
Council Newsletter



CITY MANAGER'S NOTES December 19, 2013

Upcoming Council Meetings

There is no Study Session scheduled for **Monday, December 23rd** or **December 30th** due to the Christmas and New Year's holidays.

City facilities will be closed on **Tuesday, December 24th** and **Wednesday, December 25th** for the Christmas holidays as well as **Tuesday, December 31st** and **Wednesday, January 1, 2014** for the New Year's holidays.

The next City Council meeting will be **Monday, January 6, 2014**.

Informative Memoranda

The following are memoranda in response to City Council's requests, as well as other informational items.

1. Article concerning All Ray's Vacuum on South Broadway and the new Fire Chief in Littleton.
2. Email providing update on Englewood Depot.
3. Memorandum regarding critical incident at Arapahoe High School.
4. Memorandum concerning a Youth Sports meeting on January 16, 2014.
5. Memorandum concerning Project Update.
6. Memorandum concerning Financial and Administrative Services employees Kerry Bush and Alicia Stutz achievements.
7. Financial Report.
8. Calendar of Events.
9. Tentative Study Session Topics.
10. Minutes from the NonEmergency Employees Retirement Board meeting of August 20, 2013.
11. Minutes from Liquor and Medical Marijuana Licensing Authority Telephone Poll of December 4, 2013.



Parks and Recreation Department

Lifeguards recognized for action with medical emergency

In addition to the City Council recognition of Erica Nutt, Max Murray, Kacie Serpico and Brenda Simmons, Jeff Ellis & Associates (the Recreation Department's Lifeguard Risk Management program) awarded the two lifeguards, their Lifeguard in action award which

was based on their outstanding performance during the medical emergency with the guest on October 9, 2013.

Englewood Youth Council (EYC) wraps up year with 426 hours

EYC (14 teens from 6th – 12th grade) volunteered 426.25 hours for the Recreation Department from September 17 – December 14. Their volunteer duties include assisting with special events, attending the youth summit and various community service projects around Englewood.

Urban Drainage Projects

Starting next week December 16th Urban Drainage is removing sediment build-up along both Little Dry and Big Dry Creeks. All of the sediment above the boulders will be removed and the area will be reseeded. The build-up under the Broadway tunnel will be removed as well (see photo 2).



Photo 1



Photo 2

Urban Drainage is also putting boulder under the Belleview Park under the train trestle to keep the water from washing out the posts.



Both of these projects are done at no cost to the City. They fall under the maintenance programs in which Urban Drainage provides to keep urban water ways flowing as smoothly as possible.

Parks and Recreation Holiday Hours Schedule

Englewood Recreation Center:

| | | |
|-------------------|--------------------|--------------------|
| Christmas Eve Day | Tuesday, Dec. 24 | Open 8 a.m.-2 p.m. |
| Christmas Day | Wednesday, Dec. 25 | Closed |
| New Year's Eve | Tuesday, Dec. 31 | Open 8 a.m.-2 p.m. |
| New Year's Day | Wednesday, Jan. 1 | Closed |

Malley Recreation Center:

| | | |
|-------------------|--------------------|--------------------|
| Christmas Eve Day | Tuesday, Dec. 24 | Open 8 a.m.-1 p.m. |
| Christmas Day | Wednesday, Dec. 25 | Closed |
| New Year's Eve | Tuesday, Dec. 31 | Open 8 a.m.-1 p.m. |
| New Year's Day | Wednesday, Jan. 1 | Closed |

Broken Tee Golf Course:

| | | |
|-------------------|--------------------|-----------------------|
| Christmas Eve Day | Tuesday, Dec. 24 | Open 7:30 a.m.-5 p.m. |
| Christmas Day | Wednesday, Dec. 25 | Closed |
| New Year's Eve | Tuesday, Dec. 31 | Open 7:30 a.m.-5 p.m. |
| New Year's Day | Wednesday, Jan. 1 | Open 7:30 a.m.-5 p.m. |

Business Focus

NOMINATIONS: Have a business or business person you would like to see profiled? Let us know at

All Ray's Vacuum, Englewood

PAY LESS FOR MACHINES THAT LAST

Profile

Business: All Ray's Vacuum
Address: 3740 S. Broadway, Englewood
Hours: 9 a.m.-6 p.m. Monday-Friday, 10 a.m.-4 p.m. Saturday
Founded: 2002
Contact: 303-781-7448, allraysvacuum.com
Employees: 4

Interview with Dustin Wachsmuth, president

Q: How did you get involved in this business?
A: My father started here in 1972, and it was my first job as soon as I turned 16. I went to college for business marketing so I could eventually take over the business from him.

Q: What distinguishes you from other businesses in your category?

A: What differentiates ourselves from the box stores is our customer service and knowledge of the products. We also are able to do warranty work, which they aren't able to do. A big part of our business is American-made vacuums, which none of the box stores or Amazon.com sell. What differentiates us from other small appliance shops is experience. My father has 41 years of experience, my manager has 30, and my mechanic has 28 years of experience fixing sewing machines and working in the vacuum and sewing industry. It is also the oldest vacuum store location in Denver. Also, most stores charge a fee to get an estimate on someone's vacuum or sewing machine repair, but all of our estimates are free.

Q: What do you like best about



Above: Dave Moncrief works on a vacuum cleaner in at All Ray's Vacuum in Englewood. **Left:** Dustin Wachsmuth helps a customer. *Seth McConnell, YourHub*

your line of work?

A: I really enjoy the customer service aspect of my line of work. Most people are so used to Walmart and the Internet that they are so excited when they realize they can push the vacuums and that we have an extensive knowledge of the products. We also do things like belt changes right at the

counter for free and people just really appreciate it. That makes us feel really good about our job.

Q: What is your business' biggest challenge?

A: Our biggest challenge is getting people to find out about us. People don't realize they could help out a small business

which then puts the money back into the local economy without spending more money than they would at the box stores. Take Dyson, for instance. We are actually cheaper or the same price as Amazon and Walmart, but we do not have the money to advertise at the same level as they do, so it's hard to get the word out about our prices.

Q: Something people might be surprised to learn about you or your business:

A: There are actually quite a few of our type of stores across the nation. People are always surprised to hear that there are small vacuum stores that specialize in American-made vacuums. We have machines that can still last 25 years.

Your Contribution

Armstrong named chief of Littleton Fire Rescue

By Kelli Narde
YourHub Contributor

Littleton City Manager Michael Penny has selected Christopher Armstrong to be the new chief of Littleton Fire Rescue.



Armstrong

Armstrong's extensive career in the fire service began in Miramar, Fla., where he started as a paramedic. He rose through the ranks in Miramar Fire Rescue to his most recent position as deputy chief of operations, where he was responsible for development of a \$24.8 million operating budget for an agency of 155 career employees serving a population of almost 125,000.

Armstrong earned a bachelor's degree in occupational health and

safety and a master's degree in emergency services management from Columbia Southern University. He is a graduate of the John F. Kennedy School of Government at Harvard University and achieved the Chief Fire Officer Designation from the Center for Public Safety Excellence.

Armstrong will start Jan. 20.

"Armstrong will lead the department through a strategic plan process that will serve as a blueprint for the future of LFR and we are incredibly excited to work on this project with Chris and our partners," Penny said.

LFR Chief John Mullin announced his retirement, effective December 31, after a 40-year career in the fire service, 30 of those years in Littleton.

Kelli Narde is director of communications for the city of Littleton.

Arapahoe County Sheriff Robinson announces retirement

By Allison Wittern
YourHub Contributor

Arapahoe County Sheriff Grayson Robinson announced Dec. 12 that he will retire effective Jan. 31, 2014.

Robinson has been sheriff since 2002; his career in public service spanned more than 42 years.

Robinson has requested the Arapahoe County commissioners appoint Undersheriff David C. Walcher as interim sheriff.

"It has been a privilege working with Sheriff Robinson," Centennial Mayor Cathy Noon said. "While we will greatly miss Sheriff Robinson, the city looks forward to continuing our successful partnership with the Arapahoe County Sheriff's Office. We wish Sheriff Robinson an enjoy-

able, well-deserved retirement."

The Arapahoe County Sheriff's Office has provided law enforcement services to Centennial since the city's incorporation in 2001.



Robinson

In June of this year, the city released the results of an assessment of the Sheriff's Office contract, which revealed the services provided by Robinson and his office have been delivered in a cost-effective, highly professional manner.

Allison Wittern is public information and special events manager for the city of Centennial.

Michael Flaherty

From:
Sent: Tuesday, December 17, 2013 5:39 PM
To: Michael Flaherty
Subject: Englewood Depot update

Hi Mike,

Sorry I have been out of touch so long. I have been busy and rather distracted by all the details, but all is well with the Depot project with many steps to report. I'd like to send at least a quick outline of what we have accomplished this fall, and a few notes on what is under way next. Please let me know if you have any questions or concerns or suggestions!

First, we have set up most of the organizational details for the non-profit, the Englewood Depot, Inc.

- We now have a Board and officers, and have adopted Bylaws and a Conflict of Interest policy. We held our initial organizational meeting and have adopted processes for meeting by email or phone as well as in person.
- We have set up a bank account at Centennial Bank in Englewood, and have a PO Box at the downtown post office: Englewood Depot, Inc, PO Box 798, Englewood CO 80151.
- We also have a website at www.Englewooddepot.com or www.letterpressdepot.com and an email address Englewooddepot@gmail.com.
- We have established membership categories and benefits and other similar policies for the Depot, and have begun member recruitment efforts.
- Our application to the IRS for non-profit status under 501(c)(3) has been filed and we are hoping to hear confirmation of approval for donations this tax year, though it typically can take longer to finish the process. All the documentation and application forms and narration and attachments are available on dropbox if anyone wants to see (I can provide a link). Several large donations are pending approval of our exempt status.
- We held several events earlier in the fall, to greet neighbors and let supports have a look at the depot in its current condition. Over 90 people attended for hotdogs, lemonade, and printing and bookarts demonstrations on 9/28. And we held a successful fundraising event at Ray and Diane Tomasso's nearby studio on 20/26, which included a printing demonstration and launching of a letterpress portfolio of posters which are being printed and donated by letterpress printers all over the world. The portfolio and individual posters will be available at another fundraiser event in the spring. A nice article in the Englewood Herald by Sonya Ellingboe was published November 8, and received national distribution via notice in the Printing Impressions website. Additional donated printing projects are under way by several members working in their own studios.
- We made arrangements for collection and payment of sales tax on items sold in 2013; and a city sales tax license as soon as we have occupancy.
- We have begun preparation of a triple net lease agreement so the non-profit can assume administration of the property.

Regarding the building and property:

- Our request for a zoning variance to allow use of the property for a museum was approved and is in effect.
- Our application for a preservation easement has been approved by the Colorado Historic Foundation and we have begun negotiations to complete the process for the easement to be a perpetual part of the deed to the property. We will pay the \$3000. fee for negotiation of the deed as soon as we receive the invoice from CHF, this week, and expect we will complete the process within the 180 days required by the City for our purchase of the Depot property. (Meeting with Lyle Miller of the State Historic Fund this month, we recognize that the Fund will not be involved in paying for the easement as part of a possible grant application next year, so we will pay for the easement directly ourselves, as soon as the process is complete. Lane Ittelson and Cindy Nasky of the Colorado Historic Foundation are working with us on the easement, to have it all in effect as soon as possible, and are available to discuss any details.)
- We are working with our architects on the design plans for the site, the construction of the lower level foundation wall, ADA access, and all other issues for the building and the site. We expect to be able to move ahead with the design plans for the easement process and for meeting with the City to get advice and approval and permits needed.

- We are prepared to move ahead with the proposed agreement with the City for parking for the community garden, whenever that may be most convenient for the City.
- We hope to have at least the basic work done on the foundation wall and for access by this spring, so our printing equipment and type can be moved in and our programs can begin on site! Work to finish the interior of the historic depot upper level will be the focus of an April 1 grant application for funding from the State Historic Fund, so full use of the historic building we depend on timing and progress under that process, but we hope to have activities under way some time this coming spring, 2014.

I hope this update is helpful. Again, thank you personally for all the help through the proposal process. It all has been one step at a time, somewhat disorienting in complexity, but a very exciting prospect for us.

Thanks and best wishes,

Tom

Executive Director for the Englewood Depot, Inc.

Tom Parson/ Now It's Up To You/ T and P Properties, LLC

157 S Logan, Denver CO 80209

home & letterpress printshop

· cellphone

www.nowitsuptoyou.com

Englewood Depot, Inc.

www.engagewooddepot.com

engagewooddepot@gmail.com

Homeless Furry Friends Christmas Feast

Come help feed the homeless animals of the Humane Society of the South Platte Valley

Littleton, Dec. 23, 2013/ Humane Society of the South Platte Valley /- Every Christmas day the Humane Society of the South Platte Valley (HSSPV) welcomes the community to join in helping their furry friends celebrate the Holidays. Please join HSSPV's staff dish out a warm (vet approved) feast for the homeless animals this holiday season.

The Humane Society of the South Platte Valley opened its doors on Christmas eve in December of 2009. This Christmas will make the 4th annual Furry Friends Christmas Feast for the animals who reside there over the Christmas holiday. This year their vet has approved roast for the dogs and skinless turkey for the cats with side dishes of mashed potatoes, pumpkin, cranberry and squash. And of course every pet under their roof will also receive a brand new plush toy because Santa would never forget about the animals!

On December 25, 2013 HSSPV calls out to their volunteers and members of the community to help serve up this warm feast for the animals. From 11:30am to 2pm the Humane Society of the South Platte Valley, located at 2129 W. Chenango Ave. Littleton, CO 80120 opens their doors and their hearts to bring the Christmas spirit to all of their homeless cats and dogs. Please join them in making this day special. If you are unable to attend but still want to make the holiday special consider dropping off a blanket or toy donation.



HSSPV elves wrapping individual toys and treats for every animal to open on Christmas day.



A happy mashed potato nose.



Helpers of all ages come to help feed the animals.

About Humane Society of the South Platte Valley

The Humane Society of the South Platte Valley (HSSPV) is a non profit 501(c)(3) organization established to serve the communities of south Denver. Our Humane Society offers shelter, care and compassion for lost, stray and unwanted animals until they are redeemed by their families or adopted into a new home.

Contact:

Liesl Beckmann, Community Outreach Coordinator
Humane Society of the South Platte Valley
Phone: 720-878-1312

www.hsspv.org

Memorandum

To: Gary Sears, City Manager
CC:
From: John Collins, Chief of Police
Date: December 17, 2013
Re: Critical Incident at Arapahoe HS

On December 13, 2013 at approximately 12:40 PM, Englewood Police Dispatchers Deb Moomaw and Sara Thompson were working watch I in the dispatch center. Moomaw heard a call of shots fired on the ACSO radio channel. Moomaw alerted the on duty patrol supervisor and began to actively monitor the traffic on the ACSO channel. As a result of Moomaw's attentive actions and good decision making, Englewood Officers were en-route to the school before a formal request for assistance was received from Arapahoe County. Sara Thompson was working the primary police channel coordinating the response of Englewood units and attempting to provide them with updated information.

Sergeant Martin reports that he and Sergeant Lutz, Officer's Atkinson, Cole, E. Smith, Todis, Ross, Detectives Ball, Jones, Disner, Kisselman and Fowler responded code three to Arapahoe High School. Information was relayed that there were gun shots fired inside the school and at least two students had been shot. There was an additional report of a fire burning inside the library and improvised explosive devises in the school.

All of the above mentioned officers were some of the first officers to arrive on scene and self-deployed into the school from various entry points in conjunction with deputies and officers from multiple jurisdictions. Englewood officers initiated a rapid response immediately entering the school and directing students and staff that were encountered to run out of the building. Once information was received that the suspect was down in the library, officers then slowed their response to a methodical search of the school. As officer's encountered students and staff in classrooms, they were assured that they were safe and a security detail was posted until they could be safely escorted out of the school. Upon completion of the initial methodical search, Englewood officers then assisted bomb technicians securing a safe egress route for students and staff.



Englewood Officers then conducted consecutive searches of classrooms and offices including the school gymnasium, locker rooms and swimming pool. Officers continued to encounter students and staff hiding in various locations throughout the school and evacuated them to safety.

After completing the secondary searches, Englewood officers were relieved by law enforcement personnel from various jurisdictions who continued the search. Englewood was then requested to report to the command post for additional assignment considerations. At approximately 1700 hours Englewood Officers were advised from Incident Command that they could clear the scene and report back their home agency.

Englewood Police Sergeants, Detectives and Officers who responded to this incident displayed exceptional courage, while serving as primary first responders with significant responsibility during this tragedy. This crisis presented significant safety concerns to officers who disregarded those dangers and made immediate entry into a volatile and chaotic environment. These Officers performed their duties with courage and professionalism ensuring the safety of the students and school staff while discounting their own personal safety.



CITY OF ENGLEWOOD
DEPARTMENT OF PARKS AND RECREATION

December 17, 2013

Dear Youth Sports Supporter,

I know that many of you have heard that the City of Englewood Parks and Recreation Department will not be offering a full service youth sports program beginning in the fall of 2014. In order to meet City of Englewood budget requirements, funding for these programs was eliminated through the City's 2014 budget process.

