

Annual Comprehensive Financial Report

Year Ended December 31, 2022

City and County of Denver, Colorado



Annual Comprehensive Financial Report

City and County of Denver, Colorado | Year Ended December 31, 2022

prepared by

Department of Finance

Controller's Office

Margaret Danuser, Chief Financial Officer

William Riedell, CGFM, Controller

Available online at www.denvergov.org/finance

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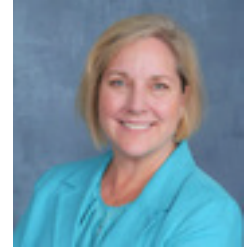
Introduction





July 14, 2023

Citizens of the City and County of Denver,
Honorable Mayor, Honorable Auditor,
Honorable Clerk and Recorder,
Honorable Members of City Council, and
Audit Committee



Margaret Danuser
Chief Financial Officer

State law requires the City and County of Denver (City) to publish within seven months of the close of the fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is prepared by the Controller's Office under the Department of Finance according to Article 2, Part 5 of the City's Charter. Pursuant to the requirements, I hereby issue the Annual Comprehensive Financial Report of the City for the fiscal year ended December 31, 2022.

This report consists of management's representations concerning the finances of the City. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To provide a reasonable basis for making those representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with U.S. GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

BDO USA, PA., a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2022, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions on the City's basic financial statements as of and for the year ended December 31, 2022. The independent Auditors' report is presented as the first component of the financial section of this report.

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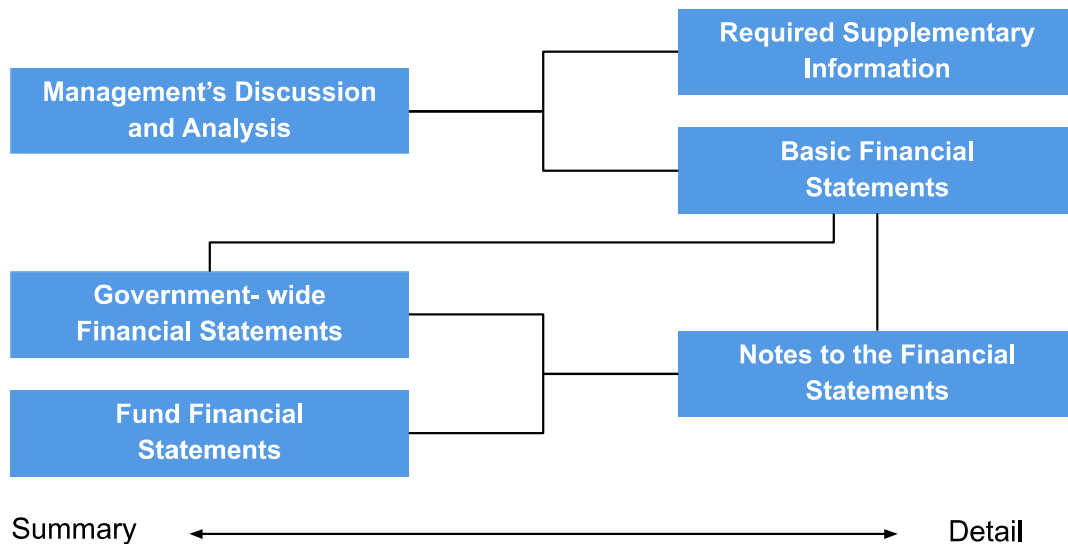
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The Report

The Annual Comprehensive Financial Report is presented in three sections:

- The **Introduction section** includes this letter of transmittal, Mayor, Auditor, District Attorney, Clerk and Recorder, and City Council introductions, the City’s organization chart, and certificates of achievement.
- The **Financial section** includes the report of the independent auditors, Management’s Discussion and Analysis (MD&A), the basic financial statements, including the government-wide financial statements comprised of the Statement of Net Position and the Statement of Activities and the accompanying notes to the financial statements. The Financial Section also includes the fund financial statements including the governmental funds financial statements, the proprietary funds financial statements, the fiduciary funds financial statements, the component units financial statements, and the combining individual funds financial statements for the nonmajor governmental funds and the nonmajor proprietary funds. Required supplementary information other than the MD&A is also included in the financial section.
- The **Statistical section** includes selected financial and demographic information, on a multi-year basis.

This transmittal letter is designed to complement the MD&A and should be read in conjunction with the MD&A.



This Annual Comprehensive Financial Report (Financial Report) includes all funds of the City. The City provides a full range of services including: police and fire protection; the construction and maintenance of highways, streets and other infrastructure; and recreational activities and cultural events. The Financial Report also includes the City’s component units, which are legally separate organizations and for which the City is financially accountable or whose relationship with the City is of a nature and significance that would cause the City’s financial statements to be incomplete were they not included.

The City and County of Denver’s Charter specifies CCD’s fundamental budgetary controls. Per Section 7.1.4 of the Charter, the City must have a balanced budget: “The budget proposed by the Mayor shall not propose expenditures in excess of estimated opening balances and anticipated income...” The authority to make appropriations is granted to City Council in Section 3.2.4 of the Charter, which states “the Council shall have power to appropriate all money necessary for the expenses of the City and County...” This appropriation authority includes the annual budget as well as any additional appropriations, including from contingency. The Charter stipulates a contingency requirement in Section 7.1.4: “The proposed budget for the general fund shall also include an amount, not less than two (2) per cent of the total estimated expenditures set forth in the general fund for the ensuing year, for the payment of any expense, the necessity of which is caused by any casualty, accident or unforeseen contingency, after the passage of the annual appropriation ordinance.” Additionally, Denver’s Revised Municipal Code further stipulates that “No officer or employee of the city shall authorize any expenditure that would cause the total expenditures for any appropriation account to exceed the amount appropriated by ordinance.”

In addition to the financial audit, the City undertakes a single audit in conformance with the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Audits. The results of this single audit, including a schedule of expenditures of federal awards, and the independent auditor’s reports on the City’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards, are available in the City’s separately issued single audit report.

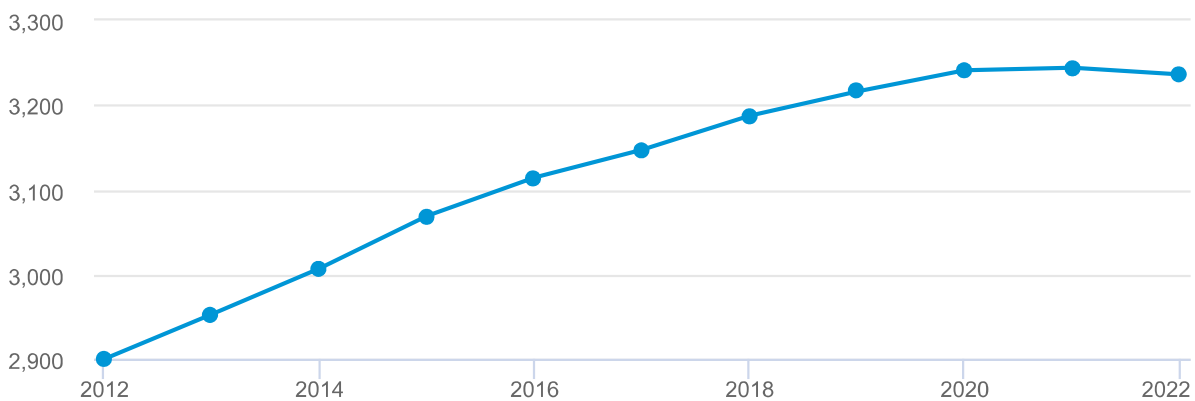


City Profile

Denver is located at the eastern base of the Rocky Mountains in the north-central part of Colorado, encompassing 154.63 square miles. The City is the capital of the state, and it is also the cultural, distribution, entertainment, financial, service and transportation hub of the Rocky Mountain region. With an elevation of 5,280 feet the “Mile High City” has a cool, dry, sunny climate that makes it a magnet for health seekers and those enjoying outdoor recreation all year round. In 2022, Denver had an estimated population of 729,239 for the core City and County. It is estimated that over 3 million people reside in the Denver metro area, which includes the suburban counties of Adams, Arapahoe, Boulder, Broomfield, Douglas and Jefferson. Denver was founded November 22, 1858, after a gold discovery at the confluence of Cherry Creek and the South Platte River. Town founder William H. Larimer, Jr. named the City for James W. Denver, Governor of Kansas Territory, of which east central Colorado was then a part.

Denver Metropolitan Statistical Area's Population

(numbers in thousands)



Numerous gold discoveries sparked a mass migration into Colorado of some 100,000 in 1859-1861, leading the federal government to establish Colorado Territory in 1861. The City of Denver was incorporated on November 7, 1861, by a special act of the first session of the Legislative Assembly of Colorado Territory. In 1867 Denver became the capital of Colorado Territory and remained the capital after Colorado became a state on August 1, 1876. Denver became a city and county with home rule when Article XX was added to the Colorado Constitution in 1902. The

City's charter was enacted on March 29, 1904 establishing a strong mayor/city council form of government and an independent, elected city auditor.

The mayor and 13-member council, elected in non-partisan elections, govern the City. The mayor is the chief executive, exercising all administrative and executive powers granted to the City, except as otherwise delegated by the City Charter. The legislative powers of the City are vested in the City Council. The City has an elected auditor and an elected clerk and recorder. All elected officials' terms are concurrent and last four years, and each position is subject to term limits of 12 years.

The City Charter establishes an audit committee consisting of seven members; two members appointed by the Mayor, two members appointed by the City Council and two members appointed by the auditor, with the auditor as the chair. The audit committee, among other things, is responsible for the selection and management of the external auditor. During the course of the annual city-wide audit the audit committee monitors the progress of the audit and discusses with the external auditor any matters related to the audit. The audit committee also accepts the results of the audit.

Regional Economic Conditions

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

The City is the center of economic activity of the region, serving as a business, recreational, higher educational and cultural hub. Major features of the economy include the central business district, state capitol building, Denver International Airport, extensive library facilities, several professional sports teams, institutions of higher learning, and numerous museums and other cultural facilities.

According to the Governor's Office of State Planning and Budget (OSPB), economic recovery remained strong thru 2022 with job growth, consumer spending, and corporate profits coming in higher than expected. However, consumer spending habits are expected to shift from goods towards services over the next year and medium-term slowing of the economy is still expected.

Labor Market

Per the OSPB, Colorado's labor market remained tight in 2022, as unemployment rates remained low when compared to historical levels. Additionally, the state's labor force participation rate ranked second in the nation at 69.2 percent (compared to 62.1 percent nationally). The unemployment rate in Colorado averaged 3.6 percent in 2022, and 3.7 percent in the US as a whole.

Consumer Spending

According to the OSPB, consumer spending remains resilient for both Colorado and the US, despite rising interest rates and continued inflation. The OSPB reports strong real retail sales spending growth, at nearly double the inflation rate. Strong spending in the services sector led Colorado consumption to outpace that of the nation.

City Financial Policies and Planning

Due to sound fiscal management over the years, the City was able to leverage reserves to keep the City running and prevent fiscal collapse following the 2020 global pandemic. Formal policies and operating practices enabled the City to operate in a lean mode while it weathered the worst of the pandemic. The City's financial practices also ensured standards of transparency, stewardship and accountability as the City emerged from survival mode into a period of recovery.

In 2020, the City was the beneficiary of \$138 million in CARES Act funding that was required to be fully spent by December 31, 2021. In 2021, Denver was awarded \$308 million in American Rescue Plan Act which the City received in equal installments of \$154 million in 2021 and 2022. American Rescue Plan Funds are to be fully committed by December 31, 2024, and fully spent by December 31, 2026. Formal fiscal policies pertaining to balanced budgets, revenue diversification, investments, debt, expenditures and one-time and unpredictable revenues guide the administration of these and other stimulus funds as the City navigates its long-term recovery.

Revenue Administration

The City's main source of revenue for operating expenditures is sales and use tax, which typically averages 60.00% of total General Fund revenues, including transfers in. This is less than the 70.00% average for most local governments in the region. In addition, the City reviews all fees, fines, and charges for services on a rotating basis to ensure they are meeting cost recovery goals. One-time and unpredictable revenues are spent on one-time costs, such as equipment replacement, or transferred to capital improvement funds for repair and rehabilitation projects.

Expenditure Administration

Expenditure budgets are carefully reviewed by both the implementing departments and the Budget and Management Office. Careful attention is paid to ensure departments are meeting projected vacancy savings and that excess budget is not transferred to non-personnel line items.

Reserves

The City has multiple reserves in its General Fund to address budgetary shortfalls. A Contingency Reserve of no less than 2.00% of total estimated expenditures, an Emergency Reserve mandated by the State Constitution equal to 3.00% of covered funds, and an unassigned Fund Balance minimum of 10.00% and target of 15.00% of total budgeted expenditures. The City's budget policy concerning the use of reserves varies depending on the reserve type but generally limits the use of reserves to respond to revenue shortfalls, unanticipated expenditures, or severe economic downturn.

Debt Administration

The City's debt policy establishes guidelines and parameters for the issuance and management of debt. The primary objectives of the policy are to ensure that debt is issued prudently and is affordable. The Taxpayer's Bill of Rights (TABOR) under the State Constitution requires the City to obtain voter approval prior to issuing any multi-year fiscal debt or obligations. Certain exceptions apply for refunding of outstanding bonds and debt issued by enterprises of the City. The City's Charter further restricts general obligation bonded debt to 3 percent of the actual value of the taxable property within the City. General obligation water bonds issued by Denver Water are excluded from this limitation. At December 31, 2022, the City's general obligation bonded debt of \$1,005,223,000 million net amounts reserved for debt service and subject to this restriction, was 14.55% percent of the \$5,671,937,000 million three-percent limitation amount, not including compound interest of the general obligation mini-bonds.

According to standard measures used by the primary credit rating agencies to assess debt (e.g. fund balance as a percent of operating expenses, debt-to-assessed ratios, debt per capita, etc.), the City's level of direct debt obligations are considered moderate but manageable in comparison with similarly sized cities. Rating agencies cite the City's strong financial management and prudent fiscal policies as credit strengths. As of December 31, 2022, the City is rated triple-A (AAA) by all three of the major rating agencies: Standard & Poor's, Fitch, and Moody's Investors Service.

