beginning	1,184,882	1,367,255	380,622	-	408,432
Fund balances - ending	$ 1,229,649	$1,519,439	$ 446,272	$ -	$ 448,903

See Independent Auditor's Report

			Debt Service	Capital Projects Funds			Total
Malley Center Trust	**Parks and Recreation Trust**	**Total**	**General Obligation Bond**	**Public Improvement**	**Capital Projects**	**Total**	**Nonmajor Governmental Funds**
$ -	$ -	$ -	$ 852,663	$ -		$ -	$ 852,663
-	-	-	-	1,294,050	-	1,294,050	1,294,050
-	-	-	-	813,826	-	813,826	813,826
-	-	1,255,913	-	328,767	41,045	369,812	1,625,725
-	-	277,754	-	-	-	-	277,754
-	-	-	-	-	28,410	28,410	28,410
2,321	3,741	31,884	3,872	7,673	6,037	13,710	49,466
2,598	11,215	235,677	-	-	-	-	235,677
-	-	879,950	-	-	-	-	879,950
4,919	14,956	2,681,178	856,535	2,444,316	75,492	2,519,808	6,057,521
-	-	1,104,151	10,277	137,574	126,325	263,899	1,378,327
-	-	119,992	-	-	8,672	8,672	128,664
-	-	-	-	1,309,956	106,224	1,416,180	1,416,180
14,983	12,023	448,001	-	-	660	660	448,661
-	-	642,501	-	82,149	164,808	246,957	889,458
-	-	-	655,000	-	-	-	655,000
-	-	-	289,900	-	-	-	289,900
14,983	12,023	2,314,645	955,177	1,529,679	406,689	1,936,368	5,206,190
(10,064)	2,933	366,533	(98,642)	914,637	(331,197)	583,440	851,331
-	-	383,751	-	434,000	370,000	804,000	1,187,751
-	-	(454,343)	-	(962,517)	-	(962,517)	(1,416,860)
-	-	(70,592)	-	(528,517)	370,000	(158,517)	(229,109)
(10,064)	2,933	295,941	(98,642)	386,120	38,803	424,923	622,222
279,038	451,714	4,071,943	154,267	934,251	827,183	1,761,434	5,987,644
$268,974	$ 454,647	$ 4,367,884	$ 55,625	$ 1,320,371	$ 865,986	$ 2,186,357	$ 6,609,866

CITY OF ENGLEWOOD, COLORADO

Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget and Actual - Budgetary Basis
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Project Budget	Actual Amounts	Project Budget Remaining	2011 Actual
Revenues				
Lottery proceeds	$ 302,792	$ 302,792	$ -	$ 294,640
Net investment income	9,868	9,868	-	11,043
Total revenues	312,660	312,660	-	305,683
Expenditures				
Current:				
Culture and recreation	254,042	175,839	78,203	62,678
Capital outlay	1,189,778	92,054	1,097,724	110,378
Total expenditures	1,443,820	267,893	1,175,927	173,056
Excess revenues over (under) expenditures	$ (1,131,160)	44,767	$ 1,175,927	132,627
Fund balances - beginning		1,184,882		1,052,255
Fund balances - ending		1,229,649		1,184,882
Less: Fund Balance Designated for Completion of Projects		(1,175,927)		(1,107,283)
Unappropriated fund balance		$ 53,722		$ 77,599

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CITY OF ENGLEWOOD, COLORADO

Open Space Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget and Actual - Budgetary Basis
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Project Budget	Actual Amounts	Project Budget Remaining	2011 Actual
Revenues				
Open Space Tax Shareback	$ 602,771	$ 602,771	$ -	$ 564,729
Open Space Grants	504,454	297,854	206,600	107,562
Net investment income	11,384	11,384	-	7,602
Total revenues	1,118,609	912,009	206,600	679,893
Expenditures				
Current:				
Culture and recreation	263,993	209,378	54,615	114,242
Capital outlay	2,045,806	550,447	1,495,359	271,375
Total expenditures	2,309,799	759,825	1,549,974	385,617
Excess revenues over (under) expenditures	$ (1,191,190)	152,184	$ 1,343,374	294,276
Fund balances - beginning		1,367,255		1,072,979
Fund balances - ending		1,519,439		1,367,255
Less: Fund Balance Designated for Completion of Projects		(1,343,374)		(1,098,493)
Unappropriated fund balance		$ 176,065		$ 268,762

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CITY OF ENGLEWOOD, COLORADO

Donors Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Intergovernmental	$ -	$ -	$ 26,103	$ 26,103	$ 218,000
Charges for services	41,500	41,500	27,854	(13,646)	36,299
Net investment income	5,000	5,000	3,055	(1,945)	2,329
Contributions	50,000	50,000	164,408	114,408	42,976
Total revenues	96,500	96,500	221,420	124,920	299,604
Expenditures					
Current:					
General government	780	780	-	780	-
Police department	110,000	110,000	119,992	(9,992)	50,256
Fire department	2,500	2,500	-	2,500	-
Culture and recreation	59,500	59,500	35,778	23,722	36,578
Total expenditures	172,780	172,780	155,770	17,010	86,834
Excess expenditures over revenues	(76,280)	(76,280)	65,650	141,930	212,770
Fund balances - beginning	101,072	380,622	380,622	-	167,852
Fund balances - ending	$ 24,792	$ 304,342	$ 446,272	$ 141,930	$ 380,622

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CITY OF ENGLEWOOD, COLORADO

Community Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Charges for Services	$ 300,000	$ 310,000	$ 307,356	$ (2,644)	$ 293,499
Expenditures					
Current:					
General government	300,000	310,000	307,356	2,644	293,499
Excess revenues over expenditures	-	-	-	-	-
Fund balances - beginning	-	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -	$ -

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CITY OF ENGLEWOOD, COLORADO

Neighborhood Stabilization Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Intergovernmental	$ 1,488,436	$ 1,488,436	$ 26,893	$ (1,461,543)	$ 179,644
Net investment income	-	-	1,515	1,515	5,569
Transfers in	-	-	383,751	383,751	175,361
Other	-	-	879,450	879,450	1,228,352
Total revenues	1,488,436	1,488,436	1,291,609	(196,827)	1,588,926
Expenditures					
Current:					
General government	1,259,059	1,259,059	796,795	462,264	1,502,653
Tranfers out	755,763	755,763	454,343	301,420	396,130
Total expenditures	2,014,822	2,014,822	1,251,138	763,684	1,898,783
Excess expenditures over revenues	(526,386)	(526,386)	40,471	(960,511)	(309,857)
Fund balances - beginning	526,386	408,432	408,432	-	718,289
Fund balances - ending	$ -	$ (117,954)	$ 448,903	$ (960,511)	$ 408,432

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CITY OF ENGLEWOOD, COLORADO

Malley Center Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Contributions	$ 5,000	$ 5,000	$ 2,598	$ (2,402)	$ 2,282
Net investment income	10,000	10,000	2,321	(7,679)	2,816
Total revenues	15,000	15,000	4,919	(10,081)	5,098
Expenditures					
Culture and recreation	15,000	15,000	14,983	17	17,727
Excess revenues over (under) expenditures	-	-	(10,064)	(10,064)	(12,629)
Fund balances - beginning	291,667	279,038	279,038	-	291,667
Fund balances - ending	$ 291,667	$ 279,038	$ 268,974	$ (10,064)	$ 279,038

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CITY OF ENGLEWOOD, COLORADO

Parks and Recreation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Contributions	$ 10,000	$ 10,000	$ 11,215	$ 1,215	$ 7,417
Net investment income	10,000	10,000	3,741	(6,259)	4,344
Total revenues	20,000	20,000	14,956	(5,044)	11,761
Expenditures	20,000	20,000	12,023	7,977	9,350
Excess revenues over (under) expenditures	-	-	2,933	2,933	2,411
Fund balances - beginning	449,303	451,714	451,714	-	449,303
Fund balances - ending	$ 449,303	$ 451,714	$ 454,647	$ 2,933	$ 451,714

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CITY OF ENGLEWOOD, COLORADO

General Obligation Bond Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
Revenues	**Original**	**Final**	**Actual Amounts**	**Positive (Negative)**	**2011 Actual**
Taxes	$ 850,000	$ 850,000	$ 852,663	$ 2,663	$ 1,087,251
Net investment income	3,500	3,500	3,872	372	4,170
Other	-	-	-	-	5,753
Total revenues	853,500	853,500	856,535	3,035	1,097,174
Expenditures					
Debt service:					
Principal	655,000	655,000	655,000	-	615,000
Interest	289,900	289,900	289,900	-	314,913
Other	14,300	14,300	10,277	4,023	22,610
Total expenditures	959,200	959,200	955,177	4,023	952,523
Excess revenues over (under) expenditures	(105,700)	(105,700)	(98,642)	7,058	144,651
Fund balances - beginning	164,656	154,267	154,267	-	9,616
Fund balances - ending	$ 58,956	$ 48,567	$ 55,625	$ 7,058	$ 154,267

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CITY OF ENGLEWOOD, COLORADO

Public Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget And Actual - Budgetary Basis
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Project Budget	Actual	Project Budget Remaining	2011 Actual
Revenues				
Vehicle use tax	$ 1,294,050	$ 1,294,050	$ -	$ 1,030,776
Building use tax	813,826	813,826	-	605,084
Intergovernmental	374,131	328,767	45,364	194,067
Net investment income	7,673	7,673	-	15,413
Total revenues	2,489,680	2,444,316	45,364	1,845,340
Expenditures				
Current:				
General government	185,683	137,574	48,109	(15,506)
Public works	1,958,649	1,309,956	648,693	1,178,644
Culture and recreation	-	-	-	17,471
Capital outlay	210,957	82,149	128,808	1,558,164
Total expenditures	2,355,289	1,529,679	825,610	2,738,773
Excess revenues over (under) expenditures	134,391	914,637	(780,246)	(893,433)
Other financing sources (uses)				
Transfers in	434,000	434,000	-	133,507
Transfers out	(962,517)	(962,517)	-	(992,280)
Total other financing sources (uses)	(528,517)	(528,517)	-	(858,773)
Excess revenues and other financing sources over (under) expenditures and other financing uses	$ (394,126)	386,120	$ (780,246)	(1,752,206)
Fund balances - beginning		934,251		2,686,457
Fund balances - ending		1,320,371		934,251
Less: Fund Balance Designated for Completion of Projects		780,246		(660,071)
Unappropriated fund balance		$ 2,100,617		$ 274,180

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CITY OF ENGLEWOOD, COLORADO

Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget And Actual - Budgetary Basis
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Project Budget	Actual	Project Budget Remaining	2011 Actual
Revenues				
Intergovernmental revenues	$ 41,045	$ 41,045	$ -	$ -
Net investment income	6,037	6,037	-	8,377
Construction reimbursement	28,410	28,410	-	112,408
Total revenues	75,492	75,492	-	120,785
Expenditures				
Current:				
General government	591,002	126,325	464,677	216,065
Public safety	27,079	8,672	18,407	29,749
Public works	106,224	106,224	-	111,594
Culture and recreation	48,018	660	47,358	1,800
Capital outlay	478,454	164,808	313,646	421,132
Total expenditures	1,250,777	406,689	844,088	780,340
Excess expenditures over revenues	(1,175,285)	(331,197)	844,088	(659,555)
Other financing sources (uses)				
Transfers in	370,000	370,000	-	425,000
Total other financing sources	370,000	370,000	-	425,000
Excess revenues and other financing sources over (under) expenditures and other financing uses	$ (805,285)	38,803	$ 844,088	(234,555)
Fund balances - beginning		827,183		1,061,738
Fund balances - ending		865,986		827,183
Less: Fund Balance Designated for Completion of Projects		(844,088)		(827,183)
Unappropriated fund balance		$ 21,898		$ -

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Proprietary Funds

Enterprise Funds

Enterprise Funds account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of City Council is that 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 Council has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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

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

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

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

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

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

Internal Service Funds

Internal Service Funds account for the financing of goods or services provided by one department to other departments of the City, and to other governmental units, on a cost reimbursement basis.

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.

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.

Internal Service Funds (continued)

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

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

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

CITY OF ENGLEWOOD, COLORADO

Water Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Water sales	$ 6,715,892	$ 6,715,892	$ 6,782,379	$ 66,487	$ 6,640,604
Raw water sales	1,850,000	1,850,000	1,859,598	9,598	2,088,330
City ditch revenues	40,000	40,000	69,288	29,288	34,112
System development fees	15,000	15,000	54,343	39,343	22,779
Net investment income	80,488	80,488	61,929	(18,559)	54,760
Late fees	21,000	21,000	24,917	3,917	23,842
Water meter sales	21,000	21,000	25,295	4,295	27,213
Rentals	9,500	9,500	9,512	12	9,513
Other	79,500	79,500	118,099	38,599	119,551
Bond Proceeds	3,000,000	8,410,000	8,590,000	180,000	-
Total revenues	11,832,380	17,242,380	17,595,360	352,980	9,020,704
Expenditures					
Source of supply	1,440,565	1,440,565	1,607,611	(167,046)	1,632,369
Power and pumping	911,213	911,213	792,191	119,022	827,449
Purification	1,938,402	1,938,402	1,564,957	373,445	1,714,085
Transmission and distribution	981,857	981,857	687,411	294,446	721,413
Customer accounting and collection	470,000	470,000	461,585	8,415	461,585
Personal services	465,638	465,638	482,179	(16,541)	470,735
Commodities and contractual services	424,744	424,744	658,341	(233,597)	451,132
Franchise tax	201,477	201,477	193,521	7,956	188,490
Capital outlay	4,735,738	4,735,738	660,059	4,075,679	683,500
Debt service:					
Principal payments	958,954	958,954	948,954	10,000	920,634
Interest expense	521,077	521,077	507,430	13,647	549,820
Payment to refunding escrow agent	-	2,094,439	1,970,000	124,439	-
Total expenditures	13,049,665	15,144,104	10,534,239	4,609,865	8,621,212
Excess revenues over (under) expenditures	(1,217,285)	2,098,276	7,061,121	4,962,845	399,492
Funds available - beginning	6,818,223	7,445,386	7,445,386	-	7,045,894
Prior period restatement	-	(142,238)	(142,238)	-	-
Restated funds available - beginning	6,818,223	7,303,148	7,303,148	-	7,045,894
Funds available - ending	$ 5,600,938	$ 9,401,424	$ 14,364,269	$ 4,962,845	$ 7,445,386

Funds available is computed as follows:		
Current assets	$ 15,114,513	$ 8,274,110
Current liabilities	(1,745,844)	(1,777,678)
Add current portion of long-term debt	995,600	948,954
	$ 14,364,269	$ 7,445,386

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Sewer Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Disposal services	$ 14,346,980	$ 14,346,980	$ 13,909,041	$ (437,939)	$ 12,942,137
System development fees	222,500	222,500	372,488	149,988	231,920
South Englewood maintenance fee	39,600	39,600	39,600	-	39,600
Net investment income	300,000	300,000	106,578	(193,422)	200,008
Late fees	75,000	75,000	110,602	35,602	112,753
Bond Proceeds	11,000,000	11,000,000	-	(11,000,000)	-
Other	-	-	4,007	4,007	161
Total revenues	25,984,080	25,984,080	14,542,316	(11,441,764)	13,526,579
Expenditures					
Joint Venture operations	7,800,000	7,800,000	6,813,658	986,342	6,568,679
Joint Venture capital	2,575,000	2,575,000	572,425	2,002,575	139,734
Sanitary systems	635,094	635,094	707,726	(72,632)	569,548
Customer accounting and collection	1,200,000	1,200,000	1,198,058	1,942	1,208,506
Personal services	674,178	674,178	714,058	(39,880)	615,073
Commodities and contractual services	435,278	435,278	393,458	41,820	327,897
Franchise tax	430,409	430,409	417,272	13,137	388,265
Capital outlay	193,000	193,000	-	193,000	-
Debt service:					
Principal payments	3,270,884	3,270,884	3,270,884	-	3,387,676
Interest expense	1,680,818	1,680,818	1,646,306	34,512	1,807,830
Total expenditures	18,894,661	18,894,661	15,733,845	3,160,816	15,013,208
Excess expenditures over revenues	7,089,419	7,089,419	(1,191,529)	(8,280,948)	(1,486,629)
Funds available - beginning	3,644,933	4,324,852	4,324,852	-	5,811,481
Prior period restatement	-	(73,194)	(73,194)	-	-
Restated funds available - beginning	3,644,933	4,251,658	4,251,658	-	5,811,481
Funds available - ending	$ 10,734,352	$ 11,341,077	$ 3,060,129	$ (8,280,948)	$ 4,324,852

Funds available is computed as follows:

Current assets	$ 12,867,230	$ 13,829,216
Current liabilities	(12,455,553)	(12,775,248)
Add current portion of long-term debt	2,648,452	3,270,884
	$ 3,060,129	$ 4,324,852

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Golf Course Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance- Variance with Final Budget -	
Revenues	**Original**	**Final**	**Actual Amounts**	**Positive (Negative)**	**2011 Actual**
Green fees	$1,335,241	$ 1,335,241	$ 1,195,700	$ (139,541)	$1,086,416
Rentals	353,192	353,192	337,538	(15,654)	286,660
Driving range	230,000	230,000	247,032	17,032	215,713
Merchandise sales	190,000	190,000	180,520	(9,480)	99,244
Concessions	36,000	36,000	43,215	7,215	35,599
Memberships	45,000	45,000	15,971	(29,029)	19,460
Learning center	25,000	25,000	24,700	(300)	25,045
Net investment income	16,151	16,151	7,312	(8,839)	6,495
Other	81,842	81,842	61,406	(20,436)	65,760
Total revenues	2,312,426	2,312,426	2,113,394	(199,032)	1,840,392
Expenditures					
Personal services	915,958	915,958	916,513	(555)	913,576
Commodities and contractual services	850,870	850,870	606,423	244,447	606,432
Cost of goods sold	130,000	130,000	119,784	10,216	66,020
Capital outlay	50,000	50,000	65,857	(15,857)	17,471
Debt service:					
Principal payments	65,000	65,000	65,000	-	60,000
Interest expense	149,815	149,815	97,303	52,512	152,372
Total expenditures	2,161,643	2,161,643	1,870,880	290,763	1,815,871
Excess expenditures over revenues	150,783	150,783	242,514	91,731	24,521
Funds available - beginning	538,560	449,897	449,897	-	425,376
Prior period restatement	-	(49,035)	(49,035)	-	-
Restated funds available - beginning	538,560	400,862	400,862	-	425,376
Funds available - ending	$ 689,343	$ 551,645	$ 643,376	$ 91,731	$ 449,897

Funds available is computed as follows:

Current assets	$ 907,367	$ 754,048
Current liabilities	(333,991)	(369,151)
Add current portion of long-term debt	70,000	65,000
	$ 643,376	$ 449,897

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Storm Drainage Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Storm drainage services	$ 318,347	$ 318,347	$ 316,244	$ (2,103)	$ 319,211
Net investment income	8,685	8,685	8,151	(534)	8,624
Bond Proceeds	-	1,032,486	1,025,000	(7,486)	-
Other	4,200	4,200	8,273	4,073	9,482
Total revenues	331,232	1,363,718	1,357,668	(6,050)	337,317
Expenditures					
Storm drainage system	26,281	26,281	14,332	11,949	25,405
Personal services	50,314	50,314	58,337	(8,023)	56,175
Commodities and contractual services	37,900	37,900	60,397	(22,497)	31,253
Capital outlay	100,000	100,000	-	100,000	-
Debt service:					
Principal payments	80,000	95,000	90,000	5,000	80,000
Payment to refunding escrow agent	-	1,030,000	940,000	90,000	-
Interest expense	53,978	53,978	75,239	(21,261)	57,498
Total expenditures	348,473	1,393,473	1,238,305	155,168	250,331
Excess revenues over (under) expenditures	(17,241)	(29,755)	119,363	149,118	86,986
Funds available - beginning	749,062	852,983	852,983	-	765,997
Prior period restatement	-	(15,766)	(15,766)	-	-
Restated funds available - beginning	749,062	837,217	837,217	-	765,997
Funds available - ending	$ 731,821	$ 807,462	$ 956,580	$ 149,118	$ 852,983

Funds available is computed as follows:

Current assets	$ 993,075	$ 896,025
Current liabilities	(131,725)	(123,042)
Add current portion of long-term debt	95,230	80,000
	$ 956,580	$ 852,983

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Concrete Utility Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Concrete repair and maintenance fees	$ 690,000	$ 690,000	$ 695,466	$ 5,466	$ 693,921
Late fees	1,200	1,200	3,480	2,280	1,878
Net investment income	20,000	20,000	4,278	(15,722)	5,181
Total revenues	711,200	711,200	703,224	(7,976)	700,980
Expenditures					
Concrete repair and maintenance program	186,331	186,331	178,156	8,175	173,056
Personal services	178,791	178,791	180,094	(1,303)	190,945
Commodities and contractual services	6,027	6,027	1,505	4,522	2,274
Capital outlay	326,100	326,100	328,782	(2,682)	274,314
Total expenditures	697,249	697,249	688,537	8,712	640,589
Excess revenues over (under) expenditures	13,951	13,951	14,687	736	60,391
Funds available - beginning	294,204	338,297	338,297	-	277,906
Funds available - ending	$ 308,155	$ 352,248	$ 352,984	$ 736	$ 338,297

Funds available is computed as follows:

Current assets	$ 420,236	$ 438,801
Current liabilities	(67,252)	(100,504)
	$ 352,984	$ 338,297

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Housing Rehabilitation Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Grant income	$ 266,441	$ 266,441	$ 149,000	$ (117,441)	$ 144,978
Loan interest income	395,000	395,000	220,893	(174,107)	204,036
Net change in notes receivable/payable	14,170	14,170	7,924	(6,246)	-
Net investment income	7,366	7,366	4,119	(3,247)	5,739
Late fees	837	837	468	(369)	438
Other	62,947	62,947	35,202	(27,745)	652
Transfers in	253,239	253,239	141,617	(111,622)	-
Total revenues	1,000,000	1,000,000	559,223	(440,777)	355,843
Expenditures					
Interest expense	87,116	87,116	52,870	34,246	51,538
Customer accounting and collection	17,291	17,291	10,494	6,797	10,500
Grants to other governments	-	-	-	-	17,478
Net change in notes receivable/payable	-	-	-	-	97,361
Grants to individuals	393,351	393,351	238,720	154,631	160,766
Commodities and contractual services	51,712	51,712	31,383	20,329	87,782
Transfers out	450,530	450,530	273,422	177,108	42,622
Total expenditures	1,000,000	1,000,000	606,889	393,111	468,047
Excess expenditures over revenues	-	-	(47,666)	(47,666)	(112,204)
Funds available - beginning	909,889	797,685	797,685	-	909,889
Funds available - ending	$ 909,889	$ 797,685	$ 750,019	$ (47,666)	$ 797,685

Funds available is computed as follows:

Current assets	$ 750,126	$ 943,091
Current liabilities	(36,107)	(181,406)
Add current portion of long-term debt	36,000	36,000
	$ 750,019	$ 797,685

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Net Position
Internal Service Funds
December 31, 2012

	Central Services	Servi-Center	Capital Equipment Replacement
Assets			
Current assets:			
Cash and investments	$ 181,596	$ 1,138,537	$ 1,465,111
Interest receivable	646	3,759	4,737
Accounts receivable	-	9,107	98,360
Inventory	20,942	175,809	-
Other current assets	-	-	-
Total current assets	203,184	1,327,212	1,568,208
Capital assets:			
Land	-	340,097	-
Building	-	1,103,302	-
Other improvements	-	46,926	-
Automotive	-	-	7,439,178
Operating machines and equipment	96,124	380,555	1,618,102
Total capital assets	96,124	1,870,880	9,057,280
Less - accumulated depreciation	(96,124)	(1,279,328)	(5,819,740)
Total capital assets, net	-	591,552	3,237,540
Total assets	203,184	1,918,764	4,805,748
Liabilities			
Current liabilities:			
Accounts payable	370	32,150	-
Accrued payroll and related liabilities	2,452	24,893	-
Compensated absences	15,457	52,311	-
Deposits	-	-	-
Claims and judgments payable	-	-	-
Total liabilities	18,279	109,354	-
Net position			
Invested in capital assets	-	591,552	3,237,540
Unrestricted	184,905	1,217,858	1,568,208
Total net position	$ 184,905	$ 1,809,410	$ 4,805,748

See Independent Auditor's Report

Employee Benefits	Risk Management	Total
$ 49,192	$ 1,315,412	$ 4,149,848
(883)	2,855	11,114
-	-	107,467
-	-	196,751
47,050	5,000	52,050
95,359	1,323,267	4,517,230
-	-	340,097
-	-	1,103,302
-	-	46,926
-	-	7,439,178
-	-	2,094,781
-	-	11,024,284
-	-	(7,195,192)
-	-	3,829,092
95,359	1,323,267	8,346,322
17,732	106,453	156,705
4,732	4,731	36,808
9,982	9,982	87,732
59,761	-	59,761
-	1,198,366	1,198,366
92,207	1,319,532	1,539,372
-	-	3,829,092
3,152	3,735	2,977,858
$ 3,152	$ 3,735	$ 6,806,950

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2012

	Central Services	Servi-Center	Capital Equipment Replacement
Operating revenues			
Billings to departments	$ 357,419	$ 2,241,266	$ 722,415
Intergovernmental	1,970	147,682	-
Total operating revenues	359,389	2,388,948	722,415
Operating expenses			
Cost of goods sold	78,067	952,444	-
Personal services	75,195	769,042	-
Commodities and contractual services	174,191	340,936	20,139
Depreciation	1,406	18,574	795,364
Insurance expense:			
Medical	-	-	-
Life	-	-	-
Long-term disability	-	-	-
Employee assistance program	-	-	-
Unemployment	-	-	-
General liability	-	-	-
Workers' compensation	-	-	-
Claims expense:			
Dental	-	-	-
Long-term disability	-	-	-
General liability	-	-	-
Workers' compensation	-	-	-
Total operating expenses	328,859	2,080,996	815,503
Operating income (loss)	30,530	307,952	(93,088)
Nonoperating revenues			
Net investment income	1,476	8,335	11,289
Gain on disposition of equipment	-	-	125,555
Other	170	6,391	6,089
Total nonoperating revenues	1,646	14,726	142,933
Income before contributions and transfers	32,176	322,678	49,845
Capital contributions - other	-	-	291,726
Transfers in	-	-	-
Transfers out	-	(100,000)	-
Change in net position	32,176	222,678	341,571
Total net position - beginning	152,729	1,586,732	4,464,177
Total net position - ending	$ 184,905	$ 1,809,410	$ 4,805,748

See Independent Auditor's Report

Employee Benefits	Risk Management	Total
$ 5,288,646	$ 1,162,024	$ 9,771,770
-	-	149,652
5,288,646	1,162,024	9,921,422
-	-	1,030,511
132,226	132,742	1,109,205
18,132	5,337	558,735
-	-	815,344
4,553,696	-	4,553,696
58,823	-	58,823
46,122	-	46,122
27,671	-	27,671
54,952	-	54,952
-	325,264	325,264
-	36,855	36,855
396,974	-	396,974
43,475	-	43,475
-	399,600	399,600
-	1,159,137	1,159,137
5,332,071	2,058,935	10,616,364
(43,425)	(896,911)	(694,942)
(1,359)	10,320	30,061
-	-	125,555
-	-	12,650
(1,359)	10,320	168,266
(44,784)	(886,591)	(526,676)
-	-	291,726
80,000	715,000	795,000
(37,000)	(926,000)	(1,063,000)
(1,784)	(1,097,591)	(502,950)
4,936	1,101,326	7,309,900
$ 3,152	$ 3,735	$ 6,806,950