We are saddened by this decision; however, I believe that we can work with the community, local sports associations, the Englewood School District and other interested partners to find programs that might be available for those kids that have an interest in athletics. Currently, there are a number of different programs that are already being offered that address the interest of football, soccer, baseball, wrestling, lacrosse, etc. With some thoughtful discussion, we all may be able to find creative approaches to meet the athletic needs of those kids that will be displaced.

To initiate more dialogue on this issue, the Englewood Parks and Recreation Department will be hosting a youth sports meeting on January 16, from 4 – 6pm, in the Community Room at the Englewood Civic Center, 1000 Englewood Parkway. We hope that you can attend the meeting. You are a valuable resource in the community and we would welcome your input on this issue. If you cannot attend the meeting and would like to make some suggestions or provide comments, please do not hesitate to contact me at
or give me call and 303-762-2681.

I hope to see you on January 16, 2014.


Terrell Black
Director of Parks and Recreation
City of Englewood
Englewood, Colorado 80110

MEMORANDUM



TO: Gary Sears, City Manager

THROUGH: Rick Kahm, Director of Public Works

FROM: David Henderson, Deputy Public Works Director ✓

DATE: December 18, 2013

SUBJECT: PROJECT UPDATE – **Library Remodel**, University/Hwy. 285 Intersection Improvements, Little Dry Creek Plaza Repairs, Redevelopment at 5001 S. Broadway, Flood Middle School Redevelopment, Security Camera Project, Servicer Center Stormwater Improvements, The Englewood Campus, Craig Hospital Expansion, Xcel Energy Projects, Kent Place, CityCenter Site Development, Englewood McLellan Reservoir Foundation, Air Quality/Energy Savings Projects, GPS in City Vehicles

LIBRARY REMODEL

Public Works staff is coordinating a remodeling project in the library. The project is being funded from a donation and will be done in three phases:

- Phase I** **New computer use area in current display alcove, east side**
Painting and installing new countertops
- Phase II** **Remove some shelving and relocate four computers in adult area**
Building new stations – working on new drops
- Phase III** **New carpeting, pillars, paint, and furniture in children’s areas**
Will start late January

UNIVERSITY/HWY. 285 INTERSECTION IMPROVEMENTS

CDOT is planning to reconstruct the University/Hwy. 285 intersection. Staff attended a plan review meeting with CDOT on Thursday, December 5th. The plans call for constructing the intersection with 11 inches of concrete. CDOT is proposing utilizing a fast track construction schedule, similar to the 2013 project at Colorado Blvd. and Hampden Avenue. The concrete paving in the intersection could be completed in approximately 16 days by working around the clock. Staff requested CDOT to provide us with a summary of the benefits to the public by fast tracking the construction. CDOT will complete the design and “shelve” it until funding is available. The estimated project cost is \$3 million, and CDOT staff is not sure when funding will be authorized. Staff will pass along additional information as it becomes available.

LITTLE DRY CREEK PLAZA REPAIRS

City Council approved a contract for repairs and upgrades to the Little Dry Creek Plaza (at Englewood Marketplace). The contract includes bringing the existing ramp up to current ADA standards, removing and replacing broken/displaced concrete flatwork, and caulking around the plaza.

Nordstrom Commercial Builders (NCB) completed pouring the new ramp and concrete flatwork removal and replacement. Railings are being fabricated and installed this week. Painting of the railing and caulking will require acceptable weather conditions that may delay the final completion. Landscaping improvements will follow in the spring of 2014.

REDEVELOPMENT - 5001 S. BROADWAY

Completion of the Advance Auto store is expected this week. Pending final inspections, the store will open on December 20th. Colorado Structures Inc. continued construction of the Sprouts store. Sprouts is expected to open in June, 2014.

Site work (traffic signal, new sidewalks, and utilities) continued.

FLOOD MIDDLE SCHOOL REDEVELOPMENT

Demolition is complete and Wood Partners now owns the site. **Wood Partners' contractor continued grading the site and excavating for the parking garage. Relocation of the City Ditch continued. Water line installation in Sherman Avenue is underway.**

Xcel Energy's contractor continued undergrounding of overhead power lines.

SECURITY CAMERA PROJECT

Final plans and specifications are complete and the Request for Proposals (RFP) has been advertised. A vendor walk-through was conducted on October 8th. Five proposals were submitted on October 29th. Vendor interviews were conducted on November 15th. **Staff expects to update City Council at the January 21st Study Session.**

SERVICENTER STORMWATER IMPROVEMENTS

To assure compliance with state and federal requirements for stormwater runoff, Street Division staff is constructing an area to wash trucks, fire equipment, and street sweepers. The area will be isolated from the storm sewer system that goes to the Platte River. This is a short term solution until we can construct a new addition to the Servicenter that incorporates a truck washing station meeting all applicable standards. The Servicenter has included \$550,000 in the 2014 budget to accomplish this required improvement. **Staff has reviewed the car wash design proposal, and will attend an upcoming Study Session to discuss this proposed project.**

THE ENGLEWOOD CAMPUS

Englewood School District continues construction of the new campus on South Logan Street. Staff is monitoring the public right-of-way construction to assure conformance with approved plans and agreements.

CRAIG HOSPITAL EXPANSION

Construction of the new campus continued.

XCEL ENERGY PROJECTS

Gas Line Replacement Projects

Xcel continues gas line replacement work in the 2900 and 3000 blocks of S. Downing Street, the 3900 – 4000 blocks of S. Grant Street, and the 1000 – 1100 blocks of E. Bates Parkway as weather allows. This work is expected to be complete by the end of December.

Staff continued reviewing additional Xcel permit requests including S. Broadway between Rafferty Gardens and Centennial.

Xcel notified Public Works of a major upcoming gas main replacement project. The project is expected to replace 78,000 feet of gas main in Englewood over the next four years. **Staff will be meeting with Xcel in January to discuss the proposed project.**

KENT PLACE

The contractor continued work on the residential apartments.

CITYCENTER SITE DEVELOPMENT

Alexan East and West Parcels

438 residential units. Alexan's occupancy level for October, 2013 is 95%. Commercial uses: Let It Bead, Liquor Store, State Farm, Lifetime Family Practice, Cuttin'It Loose, CityCenter Community, Nixon's Coffee House, and King Liquor Store. **Foothills Physical Therapy moved out last week. Weingarten Realty relocated from CityCenter to the Riverpoint development in Sheridan.**

Parkway Retail / Office Buildings

Commercial uses: The International House of Pancakes (IHOP), Qdoba, GNC, Supercuts, Nails Center, CityCenter Dental Group, Tableaux Interior Design, Englewood Eyecare, Collective Licensing Int'l, Inc., Quizno's, "Insurance Company of the West", Fred Astaire Dance Studio, Wellness Treatment Center, SB Clark Companies, Unifocus, Bartertown Comics, and XL Edge.

Bally's Building

Tenants include Bally's, "Blondies Fire House Pub and Restaurant", and MaxFour.

Retail South of the Parkway

Tenants: Petco, Ross, Coldstone Creamery, Noodles, Office Depot, and Einstein Bagels. **Spirit Halloween closed a few days after Halloween.**

Gold Mine Pad

Tenants include: Jamba Juice, Tokyo Joe's, and Doctors Express.

CityCenter Site

EEFI continues project management of all infrastructure on the site. Staff is monitoring the security, sweeping, snow removal, and day porter services performed under the Common Area Maintenance.

ENGLEWOOD MCLELLAN RESERVOIR FOUNDATION (EMRF)

PA-84 West

The Mike Ward Infiniti dealership opened on Monday, August 29, 2011.

The Larry Miller Nissan Dealership opened on February 11.

PA-85 (RTD site)

RTD paid the final billing in the amount of \$591,836.86. Finance has deposited this money in the LTAR fund.

PA-85 (Benjamin Franklin Charter School)

The Benjamin Franklin Charter School is open.

AIR QUALITY/ENERGY SAVING PROJECTS

Flex Fuel Program

Currently, 39 of our fleet vehicles are running on E-85 ethanol fuel. All new replacement vehicles (less than ¾ ton) will be compatible with E-85. Approximately 50 Flex Fuel vehicles will be in our fleet within two years. Currently, the cost of E-85 fuel is approximately \$0.40 per gallon less than regular unleaded gasoline. Ten of our fleet vehicles run on Compressed Natural Gas (CNG). 39 on-road vehicles and 23 off-road (construction equipment) run on biodiesel fuel.

Hybrid Vehicle Purchase

Two hybrid vehicles are in service, one in the Fire Department and one in the Building Division.

"Green" Programs

We continue to work with our vendors to expand the Green product line as it becomes available. 90% of our custodial paper supplies are from recycled sources. The Servicenter is now "single-streaming" waste at the Servicenter and a dumpster has been supplied for *cardboard only* recycling.

Energy Saving Projects

In 2001, the Public Works Traffic Division began an ongoing program to convert traffic signals from incandescent lamps to Light-Emitting-Diode (LED) bulbs. To date, 80% of our City maintained signals have been converted. LED traffic signals use 90% less energy than incandescent lamps, last five times longer, and provide better visibility.

GPS IN VEHICLES

The City received a grant, through RAQC (Regional Air Quality), to install 37 GPS units in some of our fleet vehicles. The GPS units have been installed in Police patrol vehicles, Public Works vehicles, Fire Department equipment, and some Wastewater Treatment Plant vehicles. Police and Fire have gone live with the system and are now able to track emergency vehicle locations 24/7. The system will allow us to track locations, easily obtain information regarding quantities of ice slicer dispensed, monitor idle times, and allow the public to track where plow trucks have been.

/lt

Memorandum

To: Mayor Penn and City Council
Thru: Gary Sears, City Manager
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: December 19, 2013
Re: Finance and Administrative Services Department Update

I wanted City Council to be aware of the achievements of Kerry Bush and Alicia Stutz.

Kerry Bush was named Colorado Municipal Clerks Association President for 2014

Alicia Stutz earned her Certified Professional Public Buyer (CPPB) from the Universal Public Procurement Certification Council (UPPCC). Alicia was awarded the CPPB based on her purchasing experience, education, and passing the October 2013 examination.

The City is fortunate to have employees like Kerry and Alicia.

Please call me at 303-762-2401 if you have questions or need additional information.



City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: December 11, 2013
Subject: **November 2013 Financial Report**

REVENUES:

- Through November 2013, the City of Englewood collected **\$37,311,162 or \$638,000 or 1.7 percent more** than last year (See the chart on page 4 and the attached full report for details on changes in revenue in past year).
- The City collected \$2,879,165 in property and \$225,313 in specific ownership taxes through November.
- **Year-to-date sales and use tax revenues were \$21,391,395 or \$655,467 more than November 2012. The year-end estimate has been increased to \$22,800,000.**
- Cigarette tax collections were up \$5,277 compared to last year.
- Franchise fee collections were \$152,509 more than last year.
- Licenses and permit collections were \$463,116 more than 2012 (year-end estimate increased to \$1,400,000).
- Intergovernmental revenues were \$375,579 less than the prior year.
- Charges for services increased \$71,544 from last year.
- Recreation revenues decreased \$198,491 from 2012 (year-end estimate decreased to \$2,430,000).
- Fines and forfeitures were \$65,066 less than last year.
- Investment income was \$58,213 less than last year (year-end estimate decreased to \$20,000).
- Miscellaneous revenues were \$81,142 less than last year. The year-end estimate is \$300,000.
- Net rent revenues from McLellan Reservoir were \$529,610.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were up \$87,156 or 1.3 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 (AREA 1):

- Sales and use tax collection through November 2013 were \$3,113,935 or \$14,380 less than last year during the same period.

EXPENDITURES:

- Expenditures through November were \$36,080,381 or \$10,412 less than the \$36,090,793 expended through November 2012. The City's refund of sales and use tax claims through November 2013 totaled \$31,272.
- Debt service payments by month over the past five years are shown graphically on page 13.

REVENUES OVER/UNDER EXPENDITURES:

- **Year-to-date revenues exceeded expenditures by \$1,230,781 compared to revenues exceeding expenditures by \$582,369 year-to-date 2012.**

TRANSFERS:

- Net 2013 transfers-in to date of \$1,139,574 were made by the end of November 2013 (please refer to page 16 for the make-up). No additional transfers are contemplated for the remainder of the year.

FUND BALANCE:

- **The estimated year-end total fund balance is \$9,479,662 or 23.7 percent of estimated revenue. The ending 2013 unassigned fund balance is \$5,589,867 or 14 percent of estimated revenue.**
- The 2013 estimated Long Term Asset Reserve (LTAR) balance is \$2,619,375 (please refer to page 16).

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected \$3,351,545 in revenue and spent \$3,169,518 year-to-date. Estimated year-end fund balance is \$926,251.

City of Englewood, Colorado

November 2013 Financial Report

The annual budget serves as the foundation for the City’s financial planning and control, and provides a comprehensive plan to provide high quality services to the Englewood community. Based upon conservative revenue estimates, the budget quantifies in dollars the many services and amenities the citizens of Englewood receive. The City has prepared a balanced budget and it is one where revenues plus beginning fund balance are equal to or exceed expenditures.

The monthly financial report provides on a periodic basis the review of the actual revenues and expenditures as compared to the budget. This point in time analysis compares the current year to the prior year and determines if the revenues and expenditures are on track with the budget. By monitoring the financial condition of the City, City staff and Council can work together to take action, if necessary, to maintain service levels, employees, and fiscal health of the City.

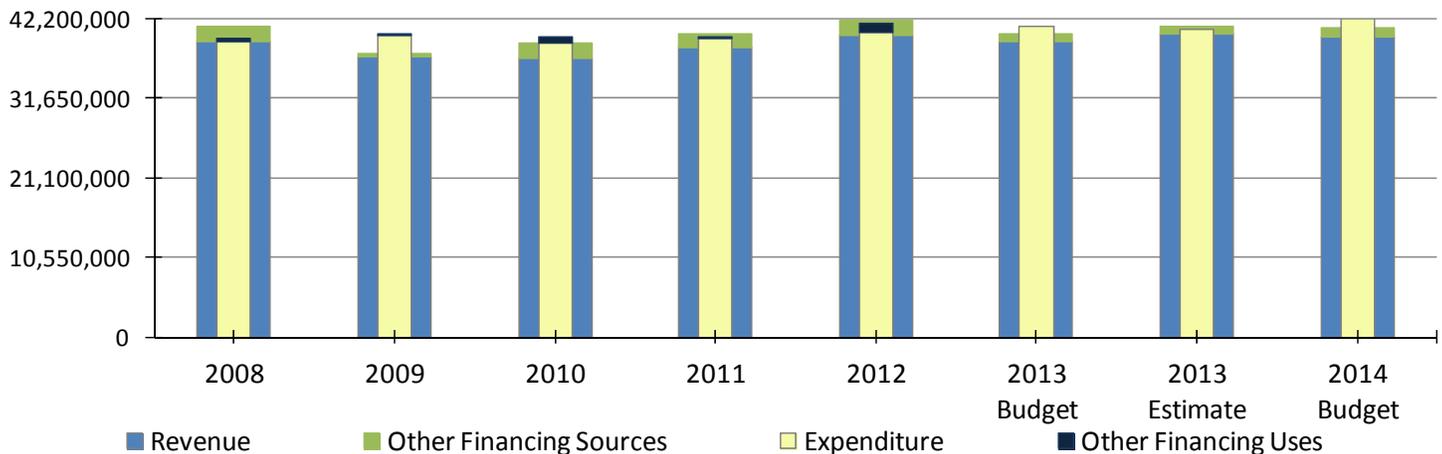
GENERAL FUND OVERVIEW AND ANALYSIS

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 Deficit

The graph below depicts the history of sources and uses of funds from 2008 to 2014 Budget. As illustrated, both surpluses and deficits have occurred in the past. The gap has narrowed over the past few years by reducing expenditures, freezing positions, negotiating lower-cost health benefits, increased revenue collections. Continued efforts will be required to balance revenues and expenditures, especially with persistent upward pressure on expenditures due to increases in the cost of energy, wages and benefits.

