

**AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
STUDY SESSION
MONDAY, FEBRUARY 24, 2014
COMMUNITY ROOM
6:00 P.M.**



- I. Fire Study Presentation**
Fire Chief Andy Marsh will make a presentation concerning the Fire Study.
- II. Financial Report – 7:00 p.m.**
Financial and Administrative Services Director Frank Gryglewicz will discuss the January, 2014 Financial Report.
- III. Comprehensive Plan – 7:30 p.m.**
Community Development Director Alan White will discuss the Comprehensive Plan with City Council.
- IV. City Manager’s Choice**
- V. City Attorney’s Choice.**
- VI. City Council Choice.**

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



Memorandum

Englewood Fire Department

TO: Gary Sears, City Manager
FROM: Andrew Marsh, Fire Chief
DATE: February 19, 2014
SUBJECT: Fire Service Alternatives

ISSUE

Consideration of various alternatives for the provision of fire and rescue services in the City of Englewood, including proposals from the City of Denver and the South Metro Fire Rescue Authority and sustaining the existing municipal fire department

BACKGROUND

In January 2013, our City and the City of Littleton received a "Cooperative Efforts Feasibility Study" from Emergency Services Consulting International (ESCI) that included various alternatives for our fire departments, including a possible merger of the two organizations yielding a net savings of approximately \$78,000 split between Englewood and Littleton.

In October 2013, our City received an unsolicited proposal, a "Summary of Initial Analysis," from South Metro Fire Rescue Authority regarding the feasibility of our fire department and Littleton Fire Rescue joining the Authority. The proposal for Englewood to join the Authority, contingent upon Littleton Fire Rescue joining as well, was 9.25 mills (or the equivalent) plus a Special Occupational Tax (SOT) of \$230,258, for a total cost of \$4,835,417.

At the Study Session on January 6, 2014, City Council provided direction to also receive a service proposal that was being offered by Denver. Subsequently, staff met with representatives of the Denver Fire Department and has reviewed a written proposal that Denver submitted on February 5, 2014.

In the meantime, staff has also met with representatives of South Metro and has received a new proposal from South Metro dated January 30, 2014 that involves contracted services for Englewood rather than merging organizations. This proposal replaces the one received in October 2013 since Littleton Fire Rescue has declined to pursue the possibility of joining the Authority, and the costs of South Metro providing emergency services to our City would be higher without the inclusion of Littleton Fire Rescue. City Council has received copies of both proposals.

DISCUSSION

At the request of City Council, staff has conducted a preliminary analysis of the Denver and South Metro proposals, including the alternative of remaining as a municipal fire department. Attached are the following documents:

- Comparison of the key elements of the proposals and alternatives
- A listing of the pros and cons of each proposal and alternative
- A listing of overall considerations with the proposals and alternatives

Both Denver and South Metro have clearly indicated a willingness to negotiate the terms of their proposals to best meet our City's needs. Staff is seeking direction from City Council regarding the disposition of these proposals. Options for Council direction to staff include:

- Proceed with negotiations regarding one of the proposals
- Develop a plan for maintaining a municipal fire department
- Maintain the status quo

Maintaining the status quo is not regarded by staff as a viable option for the sustainability of the fire department in our City and may require reducing the levels of service and continuing to defer capital purchases and improvements. The other options for contracting services or maintaining a municipal fire department necessitate identifying funding sources to maintain or improve levels of service, acquire capital equipment on a timely basis, and undertake capital improvements for our fire stations.

Comparison of Fire Alternatives/Proposals

	<u>Englewood Fire Department</u>	<u>South Metro Fire Rescue</u>	<u>Denver Fire Department/ Denver Health Paramedics</u>
<u>Item</u>			
<u>Annual Operating Budget</u>			
Total Expenditure	\$7,506,741 (2014 Budget)	\$6,496,146	\$4,750,000 (DF) \$1,268,633 (DH)
Less Total Revenue	\$898,136 (2014 Budget)	\$0	\$800,000 (DH) (est.)
Net Cost	\$6,608,605 (2014 Budget)	\$6,496,146	\$5,218,633
<u>Additional Charges</u>			
Excess Staffing Costs	n/a	\$457,785/year maximum for three years	\$554,306, approximately representing the annual difference between current base salaries and the top salary offered by Denver as an entering Firefighter
One Time Consolidation Expense	n/a	\$450,010 for supplies and equipment and \$5,000,000 for replacement of the Jefferson Station	Not Specified, although some start-up costs are likely
<u>Ambulance Fees</u>	BLS \$775 ALS \$775 Mileage \$12/mile Treatment/no transport \$125	BLS \$800 ALS \$800 Mileage \$15/mile Treatment/no transport \$0	BLS \$1,361 ALS \$1,361 Mileage \$24 Treatment/no transport \$271
<u>Capital Costs - Apparatus</u>			
Capital Cost for Apparatus (Current lease payments on two pumpers thru 2017)	\$118,393	Included in proposal	Included in proposal

	<u>Englewood Fire Department</u>	<u>South Metro Fire Rescue</u>	<u>Denver Fire Department/ Denver Health Paramedics</u>
Future Annual Funding Requirement for Apparatus Replacement	\$200,000 (ESCI est.)	Included in proposal	Included in proposal
Disposition of Englewood Fire Apparatus	Continue to be maintained by Englewood	Ownership retained by Englewood. Liquidation value of \$350,000 (est.)	Ownership transferred to Denver Fire
<u>Capital Costs - Building</u>			
Replacement of Jefferson Station	\$5,000,000	\$5,000,000 (included in one-time consolidation expense noted above)	Not proposed, but capital improvements will be needed
Replacement of Acoma Station	\$3,000,000 (est.)	Not proposed	Not proposed, but capital improvements will be needed
Replacement of Tejon Station	\$3,000,000 (est.)	Not proposed	Not proposed
Training Facility Repairs	\$200,000 (est.)	Not proposed, although South Metro has expressed some interest in using the Training Facility	Not proposed
<u>Capital Costs – Equipment</u>			
Replacement of Station Alerting Systems	\$150,000	Included in start-up costs	Not proposed, but will be needed
Mobile Data Terminals for apparatus	\$40,000	Included in start-up costs	Not proposed, but will be needed
Annual average capital equipment costs	\$100,000 (est.)	Included in proposal	Included in proposal

	<u>Englewood Fire Department</u>	<u>South Metro Fire Rescue</u>	<u>Denver Fire Department/ Denver Health Paramedics</u>
<u>On Duty Staffing per Shift</u>			
Jefferson Station	6	12	4 (DF)
Acoma Station	5	0	4 (DF)
Tejon Station	3	0	0
Posted Ambulance	0	0	2 – 24 hr., 2 – 12 hr. daytime 7 days/wk (DH)
Total On duty staffing per shift	14 firefighters/EMTS, including at least two who are also paramedics	12 firefighters/EMTS, including at least two who are also paramedics	12 (8 DF firefighters/EMTS and 2-4 DH paramedics who are not trained as firefighters)
Additional Resources	Available routinely through automatic aid from Littleton and South Metro and rarely through mutual aid from Denver	South Metro has 100 on-duty firefighters and paramedics, in addition to automatic and mutual aid	Denver has 186 on-duty firefighters and emergency medical technicians, in addition to mutual aid
<u>Apparatus Staffed by Station</u>			
Jefferson Station	1 – Engine (Pumper) 1 - Ambulance	1 – Engine 1 - Tower (100' Aerial Platform) 2 - Ambulances	1 - Quint (Pumper with 100' Aerial)
Acoma Station	1 - Engine/Squirt (65' aerial) 1 - Ambulance	None	1 - Engine
Tejon Station	1 - Engine/Rescue	None	None
Ambulances (Posted, not in a fire station)	n/a	n/a	1.5 – Ambulance (DH)
Total Units Staffed	3 - Engines	1 - Engine	1 - Quint
	2 - Ambulances	1 - Tower	1 - Engine
		2 - Ambulances	1 - Ambulance

	<u>Englewood Fire Department</u>	<u>South Metro Fire Rescue</u>	<u>Denver Fire Department/ Denver Health Paramedics</u>
<u>Staffing Levels</u>			
Fire Apparatus	3 Firefighters	4 Firefighters	4 Firefighters
Ambulance	2 Firefighters, at least one certified as a paramedic	2 Firefighters, at least one certified as a paramedic	2 Paramedics not trained as firefighters
<u>Fire Prevention</u>			
Cost	\$208,000, less \$100,00 in permit fees, for a net cost of \$108,000	\$532,076, included in base proposal cost	Not specified
Fire Inspections	Fire inspections are performed by on-duty firefighters with follow-up by the Fire Marshal's Office	Fire inspections are performed by inspectors from the Fire Marshal's Office	Fire inspections are performed by on-duty firefighters with follow-up by the Fire Marshal's Office
<u>Fleet Maintenance included</u>	Yes	Yes	Yes
<u>Fire Dispatch included</u>	Yes, provided by the Englewood police/fire dispatch center	Yes, provided by Metcom, an independent fire dispatch agency affiliated with South Metro	Yes, provided by dispatchers trained as Denver Firefighters and by separate dispatchers trained by Denver Health
<u>Governance</u>			
Appointing Authority	City Council appoints the City Manager who appoints the Fire Chief	Fire Authority Board appoints the Fire Chief	Mayor appoints the Fire Chief
Representation	Fire Chief functions as a member of Englewood's executive team reporting to the City Manager	Englewood would have a contractual relationship with South Metro as well as a seat on the Authority Board with a non-voting advisory role	Englewood would have a contractual relationship with Denver

	<u>Englewood</u>	<u>South Metro Fire Rescue</u>	<u>Denver Fire Department/ Denver Health Paramedics</u>
<u>Personnel</u>			
Status of existing positions	Unchanged	All personnel would be eligible to enter at a position and salary similar to the one currently held	All uniform personnel would enter at a Firefighter level
Retirement Plan	Unchanged	Unchanged, except that the difference between the 12% contribution paid by the Authority and the 8% paid by Englewood would be included	Unchanged, except that the death and disability policy would be paid at 100 percent instead of 50 percent

Fire Alternatives - Pros and Cons

Englewood Fire Department

Pros	Cons
One-time start-up costs and organizational disruption associated with contracting services are avoided	Potential cost and operational efficiencies are not realized by joining a larger organization
Englewood employees maintain their current positions with the fire department	Promotional opportunities are limited in a smaller fire department
Revenue from ambulance fees are retained by Englewood	Current ambulance fees do not cover the cost of operating two ambulances
Englewood retains ownership of all fire apparatus	Ongoing apparatus acquisition and maintenance continue as operating and capital expenses
Englewood retains control and ownership of any plans to replace the Jefferson Fire Station in conjunction with the possible redevelopment of the Safety Services Complex	The cost of a replacement station alone is \$5,000,000 and would likely require a new funding source
Englewood maintains the control and operation of fire dispatch from a combined police/fire dispatch center	Englewood has no dispatchers dedicated only to fire dispatch and would continue to incur the capital costs of operating fire dispatch services
All three fire stations could continue to be staffed, which reduces response times to the northwest and south/southwest parts of Englewood	Englewood would continue to incur the operating costs of the Tejon and Acoma Fire Stations
Total on-duty staffing of the fire stations in Englewood could be maintained at 14, which is close to the minimum effective firefighting force needed for a structure fire at a single family home	Englewood will continue to be dependent on neighboring departments on working structure fires and other labor-intensive emergency incidents. There are also additional costs associated with overstaffing for leave impact in order to maintain a minimum staffing level.
Total number of staffed fire apparatus is not reduced below three	The possible acquisition and redeployment of a 100 foot aerial fire truck would have to be funded by Englewood
Englewood maintains control of administrative, command and support functions, including training	Limited administrative, command and support functions are provided, particularly for training, due to budget constraints and staff reductions
Englewood would continue to have the control associated with owning and operating its own fire department as a full-service city	Englewood would continue to incur the operating and capital costs of running its own fire department, and there are currently no additional revenues identified for vehicle and building capital costs

Fire Alternatives - Pros and Cons

South Metro Fire Rescue

Pros	Cons
Initial net annual operating costs are comparable to Englewood's after one-time start-up costs and average annual equipment and vehicle capital expenses of approximately \$300,000 are eliminated	Initial savings in annual operating costs are limited to about \$100,000
Excess Staffing Costs will accommodate all existing fire department personnel with similar positions and compensation in the South Metro Fire Rescue Authority	Excess Staffing Costs will add to the annual operating costs during the first three years
Ambulance Fees are comparable to existing Englewood charges	Loss of ambulance fee revenue received by Englewood
Ongoing apparatus acquisition and maintenance are included, and Englewood may liquidate all of its apparatus to offset some of the start-up costs	Englewood no longer owns fire apparatus assets
Jefferson Station is replaced with a new structure	Cost of replacement station is \$5,000,000
Costs of operating the Tejon and Acoma Fire Stations would be eliminated	Response times to the northwest part of Englewood will be longer with the closing of the Tejon Fire Station. With the closing of the Acoma Fire Station, the southern and southwest parts of Englewood will be covered by Littleton Fire Rescue on a first-due basis from fire stations located outside Englewood.
South Metro maintains and operates its own training facility and has also expressed interest in using the Englewood training facility	Englewood would lose some control over the future use of the training facility
Dispatching provided by Metcom, a dedicated fire dispatch agency	Dispatching provided by a combined police/fire dispatch center with limited staffing
Firefighter staffing of fire apparatus is increased from three to four and the resources of a fire department with 100 on-duty personnel is immediately available	Total on-duty staffing in Englewood is decreased from 14 to 12
A second Battalion Chief and Safety Officer responds on all structure fires	Englewood loses a Battalion Chief on-duty and assigned in Englewood
The deployment of a 100 foot aerial returns to Englewood	Total number of staffed fire apparatus in Englewood is reduced from three to two
Englewood would have a seat on the South Metro Fire Rescue Authority Board	The seat is restricted to a non-voting advisory role
South Metro operations are similar to Englewood's, including cross-trained fire and medical personnel	Englewood would no longer control the daily operations of the fire department

Adequate administrative, command and support functions would be available with a larger organization	Limited administrative, command and support functions are provided, particularly for training, due to budget constraints and staff reductions
Fire department support functions provided by other Englewood departments would be eliminated	Englewood would no longer directly control the operations of a municipal fire department

Fire Alternatives - Pros and Cons

Denver Fire Department/Denver Health Paramedics

Pros	Cons
Initial cost proposed is significantly less than the current Englewood Fire Department budget	The Denver fire proposal does not specify the costs associated with Denver Health providing advanced life support care and transport other than one posted ambulance
All Englewood Fire Department personnel would be able to transfer to Denver Fire Department if they meet the firefighter requirements and complete a training academy	Only uniformed personnel are included. Englewood personnel would transfer to Denver Fire at a level no higher than the rank of Firefighter and would lose current seniority and rank
Ambulance fees charged by Denver Health would offset the cost of posting one ambulance in Englewood	Ambulance fees charged by Denver Health are 75 percent higher than the fees charged by Englewood
Ongoing apparatus acquisition and maintenance are included	Ownership of all Englewood fire apparatus would be transferred to Denver
Limited capital building costs are incurred	Poor condition of existing fire stations will persist without significant capital expenditures
Cost of operating the Tejon Fire Station would be eliminated	Response times to the northwest part of Englewood will be longer with the closing of the Tejon Fire Station
Dispatch services would be provided by firefighters who are trained as dispatchers	Fire dispatch services would no longer be provided from a combined police/fire communications center in Englewood
Denver maintains and operates its own training facility	Denver has not expressed interest in using Englewood's training facility
Firefighter staffing of fire apparatus is increased from three to four and the resources of a fire department with 186 on-duty personnel is immediately available	Total on-duty firefighters in Englewood is reduced from 14 to 8
The deployment of a 100 foot aerial returns to Englewood	Total number of staffed fire apparatus in Englewood is reduced from three to two
A second Battalion Chief and Safety Officer responds on all structure fires	Englewood loses a Battalion Chief on-duty and assigned in Englewood
Englewood could define the terms of the contract for service	Englewood would no longer control the daily operations of the fire department
Adequate administrative, command and support functions would be available with a larger organization	Limited administrative, command and support functions are provided, particularly for training, due to budget constraints and staff reductions
Fire department support functions provided by other Englewood departments would be eliminated	Englewood would no longer directly control the operations of a municipal fire department

Fire Alternatives - Overall Considerations

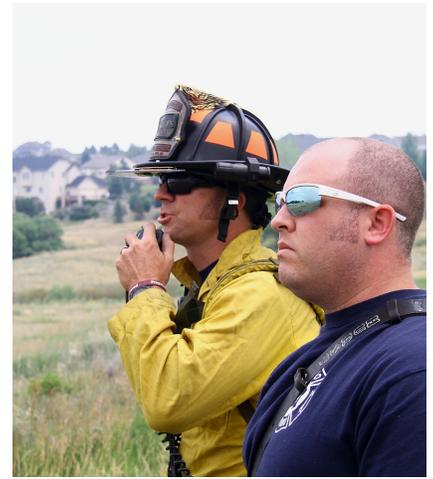
- While the cost of the South Metro proposal is only about \$100,000 less than the net cost of the 2014 operating budget for the Englewood Fire Department and there are additional start-up costs identified, South Metro indicates that there would likely be future cost savings through efficiencies with a larger organization. This would require a financial analysis of projected future revenues and expenditures.
- The total Englewood Fire Department operating budget of \$7,506,741 does not include the Building and Safety Division that includes the Chief Building Official, three Inspectors, a Residential Plans Examiner, and two Permit Technicians. The South Metro and Denver Fire proposals do not include acquiring the Building Division.
- Both proposals could be modified if Englewood chooses to retain a Fire Marshal's Office, and this would reduce the cost of both proposals.
- While the cost of the Denver proposal is significantly less than the other alternatives, the Denver proposal mainly addresses the provision of fire services. Although not specified, the provision of paramedic services and ambulance transport would be handled through Denver Health using a completely different model than currently in effect for Englewood. Denver Health states that the cost to post one ambulance in Englewood as proposed by Denver Fire would cost \$724,933, which would likely be offset by ambulance fee revenue. The cost to staff an additional ambulance in Englewood would add to the cost of the Denver proposal. Through its preliminary analysis, Denver Health recommends the equivalent of 1.75 ambulances for adequate coverage of Englewood at a cost of approximately \$1,268,633 less ambulance billing revenue.
- South Metro operates similarly to Englewood Fire Department through the use of cross-trained firefighters and paramedics who staff fire apparatus and ambulances in the fire stations. Denver uses a completely different model with firefighters staffing fire apparatus in the fire stations and serving as first responders on medical incidents. Paramedic response and transport is provided by Denver Health with ambulances that are posted outside the fire stations and staffed by personnel who are not firefighter trained.
- While the ambulance fees charged by South Metro are similar to Englewood's, the fees charged by Denver Health are 76 percent higher.
- Swedish Medical Center is concerned about the potential impact if Denver Health ambulances would bypass Swedish Medical Center to transport trauma patients to Denver Health Medical Center.
- Both the South Metro and Denver proposals include the acquisition and maintenance of apparatus. Englewood would no longer need to budget for vehicle acquisition as a capital or lease expense.
- The Denver proposal includes the transfer of all Englewood apparatus to Denver, while the South Metro proposal does not include acquiring any Englewood apparatus. South Metro would provide its own apparatus, and Englewood could sell all of the apparatus it owns.
- The condition of all three Englewood fire stations was rated as poor by the consultant ESCI, and the South Metro proposal cites the need to replace the Jefferson Station at a cost of \$5,000,000, to be paid for by Englewood. South Metro has offered options for amortization of the expense of a new station and the one-time start-up costs. No matter which alternative is selected, capital improvements or replacements will be needed for the fire stations.
- Both proposals do not include staffing the Tejon Fire Station, which will result in longer response times to the northwest part of Englewood.