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2012

	Central Services	Servi-Center	Capital Equipment Replacement
Cash flows from operating activities			
Cash received from interfund charges	$ 357,419	$ 2,241,266	$ 722,415
Cash received from customers	1,970	154,185	-
Cash payments to suppliers for goods and services	(269,675)	(1,304,762)	(20,139)
Cash paid to employees for services	(73,575)	(771,529)	-
Other cash receipts	170	6,391	6,089
Net cash provided (used) by operating activities	16,309	325,551	708,365
Cash flows from noncapital financing activities			
Transfers to/from other funds	-	(100,000)	-
Net cash (used) by noncapital financing activities	-	(100,000)	-
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	-	(17,269)	(831,616)
Proceeds from sale of assets	-	-	43,785
Net cash (used) by capital and related financing activities	-	(17,269)	(787,831)
Cash flows from investing activities			
Net investment income	1,556	9,386	11,696
Net cash provided by investing activities	1,556	9,386	11,696
Net increase (decrease) in cash and cash equivalents	17,865	217,668	(67,770)
Cash and cash equivalents - beginning	163,731	920,869	1,532,881
Cash and cash equivalents - ending	$ 181,596	$ 1,138,537	$ 1,465,111
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 30,530	$ 307,952	$ (93,088)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	1,406	18,574	795,364
Miscellaneous nonoperating income	170	6,391	6,089
Effect of changes in operating assets and liabilities:			
Accounts receivable	-	6,503	-
Inventories	(12,642)	(13,597)	-
Accounts payable	(4,775)	2,216	-
Accrued payroll and related liabilities	1,620	(2,488)	-
Estimated claims payable	-	-	-
Other current liabilities	-	-	-
Total adjustments	(14,221)	17,599	801,453
Net cash provided (used) by operating activities	$ 16,309	$ 325,551	$ 708,365
Noncash investing, capital and financing activities			
Contributions of capital assets from other funds	$ -	$ -	$ 291,726

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Employee Benefits	Risk Management	Total
$ 5,288,646	$ 1,162,024	$ 9,771,770
-	-	156,155
(5,191,091)	(1,171,009)	(7,956,676)
(129,790)	(130,306)	(1,105,200)
-	-	12,650
(32,235)	(139,291)	878,699
43,000	(211,000)	(268,000)
43,000	(211,000)	(268,000)
-	-	(848,885)
-	-	43,785
-	-	(805,100)
(1,552)	15,453	36,539
(1,552)	15,453	36,539
9,213	(334,838)	(157,862)
39,979	1,650,250	4,307,710
$ 49,192	$ 1,315,412	$ 4,149,848
$ (43,425)	$ (896,911)	$ (694,942)
-	-	815,344
-	-	12,650
-	-	6,503
-	-	(26,239)
(3,458)	71,090	65,073
2,436	2,436	4,004
-	684,094	684,094
12,212	-	12,212
11,190	757,620	1,573,641
$ (32,235)	$ (139,291)	$ 878,699
$ -	$ -	$ 291,726

CITY OF ENGLEWOOD, COLORADO

Central Services Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Billings to departments:					
Postage	$ 140,000	$ 140,000	$ 127,172	$ (12,828)	$ 115,387
Inside printing	45,000	45,000	34,346	(10,654)	30,147
Copier/printer services	155,500	155,500	187,611	32,111	166,919
Supplies	8,400	8,400	8,290	(110)	7,470
Intergovernmental	1,500	1,500	2,141	641	4,214
Net investment income	3,000	3,000	1,475	(1,525)	1,545
Total revenues	353,400	353,400	361,035	7,635	325,682
Expenditures					
Postage	126,589	126,589	111,243	15,346	97,445
Printing charges	226,874	226,874	216,210	10,664	211,223
Transfers out	-	-	-	-	100,000
Total expenditures	353,463	353,463	327,453	26,010	408,668
Excess revenues over (under) expenditures	(63)	(63)	33,582	33,645	(82,986)
Funds available - beginning	107,882	151,323	151,323	-	234,309
Funds available - ending	$ 107,819	$ 151,260	$ 184,905	$ 33,645	$ 151,323

Funds available is computed as follows:

Current assets	$ 203,184	$ 172,757
Current liabilities	(18,279)	(21,434)
	$ 184,905	$ 151,323

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

ServiCenter Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Billings:					
Garage:					
Vehicle maintenance	$ 971,664	$ 971,664	$ 982,981	$ 11,317	$ 980,146
Direct charges	692,404	692,404	812,341	119,937	618,191
Intergovernmental	143,023	143,023	147,682	4,659	158,514
Subtotal garage revenues	1,807,091	1,807,091	1,943,004	135,913	1,756,851
Administration:					
Building rentals	413,248	413,248	413,248	-	413,248
Stores charges	35,000	35,000	32,696	(2,304)	28,340
Subtotal administrative revenues	448,248	448,248	445,944	(2,304)	441,588
Total billings to departments	2,255,339	2,255,339	2,388,948	133,609	2,198,439
Net investment income	9,578	9,578	8,335	(1,243)	8,899
Other	8,163	8,163	6,391	(1,772)	6,129
Total revenues	2,273,080	2,273,080	2,403,674	130,594	2,213,467
Expenditures					
Garage:					
Personal services	685,433	685,433	662,970	22,463	645,427
Cost of goods sold	777,571	777,571	930,919	(153,348)	778,203
Commodities and contractual services	104,585	104,585	141,508	(36,923)	82,520
Capital outlay	6,801	6,801	6,801	-	6,801
Subtotal garage expenditures	1,574,390	1,574,390	1,742,198	(167,808)	1,512,951
Administration:					
Personal services	165,331	165,331	106,072	59,259	108,996
Commodities and contractual services	297,402	297,402	136,162	161,240	145,810
Cost of goods sold	30,000	30,000	21,525	8,475	23,100
Capital outlay	93,300	93,300	73,734	19,566	30,742
Transfers out	100,000	100,000	100,000	-	300,000
Subtotal administrative expenditures	686,033	686,033	437,493	248,540	608,648
Total expenditures	2,260,423	2,260,423	2,179,691	80,732	2,121,599
Excess revenues over (under) expenditures	12,657	12,657	223,983	211,326	91,868
Funds available - beginning	950,990	993,875	993,875	-	902,007
Funds available - ending	$ 963,647	$ 1,006,532	$ 1,217,858	$ 211,326	$ 993,875

Funds available is computed as follows:

Current assets	$ 1,327,212	$ 1,103,501
Current liabilities	(109,354)	(109,626)
	$ 1,217,858	$ 993,875

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CITY OF ENGLEWOOD, COLORADO

Capital Equipment Replacement Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Billings to departments	$ 722,415	$ 722,415	$ 722,415	$ -	$ 704,277
Proceeds from sale of equipment	62,000	62,000	142,145	80,145	77,528
Net investment income	21,500	21,500	11,289	(10,211)	9,649
Other	20,000	20,000	6,089	(13,911)	3,000
Transfers in	-	-	-	-	295,465
Total revenues	825,915	825,915	881,938	56,023	1,089,919
Expenditures					
Capital outlay	1,242,322	1,333,202	831,616	501,586	274,133
Commodities and contractual services	22,614	22,614	20,139	2,475	6,542
Total expenditures	1,264,936	1,355,816	851,755	504,061	280,675
Excess revenues over (under) expenditures	(439,021)	(529,901)	30,183	560,084	809,244
Funds available - beginning	1,430,499	1,538,025	1,538,025	-	728,781
Funds available - ending	$ 991,478	$ 1,008,124	$ 1,568,208	$ 560,084	$ 1,538,025

Funds available is computed as follows:

Current assets	$ 1,568,208	$ 1,538,025
Current liabilities	-	-
	$ 1,568,208	$ 1,538,025

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CITY OF ENGLEWOOD, COLORADO

Employee Benefits Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Billings to departments:					
Medical	$ 4,279,398	$ 4,279,398	$ 4,412,738	$ 133,340	$4,150,706
Dental	447,176	447,176	420,801	(26,375)	424,662
Life	70,000	70,000	61,549	(8,451)	63,926
Long-term disability	113,472	113,472	30,390	(83,082)	33,415
Administrative fees	411,320	411,320	363,168	(48,152)	366,781
Transfers in	-	80,000	80,000	-	35,000
Net investment income	16,060	16,060	(1,359)	(17,419)	(1,210)
Total revenues	5,337,426	5,417,426	5,367,287	(50,139)	5,073,280
Expenditures					
Insurance expense:					
Medical	4,419,298	4,499,298	4,553,696	(54,398)	4,258,711
Life	70,000	70,000	58,823	11,177	63,557
Long-term disability	62,000	62,000	46,122	15,878	61,583
Employee assistance program	26,000	26,000	27,671	(1,671)	24,881
Unemployment	48,000	48,000	54,952	(6,952)	50,317
Claims expense:					
Dental	413,176	413,176	396,974	16,202	401,043
Long-term disability	47,354	47,354	43,475	3,879	48,328
Personal services	145,525	145,525	132,226	13,299	158,029
Commodities and contractual services	53,199	53,199	18,132	35,067	12,813
Transfers out	-	37,000	37,000	-	200,000
Total expenditures	5,284,552	5,401,552	5,369,071	32,481	5,279,262
Excess revenues over (under) expenditures	52,874	15,874	(1,784)	(17,658)	(205,982)
Funds available - beginning	611	4,936	4,936	-	210,918
Funds available - ending	$ 53,485	$ 20,810	$ 3,152	$ (17,658)	$ 4,936

Funds available is computed as follows:

Current assets	$ 95,359	$ 85,953
Current liabilities	(92,207)	(81,017)
	$ 3,152	$ 4,936

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CITY OF ENGLEWOOD, COLORADO

Risk Management Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2011 Actual
Revenues					
Billings to departments:					
Property and liability	$ 755,843	$ 755,843	$ 755,842	$ (1)	$ 848,938
Workers' compensation	406,184	406,184	406,182	(2)	507,197
Insurance Reimbursement	10,000	10,000	-	(10,000)	-
Transfers In	-	715,000	715,000	-	-
Net investment income	15,000	15,000	10,320	(4,680)	19,851
Total revenues	1,187,027	1,902,027	1,887,344	(14,683)	1,375,986
Expenditures					
Insurance:					
General liability	340,770	340,770	325,264	15,506	311,779
Workers' compensation	180,138	180,138	36,855	143,283	49,367
Claims:					
General liability	254,398	404,398	399,600	4,798	320,764
Workers' compensation	205,000	985,000	1,159,137	(174,137)	122,352
Personal services	146,044	146,044	132,742	13,302	121,497
Commodities and contractual services	21,500	21,500	5,337	16,163	4,830
Transfers out	720,000	926,000	926,000	-	546,000
Total expenditures	1,867,850	3,003,850	2,984,935	18,915	1,476,589
Excess revenues over (under) expenditures	(680,823)	(1,101,823)	(1,097,591)	4,232	(100,603)
Funds available - beginning	720,040	1,101,326	1,101,326	-	1,201,929
Funds available - ending	$ 39,217	$ (497)	$ 3,735	$ 4,232	$ 1,101,326

Funds available is computed as follows:

Current assets	$ 1,323,267	$ 1,663,238
Current liabilities	(1,319,532)	(561,912)
	$ 3,735	$ 1,101,326

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Fiduciary Funds

Pension Trust Funds:

Nonemergency Employees Pension Trust Fund
Police Pension Trust Fund
Firefighters Pension Trust Fund
Volunteer Firefighters Pension Trust Fund

All four respective funds account for the accumulation of resources for pension benefit payments to qualified employees.

Agency Fund:

Basin Interceptor Fund – Fulfills the custodial duty of accounting for the Big Dry Creek Interceptor Agreement.

CITY OF ENGLEWOOD, COLORADO

Combining Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2012

	Nonemergency Employees	Police	Firefighters	Volunteer Firefighters	Total
Assets					
Cash and equivalents	$ 10,802	$ 605	$ 594	$ 104	$ 12,105
Investments	28,436,813	4,735,126	6,930,277	94,695	40,196,911
Total assets	28,447,615	4,735,731	6,930,871	94,799	40,209,016
Net position held in trust for pension benefits	$ 28,447,615	$ 4,735,731	$ 6,930,871	$ 94,799	$ 40,209,016

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CITY OF ENGLEWOOD, COLORADO

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended December 31, 2012

	Nonemergency Employees	Police	Firefighters	Volunteer Firefighters	Total
Additions					
Contributions:					
City	$ 954,781	$ 340,010	$ 154,023	$ 6,320	$ 1,455,134
Investment income:					
Net appreciation in fair value of investments	3,072,847	568,688	833,588	11,893	4,487,016
Less investment expense	(50,840)	-	-	-	(50,840)
Net investment income	3,022,007	568,688	833,588	11,893	4,436,176
Total additions	3,976,788	908,698	987,611	18,213	5,891,310
Deductions					
Benefits	1,519,208	972,874	1,080,681	21,600	3,594,363
Administrative expenses	78,244	43,170	63,095	935	185,444
Total deductions	1,597,452	1,016,044	1,143,776	22,535	3,779,807
Change in net assets	2,379,336	(107,346)	(156,165)	(4,322)	2,111,503
Net position - beginning	26,068,279	4,843,077	7,087,036	99,121	38,097,513
Net position - ending	$ 28,447,615	$ 4,735,731	$ 6,930,871	$ 94,799	$40,209,016

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CITY OF ENGLEWOOD, COLORADO

Agency Fund
Basin Interceptor Fund
Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2012

	Balance December 31, 2011	Additions			Deductions	Balance December 31, 2012
		Line Charges	Interest	Maintenance Fees	Maintenance/ Administration	
Assets						
Cash and investments	$ 2,583,210	$ 76,507	$ 23,692	$ 623,605	$ (123,778)	$ 3,183,236
Interest receivable	11,182	-	(559)	-	-	10,623
Accounts receivable	118,297	-	-	12,424	-	130,721
Assessment receivable	11,606	-	-	3,603	-	15,209
Total assets	$ 2,724,295	$ 76,507	$ 23,133	$ 639,632	$ (123,778)	$ 3,339,789

	Balance December 31, 2011	Additions			Deductions	Balance December 31, 2012
		Line Charges	Interest	Maintenance Fees	Maintenance/ Administration	
Liabilities						
Interceptor Maintenance Account	$ 1,109,733	$ -	$ 22,770	$ 639,632	$ (56,343)	$ 1,715,792
Southgate Sanitation District	1,612,555	73,470	352	-	(65,428)	1,620,949
South Englewood Sanitation District	-	1,667	2	-	-	1,669
City of Englewood	2,007	869	7	-	(2,007)	876
Greenwood Village Sewer Improvement District	-	501	2	-	-	503
Total liabilities	$ 2,724,295	$ 76,507	$ 23,133	$ 639,632	$ (123,778)	$ 3,339,789

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Component Units

Englewood Environmental Foundation – This fund is used to account for the activities of the Englewood Environmental Foundation, Inc.

Englewood McLellan Reservoir Foundation – This fund is used to account for the activities of the Englewood McLellan Reservoir Foundation, Inc.

CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation
Statements of Net Position
December 31, 2012
With Comparative Totals for December 31, 2011

Assets	**2012**	**2011**
Current assets		
Cash and investments	$ 930,268	$ 939,995
Interest receivable	60,015	56,098
Prepaid expense	83,153	73,599
Lease receivable - current	990,000	955,000
Total current assets	2,063,436	2,024,692
Noncurrent assets		
Lease receivable	12,555,000	13,545,000
Capital assets		
Land and improvements	8,496,257	8,496,257
Site development	10,772,213	10,772,213
Streets	4,841,536	4,841,536
Parking structure	3,956,348	3,956,348
Rail bridge	2,017,170	2,017,170
Other improvements	159,229	159,229
Operating machinery and equipment	26,032	26,032
Total capital assets	30,268,785	30,268,785
Less accumulated depreciation	(14,568,157)	(13,914,064)
Total capital assets, net	15,700,628	16,354,721
Total assets	30,319,064	31,924,413
Liabilities		
Current liabilities		
Accounts payable	77,547	152,535
Interest payable	49,516	52,401
Certificates of participation - current	990,000	955,000
Total current liabilities	1,117,063	1,159,936
Noncurrent liabilities		
Certificates of participation	12,555,000	13,545,000
Total liabilities	13,672,063	14,704,936
Net position		
Invested in capital assets	15,700,628	16,354,721
Unrestricted	946,373	864,756
Total net position	$ 16,647,001	$ 17,219,477

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CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation
Statements of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	2012	2011
Operating revenues		
Common area maintenance	$ 1,417,525	$ 1,365,000
Operating expenses		
Common area maintenance	1,394,031	1,389,697
Professional services	57,026	8,594
Legal	199	1,120
Repair and maintenance	37,639	36,360
General administrative and office	2,644	1,213
Insurance	4,795	4,491
Utilities	2,762	2,885
Depreciation	654,091	694,545
Total operating expenses	2,153,187	2,138,905
Operating loss	(735,662)	(773,905)
Nonoperating revenues (expenses)		
Net investment income	6,314	7,226
Lease interest income	608,612	642,296
Interest expense	(608,612)	(642,296)
Other, net	156,872	96,035
Total nonoperating revenues (expenses)	163,186	103,261
Change in net position	(572,476)	(670,644)
Net position - beginning	17,219,477	17,890,121
Net position - ending	$ 16,647,001	$ 17,219,477

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation
Statements of Cash Flows
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	2012	2011
Cash flows from operating activities		
Cash received from customers	$ 1,409,687	$ 1,365,000
Cash payments to suppliers for goods and services	(1,583,638)	(1,382,312)
Other cash received	156,872	96,035
Net cash (used) by operating activities	(17,079)	78,723
Cash flows from capital and related financing activities		
Lease principal received	990,000	955,000
Lease interest received	611,497	642,296
Principal paid on long-term debt	(990,000)	(955,000)
Interest paid on long-term debt	(611,497)	(642,296)
Net cash provided by capital and related financing activities	-	-
Cash flows from investing activities		
Net investment income	7,352	7,429
Net increase (decrease) in cash and cash equivalents	(9,727)	86,152
Cash and cash equivalents - beginning	939,995	853,843
Cash and cash equivalents - ending	$ 930,268	$ 939,995
Reconciliation of operating (loss) to net cash (used) by operating activities:		
Operating loss	$ (735,662)	$ (773,905)
Adjustments to reconcile operating loss to net cash (used) by operating activities:		
Depreciation	654,091	694,545
Miscellaneous nonoperating income	156,872	96,035
Effect of changes in operating assets and liabilities:		
Accounts receivable	(7,838)	-
Other receivables	(9,554)	2,531
Other current assets	-	13,748
Accounts payable	(74,988)	45,769
Total adjustments	718,583	852,628
Net cash (used) by operating activities	$ (17,079)	$ 78,723

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CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.
Statements of Net Position
December 31, 2012
With Comparative Totals for December 31, 2011

	2012	2011
Assets		
Current assets		
Cash and investments	$ 11,454	$ 75,360
Interest receivable	25	316
Prepaid insurance	6,846	4,726
Total current assets	18,325	80,402
Capital assets		
Land and improvements	5,706,166	5,706,166
Total assets	5,724,491	5,786,568
Liabilities		
Current liabilities		
Accounts payable	10,000	10,000
Net assets		
Invested in capital assets	5,706,166	5,706,166
Unrestricted	8,325	70,402
Total net position	$ 5,714,491	$ 5,776,568

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CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.
Statements of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	2012	2011
Operating Revenues		
Charges for services	$ 597,694	$ 425,159
Operating expenses		
Professional services	87,558	34,366
Insurance	6,541	7,580
Legal	13,414	31,065
General administrative and office	1,283	444
Total operating expenses	108,796	73,455
Operating income (loss)	488,898	351,704
Nonoperating revenues (expenses)		
Net investment income	320	1,115
Contribution to primary government	(551,295)	(425,159)
Total nonoperating revenues (expenses)	(550,975)	(424,044)
Change in net position	(62,077)	(72,340)
Net position - beginning	5,776,568	5,848,908
Net position - ending	$ 5,714,491	$ 5,776,568

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CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.
Statements of Cash Flows
For the Year Ended December 31, 2012
With Comparative Totals for December 31, 2011

	2012	2011
Cash flows from operating activities		
Cash received from customers	$ 597,694	$ 359,569
Cash payments to suppliers for goods and services	(110,916)	(72,036)
Net cash provided (used) by operating activities	486,778	287,533
Cash flows from noncapital financing activities		
Contributions from (to) primary government	(551,295)	(425,159)
Cash flows from investing activities		
Net investment income	611	1,659
Net increase in cash and cash equivalents	(63,906)	(135,967)
Cash and cash equivalents - January 1,	75,360	211,327
Cash and cash equivalents - December 31,	$ 11,454	$ 75,360
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 488,898	$ 351,704
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Prepaid insurance	(2,120)	1,419
Accounts payable	-	(65,590)
Total adjustments	(2,120)	(64,171)
Net cash provided (used) by operating activities	$ 486,778	$ 287,533

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CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2012

General Obligation Refunding Bonds, Series 2010

Year	Rate	Principal	Interest	Total
2013	2.00	$ 675,000	$ 270,613	$ 945,613
2014	2.00	835,000	257,113	1,092,113
2015	2.00	855,000	240,412	1,095,412
2016	2.00	870,000	223,312	1,093,312
2017	2.25	890,000	205,912	1,095,912
2018	2.75	905,000	185,888	1,090,888
2019	3.00	935,000	161,000	1,096,000
2020	3.00	965,000	132,950	1,097,950
2021	4.00	985,000	104,000	1,089,000
2022	4.00	1,025,000	64,600	1,089,600
2023	4.00	590,000	23,600	613,600
		$ 9,530,000	$ 1,869,400	$ 11,399,400

Golf Course Revenue Refunding Bonds - 2003

	Rate	Principal	Interest	Total
2013	5.00	$ 70,000	$ 146,663	$ 216,663
2014	5.10	150,000	143,162	293,162
2015	5.75	155,000	135,512	290,512
2016	5.75	165,000	126,600	291,600
2017	5.75	175,000	117,112	292,112
2018	5.75	185,000	107,050	292,050
2019	5.75	195,000	96,413	291,413
2020	6.00	205,000	85,200	290,200
2021	6.00	220,000	72,900	292,900
2022	6.00	235,000	59,700	294,700
2023	6.00	245,000	45,600	290,600
2024	6.00	515,000	30,900	545,900
		$ 2,515,000	$ 1,166,812	$ 3,681,812

(Continued)

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2012
(Continued)

	General Obligation Water Bonds - 2012				General Obligation Water Bonds - 2009			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2013	2.00	$ 10,000	$ 254,184	$ 264,184	4.500	$ -	$ 117,828	$ 117,828
2014	2.00	15,000	261,200	276,200	4.500	-	117,828	117,828
2015	2.00	165,000	259,400	424,400	4.500	-	117,828	117,828
2016	2.00	160,000	256,150	416,150	4.500	-	117,828	117,828
2017	2.00	160,000	252,950	412,950	4.500	-	117,828	117,828
2018	2.00	165,000	249,700	414,700	4.500	-	117,828	117,828
2019	2.00	170,000	246,350	416,350	4.500	-	117,828	117,828
2020	4.00	480,000	235,050	715,050	4.150	155,000	117,828	272,828
2021	4.00	500,000	215,450	715,450	4.250	160,000	111,395	271,395
2022	4.00	520,000	195,050	715,050	4.300	170,000	104,595	274,595
2023	2.50	540,000	177,900	717,900	4.400	175,000	97,285	272,285
2024	3.00	560,000	162,750	722,750	4.500	180,000	89,585	269,585
2025	3.00	570,000	145,800	715,800	4.500	195,000	81,485	276,485
2026	3.00	585,000	128,475	713,475	4.500	205,000	72,710	277,710
2027	3.00	380,000	114,000	494,000	4.600	435,000	63,485	498,485
2028	3.00	385,000	102,525	487,525	4.625	460,000	43,475	503,475
2029	3.00	400,000	90,750	490,750	4.625	480,000	22,200	502,200
2030	3.00	915,000	71,025	986,025		$ 2,615,000	$ 1,628,839	$ 4,243,839
2031	3.00	940,000	43,200	983,200				
2032	3.00	970,000	14,550	984,550				
		$ 8,590,000	$ 3,476,459	$ 12,066,459				

	Storm Water Revenue Refunding Bonds - 2012				General Obligation Water Bonds - 2004			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2013	2.00	$ 95,000	$ 17,680	$ 112,680	3.875	$ 140,000	$ 10,825	$ 150,825
2014	1.00	100,000	15,780	115,780	4.000	135,000	5,400	140,400
2015	1.25	100,000	14,780	114,780		$ 275,000	$ 16,225	$ 291,225
2016	1.50	100,000	13,530	113,530				
2017	1.75	105,000	12,030	117,030				
2018	2.00	105,000	10,192	115,192				
2019	2.25	105,000	8,093	113,093				
2020	2.50	105,000	5,730	110,730				
2021	2.70	115,000	3,105	118,105				
		$ 930,000	$ 100,920	$ 1,030,920				

(Continued)

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2012
(Continued)

Colorado Water Resources and Power Development Authority

	May 1, 2004 - Sewer Fund				May 1, 2004 - Sewer Fund			
	Water Pollution Control Revolving Fund				Water Revenue Bond Program			
	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2013	3.87	$ 5,351	$ 1,126,038	$ 1,131,389	4.11	$ 2,530,000	$ 637,750	$ 3,167,750
2014	3.87	5,351	1,097,875	1,103,226	4.11	2,655,000	511,250	3,166,250
2015	3.87	5,351	1,097,875	1,103,226	4.11	2,790,000	378,500	3,168,500
2016	3.87	5,351	1,033,750	1,039,101	4.11	2,925,000	239,000	3,164,000
2017	3.87	1,182,571	942,433	2,125,004	4.11	1,855,000	92,750	1,947,750
2018	3.87	3,162,441	872,842	4,035,283		$ 12,755,000	$ 1,859,250	$ 14,614,250
2019	3.87	3,258,759	775,725	4,034,484				
2020	3.87	3,360,428	670,156	4,030,584				
2021	3.87	3,467,448	566,627	4,034,075				
2022	3.87	3,574,468	461,729	4,036,197				
2023	3.87	3,686,839	337,137	4,023,976				
2024	3.87	3,799,210	146,883	3,946,093				
2025	3.87	4,007,899	1,691	4,009,590				
		$ 29,521,467	$ 9,130,761	$ 38,652,228				

	October 1, 1997 - Water Fund			
	State Revolving Loan Fund			
	Rate	Principal	Interest	Total
2013	4.141	$ 845,018	$ 203,621	$ 1,048,639
2014	4.141	868,339	188,041	1,056,380
2015	4.141	895,774	161,383	1,057,157
2016	4.141	938,300	117,051	1,055,351
2017	4.141	1,016,491	32,269	1,048,760
2018	4.141	790,147	(20,033)	770,114
		$ 5,354,069	$ 682,333	$ 6,036,402

(Continued)

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2012
(Continued)

	Qualified Energy Conservation Bonds - 2010				Certificates of Participation, Series 2005 Refunding Civic Center Project Englewood Environmental Foundation, Inc.			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2013	5.41	$ 62,206	$ 27,697	$ 89,903	3.750	$ 990,000	$ 575,625	$ 1,565,625
2014	5.41	66,511	26,304	92,815	4.000	1,025,000	536,563	1,561,563
2015	5.41	70,988	24,819	95,807	4.500	1,070,000	491,988	1,561,988
2016	5.41	75,644	23,235	98,879	4.250	1,115,000	444,219	1,559,219
2017	5.41	80,483	21,550	102,033	4.500	1,165,000	394,313	1,559,313
2018	5.41	85,513	19,759	105,272	4.500	1,220,000	340,650	1,560,650
2019	5.41	90,741	17,858	108,599	4.500	1,275,000	284,513	1,559,513
2020	5.41	96,171	15,843	112,014	4.500	1,325,000	226,012	1,551,012
2021	5.41	101,813	13,708	115,521	4.500	1,390,000	164,925	1,554,925
2022	5.41	107,672	11,450	119,122	4.500	1,455,000	100,912	1,555,912
2023	5.41	113,755	9,062	122,817	4.500	1,515,000	34,087	1,549,087
2024	5.41	120,070	6,542	126,612		$ 13,545,000	$ 3,593,807	$ 17,138,807
2025	5.41	126,627	3,882	130,509				
2026	5.41	99,039	1,078	100,117				
		$ 1,297,233	$ 222,787	$ 1,520,020				

	Capital Lease - Fire Equipment - 2007				Capital Lease - Security / Phone Equipment - 2010			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2013	4.24	$ 96,195	$ 22,198	$ 118,393	3.87	$ 138,536	$ 14,411	$ 152,947
2014	4.24	100,274	18,119	118,393	3.87	143,949	8,998	152,947
2015	4.24	104,526	13,867	118,393	3.87	60,904	4,222	65,126
2016	4.24	108,957	9,436	118,393	3.87	63,285	1,843	65,128
2017	4.24	113,577	4,816	118,393		$ 406,674	$ 29,474	$ 436,148
		$ 523,529	$ 68,436	$ 591,965				

	Capital Lease - Computer Equipment - 2010			
Year	Rate	Principal	Interest	Total
2013	4.60	$ 107,075	$ 6,256	$ 113,331
2014	4.60	55,391	1,274	56,665
		$ 162,466	$ 7,530	$ 169,996

Financial Planning 02/01

The public report burden for this information collection is estimated to average 380 hours annually.