Cash Management

The City Charter regulates the securities in which the City may invest its funds. Permissible investments under the charter are obligations of the United States Government, its agencies, and sponsored corporations, prime bankers' acceptances, prime commercial paper, certificates of deposit issued by banks and savings and loan institutions, local government investment pools, repurchase agreements, forward purchase agreements, security lending agreements, highly rated municipal securities, high grade corporate bonds, asset-backed securities, supranational debt obligations, federal agency collateralized mortgage obligations (CMO), federal agency mortgage pass through securities (MBS), money market funds that purchase only the types of securities specified herein, and other similar securities as may be authorized by ordinance. The City Council has adopted an ordinance authorizing the investment of City monies in Resolution Funding Corporation (REFCORP) Securities, Forward Purchase Agreements, and Debt Service Reserve Fund Put Agreements, all of which are either issued by a U.S. Government Corporation or are collateralized by surety types already authorized by the Charter. The City is not permitted to leverage its investment portfolio.

The objectives of the City's investment policy, in order of priority, are to maintain principal, to ensure the availability of funds to meet obligations promptly, and to maximize yield on the investment portfolio. Bank deposits are either insured by federal deposit insurance or collateralized according to state law. Investments are held at a third-party bank in a safekeeping account in the City's name.

Long-Term Financial Planning

The City has a six-year long-range capital planning process and document that is updated each year and helps drive annual capital funding decisions as well as periodic general obligation bond issues for larger investments. For operations, expenditures and revenues are forecasted out for five years to account for planned changes to existing revenues, such as sunseting revenues, and to project any future deficits between revenues and expenditures.

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 for its Annual Comprehensive Financial Report (Financial Report) for the year ended December 31, 2021. The Certificate of Achievement is a national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Financial Report. This report must satisfy both U.S. GAAP and applicable legal requirements. This was the fortieth consecutive year that the City has received this award. A Certificate of Achievement is valid for one year only. We believe this 2022 Financial Report continues to conform to the Certificate of Achievement program requirements and will submit it to the GFOA to determine its eligibility for another certificate.

Furthermore, the GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City for its Popular Annual Financial Report (PAFR) for the fiscal year ending on December 31, 2021. The Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. To receive this award a government unit must publish a PAFR whose contents conform to program standards of creativity, presentation, understandability and reader appeal. This is the eighth year that the City has received this award. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

Additionally, GFOA presented a Distinguished Budget Presentation Award to the City for its annual budget for the fiscal year beginning January 1, 2022. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our 2023 budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another year.

The preparation of this Annual Comprehensive Financial Report could not have been accomplished without the efficient and dedicated service of a highly qualified staff in the Controller's Office. The Cash, Risk, and Capital Funding Division and the Budget and Management Office were also instrumental in the ACFR's completion. Their cooperation and continued assistance is necessary and appreciated. I would like to thank all personnel who helped and contributed to the preparation of this report. I also want to acknowledge the thorough and professional way our independent auditors, BDO USA, P.A., conducted their audit.

Respectfully submitted,



Margaret Danuser
Chief Financial Officer



Honorable
Michael B. Hancock
 Mayor

Dear Denver residents:

In the aftermath of the COVID-19 pandemic, we face economic uncertainties today as record inflation sends the cost of everyday goods soaring for our residents and businesses. Nonetheless, we're rebuilding, with a renewed sense of purpose about who we want to be as a city. Our recovery is strong, we're moving forward and there is reason for optimism about the future. Thanks to sound financial management, increased investment from Washington, D.C., and better than expected 2022 revenue, we are taking bold steps to build an economy that works for everyone, with our eyes set firmly on a city built on justice.

We've made historic investments to resolve homelessness, increase our stock of affordable housing, improve public safety, and address the community's behavioral health and substance misuse needs. We also prioritized the reinvigoration of downtown. With Denver receiving the final installment of \$308 million in local relief funds from the American Rescue Plan Act in 2022, our mission is to ensure that those resources are used to rebuild an inclusive, sustainable economy that works for everyone.

Our investments will put our great city on a path to a more equitable future. As an administration accountable to the people we serve, our priorities have reflected the aspirations of our residents and we are committed to leaving this city better than we found it. We reflect the priorities and the aspirations of our residents.

Our recovery efforts have afforded Denver an unprecedented chance to level the playing field so that every resident has the opportunity to come back better than before. We're seizing this opportunity to think big and make decisions that can move Denver forward with conviction. As we close the books on 2022, I am proud of what we've done.

Mayor's Cabinet and Chief of Staff

Jay Morein Executive Director of Human Services	Margaret Danuser Chief Financial Officer
Alan Salazar Chief of Staff	Andrew Amador Executive Director, General Services
Kerry Tipper City Attorney	Happy Haynes Executive Director of Parks and Recreation
Phil Washington Executive Director of Aviation	Bob McDonald Executive Director of Public Health and Environment
Laura Aldrete Executive Director of Community Planning and Development	Adam Phipps Executive Director of Transportation and Infrastructure
Molly Duplechian Executive Director of Excise and Licenses	Armando Saldate Executive Director of Public Safety

Timothy M. O'Brien is the Auditor for the City and County of Denver. Mr. O'Brien was elected Auditor in May 2015 and reelected in May 2023. Mr. O'Brien's term will expire on the third Monday in July 2027.



Honorable
Timothy M. O'Brien,
CPA Auditor



Honorable
Beth McCann
District Attorney

Beth McCann is the District Attorney for the Second Judicial District. The District Attorney is a state official. She is the chief law enforcement officer in the district and is responsible for prosecuting all felonies, misdemeanors, and serious traffic offenses arising in the district. Ms. McCann became District Attorney in January 2017 and re-elected in 2021; her current term will end January 8, 2025.

Paul D. López was elected Clerk and Recorder in July 2019 and reelected in May of 2023. Mr. López also serves as Public Trustee, City Clerk, and Ex-Officio Clerk of the City and County of Denver. Mr. López's term will expire on the third Monday in July 2027.



Honorable
Paul D. López
Clerk and Recorder

There are 13 city council members - 11 from equally-populated districts and two elected at-large. Council members, who must be 25 years of age, US citizens, and two-year Denver residents, are all elected at the same time every four years. All terms expire on the third Monday in July 2023.



Honorable
President Stacie Gilmore
Council District 11



Honorable
Robin Kniech
Council At-Large



Honorable
Deborah Ortega
Council At-Large



Honorable
Amanda Sandoval
Council District 1



Honorable
Kevin Flynn
Council District 2



Honorable
Jamie Torres
Council District 3



Honorable
Kendra Black
Council District 4



Honorable
Amanda Sawyer
Council District 5



Honorable
Paul Kashmann
Council District 6



Honorable
Jolon Clark
Council District 7



Honorable
Christopher Herndon
Council District 8

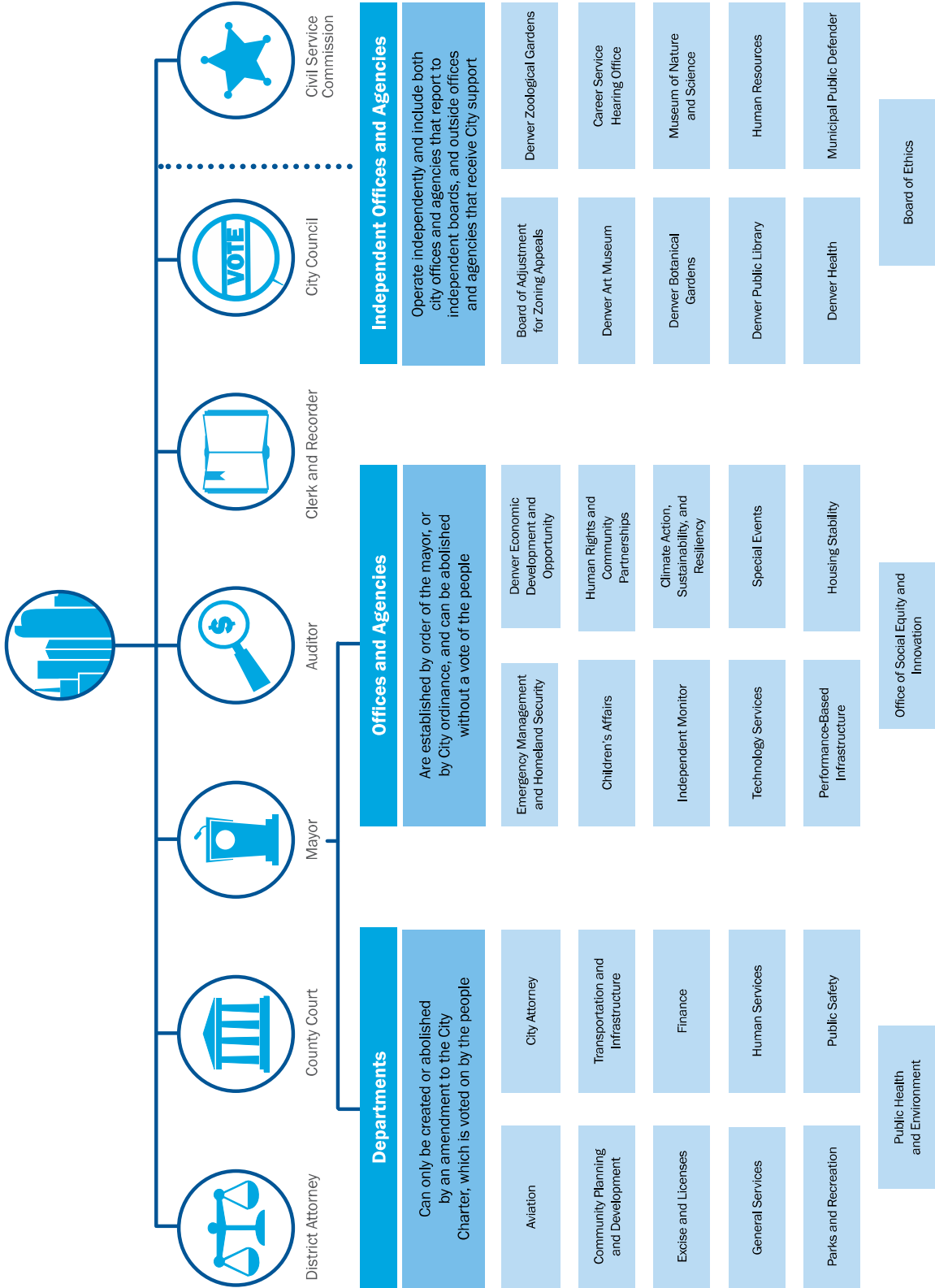


Honorable
Candi CdeBaca
Council District 9



Honorable
Chris Hinds
Council District 10

The People of the City and County of Denver



The City and County of Denver is proud to have been recognized with an award for Outstanding Achievement for Excellence in Financial Reporting, Outstanding Achievement in Popular Annual Financial Reporting and the Distinguished Budget Presentation Award offered by the Government Finance Officers Association of the United States and Canada (GFOA).



Government Finance Officers Association

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

Presented to

**City and County of Denver
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

Outstanding Achievement for Excellence in Financial Reporting

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 and County of Denver for its Annual Report for the fiscal year ended December 31, 2021.

The Certificate of Achievement is the highest form of recognition for excellence in state or local government financial reporting. The Certification of Achievement Program was established to encourage municipal governments to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Certification of Achievement, a government unit must publish an easily-readable and efficiently-organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments and address user needs. A Certificate of Achievement is valid for a period of one year only.

Outstanding Achievement in Popular Annual Financial Reporting

The GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City and County of Denver for its Popular Annual Financial Report for the fiscal year ended December 31, 2021. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding in Popular Annual Financial Reporting is valid for a period of one year only.

Distinguished Budget Presentation Award

The GFOA presented a Distinguished Budget Presentation Award to the City and County of Denver for its annual budget for the fiscal year beginning January 1, 2022. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only.

The Distinguished Budget Presentation Awards Program is specifically designed to encourage state and local governments to prepare and issue budget documents of the highest quality. Top-quality documents are essential if citizens and others with an interest in a government's finances are to be fully informed participants in the budget process. Better budget documents contribute to better decision making and enhanced accountability.

The Distinguished Budget Presentation Awards Program allows the public finance profession a welcome opportunity to recognize those governments that have, in fact, succeeded in preparing a high-quality budget document.



Financial





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Denver, CO 80203

Independent Auditor's Report

Audit Committee
City and County of Denver, Colorado
Denver, Colorado

Opinions

We have audited 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 and County of Denver (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position 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, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Caring for Denver Foundation, Denver Convention Center Hotel Authority, Denver Urban Renewal Authority, National Western Center Authority, Cherry Creek North Business Improvement District (BID) No.1, Colfax BID, Denver Preschool Program, Inc., Downtown Denver BID, RiNo BID, or the Prosperity Denver Fund, all of which are included as discretely presented components units, which represent 93.31 percent of total assets and deferred outflows of resources, 86.50 percent of total revenues, and 52.42 percent of net position (deficit) of the aggregate discretely presented component units as of and for the year ended December 31, 2022. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion on the aggregate discretely presented component units, insofar as it relates to the amounts included for the Caring for Denver Foundation, Denver Convention Center Hotel Authority, Denver Urban Renewal Authority, National Western Center Authority, Cherry Creek North BID No.1, Colfax BID, Denver Preschool Program, Inc., Downtown Denver BID, RiNo BID, or the Prosperity Denver Fund, is based solely on the reports of the other auditors.

Additionally, we did not audit the financial statements of the Denver 14th Street General Improvement District (GID), Gateway Village GID, or RiNo GID which are included as blended component units, Denver Employee Retirement Plan, a fiduciary component unit and the Deferred Compensation Plan Trust Fund, a fiduciary fund of the City, which represent 47.52 percent of total assets, 0.74 percent of total revenues and 52.15 percent of net position/fund balance of the aggregate remaining fund information as of and for the year ended December 31, 2022. Those financial statements were audited by other auditors, whose reports have been furnished to us and our opinion on the aggregate remaining fund information, insofar as it relates to the amounts included for the Denver 14th Street GID, Gateway Village GID, RiNo GID, Denver Employee Retirement Plan and the Deferred Compensation Plan Trust Fund, is based solely on the reports of the other auditors. We also did not audit the financial statements of the Wastewater Management Enterprise Fund or the Denver Airport System Enterprise Fund, which are major enterprise funds of



the City, and represent 99.39 percent, 97.15 percent and 98.13 percent, respectively, of the total assets and deferred outflows of resources, total revenues and net position of the business-type activities as of and for the year ended December 31, 2022. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinions on those major funds and the business-type activities, insofar as it relates to the amounts included for the Wastewater Management Enterprise Fund and the Denver Airport System Enterprise Fund, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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.