- The South Metro proposal would only staff the Jefferson Station. The south and southwestern parts of Englewood would be covered by Littleton Fire Rescue on a first-due basis. Splitting the staffing at the Jefferson Fire Station to staff the Acoma Fire Station may be an option for an additional cost to operate and maintain a second station.
- Both proposals reduce the number of staffed fire apparatus in Englewood from three to two. With the South Metro proposal, the number of firefighters on duty in Englewood will be reduced by two to 12. With the Denver proposal, the number of firefighters on duty in Englewood will be reduced by six to eight. However, all the resources of South Metro and Denver would be available to Englewood with each proposal.
- The Denver proposal reduces the number of ambulances on duty in Englewood from two to one. The single ambulance would be posted (not in a fire station) at a central location in Englewood and would be staffed by paramedics who are not trained as firefighters. For adequate coverage in Englewood, an initial analysis by Denver Health proposes staffing a second posted ambulance during the daytime hours seven days a week. If additional ambulances are needed, other units from Denver Health or private ambulance services would respond to incidents from outside the City.
- If Englewood desired a voting seat on the South Metro Fire Authority Board, Englewood would be required to raise its mill levy by 3.37 mills from 5.88 mills to 9.25 mills, which will be the South Metro district-wide mill levy, and pay an additional amount of approximately \$1.5 million to cover the initial operating costs of providing fire and rescue services to the City of Englewood.

South Metro Fire Rescue Authority
9195 E. Mineral Ave., Centennial, Colorado 80112

720-989-2000

www.southmetro.org



South Metro Fire Rescue Authority Proposal for Emergency Services for the City of Englewood January 30, 2014



Summary

The South Metro Fire Rescue Authority has prepared this proposal to answer specifics on providing fire and emergency services to the City of Englewood. The proposal will answer the questions and concerns posed to the SMFRA staff in greater detail but the summary of the proposal is presented here. This proposal presents a contractual agreement for the SMFRA to provide emergency services to the City of Englewood.

Services Provided

Emergency Responses - The South Metro Fire Rescue Authority will provide response to emergencies within the City of Englewood from one station centrally located within the City. This station will house two fire companies, a tower and an engine (both with 4 person staffing), and initially two medical ALS transport units. In addition the City has the SMFRA resources available as needed from other stations, including battalion chiefs, additional fire units, and specialty teams and units. Further, the Authority is implementing a pilot program for an Advanced Resource Medic or ARM car. It is proposed to implement ARM car service to the City residents following a successful pilot program. We will provide all apparatus and vehicles.

Community Safety Services - The City will also receive services for fire and life safety review of building plans and new building inspections and business inspections. Community preparedness services will also be provided.

Support Services – The Authority will provide dispatch services for the City including AVL (Automatic Vehicle Location) responses (closest unit response). All apparatus and vehicles will be serviced by our Fleet Services bureau. The station will have construction management and on-going maintenance from our Facilities unit.

Expense to City

Annual Operating Fee

Field operations staffing	\$ 4,534,276
Community Safety Services staffing	\$ 532,076
Operating Costs	\$ 1,429,794
Total Annual Costs (Base Price)	\$ 6,496,146

Additional Charges

Excess staffing costs (decreases through attrition & terminates in 3 years): \$457,785/year max.

One time consolidation expense: \$5,450,010

5 year amortization at 4% \$1,224,220/year

7 year amortization at 4% \$908,024/year

10 year amortization at 4% \$671,937/year

The method of paying for the one-time expenses is open to discussion between the Council and the SMFRA Board of Directors.

Governance Structure

The South Metro Fire and Rescue currently operates as an Authority as authorized by Colorado Revised Statutes. There are two member agencies that have members on the Authority Board: Parker Fire Protection District and South Metro Fire Rescue (both are fire protection districts under CRS Title 32.) Future plans (January of 2016) calls for the merger of both districts into a single fire protection district with a seven member board. Each board member will represent a director district that is of approximately equal population. Each position would represent about 28K citizens. The Englewood board member would represent the 30K citizens in the City and have a non-voting advisory role on the Board. This member would likely be a Councilperson assigned to interface with the Board and meet with them monthly. This position will be strategic and can represent the City's particular needs directly to the Board of Directors. In addition, the City Manager would establish routine contact with the Fire Chief and any other member of the Executive staff. Most any issue can be resolved directly and quickly through these established connections.

Fiscal Considerations

The Englewood Fire Department now operates with 56 personnel, not including the services provided by the City in support of the fire department. SMFRA is proposing utilizing 37.75 firefighters to staff the Englewood station. The rest of the response personnel will be absorbed into SMFRA to fill other positions. The Training Officer and EMS Officer will be given assignment within our Training and EMS bureaus respectively. The Fire Marshal and Deputy Fire Marshal will be absorbed into our Community Safety Services. In addition, we will need 2 more inspectors and one public educator which are included in our base price.

Over and above the base price would be that cost for "excess" positions. This cost is for those listed positions that are not directly needed. These positions are the Fire Chief, Deputy Fire Chief, Executive Assistant and 8 Driver operators differential above firefighters' wage. This assumes that the Authority maintains the driver operator positions until a need for these drivers occurs. All emergency response personnel will be absorbed at the same rank or at least comparable wages into the Authority, except the

excess positions mentioned above which will be at a rank and wage close to the current job responsibilities. The consolidation will give us 8 more driver operators than is currently needed by our Deployment and Staffing plan. Although these personnel will retain their rank they will function in a firefighter's role until needed. We believe that through attrition we will be able to absorb the excess members to the necessary number needed to provide the services or be able to find a necessary position within the Authority within a three year window. An annual attrition report will be created and sent to the City of Englewood showing attrition for that year. Additional cost over base will be reduced per the attrition of personnel annually. Following the third year the Authority will assume responsibility for these costs.

The onetime costs include the construction of a new fire station on land acquired by the City. This also includes costs for installing network infrastructure, uniform changes, etc. Funding for this will be the City's responsibility and is estimated at \$5M plus land costs. This amount could be amortized over a period of years as shown above or the City can choose to pay off the one-time expenses in lump sum. The operation and maintenance of one newly constructed station is anticipated in the quote. The use of the existing stations will require a reevaluation of operating costs for operation and maintenance.

The base price and the excess personnel fee will be assessed each year. The excess personnel fee will be eliminated over time with a three year maximum.

City Owned Assets

The current EFD facilities will remain the property of the City of Englewood. All EFD vehicles will also be retained by the City. These assets can be disposed of as the city sees fit.

Employee Recognition

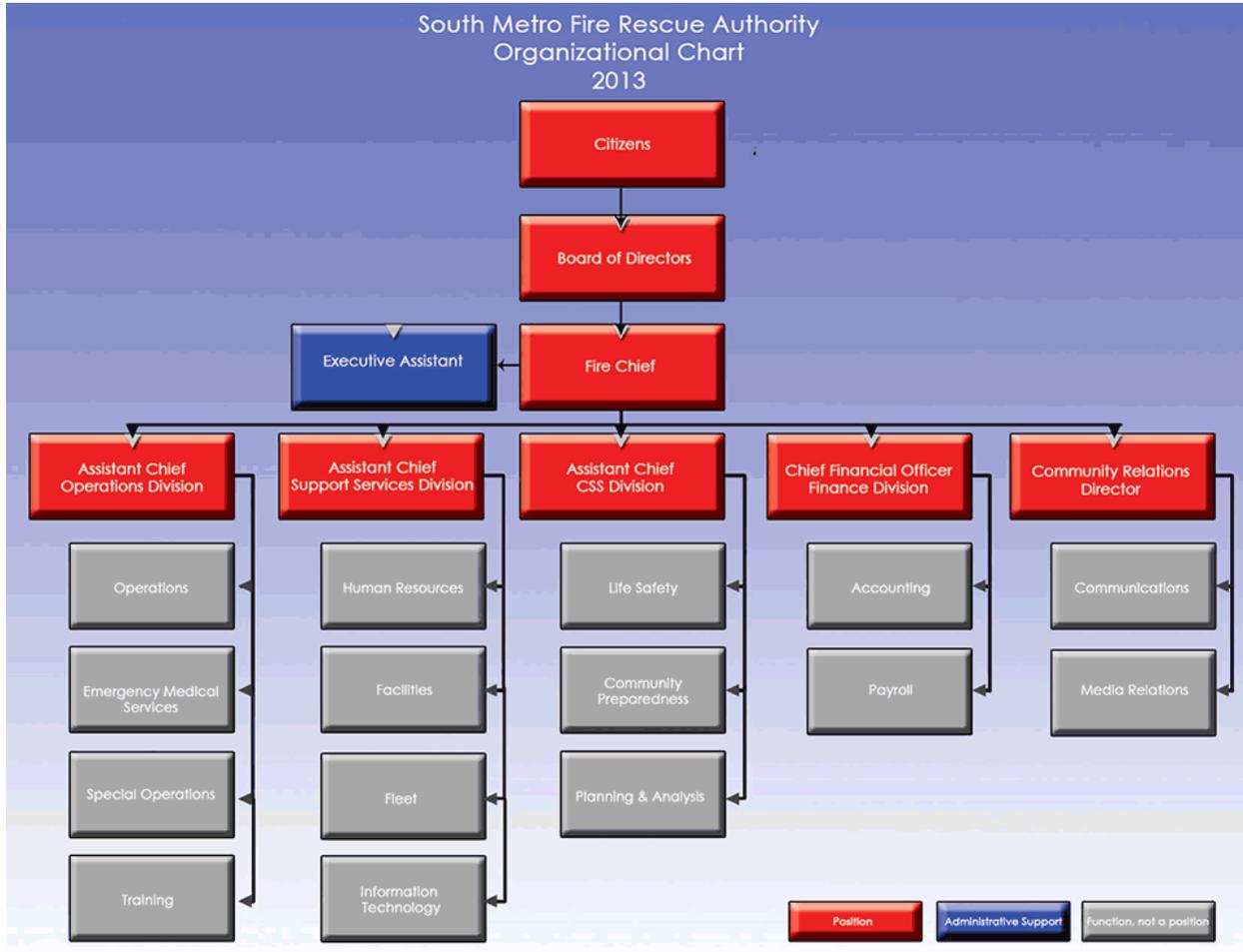
The SMFRA Authority will make every attempt to accept personnel into our system at current rank and seniority. However, in some positions we may not have enough slots available. Seniority is only used for choosing vacation dates and in the unlikely event of a whole reduction in force, but we will honor the time invested already by these employees. As employees of the Authority, the employees would be responsible to meet our certification and education standards but would be given time to achieve these. They will be eligible to take part in our educational incentives and tuition reimbursement program as well.

We understand that FPPA will allow Englewood personnel to stay in the defined benefit plan or enter the defined contribution plan of the Authority. Currently Authority personnel receive a 12% matching contribution into their plan. The 4% over the 8% FPPA mandated contribution would be deposited in another investment vehicle such as a 457.

Educational standards for officers and certification required by job description will be enforced but with adequate time for the employee to achieve the required levels. Tuition reimbursement to a maximum of \$4000 per year is provided for all personnel achieving education goals.

Overview of South Metro Fire Rescue Authority

Organizational Structure



Authority Facts

South Metro Fire Rescue Authority (SMFRA) was formed in May, 2008 as a merger between two adjacent fire districts - South Metro Fire Rescue (SMFR) and Parker Fire Protection District (PFPD). The new SMFRA serves approximately 176 square miles including the cities of Castle Pines, Centennial, Cherry Hills Village, Foxfield, Greenwood Village, Lone Tree, and Parker, along with portions of unincorporated Arapahoe and Douglas Counties (see Figure 1).

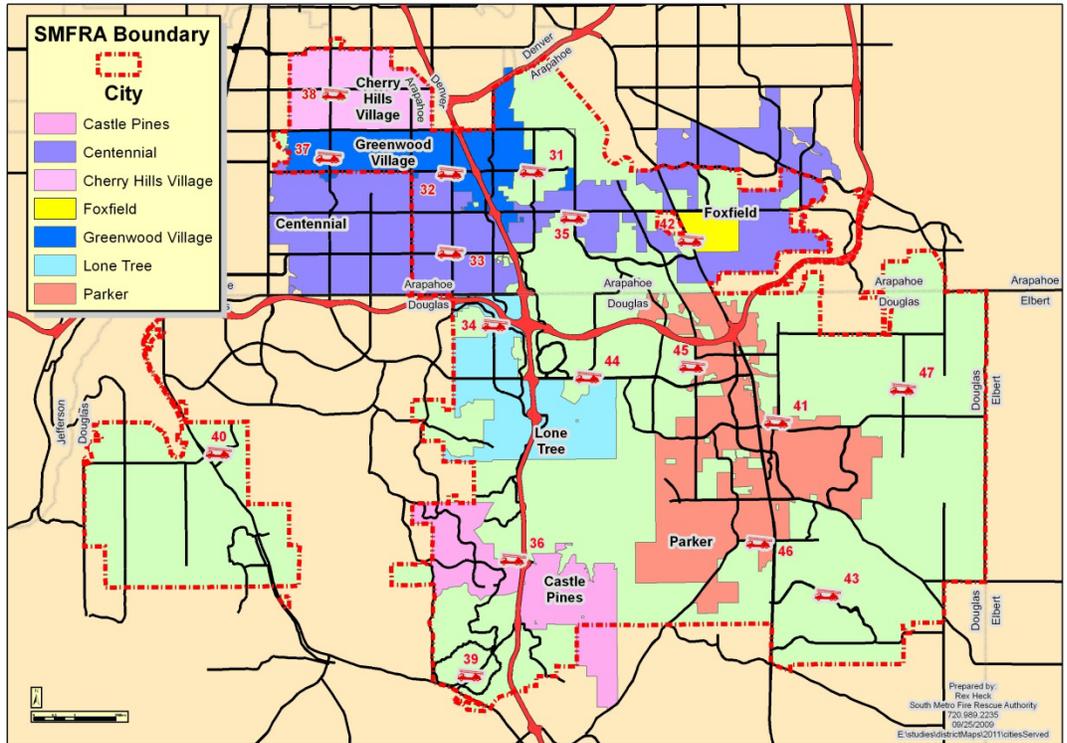


Figure 1. Cities and counties within SMFRA’s boundaries.

SMFRA is a career department with 284 full-time firefighters staffing 17 fire stations and providing all-hazards capabilities including fire suppression, emergency medical services (EMS; including advanced life support and patient transport), hazardous materials, technical rescue, aircraft rescue and firefighting, and water rescue and recovery. SMFRA also has 73 staff and uniformed personnel that provide: a) oversight of operations; b) support functions including finance, human resources, information technology, fleet, and facilities; and c) fire prevention, education, emergency management, and community relations services. Dispatch services are provided through the Metropolitan Area Communications Center (MetCom).

SMFRA has a residential population of approximately 195,000 occupying over 76,000 households (see Table 1). SMFRA has an approximate daily business population of over 120,000 that occupies over 6,000 inspected, commercial occupancies. High-density urban developments are located in the northern half of the fire district and include several high rises, light-rail developments, a general aviation airport, and major shopping areas. Many traditional suburban communities surround the urban core and eventually lead to more rural communities along the perimeters with significant areas of wildland-urban interface to the south.

Table 1. *SMFRA Demographic Summary, 2010.*

Category	2010	%
Total Population	194,796	
Gender/Age		
Male	96,625	49.6
Female	98,171	50.4
Median Age	41.8	
Under Age 5	12,576	6.5
Age 18+	139,815	71.8
Age 65+	15,762	8.1
Race/Ethnicity		
White	171,517	88.0
Black/African American	4,031	2.1
American Indian/Alaskan Native	677	0.3
Asian	10,120	5.2
Pacific Islander	135	0.0
Other Race	3,135	1.6
Two or More Races	5,181	3.9
Hispanic	13,672	7.0
Education (25+ years old)		
Population 25+	115,833	
High School	15,394	13.3
Some College	23,072	19.9
Associate's/Professional School	13,957	12.0
Bachelor's	41,300	35.7
Master's+	19,310	16.7
Households		
Total Households	76,136	
Owner-Occupied Housing	54,912	72.1
Renter-Occupied Housing	17,602	23.1
Vacant Housing	3,622	4.8
Median Home Value	\$325,560	
Ave. Household Size	2.8	
Family Households	53,315	70.0
Married-Couple Families	45,229	59.4
Households w/ 1 or more under 18	29,274	38.4
Income		
Median Household Income	\$111,844	
Households Below Poverty Level	2,543	3.9

SMFRA is accredited through the Commission on Fire Accreditation International and currently holds an Insurance Services Office rating of 3. SMFRA continues to embrace the fundamental principle of accreditation – to improve the quality of services through a continuous self-evaluation process – and is currently going through the process of preparing for re-accreditation in 2015. As part of the review process, SMFRA has developed a strategic plan, risk assessment, and standard of cover to help guide the organization and its programs, analyze risks, establish appropriate levels of response to those risks, and evaluate performance.

Proposal Specifics

Emergency Services Deployment

Consolidating SMFRA and EFD into one fire agency provides an opportunity to look at resource deployment and station location on a larger scale, without the constraints of city and county borders. As evaluated in earlier proposals, SMFRA continues to recommend the closing of Stations 22 and 23, with the creation of a larger, dual-company Station 21 that is relocated to better cover the northeast section of Englewood (see Figure 2). Discussion will be needed to ensure continued cooperation with Littleton resources. Also, improved cooperation with Sheridan would benefit coverage in Englewood as well as the general area. Initially Station 21 will have a 100' Tower and a 1250 gpm Engine, two ALS medic units (staffed by medically trained firefighters who can also fulfill firefighting roles as needed). The Tower and engine will be staffed by an officer, driver/operator, and two firefighters. Responses are continually evaluated to improve the response with the most appropriate resources.

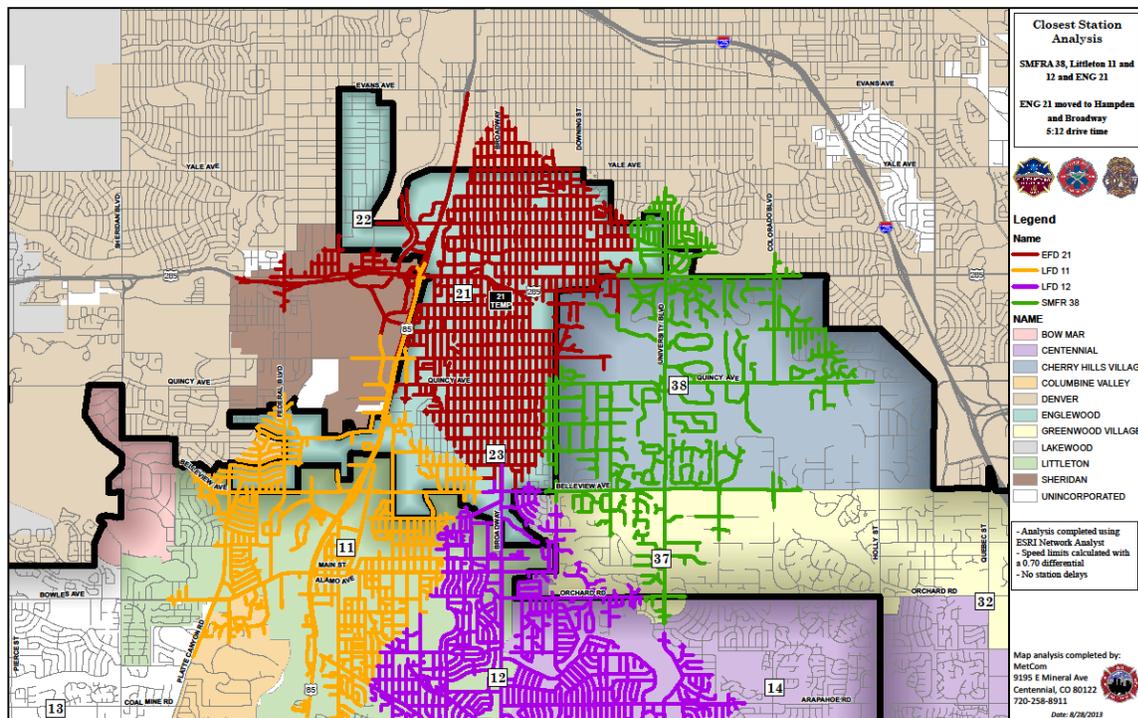


Figure 2. Predicted urban travel time coverage from only Station 21 (relocated).