Form # 350-050-36

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Englewood
	YEAR ENDING : December 2012
This Information From The Records Of: City of Englewooc	Prepared By: Christine Hart Phone: 303-783-6885

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	4,042,420
3. Other local imposts (from page 2)	201,973
4. Miscellaneous local receipts (from page 2)	1,364,508
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	5,608,901
B. Private Contributions	
C. Receipts from State government (from page 2)	1,018,972
D. Receipts from Federal Government (from page 2)	126,794
E. Total receipts (A.7 + B + C + D)	6,754,667

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	758,920
2. Maintenance:	1,862,800
3. Road and street services:	
a. Traffic control operations	921,869
b. Snow and ice removal	286,822
c. Other	503,873
d. Total (a. through c.)	1,712,564
4. General administration & miscellaneous	475,864
5. Highway law enforcement and safety	1,944,519
6. Total (1 through 5)	6,754,667
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	0
D. Payments to toll facilities	0
E. Total disbursements (A.6 + B.3 + C + D)	6,754,667

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	6,754,667	6,754,667		0

Notes and Comments:

FORM FHWA-536 (Rev. 1-05) PREVIOUS EDITIONS OBSOLETE (Next Page)

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2012

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	252,844
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	201,973	g. Other Misc. Receipts	677,624
6. Total (1. through 5.)	201,973	h. Other	434,000
c. Total (a. + b.)	201,973	i. Total (a. through h.)	1,364,468
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	909,439	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	15,770
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	109,533	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	111,024
f. Total (a. through e.)	109,533	g. Total (a. through f.)	126,794
4. Total (1. + 2. + 3.f)	1,018,972	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		758,704	758,704
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	758,704	758,704
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	758,704	758,704
			(Carry forward to page 1)

Notes and Comments:

Statistical Section

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 160-167

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources: property tax and sales tax. 168-175

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 167-183

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 184-185

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and activities it performs. 186-188

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1

City of Englewood, Colorado
Net Position by Component
Last Five Years
(Accrual basis of accounting)

	2012	2011	2010	2009	2008
Governmental activities					
Net investment in capital assets	$ 46,838,945	$ 47,246,217	$ 46,285,709	$ 49,625,695	$ 48,918,979
Restricted	4,532,092	4,412,743	4,592,402	4,119,645	4,542,549
Unrestricted	11,001,812	11,116,981	11,831,202	11,722,072	14,111,853
Total governmental activities net position	$ 62,372,849	$ 62,775,941	$ 62,709,313	$ 65,467,412	$ 67,573,381
Business-type activities					
Net investment in capital assets	$ 43,869,721	$ 50,160,730	$ 50,454,808	$ 51,426,192	$ 51,150,411
Restricted	40,459,217	35,191,685	36,189,692	36,473,848	37,130,023
Unrestricted	3,397,610	3,592,620	3,567,826	3,536,633	3,741,504
Total business-type activities net position	$ 87,726,548	$ 88,945,035	$ 90,212,326	$ 91,436,673	$ 92,021,938
Primary government					
Net investment in capital assets	$ 90,708,666	$ 97,406,947	$ 96,740,517	$ 101,051,887	$ 100,069,390
Restricted	44,991,309	39,604,428	40,782,094	40,593,493	41,672,572
Unrestricted	14,399,422	14,709,601	15,399,028	15,258,705	17,853,357
Total primary government net position	$ 150,099,397	$ 151,720,976	$ 152,921,639	$ 156,904,085	$ 159,595,319

Note: The City began to report accrual information when it implemented GASB statement 34 in fiscal year 2004.

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City of Englewood, Colorado
Changes in Net Position
Last Five Years
(Accrual basis of accounting)

Schedule 2

Expenses	**2012**	**2011**	**2010**	**2009**	**2008**
Governmental activities					
General government	$ 9,460,341	$ 9,645,356	$ 9,812,541	$ 8,580,881	$ 8,649,466
Safety services	19,597,424	17,948,951	17,969,898	17,828,000	17,408,124
Public works	8,130,782	7,879,992	8,247,383	8,168,268	8,882,979
Culture and recreation	8,033,063	7,662,387	8,162,117	8,161,986	8,137,512
Interest and fiscal charges	999,060	1,069,971	1,495,358	1,314,152	1,371,556
Unallocated depreciation	436,088	436,088	435,804	432,309	428,458
Total governmental activities expenses	46,656,758	44,642,745	46,123,101	44,485,596	44,878,095
Business-type activities					
Water	8,094,782	7,962,145	7,737,323	7,665,820	7,703,058
Sewer	16,283,665	15,579,812	16,217,746	14,435,228	12,409,323
Golf	2,182,690	2,100,887	2,188,539	2,227,877	2,061,201
Storm	294,241	286,702	342,273	356,146	413,535
Concrete	739,925	742,759	721,120	729,777	662,462
Housing Rehabilitation	333,467	328,067	509,568	662,299	595,345
Total business-type activities expenses	27,928,770	27,000,372	27,716,569	26,077,147	23,844,924
Total primary government expenses	$ 74,585,528	$ 71,643,117	$ 73,839,670	$ 70,562,743	$ 68,723,019
Program revenues					
Governmental activities					
Permits, fees, fines and charges for services					
General government	$ 4,080,163	$ 4,030,425	$ 3,966,251	$ 4,158,838	$ 4,036,678
Safety services	1,735,851	1,456,260	1,281,299	1,160,399	1,391,330
Public works	363,733	441,119	390,270	384,023	408,740
Culture and recreation	2,673,671	2,704,610	2,566,878	2,656,850	2,478,692
Operating grants and contributions	3,386,614	3,249,568	4,647,383	3,348,039	3,353,009
Capital grants and contributions	69,815	-	10,835	967,440	508,741
Total governmental activities program revenues	12,309,847	11,881,982	12,862,916	12,675,589	12,177,190
Business-type activities					
Charges for services					
Water	8,770,989	8,790,259	8,590,134	7,761,574	7,969,168
Sewer	13,948,641	12,981,737	13,497,477	12,353,255	10,592,498
Golf	2,101,572	1,825,599	2,008,788	2,070,514	1,928,427

(Continued)

City of Englewood, Colorado
Changes in Net Position
Last Five Years
(Accrual basis of accounting)
(Continued)

Schedule 2

	2012	2011	2010	2009	2008
Storm	316,244	319,211	318,981	320,781	320,720
Concrete	695,466	693,921	692,774	699,546	552,154
Housing Rehabilitation	256,563	204,036	480,248	467,426	502,163
Operating grants and contributions	590,338	706,241	636,496	812,727	1,455,056
Capital grants and contributions	426,831	254,699	217,324	369,474	1,337,862
Total business-type activities program revenues	27,106,644	25,775,703	26,442,222	24,855,297	24,658,048
Total primary government program revenues	$ 39,416,491	$ 37,657,685	$ 39,305,138	$ 37,530,886	$ 36,835,238
Net (expense)					
Governmental activities	$ (34,346,911)	$ (32,760,763)	$ (33,260,185)	$ (31,810,007)	$ (32,700,905)
Business-type activities	(822,126)	(1,224,669)	(1,274,347)	(1,221,850)	813,124
Total primary government net expense	$ (35,169,037)	$ (33,985,432)	$ (34,534,532)	$ (33,031,857)	$ (31,887,781)
General Revenues and Other Changes in Net Position					
Governmental activities					
Property taxes	$ 3,970,772	$ 4,327,526	$ 4,331,033	$ 4,233,116	$ 4,479,724
Sales and use taxes	24,471,494	23,372,970	22,339,217	22,020,529	24,639,023
Franchise and other taxes	3,130,901	2,831,975	2,825,317	2,680,200	2,860,035
Unrestricted investment earnings	163,573	191,431	186,414	416,807	955,958
Unrestricted grants and contributions	40,809	30,883	112,116	-	58,079
Miscellaneous	2,456,919	2,029,984	757,989	1,000,343	1,066,518
Transfers, net	131,805	42,622	(50,000)	(646,957)	(986,164)
Total governmental activities	34,366,273	32,827,391	30,502,086	29,704,038	33,073,173
Business-type activities					
Special item - developer contribution	-	-	-	-	8,317,580
Special item - loss on disposition of assets	-	-	-	(10,372)	(2,820,241)
Transfers, net	(131,805)	(42,622)	50,000	646,957	986,164
Total business-type activities	(131,805)	(42,622)	50,000	636,585	6,483,503
Total primary government	$ 34,234,468	$ 32,784,769	$ 30,552,086	$ 30,340,623	$ 39,556,676
Change in net position					
Governmental activities	$ 19,362	$ 66,628	$ (2,758,099)	$ (2,105,969)	$ 372,268
Business type-activities	(953,931)	(1,267,291)	(1,224,347)	(585,265)	7,296,627
Total primary government	$ (934,569)	$ (1,200,663)	$ (3,982,446)	$ (2,691,234)	$ 7,668,895

Note: The City began to report accrual information when it implemented GASB statement 34 in fiscal year 2004.

City of Englewood, Colorado **Schedule 3**

Fund Balances, Governmental Funds

Last Ten Years

(Modified accrual basis of accounting)

	2012	2011	2010	2009	2008
General Fund					
Restricted for:					
Tabor emergencies	$ 1,200,000	$ 1,150,000	$ 1,150,000	$ 1,209,200	$ 1,360,800
Committed to:					
Law enforcement	298,512	298,512	298,512	-	-
Long term asset reserve	2,619,375	2,406,649	2,130,520	3,131,979	4,397,853
Assigned:					
Subsequent year budgeted deficit	920,353	523,053	487,204	239,543	912,710
Unassigned	4,032,570	4,439,471	4,428,443	4,654,235	4,431,400
Total general fund	$ 9,070,810	$ 8,817,685	$ 8,494,679	$ 9,234,957	$ 11,102,763
All Other Governmental Funds					
Restricted for:					
Parks and recreation	$ 3,018,062	$ 2,831,175	$ 3,468,645	$ 2,951,103	$ 3,224,259
Law enforcement	280,956	301,459	-	-	-
Debt service	55,625	154,267	-	-	-
Committed to:					
Capital projects	2,186,357	1,761,434	3,066,775	1,941,867	2,017,325
Parks and recreation	454,647	451,714	681,420	514,541	388,285
Housing	448,903	408,432	-	-	-
Assigned to:					
Parks and recreation	138,724	45,705	283,316	19,857	54,152
Law enforcement	19,231	28,819	-	-	-
Fire services	6,577	3,861	-	-	-
Other purposes	784	778	10,000	35,050	32,182
Total all other governmental funds	$ 6,609,866	$ 5,987,644	$ 7,510,156	$ 5,462,418	$ 5,716,203

Schedule 3

2007	2006	2005	2004	2003
$ 1,414,800	$ 1,211,200	$ 1,272,613	$ 1,351,703	$ 1,427,096
-	-	-	-	-
2,428,312	2,507,034	-	-	-
442,312	1,485,293	-	893,489	354,617
5,089,003	1,939,775	5,540,363	4,271,795	3,753,751
$ 9,374,427	$ 7,143,302	$ 6,812,976	$ 6,516,987	$ 5,535,464
$ 3,052,357	$ 2,668,136	$ 2,308,903	$ 1,390,785	$ 4,664,100
-	-	-	-	-
-	-	-	-	-
4,491,115	2,750,772	1,980,226	1,874,887	2,328,423
582,547	3,934,695	305,739	588,727	832,049
-	-	-	-	-
91,515	318,710	318,772	307,297	340,369
-	-	-	-	-
-	-	-	-	-
118,366	35,471	22,747	-	1,791
$ 8,335,900	$ 9,707,784	$ 4,936,387	$ 4,161,696	$ 8,166,732

City of Englewood, Colorado **Schedule 4**

Changes in Fund Balances, Governmental Funds

Last Ten Years

(Modified accrual basis of accounting)

	2012	2011	2010	2009	2008
Revenues					
Taxes (see Schedule 5)	$ 31,573,167	$ 30,532,471	$ 29,495,567	$ 28,933,845	$ 31,978,782
Licenses and permits	983,359	778,536	695,563	588,328	671,609
Intergovernmental revenue	3,491,447	3,277,833	4,375,328	4,315,479	3,919,829
Charges for services	6,363,331	6,410,092	6,353,327	5,992,943	6,021,313
Fines and forfeitures	1,381,453	1,284,759	1,437,957	1,639,678	1,461,100
Special assessments	-	-	-	31,922	31,922
Net investment income	133,512	152,697	152,240	333,115	791,326
Contributions (to) from component unit	551,295	425,159	105,125	(188,163)	599,143
Other	1,469,757	1,523,234	632,696	749,472	351,329
Total revenues	45,947,321	44,384,781	43,247,803	42,396,619	45,826,353
Expenditures					
Current:					
General government	8,664,555	9,256,214	9,387,348	8,071,028	8,232,062
Safety services	19,018,153	18,142,085	17,824,861	17,635,319	17,263,053
Public works	6,619,083	6,550,114	6,374,708	6,713,512	7,497,736
Culture and recreation	7,278,678	7,122,606	7,562,631	8,171,347	7,958,537
Capital outlay	889,458	2,345,049	1,278,288	1,676,676	3,020,685
Debt service:					
Principal	2,005,963	1,962,271	1,907,772	1,620,766	1,570,602
Interest and other fiscal charges	995,888	1,064,105	1,041,109	1,279,562	1,335,039
Lease issue costs	-	-	250,128	-	-
Total expenditures	45,471,778	46,442,444	45,626,845	45,168,210	46,877,714
Excess revenues over (under) expenditures	475,543	(2,057,663)	(2,379,042)	(2,771,591)	(1,051,361)
Other financing sources (uses)					
Proceeds from borrowing	-	-	12,506,373	-	-
Transfers in	3,155,993	2,547,813	2,962,606	1,366,294	2,997,239
Transfers out	(2,756,189)	(1,689,656)	(1,716,128)	(716,294)	(2,837,239)
Payment to refunded lease escrow agent	-	-	(10,066,349)	-	-
Proceeds from sale of fixed assets	-	-	-	-	-
Total other financing sources (uses)	399,804	858,157	3,686,502	650,000	160,000
Net change in fund balances	875,347	(1,199,506)	1,307,460	(2,121,591)	(891,361)
Fund balances - beginning	14,805,329	16,004,835	14,697,375	16,818,966	17,710,327
Fund balances - ending	$ 15,680,676	$ 14,805,329	$ 16,004,835	$ 14,697,375	$ 16,818,966
Debt service as a percentage of noncapital expenditures	6.7%	6.9%	6.6%	6.7%	6.6%

Schedule 4

2007	2006	2005	2004	2003
$ 32,876,011	$ 29,300,961	$ 29,518,593	$ 28,844,148	$ 28,438,774
1,168,977	623,945	609,971	628,363	626,322
4,020,738	2,967,346	2,885,737	2,847,942	2,346,710
5,590,788	5,405,336	5,349,340	5,277,969	3,341,661
1,445,641	1,566,922	1,386,842	1,263,206	1,468,861
37,245	72,947	68,245	71,824	84,184
972,058	620,093	290,216	171,896	289,970
-	-	-	-	-
289,652	363,732	219,801	258,316	321,013
46,401,110	40,921,282	40,328,745	39,363,664	36,917,495
8,108,949	7,714,343	7,511,420	7,381,008	8,011,041
16,612,084	15,841,211	14,979,319	14,628,887	15,227,176
8,037,202	6,219,939	5,954,345	6,474,438	5,882,822
7,676,521	7,113,732	6,897,197	6,468,782	5,737,067
3,111,726	1,646,913	1,157,876	4,327,760	11,260,896
1,655,228	856,530	1,551,413	1,657,080	1,214,567
1,349,059	1,515,171	1,417,069	1,621,135	1,728,812
-	-	367,352	-	-
46,550,769	40,907,839	39,835,991	42,559,090	49,062,381
(149,659)	13,443	492,754	(3,195,426)	(12,144,886)
-	-	19,346,678	-	-
4,949,278	1,854,213	990,035	1,748,527	3,680,309
(4,889,278)	(1,351,999)	(990,035)	(1,629,151)	(1,808,670)
948,900	-	(19,101,385)	-	-
-	4,586,066	332,633	52,537	800,000
1,008,900	5,088,280	577,926	171,913	2,671,639
859,241	5,101,723	1,070,680	(3,023,513)	(9,473,247)
16,851,086	11,749,363	10,678,683	13,702,196	23,175,443
$ 17,710,327	$ 16,851,086	$ 11,749,363	$ 10,678,683	$ 13,702,196
6.9%	6.0%	7.7%	8.6%	7.8%

City of Englewood, Colorado
Tax Revenues by Source, Governmental Funds
Last Ten Years
(Accrual basis of accounting)

Schedule 5

Fiscal Year	Property	Specific Ownership	Sales and Regular Use	Vehicle Use	Building Use	Cigarette	Franchise	Other	Total
2003	$ 3,203,662	$ 333,456	$ 20,554,656	$ 1,417,122	$ 550,643	$ 366,947	$ 2,003,411	$ 8,877	$ 28,438,774
2004	3,416,455	346,888	20,591,394	1,416,817	612,217	354,876	2,096,425	9,076	28,844,148
2005	3,522,020	334,768	20,886,855	1,294,635	863,275	313,731	2,294,972	8,337	29,518,593
2006	3,525,200	333,018	20,688,258	1,239,648	849,507	293,776	2,362,000	9,554	29,300,961
2007	3,727,407	341,423	22,753,820	1,440,089	1,968,380	278,785	2,356,385	9,722	32,876,011
2008	4,163,482	316,242	22,617,767	1,252,178	769,078	261,743	2,588,214	10,078	31,978,782
2009	3,956,702	276,414	20,624,659	993,597	402,273	218,449	2,452,611	9,140	28,933,845
2010	4,067,599	263,434	20,866,515	926,715	545,987	196,320	2,620,191	8,806	29,495,567
2011	4,081,464	246,062	21,737,110	1,030,776	605,084	190,762	2,631,393	9,820	30,532,471
2012	3,727,479	243,293	22,363,618	1,294,050	813,826	189,618	2,930,888	10,395	31,573,167
Change 2003-2012	16.35%	(27.04%)	8.80%	(8.68%)	47.80%	(48.33%)	46.29%	17.10%	11.02%

Schedule 6

City of Englewood, Colorado
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

Year	Residential	Commercial	Vacant	Industrial	State Assessed	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a % of Actual Value
2003	$ 171,217,150	$ 215,451,300	$ 3,129,340	$ 20,416,430	$ 24,569,380	$ 434,783,600	7.770	$ 2,779,944,595	15.64%
2004	168,876,590	224,991,250	3,127,920	19,422,400	21,461,920	437,880,080	8.310	3,048,915,044	14.36%
2005	168,929,440	232,267,780	3,854,840	18,079,950	19,069,900	442,201,910	8.320	3,064,300,553	14.43%
2006	175,035,270	251,099,410	3,517,820	18,066,570	19,815,060	467,534,130	8.100	3,207,387,104	14.58%
2007	175,463,640	253,673,240	3,044,070	17,857,810	18,239,950	468,278,710	8.400	3,213,823,727	14.57%
2008	190,192,280	273,510,780	7,308,110	19,713,830	20,899,330	511,624,330	8.173	3,497,493,528	14.63%
2009	190,910,110	272,343,170	7,460,020	19,073,670	21,637,760	511,424,730	7.911	3,503,350,564	14.60%
2010	176,323,980	296,310,110	7,235,300	19,798,060	19,545,870	519,213,320	8.010	3,397,252,527	15.28%
2011	177,896,360	293,377,190	6,232,240	18,339,590	19,821,960	515,667,340	7.621	3,399,357,133	15.17%
2012	171,837,160	278,532,750	5,016,550	18,101,510	24,699,380	498,187,350	7.794	3,283,907,557	15.17%

Note: Property in Colorado is reassessed every two years. Tax rates are per $1,000 of assessed value. The assessed value of taxable property is determined by multiplying the "actual" value times an assessment ratio. The assessment ratio of residential property changes every two years based on a constitutionally mandated requirement to keep the ratio of the assessed value of commercial property to residential property at the same level as it was in the property tax year commencing January 1, 1985 (the "Gallagher Amendment"). The Gallagher Amendment requires that statewide residential assessed values must be approximately 45% of the total assessed value in the State with commercial and other assessed values making up the other 55% of the assessed values in the State. In order to maintain this 45%/55% ratio, the commercial assessment rate is established at 29% of the actual value of commercial property and the residential assessment rate fluctuates. The assessment rate of residential property by collection year was:

Year	
2002-2003	9.15%
2004-2005	7.96%
2006-2007	7.96%
2008-2009	7.96%
2010-2011	8.77%
2012-2013	7.96%

Source : Arapahoe County Assessor.

Schedule 7

City of Englewood, Colorado
Direct and Overlapping Property Tax Rates
Last Ten Years

	City Direct Rates			Overlapping Rates						
Collection Year	Basic Rate	Debt Service	Total Direct	Arapahoe County	Englewood School District	Littleton School District	Sheridan School District	Valley Sanitation District	South Englewood Sanitation District	Urban Drainage & Flood Control District
2003	5.880	1.890	7.770	14.594	39.485	45.380	46.580	2.405	1.100	0.602
2004	5.880	2.430	8.310	15.140	39.431	45.304	40.836	2.409	1.100	0.533
2005	5.880	2.440	8.320	15.451	44.419	50.515	40.634	2.477	1.100	0.066
2006	5.880	2.220	8.100	15.421	40.141	49.509	35.989	2.493	0.000	0.597
2007	5.880	2.520	8.400	16.083	40.354	48.907	39.419	2.493	0.000	0.608
2008	5.880	2.293	8.173	15.217	37.211	46.791	38.294	2.493	0.000	0.568
2009	5.880	2.031	7.911	15.672	37.199	46.081	37.627	2.493	0.000	0.508
2010	5.880	2.130	8.010	15.949	37.495	55.389	37.891	2.493	0.000	0.576
2011	5.880	1.741	7.621	17.316	45.858	57.530	38.764	2.493	0.000	0.623
2012	5.880	1.914	7.794	17.150	46.719	56.935	41.998	2.493	0.000	0.657

Notes:

The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

Overlapping rates are those governments that apply to property owners within the City of Englewood. Not all overlapping rates apply to all Englewood property owners; for example, although the county rate applies to all City property owners, the rates for the various school districts apply to only property owners whose property is located within that district's geographic boundaries.

Tax rates are per $1000 of assessed valuation.

Source : Arapahoe County Assessor.

Schedule 8

City of Englewood, Colorado
Principal Property Tax Payers
Current Year and Nine Years Ago

	Collection Year					
	2012			2003		
Taxpayer	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Columbia Healthone LLC	$ 23,200,010	1	4.66%	$ 28,580,750	1	6.57%
HTA Hampden Place LLC	3,190,000	2	0.64%			
Situs Enterprises LLC	2,755,000	3	0.55%	2,465,000	8	0.57%
Englewood Meridian LTD	2,742,230	4	0.55%			
Omni Development Co.	2,711,510	5	0.54%	2,609,990	5	0.60%
Realty Associates Fund VIII LP-1	2,678,030	6	0.54%			
Realty Associates Fund VIII LP-2	2,646,900	7	0.53%			
Health One	2,485,040	8	0.50%			
801/901 Englewood Parkway	2,481,530	9	0.50%	2,481,530	7	0.57%
Realty Associates Fund VIII LP-3	2,394,740	10	0.48%			
Qwest Corporation				8,589,400	2	1.98%
Public Service Company				6,627,440	3	1.52%
Wal-Mart				2,971,510	4	0.68%
Wilkerson Corporation				2,518,970	6	0.58%
Northern Englewood Limited				2,465,000	9	0.57%
EQR Marks A LLC				2,126,270	10	0.49%
	$ 47,284,990		9.49%	$ 61,435,860		14.13%

Source : Arapahoe County Assessor.

Schedule 9

City of Englewood, Colorado
Property Tax Levies and Collections
Last Ten Years

Collection Year	Total Levy	Current Collection	Percentage of Levy	Delinquent Taxes Collected	Total Tax Collection	Percentage of Levy
2003	$ 3,249,168	$ 3,205,322	98.65%	$ (1,660)	$ 3,203,662	98.60%
2004	3,481,858	3,416,328	98.12%	127	3,416,455	98.12%
2005	3,448,640	3,431,795	99.51%	4,255	3,436,050	99.63%
2006	3,559,146	3,542,013	99.52%	(16,813)	3,525,200	99.05%
2007	3,702,457	3,687,969	99.61%	(6,778)	3,681,191	99.43%
2008	4,181,506	4,158,223	99.44%	5,259	4,163,482	99.57%
2009	4,002,921	3,971,026	99.20%	16,549	3,987,575	99.62%
2010	4,107,497	4,094,389	99.68%	(30,276)	4,064,113	98.94%
2011	4,130,497	4,093,763	99.11%	(14,973)	4,078,790	98.75%
2012	3,796,686	3,736,555	98.42%	(11,422)	3,725,133	98.12%

Note:

Taxes are levied by December 15 of each year and are due and payable on January 1. Taxes may be paid in two equal installments, on or before February 28 and June 15; or in full, on or before April 30. After October 1, delinquent real estate is advertised for sale. The tax sale is held on or about December 1 of each year. Delinquent tax collections, as shown above, may be negative due to tax abatements.

Source : Arapahoe County Assessor and Treasurer.

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Schedule 10

City of Englewood, Colorado
Sales Tax Collections by Category (1)
Last Ten Years

Category	2012	2011	2010	2009
General Retail	$ 4,830,062	$ 4,653,258	$ 4,330,293	$ 4,149,309
Utilities	3,526,513	4,109,175	3,357,033	3,248,988
Automotive Dealers/Service Stations	2,088,087	1,952,101	1,925,035	1,833,262
General Merchandise	1,778,732	1,732,192	1,729,813	1,786,989
Eating/Drinking Places	1,956,410	1,901,217	1,867,441	1,939,054
Personal Service other than Lodging	1,932,614	1,742,996	1,736,575	1,923,168
Bldg Materials/Hardware	1,670,205	1,479,608	1,197,084	1,239,205
Finance/Insurance/Real Estate	822,862	833,329	771,929	828,804
Apparel/Accessories	825,966	779,874	727,018	700,194
Food	665,713	868,206	732,163	666,727
Furniture/Home	736,958	741,818	718,916	667,597
Non-classifiable	968,416	1,035,461	1,002,921	1,114,561
Manufacturing	446,649	308,440	411,951	395,798
Contract Construction	62,943	59,189	53,281	73,398
Hotels/Lodging	28,955	25,741	22,591	23,283
	$ 22,341,085	$ 22,222,605	$ 20,584,044	$ 20,590,337

The City direct sales tax rate is 3.5% for all years presented.

(1) Includes the Englewood Urban Renewal Authority,
a Tax Increment Financing District, which ended on August 23, 2007.

