



# Denver Metropolitan Scientific and Cultural Facilities District

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# SCFD Model

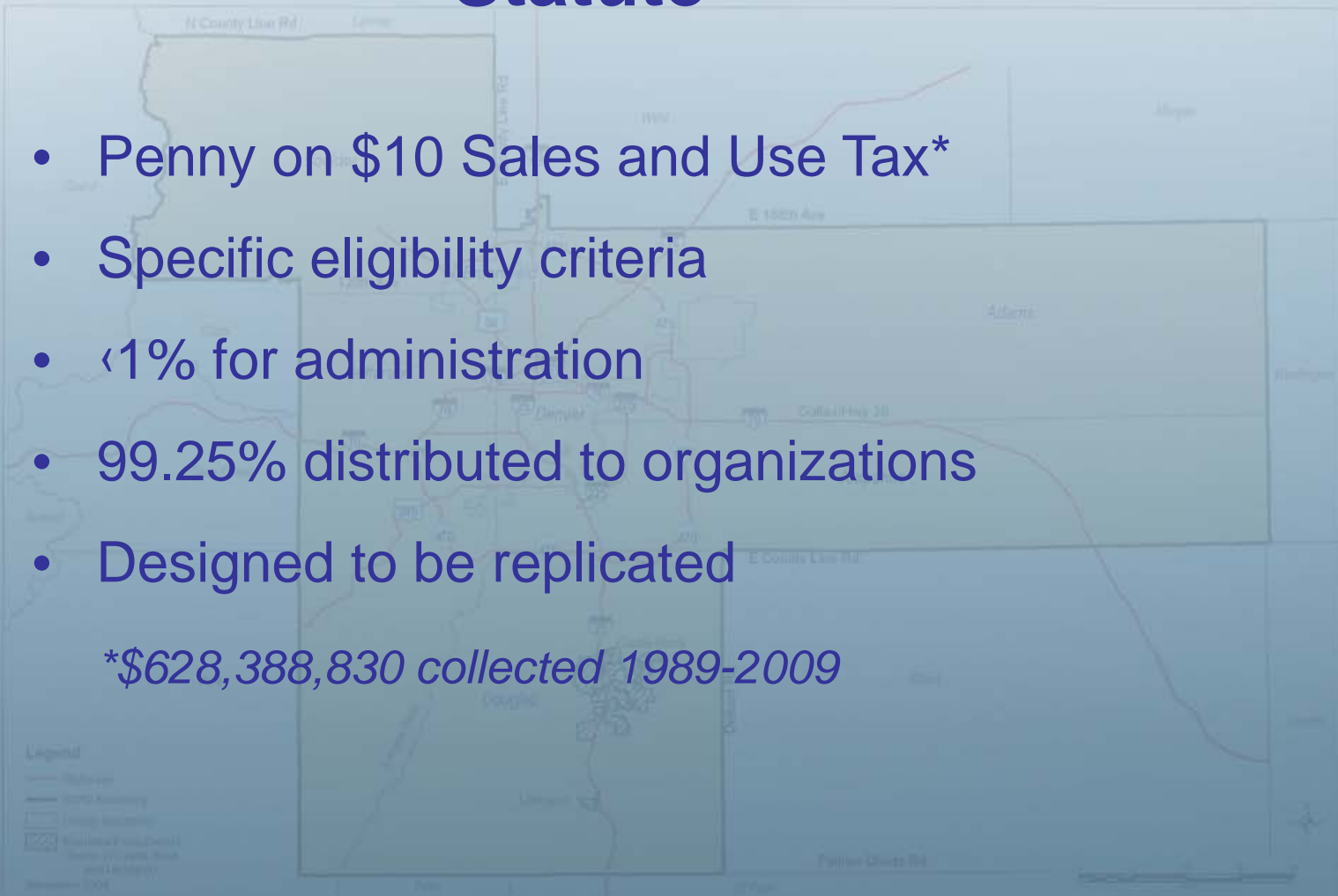
- Regional support (like RTD and stadium district)
- Voter-approved (initially 1988; now through June 2018)
- Three Tiers differentiated by:
  - Audience draw and impact (national/regional/community)
  - Qualifying criteria
  - Qualification/certification/funding process
  - Deadlines and distribution calendar
  - % of collected funds tier receives



# Important Features of the SCFD Statute

- Penny on \$10 Sales and Use Tax\*
- Specific eligibility criteria
- <1% for administration
- 99.25% distributed to organizations
- Designed to be replicated

