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



Comprehensive
Annual Financial Report

2016 CAFR

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Year ended December 31, 2016





CITY OF ENGLEWOOD, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ended
December 31, 2016

Prepared by the Department of Finance and

Administrative Services:

Kathleen Rinkel, Director, CPA, CMA
Kevin Engels, Accounting Manager
Kathy Cassai, Accountant
Christine Hart, Accountant
Jennifer Nolan, Revenue and Budget Manager
Loucrishia Ellis, City Clerk



The City of Englewood's Mission, Vision, and Organizational Values:

Mission: To promote and ensure a high quality of life, economic vitality, and a uniquely desirable community identity.

Vision: To promote and ensure a high quality of life, economic vitality, and a uniquely desirable community identity through the delivery of reliable, affordable, and flexible services and by proactively collaborating with our citizens and businesses to develop an environment that fosters safety and opportunity.

Organizational Values:

- Integrity
- Trust
- Respect
- Excellence
- Accountability
- Teamwork

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2016

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May 08, 2017

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

State law requires that all local governments publish within seven months of the close of each year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant. Pursuant to this requirement, the Department of Finance and Administrative Services is pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Englewood, Colorado (the City) for the year ended December 31, 2016.

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

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

Swanhorst & Company LLC., Certified Public Accountants, have issued an unmodified ("clean") audit opinion on the City's financial statements for the year ended December 31, 2016. The independent auditor's report is located at the front of the financial section of this report.

The Report

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

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

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

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

City Profile

Located on the southern border of Denver, Colorado's capital city, Englewood is approximately seven square miles and home to approximately 32,000 residents and 2,400 businesses. Due to easy access to two light rail train stations and the state and US highway systems, Englewood's location offers short and convenient commutes to other areas within the Denver Metro Area and the Rocky Mountain range. The City's mixed housing and retail environment encourages a pedestrian community. The City's economy is comprised of retail, industrial, manufacturing, healthcare and service sectors.

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

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

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

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

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

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

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

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

State and Local Economy

Colorado The 2017 forecast is taken from the 2017 Colorado Business Economic Outlook report prepared by the Business Research Division of the University of Colorado, Leeds School of Business. The 2017 Colorado Business Economic Outlook predicts that the Colorado unemployment rate is expected to remain below 4.0% in 2017 as job creation will continue to outpace the growth in the potential labor force. Colorado's unemployment rate is expected to continue to be well below the national level.

Of the eleven major employment activities reported on, all sectors except Natural Resources and Mining are projected to show increases in employment in 2017. Nonfarm employment is expected to increase 3.4% for a net gain of 75,000 jobs during 2017. New businesses accounted for the majority of the expected net job gains averaging 58,000 new jobs per year since 1990. This trend is expected to continue in Colorado.

Colorado's population forecast is for a net increase of 100,000 in 2016-2017. Colorado continues to have one of the fastest growing populations in the country. The 12 counties that make up the Front Range accounted for approximately 78% of Colorado's total population in 2017.

Colorado continues to enjoy a stronger recovery compared to most of the nation. Per capita personal income in Colorado grew 4.9% in 2015. Colorado continues to be an attractive destination for businesses and citizens for a number of reasons including:

- ▶ Above average wages, unemployment rates below national averages and abundant recreational opportunities will continue to attract businesses and a skilled labor force.
- ▶ Colorado continues to attract new start-up businesses with the fifth highest ranking among all states for the period from 1990-2013.
- ▶ Advanced technology will continue to play an integral and evolving role in the state. Financial services and scientific related employment continue to rank Colorado among the nation's leaders in those sectors as well.

Metro Denver Metro Denver The 2017-2017 economic update for the Denver Metro Area is from the September 2017 Focus Colorado: Economic and Revenue Forecast report prepared by the Colorado Legislative Council (CLC). The CLC provides non-partisan economic research to the Colorado General Assembly. The Denver Metro region represents over half (62 percent) of the employment and consumer spending in the state. Through July 2016, the economy continues to show signs of improvement though growth is slowing. The Denver metro job market appears to be flattening as indicated by modest employment growth of 3% or 12,000 jobs for the first seven months of 2016 and by a reduced unemployment rate from 4.2% in 2015 to 4.1% year-to-date in 2016.

Consumer confidence has been favorably shaped by the continued employment growth in the metro area, and a strengthening housing market. The housing market is one of the strongest in the nation. Demand for housing exceeds the supply resulting in home prices at or near record highs and the addition of new housing units that exceed pre-recession peak levels. The nonresidential construction market has been helped by the strong economy, low vacancy rates and the high demand for office space. Gains were also seen in real estate. Construction in the region was strong in the areas of housing permits and nonresidential building as measured

by the number, size, and value of projects. Denver's housing market has recovered from the recession better than any other large city in the country.

Long-term Financial Planning

At the end of the year, *assigned and unassigned* fund balances for the general fund totaled \$7,497,049, or 21.3% of total General Fund revenues. The 2017 General Fund budget is calling for an \$86,000 surplus. Total 2017 general fund revenues, before transfers, are estimated at \$45,069,198 or \$1,106,826 more than 2016 actual revenues. Total 2017 general fund expenditures are budgeted at \$43,221,180 or \$558,956 more than the 2017 actual expenditures, a 1.3% increase.

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

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

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

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

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

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

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

Relevant Financial Policies

General Fund Balance

The unassigned fund balance target for the General Fund is between 16.7% of total General Fund revenues or approximately two months of General Fund budgeted expenditures. If the unassigned fund balance falls below the minimum target balance, additional sources of funds and/or reductions of uses of funds are identified to bring the balance to the desired level.

Long Term Asset Reserve (LTAR)

This General Fund balance accumulates funds from the sale, lease, or earnings from long-term assets. It was also determined that these funds should be used in a careful, judicious and strategic manner. The funds committed in this account may only be expended if appropriated in the annual budget or by supplemental appropriation by City Council.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Englewood for its comprehensive annual financial report for the fiscal year ended December 31, 2015. This was the 33rd consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

This report would not have been possible without the efficient and dedicated service of the entire staff of the Department of Finance and Administrative Services. We wish to express our appreciation to all members of the Department who assisted and contributed to the preparation of this report. We would also like to thank the City's staff and members of City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Eric A. Keck

City Manager

Kathleen Rinkel

Director of Finance and Administrative Services

City of Englewood, Colorado

Principal Officials

Elected Officials

City Council

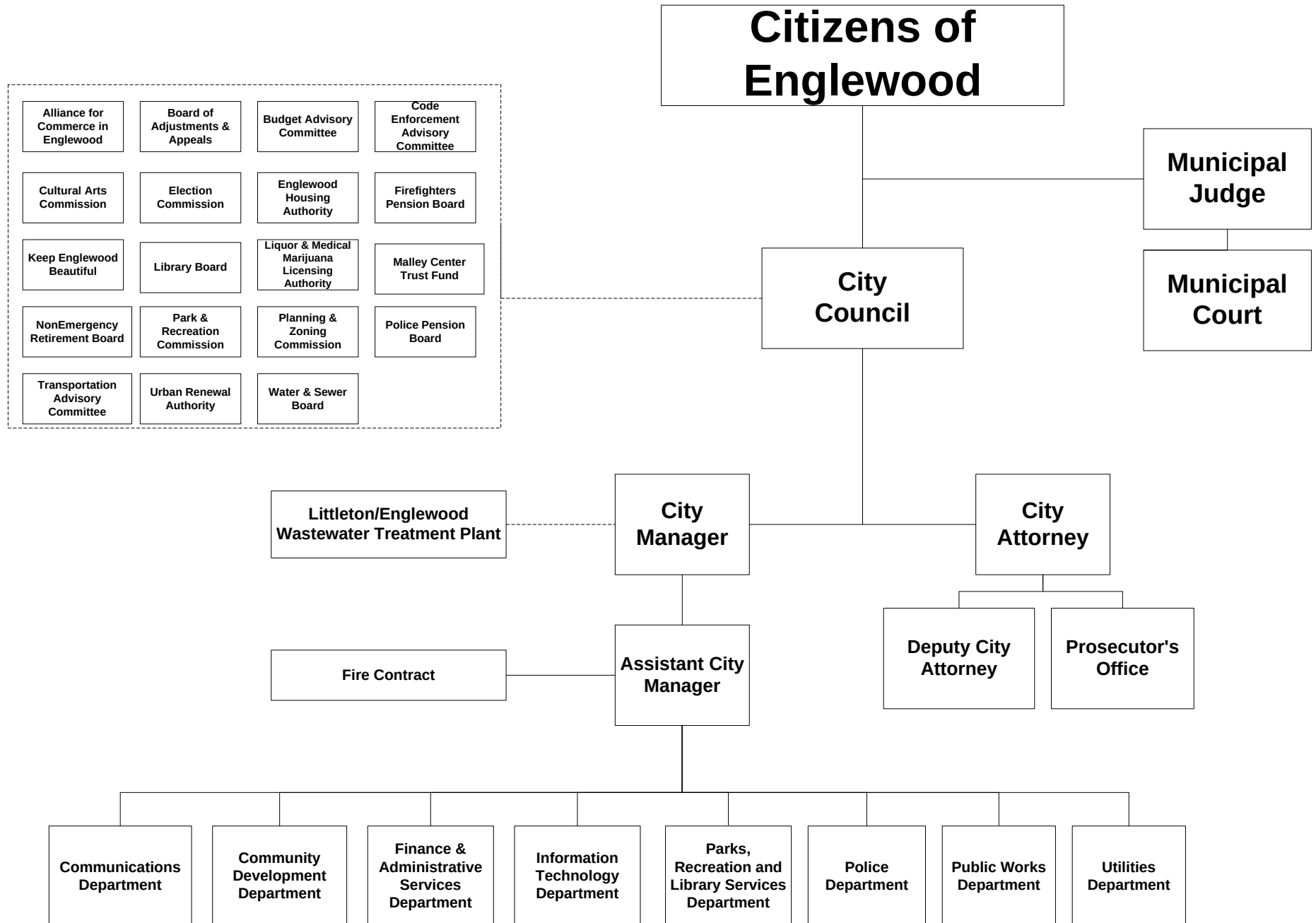
Mayor..... Joe Jefferson, District 1
Mayor Pro-Tem..... Rick Gillit, District 4
Council Member..... Linda Olson, District 2
Council Member..... Laurett Barrentine, District 3
Council Member..... Amy Martinez, At-Large
Council Member..... Rita Russell, At-Large
Council Member..... Steven Yates, At-Large

Municipal Judge Vincent Atencio

City Officials

City Manager Eric Keck
Deputy City Manager Murphy Robinson III
Acting City Attorney Dugan Comer
Community Development Director Brad Power
Finance and Administrative Services Director..... Kathleen Rinkel
Information Technologies Director Margaret Brocklander
Municipal Court Administrator..... Tamara Wolfe
Parks, Recreation and Library Director Dorothy Hargrove
Police Chief John Collins
Public Works Director. Dave Henderson
Utilities Director Tom Brennan

City of Englewood, Colorado - Organizational Chart





Government Finance Officers
Association

**Certificate of
Achievement
for
Excellence in
Financial
Reporting**

Presented to

**City of Englewood
Colorado**

For its Comprehensive
Annual Financial Report
For the Fiscal Year Ended

December 31, 2015

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is written in a cursive, flowing style.

Executive Director/CEO



Certified Public Accountants

Swanhorst & Company LLC

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

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the City of Englewood as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Englewood, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the City of Englewood as of December 31, 2016, and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters (Required Supplementary Information)

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

Other Matters (Other Information)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Englewood's basic financial statements. The introductory section, combining and individual fund statements and schedules, other information, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules and the other information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



May 8, 2017

Management's Discussion and Analysis

As management of the City of Englewood, Colorado (the "City"), we offer readers of the City's Comprehensive Annual Financial Report (CAFR), this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of 2016 by \$157.5 million (\$66.1 million in governmental activity net position and \$91.3 million in business-type activity net position). Of the governmental activities net position total, \$11.9 million, or 10.2%, is unrestricted and may be used to meet the City's obligations to the public and creditors. Similarly, \$4.2 million, or 4.6%, of business-type activity net position is unrestricted.
- The City's total net position increased by \$2.0 million, or 1.3% compared to 2015. Net position of the City's governmental activities decreased \$244,000, or 0.4%. Net position of the business-type activities increased \$2.2 million, or 2.5%, from 2015.
- The total cost of the City's programs increased \$1.6 million, or 2.1%, compared to 2015. The cost of governmental activities program expenses increased \$3.1 million to \$51.1 million, and the cost of business-type activities decreased \$1.5 million.
- Total revenues, excluding special items and transfers, decreased \$1.5 million or 1.8%, compared to 2015. Governmental activities revenues decreased \$1.1 million, or 2.1%, to \$51.4 million while revenues of business-type activities decreased \$391,000 or 1.3% to \$29.4 million compared to 2015.
- The City's governmental funds reported combined ending fund balances of \$22.4 million, an increase of \$834,000 when compared to 2015. Of the combined ending governmental fund balances, approximately 80%, or \$18.1 million is available for spending at the City's discretion subject to the City Council's approved policies (*committed, assigned and unassigned fund balances*).
- The General Fund reported a fund balance of \$10.9 million as of December 31, 2016, of which \$1.5 million is *restricted* for TABOR emergencies, \$1.9 million is *committed* to Long Term Asset Reserve and \$7.5 million is *unassigned*.
- 2015 was the first year that the City reported pension related liabilities as required by the Governmental Accounting Standards Board Statement 68. The net pension liability reported in the City's government-wide statements for 2016 is \$11.9 million compared to \$10.1 million in 2015.

Overview of the Financial Statements

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

Government-wide financial statements

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, which consists of the City Council and the various Boards and Commissions, the City Attorney's Office, Municipal Court, the City Manager's Office, Community Development, Human Resources, Finance and

Administrative Services and Information Technology. Governmental activities also include Police, Fire, Public Works and Culture and Recreation (including Library Services). The business-type activities of the City include the water, sewer, golf course, storm drainage, concrete utility and housing rehabilitation operations.

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

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

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

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

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

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

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

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

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

Government-wide Financial Analysis

A. Analysis of Net position

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

Table 1 presents an analysis of the City's net position as of December 31. The City's assets exceeded liabilities by \$157.5 million at the close of 2016. Governmental activities make up \$66.1 million or (42%) of these assets, with business-type activities making up the remaining \$91.3 million or (58%). Total net position increased by \$2.0 million in 2016. The increase is comprised of the following:

- Total assets decreased by \$200,000 when compared to 2015
- Total liabilities decreased by \$2.3 million, or 2.3%, to \$100.2 million. The decrease in liabilities is due primarily to normal debt service payments within the business-type activities.

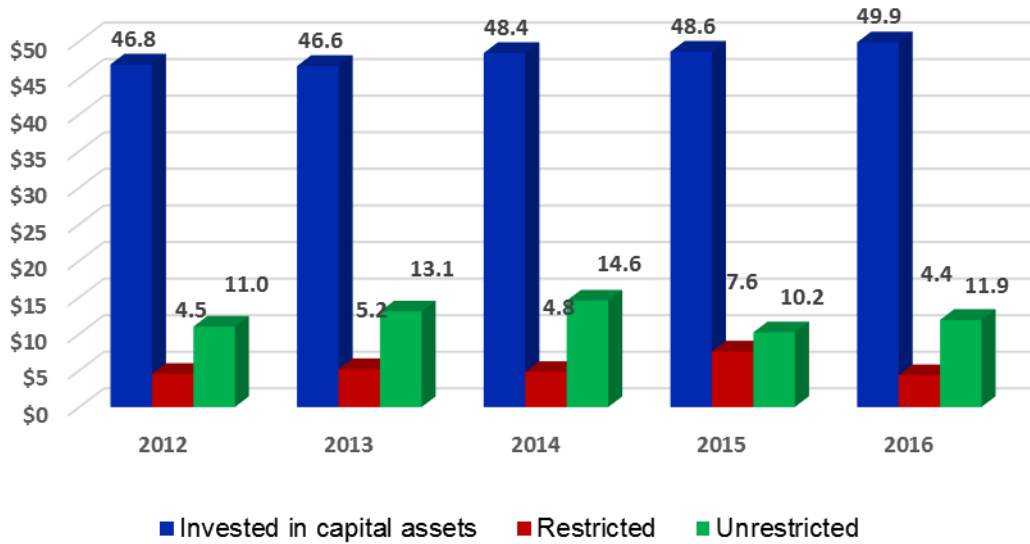
Table 1
City of Englewood
Summary of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Assets						
Current and other assets	\$ 37,572,651	\$ 35,813,824	\$ 89,762,917	\$ 89,454,716	\$ 127,335,568	\$ 125,268,540
Capital assets	66,738,216	68,002,673	65,293,279	66,294,035	132,031,495	134,296,708
Total assets	104,310,867	103,816,497	155,056,196	155,748,751	259,367,063	259,565,248
Total deferred outflows of resources	3,776,901	2,421,889	1,271,781	677,879	5,048,682	3,099,768
Liabilities						
Long-term liabilities	28,003,434	28,359,575	48,549,659	52,804,740	76,553,093	81,164,315
Other liabilities	7,206,423	7,546,707	16,455,333	14,408,534	23,661,756	21,955,241
Total liabilities	35,209,857	35,906,282	65,004,992	67,213,274	100,214,849	103,119,556
Total deferred inflows of resources	6,747,977	4,546,652	-	103,792	6,747,977	4,650,444
Net Position						
Net investment in capital assets	49,864,353	48,576,994	49,597,851	49,621,866	99,462,204	98,198,860
Restricted	4,358,086	7,589,585	37,568,534	35,697,254	41,926,620	43,286,839
Unrestricted	11,907,495	9,618,873	4,156,600	3,790,444	16,064,095	13,409,317
Total net position	\$ 66,129,934	\$ 65,785,452	\$ 91,322,985	\$ 89,109,564	\$ 157,452,919	\$ 154,895,016

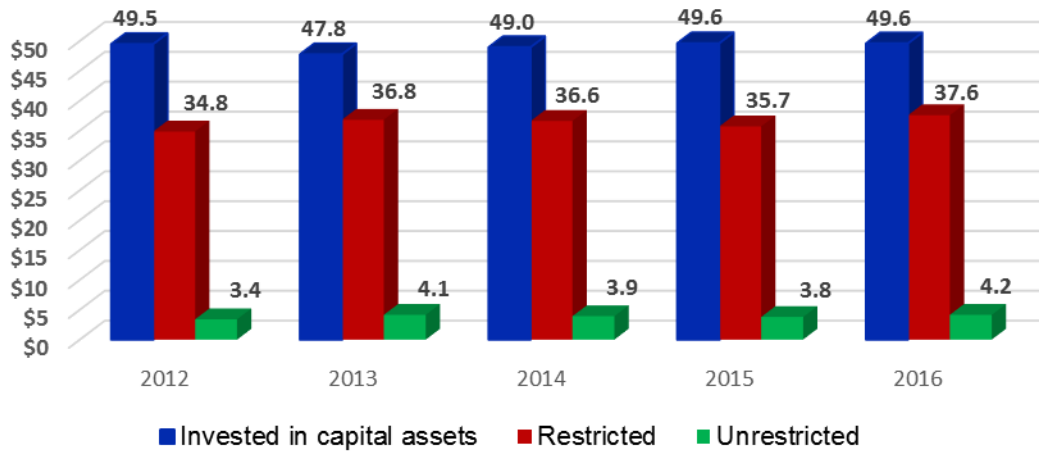
The largest portion of the City's assets (50.9%) reflects its investment of \$132 million in capital assets (e.g., land, buildings, machinery and equipment). Net Capital assets are reported less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$41.9 million (14.8%) represents resources that are subject to external restrictions on how they may be used. The net position of the utility funds: Water, Sewer, Storm Drainage and Concrete, are restricted by City Charter as to their use based on the purpose of their respective service fees. The remaining balance of unrestricted net position, \$16.1 million (10.2%) may be used to meet the government's ongoing obligations to citizens and creditors. Of the \$16.1 million of unrestricted net position attributed to governmental activities, \$5.0 million represents the unrestricted net position of the City's internal service funds.

Governmental Activities - Total Net Position amounts in millions



Business-type Activities - Total Net Position amounts in millions



B. Analysis of Changes in Net position

As presented in Table 2, the City of Englewood's overall net position increased by \$1.9 million during 2016. This change is explained in the governmental and business-type activities discussion below.

Governmental Activities

- Net position of governmental activities decreased by \$243,000 during 2016.
- Governmental revenues decreased approximately \$1.1 million or 2.1% compared to 2015. This decrease is due primarily to lower tax collections in 2016.
- Governmental expenses increased by approximately \$3.1 million or 6.6% from 2015.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues						
Permits, fees, fines and charges for services	\$ 8,116,506	\$ 8,661,715	\$ 28,783,037	\$ 28,946,518	\$ 36,899,543	\$ 37,608,233
Operating grants and contributions	3,745,521	2,816,423	127,387	127,500	3,872,908	2,943,923
Capital grants and contributions	188,356	1,078,104	497,104	724,930	685,460	1,803,034
General Revenues						
Taxes	37,701,075	38,827,710	-	-	37,701,075	38,827,710
Grants and contributions not restricted to specific programs	156,593	30,201	-	-	156,593	30,201
Investment earnings	120,564	77,005	-	-	120,564	77,005
Other	1,405,800	1,041,323	-	-	1,405,800	1,041,323
Total revenues	<u>51,434,415</u>	<u>52,532,481</u>	<u>29,407,528</u>	<u>29,798,948</u>	<u>80,841,943</u>	<u>82,331,429</u>
Expenses						
General government	17,121,811	8,951,181	-	-	17,121,811	8,951,181
Public Safety	14,110,430	21,203,844	-	-	14,110,430	21,203,844
Public works	8,978,245	8,457,980	-	-	8,978,245	8,457,980
Culture and recreation	9,761,863	8,130,022	-	-	9,761,863	8,130,022
Interest on long-term debt	676,058	767,480	-	-	676,058	767,480
Unallocated depreciation	441,526	437,384	-	-	441,526	437,384
Water	-	-	7,988,700	8,348,510	7,988,700	8,348,510
Sewer	-	-	15,090,271	15,333,260	15,090,271	15,333,260
Golf Course	-	-	1,972,425	2,178,213	1,972,425	2,178,213
Storm	-	-	204,244	188,247	204,244	188,247
Concrete	-	-	591,901	676,394	591,901	676,394
Housing rehabilitation	-	-	453,106	1,094,253	453,106	1,094,253
Total expenses	<u>51,089,933</u>	<u>47,947,891</u>	<u>26,300,647</u>	<u>27,818,877</u>	<u>77,390,580</u>	<u>75,766,768</u>
Change in Net Position	<u>344,482</u>	<u>4,584,590</u>	<u>3,106,881</u>	<u>1,980,071</u>	<u>3,451,363</u>	<u>6,564,661</u>
Net Position - beginning	66,373,901	67,756,540	89,109,564	89,461,928	155,483,465	157,218,468
Restatement of beginning net position	(588,449)	(5,967,229)	(893,460)	(2,332,435)	(1,481,909)	(8,299,664)
Restated December 31, 2014 net position	<u>65,785,452</u>	<u>61,789,311</u>	<u>88,216,104</u>	<u>87,129,493</u>	<u>154,001,556</u>	<u>148,918,804</u>
Net Position - ending	<u>\$ 66,129,934</u>	<u>\$ 66,373,901</u>	<u>\$ 91,322,985</u>	<u>\$ 89,109,564</u>	<u>\$ 157,452,919</u>	<u>\$ 155,483,465</u>

The following graphs provide visual representations of the expenses and revenues for governmental activities for 2016.

Chart 1
Expenses and Program Revenues - Governmental Activities

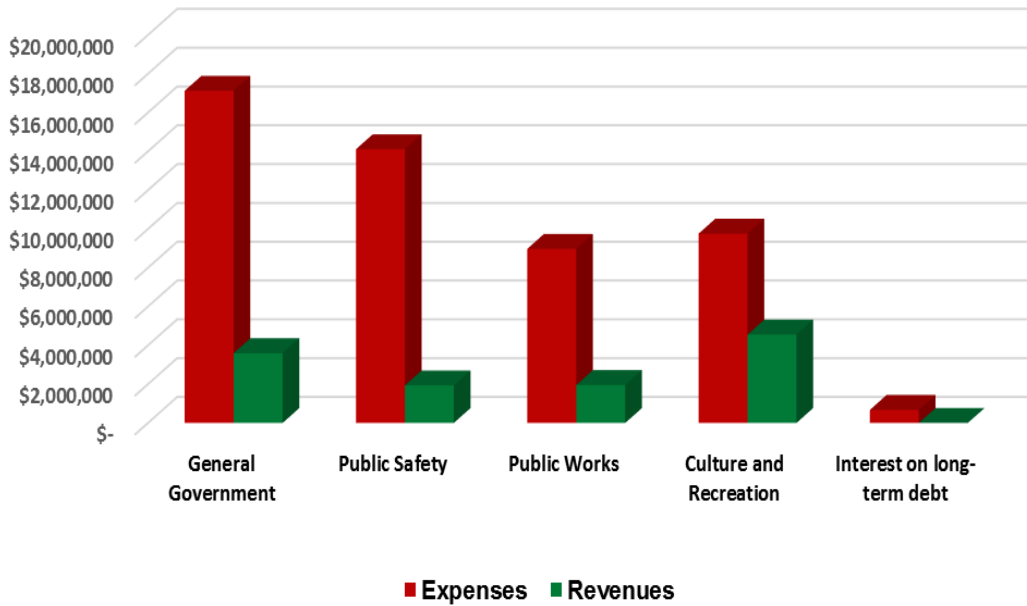
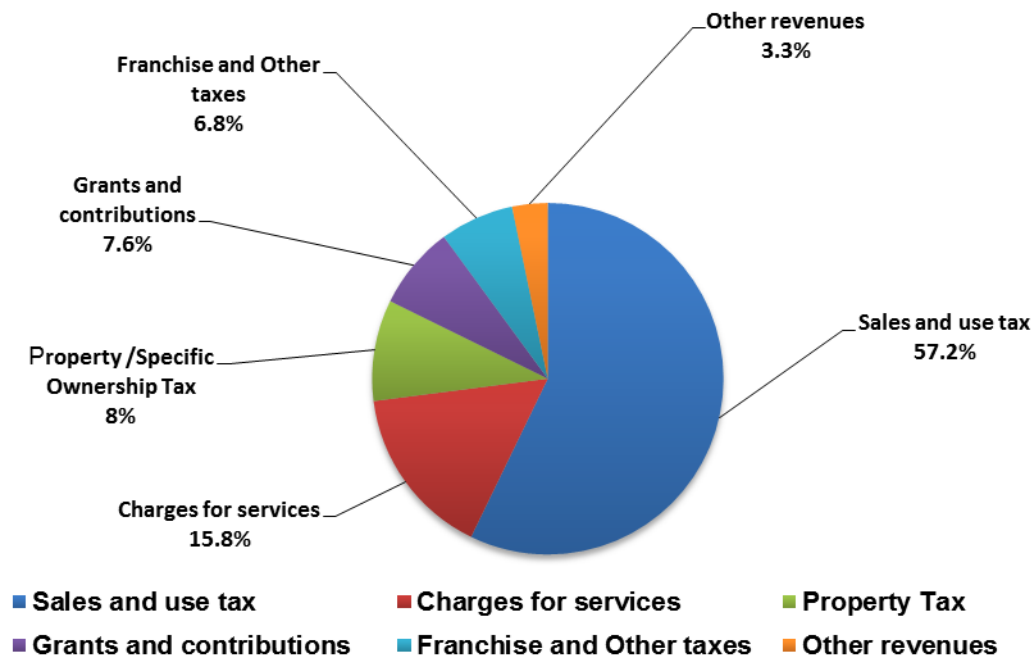
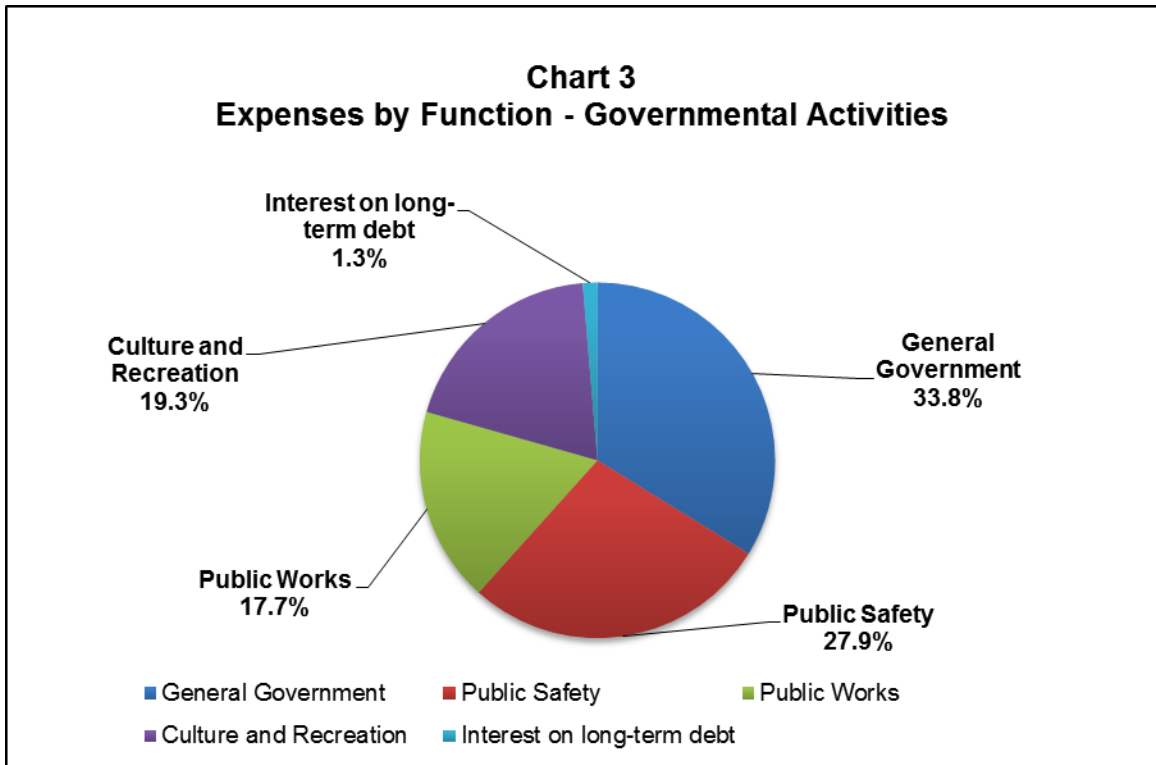


Chart 2
Revenues by Source - Governmental Activities





Business-type Activities

Overall the Business-type activities increased the total net position of the City by \$2.2 million in 2016.

The *water fund* experienced an increase in net position of \$1.1 million compared to an increase of \$607,000 in 2015. Water rates were last increased 7% on January 1, 2011. An increase in charges for services and a modest decrease in operating expenses left the fund with a net operating income of \$1.2 million. This, along with earnings on investments and other income covered the interest on long-term debt of \$473,000.

The *sewer fund* saw an increase in net position of \$491,000 compared to a decrease of \$1.0 million in 2015. The fund experienced operating income of \$2.5 million in 2016 compared to \$1.7 million in 2015. A sewer rate increase of 4% was implemented in 2015. The rate increase is designed to provide additional resources to meet debt service requirements, capital improvements, and to fund ongoing operations and maintenance requirements. The 2004 sewer fund loans issued by the Colorado Water Resource and Power Development Agency were refinanced in 2015 and will save the fund approximately \$2.1 million in financing fees over the remaining life of the loans which have a final payment date of 2025.

The *golf course fund* experienced an increase in net position of \$108,000 compared to a decrease of \$119,000 in 2015. Weather conditions play an important factor for the golf course's revenues and in 2016 conditions were more favorable than 2015.

The *storm drainage*, and *concrete utility* funds had net position increases of \$133,000 and \$289,000 respectively when compared to 2015 and the *housing rehabilitation fund* had a decrease in net position of \$48,000 when compared to 2015.

The following graphs provide visual representations of the expenses and revenues for business-type activities for 2016.

Chart 4
Expenses and Program Revenues - Business-type Activities

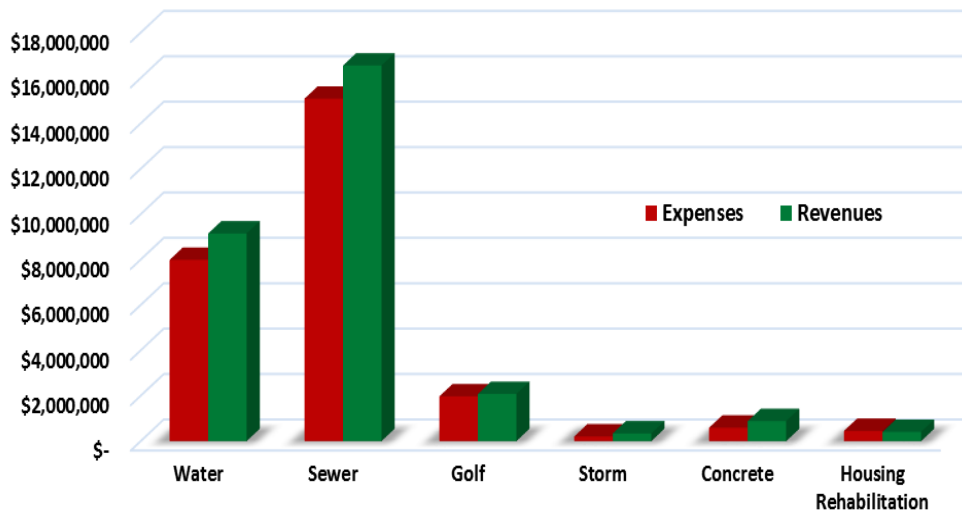
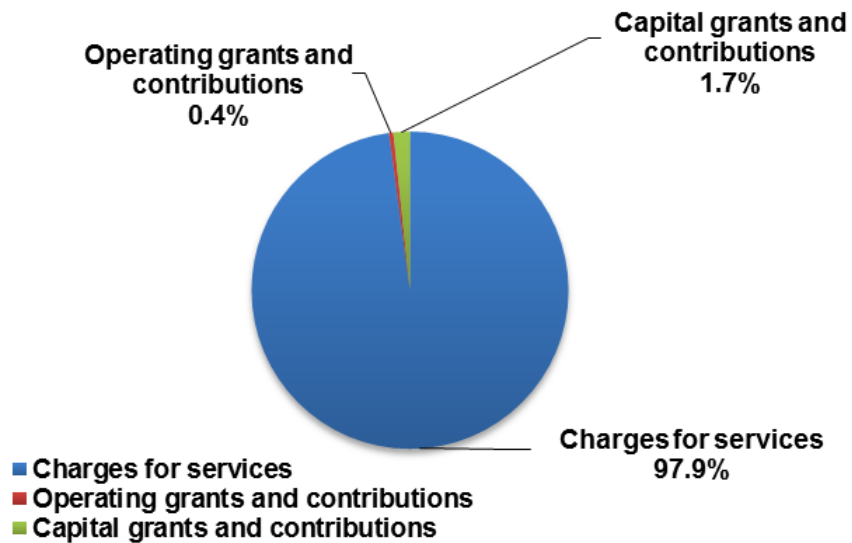


Chart 5
Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

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

A. Governmental funds

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

At December 31, 2016, the City's governmental funds reported combined ending fund balances of \$22.4 million, an increase of \$834,000, or 3.9%, compared to 2015. \$18.1 million (80.6%) constitutes *committed, assigned and unassigned balances*, which are available for spending at the City's discretion. Of the *committed* fund balance, \$1.9 million is for the Long Term Asset Reserve (LTAR) balance. The remainder of fund balance is *restricted* for the following purposes:

Restricted for parks and recreation	\$2,800,000
Restricted for law enforcement	11,500
Restricted for debt service	63,700
Restricted for TABOR emergency	1,490,000

The General Fund is the primary operating fund of the City. At the end of 2016, *unassigned* fund balance of the General Fund was \$7.5 million while total fund balance was \$10.9 million. As a measure of the General Fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and total fund balance to total fund expenditures. *Assigned* and *unassigned* fund balances represent 21.9% of total General Fund expenditures, up from 20.8% in 2015, while total fund balance represents 25.4% of that same amount (up from 24.2% in 2015).

The total fund balance of the City's General Fund increased by \$121,000 during 2016. Revenues decreased by \$372,000 or approximately 0.9% and expenditures decreased \$1.7 million or 4.2%. Key factors are as follows:

- Sales and use tax collections decreased 1.3% or \$303,000 compared to 2015 due to fewer one-time collections from vendors located outside of the City.
- Expenditure decreases were primarily seen in fire and emergency services that were under contract for the entire year of 2016 but only 7 months of 2015 resulting in additional savings in 2016.
- The General Fund had excess revenues over expenditures amounting to \$1.3 million prior to transfers.
- Net transfers amounting to \$1.2 million were made out of the General Fund in 2016. The primary purpose of the transfers out of the General Fund in 2016 were to fund capital projects.