General Fund: Total Sources and Uses of Funds



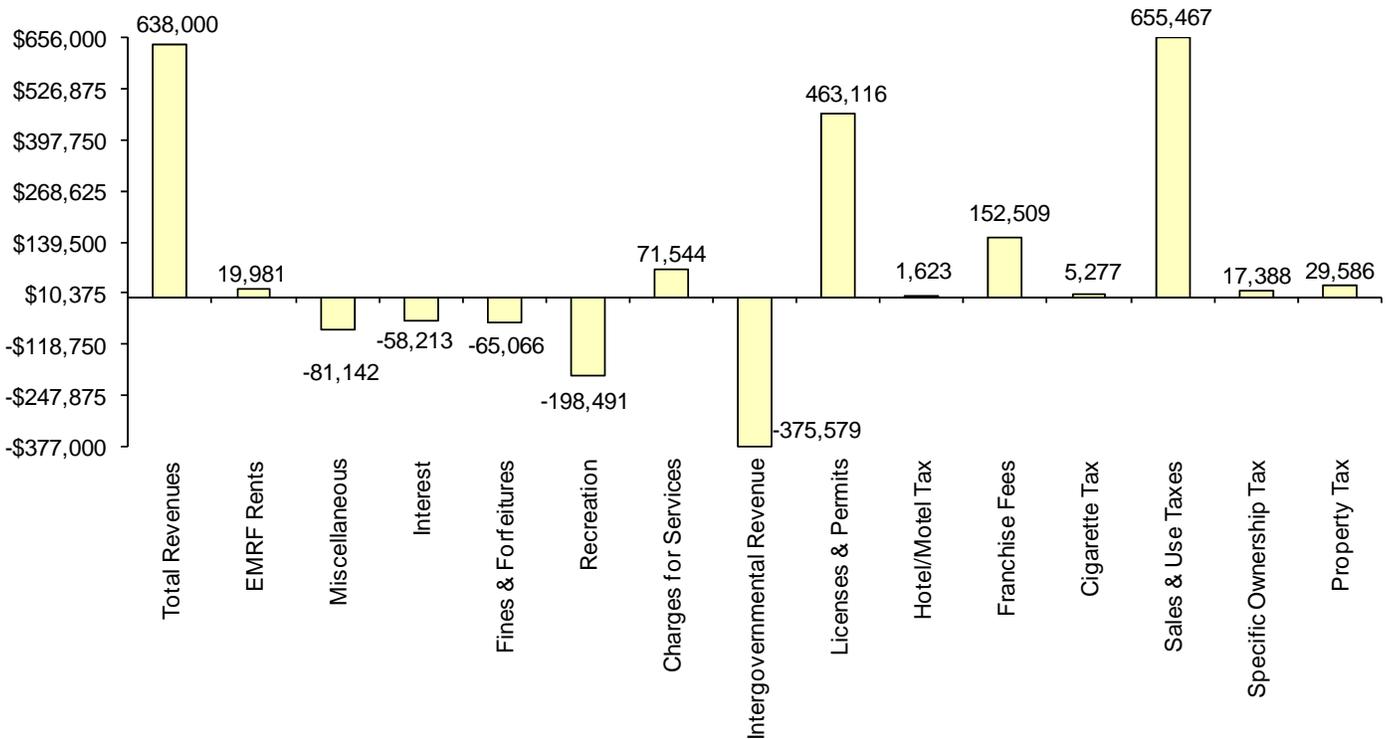
The table on the next page summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended November, 2013. Comparative figures for years 2012 and 2011 are presented as well. The table also highlights the dollar and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

| | Aug-13 | 2013 vs 2012 Increase (Decrease) | | Aug-12 | 2012 vs 2011 Increase (Decrease) | | Aug-11 |
|----------------------------------|---------------|-------------------------------------|---------|---------------|-------------------------------------|---------|---------------|
| General Fund | | | | | | | |
| Year-To-Date Revenue | \$ 37,311,162 | \$ 638,000 | 1.74% | \$ 36,673,162 | \$ 1,129,330 | 3.18% | \$ 35,543,832 |
| Year-To-Date Expenditure | 36,080,381 | \$ (10,412) | (.03%) | 36,090,793 | \$ 528,232 | 1.49% | 35,562,561 |
| Net Revenue (Expenditure) | \$ 1,230,781 | \$ 648,412 | | \$ 582,369 | \$ 601,098 | | \$ (18,729) |
| Unassigned Fund Balance | \$ 5,589,937 | \$ (362,986) | (6.10%) | \$ 5,952,923 | \$ 990,399 | 19.96% | \$ 4,962,524 |
| Sales & Use Tax Revenue YTD | \$ 21,391,395 | \$ 655,467 | 3.16% | \$ 20,735,928 | \$ 532,654 | 2.64% | \$ 20,203,274 |
| Outside City Sales & Use Tax YTD | \$ 6,986,581 | \$ 87,056 | 1.26% | \$ 6,899,525 | \$ (584,591) | (7.81%) | \$ 7,484,116 |

General Fund Revenues

The City of Englewood's total budgeted revenue is \$39,050,099. Total revenue collected through November 2013 was \$37,311,162 or \$638,000 (1.7 percent) more than was collected in 2012. The chart below illustrates changes in General Fund revenues this year as compared to last year.

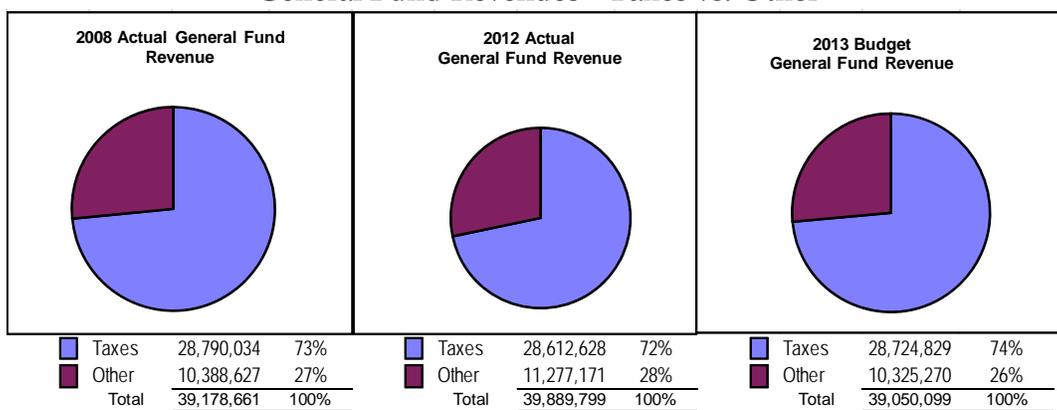
2013 Year-To-Date Change in General Fund Revenue as Compared to Prior Year



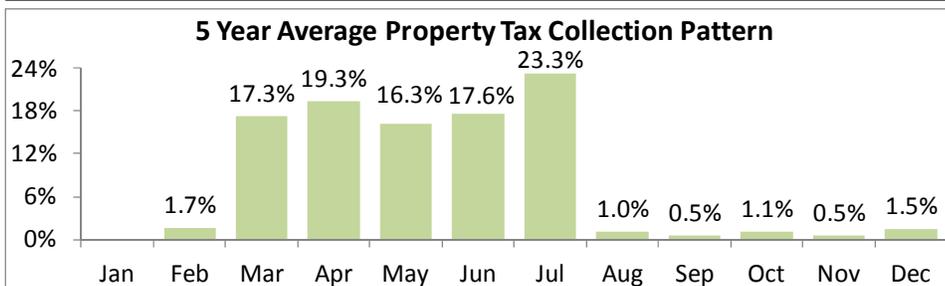
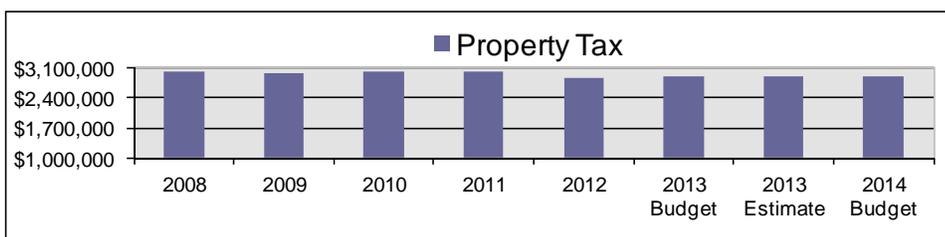
General Fund - Taxes

The General Fund obtains most of its revenue from taxes. In 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 pie charts on the next page 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



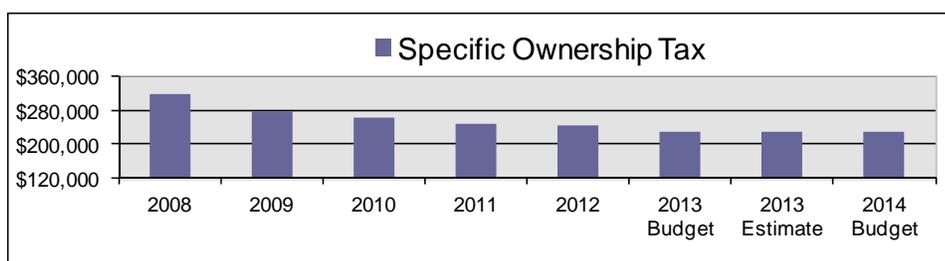
Property taxes: These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2012 mill levy collected in 2013 is 7.794 mills. The 2012 mill levy for general operations collected in 2013 is 5.880 mills. Voters 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



| Property Tax Mill Levy | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 Budget | 2013 Estimate | 2014 Budget |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|
| General Fund | 5.880 | 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 | 2.244 |
| Total Mill Levy | 8.173 | 7.827 | 7.911 | 8.010 | 7.621 | 7.794 | 7.794 | 8.124 |

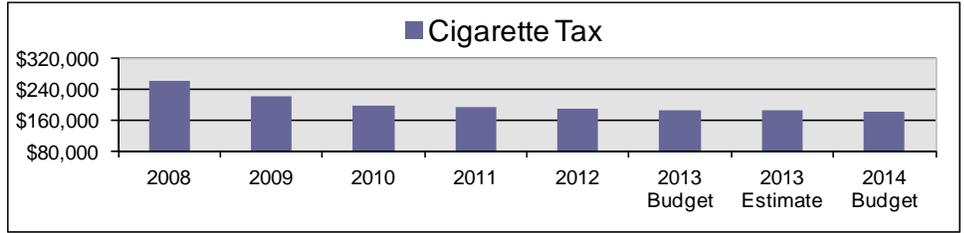
for in the Debt Service Fund. The dedicated general obligation debt mill levy dedicated for the City's general obligation debt collected in 2012 is 1.914 mills. Property tax collections declined from \$2,995,990 in 2008 to \$2,874,816 in 2012. This was a decrease of \$121,174 or four percent. In 2012 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 \$2,879,165 through November 2013. The estimate for the year is \$2,898,000.

Specific ownership: These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected \$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 \$225,313 through November 2013. The estimate for the year is \$230,000.



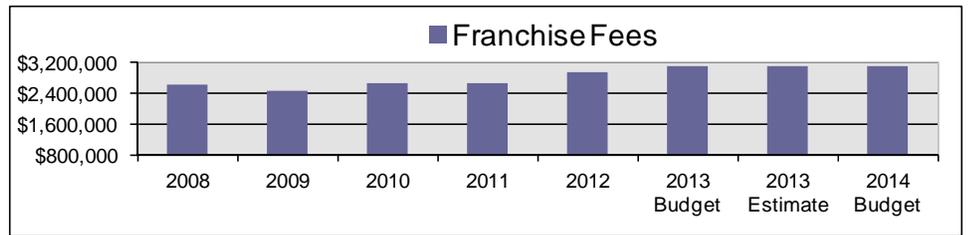
Cigarette Taxes: The State of Colorado levies a \$.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen

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 \$177,949 through November 2013, which is \$5,277 or 3.1 percent more than the \$172,672 collected through November 2012. The estimate for the year is \$184,000.

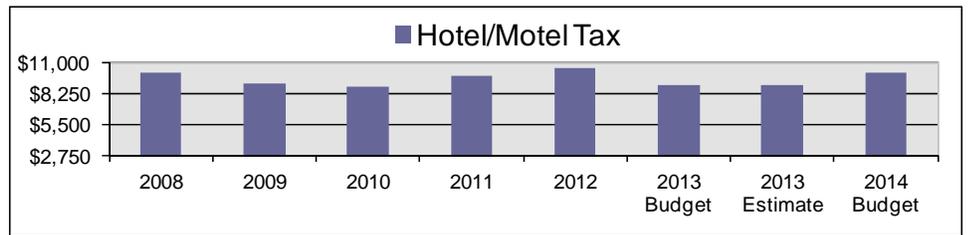


Franchise Fees: The City collects a number of taxes on various utilities. This includes franchise tax on water, sewer, and public services, as well as occupational tax on telephone services. The City collected \$2,588,214 in 2008 and \$2,930,888 in 2012, an increase of

\$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 November totaled \$2,673,729 compared to \$2,521,220 collected during the same period last year. The estimate for the year is \$3,067,552.

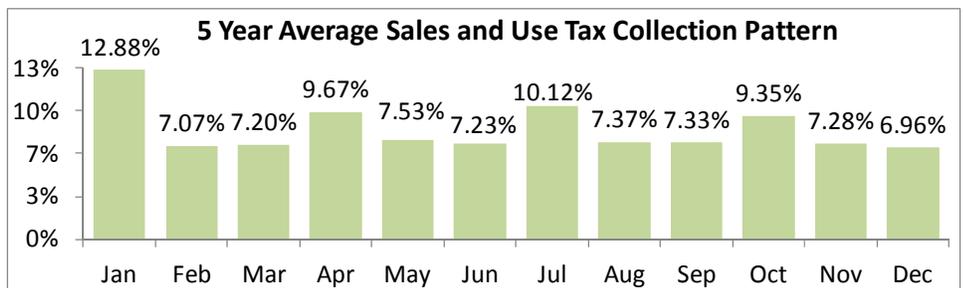
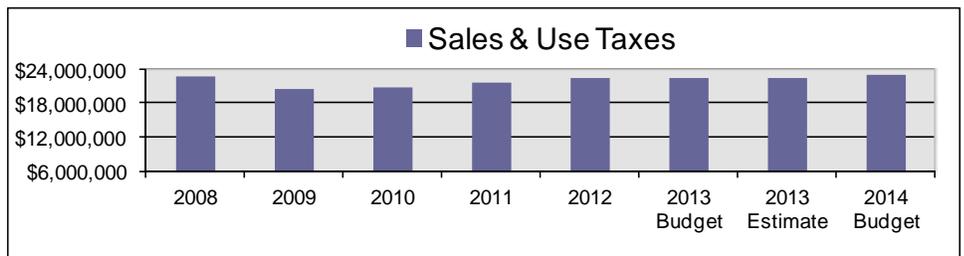


Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted \$9,000 for the year and has collected \$11,109 through November 2013. The estimate for the year is \$12,000.



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



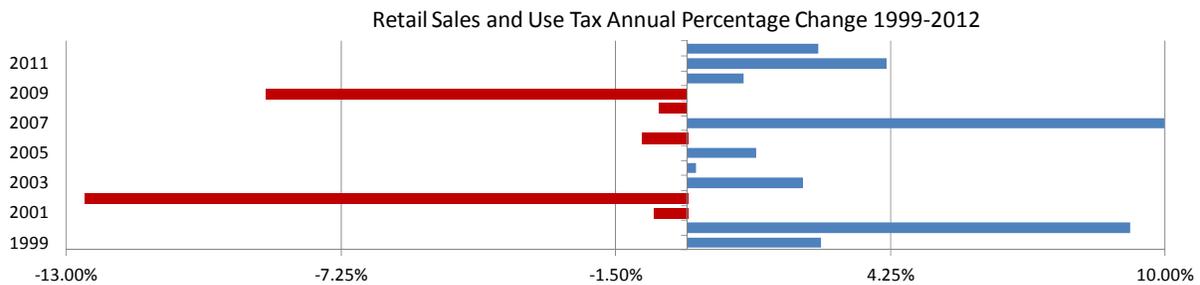
and Use Tax revenue (cash basis) through November 2013 was \$21,398,961 while revenue year-to-date for November 2012 was \$20,733,118, an increase of \$665,843 or 3.2 percent.

Collections (cash basis) for November 2013 were \$1,843,739 while collections for November 2012 and November 2011 were \$1,623,635 and \$1,602,719 respectively. November 2013 collections were 13.5 percent or \$220,104 more than November 2012 collections and \$241,020 or 15 percent more than November 2011 collections.

Based on the last five years of sales tax collection data, November contributes 92.9 percent of total year's sales tax collections; if this pattern holds this year, 7.1 percent is left to collect over the remainder of the year. Based on year-to-date collections, the City will collect an additional \$1,635,443 over the remainder of the year for a total of \$23,034,404. Collections through November were 103.2 percent of last November's collections. If this were applied to the entire year, the total collected would be \$23,080,390. The average amount collected in December for the past five years is \$1,522,086; if the City collects the average, the total will be \$22,921,047. The average of the three forecasts is \$23,008,269 (\$671,992 or three percent over the amount budgeted for the year). The estimate for the year has been increased to \$22,800,000.