Emergency Medical Services

SMFRA will provide EMS services to EFD, including its use of nurse practitioners and advance-practice paramedics (“ARM cars”) to improve our ability to work within the new health care guidelines and send the appropriate resources based on call severity. SMFRA’s EMS Bureau is staffed by 1 Chief, 1 Executive Officer, 1 Operations Captain, 1 Logistics Captain, 1 EMS Educator, 1 Admin Assistant and 2 PTE Admin Technicians. EMS didactic training is provided chiefly through PolyCom™ teleconferencing. This didactic training is then followed up with hands-on training in each first due district. A monthly Clinical Masters training and a Paramedic meeting are conducted at the Mineral facility. In 2012, the EMS Bureau produced 12,000 EMS Training Hours during 8, 6-week training cycles.

SMFRA will provide overall EMS management and support including billing, education, logistics, certification and skills tracking, customer service follow-up, and Quality Assurance/Quality Improvement. The EFD EMS staff member will be combined with SMFRA’s existing staff to provide these functions; however, no additional staff will be required.

Special Operations

SMFRA will provide all-hazards special operations capabilities to EFD, including wildland firefighting, ARFF, hazmat, technical rescue, and dive. Overall management of special operations will be addressed through SMFRA’s existing shift commander positions, without an increase in staffing.

Communications Center

MetCom opened in 2006 and is designed to serve as a regional fire/EMS emergency communications center committed to outstanding patient care, exceptional customer service, and improved call handling performance. That commitment to excellence has been demonstrated through MetCom’s recognition as an “Accredited Center of Excellence” by the National Academies of Emergency Dispatch. MetCom’s dispatch performance has consistently met or exceeded national standards where calls are dispatched in less than 60 seconds, 95% of the time.

MetCom is staffed with twelve full-time and three part-time communications professionals. The mission of these individuals and the agencies served by MetCom is handled logistically by five technical professionals, one Administrative Manager and a Director. MetCom’s dispatchers hold national certifications in Emergency Medical Dispatch, Emergency Fire Dispatch, Incident Command System (ICS) and National Incident Management System (NIMS). MetCom’s dispatchers work 24-hour shifts which helps foster an empathic and supportive working relationship with the firefighters. Dispatchers frequently attend firefighter trainings and go on ride-alongs. Formal opportunities to discuss operations issues are provided through a committee of shift representatives.

The 24-hour shift model staffs four dispatchers per shift allowing MetCom to offer aggressive dispatcher training, the ability to handle complex incidents, and the ability to support field communications through both incident dispatch and incident management team roles. The numerous hazards and potential for significant incidents within our service area prompted the need for communications

support outside of the dispatch center. To fill this need, the Incident Dispatch Team (IDT) was established in 2008 which responds on major incidents within the district and supports resource management, communications and logistical needs for the incident.

MetCom also supports (via vehicle operator and technical support) SMFRA's mobile command post (Command 3) which provides responses for large-scale incidents. The behind-the-scenes support comes from MetCom's GIS and in-depth analytical capabilities. This includes preplan support, critical data maintenance including streets, water mains, and hydrant information, and data analysis services including GIS mapping, response time performance reporting, and risk analysis.

MetCom will provide dispatch services to the expanded Authority without an increase in staffing.

Training

SMFRA's Training and Safety Bureau is staffed by 1 Chief, 4 training officers and a variety of administrative and part-time helpers. In 2012 the bureau delivered, coordinated, or scheduled over 45,000 man hours of training. Aspiring engineers, officers, and battalion chiefs each start with 100 hours of rank academy before participating in a minimum of 600 hours of task book training before being considered qualified to take a ranked promotional exam. A new Command Training Center (CTC) was started in 2013 that improves the ability of our personnel and neighboring agencies to manage emergency scenes.

Training is located primarily at our Joint Services Facility (JSF) in Parker. The Parkglenn building houses our CTC as well as a variety of classrooms. The JSF is the location of our drill ground and live fire training center as well as our driver training facility. These two facilities are strategically located a few blocks from each other.

In order to provide training services to the additional personnel, the one existing EFD training staff member will be combined with SMFRA's existing staff to provide these functions; however, no additional staff will be required.

Preplans

SMFRA has developed a pre-incident response plan for each building complex within its jurisdiction. All Englewood complexes will be completed within a 3-year period with a maintenance cycle established. Since SMFRA vehicles utilize MDT's, preplans will also be available to responding personnel. SMFRA will provide preplan services to the City of Englewood without an increase in staffing.

Education

Life Safety Education is primarily responsible for providing fire- and injury-prevention programs for children, adults, seniors, homeowners, and business owners. Programs include car seat safety checks, wildfire mitigation, juvenile firesetter intervention, and several age- and risk-specific programs such as senior-living-facility risk reduction.

SMFRA will extend its current risk-based education programs to the City of Englewood and expand or modify those programs as a more formal analysis of risks is conducted. In order to provide life safety education services to the City, one additional educator, in addition to SMFRA's 2 existing positions, will be needed.

Safety Foundation

SMFRA partners with and provides staff support to a non-profit safety foundation that expands our ability to deliver educational programs such as teen driver safety, CPR/AED certification, car seat checks, babysitter safety, and first aid. The South Metro Safety Foundation would expand its scope to provide services to the City of Englewood without an increase in staffing.

Emergency Management

This proposal assumes that the City of Englewood will provide its own resources for city-specific emergency management support. However, SMFRA's emergency manager will collaborate and coordinate all planning efforts. City boundaries and hazards will also be included in SMFRA's comprehensive emergency management plan, which includes a FEMA-approved risk assessment and mitigation plan.

Grant Management

SMFRA currently utilizes a portion of a staff member to perform grant management duties and will be part of the services offered by the Authority, and without an increase in staffing.

Fire Prevention

Fire prevention functions are offered through SMFRA's Life Safety Bureau which provides plan review, construction inspection, investigation, and business inspection services. Currently, plan reviews are completed within one week approximately 75% of the time and next-day construction inspections requests are performed. Dedicated staff members conduct business inspections on a risk-based, 3-year cycle which increases the quality and consistency, as well as eliminates this workload from operations personnel (who can now focus more on preplans). Inspectors also work with the firefighters to follow up on false alarms, system malfunctions, citizen complaints, or code violations.

In order to provide fire prevention services to the City of Englewood, 2 positions will be needed, in addition to SMFRA and EFD's current staffing.

Finance

The Finance Division provides full accounting, cash management oversight, debt management, payroll, purchasing, inventory, and budget preparation for SMFRA and all of its funds. Finance also provides accounting and tax return preparation for the South Metro Safety Foundation, as well as accounting services for the management of the Joint Services Facility. SMFRA received the Government Finance

Officers Association's (GFOA) Distinguished Budget Award for the 2009 - 2013 budgets, as well as the GFOA award for the Comprehensive Annual Financial Report (CAFR) from 2010-2012.

These services will be provided to the increased Authority without an increase in staffing.

Facilities

Facility planning, construction, repair and maintenance are performed by a combination of SMFRA Facilities staff, station personnel, seasonal workers, and contracted services. The Facilities staff is focused on providing safe and effective facilities for firefighters to respond to emergencies and efficiently perform their routine duties. This analysis assumes that SMFRA would consolidate all of EFD's fire stations into one and be responsible for the future ownership and maintenance of that facility. All existing facilities would remain under the ownership of the City of Englewood. SMFRA will provide facility maintenance services to the City of Englewood station without an increase in staffing.

Technology

The Technology Bureau employs four full-time employees, three part-time employees, and one Bureau Director who are responsible for researching, procuring, deploying, servicing and supporting the Authority's Information Technology (IT) and Radio Operations hardware and software assets. The IT and Radio Operations hardware assets include Windows and Apple based desktop, laptop, and tablet personal computers; an enterprise voice network; enterprise wired and wireless data networks; video conferencing; data storage; disaster recovery site; security cameras; building access; location devices; printers/plotters/scanners; apparatus Mobile Data Terminals (MDT); station alerting; Ultra High Frequency (UHF-800) radios; Very High Frequency (VHF) radios; cellular telephones; and pagers. IT software assets include Office Productivity solutions; a Records Management System; Financial and Budgeting solutions; a Fleet Management solution; Enterprise Server, Application, and Desktop Virtualization solutions; Enterprise Mobility Management; and Enterprise Document Management and Content Management solutions.

The Technology Bureau will provide these services to the expanded Authority without an increase in staffing.

Fleet

SMFRA's Fleet Services Bureau provides full-service maintenance and repair to all operations and staff vehicles, including contracted services to other agencies. The ordering and warehousing of parts, specification of new equipment, life cost analysis, replacement scheduling, liquidation and the diagnostic assessments of vehicles using specialized software are included in the services. Fleet also operates as a factory-authorized service and warranty center for seven national emergency vehicle manufacturers and several individual component manufacturers. SMFRA's Fleet Services Bureau is also a Hale/Class 1 OEM and Colorado State Certified Diesel Opacity Self-Service Certification Center.

SMFRA will provide full service fleet maintenance, NFPA 1911 annual testing and purchasing services, including its new partnership with NAPA In Business Solutions (IBS) Store which has resulted in salary savings and less wait-time for parts and unit down-time. This analysis assumes that SMFRA would use current SMFRA vehicles and apparatus to serve EFD, with no additional vehicles required, and be responsible for the future ownership and maintenance of all vehicles. SMFRA will also provide 24/7/365 after hours emergency on-call fleet services.

SMFRA will provide these fleet services without an increase in staffing.

Human Resources

SMFRA's Human Resources Bureau is comprised of three, qualified HR professionals, including a Director and two Benefits Specialists who are committed to providing the highest level of customer service to the Agency's members. Human Resources' primary role is to take care of South Metro's most valuable assets, its employees, by serving as a knowledgeable, professional and approachable resource. HR's secondary role is to protect the organization from potential liability by ensuring our employment practices are fair and consistent and in line with local, State and Federal rules and regulations.

The Human Resources Bureau is responsible for providing a number of different services to the Agency's members and oversees a variety of different functions such as: benefits administration, employee relations, policies & procedures, HRIS (payroll/personnel database), work comp administration, drug screens, physical evaluations, performance management, records retention, succession planning, liability training, employee events & recognition, family support network, peer support team, compensation and classification, legal compliance and recruitment & retention of qualified personnel.

The Authority is committed to providing a Wellness Program to address the health, fitness and well-being of all its members. This will be accomplished through physical fitness training, workers compensation case management, rehabilitation following injuries, routine physical exams, and emotional support.

SMFRA will provide these HR services without an increase in staffing.

Community Relations

SMFRA's Community Relations provides public information officer and several other internal/external communication services, including media relations, monthly reports to community leaders, quarterly newsletters to all SMFRA citizens, and responses to citizen inquiries. SMFRA will provide community relations services to the City of Englewood without an increase in staffing.



**FIRE
DEPARTMENT**
DENVER PUBLIC SAFETY

Denver Fire Department
Office of the Fire Chief

745 West Colfax Avenue
Denver, CO 80204
p: 720.913.3424
f: 720.913.3597
www.denvergov.org/fire

February 5, 2014

Gary Sears, Englewood City Manager
1000 Englewood Parkway
Englewood, CO 80110

Michael Flaherty, Englewood Deputy City Manager
1000 Englewood Parkway
Englewood, CO 80110

Andrew Marsh, Englewood Fire Chief
3615 South Elati Street
Englewood, CO 80110

Manager Sears, Deputy Manager Flaherty, and Chief Marsh:

Denver Fire Department appreciates the opportunity to discuss the mutual benefits of collaborative partnership in providing emergency services to the City of Englewood. After meeting with the leadership of your City, we understand the major concerns which will need to be addressed. Future specific solutions will need to be identified for a plan of action and full implementation. A brief and concise high level overview including highlights of some of the most impactful resources and opportunities available from a collaborative partnership are outlined below.

Denver Fire Department Information

The Denver Fire Department (DFD) looks to provide a high level overview of applications for the strategic benefits to the City of Englewood. We recognize the importance of providing quality, timely, and professional emergency services to your community. The Denver Fire Department is in the process of obtaining accredited status with the Commission on Fire Accreditation International (CFAI). Currently we are listed as a Registered Agency. Working with us allows the City of Englewood to maintain local control and reap the benefits of the City and County of Denver's vast array of resources, coupled with the ISO rating of 2, to add enormous opportunities for increased economic development and regionalization for your community. We recognize the importance of Swedish Medical Center and Craig Hospital as vital partners in the overall success of the City of Englewood. In that, the choice of destination and other business concerns will need to be directly discussed with these entities. We understand this and will work with you to tailor a package that addresses all of these topic areas.

Operational (Response and Coverage)

The Denver Fire Department (DFD) currently operates with an authorized uniform strength of 943 personnel. The DFD staffs 186 on-duty fire fighters per day in the Operations Division operating 44 pieces of apparatus (28 Engine Companies, 14 Truck Companies, 1 Heavy Rescue Company, and 1 Hazardous Materials Response Team), with additional companies assigned to the Denver International Airport. Full-time resources include Special Operations Teams (Underwater, Hazmat, High-Angle, Confined Space, Collapse) and a Special Operations Assistant Chief. Each fire apparatus has four-person staffing. Other full-time available resources include Community Outreach, PIO, and a full-time Fire Investigation Bureau (Arson). The high level training curriculum, equipment, and training facilities have been enhanced to include a new Search Building, new Burn Building (to be completed fall 2014), new SCBAs, and new Bunking gear. The proposal includes enhanced service levels with response criteria of 1-minute turnout and 4-minute travel times for your jurisdiction.

Fire Dispatch

The Denver Fire Department Dispatch function is part of "Denver 911." The Combined Communications Center includes 911 Call Takers, Police Dispatchers, Denver Health Medical Center EMS Dispatchers, and fully-trained uniformed Denver Fire Fighters. The interface allows for a high level of efficiency and performance. These fire fighter Dispatchers utilize the same shift platoon (A, B, C) schedule as the fire fighters on the street. Denver 911 handled approximately 1.5 million phone calls in 2012. Of these calls, Denver Fire Dispatch processed over 100,000 calls for assistance. The Combined Communications Center is fully operational 24/7/365. The Denver Office of Emergency Management also works in conjunction with this integrated facility. The standards identified in NFPA 1221 and 1710 outline the benchmarks for dispatching and response. Sixty-second turnout and 4-minute response are just a couple of the criteria benchmarks for each incident response. A report is generated every morning covering the previous 24-hour period. For reference, a daily report detailing these specifics for every incident and the corresponding benchmarks is included.

Denver International Airport

The Denver Fire Department Aircraft Rescue Fire Fighter (ARFF) Division is responsible for providing emergency services and all associated administrative functions at Denver International Airport and the immediate outlying area. The Division has an authorized strength of one hundred uniformed personnel to protect what is the fifth busiest airport in the United States and the eleventh busiest in the world. Twenty-four uniformed fire fighters are on duty every day staffing two structural fire fighting companies, seven ARFF vehicles, and a Special Operations response unit. With a landmass of 53 square miles, population of over 30,000 regular employees, and over 40 million visitors traveling through the airport every year, DLA is often referred to as a city in and of itself by the people who work there.

Personnel/Benefits/Resources

We recognize the high importance of your personnel and the critical need of making any transition as smooth and pain free as possible. With our full services of Administration, Finance, and Human Resources available to all members, we are confident that we can collaboratively create necessary solutions to address total compensation equivalency for each individual

situation. We have prepared full specific analysis that we have available for each individual. As with Englewood Fire Department, the DFD is also part of the Colorado Fire & Police Pension Association Statewide Defined Benefit Pension Plan. Therefore, the personnel should see little or no change in their current pension expectations which correlates into a seamless transition for all involved. The scheduled work hours changes from a 56-hour work week (2912), to a 48-hour work week (2496). This equates to an annual reduction of 416 hours per fire fighter (see attached schedule with the Kelly Day example included). As outlined in the Collective Bargaining Agreement (CBA), all medical health care options are covered 80/20. The information for all of the different family categories and plans (HDHMO, HMO, and Triple Option) are attached for your perusal. The benefit package also includes a 1% additional employer contribution to a Post Employment Health Plan (PEHP), along with full coverage of the Statewide Death and Disability premium of 2.6%. The City and County of Denver offers a 457 Deferred Compensation Plan as well as a Deferred Retirement Option Plan (DROP). There are many more employee benefits, such as flexible online vacation selection (single day picks) as one example. Opportunities exist to participate in: future promotional advancement, citywide overtime, the region's largest Wildland Fire Fighting Team, off-duty details at venues such as Red Rocks, Coors Field, Sports Authority Field, Pepsi Center, and other private establishments, and a larger variety of potential assignments (Operations, DIA, Fire Prevention Bureau, Dispatch, Safety and Training, Arson, PIO, etc.)

Economic Considerations /Funding Model

Based on the current assumption criteria, the initial cost of this proposal is \$4,750,000 per year with possible downward adjustments if the City of Englewood chooses to keep some upper command positions and/or some custom form of a Fire Chief to encompass Fire Prevention responsibilities (i.e. plan review, construction inspection, investigation, business inspection services, pre-plans, etc).

The proposal is to staff two fire houses (located at 555 W. Jefferson Avenue and 4830 S. Acoma Street) with a daily staffed four-person apparatus in each. By integrating these two stations with the complement of DFD resources, the Response Matrix (included) outlines the increased resources responding to incidents within the City of Englewood's jurisdiction. This also allows for built-in redundancy. Further, the additional resources help to provide significantly higher 4-minute geographical response coverage, with a greater number of personnel being deployed to any incident. A 4-minute coverage map has been included for your review. The proposal also includes transfer of all rolling stock (apparatus) and related equipment, and having a posted ALS ambulance within the city limits with necessary backfill as determined by a needs assessment based on prior utilization. There will be further discussions surrounding needed fire station repairs as well as other items as determined by the collaborative review by both jurisdictions.

Through partnership, both cities would enjoy budget benefits, while at the same time enhancing the level of service to the constituents of Englewood and the Denver areas adjoining Englewood. We would welcome the opportunity to provide guided tours of any of our facilities to see firsthand and fully understand the intricacy of overall integrated services that would be provided.

The aspects of this proposal produce cascading savings over multiple subject areas and time horizons. Our cities have a history of working together on matters of mutual interest. Additional questions and/or concerns can be addressed as identified from your constituencies. We certainly welcome further discussions regarding any points of concern related to this potential endeavor.

Best regards,

Eric C. Tade
Denver Fire Chief



City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: February 19, 2014
Subject: December 2013 Financial Report Update

Summary of the December 2013 General Fund Financial Report (Please note the numbers in this Report are not audited and subject to change until the Comprehensive Annual Financial Report is presented to Council)

REVENUES:

- Through December 2013, the City of Englewood collected **\$40,832,939 or \$943,140 or 2.4 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 \$2,900,715 in property and \$266,881 in specific ownership taxes through December.
- **Year-to-date sales and use tax revenues were \$23,433,775 or \$1,070,157 (4.8 percent) more than December 2012.**
- Cigarette tax collections were up \$5,470 compared to last year.
- Franchise fee collections were \$165,341 more than last year.
- Licenses and permit collections were \$463,219 more than 2012.
- Intergovernmental revenues were \$434,531 less than the prior year.
- Charges for services increased \$21,712 from last year.
- Recreation revenues decreased \$195,199 from 2012.
- Fines and forfeitures were \$63,746 less than last year.
- Investment income was \$94,447 less than last year.
- Miscellaneous revenues were \$68,198 less than last year.
- Net rent revenues from McLellan Reservoir were \$573,526.