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

Revenues	2012	2013	2014	2015	2016	5 year change
Taxes						
Property	\$ 2,874,816	\$ 2,900,715	\$ 2,892,433	\$ 2,917,413	\$ 3,347,303	\$ 472,487
Specific ownership	243,293	266,881	291,670	305,166	344,604	101,311
Sales and use	22,363,618	23,433,775	24,839,296	26,603,384	26,300,116	3,936,498
Franchise	2,930,888	3,101,310	3,207,978	3,320,046	3,292,110	361,222
Cigarette	189,618	195,088	188,652	188,285	193,149	3,531
Hotel/motel	10,395	12,039	11,949	12,060	12,734	2,339
Subtotal taxes	28,612,628	29,909,808	31,431,978	33,346,354	33,490,016	5,536,994
Intergovernmental	1,865,722	1,488,204	1,869,045	1,766,019	2,001,654	135,932
Charges for Services	3,441,525	3,470,894	3,215,032	2,964,142	2,568,493	(873,032)
Recreation	2,615,642	2,420,443	2,466,421	2,464,613	2,593,488	(22,154)
Net Investment Income	84,046	(10,223)	68,341	43,866	44,120	(39,926)
Licenses and Permits	983,359	1,446,578	1,576,298	1,612,118	1,559,986	576,627
Fines and Forfeitures	1,381,453	1,317,707	1,350,164	1,047,268	742,282	(639,171)
Net contributions from component units	551,295	573,526	684,683	873,347	350,193	(201,102)
Other	354,130	284,882	210,531	217,198	612,140	258,010
Total Revenues	39,889,800	40,901,819	42,872,493	44,334,925	43,962,372	6,028,350
Expenditures						
General Government	7,286,228	7,079,062	7,368,401	8,096,689	8,935,815	1,649,587
Fire Services	8,100,554	8,002,677	9,176,241	9,610,372	5,864,752	(2,235,802)
Police Services	10,788,935	11,226,157	11,872,226	12,448,235	13,221,779	2,432,844
Public Works	5,202,903	5,234,383	5,440,975	5,707,695	5,917,143	714,240
Culture & Recreation	6,830,017	6,577,255	6,739,874	6,780,438	6,858,400	28,383
Debt Service	2,056,951	2,005,830	1,869,903	1,693,760	1,864,335	(192,616)
Total Expenditures	40,265,588	40,125,364	42,467,620	44,337,189	42,662,224	4,840,921
Excess Revenues Over (Under) Expenditures	(375,788)	776,455	404,873	(2,264)	1,300,148	
Other Financing Sources (Uses)						
Transfers In	1,968,242	1,139,574	892,544	395,776	350,655	
Transfers Out	(1,339,329)	(73,006)	-	(1,875,516)	(1,530,000)	
Total Other Financing Sources (Uses)	628,913	1,066,568	892,544	(1,479,740)	(1,179,345)	
Total Revenues and Other Financing Sources Over (Under) Total Expenditures and Other Financing Uses	253,125	1,843,023	1,297,417	(1,482,004)	120,803	
Fund Balances - Beginning	8,817,685	9,070,810	10,913,833	12,211,250	10,729,246	
Fund Balances - Ending	\$ 9,070,810	\$ 10,913,833	\$ 12,211,250	\$ 10,729,246	\$ 10,850,049	
Restricted Fund Balance	\$ 1,200,000	\$ 1,340,000	\$ 1,400,000	\$ 1,510,000	\$ 1,490,000	
Committed Fund Balance	2,917,887	2,698,128	2,663,099	2,663,099	1,863,000	
Assigned Fund Balance						
Subsequent year appropriation of fund balance	920,353	1,207,787	2,646,685	1,972,220	-	
Unassigned Fund Balance	4,032,570	5,667,918	5,501,466	4,583,927	7,497,049	
Total Fund Balance	\$ 9,070,810	\$ 10,913,833	\$ 12,211,250	\$ 10,729,246	\$ 10,850,049	
Unrestricted Fund Balance						
as a Percentage of Revenues	19.73%	23.41%	25.22%	20.79%	21.29%	
Unrestricted Fund Balance						
a Percentage of Expenditures	19.55%	23.86%	25.46%	20.79%	21.94%	
Total Fund Balance as						
a Percentage of Revenues	22.74%	26.68%	28.48%	24.20%	24.68%	
Total Fund Balance as						
a Percentage of Expenditures	22.53%	27.20%	28.75%	24.20%	25.43%	

The original 2016 expenditure budget adopted in 2015 for the General Fund was \$45,406,656. Supplemental appropriations of \$622,946 were made during 2016 and consisted primarily of the following:

- \$67,000 for the July 4th celebration
- \$405,000 for expenditures relating to various police department grants-fully offset by grant revenues

Actual expenditures were \$1.8 million less than the final amended budget amount, a 4.1% variance. This is primarily due to the savings related to fire services detailed earlier.

Actual revenues were \$474,000 more than the final amended budget amount, a 1.1% variance. Variances were seen in the following areas:

- Lower sales tax collections were offset by higher permit fees and one-time collections related to development projects

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

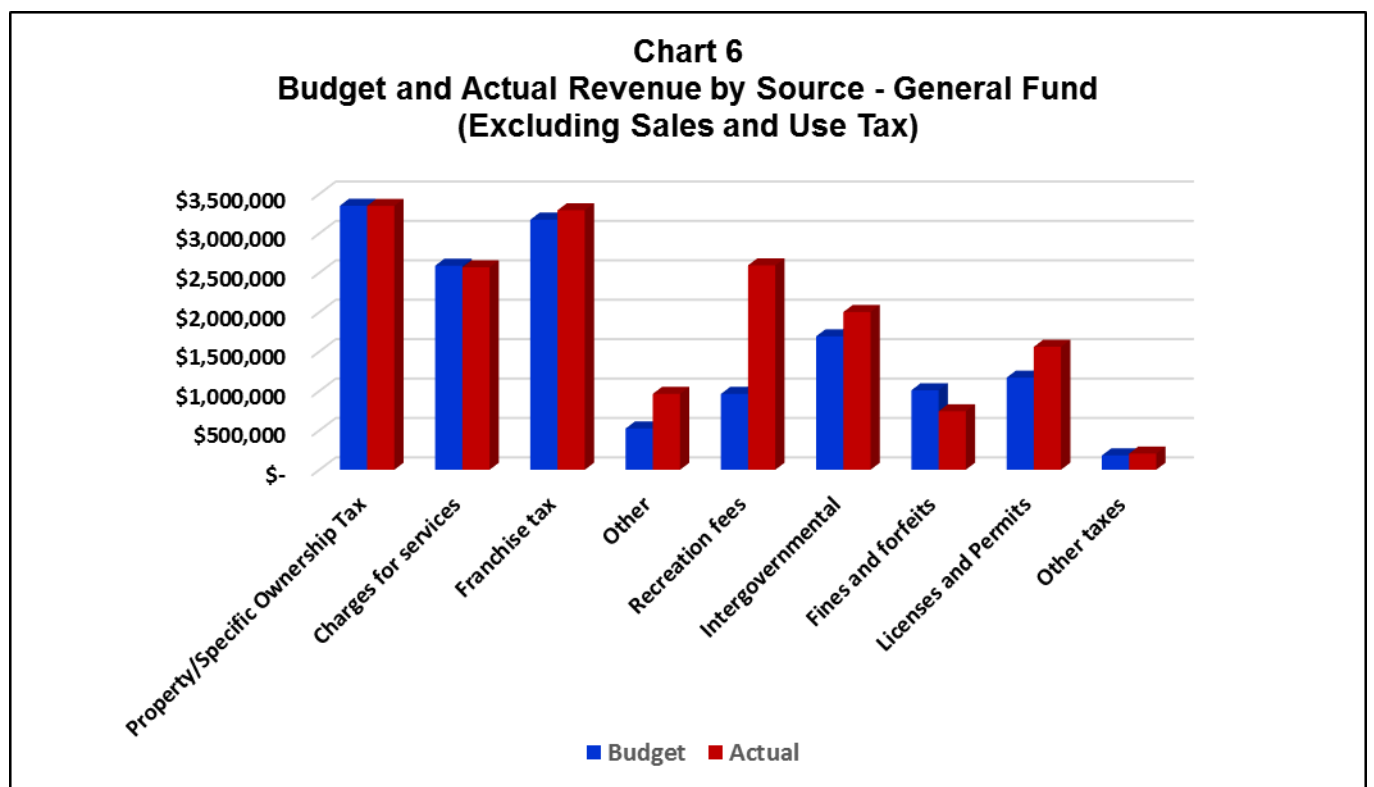


Chart 7
Budget and Actual Expenditures by Department, less Transfers - General Fund

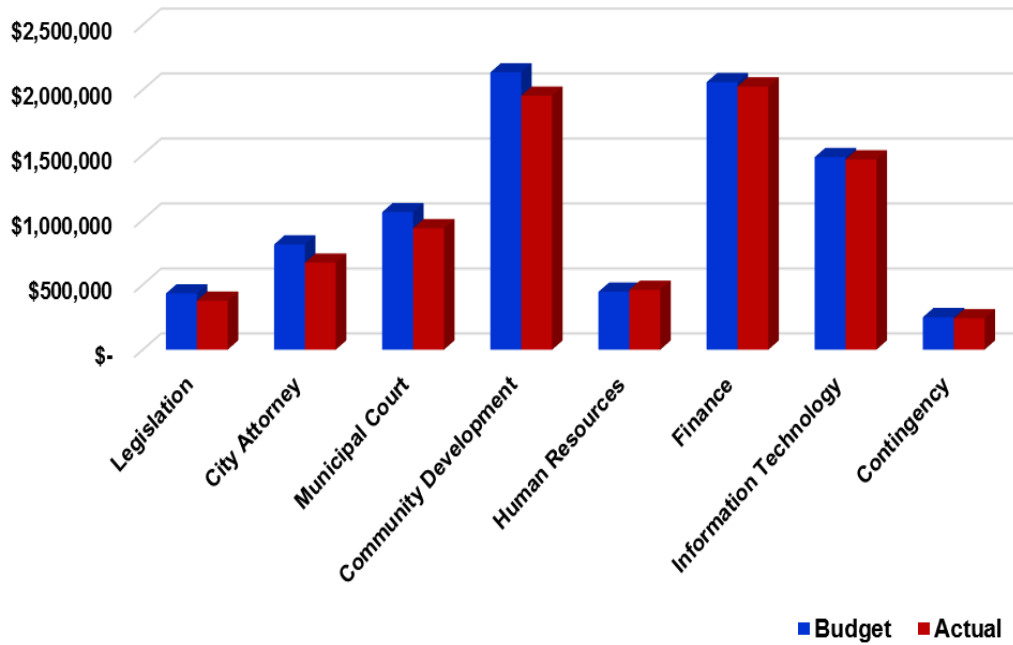
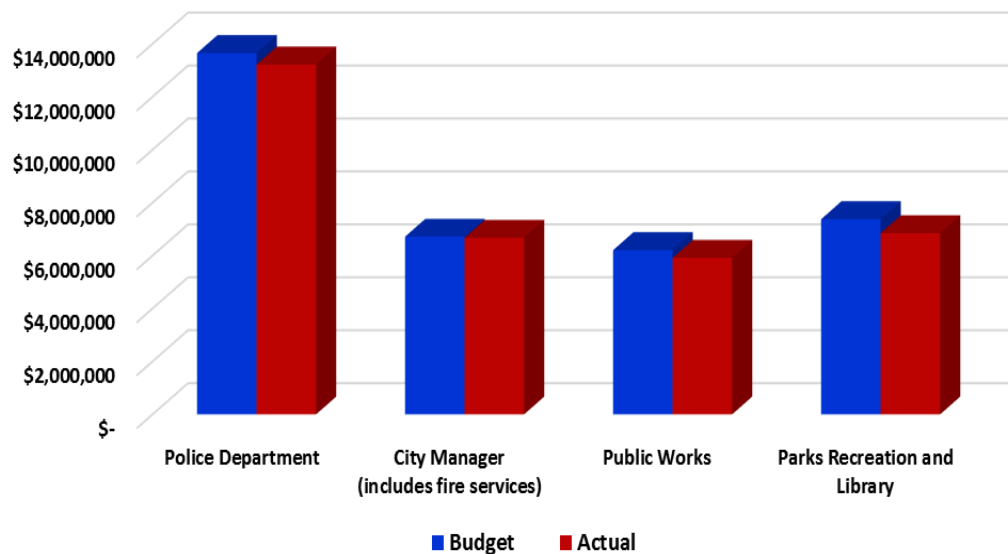
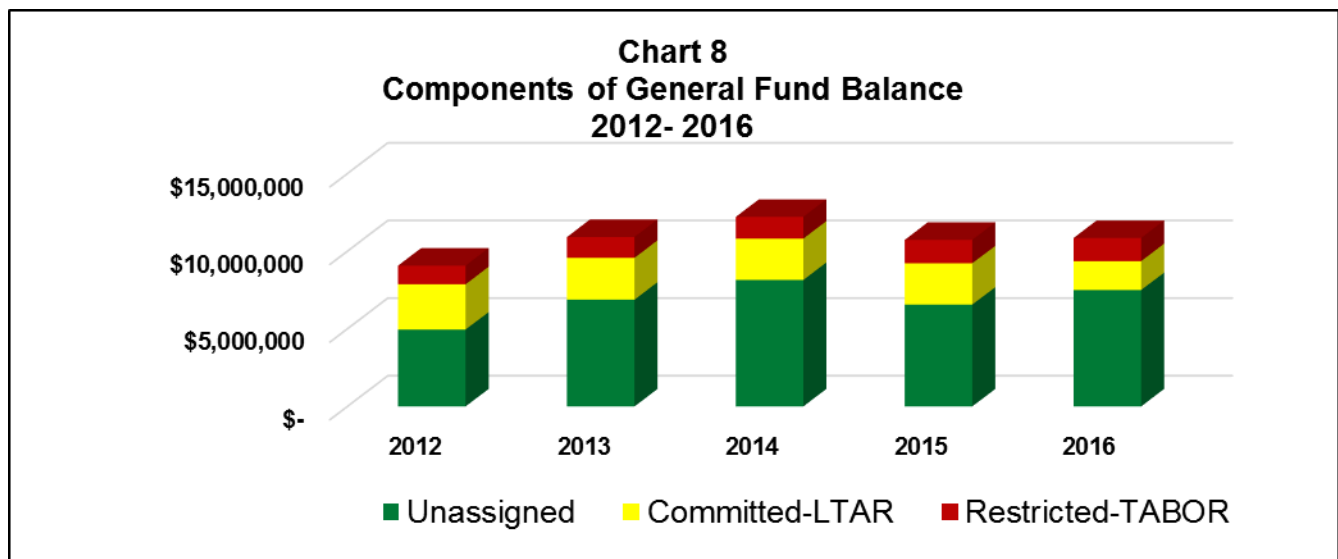


Chart 7
(Continued)





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

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

Net position of the enterprise operations at December 31, 2016 follow:

	Net Position	Change in Net Position
Water	\$ 33,691,703	\$ 1,119,797
Sewer	25,148,743	490,775
Golf	13,033,987	107,999
Storm drainage	2,532,810	132,882
Concrete utility	12,568,227	288,845
Housing rehabilitation	3,440,026	(47,597)
Total net position	<u>\$ 90,415,496</u>	<u>\$ 2,092,701</u>

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

Capital Assets and Debt Administration

A. Capital assets

As can be seen from the table below, the City's investment in capital assets for its governmental and business-type activities as of December 31, 2016 amounts to \$132 million (net of accumulated depreciation). This investment in capital assets includes land, plant, buildings, improvements, machinery and equipment, roads and bridges. The total decrease in capital assets for the current year was \$2.3 million, or 1.7%. Net capital assets of governmental activities decreased approximately \$1.3 million while business-type activities decreased by \$1.0 million.

Major capital asset activity during 2016 included the following:

Governmental Activities:

- \$3.3 million in new equipment and machinery was offset by \$4.6 million of depreciation and retirements of existing assets

Business-type Activities

- \$454,000 in new concrete sidewalks and alley pans were installed in the City
- \$161,000 was spent on general building improvements and \$237,000 in new water mains were added by the Water Department
- These additions were offset by \$2.0 million of depreciation on existing assets

The following tables provide comparative information on the City's capital assets for 2016 and 2015:

**Capital Assets at Year-end
(Net of Depreciation)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Land and improvements	\$ 17,130,886	\$ 16,384,969	\$ 11,522,825	\$ 11,522,825	\$ 28,653,711	\$ 27,907,794
Raw water	-	-	6,451,002	6,451,002	6,451,002	6,451,002
Works of art	273,750	233,750	-	-	273,750	233,750
Buildings	26,142,184	24,973,540	19,080,438	19,753,351	45,222,622	44,726,891
Infrastructure	13,631,078	14,398,375	11,808,628	11,752,529	25,439,706	26,150,904
Distribution and collection systems	-	-	11,024,516	11,204,082	11,024,516	11,204,082
Machinery and equipment	5,241,468	5,742,919	1,024,225	1,028,830	6,265,693	6,771,749
Improvements other than buildings	3,680,424	4,007,123	4,381,645	4,581,416	8,062,069	8,588,539
Construction in process	638,426	2,261,997	-	-	638,426	2,261,997
Total capital assets	<u>\$ 66,738,216</u>	<u>\$ 68,002,673</u>	<u>\$ 65,293,279</u>	<u>\$ 66,294,035</u>	<u>\$ 132,031,495</u>	<u>\$ 134,296,708</u>

Additional information on capital assets can be found in the notes to the financial statements (Note 2C).

B. Debt Administration

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

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

* Ratings were upgraded by Standard and Poors in 2014

City Charter limits the amount of general obligation debt the City may issue to 3% of its *actual* total valuation. The current debt limitation for the City is \$120,580,909, which is significantly in excess of the City's actual outstanding general obligation debt that is subject to this limitation of \$6,295,000.

At the end of 2016, the City had total long-term debt of \$67.5 million as follows:

Outstanding Debt, at Year-end						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 6,295,000	\$ 7,165,000	\$ 10,855,000	\$ 11,015,000	\$ 17,150,000	\$ 18,180,000
Revenue bonds	-	-	2,790,000	2,980,000	2,790,000	2,980,000
Capital leases	10,369,885	11,970,063	-	-	10,369,885	11,970,063
Premiums	208,978	237,860	504,392	565,545	713,370	803,405
Notes payable	-	-	33,655,526	37,690,179	33,655,526	37,690,179
Net OPEB Obligation	582,125	475,472	438,493	167,321	1,020,618	642,793
Compensated absences	1,707,052	1,630,239	311,962	386,695	2,019,014	2,016,934
Total outstanding debt	\$ 19,163,040	\$ 21,478,634	\$ 48,555,373	\$ 52,804,740	\$ 67,718,413	\$ 74,283,374

Additional information on the City's long-term obligations can be found in the notes to the financial statements (Note 2E and 2F).

Next Year's Budget

The **2017 Budget** is essentially "status quo." In other words, staffing and service levels are maintained as close to 2016 levels as possible while allowing for slight salary increases and inflationary adjustments commodities.

The following were the general guidelines for the 2017 Budget:

- Salary increases are based on union contracts, market surveys and performance reviews.
- Health, dental, and other insurance premiums were negotiated and provided by Human Resources. Increasing health care and insurance costs continue to play a major role in budgeting decisions.
- Required pension contributions were determined by applicable actuarial studies (defined benefit) or pre-determined contribution levels (defined contribution).
- The increase for commodities, contractual, and capital expenditures was held as close as possible to 2016 levels.
- Capital items were submitted separately, ranked by relative importance and included in the Multiple Year Capital Plan (MYCP).

The 2017 Budget identifies on-going challenges for the City. The 2017 Budget projects a slight surplus of revenues over expenditures. The proposed General Fund unassigned fund balance for 2017 is projected at 16.7% of projected revenues. The City adopted a new fund balance policy in 2016 that places a targeted fund balance equal to two months of operations or 16.7%.

Estimated Revenues

Before interfund transfers, total General Fund revenues are projected at \$45.1 million for 2017; this is a 2.7% increase from the 2016 revenue budget of \$43.9 million. Sales and use tax revenues, which comprised approximately 59% of General Fund revenues in 2016, are estimated at \$27.1 million for 2017, less than a 1% increase. The sales and use tax estimate is based on historical collections and projected economic conditions.

Expenditure Appropriations

With 2017 revenues projected at \$45.1 million and proposed expenditures of \$43.2 million, the favorable variance between revenues and expenditures is projected to be \$86,000.

Net Transfers

There are no transfers-out from the General Fund anticipated in 2017. The transfers-in to the General Fund are estimated at \$117,033. After taking into account these net transfers to the General Fund, the projected operating surplus for 2017 is \$203,000.

Salary and wages for all City department budgets are based on the City's performance and market pay philosophy along with negotiations between the City and its three employee unions. The City's cost to provide healthcare insurance coverage to eligible employees is expected to remain flat in 2017. Excluding personnel, fuel and energy costs, minimal increases are proposed for all other operating and maintenance costs for 2017.

In the event of General Fund shortfalls in revenues or unanticipated expenditures over the next year and for the next several years, City management and City Council will need to closely monitor expenditures and revenues to maintain the goal of a 16.7% unassigned and LTAR fund balance compared to total revenue. Looking to 2017 and beyond, the City will be actively looking for ways to reduce operating expenditures and identify new sources of revenues. Collectively, it is believed that the City will be able to meet the financial challenges of the future.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

CITY OF ENGLEWOOD, COLORADO
Statement of Net Position
December 31, 2016

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
Assets			
Cash and investments	\$ 26,138,878	\$ 27,203,775	\$ 53,342,653
Receivables:			
Property taxes	6,664,000	-	6,664,000
Sales and use taxes	4,225,169	-	4,225,169
Interest	83,576	88,385	171,961
Accounts	424,442	4,391,634	4,816,076
Assessments	10,309	-	10,309
Intergovernmental	545,401	-	545,401
Other	-	343,296	343,296
Internal balances	(907,489)	907,489	-
Inventories	178,141	249,029	427,170
Other assets	-	-	-
Equity in joint venture	-	49,835,497	49,835,497
Restricted assets - cash and investments	-	4,344,405	4,344,405
Noncurrent notes receivable	-	2,399,407	2,399,407
Net pension asset	210,224	-	210,224
Lease receivable	-	-	-
Capital assets not being depreciated	18,043,062	17,973,827	36,016,889
Capital assets, net of accumulated depreciation	48,695,154	47,319,452	96,014,606
Total assets	<u>104,310,867</u>	<u>155,056,196</u>	<u>259,367,063</u>
Deferred Outflows of Resources			
Pension related deferred outflows	3,776,901	1,093,508	4,870,409
Deferred charge on refunding	-	178,273	178,273
Total deferred outflows of resources	<u>3,776,901</u>	<u>1,271,781</u>	<u>5,048,682</u>
Liabilities			
Accounts payable	1,400,173	312,763	1,712,936
Accrued payroll and related liabilities	459,218	89,120	548,338
Unearned revenue	1,450,000	8,300,354	9,750,354
Other liabilities	75,328	2,513,608	2,588,936
Accrued interest payable	28,033	638,445	666,478
Claims payable	716,663	-	716,663
Noncurrent liabilities:			
Due within one year	3,077,008	4,601,043	7,678,051
Due in more than one year	28,003,434	48,549,659	76,553,093
Total liabilities	<u>35,209,857</u>	<u>65,004,992</u>	<u>100,214,849</u>
Deferred Inflows of Resources			
Deferred revenue-property tax	6,682,211	-	6,682,211
Pension related deferred inflows	65,766	-	65,766
Total deferred inflows of resources	<u>6,747,977</u>	<u>-</u>	<u>6,747,977</u>
Net Position			
Net investment in capital assets	49,864,353	49,597,851	99,462,204
Restricted for:			
Capital projects	-	526,132	526,132
Debt service	63,703	318,273	381,976
Parks and recreation	2,792,891	-	2,792,891
Law enforcement	11,492	-	11,492
TABOR emergencies	1,490,000	-	1,490,000
Water system	-	10,670,185	10,670,185
Sewer system	-	23,993,418	23,993,418
Storm drainage system	-	1,293,184	1,293,184
Concrete system	-	767,342	767,342
Unrestricted	11,907,495	4,156,600	16,064,095
Total net position	<u>\$ 66,129,934</u>	<u>\$ 91,322,985</u>	<u>\$ 157,452,919</u>

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

Component Units		
EURA	EEF	EMRF
\$ 280,487	\$ 711,240	\$ 768,333
-	-	-
-	-	-
846	81,653	2,385
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	77,562	11,908
-	-	-
-	-	-
1,220,080	-	-
-	-	-
-	9,253,921	-
-	8,496,257	5,706,166
-	4,588,006	-
<u>1,501,413</u>	<u>23,208,639</u>	<u>6,488,792</u>
-	-	-
-	94,079	-
-	<u>94,079</u>	-
-	162,875	10,000
-	-	-
-	-	-
-	-	-
-	16,515	-
-	-	-
-	1,253,000	-
-	<u>8,095,000</u>	-
-	<u>9,527,390</u>	<u>10,000</u>
-	-	-
-	-	-
-	-	-
-	3,830,342	5,706,166
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
1,501,413	9,944,986	772,626
<u>\$ 1,501,413</u>	<u>\$ 13,775,328</u>	<u>\$ 6,478,792</u>

CITY OF ENGLEWOOD, COLORADO

**Statement of Activities
For the Year Ended December 31, 2016**

Function/Program Activities	Expenses	Program Revenues		
		Permits, Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental Activities:				
General government	\$ 17,121,811	\$ 3,537,495	\$ 60,741	\$ -
Public safety	14,110,430	1,138,302	800,151	-
Public works	8,978,245	770,590	997,419	188,356
Culture and recreation	9,761,863	2,670,119	1,887,210	-
Interest and fiscal charges	676,058	-	-	-
Unallocated depreciation	441,526	-	-	-
Total governmental activities	<u>51,089,933</u>	<u>8,116,506</u>	<u>3,745,521</u>	<u>188,356</u>
Business-type Activities:				
Water	7,988,700	8,947,795	-	202,682
Sewer	15,090,271	16,257,218	-	294,422
Golf	1,972,425	2,080,424	-	-
Storm	204,244	337,998	-	-
Concrete	591,901	881,480	-	-
Housing Rehabilitation	453,106	278,122	127,387	-
Total business-type activities	<u>26,300,647</u>	<u>28,783,037</u>	<u>127,387</u>	<u>497,104</u>
Total primary government	<u>\$ 77,390,580</u>	<u>\$ 36,899,543</u>	<u>\$ 3,872,908</u>	<u>\$ 685,460</u>
Component Units:				
EURA	\$ 8,163	\$ -	\$ -	\$ -
EEF	2,424,840	1,524,441	-	-
EMRF	404,575	1,169,217	-	-
Total component units	<u>\$ 2,837,578</u>	<u>\$ 2,693,658</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:
Property taxes
Sales and use taxes
Franchise tax and other taxes
Unrestricted investment earnings
Unrestricted grants and contributions
Miscellaneous
Gain on sale of land held for resale
Total general revenues
Change in net position
Net position - beginning
Restatement of beginning net position
Restated December 31, 2015 net position
Net position - ending

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

Net (Expense) Revenues and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	EURA	EEF	EMRF
\$ (13,523,575)		\$ (13,523,575)			
(12,171,977)		(12,171,977)			
(7,021,880)		(7,021,880)			
(5,204,534)		(5,204,534)			
(676,058)		(676,058)			
(441,526)		(441,526)			
<u>(39,039,550)</u>		<u>(39,039,550)</u>			
-	\$ 1,161,777	1,161,777			
-	1,461,369	1,461,369			
-	107,999	107,999			
-	133,754	133,754			
-	289,579	289,579			
-	(47,597)	(47,597)			
-	<u>3,106,881</u>	<u>3,106,881</u>			
<u>(39,039,550)</u>	<u>3,106,881</u>	<u>(35,932,669)</u>			
			\$ (8,163)	\$ -	\$ -
			-	(900,399)	-
			-	-	764,642
			<u>(8,163)</u>	<u>(900,399)</u>	<u>764,642</u>
4,788,202	-	4,788,202	-	-	-
29,414,880	-	29,414,880	-	-	-
3,497,993	-	3,497,993	-	-	-
120,564	-	120,564	21,034	2,707	3,337
156,593	-	156,593	-	-	-
1,405,800	-	1,405,800	-	209,679	-
-	-	-	968,005	-	-
<u>39,384,032</u>	<u>-</u>	<u>39,384,032</u>	<u>989,039</u>	<u>212,386</u>	<u>3,337</u>
344,482	3,106,881	3,451,363	980,876	(688,013)	767,979
66,373,901	89,109,564	155,483,465	520,537	14,463,341	5,710,813
(588,449)	(893,460)	(1,481,909)	-	-	-
65,785,452	88,216,104	154,001,556	520,537	14,463,341	5,710,813
<u>\$ 66,129,934</u>	<u>\$ 91,322,985</u>	<u>\$ 157,452,919</u>	<u>\$ 1,501,413</u>	<u>\$ 13,775,328</u>	<u>\$ 6,478,792</u>

CITY OF ENGLEWOOD, COLORADO

**Balance Sheet
Governmental Funds
December 31, 2016**

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 8,942,976	\$ 11,507,922	\$ 20,450,898
Receivables:			
Property taxes	3,374,000	3,290,000	6,664,000
Sales and use taxes	4,043,663	181,506	4,225,169
Interest	29,840	37,298	67,138
Accounts	331,745	-	331,745
Assessments	10,309	-	10,309
Intergovernmental	164,505	380,896	545,401
Total assets	<u>\$ 16,897,038</u>	<u>\$ 15,397,622</u>	<u>\$ 32,294,660</u>
Liabilities			
Accounts payable	\$ 710,754	\$ 513,083	\$ 1,223,837
Accrued payroll and related liabilities	437,549	-	437,549
Unearned revenue	1,450,000	-	1,450,000
Other liabilities	56,475	-	56,475
Total liabilities	<u>2,654,778</u>	<u>513,083</u>	<u>3,167,861</u>
Deferred Inflows of Resources			
Deferred revenue-property tax	<u>3,392,211</u>	<u>3,290,000</u>	<u>6,682,211</u>
Fund Balances			
Restricted for:			
Parks and recreation	-	2,792,891	2,792,891
Law enforcement	-	11,492	11,492
Debt service	-	63,703	63,703
Labor emergencies	1,490,000	-	1,490,000
Committed to:			
Capital projects	-	7,632,396	7,632,396
Parks and recreation	-	456,358	456,358
Long term asset reserve	1,863,099	-	1,863,099
Assigned to:			
Parks and recreation	-	459,190	459,190
Law enforcement	-	43,079	43,079
Other purposes	-	135,430	135,430
Unassigned	<u>7,496,950</u>	<u>-</u>	<u>7,496,950</u>
Total fund balances	<u>10,850,049</u>	<u>11,594,539</u>	<u>22,444,588</u>
Total liabilities deferred inflows and fund balances	<u>\$ 16,897,038</u>	<u>\$ 15,397,622</u>	<u>\$ 32,294,660</u>

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

CITY OF ENGLEWOOD, COLORADO

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2016**

Total fund balances for governmental funds	\$ 22,444,588
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets total:	62,755,384
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position:	
Bonds payable	(6,295,000)
Issuance premiums	(208,978)
Capital leases	(10,369,885)
Compensated absences	(1,595,986)
Postemployment benefits	(582,125)
	(19,051,974)
Other long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities.	(7,996,043)
Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due.	(28,033)
Internal Service Funds are used by management to charge the costs of fleet management, print management, and insurance to individual funds. A portion of the assets and liabilities of internal service funds are included in governmental activities in the statement of net position.	8,006,012
Net position of governmental activities	<u>\$ 66,129,934</u>

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

CITY OF ENGLEWOOD, COLORADO

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds**

For the Year Ended December 31, 2016

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	\$ 3,691,907	\$ 1,096,295	\$ 4,788,202
Sales and use taxes	26,300,116	3,114,764	29,414,880
Franchise and other taxes	3,497,993	-	3,497,993
Licenses and permits	1,559,986	-	1,559,986
Intergovernmental revenue	2,001,654	2,055,467	4,057,121
Charges for services	5,161,981	414,245	5,576,226
Fines and forfeitures	742,282	-	742,282
Net investment income	44,120	52,913	97,033
Contributions from component unit-EMRF	350,193	-	350,193
Other	612,140	121,769	733,909
Total revenue	<u>43,962,372</u>	<u>6,855,453</u>	<u>50,817,825</u>
Expenditures			
Current:			
General government	14,800,567	1,050,270	15,850,837
Public safety	13,221,779	179,623	13,401,402
Public works	5,917,143	1,351,889	7,269,032
Culture and recreation	6,858,400	831,961	7,690,361
Capital outlay	-	2,225,911	2,225,911
Debt service:			
Principal	1,377,644	870,000	2,247,644
Interest and other fiscal charges	486,691	223,312	710,003
Total expenditures	<u>42,662,224</u>	<u>6,732,966</u>	<u>49,395,190</u>
Excess revenues over (under) expenditures	<u>1,300,148</u>	<u>122,487</u>	<u>1,422,635</u>
Other financing sources (uses)			
Transfers in	350,655	3,227,500	3,578,155
Transfers out	(1,530,000)	(2,048,155)	(3,578,155)
Total other financing sources (uses)	<u>(1,179,345)</u>	<u>1,179,345</u>	<u>-</u>
Net change in fund balances	120,803	1,301,832	1,422,635
Fund balances - beginning	<u>10,729,246</u>	<u>10,292,707</u>	<u>21,021,953</u>
Fund balances - ending	<u><u>\$ 10,850,049</u></u>	<u><u>\$ 11,594,539</u></u>	<u><u>\$ 22,444,588</u></u>

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

CITY OF ENGLEWOOD, COLORADO

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2016**

Net Change in fund balances-total governmental funds		\$ 1,422,635
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$3,341,042) and disposals (\$629,202) exceeded capital outlays \$2,293,785 in the current period.		
		(1,676,459)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Adjustment to compensated absences liability	(71,256)	
Net pension expense adjustment	(2,494,300)	
Adjustment to postemployment benefit obligation	<u>106,653</u>	(2,458,903)
The issuance of long-term debt and capital leases provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and capital leases consume current financial resources of governmental funds. These transactions, however, have no effect on net position.		
Repayments:		
General Obligation Bonds	870,000	
Capital leases	<u>1,600,178</u>	2,470,178
Interest expense in the statement of activities differs from the amount reported in governmental funds because of additional accrued interest, amortization of bond premiums, and refunding gains or losses.		
Change in accrued interest on long-term debt	5,063	
Amortization of premium	<u>28,882</u>	33,945
Internal service funds are used by management to charge the costs of fleet management, printing management, and insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		
		<u>553,086</u>
Change in net position of governmental activities		<u>\$ 344,482</u>

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

CITY OF ENGLEWOOD, COLORADO

**Statement of Net Position
Proprietary Funds
December 31, 2016**

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Golf	Storm Drainage
Assets				
Current assets:				
Cash and investments - unrestricted	\$ 9,654,922	\$ 12,905,946	\$ 839,589	\$ 1,299,554
Cash and investments - restricted:				
Loan operations and maintenance account	1,250,000	1,250,000	-	-
Water quality research	526,132	-	-	-
Interest receivable	34,830	38,490	3,185	4,268
Accounts receivable	1,214,283	3,132,255	-	15,516
Other receivables	10,541	332,755	-	-
Inventory	180,009	3,871	65,149	-
Total current assets	<u>12,870,717</u>	<u>17,663,317</u>	<u>907,923</u>	<u>1,319,338</u>
Noncurrent assets:				
Cash and investments - restricted:				
Revenue bond future debt service	-	-	215,773	102,500
Capital replacement	-	1,000,000	-	-
Equity in joint venture	-	49,835,497	-	-
Notes receivable	-	-	-	-
Capital assets not being depreciated	7,517,387	59,500	10,396,940	-
Capital assets, net of accumulated depreciation	<u>28,160,993</u>	<u>1,674,487</u>	<u>3,988,686</u>	<u>1,686,659</u>
Total noncurrent assets	<u>35,678,380</u>	<u>52,569,484</u>	<u>14,601,399</u>	<u>1,789,159</u>
Total assets	<u>48,549,097</u>	<u>70,232,801</u>	<u>15,509,322</u>	<u>3,108,497</u>
Deferred Outflows of Resources				
Pension related deferred outflows	310,294	736,569	28,670	2,156
Deferred loss on refunding	<u>112,300</u>	<u>-</u>	<u>65,973</u>	<u>-</u>
Total deferred outflows of resources	<u>422,594</u>	<u>736,569</u>	<u>94,643</u>	<u>2,156</u>

Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
Concrete Utility	Housing Rehabilitation	Total	
\$ 932,001	\$ 1,571,763	\$ 27,203,775	\$ 5,687,980
-	-	2,500,000	-
-	-	526,132	-
3,024	4,588	88,385	16,438
7,403	22,177	4,391,634	92,697
-	-	343,296	-
-	-	249,029	178,141
<u>942,428</u>	<u>1,598,528</u>	<u>35,302,251</u>	<u>5,975,256</u>
-	-	318,273	-
-	-	1,000,000	-
-	-	49,835,497	-
-	2,399,407	2,399,407	-
-	-	17,973,827	634,134
<u>11,808,627</u>	<u>-</u>	<u>47,319,452</u>	<u>3,348,698</u>
<u>11,808,627</u>	<u>2,399,407</u>	<u>118,846,456</u>	<u>3,982,832</u>
<u>12,751,055</u>	<u>3,997,935</u>	<u>154,148,707</u>	<u>9,958,088</u>
15,819	-	1,093,508	-
-	-	178,273	-
<u>15,819</u>	<u>-</u>	<u>1,271,781</u>	<u>-</u>

(Continued)

CITY OF ENGLEWOOD, COLORADO

**Statement of Net Position
Proprietary Funds
December 31, 2016
(Continued)**

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Golf	Storm Drainage
Liabilities				
Current liabilities:				
Accounts payable	\$ 187,787	\$ 18,754	\$ 20,878	\$ 1,773
Accrued wages and related liabilities	46,282	25,600	11,380	779
Unearned revenue	42,977	8,189,833	-	25,194
Due to other funds	-	-	-	-
Other current liabilities	-	2,453,868	53,740	-
Accrued interest payable	196,614	430,984	9,845	1,002
Compensated absences - current	82,700	40,744	22,151	2,503
General Obligation bonds payable - current	160,000	-	-	-
Revenue bonds payable - current	-	-	90,000	105,000
Notes payable - current	1,016,491	3,037,571	-	-
Total current liabilities	<u>1,732,851</u>	<u>14,197,354</u>	<u>207,994</u>	<u>136,251</u>
Noncurrent liabilities:				
General Obligation bonds payable	11,048,918	-	-	-
Revenue bonds payable	-	-	2,165,000	431,297
Notes payable	791,022	28,466,668	-	-
Pension liability	1,495,322	2,833,561	147,814	7,792
Compensated absences	82,700	40,744	22,152	2,503
Other post employment benefits payable	129,175	282,300	27,018	-
Total noncurrent liabilities	<u>13,547,137</u>	<u>31,623,273</u>	<u>2,361,984</u>	<u>441,592</u>
Total liabilities	<u>15,279,988</u>	<u>45,820,627</u>	<u>2,569,978</u>	<u>577,843</u>
Net position				
Net investment in capital assets	22,774,249	1,733,987	12,130,626	1,150,362
Restricted for:				
Debt service	-	-	215,773	102,500
Water quality research	526,132	-	-	-
Unrestricted	<u>10,391,322</u>	<u>23,414,756</u>	<u>687,588</u>	<u>1,279,948</u>
Total net position	<u>\$ 33,691,703</u>	<u>\$ 25,148,743</u>	<u>\$ 13,033,987</u>	<u>\$ 2,532,810</u>

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

Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
Concrete Utility	Housing Rehabilitation	Total	
\$ 24,612	\$ 58,959	\$ 312,763	\$ 176,336
5,079	-	89,120	21,669
42,350	-	8,300,354	-
-	-	-	-
-	6,000	2,513,608	735,516
-	-	638,445	-
7,883	-	155,981	55,532
-	-	160,000	-
-	-	195,000	-
-	36,000	4,090,062	-
<u>79,924</u>	<u>100,959</u>	<u>16,455,333</u>	<u>989,053</u>
-	-	11,048,918	-
-	-	2,596,297	-
-	456,950	29,714,640	-
110,840	-	4,595,329	-
7,883	-	155,982	55,534
-	-	438,493	-
<u>118,723</u>	<u>456,950</u>	<u>48,549,659</u>	<u>55,534</u>
<u>198,647</u>	<u>557,909</u>	<u>65,004,992</u>	<u>1,044,587</u>
11,808,627	-	49,597,851	3,982,832
-	-	318,273	-
-	-	526,132	-
<u>759,600</u>	<u>3,440,026</u>	<u>39,973,240</u>	<u>4,930,669</u>
<u>\$ 12,568,227</u>	<u>\$ 3,440,026</u>	<u>90,415,496</u>	<u>\$ 8,913,501</u>

Adjustment to reflect the
consolidation of internal service
fund activities related to
enterprise funds

907,489

Net position of business type activities \$ 91,322,985

CITY OF ENGLEWOOD, COLORADO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2016**

	Business-type Activities-Enterprise Funds			
	Water	Sewer	Golf	Storm Drainage
Operating revenues				
Charges for sales and services:				
Service fees	\$ 6,344,924	\$ 16,079,362	\$ 1,768,368	\$ 316,970
Raw water sales	2,308,072	-	-	-
City ditch revenue	35,531	-	-	-
Concessions	-	-	239,590	-
Interest from notes	-	-	-	-
Property sales	-	-	-	-
Other	56,829	-	59,265	-
Total operating revenues	<u>8,745,356</u>	<u>16,079,362</u>	<u>2,067,223</u>	<u>316,970</u>
Operating expenses				
Direct system operating costs:				
Source of supply	1,327,157	-	-	-
Power and pumping	760,865	-	-	-
Purification	1,846,157	-	-	-
Transmission and distribution	742,904	-	-	-
Sanitary system	-	750,068	-	-
Storm drainage system	-	-	-	15,569
Concrete repair & maintenance program	-	-	-	-
Cost of sales	-	-	-	-
Total direct system operating costs	<u>4,677,083</u>	<u>750,068</u>	<u>-</u>	<u>15,569</u>
Littleton/Englewood WWTP operating expenses	-	10,041,578	-	-
Personnel services	529,327	659,810	844,588	83,602
Customer accounting and collection	461,585	1,179,112	-	-
Commodities and contractual services	612,901	380,387	542,789	12,028
Other	178,762	481,193	132,240	-
Depreciation	1,098,253	79,019	325,657	80,754
Total operating expenses	<u>7,557,911</u>	<u>13,571,167</u>	<u>1,845,274</u>	<u>191,953</u>
Operating income (loss)	<u>1,187,445</u>	<u>2,508,195</u>	<u>221,949</u>	<u>125,017</u>
Nonoperating revenues (expense)				
Net investment income	49,315	58,385	5,369	6,708
Grant income	-	-	-	-
Interest expense	(472,769)	(1,155,818)	(127,151)	(13,163)
Gain (loss) on disposition of assets	-	-	-	-
Littleton/Englewood WWTP capital contributions	-	(440,420)	-	-
Other, net	153,124	119,471	7,832	14,320
Total nonoperating revenues (expenses)	<u>(270,330)</u>	<u>(1,418,382)</u>	<u>(113,950)</u>	<u>7,865</u>
Income (loss) before contributions	<u>917,115</u>	<u>1,089,813</u>	<u>107,999</u>	<u>132,882</u>
Capital contributions - tap fees	202,682	294,422	-	-
Capital contributions - other	-	-	-	-
Change in net position	<u>1,119,797</u>	<u>1,384,235</u>	<u>107,999</u>	<u>132,882</u>
Total net position - beginning	32,571,906	24,657,968	12,925,988	2,399,928
Restatement of beginning net position	-	(893,460)	-	-
Restated December 31, 2015 net position	<u>32,571,906</u>	<u>23,764,508</u>	<u>12,925,988</u>	<u>2,399,928</u>
Total net position - ending	<u>\$ 33,691,703</u>	<u>\$ 25,148,743</u>	<u>\$ 13,033,987</u>	<u>\$ 2,532,810</u>

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

Business-type Activities-Enterprise Funds			Governmental Activities - Internal Service Funds
Concrete Utility	Housing Rehabilitation	Total	
\$ 874,673	\$ -	\$ 25,384,297	\$ 9,519,756
-	-	2,308,072	-
-	-	35,531	-
-	-	239,590	-
-	103,494	103,494	-
-	165,000	165,000	-
-	3,394	119,488	147,119
874,673	271,888	28,355,472	9,666,875
-	-	1,327,157	-
-	-	760,865	-
-	-	1,846,157	-
-	-	742,904	-
-	-	750,068	-
-	-	15,569	-
145,369	-	145,369	-
-	209,287	209,287	-
145,369	209,287	5,797,376	-
-	-	10,041,578	-
45,524	-	2,162,851	1,182,245
-	17,719	1,658,416	-
4,174	238,367	1,790,646	7,406,788
-	(32,955)	759,240	-
397,568	-	1,981,251	814,853
592,635	432,418	24,191,358	9,403,886
282,038	(160,530)	4,164,114	262,989
4,370	6,234	130,381	23,531
-	127,387	127,387	-
-	(20,688)	(1,789,589)	-
-	-	-	270,897
-	-	(440,420)	-
2,437	-	297,184	137,494
6,807	112,933	(1,675,057)	431,922
288,845	(47,597)	2,489,057	694,911
-	-	497,104	-
-	-	-	175,043
288,845	(47,597)	2,986,161	869,954
12,279,382	3,487,623	-	8,043,547
-	-	-	-
12,279,382	3,487,623	-	8,043,547
\$ 12,568,227	\$ 3,440,026	-	\$ 8,913,501

Adjustment to reflect the consolidation of
internal service fund activities related to
enterprise funds

Change in net position of business-type activities

120,720

\$ 3,106,881

CITY OF ENGLEWOOD, COLORADO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016**

	Business-type Activities-Enterprise Funds		
	Water	Sewer	Golf Course
Cash flows from operating activities			
Cash received from customers	\$ 8,766,505	\$ 15,803,605	\$ 2,058,629
Collections of program loan principal	-	-	-
Interest received from borrowers	-	-	-
Program loans issued	-	-	-
Cash payments to suppliers for goods and services	(3,992,076)	(9,382,693)	(596,276)
Cash payments to employees for services	(2,372,879)	(933,899)	(953,088)
Other cash received	153,124	119,471	7,832
Net cash provided (used) by operating activities	<u>2,554,674</u>	<u>5,606,484</u>	<u>517,097</u>
Cash flows from noncapital financing activities			
Operating grants received	-	-	-
Principal paid on debt obligation	-	-	-
Interest paid on debt obligation	-	-	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities			
Contributed capital	202,682	(145,998)	-
Proceeds from sale of assets	-	-	-
Acquisition and construction of capital assets	(398,724)	-	(89,517)
Principal paid on long-term debt	(1,097,425)	(2,930,351)	(90,000)
Interest paid on long-term debt	(491,902)	(1,336,606)	(120,166)
Net cash (used) by capital related financing activities	<u>(1,785,369)</u>	<u>(4,412,955)</u>	<u>(299,683)</u>
Cash flows from investing activities			
Net investment income	38,683	45,648	3,952
Net cash provided by investing activities	<u>38,683</u>	<u>45,648</u>	<u>3,952</u>
Net increase (decrease) in cash and cash equivalents	807,988	1,239,177	221,366
Cash and cash equivalents - beginning	<u>10,623,066</u>	<u>13,916,769</u>	<u>833,996</u>
Cash and cash equivalents - ending	<u><u>\$ 11,431,054</u></u>	<u><u>\$ 15,155,946</u></u>	<u><u>\$ 1,055,362</u></u>

Business-type Activities-Enterprise Funds				Governmental Activities - Internal Service Funds
Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	
\$ 319,724	\$ 890,572	\$ -	\$ 27,839,035	\$ 9,655,344
-	-	449,991	449,991	-
-	-	103,494	103,494	-
-	-	-	-	-
(27,409)	(191,622)	(385,031)	(14,575,107)	(7,075,723)
(91,612)	(24,036)	-	(4,375,514)	(1,167,697)
14,320	2,437	168,394	465,578	119,288
215,023	677,351	336,848	9,907,477	1,531,212
-	-	127,387	127,387	-
-	-	(166,877)	(166,877)	-
-	-	(20,688)	(20,688)	-
-	-	(60,178)	(60,178)	-
-	-	-	56,684	-
-	-	-	-	270,897
(38,588)	(453,667)	-	(980,496)	(939,767)
(100,000)	-	-	(4,217,776)	-
(13,532)	-	-	(1,962,206)	-
(152,120)	(453,667)	-	(7,103,794)	(668,870)
5,331	3,209	6,234	103,057	17,211
5,331	3,209	6,234	103,057	17,211
68,234	226,893	282,904	2,846,562	879,553
1,333,820	705,108	1,288,859	28,701,618	4,808,427
\$ 1,402,054	\$ 932,001	\$ 1,571,763	\$ 31,548,180	\$ 5,687,980

(Continued)

CITY OF ENGLEWOOD, COLORADO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016
(Continued)**

	Business-type Activities-Enterprise Funds		
	Water	Sewer	Golf Course
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 1,187,445	\$ 2,508,195	\$ 221,949
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,098,253	2,984,906	325,657
Miscellaneous nonoperating income	153,124	119,471	7,832
Effect of changes in operating assets and liabilities:			
Accounts receivable	34,920	91,654	-
Other receivables	(10,541)	(29,357)	-
Inventory	83,459	-	12,900
Other current assets	-	-	-
Accounts payable	(115,458)	(2,904)	3,386
Accrued payroll and related liabilities	14,919	32,430	(14,406)
Pension deferred outflows	(97,158)	(285,257)	-
Pension deferred inflows	33,849	163,240	(166,541)
Net Pension Liability	175,092	362,160	147,814
Unearned revenue	(3,230)	(4,772)	-
Other current liabilities	-	(333,282)	(21,494)
Total adjustments	1,367,229	3,098,289	295,148
Net cash provided (used) by operating activities	<u>\$ 2,554,674</u>	<u>\$ 5,606,484</u>	<u>\$ 517,097</u>
Noncash investing, capital and financing activities			
Contributions of capital assets from other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Business-type Activities-Enterprise Funds				Governmental Activities - Internal Service Funds
Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	
\$ 125,017	\$ 282,038	\$ (160,530)	\$ 4,164,114	\$ 262,989
80,754	397,568	-	4,887,138	814,853
14,320	2,437	823,822	1,121,006	137,494
2,613	15,701	(22,177)	122,711	(26,454)
-	-	(460,009)	(499,907)	-
-	-	198,237	294,596	(33,305)
-	-	41,721	41,721	-
188	(2,994)	18,749	(99,033)	(22,533)
(8,716)	(426)	-	23,801	12,448
(855)	(2,992)	-	(386,262)	-
550	(19,572)	-	11,526	-
1,011	5,393	-	691,470	-
141	198	-	(7,663)	-
-	-	(102,965)	(457,741)	385,720
90,006	395,313	497,378	5,743,363	1,268,223
<u>\$ 215,023</u>	<u>\$ 677,351</u>	<u>\$ 336,848</u>	<u>\$ 9,907,477</u>	<u>\$ 1,531,212</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,043</u>

CITY OF ENGLEWOOD, COLORADO

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December 31, 2016**

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CITY OF ENGLEWOOD, COLORADO

Notes to the Financial Statements December 31, 2016

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

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

Discretely presented component units

The Englewood Urban Renewal Authority (EURA) was created by resolution passed September 18, 1972, by the Englewood City Council under authorization of State Statutes. The purpose of the EURA is to acquire and develop or redevelop certain blighted areas in the City to maintain the public welfare.

The Englewood Environmental Foundation, Inc. (EEF), a nonprofit corporation, was established on August 14, 1997 under authorization of the Colorado Nonprofit Corporation Act. The purpose of the EEF includes, but is not limited to, maintaining the common areas of CityCenter Englewood, a mixed-use, transit oriented development that includes retail shops, luxury apartment housing and office space.

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

The EURA, EEF and EMRF are included in the City's financial statements because the City Council appoints all board members and provides the component units substantial financial support.

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

B. Government-wide and Fund Financial Statements

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

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

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

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

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

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

The City reports the following major governmental fund:

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

The City reports the following major proprietary funds:

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

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

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

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

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

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

Additionally, the City reports the following fund types:

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

The pension trust fund accounts for the NonEmergency, Pension Fund administered by the City in a trustee capacity.

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

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

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

Proprietary funds distinguish between operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services, including water and sewer charges, printing fees, vehicle use and maintenance fees, capital replacement fees and insurance fees. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The City's water and sewer enterprise funds recognize as capital contributions the entire portion of tap fees, as they are intended to recover the cost of the capital investment in the water and sewer distribution system.

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity

Deposits and Investments

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

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

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

- U.S. Treasury Obligations: Treasury Bills, Treasury Notes and Treasury Bonds with maturities not exceeding five years from the date of trade settlement.
- Treasury Strips (book-entry U.S. Treasury securities whose coupons have been removed) with maturities not exceeding five years from the date of trade settlement.
- Federal Instrumentalities - Debentures, Discount Notes, Medium-Term Notes, Callable Securities and Step-up Securities issued by the following only: Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC) and Federal Farm Credit Banks (FFCB), with maturities not exceeding five years from the date of trade settlement. Federal Instrumentality Securities shall be

rated in the highest rating category by at least two Nationally Recognized Statistical Rating Organizations (NRSROs) that rate them, and shall be rated not less by any NRSRO that rates the debt.

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

Receivables and Payables

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

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

Inventories and Prepaid Expenses

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased. Prepaid expenses are recorded when services are purchased in the current period but received in a future period.

Restricted Assets and Liabilities

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

Capital Assets

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

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

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

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

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has deferred charges on debt refunding and deferred outflows related to pension activity.

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

Compensated Absences

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

Leases

Leases that meet certain criteria are classified as capital lease obligations and recorded at the lesser of the present value of minimum lease payments or the fair value of the leased property at inception. Leases that do not meet the criteria of a capital lease are classified as operating leases. The City's operating leases are not significant.

Long-term Obligations

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

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

Net Position and Fund Equity

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

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

Restricted net position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation. Pursuant to the City Charter, the net position of the City's utilities: water, sewer, storm drainage and concrete, are entirely restricted to their own purpose.

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

Fund Balance Policies

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

Restricted Fund Balances

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

Committed Fund Balances

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

Assigned Fund Balances

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

Unassigned Fund Balance

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

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

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Detailed Notes on All Funds

A. Deposits and Investments

	Primary Government			Component Units			
	Governmental and Business-Type Activities	Fiduciary Funds	Total	EURA	EEF	EMRF	Reporting Entity Total
Unrestricted:							
Deposits and investments with City internal investment pool	\$ 53,251,204	\$ 39,629,572	\$ 92,880,776	\$ 280,487	\$ 596,927	\$ 760,240	\$ 94,518,430
Deposits and investments outside City internal investment pool	91,449	22,894	114,343	-	114,312	8,093	236,748
Subtotal unrestricted deposits and investments	53,342,653	39,652,466	92,995,119	280,487	711,240	768,333	94,755,178
Restricted:							
Deposits and investments with City internal investment pool	4,344,405	-	4,344,405	-	-	-	4,344,405
Total deposits and investments	\$ 57,687,058	\$ 39,652,466	\$ 97,339,524	\$ 280,487	\$ 711,240	\$ 768,333	\$ 99,099,583
Cash and deposits	\$ 3,993,011	\$ -	\$ 3,993,011	\$ -	\$ 114,312	\$ 8,093	\$ 4,115,416
Investments	53,694,047	39,652,466	93,346,513	280,487	596,927	760,240	94,984,167
	\$ 57,687,058	\$ 39,652,466	\$ 97,339,524	\$ 280,487	\$ 711,239	\$ 768,333	\$ 99,099,583

Deposits

Custodial credit risk – deposits:

Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The City's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are considered to be uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2016, the City's deposits amounting to \$341,449 were insured by federal depository insurance and consequently were not exposed to custodial credit risk.

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

	EEF	EMRF
Insured-FDIC	\$ 114,312	\$ 8,093

Investments

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

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

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

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

Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by the generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are the quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of December 31, 2016:

Primary Government

Level 1 Inputs:

US Treasury Securities of \$11,125,407 are valued using quoted market prices.

Level 2 Inputs:

Residential mortgage-backed securities of \$26,427,142 are valued using a matrix pricing technique.

Corporate bonds of \$16,477,829 are valued using a matrix pricing technique.

Defined Benefit Pension Plan

Level 1 Inputs:

Fixed Income mutual funds of \$9,379,779 are valued using quoted market prices.

Domestic Equity mutual funds of \$12,356,410 are valued using quoted market prices.

International Equity mutual funds of \$6,111,528 are valued using quoted market prices.

Real Estate equity mutual funds of \$3,553,902 are valued using quoted market prices.

Other mutual funds of \$2,380,125 are valued using quoted market prices.

The City also participates in a 2a-7 like external investment pool (Colotrust) which is valued at net asset value per share, measured using quoted market prices.

Presented below is the minimum rating required by the City's investment policy and the actual rating as of December 31, 2016 for each investment type.

Investment Type	Minimum Rating Required	Standard & Poor's Rating	Moody's Rating	Total Investment Portfolio
U.S. Treasury Notes	N/A	N/A	N/A	12%
Federal Farm Credit Banks (FFCB)	N/A	AA+	Aaa	9%
Federal Home Loan Banks (FHLB)	N/A	AA+	Aaa	5%
Federal Home Loan Mortgage Corporation (FHLMC)	N/A	AA+	Aaa	8%
Federal National Mortgage Association (FNMA)	N/A	AA+	Aaa	7%
Commercial paper	A-1/P-1	A-1	P-1	1%
Corporate bonds	AA-/Aa3	AAA	Aaa	1%
Corporate bonds	AA-/Aa3	AA+	Aa1	1%
Corporate bonds	AA-/Aa3	AA-	Aa2	11%
Corporate bonds	AA-/Aa3	AA-	Aa3	2%
Corporate bonds		A+	Aa2	1%
COLOTRUST (b)	N/A	AAAm	Aaa	7%

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

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

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market rates. The following schedule indicates the interest rate risk of the City's investments at December 31, 2016. The Retirement Trust Funds' interest rate risk information is included in Note 4.

	Fair Value	Investment Maturities	
		Less than 1 year	1 to 5 years
Primary Government:			
Investments in City internal investment pool:			
U.S. Treasury Notes	\$ 11,125,407	\$ 1,996,758	\$ 9,128,649
U.S. Instrumentalities	26,744,285	8,052,384	18,691,901
Corporate Bonds	16,477,829	6,003,744	10,474,085
Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+)	6,793,668	6,793,668	-
Less: Component unit investments in internal investment pool	(1,637,654)	(1,637,654)	-
Subtotal investments in City internal investment pool	59,503,535	21,208,900	38,294,635
Retirement Trust Fund investments	33,842,978		
Total Primary Government	93,346,513		
Component Units:			
EURA:			
Investments in internal investment pool	280,487	\$ 280,487	\$ -
EEF:			
Investments in internal investment pool	596,927	\$ 596,927	\$ -
EMRF:			
Investments in internal investment pool	760,240	\$ 760,240	\$ -
Total Component Units	1,637,654		
Total Investments	\$ 94,984,167		

One of the ways the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for

operations. Additionally, the City's investment policy limits the weighted average maturity of its internal investment pool to less than two years. At December 31, 2016, the weighted average maturity of the City's internal investment portfolio was 1.51 years.

Concentration of Credit Risk

Of the City's total investments in its internal investment pool, 18% were T-Notes, 11% were FNMA Notes, 12% were FHLMC Notes, 14% were FFCB Notes and 8% were FHLB Notes. Additionally, 11% of the internal investment pool was held by COLOTRUST. All other investments not issued or explicitly guaranteed by the U.S. Government were less than 27% of the City's total pooled investments.

Retirement Trust Funds' Investments

The investments of the pension trust funds are invested separately from the internal investment pool. At December 31, 2016, the investments were as follows:

Investment Type	Fair Value
Nonemergency Pension Trust Fund	
Fixed Income securities	\$ 9,379,779
Equity securities:	
Domestic equities	12,356,410
International equities	6,111,528
Other	2,441,359
Subtotal equity securities	20,909,297
Real estate equity fund	3,553,902
Total Retirement Trust Investments	\$ 33,842,978

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

Interest Rate and Credit Risk - Retirement Trust Funds

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

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

At December 31, 2016, the Fund's fixed income securities had an effective duration of 3.6 years.

U.S. Government obligations and those explicitly guaranteed by the U.S. Government account for 17.8% of the Fund's fixed income portfolio. The following table illustrates the credit risk exposure of the remaining fixed income securities as of December 31, 2016:

Rating	Percentage of Fixed Income
	Total
AAA	23.8%
AA	5.2%
A	6.4%
BBB	20.1%
BB	9.7%
B	9.2%
CCC	1.8%
Cash	5.5%
NR	0.6%
	<u>82.2%</u>

Foreign Currency Risk - Retirement Trust Funds

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

The fair value of the Fund's exposure to foreign currency risk at December 31, 2016 is summarized in the following table:

Country or Region	Currency	Fair Value	Percentage of Total
United Kingdom	British pound	\$ 642,532	10.5%
Denmark	Danish krone	67,158	1.1%
Sweden	Swedish krona	111,724	1.8%
Other Developed Europe	Other Europe	1,728,231	28.3%
Japan	Japanese yen	700,303	11.5%
South Korea	South Korean won	18,053	0.3%
Australia	Australian dollar	178,434	2.9%
Other Pacific Basin	Other Pacific Basin	1,623,610	26.6%
Brazil	Brazilian real	262,593	4.3%
Other countries	Other countries	492,422	8.1%
		<u>5,825,060</u>	<u>95.4%</u>
	Cash and equivalents	286,468	4.6%
		<u>\$ 6,111,528</u>	<u>100.0%</u>

B. Receivables

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

	Governmental Activities			
	General	Nonmajor Funds	Internal Service	Total
Receivables:				
Property tax	\$ 3,374,000	\$ 3,290,000	\$ -	\$ 6,664,000
Sales and use tax	4,043,663	181,506	-	4,225,169
Interest	29,840	37,298	16,438	83,576
Accounts	331,745	-	92,697	424,442
Assessments	10,309	-	-	10,309
Intergovernmental	164,505	380,896	-	545,401
Total receivables	<u>\$ 7,954,062</u>	<u>\$ 3,889,700</u>	<u>\$ 109,135</u>	<u>\$ 11,952,897</u>

	Business-type Activities						Total
	Water	Sewer	Golf Course	Storm Drainage	Concrete Utility	Housing Rehabilitation	
Receivables							
Interest	\$ 34,830	\$ 38,490	\$ 3,185	\$ 4,268	\$ 3,024	\$ 4,588	\$ 88,385
Accounts	1,214,283	3,132,255	-	15,516	7,403	22,177	4,391,634
Notes (see below)	-	-	-	-	-	2,399,407	2,399,407
Other	10,541	332,755	-	-	-	-	343,296
Total receivables	<u>\$ 1,259,654</u>	<u>\$ 3,503,500</u>	<u>\$ 3,185</u>	<u>\$ 19,784</u>	<u>\$ 10,427</u>	<u>\$ 2,426,172</u>	<u>\$ 7,222,722</u>
Not scheduled for collection during the subsequent year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,399,407	\$ 2,399,407

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

Notes Receivable

Notes receivable in the Housing Rehabilitation Fund consist of loans to qualified borrowers for rehabilitation of existing homes. Interest rates vary from 0% to 10.8%. Terms of repayment vary from monthly amortized loans to deferred loans, where the payment of loan principal and accrued interest, if any, is payable when the property transfers ownership. A lien is filed on the property to insure loans are repaid. The total loan balance of \$3,007,407 has been reduced by \$608,000 to account for the present value of the receivables.

An analysis of the notes receivable follow:

Loan Type	Balance 12/31/2015	New Loans	Principal Payments	Balance 12/31/2016
Amortized loans	\$ 939,494	\$ -	\$ 223,926	\$ 715,568
Deferred loans	2,517,904	-	226,065	2,291,839
	<u>\$ 3,457,398</u>	<u>\$ -</u>	<u>\$ 449,991</u>	<u>3,007,407</u>
Loans in progress				-
				<u>3,007,407</u>
Less unamortized discount based on imputed interest rate of 7% over 20 years				<u>(608,000)</u>
Total notes receivable, net				<u>\$ 2,399,407</u>
Notes are classified as follows:				
			Current	\$ -
			Long-term	<u>2,399,407</u>
				<u>\$ 2,399,407</u>

The EURA reports a note receivable that represents a loan intended to assist with the redevelopment of various tracts of land along the South Broadway corridor in the City. The Interest rate on the loan is 4% with payments scheduled to begin in 2018. Total loan balance is \$1,220,080 with the final principal payment scheduled for December 1, 2032.

Unearned Revenue/Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of December 31, 2016, the various components of *deferred* revenue and *unearned* revenue reported in the governmental funds of the primary government were as follows:

	Deferred	Unearned	Total
Property taxes (General Fund)	\$ 3,392,211	\$ -	\$ 3,392,211
Property taxes (Debt Service Fund)	3,290,000	-	3,290,000
Sales and use taxes (General Fund)	-	1,450,000	1,450,000
Net government-wide deferred / unearned revenue	<u>\$ 6,682,211</u>	<u>\$ 1,450,000</u>	<u>\$ 8,132,211</u>

C. Capital Assets

Primary Government

Capital asset activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 16,384,969	\$ 800,766	\$ (54,849)	\$ 17,130,886
Works of art	233,750	40,000	-	273,750
Construction in process	2,261,997	1,607,169	(3,230,740)	638,426
Total capital assets not being depreciated	18,880,716	2,447,935	(3,285,589)	18,043,062
Capital assets being depreciated				
Buildings	41,456,538	2,056,626	-	43,513,164
Infrastructure	33,323,708	284,413	-	33,608,121
Machinery and equipment	22,366,079	1,416,469	(1,884,590)	21,897,958
Other improvements	6,171,326	545,936	-	6,717,262
Total capital assets being depreciated	103,317,651	4,303,444	(1,884,590)	105,736,505
Less accumulated depreciation for:				
Buildings	(16,482,998)	(887,982)	-	(17,370,980)
Infrastructure	(18,310,001)	(1,667,042)	-	(19,977,043)
Machinery and equipment	(16,623,160)	(1,343,567)	1,310,238	(16,656,489)
Other improvements	(2,779,535)	(257,304)	-	(3,036,839)
Total accumulated depreciation	(54,195,694)	(4,155,895)	1,310,238	(57,041,351)
Total capital assets being depreciated, net	49,121,957	147,549	(574,352)	48,695,154
Governmental activities capital assets, net	\$ 68,002,673	\$ 2,595,484	\$ (3,859,941)	\$ 66,738,216

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

Governmental activities:	
General Government	\$ 265,063
Safety Services	222,861
Public Works	1,441,629
Culture and Recreation	969,963
Unallocated	441,526
In addition, depreciation on capital assets held by the City's internal service funds is charged to the various functions based on their usage of the assets.	814,853
Total depreciation expense - governmental activities	<u>\$ 4,155,895</u>

Capital asset activity for the year ended December 31, 2016 (continued):

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 11,522,825	\$ -	\$ -	\$ 11,522,825
Raw water	6,451,002	-	-	6,451,002
Total capital assets not being depreciated	<u>17,973,827</u>	<u>-</u>	<u>-</u>	<u>17,973,827</u>
Capital assets being depreciated:				
Distribution and collection systems	32,994,955	276,257	-	33,271,212
Plant and buildings	32,902,749	9,998	-	32,912,747
Improvements other than buildings	7,961,449	60,397	-	8,021,846
Curb, sidewalk and streets	22,127,353	453,667	-	22,581,020
Equipment and other	5,185,794	180,177	-	5,365,971
Total capital assets being depreciated	<u>101,172,300</u>	<u>980,496</u>	<u>-</u>	<u>102,152,796</u>
Less accumulated depreciation for:				
Distribution and collection systems	(21,790,874)	(455,823)	-	(22,246,697)
Plant and buildings	(13,149,398)	(682,911)	-	(13,832,309)
Improvements other than buildings	(3,277,202)	(260,167)	-	(3,537,369)
Curb, sidewalk and streets	(10,374,824)	(397,568)	-	(10,772,392)
Equipment and other	(4,259,795)	(184,782)	-	(4,444,577)
Total accumulated depreciation	<u>(52,852,093)</u>	<u>(1,981,251)</u>	<u>-</u>	<u>(54,833,344)</u>
Total capital assets being depreciated, net	<u>48,320,207</u>	<u>(1,000,755)</u>	<u>-</u>	<u>47,319,452</u>
Business-type activities capital assets, net	<u>\$ 66,294,034</u>	<u>\$ (1,000,755)</u>	<u>\$ -</u>	<u>\$ 65,293,279</u>

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

Business-type activities:	
Water	\$ 1,098,253
Sewer	79,019
Golf	325,657
Storm	80,754
Concrete	397,568
Total depreciation expense - business-type activities	<u>\$ 1,981,251</u>

Discretely Presented Component Units

Englewood Urban Renewal Authority (EURA)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	<u>\$ 516,995</u>	<u>\$ -</u>	<u>\$ (516,995)</u>	<u>\$ -</u>

The capital assets of the EURA consisting of a parking lot and vacant land (approximately 1.7 acres) were sold and are currently under redevelopment. Proceeds from the transaction will be used for future development.

Englewood Environmental Foundation (EEF)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	\$ 8,496,257	\$ -	\$ -	\$ 8,496,257
Capital assets being depreciated				
Site development	10,772,213	-	-	10,772,213
Curb, sidewalk and streets	4,841,536	-	-	4,841,536
Parking structure	3,956,348	-	-	3,956,348
Bridge	2,017,170	-	-	2,017,170
Equipment and other	185,261	-	-	185,261
Total capital assets being depreciated	21,772,528	-	-	21,772,528
Less accumulated depreciation for:				
Site development	(7,683,731)	(413,801)	-	(8,097,532)
Curb, sidewalk and streets	(4,841,536)	-	-	(4,841,536)
Parking structure	(2,532,063)	(158,254)	-	(2,690,317)
Bridge	(1,290,622)	(80,686)	-	(1,371,308)
Equipment and other	(182,479)	(1,350)	-	(183,829)
Total accumulated depreciation	(16,530,431)	(654,091)	-	(17,184,522)
Total capital assets being depreciated, net	5,242,097	(654,091)	-	4,588,006
EEF capital assets, net	\$ 13,738,354	\$ (654,091)	\$ -	\$ 13,084,263

Englewood McLellan Reservoir Foundation (EMRF)

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

D. Interfund Transfers

The composition of interfund balances as of December 31, 2016, is as follows:

	Transfers in:		
	General Fund	Nonmajor Governmental	Total Transfers In
Transfers out:			
General Fund	\$ -	\$ 1,530,000	\$ 1,530,000
Nonmajor governmental funds	350,655	1,697,500	2,048,155
Total transfers out	\$ 350,655	\$ 3,227,500	\$ 3,578,155

Transfers between funds provide support for various City programs in accordance with budgetary authorizations. During the year ended December 31, 2016, the City made one-time transfers to the General Fund from nonmajor governmental funds for debt service. The General Fund and Public Improvement Funds made transfers to the other funds to assist in funding for projects accounted for in those funds.

E. Capital Leases

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

Assets acquired through capital leases follow:

Asset	Cost	Accumulated Depreciation	Total
Building - Civic Center	\$ 22,393,532	\$ (8,172,845)	\$ 14,220,687
Equipment - Other	540,000	(540,000)	-
Equipment - Computer Equipment	195,458	(195,458)	-
Equipment - Fire Operations	973,900	(973,900)	-
Total capital leases	<u>\$ 24,102,890</u>	<u>\$ (9,882,203)</u>	<u>\$ 14,220,687</u>

Civic Center

On December 29, 1998, the City entered into a lease purchase agreement with the Englewood Environmental Foundation, Inc. (EEF) for the Englewood Civic Center. The lease represents a legal outstanding economic debt of the City to the EEF, a separate legal entity and not an advance between funds. The lease purchase agreement is renewable annually and lease payments are subject to annual appropriation by the City. Base rental payments are intended to cover the EEF's debt service requirements on its outstanding Certificates of Participation (see Note 3.G.). Lease payments are made from revenues collected in the City's General Fund and are due in semiannual installments through June 1, 2023, with interest at 2.12%.