Emphasis of Matter

As discussed in Notes I.E and III.E to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement Number 87, *Leases*. Our opinions are not modified with respect to this matter.

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.

In preparing the financial statements, management is required to evaluate whether 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 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, 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, budgetary comparison, pension and other postemployment information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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 combining and individual fund financial statements and schedules 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 combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with GAAS, the City's financial statements as of and for the year ended December 31, 2021, which are not presented with the accompanying financial statements. In our report dated June 29, 2022, we expressed unmodified opinions on the respective 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. In our opinion, the general fund balance sheet as of December 31, 2021 and related statement of revenues, expenditures, and changes in fund balance for the year then ended shown as supplementary information are fairly stated in all material respects in relation to the basic financial statements as of and for the year ended December 31, 2021, taken as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introduction section 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.

BDO USA, P.A.

Denver, Colorado
July 14, 2023



Management's Discussion and Analysis



Management of the City and County of Denver (City) offers readers of the basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal. The focus of the information herein is on the primary government.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$5,030,781,000 (net position). Of this amount, \$1,019,028,000 represents a deficit of unrestricted net position.
- The City's total net position increased by \$433,085,000, or 9.42%, over the prior year amount.
- As of close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,780,301,000, an increase of \$334,529,000 in comparison with the prior year. Approximately 10.26% or \$285,189,000 of the total fund balance amount constitutes unassigned fund balance, which is available for spending at the City's discretion.
- At the end of the current fiscal year, unassigned fund balance of the General Fund was \$294,242,000, which represents 19.01% of total General Fund expenditures, including transfers out.
- The City's total bonded debt increased by \$1,278,691,000 during the year. General obligation bonds increased by \$254,157,000 and revenue bonds increased by \$1,024,534,000.
- The City implemented GASB Statement No. 87, *Leases*. This statement requires a lessee to recognize a lease liability and an intangible right-of-use lease asset; a lessor is required to recognize a lease receivable and a deferred inflow of resources to enhance the relevance of information about governments' leasing activities.
- The City implemented GASB Statement No. 91, *Conduit Debt Obligations*. This statement was issued May 2019 and establishes accounting requirements for conduit debt obligations by issues. A conduit debt obligation is a debt instrument issued in the name of a state or local government that is for the benefit of a third party primarily liable for the repayment of the debt instrument. The City was an early adopter of the statement and there is no financial impact due to implementing this standard.

Overview of the Financial Statements

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

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/outflows of resources, 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 reports how the City's net position changed during the most recent 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 and sick leave).

The governmental activities reflect the City's basic services, including police, fire, public works, sanitation, economic development, culture, and recreation. Sales and property taxes finance the majority of these services.

The business-type activities reflect private sector-type operations, such as Wastewater Management, the Denver Airport System, and Golf Courses, where fees for services typically cover all or most of the cost of operations, including depreciation.

The government-wide financial statements include not only the City itself (referred to as the primary government), but also other legally separate entities for which the City is financially accountable. Financial information for most of these component units are reported separately from the financial information presented for the primary government

itself. A few component units, although legally separate, function essentially as an agency of the City and, therefore, are included as an integral part of the City.

Fund Financial Statements

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on the balances left at year-end that are available for spending. Consequently, the governmental fund financial statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the long-term focus of the government-wide statements, additional information is provided that reconciles the governmental fund financial statements to the government-wide statements explaining the relationship (or differences) between them.

The City maintains 23 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, Bond Projects capital fund, and Human Services special revenue fund, each of which is considered to be a major fund. Data from the other 20 governmental funds are combined into a single aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the General Fund, certain special revenue funds including Human Services ,enterprise funds and capital project funds. Project-length budgets are adopted for the remaining special revenue funds and capital project funds. A budgetary comparison schedule has been provided for the General Fund, Human Services special revenue fund and Bond Projects fund to demonstrate compliance with these budgets in accordance with U.S. GAAP.

The City maintains two different types of **proprietary funds**: enterprise funds and internal service 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 its Wastewater Management, Denver Airport System, Environmental Services, and Golf Course funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for employee self-insurance benefits and asphalt plant operations. The internal service funds provide services which predominantly benefit governmental rather than business-type functions. They have been included within governmental activities with an adjustment to reflect the consolidation for internal service fund activities related to the enterprise funds 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 Wastewater Management and the Denver Airport System, both of which are considered to be major funds of the City. Data for the other two enterprise funds and all of the internal service funds are combined into their respective single aggregated presentations. Individual fund data for the nonmajor enterprise funds and all of the internal service funds are provided in the form of combining statements elsewhere in this report.

The City uses **fiduciary funds** to account for assets held on behalf of outside parties, including other governments. The City uses fiduciary funds to account for pension, health and other employee benefits trust funds. In addition to employee related trust funds, the City accounts for private purpose trust funds and custodial funds in the fiduciary funds.

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.

The **notes to basic financial statements** 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 is presented in the form of certain required supplementary information concerning the City's budgetary comparison schedules the net pension liability, the net OPEB liability, and the implicit rate subsidy on other postemployment benefits.

The combining statements supplementary information referred to earlier in connection with nonmajor funds, internal service funds, and nonmajor component units are presented immediately following the budgetary comparison required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$5,030,781,000 at the close of the most recent fiscal year. Net position of \$2,977,613,000 (59.19%) reflects investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment) less any related debt used to acquire those assets that are 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 this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net positions of the City also include \$3,072,196,000 (61.07%) of restricted net position. These are resources subject to external restrictions as to how they may be used by the City.

The table below reflects the City's net position (dollars in thousands) as of December 31, 2022 and 2021:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021, as restated	2022	2021, as restated	2022	2021, as restated
Other Assets	\$ 4,278,486	\$ 3,647,111	\$ 4,917,721	\$ 3,280,924	\$ 9,196,207	\$ 6,928,035
Capital Assets	3,845,766	3,655,674	7,067,887	6,553,208	10,913,653	10,208,882
Total Assets	8,124,252	7,302,785	11,985,608	9,834,132	20,109,860	17,136,917
Deferred Outflows	343,393	421,081	79,062	105,468	422,455	526,549
Noncurrent Liabilities	4,318,219	4,371,125	8,651,733	7,008,710	12,969,952	11,379,835
Other Liabilities	723,636	534,696	360,471	397,563	1,084,107	932,259
Total Liabilities	5,041,855	4,905,821	9,012,204	7,406,273	14,054,059	12,312,094
Deferred Inflows	927,606	721,366	519,869	32,310	1,447,475	753,676
Net Position						
Net Investment In Capital Assets	2,366,205	2,286,715	611,408	611,204	2,977,613	2,897,919
Restricted	2,588,514	2,236,907	483,682	389,360	3,072,196	2,626,267
Unrestricted	(2,456,535)	(2,426,943)	1,437,507	1,500,453	(1,019,028)	(926,490)
Total Net Position	\$ 2,498,184	\$ 2,096,679	\$ 2,532,597	\$ 2,501,017	\$ 5,030,781	\$ 4,597,696

The table below reflects the City's changes in net position (dollars in thousands) for the years ended December 31, 2021 and 2022.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021, as restated	2022	2021, as restated	2022	2021, as restated
Revenues						
Program revenues:						
Charges for services	\$ 442,345	\$ 399,523	\$ 1,312,678	\$ 1,068,000	\$ 1,755,023	\$ 1,467,523
Operating grants and contributions	306,318	411,790	-	-	306,318	411,790
Capital grants and contributions	58,676	108,977	83,913	38,141	142,589	147,118
Facilities development admissions tax	18,924	12,760	-	-	18,924	12,760
Lodgers tax	138,250	90,696	-	-	138,250	90,696
Motor vehicle ownership fee	21,966	28,988	-	-	21,966	28,988
Occupational privilege tax	56,383	52,319	-	-	56,383	52,319
Property tax	558,707	533,823	-	-	558,707	533,823
Sales and use tax	1,199,536	1,079,287	-	-	1,199,536	1,079,287
Specific ownership tax	107	88	-	-	107	88
Telephone tax	16,090	15,050	-	-	16,090	15,050
Investment income (loss)	(77,088)	4,153	(127,200)	(38,278)	(204,288)	(34,125)
Other revenues	114,283	70,635	12,803	252,385	127,086	323,020
Total revenues	2,854,497	2,808,089	1,282,194	1,320,248	4,136,691	4,128,337
Expenses						
General government	585,790	651,338	-	-	585,790	651,338
Public safety	630,018	805,223	-	-	630,018	805,223
Transportation and infrastructure	329,635	351,142	-	-	329,635	351,142
Human services	176,068	165,061	-	-	176,068	165,061
Health	156,791	129,433	-	-	156,791	129,433
Parks and recreation	131,187	114,000	-	-	131,187	114,000
Cultural activities	173,674	147,593	-	-	173,674	147,593
Community development	183,775	172,452	-	-	183,775	172,452
Economic opportunity	22,117	15,354	-	-	22,117	15,354
Interest on long-term debt	64,181	55,630	-	-	64,181	55,630
Wastewater management	-	-	145,527	150,482	145,527	150,482
Denver airport system	-	-	1,075,889	921,608	1,075,889	921,608
Other enterprise funds	-	-	29,114	28,683	29,114	28,683
Total expenses	2,453,236	2,607,226	1,250,530	1,100,773	3,703,766	3,707,999
Change in net position before transfers and special item	401,261	200,863	31,664	219,475	432,925	420,338
Transfers in (out)	2,462	1,594	(2,462)	(1,594)	-	-
Transfers in (out) of capital assets	(2,218)	(1,405)	2,218	1,405	-	-
Change in net position	401,505	201,052	31,420	219,286	432,925	420,338
Net position - January 1	2,096,679	1,895,627	2,501,017	2,281,731	4,597,696	4,177,358
Net position - December 31	\$ 2,498,184	\$ 2,096,679	\$ 2,532,437	\$ 2,501,017	\$ 5,030,621	\$ 4,597,696

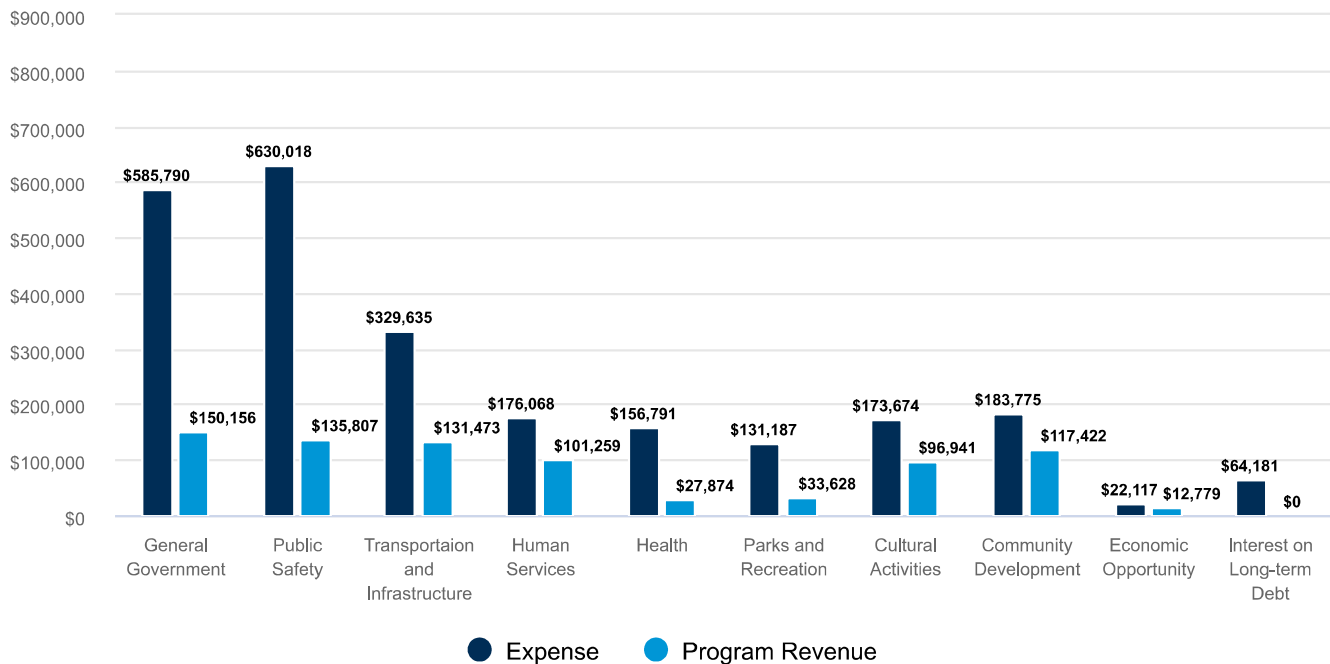
Governmental activities increased the City's net position by \$401,505,000 for the year ended December 31, 2022. Key elements of the increase are as follows:

- Property tax and sales and use taxes totaled 87.48% of all tax revenues and 61.60% of all governmental activities' revenues. Property tax recorded in the governmental funds totaled \$558,707,000 for an increase of \$24,884,000 (4.66%) while sales and use tax revenues of \$1,199,536,000 were up \$120,249,000 (11.14%) compared to 2021, reflecting a significant increase in retail and food services as the city is experiencing pre-pandemic levels in consumer spending.
- Lodgers tax increased \$47,554,000 (52.43%) mainly due to leisure travel returning to Denver along with historically low levels in unemployment rates and with occupancy rates in Denver-area lodging facilities averaged 68% in 2022 compared to 58% in 2021.
- Total governmental activities expenses decreased \$153,990,000 (5.91%) primarily due to costs related to the city's response to the COVID-19 pandemic which have been diminished since moving toward post pandemic normalcy. These cost reductions included supporting emergency sheltering, PPE, testing, and workplace safety purchases, as well as programs assisting with economic recovery, housing support, public health needs, food assistance and other programs that are no longer needed. General government expenses decreased \$65,548,000 (10.06%). Public Safety expenses decreased \$175,205,000 (21.76%). Transportation and Infrastructure expense decreased \$21,507,000 (6.12%). Human Services expenses increased \$11,007,000 (6.67%).