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 December 2013 were \$3,113,935 or \$14,380 less than last year during the same period.

EXPENDITURES:

- Expenditures through December were \$40,063,780 or \$201,807 less than the \$40,265,587 expended through December 2012. The City's refund of sales and use tax claims through December 2013 totaled \$31,272.

REVENUES OVER/UNDER EXPENDITURES:

- **Unaudited revenues exceeded expenditures by \$730,365 compared to expenditures exceeding revenues by \$375,788 year-to-date 2012.**

TRANSFERS:

- Net 2013 transfers-in to date of \$1,066,568 were made by the end of December 2013.

FUND BALANCE:

- **The estimated year-end total fund balance is \$10,840,743 or 26.5 percent of unaudited revenue. The ending 2013 unassigned fund balance is \$6,942,615 or 17 percent of revenue.**
- The 2013 estimated Long Term Asset Reserve (LTAR) balance is \$2,619,375 (please refer to page 18).

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected \$3,669,505 in revenue and spent \$3,087,798 year-to-date. Estimated year-end fund balance is \$952,201.

General Fund Comparative Revenue, Expenditure & Fund Balance Report as of December 31, 2013

Percentage of Year Completed = 100%

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			
	2013				2012			2011		
	Budget	Dec-13	% Budget	YE Estimate	Dec-12	Dec-12	% YTD	Dec-11	Dec-11	% YTD
Revenues										
Property Tax	2,898,000	2,900,715	100.09%	2,900,715	2,874,816	2,874,816	100.00%	2,994,213	2,994,213	100.00%
Specific Ownership Tax	230,000	266,881	116.04%	266,881	243,293	243,293	100.00%	246,062	246,062	100.00%
Sales & Use Taxes	22,336,277	23,433,775	104.91%	23,433,775	22,363,618	22,363,618	100.00%	21,737,110	21,737,110	100.00%
Cigarette Tax	184,000	195,088	106.03%	195,088	189,618	189,618	100.00%	190,763	190,763	100.00%
Franchise Fees	3,067,552	3,096,229	100.93%	3,096,229	2,930,888	2,930,888	100.00%	2,631,393	2,631,393	100.00%
Hotel/Motel Tax	9,000	12,039	133.77%	12,039	10,395	10,395	100.00%	9,820	9,820	100.00%
Licenses & Permits	767,153	1,446,578	188.56%	1,446,578	983,359	983,359	100.00%	778,536	778,536	100.00%
Intergovernmental Revenue	1,657,018	1,431,191	86.37%	1,431,191	1,865,722	1,865,722	100.00%	1,724,807	1,724,807	100.00%
Charges for Services	3,277,773	3,463,237	105.66%	3,463,237	3,441,525	3,441,525	100.00%	3,384,318	3,384,318	100.00%
Recreation	2,629,173	2,420,443	92.06%	2,420,443	2,615,642	2,615,642	100.00%	2,635,221	2,635,221	100.00%
Fines & Forfeitures	1,368,450	1,317,707	96.29%	1,317,707	1,381,453	1,381,453	100.00%	1,284,758	1,284,758	100.00%
Interest	100,000	(10,402)	-10.40%	(10,402)	84,045	84,045	100.00%	91,034	91,034	100.00%
EMRF Rents	638,829	573,526	89.78%	573,526	551,295	551,295	100.00%	425,159	425,159	100.00%
Miscellaneous	156,294	285,932	182.94%	285,932	354,130	354,130	100.00%	173,381	173,381	100.00%
Total Revenues	39,319,519	40,832,939	103.85%	40,832,939	39,889,799	39,889,799	100.00%	38,306,575	38,306,575	100.00%
Expenditures										
Legislation	330,436	280,920	85.01%	281,000	316,043	316,043	100.00%	298,731	298,731	100.00%
City Attorney	783,147	719,781	91.91%	720,000	712,036	712,036	100.00%	706,841	706,841	100.00%
Court	962,993	922,245	95.77%	923,000	886,249	886,249	100.00%	848,775	848,775	100.00%
City Manager	679,653	675,844	99.44%	676,000	658,047	658,047	100.00%	639,184	639,184	100.00%
Human Resources	481,392	408,551	84.87%	409,000	469,343	469,343	100.00%	430,792	430,792	100.00%
Financial Services	1,583,684	1,533,060	96.80%	1,534,000	1,464,305	1,464,305	100.00%	1,446,313	1,446,313	100.00%
Information Technology	1,340,211	1,331,590	99.36%	1,332,000	1,373,943	1,373,943	100.00%	1,332,766	1,332,766	100.00%
Public Works	5,308,257	5,218,485	98.31%	5,220,000	5,202,903	5,202,903	100.00%	5,259,875	5,259,875	100.00%
Fire Department	7,889,065	7,980,152	101.15%	7,981,000	8,100,554	8,100,554	100.00%	7,666,842	7,666,842	100.00%
Police Department	11,520,191	11,209,112	97.30%	11,210,000	10,788,935	10,788,935	100.00%	10,395,239	10,395,239	100.00%
Community Development	1,324,774	1,112,710	83.99%	1,113,000	1,262,451	1,262,451	100.00%	1,359,264	1,359,264	100.00%
Library	1,251,293	1,174,540	93.87%	1,175,000	1,180,771	1,180,771	100.00%	1,145,613	1,145,613	100.00%
Recreation	5,711,776	5,402,600	94.59%	5,403,000	5,649,246	5,649,246	100.00%	5,717,147	5,717,147	100.00%
Debt Service	2,062,574	2,005,830	97.25%	2,062,574	2,056,951	2,056,951	100.00%	2,096,463	2,096,463	100.00%
Contingency	150,000	88,360	58.91%	90,000	143,810	143,810	100.00%	152,423	152,423	100.00%
Total Expenditures	41,379,446	40,063,780	96.82%	40,129,574	40,265,587	40,265,587	100.00%	39,496,268	39,496,268	100.00%
Excess revenues over (under) expenditures	(2,059,927)	769,159	-37.34%	703,365	(375,788)	(375,788)		(1,189,693)	(1,189,693)	
Net transfers in (out)	1,139,574	1,066,568	93.59%	1,066,568	628,913	628,913	100.00%	1,512,699	1,512,699	100.00%
Total Fund Balance	\$ 7,706,035	\$ 10,906,537	141.53%	\$ 10,840,743	\$ 9,070,810	\$ 9,070,810	100.00%	\$ 8,817,685	\$ 8,817,685	100.00%

Fund Balance Analysis										
Total Fund Balance	\$ 7,706,035	\$ 10,906,537	\$ 10,840,743	\$ 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	78,753	78,753	298,512	298,512					
Restricted/Committed	\$ 4,067,887	\$ 3,898,128	\$ 3,898,128	\$ 4,117,887	\$ 3,855,161					
Estimated Unassigned Fund Balance	\$ 3,638,148	\$ 7,008,409	\$ 6,942,615	\$ 4,952,923	\$ 4,962,524					
As a percentage of projected revenues	8.91%	17.16%	17.00%	12.42%	12.95%					
As a percentage of projected expenditures	9.07%	17.46%	17.30%							
Target	3,931,952	-	5,897,928							



City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: February 19, 2014
Subject: January 2014 Financial Report

Please note any references to 2013 have not been audited and are subject to change until the annual audit and Comprehensive Annual Financial Report is completed and presented to City Council.

REVENUES:

- Through January 2014, the City of Englewood collected **\$4,242,329 or \$460,840 or 12.2 percent more** than last year (See the chart on page 3 and the attached full report for details on changes in revenue in past year. January typically generates about ten percent of the year's total revenues.
- The City collected no property or specific ownership tax through January (this is a normal collection pattern).
- **Year-to-date sales and use tax revenues were \$3,190,632 or \$351,538 (12.4 percent) more than January 2013**
- Cigarette tax collections were down \$1,816 compared to last year.
- Franchise fee collections were \$5,721 more than last year.
- Licenses and permit collections were \$90,924 more than 2013.
- Intergovernmental revenues were \$94,189 more than the prior year.
- Charges for services decreased \$44,289 from last year.
- Recreation revenues decreased \$8,246 from 2013.
- Fines and forfeitures were \$14,410 less than last year.
- Investment income was \$37,733 more than last year.
- Miscellaneous revenues were \$21,194 less than last year.
- Rent revenues from McLellan Reservoir were \$58,733.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were up \$59,549 or 4.8 percent compared to last year.
- At this time potential refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is \$1,150,000.

CITY CENTER ENGLEWOOD (CCE):

- Sales and use tax revenue collected through January 2014 were \$355,874 or \$27,421 less than last year during the same period.

EXPENDITURES:

- Expenditures through January were \$2,832,646 or \$924,307 (48.4 percent) more than the \$1,908,339 expended through January 2013; *this was due to having three payrolls in January*. The City refunded \$828 sales and use tax claims through January 2014; the City of Englewood refunded \$4,333 in January 2013.

REVENUES OVER/UNDER EXPENDITURES:

- Revenues exceeded expenditures by \$1,409,683 this year compared to revenues exceeding expenditures by \$1,873,150 in 2013.

TRANSFERS:

- Net 2014 transfers-in to date of \$848,820 were made by the end of January 2014 (please refer to page 18).

FUND BALANCE:

- The estimated total fund balance is \$9,698,750 or 24.4 percent of revenue. The estimated unreserved/undesignated reserves for 2014 are estimated at \$5,879,375 or 14.8 percent of estimated revenues.
- The 2013 estimated Long Term Asset Reserve (LTAR) balance is \$2,619,375 (please refer to page 18).

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected \$726,416 in revenues and spent \$1,191,087 year-to-date. Estimated year-end fund balance is (\$377,574).

City of Englewood, Colorado

January 2014 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.

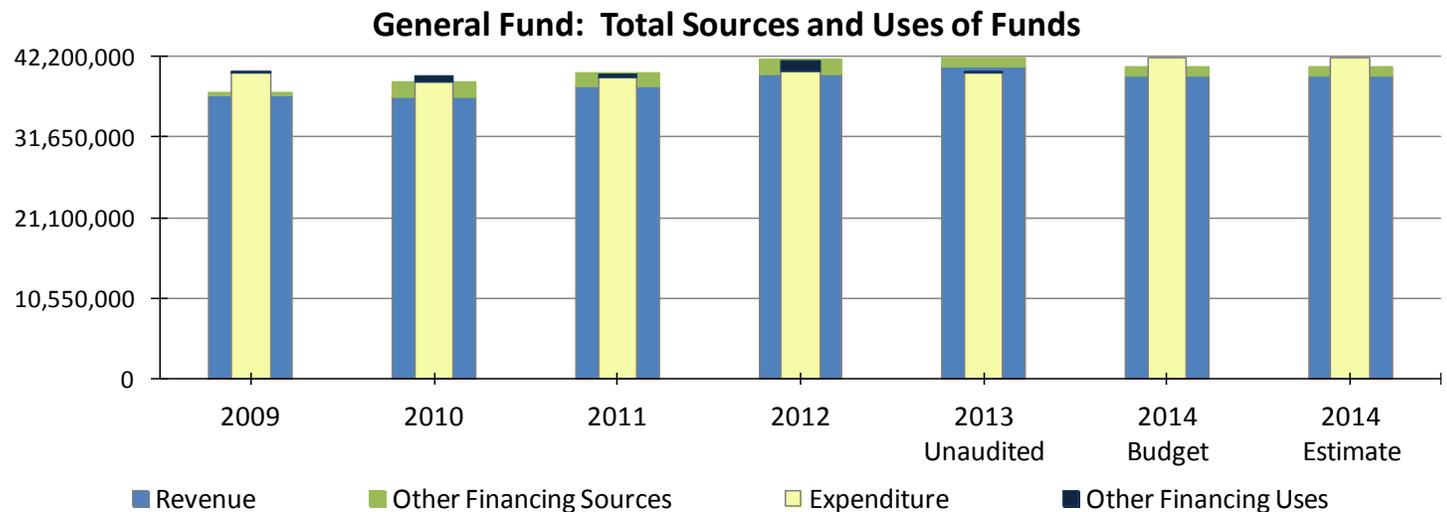
The monthly financial report provides on a periodic basis the review of the actual revenues and expenditures as compared to the budget. This point in time analysis compares the current year to the prior year and determines if the revenues and expenditures are on track with the budget. By monitoring the 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 2009 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.



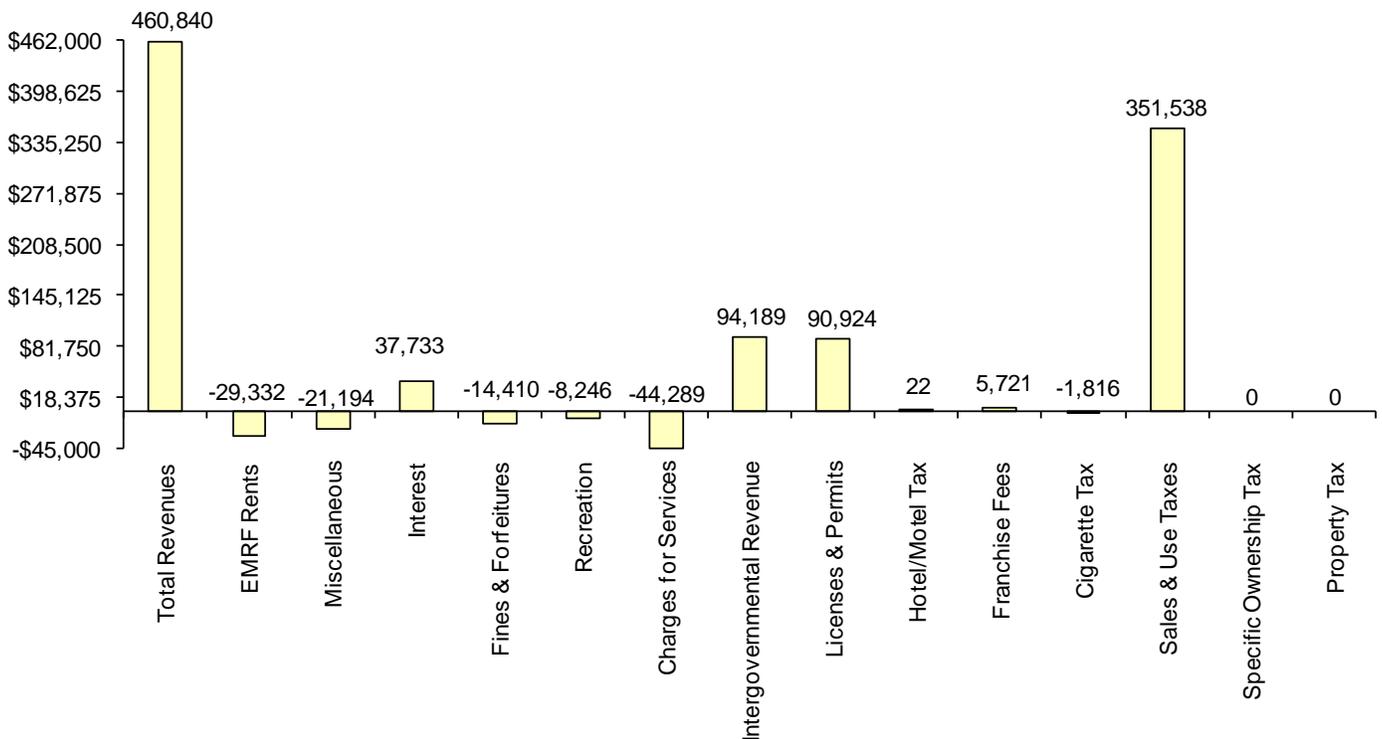
The table on the next page summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended January, 2014. Comparative figures for years 2013 and 2012 are presented as well. The table also highlights the dollar and percentage changes between those periods.

	Jan-14	2014 vs 2013 Increase (Decrease)		Jan-13	2013 vs 2012 Increase (Decrease)		Jan-12
General Fund							
Year-To-Date Revenue	\$ 4,242,329	\$ 460,840	12.19%	\$ 3,781,489	\$ 154,584	4.26%	\$ 3,626,905
Year-To-Date Expenditure	2,832,646	\$ 924,307	48.44%	1,908,339	\$ (30,197)	(1.56%)	1,938,536
Net Revenue (Expenditure)	\$ 1,409,683	\$ (463,467)		\$ 1,873,150	\$ 184,781		\$ 1,688,369
Unassigned Fund Balance	\$ 5,879,375	\$ (1,129,034)	(16.11%)	\$ 7,008,409	\$ 2,055,486	41.50%	\$ 4,952,923
Sales & Use Tax Revenue YTD	\$ 3,190,632	\$ 351,538	12.38%	\$ 2,839,094	\$ 82,002	2.97%	\$ 2,757,092
Outside City Sales & Use Tax YTD	\$ 1,287,042	\$ 59,549	4.85%	\$ 1,227,493	\$ (13,659)	(1.10%)	\$ 1,241,152

General Fund Revenues

The City of Englewood's total budgeted revenue is \$39,670,112. Total revenue collected through January 2014 was \$4,242,329 or \$460,840 (12.2 percent) more than was collected in 2013. The chart below illustrates changes in General Fund revenues this year as compared to last year.

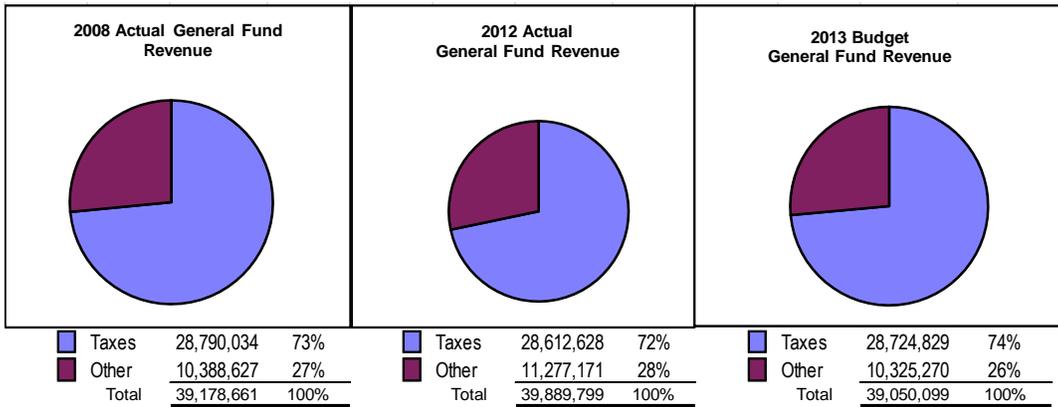
2014 Year-To-Date Change in General Fund Revenue as Compared to Prior Year



General Fund - Taxes

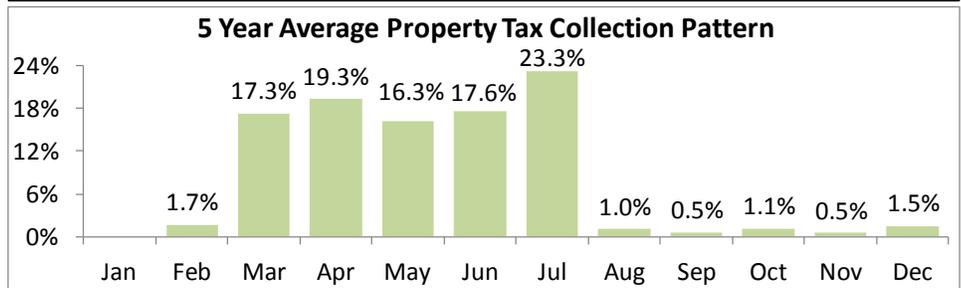
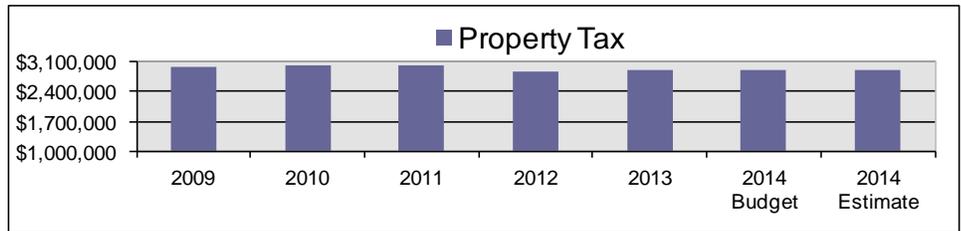
The General Fund obtains most of its revenue from taxes. In 2013 total unaudited revenues were \$40,832,939 of which \$29,904,727 (73.2 percent) came from tax collections. Taxes include property, sales and use, specific ownership, cigarette, utilities, franchise fees, and hotel/motel. The pie charts on the next page illustrate the contribution of taxes to total revenue for 2009, 2013 unaudited and 2014 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 8.124 mills. The 2013 mill levy for general operations collected in 2014 is 5.880 mills. Voters approved a separate, dedicated mill levy for principal and interest payments on the City's general obligation debt for the construction of parks and recreation projects. The dedicated general obligation debt mill levy is accounted

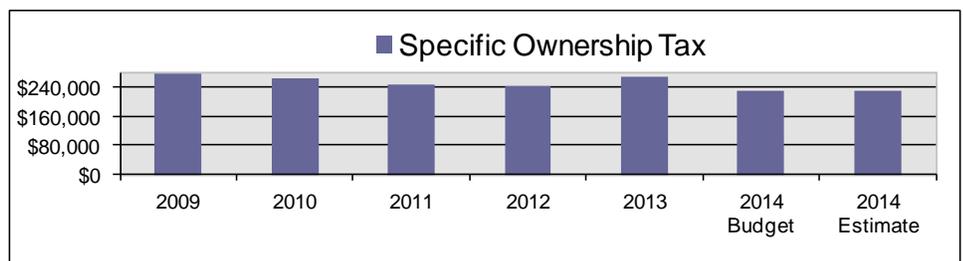
for in the Debt Service Fund. The dedicated general obligation debt mill levy dedicated for the City's general obligation debt collected in 2012 is 2.244 mills. Property tax collections declined from \$2,971,303 in 2009 to \$2,900,715 in 2013. This was a decrease of \$70,588 or 2.4 percent. In 2013 the City collected \$2,900,715 or 9.7 percent of 2013 total taxes and 7.1 percent of total revenues from property taxes. The City budgeted \$2,898,000 for 2014; and did not collect any property taxes (normal collection pattern) through January 2014. The estimate for the year is \$2,898,000.