The net present value of the minimum lease payments as of December 31, 2016, are as follows:

Year Ending December 31	Governmental Activities	
	Civic Center	
2017	\$	1,437,896
2018		1,440,025
2019		1,439,560
2020		1,431,597
2021		1,437,062
2022-2023		<u>2,871,869</u>
Minimum lease payments		10,058,009
Less: Amount representing interest		(710,009)
Present value of minimum Lease Payments	<u>\$</u>	<u>9,348,000</u>

Fire Equipment

The City contracted with Denver for fire and rescue services in 2015 and part of that contract was for the City's leased fire equipment. The lease was originally scheduled to be fully paid on March 1 2017 but the City fully paid the lease in 2016 and transferred the equipment to Denver per the contract.

F. Long-term Obligations

General Obligation Bonds

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

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

General Obligation Refunding Bonds, Series 2010. On October 19, 2010, the City issued \$9,985,000 of General Obligation Refunding Bonds, to provide resources to purchase U.S. Treasury, Certificates and Notes that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of \$4,000,000 of Series 2001 and \$5,255,000 of Series 2002 General Obligation Bonds representing all outstanding bonds maturing on or after December 1, 2010. As a result, the refunded bonds were called in 2011 and 2012. The 2010 bonds bear interest at 2.0% to 4.0% and consist of serial bonds maturing yearly on December 1 through 2023. Bonds maturing on or after December 1, 2021 are subject to redemption at the option of the City. Interest is payable semiannually on June 1 and December 1. The original issue was used to fund improvements to the City's two recreation centers and the construction of the Pirates Cove Family Aquatics Center.

General Obligation Water Refunding and Improvement Bonds, Series 2012, original principal amount of \$8,590,000, dated July 11, 2012, consisting of serial bonds due annually in varying amounts through January 1, 2032. The term bonds maturing on January 1, 2023 are subject to redemption prior to their respective maturities at the option of the City. Interest is payable semi-annually at rates ranging from 2% to 4%. The bonds were issued to refund the Series 2004 General Obligation Water bonds. The remaining \$1,970,000 of outstanding bonds were called January 1, 2016. Although there is a general obligation pledge on these bonds, which allows the City to certify a rate of levy for property taxes to pay principal and interest on the bonds, it is the City's intention to service the debt from available moneys in the Water Fund. The original 2004 bonds were issued to finance various water system improvement projects.

General Obligation Water Bonds, Series 2009, original principal amount of \$2,615,000, dated June 24, 2009, consisting of serial bonds due annually in varying amounts through January 1, 2029. The bonds maturing on January 1, 2026 are subject to mandatory sinking fund redemption commencing on January 1, 2025. Interest is payable semi-annually at rates ranging from 4.15% to 4.625%. Bonds maturing on or after January 1, 2019 are callable at par in any order of maturity on January 1, 2020. The bonds were issued to finance miscellaneous water system improvement projects. Although there is a general obligation pledge on these bonds, which allows the City to certify a rate of levy for property taxes to pay principal and interest on the bonds, it is the City's intention to service the debt from available moneys in the Water Fund. Principal payments begin on December 31, 2019.

General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities	2.00% - 5.10%	\$ 6,295,000
Business-type activities	3.625% - 4.75%	10,855,000
		<u>\$ 17,150,000</u>

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

	Principal	Interest	Total
2017	\$ 1,050,000	\$ 576,690	\$ 1,626,690
2018	1,070,000	553,416	1,623,416
2019	1,105,000	525,178	1,630,178
2020	1,600,000	485,828	2,085,828
2021	1,645,000	430,845	2,075,845
2022-2026	5,315,000	1,343,835	6,658,835
2027-2031	4,395,000	550,660	4,945,660
2032	970,000	14,550	984,550
	<u>\$ 17,150,000</u>	<u>\$ 4,481,002</u>	<u>\$ 21,631,002</u>

Revenue Bonds

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

Golf Course Revenue Refunding Bonds, Series 2013, original principal amount of \$2,530,000, dated September 19, 2013, consisting of serial bonds in the original amount of \$1,335,000 due annually in varying amounts through December 1, 2026, and term bonds in the original amount of \$300,000 due on December 1, 2028 and term bonds in the original amount of \$320,000 due on December 1, 2030 and term bonds in the original amount of \$555,000 due on December 1, 2033. Interest is payable semi-annually at rates ranging from 2.00% to 5.625%. Bonds maturing on or after December 1, 2023 are callable at par in any order of maturity on December 1, 2013. The Bonds maturing on and after December 1, 2024 are subject to redemption prior to maturity, at the option of the City, in whole or in part, and if in part in such order of maturities as the City shall determine and by lot within a maturity, on December 1, 2023 and on any date thereafter, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date. The bonds are non-rated. The original 2003 bonds that were refunded by this issue were utilized for construction of golf course improvements. The bonds are payable solely from the revenues of the Golf Course. Available revenues were \$338,073 and \$466,713 for 2015 and 2016 respectively.

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

finance miscellaneous storm water system improvement projects. The bonds are payable solely from the revenues of the Storm Water system. Available revenues were \$233,134 and \$226,799 for 2015 and 2016 respectively.

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

	Principal	Interest	Total
2017	\$ 195,000	\$ 130,171	\$ 325,171
2018	200,000	125,858	325,858
2019	200,000	120,672	320,672
2020	205,000	114,746	319,746
2021	220,000	108,121	328,121
2022-2026	595,000	443,832	1,038,832
2027-2031	795,000	257,913	1,052,913
2032-2033	380,000	34,500	414,500
	<u>\$ 2,790,000</u>	<u>\$ 1,335,813</u>	<u>\$ 4,125,813</u>

Qualified Energy Conservation Bonds

The City issued Qualified Energy Conservation Bonds in 2010. The original principal amount of \$1,355,302 dated August 19, 2010. Principal and interest are due quarterly with an interest rate of 5.41% through July 19, 2026. The interest payments are partially offset by credits from the Federal Government under Section 1112 of the American Recovery and Reinvestment Act of 2009, "Section 54D" that authorizes states and political subdivisions to issue qualified energy conservation bonds "QECBs". Proceeds will be used for qualified energy conservation purposes. Payments are made by the General Fund.

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

	Principal	Interest	Total
2017	\$ 80,483	\$ 21,550	\$ 102,033
2018	85,513	19,759	105,272
2019	90,741	17,858	108,599
2020	96,171	15,843	112,014
2021	101,813	13,708	115,521
2022-2026	567,164	32,014	599,178
	<u>\$ 1,021,885</u>	<u>\$ 120,732</u>	<u>\$ 1,142,617</u>

Notes and loans payable

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

Servicing Fund	Issue Date	Original Amount	Interest Rate	Outstanding Balance	Last Payment Due
Water	10/1/1997	\$ 15,292,636	4.141%	\$ 1,807,513	8/1/2018
Sewer	5/1/2004	19,715,000	4.110%	1,855,000	8/1/2017
Sewer	5/1/2004	29,564,275	3.870%	29,500,063	8/1/2025
			Total	<u>\$ 33,162,576</u>	

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

The CWRPDA loans are payable solely from revenues of the City's Water and Sewer systems, after deducting operating and maintenance costs. Revenues available for debt service were as follows:

	<u>2015</u>	<u>2016</u>
Water	\$2,395,050	\$2,606,088
Sewer	\$5,687,547	\$5,490,878

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

Vectra and US Bank – Included with the City's notes and loans payable are loans at various interest rates ranging from 3.85% to 7.00% used to provide interim financing for the Housing Rehabilitation Fund program. These funds are subsequently loaned to homeowners to assist in completing home improvements. Repayments are made when payments are received on the corresponding notes receivable. The balances of these notes at December 31, 2016 for Vectra and US Bank are \$71,331 and \$421,619 respectively. As the repayments of these notes are based on the repayment of corresponding notes receivable, these notes are not included in the maturity table below.

Notes and loans currently outstanding are as follows:

Purpose	Interest Rates	Amount
Business-type activities	3.85% - 7.00%	\$ 33,162,576

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

	Business-type Activities		
	Principal	Interest	Total
2017	\$ 4,054,062	\$ 1,067,452	\$ 5,121,514
2018	3,952,588	852,809	4,805,397
2019	3,258,759	775,725	4,034,484
2020	3,360,428	670,156	4,030,584
2021	3,467,448	566,627	4,034,075
2022-2025	15,069,291	947,440	16,016,731
	<u>\$ 33,162,576</u>	<u>\$ 4,880,209</u>	<u>\$ 38,042,785</u>

Long-term liability activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General Obligation Bonds:					
Series 2010 Refunding	\$ 7,165,000	\$ -	\$ 870,000	\$ 6,295,000	\$ 890,000
Premium/(Discount)	237,860	-	28,882	208,978	-
Subtotal general obligation bonds	<u>7,402,860</u>	<u>-</u>	<u>898,882</u>	<u>6,503,978</u>	<u>890,000</u>
Capital Lease Obligations:					
Civic Center Lease	10,650,000	-	1,302,000	9,348,000	1,253,000
Qualified Energy Conservation	1,097,529	-	75,644	1,021,885	80,483
Fire Equipment, 2007	222,534	-	222,534	-	-
Subtotal capital leases	<u>11,970,063</u>	<u>-</u>	<u>1,600,178</u>	<u>10,369,885</u>	<u>1,333,483</u>
Other:					
Net Pension Liability	10,134,296	1,783,106	-	11,917,402	-
Net OPEB Obligation	475,472	260,111	153,458	582,125	-
Compensated absences	1,630,239	1,638,913	1,562,100	1,707,052	853,525
Governmental activity total					
Long-term liabilities	<u>\$ 31,612,930</u>	<u>\$ 3,682,130</u>	<u>\$ 4,214,618</u>	<u>\$ 31,080,442</u>	<u>\$ 3,077,008</u>
Business-type activities:					
General Obligation Water Bonds, 2012	\$ 8,400,000	\$ -	\$ 160,000	\$ 8,240,000	\$ 160,000
Premium/(Discount)	371,811	-	7,082	364,729	-
General Obligation Water Bonds, 2009	2,615,000	-	-	2,615,000	-
Premium/(Discount)	(11,911)	-	(1,101)	(10,810)	-
Subtotal general obligation bonds	<u>11,374,900</u>	<u>-</u>	<u>165,981</u>	<u>11,208,919</u>	<u>160,000</u>
Revenue Bonds payable:					
Golf Course Refunding Bonds, 2013	2,345,000	-	90,000	2,255,000	90,000
Storm Water Series, 2012 Refunding	635,000	-	100,000	535,000	105,000
Premium/(Discount)	1,540	-	243	1,297	-
Subtotal revenue bonds	<u>2,981,540</u>	<u>-</u>	<u>190,243</u>	<u>2,791,297</u>	<u>195,000</u>
Notes and loans payable:					
CWR&PDA Sewer Loan, 2004	29,505,414	-	5,351	29,500,063	1,182,571
Premium/(Discount)	172,463	-	30,691	141,772	-
CWR&PDA Sewer Loan, 2004	4,780,000	-	2,925,000	1,855,000	1,855,000
Premium/(Discount)	31,642	-	24,238	7,404	-
CWR&PDA Water Loan, 1997	2,744,938	-	937,425	1,807,513	1,016,491
Notes payable (Rehab) - Vectra Bank	205,822	-	134,491	71,331	31,000
Notes payable (Rehab) - US Bank	454,005	-	32,386	421,619	5,000
Net Pension Liability	4,051,673	543,656	-	4,595,329	-
Net OPEB Obligation	368,179	86,214	15,900	438,493	-
Compensated absences	386,695	210,528	285,261	311,962	155,981
	<u>42,700,831</u>	<u>840,398</u>	<u>4,390,743</u>	<u>39,150,486</u>	<u>4,246,043</u>
Business-type activity total					
Long-term liabilities	<u>\$ 57,057,271</u>	<u>\$ 840,398</u>	<u>\$ 4,746,967</u>	<u>\$ 53,150,702</u>	<u>\$ 4,601,043</u>

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

Compensated absences are paid from the same funds that the associated employees' salaries are paid from.

G. Component Unit Debt Obligations

Englewood Environmental Foundation, Inc.

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

An analysis of changes in long-term obligations for the year ended December 31, 2016 follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Certificates of Participation:					
Series 2015 Refunding	\$ 10,650,000	\$ -	\$ 1,302,000	\$ 9,348,000	\$ 1,253,000

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

On August 11, 2015, the EEF issued \$10,650,000 Refunding Certificates of Participation, Series 2015, to provide resources to redeem all outstanding Series 2005 Certificates of Participation. This debt was originally issued in 1998 to finance the acquisition and renovation of an existing building for use as a Civic Center (the leased property) and the construction of various public improvements adjacent to the Civic Center. The Series 2015 Certificates of Participation bear an interest rate of 2.12% and have a final maturity of June 1, 2023. The principal and interest payments are made on June 1st and December 1st each year.

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

Certificates of Participation				
	Principal	Interest	Total	
2017	\$ 1,253,000	\$ 184,896	\$ 1,437,896	
2018	1,282,000	158,025	1,440,025	
2019	1,309,000	130,560	1,439,560	
2020	1,329,000	102,597	1,431,597	
2021	1,363,000	74,062	1,437,062	
2022-2023	2,812,000	59,869	2,871,869	
Total	\$ 9,348,000	\$ 710,009	\$ 10,058,009	

At December 31, 2016, the EEF has recorded a lease receivable for \$9,253,921. As the City remits the base rentals required by the lease purchase agreement, the EEF will reduce the lease receivable by the principal amount of the base rentals and record lease interest income for the interest portion of the base rentals (see Note 3.E.).

Note 3. Other Information

A. Investment in Joint Venture

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

Summary audited financial information as of and for the year ended December 31, 2016 follows:

	<u>Total</u>	<u>City's Share</u>
Assets		
Current assets	\$ 1,536,554	\$ 768,277
Capital assets, net	<u>99,348,665</u>	<u>49,674,333</u>
Total assets	<u>100,885,219</u>	<u>50,442,610</u>
Liabilities		
Total liabilities	<u>1,214,224</u>	<u>607,112</u>
Net position	<u>\$ 99,670,995</u>	<u>\$ 49,835,498</u>
Revenues	\$ 14,259,843	\$ 7,129,922
Expenses	<u>20,071,617</u>	<u>10,035,809</u>
Change in net position	<u>\$ (5,811,774)</u>	<u>\$ (2,905,887)</u>

The City's Sewer Fund has reflected a net loss from Joint Venture for \$2,905,887. This amount includes the City's share of the Joint Venture's net loss of \$3,346,307 less capital contributions from the City to the Joint Venture of \$440,420.

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

B. Risk Management

Property, Liability and Workers' Compensation

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

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

Changes in the balance of claims liabilities during the years ended December 31, 2016 and 2015 are as follows:

	<u>Property & Liability</u>	<u>Workers' Compensation</u>	<u>Totals</u>
Unpaid claims - December 31, 2014	\$ 351,387	\$ 232,124	\$ 583,511
Incurred claims (including claims reserve)	50,415	82,524	132,939
Claim payments	<u>(280,930)</u>	<u>(99,577)</u>	<u>(380,507)</u>
Unpaid claims - December 31, 2015	<u>120,872</u>	<u>215,071</u>	<u>335,943</u>
Incurred claims (including claims reserve)	448,855	285,142	733,997
Claim payments	<u>(215,656)</u>	<u>(137,621)</u>	<u>(353,277)</u>
Unpaid claims - December 31, 2016	<u>\$ 354,071</u>	<u>\$ 362,592</u>	<u>\$ 716,663</u>

Colorado Intergovernmental Risk Sharing Agency (CIRSA)

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

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

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

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

Employee Health Care

Medical, accidental death and disability and life insurance

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

Dental insurance

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

The City established the Employee Benefits Fund (an internal service fund) to account for and finance these health benefits. All funds of the City participate in the Employee Benefits Fund. Amounts payable to the Employee Benefits Fund are based on commercial insurance premiums and passed on to the participating funds. A liability for dental claims is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimated. Other than current amounts, the City believes the estimated claims liability is not fully measurable, and the City could incur additional costs related to incurred but not reported claims.

C. Commitments and Contingencies

Legal Proceedings

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

Federally Assisted Grant Programs

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

Conduit Debt Obligations

From time to time, the City has issued Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of residential facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from revenues of the private sector entities. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. There is no obligation by the City, the State, or any other political subdivision for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2016, there were four series of Revenue Bonds outstanding, with an aggregate principal amount payable of \$2,644,022.

D. Employee Retirement Systems and Pension Plans

Eligible City employees are covered by one of six retirement plans; participation depends on occupation and date of hire, as follows:

Defined Benefit Retirement Plans

Nonemergency Employees Retirement Plan (NERP) - Defined Benefit

Police Officers Statewide Defined Benefit (SWDB) Plan (FPPA)

Police Officers Statewide Hybrid Pension (SWH) Plan (FPPA)

Police Officers Statewide Hybrid Pension Plan - Defined Benefit Component

Police Officers Statewide Hybrid Pension Plan - Money Purchase Component

Police Officers Pension Plan (Old Hire) - Defined Benefit (FPPA)

Firefighters Pension Plan (Old Hire) - Defined Benefit (FPPA)

Volunteer Firefighters Plan - Defined Benefit (FPPA)

Nonemergency Employees Retirement Plan (NERP)

Plan Description - The Nonemergency Employees Retirement Plan (NERP) is a defined benefit, single-employer; plan. The plan was established by the City for employees other than management staff, mid-managers, supervisors, confidential employees, police officers and firefighters. Employees hired into this group are offered the choice of joining the NERP plan, or the Nonemergency Employees Money Purchase Plan (NEMP), which is discussed later in this section. The Plan is governed by the City and administered by a Retirement Board composed of seven members, two are elected from the membership of the Plan by its members, one board member is elected from the City Council by the City Council, three board members are elected from registered voters of the City by City Council and the final member is the Director of Finance and Administrative Services. The plan does not publish a separate stand-alone report, but is reported in the financial statements as a Pension Trust Fund.

The Englewood Municipal Code establishes Member benefits and other Plan provisions and are summarized as follows: The City reserves the right to alter, amend, or terminate the Plan or any part thereof provided that no such alteration or amendment shall provide that the retirement benefit payable to any retired member shall be less than that provided by the member's accumulated contributions or affect the right of any member to receive a refund of his or her accumulated contributions and shall not directly or indirectly reduce any member's accrued pension. Additionally, no alteration or termination of the Plan or any part thereof shall permit any part of the fund to revert to or be recoverable by the City or be used for or diverted to purposes other than the exclusive benefit of members, retired members, vested members or beneficiaries. Further, no amendment shall cause the elimination of an optional form of benefit or the elimination of an early retirement benefit that continues after retirement.

The Plan includes a Deferred Retirement Option Plan (DROP). This option allows a member who has attained age and service requirements to begin receiving retirement benefits while continuing employment. The retirement benefits are used to fund a separate self-directed, deferred retirement account. The member contracts with the City for the member-determined period of time not to exceed three years at which time employment terminates. The benefit payments are held in a separate account administered by a third party outside of the Plan. The member is permitted distribution from the separate account only upon death or termination of employment. The member may terminate employment at any time prior to the designated termination date.

Description of Benefits - Benefits for retired Members begin on the first day of the month following termination or other eligibility. Members of this plan are eligible for normal retirement benefits after age 65 or earlier if eligible under the Rule of 88 (members who have attained age 55 where age combined with their years of credited service equals or exceeds 88). A Member can elect a monthly benefit for life and for a minimum of ten years for the members and his or her beneficiaries, based on 1.5% of their final average monthly compensation multiplied by their years of credited service. Alternate actuarially equivalent payment options may be selected. Average monthly compensation equals to 1/36th of the 36 highest paid consecutive months during the last ten years of the employee's eligibility.

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

If a pre-retirement member dies prior to reaching normal retirement and has five or more years of credited service, the surviving spouse will receive 50% of the monthly accrued benefit for life. If the member is not

survived by a spouse, the designated beneficiary will receive 50% of the monthly benefit for ten years. Payments commence on the first day of the month following the later of the member's death, or the date the member would have attained age 55. Members vest after five years of credited service with the City.

The Plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by formal action of the City Council. Ad hoc retirement increases are granted only if funds are available and do not violate TABOR provisions restricting incurring multiple year obligations without a vote.

Contributions - The Englewood Municipal Code requires the City to provide funds necessary pay Member benefits as actuarially determined. The City expects to continue contributing to the plan, but assumes no responsibility to do so in the future and reserves the right to suspend or to reduce contributions at any time. The total contribution amount to fund the Plan has been historically determined by annual actuarial studies that determine the contribution based on a percentage of eligible compensation. Effective December 31, 2012 each Member shall contribute three percent (3%) of their Compensation to the Plan, as a portion of the actuarially required contribution, by means of payroll deduction for the periods the Member earns Credited Service. If a non-vested Member leaves employment prior to vesting and his or her Accumulated Contributions are more than \$1,000, the former Member may request a refund or rollover the funds to a qualified plan. If the Members Accumulated Contributions are less than \$1,000 the Member is allowed the opportunity to rollover the funds within 30 days or the Accumulated Contributions will be distributed to the former Member.

Investment policy - The Plan's investment policy is established and administered by the Board and can be amended by a majority vote of its members. It is the policy of the board to pursue an investment strategy that reduces risk by diversifying the portfolio across a broad range of asset classes. The following was the Board's adopted asset allocation policy as of December 31, 2016:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Domestic Fixed Income	18.0%	2.8%
Domestic Equity	28.0%	7.0%
International Equity	17.0%	8.0%
High Yield Fixed Income	3.0%	4.5%
Real Estate	10.0%	7.0%
Commodities	5.0%	4.5%
Other	19.0%	4.5%
Total	<u>100%</u>	

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions - At December 31, 2016, the City reported a net pension liability of \$9,135,805. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

For the year ended December 31, 2016, the City recognized pension expense of \$2,318,331. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between expected and actual investment earnings	\$ 947,493	\$ -
Net difference in expected and actual experience	95,485	-
Assumption Change	1,034,261	-
Total	<u>\$ 2,077,239</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2017	\$	1,452,275
2018		410,073
2019		366,303
2020		(151,412)
Total	\$	<u>2,077,239</u>

Actuarial Assumptions - The December 31, 2016 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2016. The valuation used the following actuarial assumption and other inputs:

Rate of return - For the year ended December 31, 2016 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.85%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. Long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed.

Discount Rate - The discount rate of 6.5% was used to measure the total pension liability. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Sensitivity of the net pension liability to the single discount rate - The following table presents the plan's net pension liability, calculated using the discount rate of 6.5% as well as the effect on net pension liability if the discount rate was 1% lower or 1% higher than the current rate:

	1% Decrease (5.5%)	Discount Rate (6.5%)	1% Increase (7.5%)
Net pension liability	\$13,682,364	\$9,135,805	\$5,270,987

Net pension liability of the Plan - The components of the net pension liability of the Plan at December 31, 2016 were as follows:

Total pension liability	\$ 43,001,341
Plan fiduciary net position	<u>(33,865,536)</u>
Plan net pension liability	<u>\$ 9,135,805</u>

Plan fiduciary net position as a percentage of total liability 78.75%

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

Police Officers Statewide Defined Benefit Pension Plan (SWDB) and Statewide Hybrid Plan (SWH)

Plan Description - The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan. The Statewide Hybrid Plan (SWH) is a cost-sharing multiple-employer combination defined benefit and money purchase pension plan. The Plans are administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Description of Benefits

SWDB Plan - A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of either 3 percent or the yearly change in the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

SWH Plan - A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to 3 percent.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 1.5 percent of the member's average highest three years' base salary for each year of credited service.

Contributions

SWDB Plan - The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers contributed at a rate of 8 percent of base salary for a total contribution rate of 16 percent through 2015. In 2015, the members elected to increase the member contribution rate to the SWDB plan beginning in 2016. Member contribution rates increased 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20 percent of base salary through 2015. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2015 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2016 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The contribution rate for members and employers of affiliated social security employers is 4 percent of base salary for a total contribution rate of 8 percent through 2015. Per the 2015 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2016 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022.

SWH Plan - The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. The members of the plan and their employers are currently each contributing at the rate

determined by the individual employer, however, the rate for both employer and members must be at least 8 percent of the member's base salary. The 2016 contribution rates for both employee and employer were 10%. The amount allocated to the Defined Benefit Component is set annually by the Fire & Police Pension Association Board of Directors. Excess contributions fund the Money Purchase Component of the plan. The Defined Benefit component contribution rate from July 1, 2014 through June 30, 2015 is 12.5 percent.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service to be 100 percent vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members.

Basis of Presentation - The underlying financial information used to prepare the Schedule of Employer Contributions and Schedule of Collective Pension Amounts is based on FPPA's financial statements. FPPA follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA. Employer contributions in FPPA's financial statements are recognized in the period in which they are due. Investments are reported at fair value.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions - At December 31, 2016, the City reported a net pension asset of \$17,712 and \$192,509 for its proportional share of the net pension asset of the SWDB and SWH Plans, respectively. The net pension asset was measured as of December 31, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2016. The City's proportion of the net pension asset was based on a projection of the City's contributions to the Plan's relative to the projected contributions of all participating entities.

At December 31, 2015, the City's SWDB proportion was 1.00476%, which was an increase of 0.03922% from its proportion measured as of December 31, 2014. At December 31, 2015, the City's SWH proportion was 1.82771%, which was an increase of 0.01874 from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the City recognized pension expense for the SWDB Plan and SWH Plan of \$522,453 and (\$33,224) respectively. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution Timing	\$ 382,000	\$ -
Net difference between expected and actual investment earnings	698,700	-
Difference in expected and actual experience	177,658	(17,744)
Changes in assumption	256,824	-
Change in proportion	58,058	(48,022)
Total	<u>\$ 1,573,240</u>	<u>\$ (65,766)</u>

The City's contributions to the SWDB Plan and SWH Plan subsequent to the measurement date of \$358,875 and \$23,125, respectively, will be recognized as an increase to the net pension asset in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2017	\$ 294,129
2018	294,129
2019	271,817
2020	53,792
2021	53,792
Thereafter	<u>157,815</u>
Total	<u>\$ 1,125,474</u>

Actuarial Assumptions - The January 1, 2015 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2015. The valuation used the following actuarial assumption and other inputs:

Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 years
Asset Valuation Method	5-year Smoothed Fair Value
Long-term investment Rate of Return*	7.50%
Projected Salary Increases	4.0%-14.0%
Cost of Living Adjustments (COLA)	0.00%
*Includes inflation at	2.50%
Mortality rates were based on the RP-2014 combined healthy annuitant table with future generational improvements using scale:	AA

The collective total pension liability as of December 31, 2015 is based upon the January 1, 2015 actuarial valuation. The collective total pension liability as of December 31, 2014 is based upon the January 1, 2014 actuarial valuation.

Long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global equity	37.0%	6.5%
Equity Long/Short	10.0%	4.7%
Illiquid Alternatives	20.0%	8.0%
Fixed Income	16.0%	1.5%
Absolute Return	11.0%	4.1%
Managed Futures	4.0%	3.0%
Cash	2.0%	0.0%
Total	100%	

Discount Rate - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Plan's fiduciary net pension was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
City's proportionate share of the SWDB net pension liability (asset)	\$ 2,481,258	\$ (17,712)	\$ (2,090,523)
City's proportionate share of the SWH net pension liability (asset)	\$ (111,484)	\$ (192,509)	\$ (260,248)

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report, which may be obtained at www.fppaco.org.

Police Officers Statewide Hybrid Pension Plan – Money Purchase Component

Plan Description - The City contributes to the Money Purchase Plan Portion of the FPPA Statewide Hybrid Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Plan provides retirement benefits for Members and beneficiaries. Police officers that elected the FPPA money purchase plan are only in the money purchase component of the Hybrid Plan.

Funding Policy - Plan Members and the City are required to contribute at a rate set by statute. The contribution requirements of Plan Members and the City are established under Title 31, Article 31, Part 5 of the CRS, as amended. The contribution rate for FPPA Plan Members and the City is 10.0% of covered salary if hired before May 20, 2013.

The basis of accounting policy for the money purchase plan only portion of the FPPA Statewide Hybrid Plan coincides with the FPPA Statewide Defined Benefit Plan.

Police Officers Pension Plan – (Old Hire)

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

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

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

Police officers who leave the City prior to vesting in the plan receive a refund with interest. Vested officers may receive a refund of their contributions or may remain in the plan. The authority under which benefit provisions are established or amended are provided within Colorado Revised Statutes (CRS 31—30.5-210). City Council, 65% of active plan members and the Board of Directors of the Colorado Fire and Police Pension Association must approve plan amendments. Any modification must maintain or enhance the actuarial soundness of the plan and cannot adversely affect the benefits of members.

The Plan is administered by a Retirement Board composed of seven members, three are elected from the membership of the Plan by its members, two board members are appointed from registered voters of the City by City Council, one member is the City's Mayor and the final member is the Director of Finance and Administrative Services.

The plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by the City Council, as funds are available and subject to TABOR provisions restricting incurring multiple year obligations, without to a vote.

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

Firefighters Pension Plan (Old Hire)

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

Normal retirement for firefighters is 50 years of age and with 20 years of credited service. The monthly benefit equals 2 1/2% of final monthly base pay times 20 for the first 20 years of service plus 1% of final monthly base pay for each additional year of service up to a maximum of 65% of final monthly base pay. Alternate actuarially equivalent payment options may be selected.

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

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

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

The Plan is administered by a Retirement Board composed of seven members, three are elected from the membership of the Plan by its members, two board members are appointed from registered voters of the City by City Council, one member is the City's Mayor and the final member is the Director of Finance and Administrative Services.

The Plan does not provide for automatic benefit increases. Ad hoc retirement benefit increases must be approved by the City Council, as funds are available and subject to TABOR provisions restricting incurring multiple year obligations, without a vote.

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

Volunteer Firefighters Pension Plan

Plan Description - The Volunteer Firefighters Pension Plan is a defined benefit, agent multiple-employer plan affiliated with the Colorado Fire and Police Pension Association (FPPA). Assets of the Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension Plan administered by FPPA.

The Plan is administered by a Retirement Board composed of seven members, three are elected from the membership of the Plan by its members, two board members are appointed from registered voters of the City by

City Council, one member is the City's Mayor and the final member is the Director of Finance and Administrative Services.

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

Description of Benefits - The Plan provides retirement benefits for Members and beneficiaries according to Plan provisions as enacted and governed by the Firefighters Pension Board. Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the Plan. The monthly benefit amount for retirees and beneficiaries are \$450 and \$225, respectively.

Contributions - Funding for the Police Officers (Old Hire), Firefighters (Old Hire) and Volunteer Firefighter pension plans are provided within the Plan documents and Colorado statutes that state the City shall contribute to the fund to the extent necessary to finance the benefits provided by the plan on a sound actuarial basis. The City contributes to the Plans at a rate determined by an actuarial study done at least every three (3) years. The required contributions are paid annually from general revenues of the City into the Plans. The contribution amounts for the plan have been historically determined by biennial actuarial studies.

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions - At December 31, 2016, the City reported a net pension liabilities of \$4,486,985, \$2,848,121 and \$41,817 for the Police Officers (Old Hire), Firefighters (Old Hire) and Volunteer Firefighter pension plans, respectively. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

For the year ended December 31, 2016, the City recognized pension income /(expense) of \$711,802, \$730,307 and (\$11,590) for the Police Officers (Old Hire), Firefighters (Old Hire) and Volunteer Firefighter pension plans, respectively. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution Timing	\$ 682,037	\$ -
Investment earnings	537,893	-
Total	<u>\$ 1,219,930</u>	<u>\$ -</u>

The City's contributions to the Police Officers (Old Hire), Firefighters (Old Hire) and Volunteer Firefighter pension plans subsequent to the measurement date of \$442,700, \$237,746 and \$1,591, respectively, will be recognized as an increase to the net pension asset in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2017	\$ 138,261
2018	138,261
2019	138,259
2020	123,112
2021	-
Thereafter	-
Total	<u>\$ 537,893</u>

Actuarial Assumptions - The January 1, 2015 actuarial valuation was used to determine the Actuarially Determined Contributions for the fiscal year ending December 31, 2015. The valuation used the following actuarial assumptions and other inputs:

Long-term investment rate of return	7.50%
Municipal bond rate	3.57%

Long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global equity	37.0%	6.5%
Equity Long/Short	10.0%	4.7%
Illiquid Alternatives	20.0%	8.0%
Fixed Income	16.0%	1.5%
Absolute Return	11.0%	4.1%
Managed Futures	4.0%	3.0%
Cash	2.0%	0.0%
Total	100%	

Discount Rate - The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the plan fiduciary net pension was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's the net pension liability to changes in the discount rate - The following presents the City's net pension liability calculated using the discount rate of 7.5 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	<u>1% Decrease (6.5%)</u>	<u>Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Police Officers (Old Hire) net pension liability	\$ 5,225,057	\$ 4,486,985	\$3,848,941
Firefighters (Old Hire) net pension liability	\$ 3,540,297	\$ 2,848,121	\$2,242,521
Volunteer Firefighters net pension liability	\$ 46,803	\$ 41,817	\$ 37,324

Pension plan fiduciary net position - Detailed information about the pension plans fiduciary net position are available in the separately issued FPPA financial report which can be obtained at www.fppaco.org.

Changes in net pension liability / (asset) for the City's single-employer Nonemergency Pension Plan and the City's Police Officer, Firefighter and Volunteer Firefighter agent multiple-employer plans are listed below:

**Schedule of Changes in the Net Pension Liability
for the pension plans and years shown**

	<u>2016</u>	<u>2015</u>	<u>2015</u>	<u>2015</u>
	<u>Nonemergency Plan</u>	<u>Police Officer Old Hire Plan</u>	<u>Firefighter Old Hire Plan</u>	<u>Volunteer Firefighter Plan</u>
Total pension liability-beginning	\$ 39,988,088	\$ 8,760,603	\$ 8,888,618	\$ 129,032
Changes for the year:				
Service cost	385,425	-	-	-
Interest	2,694,146	623,735	630,618	5,752
Differences between expected and actual experience	187,626	14,706	72,443	-
Changes of assumptions	2,028,456	346,977	419,287	(14,520)
Benefit payments, including refunds of member contributions	<u>(2,282,400)</u>	<u>(904,618)</u>	<u>(978,436)</u>	<u>(21,600)</u>
Net change in total pension liability	<u>3,013,253</u>	<u>80,800</u>	<u>143,912</u>	<u>(30,368)</u>
Total pension liability-ending (a)	<u>\$ 43,001,341</u>	<u>\$ 8,841,403</u>	<u>\$ 9,032,530</u>	<u>\$ 98,664</u>
 Plan fiduciary net position-beginning	 \$ 31,955,567	 \$ 4,729,648	 \$ 6,818,400	 \$ 76,759
Changes for the year:				
Contributions--employer	1,226,140	451,389	231,369	1,591
Contributions--member	176,847	-	-	-
Net investment income	2,805,088	85,692	123,540	1,409
Benefit payments, including refunds of member contributions	(2,282,400)	(904,618)	(978,436)	(21,600)
Administrative expense	<u>(15,706)</u>	<u>(7,693)</u>	<u>(10,464)</u>	<u>(1,312)</u>
Net change in plan fiduciary net position	<u>1,909,969</u>	<u>(375,230)</u>	<u>(633,991)</u>	<u>(19,912)</u>
Plan fiduciary net position-ending (b)	<u>\$ 33,865,536</u>	<u>\$ 4,354,418</u>	<u>\$ 6,184,409</u>	<u>\$ 56,847</u>
Plan net pension liability-ending (a-b)	<u>\$ 9,135,805</u>	<u>\$ 4,486,985</u>	<u>\$ 2,848,121</u>	<u>\$ 41,817</u>

The annual pension cost, net pension obligation and related information for the Nonemergency, Police Officers-Old Hire, Firefighters-Old Hire and Volunteer Firefighters pension funds for the current year are presented below:

	Nonemergency Pension Plan	Police Officers Old Hire	Firefighters Old Hire	Volunteer Firefighters
Current membership:				
Inactive plan members and beneficiaries receiving benefits	167	37	41	6
Inactive plan members entitled to but not yet receiving benefits	56	-	-	-
Active plan members	108	-	-	-
	<u>331</u>	<u>37</u>	<u>41</u>	<u>6</u>
Contribution Rates:				
City	22.40%	N/A	N/A	N/A
Plan members	3.0%	N/A	N/A	N/A
Annual pension cost (APC)	\$1,242,722	\$445,045	\$283,390	\$5,975
Contributions made	\$1,432,863	\$434,671	\$222,800	\$5,975
Net pension obligation	\$(190,141)	\$10,374	\$60,590	\$0
Percentage of APC contributed	115%	98%	79%	100%
Actuarial valuation date	1/1/2016	1/1/2016	1/1/2016	1/1/2015
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Level amount	Level amount	Level amount	Level amount
	Open	Open	Open	Open
Remaining amortization period	Variable-minimum 10 years	17 years	16 years	9 years
Asset valuation method	5 year smoothed fair value	5 year smoothed fair value	5 year smoothed fair value	5 year smoothed fair value
Actuarial assumptions:				
Investment rate of return	6.5%	7.5%	7.5%	7.5%
Projected salary increases*	2.8-5.8%	4.0%	4.0%	N/A
*Includes inflation at	2.5%	2.5%	2.5%	3.0%
Cost of living adjustments	None	None	None	None
Mortality rates were based on the RP-2000 combined healthy annuitant table with future generational improvements using scale:	BB	AA	AA	AA

Defined Contribution Retirement Plans

ICMA-RC Money Purchase Management Plan - Defined Contribution
Nonemergency Employees Money Purchase Plan (NEMP) - Defined Contribution
ICMA-RC Money Purchase Police Plan - Defined Contribution

ICMA-RC Money Purchase Management Plan

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

NonEmergency Employees Money Purchase Plan (NEMP)

In December 1987, a majority of the employees classified as mid-managers, supervisors and confidential (MSC) who were covered by the NonEmergency Employees Retirement Plan (NERP) requested the creation of a 401(a) defined contribution plan. Because of this request, the NEMP was formed. The NEMP is administered by ICMA-RC. All employees promoted into the MSC are offered the choice of remaining in the NERP, or joining the NEMP. All eligible new hire MSC employees join the NEMP. The City contributes 7% of each employee's base salary to the Plan, and each eligible employee contributes 3% of base salary. The City's contributions and account earnings begin to vest when the employee has two years of service, and are fully vested after five years of service. The City's contributions and earnings for the employees who leave employment prior to fully vesting are used to reduce the City's NEMP contribution requirement.

