



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

We have audited the financial statements of the City of Englewood (the City) as of and for the year ended December 31, 2022 and have issued our report thereon dated June 8, 2023. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As communicated in our engagement letter dated December 28, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We applied certain limited procedures to the required supplementary information (RSI). However, we did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

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Colorado Springs, CO
Denver, CO
Tulsa, OK

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750 W. Hampden Avenue
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Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the significant estimates in determining that they are reasonable in relation to the financial statements as a whole.

Corrected and Uncorrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. We noted no uncorrected financial statement adjustments whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management because of our audit procedures. There were no corrected financial statement adjustments that we identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Representations Requested from Management

We have requested certain written representations from management, in a letter dated June 8, 2023.



Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Conclusion

This report is intended solely for the information and use of the Mayor, Members of the City Council, and management of the City of Englewood and is not intended to be, and should not be, used by anyone other than these specified parties.

Englewood, Colorado
June 8, 2023

Hill & Company, PC



Year ended December 31, 2022



Annual Comprehensive
Financial Report

2022

City of Englewood
1000 Englewood Parkway
Englewood, CO 80110
www.engagewoodco.gov





CITY OF ENGLEWOOD, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Year Ended December 31, 2022

Prepared by the Finance Department:

Jackie Loh, Finance Director
Kevin Engels, Finance Manager
Christine Hart, Accounting Supervisor
Denise Atencio-Esquivel, Senior Accountant
Alex Kotula, Staff Accountant
Jenny Nolan, Senior Budget Analyst
Trudi Peepgrass, Procurement Administrator
Curt Osborne, Revenue and Tax Audit Supervisor

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

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended December 31, 2022

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June 8, 2023

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 is pleased to submit the Annual Comprehensive Financial Report of the City of Englewood, Colorado (the City) for the year ended December 31, 2022.

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.

Hinkle & Company, PC., Certified Public Accountants, have issued an unmodified ("clean") audit opinion on the City of Englewood's financial statements for the year ended December 31, 2022. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (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.

City Profile

Located on the southern border of Denver, Colorado's capital city, Englewood is approximately seven square miles and home to approximately 34,000 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), 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) and Englewood Downtown Development Authority (EDDA) 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, EMRF or the EDDA. 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 2023 forecast is taken from the *Colorado Business Economic Outlook 2023* prepared by the Business Research Division of the University of Colorado Leeds School of Business. According to the *Colorado Business Economic Outlook 2023* report, Colorado performed better than most of the states in 2022. The state's GDP increased 3% year-over-year in the second quarter, ranking the state seventh in the nation. This compares to a national GDP increase of 1.8%. Employment grew year-over-year in October 2022 at 4.2%, the 7th fastest rate nationally. Meanwhile, Colorado's unemployment rate continues to lag—ranking 28th-lowest at 3.6%, it remained just above the 3.4% average of the 50 states in October and below the national rate of 3.7%.

October 2022 employment was 2.9%, or 80,500 jobs, above the pre-pandemic peak recorded in January 2020 in Colorado. Annual job growth in 2022 is estimated at 120,800 jobs (4.4%), bringing the state to a total of nearly 2.9 million. Growth is projected to continue in 2023, adding another 57,100 jobs (2%). Year-over-year employment growth was recorded in all of Colorado's seven metropolitan areas in October 2022: Denver-Aurora-Lakewood (4.1%), Boulder (4%), Fort Collins-Loveland (3.6%), Colorado Springs (3%), Pueblo (2.8%), Greeley (2.5%), and Grand Junction (2.3%). However, every Metropolitan Statistical Area (MSA) except Greeley is now above their respective prerecession levels.

Metro Denver The 2021-2022 economic update for the seven-county Denver Metro Area (Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas and Jefferson) is from the September 2022 Economic & Revenue Forecast report prepared by the Colorado Legislative Council (CLC). The CLC is non-partisan and provides the economic research analysis for the Colorado General Assembly.

The Colorado economy continues to grow in 2022; however, inflation has taken a toll. Real gains in earnings, income, household savings accounts, consumer spending, business operations and trade has eroded with the rising prices of energy, housing, food, and vehicles. The Federal Reserve continues its response to inflation by raising the interest rates which has increased the borrowing costs and further impacting the access to credit, asset prices, business operations, and construction. While the current economic outlook and data indicate that inflation has peaked, risks potentially impact the economic forecast and are due in part to unexpected price changes due to the energy markets, the war in Ukraine, or further supply-chain disruptions.

The job market remains strong. Colorado nonfarm employment is expected to increase by 4 percent in 2022 and grow by 2 percent in 2023. The largest job gains were in the leisure and hospitality sector which grew annually by 9.9 percent over August 2021 or by 31,500 jobs. Colorado's labor force participation rate was 69.6 percent in August, equal to the rate reached in March 2020, well ahead of the 62.4 percent rate nationwide and the second highest among the 50 states behind Nebraska (69.9 percent). Unemployment is expected to decrease from 5.4 percent in 2021 to 3.4 percent in 2022 and lower further to 3.1 percent in 2023.

The housing market grew in 2021 as home prices increased on average by 20.3 percent slightly outpacing the national appreciation rates. The Federal Housing Finance Agency reports that appreciation rates for the year-over-year ending in the second quarter of 2022 grew fastest for the following cities: Boulder (+24.0 percent), Fort Collins (+22.9 percent), Denver (+22.8 percent), Colorado Springs (+22.1 percent), Pueblo (+20.8 percent), and Greeley (+20.6 percent). According to the Colorado Association of Realtors, the statewide 2022 median sales price for a single-family house was \$580,000, while the U.S. median sales price was \$439,000. Key indicators are showing that the market has cooled due to rising mortgage rates which have limited buying power for prospective purchasers. In July, sales of new single-family houses in the U.S. were down 29.6 percent from the same month last year, and the number of new housing starts was also down, declining by 8.1 percent from July 2021. Additionally, the number of new housing permits issued has been on a declining trend since March.

Long-term Financial Planning

At the end of the year, *assigned and unassigned* fund balances for the general fund totaled \$22.0 million, or 33.8% of total General Fund revenues. Total 2023 General Fund revenues, including transfers, are estimated at \$61.5 million or \$3.5 million less than 2022 actual revenues. Total 2023 general fund expenditures are budgeted at \$62.7 million or \$4.7 million more than the 2022 actual expenditures.

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.

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. The balance in the reserve was \$95,000 at the end of 2022.

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, 2021. This was the 39th 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 annual comprehensive 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 Finance Department. 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,

J Shawn Lewis

City Manager

Jackie Loh

Finance Director

City of Englewood, Colorado

Principal Officials

Elected Officials

City Council

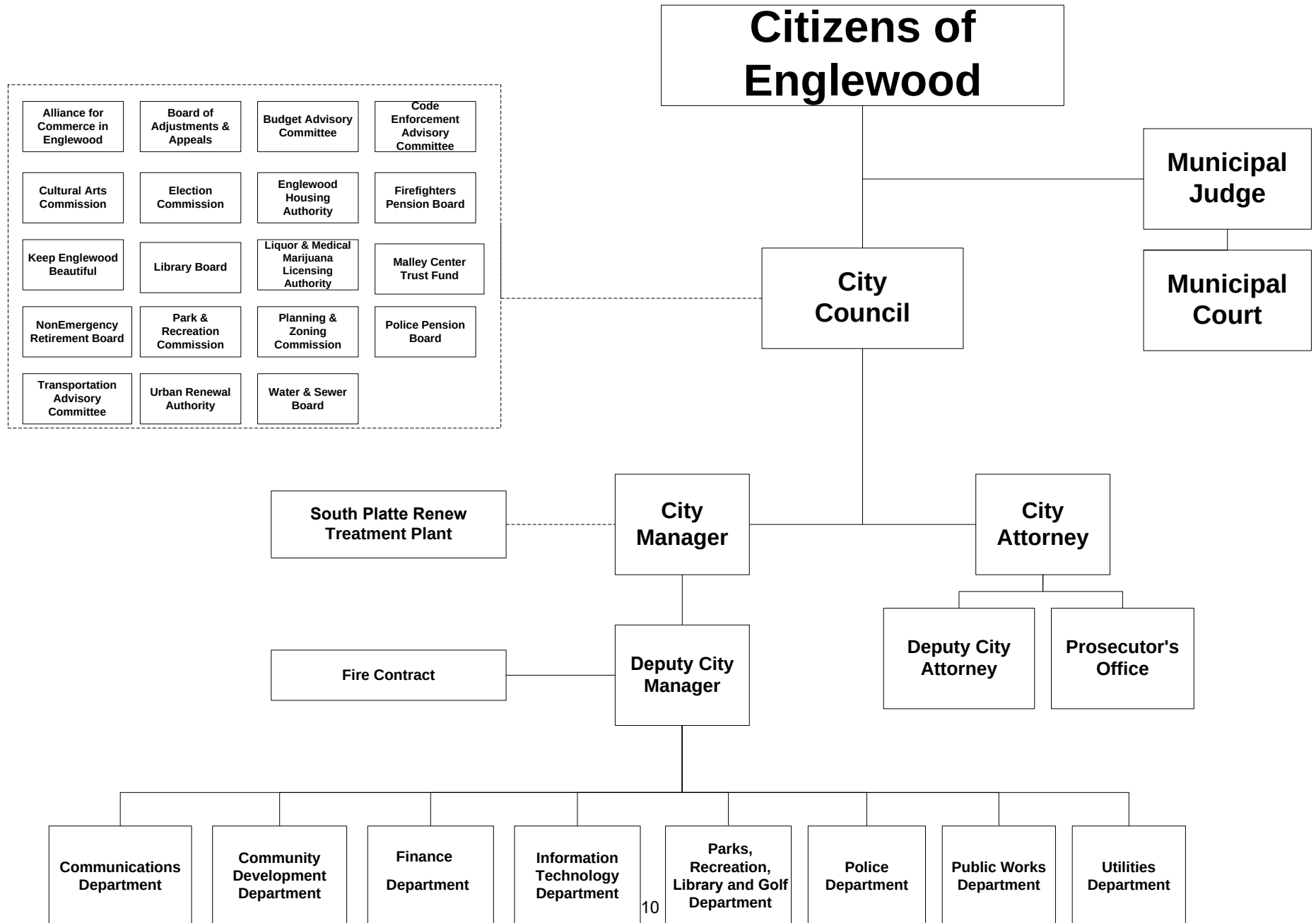
Mayor.....Othoniel Sierra, District 1
Mayor Pro-Tem.....Steve Ward, District 4
Council Member.....Chelsea Nunnenkamp, District 2
Council Member.....Joe Anderson, District 3
Council Member.....Rita Russell, At-Large
Council Member.....Cheryl Wink, At-Large
Council Member.....Jim Woodward, At-Large

Municipal Judge Joseph Jefferson

City Officials

City Manager J. Shawn Lewis
Deputy City Manager.....Tim Dodd
City Attorney..... Tamara Niles
Communications Director Christopher Harguth
Community Development Director Brad Power
Finance Director Jackie Loh
Information Technologies Director Jeromy King
Human Resources Director Shawn Weiske
Municipal Court Administrator.....Kennetha Julien
Parks, Recreation, Library and Golf Director.....Christina Underhill
Police Chief Sam Watson
Public Works Director..... Victor Rachael
Utilities and South Platte Renew Director.....Pieter Van Ry

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 Annual
Comprehensive Financial
Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO



**HINKLE &
COMPANY**
Strategic ^{PC}
Business Advisors

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Englewood (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City, as listed in the table of contents.

In our opinion, the accompanying 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 the aggregate remaining fund information of the City as of December 31, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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Tulsa, OK

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



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 required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, other information, and statistical section listed in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 8, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Englewood's internal control over financial reporting and compliance.

Hill & Company, PC

Englewood, Colorado
June 8, 2023



Management's Discussion and Analysis

As management of the City of Englewood, Colorado (the "City"), we offer readers of the City's Annual Comprehensive Financial Report (ACFR), this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2022. 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 total assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of 2022 by \$238.3 million (\$112.5 million in governmental activity net position and \$125.8 million in business-type activity net position). For 2022, net deferred outflows and deferred inflows of resources equaled (\$4.4 million) for governmental activities and \$1.1 million for business-type activities. Of the governmental activities net position total, \$23.9 million, or 21.2%, is unrestricted and may be used to meet the City's obligations to the public and creditors. Similarly, \$74.5 million, or 59.0%, of business-type activity net position is unrestricted.
- The City's total net position increased by \$22.2 million, or 10.3% compared to 2021. Net position of the City's governmental activities increased \$15.8 million, or 16.3%. Net position of the business-type activities increased \$6.4 million, or 5.4%, from 2021.
- The total cost of the City's programs increased \$9.0 million, or 9.7%, compared to 2021. The cost of governmental activities program expenses decreased \$4.1 million to \$65.8 million, and the cost of business-type activities increased \$5.2 million or 16.9%.
- Total revenues increased \$13.9 million or 12.6%, compared to 2021. Governmental activities revenues increased \$13.2 million, or 19.3%, to \$81.6 million while revenues of business-type activities increased \$660,000 or 1.6% to \$42.1 million compared to 2021.
- The City's governmental funds reported combined ending fund balances of \$56.4 million, an increase of \$8.2 million when compared to 2021. Of the combined ending governmental fund balances, approximately 82.1% or \$46.3 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 \$24.2 million as of December 31, 2022, of which \$2.1 million is *restricted* for TABOR emergencies, \$95.000 is *committed* to Long Term Asset Reserve and \$20.4 million is *unassigned*.
- The Public Improvement Fund has a fund balance of \$19.7 million that is *committed* to various capital projects. Primary sources of funding for the Public Improvement Fund are provided by building use taxes and transfers from other funds.
- The net pension liability reported in the City's governmental activities for 2022 is \$5.9 million compared to \$10.4 million in 2021.

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, liabilities and deferred inflows and outflows, with the difference 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, 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 Downtown Development Authority (EDDA), the Englewood Environmental Foundation, Inc. (EEF) and the Englewood McLellan Reservoir Foundation, Inc. (EMRF). All four (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 and the Public Improvement Fund, which are considered to be major funds. Data from the other eight 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, vehicle replacement and maintenance, employee benefits and insurance costs. Because these services predominantly benefit governmental rather than business-type functions, they are primarily 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 \$238.3 million at the close of 2022. Governmental activities make up \$112.5 million or 47.2% of these assets, with business-type activities making up the remaining \$125.8 million or 52.8%. Total net position increased by \$22.2 million in 2022. The increase is comprised of the following:

- Total assets and deferred outflows of resources increased by \$42.4 million during 2022. Governmental activities assets and deferred outflows increased by \$11.4 million. Business-type activities assets and deferred outflows increased by \$31.0 million primarily due to increased service fees and borrowing for capital projects.
- Total liabilities and deferred inflows of resources increased by \$20.1 million due primarily to the issuance of \$26 million new Storm Water debt which partially offset by yearly debt service payments of \$9.7 million.

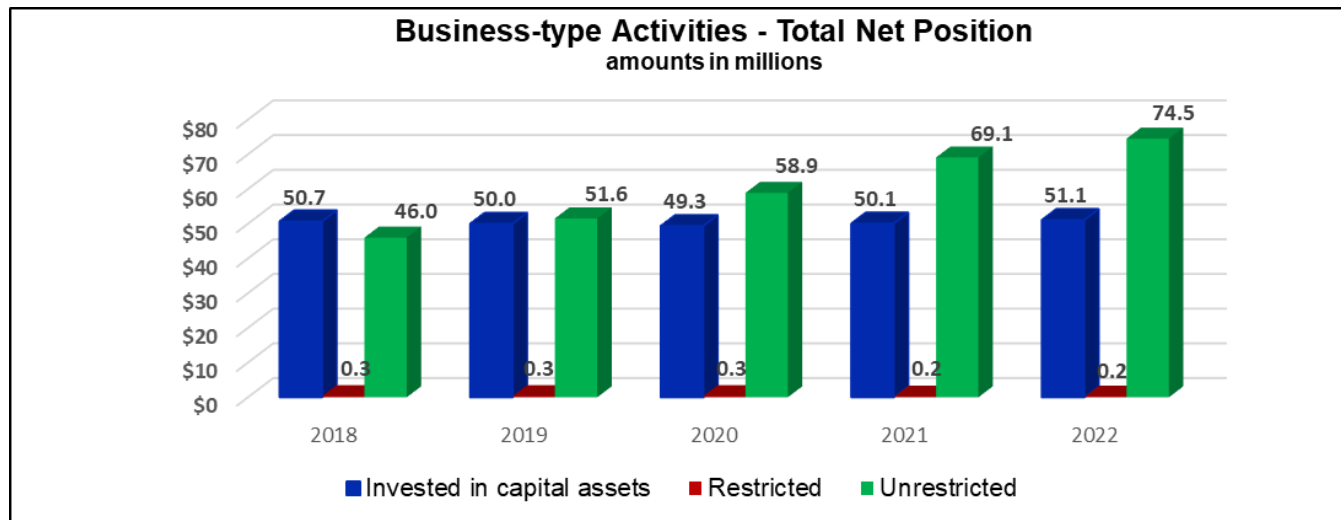
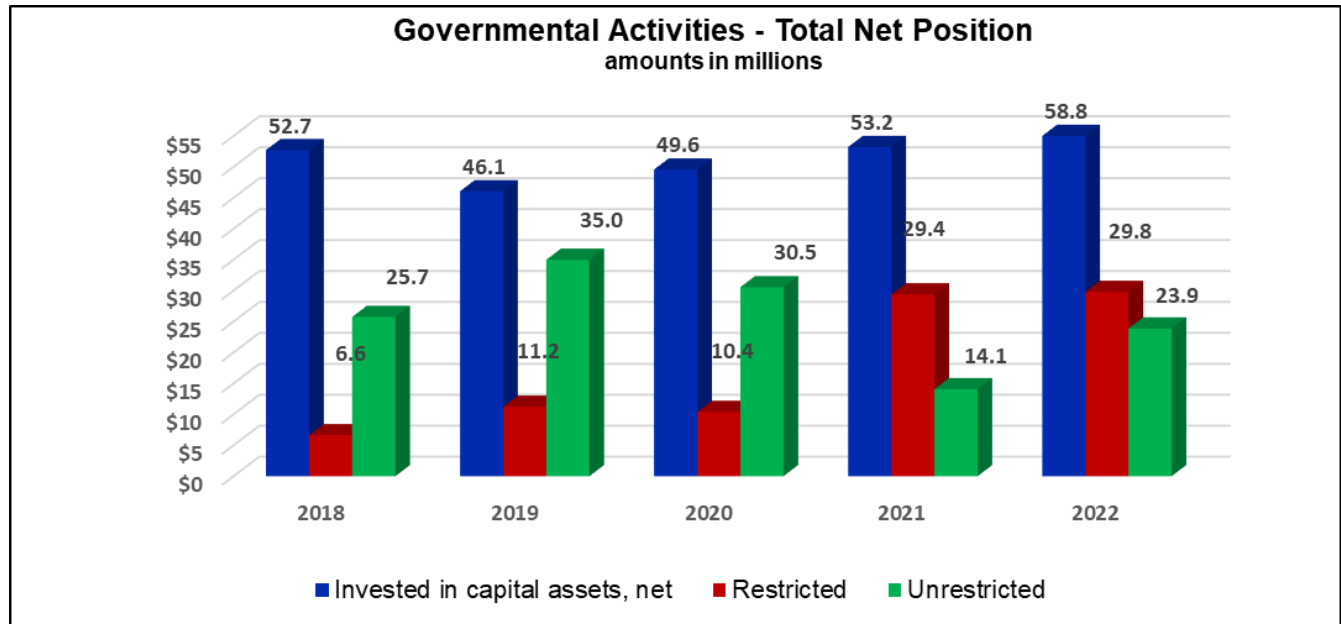
Table 1
City of Englewood
Summary of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Assets						
Current and other assets	\$ 76,288,491	\$ 70,558,055	\$ 133,962,133	\$ 112,923,004	\$ 210,250,624	\$ 183,481,059
Capital assets	90,936,632	85,821,892	71,262,462	62,158,690	162,199,094	147,980,582
Total assets	167,225,123	156,379,947	205,224,595	175,081,694	372,449,718	331,461,641
Total deferred outflows of resources	6,993,135	6,474,324	1,167,222	314,344	8,160,357	6,788,668
Liabilities						
Long-term liabilities	41,178,521	40,929,442	57,124,636	34,635,853	98,303,157	75,565,295
Other liabilities	9,156,492	12,339,347	23,391,368	19,456,904	32,547,860	31,796,251
Total liabilities	50,335,013	53,268,789	80,516,004	54,092,757	130,851,017	107,361,546
Total deferred inflows of resources	11,420,118	12,923,505	40,596	1,908,299	11,460,714	14,831,804
Net Position						
Net investment in capital assets	58,795,694	53,206,050	51,085,653	50,064,778	109,881,347	103,270,828
Restricted	29,784,220	29,389,136	215,772	215,772	29,999,992	29,604,908
Unrestricted	23,883,213	14,066,791	74,533,792	69,114,432	98,417,005	83,181,223
Total net position	\$ 112,463,127	\$ 96,661,977	\$ 125,835,217	\$ 119,394,982	\$ 238,298,344	\$ 216,056,959

Capital assets make up 43.6% or \$162.2 million of total assets. This represents the City's investment 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, \$30.0 million or 12.3% represents resources that are subject to contractual or legislative restrictions on how they may be used. The unrestricted net position of the City's utility funds, \$74.5 million or

59.2% may be used to meet the government's ongoing obligations to citizens and creditors. Of the \$23.9 million of unrestricted net position attributed to governmental activities, \$6.8 million represents the unrestricted net position of the City's internal service funds.



B. Analysis of Changes in Net position

As presented in Table 2, the City of Englewood's overall net position increased by \$22.2 million during 2022. This change is explained in the governmental and business-type activities discussion below.

Governmental Activities

- Net position of governmental activities increased by \$15.8 million during 2022.
- Governmental revenues increased by approximately \$13.2 million or 19.3% compared to 2021. This increase is primarily due to \$8.3 million of additional tax collections during 2022.
- Governmental expenses increased by approximately \$3.8 million or 6.2% from 2021. The primary reason for this increase was a 3.5% wage increase for all employees and continued inflationary pressures for other good and services.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues						
Permits, fees, fines and charges for services	\$ 8,352,233	\$ 8,243,513	\$ 40,430,811	\$ 36,183,048	\$ 48,783,044	\$ 44,426,561
Operating grants and contributions	4,093,144	4,009,539	659,683	3,794,420	4,752,827	7,803,959
Capital grants and contributions	2,178,849	2,304,291	1,819,397	1,686,777	3,998,246	3,991,068
General Revenues						
Taxes	59,641,778	51,335,667	-	-	59,641,778	51,335,667
Investment earnings	(1,391,610)	(732,959)	(795,181)	(236,428)	(2,186,791)	(969,387)
Other	8,715,713	3,218,004	-	29,750	8,715,713	3,247,754
Total revenues	<u>81,590,107</u>	<u>68,378,055</u>	<u>42,114,710</u>	<u>41,457,567</u>	<u>123,704,817</u>	<u>109,835,622</u>
Expenses						
General government	16,471,606	14,528,160	-	-	16,471,606	14,528,160
Public Safety	23,737,632	22,894,154	-	-	23,737,632	22,894,154
Public works	14,185,096	12,974,036	-	-	14,185,096	12,974,036
Culture and recreation	10,299,425	10,328,335	-	-	10,299,425	10,328,335
Interest on long-term debt	1,095,198	1,239,962	-	-	1,095,198	1,239,962
Water	-	-	13,396,277	10,596,214	13,396,277	10,596,214
Sewer	-	-	15,774,501	15,606,310	15,774,501	15,606,310
Golf Course	-	-	2,427,529	2,383,815	2,427,529	2,383,815
Storm	-	-	2,914,246	1,192,044	2,914,246	1,192,044
Concrete	-	-	738,228	644,035	738,228	644,035
Housing rehabilitation	-	-	423,694	94,717	423,694	94,717
Total expenses	<u>65,788,957</u>	<u>61,964,647</u>	<u>35,674,475</u>	<u>30,517,135</u>	<u>101,463,432</u>	<u>92,481,782</u>
Change in Net Position	15,801,150	6,413,408	6,440,235	10,940,432	22,241,385	17,353,840
Net Position - beginning	96,661,977	90,510,001	119,394,982	108,559,127	216,056,959	199,069,128
Restatement of net position	-	(261,432)	-	(104,577)	-	(366,009)
Restated Net Position - beginning	<u>96,661,977</u>	<u>90,248,569</u>	<u>119,394,982</u>	<u>108,454,550</u>	<u>216,056,959</u>	<u>198,703,119</u>
Net Position - ending	<u>\$ 112,463,127</u>	<u>\$ 96,661,977</u>	<u>\$ 125,835,217</u>	<u>\$ 119,394,982</u>	<u>\$ 238,298,344</u>	<u>\$ 216,056,959</u>

The following graphs provide visual representations of the expenses and revenues for governmental activities for 2022.

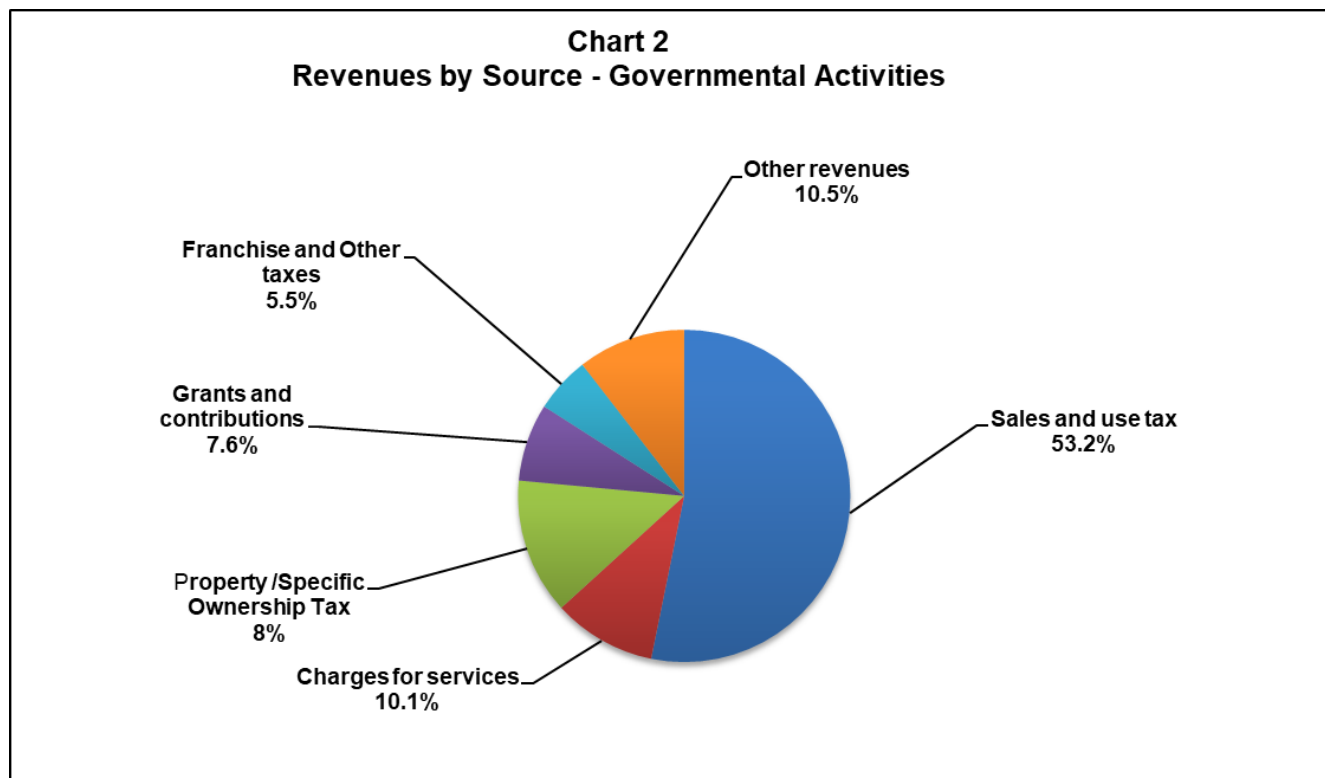
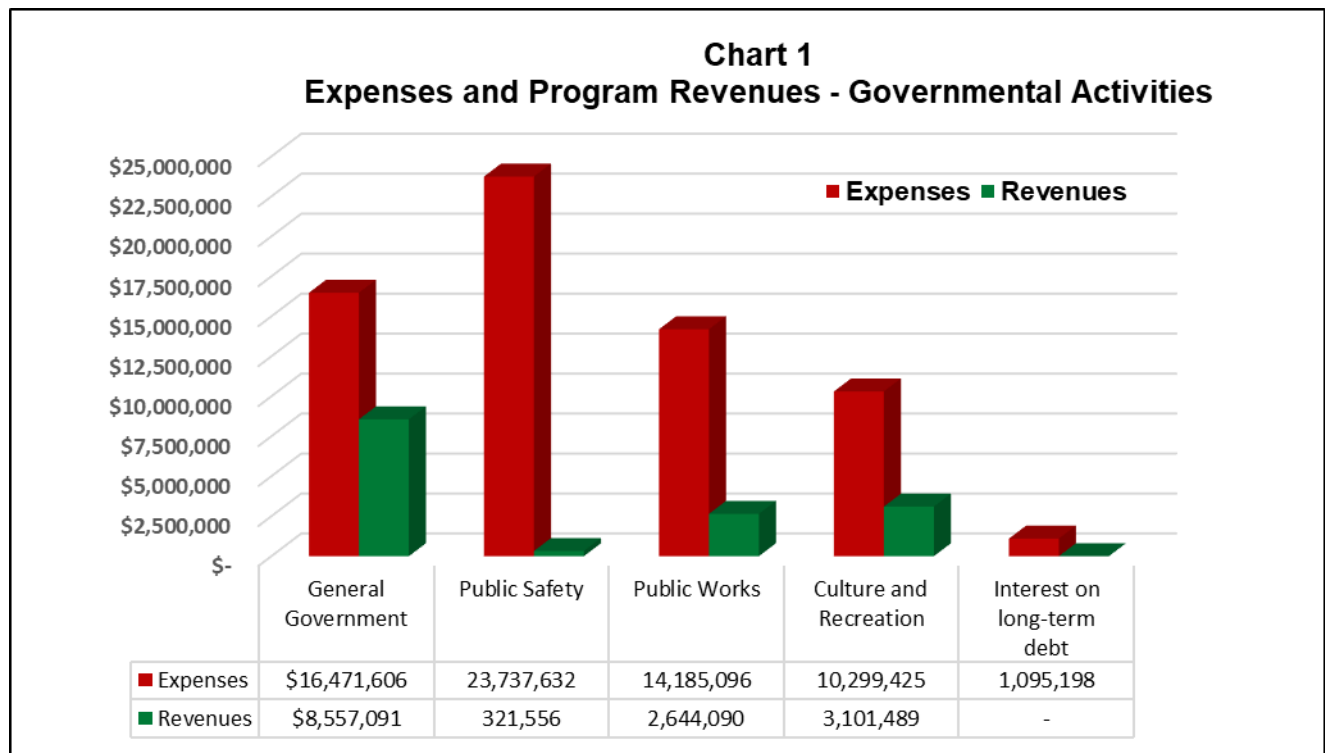
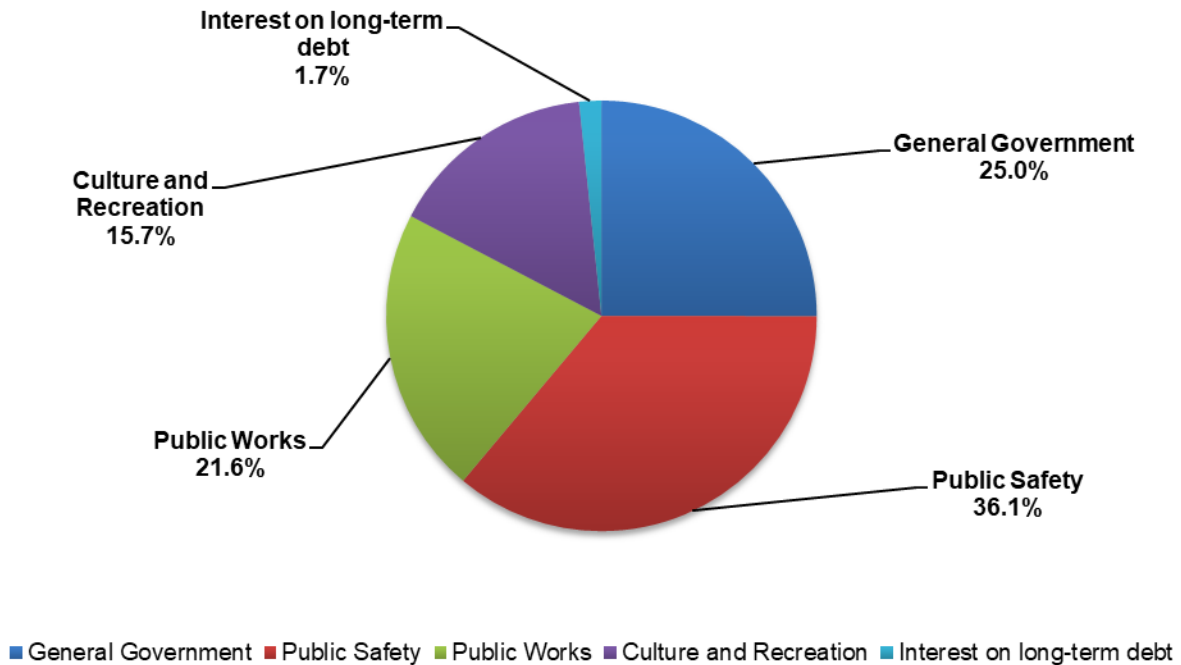


Chart 3
Expenses by Function - Governmental Activities



Business-type Activities

Overall the Business-type activities increased the total net position of the City by \$6.5 million in 2022.