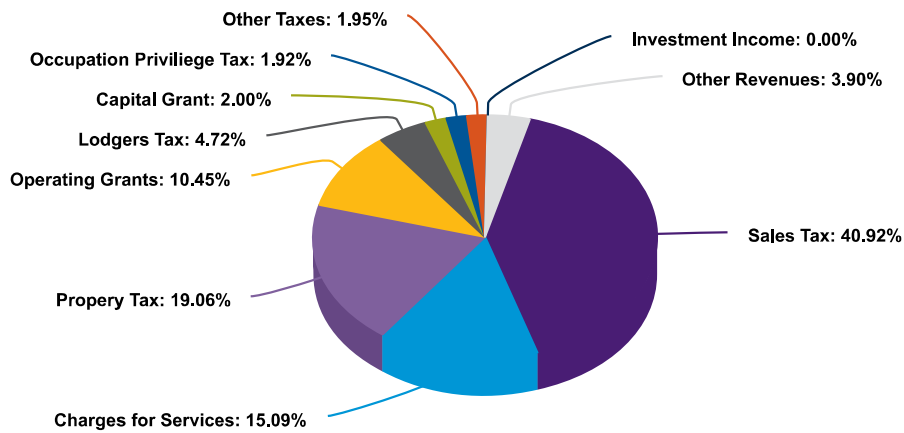
General government expenses in 2022 were \$585,790,000 (23.88%) of total expenses. Public safety expenses \$630,018,000 (25.68%) of total expenses. Transportation and Infrastructure expenses were \$329,635,000 (13.44%) of total expenses. Cultural activities were \$173,674,000 (7.08%) of total expenses. Human services expenses were \$176,068,000 (7.18%) of total expenses. The remainder of the governmental activities expenses is comprised of health with \$156,791,000 (6.39%), parks and recreation with \$131,187,000 (5.35%) community development with \$183,775,000 (7.49%), economic opportunity with \$22,117,000 (0.90%), and interest on long-term debt of \$64,181,000 (2.62%).

Expenses and Program Revenues - Governmental Activities

(dollars in thousands)



Revenues by Sources - Governmental Activities

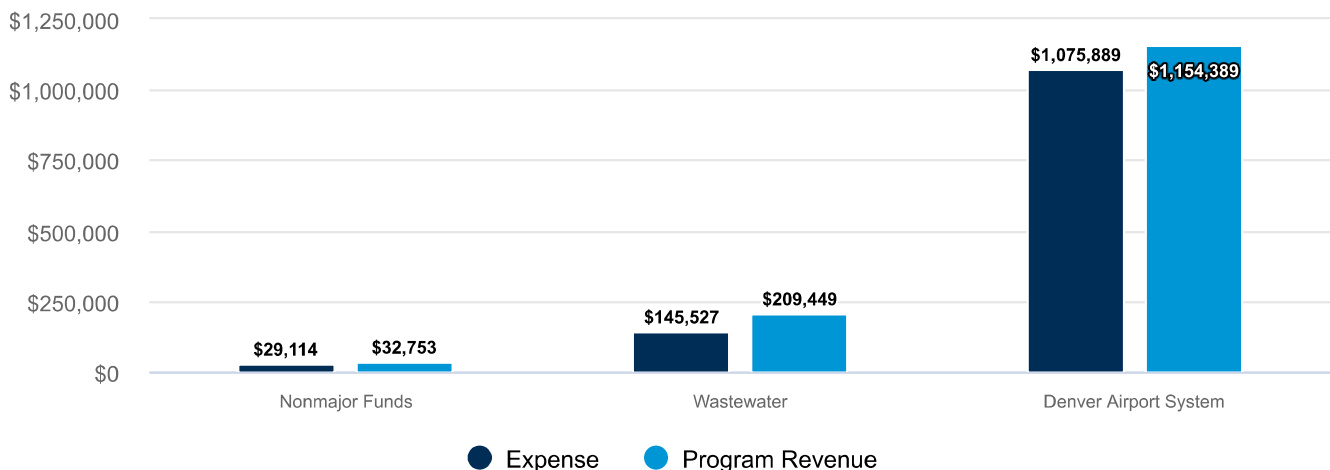


Business-type activities increased the City's net position by \$31,580,000. Key elements of this increase are as follows:

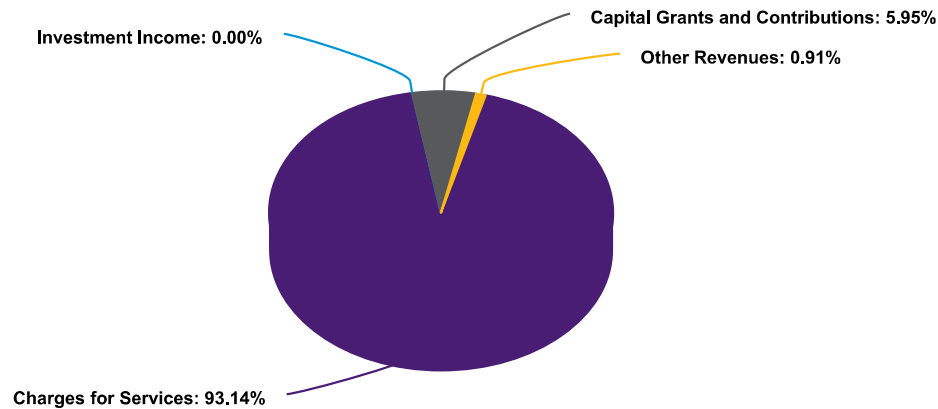
- Total revenues of \$1,282,194,000 were \$38,054,000 (2.88%) lower compared to prior year amounts. For the Denver Airport System, the change was primarily due to a decrease in the signatory terminal complex rental rates for 2022 compared to 2021. The decrease was partially offset by a 10.0% increase in landed weight. For Wastewater Management, there was a slight increase in revenue due to a 3.2% increase in sanitary rates and storm rates that took effect on January 1, 2022.
- Total expenses of \$1,250,530,000 increased by \$149,757,000 (13.60%) when compared to the prior year. For the Denver Airport System, their expenses decreased primarily due to implementing several cost saving measures such as hiring freeze, reductions in contractual services and suspension of nonessential procurements and contracts which carried forward to 2022 of set by 3.0% merit increase and a 1.0% increase in employer contributions to the Denver Employees' Retirement Plan. For Wastewater Management, there was a reduction in Metro Water Recovery charges because of revised flow estimates on prior years, offset by personnel expense increased due to merit increase and additional hiring.

Expenses and Program Revenues - Business-Type Activities

(dollars in thousands)



Revenues by Source - Business-Type Activities



Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on current year revenues, expenditures, and balances of spendable resources. Such information is useful in assessing the City's near-term financing requirements. 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 fiscal year.

As of December 31, 2022, the City's governmental funds reported combined ending fund balances of \$2,780,301,000, an increase of \$334,529,000, in comparison with the prior year. Approximately 10.26% or \$285,189,000 of the total fund balance amount constitutes unassigned fund balance, which is available for spending at the City's discretion.

The General Fund is the chief operating fund of the City. As of December 31, 2022, unassigned fund balance of the General Fund was \$294,242,000 while total fund balance was \$491,562,000. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19.01% of total General Fund expenditures, including transfers out, of \$1,547,937,000 while total fund balance represents 31.76% of the same amount.

The total fund balance of the City's General Fund increased by \$51,125,000 or 11.61% during the year ended December 31, 2022. This is due to the effects of the city returning to pre-pandemic levels that resulted in a significant increase to the City's primary source of revenue, sales and use tax.

Almost every revenue source increased slightly in 2022 due to the lifting of the COVID-19 pandemic restrictions. General Fund revenues including transfers in, totaled \$1,576,678,000, an increase of \$106,606,000 or 7.25%. Certain revenues in the General Fund that changed from 2021 to 2022 include:

- Sales and use taxes earned were higher by \$84,955,000. This increase is directly related to an increase in retail and services consumer spending as a result of a return of leisure travel and consumer spending exceeding pre-pandemic levels.
- Property taxes were higher by \$6,184,000 due primarily to increases in the assessed value of property taxed during 2022 from growth in the City's 2021 assessed valuation.
- Investment and interest income was lower by \$25,772,000 mainly due to increasing interest rates starting in 2021 and continuing into 2022. The amount reported for the General fund in 2022 was a loss of \$25,060,000.
- Fine and forfeitures revenue in the General Fund decreased of \$3,093,000 largely due to an decrease in criminal and traffic court fines.

Total General Fund expenditures, including transfers out, increased by \$222,883,000 or 16.88%. There were increased expenses in Public Safety and General Government along with increases in all other primary governmental functions. Return to pre-pandemic operational expenditures and hiring were the primary drivers of these increases.

The Human Services fund had a total fund balance of \$109,227,000. This amounts to a net increase in fund balance of \$8,460,000 during the current year. The primary reasons for the change include an increase in revenue of approximately \$7,459,000 in higher property valuation which led to tax increase and increase grant funding offset by an increase in transfers out of approximately \$2,235,000 to provide funding for homeless services.

The Bond Projects fund had a total fund balance of \$879,296,000. This amounts to a net increase in fund balance of \$217,115,000 during the current year. The primary reason for the change is the issuance of non-direct placement bonds 2022A, 2022B and 2022C. These bonds are part of the RISE GO bond authorization approved by Denver voters in November 2021.

Proprietary Funds

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

Total net position of Wastewater Management was \$941,065,000 and for the Denver Airport System net position was \$1,544,368,000. Net position for all enterprise funds was \$2,532,856,000. Other significant factors concerning the finances of the enterprise funds can be found in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Differences between the General Fund original budget and the final amended budget include a revision to both the projected revenues and expenditures.

Original revenue estimates for 2022, prepared in the summer of 2021, assumed moderate growth in the local and national economies. Sales and use tax revenue was originally projected to grow by 10.6% over the 2021 revised forecast and total General Fund revenue was projected to increase by 13.7% over 2021 revised figures. In the summer of 2022, the original General Fund revenue forecast, including transfers in, was revised upward by \$78,007,000 or 5.3%.

Capital Assets and Bonded Debt Administration

Capital Assets

The City's capital assets for its governmental and business-type activities as of December 31, 2022, were \$4,305,970,000 (net of accumulated depreciation). This investment in capital assets includes land and land rights, collections, buildings and improvements, equipment and other, park facilities, and, for governmental activities, infrastructure (including streets, alleys, traffic signals, bridges, fiber optic cable, and trails). In 2022, the City adopted and implemented GASB Statement No. 87 - *Leases*, whereby leased assets are being disclosed as right-of-use assets. Infrastructure-type assets of business-type activities are reported as buildings and improvements. The City's capital assets by type at December 31, 2022 and 2021 are shown in the table below (dollars in thousands).

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021, as restated	2022	2021, as restated	2022	2021, as restated
Land and construction in progress	\$ 1,208,799	\$ 1,025,049	\$ 935,920	\$ 2,121,005	\$ 2,144,719	\$ 3,146,054
Buildings and Improvements	2,720,378	2,647,318	2,760,153	7,584,202	5,480,531	10,231,520
Equipment and other	378,629	359,362	1,340,820	1,181,513	1,719,449	1,540,875
Collections	52,398	52,279	-	-	52,398	52,279
Intangibles	30,972	27,811	37,536	38,613	68,508	66,424
Infrastructure	2,159,044	2,084,700	-	-	2,159,044	2,084,700
Right-of-use assets:						
Land	1,174	1,174	-	-	1,174	1,174
Land Improvements	33	33	-	-	33	33
Buildings	17,557	17,525	2,383	-	19,940	17,525
Vehicles	265	265	8,219	5,229	8,484	5,494
Infrastructure	13	13	405	258	418	271
Less accumulated depreciation	(2,723,496)	(2,559,855)	(4,625,232)	(4,377,612)	(7,348,728)	(6,937,467)
Total	\$ 3,845,766	\$ 3,655,674	\$ 460,204	\$ 6,553,208	\$ 4,305,970	\$ 10,208,882

Major capital asset activity for the year ended December 31, 2022, included the following:

- **Governmental Activities** – Work on the National Western Center (NWC) continues to proceed with land acquisition along with rail consolidation being completed; environmental analysis, preliminary design, engineering and construction.
- **Business-type Activities** – Wastewater’s net capital assets increased approximately \$30,700,000 due primarily to placing storm and sanitary assets in service, which increased collection system assets. The Denver Airport System had an 8.70% increase in capital assets primarily due to capitalization of constructed assets related to the 2018-2022 Capital Program.

Additional information on the City’s capital asset activity for the year can be found in **Note III-D** in the notes to basic financial statements.

Bonded Debt

At December 31, 2022, the City had total bonded indebtedness of \$9,108,162,000. Of this amount, \$1,005,223,000 comprises debt backed by the full faith and credit of the City. The remainder of the City’s debt, \$8,102,939,000 represents bonds and commercial paper notes secured by specified revenue sources (i.e., revenue bonds of the Denver Airport System, Wastewater Management, and excise tax revenue bonds). The City has no outstanding commercial paper notes as of December 31, 2022.

As of December 31, 2022, the City’s general obligation debt is rated AAA by Standard & Poor’s rating agency, Fitch Ratings, and Moody’s Investors Service. Outstanding bonded debt at December 31, 2022 and 2021 is reflected in the table below (dollars in thousands).

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 1,005,223	\$ 751,066	\$ -	\$ -	\$ 1,005,223	\$ 751,066
Revenue bonds	850,239	849,000	7,252,700	6,229,405	8,102,939	7,078,405
Total	\$ 1,855,462	\$ 1,600,066	\$ 7,252,700	\$ 6,229,405	\$ 9,108,162	\$ 7,829,471

Additional information on the City’s bonded debt for the year can be found in **Note III-G** in the notes to the basic financial statements.