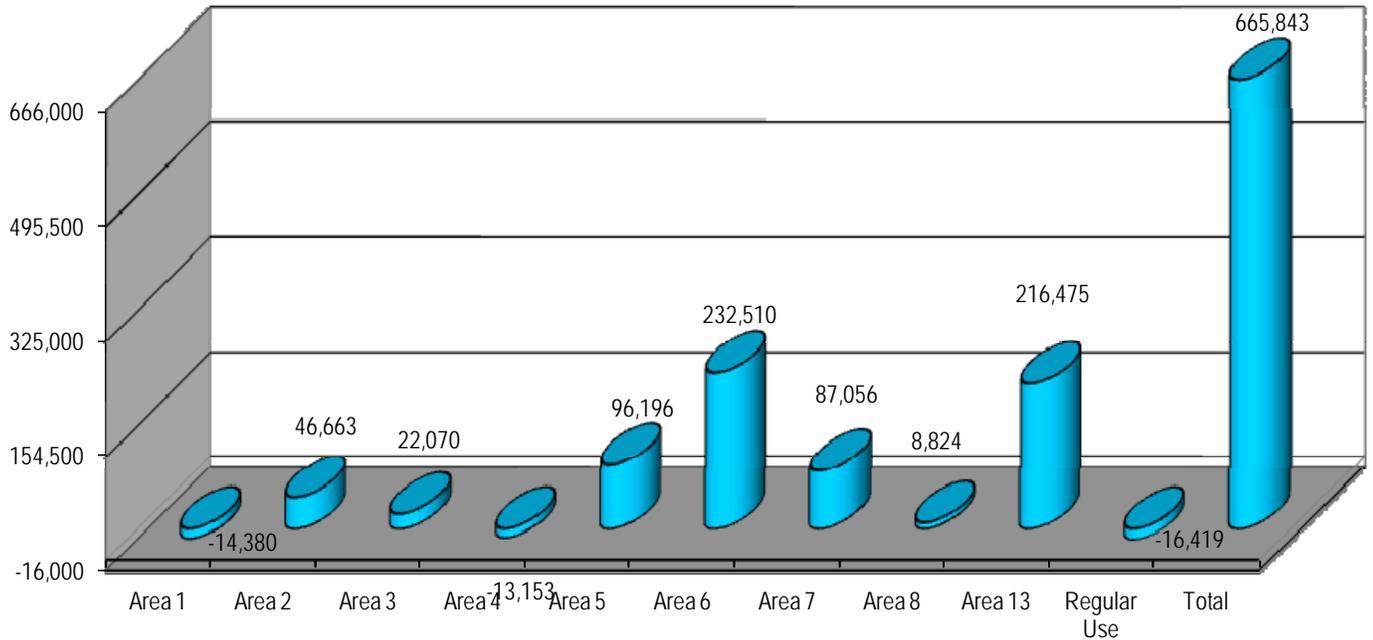
Outside City sales and use tax collections through November totaled \$6,986,581 equaling an increase of approximately \$87,056 from 2012 collections.

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.

Change in Sales/Use Tax Collections by Area 2013 vs 2012

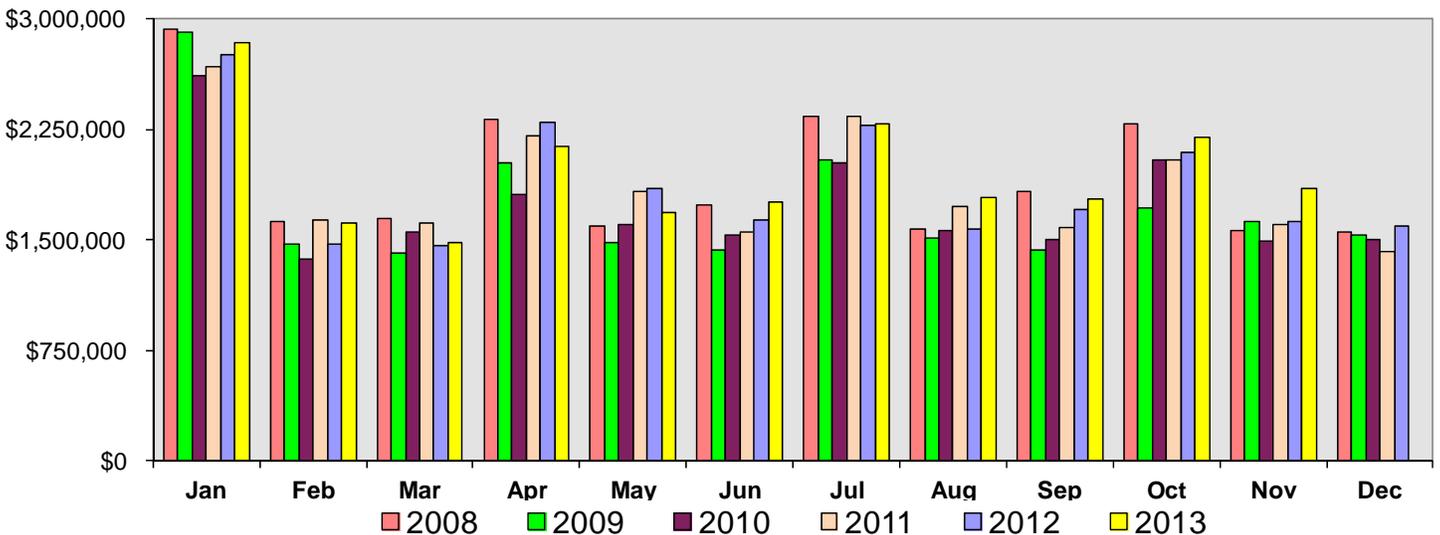


Please note that the geographic map of the sales tax areas was changed within the first quarter of 2012, and hopefully makes more sense. Some of the areas will look skewed until more comparable data is available in 2013. EUR Area 9 & 10 and EUR Area 11 & 12 were incorporated into Areas 1, 2 and 6. Specific 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

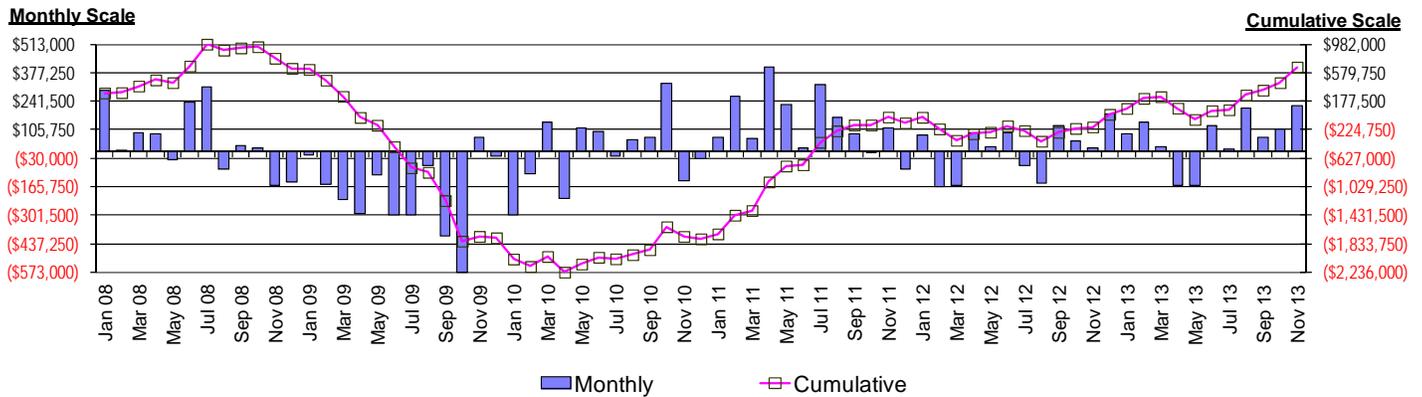
The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2008 through 2013.

2008-2013 YTD Sales/Use Tax Collections by Month - Cash Basis



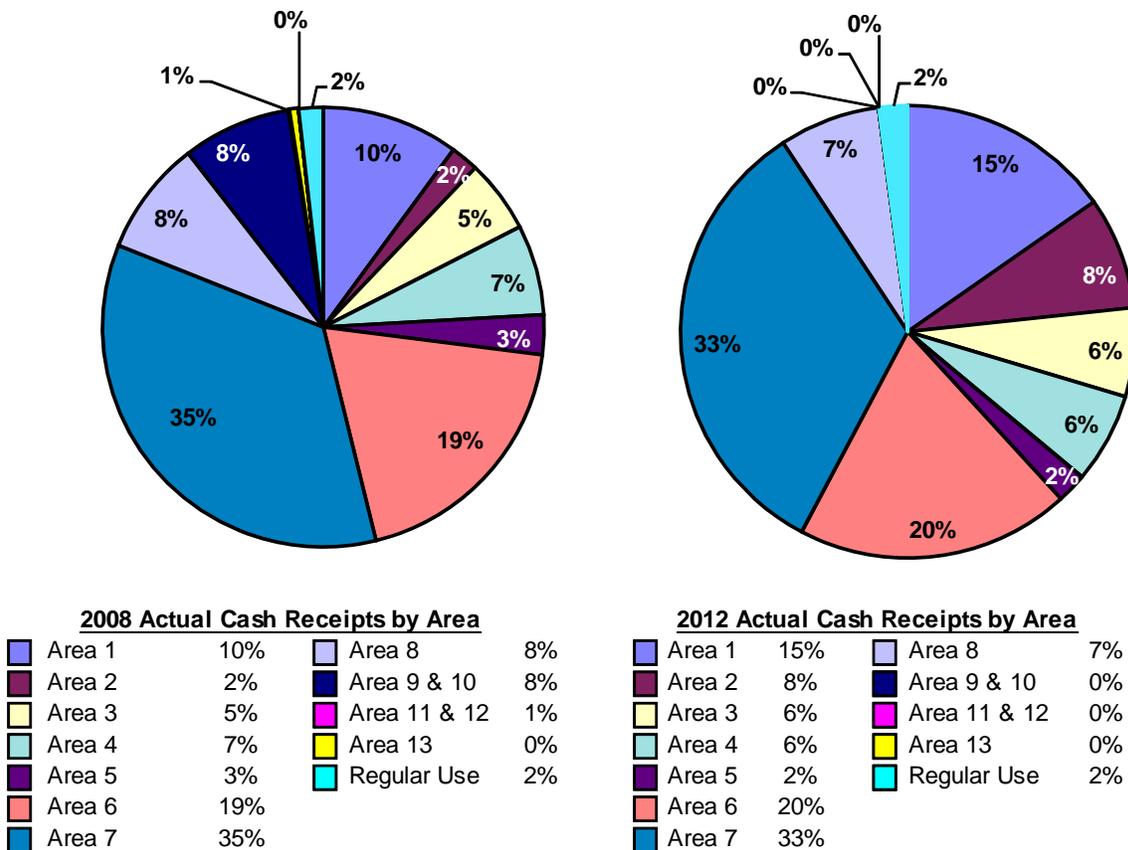
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly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

2008 - 2013 Monthly Change Sales and Use Tax Receipts



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



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 \$3,113,935 year-to-date or .5 percent less than was collected during the same period last year.

Area 4: This geographic area's collections are down one percent from last year.

Area 5: This area includes the new King Soopers. Collections which lagged for most of the year are

Area 6: This geographic area is up 5.7 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 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 2009 for collections through the month of November. The importance of Outside City has declined as a percentage of sales and use tax collections but it continues to remain an important impact on the City’s General Fund as illustrated by the following:

| | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total Sales and Use Taxes | 19,055,369 | 19,073,808 | 20,792,191 | 20,733,118 | 21,398,961 |
| Outside City Collections | 6,096,447 | 5,910,708 | 7,484,116 | 6,899,525 | 6,986,581 |
| Percentage of Total | 32.0% | 31.0% | 36.0% | 33.3% | 32.6% |
| Total General Fund Revenues | 36,466,889 | 36,714,454 | 35,543,832 | 36,673,162 | 37,311,162 |
| Outside City Collections | 6,096,447 | 5,910,708 | 7,484,116 | 6,899,525 | 6,986,581 |
| Percentage of Revenues | 16.7% | 16.1% | 21.1% | 18.8% | 18.7% |

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 \$31,272 in refunds including intercity sales/use tax claims through November 2013 compared to \$157,010 through November 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 November were about the same as 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 November were \$217,299. Since this is the first year the area has collected taxes there are no previous collection history to compare to. If the year-to-date average monthly collection were projected for the year, total collections for the year will be approximately \$237,053. Estimating collections from this area will be difficult until more “stable” data is collected as residential tenants move on site. Also, not every sales tax generator was open at the beginning of the year so totals will change as collections are made for all venues over the next few years.

Other Sales Tax Related Information

Finance and Administrative Services Department collected \$111,704 in sales and use tax audit revenues and general collections of balances on account through the month of November 2013, this compares to \$158,918 collected in 2012 and \$192,805 collected in 2011.

Of the 62 sales tax accounts reviewed in the various geographic areas, 39 (63 percent) showed improved collections and 23 (37 percent) showed reduced collections this year compared to the same period last year.

The Department issued 367 new sales tax licenses through November 2013; 394 and 422 were issued through November 2012 and 2011 respectively.

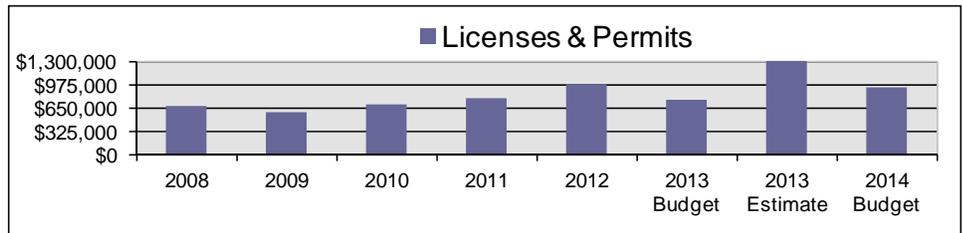
City records indicate that year-to-date 175 businesses closed (97 were outside the physical limits of Englewood) and 367 opened (229 of them were outside the physical limits of Englewood).

General Fund - Other Revenue

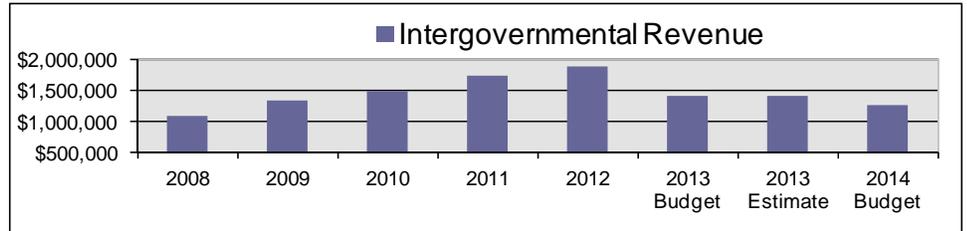
Other revenues (including McLellan rent) accounted for \$11,277,171 or 26.9 percent of the total revenues for 2012. The City budgeted \$10,325,270 for 2013.

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

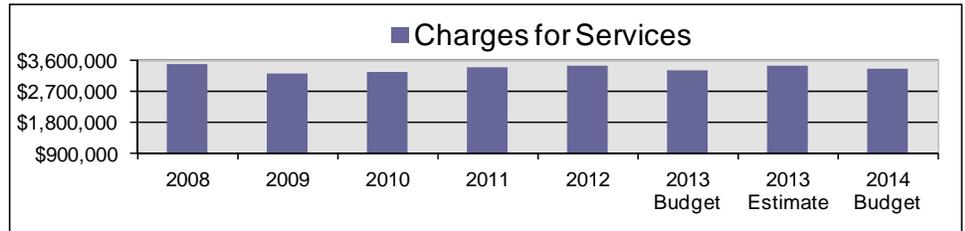
Licenses and Permits: This revenue category includes fees from business and building licenses and permits. This revenue source generated \$983,359 during 2012 or 2.5 percent of total revenue and 9.2 percent of total other revenue. This revenue source totaled \$671,609 in 2008 and increased to \$983,359 in 2012, a 46.4 percent increase. The City budgeted \$767,153 for 2013 and year-to-date collected \$1,382,475 or \$463,116 (50.4 percent) more than the \$919,359 collected through November 2012. The estimate for the year is \$1,400,000.



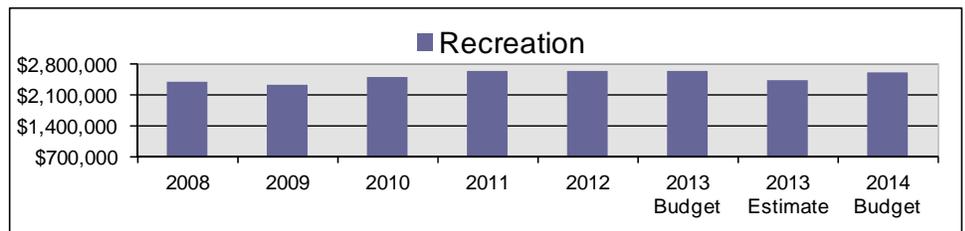
Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at \$1,387,598 for 2013. This revenue source totaled \$1,079,285 in 2008 and the City collected \$1,865,722 in 2012, a 72.8 percent increase. The City collected \$1,186,049 through November 2013 this is \$375,579 (24 percent) less than the \$1,561,628 collected in the same period in 2012. The estimate for the year is \$1,387,598.



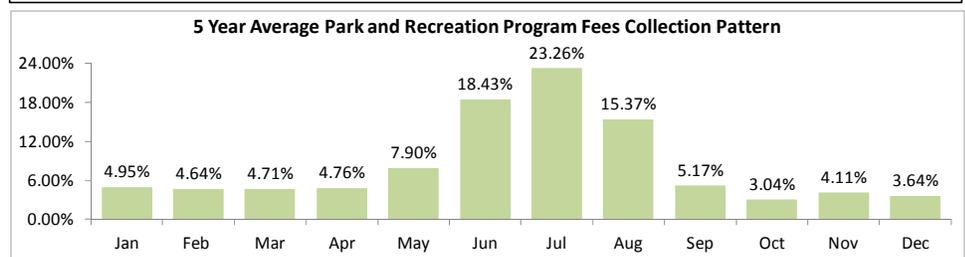
Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at \$3,277,773 for 2013. This revenue source totaled \$3,476,583 in 2008 and decreased to \$3,441,525 in 2012, a one percent decrease. Total collected year-to-date was \$3,010,045 or \$71,544 (2.4 percent) more than the \$2,938,501 collected year-to-date in 2012. The estimate for the year is \$3,440,000.