The *water fund* experienced an increase in net position of \$1.0 million compared to an increase of \$1.0 million in 2021. Water rates were increased 4% on January 1, 2022. The rate increase, along with an increase in raw water sales and a modest increase in operating expenses left the fund with a net operating loss of \$371,000. This operating loss was offset by \$1.4 million in new connection fees. This, along with earnings on investments and other income covered the interest on long-term debt of \$230,795.

The *sewer fund* saw an increase in net position of \$5.6 million compared to an increase of \$5.8 million in 2021. The fund experienced net operating income of \$8.2 million in 2022 compared to \$8.9 million in 2021. A sewer rate increase of 4% was implemented in 2022. The rate increase is designed to provide additional resources to meet debt service requirements, capital improvements, and to fund ongoing operations and maintenance requirements.

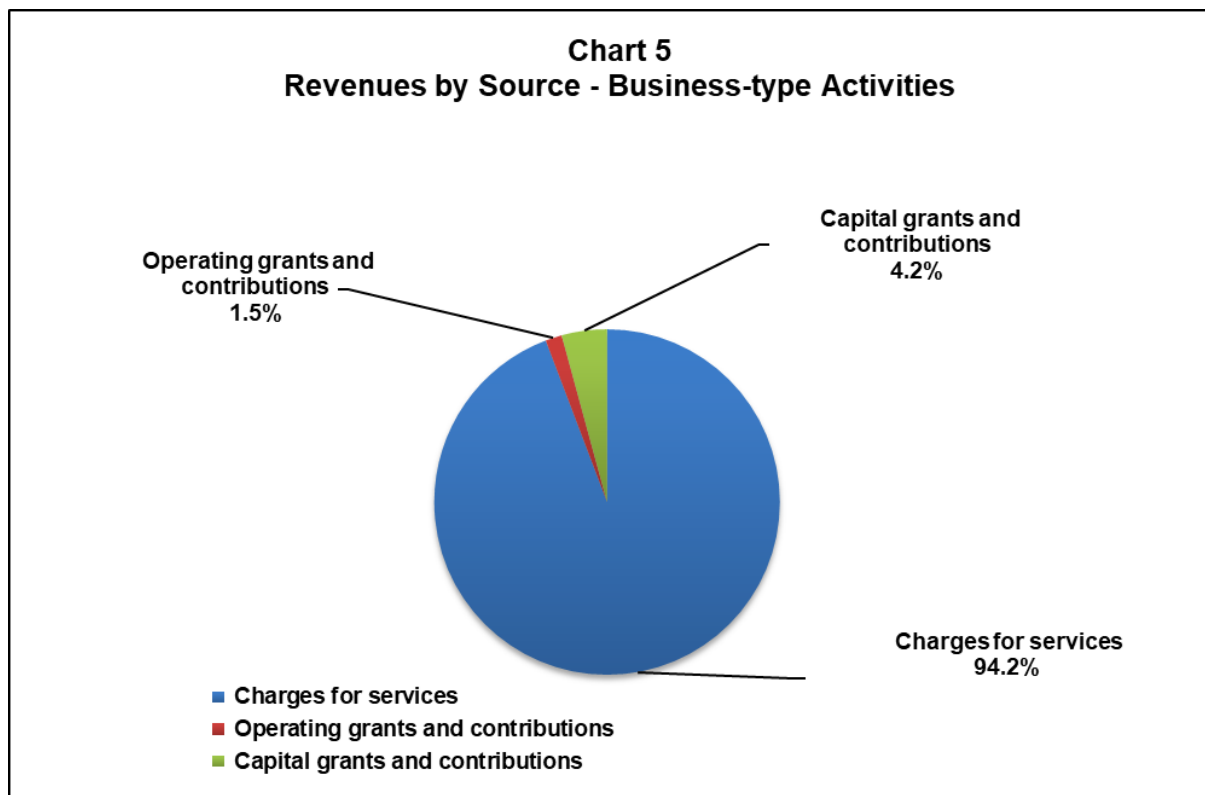
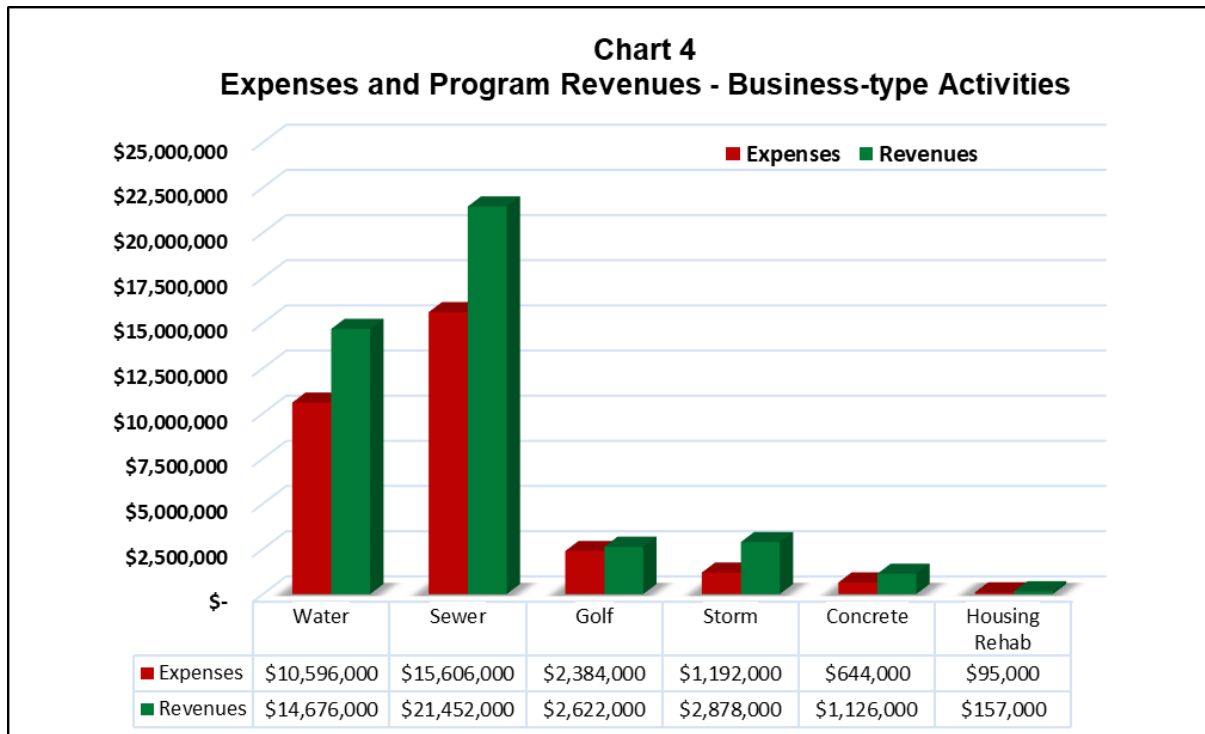
The *golf course fund* experienced a increase in net position of \$164,000 in 2022 compared to a decrease of \$68,000 in 2021.

The *storm drainage*, and *concrete utility* funds had net operating incomes of \$365,000 and \$387,000 respectively when compared to 2021.

The *storm drainage fund* entered into a new \$26 million State Revolving Fund loan during 2022.

The *housing rehabilitation fund* had a net operating loss of \$411,000 in 2022 due to repayment of program income to Arapahoe County.

The following graphs provide visual representations of the expenses and revenues for business-type activities for 2022.



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, 2022, the City's governmental funds reported combined ending fund balances of \$56.4 million, an increase of \$8.2 million, or 17.9%, compared to 2021. \$46.3 million (82.1%) constitutes *committed, assigned and unassigned balances*, which are available for spending at the City's discretion. Of the *committed* fund balance, \$95,000 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	\$4,905,000
Restricted for law enforcement	2,944,000
Restricted for debt service	134,000
Restricted for TABOR emergency	2,100,000

The General Fund is the primary operating fund of the City. At the end of 2022, *unassigned* fund balance of the General Fund was \$20.4 million while total fund balance was \$24.2 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 38.2% of total General Fund expenditures, up from 28.6% in 2021, while total fund balance represents 42% of that same amount (up from 32.1% in 2021).

The total fund balance of the City's General Fund increased by \$7.1 million during 2022. Revenues increased by \$9.0 million or approximately 16% and expenditures increased \$3.1 million or approximately 6.0%. Key factors are as follows:

- Sales and use tax revenues increased by \$6.1 million or 17.8%.
- A one-time revenue also contributed to the increase. \$1,119,000 was received as part of the City's portion of a refund to local jurisdictions that collected taxes used to build the professional football teams stadium. The refund was prompted by the sale of the team in 2022.

The original 2022 expenditure budget adopted in 2021 for the General Fund was \$55,505,749.

Actual expenditures were \$2.1 million less than the final amended budget amount, a 3.4% favorable variance. This is primarily due to vacant positions and other anticipated spending that was delayed until future years.

Actual revenues were \$8.2 million more than the final amended budget amount, a 14.5% variance. This increase was primarily due to an increase in sales and use tax receipts in the amount of \$6.1 million. As mentioned earlier there was also a one-time revenue of \$1.1 million received related to the sale of the professional football team.

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

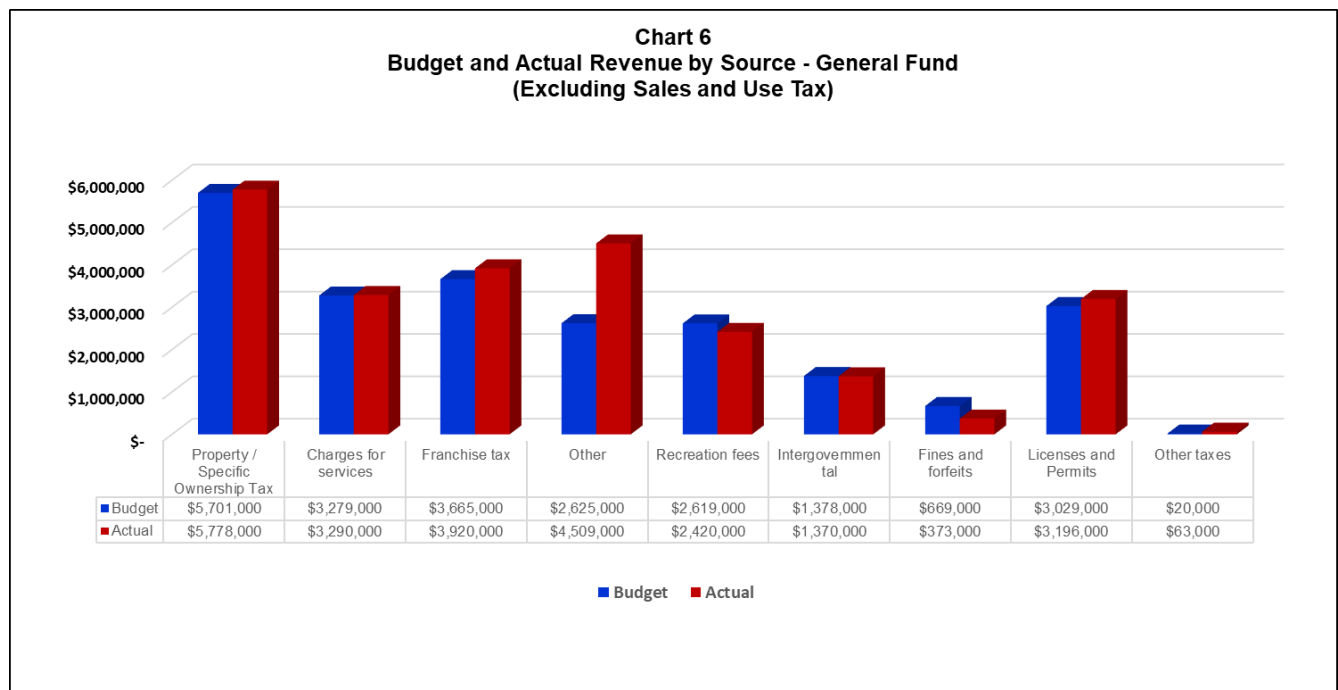


Chart 7
Budget and Actual Expenditures by Department, less Transfers - General Fund

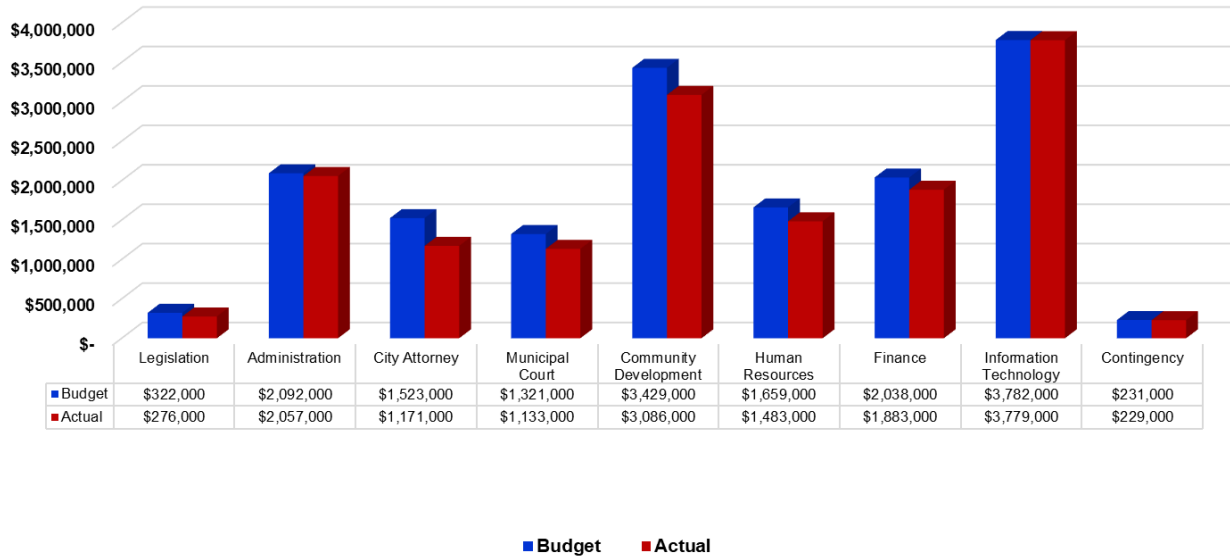


Chart 7
(Continued)

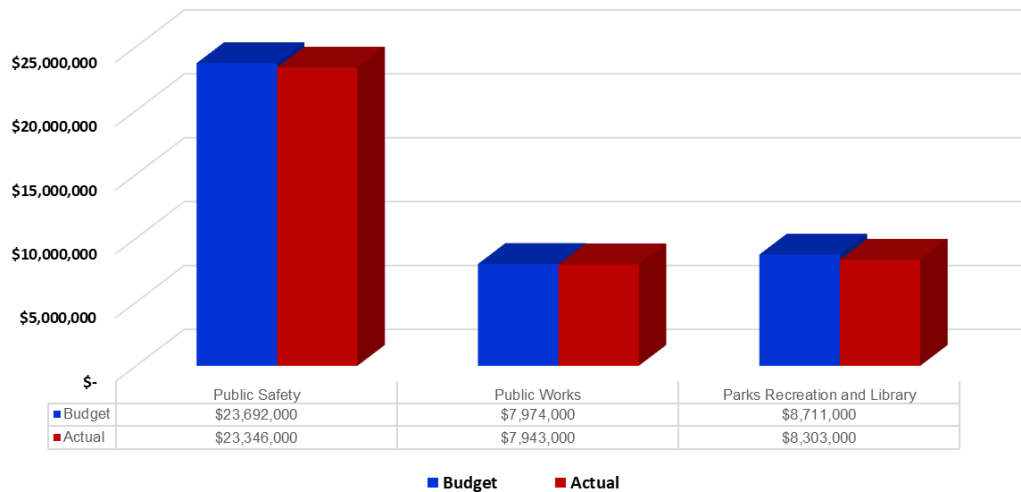
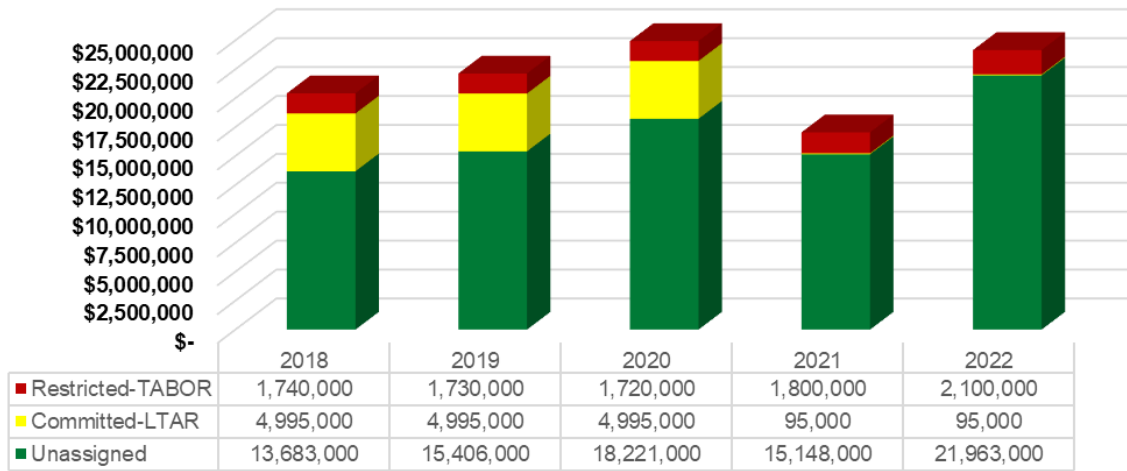


Chart 8
Components of General Fund Balance
2018 - 2022



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, 2022 follow:

	Net Position	Change in Net Position
Water	\$ 44,655,669	\$ 931,244
Sewer	44,686,727	5,577,333
Golf	13,446,957	163,946
Storm drainage	5,377,591	(218,090)
Concrete utility	14,058,479	353,310
Housing rehabilitation	2,383,077	(285,856)
Total net position	<u>\$ 124,608,500</u>	<u>\$ 6,521,887</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, 2022 amounts to \$157 million (net of accumulated depreciation). This investment in capital assets includes land, plant, buildings, improvements, machinery and equipment, roads and bridges. The total increase in capital assets for the current year was \$9.4 million, or 6.4%. Net capital assets of governmental activities increased approximately \$334,000 while business-type activities increased by \$9.1 million.

Major capital asset activity during 2022 included the following:

Governmental Activities:

- \$4.0 million in infrastructure additions were offset by \$4.3 million of depreciation on existing assets

Business-type Activities

- \$640,000 in new concrete sidewalks and alley pans were installed in the City
- The Water fund added \$1.2 million for process equipment
- The Storm Water fund purchased \$5.5 million of land and constructed \$2.4 million of drainage infrastructure
- The Storm Water fund has \$1.2 million of new infrastructure projects under construction
- 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 2022 and 2021:

	Capital Assets at Year-end (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land and improvements	\$ 15,558,961	\$ 15,558,961	\$ 17,019,633	\$ 11,522,825	\$ 32,578,594	\$ 27,081,786
Works of art	273,750	273,750	-	-	273,750	273,750
Raw water	-	-	6,235,212	6,235,212	6,235,212	6,235,212
Infrastructure	4,815,113	6,246,786	25,036,904	22,914,442	29,852,017	29,161,228
Improvements	10,409,506	11,065,718	12,952,300	13,178,936	23,361,806	24,244,654
Buildings	43,172,240	44,567,437	4,740,541	5,404,831	47,912,781	49,972,268
Machinery and equipment	5,943,182	5,377,311	1,710,096	527,187	7,653,278	5,904,498
Construction in process	5,983,505	2,731,929	3,541,631	2,375,257	9,525,136	5,107,186
Total capital assets	\$ 86,156,257	\$ 85,821,892	\$ 71,236,317	\$ 62,158,690	\$ 157,392,574	\$ 147,980,582

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+	Aa2
General Obligation Water ¹	AA+	Aa2
Storm Water Enterprise ²	AA	Not requested
Golf Course Enterprise	Not requested	Not requested

¹ Rating was upgraded by Moody's in 2018

² Rating was received from S&P in 2021

City Charter limits the amount of general obligation debt the City may issue to 3% of its *actual* total assessed valuation. The current debt limitation for the City is \$216 million, which is significantly in excess of the City's actual outstanding general obligation debt that is subject to this limitation of \$26.9 million.

At the end of 2022, the City had total long-term debt of \$93.1 million as follows:

Outstanding Debt, at Year-end						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 22,215,000	\$ 24,290,000	\$ 8,375,000	\$ 9,080,000	\$ 30,590,000	\$ 33,370,000
Revenue bonds	-	-	10,325,000	10,435,000	10,325,000	10,435,000
Leases	459,491	3,379,163	-	-	459,491	3,379,163
Premiums	4,686,072	4,946,679	1,587,661	1,625,271	6,273,733	6,571,950
Notes payable	-	-	37,493,948	15,068,416	37,493,948	15,068,416
Net OPEB Liability	4,159,992	4,106,239	1,567,262	1,541,251	5,727,254	5,647,490
Net lease liability	373,796	-	26,866	-	400,662	-
Compensated absences	1,622,776	1,527,384	245,424	194,591	1,868,200	1,721,975
Total outstanding debt	\$ 33,517,127	\$ 38,249,465	\$ 59,621,161	\$ 37,944,529	\$ 93,138,288	\$ 76,193,994

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 **2023 Budget** anticipates a 5% increase in personnel costs and an 3.5% for other expenditures. Revenues are budgeted to increase 4%.

The following were the general guidelines for the 2023 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 2022 levels but continued increases are expected.
- Capital items were submitted separately, ranked by relative importance and included in the Capital Improvement Plan.

The 2023 General Fund is projecting expenditures to exceed revenues by \$1.6 million. The proposed General Fund unrestricted fund balance for 2023 is projected at 16.7% of projected revenues. The City adopted a new fund balance policy in 2017 that places a targeted fund balance in the General Fund equal to two months of operations or 16.7%.

Estimated Revenues

Before interfund transfers, total General Fund revenues are projected at \$61.4 million for 2023; this is an 8.2% increase from the 2022 revenue budget of \$56.7 million. Sales and use tax revenues, which comprised approximately 62.2% of General Fund revenues in 2022, are estimated at \$38.7 million for 2023, which is a 9% decrease from the actual 2022 revenue amount. The sales and use tax estimate is based on historical collections and projected economic conditions.

Expenditure Appropriations

2023 expenditure appropriations are projected at \$62.7 million.

Net Transfers

The net transfers for the General Fund are estimated at (\$1.1) million.

Other 2023 information

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 two employee collective bargaining contracts. The City's cost to provide healthcare insurance coverage to eligible employees is expected to remain flat in 2023. Excluding personnel, fuel and energy costs, only inflationary increases are proposed for all other operating and maintenance costs for 2023.

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 fund balance. Looking to 2023 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 are also available on the City's website at www.englewoodco.gov. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Finance, 1000 Englewood Parkway, Englewood, Colorado, 80110-2373.

BASIC FINANCIAL STATEMENTS

CITY OF ENGLEWOOD, COLORADO
Statement of Net Position
December 31, 2022

	Primary Government			Component Units			
	Governmental	Business-Type	Total	EURA	EEF	EMRF	EDDA
Assets	Activities	Activities					
Cash and investments	\$ 61,774,005	\$ 44,226,006	\$ 106,000,011	\$ 811,982	\$ 853,877	\$ 14,236	\$ 509,384
Receivables:							
Property taxes	7,910,746	-	7,910,746	-	-	-	-
Sales and use taxes	5,659,648	-	5,659,648	-	-	-	-
Interest	293,912	209,639	503,551	3,628	3,535	281	2,106
Accounts	742,960	6,056,025	6,798,985	-	45,388	-	-
Intergovernmental	1,021,772	-	1,021,772	-	-	-	-
Other	-	27,794,751	27,794,751	-	6,654	-	-
Land held for resale	-	-	-	71,626	-	-	-
Internal balances	(1,226,717)	1,226,717	-	-	-	-	-
Inventories	112,165	69,882	182,047	-	-	-	-
Other assets	-	-	-	-	-	6,853	-
Equity in joint venture	-	50,667,940	50,667,940	-	-	-	-
Pension assets	4,466,761	-	4,466,761	-	-	-	-
Restricted assets - cash and investments	-	2,465,772	2,465,772	-	-	-	-
Noncurrent notes receivable	-	1,245,401	1,245,401	844,712	-	-	-
Lease receivable	-	-	-	-	-	35,466,957	-
Capital assets not being depreciated	21,816,216	26,796,475	48,612,691	-	8,496,257	5,706,166	-
Capital assets, net of accumulated depreciation	64,653,655	44,465,987	109,119,642	-	1,403,297	-	-
Total assets	<u>167,225,123</u>	<u>205,224,595</u>	<u>372,449,718</u>	<u>1,731,948</u>	<u>10,809,008</u>	<u>41,194,493</u>	<u>511,490</u>
Deferred Outflows of Resources							
Pension related deferred outflows	6,528,579	902,399	7,430,978	-	-	-	-
OPEB related deferred outflows	464,556	168,392	632,948	-	-	-	-
Deferred charge on refunding	-	96,431	96,431	-	-	-	-
Total deferred outflows of resources	<u>6,993,135</u>	<u>1,167,222</u>	<u>8,160,357</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities							
Accounts payable	2,415,261	1,410,544	3,825,805	-	309,865	3,465	98,074
Accrued payroll and related liabilities	1,252,591	247,761	1,500,352	-	-	-	-
Unearned revenue	2,114,830	11,235,717	13,350,547	-	-	40,263	-
Other liabilities	27,133	4,131,396	4,158,529	-	-	-	150,000
Accrued interest payable	95,100	429,028	524,128	-	-	-	-
Claims payable	553,669	-	553,669	-	-	-	-
Noncurrent liabilities:							
Due within one year	2,697,908	5,936,922	8,634,830	-	-	-	-
Due in more than one year	41,178,521	57,124,636	98,303,157	-	-	-	-
Total liabilities	<u>50,335,013</u>	<u>80,516,004</u>	<u>130,851,017</u>	<u>-</u>	<u>309,865</u>	<u>43,728</u>	<u>248,074</u>
Deferred Inflows of Resources							
Deferred revenue-property tax	7,910,746	-	7,910,746	-	-	-	-
Pension related deferred inflows	3,388,682	6,528	3,395,210	-	-	-	-
Lease related deferred inflows	-	-	-	-	-	34,658,852	-
OPEB related deferred inflows	120,690	34,068	154,758	-	-	-	-
Total deferred inflows of resources	<u>11,420,118</u>	<u>40,596</u>	<u>11,460,714</u>	<u>-</u>	<u>-</u>	<u>34,658,852</u>	<u>-</u>
Net Position							
Net investment in capital assets	58,795,694	51,085,653	109,881,347	-	9,899,554	5,706,166	-
Restricted for:							
Capital projects	19,701,318	-	19,701,318	-	-	-	-
Debt service	134,368	215,772	350,140	-	-	-	-
Parks and recreation	4,904,925	-	4,904,925	-	-	-	-
Law enforcement	2,943,609	-	2,943,609	-	-	-	-
TABOR emergencies	2,100,000	-	2,100,000	-	-	-	-
Unrestricted	23,883,213	74,533,792	98,417,005	1,731,948	599,589	785,747	263,416
Total net position	<u>\$ 112,463,127</u>	<u>\$ 125,835,217</u>	<u>\$ 238,298,344</u>	<u>\$ 1,731,948</u>	<u>\$ 10,499,143</u>	<u>\$ 6,491,913</u>	<u>\$ 263,416</u>

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

CITY OF ENGLEWOOD, COLORADO
Statement of Activities
For the Year Ended December 31, 2022

Function/Program Activities	Expenses	Program Revenues			Net (Expense) Revenues and Change in Net Position					
		Permits, Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units			
					Governmental Activities	Business-Type Activities	Total	EURA	EEF	EMRF
Primary government:										
Governmental Activities:										
General government	\$ 16,471,606	\$ 6,445,633	\$ 2,111,458	\$ -	\$ (7,914,515)		\$ (7,914,515)			
Public safety	23,737,632	207,993	113,563	-	(23,416,076)		(23,416,076)			
Public works	14,185,096	465,241	-	2,178,849	(11,541,006)		(11,541,006)			
Culture and recreation	10,299,425	1,233,366	1,868,123	-	(7,197,936)		(7,197,936)			
Interest and fiscal charges	1,095,198	-	-	-	(1,095,198)		(1,095,198)			
Total governmental activities	65,788,957	8,352,233	4,093,144	2,178,849	(51,164,731)		(51,164,731)			
Business-type Activities:										
Water	13,396,277	12,785,693	515,000	1,374,854	-	\$ 1,279,270	1,279,270			
Sewer	15,774,501	21,007,415	-	444,543	-	5,677,457	5,677,457			
Golf	2,427,529	2,621,536	-	-	-	194,007	194,007			
Storm	2,914,246	2,878,122	-	-	-	(36,124)	(36,124)			
Concrete	738,228	1,125,649	-	-	-	387,421	387,421			
Housing Rehabilitation	423,694	12,396	144,683	-	-	(266,615)	(266,615)			
Total business-type activities	35,674,475	40,430,811	659,683	1,819,397	-	7,235,416	7,235,416			
Total primary government	\$ 101,463,432	\$ 48,783,044	\$ 4,752,827	\$ 3,998,246	(51,164,731)	7,235,416	(43,929,315)			
Component Units:										
EURA	\$ 1,000	\$ -	\$ -	\$ -			\$ (1,000)	\$ -	\$ -	\$ -
EEF	2,016,009	1,783,823	-	-			-	(232,186)	-	-
EMRF	1,893,187	2,642,649	-	-			-	-	749,462	-
EDDA	460,941	-	31,414	-			-	-	-	(429,527)
Total component units	\$ 4,371,137	\$ 4,426,472	\$ 31,414	\$ -			\$ (1,000)	\$ (232,186)	\$ 749,462	\$ (429,527)
General revenues:										
Property taxes					10,979,836	-	10,979,836	-	-	385,668
Sales and use taxes					44,137,341	-	44,137,341	-	-	293,042
Franchise tax and other taxes					4,524,601	-	4,524,601	-	-	-
Unrestricted investment earnings					(1,391,610)	(795,181)	(2,186,791)	26,360	(29,807)	(3,034)
Unrestricted grants and contributions					3,112,386	-	3,112,386	-	-	-
Miscellaneous					5,229,531	-	5,229,531	-	-	-
Long-term lease					373,796	-	373,796	-	-	-
Total general revenues					66,965,881	(795,181)	66,170,700	26,360	(29,807)	(3,034)
Change in net position					15,801,150	6,440,235	22,241,385	25,360	(261,993)	746,428
Net position - beginning					96,661,977	119,394,982	216,056,959	1,706,588	10,761,136	5,745,485
Net position - ending					\$ 112,463,127	\$ 125,835,217	\$ 238,298,344	\$ 1,731,948	\$ 10,499,143	\$ 6,491,913

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

CITY OF ENGLEWOOD, COLORADO

**Balance Sheet
Governmental Funds
December 31, 2022**

	General	Public Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	\$ 22,394,968	\$ 19,421,845	\$ 12,843,466	\$ 54,660,279
Receivables:				
Property taxes	5,161,423	-	2,749,323	7,910,746
Sales and use taxes	5,448,161	211,487	-	5,659,648
Interest	90,200	93,366	72,219	255,785
Accounts	442,745	14,150	-	456,895
Intergovernmental	326,956	520,349	174,467	1,021,772
Total assets	<u>\$ 33,864,453</u>	<u>\$ 20,261,197</u>	<u>\$ 15,839,475</u>	<u>\$ 69,965,125</u>
Liabilities				
Accounts payable	\$ 1,220,761	\$ 545,049	\$ 514,324	\$ 2,280,134
Accrued payroll and related liabilities	1,224,400	-	-	1,224,400
Unearned revenue	2,100,000	14,830	-	2,114,830
Other liabilities	-	-	27,133	27,133
Total liabilities	<u>4,545,161</u>	<u>559,879</u>	<u>541,457</u>	<u>5,646,497</u>
Deferred Inflows of Resources				
Deferred revenue-property tax	5,161,423	-	2,749,323	7,910,746
Total deferred inflows of resources	<u>5,161,423</u>	<u>-</u>	<u>2,749,323</u>	<u>7,910,746</u>
Fund Balances				
Restricted for:				
Parks and recreation	-	-	4,904,925	4,904,925
Law enforcement	-	-	2,943,609	2,943,609
Debt service	-	-	134,368	134,368
Tabor emergencies	2,100,000	-	-	2,100,000
Committed to:				
Capital projects	-	19,701,318	3,780,036	23,481,354
Parks and recreation	-	-	139,126	139,126
Long term asset reserve	94,869	-	-	94,869
Assigned to:				
Parks and recreation	-	-	534,373	534,373
Law enforcement	-	-	28,754	28,754
Other purposes	-	-	83,504	83,504
Subsequent year appropriation of fund balance	1,591,481	-	-	1,591,481
Unassigned	20,371,519	-	-	20,371,519
Total fund balances	<u>24,157,869</u>	<u>19,701,318</u>	<u>12,548,695</u>	<u>56,407,882</u>
Total liabilities deferred inflows and fund balances	<u>\$ 33,864,453</u>	<u>\$ 20,261,197</u>	<u>\$ 15,839,475</u>	<u>\$ 69,965,125</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, 2022

Total fund balances for governmental funds		\$ 56,407,882
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:		76,096,703
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
Pension assets		4,466,761
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	(26,901,072)	
Leases	(459,491)	
Compensated absences	<u>(1,622,776)</u>	(28,983,339)
Other long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. This amount represents pension, lease and OPEB assets, liabilities and the related deferred inflows and outflows.		(6,628,952)
Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due.		(95,100)
Internal Service Funds are used by management to charge the costs of fleet 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.		<u>11,199,172</u>
Net position of governmental activities		<u>\$ 112,463,127</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, 2022**

	General	Public Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 5,237,114	\$ 2,523,622	\$ 3,219,100	\$ 10,979,836
Sales and use taxes	40,370,334	3,767,007	-	44,137,341
Franchise and other taxes	4,524,601	-	-	4,524,601
Licenses and permits	3,195,514	-	-	3,195,514
Intergovernmental revenue	1,369,915	3,701,490	2,989,980	8,061,385
Charges for services	5,709,819	-	1,559	5,711,378
Fines and forfeitures	372,840	-	-	372,840
Net investment income	(246,711)	(306,540)	(244,181)	(797,432)
Contributions from component units	1,765,465	-	-	1,765,465
Other	2,235,432	94,150	156,153	2,485,735
Total revenue	<u>64,534,323</u>	<u>9,779,729</u>	<u>6,122,611</u>	<u>80,436,663</u>
Expenditures				
Current:				
General government	14,965,808	66,066	1,505,990	16,537,864
Public safety	23,346,022	-	199,201	23,545,223
Public works	7,943,098	4,472,242	357,732	12,773,072
Culture and recreation	8,302,916	63,563	1,217,379	9,583,858
Capital outlay	-	2,813,291	1,113,892	3,927,183
Debt service:				
Principal	2,812,000	-	2,075,000	4,887,000
Interest and other fiscal charges	162,178	-	1,207,563	1,369,741
Total expenditures	<u>57,532,022</u>	<u>7,415,162</u>	<u>7,676,757</u>	<u>72,623,941</u>
Excess revenues over (under) expenditures	<u>7,002,301</u>	<u>2,364,567</u>	<u>(1,554,146)</u>	<u>7,812,722</u>
Other financing sources (uses)				
Long-term lease additions	373,796	-	-	373,796
Transfers in	134,122	-	1,795,642	1,929,764
Transfers out	(395,642)	(1,534,122)	-	(1,929,764)
Total other financing sources (uses)	<u>112,276</u>	<u>(1,534,122)</u>	<u>1,795,642</u>	<u>373,796</u>
Net change in fund balances	7,114,577	830,445	241,496	8,186,518
Fund balances - beginning	<u>17,043,292</u>	<u>18,870,873</u>	<u>12,307,199</u>	<u>48,221,364</u>
Fund balances - ending	<u>\$ 24,157,869</u>	<u>\$ 19,701,318</u>	<u>\$ 12,548,695</u>	<u>\$ 56,407,882</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, 2022

Net Change in fund balances-total governmental funds \$ 8,186,518

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 net amount of additions \$5,674,591 retirements (\$548,741) and depreciation (\$4,791,485) (286,102)

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	(95,392)	
Net pension liability adjustment	2,494,737	
Adjustment to postemployment benefit liability	<u>(113,116)</u>	2,286,229

The issuance of long-term debt provide current financial resources to governmental funds, while the repayment of the principal of long-term debt and long-term leases consume current financial resources of governmental funds. These transactions, however, have no effect on net position.

