

Executive Summary

To: Denver City Council Members

Fr: Council President Torres, Council Member Herndon

Re: Special Revenue Fund (SRF) for Youth Activity Program/Fund #11887

Date: November 9, 2022

Council Action

The Department of Finance submitted an Ordinance Request to establish a Special Revenue Fund (SRF) for a Youth Activities Programs Fund. The intent of this ordinance is to create a non-lapsing Special Revenue Fund to deposit funds the city received as part of the sale of the Denver Broncos franchise. The funds are currently held in a suspense bank account and must be moved by 12/31/22 per financial rules.

Background

The City and County of Denver received \$12,543,777.06 from the sale of the Broncos franchise. The amount represents approximately 2% of net profits as described by the Conditional Termination formula under the 1998 Users Agreement. The User Agreement also dictates that termination proceeds are to be used for "Youth Activity Programs".

The Office of Children's Affairs will be the expending authority on the SRF. A steering committee comprised of Council President Torres, Council Member Herndon, agency directors from OCA, DHS, HRCP, and DEDO and the Mayor's Office are working to develop the organizational structure and governance committee for programming the funds. Once the Committee structure and program parameters have been formulated, it will be shared with Council.

The current Council action allows the creation of the Special Revenue Fund and transfer of the funds into the interest bearing, non-lapsing SRF.