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

ICMA-RC Money Purchase Police Plan (Police 401a)

Under the State of Colorado Fire and Police Pension Plan's provision in the state statutes, the City established a 401(a) defined contribution plan for all police officers hired on or after April 8, 1978. This Plan is administered by ICMA-RC. The Police Officers eligible for the Police 401a were given a one-time option in 2013 to elect a plan from FPPA or remain in the Police 401a. No new Members are permitted after May 20, 2013. The City and qualified employees each contribute 10% of the employee's base salary. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employee participation begins on their date of employment. The City's contributions for each employee (and earnings allocated to the employee's account) begin to vest when the employee has three years of service, and are fully vested after seven years of service. Non-vested City contributions and earnings thereon for employees who leave employment before seven years of service are used to reduce the City's contribution requirement.

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

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

Required employer and employee contributions for the year ended December 31, 2016, are presented below:

	City		
	Management	NEMP	Police
Employers required, which equal actual contributions:			
Amount	\$ 141,149	\$ 730,897	\$ 112,656
As a percent of covered payroll	10.00%	7.00%	10.00%
Employees required, which equal actual contributions:			
Amount	\$ 84,673	\$ 313,241	\$ 112,656
As a percent of covered payroll	6.00%	3.00%	10.00%

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

Other - Deferred Compensation and Disability Benefits

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

Police and Firefighters Disability Benefits. Statewide Death and Disability Plan is a cost-sharing multiple employer defined benefit plan administered by the Fire and Police Pension Association of Colorado that provides benefits for all the City's police officers. The Plan is noncontributory for those hired prior to January 1, 1997. For employees hired subsequent to January 1, 1997, the City and employee each contribute 1.30% of covered salary. The coverage is both on and off duty and is for Members who have not met 25 years of accumulated service and age 55. Colorado Statutes, Title 31, Article 31, Part 8, assign the authority to establish benefit provisions to the state legislature. The City Council determines the contribution split between employees and the City.

FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Statewide Death and Disability Plan that may be obtained on FPPA's website at <http://www.fppaco.org>.

Police and Fire Supplemental Disability Benefit. Per Englewood Municipal Code police officers and firefighters who are deemed totally or occupationally disabled by FPPA, receive a 20% or 10%, respectively, of their monthly salary from the date of the disability until their Normal Retirement date or will terminate if FPPA discontinues the disability payments prior to Normal Retirement date.

E. Other Postemployment Benefits

Plan Description

The City of Englewood Retiree Health Insurance Assistance Plan ("the Retiree Assistance Plan") is a single-employer defined benefit post-employment healthcare plan. The City pays amounts that range from \$50 to \$100 dependent on which employment contract (or policy) the individual was under while employed by the City. The Retiree Assistance Plan does not issue a publicly available financial report.

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

Annual OPEB Cost and Net OPEB Obligation

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

The following table shows the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

	2016	2015	2014
Annual required contribution	\$ 326,761	\$ 326,761	\$ 226,701
ARC Adjustment	-	(39,795)	-
Interest on Net OPEB Obligation	37,964	30,926	23,145
Annual OPEB Cost	364,725	317,892	249,846
Prior period actuarial adjustment	-	(20,482)	-
Contributions made	(187,758)	(161,477)	(143,083)
Increase in net OPEB obligation	176,967	135,933	106,763
Net OPEB Obligation - beginning of year	843,651	707,718	600,955
Net OPEB Obligation - end of year	\$ 1,020,618	\$ 843,651	\$ 707,718
Percentage of Annual OPEB Cost Contributed	51.5%	50.8%	57.3%

Funded Status and Funding Progress

Details of the most recent actuarial study follow:

Actuarial accrued liability (AAL)	\$ 4,273,621	\$ 4,273,621	\$ 3,797,290
Actuarial value of plan assets	-	-	-
Unfunded actuarial accrued liability (UAAL)	\$ 4,273,621	\$ 4,273,621	\$ 3,797,290
Funded ratio (actuarial value of plan assets/AAL)	0%	0%	0%
Covered payroll (active plan members)	\$ 27,621,173	\$ 27,621,173	\$ 33,744,316
UAAL as a percentage of covered payroll	15.5%	15.5%	11.3%

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

Actuarial Methods and Assumptions

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

Significant methods and assumptions were as follows:

Actuarial valuation date	1/1/2015	1/1/2015	1/1/2013
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level Amount -	Level Amount -	Level Amount -
	Open	Open	Open
Asset Valuation Method	N/A	N/A	N/A
Remaining amortization period	29 years	30 years	29 years
Actuarial assumptions:			
Investment rate of return (includes inflation at 4%; unfunded basis)	4.5%	4.5%	5.0%
Healthcare cost trend rate	N/A	N/A	N/A

Note 4. Tax, Spending and Debt Limitations

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

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The City's management believes its Enterprise Funds, as listed in the Table of Contents, qualify for this exclusion. Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 4, 1997, a majority of the City's electors authorized the City to collect and spend or retain in a reserve all revenues without regard to any limitations under TABOR. TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The reserves are reported as restricted net position in the financial statements.

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

Note 5. Prior period restatements

The City previously recognized revenues based on the allocation notification amount from the County. The City has determined that the recognizing these funds in the current year does not meet all the accounting standards for current period revenues, therefore the City is recording a prior year restatement as follows:

Restatement of December 31, 2015 Fund Balance Special Revenue Fund-Open Space Restatement to recognize revenue in the correct period

	Open Space Fund
Fund Balance (Restatement)	<u>\$ (588,449)</u>

The City previously reported pension and OPEB related entries within the Waste Water Treatment Plant. In 2016 it was determined that these employees are more accurately reported in the City's Sewer Fund. The related entries resulted in the following restatement:

Restatement of December 31, 2015 Net Position Sewer Fund Restatement to recognize pension related balances

	Sewer Fund
Net Position (Restatement)	<u>\$ (893,460)</u>

CITY OF ENGLEWOOD, COLORADO

**General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2016
With Comparative Totals for December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Taxes					
Property	\$ 3,349,000	\$ 3,349,000	\$ 3,347,303	\$ (1,697)	\$ 2,917,413
Specific ownership	260,000	260,000	344,604	84,604	305,166
Sales and use	26,863,699	26,863,699	26,300,116	(563,583)	26,603,384
Franchise	3,173,550	3,173,550	3,292,110	118,560	3,320,046
Cigarette	170,050	170,050	193,149	23,099	188,285
Hotel/motel	12,000	12,000	12,734	734	12,060
Total taxes	33,828,299	33,828,299	33,490,016	(338,283)	33,346,354
Licenses and Permits					
Business licenses and permits	189,279	189,279	296,988	107,709	238,905
Building licenses and permits	979,943	979,943	1,262,998	283,055	1,373,213
Total licenses and permits	1,169,222	1,169,222	1,559,986	390,764	1,612,118
Intergovernmental					
State shared revenue	1,153,218	1,153,218	1,228,572	75,354	1,229,378
Federal grants	13,390	13,390	108,487	95,097	53,434
State grants	57,170	462,167	468,764	6,597	367,799
Local grants	33,125	33,125	163,488	130,363	85,207
Payment in lieu of taxes	30,201	30,201	32,343	2,142	30,201
Total intergovernmental	1,287,104	1,692,101	2,001,654	309,553	1,766,019
Charges for Services					
Recreation programs	2,592,400	2,592,400	2,593,488	1,088	2,464,613
General government	1,871,021	1,871,021	1,831,289	(39,732)	1,804,937
Public safety	35,000	35,000	92,502	57,502	513,923
Administration of joint venture	418,000	418,000	401,370	(16,630)	411,735
Court costs	124,057	124,057	98,755	(25,302)	133,074
Highway and street	103,726	103,726	126,145	22,419	80,510
School District No. 1	36,558	36,558	18,432	(18,126)	19,963
Total charges for services	5,180,762	5,180,762	5,161,981	(18,781)	5,428,755
Fines and Forfeitures					
Court fines	988,350	988,350	721,637	(266,713)	1,030,227
Library fines	20,000	20,000	15,764	(4,236)	16,587
Property and liability fines	-	-	4,881	4,881	454
Total fines and forfeitures	1,008,350	1,008,350	742,282	(266,068)	1,047,268
Net Investment Income	86,446	86,446	44,120	(42,326)	43,866
Contributions from component units	350,000	350,000	350,193	193	873,347
Other	173,588	173,588	612,140	438,552	217,198
Total Revenues	43,083,771	43,488,768	43,962,372	473,604	44,334,925

(Continued)

CITY OF ENGLEWOOD, COLORADO

**General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2016
With Comparative Totals for December 31, 2015
(Continued)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -	2015 Actual
	Original	Final		Positive (Negative)	
Expenditures					
Current:					
General Government					
Legislation					
City Council	\$ 315,650	\$ 383,238	\$ 320,331	\$ 62,907	\$ 295,214
Board of Adjustments and Appeals	1,160	1,160	1,682	(522)	1,794
Planning and Zoning Commission	2,209	2,209	719	1,490	2,734
Library Board	3,000	3,000	3,092	(92)	2,182
Parks and Recreation Commission	3,900	3,900	1,790	2,110	4,069
Cultural Arts Commission	1,150	1,150	737	413	685
Code Enforcement Advisory Commission	500	500	-	500	-
Alliance for Commerce in Englewood	1,000	1,000	63	937	194
Transportation Advisory Commission	568	568	34	534	33
Keep Englewood Beautiful Comission	36,435	36,435	47,525	(11,090)	34,846
Total Legislation	365,572	433,160	375,973	57,187	341,751
City Attorney	810,022	810,022	669,730	140,292	717,683
Municipal Court	1,058,583	1,058,583	934,377	124,206	986,422
City Manager					
City Manager	720,064	849,178	809,817	39,361	810,429
Fire and Emergency Services Contract	5,866,698	5,866,698	5,864,752	1,946	8,769,816
Total City Manager	6,586,762	6,715,876	6,674,569	41,307	9,580,245
Community Development	2,134,378	2,134,378	1,954,187	180,191	1,935,996
Finance and Human Resources					
HR Administration	424,832	446,079	460,270	(14,191)	410,902
Employee services	188,700	188,700	221,908	(33,208)	159,121
Finance Administration	340,155	340,155	464,074	(123,919)	317,151
City Clerk	391,884	391,884	297,214	94,670	298,505
Accounting	449,099	449,099	432,178	16,921	414,127
Revenue and budget	600,436	600,436	497,624	102,812	560,440
Purchasing	88,837	88,837	112,983	(24,146)	85,785
Total Finance and Administrative Services	2,483,943	2,505,190	2,486,251	18,939	2,246,031
Information Technology	1,481,726	1,481,726	1,463,983	17,743	1,387,054
Contingency	250,000	250,000	241,497	8,503	511,879
Total General Government	15,170,986	15,388,935	14,800,567	588,368	17,707,061

(Continued)

CITY OF ENGLEWOOD, COLORADO

**General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2016
With Comparative Totals for December 31, 2015
(Continued)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Police Department					
Administration	\$ 1,105,576	\$ 1,510,573	\$ 1,310,458	\$ 200,115	\$ 989,558
Communications and records	1,373,070	1,373,070	1,314,249	58,821	1,358,548
Police operations	10,058,565	10,058,565	9,972,323	86,242	9,652,696
Neighborhood services	710,336	710,336	624,749	85,587	447,433
Total Police Department	13,247,547	13,652,544	13,221,779	430,765	12,448,235
Public Works					
Administration	656,320	656,320	551,299	105,021	613,092
Engineering	484,424	484,424	400,707	83,717	473,633
Streets and drainage	2,169,421	2,169,421	1,973,185	196,236	1,954,890
Traffic maintenance	889,086	889,086	861,677	27,409	680,366
General operations and maintenance	2,009,455	2,009,455	2,130,275	(120,820)	1,985,714
Total Public Works	6,208,706	6,208,706	5,917,143	291,563	5,707,695
Parks and Recreation					
Administration	800,863	800,863	725,085	75,778	759,000
Recreation programs and operations	3,180,929	3,180,929	2,927,103	253,826	2,950,488
Parks	2,154,802	2,154,802	2,054,993	99,809	1,891,283
Total Parks and Recreation	6,136,594	6,136,594	5,707,181	429,413	5,600,771
Library Services	1,241,179	1,241,179	1,151,219	89,960	1,179,667
Debt Service					
Principal	1,302,000	1,302,000	1,377,644	(75,644)	1,070,000
Interest and other charges	569,644	569,644	486,691	82,953	623,760
Total debt service	1,871,644	1,871,644	1,864,335	7,309	1,693,760
Total expenditures	43,876,656	44,499,602	42,662,224	1,837,378	44,337,189
Excess revenues over (under) expenditures	(792,885)	(1,010,834)	1,300,148	2,310,982	(2,264)
Other financing sources (uses)					
Transfers in	350,665	350,665	350,655	(10)	395,776
Transfers out	(1,530,000)	(1,530,000)	(1,530,000)	-	(1,875,516)
Total other financing sources	(1,179,335)	(1,179,335)	(1,179,345)	(10)	(1,479,740)
Net change in fund balances	(1,972,220)	(2,190,169)	120,803	2,310,972	(1,482,004)
Fund Balance - beginning	7,795,852	10,729,246	10,729,246	-	12,211,250
Fund Balance - ending	\$ 5,823,632	\$ 8,539,077	\$ 10,850,049	\$ 2,310,972	\$ 10,729,246

See Independent Auditor's Report

Schedule of Changes in the Net Pension Liability and Related Ratios
Nonemergency Pension Plan
for the last 10 years*

	2016	2015	2014
Total pension liability			
Service cost	\$ 385,425	\$ 333,228	\$ 353,751
Interest	2,694,146	2,683,902	2,616,664
Differences between expected and actual experience	187,626	(9,251)	-
Changes of assumptions	2,028,456	-	-
Benefit payments, including refunds of member contributions	<u>(2,282,400)</u>	<u>(2,074,554)</u>	<u>(1,885,640)</u>
Net change in total pension liability	3,013,253	933,325	1,084,775
Total pension liability--beginning	39,988,088	39,054,763	37,969,988
Total pension liability--ending	<u><u>\$ 43,001,341</u></u>	<u><u>\$ 39,988,088</u></u>	<u><u>\$ 39,054,763</u></u>
Plan fiduciary net position			
Contributions--employer	\$ 1,226,140	\$ 1,265,441	\$ 1,153,840
Contributions--member	176,847	183,405	185,075
Plan net investment income	2,805,088	(305,337)	1,529,955
Benefit payments, including refunds of member contributions	(2,282,400)	(2,074,554)	(1,885,640)
Administrative expense	<u>(15,706)</u>	<u>(87,915)</u>	<u>(92,784)</u>
Net change in plan fiduciary net position	1,909,969	(1,018,960)	890,446
Plan fiduciary net position--beginning	31,955,567	32,974,527	32,084,081
Plan fiduciary net position--ending	<u><u>\$ 33,865,536</u></u>	<u><u>\$ 31,955,567</u></u>	<u><u>\$ 32,974,527</u></u>
Plan net pension liability--ending	<u><u>\$ 9,135,805</u></u>	<u><u>\$ 8,032,521</u></u>	<u><u>\$ 6,080,236</u></u>
Plan fiduciary net position as a percentage of total liability	78.75%	79.91%	84.43%
Covered payroll	\$ 5,823,219	\$ 5,921,079	\$ 6,300,916
Plan's net pension liability as a percentage of covered payroll	156.89%	135.66%	96.50%
Investment returns			
Annual money-weighted rate of return, net of investment expense	8.85%	-1.20%	4.52%

* The amounts presented for each fiscal year were determined as of 12/31
Up to 10 years of information will be presented as it becomes available

See Independent Auditor's Report

Schedule of Changes in the Net Pension Liability and Related Ratios
Police Officers Old Hire Pension Plan
for the last 10 years*

	2016	2015
Total pension liability		
Interest	\$ 623,735	\$ 643,718
Differences between expected and actual experience	14,706	-
Changes of assumptions	346,977	-
Benefit payments, including refunds of member contributions	(904,618)	(915,494)
Net change in total pension liability	80,800	(271,776)
Total pension liability--beginning	8,760,603	9,032,379
Total pension liability--ending	\$ 8,841,403	\$ 8,760,603
Plan fiduciary net position		
Contributions--employer	\$ 451,389	\$ 442,700
Contributions--member	-	-
Net investment income	85,692	319,096
Benefit payments, including refunds of member contributions	(904,618)	(915,494)
Administrative expense	(7,693)	(10,526)
Net change in plan fiduciary net position	(375,230)	(164,224)
Plan fiduciary net position--beginning	4,729,648	4,893,872
Plan fiduciary net position--ending	\$ 4,354,418	\$ 4,729,648
Plan net pension liability--ending	\$ 4,486,985	\$ 4,030,955
Plan fiduciary net position as a percentage of total liability	49.25%	53.99%
Covered payroll	N/A	N/A
Plan's net pension liability as a percentage of covered payroll	N/A	N/A

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See Independent Auditor's Report

**Schedule of Changes in the Net Pension Liability and Related Ratios
Firefighters Old Hire Pension Plan
for the last 10 years***

	2016	2015
Total pension liability		
Interest	\$ 630,618	\$ 656,039
Changes of benefit terms	-	-
Differences between expected and actual experience	72,443	-
Changes of assumptions	419,287	-
Benefit payments, including refunds of member contributions	(978,436)	(1,010,928)
Net change in total pension liability	<u>143,912</u>	<u>(354,889)</u>
Total pension liability--beginning	8,888,618	9,243,507
Total pension liability--ending	<u><u>\$ 9,032,530</u></u>	<u><u>\$ 8,888,618</u></u>
Plan fiduciary net position		
Contributions--employer	\$ 231,369	\$ 237,746
Contributions--member	-	-
Net investment income	123,540	461,838
Benefit payments, including refunds of member contributions	(978,436)	(1,010,928)
Administrative expense	(10,464)	(14,067)
Net change in plan fiduciary net position	<u>(633,991)</u>	<u>(325,411)</u>
Plan fiduciary net position--beginning	6,818,400	7,143,811
Plan fiduciary net position--ending	<u><u>\$ 6,184,409</u></u>	<u><u>\$ 6,818,400</u></u>
Plan net pension liability--ending	<u><u>\$ 2,848,121</u></u>	<u><u>\$ 2,070,218</u></u>
Plan fiduciary net position as a percentage of total liability	68.47%	76.71%
Covered payroll	N/A	N/A
Plan's net pension liability as a percentage of covered payroll	N/A	N/A

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See Independent Auditor's Report

**Schedule of Changes in the Net Pension Liability and Related Ratios
Volunteer Firefighters Old Hire Pension Plan
for the last 10 years***

	2016	2015
Total pension liability		
Interest	\$ 5,752	\$ 7,293
Differences between expected and actual experience	-	19,074
Changes of assumptions	(14,520)	16,419
Benefit payments, including refunds of member contributions	(21,600)	(21,600)
Net change in total pension liability	(30,368)	21,186
Total pension liability--beginning	129,032	107,846
Total pension liability--ending	\$ 98,664	\$ 129,032
Plan fiduciary net position		
Contributions--employer	\$ 1,591	\$ 1,591
Net investment income	1,409	5,504
Benefit payments, including refunds of member contributions	(21,600)	(21,600)
Administrative expense	(1,312)	(557)
Net change in plan fiduciary net position	(19,912)	(15,062)
Plan fiduciary net position--beginning	76,759	91,821
Plan fiduciary net position--ending	\$ 56,847	\$ 76,759
Plan net pension liability--ending	\$ 41,817	\$ 52,273
Plan fiduciary net position as a percentage of total liability	57.62%	59.49%
Covered payroll	N/A	N/A
Plan's net pension liability as a percentage of covered payroll	N/A	N/A

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See Independent Auditor's Report

Schedule of the City's Proportionate Share of the Net Pension Liability
Police Officers Statewide Defined Benefit Pension Plan
last 10 fiscal years*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability/(asset)	1.005%	0.609%	0.609%
City's proportionate share of the net pension liability/(asset)	(17,713)	(687,748)	(544,913)
City's covered-employee payroll	3,262,486	3,367,345	2,117,480
City's proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	0.5%	20.4%	25.7%
Plan fiduciary net position as a percentage of the total pension	100.1%	106.8%	105.8%

*The amounts presented for each fiscal year were determined as of 12/31.

All amounts reported are based on actuarial reports calculated in the previous year.

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See Independent Auditor's Report

Schedule of the City's Proportionate Share of the Net Pension Liability
Police Officers Statewide Hybrid Pension Plan - Defined Benefit Component
last 10 fiscal years*

	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability/(asset)	1.828%	1.809%
City's proportionate share of the net pension liability/(asset)	(192,510)	(214,535)
City's covered-employee payroll	234,323	223,922
City's proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	82.2%	95.8%
Plan fiduciary net position as a percentage of the total pension	129.4%	140.6%

*The amounts presented for each fiscal year were determined as of 12/31.

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See Independent Auditor's Report

Schedules of Employer Contributions
Single Employer and Agent-Multiple Employer Pension Plans
for the years ended December 31,

Year Ended 12/31	Nonemergency Employees Pension Plan				Police Officers Old Hire Pension Plan				Firefighters Old Hire Pension Plan				Volunteer Firefighters Pension Plan			
	Actuarially required contribution	Contributions in relation to required contributions	Covered payroll	Percentage of covered payroll contributed	Actuarially required contribution	Contributions in relation to required contributions	Covered payroll	Percentage of covered payroll contributed	Actuarially required contribution	Contributions in relation to required contributions	Covered payroll	Percentage of covered payroll contributed	Actuarially required contribution	Contributions in relation to required contributions	Covered payroll	Percentage of covered payroll contributed
2007	\$ 697,965	\$ 697,965	\$ 7,358,429	9.5%	\$ 439,853	\$ 439,853	\$ 147,387	298.4%	\$ 76,935	\$ 76,935	\$ 79,316	97.0%	\$ 2,601	\$ 2,601	\$ -	N/A
2008	708,160	708,160	7,332,171	9.7%	439,853	439,853	156,910	280.3%	76,935	76,935	79,316	97.0%	-	-	-	N/A
2009	624,134	624,134	8,001,941	7.8%	289,033	289,033	156,910	184.2%	-	-	85,669	N/A	-	-	-	N/A
2010	764,844	764,844	7,970,574	9.6%	289,033	289,033	173,045	167.0%	4,723	4,723	85,669	5.5%	4,801	4,801	-	N/A
2011	936,781	936,781	7,654,420	12.2%	340,010	340,010	173,045	196.5%	112,425	112,425	92,860	121.1%	4,801	4,801	-	N/A
2012	954,781	954,781	7,061,581	13.5%	340,010	340,010	-	N/A	154,023	154,023	-	N/A	4,801	4,801	-	N/A
2013	1,067,519	1,067,519	6,374,407	16.7%	442,700	442,700	-	N/A	237,746	237,746	-	N/A	6,320	6,320	-	N/A
2014	1,080,632	1,153,840	6,300,916	18.3%	434,671	442,700	-	N/A	222,800	237,746	-	N/A	6,320	1,591	-	N/A
2015	1,151,602	1,448,846	5,921,079	24.5%	434,671	451,389	-	N/A	222,800	231,369	-	N/A	5,975	1,591	-	N/A
2016	1,151,602	1,432,863	5,921,079	24.2%	445,045	434,671	-	N/A	283,390	222,800	-	N/A	5,975	5,975	-	N/A

Schedules of Employer Contributions
Cost-Sharing Multiple-Employer Pension Plans
for the years ended December, 31

	2016	2015	2014	2013
<u>Police Officers Statewide Defined Benefit (SWDB) Plan</u>				
Contractually required contribution	\$ 326,249	\$ 326,370	\$ 336,734	\$ 211,748
Contributions in relation to the contractually required contribution	326,249	326,370	336,734	211,748
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 3,262,486	\$ 3,263,702	\$ 3,367,345	\$ 2,117,480
Contributions as % of covered payroll	10.00%	10.00%	10.00%	10.00%
<u>Police Officers Statewide Hybrid Pension Plan - Defined Benefit Component</u>				
Contractually required contribution	\$ 23,125	\$ 24,069	\$ 22,392	\$ 12,350
Contributions in relation to the contractually required contribution	23,125	24,069	22,392	12,350
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 231,234	\$ 240,695	\$ 223,922	\$ 123,500
Contributions as % of covered payroll	10.00%	10.00%	10.00%	10.00%

These plans were first offered to employees in 2013.

The amounts presented for each fiscal year were determined as of 12/31
Up to 10 years of information will be presented as it becomes available.

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Notes to the Required Supplemental Information December 31, 2016

Note 1. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

Note 2. Notes to Schedule of Employer Pension Contributions-Actuarial Information

**Police Officers Old Hire
Agent-Multiple Employer Pension Plans**

Actuarial valuation date	1/1/2016
Actuarial cost method	Entry Age
Amortization method	Level amount, Open
Remaining amortization period	17 years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	6.5%
Projected salary increases*	4.0%
*Includes inflation at	2.5%
Cost of living adjustments	None

Mortality rates were based on the RP-2014 combined healthy annuitant table with future generational improvements using scale: AA

**Firefighters Old Hire
Agent-Multiple Employer Pension Plans**

Actuarial valuation date	1/1/2016
Actuarial cost method	Entry Age
Amortization method	Level amount, Open
Remaining amortization period	16 years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	6.5%
Projected salary increases*	4.0%
*Includes inflation at	2.5%
Cost of living adjustments	None

Mortality rates were based on the RP-2014 combined healthy annuitant table with future generational improvements using sc: AA

**Nonemergency Employees
Single Employer Pension Plan**

Actuarial valuation date	1/1/2016
Actuarial cost method	Entry Age
Amortization method	Level amount, Open
Remaining amortization period	Variable-minimum 10 years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	6.5%
Projected salary increases*	2.8-5.8%
*Includes inflation at	2.5%
Cost of living adjustments	None

Mortality rates were based on the RP-2014 combined healthy annuitant table with future generational improvements using scale: BB

**Volunteer Firefighters
Agent-Multiple Employer Pension Plans**

Actuarial valuation date	1/1/2015
Actuarial cost method	Entry Age
Amortization method	Level amount, Open
Remaining amortization period	8 years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	4.86%
Projected salary increases*	N/A
*Includes inflation at	3.0%
Cost of living adjustments	None

Mortality rates were based on the RP-2014 combined healthy annuitant table with future generational improvements using sc: AA

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Nonmajor Governmental Funds

Special Revenue Funds

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

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

Open Space Fund – Accounts for the acquisition of parks and open space land not previously owned by the City and for improvements to existing park and recreation facilities. Financing is provided from the Arapahoe County Open Space Sales Tax. The Open Space Tax was originally voter approved on January 1, 2004 and after a voter approved extension will now expire on December 31, 2023.

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

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

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

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

Debt Service Funds

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

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

Capital Projects Funds

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

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

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

CITY OF ENGLEWOOD, COLORADO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016**

	Special Revenue Funds				
	Conservation Trust	Open Space	Donors	Community Development	Malley Center Trust
Assets					
Cash and investments	\$ 1,641,609	\$ 765,403	\$ 655,803	\$ 4,586	\$ 233,496
Receivables:					
Property taxes	-	-	-	-	-
Sales and use	-	-	-	-	-
Interest	5,152	2,285	1,930	-	751
Intergovernmental	-	354,067	-	17,303	-
Total assets	<u>\$ 1,646,761</u>	<u>\$ 1,121,755</u>	<u>\$ 657,733</u>	<u>\$ 21,889</u>	<u>\$ 234,247</u>
Liabilities and fund balances					
Liabilities:					
Accounts payable	\$ 184,172	\$ 34,242	\$ -	\$ 21,889	\$ -
Total liabilities	<u>184,172</u>	<u>34,242</u>	<u>-</u>	<u>21,889</u>	<u>-</u>
Deferred Inflows of Resources					
Deferred revenue-property tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted for:					
Parks and recreation	1,462,589	1,087,513	8,542	-	234,247
Law enforcement	-	-	11,492	-	-
Debt service	-	-	-	-	-
Committed to:					
Capital projects	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Assigned to:					
Parks and recreation	-	-	459,190	-	-
Law enforcement	-	-	43,079	-	-
Other purposes	-	-	135,430	-	-
Total fund balances	<u>1,462,589</u>	<u>1,087,513</u>	<u>657,733</u>	<u>-</u>	<u>234,247</u>
Total liabilities and fund balances	<u>\$ 1,646,761</u>	<u>\$ 1,121,755</u>	<u>\$ 657,733</u>	<u>\$ 21,889</u>	<u>\$ 234,247</u>

See Independent Auditor's Report

Special Revenue Funds		Debt Service	Capital Projects Funds			Total
Parks and Recreation Trust	Total	General Obligation Bond	Public Improvement	Capital Projects	Total	Nonmajor Governmental Funds
\$ 454,921	\$ 3,755,818	\$ 61,909	\$ 5,225,874	\$ 2,464,321	\$ 7,690,195	\$ 11,507,922
-	-	3,290,000	-	-	-	3,290,000
-	-	-	181,506	-	181,506	181,506
1,437	11,555	1,686	17,140	6,917	24,057	37,298
-	371,370	108	9,418	-	9,418	380,896
<u>\$ 456,358</u>	<u>\$ 4,138,743</u>	<u>\$ 3,353,703</u>	<u>\$ 5,433,938</u>	<u>\$ 2,471,238</u>	<u>\$ 7,905,176</u>	<u>\$ 15,397,622</u>
\$ -	\$ 240,303	\$ -	\$ 119,563	\$ 153,217	\$ 272,780	\$ 513,083
-	240,303	-	119,563	153,217	272,780	513,083
-	-	3,290,000	-	-	-	3,290,000
-	2,792,891	-	-	-	-	2,792,891
-	11,492	-	-	-	-	11,492
-	-	63,703	-	-	-	63,703
-	-	-	5,314,375	2,318,021	7,632,396	7,632,396
456,358	456,358	-	-	-	-	456,358
-	459,190	-	-	-	-	459,190
-	43,079	-	-	-	-	43,079
-	135,430	-	-	-	-	135,430
<u>456,358</u>	<u>3,898,440</u>	<u>63,703</u>	<u>5,314,375</u>	<u>2,318,021</u>	<u>7,632,396</u>	<u>11,594,539</u>
<u>\$ 456,358</u>	<u>\$ 4,138,743</u>	<u>\$ 3,353,703</u>	<u>\$ 5,433,938</u>	<u>\$ 2,471,238</u>	<u>\$ 7,905,176</u>	<u>\$ 15,397,622</u>

CITY OF ENGLEWOOD, COLORADO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016**

	Special Revenue Funds				
	Conservation Trust	Open Space	Donors	Community Development	Malley Center Trust
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle use tax	-	-	-	-	-
Building use tax	-	-	-	-	-
Intergovernmental	363,189	1,476,528	27,394	-	-
Charges for services	-	-	171,927	208,170	-
Construction reimbursements	-	-	-	-	-
Net investment income	7,485	3,253	2,722	-	1,075
Contributions	-	-	36,276	80,492	3,375
Other	-	-	-	-	-
Total revenues	<u>370,674</u>	<u>1,479,781</u>	<u>238,319</u>	<u>288,662</u>	<u>4,450</u>
Expenditures					
Current:					
General government	-	-	9,960	288,662	-
Public safety	-	-	94,538	-	-
Public works	-	-	-	-	-
Culture and recreation	425,681	264,281	45,043	-	5,531
Capital outlay	197,273	1,281,290	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>622,954</u>	<u>1,545,571</u>	<u>149,541</u>	<u>288,662</u>	<u>5,531</u>
Excess revenues over (under) expenditures	<u>(252,280)</u>	<u>(65,790)</u>	<u>88,778</u>	<u>-</u>	<u>(1,081)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(252,280)</u>	<u>(65,790)</u>	<u>88,778</u>	<u>-</u>	<u>(1,081)</u>
Fund balances - beginning	1,714,869	1,741,752	568,955	-	235,328
Restatement of beginning fund balance	-	(588,449)	-	-	-
Restated December 31, 2015 fund balance	<u>1,714,869</u>	<u>1,153,303</u>	<u>568,955</u>	<u>-</u>	<u>235,328</u>
Fund balances - ending	<u>\$ 1,462,589</u>	<u>\$ 1,087,513</u>	<u>\$ 657,733</u>	<u>\$ -</u>	<u>\$ 234,247</u>

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Special Revenue Funds		Debt Service	Capital Projects Funds			Total
Parks and Recreation Trust	Total	General Obligation Bond	Public Improvement	Capital Projects	Total	Nonmajor Governmental Funds
\$ -	\$ -	\$ 1,096,295	\$ -	\$ -	\$ -	\$ 1,096,295
-	-	-	1,989,217	-	1,989,217	1,989,217
-	-	-	1,125,547	-	1,125,547	1,125,547
-	1,867,111	-	188,356	-	188,356	2,055,467
-	380,097	-	-	-	-	380,097
-	-	-	-	34,148	34,148	34,148
2,063	16,598	1,935	24,405	9,975	34,380	52,913
250	120,393	-	-	-	-	120,393
-	-	-	-	1,376	1,376	1,376
2,313	2,384,199	1,098,230	3,327,525	45,499	3,373,024	6,855,453
-	298,622	11,463	91,738	648,447	740,185	1,050,270
-	94,538	-	47,747	37,338	85,085	179,623
-	-	-	1,351,889	-	1,351,889	1,351,889
3,705	744,241	-	63,586	24,134	87,720	831,961
-	1,478,563	-	514,418	232,930	747,348	2,225,911
-	-	870,000	-	-	-	870,000
-	-	223,312	-	-	-	223,312
3,705	2,615,964	1,104,775	2,069,378	942,849	3,012,227	6,732,966
(1,392)	(231,765)	(6,545)	1,258,147	(897,350)	360,797	122,487
-	-	-	1,000,000	2,227,500	3,227,500	3,227,500
-	-	-	(2,048,155)	-	(2,048,155)	(2,048,155)
-	-	-	(1,048,155)	2,227,500	1,179,345	1,179,345
(1,392)	(231,765)	(6,545)	209,992	1,330,150	1,540,142	1,301,832
457,750	4,718,654	70,248	5,104,383	987,871	6,092,254	10,881,156
-	(588,449)	-	-	-	-	(588,449)
457,750	4,130,205	70,248	5,104,383	987,871	6,092,254	10,292,707
\$ 456,358	\$ 3,898,440	\$ 63,703	\$ 5,314,375	\$ 2,318,021	\$ 7,632,396	\$ 11,594,539

CITY OF ENGLEWOOD, COLORADO

**Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget and Actual - Budgetary Basis
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Project Budget	Actual Amounts	Project Budget Remaining	2015 Actual
Revenues				
Lottery proceeds	\$ 363,189	\$ 363,189	\$ -	\$ 303,855
Net investment income	7,485	7,485	-	4,874
Total revenues	<u>370,674</u>	<u>370,674</u>	<u>-</u>	<u>308,729</u>
Expenditures				
Current:				
Culture and recreation	613,726	425,681	188,045	66,518
Capital outlay	<u>1,229,904</u>	<u>197,273</u>	<u>1,032,631</u>	<u>18,800</u>
Total expenditures	<u>1,843,630</u>	<u>622,954</u>	<u>1,220,676</u>	<u>85,318</u>
Net change in fund balances	<u>\$ (1,472,956)</u>	<u>(252,280)</u>	<u>\$ 1,220,676</u>	<u>223,411</u>
Fund balances - beginning		<u>1,714,869</u>		<u>1,491,458</u>
Fund balances - ending		<u>1,462,589</u>		<u>1,714,869</u>
Less: Fund Balance Designated for Completion of Projects		<u>(1,220,676)</u>		<u>(1,434,533)</u>
Unappropriated fund balance		<u>\$ 241,913</u>		<u>\$ 280,336</u>