Repayments:

General Obligation Bonds	2,075,000	
Long-term leases and other bonds	<u>2,979,854</u>	5,054,854

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	13,935	
Amortization of premium	<u>260,608</u>	274,543

Internal service funds are used by management to charge the costs of fleet management, printing management, and insurance to individual funds. A portion of the net revenue of internal service funds is reported with governmental activities.

285,108

Change in net position of governmental activities \$ 15,801,150

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, 2022

	Business-type Activities - Enterprise Funds							Governmental Activities Internal Service Funds
	Water	Sewer	Golf	Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	
Assets								
Current assets:								
Cash and investments - unrestricted	\$ 21,933,967	\$ 14,426,028	\$ 604,025	\$ 4,145,075	\$ 1,987,305	\$ 1,129,606	\$ 44,226,006	\$ 7,113,726
Cash and investments - restricted:								
Loan operations and maintenance account	-	1,250,000	-	-	-	-	1,250,000	-
Joint venture capital reserve	-	1,000,000	-	-	-	-	1,000,000	-
Interest receivable	100,240	63,261	6,923	22,954	10,838	5,423	209,639	38,127
Accounts receivable	1,062,371	4,793,934	-	159,996	39,724	-	6,056,025	286,065
Other receivables	1,282,645	396,421	-	26,000,000	-	115,685	27,794,751	-
Inventory	-	-	69,882	-	-	-	69,882	112,165
Total current assets	<u>24,379,223</u>	<u>21,929,644</u>	<u>680,830</u>	<u>30,328,025</u>	<u>2,037,867</u>	<u>1,250,714</u>	<u>80,606,303</u>	<u>7,550,083</u>
Noncurrent assets:								
Cash and investments - restricted:								
Revenue bond future debt service	-	-	215,772	-	-	-	215,772	-
Equity in joint venture	-	50,667,940	-	-	-	-	50,667,940	-
Notes receivable	-	-	-	-	-	1,245,401	1,245,401	-
Capital assets not being depreciated	7,483,009	450,400	12,173,577	6,689,489	-	-	26,796,475	340,097
Capital assets, net of accumulated depreciation and amortization	24,005,922	1,149,318	2,605,324	4,595,021	12,110,402	-	44,465,987	5,252,696
Total noncurrent assets	<u>31,488,931</u>	<u>52,267,658</u>	<u>14,994,673</u>	<u>11,284,510</u>	<u>12,110,402</u>	<u>1,245,401</u>	<u>123,391,575</u>	<u>5,592,793</u>
Total assets	<u>55,868,154</u>	<u>74,197,302</u>	<u>15,675,503</u>	<u>41,612,535</u>	<u>14,148,269</u>	<u>2,496,115</u>	<u>203,997,878</u>	<u>13,142,876</u>
Deferred Outflows of Resources								
Pension related deferred outflows	265,695	636,704	-	-	-	-	902,399	
OPEB related deferred outflows	56,131	99,787	12,474	-	-	-	168,392	
Deferred loss on refunding	77,752	-	18,679	-	-	-	96,431	-
Total deferred outflows of resources	<u>399,578</u>	<u>736,491</u>	<u>31,153</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,167,222</u>	<u>-</u>

CITY OF ENGLEWOOD , COLORADO

(Continued)

Statement of Net Position
Proprietary Funds
December 31, 2022

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds	
	Water	Sewer	Golf	Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	
Liabilities								
Current liabilities:								
Accounts payable	\$ 944,586	\$ 49,115	\$ 179,943	\$ 37,892	\$ 85,970	\$ 113,038	\$ 1,410,544	\$ 135,127
Accrued wages and related liabilities	175,811	30,847	28,806	8,477	3,820	-	247,761	28,191
Unearned revenue	-	11,093,042	142,675	-	-	-	11,235,717	-
Other current liabilities	188	3,972,952	78,241	80,015	-	-	4,131,396	553,669
Accrued interest payable	116,714	181,550	7,922	122,842	-	-	429,028	-
Compensated absences - current	84,198	14,674	23,839	-	-	-	122,711	-
General Obligation bonds payable - current	730,000	-	-	-	-	-	730,000	-
Revenue bonds payable - current	-	-	115,000	240,000	-	-	355,000	-
Notes payable - current	-	3,686,839	-	1,042,372	-	-	4,729,211	-
Total current liabilities	2,051,497	19,029,019	576,426	1,531,598	89,790	113,038	23,391,368	716,987
Noncurrent liabilities:								
General Obligation bonds payable	7,897,522	-	-	-	-	-	7,897,522	-
Revenue bonds payable	-	-	1,545,000	9,745,718	-	-	11,290,718	-
Notes payable	-	7,821,529	-	24,957,628	-	-	32,779,157	-
Pension liability	1,013,295	2,427,102	-	-	-	-	3,440,397	-
Compensated absences	84,198	14,675	23,839	-	-	-	122,712	-
Long-term lease liability	26,866	-	-	-	-	-	26,866	-
Other post employment benefit liability	524,936	930,278	112,050	-	-	-	1,567,264	-
Total noncurrent liabilities	9,546,817	11,193,584	1,680,889	34,703,346	-	-	57,124,636	-
Total liabilities	11,598,314	30,222,603	2,257,315	36,234,944	89,790	113,038	80,516,004	716,987
Deferred Inflows of Resources								
Pension related deferred inflows	2,213	4,315	-	-	-	-	6,528	-
OPEB related deferred inflows	11,536	20,148	2,384	-	-	-	34,068	-
Total deferred inflows	13,749	24,463	2,384	-	-	-	40,596	-
Net position								
Net investment in capital assets	22,939,161	1,599,718	13,137,580	1,298,792	12,110,402	-	51,085,653	5,592,793
Restricted for:								
Debt service	-	-	215,772	-	-	-	215,772	-
Unrestricted	21,716,508	43,087,009	93,605	4,078,799	1,948,077	2,383,077	73,307,075	6,833,096
Total net position	\$ 44,655,669	\$ 44,686,727	\$ 13,446,957	\$ 5,377,591	\$ 14,058,479	\$ 2,383,077	124,608,500	\$ 12,425,889

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

1,226,717

Net position of business type activities

\$ 125,835,217

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

CITY OF ENGLEWOOD, COLORADO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2022**

	Business-type Activities-Enterprise Funds							Governmental Activities - Internal Service Funds
	Water	Sewer	Golf	Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	
Operating revenues								
Charges for sales and services:								
Service fees	\$ 12,785,693	\$ 21,007,415	\$ 2,313,613	\$ 2,878,122	\$ 1,122,442	\$ -	\$ 40,107,285	\$ 9,572,271
Concessions	-	-	249,817	-	-	-	249,817	-
Interest from notes	-	-	-	-	-	9,208	9,208	-
Other	-	-	32,838	-	3,207	3,188	39,233	439,944
Total operating revenues	<u>12,785,693</u>	<u>21,007,415</u>	<u>2,596,268</u>	<u>2,878,122</u>	<u>1,125,649</u>	<u>12,396</u>	<u>40,405,543</u>	<u>10,012,215</u>
Operating expenses								
Joint venture operating expenses	-	8,039,628	-	-	-	-	8,039,628	-
Personnel services	4,087,706	326,055	1,035,836	178,192	101,424	-	5,729,213	746,589
Customer accounting and collection	1,255,481	959,748	-	-	-	-	2,215,229	-
Commodities and contractual services	6,480,542	2,767,915	810,885	2,221,323	208,693	423,694	12,913,052	8,387,851
Other	202,099	626,700	145,847	-	-	-	974,646	-
Depreciation and amortization	1,130,492	87,396	326,362	113,617	428,111	-	2,085,978	1,015,024
Total operating expenses	<u>13,156,320</u>	<u>12,807,442</u>	<u>2,318,930</u>	<u>2,513,132</u>	<u>738,228</u>	<u>423,694</u>	<u>31,957,746</u>	<u>10,149,464</u>
Operating income (loss)	<u>(370,627)</u>	<u>8,199,973</u>	<u>277,338</u>	<u>364,990</u>	<u>387,421</u>	<u>(411,298)</u>	<u>8,447,797</u>	<u>(137,249)</u>
Nonoperating revenues (expense)								
Net investment income	(326,188)	(204,100)	(30,061)	(181,480)	(34,111)	(19,241)	(795,181)	(147,015)
Grant income	515,000	-	-	-	-	144,683	659,683	-
Interest expense	(230,795)	(459,521)	(108,599)	(401,600)	-	-	(1,200,515)	-
Gain (loss) on disposition of assets	-	-	-	-	-	-	-	288,588
Joint venture capital contributions	-	(2,434,562)	-	-	-	-	(2,434,562)	-
Other, net	-	-	25,268	-	-	-	25,268	996
Total nonoperating revenues (expenses)	<u>(41,983)</u>	<u>(3,098,183)</u>	<u>(113,392)</u>	<u>(583,080)</u>	<u>(34,111)</u>	<u>125,442</u>	<u>(3,745,307)</u>	<u>142,569</u>
Income (loss) before contributions	<u>(412,610)</u>	<u>5,101,790</u>	<u>163,946</u>	<u>(218,090)</u>	<u>353,310</u>	<u>(285,856)</u>	<u>4,702,490</u>	<u>5,320</u>
Capital contributions - tap fees	1,374,854	444,543	-	-	-	-	1,819,397	-
Capital contributions - other	-	-	-	-	-	-	-	198,131
Transfers out	(31,000)	31,000	-	-	-	-	-	-
Change in net position	<u>931,244</u>	<u>5,577,333</u>	<u>163,946</u>	<u>(218,090)</u>	<u>353,310</u>	<u>(285,856)</u>	<u>6,521,887</u>	<u>203,451</u>
Total net position - beginning	<u>43,724,425</u>	<u>39,109,394</u>	<u>13,283,011</u>	<u>5,595,681</u>	<u>13,705,169</u>	<u>2,668,933</u>		<u>12,222,438</u>
Total net position - ending	<u>\$ 44,655,669</u>	<u>\$ 44,686,727</u>	<u>\$ 13,446,957</u>	<u>\$ 5,377,591</u>	<u>\$ 14,058,479</u>	<u>\$ 2,383,077</u>		<u>\$ 12,425,889</u>

Adjustment to reflect the consolidation of
internal service fund activities related to
enterprise funds
Change in net position of business-type activities

(81,652)

\$ 6,440,235

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

CITY OF ENGLEWOOD, COLORADO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022**

	Business-type Activities-Enterprise Funds							Governmental Activities -
	Water	Sewer	Golf Course	Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
Cash flows from operating activities								
Cash received from customers	\$ 11,900,223	\$ 22,411,182	\$ 2,554,351	\$ 2,852,288	\$ 1,114,581	\$ -	\$ 40,832,625	\$ 9,954,662
Interest received from borrowers	-	-	-	-	-	169,446	169,446	-
Cash payments to suppliers for goods and services	(7,488,406)	(12,414,314)	(862,669)	(2,322,101)	(243,632)	(314,692)	(23,645,814)	(8,911,080)
Cash payments to employees for services	(4,074,053)	(705,064)	(1,025,383)	(178,504)	(100,281)	-	(6,083,285)	(748,125)
Other cash received	-	-	25,268	-	-	-	25,268	996
Net cash provided (used) by operating activities	337,764	9,291,804	691,567	351,683	770,668	(145,246)	11,298,240	296,453
Cash flows from noncapital financing activities								
Operating grants received	515,000	-	-	-	-	144,683	659,683	-
Joint Venture investment	-	(5,260,023)	-	-	-	-	(5,260,023)	-
Transfers to other funds	(31,000)	-	-	-	-	-	(31,000)	-
Transfers from other funds	-	31,000	-	-	-	-	31,000	-
Net cash provided (used) by noncapital financing activities	484,000	(5,229,023)	-	-	-	144,683	(4,600,340)	-
Cash flows from capital and related financing activities								
Contributed capital	1,374,854	444,543	-	-	-	-	1,819,397	-
Proceeds from sale of assets	-	-	-	-	-	-	-	325,133
Acquisition and construction of capital assets	(567,415)	-	(1,975,619)	(7,581,105)	(640,293)	-	(10,764,432)	(1,473,906)
Principal paid on long-term debt	(705,000)	(3,574,468)	(110,000)	-	-	-	(4,389,468)	-
Interest paid on long-term debt	(259,856)	(512,077)	(100,292)	(304,100)	-	-	(1,176,325)	-
Net cash (used) by capital related financing activities	(157,417)	(3,642,002)	(2,185,911)	(7,885,205)	(640,293)	-	(14,510,828)	(1,148,773)
Cash flows from investing activities								
Net investment income	(362,358)	(225,841)	(30,302)	(172,306)	(38,383)	(21,028)	(850,218)	(155,739)
Net cash provided by investing activities	(362,358)	(225,841)	(30,302)	(172,306)	(38,383)	(21,028)	(850,218)	(155,739)
Net increase (decrease) in cash and cash equivalents	301,989	194,938	(1,524,646)	(7,705,828)	91,992	(21,591)	(8,663,146)	(1,008,059)
Cash and cash equivalents - beginning	21,631,978	16,481,090	2,344,443	11,850,903	1,895,313	1,151,197	55,354,924	8,121,785
Cash and cash equivalents - ending	\$ 21,933,967	\$ 16,676,028	\$ 819,797	\$ 4,145,075	\$ 1,987,305	\$ 1,129,606	\$ 46,691,778	\$ 7,113,726

(Continued)

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Business-type Activities-Enterprise Funds						Governmental Activities -	
	Water	Sewer	Golf Course	Storm Drainage	Concrete Utility	Housing Rehabilitation	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ (370,627)	\$ 8,199,973	\$ 277,338	\$ 364,990	\$ 387,421	\$ (411,298)	\$ 8,447,797	\$ (137,249)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation and amortization	1,130,492	87,396	326,362	113,617	428,111	-	2,085,978	1,015,024
Miscellaneous income	-	-	25,268	-	-	-	25,268	996
Effect of changes in operating assets and liabilities:								
Accounts receivable	174,692	(673,466)	-	(25,834)	(11,067)	-	(535,675)	(57,553)
Other receivables	(1,060,162)	(40,001)	-	-	-	157,050	(943,113)	-
Inventory	194,248	-	(10,516)	-	-	-	183,732	(3,750)
Accounts payable	228,602	(20,323)	133,428	(100,778)	(34,939)	109,002	314,992	(664,887)
Accrued payroll and related liabilities	73,084	12,881	7,499	(312)	1,142	-	94,294	(1,536)
Deferred outflows	(265,148)	(642,790)	2,475	-	-	-	(905,463)	-
Deferred inflows	(498,877)	(1,330,897)	(1,448)	-	-	-	(1,831,222)	-
Net Pension liability	695,925	1,566,383	-	-	-	-	2,262,308	-
OPEB liability	8,669	15,414	1,927	-	-	-	26,010	-
Unearned revenue	-	1,432,432	(41,917)	-	-	-	1,390,515	-
Other current liabilities	26,866	684,802	(28,849)	-	-	-	682,819	145,408
Total adjustments	708,391	1,091,831	414,229	(13,307)	383,247	266,052	2,850,443	433,702
Net cash provided (used) by operating activities	\$ 337,764	\$ 9,291,804	\$ 691,567	\$ 351,683	\$ 770,668	\$ (145,246)	\$ 11,298,240	\$ 296,453

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

CITY OF ENGLEWOOD, COLORADO

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2022

	Nonemergency Pension	Custodial Fund Basin Interceptor
Assets		
Cash and equivalents	\$ 14,500	\$ 8,571,760
Interest receivable	238	43,336
Investments		
Fixed Income	5,538,782	-
Domestic equities	12,859,720	-
Other	8,088,135	-
International	7,658,545	-
Real Estate equities	3,170,936	-
Total investments	37,316,118	-
Accounts receivable	45,305	148,584
Total assets	37,376,161	8,763,680
Liabilities		
Accounts payable	27,500	610
Net Position		
Restricted for:		
Pension	37,348,661	-
Other governments	-	8,763,680
Total net position	\$ 37,348,661	\$ 8,763,680

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

CITY OF ENGLEWOOD, COLORADO

**Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2022**

	Nonemergency Pension	Custodial Fund Basin Interceptor
Additions		
Contributions:		
City	\$ 1,218,466	\$ -
Plan members	132,748	-
Maintenance fees	-	772,769
Line charges	-	78,468
Total contributions	1,351,214	851,237
Investment income:		
Net decrease in fair value of investments	(4,417,258)	-
Interest income	428	(161,644)
Less investment expense	(55,000)	-
Net investment income	(4,471,830)	(161,644)
Total additions	(3,120,616)	689,593
Deductions		
Benefits	3,214,089	-
Administrative expenses	21,745	1,570,442
Total deductions	3,235,834	1,570,442
Net decrease in net position	(6,356,450)	(880,849)
Net position - beginning	43,705,111	9,644,529
Net position - ending	\$ 37,348,661	\$ 8,763,680

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

CITY OF ENGLEWOOD, COLORADO

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December 31, 2022**

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CITY OF ENGLEWOOD, COLORADO

Notes to the Financial Statements December 31, 2022

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 Basic Financial Statements.

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 Englewood Downtown Development Authority (EDDA) was created by the voters residing within the EDDA boundaries. The purpose of the EDDA is to help initiate new development and improve quality-of-life within certain areas of the downtown region. Council approves property and sales tax increment financing for the EDDA.

The EURA, EEF, EMRF and EDDA are included in the City's financial statements because the City Council appoints 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, fiduciary fund, and custodial fund financial statements. 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, intergovernmental revenues 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 funds:

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 *public improvement fund* is a capital projects fund that accounts for the acquisition and/or construction of major capital improvements.

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, 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 *custodial fund* accounts for assets held by the City in a custodial capacity, on behalf of other governmental entities. These assets are used to maintain the Big Dry Creek Basin Interceptor, pursuant an agreement between the governments. The interceptor carries sewage from various connector districts to the South Platte Renew treatment facility.

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.

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.

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.
- 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 South Platte Water Renewal Partners 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 and in the proprietary funds financial statements. The City currently capitalizes assets that cost more than \$10,000 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 asset 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, represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred charges on debt refunding and deferred outflows related to pension, lease and other post-employment benefit 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only two types of items that qualify for reporting in this category. Deferred revenue for the sources shown, represent property taxes earned but levied for collection in a subsequent period. The other type of deferred inflow is related to pension, lease and other post-employment benefit 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

GASB 87 has been fully implemented in 2022.

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, 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 expenses or 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 and premiums, discounts and deferred losses.

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 committed 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 TABOR, 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 Council has the unrestricted authority to appropriate the funds 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 City will fund outlays for a particular purpose from both restricted and unrestricted resources. It is the City'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.

The City's fund balance policy places a targeted fund balance in the General Fund equal to two months of operations or 16.7%.

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	EDDA	EEF	EMRF	Reporting Entity Total
Unrestricted:								
Deposits and investments with City internal investment pool	\$ 106,000,011	\$ 8,586,260	\$ 114,586,271	\$ 811,982	\$ 509,384	\$ 853,877	\$ 14,236	\$ 116,775,750
Deposits and investments outside City internal investment pool	-	37,316,118	37,316,118	-	-	-	-	37,316,118
Subtotal unrestricted deposits and investments	106,000,011	45,902,378	151,902,389	811,982	509,384	853,877	14,236	154,091,868
Restricted:								
Deposits and investments with City internal investment pool	2,465,772	-	2,465,772	-	-	-	-	2,465,772
Total deposits and investments	\$ 108,465,783	\$ 45,902,378	\$ 154,368,161	\$ 811,982	\$ 509,384	\$ 853,877	\$ 14,236	\$ 156,557,640
Cash and deposits	\$ 8,873,127	\$ -	\$ 8,873,127	\$ -	\$ -	\$ -	\$ -	\$ 8,873,127
Investments	99,592,656	45,902,378	145,495,034	811,982	509,384	853,877	14,236	147,684,513
	\$ 108,465,783	\$ 45,902,378	\$ 154,368,161	\$ 811,982	\$ 509,384	\$ 853,877	\$ 14,236	\$ 156,557,640

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, 2022, the City's deposits amounting to \$8,614,119 were collateralized and an additional \$250,000 was insured by federal depository insurance and consequently was not exposed to custodial credit risk.

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, 2022:

Primary Government

Level 2 Inputs:

US Treasury Securities of \$33,336,208 are valued using quoted market prices.
Residential mortgage-backed securities of \$29,438,537 are valued using a matrix pricing technique.
Corporate bonds of \$25,520,432 are valued using a matrix pricing technique.

Defined Benefit Pension Plan

Fixed Income mutual funds of \$5,538,782 are valued at net asset value using quoted market prices.
Domestic Equity mutual funds of \$12,859,720 are valued at net asset value using quoted market prices.
International Equity mutual funds of \$7,658,545 are valued at net asset value using quoted market prices.
Real Estate equity mutual funds of \$3,170,936 are valued at net asset value using quoted market prices.
Other mutual funds of \$8,088,135 are valued at net asset value 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, with each share valued at \$1. Colotrust is a statutory trust organized and exists under the laws of the State of Colorado.

Presented below is the minimum rating required by the City's investment policy and the actual rating as of December 31, 2022 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	23%
Federal Farm Credit Banks (FFCB)	N/A	AA+	Aaa	4%
Federal Home Loan Banks (FHLB)	N/A	AA+	Aaa	7%
Federal Home Loan Mortgage Corporation (FHLMC)	N/A	AA+	Aaa	3%
Federal National Mortgage Association (FNMA)	N/A	AA+	Aaa	6%
Corporate bonds	AA-/Aa3	AAA	Aaa	1%
Corporate bonds	AA-/Aa3	AA+	Aa1	4%
Corporate bonds	AA-/Aa3	AA-	Aa2	4%
Corporate bonds	AA-/Aa3	AA-	Aa3	1%
Corporate bonds	AA-/Aa3	A+	Aa2	6%
Corporate bonds	A-	A-1	A2	2%
COLOTRUST (a)	N/A	AAAm	Aaa	16%

(a) 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, 2022.

	Total	Investment Maturities	
		Less than 1 year	1 to 5 years
Primary Government:			
Investments in City internal investment pool:			
U.S. Treasury Notes	\$ 33,336,208	\$ 4,932,536	\$ 28,403,672
U.S. Instrumentalities	27,252,457	9,294,574	17,957,883
Corporate Bonds	25,520,433	8,816,639	16,703,794
Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+)	24,259,297	24,259,297	-
Less: Component unit investments in internal investment pool	(2,189,479)	(2,189,479)	-
Subtotal investments in City internal investment pool	<u>108,178,916</u>	<u>45,113,567</u>	<u>63,065,349</u>
Retirement Trust Fund investments	<u>37,316,118</u>		
Total Primary Government	<u>145,495,034</u>		
Component Units:			
EURA:			
Investments in internal investment pool	811,982	<u>\$ 811,982</u>	<u>\$ -</u>
EDDA			
Investments in internal investment pool	509,384	<u>\$ 509,384</u>	<u>\$ -</u>
EEF:			
Investments in internal investment pool	853,877	<u>\$ 853,877</u>	<u>\$ -</u>
EMRF:			
Investments in internal investment pool	14,236	<u>\$ 14,236</u>	<u>\$ -</u>
Total Component Units	<u>2,189,479</u>		
Total Investments	<u>\$ 147,684,513</u>		

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, 2022, the weighted average maturity of the City's internal investment portfolio was 1.39 years.

Concentration of Credit Risk

Of the City's total investments in its internal investment pool, 30% were T-Notes, 26% were government agency notes and 22% were corporate bonds. Additionally, 22% of the internal investment pool was held by COLOTRUST.

Retirement Trust Funds' Investments

The investments of the pension trust funds are invested separately from the internal investment pool. At December 31, 2022, the investments were as follows:

Investment Type	Fair Value
Nonemergency Pension Trust Fund	
Fixed Income mutual funds	<u>\$ 5,538,782</u>
Equity mutual funds:	
Domestic equities	12,859,720
International equities	7,658,545
Other	<u>8,088,135</u>
Subtotal equity mutual funds	<u>28,606,400</u>
Real estate equity fund	<u>3,170,936</u>
Total Retirement Trust Investments	<u>\$ 37,316,118</u>

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 3.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 Annual Comprehensive 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 funds should be to changes in interest rates.

At December 31, 2022, the Fund's fixed income security mutual funds had an effective duration of 4.0 years.

U.S. Government obligations and those explicitly guaranteed by the U.S. Government account for 38.1% 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, 2022:

Rating	Percentage of Fixed Income
	Total
AAA	12.3%
AA	6.4%
A	9.8%
BBB	20.2%
BB	8.3%
B	1.0%
CCC	1.1%
Cash	2.6%
NR	0.2%
	<u>61.9%</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, 2022 is summarized in the following table:

Country or Region	Currency	Fair Value	Percentage of Total
Switzerland	Swiss franc	117,800	1.5%
United Kingdom	British pound	\$ 403,006	5.3%
Denmark	Danish krone	83,495	1.1%
Sweden	Swedish krona	234,654	3.1%
Other Developed Europe	Other Europe	1,788,672	23.4%
Japan	Japanese yen	310,459	4.1%
South Korea	South Korean won	400,372	5.2%
Taiwan	Taiwan dollar	169,566	2.2%
Australia	Australian dollar	328,143	4.3%
China	Chinese yuan renminbi	313,353	4.1%
Other Pacific Basin	Other Pacific Basin	2,218,355	29.0%
Brazil	Brazilian real	166,198	2.2%
India	Indian rupee	26,934	0.4%
Other countries	Other countries	926,413	12.1%
		7,487,420	98.0%
	Cash and equivalents	171,126	2.0%
		<u>\$ 7,658,546</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	Public Improvement	Nonmajor Funds	Internal Service	Total		
Receivables:							
Property tax	\$ 5,161,423	\$ -	\$ 2,749,323	\$ -	\$ 7,910,746		
Sales and use tax	5,448,161	-	211,487	-	5,659,648		
Interest	90,200	-	165,585	38,127	293,912		
Accounts	442,745	14,150	-	286,065	742,960		
Intergovernmental	326,956	520,349	174,467	-	1,021,772		
	<u>\$ 11,469,485</u>	<u>\$ 534,499</u>	<u>\$ 3,300,862</u>	<u>\$ 324,192</u>	<u>\$ 15,629,038</u>		

	Business-type Activities						
	Water	Sewer	Golf Course	Storm Drainage	Concrete Utility	Housing Rehabilitation	
Receivables							
Interest	\$ 100,240	\$ 63,261	\$ 6,923	\$ 22,954	\$ 10,838	\$ 5,423	\$ 209,639
Accounts	1,062,371	4,793,934	-	159,996	39,724	-	6,056,025
Notes (see below)	-	-	-	26,000,000	-	1,245,401	27,245,401
Other	1,282,645	396,421	-	-	-	115,685	1,794,751
Total receivables	<u>\$ 2,445,256</u>	<u>\$ 5,253,616</u>	<u>\$ 6,923</u>	<u>\$ 26,182,950</u>	<u>\$ 50,562</u>	<u>\$ 1,366,509</u>	<u>\$ 35,305,816</u>
Not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,245,401</u>	<u>\$ 1,245,401</u>

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.

An analysis of the notes receivable follow:

Loan Type	Balance 12/31/2021	New Loans	Principal Payments	Balance 12/31/2022
Amortized loans	\$ 213,415	\$ -	\$ 116,061	\$ 97,354
Deferred loans	1,392,391	14,885	122,229	1,285,047
	<u>\$ 1,605,806</u>	<u>\$ 14,885</u>	<u>\$ 238,290</u>	<u>1,382,401</u>
Less unamortized discount based on imputed interest rate of 7% over 20 years				(137,000)
Total notes receivable, net				<u>\$ 1,245,401</u>

The EURA reports a note receivable that represents a loan to the developer 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 beginning in 2019. Total loan balance is \$844,712 with the final principal payment scheduled for December 1, 2032.

C. Capital Assets

Primary Government

Certain beginning balances have been reclassified to conform to the current year presentation. Capital asset activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 15,558,961	\$ -	\$ -	\$ 15,558,961
Works of art	273,750	-	-	273,750
Construction in process	2,731,929	3,251,576	-	5,983,505
Total capital assets not being depreciated	<u>18,564,640</u>	<u>3,251,576</u>	<u>-</u>	<u>21,816,216</u>
Capital assets being depreciated				
Buildings	66,605,903	33,456	-	66,639,359
Infrastructure	33,095,958	-	-	33,095,958
Machinery and equipment	25,095,605	2,293,177	(548,741)	26,840,041
Lease assets	-	313,614	-	313,614
Pension assets	-	4,466,761	-	4,466,761
Other improvements	19,260,056	96,382	-	19,356,438
Total capital assets being depreciated	<u>144,057,522</u>	<u>7,203,390</u>	<u>(548,741)</u>	<u>150,712,171</u>
Less accumulated depreciation for:				
Buildings	(22,038,466)	(1,428,653)	-	(23,467,119)
Infrastructure	(26,849,172)	(1,431,673)	-	(28,280,845)
Machinery and equipment	(19,718,294)	(1,690,761)	512,196	(20,896,859)
Other improvements	(8,194,338)	(752,594)	-	(8,946,932)
Total accumulated depreciation	<u>(76,800,270)</u>	<u>(5,303,681)</u>	<u>512,196</u>	<u>(81,591,755)</u>
Total capital assets being depreciated, net	<u>67,257,252</u>	<u>1,899,709</u>	<u>(36,545)</u>	<u>69,120,416</u>
Governmental activities capital assets, net	<u>\$ 85,821,892</u>	<u>\$ 5,151,285</u>	<u>\$ (36,545)</u>	<u>\$ 90,936,632</u>

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

Governmental activities:

General Government	\$ 284,927
Safety Services	1,106,578
Public Works	1,843,064
Culture and Recreation	1,054,088

In addition, depreciation on capital assets held by the City's internal service funds is charged to the various functions based on their usage of the assets.