*\*\$628,388,830 collected 1989-2009*





# SCFD Statute Reflects Public Policies

- **Primary purpose:** *“to provide for the enlightenment and entertainment of the public through the production, presentation, exhibition, advancement, or preservation of art, music, theater, dance, zoology, botany, cultural or natural history.”*
- “Principally benefit the residents of the District”
- Documented organizational & financial capacity
- Majority of funds distributed as GOS (95%) to sustain organizations
- Funds cannot be used for capital construction or debt reduction; agencies of state not eligible
- Tier I funds replace block grants and city funding eliminated in 1980s
- Deference to local control: 1 appointed SCFD board member from each county; cultural councils determine their own funding plans, which are ***“binding upon the board”***



# Tier I

- **65.5%** (64.5% over \$38m; statute specifies organizations & share)
  - **DMNS** (25%)
  - **DAM** (20.83%)
  - **Zoo** (24.24%)
  - **DBG** (11.75%)
  - **DCPA** (18.18%, since 2006)
- Extensive annual reporting process; May presentation to board
- **4 distributions** (June, September, December, March)



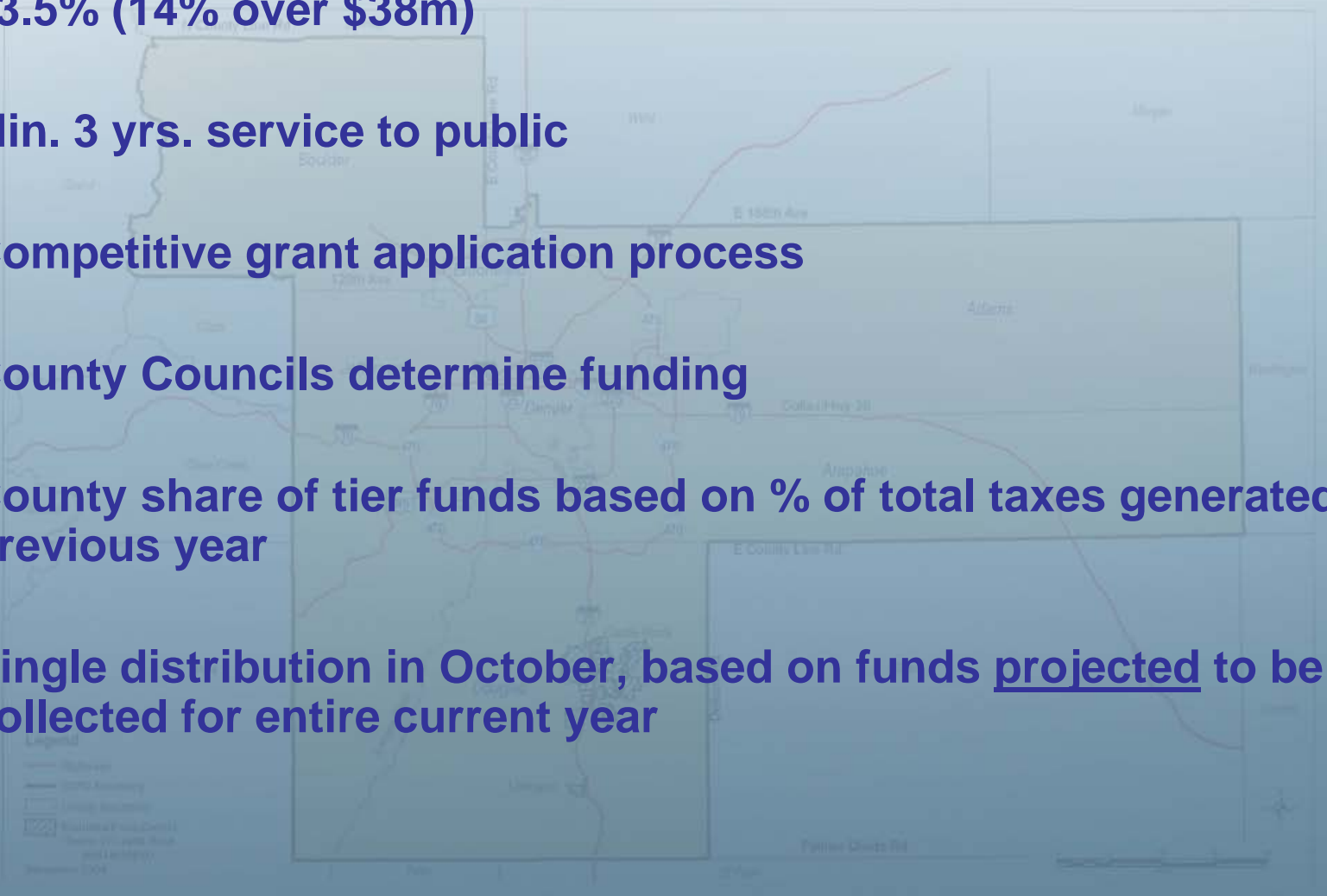
## Tier II

- **21%** (22% over \$38m)
- **Min. 5 yrs. service to public**
- **June qualification (AOI > \$1.3 m); extensive annual report; August presentation to board**
- **Share based on formula: operating income & audited paid attendance**
- **3 distributions (September, December, March)**
- **7 organizations in 1989, 26 in 2009**