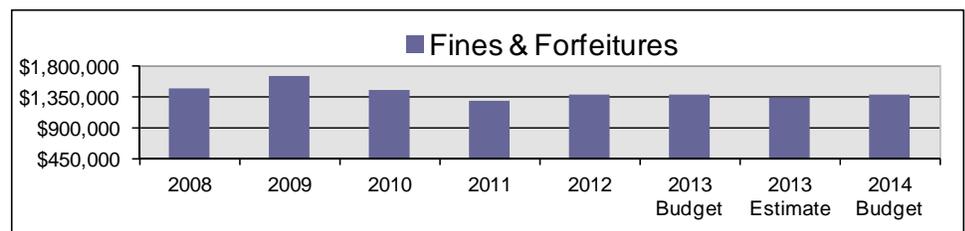
Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at



\$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 November 2013 were \$2,327,274 compared to \$2,525,765 collected in 2012. The estimate for the year is \$2,430,000.

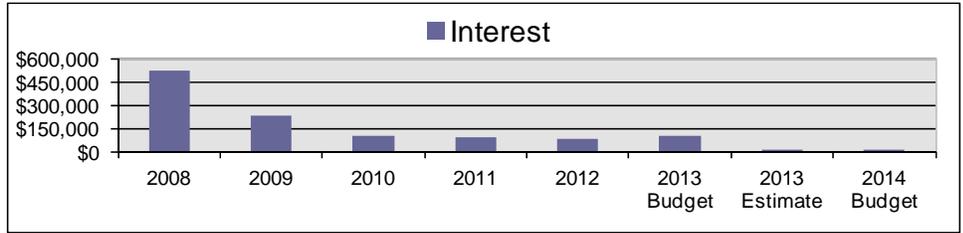


Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2013 budget for this source is \$1,368,450. This revenue source totaled \$1,461,100 in 2008 and decreased to \$1,381,453 in 2012, a 5.4 percent decrease. Total collected year-

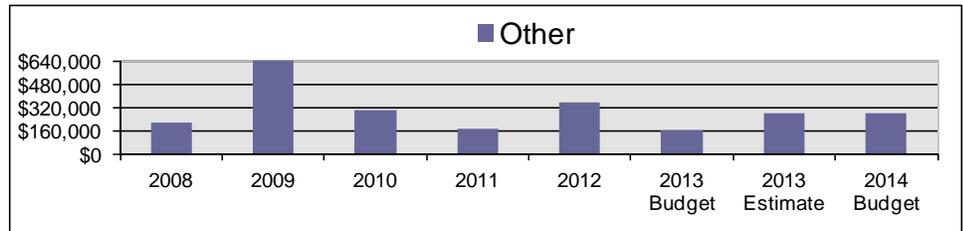


to-date was \$1,216,759 or \$65,066 (5.1 percent) less than the \$1,281,825 collected in the same time period last year. The estimate for the year is \$1,320,000.

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 \$20,284 through November 2013; while the City earned \$78,497 through November 2012 due to rising interest rates reducing the value of the portfolio. The estimate for the year is \$25,000.



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 \$280,006 (22.5 percent) less than the \$361,148 collected last year during the same period. The estimate for the year is \$300,000.

Economic Incentives

The City of Englewood uses economic incentives to attract and maintain businesses. Businesses are the City’s lifeblood, not only do they generate sales and property taxes but they provide employment and shopping opportunities for citizens.

Englewood Economic Development Incentives Granted

| Business | Public Use of Incentive Funds |
|---------------------------------------|--|
| King Soopers (Federal and Belleview) | Storm sewer replacement, water line improvements, access modifications and electrical line undergrounding. |
| Oxford LCP | Construct sidewalk enhancements in the public right of way. |
| Flood Middle School | Relocate City Ditch and sanitary sewer line, upgrade water line and underground electrical lines. |
| Restaurant at Englewood Market Place | Landscaping, maintenance and ADA ramp. |
| Cadence dba Broadbell LLC for Sprouts | |
| Farmers Market | Intersection and signalized intersection. |

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:

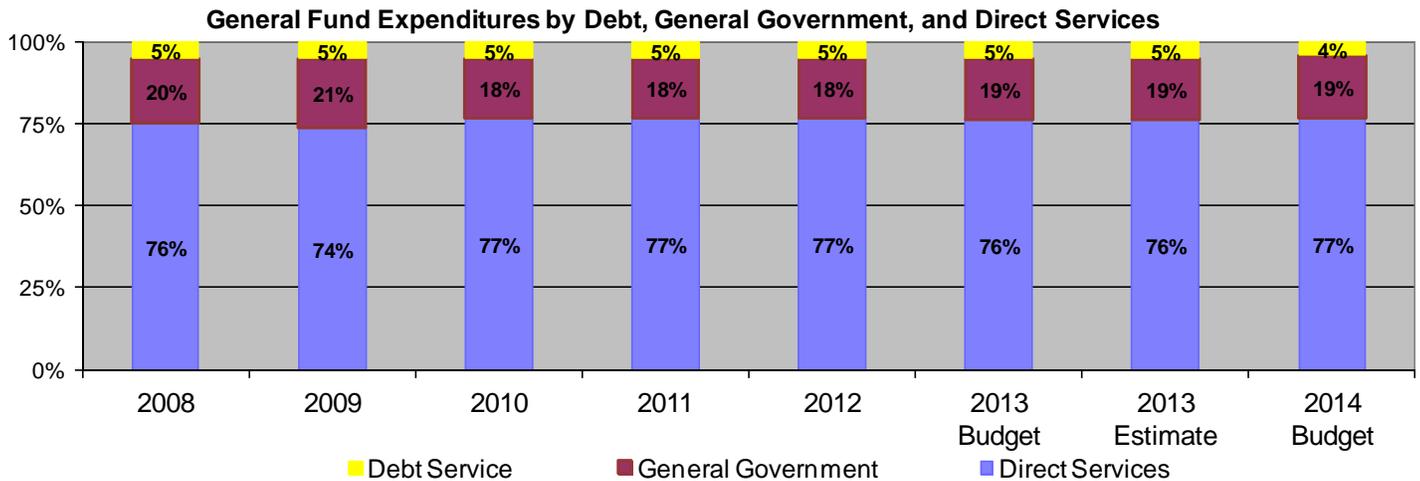
- ▶ A City that provides and maintains quality infrastructure,
- ▶ A safe, clean, healthy, and attractive City,
- ▶ A progressive City that provides responsive and cost efficient services,
- ▶ A City that is business friendly and economically diverse, and
- ▶ A City that provides diverse cultural, recreational,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

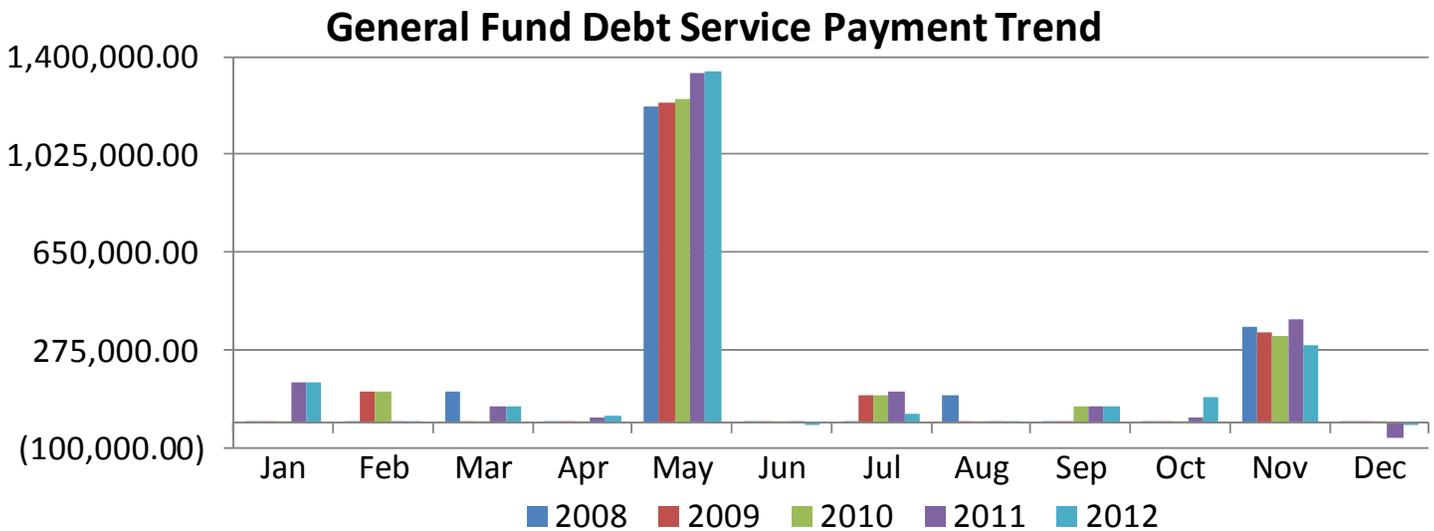
The City budgeted total expenditures at \$41,110,026 for 2013, this compares to \$40,265,587 and \$39,496,268 expended in 2012 and 2011 respectively. Budgeted expenditures for 2013 general government (City Manager, Human Resources, etc.) totals \$7,636,290 or 18.6 percent of the total. Direct government 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 November were \$36,080,381 compared to \$36,090,793 in 2012 and \$35,562,561 in 2011. The expenditure estimate for the year is \$40,798,398.

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



Based on the past five years, the following graph depicts the debt service payments cash outflow. Debt service payments are typically made May and November of each year.



The schedule on the next page provides the expenditure for each of the General Fund departments for the years 2008 through 2014 Budget.

| Expenditure | 2008 Actual | 2009 Actual | 2010 Actual | 2011 Actual | 2012 Actual | 2013 Budget | 2013 Estimate | 2014 Budget |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Government | | | | | | | | |
| Legislation | 350,254 | 346,044 | 309,870 | 298,731 | 316,043 | 330,436 | 331,187 | 354,570 |
| City Manager | 674,322 | 674,170 | 659,882 | 639,184 | 658,047 | 679,653 | 674,619 | 703,758 |
| City Attorney | 698,563 | 678,038 | 702,228 | 706,841 | 712,036 | 783,147 | 824,661 | 818,514 |
| Municipal Court | 915,303 | 914,494 | 901,469 | 848,775 | 886,249 | 962,993 | 971,518 | 1,026,895 |
| Human Resources | 579,136 | 456,275 | 419,422 | 430,792 | 469,343 | 481,392 | 460,237 | 468,826 |
| Finance & Administrative Services | 1,626,571 | 1,575,923 | 1,445,581 | 1,446,313 | 1,464,305 | 1,583,684 | 1,560,053 | 1,625,150 |
| Information Technology | 1,280,156 | 1,360,237 | 1,280,660 | 1,332,766 | 1,373,943 | 1,340,211 | 1,330,425 | 1,378,942 |
| Community Development | 1,464,725 | 1,366,437 | 1,301,473 | 1,359,264 | 1,262,451 | 1,324,774 | 1,247,947 | 1,235,802 |
| Contingencies | 59,759 | 160,578 | 48,138 | 152,423 | 143,810 | 150,000 | 150,000 | 200,000 |
| 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 | 7,550,647 | 7,812,457 |
| Direct Services | | | | | | | | |
| Public Works | 5,189,173 | 5,152,891 | 5,137,364 | 5,259,875 | 5,202,903 | 5,308,257 | 5,234,717 | 5,504,669 |
| Police | 9,974,925 | 10,183,890 | 10,312,633 | 10,395,239 | 10,788,935 | 11,250,771 | 11,224,012 | 11,543,760 |
| Fire | 7,215,444 | 7,320,268 | 7,425,903 | 7,666,842 | 8,100,554 | 7,889,065 | 7,952,582 | 8,202,319 |
| Library | 1,261,112 | 1,275,554 | 1,284,083 | 1,145,613 | 1,180,771 | 1,251,293 | 1,180,815 | 1,250,536 |
| Parks and Recreation | 5,916,449 | 5,727,968 | 5,811,809 | 5,717,147 | 5,649,246 | 5,711,776 | 5,593,051 | 5,804,158 |
| Direct Services Subtotal | 29,557,103 | 29,660,571 | 29,971,792 | 30,184,716 | 30,922,409 | 31,411,162 | 31,185,177 | 32,305,442 |
| 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 | 1,573,000 |
| Debt Service-Other | 233,456 | 233,456 | 290,122 | 437,606 | 486,030 | 489,574 | 489,574 | 435,820 |
| Debt Service Subtotal | 1,809,306 | 1,805,208 | 1,860,827 | 2,096,463 | 2,056,951 | 2,062,574 | 2,062,574 | 2,008,820 |
| Total Expenditure | 39,015,198 | 39,797,975 | 38,901,342 | 39,496,268 | 40,265,587 | 41,110,026 | 40,798,398 | 42,126,719 |
| % Expenditure Change | 2.35% | 2.01% | -2.25% | 1.53% | 1.95% | 2.10% | -0.76% | 3.26% |
| Other Financing Uses | | | | | | | | |
| Transfers Out | 408,915 | 177,011 | 750,000 | 301,246 | 1,339,330 | 0 | 0 | 0 |
| Total Other Financing Uses | 408,915 | 177,011 | 750,000 | 301,246 | 1,339,330 | 0 | 0 | 0 |
| Total Uses of Funds | 39,424,113 | 39,974,986 | 39,651,342 | 39,797,514 | 41,604,917 | 41,110,026 | 40,798,398 | 42,126,719 |
| % Uses of Funds Change | 1.92% | 1.40% | -0.81% | 0.37% | 4.54% | -1.19% | -0.76% | 3.26% |

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 | 2014 Budget |
|------------------------------------|----------|----------|----------|----------|----------|----------------|------------------|----------------|
| Population* | 30,943 | 30,761 | 30,354 | 30,720 | 31,138 | 31,138 | 31,138 | 31,138 |
| General Fund | | | | | | | | |
| General Government Services | \$ 247 | \$ 271 | \$ 233 | \$ 235 | \$ 232 | \$ 248 | \$ 231 | \$ 245 |
| Direct Services | \$ 955 | \$ 964 | \$ 987 | \$ 983 | \$ 969 | \$ 1,001 | \$ 985 | \$ 1,009 |
| Public Works | \$ 168 | \$ 168 | \$ 169 | \$ 171 | \$ 169 | \$ 175 | \$ 162 | \$ 170 |
| Police | \$ 322 | \$ 331 | \$ 340 | \$ 338 | \$ 334 | \$ 351 | \$ 346 | \$ 361 |
| Fire | \$ 233 | \$ 238 | \$ 245 | \$ 250 | \$ 246 | \$ 248 | \$ 259 | \$ 253 |
| Library | \$ 41 | \$ 41 | \$ 42 | \$ 37 | \$ 37 | \$ 40 | \$ 38 | \$ 40 |
| Parks & Recreation | \$ 191 | \$ 186 | \$ 191 | \$ 186 | \$ 184 | \$ 187 | \$ 181 | \$ 183 |
| Debt Service | \$ 58 | \$ 59 | \$ 61 | \$ 68 | \$ 67 | \$ 66 | \$ 66 | \$ 66 |
| Total Expenditure Per Capita | \$ 1,261 | \$ 1,294 | \$ 1,282 | \$ 1,286 | \$ 1,268 | \$ 1,315 | \$ 1,283 | \$ 1,320 |
| Debt Service Fund | | | | | | | | |
| General Obligation Debt Per Capita | \$ 36 | \$ 36 | \$ 36 | \$ 31 | \$ 31 | \$ 31 | \$ 31 | \$ 36 |

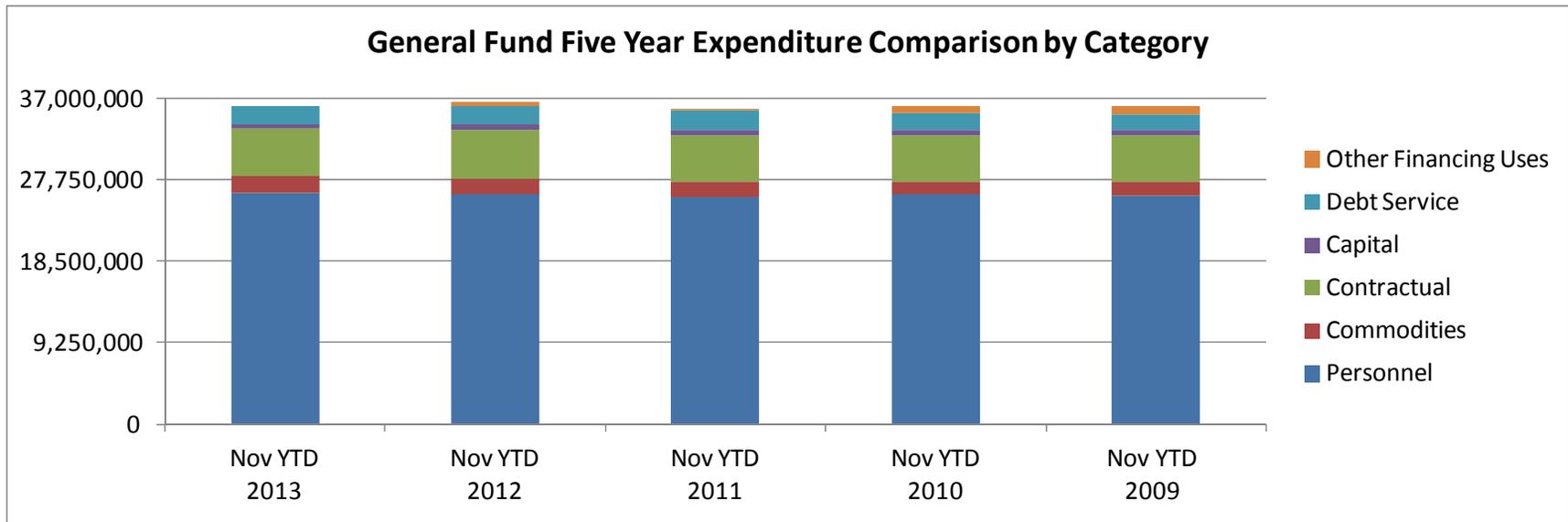
* Source: Colorado Department of Local Affairs Municipal Population Estimates By County