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 government's finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to:

Controller's Office
201 W Colfax Avenue, Dept 1109
Denver, CO 80202

This report is available online at www.denvergov.org/finance.



Basic Financial



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Statement of Net Position

December 31, 2022 (dollars in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash on hand	\$ 5,606	\$ -	\$ 5,606	\$ -
Cash and cash equivalents	1,952,523	70,934	2,023,457	107,912
Investments	-	1,433,281	1,433,281	57,760
Receivables, net				
Taxes	739,318	-	739,318	195,815
Leases	939	64,717	65,656	-
Notes	79,243	-	79,243	-
Accounts	55,355	134,414	189,769	9,877
Accrued interest	13,162	7,660	20,822	250
Other	-	-	-	2,150
Due from other governments	156,551	-	156,551	-
Internal balances	29,449	(29,449)	-	-
Inventories	209	9,836	10,045	-
Prepaid items and other assets	24,313	23,035	47,348	1,809
Restricted assets:				
Cash and cash equivalents	1,033,971	224,493	1,258,464	382
Investments	-	2,504,862	2,504,862	239,351
Accounts receivable	-	15,770	15,770	-
Accrued interest receivable	-	11,868	11,868	-
Pension asset	156,920	-	156,920	-
Long-term receivables, net	23,668	46,758	70,426	-
Lease receivables, net	6,475	399,542	406,017	-
Prepaid expense - non-current	784	-	784	-
Capital assets:				
Land and construction in progress	1,208,799	935,920	2,144,719	42,156
Buildings, improvements, infrastructure, collections, equipment, right-of-use, net of accumulated depreciation	2,636,967	6,131,967	8,768,934	125,813
Total Assets	8,124,252	11,985,608	20,109,860	783,275
Deferred Outflows of Resources				
Accumulated fair value of hedging derivatives	3,708	-	3,708	-
Deferred loss on refundings	4,435	35,592	40,027	10,750
Items related to OPEB and pension plans	335,250	43,470	378,720	-
Total Deferred Outflows of Resources	343,393	79,062	422,455	10,750

See accompanying notes to basic financial statements

Statement of Net Position, continued

December 31, 2022 (dollars in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Liabilities				
Vouchers payable	241,995	119,404	361,399	9,677
Accrued liabilities	102,860	15,085	117,945	60,992
Unearned revenue	368,844	19,917	388,761	5,795
Interest rate swaps	5,204	-	5,204	-
Advances and advance rent	3,761	33,879	37,640	2,626
Due to taxing units	972	-	972	-
Due to other governments	-	6,365	6,365	9,519
Liabilities payable from restricted assets	-	165,821	165,821	-
Noncurrent liabilities:				
Due within one year	184,375	324,114	508,489	67,450
Due in more than one year	4,133,844	8,327,619	12,461,463	480,951
Total Liabilities	5,041,855	9,012,204	14,054,059	637,010
Deferred Inflows of Resources				
Property taxes	566,909	-	566,909	190,062
Deferred gain on refunding	1,842	14,252	16,094	-
Items related to pension and OPEB plans	351,443	46,140	397,583	-
Deferred inflow on leases	7,412	459,477	466,889	-
Total Deferred Inflows of Resources	927,606	519,869	1,447,475	190,062
Net Position				
Net investment in capital assets	2,366,205	611,408	2,977,613	(90,018)
Restricted for:				
Capital projects and grants	2,082,668	19,745	2,102,413	76,382
Emergency use	66,285	-	66,285	13,421
Debt service	254,547	463,937	718,484	30,828
Pension asset	156,920	-	156,920	-
Donor and other restrictions:				
Expendable	-	-	-	72,515
Nonexpendable	3,000	-	3,000	-
Other purposes	25,094	-	25,094	-
Unrestricted (deficit)	(2,456,535)	1,437,507	(1,019,028)	(136,175)
Total Net Position (Deficit)	\$ 2,498,184	\$ 2,532,597	\$ 5,030,781	\$ (33,047)

See accompanying notes to basic financial statements

Statement of Activities

For the Year Ended December 31, 2022 (dollars in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General government	\$ 585,790	\$ 98,597	\$ 41,812	\$ 9,747
Public safety	630,018	100,680	35,115	12
Transportation and infrastructure	329,635	80,085	23,840	27,548
Human services	176,068	340	100,919	-
Health	156,791	3,575	24,299	-
Parks and recreation	131,187	11,892	4,544	17,192
Cultural activities	173,674	87,626	5,280	4,035
Community development	183,775	59,550	57,730	142
Economic opportunity	22,117	-	12,779	-
Interest on long-term debt	64,181	-	-	-
Total Governmental Activities	2,453,236	442,345	306,318	58,676
Business-type Activities:				
Wastewater management	145,527	199,643	-	9,806
Denver airport system	1,075,889	1,080,282	-	74,107
Environmental services	12,942	14,168	-	-
Golf course	16,172	18,585	-	-
Total Business-type Activities	1,250,530	1,312,678	-	83,913
Total Primary Government	\$ 3,703,766	\$ 1,755,023	\$ 306,318	\$ 142,589
Component Units	\$ 305,352	\$ 78,793	\$ 51,009	\$ -

General Revenues and Transfers

Taxes
Facilities development admissions
Lodgers
Motor vehicle ownership fee
Occupational privilege
Property
Sales and use
Specific ownership
Telephone
Net investment and interest income (loss)
Other revenues
Transfers in (out)
Capital asset transfer in (out)
Total General Revenues and Transfers
Change in net position
Net position (deficit) - January 1
Net Position (deficit) - December 31

See accompanying notes to basic financial statements

Net (Expense) Revenue and Changes in Net Position				
Primary Government				Component Units
Governmental Activities	Business-type Activities	Total		
\$ (435,634)	\$ -	\$ (435,634)		
(494,211)	-	(494,211)		
(198,162)	-	(198,162)		
(74,809)	-	(74,809)		
(128,917)	-	(128,917)		
(97,559)	-	(97,559)		
(76,733)	-	(76,733)		
(66,353)	-	(66,353)		
(9,338)	-	(9,338)		
(64,181)	-	(64,181)		
(1,645,897)	-	(1,645,897)		
-	63,922	63,922		
-	78,500	78,500		
-	1,226	1,226		
-	2,413	2,413		
-	146,061	146,061		
\$ (1,645,897)	\$ 146,061	\$ (1,499,836)		
			\$ (175,550)	
18,924	-	18,924	-	
138,250	-	138,250	155,619	
21,966	-	21,966	-	
56,383	-	56,383	-	
558,707	-	558,707	68,806	
1,199,536	-	1,199,536	-	
107	-	107	478	
16,090	-	16,090	-	
(77,088)	(127,200)	(204,288)	(13,628)	
114,283	12,963	127,246	34,740	
2,462	(2,462)	-	-	
(2,218)	2,218	-	-	
2,047,402	(114,481)	1,932,921	246,015	
401,505	31,580	433,085	70,465	
2,096,679	2,501,017	4,597,696	(103,512)	
\$ 2,498,184	\$ 2,532,597	\$ 5,030,781	\$ (33,047)	

See accompanying notes to basic financial statements

Balance Sheet - Governmental Funds

December 31, 2022 (dollars in thousands)

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
Assets					
Cash on hand	\$ 179	\$ -	\$ 80	\$ 5,347	\$ 5,606
Cash and cash equivalents	337,275	-	105,770	1,445,739	1,888,784
Receivables, net					
Taxes	280,523	-	80,646	378,149	739,318
Notes	4,703	-	-	74,540	79,243
Accounts	45,858	-	25	29,929	75,812
Leases	7,414	-	-	-	7,414
Accrued interest	2,894	4,067	-	5,953	12,914
Interfund receivable	37,732	-	7	106	37,845
Due from other governments	-	-	13,357	143,194	156,551
Prepaid items and other assets	21,489	-	184	2,640	24,313
Restricted assets:					
Cash and cash equivalents	99,307	921,995	-	12,669	1,033,971
Prepaid expense - non-current	-	-	-	784	784
Total Assets	\$ 837,374	\$ 926,062	\$ 200,069	\$ 2,099,050	\$ 4,062,555
Liabilities and Fund Balances					
Liabilities:					
Vouchers payable	\$ 59,919	\$ 46,751	\$ 8,872	\$ 122,506	\$ 238,048
Accrued liabilities	64,125	-	29	53	64,207
Due to taxing units	972	-	-	-	972
Interfund payable	13	15	996	7,932	8,956
Unearned revenue	16,801	-	-	352,043	368,844
Advances	106	-	102	3,553	3,761
Compensated absences	-	-	-	83	83
Total Liabilities	141,936	46,766	9,999	486,170	684,871
Deferred Inflows of Resources:					
Unavailable revenues - property tax	184,389	-	80,843	301,071	566,303
Deferred inflow - leases	7,412	-	-	-	7,412
Unavailable revenues - long-term receivables	12,075	-	-	11,593	23,668
Total Deferred Inflows of Resources	203,876	-	80,843	312,664	597,383
Fund Balances:					
Nonspendable	21,489	-	184	6,424	28,097
Restricted	103,867	879,296	109,043	1,187,328	2,279,534
Committed	71,964	-	-	113,691	185,655
Assigned	-	-	-	1,826	1,826
Unassigned	294,242	-	-	(9,053)	285,189
Total Fund Balances	491,562	879,296	109,227	1,300,216	2,780,301
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 837,374	\$ 926,062	\$ 200,069	\$ 2,099,050	\$ 4,062,555

See accompanying notes to basic financial statements

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

December 31, 2022 (dollars in thousands)

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance-governmental funds.	\$ 2,780,301
Capital assets used in governmental activities, excluding internal service funds of \$2,652 are not financial resources, and therefore, are not reported in the funds.	3,843,114
Pension asset	156,920
Accrued interest payable not included in the funds.	(32,008)
Deferred inflow of resources are not available to pay for current period expenditures and therefore, are not recorded in the funds.	
Pensions	(331,228)
Gain on refunding	(1,842)
OPEB	(20,215)
Long term receivables	23,668
Property tax	(606)
Deferred outflow of resources are not financial resources, and therefore are not reported in the funds and include:	
Accumulated fair value of hedging derivatives	3,708
Pensions	292,201
Loss on refunding	4,435
OPEB	43,049
Interest rate swap liability	(5,204)
Internal service funds are used by management to charge the cost of these funds to their primary users-governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	22,633
Internal Service fund allocation of activities with Enterprise funds.	259
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds (this excludes internal service liabilities of \$37,218).	(4,281,001)
Net position of governmental activities	\$ 2,498,184

See accompanying notes to basic financial statements

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

For the Year Ended December 31, 2022 (dollars in thousands)

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes:					
Facilities development admissions	\$ -	\$ -	\$ -	\$ 18,924	\$ 18,924
Lodgers	37,178	-	-	101,072	138,250
Motor vehicle ownership fee	21,966	-	-	-	21,966
Occupational privilege	56,383	-	-	-	56,383
Property	170,613	-	79,118	308,976	558,707
Sales and use	887,228	-	-	312,308	1,199,536
Specific ownership	-	-	-	107	107
Telephone	334	-	-	15,756	16,090
Special assessments	-	-	-	1,783	1,783
Leases	914	-	-	-	914
Licenses and permits	70,287	-	-	1,502	71,789
Intergovernmental revenues	38,314	-	100,824	191,528	330,666
Charges for services	214,457	-	412	130,073	344,942
Investment and interest income (loss)	(25,060)	(25,500)	-	(26,887)	(77,447)
Fines and forfeitures	34,103	-	-	136	34,239
Contributions	160	-	96	8,553	8,809
Other revenue	14,885	481	285	96,295	111,946
Total Revenues	1,521,762	(25,019)	180,735	1,160,126	2,837,604
Expenditures					
Current:					
General government	398,552	1	-	161,503	560,056
Public safety	662,975	-	-	108,181	771,156
Transportation and infrastructure	150,044	54,594	-	107,606	312,244
Human services	3,452	-	168,220	-	171,672
Health	67,206	-	-	88,577	155,783
Parks and recreation	86,356	11	-	27,660	114,027
Cultural activities	51,996	51	-	97,420	149,467
Community development	70,022	-	-	112,817	182,839
Economic opportunity	1,940	-	-	19,957	21,897
Debt service:					
Principal retirement	15,663	-	-	136,438	152,101
Interest	5,343	-	1	87,188	92,532
Capital outlay	4,676	104,597	364	144,769	254,406
Total Expenditures	1,518,225	159,254	168,585	1,092,116	2,938,180
Excess (deficiency) of revenues over (under) expenditures	3,537	(184,273)	12,150	68,010	(100,576)
Other Financing Sources (Uses)					
Sale of capital assets	15	-	-	-	15
Bond premium	-	43,451	-	-	43,451
Issuance of bonds and notes	20,727	366,389	32	-	387,148
Insurance recoveries	728	-	323	978	2,029
Transfers in	55,830	-	-	120,934	176,764
Transfers out	(29,712)	(8,452)	(4,045)	(132,093)	(174,302)
Total Other Financing Sources (Uses)	47,588	401,388	(3,690)	(10,181)	435,105
Net change in fund balances	51,125	217,115	8,460	57,829	334,529
Fund balances - January 1	440,437	662,181	100,767	1,242,387	2,445,772
Fund Balances - December 31	\$ 491,562	\$ 879,296	\$ 109,227	\$ 1,300,216	\$ 2,780,301

See accompanying notes to basic financial statements

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2022 (dollars in thousands)

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	334,529
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay and capital related expenditures exceeded depreciation expense in the current period:

Capital expenditures excluding capital transfer	346,875
Depreciation expense	(178,512)
Loss on disposal of assets	(1,535)

Certain revenues are recorded in the funds under modified accrual but not considered revenue in the statement of activities.

Donation of capital assets to enterprise funds	(2,218)
Donation of capital assets from others	25,519
Others revenue	(5,859)

The issuance of long-term debt and other obligations (e.g., bonds, certificates of participation, and notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on change in net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.