	1,015,024
Total depreciation expense - governmental activities	<u>\$ 5,303,681</u>

Capital asset activity for the year ended December 31, 2022 (continued):

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 11,522,825	\$ 5,496,808	\$ -	\$ 17,019,633
Raw water	6,235,212	-	-	6,235,212
Construction in process	2,375,257	2,153,237	(986,864)	3,541,630
Total capital assets not being depreciated	20,133,294	7,650,045	(986,864)	26,796,475
Capital assets being depreciated:				
Buildings	16,290,771	-	-	16,290,771
Infrastructure	57,653,030	3,056,960	(241,553)	60,468,437
Machinery and equipment	5,774,423	1,381,690	-	7,156,113
Lease assets	-	87,918	-	87,918
Other improvements	23,661,422	-	-	23,661,422
Total capital assets being depreciated	103,379,646	4,526,568	(241,553)	107,664,661
Less accumulated depreciation for:				
Buildings	(11,210,874)	(664,290)	-	(11,875,164)
Infrastructure	(34,412,657)	(934,497)	241,553	(35,105,601)
Machinery and equipment	(5,247,236)	(198,781)	-	(5,446,017)
Lease amortization	-	(61,773)	-	(61,773)
Other improvements	(10,483,483)	(226,636)	-	(10,710,119)
Total accumulated depreciation	(61,354,250)	(2,085,977)	241,553	(63,198,674)
Total capital assets being depreciated, net	42,025,396	2,440,591	-	44,465,987
Business-type activities capital assets, net	\$ 62,158,690	\$ 10,090,636	\$ (986,864)	\$ 71,262,462

Discretely Presented Component Units

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	(9,799,952)	(47,216)	-	(9,847,168)
Curb, sidewalk and streets	(4,841,536)	-	-	(4,841,536)
Parking structure	(3,481,587)	(158,254)	-	(3,639,841)
Bridge	(1,774,738)	(80,687)	-	(1,855,425)
Equipment and other	(185,261)	-	-	(185,261)
Total accumulated depreciation	(20,083,074)	(286,157)	-	(20,369,231)
Total capital assets being depreciated, net	1,689,454	(286,157)	-	1,403,297
EEF capital assets, net	\$ 10,185,711	\$ (286,157)	\$ -	\$ 9,899,554

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

Englewood Urban Renewal Authority (EURA)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	\$ 71,626	\$ -	\$ -	\$ 71,626

D. Interfund Transfers

The composition of interfund balances as of December 31, 2022, is as follows:

	Transfers in:			
	General Fund	Nonmajor Governmental	Proprietary	Total Transfers In
Transfers out:				
<i>Primary Government:</i>				
General Fund	\$ -	\$ 395,642	\$ -	\$ 395,642
Nonmajor governmental funds	134,122	1,400,000	-	1,534,122
Proprietary funds	-	-	31,000	31,000
Total transfers out	<u>\$ 134,122</u>	<u>\$ 1,795,642</u>	<u>\$ 31,000</u>	<u>\$ 1,960,764</u>

Transfers between funds provide support for various City programs in accordance with budgetary authorizations. During the year ended December 31, 2022, the City made one-time transfers to the General Fund from nonmajor governmental funds for debt service. The Public Improvement Fund made transfers to the Capital Projects Fund to assist in funding for projects accounted for in that fund.

E. Leases

Implementation of New Standard Disclosure

During the current year, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. This standard established a single model for lease accounting based on the foundational principle that leases are financings of the right to an underlying asset. For leases in which the City is the lessee, a lease liability and right-to-use lease asset have been recorded. For leases in which the City is the lessor, a lease receivable and deferred inflows of resources have been recorded.

The **Englewood McLellan Reservoir Foundation (EMRF)** recognized a lease receivable of \$35,466,957 and a lease related deferred inflow of \$34,658,852 related to the implementation of GASB 87. These leases are long-term ground leases.

Lessee Footnote Disclosure

The City leases certain assets from various third parties. The assets leased include land, buildings (office trailers), and copier equipment. Payments are generally fixed monthly.

	Beginning Balance	Increases	Decreases	Ending Balance
Leased assets-lessee				
Leased land	\$ 307,882	\$ -	\$ -	\$ 307,882
Leased buildings	87,918	-	-	87,918
Leased equipment	114,820	-	-	114,820
Total capital assets not being depreciated	<u>510,620</u>	<u>-</u>	<u>-</u>	<u>510,620</u>
Accumulated amortization				
Leased land	-	61,576	-	61,576
Leased buildings	-	61,773	-	61,773
Leased equipment	-	47,512	-	47,512
Total accumulated depreciation	<u>-</u>	<u>170,861</u>	<u>-</u>	<u>170,861</u>
Net book value of leased assets-lessee	<u>\$ 510,620</u>	<u>\$ (170,861)</u>	<u>\$ -</u>	<u>\$ 339,759</u>

Future principal and interest requirements related to the City's lease liability at December 31, 2022 are:

	Principal	Interest	Total
2023	\$ 77,765	\$ 14,354	\$ 92,119
2024	23,557	12,245	35,802
2025	3,083	11,917	15,000
2026	3,208	11,792	15,000
2027	3,339	11,661	15,000
2028-2032	18,849	56,151	75,000
2033-2037	23,014	51,986	75,000
2038-2042	28,100	46,900	75,000
2043-2047	34,311	40,689	75,000
2048-2052	41,893	33,107	75,000
2053-2057	51,151	23,849	75,000
2058-2062	62,456	12,544	75,000
2063-2067	29,936	1,314	31,250
Total	<u>\$ 400,662</u>	<u>\$ 328,509</u>	<u>\$ 729,171</u>

The City leases certain assets to various third parties. The assets leased include land. Payments are generally fixed monthly. During the year ended December 31, 2022 the City recognized the following related to lessor agreements:

Lease revenue	\$ 1,048,409
Interest income related to leases	\$ 1,157,008

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 Bonds, Series 2017. On June 20, 2017, the City issued \$27,000,000 of General Obligation Bonds. The 2017 bonds bear interest at 3.0% to 5.25% and consist of serial bonds maturing yearly on December 1 through 2036. Proceeds from the sale of the Bonds will be used to finance the acquisition, construction, installation and equipping of the Project, which generally includes the construction of a new Englewood Police Department Headquarters Building, and to pay the costs of issuance of the Bonds. The Bonds are general obligations of the City and are secured by the City's full faith and credit. All taxable property within the boundaries of the City is subject to *ad valorem* taxation without limitation as to the mill rate to generate an amount sufficient to pay the principal of and interest on the Bonds when due. In the event of a City default on its obligations, owners of the outstanding obligation may pursue any remedy authorized by law.

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. This refunding resulted in a savings or economic gain in the debt service between the refunded and refunding debt of \$386,982. 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. In the event of a City default on its obligations, owners of the outstanding obligation may pursue any

remedy authorized by law. There is no acceleration provision and bond holders cannot foreclose on property located within the boundaries of the City.

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. This refunding did not result in any economic gain or loss. The original 2004 bonds were issued to finance various water system improvement projects. In the event of a City default on its obligations, owners of the outstanding obligation may pursue any remedy authorized by law. There is no acceleration provision and bond holders cannot foreclose on property located within the boundaries of the City.

General Obligation Water Bonds, Series 2019, original principal amount of \$2,670,000, dated August 1, 2019 consisting of serial bonds due annually in varying amounts through January 1, 2029. Interest is payable semi-annually at rate of 2.29%. The bonds were issued to refund the Series 2009 General Obligation Water bonds. The remaining \$2,615,000 of outstanding bonds were called August 1, 2019. The original 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 January 1, 2020. In the event of a City default on its obligations, owners of the outstanding obligation may pursue any remedy authorized by law. There is no acceleration provision and bond holders cannot foreclose on property located within the boundaries of the City.

General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities	2.00% - 5.10%	\$ 22,215,000
Business-type activities	3.625% - 4.75%	8,375,000
		<u>\$ 30,590,000</u>

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

	Principal	Interest	Total
2023	\$ 2,425,000	\$ 1,338,565	\$ 3,763,565
2024	1,905,000	1,240,213	3,145,213
2025	1,985,000	1,161,048	3,146,048
2026	2,070,000	1,078,277	3,148,277
2027	2,155,000	992,667	3,147,667
2028-2032	11,315,000	3,519,342	14,834,342
2033-2036	8,735,000	1,023,737	9,758,737
	<u>\$ 30,590,000</u>	<u>\$ 10,353,849</u>	<u>\$ 40,943,849</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. This refunding resulted in a savings or economic gain in the debt service between the refunded and refunding

debt of \$750,885. 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. For the year ended December 31, 2022, revenues of \$598,907 were available to pay debt service of \$218,599. Remaining debt service was \$2,295,954. In the event of a City default on its obligations, owners of the outstanding obligation may pursue any remedy authorized by law.

Storm Water Enterprise Revenue Bonds, Series 2021, original principal amount of \$8,665,000, dated July 15, 2021, consisting of serial bonds due annually from December 1, 2022 through December 1, 2045. Interest is payable semi-annually at a 4% rate on all outstanding bonds. The bonds were issued to finance miscellaneous storm water system improvement projects. The bonds are payable solely from the revenues of the Storm Water system. In 2022 revenues of \$478,607 were available to pay debt service of \$304,100. Remaining debt service was \$12,549,150. In the event of a City default on its obligations, owners of the outstanding obligation may pursue any remedy authorized by law.

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

	Principal	Interest	Total
2023	\$ 355,000	\$ 399,166	\$ 754,166
2024	370,000	383,816	753,816
2025	385,000	367,517	752,517
2026	395,000	350,242	745,242
2027	430,000	332,410	762,410
2028-2032	2,430,000	1,348,503	3,778,503
2033-2037	2,130,000	803,400	2,933,400
2038-2042	2,285,000	441,450	2,726,450
2043-2045	1,545,000	93,600	1,638,600
	<u>\$ 10,325,000</u>	<u>\$ 4,520,104</u>	<u>\$ 14,845,104</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. In the event of a City default on its obligations, owners of the outstanding obligation may terminate the lease, or pursue any remedy authorized by law.

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

	Principal	Interest	Total
2023	\$ 113,755	\$ 9,062	\$ 122,817
2024	120,070	6,542	126,612
2025	126,627	3,882	130,509
2026	99,039	1,078	100,117
	<u>\$ 459,491</u>	<u>\$ 20,564</u>	<u>\$ 480,055</u>

Loans payable

Colorado Water Resources and Power Development Authority to fund sewer and storm waters systems improvements:

Servicing Fund	Issue Date	Original Amount	Interest Rate	Outstanding Balance	Last Payment Due
Storm Water	10/12/2022	26,000,000	2.250%	26,000,000	11/01/42
Sewer*	5/1/2004	29,564,275	3.870%	11,493,949	08/01/25
			Total	<u>\$ 37,493,949</u>	

* In 2013, the sewer 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 Sewer Fund \$2,067,000.

The CWRPDA loans are payable solely from revenues of the City's Sewer and Storm Drainage funds, after deducting operating and maintenance costs. For the year ended December 31, 2022, Sewer revenues of \$8,527,812 were available to pay debt service of \$4,075,043. Remaining debt service was \$8,478,814.

For the year ended December 31, 2022, Storm revenues of \$478,607 were available to pay debt service of \$304,100. Remaining debt service was \$32,430,829.

Annual debt service requirements to maturity for loans payable are as follows:

Business-type Activities			
	Principal	Interest	Total
2023	\$ 4,729,211	\$ 969,639	\$ 5,698,850
2024	4,865,167	829,470	5,694,637
2025	5,097,975	534,370	5,632,345
2026	1,114,741	506,801	1,621,542
2027	1,139,964	481,578	1,621,542
2028-2032	6,098,592	2,009,115	8,107,707
2033-2037	6,820,480	1,287,227	8,107,707
2038-2042	7,627,818	479,889	8,107,707
	<u>\$ 37,493,948</u>	<u>\$ 7,098,089</u>	<u>\$ 44,592,037</u>

Long-term liability activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General Obligation Bonds:					
Series 2010 Refunding	\$ 1,615,000	\$ -	\$ 1,025,000	\$ 590,000	\$ 590,000
Premium/(Discount)	53,614	-	34,027	19,587	-
Series 2017	22,675,000	-	1,050,000	21,625,000	1,105,000
Premium/(Discount)	4,893,066	-	226,581	4,666,485	-
Subtotal general obligation bonds	<u>29,236,680</u>	<u>-</u>	<u>2,335,608</u>	<u>26,901,072</u>	<u>1,695,000</u>
Other:					
Pension Liability	7,020,341	4,778,667	1,439,706	10,359,302	-
Certificates of Participation	2,812,000	-	2,812,000	-	-
Qualified Energy Conservation Bonds	567,163	-	107,672	459,491	113,755
Lease Liability	-	422,702	48,906	373,796	77,765
OPEB Liability	4,106,239	53,753	-	4,159,992	-
Compensated absences	1,527,384	1,468,851	1,373,459	1,622,776	811,388
Governmental activity total	<u>\$ 45,269,807</u>	<u>\$ 6,723,973</u>	<u>\$ 8,117,351</u>	<u>\$ 43,876,429</u>	<u>\$ 2,697,908</u>
Long-term liabilities					
Business-type activities:					
General Obligation Water Bonds, 2012	\$ 6,765,000	-	520,000	\$ 6,245,000	\$ 540,000
Premium/(Discount)	276,424	-	23,902	252,522	-
General Obligation Water Refunding Note, 2019	2,315,000	-	185,000	2,130,000	190,000
Subtotal general obligation bonds	<u>9,356,424</u>	<u>-</u>	<u>728,902</u>	<u>8,627,522</u>	<u>730,000</u>
Revenue Bonds payable:					
Golf Course Refunding Bonds, 2013	1,770,000	-	110,000	1,660,000	115,000
Storm Water Series, 2021	8,665,000	-	-	8,665,000	240,000
Premium/(Discount)	1,320,718	-	-	1,320,718	-
Subtotal revenue bonds	<u>11,755,718</u>	<u>-</u>	<u>110,000</u>	<u>11,645,718</u>	<u>355,000</u>
Notes and loans payable:					
CWR&PDA Sewer Loan, 2004	15,068,416	-	3,574,467	11,493,949	3,686,838
Premium/(Discount)	28,129	-	13,709	14,420	-
State Revolving Fund Storm Water Loan, 2022	-	26,000,000	-	26,000,000	1,042,372
Other:					
Pension Liability	1,178,089	2,262,308	-	3,440,397	-
Lease Liability	-	87,918	61,052	26,866	-
OPEB Liability	1,541,251	26,011	-	1,567,262	-
Compensated absences	194,591	234,047	183,214	245,424	122,712
Business-type activity total	<u>\$ 39,122,618</u>	<u>\$ 28,522,366</u>	<u>\$ 4,610,292</u>	<u>\$ 63,061,558</u>	<u>\$ 5,936,922</u>
Long-term liabilities					

There are a number of limitations and restrictions contained in the various indentures. The City believes it complies with all significant limitations and restrictions. The Colorado Taxpayer Bill of Rights (TABOR) law requires annual appropriation of funds for all expenditures including debt service obligations.

Compensated absences, Pension liabilities and OPEB obligations are paid from the same funds that the associated employees' salaries are paid from, including the General Fund, Water, Sewer and Golf Funds.

General obligation indebtedness of the City is limited by the City Charter to three percent of actual valuation of taxable property within the City. At December 31, 2022, this limit was \$215,875,996 providing a debt margin of \$188,974,924.

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 ("South Platte Water Renewal Partners" 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, 2022 follows:

	Total	City's Share
Assets		
Current assets	\$ 4,777,940	\$ 2,388,969
Capital assets, net	100,989,571	50,494,786
Total assets	<u>105,767,511</u>	<u>52,883,755</u>
Liabilities		
Total liabilities	<u>4,431,633</u>	<u>2,215,817</u>
Net position	<u>\$ 101,335,878</u>	<u>\$ 50,667,938</u>
Revenues	\$ 30,921,175	\$ 15,460,588
Expenses	26,052,051	13,026,026
Change in net position	<u>\$ 4,869,124</u>	<u>\$ 2,434,562</u>

The City's Sewer Fund has reflected a net gain from Joint Venture for \$2,434,562. This amount includes the City's share of the Joint Venture's net loss of \$3,466,032 less capital contributions from the City to the Joint Venture of \$5,900,594.

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, 2022 and 2021 are as follows:

	Property & Liability	Workers' Compensation	Totals
Unpaid claims - December 31, 2020	\$ 372,625	\$ 374,534	\$ 747,159
Incurred claims (including claims reserve)	221,416	102,505	323,921
Claim payments	(449,200)	(213,619)	(662,819)
Unpaid claims - December 31, 2021	144,841	263,420	408,261
Incurred claims (including claims reserve)	543,677	150,193	693,870
Claim payments	(394,471)	(153,991)	(548,462)
Unpaid claims - December 31, 2022	\$ 294,047	\$ 259,622	\$ 553,669

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.

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 to 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, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Domestic Fixed Income	18.8%	2.8%
Domestic Equity	40.5%	7.0%
International Equity	27.1%	8.0%
Real Estate	9.5%	7.0%
Other	4.1%	4.5%
Total	100%	

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions - At December 31, 2022, the City reported a net pension liability of \$8,779,127. The net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022, and standard update procedures were used to roll forward the total pension liability to December 31, 2022.

For the year ended December 31, 2022, the City recognized pension expense of \$762,855. At December 31, 2022, 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	\$ 2,249,894	\$ -
Net difference in expected and actual experience	-	(192,714)
Total	<u>\$ 2,249,894</u>	<u>\$ (192,714)</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:

2023	\$	(509,667)
2024		369,340
2025		789,987
2026		1,407,520
Total	\$	<u>2,057,180</u>

Actuarial Assumptions - The January 1, 2022 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2022. The valuation used the following actuarial assumption and other inputs:

Rate of return - For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (10.51%). 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% 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 were 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%)	Discount Rate (6%)	1% Increase (7%)
Net pension liability	\$ 13,377,413	\$ 8,779,127	\$ 4,863,511

Net pension liability of the Plan - The components of the net pension liability of the Plan at December 31, 2021 were as follows:

Total pension liability	\$ 46,127,788
Plan fiduciary net position	<u>(37,348,661)</u>
Plan net pension liability	<u>\$ 8,779,127</u>

Plan fiduciary net position as a percentage of total liability	80.97%
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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 FPPA 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.

Both the *SWDB Plan* and *SWH Plan* include a Deferred Retirement Option Plan (DROP). A member may elect to participate in the DROP after reaching eligibility for normal retirement, early retirement, or vested retirement and age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into the DROP. The member's percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in DROP, the member continues to make pension contributions, which are credited to the DROP. Effective January 1, 2003, the member shall self-direct the investments of their DROP funds.

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 increase 0.5 percent annually through 2022 to a total of 12.0 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022. Employees contributed 12.0 percent of base salary for the year ended December 31, 2022 and the City contributed 8 percent or \$292,628.

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 22 percent of base salary through 2018. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022. Employees contributed 14.0 percent of base salary for the year ended December 31, 2022 and the City contributed 10 percent or \$312,316.

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 2022 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 is 14.1%. Members and the City each contributed \$18,943 in 2022.

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. Any forfeitures are used to cover a portion of the SWH's administrative expenses.

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, 2022, the City reported a net pension asset of \$4,036,667 for its proportional share of the net pension asset of the SWDB Plan and net pension asset of \$430,094 for its proportional share of the net pension asset of the SWH Plan. The net pension asset and liability were measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2022. The City's proportion of the net pension asset and liability were based on a projection of the City's contributions to the Plans relative to the projected contributions of all participating entities.

At December 31, 2021, the City's SWDB proportion was 0.7448 percent, which was a decrease of 0.0923 percent from its proportion measured as of December 31, 2020. At December 31, 2021, the City's SWH proportion was 1.1342 percent, which was an increase of 0.00036 from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized pension (income)/expense for the SWDB Plan and SWH Plan of \$(2,326,539) and \$(34,291) respectively.

At December 31, 2022, for the SWDB plan, 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	\$ 604,943	\$ -
Net difference between expected and actual investment earnings	-	(2,058,466)
Difference in expected and actual experience	1,984,008	(91,871)
Changes in assumptions	1,577,998	-
Changes in proportion	11,953	(372,682)
Total	<u>\$ 4,178,902</u>	<u>\$ (2,523,019)</u>

The City's contributions to the SWDB Plan subsequent to the measurement date of \$604,943 will be recognized as a decrease to the net pension liability 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:

2023	\$ (284,604)
2024	(136,530)
2025	201,999
2026	539,129
2027	435,806
Thereafter	295,140
Total	<u>\$ 1,050,940</u>

At December 31, 2022, for the SWH plan, 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	\$ 18,943	\$ -
Net difference between expected and actual investment earnings	-	(80,021)
Difference in expected and actual experience	76,078	-
Changes in assumptions	19,262	-
Changes in proportion	19,727	(9,759)
Total	<u>\$ 134,010</u>	<u>\$ (89,780)</u>

The City's contributions to the SWH Plan subsequent to the measurement date of \$18,943 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:

2023	\$ 19,060
2024	(959)
2025	429
2026	6,083
2027	4,036
Thereafter	(3,362)
Total	<u>\$ 25,287</u>

Actuarial Assumptions - The January 1, 2021 actuarial valuation was used to determine the total pension liability. The valuation used the following actuarial assumptions and other inputs:

Inflation	2.50%
Projected Salary Increases	4.25%-11.25%
Investment rate of return, net of plan investment expenses, including inflation	7.00%
Cost of living adjustments (COLA)	0.00%

The collective total pension liability as of December 31, 2022 is based upon the January 1, 2021 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, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global equity	39.0%	8.23%
Equity Long/Short	8.0%	6.87%
Private Markets	26.0%	10.63%
Fixed Income - Rates	10.0%	4.01%
Fixed Income - Credit	5.0%	5.25%
Absolute Return	10.0%	5.60%
Cash	2.0%	2.32%
Total	<u>100%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.0%. 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 City's 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 7.0 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 (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the SWDB net pension liability (asset)	\$ (5,566,814)	\$ (4,036,667)	\$ (6,919,641)
	1% Decrease (6%)	Discount Rate (7%)	1% Increase (8%)
City's proportionate share of the SWH net pension liability (asset)	\$ (328,180)	\$ (430,094)	\$ (515,187)

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 Pension Plan – (Old Hire)

Plan Description - The Police Officers Pension Plan is a defined benefit, agent multiple-employer plan established for Police Officers hired prior to April 8, 1978. All plan members are retired. 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 MissionSquare Retirement.

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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions - At December 31, 2022, the City reported a net pension liability of \$2,725,859. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

For the year ended December 31, 2022, the City recognized pension expense of \$1,343,393. At December 31, 2022, 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	\$ 466,243	\$ -
Net difference between expected and actual investment earnings	-	(256,100)
Total	<u>\$ 466,243</u>	<u>\$ (256,100)</u>

The City's contributions to the Plan subsequent to the measurement date of \$466,243 will be recognized as a decrease to the net pension liability 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:

2023	\$ (45,399)
2024	(105,037)
2025	(66,495)
2026	(39,169)
Total	<u>\$ (256,100)</u>

Actuarial Assumptions - The January 1, 2022 actuarial valuation was used to determine the total pension liability for the fiscal year ending December 31, 2022. The valuation used the following actuarial assumptions and other inputs:

Long-term investment rate of return	6.50%
Municipal bond rate	2.00%

There were no changes to the actuarial assumptions.

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 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	5.0%	0.2%
Fixed Income - Rates	33.0%	2.3%
Fixed Income - Credit	6.0%	3.5%
Absolute Return	6.0%	5.6%
Long Short	6.0%	6.9%
Global Public Equity	17.0%	7.8%
Private Capital	27.0%	10.5%
Total	<u>100%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 6.5 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 net pension liability to changes in the discount rate - The following presents the City's net pension liability calculated using the discount rate of 6.5 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 (5.5 percent) or 1-percentage-point higher (7.5 percent) than the current rate:

	1% Decrease (5.5%)	Discount Rate (6.5%)	1% Increase (7.5%)
Police Officers (Old Hire) net pension liability	\$ 3,285,676	\$ 2,725,859	\$ 2,240,255

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.

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. All plan members are retired. 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.

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 Finance Director.

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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions - At December 31, 2022, the City reported a net pension liability of \$2,275,258. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

For the year ended December 31, 2021, the City recognized pension expense of \$483,145. At December 31, 2022, 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	\$ 388,133	\$ -
Net difference between expected and actual investment earnings	-	(330,133)
Total	<u>\$ 388,133</u>	<u>\$ (330,133)</u>

The City's contributions to the Plan subsequent to the measurement date of \$388,133 will be recognized as a decrease to the net pension liability 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:

2023	\$ (56,456)
2024	(137,742)
2025	(85,524)
2026	(50,412)
Total	<u>\$ (330,134)</u>

Actuarial Assumptions - The January 1, 2022 actuarial valuation was used to determine the total pension liability for the fiscal year ending December 31, 2022. The valuation used the following actuarial assumptions and other inputs:

Long-term investment rate of return	6.50%
Municipal bond rate	2.00%

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 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	5.0%	1.0%
Fixed Income - Rates	32.0%	2.3%
Fixed Income - Credit	6.0%	3.5%
Absolute Return	6.0%	5.6%
Long Short	6.0%	6.9%
Global Public Equity	17.0%	7.8%
Private Capital	28.0%	10.5%
Total	<u>100.0%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 6.5 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 net pension liability to changes in the discount rate - The following presents the City's net pension liability calculated using the discount rate of 6.5 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 (5.5 percent) or 1 percentage-point higher (7.5 percent) than the current rate:

	1% Decrease (5.5%)	Discount Rate (6.5%)	1% Increase (7.5%)
Firefighters (Old Hire) net pension liability	\$ 2,805,310	\$ 2,275,258	\$ 1,807,155

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.

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). All plan members are retired. 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.

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. All plan members are retired.

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 (2) 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, 2022, the City reported a net pension liability of \$19,456. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

For the year ended December 31, 2022, the City recognized pension expense of \$11,744. At December 31, 2022, 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	\$ 13,796	\$ -
Net difference between expected and actual investment earnings	-	(3,466)
Total	\$ 13,796	\$ (3,466)

The City's contributions to the Plan subsequent to the measurement date of \$13,796 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:

2023	\$ (883)
2024	(1,240)
2025	(877)
2026	(466)
Total	\$ (3,466)

Actuarial Assumptions - The January 1, 2022 actuarial valuation was used to determine the total pension liability for the fiscal year ending December 31, 2022. The valuation used the following actuarial assumptions and other inputs:

Long-term investment rate of return	7.00%
Municipal bond rate	2.00%

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 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	2.0%	2.3%
Fixed Income - Rates	10.0%	4.0%
Fixed Income - Credit	5.0%	5.3%
Absolute Return	10.0%	5.6%
Long Short	8.0%	6.9%
Global Public Equity	39.0%	8.2%
Private Capital	26.0%	10.6%
Total	100%	

Discount Rate - The discount rate used to measure the total pension liability was 7.0 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 net pension liability to changes in the discount rate - The following presents the City's net pension liability calculated using the discount rate of 7.0 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:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Volunteer Firefighters net pension liability	\$ 22,274	\$ 19,456	\$ 16,947

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.

Pension liabilities, assets, deferred outflows, deferred inflows and pension expense/(income) for the City's plans are listed below:

	Pension Liability	Pension Asset	Deferred Outflows	Deferred Inflows	Pension Expense/(Income)
Nonemergency Plan	\$ 8,779,127	\$ -	\$ 2,249,894	\$ 192,714	\$ 762,855
Police State-wide defined benefit plan	-	4,036,667	4,178,903	2,523,018	2,326,539
Police State-hybrid plan	-	430,094	134,010	89,780	34,291
Police Old Hire plan	2,725,859	-	466,243	256,100	1,343,393
Firefighter Old Hire plan	2,275,258	-	388,133	330,132	483,145
Volunteer Firefighter Old Hire Plan	19,456	-	13,795	3,466	11,744
	\$ 13,799,700	\$ 4,466,761	\$ 7,430,978	\$ 3,395,210	\$ 4,961,967

The actuarial 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	217	30	33	3
Inactive plan members entitled to but not yet receiving benefits	55	-	-	-
Active plan members	68	-	-	-
	<u>340</u>	<u>30</u>	<u>33</u>	<u>3</u>
Contribution Rates:				
City	22.20%	N/A	N/A	N/A
Plan members	3.0%	N/A	N/A	N/A
Annual pension cost (APC)	\$1,265,832	\$446,243	\$388,133	\$13,796
Contributions made	\$1,351,214	\$446,243	\$388,133	\$13,796
Net pension obligation	\$(85,382)	\$0	\$0	\$0
Percentage of APC contributed	107%	100%	100%	100%
Actuarial valuation date	1/1/2022	1/1/2022	1/1/2022	1/1/2021

Defined Contribution Retirement Plans

MissionSquare Retirement Money Purchase Management Plan - Defined Contribution
Nonemergency Employees Money Purchase Plan (NEMP) - Defined Contribution
MissionSquare Retirement Money Purchase Police Plan - Defined Contribution

MissionSquare Retirement 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 MissionSquare Retirement. 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 MissionSquare Retirement. 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.

MissionSquare Retirement 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 MissionSquare Retirement. 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, 2022, are presented below:

	<u>Management</u>	<u>NEMP</u>	<u>Police</u>
Employers required, which equal actual contributions:			
Amount	\$ 200,744	\$ 1,325,360	\$ 69,283
As a percent of covered payroll	10.00%	7.00%	10.00%
Employees required, which equal actual contributions:			
Amount	\$ 120,447	\$ 568,012	\$ 69,283
As a percent of covered payroll	6.00%	3.00%	10.00%

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 MissionSquare Retirement. 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 1.5% 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. For the year ended December 31, 2022 the City and employees each contributed \$97,868.

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>.

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 funds where appropriate. The plan has no assets and is not administered through a trust that meets the criteria in paragraph 4 of GASB statement 75.

Summary of the number of participants in the plan as of January 1, 2022

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	219
Active Plan Members	425
Total Plan Members	<u>644</u>

Actuarial Assumptions and Methods

Valuation Date:	1/1/2022
Actuarial Cost Method	Individual Entry-Age Normal
Discount Rate	1.84% as of 12/31/2021
Inflation	2.50%
Salary Increases	2.8% to 5.8% based on age
Demographic Assumptions	Based on the pension plan in which plan members participate (City of Englewood Nonemergency Employees Retirement Plan)
Mortality	Pub-2010 Amount Weighted with General Mortality Table with future generational improvements using scale MP 2019
Participation Rates	100%

The Discount Rate is based on the Fidelity 20-Year Municipal GO AA Index.

The discount rate changed from 2.0% to 1.84%

Sensitivity of the total OPEB liability to changes in the discount rate.

The following shows the total OPEB liability as well as what the total OPEB liability would be if the discount rate were 1% lower or 1% higher.

	1% Decrease 0.84%	Discount Rate 1.84%	1% Increase 2.84%
Total OPEB Liability	\$ 6,536,024	\$ 5,727,254	\$ 5,069,904

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.

For the year ended December 31, 2019 the plan recognized OPEB expense of \$407,550.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution timing	\$ 270,200	\$ -
Difference between expected and actual experience	-	(112,469)
Changes in assumptions	632,948	(42,289)
	<u>\$ 903,148</u>	<u>\$ (154,758)</u>

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

Year ended 12/31	Amount
2023	\$ 167,188
2024	193,858
2025	95,013
2026	29,020
2027	(241)
Thereafter	(6,648)
	<u>\$ 478,190</u>

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 or fund balance 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.