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CITY OF ENGLEWOOD, COLORADO

**Open Space Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget and Actual - Budgetary Basis
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Project Budget	Actual Amounts	Project Budget Remaining	2015 Actual
Revenues				
Open Space Tax Shareback	\$ 776,428	\$ 776,428	\$ -	\$ 767,245
Open Space Grants	1,277,800	700,100	577,700	550,000
Net investment income	3,253	3,253	-	3,286
Total revenues	<u>2,057,481</u>	<u>1,479,781</u>	<u>577,700</u>	<u>1,320,531</u>
Expenditures				
Current:				
Culture and recreation	767,133	264,281	502,852	465,900
Capital outlay	<u>2,739,617</u>	<u>1,281,290</u>	<u>860,272</u>	<u>675,872</u>
Total expenditures	<u>3,506,750</u>	<u>1,545,571</u>	<u>1,363,124</u>	<u>1,141,772</u>
Net change in fund balances	<u>\$ (1,449,269)</u>	(65,790)	<u>\$ 785,424</u>	178,759
Fund balances - beginning		1,153,303		1,562,993
Fund balances - ending		1,087,513		1,153,303
Less: Fund Balance Designated for Completion of Projects		(785,424)		(854,016)
Unappropriated fund balance		<u>\$ 302,089</u>		<u>\$ 299,287</u>

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CITY OF ENGLEWOOD, COLORADO

Donors Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2016

With Comparative Totals for the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Intergovernmental	\$ 7,000	\$ 7,000	\$ 27,394	\$ 20,394	\$ 75,308
Charges for services	43,500	43,500	171,927	128,427	157,549
Net investment income	5,000	5,000	2,722	(2,278)	1,069
Contributions	49,500	49,500	36,276	(13,224)	184,633
Total revenues	<u>105,000</u>	<u>105,000</u>	<u>238,319</u>	<u>133,319</u>	<u>418,559</u>
Expenditures					
Current:					
General government	100,000	100,000	9,960	90,040	17,813
Public Safety	60,000	60,000	94,538	(34,538)	56,303
Culture and recreation	68,000	68,000	45,043	22,957	20,897
Transfers out	-	-	-	-	101,450
Total expenditures	<u>228,000</u>	<u>228,000</u>	<u>149,541</u>	<u>78,459</u>	<u>196,463</u>
Net change in fund balances	(123,000)	(123,000)	88,778	211,778	222,096
Fund balances - beginning	<u>364,705</u>	<u>364,705</u>	<u>568,955</u>	<u>204,250</u>	<u>346,859</u>
Fund balances - ending	<u>\$ 241,705</u>	<u>\$ 241,705</u>	<u>\$ 657,733</u>	<u>\$ 416,028</u>	<u>\$ 568,955</u>

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CITY OF ENGLEWOOD, COLORADO

**Community Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Charges for Services	\$ 360,000	\$ 360,000	\$ 288,662	\$ (71,338)	\$ 289,096
Expenditures					
Current:					
General government	360,000	360,000	288,662	71,338	289,096
Net change in fund balances	-	-	-	-	-
Fund balances - beginning	-	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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CITY OF ENGLEWOOD, COLORADO

Malley Center Trust Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2016**

With Comparative Totals for the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Contributions	\$ 4,000	\$ 4,000	\$ 3,375	\$ (625)	\$ 2,480
Net investment income	3,000	3,000	1,075	(1,925)	804
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>4,450</u>	<u>(2,550)</u>	<u>3,284</u>
Expenditures					
Culture and recreation	<u>5,000</u>	<u>6,000</u>	<u>5,531</u>	<u>469</u>	<u>1,582</u>
Total expenditures	<u>5,000</u>	<u>6,000</u>	<u>5,531</u>	<u>469</u>	<u>1,582</u>
Net change in fund balances	2,000	1,000	(1,081)	(2,081)	1,702
Fund balances - beginning	<u>235,626</u>	<u>235,626</u>	<u>235,328</u>	<u>(298)</u>	<u>233,626</u>
Fund balances - ending	<u>\$ 237,626</u>	<u>\$ 236,626</u>	<u>\$ 234,247</u>	<u>\$ (2,379)</u>	<u>\$ 235,328</u>

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CITY OF ENGLEWOOD, COLORADO

Parks and Recreation Trust Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2016

With Comparative Totals for the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Net investment income	\$ 5,000	\$ 5,000	\$ 2,063	\$ (2,937)	\$ 1,590
Contributions	10,000	10,000	250	(9,750)	6,000
Total revenues	15,000	15,000	2,313	(12,687)	7,590
Expenditures					
Current					
Culture and recreation	13,000	13,000	3,705	9,295	7,434
Total expenditures	13,000	13,000	3,705	9,295	7,434
Net change in fund balances	2,000	2,000	(1,392)	(3,392)	156
Fund balances - beginning	461,594	461,594	457,750	(3,844)	457,594
Fund balances - ending	<u>\$ 463,594</u>	<u>\$ 463,594</u>	<u>\$ 456,358</u>	<u>\$ (7,236)</u>	<u>\$ 457,750</u>

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CITY OF ENGLEWOOD, COLORADO

**General Obligation Bond Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Taxes	\$ 1,100,500	\$ 1,100,500	\$ 1,096,295	\$ (4,205)	\$ 1,115,179
Net investment income	1,500	1,500	1,935	435	1,029
Total revenues	<u>1,102,000</u>	<u>1,102,000</u>	<u>1,098,230</u>	<u>(3,770)</u>	<u>1,116,208</u>
Expenditures					
Debt service:					
Principal	870,000	870,000	870,000	-	855,000
Interest	223,313	223,313	223,312	1	240,413
General government	14,800	14,800	11,463	3,337	11,652
Total expenditures	<u>1,108,113</u>	<u>1,108,113</u>	<u>1,104,775</u>	<u>3,338</u>	<u>1,107,065</u>
Net change in fund balances	(6,113)	(6,113)	(6,545)	(432)	9,143
Fund balances - beginning	57,792	57,792	70,248	12,456	61,105
Fund balances - ending	<u>\$ 51,679</u>	<u>\$ 51,679</u>	<u>\$ 63,703</u>	<u>\$ 12,024</u>	<u>\$ 70,248</u>

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CITY OF ENGLEWOOD, COLORADO

**Public Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget And Actual - Budgetary Basis
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Project Budget	Actual	Project Budget Remaining	2015 Actual
Revenues				
Vehicle use tax	\$ 1,989,217	\$ 1,989,217	\$ -	\$ 1,871,244
Building use tax	1,125,547	1,125,547	-	2,494,933
Intergovernmental	188,356	188,356	-	319,140
Net investment income	24,405	24,405	-	4,815
Construction reimbursement	-	-	-	35,000
Total revenues	<u>3,327,525</u>	<u>3,327,525</u>	<u>-</u>	<u>4,725,132</u>
Expenditures				
Current:				
General government	617,358	91,738	525,620	99,210
Public safety	47,747	47,747	-	-
Public works	2,220,128	1,351,889	868,239	1,181,836
Culture and recreation	63,586	63,586	-	82,475
Capital outlay	<u>2,674,329</u>	<u>514,418</u>	<u>2,159,911</u>	<u>1,529,555</u>
Total expenditures	<u>5,623,148</u>	<u>2,069,378</u>	<u>3,553,770</u>	<u>2,893,076</u>
Excess revenues over (under) expenditures	<u>(2,295,623)</u>	<u>1,258,147</u>	<u>(3,553,770)</u>	<u>1,832,056</u>
Other financing sources (uses)				
Transfers in	1,000,000	1,000,000	-	1,871,516
Transfers out	<u>(2,048,155)</u>	<u>(2,048,155)</u>	<u>-</u>	<u>(944,326)</u>
Total other financing sources (uses)	<u>(1,048,155)</u>	<u>(1,048,155)</u>	<u>-</u>	<u>927,190</u>
Net change in fund balances	<u>\$ (3,343,778)</u>	209,992	<u>\$ (3,553,770)</u>	2,759,246
Fund balances - beginning		<u>5,104,383</u>		<u>2,345,137</u>
Fund balances - ending		5,314,375		5,104,383
Less: Fund Balance Designated for Completion of Projects		<u>(3,553,770)</u>		<u>(2,731,573)</u>
Unappropriated fund balance		<u>\$ 1,760,605</u>		<u>\$ 2,372,810</u>

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CITY OF ENGLEWOOD, COLORADO

**Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget And Actual - Budgetary Basis
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Project Budget	Actual	Project Budget Remaining	2015 Actual
Revenues				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ 191,097
Construction reimbursement	34,148	34,148	-	58,743
Net investment income	9,975	9,975	-	4,519
Other	1,376	1,376	-	665
Total revenues	<u>45,499</u>	<u>45,499</u>	<u>-</u>	<u>255,024</u>
Expenditures				
Current:				
General government	2,686,273	648,447	2,037,826	379,766
Public safety	118,532	37,338	81,194	44,658
Public works	-	-	-	71,430
Culture and recreation	64,128	24,134	39,994	243,444
Capital outlay	232,930	232,930	-	150,654
Total expenditures	<u>3,101,863</u>	<u>942,849</u>	<u>2,159,014</u>	<u>889,952</u>
Excess expenditures over revenues	<u>(3,056,364)</u>	<u>(897,350)</u>	<u>2,159,014</u>	<u>(634,928)</u>
Other financing sources (uses)				
Transfers in	<u>2,227,500</u>	<u>2,227,500</u>	<u>-</u>	<u>650,000</u>
Net change in fund balances	<u>\$ (828,864)</u>	<u>1,330,150</u>	<u>\$ 2,159,014</u>	<u>15,072</u>
Fund balances - beginning		<u>987,871</u>		<u>972,799</u>
Fund balances - ending		<u>2,318,021</u>		<u>987,871</u>
Less: Fund Balance Designated for Completion of Projects		<u>(2,159,014)</u>		<u>(935,588)</u>
Unappropriated fund balance		<u>\$ 159,007</u>		<u>\$ 52,283</u>

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Proprietary Funds

Enterprise Funds

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

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

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

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

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

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

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

Internal Service Funds

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

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

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

Internal Service Funds (continued)

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

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

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

CITY OF ENGLEWOOD, COLORADO

**Water Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -	2015 Actual
	Original	Final		Positive (Negative)	
Revenues					
Water sales	\$ 6,157,742	\$ 6,157,742	\$ 6,344,924	\$ 187,182	\$ 6,010,584
Raw water sales	2,000,000	2,000,000	2,308,072	308,072	2,333,618
City ditch revenues	40,000	40,000	35,531	(4,469)	39,312
System development fees	23,400	23,400	202,682	179,282	244,935
Net investment income	41,105	41,105	49,315	8,210	34,644
Late fees	23,000	23,000	23,853	853	19,146
Water meter sales	23,000	23,000	56,829	33,829	54,401
Rentals	9,500	9,500	10,507	1,007	9,632
Other	60,500	60,500	118,764	58,264	286,970
Total revenues	8,378,247	8,378,247	9,150,477	772,230	9,033,242
Expenditures					
Source of supply	1,329,033	1,329,033	1,327,157	1,876	1,783,725
Power and pumping	966,446	966,446	760,865	205,581	851,521
Purification	2,029,185	2,029,185	1,846,157	183,028	1,440,868
Transmission and distribution	1,120,653	1,120,653	742,904	377,749	893,193
Personnel services	632,170	632,170	614,058	18,112	567,107
Customer accounting and collection	500,000	500,000	461,585	38,415	461,585
Commodities and contractual services	532,379	532,379	612,901	(80,522)	515,785
Franchise tax	184,012	184,012	178,762	5,250	168,956
Capital outlay	229,750	229,750	398,724	(168,974)	766,485
Debt service:					
Principal payments	1,098,300	1,098,300	1,097,425	875	1,060,774
Interest expense	491,029	491,029	472,769	18,260	511,649
Total expenditures	9,112,957	9,112,957	8,513,307	599,650	9,021,648
Excess revenues over (under) expenditures	(734,710)	(734,710)	637,170	1,371,880	11,594
Funds available - beginning	9,785,231	9,785,231	11,323,987	1,538,756	11,312,393
Funds available - ending	<u>\$ 9,050,521</u>	<u>\$ 9,050,521</u>	<u>\$ 11,961,157</u>	<u>\$ 2,910,636</u>	<u>\$ 11,323,987</u>
Funds available is computed as follows:					
Current assets			\$ 12,870,717		\$ 12,159,935
Current liabilities			(2,086,051)		(1,945,229)
Add current portion of long-term debt			1,176,491		1,109,281
			<u>\$ 11,961,157</u>		<u>\$ 11,323,987</u>

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CITY OF ENGLEWOOD, COLORADO

**Sewer Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Disposal services	\$ 15,795,102	\$ 15,795,102	\$ 16,079,362	\$ 284,260	\$ 15,910,191
System development fees	222,500	222,500	294,422	71,922	479,995
Net investment income	95,000	95,000	58,385	(36,615)	37,613
Late fees	95,000	95,000	115,038	20,038	114,388
Other	-	-	4,433	4,433	11,535
Total revenues	<u>16,207,602</u>	<u>16,207,602</u>	<u>16,551,640</u>	<u>344,038</u>	<u>16,553,722</u>
Expenditures					
Joint Venture operations	8,637,467	8,637,467	7,135,691	1,501,776	7,302,158
Joint Venture capital	800,000	800,000	440,420	359,580	352,990
Sanitary system	747,350	747,350	750,068	(2,718)	718,387
Personnel services	834,252	834,252	693,891	140,361	758,907
Customer accounting and collection	1,230,000	1,230,000	1,179,112	50,888	1,168,747
Commodities and contractual services	573,331	573,331	380,387	192,944	315,476
Franchise tax	486,452	486,452	481,193	5,259	476,118
Capital outlay	50,000	50,000	-	50,000	-
Debt service:					
Principal payments	2,930,351	2,930,351	2,930,351	-	2,911,807
Interest expense	1,336,875	1,336,875	1,155,818	181,057	1,337,636
Total expenditures	<u>17,626,078</u>	<u>17,626,078</u>	<u>15,146,931</u>	<u>2,479,147</u>	<u>15,342,226</u>
Excess revenues over (under) expenditures	<u>(1,418,476)</u>	<u>(1,418,476)</u>	<u>1,404,709</u>	<u>2,823,185</u>	<u>1,211,496</u>
Funds available - beginning	<u>2,547,522</u>	<u>2,547,522</u>	<u>4,781,682</u>	<u>2,234,160</u>	<u>3,570,186</u>
Funds available - ending	<u>\$ 1,129,046</u>	<u>\$ 1,129,046</u>	<u>\$ 6,186,391</u>	<u>\$ 5,057,345</u>	<u>\$ 4,781,682</u>

Funds available is computed as follows:

Current assets	\$ 17,346,174	\$ 16,473,700
Current liabilities	(14,197,354)	(14,677,304)
Add current portion of long-term debt	3,037,571	2,985,286
	<u>\$ 6,186,391</u>	<u>\$ 4,781,682</u>

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CITY OF ENGLEWOOD, COLORADO

**Golf Course Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance- Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Green fees	\$ 1,182,000	\$ 1,182,000	\$ 1,155,813	\$ (26,187)	\$ 1,135,690
Rentals	354,000	354,000	376,255	22,255	359,633
Driving range	265,000	265,000	222,893	(42,107)	217,993
Merchandise sales	200,000	200,000	203,535	3,535	168,738
Concessions	36,000	36,000	36,055	55	36,050
Memberships	13,000	13,000	13,407	407	15,037
Learning center	20,000	20,000	20,000	-	20,000
Net investment income	6,300	6,300	5,369	(931)	1,990
Other	65,198	65,198	47,097	(18,101)	121,906
Total revenues	<u>2,141,498</u>	<u>2,141,498</u>	<u>2,080,424</u>	<u>(61,074)</u>	<u>2,077,037</u>
Expenditures					
Personnel services	936,026	936,026	938,682	(2,656)	841,768
Commodities and contractual services	736,992	736,992	542,789	194,203	589,572
Cost of goods sold	125,000	125,000	132,240	(7,240)	129,698
Capital outlay	95,000	95,000	89,517	5,483	149,917
Debt service:					
Principal payments	90,000	90,000	90,000	-	85,000
Interest expense	120,166	120,166	127,151	(6,985)	121,028
Total expenditures	<u>2,103,184</u>	<u>2,103,184</u>	<u>1,920,379</u>	<u>182,805</u>	<u>1,916,983</u>
Excess revenues over (under) expenditures	<u>38,314</u>	<u>38,314</u>	<u>160,045</u>	<u>121,731</u>	<u>160,054</u>
Funds available - beginning	<u>470,393</u>	<u>470,393</u>	<u>629,884</u>	<u>159,491</u>	<u>469,830</u>
Funds available - ending	<u>\$ 508,707</u>	<u>\$ 508,707</u>	<u>\$ 789,929</u>	<u>\$ 281,222</u>	<u>\$ 629,884</u>
Funds available is computed as follows:					
Current assets			\$ 907,923		\$ 698,040
Current liabilities			(207,994)		(153,156)
Add current portion of long-term debt			90,000		85,000
			<u>\$ 789,929</u>		<u>\$ 629,884</u>

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CITY OF ENGLEWOOD, COLORADO

**Storm Drainage Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Storm drainage services	\$ 313,569	\$ 313,569	\$ 316,970	\$ 3,401	\$ 316,729
Net investment income	10,444	10,444	6,708	(3,736)	4,222
Other	5,000	5,000	14,320	9,320	17,424
Total revenues	<u>329,013</u>	<u>329,013</u>	<u>337,998</u>	<u>8,985</u>	<u>338,375</u>
Expenditures					
Storm drainage system	21,823	21,823	15,569	6,254	15,561
Personnel services	57,367	57,367	83,602	(26,235)	54,105
Commodities and contractual services	50,500	50,500	12,028	38,472	22,567
Capital outlay	100,000	100,000	38,588	61,412	48,905
Debt service:					
Principal payments	100,000	100,000	100,000	-	100,000
Interest expense	13,530	13,530	13,163	367	14,674
Total expenditures	<u>343,220</u>	<u>343,220</u>	<u>262,950</u>	<u>80,270</u>	<u>255,812</u>
Excess revenues over (under) expenditures	(14,207)	(14,207)	75,048	89,255	82,563
Funds available - beginning	<u>1,117,192</u>	<u>1,117,192</u>	<u>1,213,039</u>	<u>95,847</u>	<u>1,130,476</u>
Funds available - ending	<u>\$ 1,102,985</u>	<u>\$ 1,102,985</u>	<u>\$ 1,288,087</u>	<u>\$ 185,102</u>	<u>\$ 1,213,039</u>

Funds available is computed as follows:

Current assets	\$ 1,319,338	\$ 1,252,340
Current liabilities	(136,251)	(139,543)
Add current portion of long-term debt	105,000	100,242
	<u>\$ 1,288,087</u>	<u>\$ 1,213,039</u>

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CITY OF ENGLEWOOD, COLORADO

**Concrete Utility Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual Amounts		2015 Actual
Revenues					
Concrete repair and maintenance fees	\$ 863,000	\$ 863,000	\$ 874,673	\$ 11,673	\$ 868,790
Late fees	1,200	1,200	2,437	1,237	4,006
Net investment income	20,000	20,000	4,370	(15,630)	2,837
Total revenues	<u>884,200</u>	<u>884,200</u>	<u>881,480</u>	<u>(2,720)</u>	<u>875,633</u>
Expenditures					
Concrete repair and maintenance program	262,836	262,836	145,369	117,467	123,008
Personnel services	93,403	93,403	101,780	(8,377)	94,469
Commodities and contractual services	4,825	4,825	4,174	651	1,559
Capital outlay	516,600	516,600	453,667	62,933	470,135
Total expenditures	<u>877,664</u>	<u>877,664</u>	<u>704,990</u>	<u>172,674</u>	<u>689,171</u>
Excess revenues over (under) expenditures	6,536	6,536	176,490	169,954	186,462
Funds available - beginning	<u>523,919</u>	<u>523,919</u>	<u>686,014</u>	<u>162,095</u>	<u>499,552</u>
Funds available - ending	<u>\$ 530,455</u>	<u>\$ 530,455</u>	<u>\$ 862,504</u>	<u>\$ 332,049</u>	<u>\$ 686,014</u>

Funds available is computed as follows:

Current assets	\$ 942,428	\$ 730,074
Current liabilities	<u>(79,924)</u>	<u>(44,060)</u>
	<u>\$ 862,504</u>	<u>\$ 686,014</u>

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CITY OF ENGLEWOOD, COLORADO

**Housing Rehabilitation Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Grant income	\$ 210,009	\$ 210,009	\$ 127,387	\$ (82,622)	\$ 127,500
Loan interest income	170,619	170,619	103,494	(67,125)	212,854
Net change in notes receivable/payable	277,151	277,151	168,114	(109,037)	-
Net investment income	10,277	10,277	6,234	(4,043)	2,689
Late fees	415	415	252	(163)	363
Other	331,529	331,529	201,097	(130,432)	577,532
Total revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>606,578</u>	<u>(393,422)</u>	<u>920,938</u>
Expenditures					
Interest expense	42,563	42,563	20,688	21,875	26,394
Customer accounting and collection	36,454	36,454	17,719	18,735	14,090
Net change in notes receivable/payable	-	-	-	-	62,692
Grants to individuals	-	-	-	-	212,409
Commodities and contractual services	920,983	920,983	447,654	473,329	877,361
Total expenditures	<u>1,000,000</u>	<u>1,000,000</u>	<u>486,061</u>	<u>513,939</u>	<u>1,192,946</u>
Excess revenues over (under) expenditures	-	-	120,517	120,517	(272,008)
Funds available - beginning	<u>1,685,060</u>	<u>1,685,060</u>	<u>1,413,052</u>	<u>(272,008)</u>	<u>1,685,060</u>
Funds available - ending	<u>\$ 1,685,060</u>	<u>\$ 1,685,060</u>	<u>\$ 1,533,569</u>	<u>\$ (151,491)</u>	<u>\$ 1,413,052</u>

Funds available is computed as follows:

Current assets	\$ 1,598,528	\$ 1,489,262
Current liabilities	(100,959)	(112,210)
Add current portion of long-term debt	36,000	36,000
	<u>\$ 1,533,569</u>	<u>\$ 1,413,052</u>

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CITY OF ENGLEWOOD, COLORADO

**Combining Statement of Net Position
Internal Service Funds
December 31, 2016**

	Central Services	Servi- Center	Capital Equipment Replacement
Assets			
Current assets:			
Cash and investments	\$ 38,258	\$ 1,808,301	\$ 2,479,498
Interest receivable	143	5,977	7,174
Accounts receivable	-	11,503	-
Inventories	9,285	168,856	-
Total current assets	<u>47,686</u>	<u>1,994,637</u>	<u>2,486,672</u>
Capital assets, net of accumulated depreciation	<u>2,233</u>	<u>944,611</u>	<u>3,035,988</u>
Total assets	<u>49,919</u>	<u>2,939,248</u>	<u>5,522,660</u>
Liabilities			
Current liabilities:			
Accounts payable	2,754	92,226	63,654
Accrued payroll and related liabilities	1,473	16,108	-
Compensated absences	8,125	33,427	-
Deposits	-	-	-
Claims payable	-	-	-
Total current liabilities	<u>12,352</u>	<u>141,761</u>	<u>63,654</u>
Noncurrent liabilities:			
Compensated absences	<u>8,126</u>	<u>33,428</u>	<u>-</u>
Total liabilities	<u>20,478</u>	<u>175,189</u>	<u>63,654</u>
Net position			
Invested in capital assets	2,233	944,611	3,035,988
Unrestricted	<u>27,208</u>	<u>1,819,448</u>	<u>2,423,018</u>
Total net position	<u>\$ 29,441</u>	<u>\$ 2,764,059</u>	<u>\$ 5,459,006</u>

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Employee Benefits	Risk Management	Total
\$ 171,030	\$ 1,190,893	\$ 5,687,980
(933)	4,077	16,438
81,194	-	92,697
-	-	178,141
251,291	1,194,970	5,975,256
-	-	3,982,832
251,291	1,194,970	9,958,088
11,830	5,872	176,336
2,044	2,044	21,669
6,990	6,990	55,532
18,853	-	18,853
-	716,663	716,663
39,717	731,569	989,053
6,990	6,990	55,534
46,707	738,559	1,044,587
-	-	3,982,832
204,584	456,411	4,930,669
\$ 204,584	\$ 456,411	\$ 8,913,501

CITY OF ENGLEWOOD, COLORADO

**Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2016**

	Central Services	Servi- Center	Capital Equipment Replacement
Operating revenues			
Billings to departments	\$ 252,638	\$ 1,969,182	\$ 851,640
Other charges for services	1,341	145,778	-
Total operating revenues	<u>253,979</u>	<u>2,114,960</u>	<u>851,640</u>
Operating expenses			
Cost of goods sold	25,785	638,292	-
Personnel services	86,179	882,324	-
Commodities and contractual services	171,477	255,090	4,381
Depreciation	1,786	31,364	781,703
Insurance expense:			
Medical	-	-	-
Life	-	-	-
Long-term disability	-	-	-
Employee assistance program	-	-	-
Unemployment	-	-	-
General liability	-	-	-
Workers' compensation	-	-	-
Claims expense:			
Dental	-	-	-
General liability	-	-	-
Workers' compensation	-	-	-
Total operating expenses	<u>285,227</u>	<u>1,807,070</u>	<u>786,084</u>
Operating income (loss)	<u>(31,248)</u>	<u>307,890</u>	<u>65,556</u>
Nonoperating revenues (expense)			
Net investment income	225	8,468	10,073
Gain on disposition of equipment	-	-	270,897
Other	449	5,453	18,206
Total nonoperating revenues	<u>674</u>	<u>13,921</u>	<u>299,176</u>
Income (loss) before contributions	<u>(30,574)</u>	<u>321,811</u>	<u>364,732</u>
Capital contributions - other	-	-	175,043
Change in net position	<u>(30,574)</u>	<u>321,811</u>	<u>539,775</u>
Total net position - beginning	<u>60,015</u>	<u>2,442,248</u>	<u>4,919,231</u>
Total net position - ending	<u><u>\$ 29,441</u></u>	<u><u>\$ 2,764,059</u></u>	<u><u>\$ 5,459,006</u></u>

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Employee Benefits	Risk Management	Total
\$ 4,987,277	\$ 1,459,019	\$ 9,519,756
-	-	147,119
<u>4,987,277</u>	<u>1,459,019</u>	<u>9,666,875</u>
-	-	664,077
108,221	105,521	1,182,245
57,242	7,626	495,816
-	-	814,853
4,281,838	-	4,281,838
50,467	-	50,467
59,581	-	59,581
19,198	-	19,198
65,080	-	65,080
-	405,388	405,388
-	268,256	268,256
363,090	-	363,090
-	448,855	448,855
-	285,142	285,142
<u>5,004,717</u>	<u>1,520,788</u>	<u>9,403,886</u>
<u>(17,440)</u>	<u>(61,769)</u>	<u>262,989</u>
(848)	5,613	23,531
-	-	270,897
<u>3,030</u>	<u>110,356</u>	<u>137,494</u>
<u>2,182</u>	<u>115,969</u>	<u>431,922</u>
<u>(15,258)</u>	<u>54,200</u>	<u>694,911</u>
-	-	175,043
<u>(15,258)</u>	<u>54,200</u>	<u>869,954</u>
<u>219,842</u>	<u>402,211</u>	<u>8,043,547</u>
<u>\$ 204,584</u>	<u>\$ 456,411</u>	<u>\$ 8,913,501</u>

CITY OF ENGLEWOOD, COLORADO
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2016

	Central Services	Servi- Center	Capital Equipment Replacement
Cash flows from operating activities			
Cash received from interfund charges	\$ 252,638	\$ 1,969,182	\$ 869,845
Cash received from customers	1,341	157,236	-
Cash payments to suppliers for goods and services	(211,605)	(863,949)	(56,022)
Cash paid to employees for services	(86,473)	(868,760)	-
Other cash receipts	449	5,453	-
Net cash provided (used) by operating activities	<u>(43,650)</u>	<u>399,162</u>	<u>813,823</u>
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	-	(287,237)	(652,530)
Proceeds from sale of assets	-	-	270,897
Net cash (used) by capital and related financing activities	<u>-</u>	<u>(287,237)</u>	<u>(381,633)</u>
Cash flows from investing activities			
Net investment income	260	6,211	7,432
Net cash provided by investing activities	<u>260</u>	<u>6,211</u>	<u>7,432</u>
Net increase (decrease) in cash and cash equivalents	(43,390)	118,136	439,622
Cash and cash equivalents - beginning	81,648	1,690,165	2,039,876
Cash and cash equivalents - ending	<u>\$ 38,258</u>	<u>\$ 1,808,301</u>	<u>\$ 2,479,498</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	<u>\$ (31,248)</u>	<u>\$ 307,890</u>	<u>\$ 65,556</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	1,786	31,364	781,703
Miscellaneous nonoperating income	449	5,453	18,206
Effect of changes in operating assets and liabilities:			
Accounts receivable	-	11,458	-
Inventories	(4,216)	(29,089)	-
Accounts payable	(10,127)	60,622	(51,642)
Accrued payroll and related liabilities	(294)	11,464	-
Claims and judgements payable	-	-	-
Total adjustments	<u>(12,402)</u>	<u>91,272</u>	<u>748,267</u>
Net cash provided (used) by operating activities	<u>\$ (43,650)</u>	<u>\$ 399,162</u>	<u>\$ 813,823</u>
Noncash investing, capital and financing activities			
Contributions of capital assets from other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,043</u>

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Employee Benefits	Risk Management	Total
\$ 4,987,277	\$ 1,459,019	\$ 9,537,961
(41,194)	-	117,383
(4,919,060)	(1,025,087)	(7,075,723)
(107,582)	(104,882)	(1,167,697)
3,030	110,356	119,288
(77,529)	439,406	1,531,212
-	-	(939,767)
-	-	270,897
-	-	(668,870)
(132)	3,440	17,211
(132)	3,440	17,211
(77,661)	442,846	879,553
248,691	748,047	4,808,427
\$ 171,030	\$ 1,190,893	\$ 5,687,980
\$ (17,440)	\$ (61,769)	\$ 262,989
-	-	814,853
3,030	110,356	137,494
(37,912)	-	(26,454)
-	-	(33,305)
(25,846)	4,460	(22,533)
639	639	12,448
-	385,720	385,720
(60,089)	501,175	1,268,223
\$ (77,529)	\$ 439,406	\$ 1,531,212
\$ -	\$ -	\$ 175,043

CITY OF ENGLEWOOD, COLORADO

**Central Services Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Billings to departments:					
Postage	\$ 55,000	\$ 55,000	\$ 42,528	\$ (12,472)	\$ 45,966
Inside printing	45,000	45,000	27,898	(17,102)	33,337
Copier/printer services	190,000	190,000	177,510	(12,490)	188,067
Supplies	8,475	8,475	5,151	(3,324)	5,244
Intergovernmental	2,000	2,000	1,341	(659)	2,177
Net investment income	1,500	1,500	225	(1,275)	294
Total revenues	<u>301,975</u>	<u>301,975</u>	<u>254,653</u>	<u>(47,322)</u>	<u>275,085</u>
Expenditures					
Postage	74,271	74,271	58,187	16,084	54,701
Printing charges	248,136	248,136	225,254	22,882	229,652
Capital outlay	10,000	10,000	-	10,000	-
Total expenditures	<u>332,407</u>	<u>332,407</u>	<u>283,441</u>	<u>48,966</u>	<u>284,353</u>
Excess revenues over (under) expenditures	(30,432)	(30,432)	(28,788)	1,644	(9,268)
Funds available - beginning	<u>46,333</u>	<u>46,333</u>	<u>64,122</u>	<u>17,789</u>	<u>73,390</u>
Funds available - ending	<u>\$ 15,901</u>	<u>\$ 15,901</u>	<u>\$ 35,334</u>	<u>\$ 19,433</u>	<u>\$ 64,122</u>

Funds available is computed as follows:

Current assets	\$ 47,686	\$ 86,896
Current liabilities	(12,352)	(22,774)
	<u>\$ 35,334</u>	<u>\$ 64,122</u>

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**ServiCenter Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2015 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Billings:					
Garage:					
Vehicle maintenance	\$ 935,688	\$ 935,688	\$ 947,432	\$ 11,744	\$ 1,023,978
Direct charges	734,829	734,829	496,834	(237,995)	617,768
Intergovernmental	175,837	175,837	145,778	(30,059)	157,331
Subtotal garage revenues	<u>1,846,354</u>	<u>1,846,354</u>	<u>1,590,044</u>	<u>(256,310)</u>	<u>1,799,077</u>
Administration:					
Building rentals	493,949	493,949	493,949	-	454,134
Stores charges	36,000	36,000	30,967	(5,033)	32,288
Subtotal administrative revenues	<u>529,949</u>	<u>529,949</u>	<u>524,916</u>	<u>(5,033)</u>	<u>486,422</u>
Total billings to departments	<u>2,376,303</u>	<u>2,376,303</u>	<u>2,114,960</u>	<u>(261,343)</u>	<u>2,285,499</u>
Net investment income	9,578	9,578	8,468	(1,110)	4,456
Other	8,527	8,527	5,453	(3,074)	2,963
Total revenues	<u>2,394,408</u>	<u>2,394,408</u>	<u>2,128,881</u>	<u>(265,527)</u>	<u>2,292,918</u>
Expenditures					
Garage:					
Personnel services	872,741	872,741	841,505	31,236	852,201
Cost of goods sold	795,018	795,018	610,255	184,763	676,468
Commodities and contractual services	135,278	135,278	101,573	33,705	92,335
Capital outlay	6,801	6,801	7,242	(441)	6,801
Subtotal garage expenditures	<u>1,809,838</u>	<u>1,809,838</u>	<u>1,560,575</u>	<u>249,263</u>	<u>1,627,805</u>
Administration:					
Personal services	91,962	91,962	38,719	53,243	38,700
Commodities and contractual services	334,350	334,350	157,375	176,975	137,417
Cost of goods sold	30,000	30,000	28,037	1,963	47,293
Capital outlay	850	850	278,236	(277,386)	408,276
Subtotal administrative expenditures	<u>457,162</u>	<u>457,162</u>	<u>502,367</u>	<u>(45,205)</u>	<u>631,686</u>
Total expenditures	<u>2,267,000</u>	<u>2,267,000</u>	<u>2,062,942</u>	<u>204,058</u>	<u>2,259,491</u>
Excess revenues over (under) expenditures	<u>127,408</u>	<u>127,408</u>	<u>65,939</u>	<u>(61,469)</u>	<u>33,427</u>
Funds available - beginning	<u>1,194,203</u>	<u>1,194,203</u>	<u>1,786,937</u>	<u>592,734</u>	<u>1,753,510</u>
Funds available - ending	<u>\$ 1,321,611</u>	<u>\$ 1,321,611</u>	<u>\$ 1,852,876</u>	<u>\$ 531,265</u>	<u>\$ 1,786,937</u>
Funds available is computed as follows:					
Current assets			\$ 1,994,637		\$ 1,856,613
Current liabilities			(141,761)		(69,676)
			<u>\$ 1,852,876</u>		<u>\$ 1,786,937</u>
See Independent Auditor's Report					

CITY OF ENGLEWOOD, COLORADO

**Capital Equipment Replacement Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Billings to departments	\$ 854,937	\$ 854,937	\$ 851,640	\$ (3,297)	\$ 848,746
Proceeds from sale of equipment	85,000	85,000	270,897	185,897	60,244
Net investment income	21,500	21,500	10,073	(11,427)	5,356
Other	20,000	20,000	18,206	(1,794)	5,300
Transfers in	-	-	-	-	4,000
Total revenues	<u>981,437</u>	<u>981,437</u>	<u>1,150,816</u>	<u>169,379</u>	<u>923,646</u>
Expenditures					
Capital outlay	1,083,833	1,083,833	764,575	319,258	499,489
Commodities and contractual services	22,614	22,614	4,381	18,233	4,228
Total expenditures	<u>1,106,447</u>	<u>1,106,447</u>	<u>768,956</u>	<u>337,491</u>	<u>503,717</u>
Excess revenues over (under) expenditures	(125,010)	(125,010)	381,860	506,870	419,929
Funds available - beginning	<u>2,003,106</u>	<u>2,003,106</u>	<u>2,041,158</u>	<u>38,052</u>	<u>1,621,229</u>
Funds available - ending	<u>\$ 1,878,096</u>	<u>\$ 1,878,096</u>	<u>\$ 2,423,018</u>	<u>\$ 544,922</u>	<u>\$ 2,041,158</u>