These differences in the treatment of long-term debt and related items consist of:

General obligation bonds and notes	(387,117)
Premium on debt issued in current year	(43,451)
Principal retirement on bonds	120,136
Compounded interest retirement on bonds	8,861
Amortization of premium, discounts, and deferred gain (loss) on refunding	16,497
Lease principal payments	34,715
Principal payments on GID revenue note	312

Some expenses reported in the statement of activities do not impact current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated absences (excluding internal service)	(30,860)
Accrued interest payable	(2,088)
Legal liability	45,000
Amortization of imputed debt-swap	359
Portion of pension expense that do not require current financial resources	372,497
Pension amortization	(246,279)
Portion of OPEB and OPEB implicit expense that do not require current financial resources	(13,302)
OPEB and OPEB implicit amortization	11,252

Internal service funds are used by management to charge their cost to individual funds. The net expense of certain activities of internal service funds is reported within governmental activities.

(3,826)

Change in net position of governmental activities

\$ 401,505

See accompanying notes to basic financial statements

Statement of Net Position - Proprietary Funds

December 31, 2022 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets					
Current assets:					
Cash and cash equivalents	\$ 6,926	\$ 29,490	\$ 34,518	\$ 70,934	\$ 63,739
Investments	84,319	398,706	-	483,025	-
Receivables, net					
Accounts	34,548	96,208	3,658	134,414	3,211
Accrued interest	1,136	6,361	163	7,660	248
Leases	-	64,717	-	64,717	-
Inventories	-	9,648	188	9,836	209
Interfund receivable	146	-	-	146	381
Prepaid items and other assets	-	23,035	-	23,035	-
Restricted assets:					
Cash and cash equivalents	-	221,232	3,261	224,493	-
Investments	6,105	822,806	-	828,911	-
Accounts receivable	-	15,770	-	15,770	-
Accrued interest receivable	-	11,854	14	11,868	-
Total Current Assets	133,180	1,699,827	41,802	1,874,809	67,788
Noncurrent assets:					
Investments - restricted	10,367	1,665,584	-	1,675,951	-
Investments - unrestricted	143,167	807,089	-	950,256	-
Capital assets:					
Land and construction in progress	62,264	869,138	4,518	935,920	-
Buildings and improvements	29,986	6,536,900	40,797	6,607,683	5,712
Improvements other than buildings	1,280,397	1,479,756	-	2,760,153	-
Machinery and equipment	17,201	1,312,512	11,107	1,340,820	2,769
Intangibles	6,375	31,161	-	37,536	-
Right-of-use	-	11,007	-	11,007	-
Accumulated depreciation	(416,505)	(4,181,697)	(27,030)	(4,625,232)	(5,829)
Net capital assets	979,718	6,058,777	29,392	7,067,887	2,652
Lease receivables	-	399,542	-	399,542	-
Other long-term receivables, net	-	46,754	4	46,758	-
Total Noncurrent Assets	1,133,252	8,977,746	29,396	10,140,394	2,652
Total Assets	1,266,432	10,677,573	71,198	12,015,203	70,440
Deferred Outflows of Resources					
Deferred loss on refundings	-	35,592	-	35,592	-
Items related to pension and OPEB plans	8,268	32,113	3,089	43,470	-
Total Deferred Outflows of Resources	8,268	67,705	3,089	79,062	-

See accompanying notes to basic financial statements

Statement of Net Position - Proprietary Funds, continued

December 31, 2022 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Liabilities					
Current liabilities:					
Vouchers payable	\$ 1,717	\$ 116,718	\$ 969	\$ 119,404	\$ 3,947
Revenue bonds payable	6,275	-	-	6,275	-
Revenue credit payable	-	50,000	-	50,000	-
Accrued Liabilities	1,385	3,518	129	5,032	6,562
Lease liability	-	195	-	195	-
Unearned revenue	19,260	-	657	19,917	-
Interfund payable	3,016	24,280	2,040	29,336	80
Advance rent	-	33,879	-	33,879	-
Direct borrowings, current portion	933	-	1,075	2,008	-
Compensated absences	1,293	2,385	498	4,176	120
Claims reserve	-	-	-	-	11,330
Construction payable	9,858	-	-	9,858	-
Due to other governments	6,365	-	-	6,365	-
OPEB implicit rate subsidy	231	793	76	1,100	-
Current liabilities (payable from restricted assets):					
Vouchers payable	-	5,544	973	6,517	-
Retainages payable	-	106,432	-	106,432	-
Notes payable	-	133	-	133	-
Accrued interest and other liabilities	-	39,492	-	39,492	-
Other accrued liabilities	-	13,247	-	13,247	-
Revenue bonds payable	-	260,555	-	260,555	-
Total Current Liabilities	50,333	657,171	6,417	713,921	22,039
Noncurrent liabilities:					
Revenue bonds payable, net	224,959	7,748,121	-	7,973,080	-
Net pension and OPEB liability	45,923	187,312	16,212	249,447	-
Lease liability	-	2,269	-	2,269	-
Notes payable	-	282	-	282	-
Direct borrowings, net	958	-	-	958	-
Compensated absences	3,737	10,084	867	14,688	240
Legal and claims reserve	-	86,895	-	86,895	25,528
Total Noncurrent Liabilities	275,577	8,034,963	17,079	8,327,619	25,768
Total Liabilities	325,910	8,692,134	23,496	9,041,540	47,807
Deferred Inflows of Resources					
Deferred gain on refunding of debt	-	14,252	-	14,252	-
Items related to pension and OPEB plans	7,725	35,047	3,368	46,140	-
Deferred inflow on leases	-	459,477	-	459,477	-
Total Deferred Inflows of Resources	7,725	508,776	3,368	519,869	-
Net Position					
Net investment (deficit) in capital assets	753,207	(168,978)	27,179	611,408	2,652
Restricted for:					
Capital projects	-	17,443	2,302	19,745	-
Debt service	-	463,937	-	463,937	-
Unrestricted	187,858	1,231,966	17,942	1,437,766	19,981
Total Net Position	\$ 941,065	\$ 1,544,368	\$ 47,423	\$ 2,532,856	\$ 22,633
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				(259)	
Net position of business-type activities				\$ 2,532,597	

See accompanying notes to basic financial statements

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues					
Charges for services	\$ 199,643	\$ 930,184	\$ 32,753	\$ 1,162,580	\$ 85,406
Other revenue	-	-	379	379	5,146
Total Operating Revenues	199,643	930,184	33,132	1,162,959	90,552
Operating Expenses					
Personnel services	32,279	185,289	13,372	230,940	3,283
Contractual services	23,725	246,839	9,438	280,002	10,183
Supplies and materials	1,235	26,388	1,206	28,829	7,964
Depreciation and amortization	27,729	274,187	2,570	304,486	140
District water treatment charges	52,402	-	-	52,402	68,327
Other operating expenses	403	77,618	2,528	80,549	718
Legal and claims reserve	-	6,420	-	6,420	1,844
Total Operating Expenses	137,773	816,741	29,114	983,628	92,459
Operating income (loss)	61,870	113,443	4,018	179,331	(1,907)
Nonoperating Revenues (Expenses)					
Investment loss and interest income	(8,537)	(117,330)	(1,333)	(127,200)	(2,178)
Passenger facility charges	-	132,709	-	132,709	-
Customer facility fee	-	17,389	-	17,389	-
Intergovernmental revenue	949	-	175	1,124	-
Disposition of assets	118	-	-	118	-
Interest expense	(7,754)	(257,069)	-	(264,823)	-
Lease interest income	-	10,243	-	10,243	-
Stimulus funds	-	939	-	939	-
Other income (expense)	-	(2,079)	-	(2,079)	-
Net Nonoperating Revenues (Expenses)	(15,224)	(215,198)	(1,158)	(231,580)	(2,178)
Income before capital grants, contributions, and transfers	46,646	(101,755)	2,860	(52,249)	(4,085)
Capital grants and contributions	9,806	74,107	-	83,913	-
Transfers in (out)	(13)	-	(2,449)	(2,462)	-
Capital asset transfer	2,216	-	2	2,218	-
Change in net position	58,655	(27,648)	413	31,420	(4,085)
Net position - January 1	882,410	1,572,016	47,010	2,501,436	26,718
Net Position - December 31	\$ 941,065	\$ 1,544,368	\$ 47,423	\$ 2,532,856	\$ 22,633
Change in net position of enterprise funds				\$ 31,420	
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				160	
Change in net position of business-type activities				\$ 31,580	

See accompanying notes to basic financial statements

Statement of Cash Flows - Proprietary Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows From Operating Activities					
Receipts from customers	\$ 195,973	\$ 967,748	\$ 34,107	\$ 1,197,828	\$ 83,934
Payments to suppliers	(77,295)	(313,415)	(11,009)	(401,719)	(16,853)
Payments to employees	(31,612)	(204,416)	(13,468)	(249,496)	(5,386)
Additions from Custodial Activities	24,298	-	-	24,298	-
Deductions from Custodial Activities	(22,266)	-	-	(22,266)	-
Other receipts	-	-	217	217	5,146
Interfund activity	2,080	(19,809)	-	(17,729)	-
Claims paid	-	-	-	-	(68,325)
Net Cash Used in Operating Activities	91,178	430,108	9,847	531,133	(1,484)
Cash Flows From Noncapital Financing Activities					
Operating grants received	-	-	175	175	-
Transfers in (out)	(13)	-	(2,449)	(2,462)	-
Net Cash Used in Noncapital Financing Activities	(13)	-	(2,274)	(2,287)	-
Cash Flows From Capital and Related Financing Activities					
Insurance proceeds	-	3,004,378	-	3,004,378	-
Principal payments	(8,959)	(929,060)	-	(938,019)	-
Interest payments	(9,732)	(266,930)	-	(276,662)	-
Other bond costs	-	(13,448)	-	(13,448)	-
Passenger facility charges	-	131,106	-	131,106	-
Capital grant receipts	-	69,204	-	69,204	-
Car rental customer facility charges	-	15,223	-	15,223	-
Payments on capital assets acquired through construction payables	(7,390)	-	-	(7,390)	-
Acquisition and construction of capital assets	(43,433)	(790,000)	(1,501)	(834,934)	-
Cash received for capital projects	6,885	-	-	6,885	-
Interest portion of lease proceeds	-	10,243	-	10,243	-
Payments to escrow for current refunding of debt	-	(351,690)	-	(351,690)	-
Proceeds from sale of capital assets	118	1,035	-	1,153	-
Intergovernmental revenues	949	-	-	949	-
Net insurance claim (recovery) costs - capital assets	-	33,000	-	33,000	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	(61,562)	913,061	(1,501)	849,998	-
Cash Flows From Investing Activities					
Purchases of investments	(427,981)	(1,960,108)	-	(2,388,089)	-
Proceeds from sale of investments	390,163	639,387	-	1,029,550	-
Net swap termination receipts (payments)	-	(666)	-	(666)	-
Interest received (paid)	3,749	57,494	(44)	61,199	(2,184)
Unrealized gain (loss)	-	-	(1,333)	(1,333)	-
Net Cash Used in Investing Activities	(34,069)	(1,263,893)	(1,377)	(1,299,339)	(2,184)
Net increase (decrease) in cash and cash equivalents	(4,466)	79,276	4,695	79,505	(3,668)
Cash and cash equivalents - January 1	11,392	171,446	33,084	215,922	67,407
Cash and Cash Equivalents - December 31	\$ 6,926	\$ 250,722	\$ 37,779	\$ 295,427	\$ 63,739

See accompanying notes to basic financial statements

Statement of Cash Flows - Proprietary Funds, continued

For the Year Ended December 31, 2022 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of cash and cash equivalents to the Statement of Net Position					
Unrestricted cash and cash equivalents	\$ 6,926	\$ 29,490	\$ 34,518	\$ 70,934	\$ 63,739
Restricted cash and cash equivalents	-	221,232	3,261	224,493	-
Total cash and cash equivalents	<u>\$ 6,926</u>	<u>\$ 250,722</u>	<u>\$ 37,779</u>	<u>\$ 295,427</u>	<u>\$ 63,739</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating income (loss)	\$ 61,870	\$ 113,443	\$ 4,020	\$ 179,333	\$ (1,907)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation and amortization	27,729	274,186	2,570	304,485	140
Changes in Assets and Liabilities					
(Increase) Decrease in Accounts Receivable	(5,827)	70,763	(37)	64,899	(2,416)
(Increase) Decrease in Accrued Interest Receivable	-	-	(21)	(21)	-
(Increase) Decrease in Interfund Receivable	1,544	807	1,356	3,707	944
(Increase) Decrease in Inventories	-	(466)	(83)	(549)	(113)
(Increase) Decrease in Capital Assets	-	-	2	2	-
(Increase) Decrease in Prepaid Items	-	(1,162)	-	(1,162)	-
(Increase) Decrease in Lease Receivables	-	(340,654)	-	(340,654)	-
Increase (Decrease) in Vouchers Payable	470	11,172	441	12,083	74
Increase (Decrease) in Unearned Revenue	613	(1,487)	33	(841)	-
Increase (Decrease) in Accrued and Other Liabilities	(12)	-	(208)	(220)	690
Increase (Decrease) in Interfund Payable	2,080	(11,599)	1,661	(7,858)	9
Increase (Decrease) in Due to Metro Water Recovery	2,032	-	-	2,032	-
Increase (Decrease) in Legal and Claims Reserved	-	6,420	-	6,420	1,046
Increase (Decrease) in Other Operating Liabilities	665	(24,611)	(109)	(24,055)	49
Deferred Outflows Related to Pension and OPEB	1,829	7,755	642	10,226	-
Deferred Inflows Lease	-	335,872	-	335,872	-
Deferred Inflows Related to Pension and OPEB	3,778	12,811	1,294	17,883	-
Net Pension and OPEB Liability	(5,593)	(23,142)	(1,714)	(30,449)	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ 91,178</u>	<u>\$ 430,108</u>	<u>\$ 9,847</u>	<u>\$ 531,133</u>	<u>\$ (1,484)</u>
Noncash Activities					
Assets acquired through capital contributions	\$ 5,137	\$ -	\$ -	\$ 5,137	\$ -
Unrealized loss on investments	(12,547)	(189,459)	-	(202,006)	-
Unrealized gain on derivatives	-	5,545	-	5,545	-
Payments to escrow agent:					
Capital assets acquired through accounts payable	9,858	79,592	-	89,450	-
Amortization of bond premiums and deferred losses and prepaid bond insurance	932	34,060	-	34,992	-
Net loss on disposal of capital assets	(70)	(9,897)	-	(9,967)	-
Capital assets transferred from other City departments/agencies	2,216	-	2	2,218	-