Property Tax Mill Levy	2009	2010	2011	2012	2013	2014 Budget	2014 Estimate
General Fund	5.880	5.880	5.880	5.880	5.880	5.880	5.880
Debt Service Fund	1.947	2.031	2.130	1.741	1.914	2.244	2.244
Total Mill Levy	7.827	7.911	8.010	7.621	7.794	8.124	8.124

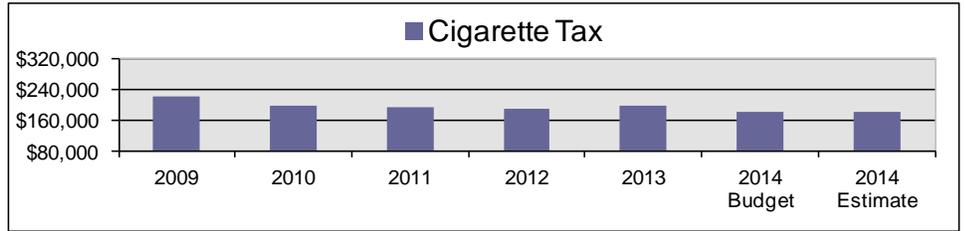
Specific ownership: These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected \$276,414 in 2009 and \$266,881 in

2013 which is a decrease of \$9,533 or 3.5 percent. The City collected \$266,881 in 2013 which is less than one percent of total revenues and total taxes. The City budgeted \$230,000 for 2014 and collected no revenue (normal collection pattern) through January 2014. The estimate for the year is \$230,000.



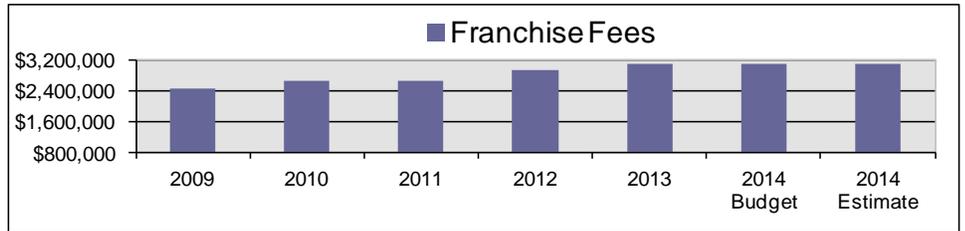
Cigarette Taxes: The State of Colorado levies a \$.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen

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 2009 the City collected \$218,449, but in 2013 the City collected \$195,088, which is a decrease of \$23,361 or 10.7 percent. These taxes accounted for less than one percent of total taxes and less than one percent of total revenues in 2013. The City budgeted \$179,000 for the year and collected \$16,381 through January 2014, which is \$1,816 or 10 percent less than the \$18,197 collected through January 2014. The estimate for the year is \$179,000.

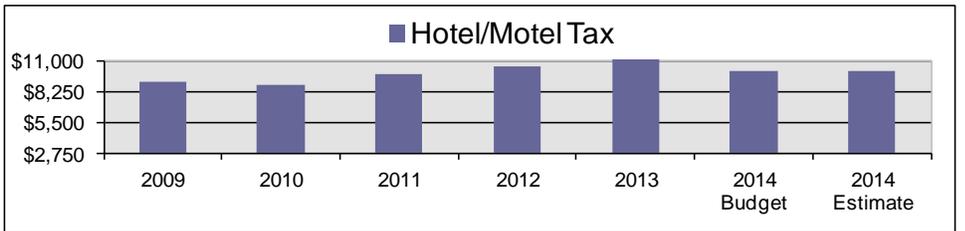


Franchise Fees: The City collects a number of taxes on various utilities. This includes franchise tax on water, sewer, and public services, as well as occupational tax on telephone services. The City collected \$2,452,611 in 2009 and \$3,096,229 in 2013, an increase of

\$643,618 or 26.2 percent. These taxes accounted for 10.3 percent of taxes and 7.6 percent of total revenues in 2013. The City budgeted \$3,069,500 for the year; collections through January totaled \$110,829 compared to \$105,108 collected during the same period last year. The estimate for the year is \$3,069,500.

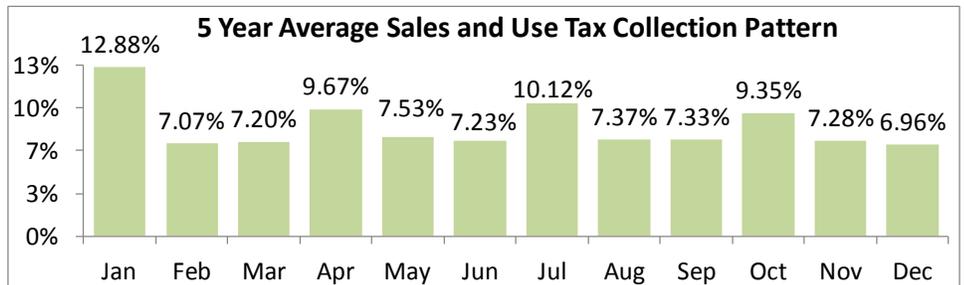
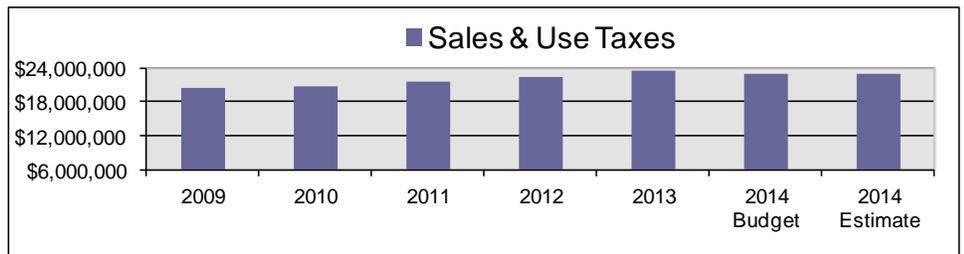


Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted \$10,000 for the year and has collected \$1,273 through January 2014. The estimate for the year is \$10,000.



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 78.4 percent of all taxes and 57.4 percent of total revenues collected in 2012. In 2009, this tax generated \$20,624,659 for the City of Englewood; in 2013 the City collected \$23,433,775, an increase of \$2,809,116 (13.6 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



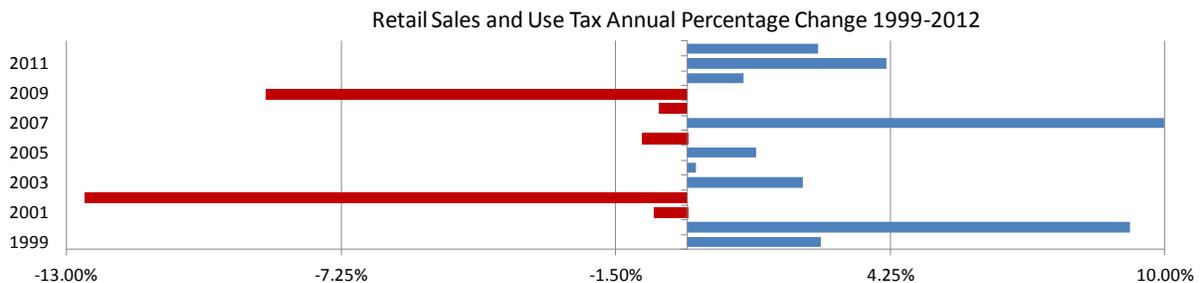
budgeted \$22,883,003 for 2014. Sales and Use Tax revenue (cash basis) through January 2014 was \$3,051,621 while revenue year-to-date for January 2013 was \$2,838,490, an increase of \$213,131 or 7.5 percent.

Collections (cash basis) for January 2014 were \$3,051,621 while collections for January 2013 and January 2012 were \$2,838,490 and \$2,755,537 respectively. January 2014 collections were 7.5 percent or \$213,131 more than January 2013 collections and \$213,131 or 10.7 percent more than December 2012 collections.

Based on the last five years of sales tax collection data, December contributes 12.67 percent of total year’s sales tax collections; if this pattern holds this year, 87.33 percent is left to collect over the remainder of the year. Based on year-to-date collections, the City will collect an additional \$21,040,882 over the remainder of the year for a total of \$24,092,503. Collections through December were 107.5 percent of last December’s collections. If this were applied to the entire year, the total collected would be \$25,193,325. The average of the two forecasts is \$24,642,914 (\$1,759,911 or 7.7 percent over the amount budgeted for the year). The estimate for the year remains at the amount originally budgeted until more information is collected and analyzed.

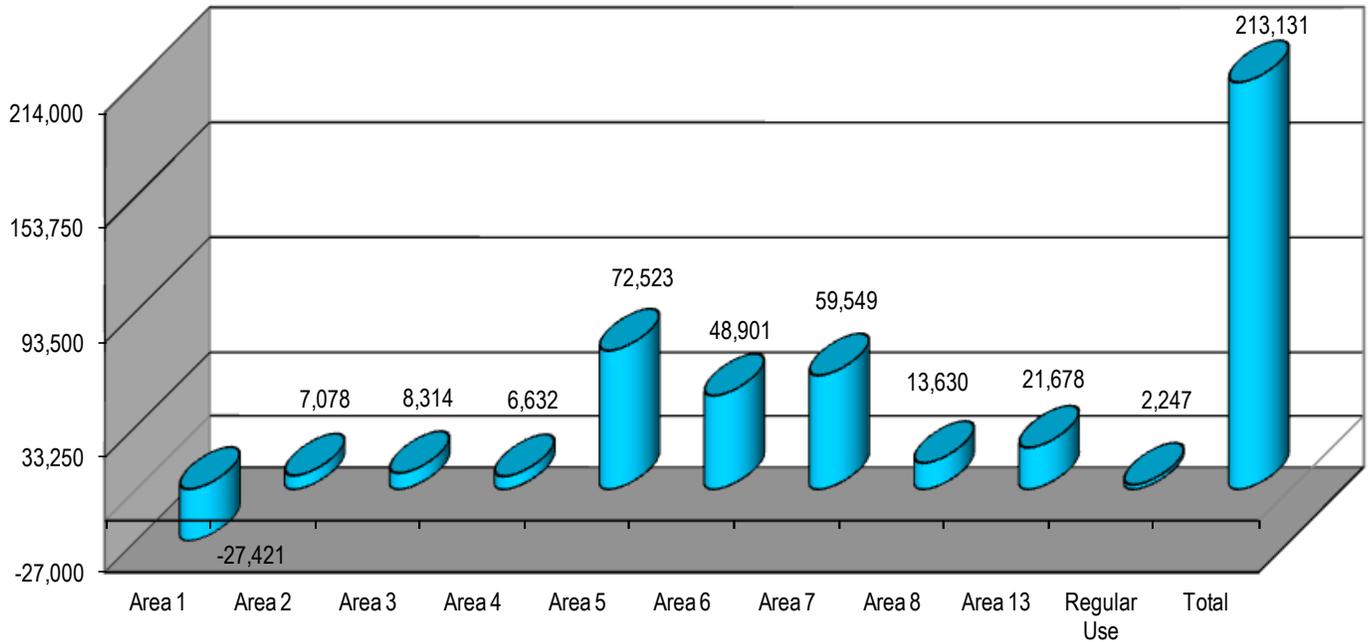
Outside City sales and use tax collections through January totaled \$1,287,042 equaling an increase of approximately \$59,549 from 2013 collections.

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 2014 vs. 2013” 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 2014 vs 2013

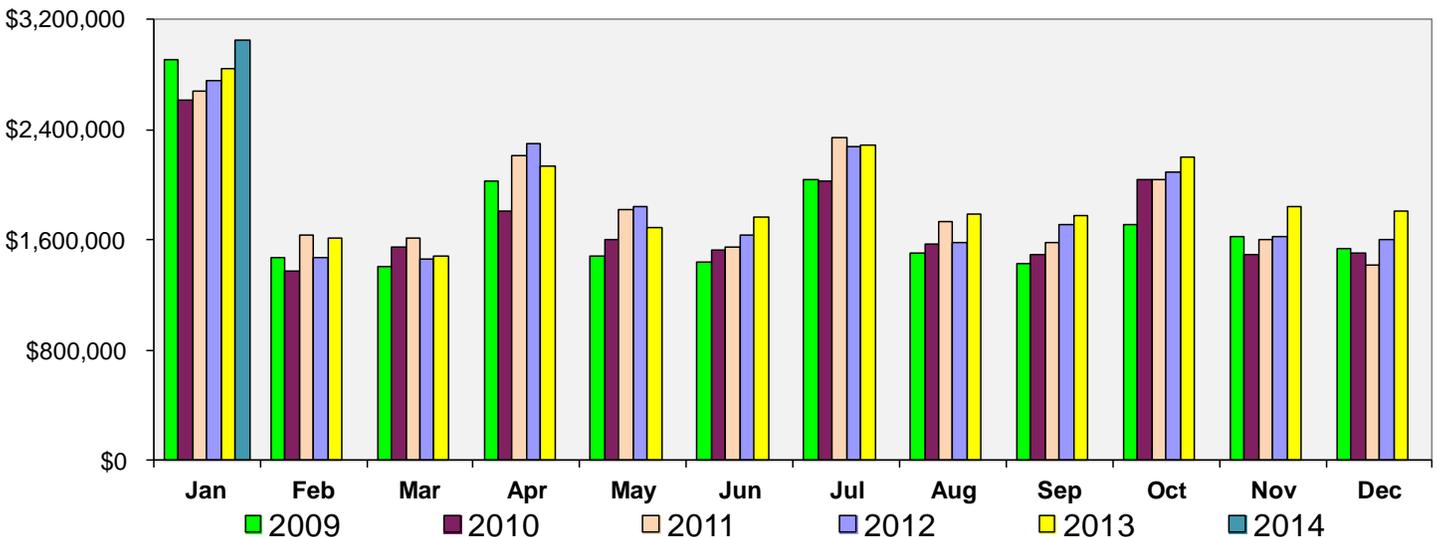


Please note that the geographic map of the sales tax areas was changed within the first quarter of 2012, and hopefully makes more sense. Some of the areas will look skewed until more comparable data is available in 2013. EURA Areas 9 & 10 and EURA Areas 11 & 12 were incorporated into Areas 1, 2 and 6.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

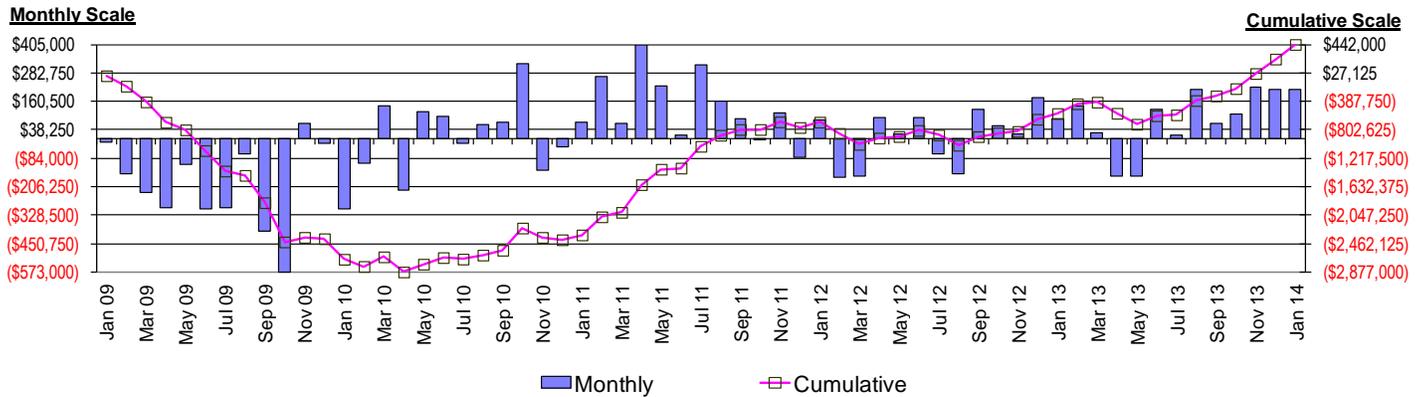
The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2008 through 2013.