City of Englewood, Colorado

General Fund - Five Year Expenditure Comparison by Category

| | Nov YTD 2013 | YTD % Change | % of Total | Nov YTD 2012 | YTD % Change | % of Total | Nov YTD 2011 | YTD % Change | % of Total | Nov YTD 2010 | YTD % Change | % of Total | Nov YTD 2009 | % of Total |
|----------------------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|-----------------|---------------|
| Personnel services | | | | | | | | | | | | | | |
| Salaries and wages | 19,517,551 | -0.820% | 47.476% | 19,677,996 | 0.780% | 48.434% | 19,525,161 | -1.860% | 49.061% | 19,894,228 | -0.310% | 50.173% | 19,955,694 | 49.920% |
| Overtime | 621,764 | 4.520% | 1.512% | 594,880 | 18.500% | 1.464% | 502,000 | 7.370% | 1.261% | 467,553 | -1.620% | 1.179% | 475,274 | 1.189% |
| Benefits | 6,181,313 | 5.700% | 15.036% | 5,848,250 | 1.220% | 14.394% | 5,777,759 | 1.110% | 14.518% | 5,714,307 | 2.650% | 14.411% | 5,566,778 | 13.926% |
| Personnel services total | 26,320,627 | 0.760% | 64.025% | 26,121,125 | 1.230% | 64.293% | 25,804,921 | -1.040% | 64.841% | 26,076,088 | 0.300% | 65.763% | 25,997,746 | 65.035% |
| Commodities total | 1,767,632 | 0.370% | 4.300% | 1,761,150 | 3.520% | 4.335% | 1,701,333 | 13.340% | 4.275% | 1,501,035 | -2.440% | 3.786% | 1,538,623 | 3.849% |
| Contractual services total | 5,454,657 | -0.740% | 13.268% | 5,495,572 | 4.160% | 13.526% | 5,276,309 | 0.790% | 13.258% | 5,235,106 | -0.770% | 13.203% | 5,275,587 | 13.197% |
| Capital total | 527,016 | -19.070% | 1.282% | 651,174 | 4.020% | 1.603% | 625,980 | 0.690% | 1.573% | 621,698 | 14.950% | 1.568% | 540,832 | 1.353% |
| Total Expenditures | 34,069,933 | 0.120% | 82.875% | 34,029,022 | 1.860% | 83.756% | 33,408,542 | -0.080% | 83.946% | 33,433,926 | 0.240% | 84.320% | 33,352,787 | 83.434% |
| Debt service total | 2,010,454 | -2.490% | 4.890% | 2,061,772 | -4.280% | 5.075% | 2,154,020 | 16.080% | 5.412% | 1,855,628 | 3.120% | 4.680% | 1,799,558 | 4.502% |
| Other financing uses total | 0 | 0.000% | 0.000% | 434,000 | 0.000% | 1.068% | 186,321 | 0.000% | 0.468% | 750,000 | 0.000% | 1.891% | 977,011 | 2.081% |
| Total Uses of Funds | 36,080,386 | 0.000% | 87.765% | 36,524,794 | 0.000% | 89.899% | 35,748,883 | 0.000% | 89.827% | 36,039,554 | 0.000% | 90.891% | 36,129,356 | 90.380% |
| 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 | 87.765% | | | 89.899% | | | 89.827% | | | 90.891% | | | 90.380% | |

15



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 2013 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 | 989,574 | 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 | \$ 1,139,574 | 628,913 |

In 2012, a transfer of funds originally from the Risk Management Fund to the General was transferred back to the Risk Management Fund from the General Fund in order to provide resources for current claims to be paid in the next several years. 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.

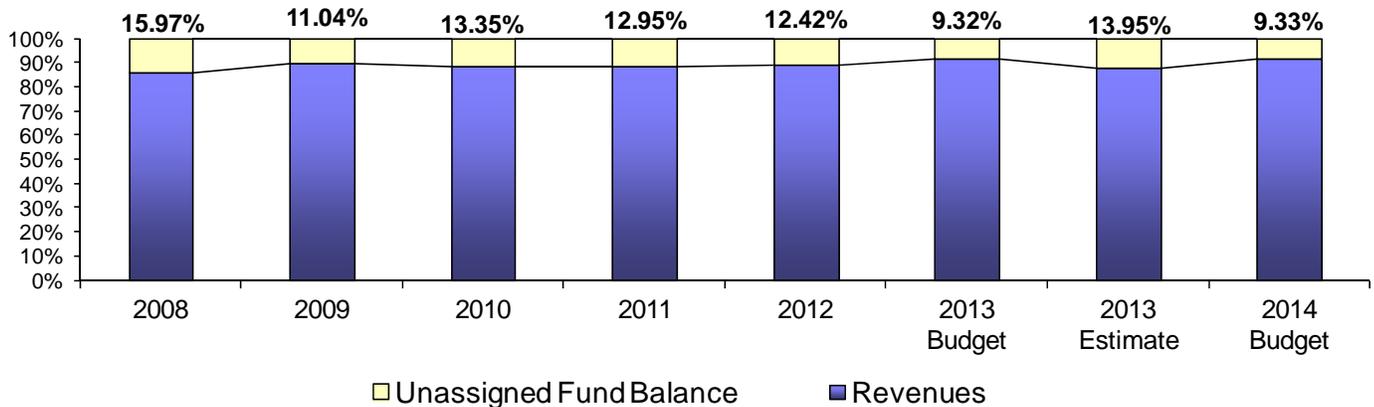
General Fund - Fund Balance

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 November 2013 is \$2,619,375.

COPS Grant Reserve There was \$298,512 originally reserved to pay the City's required portion of the COPS Grant. The funds originated in the LTAR. This year, an estimated \$228,162 will be drawn down and the remaining \$70,350 will be drawn down in 2014. The COPS Grant has funded the Impact Team which is included in the 2014 Budget.

Unassigned Fund Balance As A Percentage of Revenue



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 \$3,638,148 or 9.2 percent of budgeted revenues or 8.9 percent of budgeted expenditures. Estimated total reserves for 2013 are \$9,479,662 with an unassigned fund balance of \$5,589,937 or 13.95 percent of estimated revenues or 13.70 percent of projected expenditures. The \$5,589,937 would allow the City to operate for approximately 49.6 days (using average daily estimated 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 | \$ 3,351,545 | \$ 766,192 | 29.64% | \$ 2,585,353 | \$ 784,343 | 43.55% | \$ 1,801,010 |
| YTD Expenditures | 3,169,518 | \$ 464,748 | 17.18% | 2,704,770 | \$ (1,008,460) | (27.16%) | 3,713,230 |
| Net Revenues (Expenditures) | \$ 182,027 | \$ 301,444 | | \$ (119,417) | \$ 1,792,803 | | \$ (1,912,220) |
| Beginning PIF Fund Balance | \$ 1,320,371 | | | \$ 934,251 | | | \$ 2,686,457 |
| Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation | \$ 1,502,398 | | | \$ 814,834 | | | \$ 774,237 |
| Plus: Remaining Annual Revenue | 213,118 | | | 411,612 | | | 145,231 |
| Less: Remaining Annual Appropriation | (789,265) | | | (652,818) | | | (647,284) |
| Estimated Ending Fund Balance | \$ 926,251 | | | \$ 573,628 | | | \$ 272,184 |
| 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 | | 2012 YTD Actual | 2012 Vs 2011 | | 2011 YTD Actual |
|--|------------------|---------------------------|--------------------|--------------|------|--------------------|--------------|-----|--------------------|
| | | | | Amount | % | | Amount | % | |
| Vehicle Use Tax | \$ 1,300,000 | \$ 1,200,000 | \$ 1,183,747 | \$ 110,802 | 10% | \$ 1,072,945 | \$ 234,217 | 28% | \$ 838,728 |
| Building Use Tax | \$ 1,804,475 | \$ 1,804,475 | \$ 1,796,982 | \$ 1,022,270 | 132% | \$ 774,712 | \$ 195,484 | 34% | \$ 579,228 |
| Arapahoe County Road and Bridge Tax | \$ 198,528 | \$ 197,000 | \$ 188,601 | \$ (718) | 0% | \$ 189,320 | \$ 4,831 | 3% | \$ 184,488 |

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 | 36,781,553 | 36,080,386 | (262,664) | 3,919,375 | 5,589,937 |
| Special Revenue Funds | | | | | | |
| Conservation Trust | 1,229,649 | 252,062 | 29,055 | (1,363,704) | - | 88,952 |
| Open Space | 1,519,439 | 155,615 | 367,887 | (1,111,184) | - | 195,983 |
| Neighborhood Stabilization Program | 448,903 | 892,122 | 641,041 | (699,984) | - | - |
| Donors | 446,272 | 300,015 | 184,729 | - | - | 561,558 |
| Community Development | - | 215,682 | 260,606 | 44,924 | - | - |
| Malley Center Trust | 268,974 | 1,503 | - | - | - | 270,477 |
| Parks & Recreation Trust | 454,647 | 13,986 | 10,545 | - | - | 458,088 |
| Debt Service Fund | | | | | | |
| General Obligation Bond | 55,625 | 939,242 | 955,500 | - | - | 39,366 |
| Capital Projects Funds | | | | | | |
| PIF | 1,320,371 | 3,351,545 | 1,290,979 | (2,454,685) | - | 926,251 |
| MYCP | 865,986 | 85 | 499,248 | (288,542) | - | 78,282 |
| Proprietary Fund Types (Funds Available Balance) | | | | | | |
| Enterprise Funds | | | | | | |
| Water | 14,302,488 | 7,411,508 | 10,442,846 | - | - | 11,271,150 |
| Sewer | 4,030,164 | 14,982,091 | 13,052,141 | - | 1,000,000 | 4,960,115 |
| Stormwater Drainage | 1,059,080 | 328,382 | 275,312 | - | 102,500 | 1,009,649 |
| Golf Course | 928,210 | 1,922,826 | 1,826,807 | 13,419 | 215,773 | 821,876 |
| Concrete Utility | 352,983 | 848,918 | 835,914 | - | - | 365,988 |
| Housing Rehabilitation | 442,167 | 181,069 | 185,975 | 174,426 | - | 611,687 |
| Internal Service Funds | | | | | | |
| Central Services | 184,905 | 320,696 | 311,604 | (50,000) | - | 143,996 |
| ServiCenter | 1,217,858 | 2,255,462 | 1,796,796 | (200,000) | - | 1,476,524 |
| CERF | 1,568,208 | 774,553 | 883,062 | 100,000 | - | 1,559,699 |
| Employee Benefits | 3,152 | 5,101,106 | 5,392,305 | - | - | (288,047) |
| Risk Management | 3,735 | 1,222,075 | 1,052,550 | - | - | 173,260 |

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.

FUNDS GLOSSARY

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.

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.

FUNDS GLOSSARY

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

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

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

General Fund Comparative Revenue, Expenditure & Fund Balance Report as of November 30, 2013

Percentage of Year Completed = 92%

| 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 | | | |
|---|---------------------|----------------------|----------------|---------------------|---------------------|----------------------|----------------|---------------------|---------------------|----------------|
| Revenues | 2013 | | | | 2012 | | | 2011 | | |
| | Budget | Nov-13 | % Budget | YE Estimate | Dec-12 | Nov-12 | % YTD | Dec-11 | Nov-11 | % YTD |
| Property Tax | 2,898,000 | 2,879,165 | 99.35% | 2,898,000 | 2,874,816 | 2,849,579 | 99.12% | 2,994,213 | 2,964,942 | 99.02% |
| Specific Ownership Tax | 230,000 | 225,313 | 97.96% | 230,000 | 243,293 | 207,925 | 85.46% | 246,062 | 210,529 | 85.56% |
| Sales & Use Taxes | 22,336,277 | 21,391,395 | 95.77% | 22,800,000 | 22,363,618 | 20,735,928 | 92.72% | 21,737,110 | 20,203,274 | 92.94% |
| Cigarette Tax | 184,000 | 177,949 | 96.71% | 184,000 | 189,618 | 172,672 | 91.06% | 190,763 | 174,041 | 91.23% |
| Franchise Fees | 3,067,552 | 2,673,729 | 87.16% | 3,067,552 | 2,930,888 | 2,521,220 | 86.02% | 2,631,393 | 2,238,058 | 85.05% |
| Hotel/Motel Tax | 9,000 | 11,109 | 123.43% | 12,000 | 10,395 | 9,486 | 91.26% | 9,820 | 9,120 | 92.87% |
| Licenses & Permits | 767,153 | 1,382,475 | 180.21% | 1,400,000 | 983,359 | 919,359 | 93.49% | 778,536 | 668,545 | 85.87% |
| Intergovernmental Revenue | 1,387,598 | 1,186,049 | 85.47% | 1,387,598 | 1,865,722 | 1,561,628 | 83.70% | 1,724,807 | 1,687,087 | 97.81% |
| Charges for Services | 3,277,773 | 3,010,045 | 91.83% | 3,440,000 | 3,441,525 | 2,938,501 | 85.38% | 3,384,318 | 2,963,078 | 87.55% |
| Recreation | 2,629,173 | 2,327,274 | 88.52% | 2,430,000 | 2,615,642 | 2,525,765 | 96.56% | 2,635,221 | 2,547,336 | 96.66% |
| Fines & Forfeitures | 1,368,450 | 1,216,759 | 88.92% | 1,320,000 | 1,381,453 | 1,281,825 | 92.79% | 1,284,758 | 1,191,938 | 92.78% |
| Interest | 100,000 | 20,284 | 20.28% | 25,000 | 84,045 | 78,497 | 93.40% | 91,034 | 78,600 | 86.34% |
| EMRF Rents | 638,829 | 529,610 | 82.90% | 573,526 | 551,295 | 509,629 | 92.44% | 425,159 | 417,742 | 98.26% |
| Miscellaneous | 156,294 | 280,006 | 179.15% | 300,000 | 354,130 | 361,148 | 101.98% | 173,381 | 189,542 | 109.32% |
| Total Revenues | 39,050,099 | 37,311,162 | 95.55% | 40,067,676 | 39,889,799 | 36,673,162 | 91.94% | 38,306,575 | 35,543,832 | 92.79% |
| Expenditures | | | | | | | | | | |
| Legislation | 330,436 | 235,279 | 71.20% | 331,187 | 316,043 | 254,798 | 80.62% | 298,731 | 270,835 | 90.66% |
| City Attorney | 783,147 | 639,442 | 81.65% | 824,661 | 712,036 | 636,479 | 89.39% | 706,841 | 627,041 | 88.71% |
| Court | 962,993 | 819,960 | 85.15% | 971,518 | 886,249 | 789,409 | 89.07% | 848,775 | 757,471 | 89.24% |
| City Manager | 679,653 | 601,023 | 88.43% | 674,619 | 658,047 | 585,449 | 88.97% | 639,184 | 573,151 | 89.67% |
| Human Resources | 481,392 | 368,502 | 76.55% | 460,237 | 469,343 | 417,540 | 88.96% | 430,792 | 379,075 | 87.99% |
| Financial Services | 1,583,684 | 1,342,325 | 84.76% | 1,560,053 | 1,464,305 | 1,307,035 | 89.26% | 1,446,313 | 1,284,320 | 88.80% |
| Information Technology | 1,340,211 | 1,205,169 | 89.92% | 1,330,425 | 1,373,943 | 1,212,070 | 88.22% | 1,332,766 | 1,170,201 | 87.80% |
| Public Works | 5,308,257 | 4,644,781 | 87.50% | 5,234,717 | 5,202,903 | 4,498,134 | 86.45% | 5,259,875 | 4,564,645 | 86.78% |
| Fire Department | 7,889,065 | 7,115,261 | 90.19% | 7,952,582 | 8,100,554 | 7,215,762 | 89.08% | 7,666,842 | 6,917,378 | 90.22% |
| Police Department | 11,250,771 | 10,020,158 | 89.06% | 11,224,012 | 10,788,935 | 9,677,950 | 89.70% | 10,395,239 | 9,256,652 | 89.05% |
| Community Development | 1,324,774 | 985,108 | 74.36% | 1,247,947 | 1,262,451 | 1,107,152 | 87.70% | 1,359,264 | 1,188,597 | 87.44% |
| Library | 1,251,293 | 1,047,355 | 83.70% | 1,180,815 | 1,180,771 | 1,034,356 | 87.60% | 1,145,613 | 1,024,206 | 89.40% |
| Recreation | 5,711,776 | 4,958,732 | 86.82% | 5,593,051 | 5,649,246 | 5,147,800 | 91.12% | 5,717,147 | 5,249,493 | 91.82% |
| Debt Service | 2,062,574 | 2,012,279 | 97.56% | 2,062,574 | 2,056,951 | 2,064,621 | 100.37% | 2,096,463 | 2,154,515 | 102.77% |
| Contingency | 150,000 | 85,007 | 56.67% | 150,000 | 143,810 | 142,238 | 98.91% | 152,423 | 144,981 | 95.12% |
| Total Expenditures | 41,110,026 | 36,080,381 | 87.77% | 40,798,398 | 40,265,587 | 36,090,793 | 89.63% | 39,496,268 | 35,562,561 | 90.04% |
| Excess revenues over (under) expenditures | (2,059,927) | 1,230,781 | -59.75% | (730,722) | (375,788) | 582,369 | | (1,189,693) | (18,729) | |
| Net transfers in (out) | 1,139,574 | 1,139,574 | 100.00% | 1,139,574 | 628,913 | 1,534,243 | 243.95% | 1,512,699 | 1,317,068 | 87.07% |
| Total Fund Balance | \$ 7,706,035 | \$ 11,441,165 | 148.47% | \$ 9,479,662 | \$ 9,070,810 | \$ 10,934,297 | 120.54% | \$ 8,817,685 | \$ 9,793,018 | 111.06% |