Schedules of Required Supplementary Information

CITY OF ENGLEWOOD, COLORADO

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2022 With Comparative Totals for December 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive/(Negative)	2021 Actual
	Original	Final			
Revenues					
Taxes					
Property	\$ 5,171,000	\$ 5,171,000	\$ 5,237,114	\$ 66,114	\$ 4,644,335
Specific ownership	530,000	530,000	541,156	11,156	523,484
Sales and use	33,779,000	33,779,000	40,370,334	6,591,334	34,259,637
Franchise	3,665,000	3,665,000	3,919,991	254,991	3,825,529
Hotel/motel	20,000	20,000	63,454	43,454	28,238
Total taxes	<u>43,165,000</u>	<u>43,165,000</u>	<u>50,132,049</u>	<u>6,967,049</u>	<u>43,281,223</u>
Licenses and Permits					
Business licenses and permits	243,250	243,250	351,342	108,092	290,225
Building licenses and permits	1,585,700	2,785,700	2,844,172	58,472	1,927,470
Total licenses and permits	<u>1,828,950</u>	<u>3,028,950</u>	<u>3,195,514</u>	<u>166,564</u>	<u>2,217,695</u>
Intergovernmental					
State shared revenue	1,272,761	1,272,761	1,232,578	(40,183)	1,401,963
Federal grants	15,100	15,100	9,600	(5,500)	721,079
State grants	36,900	36,900	74,192	37,292	33,619
Local grants	9,000	9,000	6,701	(2,299)	76,955
Payment in lieu of taxes	44,000	44,000	46,844	2,844	36,721
Total intergovernmental	<u>1,377,761</u>	<u>1,377,761</u>	<u>1,369,915</u>	<u>(7,846)</u>	<u>2,270,337</u>
Charges for Services					
Recreation programs	2,618,955	2,618,955	2,420,253	(198,702)	2,308,449
General government	2,691,806	2,691,806	2,625,788	(66,018)	1,982,933
Public safety	17,200	17,200	19,412	2,212	72,406
Administration of joint venture	475,000	475,000	541,497	66,497	485,780
Court costs	57,590	57,590	31,352	(26,238)	40,694
Highway and street	37,100	37,100	71,517	34,417	56,100
Total charges for services	<u>5,897,651</u>	<u>5,897,651</u>	<u>5,709,819</u>	<u>(187,832)</u>	<u>4,946,362</u>
Fines and Forfeitures					
Court fines	668,410	668,410	372,840	(295,570)	515,765
Property and liability fines	600	600	-	(600)	674
Total fines and forfeitures	<u>669,010</u>	<u>669,010</u>	<u>372,840</u>	<u>(296,170)</u>	<u>516,439</u>
Net Investment Income	<u>54,500</u>	<u>54,500</u>	<u>(246,711)</u>	<u>(301,211)</u>	<u>(72,518)</u>
Contributions from component units	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,765,465</u>	<u>65,465</u>	<u>1,662,006</u>
Other	<u>790,659</u>	<u>790,659</u>	<u>2,609,228</u>	<u>1,818,569</u>	<u>1,134,993</u>
Total Revenues	<u>55,483,531</u>	<u>56,683,531</u>	<u>64,908,119</u>	<u>8,224,588</u>	<u>55,956,537</u>

CITY OF ENGLEWOOD, COLORADO

(Continued)

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2022 With Comparative Totals for December 31, 2021

Expenditures	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive/(Negative)	2021 Actual
	Original	Final			
General Government					
Legislation					
City Council	\$ 228,488	\$ 228,488	\$ 220,734	\$ 7,754	\$ 201,138
Board of Adjustments and Appeals	1,307	1,307	345	962	661
Planning and Zoning Commission	7,525	7,525	584	6,941	2,467
Library Board	1,500	1,500	1,520	(20)	5,707
Parks and Recreation Commission	1,625	1,625	-	1,625	875
Code Enforcement Advisory Commission	500	500	-	500	-
Alliance for Commerce in Englewood	300	300	-	300	-
Cultural Arts Commission	300	300	85	215	15
Transportation Advisory Commission	200	200	-	200	-
Sustainability Commission	76,100	76,100	52,891	23,209	73,088
Historic Preservation Commission	4,600	4,600	145	4,455	589
Total Legislation	322,445	322,445	276,304	46,141	284,540
City Attorney	1,091,765	1,091,765	1,001,558	90,207	923,402
Municipal Court	1,510,159	1,522,931	1,170,984	351,947	1,133,465
City Manager					
City Manager	586,557	708,706	739,067	(30,361)	598,929
City Clerk	544,415	553,160	489,561	63,599	485,731
Communications	763,984	829,984	828,788	1,196	727,633
Total City Manager	1,894,956	2,091,850	2,057,416	34,434	1,812,293
Community Development	3,007,235	3,428,659	3,085,615	343,044	2,946,427
Finance					
Finance Administration	504,587	449,436	468,292	(18,856)	368,670
Accounting	880,222	883,383	748,966	134,417	652,226
Revenue and budget	510,435	510,435	469,553	40,882	389,598
Purchasing	194,869	194,869	196,268	(1,399)	137,776
Total Finance	2,090,113	2,038,123	1,883,079	155,044	1,548,270
Human Resources	1,545,536	1,659,326	1,483,411	175,915	1,100,166
Information Technology	3,648,473	3,782,303	3,778,721	3,582	3,533,130
Contingency	469,158	231,011	228,720	2,291	292,776
Total General Government	15,579,840	16,168,413	14,965,808	1,202,605	13,574,469

CITY OF ENGLEWOOD, COLORADO

(Continued)

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2022 With Comparative Totals for December 31, 2021

	Budgeted Amounts		Actual	Variance with	2021
	Original	Final	Amounts	Final Budget - Positive/(Negative)	Actual
Public Safety					
Police					
Administration	\$ 1,319,229	\$ 2,944,982	\$ 2,980,224	\$ (35,242)	\$ 1,267,052
Communications and records	1,646,164	1,680,300	1,824,539	(144,239)	1,599,842
Police operations	11,956,077	10,838,401	10,552,583	285,818	11,916,901
Code Enforcement	909,168	733,152	565,906	167,246	594,865
Total Police Department	15,830,638	16,196,835	15,923,252	273,583	15,378,660
Fire Services					
Fire and emergency management	6,868,713	6,993,378	6,975,762	17,616	6,723,699
Fire marshal's office	676,345	502,280	447,008	55,272	523,523
Total Fire Services	7,545,058	7,495,658	7,422,770	72,888	7,247,222
Total Public Safety	23,375,696	23,692,493	23,346,022	346,471	22,625,882
Public Works					
Administration	680,101	689,555	977,214	(287,659)	759,476
Engineering	1,615,563	1,621,794	1,572,346	49,448	1,359,112
Streets and drainage	2,275,578	2,283,189	1,917,732	365,457	2,341,827
Traffic engineering	1,025,075	1,029,142	877,612	151,530	798,585
General operations and maintenance	2,212,842	2,350,535	2,598,194	(247,659)	2,178,384
Total Public Works	7,809,159	7,974,215	7,943,098	31,117	7,437,384
Parks and Recreation					
Administration	151,543	183,059	356,346	(173,287)	357,665
Recreation programs and operations	4,192,385	4,196,962	3,899,258	297,704	3,620,708
Parks	2,897,059	2,909,603	2,838,063	71,540	2,557,773
Total Parks and Recreation	7,240,987	7,289,624	7,093,667	195,957	6,536,146
Library Services	1,365,945	1,421,212	1,209,249	211,963	1,311,922
Debt Service					
Principal	-	2,870,192	2,812,000	58,192	1,363,000
Interest and other charges	134,122	163,930	162,178	1,752	205,451
Total debt service	134,122	3,034,122	2,974,178	59,944	1,568,451
Total expenditures	55,505,749	59,580,079	57,532,022	2,048,057	53,054,254
Excess revenues over (under) expenditures	(22,218)	(2,896,548)	7,376,097	10,272,645	2,902,283
Other financing sources (uses)					
Transfers in	134,122	134,122	134,122	-	184,839
Transfers out	-	(545,642)	(395,642)	(150,000)	(10,979,765)
Total other financing sources	134,122	(411,520)	(261,520)	(150,000)	(10,794,926)
Net change in fund balances	111,904	(3,308,068)	7,114,577	10,122,645	(7,892,643)
Fund Balance - beginning	10,873,846	21,553,236	17,043,292	(4,509,944)	24,935,935
Fund Balance - ending	\$ 10,985,750	\$ 18,245,168	\$ 24,157,869	\$ 5,612,701	\$ 17,043,292

See Independent Auditor's Report

Schedules of Required Supplementary Information

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability									
Service cost	\$ 326,653	\$ 358,293	\$ 401,781	\$ 326,687	\$ 349,999	\$ 380,290	\$ 385,425	\$ 333,228	\$ 353,751
Interest	2,701,972	2,744,360	2,763,819	2,805,826	2,790,599	2,752,138	2,694,146	2,683,902	2,616,664
Differences between expected and actual experience	(576,454)	(324,876)	180,393	20,284	144,652	213,113	187,626	(9,251)	-
Changes of assumptions	-	-	2,539,071	-	-	-	2,028,456	-	-
Benefit payments, including refunds of member contributions	(3,214,089)	(3,187,961)	(3,055,168)	(3,004,777)	(2,801,839)	(2,508,319)	(2,282,400)	(2,074,554)	(1,885,640)
Net change in total pension liability	<u>(761,918)</u>	<u>(410,184)</u>	<u>2,829,896</u>	<u>148,020</u>	<u>483,411</u>	<u>837,222</u>	<u>3,013,253</u>	<u>933,325</u>	<u>1,084,775</u>
Total pension liability--beginning	<u>46,889,706</u>	<u>47,299,890</u>	<u>44,469,994</u>	<u>44,321,974</u>	<u>43,838,563</u>	<u>43,001,341</u>	<u>39,988,088</u>	<u>39,054,763</u>	<u>37,969,988</u>
Total pension liability--ending	<u><u>\$ 46,127,788</u></u>	<u><u>\$ 46,889,706</u></u>	<u><u>\$ 47,299,890</u></u>	<u><u>\$ 44,469,994</u></u>	<u><u>\$ 44,321,974</u></u>	<u><u>\$ 43,838,563</u></u>	<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	\$ 1,218,466	\$ 1,241,263	\$ 1,176,235	\$ 1,151,759	\$ 1,203,145	\$ 1,254,382	\$ 1,226,140	\$ 1,265,441	\$ 1,153,840
Contributions--member	132,748	131,991	135,257	140,505	154,740	170,877	176,847	183,405	185,075
Plan net investment income	(4,471,830)	5,438,718	4,304,331	5,568,182	(2,261,776)	4,674,850	2,805,088	(305,337)	1,529,955
Benefit payments, including refunds of member contributions	(3,214,089)	(3,187,961)	(3,055,168)	(3,004,777)	(2,801,839)	(2,508,319)	(2,282,400)	(2,074,554)	(1,885,640)
Administrative expense	(21,745)	(20,970)	(30,960)	(24,064)	(10,826)	-	(15,706)	(87,915)	(92,784)
Net change in plan fiduciary net position	<u>(6,356,450)</u>	<u>3,603,041</u>	<u>2,529,695</u>	<u>3,831,605</u>	<u>(3,716,556)</u>	<u>3,591,790</u>	<u>1,909,969</u>	<u>(1,018,960)</u>	<u>890,446</u>
Plan fiduciary net position--beginning	<u>43,705,111</u>	<u>40,102,070</u>	<u>37,572,375</u>	<u>33,740,770</u>	<u>37,457,326</u>	<u>33,865,536</u>	<u>31,955,567</u>	<u>32,974,527</u>	<u>32,084,081</u>
Plan fiduciary net position--ending	<u><u>\$ 37,348,661</u></u>	<u><u>\$ 43,705,111</u></u>	<u><u>\$ 40,102,070</u></u>	<u><u>\$ 37,572,375</u></u>	<u><u>\$ 33,740,770</u></u>	<u><u>\$ 37,457,326</u></u>	<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>\$ 8,779,127</u></u>	<u><u>\$ 3,184,595</u></u>	<u><u>\$ 7,197,820</u></u>	<u><u>\$ 6,897,619</u></u>	<u><u>\$ 10,581,204</u></u>	<u><u>\$ 6,381,237</u></u>	<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	80.97%	93.21%	84.78%	84.49%	76.13%	85.44%	78.75%	79.91%	84.43%
Covered payroll	\$ 4,424,933	\$ 4,399,700	\$ 4,924,218	\$ 4,882,949	\$ 5,154,581	\$ 5,800,022	\$ 5,823,219	\$ 5,921,079	\$ 6,300,916
Plan's net pension liability as a percentage of covered payroll	198.40%	72.38%	146.17%	141.26%	205.28%	110.02%	156.89%	135.66%	96.50%
Investment returns									
Annual money-weighted rate of return, net of investment expense	-10.51%	13.82%	11.64%	16.86%	-6.19%	14.03%	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

Schedules of Required Supplementary Information

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

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Interest	\$ 501,281	\$ 518,479	\$ 559,479	\$ 579,107	\$ 612,150	\$ 630,450	\$ 623,735	\$ 643,718
Differences between expected and actual experience	(1,040,263)	-	224,503	-	(199,738)	-	14,706	-
Changes of assumptions	-	-	562,454	-	-	-	346,977	-
Benefit payments, including refunds of member contributions	(745,497)	(819,442)	(837,444)	(844,059)	(861,594)	(886,847)	(904,618)	(915,494)
Net change in total pension liability	(1,284,479)	(300,963)	508,992	(264,952)	(449,182)	(256,397)	80,800	(271,776)
Total pension liability--beginning	8,078,901	8,379,864	7,870,872	8,135,824	8,585,006	8,841,403	8,760,603	9,032,379
Total pension liability--ending	\$ 6,794,422	\$ 8,078,901	\$ 8,379,864	\$ 7,870,872	\$ 8,135,824	\$ 8,585,006	\$ 8,841,403	\$ 8,760,603
Plan fiduciary net position								
Contributions--employer	\$ 466,243	\$ 445,045	\$ 445,045	\$ 445,045	\$ 445,045	\$ 434,671	\$ 451,389	\$ 442,700
Net investment income	440,975	378,924	466,936	5,974	570,932	216,957	85,692	319,096
Benefit payments, including refunds of member contributions	(745,497)	(819,442)	(837,444)	(844,059)	(861,594)	(886,847)	(904,618)	(915,494)
Administrative expense	(8,021)	(9,126)	(8,073)	(10,491)	(8,077)	(8,976)	(7,693)	(10,526)
Net change in plan fiduciary net position	153,700	(4,599)	66,464	(403,531)	146,306	(244,195)	(375,230)	(164,224)
Plan fiduciary net position--beginning	3,914,863	3,919,462	3,852,998	4,256,529	4,110,223	4,354,418	4,729,648	4,893,872
Plan fiduciary net position--ending	\$ 4,068,563	\$ 3,914,863	\$ 3,919,462	\$ 3,852,998	\$ 4,256,529	\$ 4,110,223	\$ 4,354,418	\$ 4,729,648
Plan net pension liability--ending	\$ 2,725,859	\$ 4,164,038	\$ 4,460,402	\$ 4,017,874	\$ 3,879,295	\$ 4,474,783	\$ 4,486,985	\$ 4,030,955
Plan fiduciary net position as a percentage of total liability	59.88%	48.46%	46.77%	48.95%	52.32%	47.88%	49.25%	53.99%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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See Independent Auditor's Report

Schedules of Required Supplementary Information

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

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Interest	\$ 490,495	\$ 513,928	\$ 564,052	\$ 589,138	\$ 619,186	\$ 642,186	\$ 630,618	\$ 656,039
Differences between expected and actual experience	(144,728)	-	120,920	-	(83,986)	-	72,443	-
Changes of assumptions	-	-	607,534	-	-	-	419,287	-
Benefit payments, including refunds of member contributions	(852,806)	(895,383)	(915,390)	(931,563)	(939,959)	(957,421)	(978,436)	(1,010,928)
Net change in total pension liability	(507,039)	(381,455)	377,116	(342,425)	(404,759)	(315,235)	143,912	(354,889)
Total pension liability--beginning	7,965,772	8,347,227	7,970,111	8,312,536	8,717,295	9,032,530	8,888,618	9,243,507
Total pension liability--ending	<u>\$ 7,458,733</u>	<u>\$ 7,965,772</u>	<u>\$ 8,347,227</u>	<u>\$ 7,970,111</u>	<u>\$ 8,312,536</u>	<u>\$ 8,717,295</u>	<u>\$ 9,032,530</u>	<u>\$ 8,888,618</u>
Plan fiduciary net position								
Contributions--employer	\$ 388,133	\$ 286,886	\$ 286,886	\$ 283,390	\$ 283,390	\$ 222,800	\$ 231,369	\$ 237,746
Net investment income	567,476	494,305	629,202	9,605	793,208	305,148	123,540	461,838
Benefit payments, including refunds of member contributions	(852,806)	(895,383)	(915,390)	(931,563)	(939,959)	(957,421)	(978,436)	(1,010,928)
Administrative expense	(8,490)	(9,642)	(8,699)	(11,351)	(8,829)	(11,830)	(10,464)	(14,067)
Net change in plan fiduciary net position	94,313	(123,834)	(8,001)	(649,919)	127,810	(441,303)	(633,991)	(325,411)
Plan fiduciary net position--beginning	5,089,162	5,212,996	5,220,997	5,870,916	5,743,106	6,184,409	6,818,400	7,143,811
Plan fiduciary net position--ending	<u>\$ 5,183,475</u>	<u>\$ 5,089,162</u>	<u>\$ 5,212,996</u>	<u>\$ 5,220,997</u>	<u>\$ 5,870,916</u>	<u>\$ 5,743,106</u>	<u>\$ 6,184,409</u>	<u>\$ 6,818,400</u>
Plan net pension liability--ending	<u>\$ 2,275,258</u>	<u>\$ 2,876,610</u>	<u>\$ 3,134,231</u>	<u>\$ 2,749,114</u>	<u>\$ 2,441,620</u>	<u>\$ 2,974,189</u>	<u>\$ 2,848,121</u>	<u>\$ 2,070,218</u>
Plan fiduciary net position as a percentage of total liability	69.50%	63.89%	62.45%	65.51%	70.63%	65.88%	68.47%	76.71%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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See Independent Auditor's Report

Schedules of Required Supplementary Information

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

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Interest	\$ 3,384	\$ 4,125	\$ 4,617	\$ 6,571	\$ 7,543	\$ 6,604	\$ 5,752	\$ 7,293
Differences between expected and actual experience	-	(6,124)	-	(11,568)	-	20,903	-	19,074
Changes of assumptions	-	-	-	(145)	-	6,601	(14,520)	16,419
Benefit payments, including refunds of member contributions	(7,475)	(9,675)	(13,550)	(19,350)	(21,600)	(21,600)	(21,600)	(21,600)
Net change in total pension liability	(4,091)	(11,674)	(8,933)	(24,492)	(14,057)	12,508	(30,368)	21,186
Total pension liability--beginning	52,016	63,690	72,623	97,115	111,172	98,664	129,032	107,846
Total pension liability--ending	<u>\$ 47,925</u>	<u>\$ 52,016</u>	<u>\$ 63,690</u>	<u>\$ 72,623</u>	<u>\$ 97,115</u>	<u>\$ 111,172</u>	<u>\$ 98,664</u>	<u>\$ 129,032</u>
Plan fiduciary net position								
Contributions--employer	\$ 2,628	\$ 13,796	\$ 13,796	\$ 13,796	\$ 5,975	\$ 5,975	\$ 1,591	\$ 1,591
Net investment income	4,262	3,860	3,358	203	5,039	2,229	1,409	5,504
Benefit payments, including refunds of member contributions	(7,475)	(9,675)	(13,550)	(19,350)	(21,600)	(21,600)	(21,600)	(21,600)
Administrative expense	(1,979)	(1,317)	(2,221)	(1,822)	(2,262)	(443)	(1,312)	(557)
Net change in plan fiduciary net position	(2,564)	6,664	1,383	(7,173)	(12,848)	(13,839)	(19,912)	(15,062)
Plan fiduciary net position--beginning	31,034	24,370	22,987	30,160	43,008	56,847	76,759	91,821
Plan fiduciary net position--ending	<u>\$ 28,470</u>	<u>\$ 31,034</u>	<u>\$ 24,370</u>	<u>\$ 22,987</u>	<u>\$ 30,160</u>	<u>\$ 43,008</u>	<u>\$ 56,847</u>	<u>\$ 76,759</u>
Plan net pension liability--ending	<u>\$ 19,455</u>	<u>\$ 20,982</u>	<u>\$ 39,320</u>	<u>\$ 49,636</u>	<u>\$ 66,955</u>	<u>\$ 68,164</u>	<u>\$ 41,817</u>	<u>\$ 52,273</u>
Plan fiduciary net position as a percentage of total liability	59.41%	59.66%	38.26%	31.65%	31.06%	38.69%	57.62%	59.49%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	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*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability/(asset)	0.745%	0.837%	0.847%	0.885%	0.973%	0.992%	1.005%	0.609%	0.609%
City's proportionate share of the net pension liability/(asset)	\$ (4,036,667)	\$ 1,817,527	\$ (479,107)	\$ (1,118,317)	\$ (1,400,090)	\$ 358,531	\$ (17,713)	\$ (687,748)	\$ (544,913)
City's covered payroll	\$ 6,367,826	\$ 5,379,460	\$ 4,994,910	\$ 3,181,470	\$ 3,268,490	\$ 3,268,489	\$ 3,263,302	\$ 3,367,345	\$ 2,117,480
City's proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	63.4%	33.8%	9.6%	35.2%	42.8%	11.0%	0.5%	20.4%	25.7%
Plan fiduciary net position as a percentage of the total pension liability	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%	105.8%

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See Independent Auditor's Report

Schedules of Required Supplementary Information

**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***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability/(asset)	1.134%	1.100%	1.129%	1.091%	1.100%	1.788%	1.828%	1.809%	1.655%
City's proportionate share of the net pension liability/(asset)	(430,094)	230,268	(219,863)	(150,629)	(214,232)	(194,650)	(192,510)	(214,535)	(168,781)
City's covered payroll	189,430	186,493	180,169	167,554	234,323	240,695	223,922	123,500	123,500
City's proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	227.0%	123.5%	122.0%	89.9%	91.4%	80.9%	82.2%	95.8%	136.7%
Plan fiduciary net position as a percentage of the total pension liability	149.0%	138.0%	130.1%	123.5%	138.9%	125.8%	129.4%	140.6%	139.0%

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See Independent Auditor's Report

Schedules of Required Supplementary Information
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
2013	854,568	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	1,153,840	1,153,840	6,300,916	18.3%	442,700	442,700	-	N/A	237,746	237,746	-	N/A	1,591	1,591	-	N/A
2015	1,265,441	1,265,441	5,921,079	21.4%	434,671	451,389	-	N/A	222,800	231,369	-	N/A	1,591	1,591	-	N/A
2016	1,226,140	1,226,140	5,823,219	21.1%	434,671	434,671	-	N/A	222,800	222,800	-	N/A	5,975	5,975	-	N/A
2017	1,254,382	1,254,382	5,800,022	21.6%	445,045	462,162	-	N/A	283,390	294,290	-	N/A	5,975	5,975	-	N/A
2018	1,203,145	1,203,145	5,154,581	23.3%	445,045	445,045	-	N/A	283,390	283,390	-	N/A	5,975	5,975	-	N/A
2019	1,151,759	1,152,506	4,882,949	23.6%	414,667	445,045	-	N/A	286,886	286,886	-	N/A	13,796	13,796	-	N/A
2020	1,176,235	1,176,235	4,924,218	23.9%	414,667	445,045	-	N/A	286,886	286,886	-	N/A	13,796	13,796	-	N/A
2021	1,241,263	1,241,263	4,399,700	28.2%	414,667	445,045	-	N/A	286,886	286,886	-	N/A	8,212	13,796	-	N/A
2022	1,142,842	1,218,466	4,329,002	28.1%	466,243	446,243	-	N/A	388,133	388,133	-	N/A	2,792	13,796	-	N/A

See Independent Auditor's Report

Schedules of Required Supplementary Information

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Pension (Asset)/Liability								
Nonemergency Plan	\$ 8,779,127	\$ 3,184,595	\$ 7,197,820	\$ 6,897,619	\$ 10,581,204	\$ 6,381,237	\$ 9,135,805	\$ 8,032,521
Police Officer Old Hire Plan	2,725,859	4,164,038	4,460,402	4,017,874	3,879,295	4,474,783	4,486,985	4,030,955
Firefighter Old Hire Plan	2,275,258	2,876,610	3,134,231	2,749,114	2,441,620	2,974,189	2,848,121	2,070,218
Volunteer Firefighter Plan	19,456	20,982	39,320	49,636	66,955	68,164	41,817	52,273
Police Officers Statewide Defined Benefit (SWDB) Plan	(4,036,667)	(1,817,527)	(479,107)	(1,118,317)	(1,400,090)	358,531	(17,713)	(687,748)
Police Officers Statewide Hybrid (SWH) Plan	(430,094)	(230,268)	(219,863)	(150,629)	(214,232)	(194,650)	(192,510)	(214,535)
Total Net Pension (Asset)/Liability	<u>\$ 9,332,939</u>	<u>\$ 8,198,430</u>	<u>\$ 14,132,803</u>	<u>\$ 12,445,297</u>	<u>\$ 15,354,752</u>	<u>\$ 14,062,254</u>	<u>\$ 16,302,505</u>	<u>\$ 13,283,684</u>
Pension (Income)/Expense								
Nonemergency Plan	\$ 455,605	\$ 321,540	\$ 1,581,154	\$ 1,065,877	\$ 1,630,616	\$ 1,853,831	\$ 2,318,331	\$ 465,487
Police Officer Old Hire Plan	(877,149)	241,949	1,114,656	364,383	147,169	404,796	711,802	131,670
Firefighter Old Hire Plan	(95,011)	147,627	982,995	295,566	167,622	324,891	730,307	65,446
Volunteer Firefighter Plan	2,048	(3,108)	(5,797)	(4,320)	32,006	32,006	(11,590)	35,748
Police Officers Statewide Defined Benefit (SWDB) Plan	454,833	1,415,141	422,274	(412,382)	(758,700)	655,366	522,453	18,724
Police Officers Statewide Hybrid (SWH) Plan	(15,269)	280,843	23,476	71,170	(554,921)	(19,192)	(33,224)	44,394
Total Pension (Income)/Expense	<u>\$ (74,943)</u>	<u>\$ 2,403,992</u>	<u>\$ 4,118,758</u>	<u>\$ 1,380,294</u>	<u>\$ 663,792</u>	<u>\$ 3,251,698</u>	<u>\$ 4,238,079</u>	<u>\$ 761,469</u>

Up to 10 years of information will be presented as it becomes available.

See Independent Auditor's Report

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<u>Police Officers Statewide Defined Benefit (SWDB) Plan</u>										
Contractually required contribution	\$ 604,943	\$ 560,973	\$ 537,946	\$ 499,491	\$ 318,174	\$ 326,849	\$ 326,249	\$ 326,370	\$ 336,734	\$ 211,748
Contributions in relation to the contractually required contribution	604,943	560,973	537,946	499,491	318,174	326,849	326,249	326,370	336,734	211,748
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 6,721,589	\$ 6,599,682	\$ 5,908,128	\$ 5,483,380	\$ 3,179,303	\$ 3,268,489	\$ 3,262,486	\$ 3,263,702	\$ 3,367,345	\$ 2,117,480
Contributions as % of covered payroll	9.00%	8.50%	9.11%	9.11%	10.01%	10.00%	10.00%	10.00%	10.00%	10.00%
<u>Police Officers Statewide Hybrid Pension Plan - Defined Benefit Component</u>										
Contractually required contribution	\$ 18,943	\$ 19,203	\$ 18,649	\$ 18,017	\$ 17,392	\$ 16,753	\$ 23,125	\$ 24,069	\$ 22,392	\$ 12,350
Contributions in relation to the contractually required contribution	18,943	19,203	18,649	18,017	17,392	16,753	23,125	24,069	22,392	12,350
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 189,430	\$ 192,030	\$ 186,493	\$ 180,170	\$ 173,923	\$ 167,564	\$ 231,234	\$ 240,695	\$ 223,922	\$ 123,500
Contributions as % of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

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

See Independent Auditor's Report

Schedules of Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios for the last 10 fiscal years

	2022	2021	2020	2019
Total OPEB liability				
Service cost	\$ 134,025	\$ 106,867	\$ 82,182	\$ 86,977
Interest on total OPEB liability	111,492	143,969	174,091	163,386
Differences between expected and actual experience	-	(174,718)	-	-
Changes of assumptions	114,071	530,246	555,926	(223,164)
Benefit payments	(279,824)	(281,374)	(282,222)	(254,649)
Net change in total OPEB liability	79,764	324,990	529,977	(227,450)
Total OPEB liability--beginning	5,647,490	5,322,500	4,792,523	5,019,973
Total OPEB liability--ending	<u>\$ 5,727,254</u>	<u>\$ 5,647,490</u>	<u>\$ 5,322,500</u>	<u>\$ 4,792,523</u>
 Covered employee payroll	 \$ 36,165,053	 \$ 35,111,702	 \$ 28,506,500	 \$ 27,676,213
Total OPEB liability as a percentage of covered payroll	15.84%	16.08%	18.67%	17.32%

Notes to schedule:

The plan is funded on a pay-as-you-go basis and there are no assets being accumulated in trust to pay benefits.

Changes of assumptions reflect updated mortality tables

The following are the discount rates used in each period:

2022	1.84%
2021	2.00%
2020	2.75%
2019	3.71%

All amounts reported are based on actuarial reports calculated at 12/31 of the previous year.

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 Supplementary Information December 31, 2022

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. Schedules of Employer Pension Contributions-Actuarial Information

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

Actuarial valuation date	1/1/2022
Actuarial cost method	Entry Age
Amortization method	Level amount, Open
Remaining amortization period	16
Asset valuation method	5 year smoothed fair value
Actuarial assumptions:	
Investment rate of return	6.5%
Projected salary increases*	N/A
*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

**Nonemergency Employees
Single Employer Pension Plan**

Actuarial valuation date	1/1/2022
Actuarial cost method	Entry Age
Amortization method	Level amount, Closed
Remaining amortization period	13 years
Asset valuation method	5 year smoothed fair value
Actuarial assumptions:	
Investment rate of return	6.0%
Projected salary increases*	2.8-5.8%
*Includes inflation at	2.5%
Cost of living adjustments	None
Mortality rates were based on the Pub-2010 amount weighted, General, Healthy Retiree Mortality Tables, generational projected with Scale	BB

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

Actuarial valuation date	1/1/2022
Actuarial cost method	Entry Age
Amortization method	Level amount, Open
Remaining amortization period	N/A
Asset valuation method	5 year smoothed fair value
Actuarial assumptions:	
Investment rate of return	6.5%
Projected salary increases*	N/A
*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	BB

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

Actuarial valuation date	1/1/2021
Actuarial cost method	Entry Age
Amortization method	Level amount, Open
Remaining amortization period	9
Asset valuation method	5 year smoothed fair value
Actuarial assumptions:	
Investment rate of return	7.00%
Mortality	
	Based on 2006 central rates from the RP-2014 Employee Mortality tables for males and females projected to 2018 using the MP-2017 projection scales

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.

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 Bonds 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.

Police Headquarters Construction Fund -- Accounts for the construction of the, voter approved, police headquarters building.

CITY OF ENGLEWOOD, COLORADO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022**

	Special Revenue Funds					Debt Service	Capital Projects Funds		Total
	Conservation	Open		Malley	Parks and	General	Capital	Police	Nonmajor
	Trust	Space	Donors	Center	Recreation	Obligation	Projects	Headquarters	Governmental
	Trust	Space	Donors	Trust	Trust	Bonds	Projects	Headquarters	Funds
Assets									
Cash and investments	\$ 1,993,049	\$ 2,594,580	\$ 832,553	\$ 448,050	\$ 138,473	\$ 127,682	\$ 3,866,277	\$ 2,842,802	\$ 12,843,466
Receivables:									
Property taxes	-	-	-	-	-	2,749,323	-	-	2,749,323
Interest	9,564	13,025	3,792	2,110	653	7,219	22,286	13,570	72,219
Intergovernmental	-	175,000	-	-	-	(533)	-	-	174,467
Total assets	<u>\$ 2,002,613</u>	<u>\$ 2,782,605</u>	<u>\$ 836,345</u>	<u>\$ 450,160</u>	<u>\$ 139,126</u>	<u>\$ 2,883,691</u>	<u>\$ 3,888,563</u>	<u>\$ 2,856,372</u>	<u>\$ 15,839,475</u>
Liabilities and fund balances									
Liabilities:									
Accounts payable	\$ -	\$ 350,145	\$ 16,152	\$ -	\$ -	\$ -	\$ 108,527	\$ 39,500	\$ 514,324
Other liabilities	-	3,633	23,500	-	-	-	-	-	27,133
Total liabilities	<u>-</u>	<u>353,778</u>	<u>39,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,527</u>	<u>39,500</u>	<u>541,457</u>
Deferred Inflows of Resources									
Deferred revenue-property tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,749,323</u>	<u>-</u>	<u>-</u>	<u>2,749,323</u>
Fund balances:									
Restricted for:									
Parks and recreation	2,002,613	2,428,827	23,325	450,160	-	-	-	-	4,904,925
Law enforcement	-	-	126,737	-	-	-	-	2,816,872	2,943,609
Debt service	-	-	-	-	-	134,368	-	-	134,368
Committed to:									
Capital projects	-	-	-	-	-	-	3,780,036	-	3,780,036
Parks and recreation	-	-	-	-	139,126	-	-	-	139,126
Assigned to:									
Parks and recreation	-	-	534,373	-	-	-	-	-	534,373
Law enforcement	-	-	28,754	-	-	-	-	-	28,754
Other purposes	-	-	83,504	-	-	-	-	-	83,504
Total fund balances	<u>2,002,613</u>	<u>2,428,827</u>	<u>796,693</u>	<u>450,160</u>	<u>139,126</u>	<u>134,368</u>	<u>3,780,036</u>	<u>2,816,872</u>	<u>12,548,695</u>
Total liabilities deferred inflows and fund balances	<u>\$ 2,002,613</u>	<u>\$ 2,782,605</u>	<u>\$ 836,345</u>	<u>\$ 450,160</u>	<u>\$ 139,126</u>	<u>\$ 2,883,691</u>	<u>\$ 3,888,563</u>	<u>\$ 2,856,372</u>	<u>\$ 15,839,475</u>

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2022**

	Special Revenue Funds					Debt Service	Capital Projects Funds		Total
	Conservation	Open		Malley	Parks and	General	Capital	Police	Total
	Trust	Space	Donors	Center	Recreation	Obligation	Projects	Headquarters	Nonmajor
				Trust	Trust	Bonds			Governmental
									Funds
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,219,100	\$ -	\$ -	\$ 3,219,100
Intergovernmental	430,460	1,327,845	93,246	-	-	-	1,138,429	-	2,989,980
Charges for services	-	-	1,559	-	-	-	-	-	1,559
Net investment income	(39,787)	(42,251)	(10,574)	(7,396)	(2,298)	(23,311)	(69,118)	(49,446)	(244,181)
Contributions	-	-	154,675	200	328	-	-	-	155,203
Other	-	-	-	-	-	-	950	-	950
Total revenues	<u>390,673</u>	<u>1,285,594</u>	<u>238,906</u>	<u>(7,196)</u>	<u>(1,970)</u>	<u>3,195,789</u>	<u>1,070,261</u>	<u>(49,446)</u>	<u>6,122,611</u>
Expenditures									
Current:									
General government	-	-	9,996	-	-	33,508	1,462,486	-	1,505,990
Public safety	-	-	70,251	-	-	-	-	128,950	199,201
Public works	-	-	-	-	-	-	357,732	-	357,732
Culture and recreation	700,175	418,491	38,157	-	-	-	60,556	-	1,217,379
Capital outlay	41,811	893,728	-	-	-	-	129,472	48,881	1,113,892
Debt service:									
Principal	-	-	-	-	-	2,075,000	-	-	2,075,000
Interest	-	-	-	-	-	1,207,563	-	-	1,207,563
Total expenditures	<u>741,986</u>	<u>1,312,219</u>	<u>118,404</u>	<u>-</u>	<u>-</u>	<u>3,316,071</u>	<u>2,010,246</u>	<u>177,831</u>	<u>7,676,757</u>
Excess revenues over (under) expenditures	<u>(351,313)</u>	<u>(26,625)</u>	<u>120,502</u>	<u>(7,196)</u>	<u>(1,970)</u>	<u>(120,282)</u>	<u>(939,985)</u>	<u>(227,277)</u>	<u>(1,554,146)</u>
Other financing sources (uses)									
Transfers in	-	-	-	-	-	-	1,795,642	-	1,795,642
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,795,642</u>	<u>-</u>	<u>1,795,642</u>
Net change in fund balances	<u>(351,313)</u>	<u>(26,625)</u>	<u>120,502</u>	<u>(7,196)</u>	<u>(1,970)</u>	<u>(120,282)</u>	<u>855,657</u>	<u>(227,277)</u>	<u>241,496</u>
Fund balances - beginning	<u>2,353,926</u>	<u>2,455,452</u>	<u>676,191</u>	<u>457,356</u>	<u>141,096</u>	<u>254,650</u>	<u>2,924,379</u>	<u>3,044,149</u>	<u>12,307,199</u>
Fund balances - ending	<u>\$ 2,002,613</u>	<u>\$ 2,428,827</u>	<u>\$ 796,693</u>	<u>\$ 450,160</u>	<u>\$ 139,126</u>	<u>\$ 134,368</u>	<u>\$ 3,780,036</u>	<u>\$ 2,816,872</u>	<u>\$ 12,548,695</u>

