



Legislation Text

File #: 21-756, **Version:** 2

Ordinance No. 22-04 Amending Ordinance No. 21-112 (2022 Appropriation Ordinance) for a Supplemental Appropriation to the Memorial Health System Enterprise Fund in the Amount of \$1,634,877 to Transfer UC Health Margin Share Proceeds to the Colorado Springs Health Foundation

Presenter:

Charae McDaniel, Chief Financial Officer

Summary:

The attached ordinance is a supplemental appropriation to increase the 2022 budget and appropriate funds in the amount of \$1,634,877 for the Memorial Health System Enterprise Fund to transfer UC Health margin share proceeds to the Colorado Springs Health Foundation (CSHF).

Background:

In November 2021, the City was notified of the margin sharing payment that was received from the University of Colorado Health, a benefit from the provisions of the lease.

The supplemental appropriation will provide the needed appropriation authorization to transfer the margin sharing payment received by the City to the CSHF.

Previous Council Action:

Per the Memorial Health System (MHS) Operating Lease Agreement and Fund Management Agreement, funds from the lease are placed into a segregated account and shall be spent only to satisfy obligations specifically provided for in the agreements. Funds remaining after satisfying obligations shall be transferred directly into the City controlled non-profit foundation, Colorado Springs Health Foundation, as provided for under IRS Sections 501(c)(3) and 509(a) and authorized by City Council and the Mayor pursuant to Resolution No. 89-12.

In 2016-2019, the City received revenue sharing payments from UC Health and City Council approved supplemental appropriation ordinances to transfer the funds to CSHF.

Financial Implications:

The supplemental appropriation increases the 2022 Memorial Health System Enterprise Fund expenditure budget by \$1,634,877 and does not affect the General Fund balance. The source of these funds is the Memorial Health System enterprise fund balance related to the revenue received from UC Health in November of 2021.

City Council Appointed Board/Commission/Committee Recommendation:

This supplemental appropriation was discussed with the City Council Budget Committee on December 14, 2021.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move approval of an Ordinance Amending Ordinance No. 21-112 (2022 Appropriation Ordinance) for a Supplemental Appropriation to the Memorial Health System Enterprise Fund in the Amount of \$1,634,877 to Transfer UC Health Margin Share Proceeds to the Colorado Springs Health Foundation

An Ordinance Amending Ordinance No. 21-112 (2022 Appropriation Ordinance) for a Supplemental Appropriation to the Memorial Health System Enterprise Fund in the Amount of \$1,634,877 to Transfer UC Health Margin Share Proceeds to the Colorado Springs Health Foundation