Funds available is computed as follows:

Current assets	\$ 2,486,672	\$ 2,044,409
Current liabilities	(63,654)	(3,251)
	<u>\$ 2,423,018</u>	<u>\$ 2,041,158</u>

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Employee Benefits Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Billings to departments:					
Medical	\$ 4,958,170	\$ 4,958,170	\$ 4,156,509	\$ (801,661)	\$ 5,236,330
Dental	406,776	406,776	363,909	(42,867)	404,183
Life	70,000	70,000	51,807	(18,193)	67,749
Long-term disability	64,000	64,000	37,313	(26,687)	31,686
Administrative fees	411,068	411,068	380,769	(30,299)	389,854
Net investment income	(225)	(225)	(848)	(623)	(305)
Total revenues	<u>5,909,789</u>	<u>5,909,789</u>	<u>4,989,459</u>	<u>(920,330)</u>	<u>6,129,497</u>
Expenditures					
Insurance expense:					
Medical	5,105,562	5,105,562	4,281,838	823,724	5,199,913
Life	70,000	70,000	50,467	19,533	59,423
Long-term disability	64,000	64,000	59,581	4,419	49,160
Employee assistance program	52,700	52,700	19,198	33,502	29,020
Unemployment	50,072	50,072	65,080	(15,008)	32,188
Claims expense:					
Dental	403,176	403,176	363,090	40,086	407,032
Personal services	104,627	104,627	108,221	(3,594)	122,368
Commodities and contractual services	30,435	30,435	57,242	(26,807)	37,280
Total expenditures	<u>5,880,572</u>	<u>5,880,572</u>	<u>5,004,717</u>	<u>875,855</u>	<u>5,936,384</u>
Excess revenues over (under) expenditures	<u>29,217</u>	<u>29,217</u>	<u>(15,258)</u>	<u>(44,475)</u>	<u>193,113</u>
Funds available - beginning	<u>75,332</u>	<u>75,332</u>	<u>226,832</u>	<u>151,500</u>	<u>33,719</u>
Funds available - ending	<u>\$ 104,549</u>	<u>\$ 104,549</u>	<u>\$ 211,574</u>	<u>\$ 107,025</u>	<u>\$ 226,832</u>
Funds available is computed as follows:					
Current assets			\$ 251,291		\$ 288,474
Current liabilities			(39,717)		(61,642)
			<u>\$ 211,574</u>		<u>\$ 226,832</u>

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CITY OF ENGLEWOOD, COLORADO

**Risk Management Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2015 Actual
	Original	Final			
Revenues					
Billings to departments:					
Property and liability	\$ 790,463	\$ 790,463	\$ 786,302	\$ (4,161)	\$ 805,538
Workers' compensation	646,372	646,372	672,417	26,045	722,232
Insurance Reimbursement	1,411	1,411	110,356	108,945	-
Other	-	-	300	300	-
Net investment income	7,200	7,200	5,613	(1,587)	1,352
Total revenues	<u>1,445,446</u>	<u>1,445,446</u>	<u>1,574,988</u>	<u>129,542</u>	<u>1,529,122</u>
Expenditures					
Insurance:					
General liability	416,680	416,680	405,388	11,292	422,107
Workers' compensation	276,127	276,127	268,256	7,871	413,659
Claims:					
General liability	266,968	356,968	448,855	(91,887)	38,067
Workers' compensation	348,730	348,730	285,142	63,588	134,726
Personal services	104,627	104,627	105,521	(894)	114,949
Commodities and contractual services	22,423	22,423	7,626	14,797	5,229
Total expenditures	<u>1,435,555</u>	<u>1,525,555</u>	<u>1,520,788</u>	<u>4,767</u>	<u>1,128,737</u>
Excess revenues over (under) expenditures	9,891	(80,109)	54,200	134,309	400,385
Funds available - beginning	60,537	60,537	409,107	348,570	8,722
Funds available - ending	<u>\$ 70,428</u>	<u>\$ (19,572)</u>	<u>\$ 463,307</u>	<u>\$ 482,879</u>	<u>\$ 409,107</u>
Funds available is computed as follows:					
Current assets			\$ 1,194,970		\$ 754,951
Current liabilities			(731,663)		(345,844)
			<u>\$ 463,307</u>		<u>\$ 409,107</u>

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Fiduciary Funds

Agency Fund:

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

CITY OF ENGLEWOOD, COLORADO

**Agency Fund
Basin Interceptor Fund
Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2016**

	Balance December 31, 2015	Line Charges	Interest	Maintenance Fees	Deductions Maintenance/ Administration	Balance December 31, 2016
Assets						
Cash and investments	\$ 5,079,522	\$ 59,792	\$ 18,570	\$ 786,068	\$ (157,389)	\$ 5,786,563
Interest receivable	11,293	-	6,466	-	-	17,759
Accounts receivable	144,862	-	-	2,213	-	147,075
Assessment receivable	14,470	-	-	(14,470)	-	-
Total assets	<u>\$ 5,250,147</u>	<u>\$ 59,792</u>	<u>\$ 25,036</u>	<u>\$ 773,811</u>	<u>\$ (157,389)</u>	<u>\$ 5,951,397</u>
	Balance December 31, 2015	Line Charges	Interest	Maintenance Fees	Deductions Maintenance/ Administration	Balance December 31, 2016
Liabilities						
Interceptor Maintenance Account	\$ 3,830,098	\$ -	\$ 24,881	\$ 773,811	\$ (48,411)	\$ 4,580,379
Southgate Sanitation District	1,415,978	56,000	140	-	(104,907)	1,367,211
South Arapahoe Sanitation District	100	733	-	-	(100)	733
South Englewood Sanitation District	1,570	2,366	10	-	(1,570)	2,376
City of Englewood	2,401	693	5	-	(2,401)	698
Total liabilities	<u>\$ 5,250,147</u>	<u>\$ 59,792</u>	<u>\$ 25,036</u>	<u>\$ 773,811</u>	<u>\$ (157,389)</u>	<u>\$ 5,951,397</u>

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Component Units

Englewood Environmental Foundation

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

Englewood McLellan Reservoir Foundation

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

Englewood Urban Renewal Authority

This fund is used to account for the activities of the Englewood Urban Renewal Authority.

CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation

Statements of Net Position

December 31, 2016

With Comparative Totals for December 31, 2015

Assets	2016	2015
Current assets		
Cash and investments	\$ 711,240	\$ 698,138
Interest receivable	81,653	86,791
Prepaid expense	77,562	77,711
Lease receivable - current	1,253,000	1,302,000
Total current assets	2,123,455	2,164,640
Noncurrent assets		
Lease receivable	8,000,921	9,225,476
Capital assets		
Land and improvements	8,496,257	8,496,257
Site development	10,772,213	10,772,213
Streets	4,841,536	4,841,536
Parking structure	3,956,348	3,956,348
Rail bridge	2,017,170	2,017,170
Other improvements	159,229	159,229
Operating machinery and equipment	26,032	26,032
Total capital assets	30,268,785	30,268,785
Less accumulated depreciation	(17,184,522)	(16,530,431)
Total capital assets, net	13,084,263	13,738,354
Total assets	23,208,639	25,128,470
Deferred Outflows of Resources		
Deferred charge on refunding	94,079	122,524
Liabilities		
Current liabilities		
Accounts payable	162,875	118,838
Interest payable	16,515	18,815
Certificates of participation - current	1,253,000	1,302,000
Total current liabilities	1,432,390	1,439,653
Noncurrent liabilities		
Certificates of participation	8,095,000	9,348,000
Total liabilities	9,527,390	10,787,653
Net position		
Invested in capital assets	3,830,342	3,210,878
Unrestricted	9,944,986	11,252,463
Total net position	\$ 13,775,328	\$ 14,463,341

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CITY OF ENGLEWOOD, COLORADO

**Englewood Environmental Foundation
Statements of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	2016	2015
Operating revenues		
Common area maintenance	\$ 1,396,368	\$ 1,437,526
Operating expenses		
Common area maintenance	1,396,368	1,525,465
Professional services	72,839	102,110
Legal	17,919	16,033
Repair and maintenance	44,776	37,227
General administrative and office	1,141	720
Insurance	26,515	13,575
Utilities	1,512	1,970
Depreciation	654,091	654,091
Total operating expenses	2,215,161	2,351,191
Operating loss	(818,793)	(913,665)
Nonoperating revenues (expenses)		
Net investment income	2,707	2,665
Lease interest income	209,679	297,185
Interest expense	(209,679)	(297,185)
Proceeds from debt refunding	-	10,650,000
Payment to refunding escrow agent	-	(10,562,681)
Debt refunding issue costs	-	(87,319)
Other	128,073	111,797
Total nonoperating revenues (expenses)	130,780	114,462
Change in net position	(688,013)	(799,203)
Net position - beginning	14,463,341	15,262,544
Net position - ending	\$ 13,775,328	\$ 14,463,341

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CITY OF ENGLEWOOD, COLORADO

**Englewood Environmental Foundation
Statements of Cash Flows**

For the Year Ended December 31, 2016

With Comparative Totals for the Year Ended December 31, 2015

	2016	2015
Cash flows from operating activities		
Cash received from customers	\$ 1,399,577	\$ 1,385,109
Cash payments to suppliers for goods and services	(1,516,884)	(1,694,173)
Other cash received	128,073	111,797
Net cash (used) by operating activities	<u>10,766</u>	<u>(197,267)</u>
Cash flows from capital and related financing activities		
Lease principal received	1,302,000	1,070,000
Lease interest received	211,979	321,375
Principal paid on long-term debt	(1,302,000)	(1,070,000)
Interest paid on long-term debt	(211,979)	(321,375)
Net cash provided by capital and related financing activities	<u>-</u>	<u>-</u>
Cash flows from investing activities		
Net investment income	<u>2,336</u>	<u>2,534</u>
Net increase (decrease) in cash and cash equivalents	13,102	(194,733)
Cash and cash equivalents - beginning	698,138	892,871
Cash and cash equivalents - ending	<u><u>\$ 711,240</u></u>	<u><u>\$ 698,138</u></u>
Reconciliation of operating (loss) to net cash (used) by operating activities:		
Operating loss	\$ (818,793)	\$ (913,665)
Adjustments to reconcile operating loss to net cash (used) by operating activities:		
Depreciation	654,091	654,091
Miscellaneous nonoperating income	128,073	111,797
Effect of changes in operating assets and liabilities:		
Accounts receivable	3,209	(52,417)
Prepaid expense	149	6,051
Accounts payable	44,037	(3,124)
Total adjustments	<u>829,559</u>	<u>716,398</u>
Net cash (used) by operating activities	<u><u>\$ 10,766</u></u>	<u><u>\$ (197,267)</u></u>

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CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.

Statements of Net Position

December 31, 2016

With Comparative Totals for December 31, 2015

Assets	2016	2015
Current assets		
Cash and investments	\$ 768,333	\$ 2,165
Interest receivable	2,385	11
Prepaid insurance	11,908	12,471
Total current assets	782,626	14,647
Capital assets		
Land and improvements	5,706,166	5,706,166
Total assets	6,488,792	5,720,813
Liabilities		
Noncurrent liabilities		
Lease Deposit	10,000	10,000
Net position		
Invested in capital assets	5,706,166	5,706,166
Unrestricted	772,626	4,647
Total net position	\$ 6,478,792	\$ 5,710,813

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CITY OF ENGLEWOOD, COLORADO

**Englewood McLellan Reservoir Foundation, Inc.
Statements of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	2016	2015
Operating revenues		
Charges for services	\$ 1,169,217	\$ 926,955
Operating expenses		
Professional services	-	8,836
Insurance	14,853	11,076
Legal	37,055	34,335
General administrative and office	2,474	1,381
Total operating expenses	<u>54,382</u>	<u>55,628</u>
Operating income (loss)	<u>1,114,835</u>	<u>871,327</u>
Nonoperating revenues (expenses)		
Net investment income	3,337	21
Contribution to primary government, net	<u>(350,193)</u>	<u>(873,347)</u>
Total nonoperating revenues (expenses)	<u>(346,856)</u>	<u>(873,326)</u>
Change in net position	767,979	(1,999)
Net position - beginning	<u>5,710,813</u>	<u>5,712,812</u>
Net position - ending	<u><u>\$ 6,478,792</u></u>	<u><u>\$ 5,710,813</u></u>

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CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.

Statements of Cash Flows

For the Year Ended December 31, 2016

With Comparative Totals for the Year Ended December 31, 2015

	2016	2015
Cash flows from operating activities		
Cash received from customers	\$ 1,169,217	\$ 931,955
Cash payments to suppliers for goods and services	(53,819)	(59,518)
Net cash provided (used) by operating activities	<u>1,115,398</u>	<u>872,437</u>
Cash flows from noncapital financing activities		
Contributions from (to) primary government	(350,193)	(873,347)
Cash flows from investing activities		
Net investment income	963	51
Net increase (decrease) in cash and cash equivalents	<u>766,168</u>	<u>(859)</u>
Cash and cash equivalents - January 1,	<u>2,165</u>	<u>3,024</u>
Cash and cash equivalents - December 31,	<u><u>\$ 768,333</u></u>	<u><u>\$ 2,165</u></u>
 Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 1,114,835	\$ 871,327
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Prepaid insurance	563	(3,890)
Accounts receivable	-	5,000
Total adjustments	<u>563</u>	<u>1,110</u>
Net cash provided (used) by operating activities	<u><u>\$ 1,115,398</u></u>	<u><u>\$ 872,437</u></u>

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CITY OF ENGLEWOOD, COLORADO

Englewood Urban Renewal Authority

Balance Sheet

December 31, 2016

With Comparative Totals for December 31, 2015

	2016	2015
Assets		
Cash and investments	\$ 280,487	\$ 3,529
Interest receivable	846	13
Note receivable	1,220,080	-
Land held for resale	-	516,995
Total assets	<u>1,501,413</u>	<u>520,537</u>
Liabilities		
Total liabilities	<u>-</u>	<u>-</u>
Fund Balance		
Nonspendable	1,220,080	516,995
Assigned	281,333	3,542
Total fund balance	<u>\$ 1,501,413</u>	<u>\$ 520,537</u>

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CITY OF ENGLEWOOD, COLORADO

**Englewood Urban Renewal Authority
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2016
With Comparative Totals for the Year Ended December 31, 2015**

	2016	2015
Revenues		
Interest Income	\$ 21,034	\$ 39
Contributions	-	2,000
Total revenue	<u>21,034</u>	<u>2,039</u>
Expenditures		
Professional services	<u>8,163</u>	<u>8,019</u>
Total expenditures	<u>8,163</u>	<u>8,019</u>
Excess revenues over (under) expenditures	<u>12,871</u>	<u>(5,980)</u>
Other financing sources (uses)		
Gain on sale of land held for resale	<u>968,005</u>	<u>-</u>
Total other financing sources (uses)	<u>968,005</u>	<u>-</u>
Net Change in fund balance	980,876	(5,980)
Fund balance - beginning	<u>520,537</u>	<u>526,517</u>
Fund balance - ending	<u><u>\$ 1,501,413</u></u>	<u><u>\$ 520,537</u></u>

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CITY OF ENGLEWOOD, COLORADO

**Schedules of Future Debt Service Requirements
December 31, 2016**

Golf Course Revenue Refunding Bonds - 2013

Year	Rate	Principal	Interest	Total
2017	2.75	\$ 90,000	\$ 118,141	\$ 208,141
2018	3.25	95,000	115,666	210,666
2019	3.75	95,000	112,579	207,579
2020	4.00	100,000	109,016	209,016
2021	4.50	105,000	105,016	210,016
2022	4.75	110,000	100,291	210,291
2023	5.00	115,000	95,066	210,066
2024	5.25	120,000	89,316	209,316
2025	5.50	125,000	83,017	208,017
2026	5.63	125,000	76,142	201,142
2027	5.75	145,000	69,110	214,110
2028	5.75	155,000	60,773	215,773
2029	5.80	155,000	51,860	206,860
2030	5.80	165,000	42,870	207,870
2031	6.00	175,000	33,300	208,300
2032	6.00	185,000	22,800	207,800
2033	6.00	195,000	11,700	206,700
		<u>\$ 2,255,000</u>	<u>\$ 1,296,663</u>	<u>\$ 3,551,663</u>

Storm Water Revenue Refunding Bonds - 2012

Year	Rate	Principal	Interest	Total
2017	1.75	\$ 105,000	\$ 12,030	\$ 117,030
2018	2.00	105,000	10,192	115,192
2019	2.25	105,000	8,093	113,093
2020	2.50	105,000	5,730	110,730
2021	2.70	115,000	3,105	118,105
		<u>\$ 535,000</u>	<u>\$ 39,150</u>	<u>\$ 574,150</u>

(Continued)

CITY OF ENGLEWOOD, COLORADO

**Schedules of Future Debt Service Requirements
December 31, 2016**

(Continued)

General Obligation Water Bonds - 2012					General Obligation Water Bonds - 2009			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2017	2.00	\$ 160,000	\$ 252,950	\$ 412,950	4.500	\$ -	\$ 117,828	\$ 117,828
2018	2.00	165,000	249,700	414,700	4.500	-	117,828	117,828
2019	2.00	170,000	246,350	416,350	4.500	-	117,828	117,828
2020	4.00	480,000	235,050	715,050	4.150	155,000	117,828	272,828
2021	4.00	500,000	215,450	715,450	4.250	160,000	111,395	271,395
2022	4.00	520,000	195,050	715,050	4.300	170,000	104,595	274,595
2023	2.50	540,000	177,900	717,900	4.400	175,000	97,285	272,285
2024	3.00	560,000	162,750	722,750	4.500	180,000	89,585	269,585
2025	3.00	570,000	145,800	715,800	4.500	195,000	81,485	276,485
2026	3.00	585,000	128,475	713,475	4.500	205,000	72,710	277,710
2027	3.00	380,000	114,000	494,000	4.600	435,000	63,485	498,485
2028	3.00	385,000	102,525	487,525	4.625	460,000	43,475	503,475
2029	3.00	400,000	90,750	490,750	4.625	480,000	22,200	502,200
2030	3.00	915,000	71,025	986,025		<u>\$ 2,615,000</u>	<u>\$ 1,157,527</u>	<u>\$ 3,772,527</u>
2031	3.00	940,000	43,200	983,200				
2032	3.00	970,000	14,550	984,550				
		<u>\$ 8,240,000</u>	<u>\$ 2,445,525</u>	<u>\$ 10,685,525</u>				

General Obligation Refunding Bonds, Series 2010				
Year	Rate	Principal	Interest	Total
2017	2.25	\$ 890,000	\$ 205,912	\$ 1,095,912
2018	2.75	905,000	185,888	1,090,888
2019	3.00	935,000	161,000	1,096,000
2020	3.00	965,000	132,950	1,097,950
2021	4.00	985,000	104,000	1,089,000
2022	4.00	1,025,000	64,600	1,089,600
2023	4.00	590,000	23,600	613,600
		<u>\$ 6,295,000</u>	<u>\$ 877,950</u>	<u>\$ 7,172,950</u>

(Continued)

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements

December 31, 2016

(Continued)

Colorado Water Resources and Power Development Authority

May 1, 2004 - Sewer Fund					May 1, 2004 - Sewer Fund			
Water Pollution Control Revolving Fund					Water Revenue Bond Program			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2017	3.87	\$ 1,182,571	\$ 942,433	\$ 2,125,004	4.11	\$ 1,855,000	\$ 92,750	\$ 1,947,750
2018	3.87	3,162,441	872,842	4,035,283				
2019	3.87	3,258,759	775,725	4,034,484				
2020	3.87	3,360,428	670,156	4,030,584				
2021	3.87	3,467,448	566,627	4,034,075				
2022	3.87	3,574,468	461,729	4,036,197				
2023	3.87	3,686,839	337,137	4,023,976				
2024	3.87	3,799,210	146,883	3,946,093				
2025	3.87	4,007,899	1,691	4,009,590				
		<u>\$ 29,500,063</u>	<u>\$ 4,775,223</u>	<u>\$ 34,275,286</u>				

October 1, 1997 - Water Fund

State Revolving Loan Fund				
Year	Rate	Principal	Interest	Total
2017	4.141	\$ 1,016,491	\$ 32,269	\$ 1,048,760
2018	4.141	791,022	(20,033)	770,989
		<u>\$ 1,807,513</u>	<u>\$ 12,236</u>	<u>\$ 1,819,749</u>

(Continued)

CITY OF ENGLEWOOD, COLORADO

**Schedules of Future Debt Service Requirements
December 31, 2016**

(Continued)

**Certificates of Participation, Series 2015 Refunding
Civic Center Project
Englewood Environmental Foundation, Inc.**

Qualified Energy Conservation Bonds - 2010								
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2017	5.41	\$ 80,483	\$ 21,550	\$ 102,033	2.120	\$ 1,253,000	\$ 184,896	\$ 1,437,896
2018	5.41	85,513	19,759	105,272	2.120	1,282,000	158,025	1,440,025
2019	5.41	90,741	17,858	108,599	2.120	1,309,000	130,560	1,439,560
2020	5.41	96,171	15,843	112,014	2.120	1,329,000	102,597	1,431,597
2021	5.41	101,813	13,708	115,521	2.120	1,363,000	74,062	1,437,062
2022	5.41	107,672	11,450	119,122	2.120	1,394,000	44,838	1,438,838
2023	5.41	113,755	9,062	122,817	2.120	1,418,000	15,031	1,433,031
2024	5.41	120,070	6,542	126,612		<u>\$ 9,348,000</u>	<u>\$ 710,009</u>	<u>\$ 10,058,009</u>
2025	5.41	126,627	3,882	130,509				
2026	5.41	99,040	1,078	100,118				
		<u>\$ 1,021,885</u>	<u>\$ 120,732</u>	<u>\$ 1,142,617</u>				

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Englewood			
		YEAR ENDING : December 2016			
This Information From The Records Of: City of Englewood		Prepared By: Christine Hart Phone: 303-783-6885			
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway- User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway disbursements:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,007,895		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,774,878		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	983,465		
2. General fund appropriations	4,889,505	b. Snow and ice removal	253,254		
3. Other local imposts (from page 2)	188,356	c. Other	474,227		
4. Miscellaneous local receipts (from page 2)	1,221,770	d. Total (a. through c.)	1,710,946		
5. Transfers from toll facilities		4. General administration & miscellaneous	558,215		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	2,363,441		
a. Bonds - Original Issues		6. Total (1 through 5)	7,415,375		
b. Bonds - Refunding Issues		B. Debt service on local obligations:			
c. Notes		1. Bonds:			
d. Total (a. + b. + c.)	0	a. Interest	0		
7. Total (1 through 6)	6,299,631	b. Redemption	0		
B. Private Contributions		c. Total (a. + b.)	0		
C. Receipts from State government (from page 2)	1,115,744	2. Notes:			
D. Receipts from Federal Government (from page 2)	0	a. Interest	0		
E. Total receipts (A.7 + B + C + D)	7,415,375	b. Redemption	0		
		c. Total (a. + b.)	0		
		3. Total (1.c + 2.c)	0		
		C. Payments to State for highways	0		
		D. Payments to toll facilities	0		
		E. Total disbursements (A.6 + B.3 + C + D)	7,415,375		
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
A. Bonds (Total)				0	
1. Bonds (Refunding Portion)					
B. Notes (Total)				0	
V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		7,415,375	7,415,375		0
Notes and Comments:					

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2016	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	-	a. Interest on investments	-
b. Other local imposts:		b. Traffic Fines & Penalties	122,494
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	0
5. Specific Ownership &/or Other	188,356	g. Other Misc. Receipts	1,099,276
6. Total (1. through 5.)	188,356	h. Other	1,221,770
c. Total (a. + b.)	188,356	i. Total (a. through h.)	(Carry forward to page 1)
	(Carry forward to page 1)		
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	997,418	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	118,326	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	118,326	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,115,744	3. Total (1. + 2.g)	(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		1,007,895	1,007,895
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	1,007,895	1,007,895
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,007,895	1,007,895
			(Carry forward to page 1)
Notes and Comments:			

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	154-159
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources: property tax and sales tax.	160-165
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	166-173
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	174-175
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and activities it performs.	176-178

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

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

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental activities										
Net investment in capital assets	\$ 49,864,353	\$ 42,609,765	\$ 48,363,578	\$ 46,622,318	\$ 46,838,945	\$ 47,246,217	\$ 46,285,709	\$ 49,625,695	\$ 48,918,979	\$ 47,751,190
Restricted	4,358,086	7,589,585	4,791,173	5,176,860	4,532,092	4,412,743	4,592,402	4,119,645	4,542,549	4,422,879
Unrestricted	11,907,495	15,586,102	14,601,789	13,066,242	11,001,812	11,116,981	11,831,202	11,722,072	14,111,853	15,027,044
Total governmental activities net position	<u>\$ 66,129,934</u>	<u>\$ 65,785,452</u>	<u>\$ 67,756,540</u>	<u>\$ 64,865,420</u>	<u>\$ 62,372,849</u>	<u>\$ 62,775,941</u>	<u>\$ 62,709,313</u>	<u>\$ 65,467,412</u>	<u>\$ 67,573,381</u>	<u>\$ 67,201,113</u>
Business-type activities										
Net investment in capital assets	\$ 49,597,851	\$ 49,621,968	\$ 48,931,545	\$ 47,756,893	\$ 43,869,721	\$ 50,160,730	\$ 50,454,808	\$ 51,426,192	\$ 51,150,411	\$ 45,658,855
Restricted	37,568,534	35,697,215	36,607,283	36,804,325	40,459,217	35,191,685	36,189,692	36,473,848	37,130,023	35,099,722
Unrestricted	4,156,600	2,896,921	3,923,100	4,145,578	3,397,610	3,592,620	3,567,826	3,536,633	3,741,504	3,966,734
Total business-type activities net position	<u>\$ 91,322,985</u>	<u>\$ 88,216,104</u>	<u>\$ 89,461,928</u>	<u>\$ 88,706,796</u>	<u>\$ 87,726,548</u>	<u>\$ 88,945,035</u>	<u>\$ 90,212,326</u>	<u>\$ 91,436,673</u>	<u>\$ 92,021,938</u>	<u>\$ 84,725,311</u>
Primary government										
Net investment in capital assets	\$ 99,462,204	\$ 92,231,733	\$ 97,295,123	\$ 94,379,211	\$ 90,708,666	\$ 97,406,947	\$ 96,740,517	\$ 101,051,887	\$ 100,069,390	\$ 93,410,045
Restricted	41,926,620	43,286,800	41,398,456	41,981,185	44,991,309	39,604,428	40,782,094	40,593,493	41,672,572	39,522,601
Unrestricted	16,064,095	18,483,023	18,524,889	17,211,820	14,399,422	14,709,601	15,399,028	15,258,705	17,853,357	18,993,778
Total primary government net position	<u>\$ 157,452,919</u>	<u>\$ 154,001,556</u>	<u>\$ 157,218,468</u>	<u>\$ 153,572,216</u>	<u>\$ 150,099,397</u>	<u>\$ 151,720,976</u>	<u>\$ 152,921,639</u>	<u>\$ 156,904,085</u>	<u>\$ 159,595,319</u>	<u>\$ 151,926,424</u>

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

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Expenses										
Governmental activities										
General government	\$ 17,121,811	\$ 8,951,181	\$ 8,967,186	\$ 9,104,172	\$ 9,460,341	\$ 9,645,356	\$ 9,812,541	\$ 8,580,881	\$ 8,649,466	\$ 8,767,196
Safety services	14,110,430	21,203,844	21,147,318	19,529,393	19,597,424	17,948,951	17,969,898	17,828,000	17,408,124	16,638,900
Public works	8,978,245	8,457,980	8,236,421	7,893,742	8,130,782	7,879,992	8,247,383	8,168,268	8,882,979	9,362,350
Culture and recreation	9,761,863	8,130,022	8,153,680	7,530,317	8,033,063	7,662,387	8,162,117	8,161,986	8,137,512	8,280,338
Interest and fiscal charges	676,058	767,480	851,294	918,447	999,060	1,069,971	1,495,358	1,314,152	1,371,556	1,394,784
Unallocated depreciation	441,526	437,384	436,974	436,088	436,088	436,088	435,804	432,309	428,458	427,296
Total governmental activities expenses	51,089,933	47,947,891	47,792,873	45,412,159	46,656,758	44,642,745	46,123,101	44,485,596	44,878,095	44,870,864
Business-type activities										
Water	7,988,700	8,348,510	8,237,535	7,478,002	8,094,782	7,962,145	7,737,323	7,665,820	7,703,058	7,605,096
Sewer	15,090,271	15,333,260	16,203,741	16,137,479	16,283,665	15,579,812	16,217,746	14,435,228	12,409,323	11,679,043
Golf	1,972,425	2,178,213	2,154,219	2,176,212	2,182,690	2,100,887	2,188,539	2,227,877	2,061,201	1,740,380
Storm	204,244	188,247	206,179	271,351	294,241	286,702	342,273	356,146	413,535	462,910
Concrete	591,901	676,394	665,613	744,672	739,925	742,759	721,120	729,777	662,462	676,894
Housing Rehabilitation	453,106	1,094,253	358,185	290,943	333,467	328,067	509,568	662,299	595,345	1,034,461
Total business-type activities expenses	26,300,647	27,818,877	27,825,472	27,098,659	27,928,770	27,000,372	27,716,569	26,077,147	23,844,924	23,198,784
Total primary government expenses	\$ 77,390,580	\$ 75,766,768	\$ 75,618,345	\$ 72,510,818	\$ 74,585,528	\$ 71,643,117	\$ 73,839,670	\$ 70,562,743	\$ 68,723,019	\$ 68,069,648
Program revenues										
Governmental activities										
Permits, fees, fines and charges for services										
General government	\$ 3,537,495	\$ 3,605,238	\$ 3,946,367	\$ 4,109,380	\$ 4,080,163	\$ 4,030,425	\$ 3,966,251	\$ 4,158,838	\$ 4,036,678	\$ 3,801,444
Safety services	1,138,302	1,837,461	2,052,449	2,016,060	1,735,851	1,456,260	1,281,299	1,160,399	1,391,330	1,791,533
Public works	770,590	582,004	550,292	560,422	363,733	441,119	390,270	384,023	408,740	395,263
Culture and recreation	2,670,119	2,637,012	2,164,780	2,531,456	2,673,671	2,704,610	2,566,878	2,656,850	2,478,692	2,368,189
Operating grants and contributions	3,745,521	2,816,423	3,797,027	2,829,006	3,386,614	3,249,568	4,647,383	3,348,039	3,353,009	3,570,351
Capital grants and contributions	188,356	1,078,104	54,415	65,030	69,815	-	10,835	967,440	508,741	385,576
Total governmental activities program revenues	12,050,383	12,556,242	12,565,330	12,111,354	12,309,847	11,881,982	12,862,916	12,675,589	12,177,190	12,312,356
Business-type activities										
Charges for services										
Water	8,947,795	8,788,308	9,159,224	8,458,786	8,770,989	8,790,259	8,590,134	7,761,574	7,969,168	7,402,775
Sewer	16,257,218	16,073,727	15,470,361	14,801,851	13,948,641	12,981,737	13,497,477	12,353,255	10,592,498	9,443,119
Golf	2,080,424	2,077,038	2,005,739	1,950,665	2,101,572	1,825,599	2,008,788	2,070,514	1,928,427	1,661,946
Storm	337,998	338,375	327,860	317,935	316,244	319,211	318,981	320,781	320,720	320,723
Concrete	881,480	875,633	875,364	859,754	695,466	693,921	692,774	699,546	552,154	550,927
Housing Rehabilitation	278,122	793,437	230,569	254,886	256,563	204,036	480,248	467,426	502,163	942,965
Operating grants and contributions	127,387	127,500	127,500	360,112	590,338	706,241	636,496	812,727	1,455,056	1,765,013
Capital grants and contributions	497,104	724,930	446,987	525,143	426,831	254,699	217,324	369,474	1,337,862	709,707
Total business-type activities program revenues	29,407,528	29,798,948	28,643,604	27,529,132	27,106,644	25,775,703	26,442,222	24,855,297	24,658,048	22,797,175
Total primary government program revenues	\$ 41,457,911	\$ 42,355,190	\$ 41,208,934	\$ 39,640,486	\$ 39,416,491	\$ 37,657,685	\$ 39,305,138	\$ 37,530,886	\$ 36,835,238	\$ 35,109,531
Net (expense)										
Governmental activities	\$ (39,039,550)	\$ (35,391,649)	\$ (35,227,543)	\$ (33,300,805)	\$ (34,346,911)	\$ (32,760,763)	\$ (33,260,185)	\$ (31,810,007)	\$ (32,700,905)	\$ (32,558,508)
Business-type activities	3,106,881	1,980,071	818,132	430,473	(822,126)	(1,224,669)	(1,274,347)	(1,221,850)	813,124	(401,609)
Total primary government net expense	\$ (35,932,669)	\$ (33,411,578)	\$ (34,409,411)	\$ (32,870,332)	\$ (35,169,037)	\$ (33,985,432)	\$ (34,534,532)	\$ (33,031,857)	\$ (31,887,781)	\$ (32,960,117)

(Continued)

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

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes	\$ 4,788,202	\$ 4,337,758	\$ 4,301,186	\$ 4,125,612	\$ 3,970,772	\$ 4,327,526	\$ 4,331,033	\$ 4,233,116	\$ 4,479,724	\$ 4,068,830
Sales and use taxes	29,414,880	30,969,561	28,417,474	26,702,054	24,471,494	23,372,970	22,339,217	22,020,529	24,639,023	26,162,289
Franchise and other taxes	3,497,993	3,520,391	3,408,579	3,308,437	3,130,901	2,831,975	2,825,317	2,680,200	2,860,035	2,644,892
Unrestricted investment earnings	120,564	77,005	133,051	(33,333)	163,573	191,431	186,414	416,807	955,958	1,166,935
Unrestricted grants and contributions	156,593	30,201	439,867	16,223	40,809	30,883	112,116	-	58,079	64,812
Miscellaneous	1,405,800	1,041,323	1,355,506	2,224,158	2,456,919	2,029,984	757,989	1,000,343	1,066,518	518,656
Transfers, net	-	-	63,000	(549,775)	131,805	42,622	(50,000)	(646,957)	(986,164)	(33,251)
Total governmental activities	39,384,032	39,976,239	38,118,663	35,793,376	34,366,273	32,827,391	30,502,086	29,704,038	33,073,173	34,593,163
Business-type activities										
Special item - developer contribution	-	-	-	-	-	-	-	-	8,317,580	-
Special item - loss on disposition of assets	-	-	-	-	-	-	-	(10,372)	(2,820,241)	-
Transfers, net	-	-	(63,000)	549,775	(131,805)	(42,622)	50,000	646,957	986,164	33,251
Total business-type activities	-	-	(63,000)	549,775	(131,805)	(42,622)	50,000	636,585	6,483,503	33,251
Total primary government	<u>\$ 39,384,032</u>	<u>\$ 39,976,239</u>	<u>\$ 38,055,663</u>	<u>\$ 36,343,151</u>	<u>\$ 34,234,468</u>	<u>\$ 32,784,769</u>	<u>\$ 30,552,086</u>	<u>\$ 30,340,623</u>	<u>\$ 39,556,676</u>	<u>\$ 34,626,414</u>
Change in net position										
Governmental activities	\$ 344,482	\$ 4,584,590	\$ 2,891,120	\$ 2,492,571	\$ 19,362	\$ 66,628	\$ (2,758,099)	\$ (2,105,969)	\$ 372,268	\$ 2,034,655
Business-type activities	3,106,881	1,980,071	755,132	980,248	(953,931)	(1,267,291)	(1,224,347)	(585,265)	7,296,627	(368,358)
Total primary government	<u>\$ 3,451,363</u>	<u>\$ 6,564,661</u>	<u>\$ 3,646,252</u>	<u>\$ 3,472,819</u>	<u>\$ (934,569)</u>	<u>\$ (1,200,663)</u>	<u>\$ (3,982,446)</u>	<u>\$ (2,691,234)</u>	<u>\$ 7,668,895</u>	<u>\$ 1,666,297</u>

City of Englewood, Colorado
Fund Balances, Governmental Funds
Last Ten Years
(Modified accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund										
Restricted for:										
Labor emergencies	\$ 1,490,000	\$ 1,510,000	\$ 1,400,000	\$ 1,340,000	\$ 1,200,000	\$ 1,150,000	\$ 1,150,000	\$ 1,209,200	\$ 1,360,800	\$ 1,414,800
Committed to:										
Law enforcement	-	-	-	78,753	298,512	298,512	298,512	-	-	-
Long term asset reserve	1,863,099	2,663,099	2,663,099	2,619,375	2,619,375	2,406,649	2,130,520	3,131,979	4,397,853	2,428,312
Assigned:										
Subsequent year budgeted deficit	-	1,972,220	2,646,685	1,207,787	920,353	523,053	487,204	239,543	912,710	442,312
Unassigned	7,496,950	4,583,927	5,501,466	5,667,918	4,032,570	4,439,471	4,428,443	4,654,235	4,431,400	5,089,003
Total general fund	<u>\$ 10,850,049</u>	<u>\$ 10,729,246</u>	<u>\$ 12,211,250</u>	<u>\$ 10,913,833</u>	<u>\$ 9,070,810</u>	<u>\$ 8,817,685</u>	<u>\$ 8,494,679</u>	<u>\$ 9,234,957</u>	<u>\$ 11,102,763</u>	<u>\$ 9,374,427</u>
All Other Governmental Funds										
Restricted for:										
Parks and recreation	\$ 2,792,891	\$ 3,691,949	\$ 3,288,077	\$ 3,661,118	\$ 3,018,062	\$ 2,831,175	\$ 2,866,204	\$ 2,831,428	\$ 2,988,638	\$ 2,818,515
Law enforcement	11,492	80,825	62,025	150,329	280,956	301,459	99,657	57,412	65,619	146,212
Debt service	63,703	70,248	61,105	46,839	55,625	154,267	499,671	58,665	166,137	87,630
Committed to:										
Capital projects	7,632,396	6,092,254	3,317,936	2,698,207	2,186,357	1,761,434	3,066,775	1,941,867	2,017,325	4,491,115
Parks and recreation	456,358	457,750	457,594	456,411	454,647	451,714	681,420	514,541	388,285	582,547
Housing	-	-	-	-	448,903	408,432	-	-	-	-
Assigned to:										
Parks and recreation	459,190	330,123	183,774	208,943	138,724	45,705	283,316	19,857	54,152	91,515
Law enforcement	43,079	21,336	28,156	26,713	19,231	28,819	-	-	-	-
Fire services	-	-	10,723	9,965	6,577	3,861	3,113	3,598	3,865	-
Other purposes	135,430	136,670	62,181	142,167	784	778	10,000	35,050	32,182	118,366
Total all other governmental funds	<u>\$ 11,594,539</u>	<u>\$ 10,881,155</u>	<u>\$ 7,471,571</u>	<u>\$ 7,400,692</u>	<u>\$ 6,609,866</u>	<u>\$ 5,987,644</u>	<u>\$ 7,510,156</u>	<u>\$ 5,462,418</u>	<u>\$ 5,716,203</u>	<u>\$ 8,335,900</u>

Note: GASB Statement 54 was adopted in 2011. All years presented are being reported in accordance with that statement.