Amounts are presented on a cash basis.
Source : City of Englewood Revenue and Budget Division

Schedule 10

2008	2007	2006	2005	2004	2003
$ 4,881,581	$ 5,446,717	$ 5,415,504	$ 5,272,169	$ 5,064,841	$ 5,091,960
3,847,273	3,636,480	3,314,418	3,582,230	3,598,872	3,197,317
1,954,468	2,112,028	2,020,048	2,441,788	2,369,812	2,450,642
2,016,736	2,097,943	2,145,435	2,126,762	2,084,527	2,151,157
2,008,877	1,970,427	1,880,357	1,790,727	1,665,241	1,547,705
1,844,698	1,918,597	1,180,089	1,211,622	1,122,037	1,329,097
1,629,274	1,503,922	1,568,946	1,121,973	1,141,660	1,154,021
1,192,040	968,783	978,359	1,098,376	1,120,778	1,315,502
711,537	732,103	709,763	685,281	678,999	685,488
691,164	724,817	796,463	725,549	751,955	813,660
760,602	707,230	733,986	813,110	1,091,367	590,668
929,063	676,711	511,151	534,610	694,865	781,975
412,842	397,553	331,814	283,794	207,309	195,747
85,415	94,516	100,542	83,022	78,832	24,107
16,998	17,394	16,653	14,710	15,920	17,931
$ 22,982,568	$ 23,005,221	$ 21,703,528	$ 21,785,723	$ 21,687,015	$ 21,346,977

Schedule 11

City of Englewood, Colorado
Ratios of Outstanding Debt by Type
Last Ten Years

	Governmental Activities					Business-Type Activities					
Year	General Obligation Bonds	Certificates of Participation	Special Assessment Bonds	Loans Payable	Capital Leases	General Obligation Bonds (1)	Revenue Bonds	Loans Payable (1)	Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
2003	$ 13,800,745	$ 19,800,000	$ 164,000	$733,011	$ 1,184,254	$ -	$ 4,500,000	$20,497,842	$60,679,852	8.96%	$ 1,872
2004	13,435,770	19,175,000	121,000	647,608	675,577	3,055,000	4,435,000	70,657,951	112,202,906	16.52%	3,453
2005	13,022,939	18,880,000	77,000	560,497	340,275	3,055,000	4,365,000	66,256,469	106,557,180	15.69%	3,280
2006	12,538,359	18,820,000	36,000	471,644	173,598	2,955,000	4,255,000	64,781,401	104,031,002	15.32%	3,202
2007	12,000,000	18,010,000	-	381,014	948,900	2,845,000	4,135,000	63,235,475	101,555,389	15.05%	3,145
2008	11,435,000	17,175,000	-	288,571	870,741	2,735,000	4,010,000	61,613,444	98,127,756	14.43%	3,016
2009	10,850,000	16,315,000	-	194,279	789,268	5,240,000	3,885,000	59,908,415	97,181,962	14.29%	2,987
2010	10,800,000	15,425,000	-	98,101	2,864,424	5,115,000	3,750,000	55,903,684	93,956,209	14.86%	3,105
2011	10,185,000	14,500,000	-	-	2,540,254	4,990,000	3,610,000	51,720,374	87,545,628	11.03%	2,894
2012	9,530,000	13,545,000	-	-	2,144,292	11,480,000	3,445,000	47,630,536	87,774,828	10.56%	2,838

Notes: Details of the City's outstanding debt can be found in the notes to the financial statements.

(1) In addition to the $3,055,000 of 2004 General Obligation Water Bonds, the City issued $51,126,340 of new loans with the Colorado Water and Power Development Authority in 2004.
In 2009 the City issued an additional $2,615,000 of General Obligation Water Bonds.
In 2012 a portion of the 2004 General Obligation Water Bond issue was refunded and an additional $6,730,000 was issued.

(2) See Schedule 16 for personal income and population data.

City of Englewood, Colorado **Schedule 12**

Ratios of General Bonded Debt Outstanding

Last Ten Years

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2003	$ 13,800,745	$ (45,058)	$ 13,755,687	0.49%	$ 424.43
2004	16,490,770	(82,742)	16,408,028	0.54%	505.00
2005	16,077,939	(119,638)	15,958,301	0.52%	491.16
2006	15,493,359	(48,541)	15,444,818	0.48%	475.36
2007	14,845,000	(87,630)	14,757,370	0.46%	457.08
2008	14,170,000	(166,137)	14,003,863	0.40%	430.46
2009	16,090,000	(58,665)	16,031,335	0.46%	492.79
2010	15,915,000	(9,616)	15,905,384	0.47%	525.71
2011	15,175,000	(154,267)	15,020,733	0.44%	496.47
2012	21,010,000	(55,625)	20,954,375	0.64%	677.48

Notes: (1) See Schedule 6 for property value data.

(2) See Schedule 16 for population data.

Prior years have been restated to include Water Fund general obligation debt which has historically been serviced by funds available in the Water fund.

Details of the City's outstanding debt can be found in the notes to the financial statements.

City of Englewood, Colorado **Schedule 13**

Direct and Overlapping Governmental Activities Debt

December 31, 2012

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct debt	$ 25,219,292	100.000%	$ 25,219,292
Overlapping entities:			
Englewood School District No. 1	66,591,986	97.320%	64,807,321
Sheridan School District No. 2	18,707,000	33.050%	6,182,664
Littleton School District No. 6	82,610,000	2.130%	1,759,593
Cherry Creek School District No. 5	466,030,000	0.390%	1,817,517
Total overlapping debt	633,938,986		74,567,095
Total direct and overlapping debt	$ 659,158,278		$ 99,786,387

Sources: Assessed value data used to estimate applicable percentages provided by the Arapahoe County Assessor. Debt outstanding data provided by each governmental entity.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Englewood. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Schedule 14

City of Englewood, Colorado
Legal Debt Margin Information
Last Ten Years

Year	Actual Valuation	Debt Limit Percentage	Debt Limit	Debt Applicable to Limit	Legal Debt Margin	As a Percentage of Debt Limit
2003	$ 2,575,902,094	3.00%	$ 77,277,063	$ 13,851,834	$ 63,425,229	21.8%
2004	2,877,509,209	3.00%	86,325,276	13,800,745	72,524,531	19.0%
2005	2,896,261,123	3.00%	86,887,834	13,435,770	73,452,064	18.3%
2006	3,018,993,737	3.00%	90,569,812	13,022,939	77,546,873	16.8%
2007	3,024,628,577	3.00%	90,738,857	12,538,359	78,200,498	16.0%
2008	3,297,243,391	3.00%	98,917,302	12,000,000	86,917,302	13.8%
2009	3,308,401,216	3.00%	99,252,036	11,435,000	87,817,036	13.0%
2010	3,399,357,133	3.00%	101,980,714	10,850,000	91,130,714	11.9%
2011	3,266,465,613	3.00%	97,993,968	10,185,000	87,808,968	11.6%
2012	3,283,907,557	3.00%	98,517,227	9,530,000	88,987,227	10.7%

On November 6, 2001, a majority of the City's electors voted to change the Home Rule Charter of the City of Englewood by allowing the debt ceiling to be three percent (3%) of **actual** valuation versus three percent (3%) of **assessed** valuation. The entire section (Section 104) of the Charter that establishes the debt margin follows:

> Indebtedness and obligations of the City shall be incurred and limited as provided in Article XI of the Constitution of the State of Colorado applicable to towns and cities except as otherwise provided in this Charter. Council shall have power to issue general obligation bonds of the City for any public capital purpose, upon majority vote of the registered electors of the City voting thereon at a special election; provided, however, that water extension and water improvement bonds may be issued without an election upon determination to that effect by Council. The total outstanding general obligation indebtedness of the City, other than for water bonds, shall not at any time exceed three percent (3%) of the actual valuation of the taxable property within the City as shown by the last preceding assessment for tax purposes. Water bonds shall mature and be payable as provided by the ordinance authorizing the issuance of said bonds.

Refer to the Notes to Financial Statements, particularly Note 3F, for detailed information regarding long-term indebtedness of the City.

Future debt issuance may be subject to the Taxpayer's Bill of Rights (TABOR).

Schedule 15

City of Englewood, Colorado
Pledged Revenue Coverage
Water Fund
Last Ten Years

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage	Required Coverage *
2003	$ 5,552,395	$ 4,462,006	$ 1,090,389	$ 655,712	$ 472,955	$ 1,128,667	0.97	1.10
2004	5,990,739	5,128,618	862,121	668,057	467,637	1,135,694	0.76	1.10
2005	7,053,794	5,454,431	1,599,363	684,520	567,293	1,251,813	1.28	1.10
2006	7,496,977	6,244,504	1,252,473	700,981	426,267	1,127,248	1.11	1.10
2007	7,788,802	6,082,067	1,706,735	717,442	405,555	1,122,997	1.52	1.10
2008	8,260,511	6,385,693	1,874,818	735,276	392,266	1,127,542	1.66	1.10
2009	7,939,517	6,149,780	1,789,737	755,852	372,978	1,128,830	1.59	1.10
2010	8,743,689	6,204,171	2,539,518	773,686	352,233	1,125,919	2.26	1.10
2011	9,020,153	6,467,258	2,552,895	795,634	330,360	1,125,994	2.27	1.10
2012	9,005,360	6,447,796	2,557,564	818,954	307,230	1,126,184	2.27	1.10

* As defined in the applicable bond indenture

Schedule 15 (Cont)

City of Englewood, Colorado
Pledged Revenue Coverage
Sewer Fund
Last Ten Years

Year	Gross Revenue*	Expense*	Rate Stabilization	Total Funds Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage	Required Coverage *
2003	$ 6,141,938	$ 6,467,279	$ -	$ (484,462)	$ 621,299	$ 310,008	$ 931,307	(0.52)	1.10
2004	8,840,659	7,234,156	834,630	2,441,133	723,306	1,495,905	2,219,211	1.10	1.10
2005	9,724,748	8,314,913	1,730,387	3,140,222	723,306	2,131,441	2,854,748	1.10	1.10
2006	10,211,409	8,376,818	1,497,778	3,332,369	774,087	2,255,340	3,029,427	1.10	1.10
2007	11,247,422	8,684,566	831,149	3,394,005	828,484	2,256,976	3,085,459	1.10	1.10
2008	12,813,297	9,956,867	491,302	3,347,732	886,755	2,156,638	3,043,393	1.10	1.10
2009	13,227,399	10,016,885	136,743	3,347,257	949,177	2,093,784	3,042,961	1.10	1.10
2010	14,080,938	9,840,996	1,545,014	5,784,956	3,231,045	2,028,006	5,259,051	1.10	1.10
2011	13,526,579	9,677,968	1,945,476	5,794,087	3,387,676	1,879,676	5,267,352	1.10	1.10
2012	14,542,316	10,244,230	1,203,807	5,501,893	3,270,884	1,730,837	5,001,721	1.10	1.10

* As defined in the applicable bond indenture
Since 2004 a rate stabilization account has been maintained to ensure that debt coverage requirements are met.

Schedule 15 (Cont)

City of Englewood, Colorado
Pledged Revenue Coverage
Golf Course Fund
Last Ten Years

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage	Required Coverage *
2003	$ 1,873,841	$1,439,256	$ 434,585	$ 180,000	$ 145,509	$ 325,509	1.34	1.35
2004	1,764,197	1,429,211	334,986	10,000	164,689	174,689	1.92	1.35
2005	1,895,142	1,562,840	332,302	10,000	163,525	173,525	1.92	1.35
2006	2,006,955	1,453,014	553,941	50,000	163,070	213,070	2.60	1.35
2007	1,716,358	1,330,281	386,077	55,000	161,463	216,463	1.78	1.35
2008	1,979,946	1,616,896	363,050	55,000	159,494	214,494	1.69	1.35
2009	2,097,188	1,681,836	415,352	55,000	157,098	212,098	1.96	1.35
2010	2,029,283	1,633,823	395,460	60,000	155,245	215,245	1.84	1.35
2011	1,834,831	1,548,002	286,829	60,000	152,605	212,605	1.35	1.35
2012	2,113,394	1,642,720	470,674	65,000	149,815	214,815	2.19	1.35

* As defined in the applicable bond indenture

Schedule 15 (Cont)

City of Englewood, Colorado
Pledged Revenue Coverage
Storm Drainage Fund
Last Ten Years

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage	Required Coverage *
2003	$ 307,074	$ 117,646	$ 189,428	$ 55,000	$ 79,944	$ 134,944	1.40	1.15
2004	300,054	116,286	183,768	55,000	77,740	132,740	1.38	1.15
2005	341,519	86,611	254,908	60,000	75,463	135,463	1.88	1.15
2006	364,833	105,393	259,440	60,000	72,938	132,938	1.95	1.15
2007	384,088	110,346	273,742	65,000	70,334	135,334	2.02	1.15
2008	378,299	105,869	272,430	70,000	67,450	137,450	1.98	1.15
2009	347,503	121,774	225,729	70,000	64,294	134,294	1.68	1.15
2010	331,715	144,104	187,611	75,000	61,342	136,342	1.38	1.15
2011	337,317	112,833	224,484	80,000	57,818	137,818	1.63	1.15
2012	332,668	133,066	199,602	95,000	42,305	137,305	1.45	1.15

The 2001 Storm Drainage Revenue Bonds were refunded in 2012.

* As defined in the applicable bond indenture

Schedule 16

City of Englewood, Colorado
Demographic and Economic Statistics
Last Ten Years

Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(2) Median Age	(3) School Enrollment	(4) Unemployment Rate	(5) Consumer Price Index
2003	32,410	$ 677,498,640	$ 20,904	36.2	4,085	7.2%	1.03%
2004	32,491	679,191,864	20,904	36.2	3,883	6.5%	0.11%
2005	32,491	679,191,864	20,904	36.2	3,733	6.0%	2.09%
2006	32,491	679,191,864	20,904	36.2	3,495	5.0%	3.56%
2007	32,286	674,906,544	20,904	36.2	3,427	4.5%	2.18%
2008	32,532	680,048,928	20,904	36.2	3,298	6.0%	3.91%
2009	32,532	680,048,928	20,904	36.2	3,427	7.3%	-1.34%
2010	30,255	632,450,520	20,904	36.2	3,414	8.9%	1.86%
2011	30,255	793,528,140	26,228	37.1	2,954	8.5%	3.75%
2012	30,930	831,460,260	26,882	37.1	2,954	7.8%	2.23%

Sources:

(1) Colorado Department of Local Affairs, Division of Local Government

(2) U.S. Census Bureau - 2000 and 2010 Census

(3) Colorado Department of Education, Fall Enrollment

(4) U.S. Dept. of Labor, Bureau of Labor Statistics - Annual Averages, City of Englewood

(5) U.S. Dept. of Labor, Bureau of Labor Statistics - Annual Increase, Denver/Boulder area. All Urban Consumers

Schedule 17

City of Englewood, Colorado
Principal Employers
Current Year and Nine Years Ago

	2012			2003		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
Columbia Swedish Medical Center	2,000	1	7.87%	1,300	1	5.83%
The Sports Authority	600	2	2.36%			
Craig Hospital	750	3	2.95%	512	2	2.30%
Englewood School District	525	4	2.07%	503	4	2.26%
City of Englewood	479	5	1.89%	506	3	2.27%
Burt Automotive Dealers	400	6	1.57%	475	5	2.13%
Denver Drywall				365	6	1.64%
Windsor Industries, Inc	350	7	1.38%	270	8	1.21%
7-Up Bottling Company	300	8	1.18%	250	9	1.12%
Riviera Electric Construction				250	10	1.12%
Meadow Gold Dairies	230	9	0.91%			
Wal-Mart	150	10	0.59%			
Wilkerson Corporation				340	7	1.52%
Total	5,784		22.77%	4,771		21.39%

Sources:
City of Englewood Community Development Department

Schedule 18

City of Englewood, Colorado
Full-time Equivalent Employees by Function/Program
Last Ten Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government:										
City Manager	5.68	5.60	5.00	5.50	5.50	5.38	5.00	5.00	4.92	5.00
City Attorney	6.90	4.80	5.38	5.38	5.50	5.50	5.50	5.50	5.66	5.78
Municipal Court	11.05	10.20	10.99	10.99	11.06	10.90	10.61	10.38	10.20	10.00
Human Resources	8.00	8.42	6.62	7.48	7.48	7.17	6.57	6.17	6.10	6.40
Finance & Admin Services	20.05	19.25	19.33	19.58	18.60	18.90	17.90	17.76	17.63	17.90
Central Services	1.00	1.00	1.00	1.00	1.00	1.10	1.10	1.09	1.08	1.10
Information Technology	10.00	10.00	8.50	9.60	9.60	10.60	11.50	10.42	10.34	10.50
Community Development	13.00	11.50	11.50	12.00	12.00	12.00	11.00	10.92	10.83	11.00
Fire:										
Fire Operations	60.00	59.00	65.75	58.00	57.00	58.00	58.80	58.42	56.99	58.40
Building and Safety	8.00	7.00	7.00	7.00	7.00	7.00	7.00	6.94	6.89	7.00
Police:										
Administration	11.50	11.60	10.63	10.70	10.60	8.60	8.60	8.53	8.47	8.60
Communications and Records	19.50	17.00	17.25	19.63	18.13	17.13	15.40	14.79	14.68	14.20
Police Operations	75.88	75.27	60.00	70.15	69.90	69.90	70.70	72.14	70.89	73.00
Neighborhood Services	10.00	8.00	8.00	6.00	6.00	6.00	6.00	5.95	4.92	5.00
Public Works:										
Administration	2.00	2.00	3.31	2.00	2.00	2.00	2.70	2.80	2.78	2.56
Engineering	4.34	6.90	2.75	4.08	4.22	4.22	3.13	2.99	2.96	3.00
Streets and Drainage	14.00	13.90	13.00	13.00	13.00	13.00	13.00	10.92	10.83	11.00
Traffic Maintenance	7.00	7.00	7.13	6.50	6.50	6.50	6.50	6.45	6.40	6.50
General Ops and Maintenance	24.00	25.00	23.00	22.70	22.70	21.70	21.70	21.84	21.68	21.00
Concrete Utility	1.00	1.00	1.00	3.53	3.53	3.54	3.92	3.89	3.86	3.92
Servicenter	11.00	10.00	11.00	10.30	11.30	11.30	11.30	9.92	9.85	10.00
Parks and Recreation:										
Administration	4.00	4.00	5.00	4.00	4.00	4.00	5.00	4.96	4.92	5.74
Programs	15.02	17.50	15.25	17.19	18.70	18.41	18.41	18.52	18.37	17.16
Parks	18.50	15.00	17.00	17.00	16.50	17.00	15.50	15.38	14.28	13.50
Golf	9.50	9.00	9.98	8.75	8.75	9.00	8.50	7.44	7.39	7.38
Library	18.81	17.20	15.63	16.38	15.97	15.70	16.64	16.27	15.60	15.34
Utilities:										
Water Operations	23.84	24.00	25.00	22.55	24.30	23.80	24.30	23.12	22.94	23.30
Sewer Operations	4.50	4.00	5.00	5.70	5.75	5.50	5.50	5.46	5.42	5.50
Storm Drainage Operations	0.65	0.65	-	0.45	0.65	0.65	0.65	0.65	0.64	0.65
Utilities Administration	13.49	14.00	15.67	15.62	15.36	15.55	15.05	14.93	14.82	17.05
Littleton/Englewood Wastewater Treatment Plant	74.00	74.00	74.00	75.13	76.37	76.50	77.50	78.89	77.15	81.50
Total	506.21	493.79	480.67	487.89	488.96	486.55	484.98	478.44	469.49	478.98

Source: City Revenue and Budget Division. Includes permanent full and part-time employees only; seasonal employees are excluded.

Schedule 19

City of Englewood, Colorado
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police										
Calls for assistance	21,754	22,228	38,904	39,911	40,680	40,207	43,766	43,365	45,647	45,337
Number of uniformed officers	73	68	69	68	68	69	71	72	71	71
Fire										
Number of calls	3,802	3,595	4,100	3,844	4,085	4,058	3,987	3,911	4,153	4,436
Number of firefighters	48	52	55	55	56	56	56	55	53	51
Building Division										
Commercial construction value	5,957,074	603,833	2,792,800	41,143,000	3,766,805	22,071,707	8,402,603	14,919,187	9,984,183	30,797,601
Number of units	8	3	5	8	15	130	77	99	88	92
Residential construction value	570,066	638,115	2,846,597	4,927,013	9,976,544	4,177,080	3,700,373	3,681,187	5,021,642	4,969,163
Number of units	3	6	21	25	20	264	236	230	264	302
Building permits value	37,487,565	29,107,108	26,092,072	27,051,370	85,478,543	31,659,277	18,318,108	30,235,127	26,247,031	49,405,068
Number of permits	2261	2352	2110	1842	2147	2065	2018	2479	2517	2446
Parks and Recreation										
Englewood Recreation Center										
Admissions	303,000	313,000	310,000	315,000	317,000	309,000	313,000	308,000	307,000	305,500
Malley Recreation Center										
Memberships	4,069	4,281	4,116	2,882	2,775	2,812	2,504	2,477	2,154	3,522
Park Shelter Reservations	521	509	487	414	475	454	476	459	482	538
Golf Rounds Played: *										
9 hole	21,033	19,718	19,672	19,047	22,070	17,000	16,078	16,578	17,408	19,645
18 hole	32,072	28,484	30,113	25,995	-	19,061	25,277	25,570	25,508	26,628
Par 3 Course	24,734	22,131	20,469	16,149	-	11,794	21,985	20,961	19,454	22,234
Water										
New connections	12	18	11	22	18	8	5	6	13	3
Water Main Breaks	30	30	45	29	39	36	34	34	44	38
Average Daily Consumption										
(Millions of gallons)	7.430	5.200	7.010	7.093	6.050	7.000	6.800	6.300	5.650	5.454
Peak Daily Consumption										
(Millions of gallons)	16	15.2	16.2	16.3	15.45	15.75	16.5	12.27	11.24	11.91
Wastewater										
Average Daily Sewage Treated										
(Millions of gallons)	22.6	22.3	21.4	22.0	22.1	21.8	22.8	22.6	21.6	20.9

* Portions of the Golf Course were closed for reconstruction during 2006-2008

Sources: Various City Departments

Schedule 20

City of Englewood, Colorado
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police										
Marked police vehicles	23	23	21	21	19	18	20	20	20	20
Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	3	3	3	3	3	3
Public Works										
Miles of streets and alleys										
Streets	121.48	121.63	121.63	121.63	121.63	121.63	121.63	121.63	121.63	121.63
Alleys	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5
Parks and Recreation										
Parks	12	12	12	12	12	12	12	12	12	12
Acreage	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1
Median strips	5	5	5	5	5	5	5	5	5	5
Acreage	2.86	2.86	2.86	2.86	2.86	2.86	2.86	2.86	2.86	2.86
Greenbelts	3	3	3	3	3	3	3	3	3	3
Acreage	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67
Athletic fields	3	3	3	3	3	3	3	3	3	3
Acreage	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87
Facility sites	9	9	9	9	9	9	9	9	9	9
Acreage	34.15	34.15	34.15	34.15	34.15	34.15	34.15	34.15	34.15	34.15
Miscellaneous areas	11	11	11	11	11	11	11	11	11	11
Acreage	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92
Landscaped areas	6	6	6	6	6	6	6	6	7	7
Acreage	5.54	5.54	5.54	5.54	5.54	5.54	5.54	5.54	6.26	6.26
Dog Park	-	-	-	1	1	1	1	1	1	1
Recreation Centers	2	2	2	2	2	2	2	2	2	2
Swimming pools	2	2	2	2	2	2	2	2	2	2
Golf courses - 18 hole	1	1	1	1	1	1	1	1	1	1
Golf courses - 9 hole	1	1	1	1	1	1	1	1	1	1
Golf courses - Par 3	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains (miles)	155	155	155	155	155	155	155	155	155	155
Fire hydrants	550	550	550	550	550	550	570	570	570	570
Storage Capacity (Millions of gallons)	13.5	13.5	13.5	13.5	6.5	6.7	6.7	6.7	6.7	6.7
Daily Plant Capacity (Millions of gallons)	28	28	28	28	28	28	28	28	28	28
Wastewater										
Sanitary Sewers (miles)	530	530	530	530	530	530	530	530	530	530
Treatment Capacity (Millions of gallons)	36.3	36.3	36.3	36.3	36.3	36.3	50	50	50	50

Sources: Various City Departments

City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: May 15, 2013
Subject: **April 2013 Financial Report**

REVENUES:

- Through April 2013, the City of Englewood collected **$13,379,564 or $264,540 or two 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 $1,184,448 in property and $69,728 in specific ownership taxes through April.
- **Year-to-date sales and use tax revenues were $8,068,283 or $100,197 (1.3 percent) more than April 2012**
- Cigarette tax collections were up $1,369 compared to last year.
- Franchise fee collections were $38,444 more than last year.
- Licenses and permit collections were $187,083 more than 2012.
- Intergovernmental revenues were $90,384 less than the prior year.
- Charges for services increased $67,772 from last year.
- Recreation revenues decreased $22,521 from 2012.
- Fines and forfeitures were $35,426 less than last year.
- Investment income was $17,920 less than last year.
- Miscellaneous revenues were $40,076 more than last year.
- Net rent revenues from McLellan Reservoir were $211,114.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were down $46,768 or 1.6 percent compared to last year.
- 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 collection through April 2013 were $1,177,749 or $10,495 more than last year during the same period.

EXPENDITURES:

- Expenditures through April were $12,470,065 or $118,260 (.9 percent) less than the $12,588,325 expended through April 2012. The City's refund of sales and use tax claims through April 2013 totaled $9,955.

REVENUES OVER/UNDER EXPENDITURES:

- Year-to-date revenues exceeded expenditures by $909,499 compared to revenues exceeding expenditures by $526,699 year-to-date 2012.

TRANSFERS:

- Net 2013 transfers-in to date of $639,574 were made by the end of April 2013 (please refer to page 16 for the make-up).

FUND BALANCE:

- The estimated year-end total fund balance is $8,150,457 or 20.9 percent of estimated revenue. The estimated unassigned fund balance for 2013 is estimated at $4,032,570 or 10.3 percent of estimated revenue.
- The 2013 estimated Long Term Asset Reserve (LTAR) balance is $2,619,375 (please refer to page 13).

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected $782,890 in revenue and spent $1,959,899 year-to-date. Estimated year-end fund balance is $973,086.

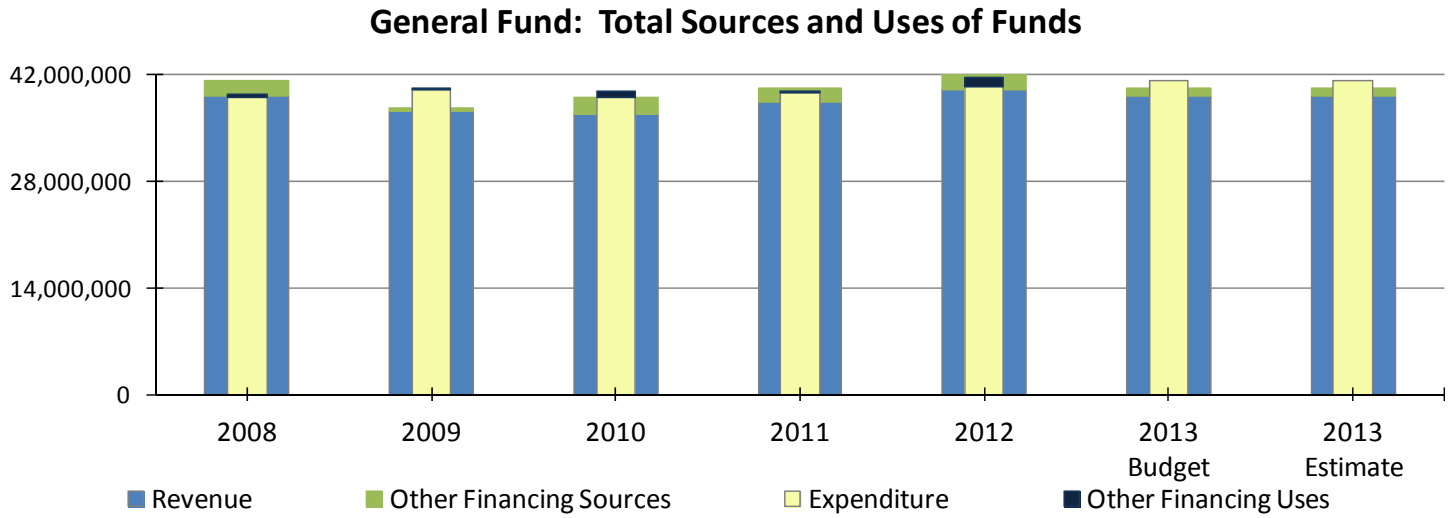
City of Englewood, Colorado
April 2013 Financial Report

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 2008 to 2013 Estimate. As illustrated, both surpluses and deficits have occurred in the past. The gap has narrowed over the past few years by reducing expenditures, freezing positions, negotiating lower-cost health benefits, increased revenue collections. Continued efforts will be required to balance revenues and expenditures, especially with persistent upward pressure on expenditures due to increases in the cost of energy, wages and benefits.