See accompanying notes to basic financial statements

Statement of Fiduciary Net Position - Fiduciary Funds

December 31, 2022 (dollars in thousands)

	Pension, Health, and Other Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 57,350	\$ 22,336
Securities lending collateral	68,603	-
Receivables, net		
Taxes	-	1,383,859
Accounts	322	346
Contributions	8,175	-
Accrued interest	1,652	-
Leases Receivable	87	-
Investments:		
U.S. Government obligations	414,002	-
Domestic stocks and bonds	593,202	-
International stocks	461,046	-
Mutual funds	598,497	-
Alternative investments	437,244	-
Real estate	235,543	-
Infrastructure	70,981	-
Other	337,413	-
Total Investments	3,147,928	-
Prepaid and other assets	9,082	-
Capital assets, net of accumulated depreciation	1,931	-
Leased Equipment	19	-
Total Assets	3,295,149	1,406,541
Liabilities		
Vouchers payable	2,002	3,872
Securities lending obligation	68,614	-
Other accrued liabilities	-	11,048
Leases Payable	514	-
Due to taxing units	-	1,386,251
Total Liabilities	71,130	1,401,171
Deferred inflow of resources		
Deferred inflow - leases	87	-
Net Position		
Net position restricted for pensions	2,325,291	-
Net position restricted for OPEB benefits	73,953	-
Net position held in trust for deferred compensation benefits	824,412	-
Net position held in trust for other purposes	276	5,370
Net Position Restricted for Pensions, OPEB and Other Purposes	\$ 3,223,932	\$ 5,370

See accompanying notes to basic financial statements

Statement of Changes in Fiduciary Net Position - Fiduciary Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Pension, Health, and Other Trust Funds	Custodial Funds
Additions		
Contributions:		
City and County of Denver	\$ 131,832	\$ -
Denver Health and Hospital Authority	4,314	-
Plan members	129,032	-
Foreclosure deposits and inmate deposits	-	5,032
Tax collections	-	2,792,143
Unclaimed payments and wages	-	2,363
Court deposits and police confiscation monies	-	8,945
Total Contributions	265,178	2,808,483
Investment Earnings (loss):		
Net depreciation in fair value of investments	(436,918)	-
Interest and dividends	23,554	-
Real estate, alternative investments, and absolute absolute return income	41,030	-
Total Investment (loss)	(372,334)	-
Less Investment Expense	(14,915)	-
Net Investment Costs	(387,249)	-
Securities Lending Income (Expense):		
Securities lending income	1,385	-
Borrower rebates	(1,036)	-
Agent fees	(87)	-
Net Earnings From Securities Lending	262	-
Total Net Investment (loss)	(386,987)	-
Total Additions	(121,809)	2,808,483
Deductions		
Benefits	368,723	-
Refunds Of contributions	9,154	-
Administrative expenses	5,635	-
Payments for foreclosure activities and payments to inmates	-	4,885
Distributions of taxes to outside entities	-	2,792,143
Unclaimed payments and wages claimed	-	2,363
Distribution of court deposits and police confiscation monies	-	8,374
Total Deductions	383,512	2,807,765
Change in net position	(505,321)	718
Net position restricted for Pension, OPEB and other purposes - January 1	3,729,253	4,652
Net Position restricted for Pension, OPEB and other purposes - December 31	\$ 3,223,932	\$ 5,370

See accompanying notes to basic financial statements

Statement of Net Position - Component Units

December 31, 2022 (dollars in thousands)

	Caring for Denver Foundation	Denver Convention Center Hotel Authority	Denver Urban Renewal Authority	Downtown Denver Development Authority	National Western Center Authority	Other Component Units	Total
Assets							
Cash and cash equivalents	\$ 27,909	\$ 3,670	\$ 9,365	\$ 8,602	\$ 1,783	56,583	\$ 107,912
Investments	54,730	-	-	-	404	2,626	57,760
Receivables (net of allowances):							
Taxes	-	-	136,082	42,089	-	17,644	195,815
Accounts	5,868	3,216	131	-	140	522	9,877
Accrued interest	-	-	250	-	-	-	250
Other	-	-	2,142	-	-	8	2,150
Prepaid items and other assets	87	1,301	94	-	-	327	1,809
Restricted Assets:							
Cash and cash equivalents	-	-	-	-	-	382	382
Investments	-	95,809	143,542	-	-	-	239,351
Capital Assets:							
Land and construction in progress	-	23,537	-	-	-	18,619	42,156
Buildings and improvements	-	242,394	94	-	-	821	243,309
Machinery and equipment	-	34,747	220	-	55	9,274	44,296
Right-of-use	-	-	-	-	33	1,283	1,316
Accumulated depreciation	-	(146,123)	(258)	-	(44)	(16,683)	(163,108)
Net Capital Assets	-	154,555	56	-	44	13,314	167,969
Total Assets	88,594	258,551	291,662	50,691	2,371	91,406	783,275
Deferred Outflows of Resources							
Deferred loss on refundings	-	3,923	5,991	-	-	836	10,750
Total Deferred Outflows of Resources	-	3,923	5,991	-	-	836	10,750
Liabilities							
Vouchers payable	22	2,365	-	-	323	6,967	9,677
Lease liabilities	-	-	-	-	-	24	24
Accrued liabilities	114	8,447	52,050	-	147	210	60,968
Unearned revenue	-	5,795	-	-	-	-	5,795
Advances	-	2,109	517	-	-	-	2,626
Due to other governments	-	9,500	19	-	-	-	9,519
Noncurrent liabilities:							
Due within one year	12,683	9,100	28,275	10,770	-	6,622	67,450
Due in more than one year	20,162	268,276	129,527	50,088	2,218	10,680	480,951
Total Liabilities	32,981	305,592	210,388	60,858	2,688	24,503	637,010
Deferred Inflows of Resources							
Property taxes	-	-	130,326	42,089	-	17,647	190,062
Total Deferred Inflows of Resources	-	-	130,326	42,089	-	17,647	190,062
Net Position							
Net investment in capital assets	-	(92,203)	57	-	-	2,128	(90,018)
Restricted for:							
Capital projects	-	44,524	31,817	-	-	41	76,382
Emergency use	-	12,930	-	-	-	491	13,421
Debt service	-	1,808	28,821	-	-	199	30,828
Donor and other restrictions:							
Expendable	57,285	9,846	4,977	-	407	-	72,515
Unrestricted (deficit)	(1,672)	(20,023)	(108,733)	(52,256)	(724)	47,233	(136,175)
Total Net Position (Deficit)	\$ 55,613	\$ (43,118)	\$ (43,061)	\$ (52,256)	\$ (317)	\$ 50,092	\$ (33,047)

See accompanying notes to basic financial statements

Statement of Activities - Component Units

For the Year Ended December 31, 2022 (dollars in thousands)

	Caring for Denver Foundation	Denver Convention Center Hotel Authority	Denver Urban Renewal Authority	Downtown Denver Development Authority	National Western Center Authority	Other Component Units	Total
Expenses	\$ 43,615	\$ 60,148	\$ 130,122	\$ 10,884	\$ 5,639	\$ 54,944	\$ 305,352
Program Revenues							
Charges for services	-	76,310	-	-	2,245	238	78,793
Operating grants and contributions	47,319	-	1,416	-	1,944	330	51,009
Total Program Revenues	47,319	76,310	1,416	-	4,189	568	129,802
Net revenue (expense)	3,704	16,162	(128,706)	(10,884)	(1,450)	(54,376)	(175,550)
General Revenues							
Taxes:							
Lodgers	-	-	155,619	-	-	-	155,619
Property	-	-	-	37,731	-	31,075	68,806
Specific ownership	-	-	-	-	-	478	478
Investment and interest income (loss)	(2,743)	(9,898)	(1,443)	385	(8)	79	(13,628)
Other revenues	-	449	2,622	-	-	31,669	34,740
Net General Revenues	(2,743)	(9,449)	156,798	38,116	(8)	63,301	246,015
Change in net position	961	6,713	28,092	27,232	(1,458)	8,925	70,465
Prior period adjustment ⁽¹⁾	-	-	-	-	(797)	37	(760)
Net position: January 1	54,652	(49,831)	(71,153)	(79,488)	1,938	41,130	(102,752)
Net Position (Deficit) - December 31	\$ 55,613	\$ (43,118)	\$ (43,061)	\$ (52,256)	\$ (317)	\$ 50,092	\$ (33,047)

⁽¹⁾ National Western Center Authority restated net position due to an error in the year ended December 31, 2021.

See accompanying notes to basic financial statements

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I. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to governmental entities. A summary of the City and County of Denver's significant accounting policies applied in the preparation of these financial statements follows.

Note A – Reporting Entity

The City and County of Denver (City) was incorporated in 1861 and became a Colorado Home Rule City on March 29, 1904, under the provisions of Article XX of the Constitution of Colorado, as amended, when the people of the City ratified a Charter providing for a Mayor-Council form of government. The City is operated by authority of the powers granted by its Charter. The City provides typical municipal services except for education, public housing, and sewage treatment that are administered by other governmental entities.

As required by U.S. GAAP these financial statements present the City (primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14, and GASB Statement No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34, and GASB Statement No. 80, Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14. Certain amounts reported in the individual component unit financial statements have been reclassified to conform to the City's accounting policies. Each component unit has a December 31 year-end, with the exception of Denver College Success Corporation who has a September 30 year-end.

1. Blended Component Units

Gateway Village, Denver 14th Street, and RiNo General Improvement District (GID) – The districts were created by the City as separate legal entities pursuant to state statute. Per statute, the City Council serves as ex officio Board of Directors for the districts. District Advisory Boards, appointed by the City Council, conduct and manage all affairs of the districts, which provide capital improvement and maintenance services entirely to the City, subject to overall approval and supervision of the ex officio Board of Directors. The districts are reported herein in the City's special revenue and debt service funds.

The Convention and Visitor's Bureau Tourism Improvement District (TID) – A Tourism Improvement District is similar to other forms of improvement districts where businesses agree to assess a tax/fee in order to pay for specific projects. The Denver TID is the first of its kind in the state of Colorado. In 2017, VISIT DENVER The Convention and Visitors Bureau, with the Colorado Hotel & Lodging Association (CHLA) and the City and County of Denver, worked together to ensure Denver's tourism industry remains competitive through the creation of a Tourism Improvement District (TID). The TID was created for several reasons: 1) To close the funding gap for the expansion of the Colorado Convention Center (CCC) 2) Fund future improvements at the CCC 3) Support additional marketing efforts. The TID adds a 1% tax to the guest folio of hotels with 50 or more rooms in the City and County of Denver. There is no cost to the hotel properties. Denver City Council passed the creation ordinance (17-0883) for the TID in August 2017 and in November 2017 voting TID-eligible hotels supported creation of the TID with 96% support (50-2).

2. Discretely Presented Component Units

Cherry Creek North, Cherry Creek Subarea, Colfax, Downtown Denver, Old South Gaylord, West Colfax, Federal Boulevard, Bluebird, Colfax-Mayfair, Five Points, Santa Fe, and RiNo Business Improvement Districts (BID) – Each BID was created by the City as a separate legal entity pursuant to state statute for the purpose of maintaining public improvements and planning development activities within each BID's geographic boundaries. The City appoints the governing boards of the BIDs and is able to impose its will through the approval of the BID's operating budgets.

Caring for Denver Foundation (CDF) – The CDF was organized as a nonprofit corporation resulting from a City ordinance, which also provides for an increase of sales tax of .25 percentage points to supplement mental health programs. CDF utilizes a portion of this tax to address Denver's mental health and substance misuse needs by growing community informed solutions, dismantling stigma, and turning the community's desire to help into action. Of CDF's thirteen-member Board of Directors six are appointed by the Mayor, two are appointed by the Denver District Attorney, and the remaining five are appointed by City Council.

Prosperity Denver Fund (PDF) – formerly Denver College Success Corporation (DCSC), was organized as a nonprofit corporation resulting from a City ordinance, which also provides for an increase of sales and use tax of .08 percentage points. This tax is utilized by PDF to increase post-secondary institution enrollment and completion for City residents by expanding the capacity of scholarship-granting nonprofit organizations to support scholarship recipients. By City ordinance, PDF is obligated to have a seven-member Board of Directors, of which six members are appointed by the Mayor and confirmed by City Council. The remaining Board member is a member of City Council and appointed by City Council.

Denver Convention Center Hotel Authority (DCCHA) – The DCCHA was organized by the City as a nonprofit corporation in accordance with State law for the purpose of owning, acquiring, constructing, equipping, operating and financing a hotel adjacent to the City's convention center. The Mayor appoints the Board of Directors of the DCCHA, subject to City Council confirmation, and a financial benefit/burden relationship exists as a result of an economic development agreement between the City and DCCHA. According to the agreement DCCHA distributes certain excess revenues to the City, makes payments in lieu of taxes to the City, and has entered into a room block agreement which coordinates the reservation of hotel room blocks with events scheduled at the City's convention center. The City makes semi-annual economic development payments to the DCCHA, which totaled \$11,000,000 in 2022. The City also has the right to purchase the hotel at the purchase option price per the agreement.

Denver Downtown Development Authority (DDDA) – The DDDA was created for the purpose of promoting public health, safety, prosperity, security, and general welfare in order to halt or prevent deterioration of property values or structures within the central business district and to assist in the development and redevelopment of the central business district, especially to benefit the property within the boundaries of the Authority. The City entered into a cooperation agreement with DDDA in 2009 authorizing the Authority to collect and disburse property and sales tax increment revenues. Historically the DDDA collected property and sales tax increment revenue from the City and disbursed it to the Denver Union Station Project Authority (DUSPA) and the DUS Metropolitan Districts. In 2017, all of the outstanding debt of DUSPA was refinanced, a portion was assumed by the DDDA, and DUSPA was dissolved. Post-refinancing, the DDDA generates revenue from property tax increment, sales tax increment, and pledged revenues from the DUS Metropolitan Districts, Urban Drainage and Flood Control District (d/b/a Mile High Flood District), and School District No. 1 in the City and County of Denver and the State of Colorado. The Central Platte Valley Metropolitan District, Cherry Creek Subarea Business Improvement District, and Market Station Metropolitan Districts also exist within the boundaries of the DDDA and receive property tax revenue from the DDDA. The Board of Directors is appointed by the Mayor and confirmed by City Council, and City Council may remove any director at will. These appointments and the ability of the City to impose its will on the Authority make the City financially accountable for the Authority.