See Independent Auditor's Report

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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Project Budgets	Actual Amounts	Project Budget Remaining	2021 Actual
Revenues				
Lottery proceeds	\$ 430,460	\$ 430,460	\$ -	\$ 427,169
Net investment income	(39,787)	(39,787)	-	(11,192)
Total revenues	<u>390,673</u>	<u>390,673</u>	<u>-</u>	<u>415,977</u>
Expenditures				
Current:				
Culture and recreation	1,702,327	700,175	1,002,152	191,014
Capital outlay	<u>410,275</u>	<u>41,811</u>	<u>368,464</u>	<u>-</u>
Total expenditures	<u>2,112,602</u>	<u>741,986</u>	<u>1,370,616</u>	<u>191,014</u>
Net change in fund balances	<u>\$ (1,721,929)</u>	<u>(351,313)</u>	<u>\$ 1,370,616</u>	<u>224,963</u>
Fund balances - beginning		<u>2,353,926</u>		<u>2,128,963</u>
Fund balances - ending		<u>2,002,613</u>		<u>2,353,926</u>
Less: Fund Balance Designated for Completion of Projects		<u>(1,370,616)</u>		<u>(1,732,303)</u>
Unappropriated fund balance		<u>\$ 631,997</u>		<u>\$ 621,623</u>

See Independent Auditor's Report

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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Project Budgets	Actual Amounts	Project Budget Remaining	2021 Actual
Revenues				
Open Space Tax Shareback	\$ 1,152,845	\$ 1,152,845	\$ -	\$ 1,047,974
Open Space Grants	175,000	175,000	-	500,000
Net investment income	(42,251)	(42,251)	-	(11,240)
Total revenues	<u>1,285,594</u>	<u>1,285,594</u>	<u>-</u>	<u>1,536,734</u>
Expenditures				
Current:				
Culture and recreation	1,914,291	418,491	1,495,800	469,364
Capital outlay	<u>1,809,017</u>	<u>893,728</u>	<u>915,289</u>	<u>552,228</u>
Total expenditures	<u>3,723,308</u>	<u>1,312,219</u>	<u>2,411,089</u>	<u>1,021,592</u>
Net change in fund balances	<u><u>\$ (2,437,714)</u></u>	<u>(26,625)</u>	<u><u>\$ 2,411,089</u></u>	<u>515,142</u>
Fund balances - beginning		<u>2,455,452</u>		<u>1,940,310</u>
Fund balances - ending		<u>2,428,827</u>		<u>2,455,452</u>
Less: Fund Balance Designated for Completion of Projects		<u>(2,236,084)</u>		<u>(1,940,102)</u>
Unappropriated fund balance		<u><u>\$ 192,743</u></u>		<u><u>\$ 515,350</u></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, 2022

With Comparative Totals for the Year Ended December 31, 2021

	Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues				
Intergovernmental	\$ 64,600	\$ 93,246	\$ 28,646	\$ 134,041
Charges for services	2,500	1,559	(941)	1,734
Net investment income	5,000	(10,574)	(15,574)	(3,107)
Contributions	15,000	154,675	139,675	139,897
Total revenues	<u>87,100</u>	<u>238,906</u>	<u>151,806</u>	<u>272,565</u>
Expenditures				
Current:				
General government	93,000	9,996	83,004	-
Public Safety	60,000	70,251	(10,251)	4,602
Culture and recreation	260,000	38,157	221,843	46,047
Total expenditures	<u>413,000</u>	<u>118,404</u>	<u>294,596</u>	<u>50,649</u>
OTHER FINANCING USES				
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(328,802)</u>
Net change in fund balances	<u>(325,900)</u>	<u>120,502</u>	<u>(142,790)</u>	<u>(106,886)</u>
Fund balances - beginning	<u>473,505</u>	<u>676,191</u>	<u>906,388</u>	<u>783,077</u>
Fund balances - ending	<u>\$ 147,605</u>	<u>\$ 796,693</u>	<u>\$ 763,598</u>	<u>\$ 676,191</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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues				
Contributions	\$ 1,500	\$ 200	\$ (1,300)	\$ 70,747
Net investment income	1,500	(7,396)	(8,896)	(2,245)
Total revenues	<u>3,000</u>	<u>(7,196)</u>	<u>(10,196)</u>	<u>68,502</u>
Expenditures				
Culture and recreation	<u>35,000</u>	<u>-</u>	<u>35,000</u>	<u>1,036</u>
Total expenditures	<u>35,000</u>	<u>-</u>	<u>35,000</u>	<u>1,036</u>
Net change in fund balances	(32,000)	(7,196)	24,804	67,466
Fund balances - beginning	<u>427,390</u>	<u>457,356</u>	<u>243,706</u>	<u>389,890</u>
Fund balances - ending	<u><u>\$ 395,390</u></u>	<u><u>\$ 450,160</u></u>	<u><u>\$ 268,510</u></u>	<u><u>\$ 457,356</u></u>

See Independent Auditor's Report

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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues				
Net investment income	\$ 2,500	\$ (2,298)	\$ (4,798)	\$ (815)
Contributions	-	-	-	4,500
Total revenues	<u>2,500</u>	<u>(2,298)</u>	<u>(4,798)</u>	<u>3,685</u>
Expenditures				
Current				
Culture and recreation	15,000	(328)	15,328	915
Total expenditures	<u>15,000</u>	<u>(328)</u>	<u>15,328</u>	<u>915</u>
OTHER FINANCING USES				
Operating transfers out	-	-	-	(347,145)
Net change in fund balances	(12,500)	(1,970)	(20,126)	(344,375)
Fund balances - beginning	125,826	141,096	616,739	141,096
Fund balances - ending	<u>\$ 113,326</u>	<u>\$ 139,126</u>	<u>\$ 596,613</u>	<u>\$ (203,279)</u>

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CITY OF ENGLEWOOD, COLORADO

**General Obligation Bonds Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues				
Taxes	\$ 3,250,000	\$ 3,219,100	\$ (30,900)	\$ 2,917,448
Net investment income	4,000	(23,311)	(27,311)	(7,942)
Total revenues	<u>3,254,000</u>	<u>3,195,789</u>	<u>(58,211)</u>	<u>2,909,506</u>
Expenditures				
General government	42,100	33,508	8,592	31,637
Debt service:				
Principal	2,075,000	2,075,000	-	1,985,000
Interest	1,215,000	1,207,563	7,437	1,296,963
Total expenditures	<u>3,332,100</u>	<u>3,316,071</u>	<u>16,029</u>	<u>3,313,600</u>
Net change in fund balances	(78,100)	(120,282)	(42,182)	(404,094)
Fund balances - beginning	253,144	254,650	114,231	658,744
Fund balances - ending	<u>\$ 175,044</u>	<u>\$ 134,368</u>	<u>\$ 72,049</u>	<u>\$ 254,650</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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Project Budgets	Actual	Project Budget Remaining	2021 Actual
Revenues				
Vehicle use tax	\$ 2,523,622	\$ 2,523,622	\$ -	\$ 2,515,708
Building use tax	3,767,007	3,767,007	-	2,621,288
Intergovernmental	14,333,336	3,701,490	10,631,846	1,910,681
Net investment income	(306,540)	(306,540)	-	(98,213)
Construction reimbursement	94,150	94,150	-	-
Total revenues	<u>20,411,575</u>	<u>9,779,729</u>	<u>10,631,846</u>	<u>6,949,464</u>
Expenditures				
Current:				
General government	350,244	66,066	284,178	87,705
Public safety	-	-	-	4,368
Public works	13,217,624	4,472,242	8,745,382	3,910,465
Culture and recreation	2,380,425	63,563	2,316,862	1,004,498
Capital outlay	16,702,947	2,813,291	13,889,656	2,069,253
Total expenditures	<u>32,651,240</u>	<u>7,415,162</u>	<u>25,236,078</u>	<u>7,076,289</u>
Excess revenues over (under) expenditures	<u>(12,239,665)</u>	<u>2,364,567</u>	<u>(14,604,232)</u>	<u>(126,825)</u>
Other financing sources (uses)				
Transfers in	-	-	-	10,520,947
Transfers out	<u>(1,534,122)</u>	<u>(1,534,122)</u>	<u>-</u>	<u>(340,521)</u>
Total other financing sources (uses)	<u>(1,534,122)</u>	<u>(1,534,122)</u>	<u>-</u>	<u>10,180,426</u>
Net change in fund balances	<u>\$ (13,773,787)</u>	830,445	<u>\$ (14,604,232)</u>	10,053,601
Fund balances - beginning		<u>18,870,873</u>		<u>8,817,272</u>
Fund balances - ending		19,701,318		18,870,873
Less: Fund Balance Designated for Completion of Projects		<u>(14,604,232)</u>		<u>(17,929,348)</u>
Unappropriated fund balance		<u>\$ 5,097,086</u>		<u>\$ 941,525</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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Project Budgets	Actual	Project Budget Remaining	2021 Actual
Revenues				
Intergovernmental revenues	\$ 1,138,429	\$ 1,138,429	\$ -	\$ -
Net investment income	(69,118)	(69,118)	-	(16,277)
Other	950	950	-	996
Total revenues	<u>1,070,261</u>	<u>1,070,261</u>	<u>-</u>	<u>(15,281)</u>
Expenditures				
Current:				
General government	2,284,125	1,462,486	821,639	1,053,901
Public safety	12,504	-	12,504	41,651
Public works	1,649,633	357,732	1,291,901	-
Culture and recreation	349,469	60,556	288,913	77,068
Capital outlay	1,150,780	129,472	1,021,308	637,470
Total expenditures	<u>5,446,511</u>	<u>2,010,246</u>	<u>3,436,265</u>	<u>1,810,090</u>
Excess expenditures over revenues	<u>(4,376,250)</u>	<u>(939,985)</u>	<u>3,436,265</u>	<u>(1,825,371)</u>
Other financing sources (uses)				
Transfers in	<u>1,795,642</u>	<u>1,795,642</u>	<u>-</u>	<u>1,197,715</u>
Net change in fund balances	<u>\$ (2,580,608)</u>	<u>855,657</u>	<u>\$ 3,436,265</u>	<u>(627,656)</u>
Fund balances - beginning		<u>2,924,379</u>		<u>3,552,035</u>
Fund balances - ending		<u>3,780,036</u>		<u>2,924,379</u>
Less: Fund Balance Designated for Completion of Projects		<u>(3,436,265)</u>		<u>(2,881,631)</u>
Unappropriated fund balance		<u>\$ 343,771</u>		<u>\$ 42,748</u>

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CITY OF ENGLEWOOD, COLORADO

**Police Headquarters Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Project Budget And Actual - Budgetary Basis
For the Year Ended December 31, 2022**

	Project Budget	Actual	Project Budget Remaining
Revenues			
Net investment income	\$ (49,446)	\$ (49,446)	\$ -
Total revenues	<u>(49,446)</u>	<u>(49,446)</u>	<u>-</u>
Expenditures			
Current:			
Public safety	301,194	128,950	172,244
Capital outlay	<u>1,440,725</u>	<u>48,881</u>	<u>1,391,844</u>
Total expenditures	<u>1,741,919</u>	<u>177,831</u>	<u>1,564,088</u>
Excess expenditures over revenues	<u>(1,791,365)</u>	<u>(227,277)</u>	<u>1,564,088</u>
Net change in fund balances	<u>\$ (1,791,365)</u>	<u>(227,277)</u>	<u>\$ 1,564,088</u>
Fund balances - beginning		<u>3,044,149</u>	
Fund balances - ending		<u>2,816,872</u>	
Less: Fund Balance Designated for Completion of Projects		<u>(1,564,088)</u>	
Unappropriated fund balance		<u>\$ 1,252,784</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.

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.

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, 2022
With Comparative Totals for the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with	
	Original	Final	Amounts	Final Budget -	2021
Revenues				Positive	Actual
				(Negative)	
Water sales	\$ 6,509,897	\$ 6,509,897	\$ 7,150,147	\$ 640,250	\$ 6,709,600
Raw water sales	2,820,107	2,820,107	2,759,329	(60,778)	2,636,845
Capital replacement	2,404,979	2,404,979	2,465,631	60,652	1,466,143
City ditch revenues	101,000	101,000	84,211	(16,789)	41,453
System development fees	979,290	979,290	1,374,854	395,564	1,323,557
Net investment income	183,291	183,291	(326,188)	(509,479)	(98,816)
Late fees	23,000	23,000	24,853	1,853	-
Water meter sales	23,000	23,000	52,593	29,593	85,475
Other	209,943	259,943	763,929	503,986	1,428,126
Borrowing Proceeds	1,758,223	1,758,223	-	(1,758,223)	-
Total revenues	<u>15,012,730</u>	<u>15,062,730</u>	<u>14,349,359</u>	<u>(713,371)</u>	<u>13,592,383</u>
Expenditures					
Personnel services	4,978,352	5,012,916	4,087,706	925,210	2,997,961
Customer accounting and collection	1,250,146	1,250,146	1,255,481	(5,335)	461,585
Commodities and contractual services	4,686,052	4,702,995	6,480,542	(1,777,547)	5,611,770
Franchise tax	192,200	192,200	202,099	(9,899)	169,172
Capital outlay	10,868,331	10,868,331	569,166	10,299,165	884,621
Debt service:					
Principal payments	705,000	705,000	705,000	-	680,000
Interest expense	249,000	249,000	230,795	18,205	242,534
Total expenditures	<u>22,929,081</u>	<u>22,980,588</u>	<u>13,530,789</u>	<u>9,449,799</u>	<u>11,047,643</u>
Other financing sources (uses)					
Transfers in	50,000	50,000	-	50,000	50,000
Transfers out	-	(31,000)	(31,000)	-	-
Total other financing sources (uses)	<u>50,000</u>	<u>19,000</u>	<u>(31,000)</u>	<u>50,000</u>	<u>50,000</u>
Excess revenues and other financing sources over (under) expenditures and other financing sources	<u>\$ (7,866,351)</u>	<u>\$ (7,898,858)</u>	<u>787,570</u>	<u>\$ (10,113,170)</u>	<u>\$ 2,594,740</u>
Adjustments to GAAP Basis					
Depreciation and amortization			(1,130,492)		
Capital Outlay			569,166		
Debt principal			705,000		
Change in Net Position, GAAP Basis			<u>\$ 931,244</u>		

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Sewer Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
	Original	Final			
Revenues					
Disposal services	\$ 20,472,177	\$ 20,472,177	\$ 20,948,161	\$ 475,984	\$ 19,535,467
System development fees	393,645	393,645	444,543	50,898	363,220
Grant proceeds	-	-	-	-	1,233,333
Net investment income	38,989	38,989	(204,100)	(243,089)	(63,637)
Late fees	96,613	96,613	54,707	(41,906)	(9,906)
Borrowing proceeds	5,176,753	5,176,753	-	(5,176,753)	-
Other	7,944	7,944	4,547	(3,397)	8,200
Total revenues	<u>26,186,121</u>	<u>26,186,121</u>	<u>21,247,858</u>	<u>(4,938,263)</u>	<u>21,066,677</u>
Expenditures					
Joint Venture operations	8,224,881	8,224,881	8,039,628	185,253	7,339,313
Joint Venture capital	7,831,892	7,831,892	2,434,562	5,397,330	4,300,337
Personnel services	898,107	933,663	326,055	607,608	407,600
Customer accounting and collection	871,577	871,577	959,748	(88,171)	1,194,152
Commodities and contractual services	1,009,690	1,467,907	2,767,915	(1,300,008)	953,484
Franchise tax	508,100	508,100	626,700	(118,600)	584,363
Capital outlay	653,857	1,070,537	390,900	679,637	-
Debt service:					
Principal payments	3,549,663	3,549,663	3,574,468	(24,805)	3,467,448
Interest expense	1,517,890	1,517,890	459,521	1,058,369	549,894
Total expenditures	<u>25,065,657</u>	<u>25,976,110</u>	<u>19,579,497</u>	<u>6,396,613</u>	<u>18,796,591</u>
Other financing sources (uses)					
Transfers in	-	31,000	31,000	-	4,050
Total other financing sources (uses)	<u>-</u>	<u>31,000</u>	<u>31,000</u>	<u>-</u>	<u>4,050</u>
Excess revenues and other financing sources over (under) expenditures and other financing uses	<u>1,120,464</u>	<u>179,011</u>	1,699,361	<u>(11,334,876)</u>	<u>2,266,036</u>
Adjustments to GAAP Basis					
Depreciation			(87,396)		
Capital Outlay			390,900		
Debt principal			3,574,468		
Change in Net Position, GAAP Basis			<u>\$ 5,577,333</u>		

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Golf Course Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Original	Final Budget Amounts	Actual Amounts	Variance- Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues					
Green fees	\$ 1,245,100	\$ 1,245,100	\$ 1,254,141	\$ 9,041	\$ 1,126,057
Rentals	462,000	462,000	486,126	24,126	445,698
Driving range	480,000	480,000	375,482	(104,518)	433,720
Merchandise sales	175,000	175,000	249,817	74,817	162,656
Concessions	36,000	36,000	-	(36,000)	39,750
Memberships	193,383	193,383	197,865	4,482	197,658
Learning center	22,000	22,000	22,000	-	22,000
Net investment income	5,300	5,300	(30,061)	(35,361)	(10,073)
Other	28,500	28,500	36,105	7,605	35,333
Total revenues	<u>2,647,283</u>	<u>2,647,283</u>	<u>2,591,475</u>	<u>(55,808)</u>	<u>2,452,799</u>
Expenditures					
Personnel services	1,015,219	1,051,341	1,035,836	15,505	975,803
Commodities and contractual services	710,447	713,097	810,885	(97,788)	871,762
Cost of goods sold	125,000	125,000	145,847	(20,847)	113,929
Capital outlay	1,643,645	2,093,645	1,975,619	118,026	-
Debt service:					
Principal payments	110,000	110,000	110,000	-	105,000
Interest expense	109,034	109,034	108,599	435	112,969
Total expenditures	<u>3,713,345</u>	<u>4,202,117</u>	<u>4,186,786</u>	<u>15,331</u>	<u>2,179,463</u>
Other financing sources (uses)					
Transfers out	-	-	-	-	2,700
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,700</u>
Excess revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,066,062)</u>	<u>(1,554,834)</u>	<u>(1,595,311)</u>	<u>(71,139)</u>	<u>270,636</u>
Adjustments to GAAP Basis					
Depreciation			(326,362)		
Capital Outlay			1,975,619		
Debt principal			110,000		
Change in Net Position, GAAP Basis			<u>\$ 163,946</u>		

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Storm Drainage Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
	Original	Final			
Revenues					
Storm drainage services	\$ 1,699,000	\$ 1,699,000	\$ 2,866,070	\$ 1,167,070	\$ 1,991,193
Grant proceeds	-	-	-	-	1,233,333
Net investment income	60,000	60,000	(181,480)	(241,480)	(48,151)
Borrowing Proceeds	20,000,000	20,000,000	-	(20,000,000)	9,985,718
Other	10,000	10,000	12,052	2,052	3,840
Total revenues	<u>21,769,000</u>	<u>21,769,000</u>	<u>2,696,642</u>	<u>(19,072,358)</u>	<u>13,165,933</u>
Expenditures					
Personnel services	620,638	623,432	178,192	445,240	276,150
Commodities and contractual services	1,060,820	1,355,389	2,221,323	(865,934)	664,539
Capital outlay	14,365,000	14,365,000	7,615,520	6,749,480	1,522,868
Debt service:					
Principal payments	-	-	-	-	115,000
Interest expense	304,100	304,100	401,600	(97,500)	142,791
Total expenditures	<u>16,350,558</u>	<u>16,647,921</u>	<u>10,416,635</u>	<u>6,231,286</u>	<u>2,721,348</u>
Excess revenues over (under) expenditures	<u>5,418,442</u>	<u>\$ 5,121,079</u>	<u>(7,719,993)</u>	<u>\$ (12,841,072)</u>	<u>\$ 10,444,585</u>
Adjustments to GAAP Basis					
Depreciation			(113,617)		
Capital outlay			7,615,520		
Change in Net Position, GAAP Basis			<u>\$ (218,090)</u>		

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Concrete Utility Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
	Original	Final			
Revenues					
Concrete repair and maintenance fees	\$ 1,030,000	\$ 1,030,000	\$ 1,123,738	\$ 93,738	\$ 1,030,715
Late fees	2,600	2,600	1,910	(690)	-
Net investment income	25,000	25,000	(34,111)	(59,111)	(10,022)
Total revenues	<u>1,057,600</u>	<u>1,057,600</u>	<u>1,091,537</u>	<u>33,937</u>	<u>1,020,693</u>
Expenditures					
Personnel services	144,358	145,638	101,423	44,215	69,546
Commodities and contractual services	35,525	36,037	208,693	(172,656)	156,039
Capital outlay	933,353	933,353	640,293	293,060	457,151
Total expenditures	<u>1,113,236</u>	<u>1,115,028</u>	<u>950,409</u>	<u>164,619</u>	<u>682,736</u>
Excess revenues over (under) expenditures	<u>(55,636)</u>	<u>\$ (57,428)</u>	141,128	<u>\$ 198,556</u>	<u>\$ 337,957</u>
Adjustments to GAAP Basis					
Depreciation			(428,111)		
Capital Outlay			640,293		
Change in Net Position, GAAP Basis			<u>\$ 353,310</u>		

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Housing Rehabilitation Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues				
Grant income	\$ 115,000	\$ 144,683	\$ 29,683	\$ 94,420
Loan interest income	8,300	9,208	908	17,614
Net investment income	5,000	(19,241)	(24,241)	(5,729)
Other	550	3,188	2,638	8,746
Total revenues	<u>128,850</u>	<u>137,838</u>	<u>8,988</u>	<u>115,051</u>
Expenditures				
Customer accounting and collection	11,000	-	11,000	-
Aid to individuals	275,800	167,298	108,502	41,819
Commodities and contractual services	138,350	256,396	(118,046)	52,898
Total expenditures	<u>425,150</u>	<u>423,694</u>	<u>1,456</u>	<u>94,717</u>
Excess revenues over (under) expenditures	<u>\$ (296,300)</u>	<u>\$ (285,856)</u>	<u>\$ 10,444</u>	<u>\$ 20,334</u>

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CITY OF ENGLEWOOD, COLORADO

**Internal Service Funds
Combining Statement of Net Position
December 31, 2022**

	Servi- Center	Capital Equipment Replacement	Employee Benefits	Risk Management	Total
Assets					
Current assets:					
Cash and investments	\$ 186,188	\$ 4,130,048	\$ 660,666	\$ 2,136,824	\$ 7,113,726
Interest receivable	1,874	21,167	4,422	10,664	38,127
Accounts receivable	42,518	-	243,547	-	286,065
Inventory	112,165	-	-	-	112,165
Total current assets	<u>342,745</u>	<u>4,151,215</u>	<u>908,635</u>	<u>2,147,488</u>	<u>7,550,083</u>
Capital assets	3,229,860	11,936,580	-	-	15,166,440
Less - accumulated depreciation	<u>(1,818,586)</u>	<u>(8,095,158)</u>	<u>-</u>	<u>-</u>	<u>(9,913,744)</u>
Capital assets, net of accumulated depreciation	1,411,274	3,841,422	-	-	5,252,696
Total assets	<u>2,094,116</u>	<u>7,992,637</u>	<u>908,635</u>	<u>2,147,488</u>	<u>13,142,876</u>
Liabilities					
Current liabilities:					
Accounts payable	71,656	2,114	50,449	10,908	135,127
Accrued payroll and related liabilities	26,917	-	-	1,274	28,191
Claims payable	-	-	-	553,669	553,669
Total current liabilities	<u>98,573</u>	<u>2,114</u>	<u>50,449</u>	<u>565,851</u>	<u>716,987</u>
Total liabilities	<u>98,573</u>	<u>2,114</u>	<u>50,449</u>	<u>565,851</u>	<u>716,987</u>
Net position					
Invested in capital assets	1,751,371	3,841,422	-	-	5,592,793
Unrestricted	<u>244,172</u>	<u>4,149,101</u>	<u>858,186</u>	<u>1,581,637</u>	<u>6,833,096</u>
Total net position	<u>\$ 1,995,543</u>	<u>\$ 7,990,523</u>	<u>\$ 858,186</u>	<u>\$ 1,581,637</u>	<u>\$ 12,425,889</u>

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CITY OF ENGLEWOOD, COLORADO

**Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2022**

	Servi- Center	Capital Equipment Replacement	Employee Benefits	Risk Management	Total
Operating revenues					
Billings to departments	\$ 1,393,330	\$ 1,000,000	\$ 5,625,912	\$ 1,553,029	\$ 9,572,271
Other charges for services	77,152	340,043	-	22,749	439,944
Total operating revenues	<u>1,470,482</u>	<u>1,340,043</u>	<u>5,625,912</u>	<u>1,575,778</u>	<u>10,012,215</u>
Operating expenses					
Cost of goods sold	783,806	-	-	-	783,806
Personnel services	662,962	-	26,254	57,373	746,589
Commodities and contractual services	487,327	212,572	101,399	3,938	805,236
Depreciation	81,008	934,016	-	-	1,015,024
Insurance expense:					
Medical	-	-	4,606,852	-	4,606,852
Life	-	-	266,372	-	266,372
Long-term disability	-	-	82,389	-	82,389
Unemployment	-	-	23,995	-	23,995
General liability	-	-	-	742,475	742,475
Workers' compensation	-	-	-	195,388	195,388
Claims expense:					
Dental	-	-	317,221	-	317,221
General liability	-	-	-	394,741	394,741
Workers' compensation	-	-	-	169,376	169,376
Total operating expenses	<u>2,015,103</u>	<u>1,146,588</u>	<u>5,424,482</u>	<u>1,563,291</u>	<u>10,149,464</u>
Operating income (loss)	<u>(544,621)</u>	<u>193,455</u>	<u>201,430</u>	<u>12,487</u>	<u>(137,249)</u>
Nonoperating revenues (expense)					
Net investment income	(17,429)	(80,949)	(16,554)	(32,083)	(147,015)
Gain on disposition of equipment	-	288,588	-	-	288,588
Other	-	-	996	-	996
Total nonoperating revenues	<u>(17,429)</u>	<u>207,639</u>	<u>(15,558)</u>	<u>(32,083)</u>	<u>142,569</u>
Income (loss) before contributions	<u>(562,050)</u>	<u>401,094</u>	<u>185,872</u>	<u>(19,596)</u>	<u>5,320</u>
Capital contributions - other	-	198,131	-	-	198,131
Change in net position	<u>(562,050)</u>	<u>599,225</u>	<u>185,872</u>	<u>(19,596)</u>	<u>203,451</u>
Total net position - beginning	<u>2,557,593</u>	<u>7,391,298</u>	<u>672,314</u>	<u>1,601,233</u>	<u>12,222,438</u>
Total net position - ending	<u>\$ 1,995,543</u>	<u>\$ 7,990,523</u>	<u>\$ 858,186</u>	<u>\$ 1,581,637</u>	<u>\$ 12,425,889</u>

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CITY OF ENGLEWOOD, COLORADO

**Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2022**

	Servi- Center	Capital Equipment Replacement	Employee Benefits	Risk Management	Total
Cash flows from operating activities					
Cash received from interfund charges	\$ 1,430,379	\$ 1,340,043	\$ 5,592,504	\$ 1,575,778	\$ 9,938,704
Cash received from customers	15,958	-	-	-	15,958
Cash payments to suppliers for goods and services	(1,326,282)	(808,960)	(5,384,644)	(1,391,194)	(8,911,080)
Cash paid to employees for services	(662,384)	-	(27,058)	(58,683)	(748,125)
Other cash receipts	-	-	996	-	996
Net cash provided (used) by operating activities	(542,329)	531,083	181,798	125,901	296,453
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	-	(1,473,906)	-	-	(1,473,906)
Proceeds from sale of assets	-	325,133	-	-	325,133
Net cash (used) by capital and related financing activities	-	(1,148,773)	-	-	(1,148,773)
Cash flows from investing activities					
Net investment income	(16,077)	(86,068)	(17,611)	(35,983)	(155,739)
Net cash provided by investing activities	(16,077)	(86,068)	(17,611)	(35,983)	(155,739)
Net increase (decrease) in cash and cash equivalents	(558,406)	(703,758)	164,187	89,918	(1,008,059)
Cash and cash equivalents - beginning	744,594	4,833,806	496,479	2,046,906	8,121,785
Cash and cash equivalents - ending	<u>\$ 186,188</u>	<u>\$ 4,130,048</u>	<u>\$ 660,666</u>	<u>\$ 2,136,824</u>	<u>\$ 7,113,726</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (544,621)	\$ 193,455	\$ 201,430	\$ 12,487	\$ (137,249)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	81,008	934,016	-	-	1,015,024
Miscellaneous nonoperating income	-	-	996	-	996
Effect of changes in operating assets and liabilities:					
Accounts receivable	(24,145)	-	(33,408)	-	(57,553)
Inventory	(3,750)	-	-	-	(3,750)
Accounts payable	(51,399)	(596,388)	13,584	(30,684)	(664,887)
Accrued payroll and related liabilities	578	-	(804)	(1,310)	(1,536)
Claims and judgements payable	-	-	-	145,408	145,408
Total adjustments	2,292	337,628	(19,632)	113,414	433,702
Net cash provided (used) by operating activities	<u>\$ (542,329)</u>	<u>\$ 531,083</u>	<u>\$ 181,798</u>	<u>\$ 125,901</u>	<u>\$ 296,453</u>
Noncash investing, capital and financing activities					
Contributions of capital assets from other funds	<u>\$ -</u>	<u>\$ 198,131</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,131</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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	<u>Original</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2021 Actual</u>
Revenues					
Billings:					
Garage:					
Vehicle maintenance	\$ 419,945	\$ 419,945	\$ 419,945	\$ -	\$ 467,380
Direct charges	433,305	433,305	509,812	76,507	426,811
Intergovernmental	175,000	175,000	40,103	(134,897)	110,943
Subtotal garage revenues	<u>1,028,250</u>	<u>1,028,250</u>	<u>969,860</u>	<u>(58,390)</u>	<u>1,005,134</u>
Administration:					
Building rentals	442,339	442,339	442,339	-	342,200
Stores charges	5,000	5,000	21,234	16,234	31,442
Subtotal administrative revenues	<u>447,339</u>	<u>447,339</u>	<u>463,573</u>	<u>16,234</u>	<u>373,642</u>
Total billings to departments	<u>1,475,589</u>	<u>1,475,589</u>	<u>1,433,433</u>	<u>(42,156)</u>	<u>1,378,776</u>
Net investment income	10,220	10,220	(17,429)	(27,649)	(5,501)
Other	12,598	12,598	37,049	24,451	19,439
Total revenues	<u>1,498,407</u>	<u>1,498,407</u>	<u>1,453,053</u>	<u>(45,354)</u>	<u>1,392,714</u>
Expenditures					
Garage:					
Personnel services	928,292	933,953	662,962	270,991	703,302
Cost of goods sold	723,515	723,515	767,472	(43,957)	662,517
Commodities and contractual services	222,391	225,772	336,681	(110,909)	362,455
Subtotal garage expenditures	<u>1,874,198</u>	<u>1,883,240</u>	<u>1,767,115</u>	<u>116,125</u>	<u>1,728,274</u>
Administration:					
Commodities and contractual services	342,437	342,437	133,316	209,121	820,588
Cost of goods sold	5,700	5,700	16,339	(10,639)	24,177
Capital outlay	-	-	17,325	(17,325)	17,325
Subtotal administrative expenditures	<u>348,137</u>	<u>348,137</u>	<u>166,980</u>	<u>181,157</u>	<u>862,090</u>
Total expenditures	<u>2,222,335</u>	<u>2,231,377</u>	<u>1,934,095</u>	<u>297,282</u>	<u>2,590,364</u>
Excess revenues over (under) expenditures	<u>(723,928)</u>	<u>(732,970)</u>	<u>(481,042)</u>	<u>251,928</u>	<u>(1,197,650)</u>
Net position - beginning	<u>1,372,619</u>	<u>1,362,044</u>	<u>2,557,593</u>	<u>1,437,625</u>	<u>3,755,243</u>
Net position - ending	<u>\$ 648,691</u>	<u>\$ 629,074</u>	<u>\$ 2,076,551</u>	<u>\$ 1,689,553</u>	<u>\$ 2,557,593</u>
Adjustments to GAAP Basis					
Depreciation			(81,008)		
Net Position-ending, GAAP basis			<u>\$ 1,995,543</u>		

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CITY OF ENGLEWOOD, COLORADO

**Capital Equipment Replacement Fund
Schedule of Revenues, Expenditures and Changes in Funds Available -
Budget and Actual (Budgetary Basis)
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	<u>Original</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2021 Actual</u>
Revenues					
Billings to departments	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 910,471
Proceeds from sale of equipment	62,500	62,500	288,588	226,088	93,247
Net investment income	20,000	20,000	(80,949)	(100,949)	(24,995)
Other	-	-	538,174	538,174	169,968
Transfers in	-	-	-	-	100,000
Total revenues	<u>1,082,500</u>	<u>1,082,500</u>	<u>1,745,813</u>	<u>663,313</u>	<u>1,248,691</u>
Expenditures					
Capital outlay	3,320,973	3,410,973	1,473,906	1,937,067	1,234,238
Commodities and contractual services	-	-	212,572	(212,572)	-
Total expenditures	<u>3,320,973</u>	<u>3,410,973</u>	<u>1,686,478</u>	<u>1,724,495</u>	<u>1,234,238</u>
Excess revenues over (under) expenditures	(2,238,473)	(2,328,473)	59,335	2,387,808	14,453
Net position - beginning	<u>3,616,706</u>	<u>4,037,110</u>	<u>7,391,298</u>	<u>3,811,294</u>	<u>7,376,845</u>
Net position - ending	<u><u>\$ 1,378,233</u></u>	<u><u>\$ 1,708,637</u></u>	<u><u>\$ 7,450,633</u></u>	<u><u>\$ 6,199,102</u></u>	<u><u>\$ 7,391,298</u></u>
Adjustments to GAAP Basis					
Depreciation			(934,016)		
Capital Outlay			1,473,906		
Net Position-ending, GAAP basis			<u><u>\$ 7,990,523</u></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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues				
Billings to departments:				
Medical	\$ 4,810,000	\$ 4,295,945	\$ (514,055)	\$ 4,776,122
Dental	405,000	386,024	(18,976)	414,464
Life	175,000	209,126	34,126	179,310
Long-term disability	100,000	231,655	131,655	142,607
Administrative fees	449,881	503,162	53,281	506,791
Other	-	996	996	236
Net investment income	500	(16,554)	(17,054)	(4,916)
Total revenues	<u>5,940,381</u>	<u>5,610,354</u>	<u>(330,027)</u>	<u>6,014,614</u>
Expenditures				
Insurance expense:				
Medical	4,945,000	4,606,852	338,148	4,995,562
Life	220,000	266,372	(46,372)	241,320
Long-term disability	80,000	82,389	(2,389)	38,677
Unemployment	150,000	23,995	126,005	67,364
Claims expense:				
Dental	350,000	317,221	32,779	292,603
Personal services	47,785	26,254	21,531	47,260
Commodities and contractual services	391,995	101,399	290,596	195,153
Total expenditures	<u>6,184,780</u>	<u>5,424,482</u>	<u>760,298</u>	<u>5,877,939</u>
Excess revenues over (under) expenditures	(244,399)	185,872	430,271	136,675
Net position - beginning	<u>314,470</u>	<u>672,314</u>	<u>(1,412,205)</u>	<u>535,639</u>
Net position - ending	<u>\$ 70,071</u>	<u>\$ 858,186</u>	<u>\$ (981,934)</u>	<u>\$ 672,314</u>

See Independent Auditor's Report

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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues				
Billings to departments:				
Property and liability	\$ 850,000	\$ 850,000	\$ -	\$ 848,980
Workers' compensation	696,190	703,029	6,839	702,164
Insurance Reimbursement	5,200	22,749	17,549	802
Other	-	-	-	362
Net investment income	2,000	(32,083)	(34,083)	(11,212)
Total revenues	<u>1,553,390</u>	<u>1,543,695</u>	<u>(9,695)</u>	<u>1,541,096</u>
Expenditures				
Insurance:				
General liability	700,000	742,475	(42,475)	687,399
Workers' compensation	210,600	195,388	15,212	170,103
Claims:				
General liability	440,000	394,741	45,259	264,128
Workers' compensation	350,000	169,376	180,624	254,672
Personal services	47,784	57,373	(9,589)	118,655
Commodities and contractual services	6,911	3,938	2,973	18,233
Total expenditures	<u>1,755,295</u>	<u>1,563,291</u>	<u>192,004</u>	<u>1,513,190</u>
Excess revenues over (under) expenditures	(201,905)	(19,596)	182,309	27,906
Net position - beginning	<u>1,749,077</u>	<u>1,601,233</u>	<u>887,190</u>	<u>1,573,327</u>
Net position - ending	<u>\$ 1,547,172</u>	<u>\$ 1,581,637</u>	<u>\$ 1,069,499</u>	<u>\$ 1,601,233</u>

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.