Fund Balance Analysis

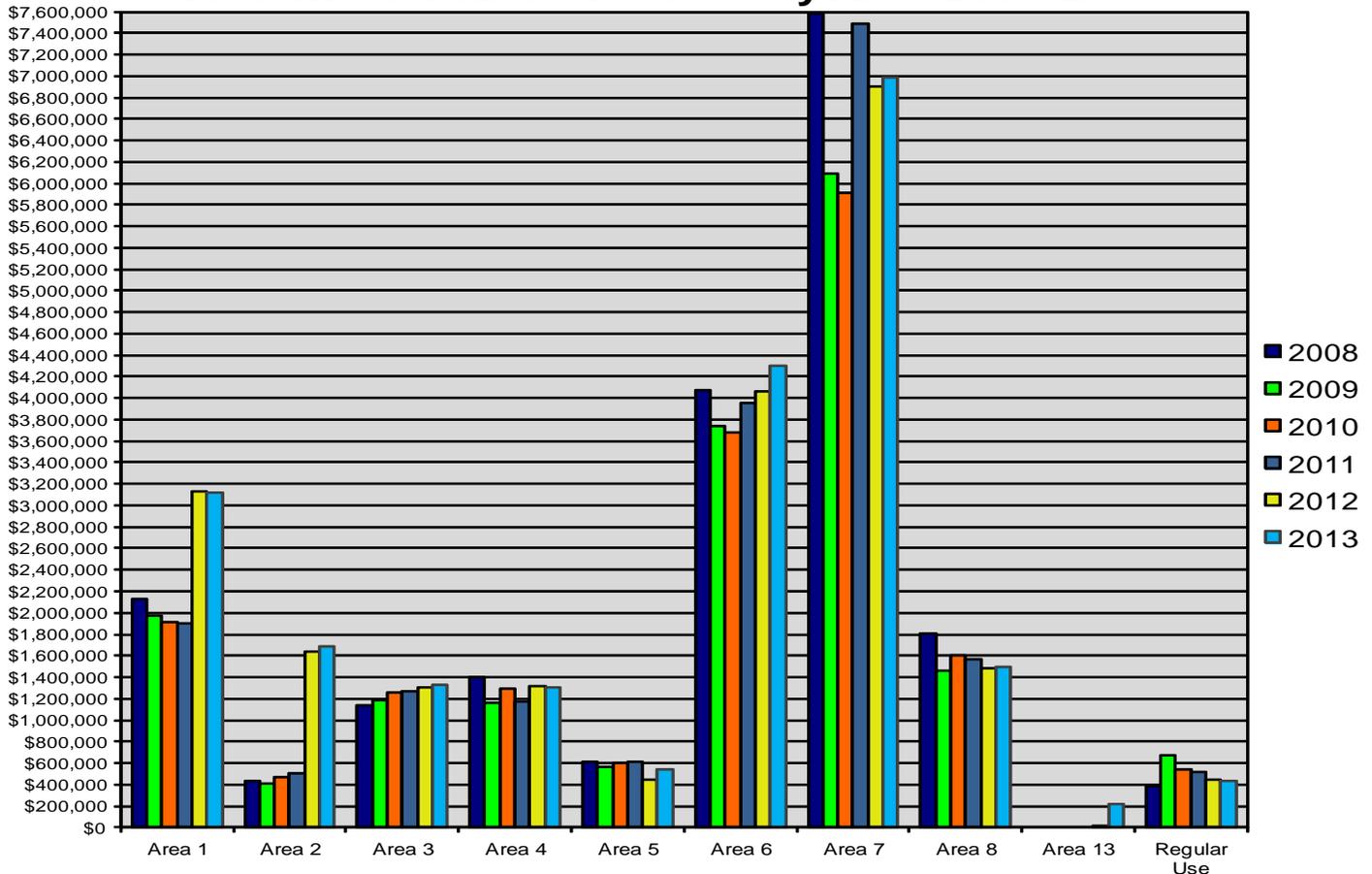
| | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Fund Balance | \$ 7,706,035 | \$ 11,441,165 | \$ 9,479,662 | \$ 9,070,810 | \$ 8,817,685 |
| Restricted Fund Balance | | | | | |
| -Emergencies (TABOR) | 1,150,000 | 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 | 99,402 | 70,350 | 298,512 | 298,512 |
| Restricted/Committed | \$ 4,067,887 | \$ 3,918,777 | \$ 3,889,725 | \$ 4,117,887 | \$ 3,855,161 |
| Estimated Unassigned Fund Balance | \$ 3,638,148 | \$ 7,522,388 | \$ 5,589,937 | \$ 4,952,923 | \$ 4,962,524 |
| As a percentage of projected revenues | 9.08% | 18.77% | 13.95% | 12.42% | 12.95% |
| As a percentage of projected expenditures | 8.92% | 18.44% | 13.70% | | |
| Target | 3,905,010 | - | 5,857,515 | | |

**Sales & Use Tax Collections Year-to-Date Comparison
for the month of November 2013**

Cash Basis

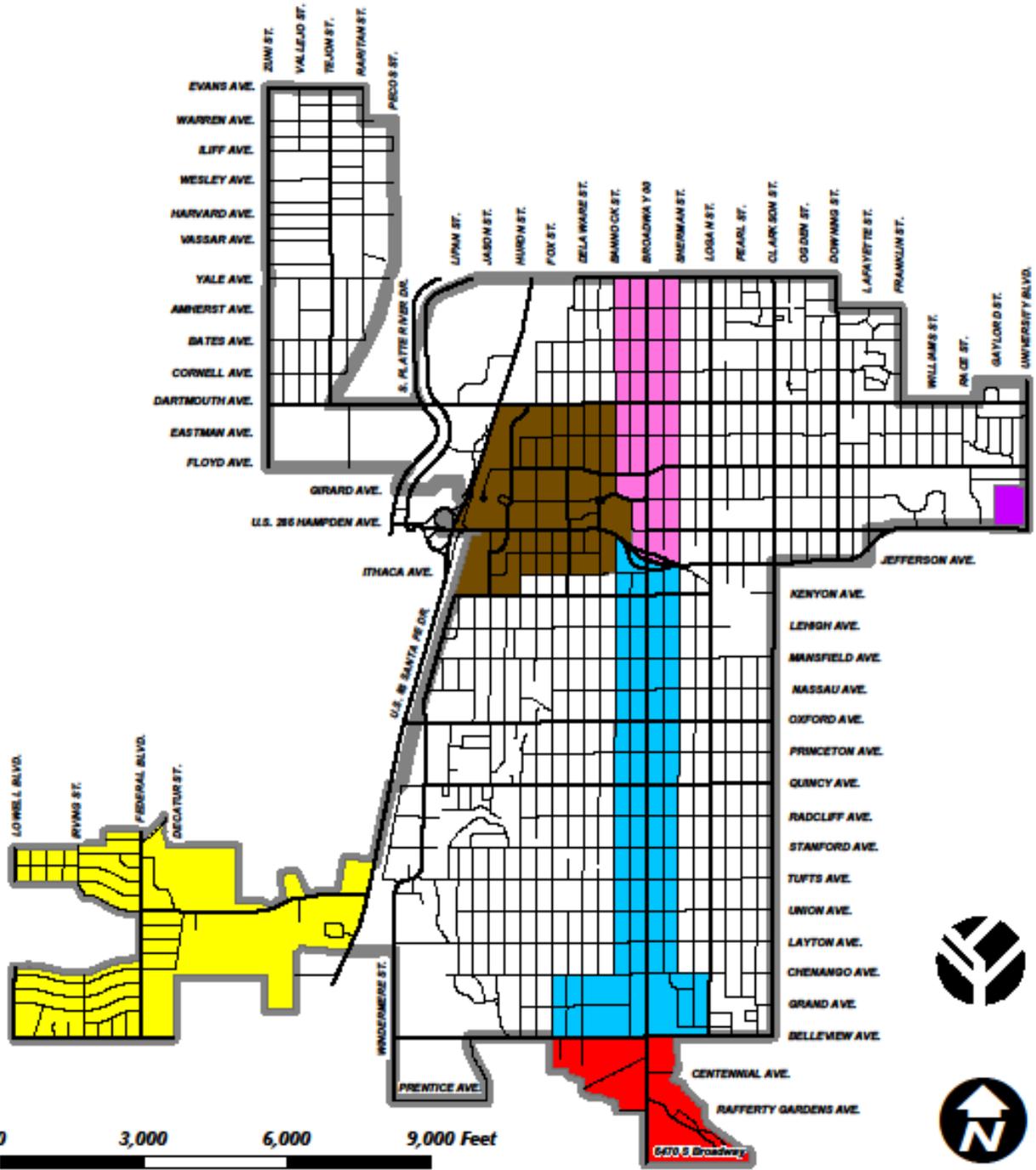
| | 2008 | % Change | 2009 | % Change | 2010 | % Change | 2011 | % Change | 2012 | % Change | 2013 | % Change |
|--|-------------------|---------------|-------------------|----------------|-------------------|----------------|-------------------|--------------|-------------------|-----------------|-------------------|--------------|
| Area 1 | 2,129,953 | -2.10% | 1,975,634 | -9.19% | 1,913,601 | -10.16% | 1,900,451 | -0.69% | 3,128,315 | 64.61% | 3,113,935 | -0.46% |
| Area 2 | 435,910 | 3.87% | 408,181 | -2.74% | 465,800 | 6.86% | 502,746 | 7.93% | 1,638,022 | 225.81% | 1,684,685 | 2.85% |
| Area 3 | 1,142,679 | -3.04% | 1,188,350 | 0.83% | 1,261,773 | 10.42% | 1,264,110 | 0.19% | 1,307,914 | 3.47% | 1,329,984 | 1.69% |
| Area 4 | 1,406,413 | -13.68% | 1,157,374 | -28.96% | 1,293,127 | -8.05% | 1,175,858 | -9.07% | 1,318,377 | 12.12% | 1,305,224 | -1.00% |
| Area 5 | 616,443 | -10.85% | 568,045 | -17.85% | 599,394 | -2.77% | 613,208 | 2.30% | 441,128 | -28.06% | 537,324 | 21.81% |
| Area 6 | 4,077,720 | 6.40% | 3,744,561 | -2.29% | 3,681,891 | -9.71% | 3,956,134 | 7.45% | 4,062,138 | 2.68% | 4,294,648 | 5.72% |
| Area 7 | 7,578,112 | 0.25% | 6,096,447 | -19.35% | 5,910,708 | -22.00% | 7,484,116 | 26.62% | 6,899,525 | -7.81% | 6,986,581 | 1.26% |
| Area 8 | 1,808,383 | 14.26% | 1,464,648 | -7.46% | 1,605,547 | -11.22% | 1,570,546 | -2.18% | 1,489,227 | -5.18% | 1,498,051 | 0.59% |
| Area 13 | | | | | | | 0 | 0.00% | 824 | 0.00% | 217,299 | 0.00% |
| Regular Use | 385,749 | 44.65% | 673,977 | 152.74% | 540,306 | 40.07% | 512,908 | -5.07% | 447,648 | -12.72% | 431,229 | -3.67% |
| Subtotal | 19,581,363 | 8.62% | 17,277,216 | -4.16% | 17,272,146 | -11.79% | 18,980,077 | 9.89% | 20,733,118 | 9.24% | 21,398,961 | 3.21% |
| Area 9 and 10 | 1,704,120 | 41.13% | 1,644,622 | -3.49% | 1,671,163 | 1.61% | 1,676,096 | 0.30% | 0 | -100.00% | 0 | 0.00% |
| Area 11 and 12 | 141,492 | 40.33% | 133,531 | -5.63% | 130,499 | -2.27% | 136,018 | 4.23% | 0 | -100.00% | 0 | 0.00% |
| Subtotal | 1,845,612 | 41.07% | 1,778,153 | -3.66% | 1,801,662 | 1.32% | 1,812,113 | 0.58% | 0 | -100.00% | 0 | 0.00% |
| Total | 21,426,975 | 10.81% | 19,055,369 | -11.07% | 19,073,808 | 0.10% | 20,792,191 | 9.01% | 20,733,118 | -0.28% | 21,398,961 | 3.21% |
| Refunds | 499,573 | 106.55% | 287,190 | -42.51% | 215,756 | -24.87% | 45,233 | -79.04% | 236,998 | 423.95% | 32,152 | -86.43% |
| Audit & Collections Revenue** | 699,457 | 34.97% | 475,488 | -32.02% | 375,242 | -21.08% | 192,805 | -48.62% | 158,918 | -17.58% | 116,635 | -26.61% |
| **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 | 684,960 | -64.88% | 376,591 | -45.02% | 523,220 | 38.94% | 579,228 | 10.70% | 774,712 | 33.75% | 1,796,982 | 131.95% |
| Vehicle Use | 1,201,023 | -7.50% | 911,089 | -24.14% | 871,708 | -4.32% | 909,415 | 4.33% | 1,181,120 | 29.88% | 1,306,658 | 10.63% |

November YTD Collections by Area 2008-2013



Area Descriptions

- | | |
|--|---|
| Area 1 - CityCenter (Formerly Cinderella City) | Area 5 - Federal and Belleview W of Santa Fe |
| Area 2 - S of Yale, north & south side of Jefferson Ave/US 285 between Bannock and Sherman | Area 6 - All other City locations |
| Area 3 - S of Jefferson Ave/US 285 between Bannock & Sherman and north side of Belleview between Logan & Delaware | Area 7 - Outside City limits |
| Area 4 - Broadway and Belleview (Between Fox and Sherman and south side of Belleview and to the Southern 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
2013/2014 CALENDAR OF EVENTS**



| | | |
|-----------------------|------------------|---|
| Mon., Dec. 23 | Cancelled | Study Session |
| Tues., Dec. 24 | | City Hall closed — Christmas Eve |
| Tues., Dec. 25 | | City Hall closed — Christmas Day |
| Mon., Dec. 30 | Cancelled | Study Session |
| Tues., Dec. 31 | | City Hall closed — New Year's Eve |
| Wed., Jan. 1 | | City Hall closed — New Year's Day |
| | Cancelled | Local Liquor and Medical Marijuana Licensing Authority |
| Mon., Jan. 6 | 6:00 p.m. | Study Session, Community Room |
| | 7:30 p.m. | Council Meeting, Council Chambers |
| Tues., Jan 7 | 7:00 p.m. | Planning and Zoning, City Council Conf. Room/Council Chambers |
| Wed., Jan 8 | Cancelled | Board of Adjustment and Appeals, Council Chambers |
| | 6:30 p.m. | Englewood Urban Renewal Authority, Community Development Conference Room |
| Thurs., Jan 9 | 11: 30 a.m. | Alliance for Commerce in Englewood, City Council Conference Room |
| | 6:30 p.m. | Transportation Advisory Board, City Council Conf. Room |
| Mon., Jan. 13 | 6:00 p.m. | Board and Commission Interviews, City Council Conf. Rm. |
| Tues., Jan. 14 | 6:30 p.m. | Keep Englewood Beautiful, City Council Conf. Rm. |
| Wed., Jan. 15 | 6:30 p.m. | Code Enforcement Advisory Committee |
| | 7:00 p.m. | Local Liquor and Medical Marijuana Licensing Authority, City Council Chambers |
| Mon., Jan. 20 | | City Hall closed — Martin Luther King Day |
| Tues., Jan. 21 | 6:00 p.m. | Study Session, Community Room |
| | 7:30 p.m. | Council Meeting, Council Chambers |
| Weds., Jan 22 | 7:00 p.m. | Planning and Zoning Commission, City Council Conf. Rm. |
| Mon., Jan. 27 | 6:00 p.m. | Study Session, Community Room |

| | | |
|---------------------|------------|---|
| Mon., Feb. 3 | 6:00 p.m. | Study Session, Community Room |
| | 7:30 p.m. | Council Meeting, Council Chambers |
| Tues., Feb 4 | 7:00 p.m. | Planning and Zoning, City Council Conf. Room/Council Chambers |
| Wed., Feb. 5 | 7:00 p.m. | Local Liquor and Medical Marijuana Licensing Authority, City Council Chambers |
| Mon., Feb. 10 | 6:00 p.m. | Study Session, Community Room |
| Tues., Feb. 11 | 3:00 p.m. | NonEmergency Employees Retirement Board, Public Works Conference Room |
| | 6:30 p.m. | Keep Englewood Beautiful, City Council Conf. Rm. |
| Wed., Feb. 12 | 7:00 p.m. | Board of Adjustment and Appeals, Council Chambers |
| Wed., Feb. 12 | 6:30 p.m. | Englewood Urban Renewal Authority, City Council Conference Room |
| Thurs., Feb 13 | 11:00 a.m. | Alliance for Commerce in Englewood, City Council Conference Room |
| | 3:00 p.m. | Police Officers Pension Board, Public Works Conf. Rm. |
| Mon., Feb 17 | | City Hall closed — President's Day |
| Tues., Feb. 18 | 6:00 p.m. | Study Session, Community Room |
| | 7:30 p.m. | Council Meeting, Council Chambers |
| Wed. Feb. 19 | 7:00 p.m. | Local Liquor and Medical Marijuana Licensing Authority, City Council Chambers |
| Wed., Feb. 19 | 7:00 p.m. | Planning and Zoning, City Council Conf. Room/Council Chambers |
| Mon., Feb. 24 | 6:00 p.m. | Study Session, Community Room |
| Mon., March 3 | 6:00 p.m. | Study Session, Community Room |
| | 7:30 p.m. | Council Meeting, Council Chambers |
| Tues., March 4 | 7:00 p.m. | Planning and Zoning, City Council Conf. Room/Council Chambers |
| Wed., Mar. 5 | 3:00 p.m. | Firefighters Pension Board, Public Works Conf. Rm. |
| | 7:00 p.m. | Local Liquor and Medical Marijuana Licensing Authority, City Council Chambers |