2009-2014 YTD Sales/Use Tax Collections by Month - Cash Basis



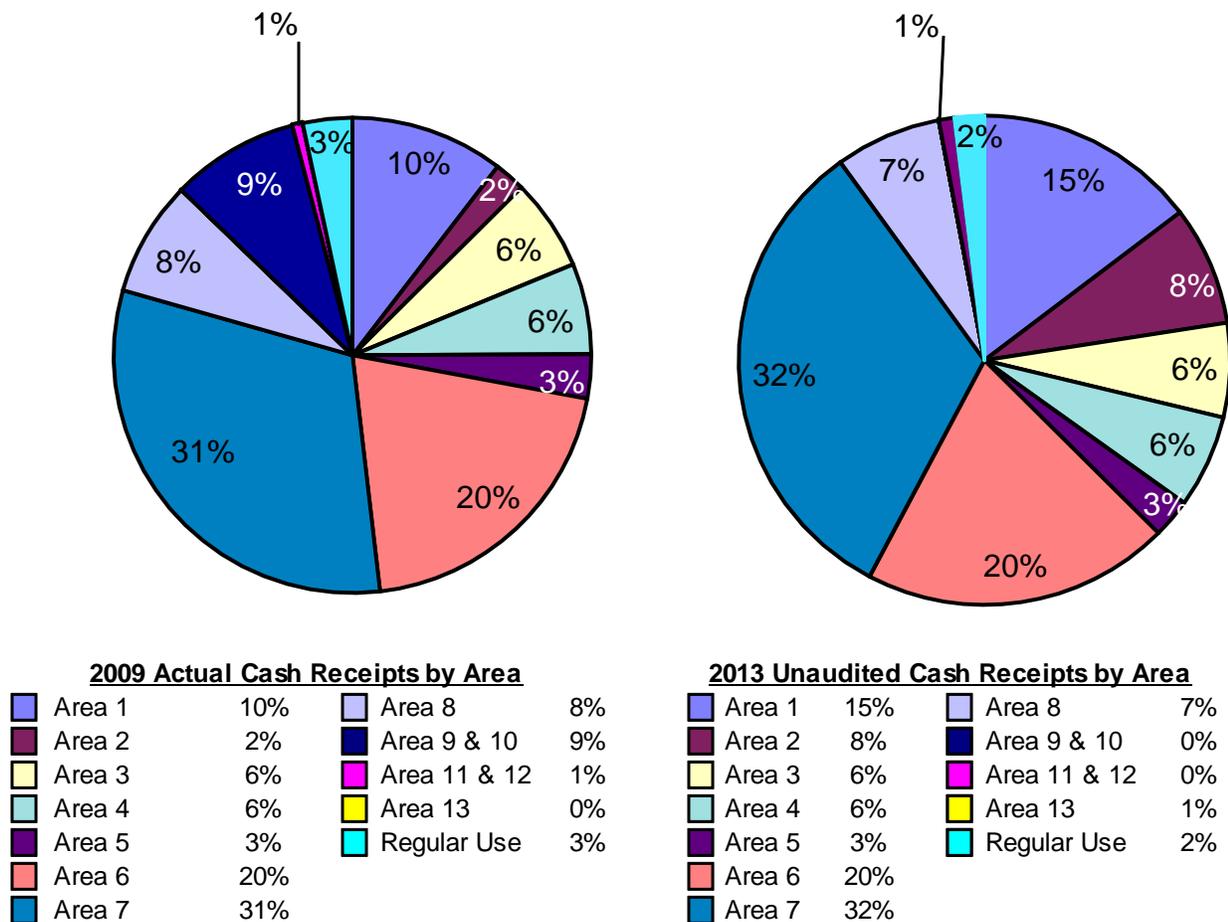
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly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

2009 - 2014 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 2009 and 2013.

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 \$355,874 year-to-date or .7.1 percent less than was collected during the same period last year.

Area 4: This geographic area’s collections are up 4.1 percent from last year.

Area 5: This area includes the remodeled King Soopers. Collections are 167.6 percent higher than last year (King Soopers was not open last year).

Area 6: This geographic area is up 11.2 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 December. 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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total Sales and Use Taxes	2,607,496	2,677,231	2,755,537	2,838,490	3,051,621
Outside City Collections	1,111,175	1,090,992	1,241,152	1,227,493	1,287,042
Percentage of Total	42.6%	40.8%	45.0%	43.2%	42.2%
Total General Fund Revenues	3,442,497	3,732,120	3,626,905	3,781,489	4,242,329
Outside City Collections	1,111,175	1,090,992	1,241,152	1,227,493	1,287,042
Percentage of Revenues	32.3%	29.2%	34.2%	32.5%	30.3%

The City records the proceeds of some returns from Outside City into an unearned revenue (liability) account. The criteria staff uses to decide if proceeds should be placed in the unearned account is if a reasonable probability exists for another municipality to claim the revenue. This account currently has a balance of \$1,150,000 to cover intercity claims. The City paid \$828 in refunds including intercity sales/use tax claims through January 2014 compared to \$4,333 through January 2013. 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 January were nine percent more than 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 January were \$34,733 compared to \$13,055 last. It is difficult to make comparison between 2014 and 2013 as not all the vendors were in operation in 2013.

Other Sales Tax Related Information

Finance and Administrative Services Department collected \$17,098 in sales and use tax audit revenues and general collections of balances on account through the month of January 2014, this compares to \$1,117 collected in 2013 and \$2,858 collected in 2012.

Of the 59 sales tax accounts reviewed in the various geographic areas, 36 (61 percent) showed improved collections and 23 (39 percent) showed reduced collections this year compared to the same period last year.

The Department issued 48 new sales tax licenses through January 2014; 43 and 38 were issued through January 2013 and 2012 respectively.

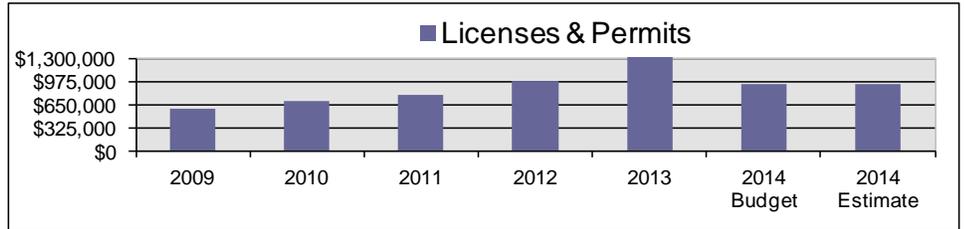
City records indicate that year-to-date seven businesses closed (six were outside the physical limits of Englewood) and 48 opened (39 of them were outside the physical limits of Englewood).

General Fund - Other Revenue

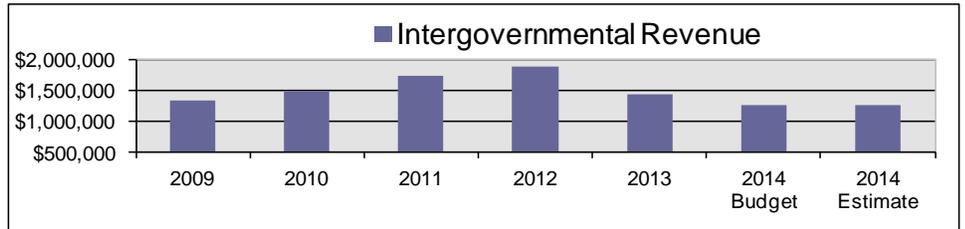
Other revenues (including McLellan rent) accounted for \$10,928,212 or 26.8 percent of the total revenues for 2013. The City budgeted \$10,400,609 for 2014.

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

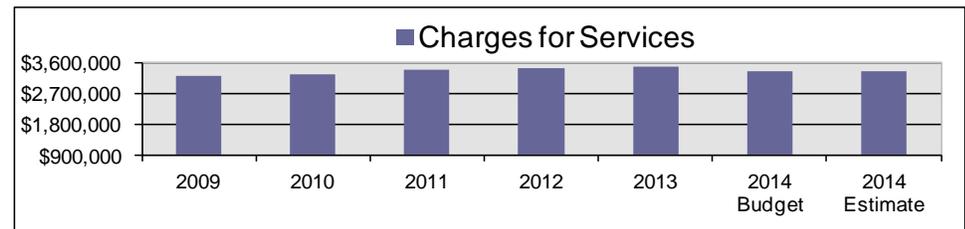
Licenses and Permits: This revenue category includes fees from business and building licenses and permits. This revenue source generated \$983,359 during 2013 or 2.5 percent of total revenue and 9.2 percent of total other revenue. This revenue source totaled \$588,328 in 2009 and increased to \$1,446,578 in 2013, a 145.9 percent increase. The City budgeted \$882,550 for 2014 and year-to-date collected \$182,041 or \$90,924 (99.8 percent) more than the \$91,117 collected through January 2014. The estimate for the year is \$882,550.



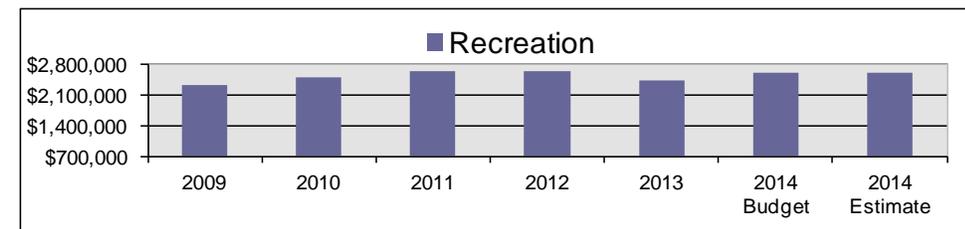
Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at \$1,243,281 for 2014. This revenue source totaled \$1,319,282 in 2009 and the City collected \$1,431,191 in 2013, an 8.5 percent increase. The City collected \$99,435 through January 2014 this is \$94,189 more than the \$5,246 collected in the same period in 2013. The estimate for the year is \$1,243,281.



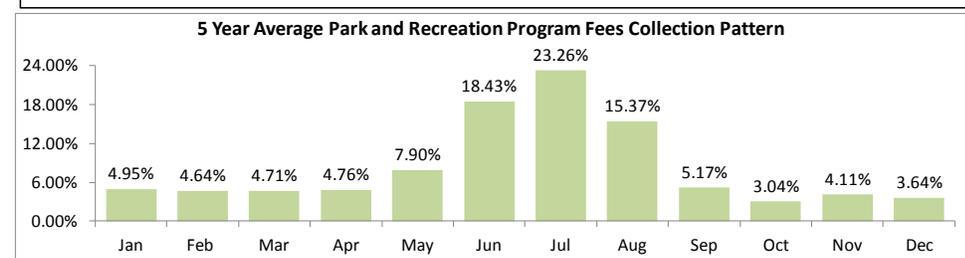
Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at \$3,340,803 for 2014. This revenue source totaled \$3,185,443 in 2009 and increased to \$3,463,237 in 2013, an 8.5 percent increase. Total collected year-to-date was \$252,088 or \$44,289 (14.9 percent) less than the \$296,377 collected year-to-date in 2013. The estimate for the year is \$3,340,803.



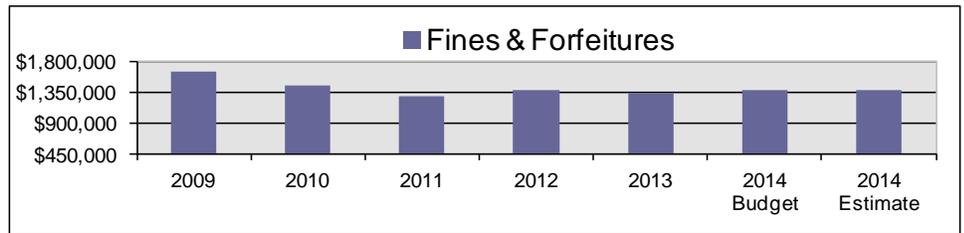
Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at



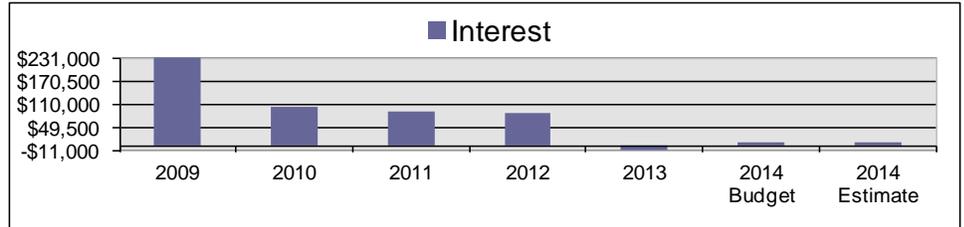
\$2,594,232 for 2014. This revenue source totaled \$2,315,598 in 2009 and increased to \$2,420,443 in 2013, a 4.5 percent increase. Total collections through January 2014 were \$150,295 compared to \$158,541 collected in 2013. The estimate for the year is \$2,594,232.



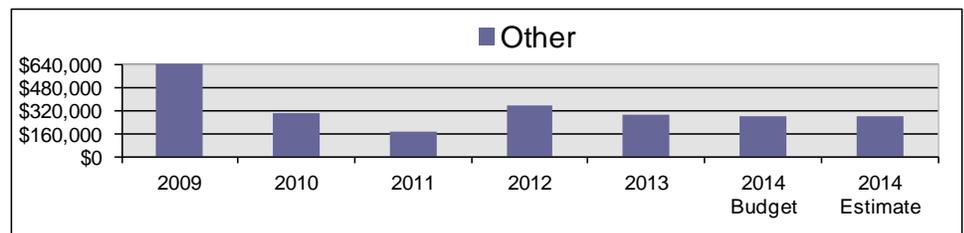
Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2014 budget for this source is \$1,368,450. This revenue source totaled \$1,639,678 in 2009 and decreased to \$1,317,707 in 2013, a 19.6 percent decrease. Total collected year-to-date was \$105,959 or \$14,410 (12 percent) less than the \$120,369 collected in the same time period last year. The estimate for the year is \$1,368,450.



Interest: This is the amount earned on the City's cash investments. The 2014 budget for this source is \$8,164. This revenue source totaled \$230,000 in 2009 and decreased to a loss of \$10,410 in 2013, a 104.5 percent decrease. The City earned \$33,736 through January 2014; while the City lost \$3,997 through January 2013. The estimate for the year is \$8,164.



Other: This source includes all revenues that do not fit in another revenue category. The 2014 budget for this source is \$324,300. This revenue source totaled \$635,982 in 2009 and decreased to \$285,932 in 2013, a 55 percent decrease. Total collected year-to-date is \$40,927 (34.1 percent) less than the \$62,121 collected last year during the same period. The estimate for the year is \$324,050.



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

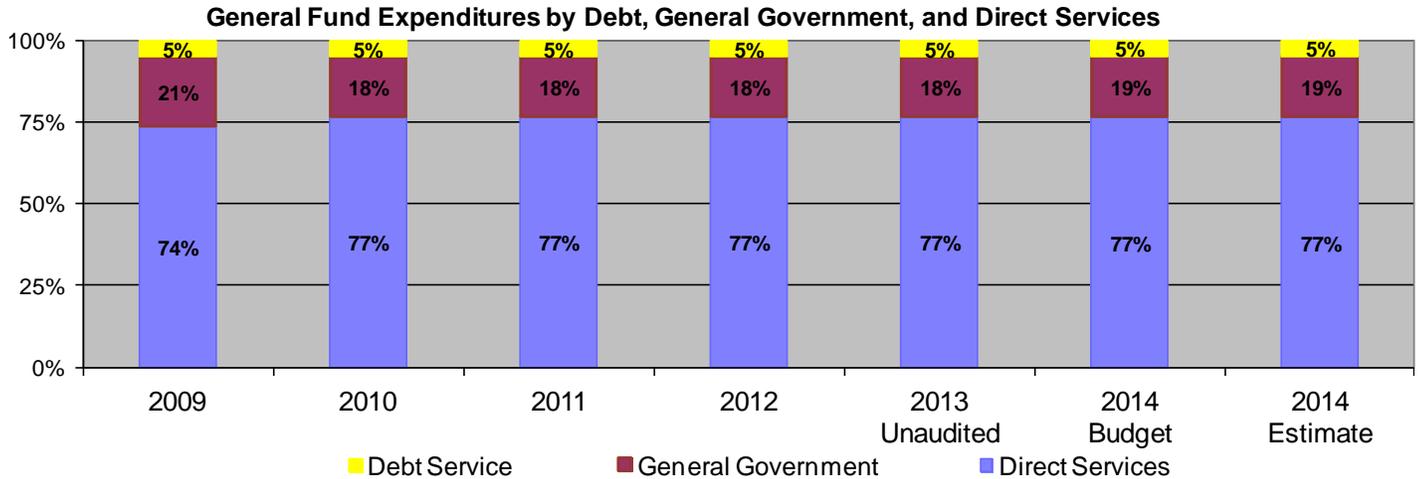
In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

- ▶ 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.

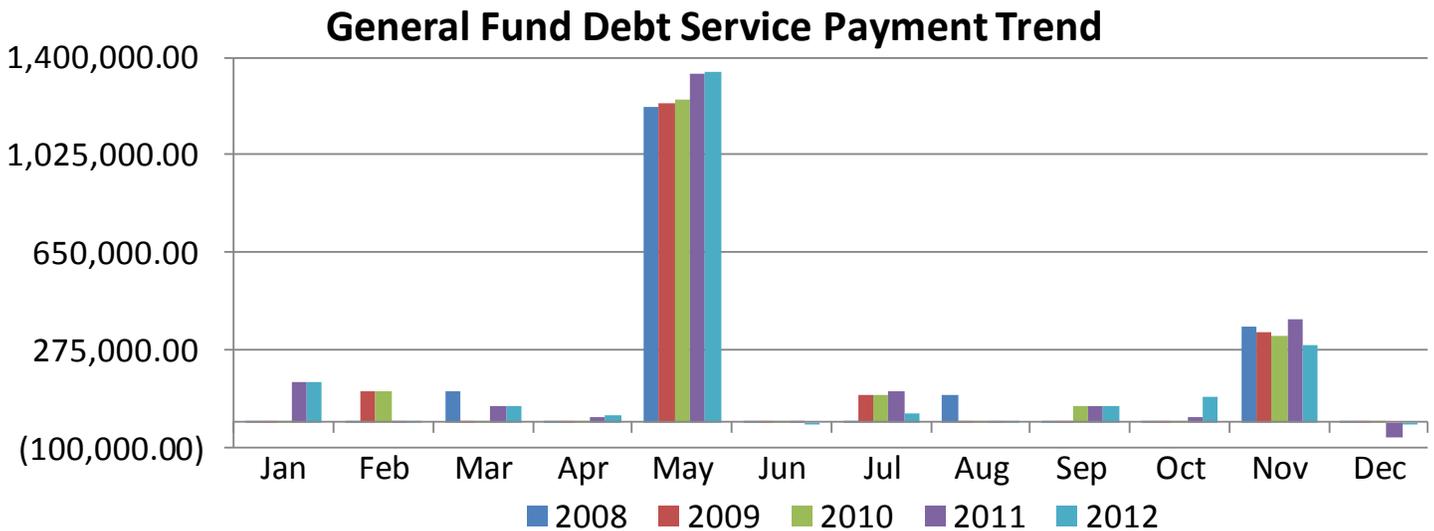
Outcome based budgeting is an additional tool the City Council and staff use to better develop ways to serve our citizens. This type of budgeting is refined and reviewed on an on-going basis to help us better focus our resources in meeting the objectives of our citizens.

The City budgeted total expenditures at \$42,126,719 for 2014, this compares to \$40,129,474 (estimated) and \$40,265,587 expended in 2013 and 2012 respectively. Budgeted expenditures for 2014 general government (City Manager, Human Resources, etc.) totals \$7,812,457 or 18.5 percent of the total. Direct government expenditures (Police, Fire, etc.) are budgeted at \$32,305,442 or 76.7 percent of the total. Debt service (fixed costs) payments are \$2,008,820 or 4.8 percent of the total. Total expenditures through January were \$2,832,646 compared to \$1,908,339 in 2013 and \$1,938,536 in 2012. January 2014 expenditures are higher than previous years' due to having three payrolls in the month. The expenditure estimate for the year is \$42,126,719.

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. The majority of debt service payments are typically made in May and November 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.