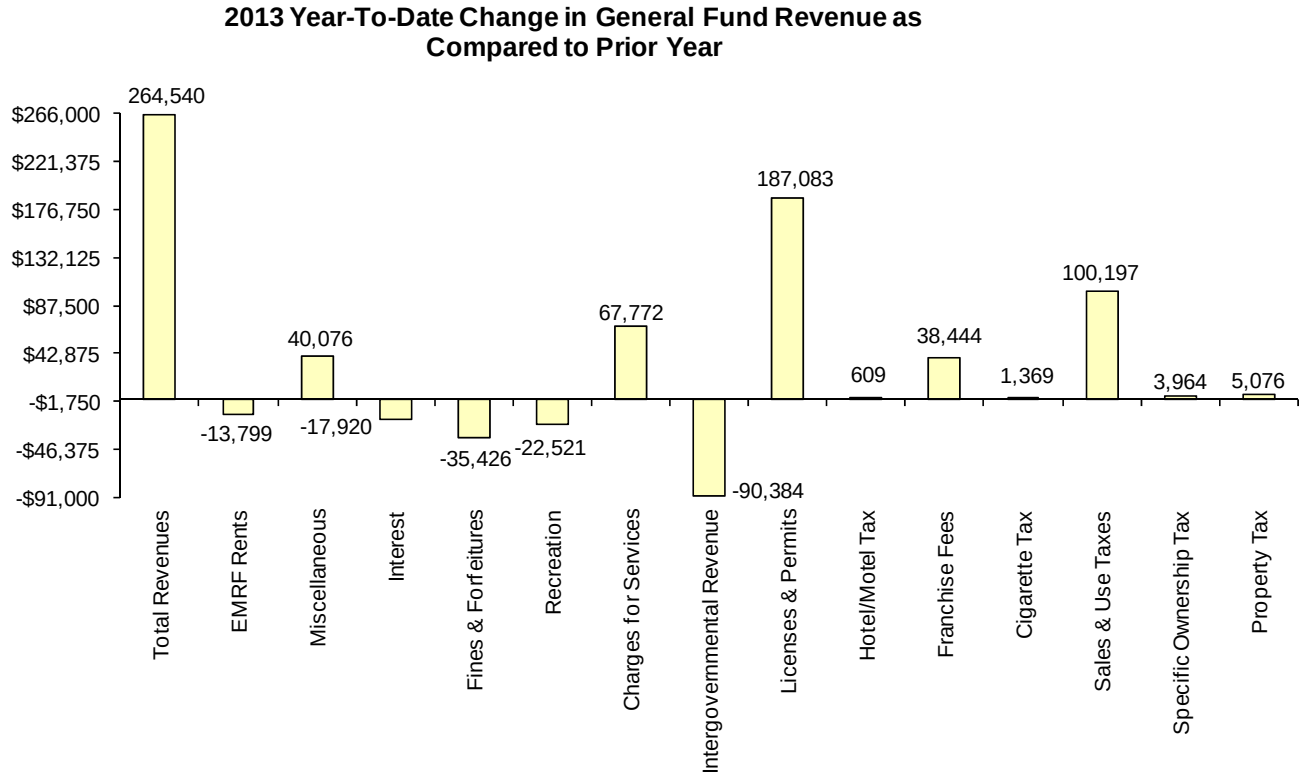


The table below summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended April, 2013. Comparative figures for years 2012 and 2011 are presented as well. The table also highlights the dollar and percentage changes between those periods.

	Apr-13	2013 vs 2012 Increase (Decrease)		Apr-12	2012 vs 2011 Increase (Decrease)		Apr-11
General Fund							
Year-To-Date Revenue	**$ 13,379,564**	$ 264,540	2.02%	**$ 13,115,024**	$ 38,856	.30%	**$ 13,076,168**
Year-To-Date Expenditure	**12,470,065**	$ (118,260)	(.94%)	**12,588,325**	$ 108,986	.87%	**12,479,339**
Net Revenue (Expenditure)	**$ 909,499**	$ 382,800		**$ 526,699**	$ (70,130)		**$ 596,829**
Unassigned Fund Balance	**$ 4,032,250**	$ (920,673)	(18.59%)	**$ 4,952,923**	$ (9,601)	(.19%)	**$ 4,962,524**
Sales & Use Tax Revenue YTD	**$ 8,068,283**	$ 100,197	1.26%	**$ 7,968,086**	$ 130,684	1.67%	**$ 7,837,402**
Outside City Sales & Use Tax YTD	**$ 2,905,943**	$ (46,768)	(1.58%)	**$ 2,952,711**	$ (148,113)	(4.78%)	**$ 3,100,824**

General Fund Revenues

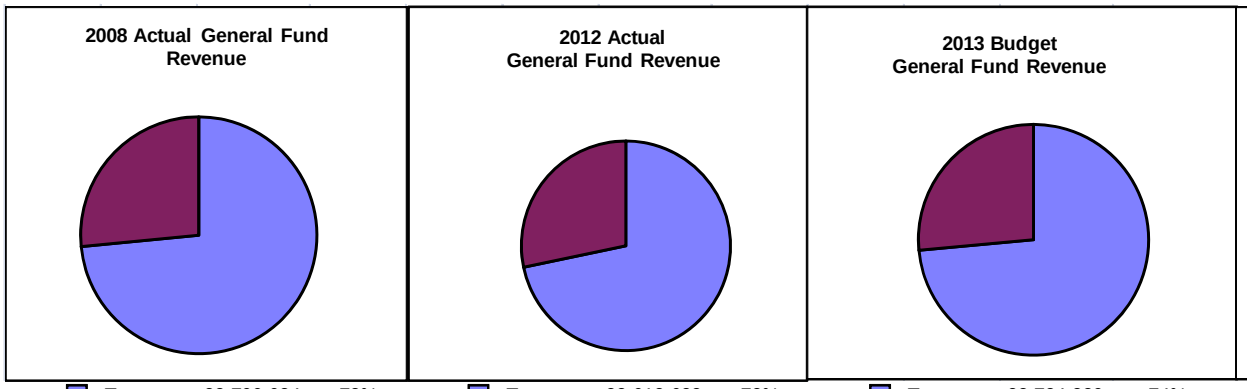
The City of Englewood's total budgeted revenue is $39,050,099. Total revenue collected through April 2013 was $13,379,564 or $264,540 (two percent) more than was collected in 2012. The chart below illustrates changes in General Fund revenues this year as compared to last year.



General Fund - Taxes

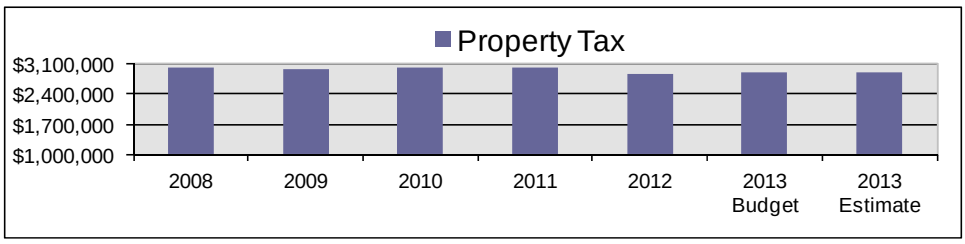
The General Fund obtains most of its revenue from taxes. In 2012 total audited revenues were $39,889,799 of which $28,612,628 (72 percent) came from tax collections. Taxes include property, sales and use, specific ownership, cigarette, utilities, franchise fees, and hotel/motel. The following pie charts illustrate the contribution of taxes to total revenue for 2008, 2012 unaudited and 2013 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.

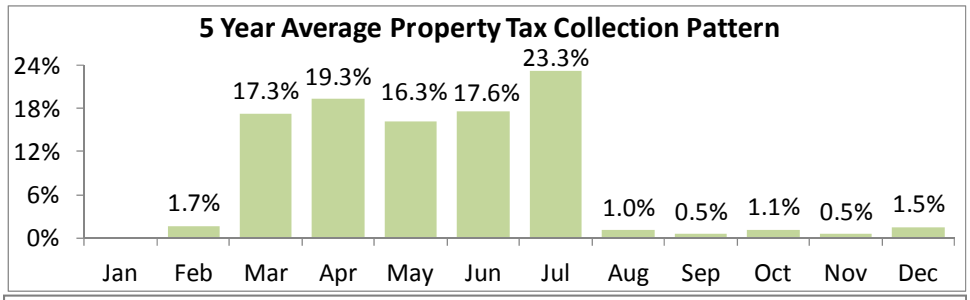
General Fund Revenues
Taxes vs. Other



	2008		2012		2013	
Taxes	28,790,034	73%	28,612,628	72%	28,724,829	74%
Other	10,388,627	27%	11,277,171	28%	10,325,270	26%
Total	39,178,661	100%	39,889,799	100%	39,050,099	100%

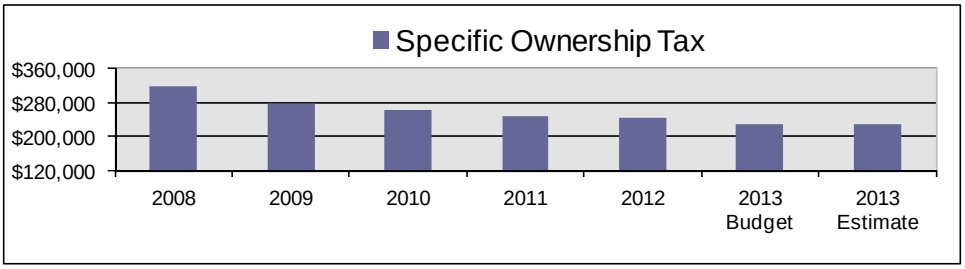
Property taxes: These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2012 mill levy collected in 2013 is 7.794 mills. The 2012 mill levy for general operations collected in 2013 is 5.880 mills. Voters 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 mill levy dedicated for the City's general obligation debt collected in 2012 is 1.914 mills. Property tax collections declined from $2,995,990 in 2008 to $2,874,816 in 2012. This was a decrease of $121,174 or four percent. In 2012 the City collected $2,874,816 or 10 percent of 2012 total taxes and 7.2 percent of total revenues from property taxes. The City budgeted $2,898,000 for 2013; and collected $1,184,448 through April 2013. The estimate for the year is $2,898,000.



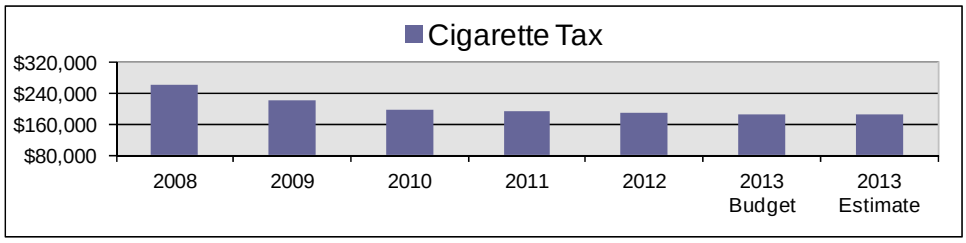


	2008	2009	2010	2011	2012	2013 Budget	2013 Estimate
Property Tax Mill Levy							
General Fund	5.880	5.880	5.880	5.880	5.880	5.880	5.880
Debt Service Fund	2.293	1.947	2.031	2.130	1.741	1.914	1.914
Total Mill Levy	8.173	7.827	7.911	8.010	7.621	7.794	7.794

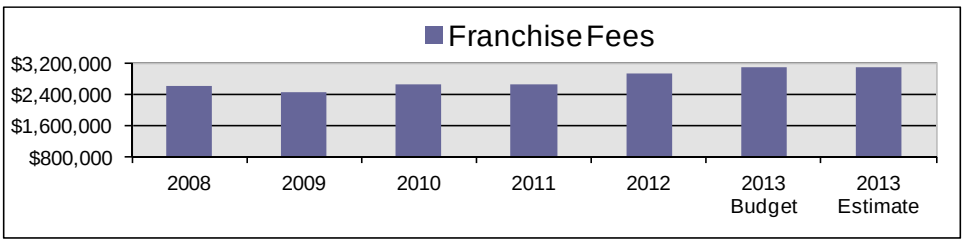
Specific ownership: These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected $316,242 in 2008 and $243,293 in 2012 which is a decrease of $72,949 or 23.1 percent. The City collected $243,293 in 2012 which is less than one percent of total revenues and total taxes. The City budgeted $230,000 for 2013 and collected $69,728 through April 2013. The estimate for the year is $230,000.



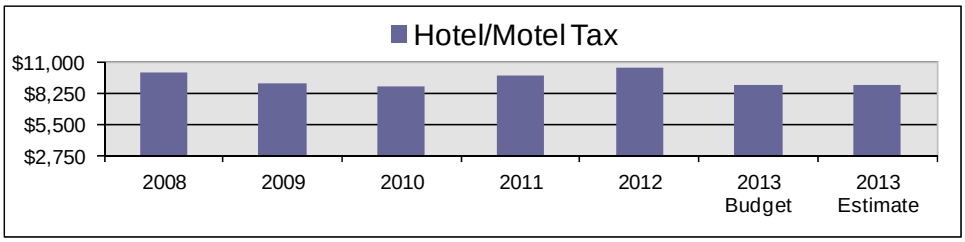
Cigarette Taxes: The State of Colorado levies a $.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen *significantly* in the past and continue to fall 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 2008 the City collected $261,743, but in 2012 the City collected $189,618, which is a decrease of $72,125 or 27.6 percent. These taxes accounted for less than one percent of total taxes and less than one percent of total revenues in 2012. The City budgeted $184,000 for the year and collected $61,525 through April 2013, which is $1,369 or 2.3 percent more than the $60,156 collected through April 2012. The estimate for the year is $184,000.



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 $2,588,214 in 2008 and $2,930,888 in 2012, an increase of $342,674 or 13.2 percent. These taxes accounted for 10.2 percent of taxes and 7.4 percent of total revenues in 2012. The City budgeted $3,067,552 for the year; collections through April totaled $859,060 compared to $820,616 collected during the same period last year. The estimate for the year is $3,067,552.

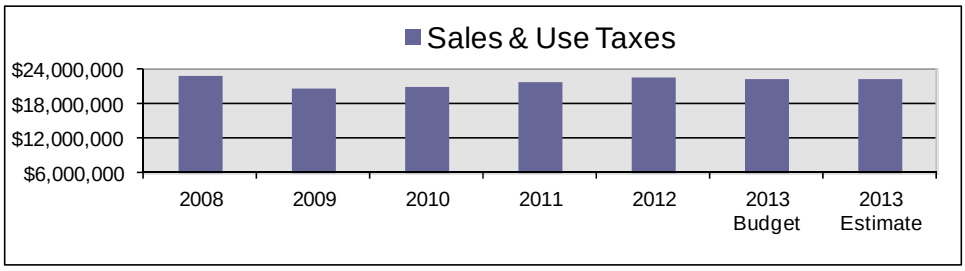


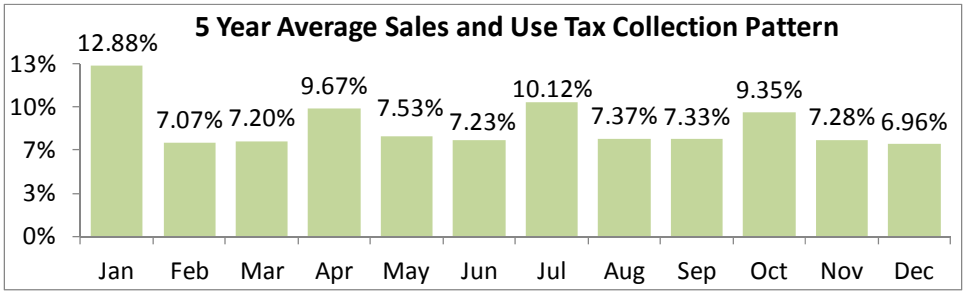
Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted $9,000 for the year and has collected $3,963 through April 2013. The estimate for the year is $9,000.



Sales and Use Taxes Analysis

Sales and use taxes are the most important (and volatile) revenue sources for the City. Sales and use taxes generated 78.2 percent of all taxes and 56.4 percent of total revenues collected in 2012. In 2008, this tax generated $22,617,767 for the City of Englewood; in 2012 the City collected $22,363,618, a decrease of $254,618 (1.1 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 no longer receive a fee for collecting and remitting their sales/use taxes. Taxes for the current month are due to the City by the twentieth day of the following month. The City budgeted $22,336,277 for 2013. Sales and Use Tax revenue (cash basis) through April 2013 was $8,068,283 while revenue year-to-date for April 2012 was $7,968,086, an increase of $100,197 or 1.3 percent.



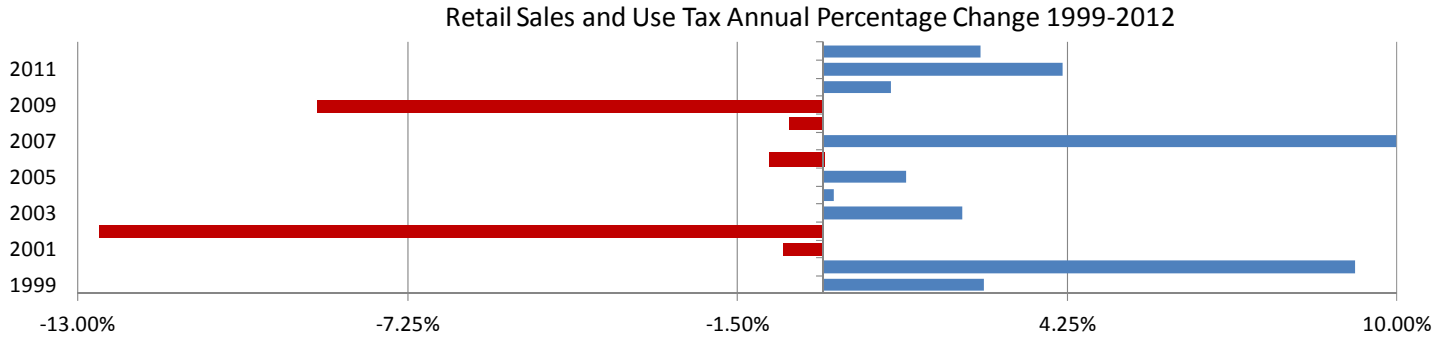


Collections (cash basis) for April 2013 were $2,137,726 while collections for April 2012 and April 2011 were $2,300,093 and $2,207,273 respectively. April 2013 collections were 7.6 percent or $162,367 less than April 2012 collections and $69,547 or 3.2 percent less than April 2011 collections.

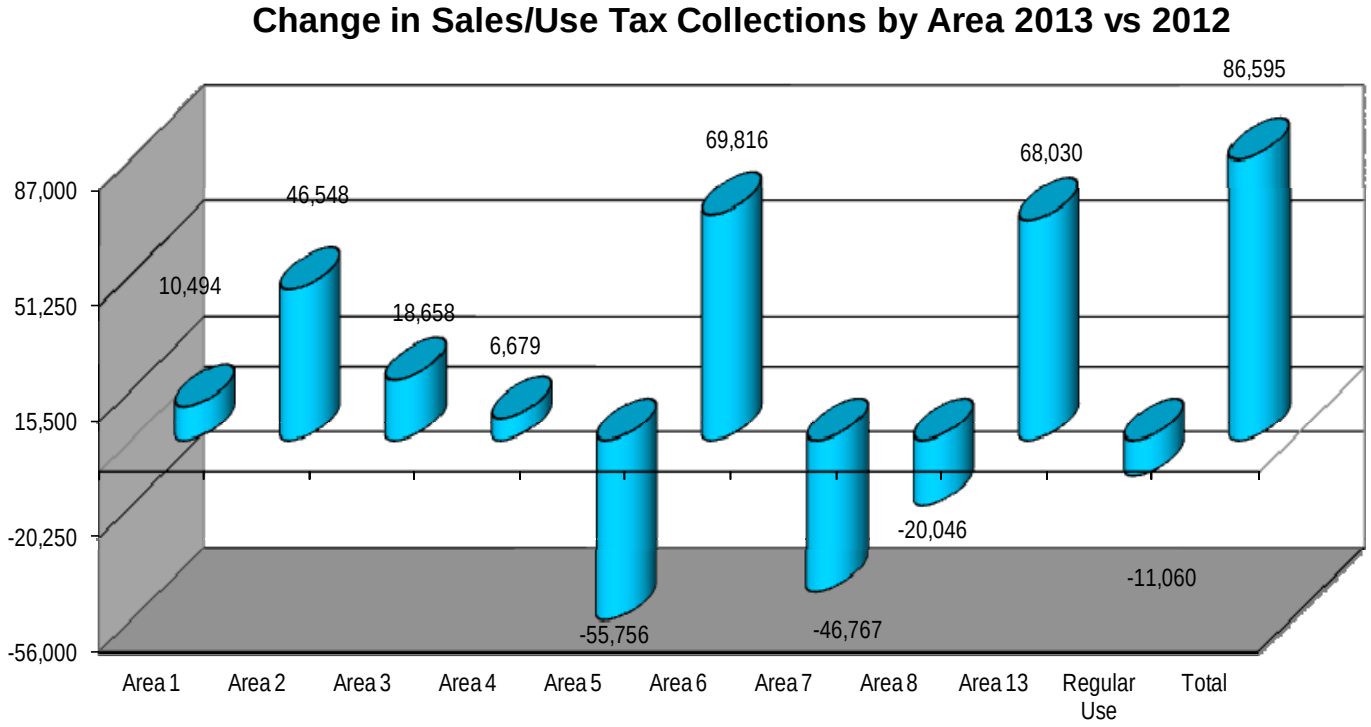
Based on the last five years of sales tax collection data, April contributes 36.6 percent of total year's sales tax collections; if this pattern holds this year, 63.4 percent is left to collect over the next eight months. Based on April's collections, the City will collect an additional $13,991,417 over the next eight months for a total of $22,059,700. Collections through April were 101.3 percent of last April's collections. If this were applied to the entire year, the total collected would be $22,644,835; the average of the two forecasts is $22,352,268 (just over the amount budgeted for the year).

Outside City sales and use tax collections through April totaled $2,905,943 equaling a decrease of approximately $46,768 from 2012 collections.

This revenue source tends to ebb and flow (often dramatically) with the economy, growing during economic expansions and contracting during downturns. The past three years of sales tax collections have been exceptionally erratic making it extremely difficult 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.



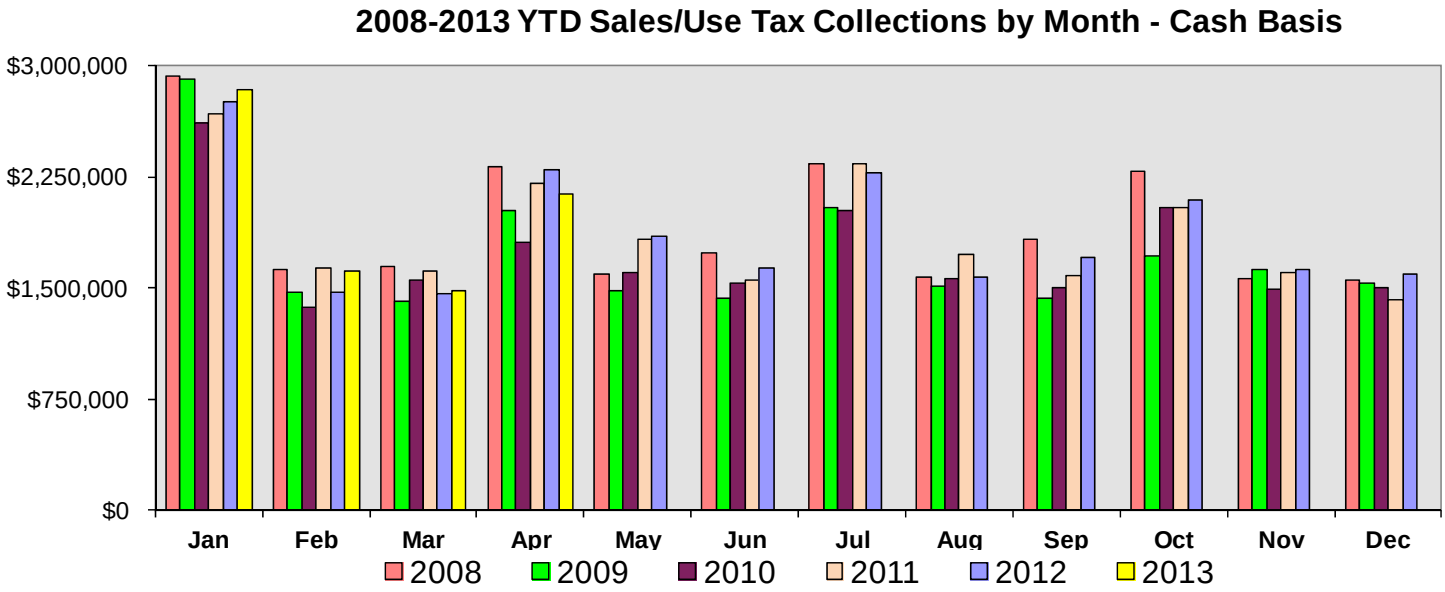
The next chart, "Change in Sales/Use Tax Collections by Area 2012 vs. 2011" provides for the month the annual sales and use tax increases and decreases in the various geographic areas. Economic conditions, judged by sales and use tax collections, appears to be a "mixed bag" with some geographic areas increasing and some decreasing compared to the same period last year.



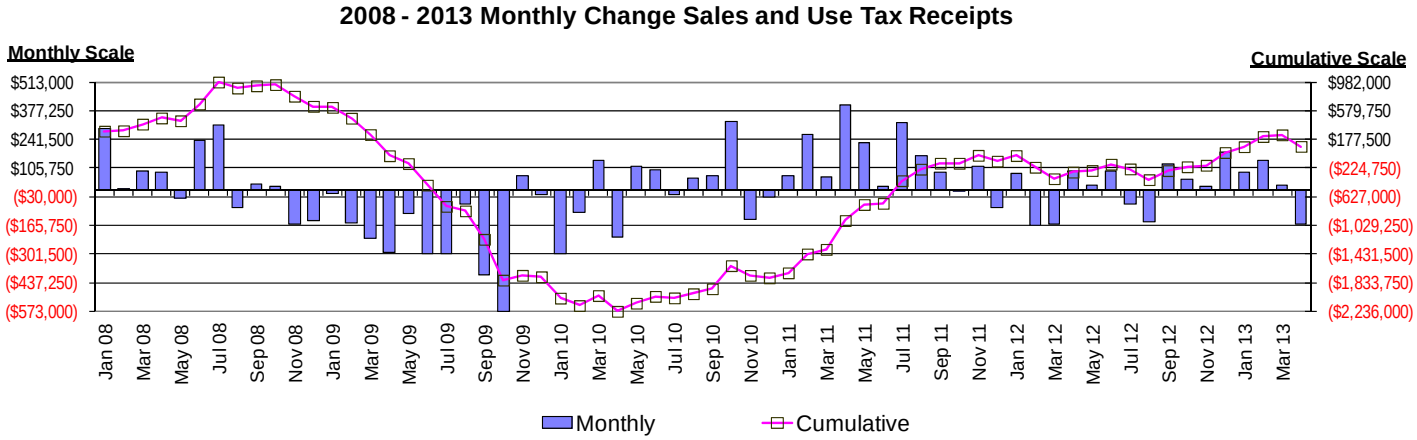
<u>Please note that the geographic map of the sales tax areas was changed in 2012,</u> and hopefully makes more sense. Some of the areas will look skewed until more comparable data is available in 2013. <u>EURA Areas 9 & 10 and EURA Areas 11 & 12 were incorporated into Areas 1, 2 and 6.</u> Specific changes include:

- Area 1 east boundary will change at Bannock St/Englewood Pkwy east to Acoma St south to Jefferson Ave/Hampden Ave/US 285
- Split the address down the middle of the streets for Area 2 and Area 3: Bannock St and Sherman St
- Split the address down the middle of the streets for Area 3 and Area 4: Belleview Ave, Fox St and Logan St
- The north and south side of the street included in Area 1: Jefferson Avenue
- The north and south side of the street included in Area 2: Jefferson Ave/Hampden Ave/US 285

The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2008 through 2013.