TENTATIVE

**STUDY SESSIONS TOPICS
FOR ENGLEWOOD CITY COUNCIL**



- December 23 Christmas Holiday week – no meeting scheduled
- December 30 New Year’s Holiday week – no meeting scheduled
- January 6 Study Session & Regular Meeting
Home Occupations
Fire Study Update
Fire Emergency Management Performance Grant
Council Policy concerning Abstentions
Library Remodel Update
- January 13 Study Session
Board and Commission Interviews
- January 21 Study Session & Regular Meeting – Tuesday
Security Camera Update
South Platte Working Group 2 Proposed Improvements
Fire Training Center Update
BID Distribution
Financial Report – November & December, 2013
Citizen of the Year Selection
Board and Commission Appreciation Celebration Discussion
- January 27 Study Session
Comprehensive Plan
Kent Place right-of-way and easement dedications
2014 Citizen Survey
Citizen Engagement/Mindmixer/
Webstreaming/Nextdoor Network
PIF/CIP Update
ServiCenter oil room and equipment wash bay
Board and Commission Reports
- February 3 Study Session & Regular Meeting
Colorado & County Legislators - tentative
RTD Representatives - tentative

| | |
|------------------------|--|
| February 10 | Study Session WWTP Farm Lease |
| February 18 | Study Session & Regular Meeting – Tuesday Chamber In-Kind Funding |
| February 24 | Study Session City Council Goal Setting – Mid-February Board and Commission Reports |
| March 3 | Study Session & Regular Meeting |
| March 10 | Study Session NLC Conference in Washington, D. C. – 2/8 to 2/10/14 |
| March 17 | Study Session & Regular Meeting |
| March 24 | Study Session Board and Commission Reports |
| March 31 st | No meeting scheduled – 5 th Monday |
| April 7 | Study Session & Regular Meeting |
| April 14 | Study Session |
| April 21 | Study Session & Regular Meeting |
| April 28 | Study Session Board and Commission Members Reappointment Discussion Board and Commission Reports |

FUTURE STUDY SESSION TOPICS

Public Comment Process
Motel Calls for Service
US Legislators
City Council Technical Allowance
Fire Study Presentation
Emerald Ash Borer Program Update

NONEMERGENCY EMPLOYEES RETIREMENT BOARD MEETING
August 20, 2013

Chairperson Hagan called the regular meeting of the Englewood NonEmergency Employees Retirement Plan Board to order at 3:10 p.m. in the Public Works Conference Room of the Civic Center, 1000 Englewood Parkway, Englewood, Colorado.

Members Present: Frank Gryglewicz, Director of Finance and Administrative Services (left at 4:17 p.m.)
Bradley Hagan, Chairperson, Employee Representative
James Jordon, Council Appointee
John Moore, Council Appointee
Mahendra Patel, Secretary, Employee Representative
Jim Woodward, Council Member

Members Absent: None

Others Present: Eric Overbey, Innovest Portfolio Solutions
Wendy Dominguez, Innovest Portfolio Solutions
Diane Hunt, Gabriel Roeder Smith and Company (GRS)
Joe Herm, Gabriel Roeder Smith and Company
Dan Brotzman, City Attorney (left at 3:25 p.m.)

A quorum was present.

* * * * *

Approval of Minutes

MR. GRYGLEWICZ MOVED TO APPROVE THE MINUTES OF THE MAY 14, 2013 REGULAR MEETING WITH THE CORRECTION ON PAGE TWO CHANGING THE WORD "MORALITY TABLES" TO "MORTALITY TABLES." MR. PATEL SECONDED.

Ayes: Gryglewicz, Hagan, Jordan, Moore, Patel, Woodward
Nays: None
Absent: None

The motion carried.

Discussion of Memo from Daniel Brotzman

The Board reviewed Mr. Brotzman's memo agreeing with the recommendation from Mary Brauer, Pension Attorney. The memo states that the changes are to correct the mortality table errors. The participants benefits with increases will receive the increased amount and the retroactive increase and the participants whose benefits are reduced will receive the lesser benefit going forward without a deduction for excess payments previously received.

MR. MOORE MOVED TO ADD AN ADENDMENT TO THE MAY 14, 2013 MOTION CORRECTING THE BENEFITS BECAUSE OF THE USE OF AN OLD MORTALITY TABLE AND ALLOWING FOR THE RETIREES TO HAVE PAYMENTS CHANGED TO THE CORRECT BENEFIT AND RETROACTIVE ADJUSTMENTS TO THOSE WITH INCREASES AND NO RETROACTIVE ADJUSTMENTS FOR THOSE WITH DECREASES, THE ADJUSTMENTS ARE AS OUTLINED ON THE HANDOUT. MR. GRYGLEWICZ SECONDED.

Ayes: Gryglewicz, Hagan, Jordan, Moore, Patel, Woodward
Nays: None
Absent: None

The motion carried.

Discussion of Board Term Limitations

Mr. Moore stated the Board perpetually has problems filling vacant Board positions which increase the likelihood of not obtaining a quorum. The Board discussed changing the number of members necessary for a quorum and other options. Discussion followed regarding alternates, the experience necessary for Board Members, and term limits. The Board also discussed amending the Plan document and how potential changes might increase the probability of obtaining a quorum.

MR. MOORE MOVED RECOMMENDING CITY COUNCIL AMEND THE NERP PLAN DOCUMENT REDUCING THE QUORUM FROM FIVE TO FOUR MEMBERS. MR. GRYGLEWICZ SECONDED.

Ayes: Gryglewicz, Hagan, Jordan, Moore, Patel, Woodward
Nays: None
Absent: None

The motion carried

Dan Brotzman left 3:25 p.m.

Innovest Portfolio Solutions, LLC

Ms. Dominguez introduced Eric Overbey. Mr. Overbey heads Innovest's due diligence department.

The Board discussed changing the order of the agenda so fund search presentations go first and then discuss portfolio performance after the other agenda items.

Mr. Overbey explained the need to replace the Perkins Mid Cap Value Fund. Two replacement funds options are John Hancock Disciplined Mid Cap Value and Touchstone T S & W Mid Cap Value Fund. Mr. Overbey reviewed the pros and cons of each fund and how the funds differ from Perkins.

The Board discussed the volatility, past performance, and the asset allocations of the two funds. The Board reviewed the share classes available and the fees associated with each share class.

MR. MOORE MOVED TO REPLACE THE PERKINS MID CAP VALUE WITH THE JOHN HANCOCK DISCIPLINED MID CAP VALUE FUND. MR. GRYGLEWICZ SECONDED.

Ayes: Gryglewicz, Hagan, Jordan, Moore, Patel, Woodward
Nays: None
Absent: None

The motion carried

Ms. Dominguez explained the need to replace the J.P. Morgan Highbridge Dynamic Commodities Fund. The PIMCO Commodities Fund will be retained. Mr. Overbey reviewed the pros and cons of the fund of the Credit Suisse Commodity Return Strategy Fund.

Mr. Gryglewicz asked if the Credit Suisse Commodity fund followed the Dow Jones Commodity Index, why buy the fund rather than an index fund. Mr. Overbey explained the differences and that some of SEC regulations limitations.

MR. MOORE MOVED TO REPLACE THE J. P. MORGAN HIGHBRIDGE FUND WITH THE CREDIT SUISSE COMMODITY STRATEGY FUND. MR. GRYGLEWICZ SECONDED.

Ayes: Gryglewicz, Hagan, Jordan, Moore, Patel, Woodward
Nays: None
Absent: None

The motion carried

The trades will be made as soon as possible.

Gabriel Roeder Smith and Company

Ms. Hunt reviewed the studies requested by the Board. Studies build on each other study.

Study 1 – Decrease the investment return assumption from 7.5% to 7.0%.

Study 2 – Changes from Study 1 plus decrease the inflation assumption from 3.0% to 2.5%.

Study 3 – Changes from Study 2 plus update the mortality assumption to RP-2000.

Study 4 – Changes from Study 3 plus revise the retirement rate assumption.

An analyzed the impact of revising the retirement assumption of those eligible from 100% retirement at first eligibility (but no earlier than age 61) to the following schedule:

| Age | Current Proposed | |
|-----|------------------|------|
| | Rate | Rate |
| 61 | 100% | 50% |
| 62 | 100% | 50% |
| 63 | 100% | 30% |
| 64 | 100% | 30% |
| 65 | 100% | 100% |

Study 4 was included by GRS based on the observations of the Plan's past experience with Members not retiring as soon as they are eligible for Special Early Retirement (Rule of 88.)

Ms. Hunt reviewed results of the studies indicating both potential increases and decreases in funding liabilities.

Mr. Moore inquired about the timeline of changing the assumptions. Ms. Hunt suggested the assumption changes need to be approved prior to the next Plan valuation. He also inquired about the timeline from the City's budgeting perspective. The Plan contributions are delayed to the beginning of the year following the actuarial report that provides the contribution amounts for the budgeting process. The delay allows that assumptions approved for the January 1, 2014 report will be reflected in the 2015 Budget.

Mr. Moore asked GRS if these studies were compared to the GRS capital market assumptions or if it were benchmarked against the NERP peer group, where the Plan would stand. Ms. Hunt stated that for other plans with a higher equity ratio, they are finding 7.0 to 7.5 percent returns and she thinks a 7.5 percent assumption is high for the NERP investment allocation and from the actuarial position that 7.0 percent is still within the viable range for the long term. Mr. Moore questioned if the Board determined to make the assumption changes, should the Board consider lowering the capital market percentage below 7.0.

Discussion continued on the additional studies and the appropriateness of the assumptions. The Board agreed the salary scale assumption should be reduced if the City's Human Resources Department forecast is lower.

Ms. Hunt said mortality experience for the City of Denver and State of Wyoming prompted both to change to the RP-2000 mortality table.

Mr. Moore lent support for each study with the caveat that the salary scale should be studied further to verify forecasted increases in the future. He supports making the changes; however, he defers putting the amendment on the table until more information about the City's forecasted salary scale can be determined. Mr. Gryglewicz will provide the information for the next meeting.

Ms. Hunt asked if the Board would like to review the GRS capital market analysis. She also commented that next year it may be worthwhile to perform funding projections of twenty to twenty-five years out. This will provide a forecast of the funding ratio if the City makes the actuarially required contributions.

Ms. Wescoat asked if the changes are made to the mortality tables, would the Plan need amendments. Ms. Hunt said that the joint and survivor optional factors are based upon the mortality tables. Mr. Moore said that the Plan document mortality tables for calculation of optional benefits do not need to match the mortality tables assumptions used for the actuarial report, but is a good idea to review the Plan from time to time and update it and that was done at the beginning of 2012.

Ms. Hunt will provide Ms. Wescoat an estimated cost of the capital market assumptions study. A phone poll will be performed if necessary.

Mr. Gryglewicz left at 4:17 p.m.

Innovest Portfolio Solutions, LLC – Continued

Ms. Dominguez continued the presentation of last quarter's market performance.

Mr. Overbey presented the analysis of each fund in the Plan.

Henry O'Dell Retiree Death Notification

Ms. Wescoat explained the Henry O'Dell Retiree Death Notification was listed separately on the agenda because his final payment was returned by the bank. Mr. O'Dell died in at an assisted living residence. He contacted Ms. Wescoat in 2009 to request that no contact or information be provided to any family member. When Ms. Wescoat contacted the assisted living residence after his death, she was told that the family had not responded after repeated contacts regarding the death and Mr. O'Dell was buried with no information from any friends or family. Ms. Wescoat relayed this information to Mr. Brotzman and he said since there are no beneficiaries the funds should be returned to the Plan. Mr. Moore asked if the funds would be sent to Colorado Treasurer and Ms. Wescoat said Mr. Brotzman said not to send the funds to the state.

Retirement Approvals and Notifications:

- a. Consideration of Retirement Benefit for Barbara Krecklow
- b. Notification of Retirement Benefit Request for Janet Grimmett
- c. Consideration of Retirement Benefit for Dennis Stowe
- d. Notification of DROP Application Withdrawn for Randy Pierce
- e. Notification of DROP Application for James Black
- f. Benefit Approval for the Beneficiary of Thomas Chesher

Mr. Stowe's retirement benefit was scheduled to begin in June but he has not completed his paperwork, so his benefit will be approved at a future Board meeting after the paperwork is completed. Mr. Pierce withdrew his DROP application prior to completing the irrevocable agreement.

CHAIRPERSON HAGAN MOVED TO APPROVE THE ITEMS LISTED ON THE BENEFIT APPROVALS AND NOTIFICATIONS. MR. MOORE SECONDED.

| | |
|---------|---------------------------------------|
| Ayes: | Hagan, Jordan, Moore, Patel, Woodward |
| Nays: | None |
| Absent: | Grylewicz |

The motion carried.

Review of James Jordan's Attendance

Mr. Jordan has attended only three of the past four meetings. Mr. Moore inquired if it is Mr. Jordan's intention to attend future meetings. Mr. Jordan said he will attempt to attend all of the meetings.

Member Choice

The Board considered changing the date of the next Board meeting because Council Member Woodward, current Council liaison, may not to run for reelection. Mr. Woodward will remain on City Council and the Board until November 18 (the end of his term) regardless of his decision to run for another Council term. November 12, 2013 will remain the next meeting date.

The Board discussed future vacancies due to terms ending.

The Board adjourned at 4:45 p.m.

/s/ Carol Wescoat

Carol Wescoat
Recording Secretary



City of Englewood

**ENGLEWOOD LIQUOR AND MEDICAL MARIJUANA LICENSING AUTHORITY
Telephone Poll Minutes
December 4, 2013**

1. Consideration of Minutes:

- a) Results of the minutes of the telephone poll of November 20, 2013.

Vote results:

Ayes: Members Michael Buchanan, Jacqueline Edwards, Diane Ostmeyer, Steven Ward,
Carolyne Wilmoth

Nays: None

The minutes were approved.

2. Renewals

- | | | |
|----|--|--|
| a) | King Soopers 5050 S. Federal Blvd. | 3.2% Off premises Liquor License Expires January 25, 2014 |
| b) | King Soopers 101 Englewood Pkwy. | 3.2% Off premises Liquor License Expires January 22, 2014 |
| c) | MD Liquors 2895 S. Broadway | Retail Liquor Store Liquor License Expires January 11, 2014 |
| d) | Noodles & Company 697 W. Hampden Ave. | Hotel/Restaurant Liquor License Expires January 3, 2014 |
| e) | Old Town Liquors 1215 E. Hampden Ave. | Retail Liquor Store Liquor License Expires April 26, 2014 |

Vote results:

Ayes: Members Michael Buchanan, Jacqueline Edwards, Diane Ostmeyer, Steven Ward,
Carolyne Wilmoth

Nays: None

The renewals were approved.

* * * * *

/s/ Kerry Bush, MMC
Deputy City Clerk