	2009	2010	2011	2012	2013	2014	2014
Expenditure	Actual	Actual	Actual	Actual	Unaudited	Budget	Estimate
General Government							
Legislation	346,044	309,870	298,731	316,043	280,920	354,570	354,570
City Manager	674,170	659,882	639,184	658,047	675,844	703,758	703,758
City Attorney	678,038	702,228	706,841	712,036	719,781	818,514	818,514
Municipal Court	914,494	901,469	848,775	886,249	922,245	1,026,895	1,026,895
Human Resources	456,275	419,422	430,792	469,343	408,551	468,826	468,826
Finance & Administrative Services	1,575,923	1,445,581	1,446,313	1,464,305	1,533,060	1,625,150	1,625,150
Information Technology	1,360,237	1,280,660	1,332,766	1,373,943	1,331,590	1,378,942	1,378,942
Community Development	1,366,437	1,301,473	1,359,264	1,262,451	1,112,710	1,235,802	1,235,802
Contingencies	160,578	48,138	152,423	143,810	88,360	200,000	200,000
Contribution to Component Unit(s)	800,000	-	-	-	-	-	-
General Government Subtotal	8,332,196	7,068,723	7,215,089	7,286,227	7,073,061	7,812,457	7,812,457
Direct Services							
Public Works	5,152,891	5,137,364	5,259,875	5,202,903	5,218,485	5,504,669	5,504,669
Police	10,183,890	10,312,633	10,395,239	10,788,935	11,209,112	11,543,760	11,543,760
Fire	7,320,268	7,425,903	7,666,842	8,100,554	7,980,152	8,202,319	8,202,319
Library	1,275,554	1,284,083	1,145,613	1,180,771	1,174,540	1,250,536	1,250,536
Parks and Recreation	5,727,968	5,811,809	5,717,147	5,649,246	5,402,600	5,804,158	5,804,158
Direct Services Subtotal	29,660,571	29,971,792	30,184,716	30,922,409	30,984,889	32,305,442	32,305,442
Debt Service							
Debt Service-Civiccenter	1,571,752	1,570,705	1,658,857	1,570,921	2,005,830	1,573,000	1,573,000
Debt Service-Other	233,456	290,122	437,606	486,030		435,820	435,820
Debt Service Subtotal	1,805,208	1,860,827	2,096,463	2,056,951	2,005,830	2,008,820	2,008,820
Total Expenditure	39,797,975	38,901,342	39,496,268	40,265,587	40,063,780	42,126,719	42,126,719
% Expenditure Change	2.01%	-2.25%	1.53%	1.95%	-0.50%	4.62%	0.00%
Other Financing Uses							
Transfers Out	177,011	750,000	301,246	1,339,330	73,006	0	0
Total Other Financing Uses	177,011	750,000	301,246	1,339,330	73,006	0	0
Total Uses of Funds	39,974,986	39,651,342	39,797,514	41,604,917	40,136,786	42,126,719	42,126,719
% Uses of Funds Change	1.40%	-0.81%	0.37%	4.54%	-3.53%	1.25%	0.00%

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

	2009	2010	2011	2012	2013	2014	2014
						Budget	Estimate
Population*	30,761	30,354	30,720	31,138	31,138	31,138	31,138
General Fund							
General Government Services	\$ 271	\$ 233	\$ 235	\$ 232	\$ 248	\$ 248	\$ 231
Direct Services	\$ 964	\$ 987	\$ 983	\$ 969	\$ 1,001	\$ 1,001	\$ 985
Public Works	\$ 168	\$ 169	\$ 171	\$ 169	\$ 175	\$ 175	\$ 162
Police	\$ 331	\$ 340	\$ 338	\$ 334	\$ 351	\$ 351	\$ 346
Fire	\$ 238	\$ 245	\$ 250	\$ 246	\$ 248	\$ 248	\$ 259
Library	\$ 41	\$ 42	\$ 37	\$ 37	\$ 40	\$ 40	\$ 38
Parks & Recreation	\$ 186	\$ 191	\$ 186	\$ 184	\$ 187	\$ 187	\$ 181
Debt Service	\$ 59	\$ 61	\$ 68	\$ 67	\$ 66	\$ 66	\$ 66
Total Expenditure Per Capita	\$ 1,294	\$ 1,282	\$ 1,286	\$ 1,268	\$ 1,315	\$ 1,315	\$ 1,283
Debt Service Fund							
General Obligation Debt Per Capita	\$ 36	\$ 36	\$ 31	\$ 31	\$ 31	\$ 36	\$ 36

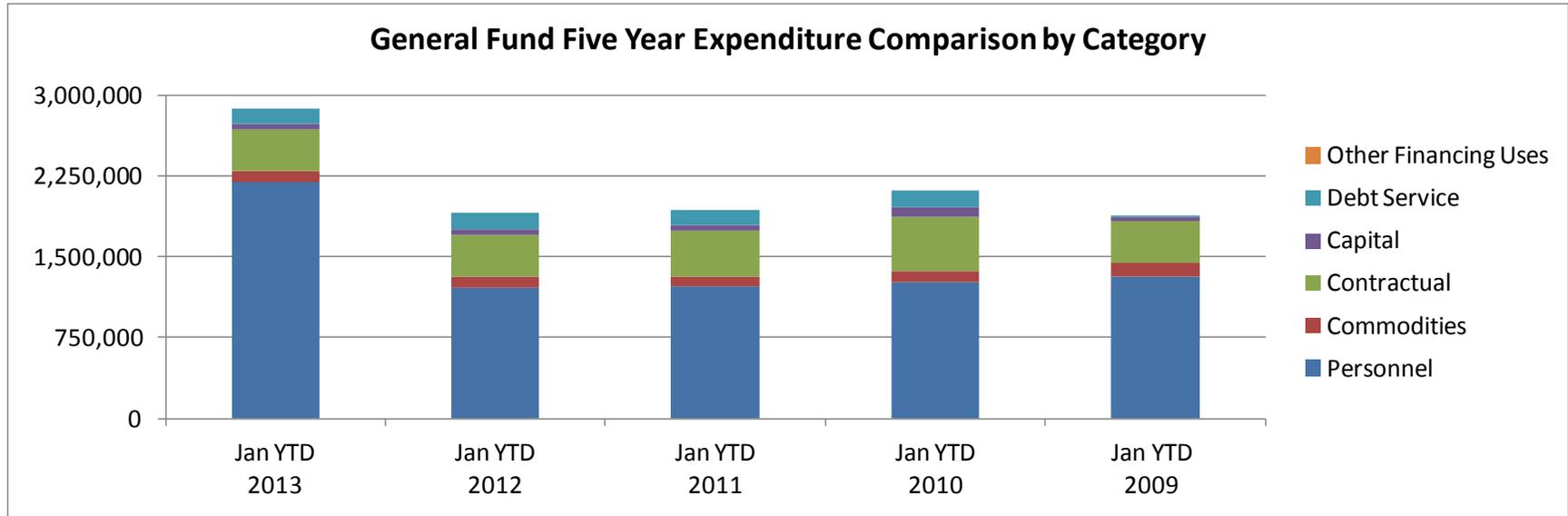
* Source: Colorado Department of Local Affairs Municipal Population Estimates By County

City of Englewood, Colorado

General Fund - Five Year Expenditure Comparison by Category

	Jan YTD 2013	YTD % Change	% of Total	Jan YTD 2012	YTD % Change	% of Total	Jan YTD 2011	YTD % Change	% of Total	Jan YTD 2010	YTD % Change	% of Total	Jan YTD 2009	% of Total
Personnel services														
Salaries and wages	1,528,926	85.340%	3.629%	824,934	-1.630%	2.007%	838,630	-6.330%	2.107%	895,267	-6.610%	2.258%	958,641	2.398%
Overtime	39,733	73.060%	0.094%	22,959	-20.580%	0.056%	28,910	62.080%	0.073%	17,837	-7.430%	0.045%	19,269	0.048%
Benefits	622,852	68.440%	1.479%	369,783	4.990%	0.899%	352,219	1.270%	0.885%	347,799	1.130%	0.877%	343,925	0.860%
Personnel services total	2,191,511	79.970%	5.202%	1,217,676	-0.170%	2.962%	1,219,759	-3.260%	3.065%	1,260,902	-4.610%	3.180%	1,321,834	3.307%
Commodities total	99,819	8.700%	0.237%	91,830	-1.960%	0.223%	93,663	-15.170%	0.235%	110,416	-9.000%	0.278%	121,339	0.304%
Contractual services total	387,020	-2.130%	0.919%	395,460	-7.970%	0.962%	429,721	-13.930%	1.080%	499,246	28.960%	1.259%	387,135	0.968%
Capital total	49,831	-2.180%	0.118%	50,939	17.930%	0.124%	43,196	-53.490%	0.109%	92,866	109.260%	0.234%	44,379	0.111%
Total Expenditures	2,728,181	55.370%	6.476%	1,755,905	-1.700%	4.271%	1,786,339	-9.020%	4.489%	1,963,432	4.730%	4.952%	1,874,688	4.690%
Debt service total	152,655	0.150%	0.362%	152,433	0.150%	0.371%	152,197	1.330%	0.382%	150,194	11915.490%	0.379%	1,250	0.003%
Other financing uses total														
Total Uses of Funds	2,880,835	50.960%	6.838%	1,908,338	-1.560%	4.642%	1,938,536	-8.280%	4.871%	2,113,625	12.670%	5.331%	1,875,938	4.693%
Annual Total	42,126,719	2.473%		41,110,026	3.298%		39,797,514	0.369%		39,651,356	-0.810%		39,974,987	
YTD % of Annual Total	6.838%			4.642%			4.871%			5.331%			4.693%	

17



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	2014 Budget Amount	2013 YTD Net Amount	2013 Net Annual Amount
Special Revenue Funds			
Neighborhood Stabilization Program Fund	\$ -	\$ -	\$ (73,006)
Capital Project Funds			
Public Improvement Fund (PIF)	835,820	435,820	989,574
Enterprise Funds			
Golf Course Fund	63,000	63,000	-
Internal Service Funds			
Central Services Fund	50,000	50,000	50,000
Servicenter Fund	300,000	300,000	100,000
Net Transfers In (Out) Total	<u>\$ 1,248,820</u>	<u>\$ 848,820</u>	<u>1,066,568</u>

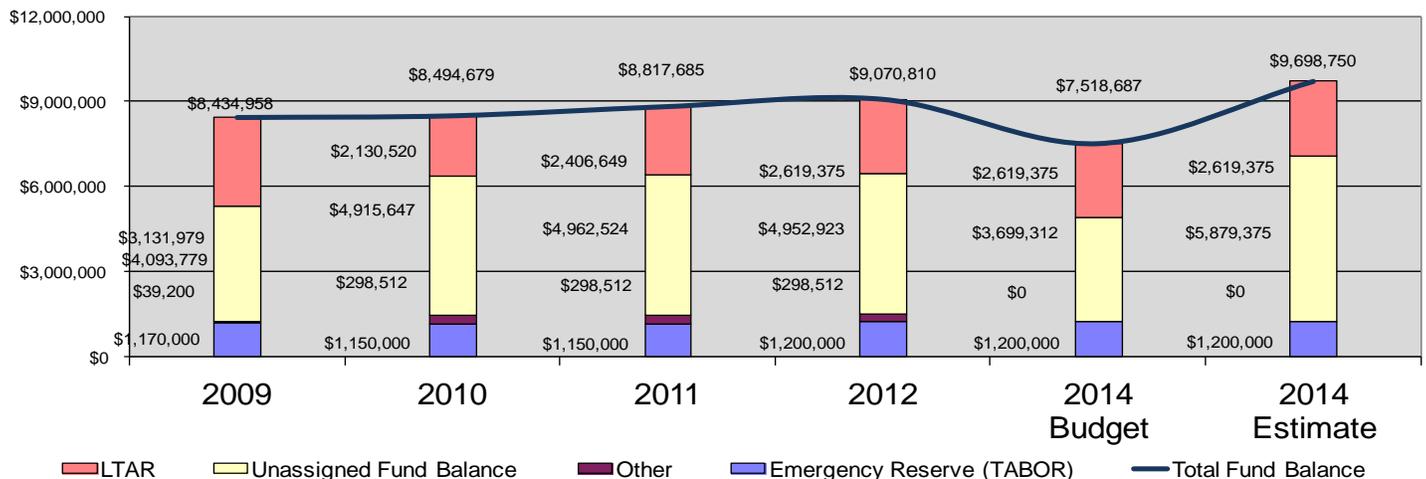
General Fund - Fund Balance

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.

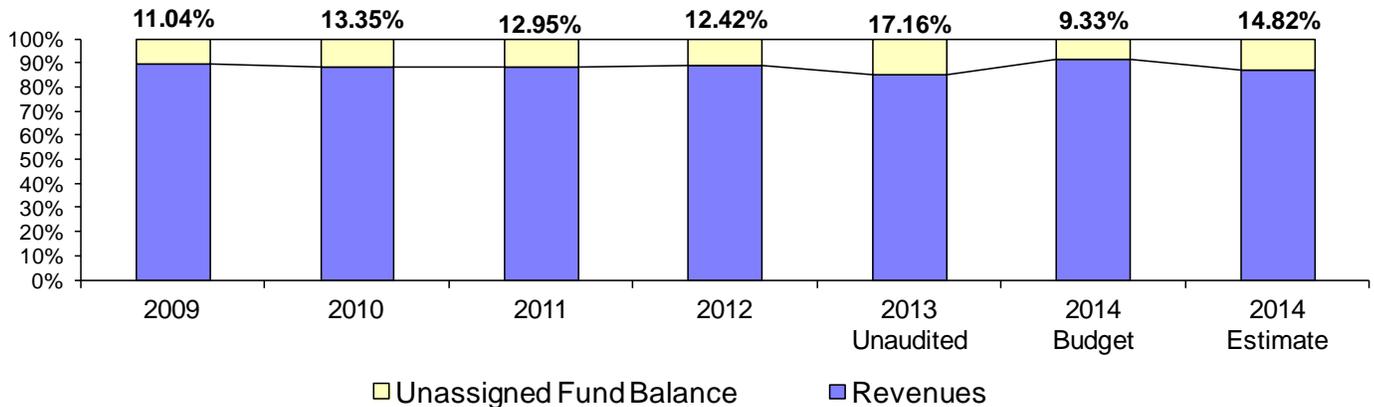
Long Term Asset Reserve (LTAR) At the 2008 Budget workshop, City Council discussed and directed staff to establish a General Fund reserve account to accumulate funds from the sale, lease, or earnings from long-term assets. It was also determined that these funds should be used in a careful, judicious 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 December 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. In 2013, \$219,760 will be drawn down and the remaining \$78,753 will be drawn down in 2014. The COPS Grant has funded the Impact Team which is included in the 2014 Budget.

General Fund - Fund Balance



Unassigned Fund Balance As A Percentage of Revenue



The City's General Fund ended 2013 with total reserves of \$10,906,537, and an unassigned fund balance of \$7,008,409 or 17.2 percent of revenues (17.5 percent of expenditures). The budgeted total reserves for 2014 are \$7,518,687 with an unassigned fund balance of \$3,699,312 or 9.3 percent of budgeted revenues or 8.8 percent of budgeted expenditures. Estimated total reserves for 2014 are \$9,698,750 with an unassigned fund balance of \$5,879,375 or 14.8 percent of estimated revenues and 13.9 percent of projected expenditures. The \$5,879,375 would allow the City to operate for approximately 51 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)	2014	2014 vs 2013 Increase (Decrease)		2013	2013 vs 2012 Increase (Decrease)		2012
YTD Revenues	\$ 726,416	\$ 664,682	1076.69%	\$ 61,734	\$ 40,252	187.38%	\$ 21,482
YTD Expenditures	1,191,087	\$ (47,423)	(3.83%)	1,238,510	\$ (45,293)	(3.53%)	1,283,803
Net Revenues (Expenditures)	\$ (464,671)	\$ 712,105		\$ (1,176,776)	\$ 85,545		\$ (1,262,321)
Beginning PIF Fund Balance	\$ 1,902,078			\$ 1,320,599			\$ 1,091,527
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	\$ 1,437,407			\$ 143,823			\$ (170,794)
Plus: Remaining Annual Revenue	2,284,840			3,258,887			1,775,682
Less: Remaining Annual Appropriation	(4,099,821)			(2,617,158)			(1,376,691)
Estimated Ending Fund Balance	\$ (377,574)			\$ 785,552			\$ 228,197
Unappropriated Fund Balance as of December 31,				\$ 785,553			\$ 540,125

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

	2014 Estimate	2014 Adopted Budget	2014 YTD Actual	2014 Vs 2013		2013 YTD Actual	2013 Vs 2012		2012 YTD Actual
				Amount	%		Amount	%	
Vehicle Use Tax	\$ 1,300,000	\$ 1,300,000	\$ 112,868	\$ (10,042)	-8%	\$ 122,910	\$ 14,735	14%	\$ 108,175
Building Use Tax	\$ 1,500,000	\$ 1,500,000	\$ 717,938	\$ 676,231	1621%	\$ 41,707	\$ 21,695	108%	\$ 20,012
Arapahoe County Road and Bridge Tax	\$ 199,000	\$ 199,000	\$ 9,926	\$ 73	1%	\$ 9,854	\$ 275	3%	\$ 9,579

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%.

2014 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	10,885,429	4,183,598	2,880,835	(2,455,136)	3,919,375	5,813,681
Special Revenue Funds						
Conservation Trust	1,526,069	4,836	216	(1,450,619)	-	80,070
Open Space	1,382,316	5,358	24,088	(1,347,997)	-	15,589
Donors	538,116	10,117	12,194	-	-	536,039
Community Development	21,012	4,877	24,829	(1,060)	-	-
Malley Center Trust	256,088	811	-	-	-	256,899
Parks & Recreation Trust	456,411	1,445	763	-	-	457,093
Debt Service Fund						
General Obligation Bond	46,839	147	-	-	-	46,986
Capital Projects Funds						
PIF	1,902,078	736,342	52,219	(2,963,775)	-	(377,574)
MYCP	736,899	1,734	110,100	(589,653)	-	38,880
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	11,331,413	329,209	783,848	-	-	10,876,775
Sewer	4,244,597	1,313,965	1,093,934	-	1,000,000	3,464,628
Stormwater Drainage	1,128,456	46,726	6,120	-	102,500	1,066,563
Golf Course	897,847	28,753	116,994	(63,000)	215,773	530,833
Concrete Utility	315,615	79,477	19,463	-	-	375,629
Housing Rehabilitation	1,200,794	9,012	4,578	-	-	1,205,228
Internal Service Funds						
Central Services	133,693	25,788	13,621	(50,000)	-	95,860
ServiCenter	1,405,638	213,839	148,405	(300,000)	-	1,171,072
CERF	1,615,138	73,844	-	-	-	1,688,982
Employee Benefits	13,828	615,300	919,998	-	-	(290,871)
Risk Management	(35,364)	2,392	760,522	-	-	(793,494)

CLOSING

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

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

FUNDS GLOSSARY

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

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

FUNDS GLOSSARY

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.