Englewood Downtown Development Authority

This fund is used to account for the activities of the Englewood Downtown Development Authority.

CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation

Statements of Net Position

December 31, 2022

With Comparative Totals for December 31, 2021

Assets	2022	2021
Current assets		
Cash and investments	\$ 853,877	\$ 678,612
Interest receivable	3,535	2,532
Accounts receivable	45,388	4,968
Prepaid expense	6,654	10,312
Lease receivable - current	-	1,394,000
Total current assets	909,454	2,090,424
Noncurrent assets		
Lease receivable	-	1,410,552
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	(20,369,231)	(20,083,075)
Total capital assets, net	9,899,554	10,185,710
Total assets	10,809,008	13,686,686
Deferred Outflows of Resources		
Deferred charge on refunding	-	7,448
Liabilities		
Current liabilities		
Accounts payable	309,865	116,030
Interest payable	-	4,968
Certificates of participation - current	-	1,394,000
Total current liabilities	309,865	1,514,998
Noncurrent liabilities		
Certificates of participation	-	1,418,000
Total liabilities	309,865	2,932,998
Net position		
Invested in capital assets	9,899,554	7,373,710
Unrestricted	599,589	3,387,426
Total net position	\$ 10,499,143	\$ 10,761,136

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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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	<u>2022</u>	<u>2021</u>
Operating revenues		
Common area maintenance	\$ 1,661,127	\$ 1,445,523
Operating expenses		
Common area maintenance	1,661,127	1,445,523
Professional services	11,453	9,415
Legal	57,273	143,775
Insurance	-	13,228
Depreciation	286,156	286,156
Total operating expenses	<u>2,016,009</u>	<u>1,898,097</u>
Operating loss	(354,882)	(452,574)
Nonoperating revenues (expenses)		
Net investment income	(7,480)	(3,628)
Lease interest income	31,175	41,847
Interest expense	(29,807)	(41,847)
Other	99,001	8,019
Total nonoperating revenues (expenses)	<u>92,889</u>	<u>4,391</u>
Change in net position	(261,993)	(448,183)
Net position - beginning	<u>10,761,136</u>	<u>11,209,319</u>
Net position - ending	<u><u>\$ 10,499,143</u></u>	<u><u>\$ 10,761,136</u></u>

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CITY OF ENGLEWOOD, COLORADO

Englewood Environmental Foundation

Statements of Cash Flows

For the Year Ended December 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022	2021
Cash flows from operating activities		
Cash received from customers	\$ 1,620,707	\$ 1,451,314
Cash payments to suppliers for goods and services	(1,537,328)	(1,822,596)
Other cash received	99,001	8,019
Net cash provided (used) by operating activities	<u>182,380</u>	<u>(363,263)</u>
Cash flows from capital and related financing activities		
Lease principal received	2,812,000	1,394,000
Lease interest received	31,175	41,847
Principal paid on long-term debt	(2,812,000)	(1,394,000)
Interest paid on long-term debt	(31,175)	(41,847)
Net cash provided by capital and related financing activities	<u>-</u>	<u>-</u>
Cash flows from investing activities		
Net investment income	<u>(7,115)</u>	<u>(1,647)</u>
Net increase (decrease) in cash and cash equivalents	175,265	(364,910)
Cash and cash equivalents - beginning	<u>678,612</u>	<u>1,043,522</u>
Cash and cash equivalents - ending	<u><u>\$ 853,877</u></u>	<u><u>\$ 678,612</u></u>
Reconciliation of operating (loss) to net cash (used) by operating activities:		
Operating loss	\$ (354,882)	\$ (452,574)
Adjustments to reconcile operating loss to net cash (used) by operating activities:		
Depreciation	286,156	286,156
Miscellaneous nonoperating income	99,001	8,019
Effect of changes in operating assets and liabilities:		
Accounts receivable	(40,420)	5,791
Prepaid expense	3,658	72,412
Accounts payable	188,867	(283,067)
Total adjustments	<u>537,262</u>	<u>89,311</u>
Net cash provided (used) by operating activities	<u><u>\$ 182,380</u></u>	<u><u>\$ (363,263)</u></u>

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CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.

Statements of Net Position

December 31, 2022

With Comparative Totals for December 31, 2021

Assets	2022	2021
Current assets		
Cash and investments	\$ 14,236	\$ 121,809
Interest receivable	281	1,531
Prepaid insurance	6,853	5,662
Total current assets	21,370	129,002
Capital assets		
Land and improvements	5,706,166	5,706,166
Leased assets	35,466,957	-
Total assets	41,194,493	5,835,168
Liabilities		
Current liabilities		
Retainage payable	-	47,391
Accounts payable	3,465	3,145
Unearned revenue	40,263	39,147
Total liabilities	43,728	89,683
Deferred Inflows of Resources		
Lease related deferred inflows	34,658,852	-
Net position		
Invested in capital assets	5,706,166	5,706,166
Unrestricted	785,747	39,319
Total net position	\$ 6,491,913	\$ 5,745,485

See Independent Auditor's Report

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, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	<u>2022</u>	<u>2021</u>
Operating revenues		
Interest income-leases	1,157,008	-
Charges for services	1,485,641	1,793,272
Total operating income	<u>\$ 2,642,649</u>	<u>\$ 1,793,272</u>
 Operating expenses		
Professional services	75,346	17,535
Insurance	7,032	6,766
Legal	43,644	8,453
General administrative and office	1,700	25
Total operating expenses	<u>127,722</u>	<u>32,779</u>
 Operating Income (loss)	 2,514,927	 1,760,493
 Nonoperating revenues (expenses)		
Net investment income	(3,034)	(1,577)
Contributions to primary government	(1,765,465)	(1,762,006)
Total nonoperating revenues (expenses)	<u>(1,768,499)</u>	<u>(1,763,583)</u>
 Change in net position	 746,428	 (3,090)
 Net position - beginning	 <u>5,745,485</u>	 <u>5,748,575</u>
 Net position - ending	 <u><u>\$ 6,491,913</u></u>	 <u><u>\$ 5,745,485</u></u>

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Englewood McLellan Reservoir Foundation, Inc.

Statements of Cash Flows

For the Year Ended December 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022	2021
Cash flows from operating activities		
Cash received from customers	\$ 2,643,765	\$ 1,793,217
Cash payments to suppliers for goods and services	(175,984)	(29,634)
Net cash provided (used) by operating activities	2,467,781	1,763,583
Cash flows from noncapital financing activities		
Contributions from (to) primary government	(1,765,465)	(1,762,006)
Net cash used by noncapital financing activities	(1,765,465)	(1,762,006)
Cash flows from capital and related financing activities		
Lease activity	(808,105)	-
Net cash provided (used) by capital related financing activities	(808,105)	-
Cash flows from investing activities		
Net investment income	(1,784)	(1,813)
Net increase (decrease) in cash and cash equivalents	(107,573)	(236)
Cash and cash equivalents - January 1,	121,809	122,045
Cash and cash equivalents - December 31,	<u>\$ 14,236</u>	<u>\$ 121,809</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 2,514,927	\$ 1,760,493
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Prepaid insurance	(1,191)	(55)
Accounts payable	320	3,145
Unearned revenue	1,116	-
Retainage payable	(47,391)	-
Total adjustments	(47,146)	3,090
Net cash provided (used) by operating activities	<u>\$ 2,467,781</u>	<u>\$ 1,763,583</u>

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

Englewood Urban Renewal Authority

Statements of Net Position

December 31, 2022

With Comparative Totals for December 31, 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and investments	\$ 811,982	\$ 707,829
Interest receivable	3,628	1,773
Note receivable	844,712	925,360
Land held for resale	71,626	71,626
Total assets	<u>1,731,948</u>	<u>1,706,588</u>
 Net Position		
Nonspendable	844,712	925,360
Unrestricted	887,236	781,228
Total net position	<u>\$ 1,731,948</u>	<u>\$ 1,706,588</u>

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Englewood Urban Renewal Authority
Statements of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	<u>2022</u>	<u>2021</u>
Revenues		
Interest income	\$ 26,360	\$ 40,833
Total revenue	<u>26,360</u>	<u>40,833</u>
Expenditures		
Professional services	<u>1,000</u>	<u>1,000</u>
Excess revenues over (under) expenditures	<u>25,360</u>	<u>39,833</u>
Change in net position	25,360	39,833
Net position - beginning	<u>1,706,588</u>	<u>1,666,755</u>
Net position - ending	<u><u>\$ 1,731,948</u></u>	<u><u>\$ 1,706,588</u></u>

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Englewood Downtown Development Authority
Statements of Net Position
December 31, 2022
With Comparative Totals for December 31, 2021**

	<u>2022</u>	<u>2021</u>
Assets		
Cash and investments	\$ 509,384	\$ 33,028
Interest receivable	2,106	-
Total assets	<u>511,490</u>	<u>33,028</u>
Liabilities		
Accounts payable	98,074	19,960
Note payable	150,000	-
Total liabilities	<u>248,074</u>	<u>19,960</u>
Net position		
Unrestricted	263,416	13,068
Total net position	<u>\$ 263,416</u>	<u>\$ 13,068</u>

See Independent Auditor's Report

CITY OF ENGLEWOOD, COLORADO

**Englewood Downtown Development Authority
Statements of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	2022	2021
Operating revenues		
Sales tax	\$ 293,042	\$ -
Grant income	31,414	-
Other income	1,165	100,000
Property tax	385,668	-
Total operating income	<u>711,289</u>	<u>100,000</u>
Operating expenses		
Professional services	288,855	80,700
Commodities	16,835	581
Insurance	-	651
Marketing	2,818	5,000
Total operating expenses	<u>308,508</u>	<u>86,932</u>
Operating Income (loss)	<u>402,781</u>	<u>13,068</u>
Nonoperating revenues (expenses)		
Loan payment	(150,000)	-
Interest expense	(2,433)	-
Total nonoperating revenues (expenses)	<u>(152,433)</u>	<u>-</u>
Change in net position	250,348	13,068
Net position - beginning	<u>13,068</u>	<u>-</u>
Net position - ending	<u><u>\$ 263,416</u></u>	<u><u>\$ 13,068</u></u>

See Independent Auditor's Report

**COUNTIES, CITIES & TOWNS ANNUAL STATEMENT OF RECEIPTS
& EXPENDITURES FOR ROADS, BRIDGES AND STREETS**

COUNTY/CITY/TOWN:

City of Englewood, Colorado

CALENDAR YEAR OF REPORT:

2022

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

A. RECEIPTS FROM LOCAL SOURCES:

1 Local Highway-user taxes			
2 General Fund Appropriations	See Below	3,607,652.00	-
3 Other local imposts (from page 2)	SEE Rev	200,429.00	
4 Miscellaneous local receipts (page 2)	SEE Rev	3,629,591.00	
5 Transfers from toll facilities	n/a	-	
6 Proceeds of sale of bonds and notes:			
a. Bonds - Original Issues		-	
b. Bonds - Refunding Issues		-	
c. Notes		-	
d. Total (1 thru 6)		-	
7 Total (1 thru 6)		7,437,672.00	

B. PRIVATE CONTRIBUTIONS

C. RECEIPTS FROM STATE GOVERNMENT (from page 2)

D. RECEIPTS FROM FEDERAL GOVERNMENT (from page 2)

E. TOTAL RECEIPTS

9,173,054.00

**COUNTIES, CITIES & TOWNS ANNUAL STATEMENT OF RECEIPTS
& EXPENDITURES FOR ROADS, BRIDGES AND STREETS**

II. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

2022

A. LOCAL HIGHWAY DISBURSEMENTS:

1 Capital outlay:		
a. Right of Way Costs	See Exp	-
b. Engineering Costs	See Exp	-
c. Constructions		
1) Capacity Improvements (widening of roads)	See Exp	-
2) System Preservation (maintenance)	See Exp	109,535.00
3) System Enhancement & Operations	See Exp	933,075.00
Total Capital outlay		1,042,610.00
2 Maintenance of Condition	See Exp	3,233,409.00
3 Road and street services:		
a. Traffic Services	See Exp	915,801.00
b. Snow and removal	See Exp	103,631.00
c. Other	Other exp	455,826.00
d. Total		1,475,258.00
4 Administration:		
Engineering @ 33.33%	See Exp	524,115.00
Public Works Admin @ 33.33%	See Exp	325,738.00
Street Admin	See Exp	70,962.00
Pavement Management System	See Exp	-
SID (Interfund loan Activity)	See Exp	-
		920,815.00
5 Highway Law Enforcement & safety (23.7% of Police Ops)	See Exp	2,500,962.00
6 Total		9,173,054.00

B. DEBT SERVICE ON LOCAL OBLIGATIONS:

1 Bonds :		
a. Interest	See SIDs	-
b. Redemptions	See SIDs	-
Total		-
2 Notes:		
a. Interest		-
b. Redemptions		-
Total		-

C. PAYMENTS TO STATE FOR HIGHWAYS

-

D. PAYMENTS TO TOLL FACILITIES

TOTAL EXPENDITURES

9,173,054.00

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.	137-141
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources: property tax and sales tax.	142-147
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.	148-155
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.	156-157
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.	158-160

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

Schedule 1

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 58,795,694	\$ 53,206,050	\$ 49,576,249	\$ 46,051,488	\$ 52,705,091	\$ 51,575,905	\$ 49,864,353	\$ 42,609,765	\$ 48,363,578	\$ 46,622,318
Restricted	29,784,220	29,389,136	10,388,774	11,219,493	6,635,724	5,902,025	4,358,086	7,589,585	4,791,173	5,176,860
Unrestricted	23,883,213	14,066,791	30,544,978	34,974,362	25,842,538	14,303,852	11,907,495	15,586,102	14,601,789	13,066,242
Total governmental activities net position	<u>\$ 112,463,127</u>	<u>\$ 96,661,977</u>	<u>\$ 90,510,001</u>	<u>\$ 92,245,343</u>	<u>\$ 85,183,353</u>	<u>\$ 71,781,782</u>	<u>\$ 66,129,934</u>	<u>\$ 65,785,452</u>	<u>\$ 67,756,540</u>	<u>\$ 64,865,420</u>
Business-type activities										
Net investment in capital assets	\$ 51,085,653	\$ 50,064,778	\$ 49,345,623	\$ 49,998,869	\$ 50,696,090	\$ 50,432,520	\$ 49,597,851	\$ 49,621,968	\$ 48,931,545	\$ 47,756,893
Restricted	215,772	215,772	318,273	318,273	318,273	381,680	37,568,534	35,697,215	36,607,283	36,804,325
Unrestricted	74,533,792	69,114,432	58,895,231	51,553,648	46,008,819	43,815,780	4,156,600	2,896,921	3,923,100	4,145,578
Total business-type activities net position	<u>\$ 125,835,217</u>	<u>\$ 119,394,982</u>	<u>\$ 108,559,127</u>	<u>\$ 101,870,790</u>	<u>\$ 97,023,182</u>	<u>\$ 94,629,980</u>	<u>\$ 91,322,985</u>	<u>\$ 88,216,104</u>	<u>\$ 89,461,928</u>	<u>\$ 88,706,796</u>
Primary government										
Net investment in capital assets	\$ 109,881,347	\$ 103,270,828	\$ 98,921,872	\$ 96,050,357	\$ 103,401,181	\$ 102,008,425	\$ 99,462,204	\$ 92,231,733	\$ 97,295,123	\$ 94,379,211
Restricted	29,999,992	29,604,908	10,707,047	11,537,766	6,953,997	6,283,705	41,926,620	43,286,800	41,398,456	41,981,185
Unrestricted	98,417,005	83,181,223	89,440,209	86,528,010	71,851,357	58,119,632	16,064,095	18,483,023	18,524,889	17,211,820
Total primary government net position	<u>\$ 238,298,344</u>	<u>\$ 216,056,959</u>	<u>\$ 199,069,128</u>	<u>\$ 194,116,133</u>	<u>\$ 182,206,535</u>	<u>\$ 166,411,762</u>	<u>\$ 157,452,919</u>	<u>\$ 154,001,556</u>	<u>\$ 157,218,468</u>	<u>\$ 153,572,216</u>

Schedule 2

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

Expenses	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
General government	\$ 16,471,606	\$ 14,528,160	\$ 16,672,576	\$ 17,712,413	\$ 16,521,301	\$ 17,347,576	\$ 17,121,811	\$ 8,951,181	\$ 8,967,186	\$ 9,104,172
Safety services	23,737,632	22,894,154	24,199,549	14,271,673	13,579,629	14,176,150	14,110,430	21,203,844	21,147,318	19,529,393
Public works	14,185,096	12,974,036	13,313,459	10,210,624	9,334,763	9,587,168	8,978,245	8,457,980	8,236,421	7,893,742
Culture and recreation	10,299,425	10,328,335	10,558,632	8,406,428	8,050,338	9,442,157	9,761,863	8,130,022	8,153,680	7,530,317
Interest and fiscal charges	1,095,198	1,239,962	1,362,696	1,475,670	1,581,265	1,182,611	676,058	767,480	851,294	918,447
Unallocated depreciation	-	-	-	-	-	-	441,526	437,384	436,974	436,088
Total governmental activities expenses	65,788,957	61,964,647	66,106,912	52,076,808	49,067,296	51,735,662	51,089,933	47,947,891	47,792,873	45,412,159
Business-type activities										
Water	13,396,277	10,596,214	8,819,692	7,557,126	8,194,041	8,456,592	7,988,700	8,348,510	8,237,535	7,478,002
Sewer	15,774,501	15,606,310	15,841,630	15,265,778	16,158,306	15,597,319	15,090,271	15,333,260	16,203,741	16,137,479
Golf	2,427,529	2,383,815	2,107,097	2,225,440	2,083,281	1,975,825	1,972,425	2,178,213	2,154,219	2,176,212
Storm	2,914,246	1,192,044	810,291	508,484	323,719	209,270	204,244	188,247	206,179	271,351
Concrete	738,228	644,035	796,443	746,525	692,849	556,864	591,901	676,394	665,613	744,672
Housing Rehabilitation	423,694	94,717	187,599	158,535	321,576	388,281	453,106	1,094,253	358,185	290,943
Total business-type activities expenses	35,674,475	30,517,135	28,562,752	26,461,888	27,773,772	27,184,151	26,300,647	27,818,877	27,825,472	27,098,659
Total primary government expenses	\$ 101,463,432	\$ 92,481,782	\$ 94,669,664	\$ 78,538,696	\$ 76,841,068	\$ 78,919,813	\$ 77,390,580	\$ 75,766,768	\$ 75,618,345	\$ 72,510,818
Program revenues										
Governmental activities										
Permits, fees, fines and charges for services										
General government	\$ 6,445,633	\$ 6,436,529	\$ 9,498,901	\$ 6,944,165	\$ 3,820,040	\$ 5,209,179	\$ 3,537,495	\$ 3,605,238	\$ 3,946,367	\$ 4,109,380
Safety services	207,993	200,460	207,993	16,826	306,411	997,494	1,138,302	1,837,461	2,052,449	2,016,060
Public works	465,241	370,977	270,977	1,636,582	1,703,373	966,882	770,590	582,004	550,292	560,422
Culture and recreation	1,233,366	1,235,547	1,240,699	2,421,142	2,835,148	2,341,131	2,670,119	2,637,012	2,164,780	2,531,456
Operating grants and contributions	4,093,144	4,009,539	2,066,639	1,748,662	2,603,627	3,636,871	3,745,521	2,816,423	3,797,027	2,829,006
Capital grants and contributions	2,178,849	2,304,291	1,432,176	-	-	-	188,356	1,078,104	54,415	65,030
Total governmental activities program revenues	14,624,226	14,557,343	14,717,385	12,767,377	11,268,599	13,151,557	12,050,383	12,556,242	12,565,330	12,111,354
Business-type activities										
Charges for services										
Water	12,785,693	11,134,308	10,113,073	9,252,743	9,368,150	9,177,916	8,947,795	8,788,308	9,159,224	8,458,786
Sewer	21,007,415	19,533,761	19,106,663	17,658,770	16,571,232	16,540,812	16,257,218	16,073,727	15,470,361	14,801,851
Golf	2,621,536	2,462,872	2,151,464	2,094,653	2,195,610	2,058,974	2,080,424	2,077,038	2,005,739	1,950,665
Storm	2,878,122	1,995,032	1,224,068	871,878	347,979	395,893	337,998	338,375	327,860	317,935
Concrete	1,125,649	1,030,715	868,165	867,254	866,828	867,944	881,480	875,633	875,364	859,754
Housing Rehabilitation	12,396	26,360	17,317	29,888	51,039	143,648	278,122	793,437	230,569	254,886
Operating grants and contributions	659,683	3,794,420	192,911	99,291	115,000	114,750	127,387	127,500	127,500	360,112
Capital grants and contributions	1,819,397	1,686,777	848,491	541,610	710,060	1,005,486	497,104	724,930	446,987	525,143
Total business-type activities program revenues	42,909,891	41,664,245	34,522,152	31,416,087	30,225,898	30,305,423	29,407,528	29,798,948	28,643,604	27,529,132
Total primary government program revenues	\$ 57,534,117	\$ 56,221,588	\$ 49,239,537	\$ 44,183,464	\$ 41,494,497	\$ 43,456,980	\$ 41,457,911	\$ 42,355,190	\$ 41,208,934	\$ 39,640,486
Net (expense)										
Governmental activities	\$ (51,164,731)	\$ (47,407,304)	\$ (51,389,527)	\$ (39,309,431)	\$ (37,798,697)	\$ (38,584,105)	\$ (39,039,550)	\$ (35,391,649)	\$ (35,227,543)	\$ (33,300,805)
Business-type activities	7,235,416	11,147,110	5,959,400	4,954,199	2,452,126	3,121,272	3,106,881	1,980,071	818,132	430,473
Total primary government net expense	\$ (43,929,315)	\$ (36,260,194)	\$ (45,430,127)	\$ (34,355,232)	\$ (35,346,571)	\$ (35,462,833)	\$ (35,932,669)	\$ (33,411,578)	\$ (34,409,411)	\$ (32,870,332)

Schedule 2

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes	\$ 10,979,836	\$ 10,077,491	\$ 7,923,893	\$ 7,900,158	\$ 7,879,516	\$ 7,249,816	\$ 4,788,202	\$ 4,337,758	\$ 4,301,186	\$ 4,125,612
Sales and use taxes	44,137,341	36,880,925	35,957,272	35,626,054	35,285,546	31,862,179	29,414,880	30,969,561	28,417,474	26,702,054
Franchise and other taxes	4,524,601	4,377,251	3,621,352	3,496,989	3,501,939	3,756,737	3,497,993	3,520,391	3,408,579	3,308,437
Unrestricted investment earnings	(1,391,610)	(732,959)	740,608	1,491,939	1,025,487	347,915	120,564	77,005	133,051	(33,333)
Unrestricted grants and contributions	3,112,386	513,418	248,425	-	-	50,567	156,593	30,201	439,867	16,223
Miscellaneous	5,603,328	2,734,336	1,162,635	947,260	3,007,780	968,739	1,405,800	1,041,323	1,355,506	2,224,158
Transfers, net	-	(29,750)	-	-	500,000	-	-	-	63,000	(549,775)
Total governmental activities	66,965,881	53,820,712	49,654,185	49,462,400	51,200,268	44,235,953	39,384,032	39,976,239	38,118,663	35,793,376
Business-type activities										
Unrestricted investment earnings	(795,181)	(236,428)	728,937	840,041	441,076	185,723	-	-	-	-
Transfers, net	-	29,750	-	-	(500,000)	-	-	-	(63,000)	549,775
Total business-type activities	(795,181)	(206,678)	728,937	840,041	(58,924)	185,723	-	-	(63,000)	549,775
Total primary government	<u>\$ 66,170,700</u>	<u>\$ 53,614,034</u>	<u>\$ 50,383,122</u>	<u>\$ 50,302,441</u>	<u>\$ 51,141,344</u>	<u>\$ 44,421,676</u>	<u>\$ 39,384,032</u>	<u>\$ 39,976,239</u>	<u>\$ 38,055,663</u>	<u>\$ 36,343,151</u>
Change in net position										
Governmental activities	\$ 15,801,150	\$ 6,413,408	\$ (1,735,342)	\$ 10,152,969	\$ 13,401,571	\$ 5,651,848	\$ 344,482	\$ 4,584,590	\$ 2,891,120	\$ 2,492,571
Business type-activities	6,440,235	10,940,432	6,688,337	5,794,240	2,393,202	3,306,995	3,106,881	1,980,071	755,132	980,248
Total primary government	<u>\$ 22,241,385</u>	<u>\$ 17,353,840</u>	<u>\$ 4,952,995</u>	<u>\$ 15,947,209</u>	<u>\$ 15,794,773</u>	<u>\$ 8,958,843</u>	<u>\$ 3,451,363</u>	<u>\$ 6,564,661</u>	<u>\$ 3,646,252</u>	<u>\$ 3,472,819</u>

Schedule 3

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund										
Restricted for:										
Tabor emergencies	\$ 2,100,000	\$ 1,800,000	\$ 1,720,000	\$ 1,730,000	\$ 1,740,000	\$ 1,580,000	\$ 1,490,000	\$ 1,510,000	\$ 1,400,000	\$ 1,340,000
Committed to:										
Law enforcement	-	-	-	-	-	-	-	-	-	78,753
Long term asset reserve	94,869	94,869	4,994,869	4,994,869	4,994,869	3,384,897	1,863,099	2,663,099	2,663,099	2,619,375
Assigned:										
Subsequent year budgeted deficit	1,591,481	-	4,855,211	-	3,099,739	372,834	-	1,972,220	2,646,685	1,207,787
Unassigned	20,371,519	15,148,423	13,365,855	15,405,986	10,583,578	8,792,794	7,496,950	4,583,927	5,501,466	5,667,918
Total general fund	<u>\$ 24,157,869</u>	<u>\$ 17,043,292</u>	<u>\$ 24,935,935</u>	<u>\$ 22,130,855</u>	<u>\$ 20,418,186</u>	<u>\$ 14,130,525</u>	<u>\$ 10,850,049</u>	<u>\$ 10,729,246</u>	<u>\$ 12,211,250</u>	<u>\$ 10,913,833</u>
All Other Governmental Funds										
Restricted for:										
Parks and recreation	\$ 4,904,925	\$ 5,297,081	\$ 4,474,436	\$ 4,483,047	\$ 3,794,652	\$ 3,080,384	\$ 2,792,891	\$ 3,691,949	\$ 3,288,077	\$ 3,661,118
Law enforcement	2,943,609	3,166,532	3,535,594	3,861,577	11,424,388	30,680,542	11,492	80,825	62,025	150,329
Debt service	134,368	254,650	658,744	1,144,869	1,098,625	1,052,976	63,703	70,248	61,105	46,839
Committed to:										
Capital projects	23,481,354	21,795,252	12,369,307	12,834,387	10,639,051	8,398,419	7,632,396	5,503,806	3,317,936	2,698,207
Parks and recreation	139,126	141,096	485,471	506,537	484,059	456,029	456,358	457,750	457,594	456,411
Assigned to:										
Parks and recreation	534,373	396,323	599,963	528,886	481,880	473,694	459,190	330,123	183,774	208,943
Law enforcement	28,754	32,158	33,217	37,094	35,724	42,015	43,079	21,336	28,156	26,713
Fire services	-	-	-	-	-	-	-	-	10,723	9,965
Other purposes	83,504	94,980	95,407	93,438	90,966	136,265	135,430	136,670	62,181	142,167
Total all other governmental funds	<u>\$ 32,250,013</u>	<u>\$ 31,178,072</u>	<u>\$ 22,252,139</u>	<u>\$ 23,489,835</u>	<u>\$ 28,049,345</u>	<u>\$ 44,320,324</u>	<u>\$ 11,594,539</u>	<u>\$ 10,292,707</u>	<u>\$ 7,471,571</u>	<u>\$ 7,400,692</u>