# Tier III

- 13.5% (14% over \$38m)
- Min. 3 yrs. service to public
- Competitive grant application process
- County Councils determine funding
- County share of tier funds based on % of total taxes generated in previous year
- Single distribution in October, based on funds projected to be collected for entire current year



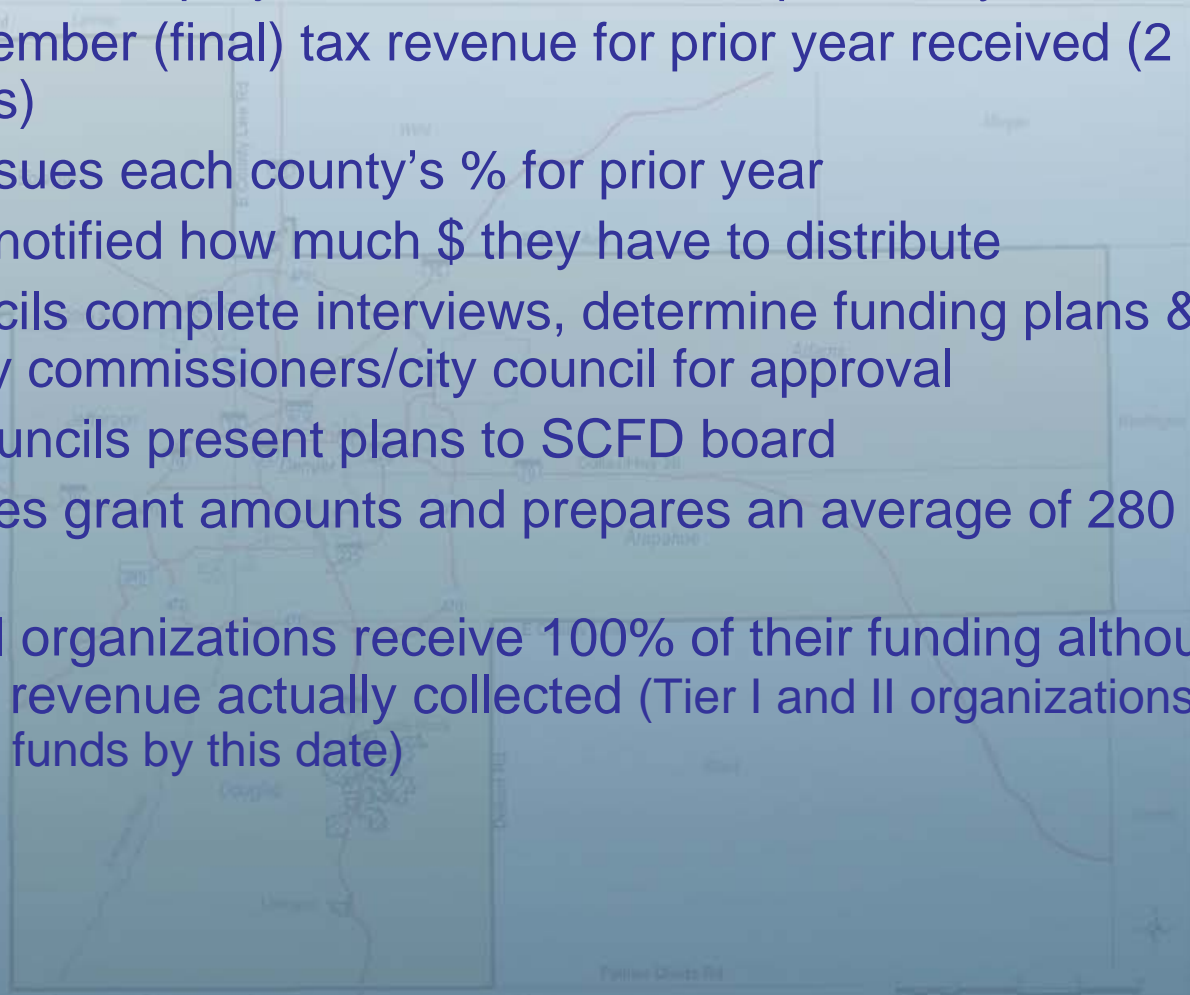


# Tier III Funding & Distribution Cycle

- **October** – SCFD board projects tax revenue; adopts next year’s budget.
- **February** – December (final) tax revenue for prior year received (2 months in arrears)
- **March** – DOR issues each county’s % for prior year
- **April** - Councils notified how much \$ they have to distribute
- **Summer** - Councils complete interviews, determine funding plans & present to county commissioners/city council for approval
- **September** - Councils present plans to SCFD board
- SCFD staff verifies grant amounts and prepares an average of 280 checks
- **October** - Tier III organizations receive 100% of their funding although only 8 months of revenue actually collected (Tier I and II organizations have received ½ of their funds by this date)