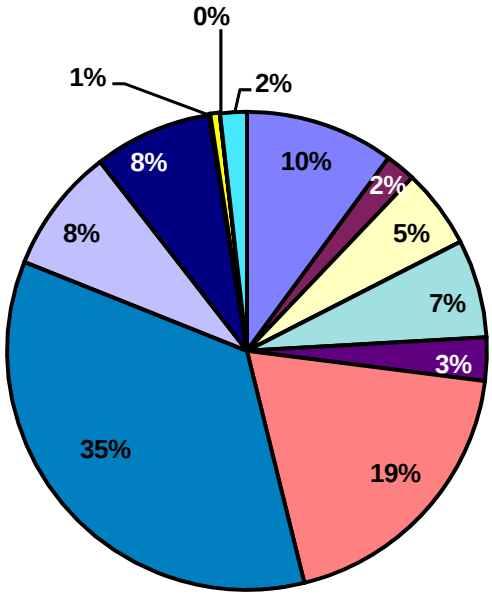


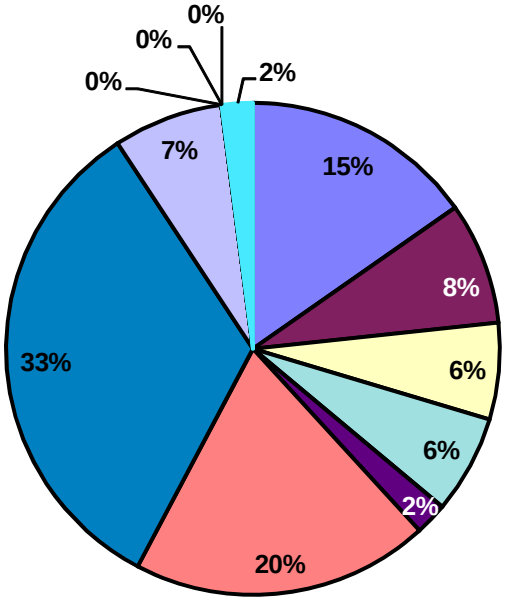
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly change in sales and use tax collections as adjusted by each consecutive month change.



Sales tax collections are reported by various geographic areas as illustrated in the following pie charts. These illustrate the changing collection patterns for 2008 and 2012.

Geographic Sales Tax Collection Areas





2008 Actual Cash Receipts by Area

Area 1	10%	Area 8	8%
Area 2	2%	Area 9 & 10	8%
Area 3	5%	Area 11 & 12	1%
Area 4	7%	Area 13	0%
Area 5	3%	Regular Use	2%
Area 6	19%		
Area 7	35%		

2012 Actual Cash Receipts by Area

Area 1	15%	Area 8	7%
Area 2	8%	Area 9 & 10	0%
Area 3	6%	Area 11 & 12	0%
Area 4	6%	Area 13	0%
Area 5	2%	Regular Use	2%
Area 6	20%		
Area 7	33%		

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 $1,177,749 year-to-date or .9 percent more than was collected during the same period last year.

Area 4: This geographic area is up 1.4 percent from last year.

Area 6: This geographic area is up 5.3 percent from last year.

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 3.3 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 2008 for collections through the month of April. 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:

	2009	2010	2011	2012	2013
Total Sales and Use Taxes	7,816,994	7,331,300	8,134,398	7,981,025	8,067,620
Outside City Collections	2,716,973	2,349,374	3,100,824	2,952,711	2,905,943
Percentage of Total	**34.8%**	**32.0%**	**38.1%**	**37.0%**	**36.0%**
Total General Fund Revenues	12,711,672	12,153,893	13,076,168	13,115,024	13,379,564
Outside City Collections	2,716,973	2,349,374	3,100,824	2,952,711	2,905,943
Percentage of Revenues	**21.4%**	**19.3%**	**23.7%**	**22.5%**	**21.7%**

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 $9,465 in refunds including intercity sales/use tax claims through April 2013 compared to $83,537 through April 2012. 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 April were down $20,046 or 3.2 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.

Area 13: This geographic area encompasses the Kent Place Development. Collections through April were $68,030. Since this is the first year the area has collected taxes there are no previous collection history to compare to. If the average monthly collection for the first two months were projected for the year, total collections for the year will be approximately $204,000.

Other Sales Tax Related Information

Finance and Administrative Services Department collected $30,998 in sales and use tax audit revenues and general collections of balances on account through the month of April 2013, this compares to $13,015 collected in 2012 and $119,297 collected in 2011.

Of the 59 sales tax accounts reviewed in the various geographic areas, 30 (51 percent) showed improved collections and 29 (49 percent) showed reduced collections this year compared to the same period last year.

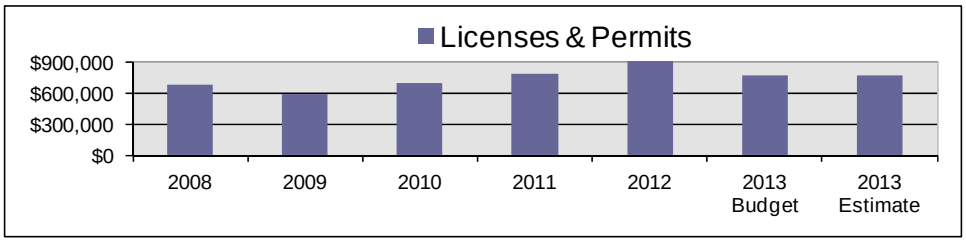
The Department issued 135 new sales tax licenses through April 2013; 158 and 153 were issued through April 2012 and 2011 respectively.

City records indicate that year-to-date 35 businesses closed (20 were outside the physical limits of Englewood) and 135 opened (85 of them were outside the physical limits of Englewood).

General Fund - Other Revenue

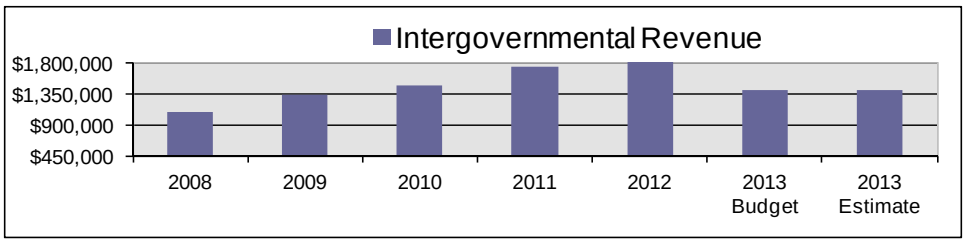
Other revenues (including McLellan rent) accounted for $11,277,171 or 26.9 percent of the total revenues for 2012. The City budgeted $10,325,270 for 2013.

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

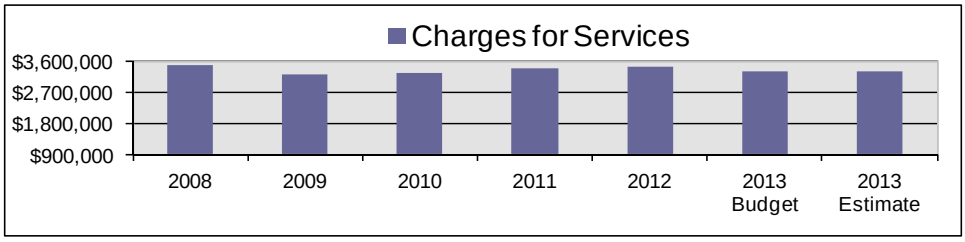


Licenses and Permits: This revenue category includes business and building licenses and permits. This revenue source generated $983,359 during 2012 or 2.5 percent of total revenue and 9.2 percent of total other revenue. This revenue source totaled $671,609 in 2008 and increased to $983,359 in 2012, a 46.4 percent increase. The City budgeted $767,153 for 2013 and year-to-date collected $434,584 or $187,083 (75.6 percent) more than the $247,501 collected through April 2012. The estimate for the year is $767,153.

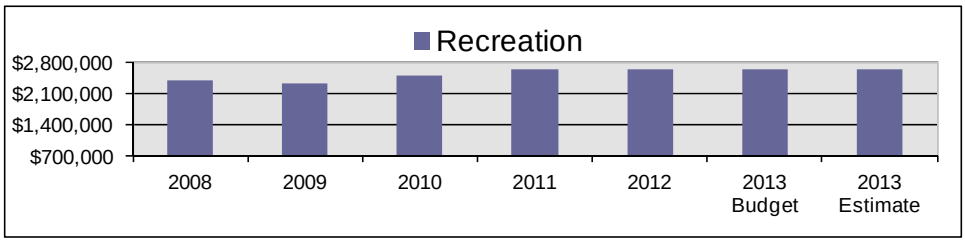
Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at $1,387,598 for 2013. This revenue source totaled $1,079,285 in 2008 and the City collected $1,865,722 in 2012, a 72.8 percent increase. The City collected $335,187 through April 2012 this is $90,384 (21.2 percent) less than the $425,571 collected in the same period in 2012. The estimate for the year is $1,387,598.

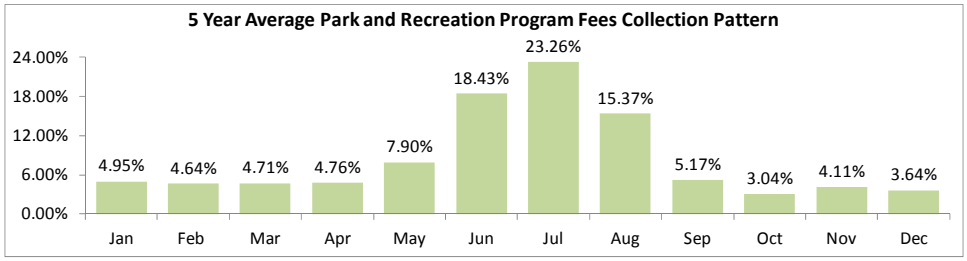


Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at $3,277,773 for 2013. This revenue source totaled $3,476,583 in 2008 and decreased to $3,441,525 in 2012, a one percent decrease. Total collected year-to-date was $1,101,605 or $67,772 (6.6 percent) more than the $1,033,833 collected year-to-date in 2012. The estimate for the year is $3,277,773.

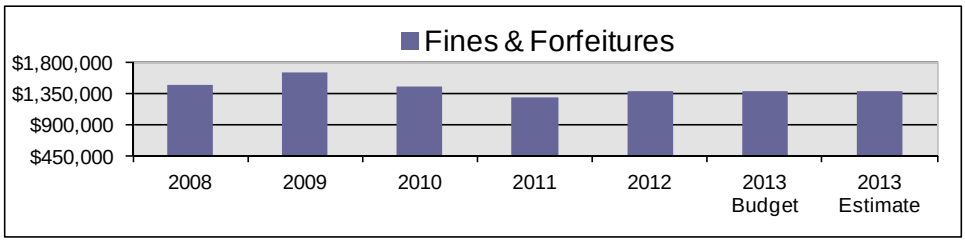


Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at $2,629,173 for 2013. This revenue source totaled $2,364,758 in 2008 and increased to $2,615,642 in 2012, a 10.6 percent increase. Total collections through April 2013 were $454,075 compared to $476,534 collected in 2012. The estimate for the year is $2,629,173.

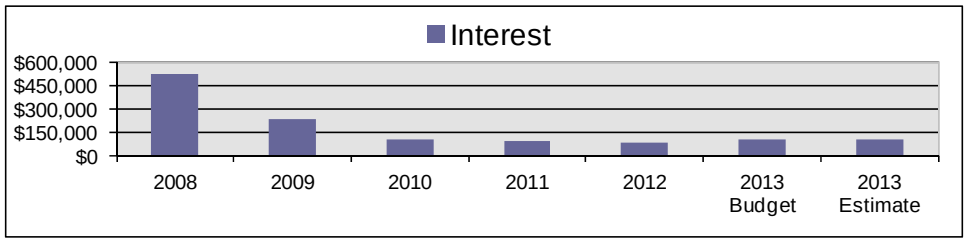




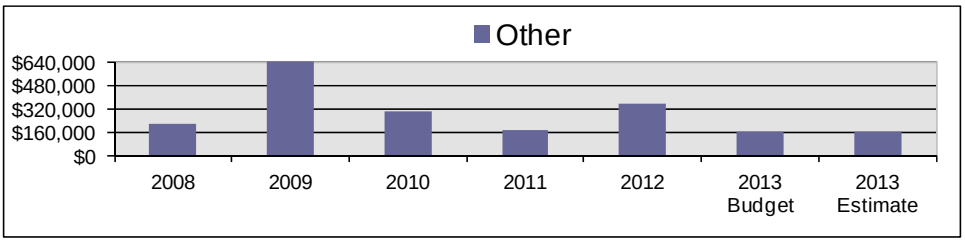
Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2013 budget for this source is $1,368,450. This revenue source totaled $1,461,100 in 2008 and decreased to $1,381,453 in 2012, a 5.4 percent decrease. Total collected year-to-date was $463,534 or $35,426 (7.1 percent) less than the $498,960 collected in the same time period last year. The estimate for the year is $1,368,450.



Interest: This is the amount earned on the City's cash investments. The 2013 budget for this source is $100,000. This revenue source totaled $520,325 in 2008 and decreased to $84,045 in 2012, an 83.8 percent decrease. The City earned $15,970 through April 2013; while the City earned $33,890 through April 2012. The estimate for the year is $100,000.



Other: This source includes all revenues that do not fit in another revenue category. The 2013 budget for this source is $156,294. This revenue source totaled $215,823 in 2008 and increased to $354,130 in 2012, a 67 percent increase. Total collected year-to-date is $116,488 (52.5 percent) more than the $76,412 collected last year during the same period. The estimate for the year is $156,294.



General Fund - Expenditures

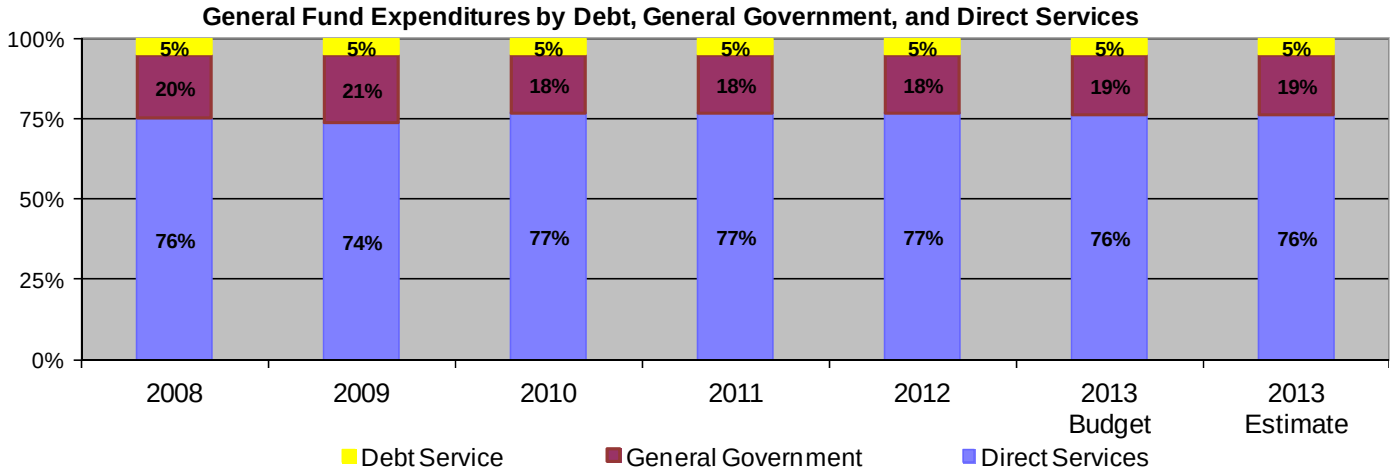
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

- 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 $41,110,026 for 2013, this compares to $40,265,587 and $39,496,268 expended in 2012 and 2011 respectively. Budgeted expenditures for 2013 general government (City Manager, Human Resources, etc.) totals $7,636,290 or 18.6 percent of the total. Direct government expenditures (Police, Fire, etc.) are budgeted at $31,411,162 or 76.4 percent of the total. Debt service (fixed costs) payments are $2,062,574 or five percent of the total. Total expenditures through April were $12,470,065 compared to $12,588,325 in 2012 and $12,479,339 in 2011.

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



The schedule below provides the expenditure for each of the General Fund departments for the years 2008 through 2013 Estimate.

Expenditure	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Estimate
General Government							
Legislation	350,254	346,044	309,870	298,731	316,043	330,436	330,436
City Manager	674,322	674,170	659,882	639,184	658,047	679,653	679,653
City Attorney	698,563	678,038	702,228	706,841	712,036	783,147	783,147
Muncipal Court	915,303	914,494	901,469	848,775	886,249	962,993	962,993
Human Resources	579,136	456,275	419,422	430,792	469,343	481,392	481,392
Finance & Administrative Services	1,626,571	1,575,923	1,445,581	1,446,313	1,464,305	1,583,684	1,583,684
Information Technology	1,280,156	1,360,237	1,280,660	1,332,766	1,373,943	1,340,211	1,340,211
Community Development	1,464,725	1,366,437	1,301,473	1,359,264	1,262,451	1,324,774	1,324,774
Contingencies	59,759	160,578	48,138	152,423	143,810	150,000	150,000
Contribution to Component Unit(s)	-	800,000	-	-	-	-	-
General Government Subtotal	7,648,789	8,332,196	7,068,723	7,215,089	7,286,227	7,636,290	7,636,290
Direct Services							
Public Works	5,189,173	5,152,891	5,137,364	5,259,875	5,202,903	5,308,257	5,308,257
Police	9,974,925	10,183,890	10,312,633	10,395,239	10,788,935	11,250,771	11,250,771
Fire	7,215,444	7,320,268	7,425,903	7,666,842	8,100,554	7,889,065	7,889,065
Library	1,261,112	1,275,554	1,284,083	1,145,613	1,180,771	1,251,293	1,251,293
Parks and Recreation	5,916,449	5,727,968	5,811,809	5,717,147	5,649,246	5,711,776	5,711,776
Direct Services Subtotal	29,557,103	29,660,571	29,971,792	30,184,716	30,922,409	31,411,162	31,411,162
Debt Service							
Debt Service-Civiccenter	1,575,850	1,571,752	1,570,705	1,658,857	1,570,921	1,573,000	1,573,000
Debt Service-Other	233,456	233,456	290,122	437,606	486,030	489,574	489,574
Debt Service Subtotal	1,809,306	1,805,208	1,860,827	2,096,463	2,056,951	2,062,574	2,062,574
Total Expenditure	39,015,198	39,797,975	38,901,342	39,496,268	40,265,587	41,110,026	41,110,026
% Expenditure Change	2.35%	2.01%	-2.25%	1.53%	1.95%	2.10%	0.00%
Other Financing Uses							
Transfers Out	408,915	177,011	750,000	301,246	1,339,330	0	0
Total Other Financing Uses	408,915	177,011	750,000	301,246	1,339,330	0	0
Total Uses of Funds	39,424,113	39,974,986	39,651,342	39,797,514	41,604,917	41,110,026	41,110,026
% Uses of Funds Change	1.92%	1.40%	-0.81%	0.37%	4.54%	-1.19%	0.00%

The chart below provides per capita the General Fund expenditure information categorized into direct and general government services and debt service. Also provided is the per capita General Obligation Debt accounted for in the Debt Service Fund.

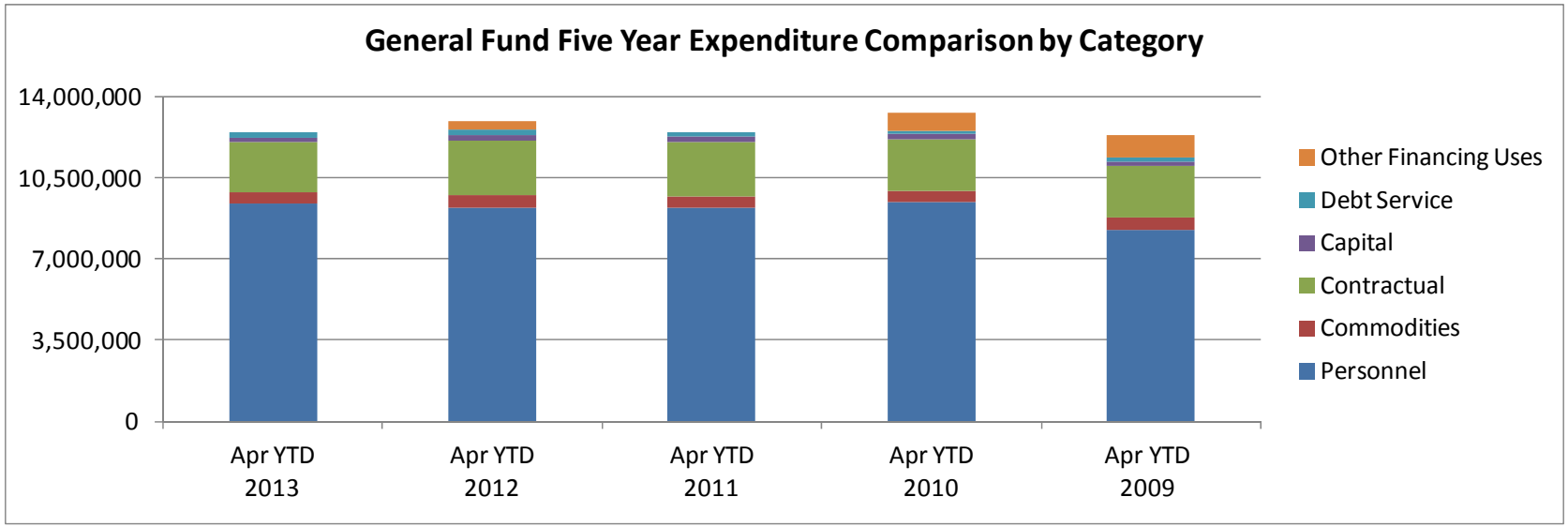
	2008	2009	2010	2011	2012	2013 Budget	2013 Estimate
Population*	30,943	30,761	30,255	30,720	30,720	30,720	30,720
General Fund							
General Government Services	$ 247	$ 271	$ 234	$ 235	$ 235	$ 252	$ 234
Direct Services	$ 955	$ 964	$ 991	$ 983	$ 983	$ 1,014	$ 999
Public Works	$ 168	$ 168	$ 170	$ 171	$ 171	$ 177	$ 164
Police	$ 322	$ 331	$ 341	$ 338	$ 338	$ 356	$ 350
Fire	$ 233	$ 238	$ 245	$ 250	$ 250	$ 251	$ 263
Library	$ 41	$ 41	$ 42	$ 37	$ 37	$ 41	$ 38
Parks & Recreation	$ 191	$ 186	$ 192	$ 186	$ 186	$ 190	$ 183
Debt Service	$ 58	$ 59	$ 62	$ 68	$ 68	$ 67	$ 67
Total Expenditure Per Capita	$ 1,261	$ 1,294	$ 1,286	$ 1,286	$ 1,286	$ 1,333	$ 1,300
Debt Service Fund							
General Obligation Debt Per Capita	$ 36	$ 36	$ 36	$ 31	$ 31	$ 31	$ 31

* Source: Colorado Department of Local Affairs Municipal Population Estimates By County; 2010 figure is from Census Data

City of Englewood, Colorado

General Fund - Five Year Expenditure Comparison by Category

	Apr YTD 2013	YTD % Change	% of Total	Apr YTD 2012	YTD % Change	% of Total	Apr YTD 2011	YTD % Change	% of Total	Apr YTD 2010	YTD % Change	% of Total	Apr YTD 2009	% of Total
Personnel services														
Salaries and wages	6,603,067	0.160%	16.062%	6,592,476	-0.080%	16.226%	6,597,666	-2.800%	16.578%	6,787,914	14.110%	17.119%	5,948,822	14.881%
Overtime	183,172	-17.920%	0.446%	223,160	57.430%	0.549%	141,755	-13.400%	0.356%	163,682	37.800%	0.413%	118,781	0.297%
Benefits	2,586,944	6.910%	6.293%	2,419,798	-1.600%	5.956%	2,459,101	-0.760%	6.179%	2,477,989	14.310%	6.249%	2,167,869	5.423%
Personnel services total	9,373,183	1.490%	22.800%	9,235,434	0.400%	22.731%	9,198,521	-2.450%	23.113%	9,429,585	14.500%	23.781%	8,235,472	20.602%
Commodities total	514,819	-0.950%	1.252%	519,734	3.100%	1.279%	504,120	-4.650%	1.267%	528,706	-5.970%	1.333%	562,269	1.407%
Contractual services total	2,153,008	-8.290%	5.237%	2,347,521	1.700%	5.778%	2,308,194	4.650%	5.800%	2,205,616	-1.640%	5.563%	2,242,323	5.609%
Capital total	193,010	-23.240%	0.469%	251,430	4.950%	0.619%	239,564	-7.980%	0.602%	260,345	41.540%	0.657%	183,936	0.460%
Total Expenditures	12,234,020	-0.970%	29.759%	12,354,121	0.850%	30.408%	12,250,399	-1.400%	30.782%	12,424,251	10.690%	31.334%	11,223,999	28.078%
Debt service total	236,046	0.790%	0.574%	234,204	2.300%	0.576%	228,940	85.540%	0.575%	123,393	0.000%	0.311%	123,393	0.309%
Other financing uses total	0	0.000%	0.000%	334,000	0.000%	0.822%	0	0.000%	0.000%	750,000	0.000%	1.891%	965,000	5.640%
Total Uses of Funds	12,470,067	0.000%	30.333%	12,922,325	0.000%	31.806%	12,479,339	0.000%	31.357%	13,297,644	0.000%	33.536%	12,312,392	30.800%
Annual Total	41,110,026	1.185%		40,628,519	2.088%		39,797,514	0.369%		39,651,356	-0.810%		39,974,987	
YTD % of Annual Total	30.333%			31.806%			31.357%			33.536%			30.800%	



General Fund - Transfers

The General Fund has provided funds to and has received funds from Special Revenue Funds, Capital Projects Funds, and Internal Service Funds in order to buffer temporary gaps in revenue and expenditure amounts. In 2012 the General Fund is not in the position to provide funding to the Capital Projects Funds but has received the following net transfers:

Source of Funds	2013 Budget Amount	2013 YTD Net Amount	2012 Net Annual Amount
Special Revenue Funds			
Neighborhood Stabilization Program Fund	$ -	$ -	$ 202,396
Capital Project Funds			
Public Improvement Fund (PIF)	989,574	489,574	201,517
Internal Service Funds			
Central Services Fund	50,000	50,000	-
Servicenter Fund	100,000	100,000	100,000
Risk Management Fund	-	-	205,000
Employee Benefits Fund	-	-	(80,000)
Net Transfers In (Out) Total	$ 1,139,574	$ 639,574	628,913

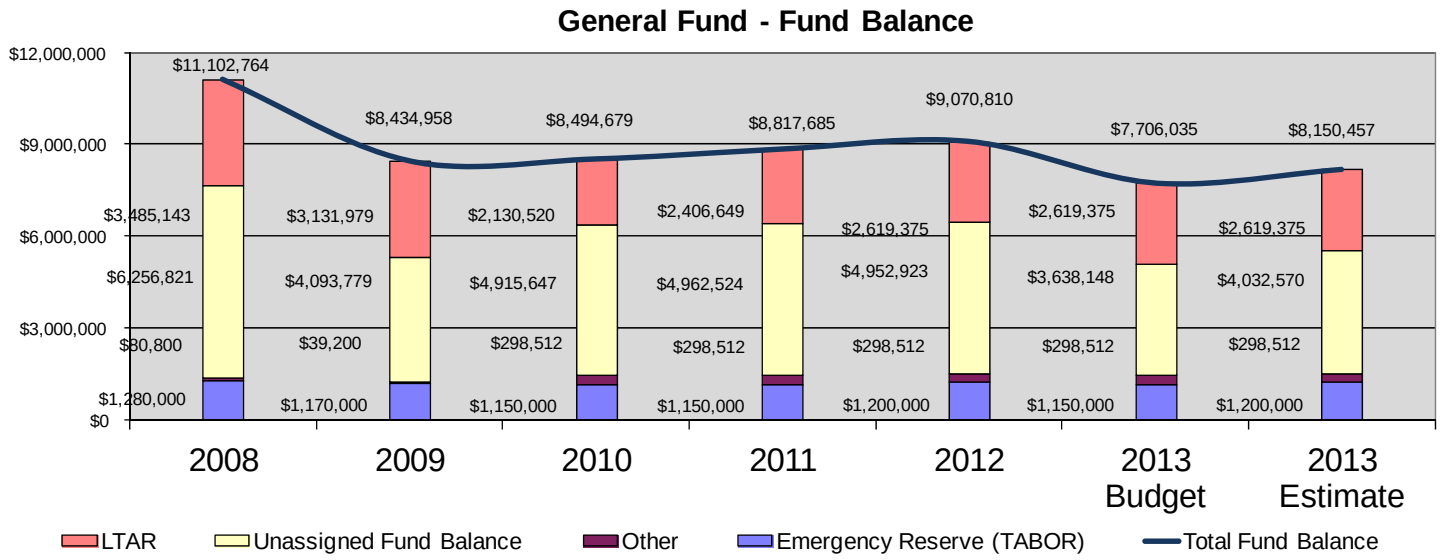
The liability reserve for the Risk Management Fund is calculated using the open claims report from CIRSA. The CIRSA Report provides an outstanding amount for each claim; the majority of the claims are well under $150,000. The City is liable for all claims up to $150,000 and CIRSA is responsible for amounts exceeding $150,000 (deductible). The total estimated claims under $150,000 make up the liability reserve. Because the liability reserve will be paid in the future, funds must be set aside to pay the claims. Accounting is only made aware of claim information and new liabilities when the CIRSA reports are received after the end of the year. It is extremely difficult to predict how many or how much each year's claims will be. The liability reserve is adjusted be from year-to-year as actual claim information is received.