Schedule 4

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Taxes (see Schedule 5)	\$ 59,641,778	\$ 51,335,667	\$ 47,502,517	\$ 47,023,201	\$ 46,667,001	\$ 42,868,732	\$ 37,701,075	\$ 38,827,710	\$ 36,127,239	\$ 34,136,103
Licenses and permits	3,195,514	2,217,695	1,649,101	1,914,067	1,755,377	1,798,989	1,559,986	1,612,118	1,576,298	1,446,578
Intergovernmental revenue	8,061,385	6,290,202	6,741,160	3,388,197	3,810,411	3,800,438	4,057,121	3,924,728	3,926,947	2,909,535
Charges for services	5,711,378	4,948,096	3,809,760	5,194,894	5,434,062	5,610,616	5,576,226	5,889,612	6,034,354	6,306,039
Fines and forfeitures	372,840	516,439	882,982	729,224	856,406	648,366	742,282	1,047,268	1,350,165	1,317,707
Net investment income	(797,432)	(239,172)	1,005,404	1,302,186	931,974	314,369	97,033	65,852	112,144	(24,453)
Contributions (to) from component unit	1,765,465	1,662,006	1,698,745	1,356,827	1,609,971	1,521,799	350,193	873,347	684,683	573,526
Other	2,485,735	1,351,133	625,040	857,080	634,840	405,871	733,909	538,443	325,533	1,560,740
Total revenues	80,436,663	68,082,066	63,914,709	61,765,676	61,700,042	56,969,180	50,817,825	52,779,078	50,137,363	48,225,775
Expenditures										
Current:										
General government	16,537,864	14,747,712	15,132,743	17,898,554	17,017,241	16,639,102	15,850,837	8,894,226	8,574,957	8,690,056
Public safety	23,545,223	22,795,060	21,950,089	14,795,528	14,210,713	13,983,711	13,401,402	22,159,568	21,212,863	19,413,044
Public works	12,773,072	11,347,849	10,814,502	8,949,961	8,001,603	7,720,204	7,269,032	6,960,961	6,856,658	6,523,903
Culture and recreation	9,583,858	9,638,010	7,943,361	7,933,462	7,530,200	7,681,459	7,690,361	7,668,688	7,108,436	6,886,274
Capital outlay	3,927,183	3,576,999	1,646,995	10,179,985	20,474,323	3,722,284	2,225,911	2,374,881	2,467,138	727,432
Debt service:										
Principal	4,887,000	3,348,000	3,249,000	3,149,000	3,142,513	2,818,484	2,247,644	1,925,000	2,087,689	2,022,742
Interest and other fiscal charges	1,369,741	1,502,414	1,610,635	1,706,027	1,806,767	1,224,039	710,003	864,173	874,326	928,701
Total expenditures	72,623,941	66,956,044	62,347,325	64,612,517	72,183,360	53,789,283	49,395,190	50,847,497	49,182,067	45,192,152
Excess revenues over (under) expenditures	7,812,722	1,126,022	1,567,384	(2,846,841)	(10,483,318)	3,179,897	1,422,635	1,931,581	955,296	3,033,623
Other financing sources (uses)										
Proceeds from borrowing	-	-	-	-	-	32,826,364	-	-	-	-
Transfers in	-	11,903,501	827,014	3,223,599	2,787,324	1,887,515	3,578,155	2,917,292	2,159,544	1,947,575
Transfers out	373,796	(11,996,233)	(827,014)	(3,223,599)	(2,287,324)	(1,887,515)	(3,578,155)	(2,921,292)	(1,746,544)	(2,347,349)
Total other financing sources (uses)	373,796	(92,732)	-	-	500,000	32,826,364	-	(4,000)	413,000	(399,774)
Net change in fund balances	8,186,518	1,033,290	1,567,384	(2,846,841)	(9,983,318)	36,006,261	1,422,635	1,927,581	1,368,296	2,633,849
Fund balances - beginning	48,221,364	47,188,074	45,620,690	48,467,531	58,450,849	22,444,588	21,021,953	19,094,372	18,314,525	15,680,676
Fund balances - ending	\$ 56,407,882	\$ 48,221,364	\$ 47,188,074	\$ 45,620,690	\$ 48,467,531	\$ 58,450,849	\$ 22,444,588	\$ 21,021,953	\$ 19,682,821	\$ 18,314,525
Debt service as a percentage of noncapital expenditures	9.3%	7.9%	8.0%	8.9%	9.6%	8.1%	6.3%	5.8%	6.3%	6.6%

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
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
2017	6,676,194	573,622	27,921,007	2,257,040	1,684,132	193,668	3,543,428	19,641	42,868,732
2018	7,340,723	538,793	30,662,739	2,177,112	2,445,695	-	3,478,660	23,279	46,667,001
2019	7,323,052	577,106	31,436,477	2,343,709	1,845,868	-	3,471,056	25,933	47,023,201
2020	7,395,960	527,933	31,848,763	2,142,373	1,966,136	-	3,601,590	19,762	47,502,517
2021	7,561,783	523,484	34,259,637	2,515,708	2,621,288	-	3,825,529	28,238	51,335,667
2022	8,456,214	541,156	40,370,334	2,523,622	3,767,007	-	3,919,991	63,454	59,641,778
Change									
2013-2022	119.14%	102.77%	72.27%	79.23%	102.50%		26.40%	427.07%	74.72%

* Starting in 2018 Cigarette Tax is now reported as intergovernmental revenue

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
2013	\$ 171,896,760	\$ 277,807,930	\$ 5,329,940	\$ 16,691,820	\$ 26,665,110	\$ 498,391,560	7.794	\$ 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	8.124	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	8.124	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	7.804	4,019,363,629	14.35%
2017	224,974,950	280,468,397	6,926,632	17,590,825	20,982,070	550,942,874	10.745	5,217,752,892	10.56%
2018	273,462,379	364,490,969	7,104,745	21,679,086	20,587,250	687,324,429	10.710	5,225,197,837	13.15%
2019	332,941,964	401,254,023	7,128,311	22,644,294	25,377,410	789,346,002	9.438	6,230,303,972	12.67%
2020	340,190,911	403,638,488	6,062,793	22,366,311	20,932,150	793,190,653	9.576	6,319,948,088	12.55%
2021	378,867,309	470,651,512	6,187,759	24,445,842	20,742,570	900,894,992	9.576	7,098,900,707	12.69%
2022	372,335,886	472,841,494	5,331,857	22,297,064	23,854,930	896,661,231	9.510	7,195,866,544	12.46%

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 26.4% of the actual value of commercial property and the residential assessment rate fluctuates. The assessment rate of residential property by collection year was:

Year	
2016	7.96%
2017	7.96%
2018	7.96%
2019	7.20%
2020	7.15%
2021	7.15%
2022	6.50-6.95%

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
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
2017	5.880	4.865	10.745	13.817	52.372	51.166	35.259	2.054	0.557
2018	5.880	4.830	10.710	14.301	52.373	56.945	50.798	2.131	0.820
2019	5.880	3.558	9.438	12.685	49.852	59.266	46.502	3.315	0.900
2020	5.880	3.696	9.576	13.013	49.854	64.744	44.903	2.888	1.000
2021	5.880	3.696	9.576	13.013	49.854	64.744	44.903	2.888	1.000
2022	5.880	3.630	9.510	12.762	47.257	64.936	43.481	2.666	1.000

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					
	2022			2013		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Columbia Healthone LLC	\$ 22,620,000	1	2.51%	\$ 23,200,010	1	4.66%
Kent Place Associates LLC	6,156,000	2	0.68%			
CABOT IV-CO1M05-M07 LLC	4,136,879	3	0.46%	2,678,030	6	0.54%
CABOT IV-CO1M05-M07 LLC	4,091,871	4	0.45%	2,646,900	7	0.53%
SCG Atlas Marks	3,894,912	5	0.43%			
CABOT IV-CO1M05-M07 LLC	3,865,120	6	0.43%	2,394,740	10	0.48%
MTS Brookridge LLC	3,770,000	7	0.42%			
Avalon Axis Oxford	3,638,610	8	0.40%			
Northern Englewood Limited	3,471,300	9	0.39%			
EKM	3,416,781	10	0.38%			
HTA Hampden Place LLC				3,190,000	2	0.64%
Situs Enterprises LLC				2,755,000	3	0.55%
Englewood Meridian LTD				2,742,230	4	0.55%
Omni Development Co.				2,711,510	5	0.54%
Health One				2,485,040	8	0.50%
801/901 Englewood Parkway				2,481,530	9	0.50%
	<u>\$ 59,061,473</u>		<u>6.56%</u>	<u>\$ 47,284,990</u>		<u>9.49%</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
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%
2017	6,698,860	6,678,358	99.69%	(2,164)	6,676,194	99.66%
2018	7,414,272	7,344,108	99.05%	(5,527)	7,338,581	98.98%
2019	7,403,000	7,355,878	99.36%	(926)	7,354,952	99.35%
2020	7,587,557	7,391,696	97.42%	(10,040)	7,381,656	97.29%
2021	7,595,594	7,577,647	99.76%	(6,268)	7,571,379	99.68%
2022	8,547,443	8,457,326	98.95%	(16,398)	8,440,928	98.75%

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
Last Ten Years

Category	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Retail	\$ 8,324,977	\$ 8,324,977	\$ 7,176,841	\$ 7,344,701	\$ 6,434,898	\$ 5,360,514	\$ 5,638,020	\$ 5,438,448	\$ 5,234,938	\$ 4,812,424
Utilities	3,447,309	3,447,309	2,972,832	3,149,748	2,567,868	3,311,474	3,013,553	3,187,085	3,589,443	3,510,853
Bldg Materials/Hardware	3,337,485	3,337,485	3,161,655	3,175,667	3,285,541	2,830,358	2,642,380	2,515,723	2,593,358	2,072,084
Eating/Drinking Places	3,710,332	3,710,332	3,093,905	3,073,854	2,980,693	2,688,837	2,504,231	2,468,123	2,310,341	2,111,639
Automotive Dealers/Service Stations	3,728,683	3,728,683	3,108,590	2,967,994	2,820,388	2,680,387	2,846,375	2,548,368	2,206,185	2,089,906
Personal Service other than Lodging	1,137,193	1,137,193	842,875	876,112	1,337,774	1,034,985	2,565,529	747,070	1,852,361	2,004,760
General Merchandise	4,248,349	4,248,349	3,772,739	2,241,249	2,083,277	1,893,821	1,716,090	1,629,531	1,782,655	1,766,664
Food	1,335,568	1,335,568	1,423,406	1,302,124	1,509,789	1,241,102	1,163,543	1,077,599	1,125,607	963,623
Non-classifiable	1,435,264	1,435,264	841,875	1,065,506	999,957	901,755	935,784	885,175	1,050,219	1,026,549
Apparel/Accessories	619,494	619,494	528,262	559,998	627,996	607,494	658,393	640,626	861,869	862,196
Finance/Insurance/Real Estate	768,001	768,001	821,109	923,896	925,776	847,194	869,549	856,523	855,146	760,729
Furniture/Home	1,191,686	1,191,686	1,030,949	860,580	785,825	754,373	653,852	751,399	724,022	664,584
Manufacturing	1,400,337	1,400,337	1,114,297	930,767	815,471	582,223	836,235	484,327	541,992	450,280
Contract Construction	208,395	208,395	175,608	145,973	116,742	56,836	164,397	32,908	90,015	84,831
Hotels/Lodging	98,317	98,317	45,736	46,486	37,660	28,722	26,385	20,525	21,145	32,949
	<u>\$ 34,991,390</u>	<u>\$ 34,991,390</u>	<u>\$ 30,110,679</u>	<u>\$ 28,664,655</u>	<u>\$ 27,329,655</u>	<u>\$ 24,820,075</u>	<u>\$ 26,234,316</u>	<u>\$ 23,283,430</u>	<u>\$ 24,839,296</u>	<u>\$ 23,214,071</u>

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

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 (3)	Certificates of Participation	Capital Leases	General Obligation Bonds (1)	Revenue Bonds	Loans Payable (1)			
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	11,208,919	2,791,297	33,804,702	64,469,803	7.42%	1,996
2017	37,687,400	8,095,000	941,401	11,037,715	2,596,043	29,596,968	89,954,527	9.83%	2,763
2018	35,694,618	6,813,000	855,888	10,861,291	2,395,788	25,242,929	81,863,514	8.71%	2,534
2019	33,628,287	5,504,000	765,147	10,736,572	2,195,533	21,961,140	74,790,679	6.56%	2,266
2020	31,470,171	4,175,000	668,976	10,059,441	1,990,279	18,580,815	66,944,682	5.33%	1,978
2021	29,236,679	2,812,000	567,163	9,356,424	11,755,718	15,096,545	68,824,529	5.32%	1,971
2022	26,901,072	-	459,491	8,627,522	11,645,718	11,508,368	59,142,171	4.54%	1,749

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 17 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 Funds	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
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	17,503,919	(63,703)	17,440,216	0.43%	540
2017	48,725,115	(1,052,976)	47,672,139	0.91%	1,476
2018	46,555,909	(1,098,625)	45,457,284	0.87%	1,407
2019	44,364,859	(1,144,869)	43,219,990	0.69%	1,310
2020	41,529,612	(658,744)	40,870,868	0.65%	1,208
2021	38,593,103	(254,650)	38,338,453	0.54%	1,139
2022	35,528,594	(134,368)	35,394,226	0.49%	1,047

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

(2) See Schedule 17 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, 2022

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct debt	<u>\$ 32,615,842</u>	100.000%	<u>\$ 32,615,842</u>
Overlapping entities:			
Englewood School District No. 1	151,556,281	97.320%	147,494,573
Sheridan School District No. 2	15,742,631	33.050%	5,202,940
Littleton School District No. 6	456,584,508	2.130%	9,725,250
Cherry Creek School District No. 5	<u>793,022,000</u>	0.390%	<u>3,092,786</u>
Total overlapping debt	<u>1,416,905,420</u>		<u>165,515,549</u>
Total direct and overlapping debt	<u><u>\$ 1,449,521,262</u></u>		<u><u>\$ 198,131,391</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
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%
2017	5,217,752,892	3.00%	156,532,587	37,687,400	118,845,187	31.7%
2018	5,225,197,837	3.00%	156,755,935	35,694,618	121,061,317	29.5%
2019	6,230,303,972	3.00%	186,909,119	33,628,287	153,280,832	21.9%
2020	6,319,948,088	3.00%	189,598,443	31,470,171	158,128,272	19.9%
2021	7,098,900,707	3.00%	212,967,021	29,236,679	183,730,342	15.9%
2022	7,195,866,544	3.00%	215,875,996	26,901,072	188,974,924	14.2%

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
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		
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	10,600,835	-	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
2017	17,142,802	10,262,621	-	5,874,144	3,037,571	1,031,925	4,069,496	1.44	1.10
2018	17,088,771	9,127,189	-	7,961,582	3,162,441	846,928	4,009,369	1.99	1.10
2019	18,312,642	11,533,217	-	6,779,425	3,258,759	814,540	4,073,299	1.66	1.10
2020	19,752,245	11,570,576	-	8,181,669	3,360,428	650,170	4,010,598	2.04	1.10
2021	21,066,677	10,566,308	-	10,500,369	3,467,448	610,860	4,078,308	2.57	1.10
2022	21,247,858	12,720,046	-	8,527,812	3,574,468	500,575	4,075,043	2.09	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		
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
2017	2,067,538	1,531,782	535,756	90,000	118,142	208,142	2.57	1.35
2018	2,221,175	1,650,270	570,905	95,000	115,666	210,666	2.71	1.35
2019	2,134,658	1,800,139	334,519	95,000	112,579	207,579	1.61	1.35
2020	2,188,882	1,681,067	507,815	100,000	109,016	209,016	2.43	1.35
2021	2,452,799	1,961,494	491,305	105,000	105,016	210,016	2.34	1.35
2022	2,591,475	1,992,568	598,907	110,000	108,599	218,599	2.74	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		
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
2017	405,824	116,122	289,702	105,000	12,030	117,030	2.48	1.15
2018	365,975	222,254	143,721	105,000	10,193	115,193	1.25	1.15
2019	871,878	407,104	464,774	105,000	7,641	112,641	4.13	1.15
2020	1,224,068	697,926	526,142	105,000	5,256	110,256	4.77	1.15
New revenue bonds were issued in 2021 in the amount of \$8,665,000.								
2021	2,101,667	1,047,323	1,054,344	115,000	114,882	229,882	4.59	1.15
New Water Pollution Control Revolving Fund Loan approved in 2022 in the amount of \$26,000,000								
2022	2,878,122	2,399,515	478,607	-	304,100	304,100	1.57	1.15

* As defined in the applicable bond indenture and loan agreements

Schedule 16

CITY OF ENGLEWOOD, COLORADO

Schedules of Future Debt Service Requirements
December 31, 2022

Golf Course Revenue Refunding Bonds - 2013					General Obligation Water Bonds - 2012				General Obligation Water Bonds - 2019				Qualified Energy Conservation Bonds - 2010			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2023	5.00	\$ 115,000	\$ 95,066	\$ 210,066	2.50	\$ 540,000	\$ 177,900	\$ 717,900	2.290	\$ 190,000	\$ 46,602	\$ 236,602	5.41	\$ 113,755	\$ 9,062	\$ 122,817
2024	5.25	120,000	89,316	209,316	3.00	560,000	162,750	722,750	2.290	190,000	42,250	232,250	5.41	120,070	6,542	126,612
2025	5.50	125,000	83,017	208,017	3.00	570,000	145,800	715,800	2.290	200,000	37,785	237,785	5.41	126,627	3,882	130,509
2026	5.63	125,000	76,142	201,142	3.00	585,000	128,475	713,475	2.290	210,000	33,090	243,090	5.41	99,039	1,078	100,117
2027	5.75	145,000	69,110	214,110	3.00	380,000	114,000	494,000	2.290	435,000	25,705	460,705		\$ 459,491	\$ 20,564	\$ 480,055
2028	5.75	155,000	60,773	215,773	3.00	385,000	102,525	487,525	2.290	450,000	15,572	465,572				
2029	5.80	155,000	51,860	206,860	3.00	400,000	90,750	490,750	2.290	455,000	5,210	460,210				
2030	5.80	165,000	42,870	207,870	3.00	915,000	71,025	986,025		\$ 2,130,000	\$ 206,214	\$ 2,336,214				
2031	6.00	175,000	33,300	208,300	3.00	940,000	43,200	983,200								
2032	6.00	185,000	22,800	207,800	3.00	970,000	14,550	984,550								
2033	6.00	195,000	11,700	206,700		\$ 6,245,000	\$ 1,050,975	\$ 7,295,975								
		<u>\$ 1,660,000</u>	<u>\$ 635,954</u>	<u>\$ 2,295,954</u>												

Storm Water Revenue Bonds - 2021					General Obligation Bonds, Series 2017				General Obligation Refunding Bonds, Series 2010				Colorado Water Resources and Power Development Authority May 1, 2004 - Sewer Fund			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2023	4.00	\$ 240,000	\$ 304,100	\$ 544,100	5.00	\$ 1,105,000	\$ 1,090,463	\$ 2,195,463	4.00	\$ 590,000	\$ 23,600	\$ 613,600	3.87	\$ 3,686,840	\$ 390,470	\$ 4,077,310
2024	4.00	250,000	294,500	544,500	5.00	1,155,000	1,035,213	2,190,213		\$ 590,000	\$ 23,600	\$ 613,600	3.87	3,799,210	273,886	4,073,096
2025	4.00	260,000	284,500	544,500	5.00	1,215,000	977,463	2,192,463					3.87	4,007,899	2,905	4,010,804
2026	4.00	270,000	274,100	544,100	5.00	1,275,000	916,712	2,191,712						\$ 11,493,949	\$ 667,261	\$ 12,161,210
2027	4.00	285,000	263,300	548,300	5.00	1,340,000	852,962	2,192,962								
2028	4.00	295,000	251,900	546,900	5.00	1,405,000	785,962	2,190,962								
2029	4.00	305,000	240,100	545,100	5.00	1,475,000	715,712	2,190,712								
2030	4.00	320,000	227,900	547,900	5.00	1,550,000	641,962	2,191,962								
2031	4.00	330,000	215,100	545,100	5.00	1,630,000	564,462	2,194,462								
2032	4.00	345,000	201,900	546,900	5.00	1,710,000	482,962	2,192,962								
2033	4.00	360,000	188,100	548,100	5.25	1,795,000	397,462	2,192,462								
2034	4.00	370,000	173,700	543,700	5.25	1,890,000	303,225	2,193,225								
2035	4.00	385,000	158,900	543,900	5.00	1,990,000	204,000	2,194,000								
2036	4.00	400,000	143,500	543,500	5.00	2,090,000	104,500	2,194,500								
2037	4.00	420,000	127,500	547,500		<u>\$ 21,625,000</u>	<u>\$ 9,073,060</u>	<u>\$ 30,698,060</u>								
2038	4.00	430,000	114,900	544,900												
2039	4.00	445,000	102,000	547,000												
2040	4.00	455,000	88,650	543,650												
2041	4.00	470,000	75,000	545,000												
2042	4.00	485,000	60,900	545,900												
2043	4.00	500,000	46,350	546,350												
2044	4.00	515,000	31,350	546,350												
2045	4.00	530,000	15,900	545,900												
		<u>\$ 8,665,000</u>	<u>\$ 3,884,150</u>	<u>\$ 12,549,150</u>												

October 12, 2022 - Storm Water Fund			
Rate	Principal	Interest	Total
2.25	\$ 1,042,372	\$ 579,169	\$ 1,621,541
2.25	1,065,957	555,584	\$ 1,621,541
2.25	1,090,076	531,465	1,621,541
2.25	1,114,741	506,801	1,621,542
2.25	1,139,964	481,578	1,621,542
2.25	1,165,757	455,784	1,621,541
2.25	1,192,134	429,407	1,621,541
2.25	1,219,108	402,433	1,621,541
2.25	1,246,692	374,849	1,621,541
2.25	1,274,901	346,641	1,621,542
2.25	1,303,747	317,794	1,621,541
2.25	1,333,247	288,295	1,621,542
2.25	1,363,413	258,128	1,621,541
2.25	1,394,263	227,279	1,621,542
2.25	1,425,810	195,731	1,621,541
2.25	1,458,071	163,470	1,621,541
2.25	1,491,062	130,479	1,621,541
2.25	1,524,800	96,741	1,621,541
2.25	1,559,301	62,240	1,621,541
2.25	1,594,584	26,961	\$ 1,621,545
	<u>\$ 26,000,000</u>	<u>\$ 6,430,829</u>	<u>\$ 32,430,829</u>

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

Year	(1) Population	Personal Income	(2)	(2) Median Age	(3) School Enrollment	(4) Unemployment Rate	(5) Consumer Price Index
			Per Capita Personal Income				
2013	30,534	\$ 784,174,188	\$ 25,682	38.3	4,018	6.1%	2.76%
2014	31,516	817,682,620	25,945	37.1	4,018	4.4%	2.77%
2015	31,516	825,971,328	26,208	37.1	3,927	4.3%	1.18%
2016	32,301	846,544,608	26,208	37.2	2,775	4.1%	2.75%
2017	32,301	907,690,401	28,101	37.2	2,759	3.9%	3.41%
2018	32,301	940,023,702	29,102	36.1	2,633	3.7%	2.75%
2019	33,002	1,140,252,102	34,551	36.1	2,634	3.7%	1.91%
2020	33,840	1,170,288,720	34,583	36.4	2,460	5.8%	1.95%
2021	33,657	1,181,394,357	35,101	36.2	2,398	4.1%	3.53%
2022	33,817	1,188,160,295	35,135	36.4	2,460	3.5%	8.02%

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/Aurora/Lakewood area. All Urban Consumers

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

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Health One Swedish Medical	1,909	1	6.53%	2,000	1	6.84%
Craig Hospital	982	2	3.36%	750	2	2.57%
Groove Toyota	487	3	1.67%	400	5	1.37%
MetroCommunity Providers	465	4	1.59%	340	4	1.16%
Veolia Transportation	317	5	1.08%			
Rolinc Staffing	252	6	0.86%			
Wal-Mart	248	7	0.85%	150	10	0.51%
Meadow Gold Dairies	224	8	0.77%	230	9	0.79%
Ouray Sportswear	219	9	0.75%			
American Bottling	215	10	0.74%	300	8	1.03%
Total	<u>5,318</u>		<u>18.20%</u>	<u>4,170</u>		<u>14.27%</u>

Sources:

City of Englewood Community Development Department

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government:										
City Manager	5.00	5.25	5.00	6.25	6.25	7.00	6.75	11.80	8.00	9.00
City Attorney	6.15	5.87	6.57	7.30	7.30	6.93	6.00	6.00	5.70	6.70
Municipal Court	9.90	10.48	10.51	10.01	10.01	9.95	9.75	9.75	9.50	10.50
Human Resources	6.51	6.51	5.81	9.43	9.43	7.43	8.18	6.18	6.25	6.25
Finance & Admin Services	17.90	17.90	18.90	16.50	16.50	14.63	15.75	15.75	16.50	17.50
Central Services	1.10	1.10	1.10	1.10	1.00	1.00	1.00	-	-	1.00
Information Technology	10.50	10.50	10.50	11.00	11.00	12.00	12.00	12.00	14.00	15.00
Community Development	11.00	10.50	10.50	10.00	10.00	10.00	10.00	10.00	10.00	11.00
Communications	-	-	-	2.50	2.50	3.00	2.75	2.75	2.75	3.75
Building and Safety	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	8.00
Police:										
Administration	8.60	7.00	7.00	9.00	9.00	11.00	11.00	11.00	10.50	11.50
Communications and Records	16.50	16.00	16.00	15.00	15.00	16.20	19.00	19.00	20.50	21.50
Police Operations	72.00	72.00	76.00	79.00	79.00	78.00	79.00	78.00	78.00	79.00
Neighborhood Services	5.00	5.00	5.00	8.00	8.00	5.00	5.00	5.00	6.50	7.50
Public Works:										
Administration	2.58	2.58	2.58	2.00	2.00	3.45	2.45	2.00	3.50	3.50
Engineering	3.80	4.00	4.00	4.80	4.80	4.07	4.07	4.07	13.65	14.65
Streets and Drainage	11.00	11.00	11.00	11.45	11.45	11.45	11.45	11.45	11.75	12.75
Traffic Maintenance	6.50	6.50	6.50	6.00	6.00	6.00	6.00	6.00	5.00	6.00
General Ops and Maintenance	21.00	20.00	22.00	20.00	20.00	21.00	20.50	20.50	18.50	19.50
Concrete Utility	4.16	3.92	2.92	2.75	2.75	3.03	3.03	3.03	1.10	2.10
ServiCenter	10.00	10.00	11.00	10.00	10.00	10.00	10.50	10.00	10.25	11.25
Parks and Recreation:										
Administration	5.00	5.00	5.00	3.80	3.80	4.00	4.00	4.00	3.50	4.50
Programs	17.50	16.38	17.16	16.25	16.25	16.81	17.25	17.25	13.50	13.50
Parks	13.50	13.50	14.50	15.00	15.00	15.00	14.95	14.95	16.75	17.75
Golf	7.38	7.38	7.38	7.00	7.00	12.25	12.70	20.10	7.25	8.25
Library	15.87	15.93	16.64	14.48	14.48	14.25	14.00	14.00	15.50	16.50
Utilities:										
Water Operations	24.50	24.50	21.50	21.90	21.90	22.50	24.00	24.00	34.40	34.40
Sewer Operations	6.40	6.40	6.40	6.60	6.60	5.50	6.40	6.40	5.90	6.90
Storm Drainage Operations	0.55	0.55	0.55	0.40	0.90	1.10	1.30	1.30	3.20	3.20
Utilities Administration	15.55	15.55	15.05	13.40	12.90	13.20	13.15	13.30	14.35	14.35
Littleton/Englewood Wastewater Treatment Plant	84.35	83.90	78.90	77.40	77.40	86.00	88.75	88.75	85.50	86.50
Total	426.80	422.19	422.96	425.32	425.22	438.75	447.68	455.33	458.80	483.80

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	2013	2014*	2015	2016	2017	2018	2019	2020**	2021**	2022
Police										
Calls for assistance	50,882	50,760	47,099	44,257	44,707	44,482	57,987	49,059	55,674	51,750
Number of uniformed officers	71	72	75	75	77	76	78	78	78	78
Building Division										
Commercial construction value	\$ 12,432,894	\$ 56,949,582	\$ 73,276,444	\$ 55,744,440	\$ 58,254,208	\$ 62,622,843	\$ 53,480,689	\$ 67,716,121	\$ 108,847,752	\$ 55,638,859
Number of units	68	108	119	107	129	109	75	93	135	93
Residential construction value	\$ 5,461,307	\$ 8,255,353	\$ 13,730,421	\$ 21,961,666	\$ 30,987,359	\$ 50,218,044	\$ 38,224,372	\$ 27,243,231	\$ 19,876,936	\$ 157,799,416
Number of units	251	299	352	427	618	518	498	429	338	606
Building permits value	\$ 145,154,652	\$ 93,181,634	\$ 105,041,678	\$ 89,917,681	\$ 98,839,201	\$ 118,928,359	\$ 101,778,024	\$ 105,916,670	\$ 143,970,369	\$ 217,163,593
Number of permits	2096	3936	3246	2857	2558	3159	2756	2609	2389	1966
Parks and Recreation										
Englewood Recreation Center										
Visits	287,000	240,679	242,472	240,320	232,424	236,372	245,644	75,943	217,748	227,249
Malley Recreation Center										
Visits	2,502	89,497	114,410	112,566	98,680	105,623	97,472	24,958	44,809	75,551
Park Shelter Reservations	511	536	627	760	398	579	470	172	377	429
Golf Rounds Played:										
9 hole	18,157	17,766	16,737	15,799	18,128	17,171	12,790	14,200	17,951	15,435
18 hole	25,900	24,580	25,605	26,176	35,395	34,305	32,406	38,363	35,607	30,864
Par 3 Course	20,020	19,207	19,905	19,175	24,158	20,140	16,023	24,475	26,736	22,504
Water										
New connections	8	13	25	25	147	57	44	43	32	55
Water Main Breaks	35	35	15	15	23	27	42	42	32	21
Average Daily Consumption (Millions of gallons)	4.703	5.275	4.763	4.695	5.140	5.440	5.175	5.930	5.335	5.597
Peak Daily Consumption (Millions of gallons)	10.890	10.905	10.010	10.210	10.400	10.780	10.540	10.783	10.669	12.050
Wastewater										
Average Daily Sewage Treated (Millions of gallons)	21.1	21.5	23.1	22.1	20.4	20.4	18.7	17.8	17.2	16.8

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

**Recreation facilities were at limited capacity in 2020 and 2021 due to COVID-19 protocols.

Sources: City Departments

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

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Marked police vehicles	19	19	20	23	23	23	23	23	19	20
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	570	570	570	570	570	570	570	570	570	570
Storage Capacity (Millions of gallons)	6.7	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)	50	50	50	50	50	50	50	50	50	50

Sources: City Departments

CITY OF ENGLEWOOD, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

Grantor and Program Title	Assistance Listing Number	Pass-Through Grantors Number	Expenditures
<u>U.S. Department of Justice</u>			
<u>Bureau of Justice Assistance</u>			
Equitable Sharing Program	16.922		66,193
Pass-through: Colorado Department of Public Safety, Division of Criminal Justice Victim of Crime Act (VOCA)	16.575	2020-V2-GX-0024	26,145
Total U.S. Department of Justice			92,338
<u>U.S. Department of the Treasury</u>			
<u>Department of the Treasury</u>			
Coronavirus State and Local Fiscal Recovery Fund			
ARPA-CSLFRF Funding career guidance training	21.027		346,379
ARPA-CSLFRF Funding homelessness	21.027		22,000
ARPA-CSLFRF Funding Workforce Training	21.027		23,221
ARPA-CSLFRF Funding Sidewalk ramp/gap construction	21.027		7,008
ARPA-CSLFRF Funding Bridge House ready to work	21.027		850,000
ARPA-CSLFRF Funding Water	21.027		141,597
ARPA-CSLFRF Funding Sewer	21.027		136,838
ARPA-CSLFRF Funding Storm Water	21.027		162,215
Total U.S. Department of Treasury			1,689,258
<u>U.S. Department of Transportation</u>			
<u>Highway Planning and Construction</u>			
Pass-through: Colorado Department of Transportation			
Dartmouth Bridge over South Platte	20.205		78,603
US 285 and Broadway Interchange	20.205	STU 2854-1415	205,566
Oxford Pedestrian Bridge	20.205	STU M395-020	61,925
285 Congestion Mitigation	20.205		553,350
Floyd & Elati	20.205	SHO M395-021	115,196
Dartmouth Traffic Calming	20.205	FSA M395-022	145,497
W Dartmouth Multimodal	20.205	STU M395-023	24,730
Total U.S. Department of Transportation			1,184,867
<u>U.S. Department of Housing and Urban Development</u>			
<u>Office of Community Planning and Development</u>			
Pass-through: Arapahoe County, Colorado			
2021 Community Development Block Grant-Energy Efficiency	14.218	ENHS2102	86,557
Total U.S. Department of Housing and Urban Development			86,557
Total Federal Grants			\$ 3,053,020

CITY OF ENGLEWOOD, COLORADO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

Note 1. Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

Note 2. Federal Indirect Cost Rate

The city has not elected to use the 10% de minimis cost rate.

Note 3. Sub-recipients

The City did not pass through any federal funds to sub-recipients during the year ended December 31, 2022.



**HINKLE &
COMPANY**

Strategic PC
Business Advisors

**Independent Auditor's Report on Internal Control Over
Financial Reporting and On Compliance and Other Matters
Based on An Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards***

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Englewood (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City, and have issued our report thereon dated June 8, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Office Locations:

Colorado Springs, CO
Denver, CO
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Suite 400
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Our consideration of the City's internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Englewood's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Hick & Company, PC

Englewood, Colorado
June 8, 2023





**HINKLE &
COMPANY**
Strategic PC
Business Advisors

**Independent Auditor's Report on Compliance for Each
Major Federal Program, Internal Control Over Compliance,
And the Schedule of Expenditures of Federal Awards
Required by The Uniform Guidance**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Englewood's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



Report on Internal Control Over Compliance

A *deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the City as of and for the year ended December 31, 2022, and have issued our report thereon dated June 8, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.



Honorable Mayor and Members of the City Council
City of Englewood
Page 4

In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Hick & Company, PC

Englewood, Colorado
June 8, 2023



City of Englewood
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Section I: Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP): Unmodified

Internal control over financial reporting:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None Reported

Noncompliance material to the financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major federal program:

**Assistance
Listing Number**

Name of Federal Cluster/Program

21.027

Coronavirus State and Local Fiscal
Recovery Funds

Dollar threshold used to distinguish
Between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

City of Englewood
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Section II: Financial Statement Findings

No current year findings or questioned costs were reported.

Section III: Federal Award Findings and Questioned Costs

No current year findings or questioned costs were reported.

City of Englewood
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2022

Section I: Financial Statement Findings

None reported for the year ended December 31, 2021.

Section II: Federal Award Findings and Questioned Costs

None reported for the year ended December 31, 2021.

City of Englewood
Schedule of Prior Year Findings
For the Year Ended December 31, 2022

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

Note 2: Subrecipients

The City did not pass through any federal funds to sub-recipients during the year ended December 31, 2022.