City of Englewood, Colorado
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Taxes (see Schedule 5)	\$ 37,701,075	\$ 38,827,710	\$ 36,127,239	\$ 34,136,103	\$ 31,573,167	\$ 30,532,471	\$ 29,495,567	\$ 28,933,845	\$ 31,978,782	\$ 32,876,011
Licenses and permits	1,559,986	1,612,118	1,576,298	1,446,578	983,359	778,536	695,563	588,328	671,609	1,168,977
Intergovernmental revenue	4,057,121	3,924,728	3,926,947	2,909,535	3,491,447	3,277,833	4,375,328	4,315,479	3,919,829	4,020,738
Charges for services	5,576,226	5,889,612	6,034,354	6,306,039	6,363,331	6,410,092	6,353,327	5,992,943	6,021,313	5,590,788
Fines and forfeitures	742,282	1,047,268	1,350,165	1,317,707	1,381,453	1,284,759	1,437,957	1,639,678	1,461,100	1,445,641
Special assessments	-	-	-	-	-	-	-	31,922	31,922	37,245
Net investment income	97,033	65,852	112,144	(24,453)	133,512	152,697	152,240	333,115	791,326	972,058
Contributions (to) from component unit	350,193	873,347	684,683	573,526	551,295	425,159	105,125	(188,163)	599,143	-
Other	733,909	538,443	325,533	1,560,740	1,469,757	1,523,234	632,696	749,472	351,329	289,652
Total revenues	50,817,825	52,779,078	50,137,363	48,225,775	45,947,321	44,384,781	43,247,803	42,396,619	45,826,353	46,401,110
Expenditures										
Current:										
General government	15,850,837	8,894,226	8,574,957	8,690,056	8,664,555	9,256,214	9,387,348	8,071,028	8,232,062	8,108,949
Safety services	13,401,402	22,159,568	21,212,863	19,413,044	19,018,153	18,142,085	17,824,861	17,635,319	17,263,053	16,612,084
Public works	7,269,032	6,960,961	6,856,658	6,523,903	6,619,083	6,550,114	6,374,708	6,713,512	7,497,736	8,037,202
Culture and recreation	7,690,361	7,668,688	7,108,436	6,886,274	7,278,678	7,122,606	7,562,631	8,171,347	7,958,537	7,676,521
Capital outlay	2,225,911	2,374,881	2,467,138	727,432	889,458	2,345,049	1,278,288	1,676,676	3,020,685	3,111,726
Debt service:										
Principal	2,247,644	1,925,000	2,087,689	2,022,742	2,005,963	1,962,271	1,907,772	1,620,766	1,570,602	1,655,228
Interest and other fiscal charges	710,003	864,173	874,326	928,701	995,888	1,064,105	1,041,109	1,279,562	1,335,039	1,349,059
Lease issue costs	-	-	-	-	-	-	250,128	-	-	-
Total expenditures	49,395,190	50,847,497	49,182,067	45,192,152	45,471,778	46,442,444	45,626,845	45,168,210	46,877,714	46,550,769
Excess revenues over (under) expenditures	1,422,635	1,931,581	955,296	3,033,623	475,543	(2,057,663)	(2,379,042)	(2,771,591)	(1,051,361)	(149,659)
Other financing sources (uses)										
Proceeds from borrowing	-	-	-	-	-	-	12,506,373	-	-	-
Transfers in	3,578,155	2,917,292	2,159,544	1,947,575	3,155,993	2,547,813	2,962,606	1,366,294	2,997,239	4,949,278
Transfers out	(3,578,155)	(2,921,292)	(1,746,544)	(2,347,349)	(2,756,189)	(1,689,656)	(1,716,128)	(716,294)	(2,837,239)	(4,889,278)
Payment to refunded lease escrow agent	-	-	-	-	-	-	(10,066,349)	-	-	948,900
Total other financing sources (uses)	-	(4,000)	413,000	(399,774)	399,804	858,157	3,686,502	650,000	160,000	1,008,900
Net change in fund balances	1,422,635	1,927,581	1,368,296	2,633,849	875,347	(1,199,506)	1,307,460	(2,121,591)	(891,361)	859,241
Fund balances - beginning	21,021,953	19,094,372	18,314,525	15,680,676	14,805,329	16,004,835	14,697,375	16,818,966	17,710,327	16,851,086
Fund balances - ending	\$ 22,444,588	\$ 21,021,953	\$ 19,682,821	\$ 18,314,525	\$ 15,680,676	\$ 14,805,329	\$ 16,004,835	\$ 14,697,375	\$ 16,818,966	\$ 17,710,327
Debt service as a percentage of noncapital expenditures	6.3%	5.8%	6.3%	6.6%	6.7%	6.9%	6.6%	6.7%	6.6%	6.9%

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

Fiscal Year	Property	Specific Ownership	Sales and Regular Use	Vehicle Use	Building Use	Cigarette	Franchise	Other	Total
2007	\$ 3,727,407	\$ 341,423	\$ 22,753,820	\$ 1,440,089	\$ 1,968,380	\$ 278,785	\$ 2,356,385	\$ 9,722	\$ 32,876,011
2008	4,163,482	316,242	22,617,767	1,252,178	769,078	261,743	2,588,214	10,078	31,978,782
2009	3,956,702	276,414	20,624,659	993,597	402,273	218,449	2,452,611	9,140	28,933,845
2010	4,067,599	263,434	20,866,515	926,715	545,987	196,320	2,620,191	8,806	29,495,567
2011	4,081,464	246,062	21,737,110	1,030,776	605,084	190,762	2,631,393	9,820	30,532,471
2012	3,727,479	243,293	22,363,618	1,294,050	813,826	189,618	2,930,888	10,395	31,573,167
2013	3,858,731	266,881	23,433,775	1,408,029	1,860,250	195,088	3,101,310	12,039	34,136,103
2014	4,009,516	291,670	24,839,296	1,594,886	1,983,292	188,652	3,207,978	11,949	36,127,239
2015	4,032,592	305,166	26,603,384	1,871,244	2,494,933	188,285	3,320,046	12,060	38,827,710
2016	4,443,598	344,604	26,300,116	1,989,217	1,125,547	193,149	3,292,110	12,734	37,701,075
Change 2007-2016	14.39%	(8.36%)	28.59%	50.95%	193.69%	(35.91%)	40.56%	26.23%	32.51%

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

Year	Residential	Commercial	Vacant	Industrial	State Assessed	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a % of Actual Value
2007	\$ 175,463,640	\$ 253,673,240	\$ 3,044,070	\$ 17,857,810	\$ 18,239,950	\$ 468,278,710	8.40%	\$ 3,213,823,727	14.57%
2008	190,192,280	273,510,780	7,308,110	19,713,830	20,899,330	511,624,330	8.17%	3,497,493,528	14.63%
2009	190,910,110	272,343,170	7,460,020	19,073,670	21,637,760	511,424,730	7.91%	3,503,350,564	14.60%
2010	176,323,980	296,310,110	7,235,300	19,798,060	19,545,870	519,213,320	8.01%	3,397,252,527	15.28%
2011	177,896,360	293,377,190	6,232,240	18,339,590	19,821,960	515,667,340	7.62%	3,399,357,133	15.17%
2012	171,837,160	278,532,750	5,016,550	18,101,510	24,699,380	498,187,350	7.79%	3,283,907,557	15.17%
2013	171,896,760	277,807,930	5,329,940	16,691,820	26,665,110	498,391,560	8.12%	3,166,274,240	15.74%
2014	172,832,227	275,559,546	4,965,852	17,439,957	27,075,588	497,873,170	8.12%	3,292,104,148	15.12%
2015	220,454,124	308,860,205	5,244,648	18,664,778	22,455,870	575,679,625	7.80%	3,995,611,615	14.41%
2016	222,757,583	308,584,455	5,092,109	17,841,530	22,565,770	576,841,447	7.80%	4,019,363,629	14.35%

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

Year	
2006-2007	7.96%
2008-2009	7.96%
2010-2011	8.77%
2012-2013	7.96%
2014-2015	7.96%
2016-2017	7.96%

Source : Arapahoe County Assessor.

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

Collection Year	City Direct Rates			Overlapping Rates					
	Basic Rate	Debt Service	Total Direct	Arapahoe County	Englewood School District	Littleton School District	Sheridan School District	Valley Sanitation District	Urban Drainage & Flood Control District
2007	5.880	2.520	8.400	16.083	40.354	48.907	39.419	2.493	0.608
2008	5.880	2.293	8.173	15.217	37.211	46.791	38.294	2.493	0.568
2009	5.880	2.031	7.911	15.672	37.199	46.081	37.627	2.493	0.508
2010	5.880	2.130	8.010	15.949	37.495	55.389	37.891	2.493	0.576
2011	5.880	1.741	7.621	17.316	45.858	57.530	38.764	2.493	0.623
2012	5.880	1.741	7.621	17.150	46.719	56.935	41.998	2.493	0.657
2013	5.880	1.914	7.794	17.130	46.874	56.985	42.823	2.493	0.672
2014	5.880	2.244	8.124	16.950	47.018	56.601	40.854	2.493	0.700
2015	5.880	2.244	8.124	14.856	44.268	53.424	38.308	2.860	0.839
2016	5.880	1.924	7.804	15.950	47.018	56.601	38.308	2.126	0.611

Notes:

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

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

Tax rates are per \$1000 of assessed valuation.

Source : Arapahoe County Assessor.

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

Taxpayer	Collection Year					
	2016			2007		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Columbia Healthone LLC	\$ 21,025,000	1	3.65%	\$ 31,867,590	1	6.82%
Kent Place Associates LLC	3,773,040	2	0.66%			
MTS Brookridge LLC	3,483,480	3	0.61%			
EKM Corp	3,196,670	4	0.56%			
Northern Englewood Limited	3,074,870	5	0.53%			
SCG Atlas Marks	2,922,812	6	0.51%			
Englewood Meridian	2,918,932	7	0.51%			
Wal-Mart	2,911,890	8	0.51%	2,710,520	7	0.58%
HTA Hampden Place LLC	2,887,240	9	0.50%			
COBAT IV	2,674,670	10	0.46%			
Public Service Company				6,298,130	2	1.35%
Qwest Corporation				6,205,000	3	1.33%
TSA Corporate Services				4,691,630	4	1.00%
First Industrial LP				2,900,000	5	0.62%
First Industrial LP				2,900,000	6	0.62%
Omni Development Corp				2,609,990	8	0.56%
First Industrial LP				2,609,990	9	0.56%
Situs Enterprises				2,607,100	10	0.56%
	<u>\$ 48,868,604</u>		<u>8.49%</u>	<u>\$ 65,399,950</u>		<u>13.99%</u>

Source : Arapahoe County Assessor.

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

Collection Year	Total Levy	Current Collection	Percentage of Levy	Delinquent Taxes Collected	Total Tax Collection	Percentage of Levy
2007	\$ 3,702,457	\$ 3,687,969	99.61%	\$ (6,778)	\$ 3,681,191	99.43%
2008	4,181,506	4,158,223	99.44%	5,259	4,163,482	99.57%
2009	4,002,921	3,971,026	99.20%	16,549	3,987,575	99.62%
2010	4,107,497	4,094,389	99.68%	(30,276)	4,064,113	98.94%
2011	4,130,497	4,093,763	99.11%	(14,973)	4,078,790	98.75%
2012	3,796,686	3,736,555	98.42%	(11,422)	3,725,133	98.12%
2013	3,882,872	3,863,693	99.51%	(18,391)	3,845,302	99.03%
2014	4,051,657	4,014,807	99.09%	(6,976)	4,007,831	98.92%
2015	4,044,722	4,037,119	99.81%	(7,602)	4,029,517	99.62%
2016	4,495,208	4,448,470	98.96%	(6,097)	4,442,373	98.82%

Note:

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

Source : Arapahoe County Assessor and Treasurer.

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

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Category	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Retail	\$ 5,638,020	\$ 5,438,448	\$ 5,234,938	\$ 4,812,424	\$ 4,830,062	\$ 4,653,258	\$ 4,330,293	\$ 4,149,309	\$ 4,881,581	\$ 5,446,717
Utilities	3,013,553	3,187,085	3,589,443	3,510,853	3,526,513	4,109,175	3,357,033	3,248,988	3,847,273	3,636,480
Bldg Materials/Hardware	2,642,380	2,515,723	2,593,358	2,072,084	1,670,205	1,479,608	1,197,084	1,239,205	1,629,274	1,503,922
Eating/Drinking Places	2,504,231	2,468,123	2,310,341	2,111,639	1,956,410	1,901,217	1,867,441	1,939,054	2,008,877	1,970,427
Automotive Dealers/Service Stations	2,846,375	2,548,368	2,206,185	2,089,906	2,088,087	1,952,101	1,925,035	1,833,262	1,954,468	2,112,028
Personal Service other than Lodging	2,565,529	747,070	1,852,361	2,004,760	1,932,614	1,742,996	1,736,575	1,923,168	1,844,698	1,918,597
General Merchandise	1,716,090	1,629,531	1,782,655	1,766,664	1,778,732	1,732,192	1,729,813	1,786,989	2,016,736	2,097,943
Food	1,163,543	1,077,599	1,125,607	963,623	665,713	868,206	732,163	666,727	691,164	724,817
Non-classifiable	935,784	885,175	1,050,219	1,026,549	968,416	1,035,461	1,002,921	1,114,561	929,063	676,711
Apparel/Accessories	658,393	640,626	861,869	862,196	825,966	779,874	727,018	700,194	711,537	732,103
Finance/Insurance/Real Estate	869,549	856,523	855,146	760,729	822,862	833,329	771,929	828,804	1,192,040	968,783
Furniture/Home	653,852	751,399	724,022	664,584	736,958	741,818	718,916	667,597	760,602	707,230
Manufacturing	836,235	484,327	541,992	450,280	446,649	308,440	411,951	395,798	412,842	397,553
Contract Construction	164,397	32,908	90,015	84,831	62,943	59,189	53,281	73,398	85,415	94,516
Hotels/Lodging	26,385	20,525	21,145	32,949	28,955	25,741	22,591	23,283	16,998	17,394
	<u>\$ 26,234,316</u>	<u>\$ 23,283,430</u>	<u>\$ 24,839,296</u>	<u>\$ 23,214,071</u>	<u>\$ 22,341,085</u>	<u>\$ 22,222,605</u>	<u>\$ 20,584,044</u>	<u>\$ 20,590,337</u>	<u>\$ 22,982,568</u>	<u>\$ 23,005,221</u>

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

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

Amounts are presented on a cash basis.

Source : City of Englewood Revenue and Budget Division

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

Year	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Certificates of Participation	Special Assessment Bonds	Loans Payable	Capital Leases	General Obligation Bonds (1)	Revenue Bonds	Loans Payable (1)			
2007	\$ 12,000,000	\$ 18,010,000	\$ -	\$ 381,014	\$ 948,900	\$ 2,845,000	\$ 4,135,000	\$ 63,235,475	\$ 101,555,389	15.05%	\$ 3,145
2008	11,435,000	17,175,000	-	288,571	870,741	2,735,000	4,010,000	61,613,444	98,127,756	14.43%	3,016
2009	10,850,000	16,315,000	-	194,279	789,268	5,240,000	3,885,000	59,908,415	97,181,962	14.29%	2,987
2010	10,800,000	15,425,000	-	98,101	2,864,424	5,115,000	3,750,000	55,903,684	93,956,209	14.86%	3,105
2011	10,185,000	14,500,000	-	-	2,540,254	4,990,000	3,610,000	51,720,374	87,545,628	11.03%	2,894
2012	9,846,372	13,736,591	-	-	2,144,292	11,847,419	3,447,255	50,048,143	91,070,072	10.95%	2,944
2013	9,148,964	12,715,642	-	-	1,786,549	11,696,837	3,265,385	46,072,234	84,685,611	10.80%	2,773
2014	8,286,244	11,661,822	-	-	1,558,861	11,546,103	3,086,899	42,126,230	78,266,159	9.57%	2,483
2015	7,402,860	10,434,745	-	-	1,320,063	11,374,900	2,981,540	38,109,764	71,623,872	8.45%	2,273
2016	6,295,000	9,348,000	-	-	1,021,885	10,855,000	2,791,297	33,804,702	64,115,884	7.38%	1,985

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

- (1) In addition to the \$3,055,000 of 2004 General Obligation Water Bonds, the City issued \$51,126,340 of new loans with the Colorado Water and Power Development Authority in 2004.
In 2009 the City issued an additional \$2,615,000 of General Obligation Water Bonds.
In 2012 a portion of the 2004 General Obligation Water Bond issue was refunded and an additional \$6,730,000 was issued.
- (2) See Schedule 16 for personal income and population data.

City of Englewood, Colorado
Ratios of General Bonded Debt Outstanding
Last Ten Years

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2007	\$ 14,845,000	\$ (87,630)	\$ 14,757,370	0.46%	\$ 457
2008	14,170,000	(166,137)	14,003,863	0.40%	430
2009	16,090,000	(58,665)	16,031,335	0.46%	493
2010	15,915,000	(9,616)	15,905,384	0.47%	526
2011	15,175,000	(154,267)	15,020,733	0.44%	496
2012	21,693,791	(55,625)	21,638,166	0.66%	700
2013	20,845,801	(46,839)	20,798,962	0.66%	681
2014	19,832,347	(61,105)	19,771,242	0.60%	627
2015	18,777,760	(70,248)	18,707,512	0.47%	594
2016	17,150,000	(63,703)	17,086,297	0.43%	529

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

(2) See Schedule 16 for population data.

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

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

City of Englewood, Colorado
Direct and Overlapping Governmental Activities Debt
December 31, 2016

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct debt	\$ 18,171,885	100.000%	\$ 18,171,885
Overlapping entities:			
Englewood School District No. 1	63,489,915	97.320%	61,788,385
Sheridan School District No. 2	23,008,701	33.050%	7,604,376
Littleton School District No. 6	146,531,308	2.130%	3,121,117
Cherry Creek School District No. 5	<u>497,198,000</u>	0.390%	<u>1,939,072</u>
Total overlapping debt	<u>730,227,924</u>		<u>74,452,950</u>
Total direct and overlapping debt	<u><u>\$ 748,399,809</u></u>		<u><u>\$ 92,624,835</u></u>

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

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

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

Year	Actual Valuation	Debt Limit Percentage	Debt Limit	Debt Applicable to Limit	Legal Debt Margin	As a Percentage of Debt Limit
2007	\$ 3,024,628,577	3.00%	\$ 90,738,857	\$ 12,538,359	\$ 78,200,498	16.0%
2008	3,297,243,391	3.00%	98,917,302	12,000,000	86,917,302	13.8%
2009	3,308,401,216	3.00%	99,252,036	11,435,000	87,817,036	13.0%
2010	3,399,357,133	3.00%	101,980,714	10,850,000	91,130,714	11.9%
2011	3,266,465,613	3.00%	97,993,968	10,185,000	87,808,968	11.6%
2012	3,283,907,557	3.00%	98,517,227	9,846,372	88,670,855	11.1%
2013	3,166,274,240	3.00%	94,988,227	9,148,964	85,839,263	10.7%
2014	3,292,104,148	3.00%	98,763,124	8,286,244	90,476,880	9.2%
2015	3,995,611,615	3.00%	119,868,348	7,402,860	112,465,488	6.6%
2016	4,019,363,629	3.00%	120,580,909	6,295,000	114,285,909	5.5%

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

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

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

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

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

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage	Required Coverage *
				Principal	Interest	Total		
2007	\$ 7,788,802	\$ 6,082,067	\$ 1,706,735	\$ 717,442	\$ 405,555	\$ 1,122,997	1.52	1.10
2008	8,260,511	6,385,693	1,874,818	735,276	392,266	1,127,542	1.66	1.10
2009	7,939,517	6,149,780	1,789,737	755,852	372,978	1,128,830	1.59	1.10
2010	8,743,689	6,204,171	2,539,518	773,686	352,233	1,125,919	2.26	1.10
2011	9,020,153	6,467,258	2,552,895	795,634	330,360	1,125,994	2.27	1.10
2012	9,005,360	6,447,796	2,557,564	818,954	307,230	1,126,184	2.27	1.10
2013	8,808,270	5,877,277	2,930,993	845,018	203,621	1,048,639	2.80	1.10
2014	9,207,872	6,611,806	2,596,066	868,339	188,041	1,056,380	2.46	1.10
2015	9,033,243	6,638,193	2,395,050	895,774	161,383	1,057,157	2.27	1.10
2016	9,150,477	6,544,389	2,606,088	1,097,425	117,051	1,214,476	2.15	1.10

* As defined in the applicable bond indenture

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

Year	Gross Revenue*	Expense*	Rate Stabilization Used	Total Funds Available for Debt Service	Debt Service Requirements			Coverage	Required Coverage *
					Principal	Interest	Total		
2007	\$ 11,247,422	\$ 8,684,566	\$ 831,149	\$ 3,394,005	\$ 828,484	\$ 2,256,976	\$ 3,085,459	1.10	1.10
2008	12,813,297	9,956,867	491,302	3,347,732	886,755	2,156,638	3,043,393	1.10	1.10
2009	13,227,399	10,016,885	136,743	3,347,257	949,177	2,093,784	3,042,961	1.10	1.10
2010	14,080,938	9,840,996	1,545,014	5,784,956	3,231,045	2,028,006	5,259,051	1.10	1.10
2011	13,526,579	9,677,968	1,945,476	5,794,087	3,387,676	1,879,676	5,267,352	1.10	1.10
2012	14,542,316	10,244,230	1,203,807	5,501,893	3,270,884	1,730,837	5,001,721	1.10	1.10
2013	15,218,765	10,273,261	-	4,945,504	2,535,351	1,784,525	4,319,876	1.14	1.10
2014	15,868,700	10,682,918	-	5,185,782	2,755,034	1,609,125	4,364,159	1.23	1.10
2015	16,553,722	10,866,175	-	5,687,547	2,795,351	1,476,375	4,271,726	1.33	1.10
2016	16,551,640	11,060,762	-	5,490,878	2,930,351	1,336,606	4,266,957	1.29	1.10

* As defined in the applicable bond indenture

Since 2004 a rate stabilization account has been maintained to ensure that debt coverage requirements are met.

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

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage	Required Coverage *
				Principal	Interest	Total		
2007	\$ 1,716,358	\$ 1,330,281	\$ 386,077	\$ 55,000	\$ 161,463	\$ 216,463	1.78	1.35
2008	1,979,946	1,616,896	363,050	55,000	159,494	214,494	1.69	1.35
2009	2,097,188	1,681,836	415,352	55,000	157,098	212,098	1.96	1.35
2010	2,029,283	1,633,823	395,460	60,000	155,245	215,245	1.84	1.35
2011	1,834,831	1,548,002	286,829	60,000	152,605	212,605	1.35	1.35
2012	2,113,394	1,642,720	470,674	65,000	149,815	214,815	2.19	1.35
2013	1,953,899	1,566,368	387,531	85,000	124,744	209,744	1.85	1.35
2014	2,005,739	1,688,630	317,109	85,000	130,181	215,181	1.47	1.35
2015	2,077,038	1,738,965	338,073	85,000	128,481	213,481	1.58	1.35
2016	2,080,424	1,613,711	466,713	90,000	120,166	210,166	2.22	1.35

* As defined in the applicable bond indenture

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

Year	Gross Revenue*	Expense*	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage	Required Coverage *
				Principal	Interest	Total		
2007	\$ 384,088	\$ 110,346	\$ 273,742	\$ 65,000	\$ 70,334	\$ 135,334	2.02	1.15
2008	378,299	105,869	272,430	70,000	67,450	137,450	1.98	1.15
2009	347,503	121,774	225,729	70,000	64,294	134,294	1.68	1.15
2010	331,715	144,104	187,611	75,000	61,342	136,342	1.38	1.15
2011	337,317	112,833	224,484	80,000	57,818	137,818	1.63	1.15
2012	332,668	133,066	199,602	95,000	42,305	137,305	1.45	1.15
2013	334,013	152,115	181,898	95,000	17,291	112,291	1.62	1.15
2014	327,860	107,643	220,217	100,000	15,454	115,454	1.91	1.15
2015	328,164	95,030	233,134	100,000	14,433	114,433	2.04	1.15
2016	337,998	111,199	226,799	100,000	13,531	113,531	2.00	1.15

The 2001 Storm Drainage Revenue Bonds were refunded in 2012.

* As defined in the applicable bond indenture

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

Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(2) Median Age	(3) School Enrollment	(4) Unemployment Rate	(5) Consumer Price Index
2007	32,286	\$ 674,906,544	\$ 20,904	36.2	3,427	4.5%	2.18%
2008	32,532	680,048,928	20,904	36.2	3,298	6.0%	3.91%
2009	32,532	680,048,928	20,904	36.2	3,427	7.3%	-1.34%
2010	30,255	632,450,520	20,904	36.2	3,414	10.1%	1.86%
2011	30,255	793,528,140	26,228	37.1	3,954	9.5%	3.75%
2012	30,930	831,460,260	26,882	37.1	3,954	7.6%	2.23%
2013	30,534	784,174,188	25,682	38.3	4,018	6.1%	2.83%
2014	31,516	817,682,620	25,945	37.1	4,018	4.4%	2.89%
2015	31,516	825,971,328	26,208	37.1	3,927	4.3%	0.96%
2016	32,301	846,544,608	26,208	37.2	3,927	4.1%	2.57%

Sources:

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

(3) Colorado Department of Education, Fall Enrollment

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

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

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

Employer	2016			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Health One Swedish Medical	1,965	1	7.22%	1,800	1	7.69%
Craig Hospital	803	2	2.95%	650	4	2.78%
Encore Electric	562	3	2.07%	900	2	3.84%
Englewood School District	490	4	1.80%	525	3	2.24%
City of Englewood	423	5	1.55%	520	5	2.22%
Groove Toyota	415	6	1.53%	450	6	1.92%
Karcher North American	364	7	1.34%	300	7	1.28%
MetroCommunity Providers	326	8	1.20%	300	8	1.28%
Veolia Transportation	298	9	1.10%	230	10	0.98%
Regional Transportation District	259	10	0.95%	238	9	1.02%
Total	<u>5,905</u>		<u>21.70%</u>	<u>5,913</u>		<u>25.25%</u>

Sources:

City of Englewood Community Development Department

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government:										
City Manager	5.50	5.38	5.00	5.00	4.92	5.00	5.00	5.25	5.00	6.25
City Attorney	5.50	5.50	5.50	5.50	5.70	6.15	6.15	5.87	6.57	7.30
Municipal Court	11.06	10.90	10.61	10.38	10.20	10.05	9.90	10.48	10.51	10.01
Human Resources	7.48	7.17	6.57	6.17	6.10	6.40	6.51	6.51	5.81	9.43
Finance & Admin Services	18.60	18.90	17.90	17.76	17.63	17.90	17.90	17.90	18.90	16.50
Central Services	1.00	1.10	1.10	1.09	1.08	1.10	1.10	1.10	1.10	1.10
Information Technology	9.60	10.60	11.50	10.42	10.34	10.50	10.50	10.50	10.50	11.00
Community Development	12.00	12.00	11.00	10.92	10.83	11.00	11.00	10.50	10.50	10.00
Building and Safety	7.00	7.00	7.00	6.94	6.89	7.00	7.00	7.00	7.00	7.00
Police:										
Administration	10.60	8.60	8.60	8.53	8.47	8.60	8.60	7.00	7.00	9.00
Communications and Records	18.13	17.13	15.40	14.79	14.68	14.20	16.50	16.00	16.00	15.00
Police Operations	69.90	69.90	70.70	72.14	70.89	73.00	72.00	72.00	76.00	79.00
Neighborhood Services	6.00	6.00	6.00	5.95	4.92	5.00	5.00	5.00	5.00	8.00
Public Works:										
Administration	2.00	2.00	2.70	2.80	2.78	2.56	2.58	2.58	2.58	2.00
Engineering	4.22	4.22	3.13	2.99	2.96	3.00	3.80	4.00	4.00	4.80
Streets and Drainage	13.00	13.00	13.00	10.92	10.83	11.00	11.00	11.00	11.00	11.45
Traffic Maintenance	6.50	6.50	6.50	6.45	6.40	6.50	6.50	6.50	6.50	6.00
General Ops and Maintenance	22.70	21.70	21.70	21.84	21.68	21.00	21.00	20.00	22.00	20.00
Concrete Utility	3.53	3.54	3.92	3.89	3.86	3.92	4.16	3.92	2.92	2.75
ServiCenter	11.30	11.30	11.30	9.92	9.85	10.00	10.00	10.00	11.00	10.00
Parks and Recreation:										
Administration	4.00	4.00	5.00	4.96	4.92	5.74	5.00	5.00	5.00	3.80
Programs	18.70	18.41	18.41	18.52	18.37	17.16	17.50	16.38	17.16	16.25
Parks	16.50	17.00	15.50	15.38	14.28	13.50	13.50	13.50	14.50	15.00
Golf	8.75	9.00	8.50	7.44	7.39	7.38	7.38	7.38	7.38	7.00
Library	15.97	15.70	16.64	16.27	15.60	16.30	15.87	15.93	16.64	14.48
Utilities:										
Water Operations	24.30	23.80	24.30	23.12	22.94	23.30	24.50	24.50	21.50	21.90
Sewer Operations	5.75	5.50	5.50	5.46	5.42	5.50	6.40	6.40	6.40	6.60
Storm Drainage Operations	0.65	0.65	0.65	0.65	0.64	0.65	0.55	0.55	0.55	0.40
Utilities Administration	15.36	15.55	15.05	14.93	14.82	17.05	15.55	15.55	15.05	13.40
Littleton/Englewood										
Wastewater Treatment Plant	76.37	76.50	77.50	78.89	77.15	81.50	84.35	83.90	78.90	77.40
Total	431.96	428.55	426.18	420.02	412.54	421.96	426.80	422.19	422.96	422.82

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

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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Calls for assistance	40,680	40,207	43,766	43,365	45,647	45,337	50,882	50,760	47,099	44,257
Number of uniformed officers	68	69	71	72	71	71	71	72	75	75
Building Division										
Commercial construction value	\$ 3,766,805	\$ 22,071,707	\$ 8,402,603	\$ 14,919,187	\$ 9,984,183	\$ 30,797,601	\$ 12,432,894	\$ 56,949,582	\$ 73,276,444	\$ 55,744,440
Number of units	15	130	77	99	88	92	68	108	119	107
Residential construction value	\$ 9,976,544	\$ 4,177,080	\$ 3,700,373	\$ 3,681,187	\$ 5,021,642	\$ 4,969,163	\$ 5,461,307	\$ 8,255,353	\$ 13,730,421	\$ 21,961,666
Number of units	20	264	236	230	264	302	251	299	352	427
Building permits value	\$85,478,543	\$31,659,277	\$18,318,108	\$30,235,127	\$26,247,031	\$49,405,068	\$145,154,652	\$93,181,634	\$105,041,678	\$ 89,917,681
Number of permits	2147	2065	2018	2479	2517	2446	2096	3936	3246	2857
Parks and Recreation										
Englewood Recreation Center										
Visits	317,000	309,000	313,000	308,000	307,000	305,500	287,000	240,679	242,472	240,320
Malley Recreation Center										
Visits *	2,775	2,812	2,504	2,477	2,154	3,522	2,502	89,497	114,410	112,566
Park Shelter Reservations	475	454	476	459	482	538	511	536	627	760
Golf Rounds Played: **										
9 hole	22,070	17,000	16,078	16,578	17,408	19,645	18,157	17,766	16,737	15,799
18 hole	-	19,061	25,277	25,570	25,508	26,628	25,900	24,580	25,605	26,176
Par 3 Course	-	11,794	21,985	20,961	19,454	22,234	20,020	19,207	19,905	19,175
Water										
New connections	18	8	5	6	13	3	8	13	25	25
Water Main Breaks	39	36	34	34	44	38	35	35	15	15
Average Daily Consumption (Millions of gallons)	6.050	7.000	6.800	6.300	5.650	5.454	4.703	5.275	4.763	4.695
Peak Daily Consumption (Millions of gallons)	15.45	15.75	16.50	12.27	11.24	11.91	10.89	10.91	10.01	10.21
Wastewater										
Average Daily Sewage Treated (Millions of gallons)	22.1	21.8	22.8	22.6	21.6	20.9	21.1	21.5	23.1	22.1

*Malley Recreation Center activity tracking was changed from membership tracking to number of visits during 2014.

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

Sources: City Departments

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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Marked police vehicles	19	18	20	20	20	20	19	19	20	23
Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Miles of streets and alleys										
Streets	121.63	121.63	121.63	121.63	121.63	121.63	121.63	121.63	121.63	121.63
Alleys	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5
Parks and Recreation										
Parks	12	12	12	12	12	12	12	12	12	12
Acreage	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1	166.1
Greenbelts	3	3	3	3	3	3	3	3	3	3
Acreage	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67	23.67
Athletic complexes	3	3	3	3	3	3	3	3	3	3
Acreage	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87	30.87
Dog Park	1	1	1	1	1	1	1	1	1	1
Recreation Centers	2	2	2	2	2	2	2	2	2	2
Swimming pools	2	2	2	2	2	2	2	2	2	2
Golf courses - 18 hole	1	1	1	1	1	1	1	1	1	1
Golf courses - 9 hole	1	1	1	1	1	1	1	1	1	1
Golf courses - Par 3	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains (miles)	155	155	155	155	155	155	155	155	155	155
Fire hydrants	550	550	570	570	570	570	570	570	570	570
Storage Capacity (Millions of gallons)	6.5	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7
Daily Plant Capacity (Millions of gallons)	28	28	28	28	28	28	28	28	28	28
Wastewater										
Sanitary Sewers (miles)	530	530	530	530	530	530	530	530	530	530
Treatment Capacity (Millions of gallons)	36.3	36.3	50	50	50	50	50	50	50	50

Sources: City Departments