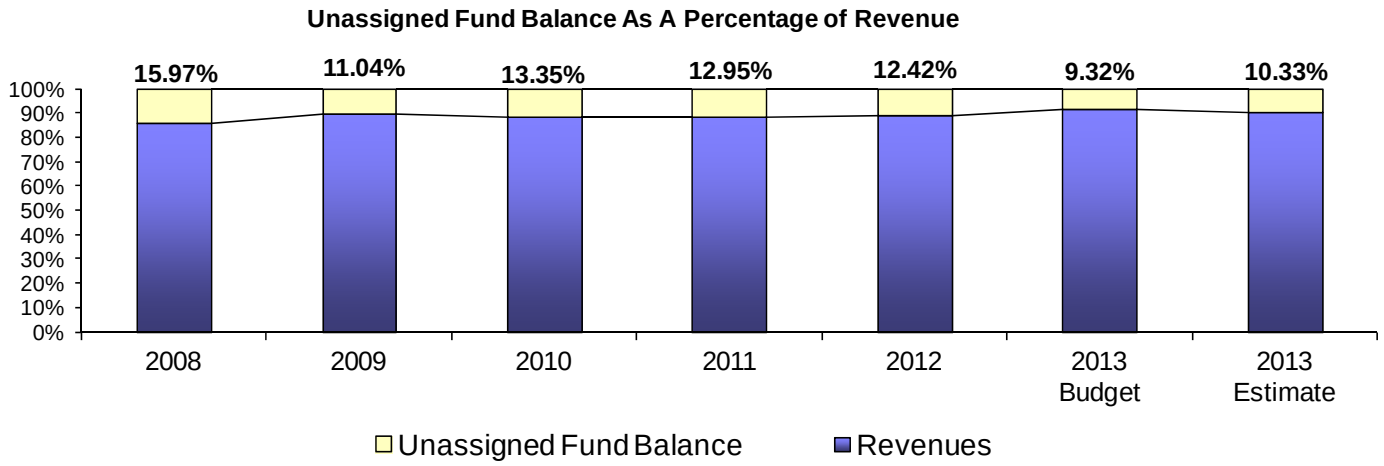
General Fund - Fund Balance

The City designates the fund balance into two categories, restricted and unrestricted. The portion of the fund balance which is restricted is referred to as the "Reserves" while the unrestricted portion is referred to as the unassigned fund balance. The unassigned 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 estimated unassigned 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, 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. The balance at the end of April 2013 is $2,619,375.

COPS Grant Reserve There is $298,512 reserved to pay the City's required portion of the COPS Grant. The funds originated in the LTAR. This year, an estimated $198,000 will be drawn down and the remaining $100,512 will be drawn down in 2014. An additional $131,488 will be needed to fund the program for all of 2014.





The City's General Fund ended 2012 with total reserves of $9,070,810, and an unassigned fund balance of $4,952,923 or 12.42 percent of revenues or 12.3 percent of expenditures. The budgeted total reserves for 2013 are $7,706,035 with an unassigned fund balance of $3,588,887 or 9.2 percent of budgeted revenues or 8.7 percent of budgeted expenditures. Estimated total reserves for 2013 are $8,150,457 with an unassigned fund balance of $4,032,570 or 10.33 percent of budgeted revenues or 9.8 percent of budgeted expenditures. The $4,032,570 would allow the City to operate for approximately 35.8 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 a table on the next page that illustrates the PIF Year-To-Date (YTD) revenues and expenditures for the years 2011 through 2013. 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)	2013	2013 vs 2012 Increase (Decrease)		2012	2012 vs 2011 Increase (Decrease)		2011
YTD Revenues	$ 782,890	$ (137,116)	(14.90%)	$ 920,006	$ 342,271	59.24%	$ 577,735
YTD Expenditures	1,959,899	$ 287,851	17.22%	1,672,048	$ (1,674,315)	(50.03%)	3,346,363
Net Revenues (Expenditures)	$ (1,177,009)	$ (424,967)		$ (752,042)	$ 2,016,586		$ (2,768,628)
Beginning PIF Fund Balance	$ 1,320,371			$ 934,251			$ 2,686,457
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	$ 143,362			$ 182,209			$ (82,171)
Plus: Remaining Annual Revenue	2,621,773			1,225,158			1,081,999
Less: Remaining Annual Appropriation	(1,792,049)			(1,336,940)			(823,046)
Estimated Ending Fund Balance	$ 973,086			$ 70,427			$ 176,782
Unappropriated Fund Balance as of December 31,				$ 540,125			$ 274,179

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

	2013 Estimate	2013 Adopted Budget	2013 YTD Actual	2013 Vs 2012 Amount	%	2012 YTD Actual	2012 Vs 2011 Amount	%	2011 YTD Actual
Vehicle Use Tax	$ 1,200,000	$ 1,200,000	$ 354,745	$ 30,570	9%	$ 324,175	$ 40,242	14%	$ 283,934
Building Use Tax	$ 1,804,475	$ 1,804,475	$ 191,248	$ (53,818)	-22%	$ 245,066	$ (27,084)	-10%	$ 272,150
Arapahoe County Road and Bridge Tax	$ 198,528	$ 197,000	$ 69,485	$ 508	1%	$ 68,977	$ (7,678)	-10%	$ 76,655

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. These revenue sources are monitored periodically to determine the revision of the 2013 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%.

2013 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)	Restricted/ Committed Balance	Estimated Ending Balance
Governmental Fund Types (Fund Balance)						
General Fund	9,070,810	13,168,450	12,470,067	(1,618,736)	4,117,887	4,032,570
Special Revenue Funds						
Conservation Trust	1,229,649	90,894	5,085	(1,257,506)	-	57,952
Open Space	1,519,439	1,847	39,235	(1,400,439)	-	81,612
Neighborhood Stabilization Program	448,903	432,711	399,112	(482,501)	-	-
Donors	446,272	31,681	29,823	-	-	448,131
Community Development	-	19,698	78,151	58,453	-	-
Malley Center Trust	268,974	1,020	-	-	-	269,994
Parks & Recreation Trust	454,647	12,470	3,015	-	-	464,102
Debt Service Fund						
General Obligation Bond	55,625	385,980	3,857	-	-	437,748
Capital Projects Funds						
PIF	1,320,371	782,890	426,716	(703,460)	-	973,086
MYCP	865,986	951	84,248	(704,408)	-	78,282
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	14,302,488	2,281,362	3,655,712	-	-	12,928,139
Sewer	4,030,164	5,168,073	3,623,497	-	1,000,000	4,574,740
Stormwater Drainage	1,059,080	138,339	25,654	-	102,500	1,069,265
Golf Course	928,210	352,401	416,734	-	293,500	570,377
Concrete Utility	352,983	503,282	110,041	-	-	746,224
Housing Rehabiliation	442,167	65,352	84,040	48,853	-	472,332
Internal Service Funds						
Central Services	184,905	119,180	119,417	(50,000)	-	134,668
ServiCenter	1,217,858	819,181	686,641	(200,000)	-	1,150,398
CERF	1,568,208	262,718	139,450	100,000	-	1,791,475
Employee Benefits	3,152	2,142,874	2,208,748	-	-	(62,722)
Risk Management	3,735	1,205,929	971,979	-	-	237,685

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.

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.

FUNDS GLOSSARY

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

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, 2023.

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:

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 April 30, 2013

Percentage of Year Completed = 33%

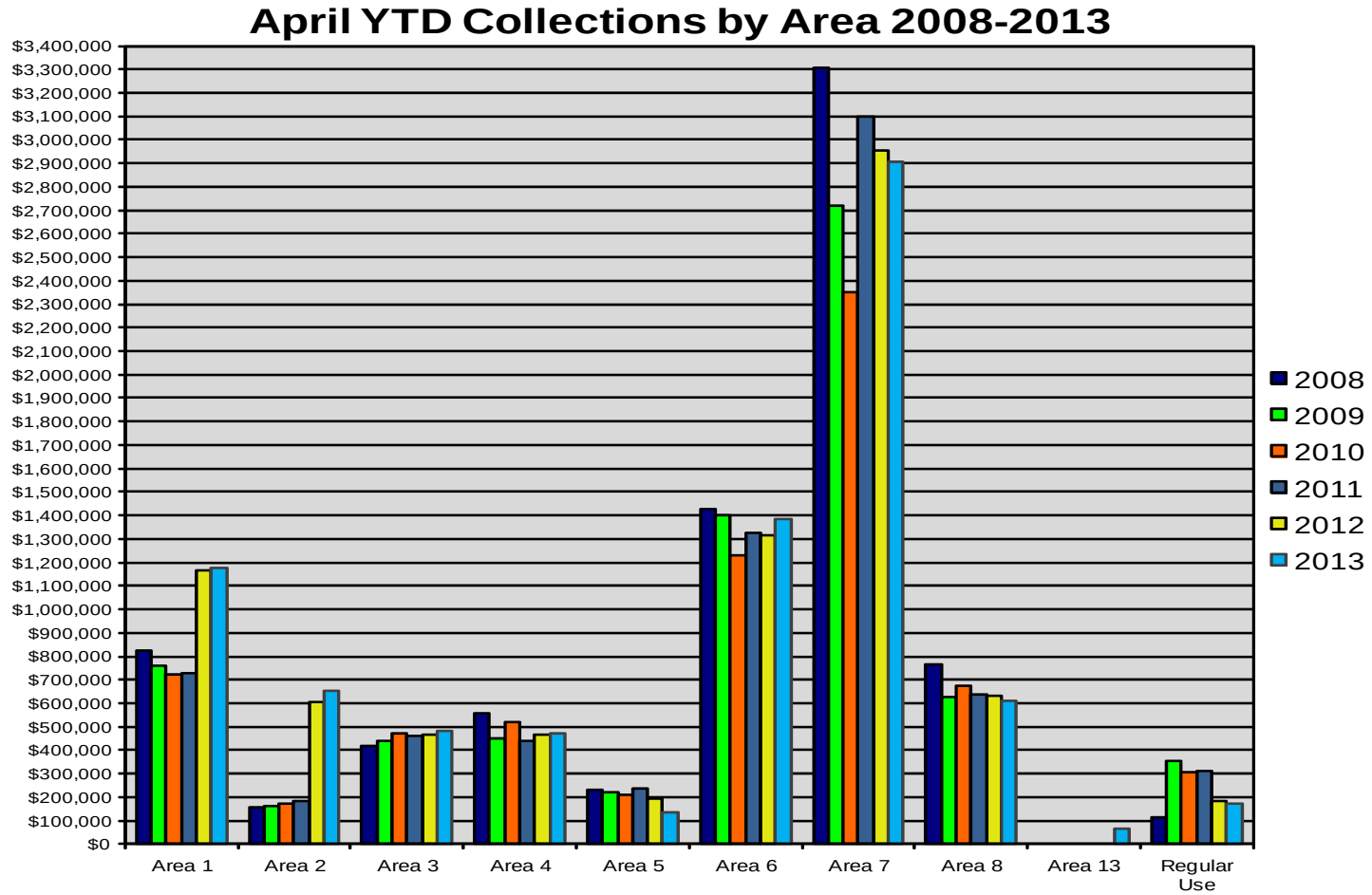
	2013				2012			2011		
Fund Balance January 1	$ 8,626,388	$ 9,070,810		$ 9,070,810	$ 8,817,685	$ 8,817,685		$ 8,494,679	$ 8,494,679	
	Budget	Apr-13	% Budget	YE Estimate	Dec-12	Apr-12	% YTD	Dec-11	Apr-11	% YTD
Revenues										
Property Tax	2,898,000	1,184,448	40.87%	2,898,000	2,874,816	1,179,372	41.02%	2,994,213	1,203,159	40.18%
Specific Ownership Tax	230,000	69,728	30.32%	230,000	243,293	65,764	27.03%	246,062	66,281	26.94%
Sales & Use Taxes	22,336,277	8,068,283	36.12%	22,336,277	22,363,618	7,968,086	35.63%	21,737,110	7,837,402	36.06%
Cigarette Tax	184,000	61,525	33.44%	184,000	189,618	60,156	31.72%	190,763	61,650	32.32%
Franchise Fees	3,067,552	859,060	28.00%	3,067,552	2,930,888	820,616	28.00%	2,631,393	738,866	28.08%
Hotel/Motel Tax	9,000	3,963	44.03%	9,000	10,395	3,354	32.27%	9,820	3,016	30.71%
Licenses & Permits	767,153	434,584	56.65%	767,153	983,359	247,501	25.17%	778,536	240,473	30.89%
Intergovernmental Revenue	1,387,598	335,187	24.16%	1,387,598	1,865,722	425,571	22.81%	1,724,807	682,204	39.55%
Charges for Services	3,277,773	1,101,605	33.61%	3,277,773	3,441,525	1,033,833	30.04%	3,384,318	1,086,565	32.11%
Recreation	2,629,173	454,075	17.27%	2,629,173	2,615,642	476,596	18.22%	2,635,221	494,143	18.75%
Fines & Forfeitures	1,368,450	463,534	33.87%	1,368,450	1,381,453	498,960	36.12%	1,284,758	453,297	35.28%
Interest	100,000	15,970	15.97%	100,000	84,045	33,890	40.32%	91,034	34,051	37.40%
EMRF Rents	638,829	211,114	33.05%	638,829	551,295	224,913	40.80%	425,159	85,208	20.04%
Miscellaneous	156,294	116,488	74.53%	156,294	354,130	76,412	21.58%	173,381	89,853	51.82%
Total Revenues	39,050,099	13,379,564	34.26%	39,050,099	39,889,799	13,115,024	32.88%	38,306,575	13,076,168	34.14%
Expenditures										
Legislation	330,436	104,011	31.48%	330,436	316,043	128,861	40.77%	298,731	115,979	38.82%
City Attorney	783,147	223,453	28.53%	783,147	712,036	229,717	32.26%	706,841	218,317	30.89%
Court	962,993	289,029	30.01%	962,993	886,249	272,928	30.80%	848,775	273,144	32.18%
City Manager	679,653	240,739	35.42%	679,653	658,047	233,133	35.43%	639,184	236,236	36.96%
Human Resources	481,392	119,244	24.77%	481,392	469,343	139,739	29.77%	430,792	133,391	30.96%
Financial Services	1,583,684	464,233	29.31%	1,583,684	1,464,305	471,631	32.21%	1,446,313	461,323	31.90%
Information Technology	1,340,211	421,547	31.45%	1,340,211	1,373,943	430,787	31.35%	1,332,766	449,126	33.70%
Public Works	5,308,257	1,723,130	32.46%	5,308,257	5,202,903	1,682,181	32.33%	5,259,875	1,733,682	32.96%
Fire Department	7,889,065	2,623,917	33.26%	7,889,065	8,100,554	2,711,842	33.48%	7,666,842	2,540,900	33.14%
Police Department	11,250,771	3,806,274	33.83%	11,250,771	10,788,935	3,621,710	33.57%	10,395,239	3,595,027	34.58%
Community Development	1,324,774	333,975	25.21%	1,324,774	1,262,451	439,391	34.80%	1,359,264	364,269	26.80%
Library	1,251,293	391,622	31.30%	1,251,293	1,180,771	386,002	32.69%	1,145,613	410,612	35.84%
Recreation	5,711,776	1,450,275	25.39%	5,711,776	5,649,246	1,565,300	27.71%	5,717,147	1,677,001	29.33%
Debt Service	2,062,574	236,296	11.46%	2,062,574	2,056,951	234,236	11.39%	2,096,463	228,940	10.92%
Contingency	150,000	42,320	28.21%	150,000	143,810	40,867	28.42%	152,423	41,392	27.16%
Total Expenditures	41,110,026	12,470,065	30.33%	41,110,026	40,265,587	12,588,325	31.26%	39,496,268	12,479,339	31.60%
Excess revenues over (under) expenditures	(2,059,927)	909,499	-44.15%	(2,059,927)	(375,788)	526,699		(1,189,693)	596,829	
Net transfers in (out)	1,139,574	639,574	56.12%	1,139,574	628,913	972,739	154.67%	1,512,699	1,417,815	93.73%
Total Fund Balance	$ 7,706,035	$ 10,619,883	137.81%	$ 8,150,457	$ 9,070,810	$ 10,317,123	113.74%	$ 8,817,685	$ 10,509,323	119.18%

Fund Balance Analysis

Total Fund Balance	$ 7,706,035	$ 10,619,883	$ 8,150,457	$ 9,070,810	$ 8,817,685
Restricted Fund Balance					
-Emergencies (TABOR)	1,150,000	1,200,000	1,200,000	1,200,000	1,150,000
Committed Fund Balance					
-LTAR	2,619,375	2,619,375	2,619,375	2,619,375	2,406,649
-COPS Grant	298,512	298,512	298,512	298,512	298,512
Restricted/Committed	$ 4,067,887	$ 4,117,887	$ 4,117,887	$ 4,117,887	$ 3,855,161
Estimated Unassigned Fund Balance	$ 3,638,148	$ 6,501,996	$ 4,032,570	$ 4,952,923	$ 4,962,524
As a percentage of projected revenues	9.32%	16.65%	10.33%	12.42%	12.95%
As a percentage of budgeted revenues	9.32%	16.65%	10.33%		
Target	3,905,010	-	5,857,515		

Sales & Use Tax Collections Year-to-Date Comparison
for the month of April 2013
Cash Basis

	2008	% Change	2009	% Change	2010	% Change	2011	% Change	2012	% Change	2013	% Change
Area 1	826,436	-0.05%	758,248	-8.30%	723,462	-12.46%	726,415	0.41%	1,167,254	60.69%	1,177,749	0.90%
Area 2	155,868	-3.93%	159,711	-1.56%	173,028	11.01%	185,744	7.35%	604,149	225.26%	650,697	7.70%
Area 3	416,889	-2.83%	440,825	2.75%	472,465	13.33%	458,601	-2.93%	465,495	1.50%	484,153	4.01%
Area 4	558,320	-14.32%	448,785	-31.13%	520,475	-6.78%	438,534	-15.74%	467,458	6.60%	474,137	1.43%
Area 5	229,614	8.69%	220,305	4.28%	207,642	-9.57%	237,983	14.61%	192,825	-18.98%	137,068	-28.92%
Area 6	1,428,696	4.25%	1,402,322	2.32%	1,229,244	-13.96%	1,328,558	8.08%	1,313,463	-1.14%	1,383,279	5.32%
Area 7	3,309,238	14.89%	2,716,973	-5.67%	2,349,374	-29.01%	3,100,824	31.99%	2,952,711	-4.78%	2,905,943	-1.58%
Area 8	763,793	7.01%	627,734	-12.05%	675,639	-11.54%	638,677	-5.47%	631,819	-1.07%	611,773	-3.17%
Area 13							0	0.00%	0	0.00%	68,030	0.00%
Regular Use	111,517	5.60%	355,106	236.27%	303,735	172.37%	313,308	3.15%	185,852	-40.68%	174,791	-5.95%
Subtotal	7,800,371	16.96%	7,130,008	6.91%	6,655,065	-14.68%	7,428,644	11.62%	7,981,025	7.44%	8,067,620	1.09%
Area 9 and 10	658,481	3.95%	636,717	-3.31%	628,744	-1.25%	656,365	4.39%	0	-100.00%	0	0.00%
Area 11 and 12	51,415	6.36%	50,269	-2.23%	47,491	-5.53%	49,388	3.99%	0	-100.00%	0	0.00%
Subtotal	709,896	4.12%	686,986	-3.23%	676,236	-1.56%	705,754	4.37%	0	-100.00%	0	0.00%
Total	8,510,268	15.77%	7,816,994	-8.15%	7,331,300	-6.21%	8,134,398	10.95%	7,981,025	-1.89%	8,067,620	1.09%
Refunds	305,534	362.26%	7,658	-97.49%	166,046	2068.27%	25,158	-84.85%	83,537	232.06%	9,955	-88.08%
Audit & Collections Revenue*	252,971	34.69%	356,128	40.78%	220,092	-38.20%	119,297	-45.80%	13,015	-89.09%	37,844	190.78%
*included Above												
Unearned Sales Tax	650,000	0.00%	600,000	-7.69%	600,000	0.00%	1,100,000	83.33%	1,150,000	4.55%	1,150,000	0.00%
Building Use	332,290	-38.07%	89,362	-73.11%	156,704	75.36%	272,150	73.67%	245,066	-9.95%	191,248	-21.96%
Vehicle Use	455,893	-2.03%	343,662	-24.62%	298,399	-13.17%	283,934	-4.85%	432,350	52.27%	477,656	10.48%



Area Descriptions

Area 1 - CityCenter (Formerly Cinderella City)

Area 2 - S of Yale, north & south side of Jefferson Ave/US 285 between Bannock and Sherman

Area 3 - S of Jefferson Ave/US 285 between Bannock & Sherman and north side of Belleview between Logan & Delaware

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

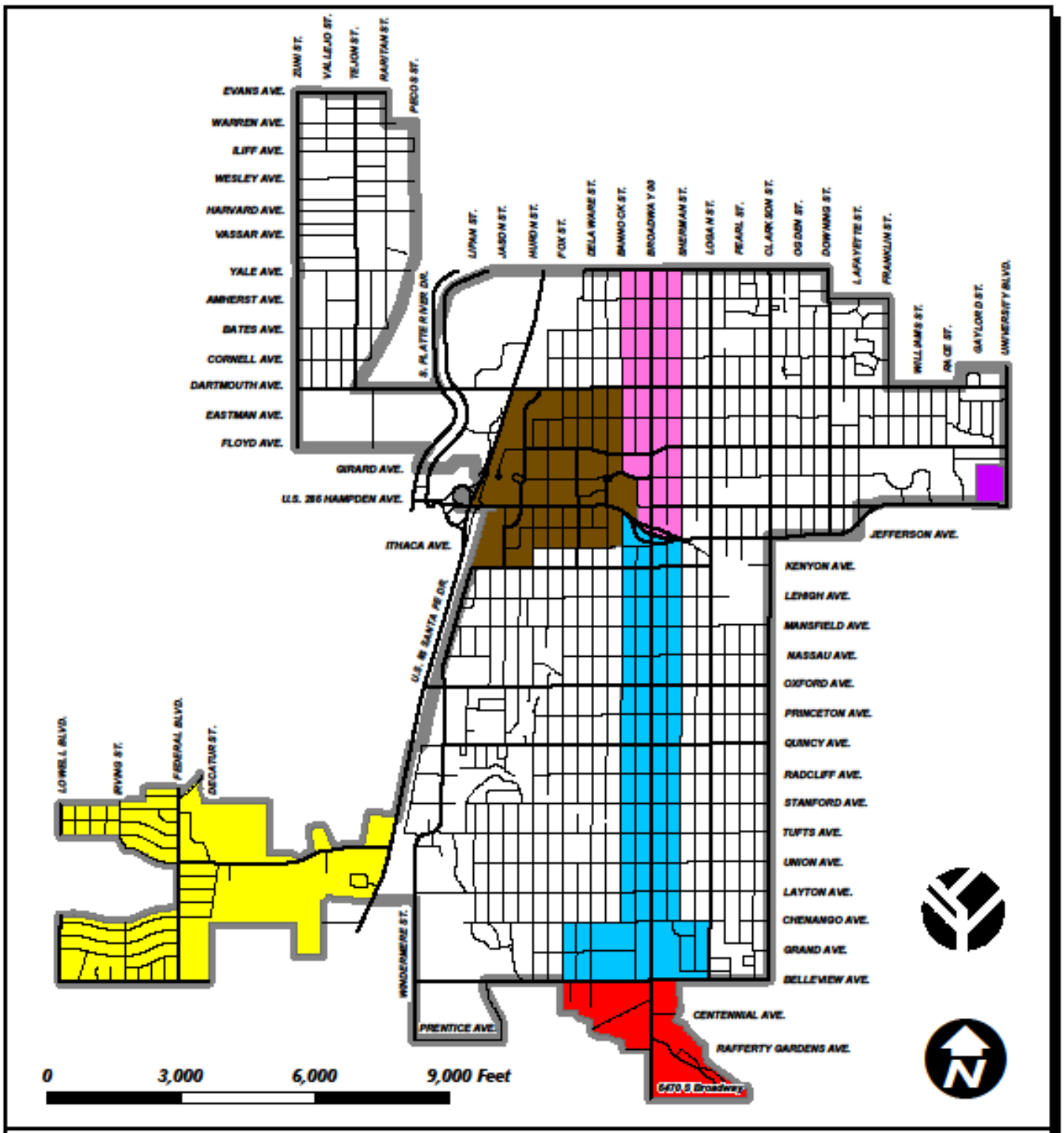
Area 5 - Federal and Belleview W of Santa Fe

Area 6 - All other City locations

Area 7 - Outside City limits

Area 8 - Public Utilities

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



City of Englewood, Colorado: Sales Tax Areas

Area 1*	Area 4	Arterials and Collectors
Area 2*	Area 5	Local Streets
Area 3	Area 13	Englewood City Limits

Areas Not Depicted on Map:

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

* Includes EURA designated Areas 9, 10, 11, & 12

City of Englewood
Department of Finance and Administrative Services

Memorandum

To: Mayor Penn and City Council

Thru: Gary Sears, City Manager

From: Frank Gryglewicz, Director of Finance and Administrative Services

Jenifer Nolan, Revenue and Budget Manager

Jeff Konishi, Director of Information Technology

Dawn Gilmore, Project Manager

Date: May 16, 2013

Re: MUNIRevs Contract

Finance and Administrative Services and the Information Technology Department staff recommends Council approve a contract for services with MUNIRevs at the June 3, 2013 Regular Meeting. MUNIRevs is a Delores, Colorado based company. Ms. Erin Neer, MUNIRevs' founder and principal is a Certified Public Accountant and has over ten years of local government experience.

The Department sent out a RFP in August, 2012 for an integrated Tax Collection and Business Licensing System. The project team was made up of employees from the Finance and Administrative Services Department and the Information Technology Department. These employees were instrumental in refining and developing system requirements that were integrated into the RFP.