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

FUNDS GLOSSARY

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 January 31, 2014

Percentage of Year Completed = 8%

Fund Balance January 1	\$ 8,726,474	\$ 10,906,537	\$ 10,906,537	\$ 9,070,810	\$ 9,070,810	\$ 8,817,685	\$ 8,817,685			
	2014				2013			2012		
	Budget	Jan-14	% Budget	YE Estimate	Dec-13	Jan-13	% YTD	Dec-12	Jan-12	% YTD
Revenues										
Property Tax	2,898,000	-	0.00%	2,898,000	2,900,715	-	0.00%	2,874,816	-	0.00%
Specific Ownership Tax	230,000	-	0.00%	230,000	266,881	-	0.00%	243,293	-	0.00%
Sales & Use Taxes	22,883,003	3,190,632	13.94%	22,883,003	23,433,775	2,839,094	12.12%	22,363,618	2,757,092	12.33%
Cigarette Tax	179,000	16,381	9.15%	179,000	195,088	18,197	9.33%	189,618	13,996	7.38%
Franchise Fees	3,069,500	110,829	3.61%	3,069,500	3,096,229	105,108	3.39%	2,930,888	78,453	2.68%
Hotel/Motel Tax	10,000	1,273	12.73%	10,000	12,039	1,251	10.39%	10,395	976	9.39%
Licenses & Permits	882,250	182,041	20.63%	882,250	1,446,578	91,117	6.30%	983,359	59,350	6.04%
Intergovernmental Revenue	1,243,281	99,435	8.00%	1,243,281	1,431,191	5,246	0.37%	1,865,722	38,652	2.07%
Charges for Services	3,345,353	252,088	7.54%	3,345,353	3,463,237	296,377	8.56%	3,441,525	250,378	7.28%
Recreation	2,594,232	150,295	5.79%	2,594,232	2,420,443	158,541	6.55%	2,615,642	152,465	5.83%
Fines & Forfeitures	1,368,450	105,959	7.74%	1,368,450	1,317,707	120,369	9.13%	1,381,453	124,539	9.02%
Interest	8,164	33,736	413.23%	8,164	(10,402)	(3,997)	38.43%	84,045	21,574	25.67%
EMRF Rents	638,829	58,733	9.19%	638,829	573,526	88,065	15.36%	551,295	82,165	14.90%
Miscellaneous	320,050	40,927	12.79%	320,050	285,932	62,121	21.73%	354,130	47,265	13.35%
Total Revenues	39,670,112	4,242,329	10.69%	39,670,112	40,832,939	3,781,489	9.26%	39,889,799	3,626,905	9.09%
Expenditures										
Legislation	354,570	29,835	8.41%	354,570	280,920	6,841	2.44%	316,043	26,945	8.53%
City Attorney	818,514	46,020	5.62%	818,514	719,781	31,458	4.37%	712,036	24,797	3.48%
Court	1,026,895	66,023	6.43%	1,026,895	922,245	36,939	4.01%	886,249	38,509	4.35%
City Manager	703,758	83,655	11.89%	703,758	675,844	58,862	8.71%	658,047	65,123	9.90%
Human Resources	468,826	25,701	5.48%	468,826	408,551	20,218	4.95%	469,343	20,050	4.27%
Financial Services	1,625,150	108,292	6.66%	1,625,150	1,533,060	58,195	3.80%	1,464,305	56,310	3.85%
Information Technology	1,378,942	72,464	5.26%	1,378,942	1,331,590	76,691	5.76%	1,373,943	80,555	5.86%
Public Works	5,504,669	341,237	6.20%	5,504,669	5,218,485	227,182	4.35%	5,202,903	227,611	4.37%
Fire Department	8,202,319	555,031	6.77%	8,202,319	7,980,152	345,083	4.32%	8,100,554	379,872	4.69%
Police Department	11,543,760	884,765	7.66%	11,543,760	11,209,112	595,339	5.31%	10,788,935	543,573	5.04%
Community Development	1,235,802	77,740	6.29%	1,235,802	1,112,710	50,309	4.52%	1,262,451	44,510	3.53%
Library	1,250,536	86,014	6.88%	1,250,536	1,174,540	74,657	6.36%	1,180,771	75,978	6.43%
Recreation	5,804,158	295,687	5.09%	5,804,158	5,402,600	172,035	3.18%	5,649,246	202,121	3.58%
Debt Service	2,008,820	152,655	7.60%	2,008,820	2,005,830	152,683	7.61%	2,056,951	152,197	7.40%
Contingency	200,000	7,527	3.76%	200,000	88,360	1,847	2.09%	143,810	385	0.27%
Total Expenditures	42,126,719	2,832,646	6.72%	42,126,719	40,063,780	1,908,339	4.76%	40,265,587	1,938,536	4.81%
Excess revenues over (under) expenditures	(2,456,607)	1,409,683	-57.38%	(2,456,607)	769,159	1,873,150		(375,788)	1,688,369	
Net transfers in (out)	1,248,820	848,820	67.97%	1,248,820	1,066,568	150,000	14.06%	628,913	1,306,739	207.78%
Total Fund Balance	\$ 7,518,687	\$ 13,165,040	175.10%	\$ 9,698,750	\$ 10,906,537	\$ 11,093,960	101.72%	\$ 9,070,810	\$ 11,812,793	130.23%

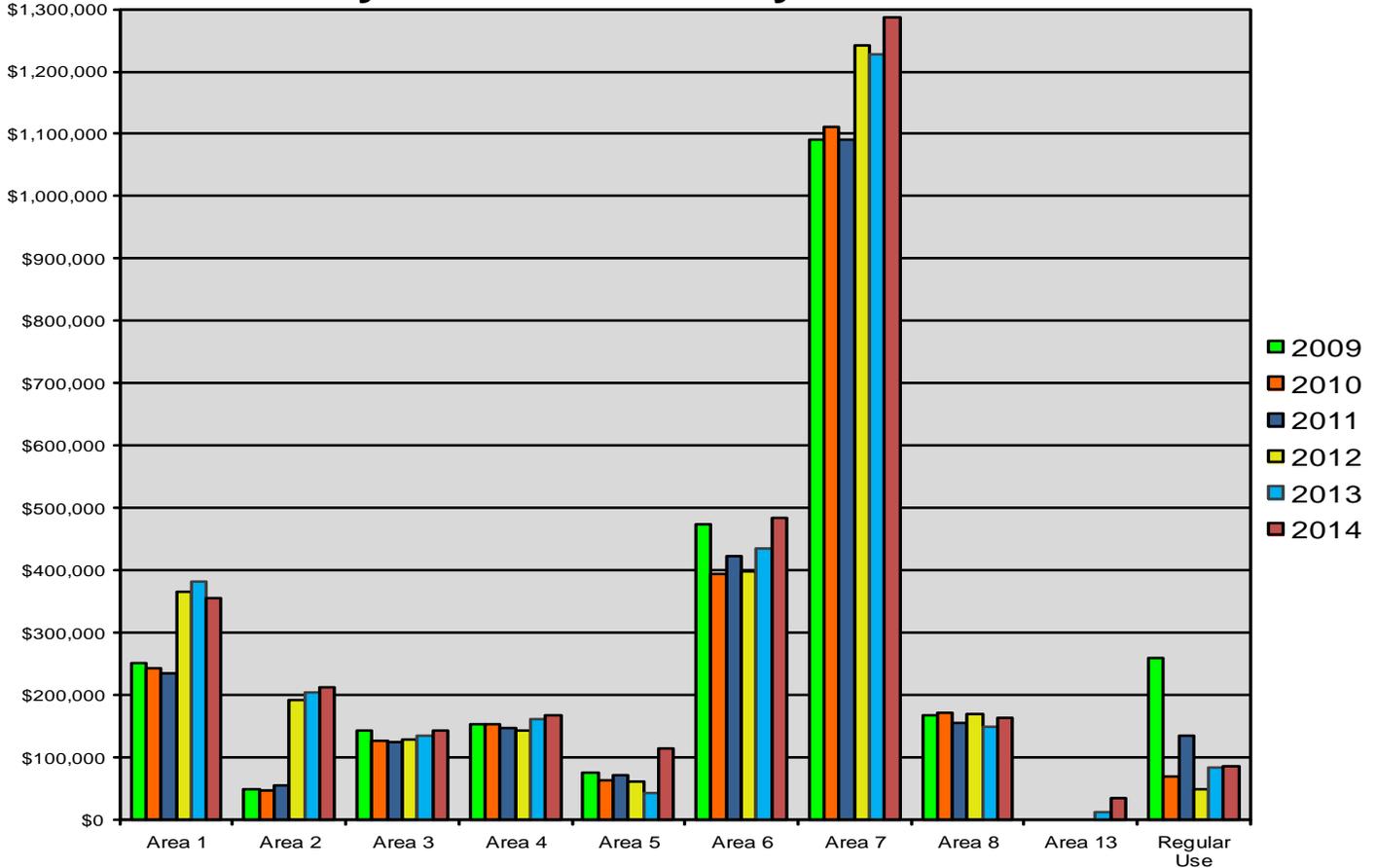
Fund Balance Analysis										
Total Fund Balance	\$ 7,518,687	\$ 13,165,040	\$ 9,698,750	\$ 10,906,537	\$ 9,070,810					
Restricted Fund Balance										
-Emergencies (TABOR)	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000					
Committed Fund Balance										
-LTAR	2,619,375	2,619,375	2,619,375	2,619,375	2,619,375					
-COPS Grant	-	48,679	-	78,753	298,512					
Restricted/Committed	\$ 3,819,375	\$ 3,868,054	\$ 3,819,375	\$ 3,898,128	\$ 4,117,887					
Estimated Unassigned Fund Balance	\$ 3,699,312	\$ 9,296,986	\$ 5,879,375	\$ 7,008,409	\$ 4,952,923					
As a percentage of projected revenues	9.33%	23.44%	14.82%	17.16%	12.42%					
As a percentage of budgeted revenues	9.33%	23.44%	14.82%							
Target	3,967,011	-	5,950,517							

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

Cash Basis

	2009	% Change	2010	% Change	2011	% Change	2012	% Change	2013	% Change	2014	% Change
Area 1	252,180	-6.31%	242,884	-10.22%	236,180	-2.76%	365,809	54.89%	383,295	4.78%	355,874	-7.15%
Area 2	49,946	2.14%	46,994	-9.96%	55,050	17.14%	192,752	250.14%	205,017	6.36%	212,094	3.45%
Area 3	144,347	25.39%	128,061	-6.39%	124,308	-2.93%	130,307	4.83%	134,996	3.60%	143,311	6.16%
Area 4	154,100	-25.89%	153,350	-18.09%	147,924	-3.54%	144,287	-2.46%	160,996	11.58%	167,629	4.12%
Area 5	76,404	8.47%	64,306	-12.42%	73,057	13.61%	62,016	-15.11%	43,275	-30.22%	115,798	167.59%
Area 6	473,984	4.62%	394,740	-5.48%	423,828	7.37%	399,329	-5.78%	435,876	9.15%	484,777	11.22%
Area 7	1,090,778	3.62%	1,111,175	-18.00%	1,090,992	-1.82%	1,241,152	13.76%	1,227,493	-1.10%	1,287,042	4.85%
Area 8	167,948	5.03%	172,348	-0.44%	155,901	-9.54%	169,434	8.68%	150,084	-11.42%	163,715	9.08%
Area 13					0	0.00%	0	0.00%	13,055	0.00%	34,733	166.05%
Regular Use	260,970	468.82%	70,606	74.02%	134,788	90.90%	50,451	-62.57%	84,402	67.29%	86,649	2.66%
Subtotal	2,670,656	20.54%	2,384,463	-11.59%	2,442,029	2.41%	2,755,537	12.84%	2,838,490	3.01%	3,051,621	7.51%
Area 9 and 10	222,340	5.98%	208,878	-6.05%	222,801	6.67%	0	-100.00%	0	0.00%	0	0.00%
Area 11 and 12	15,260	-5.27%	14,154	-7.24%	12,402	-12.38%	0	-100.00%	0	0.00%	0	0.00%
Subtotal	237,600	5.18%	223,033	-6.13%	235,202	5.46%	0	-100.00%	0	0.00%	0	0.00%
Total	2,908,256	-0.51%	2,607,496	-10.34%	2,677,231	2.67%	2,755,537	2.92%	2,838,490	3.01%	3,051,621	7.51%
Refunds	0	-100.00%	14,740	---	3,004	-79.62%	4,484	49.28%	4,333	-3.37%	828	-80.88%
Audit & Collections												
Revenue**	203,633	28.52%	1,425	-99.30%	98,570	6817.21%	2,858	-97.10%	1,117	-60.91%	17,098	1430.32%
**included Above												
Unearned Sales Tax	600,000	-7.69%	600,000	0.00%	1,100,000	83.33%	1,150,000	4.55%	1,150,000	0.00%	1,150,000	0.00%
Building Use	7,080	-97.28%	36,873	420.81%	20,178	-45.28%	20,012	-0.83%	41,707	108.41%	717,938	1621.40%
Vehicle Use	83,585	-26.98%	87,440	4.61%	70,687	-19.16%	108,175	53.03%	122,910	13.62%	112,868	-8.17%

January YTD Collections by Area 2009-2014



Area Descriptions

Area 1 - CityCenter (Formerly Cinderella City)

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

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

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

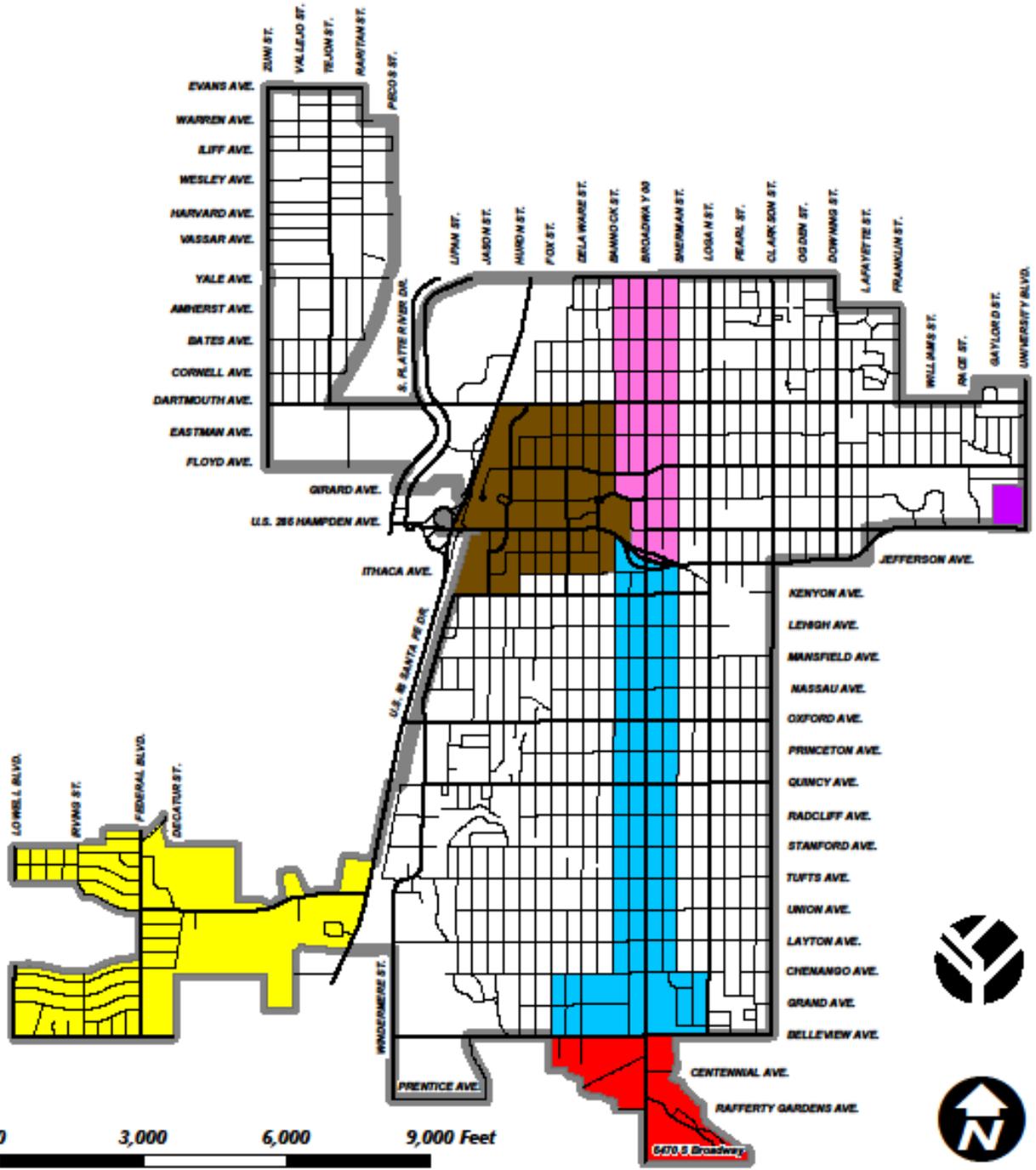
Area 5 - Federal and Bellevue W of Santa Fe

Area 6 - All other City locations

Area 7 - Outside City limits

Area 8 - Public Utilities

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



City of Englewood, Colorado: Sales Tax Areas

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

Areas Not Depicted on Map:
 Area 6 - Other City Locations* Area 7 - Outside City Limits Area 8 - Public Utilities
 * Includes EURA designated Areas 9, 10, 11, & 12



M E M O R A N D U M

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

TO: Mayor Penn and Members of City Council

THROUGH: Gary Sears, City Manager

FROM: Alan White, Community Development Director
John Voboril, Planner II

DATE: February 20, 2014

SUBJECT: Comprehensive Plan Tasks, Timeline and Budget

At the January 27, 2014 study session on the Comprehensive Plan, Council requested that staff prepare a timeline and estimated budget amounts for completing certain tasks required in updating the Comprehensive Plan.

The current Comprehensive Plan establishes a general framework for the City's future. Other plans were prepared and adopted after Roadmap Englewood was adopted and need to be reviewed as part of the update process. These plans combined form the comprehensive vision of future Englewood. The plans include The South Broadway Corridor Plan, Downtown and Medical District Small Area Plan, the Light Rail Corridor Plan, Parks and Recreation Master Plan, South Platte Open Space Plan, and Master Bicycle Plan.

Council has approved a budget of \$150,000 for updating the Comp Plan over a two-year time frame. Rather than engage a consultant for up to 24 months at this cost to undertake a complete overhaul of the Comprehensive plan, an abbreviated process would offer the following advantages:

- Utilizes the Boomer Bond Assessment as part of an initial needs assessment effort needed to update the Plan
- Includes edits from Council subcommittee review.
- Includes Strategic Plan and Implementation Elements for each section (element) of the plan. This effort will incorporate many Council goals such as branding, South Broadway improvement, hotels, northwest Englewood, and other into implementation strategies.
- Shortens extensive data collection and analysis process, removes dated demographic information from document and creates a simplified, stand-alone Community Indicators Document.
- Includes public and board/commission involvement; budget for Mind Mixer.
- Completion in approximately 19 months, with 5 months for completion of Boomer Bond Assessment prior to starting update process
- Budget of approximately \$107,600

The tasks, timeline and estimated budget for each task are shown on the next page.

Boomer Bond Assessment

20 weeks March – July 2014

City staff with assistance from outside agencies/organizations

Task 1: Indicators Update (Demographic, Housing, Economic Data); Prepare Summary

8 weeks August -- September 2014

Estimated Consultant Fee -- \$24,000

Task 2: Needs Assessment

4 weeks October 2014

Estimated Consultant Fee -- \$9,200

Task 3: Review of Goals and Objectives/Other Plans

(Strengthen Sustainability and Healthy/Active Community

(Review with Parks and Rec, ETAC, ACE, KEB, Cultural Arts, Citizens Budget Committee)

10 weeks November 2014 –January 2015

City Staff

Estimated Consultant Fee -- \$9,200

Task 4: Develop Recommended Strategies and Implementation Plans for Each Element

8 weeks January -- February 2015

Estimated Consultant Fee -- \$13,800

Task 5: Community Engagement Process to Present Findings, Goals and Objectives, Strategic Plan and Implementation Elements, and Gather Input on Recommendations/Priorities

12 weeks March-- May 2015

Mind Mixer -- \$10,000

Estimated Consultant Fee -- \$20,700

Task 6: Prepare Draft Comp Plan Update Document

12 weeks May -- July 2015

Estimated Consultant Fee -- \$20,700

Task 7: Adoption Process (Public Hearings)

City Staff

6 weeks August -- September 2015

Total Time – March 2014 -- September 2015

(Includes 5 months for Boomer Bond Assessment)

Total Estimated Consultant Fee -- \$107,600

Please note that the timeframe and budget are estimates. The schedule needs to be flexible in order to devote staff time to other projects in the Department's work program for this year. In addition to the Comprehensive Plan update and processing development applications, the work program includes the following projects:

1. Light Rail Corridor Next Steps Study – DRCOG TIP grant through RTD was awarded for this project. IGA and scope of work are currently being reviewed.
2. Bicycle/Pedestrian Planning and Utilization Study – Kaiser Permanente was grant awarded for this project
3. Light Rail Corridor Zoning Reforms – Staff is currently working with the Planning and Zoning Commission to explore amendments to the Transit Station Area zone district.