## Legend

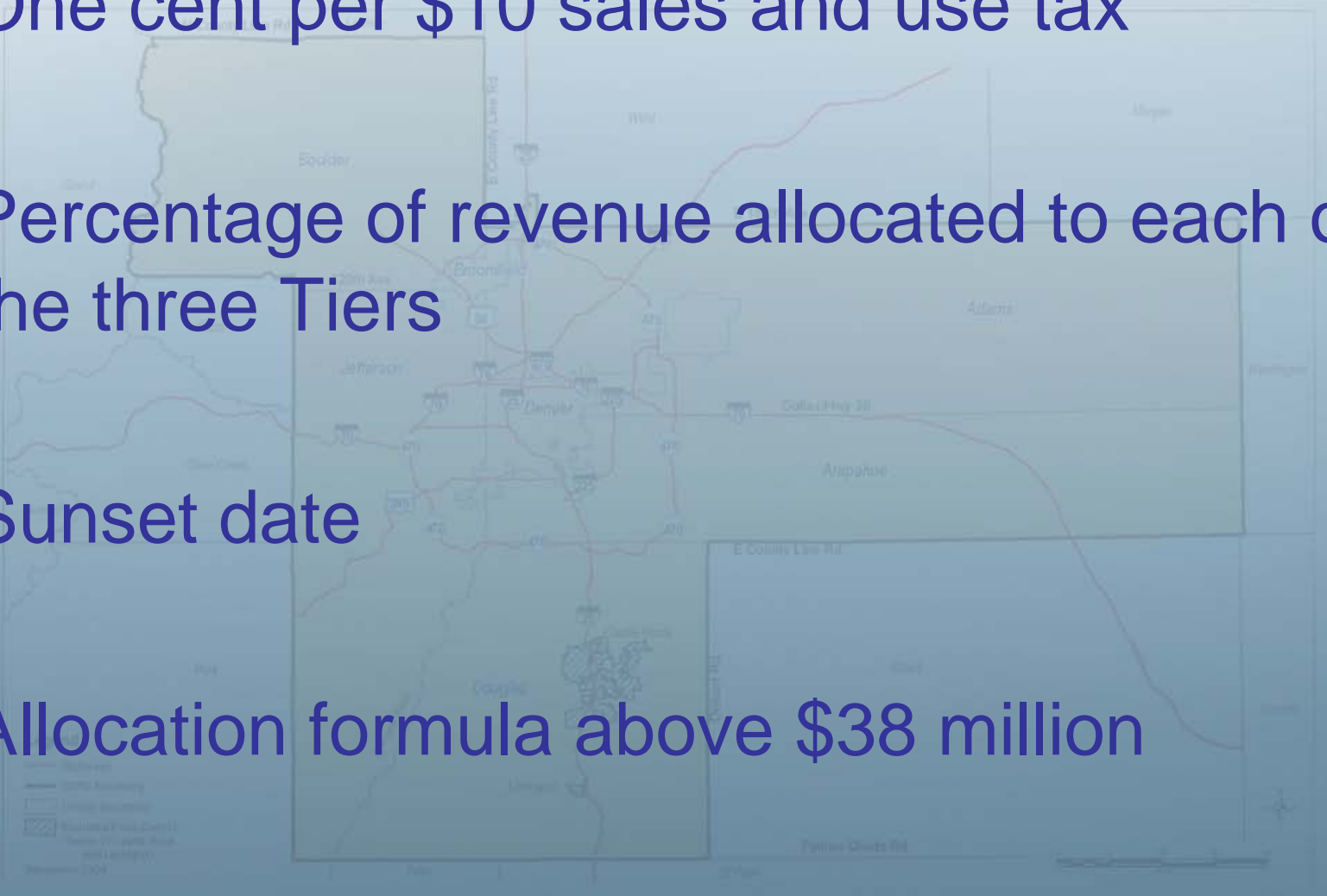
- Highway
  - SCFD Boundary
  - County Boundary
  - ▨ National Forest (Wild and Scenic Rivers, State Parks, and Landmarks)
- December 2004





# Only Voters Can Change

- One cent per \$10 sales and use tax
- Percentage of revenue allocated to each of the three Tiers
- Sunset date
- Allocation formula above \$38 million





**SCFD**

**Citizens of the  
Scientific & Cultural  
Facilities District**

*Making It Possible.*