The City received two proposals for services, one provided a traditional system where the City would purchase the hardware/software necessary to run the database and would require an IT staff member to be able to trouble shoot system issues. The other proposal provided a hosted, cloud-based platform system where the City leases the system but keeps 100% ownership of the data stored without the need for a dedicated IT staff member.

Upon review of the proposals and reference checks we decided to invite the hosted system (MUNIRevs) for a vendor demonstration in September, 2012. As a result of the vendor demonstration, the project team decided to pursue contract negotiations with MUNIRevs. The attached amended contract is submitted for Council's review and consideration.

Memorandum

City Manager's Office

TO: Mayor Penn and Members of City Council

THROUGH: Gary Sears, City Manager
Michael Flaherty, Deputy City Manager
Alan White, Community Development Director

FROM: Darren Hollingsworth, Economic Development Manager

DATE: May 20, 2013

SUBJECT: Colorado Brownfields Revolving Loan Fund: Memorandum of Agreement Amendment 4

The City of Englewood is a party to the Colorado Brownfields Revolving Loan Fund (CBRLF) coalition, which was founded in 2001. CBRLF was created through a partnership among the cities of Englewood, Lakewood, Loveland, Denver, Commerce City, the Colorado Housing and Finance Authority (CHFA), and the Colorado Department of Public Health and Environment (CDPHE). The initial focus of the fund was to finance environmental cleanups along the Colorado Front Range within the five member cities. Later, after infusions of additional funding from EPA, El Paso County became a partnering member of the fund, and the focus of the fund was expanded to include financing environmental cleanup on a state-wide basis.

Responsibilities of the CBRLF partners have remained consistent since the fund was established. CDPHE is responsible for managing the Cooperative Agreements that make up the fund, and CHFA serves as the fund's fiscal agent, responsible for administering loans and sub-grants. CDPHE, CHFA, and other CBRLF members are responsible for outreach and marketing the CBRLF. The Board meets on an as needed basis to conduct necessary business and to consider loan and sub-grant applications. Board members have no fiscal responsibility to the fund, other than the time and effort of delegated board members.

Englewood has no financial commitment to participate in the coalition. The only non-monetary commitment is very minimal staff time involved with the periodic meetings to review loan applications. In 2001 Englewood benefited from its membership in the coalition when the City borrowed funds from the Colorado Brownfields RLF to fund the environmental cleanup of a former municipal landfill and transform the site into Centennial Park.

The CBRLF is capitalized through a number of Federal Brownfields grants provided by EPA Region VIII. The fund accomplishes its mission of facilitating environmental clean-up and infill redevelopment through the issuance of low cost loans and awards sub-grants to eligible local governments and non-profits It is the intent of the CBRLF Board to use loan repayments and other program income to develop a true revolving loan fund to provide new loans and other assistance for authorized purposes. If properly managed, such funds can operate in perpetuity. The purpose of the CBRLF MOU is to describe the organization and the responsibilities of the CBRLF Board. The MOU describes meeting and voting requirements and also describes the various cooperative agreements that have capitalized the CBRLF.

Brownfields are defined as abandoned, idled, or under-utilized industrial and commercial facilities where expansion or redevelopment is complicated by real or perceived environmental contamination. A major barrier to redeveloping Brownfields sites in Colorado is the fact that contaminated sites have marginal economic feasibility after considering remediation costs. Even during times of growing real estate markets, contaminated properties are being avoided due to concerns over potential liability and cost of cleanup.

If Council concurs, staff will develop a bill for ordinance approving the Memorandum for Agreement – Amendment 4 for Council consideration at a future meeting.

Attached is a copy of the Memorandum of Agreement – Amendment 4.

COLORADO BROWNFIELDS REVOLVING LOAN FUND

MEMORANDUM OF AGREEMENT

Amendment 4 (MOA)

Introduction

Purpose

The purpose of the Colorado Brownfields Revolving Loan Fund (CBRLF and/or Fund) as represented by its Board of Directors (Board or Board of Directors), is to facilitate the reuse and/or redevelopment of contaminated sites by making low-cost funding available for financing environmental cleanups. The funding for this endeavor is through grants from the Environmental Protection Agency (EPA).

Brownfields are defined as abandoned, idled, or under-utilized industrial and commercial facilities where expansion or redevelopment is complicated by real or perceived environmental contamination. A major barrier to redeveloping brownfields sites in Colorado is that contaminated sites face not only the environmental challenge of cleanup, but also marginal economic potential. In the Colorado real estate market, properties are being avoided because of liability and cleanup cost concerns.

The city and county of Denver, Commerce City, Englewood, Lakewood, Loveland, Westminster, El Paso County, the Colorado Housing and Finance Authority (CHFA), and the Colorado Department of Public Health and Environment (CDPHE) have agreed to cooperate and to create the Colorado Brownfields Revolving Loan Fund. The focus of this fund is to finance environmental cleanups along the Colorado Front Range within the seven local governments as well as the State overall. Each of the local governments was eligible for, applied for and was awarded by EPA, brownfields cleanup revolving loan funds. In order to consolidate the administrative requirements and to pool the available revolving loan funds, CDPHE prepared a coordinated application to EPA for funding the CBRLF. CDPHE has also been awarded brownfields cleanup revolving loan funds, making CBRLF available statewide.

The CBRLF coalition was first awarded brownfields revolving loan funds in 2002. That grant expired in 2010 and the associated cooperative agreement has been closed. Under the terms of that agreement, CBRLF was allowed to retain all repayments of principal, interest, and loan earnings as "program income." Since the original award in 2002, CDPHE, on behalf of the coalition, has applied for and received several additional awards of brownfields revolving loan funds from EPA. It is the intent of the Board to use program income, existing grant funds, and future awards and program income to continue operating CBRLF.

In general, CHFA and the other participants will be responsible for outreach and marketing the CBRLF. CHFA will provide financial expertise for reviewing loan applications to the Fund. CDPHE will provide the technical knowledge needed to ensure successful environmental cleanups, and local governments review applications for consistency with CBRLF requirements and assist the Chair in conducting business of the CBRLF.

This arrangement is shown in a graph as Exhibit 1.

CBRLF is envisioned to be a source of capital for cleanup of both publicly and/or privately held property.

Due to statutory limitations, CHFA will serve as the fiscal agent for CDPHE, operating and servicing loan and sub-grant agreements. Repayment of loan funds, including any interest and principal, will be to CBRLF through CHFA.

Duration

This document becomes effective upon signature by the nine (9) entities at the end of the document. It will automatically terminate on June 30, 2017. It can be extended in 5-year periods by mutual agreement of the signing parties, and its effectiveness on a signing party can be terminated at any time, for any reason, with a 30-day written notice provided to the Board by such signing party. Each of the participating local governments agrees to appoint a person to the Board of Directors through June 30, 2017. In April 2017 the Board shall review this MOA and make changes as necessary, and the participating entities can reaffirm their desire to participate.

This agreement may be amended, as needed, by a unanimous decision of the Board of Directors.

Board of Directors

Organization

CBRLF will be administered through a Board of Directors as its organizational entity, with members chosen from each of the participating cities and counties, CHFA, and CDPHE. The Board will meet to discuss issues and make decisions regarding the use of the Fund. This MOA prescribes operating guidelines for the Board of Directors.

Roles and Responsibilities

The Board of Directors may provide assistance with financial and environmental issues impacting the sale, use, reuse, and/or redevelopment of both publicly and privately held property throughout Colorado. The municipal/county Board members are responsible for: (1) attending scheduled board meetings, (2) ensuring that projects funded under this program are consistent with the goals and objectives of CBRLF, (3) providing loan fund policy direction to CHFA and CDPHE, and (4) providing assistance with development of applications for additional Brownfields Revolving Loan Fund grants.

The Board of Directors has the ultimate responsibility for approving or denying applications for funding to CBRLF. CDPHE, acting as the "Lead Agency" under EPA grants BL98811601, RP98899701, BF98899601, and 2B97863101, must assure that the Board actions are in accordance with the terms of the respective cooperative agreements (each a "Cooperative Agreement" and, collectively, the "Cooperative Agreements"). The Board must not spend funds except for their intended use as defined in the Cooperative Agreements and the EPA Brownfields Cleanup Revolving Loan Fund Administrative Manual (OSWER, EPA 500-B-98.001, May 1998) located via Internet at www.epa.gov/Brownfields.

Brownfields Board Members

Members. The Board of Directors shall be comprised of one member each from: City and County of Denver, Commerce City, Englewood, Lakewood, Loveland, Westminster, El Paso County, CHFA and CDPHE. Each member must be authorized, in writing, to participate on the

Board and must be delegated the authority, by his/her organization, to make decision necessary to conduct the business of the CBRLF, including but not limited to decisions regarding the use of funds available to the CBRLF.

Chair. The Board shall select a Chair who shall preside over all Board meetings. The Chair shall, in consultation with other members of the Board, prepare agendas and facilitate Board meetings. The Chair may designate a member of the Board to assume the duties of Chair in their absence. The Chair will also distribute quarterly budget updates to all members.

Additional Duties. Board members shall perform such other duties and functions as may be required from time to time by the Board.

Vacancies. Should the office of Chair become vacant, the Board shall select a successor at the next regular meeting or at a special meeting called for this purpose.

Conflict of Interest. No member of the Board may vote on projects in which that Board member has a direct personal financial interest in any contract or Brownfields Project, existing or proposed, that may be brought before the Board. For purposes of this section, "financial interest" shall mean a substantial interest held by a member, or member's immediate family, such as:

- an ownership interest in a business;
- employment or prospective employment for which negotiations have begun;
- an ownership interest in real or personal property;
- a loan or other debt or interest in business or real property; or
- a position as director or officer of a business.

To the degree a member of the Board has a preexisting actual or appearance of a conflict of interest, he or she shall immediately disclose the same, in writing, to the Board, and such disclosure shall be entered into the Minutes of the Board.

Changes in Membership. Membership in this program is expected to change over time. Current members may choose to leave after achieving their community's brownfields goals. Other entities may seek to join the coalition in order to benefit from the economy of scale offered by the existing CBRLF infrastructure. The following sections outline how membership changes will be accommodated.

1. Exiting Members: Members seeking to leave CBRLF must submit their resignation request, in writing, to the Chair and must give a 30-day written notice.

2. New Members: New members will be allowed to join CBRLF after submitting their request, in writing, to the Chair and receiving the approval of the Board of Directors. New members will be required to sign and abide by this MOA. Federal funds added to the CBRLF will be managed in accordance with the Cooperative Agreement, this MOA, and the CBRLF Administrative Manual. Any non-federal funds and/or program income added to CBRLF will be accounted for and managed separately. (*Note: potential new members are strongly encouraged to discuss CBLRF membership with existing Board members prior to submitting their CBRLF grant proposal to EPA.*)

3. Membership Eligibility: In order to be considered for CBRLF membership, potential members must have contributed to CBLRF either: a) an EPA RLF grant, or b) a public/private source of funding equivalent to a CBLRF grant (minimum of $50,000.00).

Meetings

Frequency. The Chair of the Board may, when the Chair deems necessary, call a meeting of the Board for the purpose of transacting business the Chair designates for such meeting. Such meeting shall also be called by the Chair upon the request of two members of the Board for the purpose of transacting business these members designate in the call for such meeting. No meeting shall be held unless all Board members are given written notice a minimum of seven (7) days in advance.

Order of Business. At meetings of the Board, the order of business shall follow a written agenda provided to the members by the Chair.

Quorum. For the nine-member Board, a quorum shall consist of five members, at least three of whom are local government members. If the number of members changes, the quorum will be redefined by the Board. A Board member must be present either in person or by telephone to be counted in the quorum. In the event of a Board member absence, that Board member may send a substitute to participate and vote. Additionally, voting by written proxy will be allowed.

Decision Making. There are numerous kinds of decisions that members of the Board of Directors may be asked to make. As a guiding principle, it is the intent of the Board to make decisions affecting more than one member, by member consensus whenever possible. In the event that consensus cannot be reached, a simple majority vote will decide the issue.

Manner of Voting. Voting by the Board may be by acclamation, by ballot or by e-mail ballot, as the Chair may designate.

Record of Decision. The outcome and reasoning behind Board decisions resulting in the approval or denial of any project funding or other expenditure shall be recorded in writing and maintained in adherence with Cooperative Agreement record keeping guidelines. Minutes of any other Board meeting or action are not required; such documentation may be recorded at the discretion of the Chair.

Meeting Location. The meeting location will be at the Colorado Housing and Finance Authority's facility at 1981 Blake Street, Denver, Colorado, 80202.

Term of Office. Board members will serve indefinite terms at the pleasure of their respective management.

Public Meetings. The Board may, from time to time, hold public meetings.

Colorado Department of Public Health and Environment

The Colorado Department of Public Health and Environment agrees to perform the following duties with respect to this MOA:

1. CDPHE is the Cooperative Agreement Recipient, Lead Agency, and Site Manager.
2. CDPHE has entered into the Cooperative Agreements with the Environmental Protection Agency (EPA).
3. CDPHE will process cleanup applications in accordance with Colorado's Voluntary Cleanup and Redevelopment Act. Fees for the Colorado Voluntary Cleanup Program

(VCP) application review and approval are to be paid by the applicant in accordance with the requirements of that program.

4. CDPHE is responsible for assuring that all cleanups are conducted in a manner that is not inconsistent with CERCLA and the National Contingency Plan (NCP) for non-time critical removals.
5. CDPHE will review the Analysis of Cleanup Alternatives and write the Action Memorandum as required by the Brownfields Cleanup Revolving Loan Fund Administrative Manual.
6. CDPHE will identify a Brownfields Site Manager for each site receiving a loan from CHFA and conducting a cleanup under the VCP. The Site Manager will be an environmental professional employed by the State. The Site Manager is responsible for overseeing cleanups at specific sites including field visits.

Colorado Housing and Finance Authority

CHFA is under contract with the State of Colorado to act as its fiscal agent for managing and servicing the loan agreements. As the fiscal agent to the State, CHFA:

1. Will be responsible for advertising and marketing the revolving loan fund under the supervision of the participating local government entities and the Board of Directors,
2. Will conduct the financial portion of the loan reviews and provide loan underwriting and servicing as required by this program,
3. Will be responsible for providing the participating local government entities and the Board of Directors with an assessment of the financial strength of each project, prior to final approval of the project by the Board of Directors,
4. Will provide closing documents and disburse loan and sub-grant funds, as appropriate, to successful applicants,
5. Will be responsible for managing the funds in the trust accounts, and revenues it subsequently receives as loan repayments, in accordance with the Cooperative Agreement, applicable laws and regulations, prudent lending practices, and the policies, instructions and directions of the Board of Directors.
6. Will keep all records for each loan made for a period of not less than ten (10) years,
7. Will prepare and provide the financial portion of the EPA-required quarterly reports to CDPHE at least one week prior to the reporting due date.

Member Cities and Counties

Member cities and counties agree to participate for a full 5-year period from the date of signature on this MOA. In the past, both loan and administrative funds have been available for use by member cities and counties. Currently, only loan/sub-grant funds are available to members, pursuant to a successful application approved by the Board. Member cities and counties agree to use all funds received or direct the use of funds in accordance with the terms and conditions contained in the Cooperative Agreement from the U.S. Environmental Protection Agency.

Description of Funds

CBRLF is made up of several loan pools derived from various Cooperative Agreements received from EPA. Each of these pools has different federal requirements, which mandate that they be managed separately. A general description of each pool is as follows:

1. EPA Cooperative Agreement BL98811601 is the original Cooperative Agreement that established CBRLF. This Cooperative Agreement has expired and CDPHE and EPA have completed administrative close-out of this agreement. Under the terms of the Cooperative Agreement, CBRLF has retained all funds from repayment of principal, interest, and loan earnings and these funds are considered program income. It is the intent of the Board to use these funds, along with future program income, to continue operating a brownfields revolving loan fund. Program income funds will be managed in general accordance with the requirements of the original Cooperative Agreement.
2. EPA Cooperative Agreement RP98899701 was awarded through CERCLA Section 128(a) State and Tribal Response Program. These funds require a 20% matching payment. The borrower must show that they performed all appropriate inquiry before acquiring the property and that they are not liable for the cleanup under CERCLA Section 107. Sub-grants are allowed for up to 40% of the funds awarded under this Cooperative Agreement. Sub-grants will be considered on a site-by-site basis.
3. EPA Cooperative Agreement BF98899601 was awarded under CERCLA Section 104(k)(3). These funds require a 20% matching payment. The funds under this award have been segregated into two separate loan pools: funds in the petroleum loan pool can only be used at sites that have petroleum contamination, while a separate pool has been established for sites contaminated with hazardous substances. The borrower must show that they performed all appropriate inquiry before acquiring the property and that they are not liable for the cleanup under CERCLA Section 107. Sub-grants are allowed for up to 40% of the funds awarded under this Cooperative Agreement. Sub-grants will be considered on a site-by-site basis.
4. EPA Cooperative Agreement 2B97863101 was awarded under the American Recovery and Redevelopment Act, and are intended to provide sub-grants to local governments and non-profits. Sub-grantees must demonstrate that they have performed all appropriate inquiry before acquiring the property and that they are not liable for the cleanup under CERCLA Section 107.

Signatures
Colorado Brownfields Revolving Loan Fund
Memorandum of Agreement, Amendment 4

City and County of Denver

_____
Paul Washington, Executive Director
Office of Economic Development

Commerce City

_____
Brian McBroom, City Manager

City of Englewood

_____
Randy Penn, Mayor

Colorado Housing and Finance Authority

_____
Cris A. White, Executive Director and CEO

City of Loveland

_____
William Cahill, City Manager

El Paso County

_____
Dennis Hisey, Chair
Board of County Commissioners, El Paso County

Attest:_____

Deputy Clerk, El Paso County

City of Westminster

_____
J. Brent McFall, City Manager

Colorado Department of
Public Health and Environment

_____
Dr. Chris Urbina, Executive Director

ATTEST:

By: _____

Margy Greer, City Clerk

CITY OF LAKEWOOD

By: _____

Kathleen E. Hodgson, City Manager

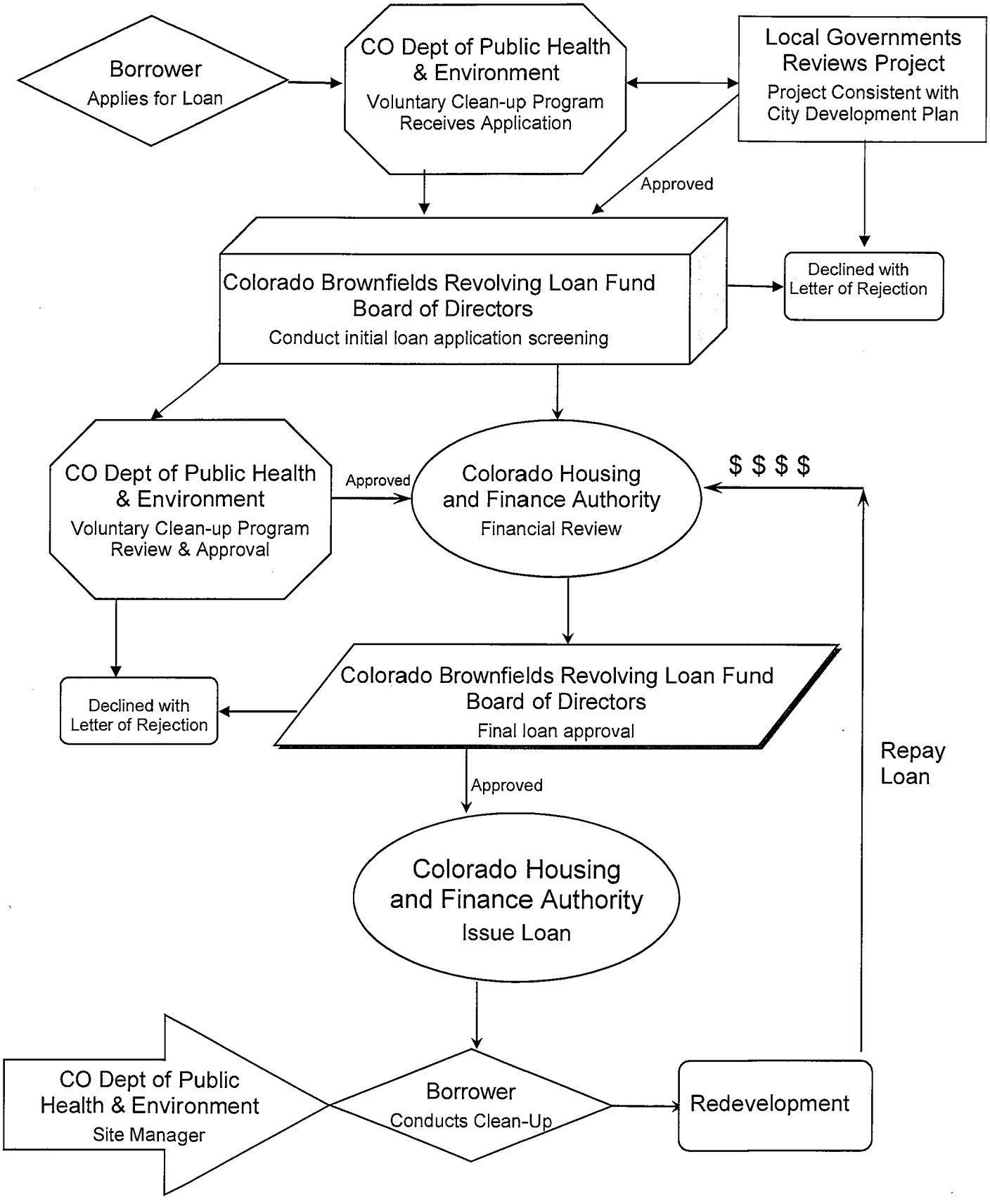
APPROVED AND RECOMMENDED:

By: _____
Jay Hutchison,
Director of Public Works

By: _____
Larry Dorr
Director of Finance

APPROVED AS TO FORM:

By: _____
City Attorney


Borrower
Applies for Loan
CO Dept of Public Health & Environment
Voluntary Clean-up Program Receives Application
Local Governments Reviews Project
Project Consistent with City Development Plan
Approved
Colorado Brownfields Revolving Loan Fund Board of Directors
Conduct initial loan application screening
Declined with Letter of Rejection
CO Dept of Public Health & Environment
Voluntary Clean-up Program Review & Approval
Approved
Colorado Housing and Finance Authority
Financial Review
$ $ $ $
Declined with Letter of Rejection
Colorado Brownfields Revolving Loan Fund Board of Directors
Final loan approval
Repay Loan
Approved
Colorado Housing and Finance Authority
Issue Loan
CO Dept of Public Health & Environment
Site Manager
Borrower
Conducts Clean-Up
Redevelopment

MEMORANDUM
COMMUNITY DEVELOPMENT

TO: Mayor Penn and City Council

THROUGH: Gary Sears, City Manager

FROM: Alan White, Community Development Director

DATE: May 14, 2013

SUBJECT: Home Occupation Issues

Based on Council Request 13-072 about a home occupation, there may be interest by Council to address the City's home occupation regulations. The business that was the subject of that Council Request was an irrigation and landscape company and the business activities consisted of office work - presumably such activities as customer contact, invoice preparation, materials ordering, bill paying and similar activities. The residence was not used for storage of irrigation materials, nor as a place for employees to meet before going to a job site. In this particular instance, the home occupation was being conducted from a residence in the R-1-A Zone District. Home occupations of any kind are expressly prohibited in the R-1-A Zone District. This is the only residential zone district in which home occupations are prohibited. (See Attachment.)

The regulations do not make any distinction between conducting only bookkeeping or other office functions in connection with a business versus making and selling products on the premises, for example. Therefore, any activity associated with the conduct of a business in a residence is considered a home occupation. The regulations list specific businesses that are prohibited, but do not list businesses that are permitted as home occupations. One is left to conclude that any business that isn't prohibited and that meets the operational requirements is an allowed home occupation.

The list of prohibited businesses and the operational requirements are intended to protect residential neighborhoods from the impacts associated with commercial and business uses, such as delivery trucks, customer and employee traffic, odors, dust and noise. More research would be needed to verify this, but the current home occupation regulations probably have been carried over in each code re-write since the 1950's and the exclusion of home occupations from the R-1-A Zone District has remained.

The nature of having a home business has changed since these home occupation regulations were written. Certain types of business activities that can be conducted in a home can have very little impact on a neighborhood. Architects, tax consultants, financial planners, and various types of web-based businesses operate out of residences with little to no impact on neighbors.

If Council perceives a need to modify the home occupation regulations, the following options are available:

1. Include the R-1-A Zone District in the list of zone districts in which home occupations are permitted.

2. Modify the regulations by listing expressly permitted home occupations, and modify the prohibited home occupation list to include other types of businesses not mentioned in the current regulations.

3. Create a restricted list of home occupations permitted in R-1-A.

4. The R-1-A exclusion can also be removed by rezoning areas from R-1-A to another zone district.

The home occupation regulations can be amended in a number of ways to remove or add exclusions and/or to clarify aspects of home occupations (bookkeeping, for example) that may be acceptable activities in a residential zone district.

The process of amending the UDC or the Zoning Map requires a public hearing at Planning and Zoning Commission and two readings of an ordinance along with a public hearing at City Council.

Attachment

Section 16-5-4 of the UDC establishes regulations for Accessory Uses. Regulations for Home Occupations are included under Accessory Uses, at Section 16-5-4 C. The home occupation regulations are as follows:

1. *Home Occupation.* Occupations customarily incidental to the principal use as a residence may be allowed when conducted in the same dwelling, provided the following standards are met:

   a. Districts Allowed. Home occupations are allowed in the following districts: R-1-B, R-1-C, R-2-A, R-2-B, MU-R-3-A, and MU-R-3-B. Only one (1) home occupation shall be permitted per dwelling unit. Home occupations may be permitted accessory to principal residential uses located in nonresidential districts (e.g., in a manufactured home park located in an industrial district) provided the home occupation complies with all requirements of residential district home occupations herein.

   b. Where Allowed on Site. The home occupation shall be operated entirely within the dwelling unit and only by the person or persons maintaining a dwelling unit therein. The home occupation shall not have a separate outside entrance. The home occupation shall not be conducted in a detached accessory structure.

   c. *Registration.* All home occupations shall register with the City.

   d. *Sales.*

      (1) On the Premises. The sale on the premises of items that have been made, grown, or prepared on the premises shall be permitted. The sale on the premises of any item that has not been made, grown, or prepared on the premises shall be prohibited.

      (2) Off the Premises. Sales off the premises of such items as personal or household goods such as those products offered by Avon, Amway, Fuller Brush, Watkins, etc., shall be permitted.

   e. *Operational Requirements.*

      (1) No assistants or employees that are not residents of the principal dwelling unit shall be employed in the home occupation.

      (2) The hours and manner of such uses and the noise created thereby shall not interfere with the peace, quiet, or dignity of the neighborhood and adjoining properties.

      (3) Incidental storage shall be allowed for items made on the premises and/or sold off the premises consistent with this Section.

      (4) The home occupation, including storage of materials, equipment, inventory, and/or supplies, shall not utilize more than three hundred (300) square feet; provided, however, that this does not apply to permitted home care accessory uses.

(5) The use of electric motors shall be limited in power, with a total limitation of one and one-half (1 1/2) horsepower, and no single unit over three-fourths (3/4) horsepower.

f. *Prohibited Uses.* In no event shall any home occupation include the following business or commercial activities:

(1) Animal hospital or kennel, animal daycare, breeders, except licensed canine and feline breeders.

(2) Asphalt paving business.

(3) Barbers, hairdressers, cosmetologists, beauticians or any activity involving the skin, hair or nails.

(4) Body, mechanical repair, or modification of motor vehicles.

(5) The sale, storage, manufacture, or assembly of guns, knives or other weapons or ammunition.

(6) Dump trucks.

(7) Restaurants.

(8) Towing business.

(9) Processes involving the dispensing, use, or recycling of hazardous or flammable substances and materials.

(10) Automotive vehicle sales requiring a state dealer's license.

(11) Medical Marijuana Centers.

(12) Medical Marijuana-Infused Products manufacturers.

(13) Optional Premises Cultivation Operation.