Denver Preschool Program, Inc. (DPP) – DPP is a nonprofit corporation organized to administer the Denver Preschool Program that provides tuition credits for children of Denver families the year before the child is eligible for kindergarten. The City is legally obligated to provide financial support to DPP, as the program is funded by a sales and use tax increase of fifteen one-hundredths of one percent (0.15%) that was voter-approved through December 2026. The Mayor appoints 10 of the 11 DPP board members and City Council appoints a council member as the other board member. The City appointments to the governing body and its financial obligations to DPP make the City financially accountable for the DPP.

Denver Urban Renewal Authority (DURA) – DURA was created as a separate legal entity by the City pursuant to the state Urban Renewal Law to acquire, clear, rehabilitate, conserve, develop or redevelop identified slum or blighted areas existing within the City and to prevent future blight from developing. In addition, for health and safety purposes, DURA provides housing rehabilitation assistance in the form of low-interest loans to low-income Denver homeowners through two City housing rehabilitation programs.

The Mayor appoints the DURA board of directors subject to City Council approval. Any urban renewal project undertaken by DURA must receive prior approval by the City. A significant amount of DURA's financing comes from incremental property and sales tax revenue from the City. In 2009, DURA established Denver Neighborhood Revitalization, Inc. (DNRI), a registered State of Colorado not-for-profit organization and component unit of DURA, to address the needs in the Denver community related to foreclosed and/or abandoned homes through the administration of the Neighborhood Stabilization Program (NSP) funds awarded by the City and County of Denver. DNRI administered this program under contract with the City. The contract ended in March 2019 and management of DNRI are evaluating further operations for additional ways DNRI can continue its mission of neighborhood revitalization. For presentation purposes, DURA and DNRI financial activity is combined.

National Western Center Authority – The National Western Center Authority is a Colorado nonprofit corporation that partners with the City to program, operate, and maintain the year-round campus for agricultural education, innovation, and entertainment. The actions of the Authority are guided by a 13-person board, made up of 11 voting directors and two non-voting directors. The voting directors include six appointments by the Denver mayor: two Colorado State University appointees, two Western Stock Show Association appointees, and one Globeville, Elyria, or Swansea resident mayoral appointee. A second Globeville, Elyria, or Swansea resident will be appointed by the mayor as a non-voting director. The City Chief Financial Officer will also serve as a non-voting director and Treasurer of the Board. The funding for the Authority's work comes from the partners as defined in the Framework agreement between the City and County of Denver, Western Stock Show Association, and Colorado State University.

Complete financial statements, as applicable, for the following individual component units can be obtained from their respective administrative offices:

Bluebird BID

3014 Forest St
Denver, CO 80207

Cherry Creek North BID

Crescent Parkway, Suite 3010
Greenwood Village, CO 80111

Colfax BID

P. O. Box 18853
Denver, CO 80218

Downtown Denver BID

1515 Arapahoe St, Tower 3, Suite 100
Denver, CO 80202

Prosperity Denver Fund

P.O. Box 7609
Denver, CO 80207

Denver Downtown Development Authority

201 West Colfax Ave, Department 1109
Denver, CO 80202

Denver Urban Renewal Authority

1555 California St, Suite 200
Denver, CO 80202

Five Points BID

1515 Arapahoe St, Tower 3, Suite 100
Denver, CO 80202

National Western Center Authority

4701 Marion St, Suite 401
Denver, CO 80216

RiNO BID/GID

3525 Walnut St, Suite 40
Denver, CO 80205

West Colfax BID

3275 West 14th Ave, Suite 202
Denver, CO 80204

Caring for Denver Foundation

Kaleidoscope Collaborative Center
201 W Colfax Ave, Dept. 1109
Denver, CO 80202

Cherry Creek Subarea BID

715 South Alton Way, Unit 10D
Denver, CO 80247

Colfax-Mayfair BID

P. O. Box 202161
Denver, CO 80220

Denver 14th Street GID

1515 Arapahoe St, Tower 3, Suite 100
Denver, CO 80202

Denver Convention Center Hotel Authority

547 Cabot St
Beverly, MA 01915

Denver Preschool Program, Inc.

305 Park Avenue West, Suite B
Denver, CO 80205

Federal Boulevard BID

P. O. Box 11817
Denver, CO 80211

Gateway Village GID

8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111

Old South Gaylord BID

1076 South Gaylord St
Denver, CO 80209

Santa Fe BID

725 Santa Fe Drive
Denver, CO 80204

The Convention and Visitor's Bureau TID

201 W Colfax Ave, Dept. 1109
Denver, CO 80202

3. **Fiduciary Component Unit**

Denver Employees Retirement Plan (DERP) – The DERP is a separate legal entity established by City ordinance to provide pension benefits for substantially all City employees, except police officers and firefighters. The Mayor appoints the members of the DERP governing board. The DERP is presented herein in the City's fiduciary funds as Pension and Health Benefits Trust Funds. The net position of the DERP is held for the sole benefit of the participants and is not available for appropriation by the City.

4. **Related Organizations**

The City appoints members to the boards of the following organizations. The City's accountability for the organizations does not extend beyond making these appointments and there is no fiscal dependency by these organizations on the City.

Denver Health and Hospital Authority (Authority) – The Authority is a political subdivision and body corporate of the State of Colorado. The Authority is governed by a nine-member board, all appointed by the Mayor. The Authority entered into contractual agreements with the City to obtain and operate the City's existing hospital system. In accordance with the contractual agreements between the Authority and the City, the City paid the Authority \$76,851,000 for providing various health related services to the City and its residents during 2022. In addition, the Authority made payments in the amount of \$1,200,000 to the City for human services, fleet, sheriff, and various human resources services.

Denver Housing Authority (DHA) – The DHA was created by ordinance in accordance with U.S. Department of Housing and Urban Development (HUD) regulations. Its five-member board, appointed by the Mayor, controls the daily administration and operations of the DHA. The DHA is dependent on Federal funds from HUD and, as a result, is not financially dependent on the City. In addition, the City is not responsible for any deficits incurred and has no fiscal management control over the DHA.

Denver Public Library Trust (DPL Trust) – The DPL Trust is a charitable entity formed by the Library Commission and the DPL Friends Foundation to accept inherited interests through a bequest. All assets of the DPL Trust derive from a percentage of an interest in two real estate partnerships. The Library Commission appoints the trustees of the DPL Trust. All funds received by the DPL Trust are deposited into a bank account managed by the DPL Trust and quarterly transferred to the DPL Friends Foundation. The monies may be requested during the Denver Public Library's annual budget request from the DPL Friends Foundation.

Denver Water Board – The Denver Water Board was created pursuant to the City Charter as a separate legal entity to oversee the City's water system. The Denver Water Board's five-member governing body is appointed by the Mayor, but the City is not financially accountable for the Denver Water Board because the Denver Water Board has the power to levy property taxes to support general obligation bonds issued by the Denver Water Board and the Denver Water Boards' determination of the necessity for the mill levy would be subject to approval or modification by the City. The Denver Water Board had no general obligation bonds outstanding as of December 31, 2022, and no longer has authority to issue general obligation bonds.

Lowry Economic Redevelopment Authority (Lowry) – Lowry was created as a public entity by contract between the City and another local government under the Colorado Governmental Immunity Act, CRS Section 24-10-01. Lowry is a separate legal entity intended to maintain, manage, promote, and implement economic redevelopment of the former Lowry Air Force Base. The City is not fiscally accountable for Lowry. Lowry is governed by a nine-member board of directors of which the Mayor appoints seven.

Stapleton Development Corporation (SDC) – The City and DURA created a nonprofit corporation whose objectives would include, but not be limited to, planning an orderly public purpose assessment and redevelopment program for the former Stapleton International Airport property and implementing the redevelopment plan for the property. The SDC board of directors is composed of 11 voting members; the Mayor appoints 9 and 2 are appointed by DURA. All 11 members are confirmed by the City Council. Neither the City nor DURA is financially accountable for SDC, as the City and DURA cannot impose their will on SDC, nor does a financial benefit or burden exist between the entities.

Note B – Government-Wide and Fund Financial Statements

The government-wide financial statements, which include the statement of net position and statement of activities, report information on all of the non-fiduciary activities of the primary government and its component units. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities, which generally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from

business-type activities, which rely generally on fees and charges to external parties. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of net position reports all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference being presented as net position.

The statement of activities demonstrates the extent to which the direct expenses of a given function or business-type activity is offset by program revenues. Direct expenses are clearly identifiable with a specific function. Program revenues include: 1) charges to customers who purchase, use, or directly benefit from goods, services provided by the programs, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not included among program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, fiduciary funds (even though fiduciary funds are excluded from the government-wide financial statements), and component units. The emphasis of fund financial statements is on major governmental funds, enterprise funds, and component units, each reported as a separate column. All remaining governmental funds, enterprise funds, and component units, are aggregated and reported as nonmajor funds.

Note C – Measurement Focus, Basis of Accounting, and Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary funds, and discretely presented component unit financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. On an accrual basis, property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they are measurable and available. Available means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period or when matured. The City considers all revenue as available, if collected within 60 days after year end. Property taxes, sales and use taxes, franchise taxes, occupational privilege taxes, interest revenue, fines, and charges for services are susceptible to accrual. Other receipts, licenses, permits, and parking meter revenues become measurable and available when cash is received by the City and are recognized as revenue at that time. Grant revenue is considered available if it is expected to be collected within one year and all eligibility requirements are met. Expenditures are recorded when the related liability is incurred, except for debt service expenditures, and certain compensated absences, claims and judgments, pension and OPEB obligations which are recognized when the payment is due.

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 required to be reported in another fund. This fund is financed primarily by sales tax, property tax, and charges for services.
- The **Bond Projects capital fund** is used to account for the proceeds from the issuance of long-term debt to be used for paying the cost of projects as set forth in bond issuing ordinances.
- The **Human Services special revenue fund** is used to account for proceeds of restricted revenue to be used for public assistance and welfare activities. This fund is financed primarily by intergovernmental revenue and property taxes.

The City reports the following major proprietary funds:

- The **Wastewater Management fund** accounts for the City's storm and sewer operations. This fund is financed primarily by sanitary sewer and storm drainage charges.
- The **Denver Airport System fund** accounts for the operation of the City's airport system which includes Denver International Airport. This fund is financed primarily by facility rentals, parking revenues, and landing fees.

The City reports the Caring for Denver Foundation, Denver Convention Center Hotel Authority, Denver Urban Renewal Authority, Denver Downtown Development Authority, and the National Western Center Authority component units as major component units.

Additionally, the City reports the following fund-types:

- **Internal service funds** account for asphalt plant and employee insurance benefits provided to the various departments and agencies of the City on a cost reimbursement basis.
- **Pension trust funds** account for the Denver Employees Retirement Plan, which accumulate resources for pension and health benefit payments to qualified City retirees.
- **Other employee benefits trust fund** accounts for the Deferred Compensation Fund, which holds and administers resources to qualified city employees who participate in the plan. Assets are reserved solely for deferred compensation benefits.
- **Private-purpose trust funds** are used to account for resources legally held in trust by the City for use by various organizations for various purposes. All resources of the funds, including any earnings on invested resources, may be used to support the various activities of the organizations. There is no requirement to preserve the resources as capital.
- **Custodial funds** account for treasury collections and court fees, and collected receipts being temporarily held for allocation to other entities. These funds are custodial in nature and do not involve measurement of results of operations. The effect of interfund activity generally has been eliminated from the government-wide financial statements. Exceptions to this practice include payments and other charges between the City's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions affected.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for the enterprise and internal service funds include the administrative expenses, cost of sales and services, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, the City uses the restricted resources first, then unrestricted resources as needed. If no other restrictions exist, the order of spending of resources will be committed, assigned, and lastly unassigned.

Note D – Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balances

1. **Cash and Investments** – For the primary government, except when prohibited by trust agreements, the operating cash in each fund is maintained in one consolidated pool by the City. Cash in excess of operating requirements is invested by the City. The City Charter, Section 2.5.3(C) and the Denver Revised Municipal Code, Section 20-21, authorize that investments may be made in U.S. Government obligations, its agencies and sponsored corporations, prime commercial paper, prime bankers' acceptances, certificates of deposit issued by eligible banks and savings and loan associations, local government investment pools, repurchase agreements, forward purchase agreements, securities lending agreements, highly rated municipal securities, high grade corporate bonds, asset-backed securities, supranational debt obligations, federal agency collateralized mortgage obligations (CMO), federal agency mortgage pass through securities (MBS), money market funds that purchase only the types of securities specified herein, and other similar securities as may be authorized by ordinance. The pension trust funds and component units maintain deposits and investments outside of the City's investment pools. These are primarily in demand deposits and equities, and U.S. Government obligations. Investments, unless otherwise noted, are stated at fair value, which is primarily determined based upon quoted market prices or other significant, observable inputs, at year end. Fair values of real estate and other investments are determined by independent periodic appraisals. Investments in repurchase agreements and the guaranteed investment contract are stated at cost, while investments in the local government investment pools and certain investments in the Fiduciary Funds are stated at net asset value (NAV).
2. **Cash Equivalents** – The City's investments held in the consolidated pool with original maturities of three months or less from the purchase date are classified as cash equivalents. Investments held by wastewater, the airport system, the pension trust funds, and the component units, with original maturities of three months or less from the date of purchase are also considered cash equivalents.
3. **Property Taxes Receivable** – Property taxes are reported as a receivable and as deferred inflows of resources when the levy is certified by the City's Assessor on or before December 15 of each year, unless there is a special

election. Property taxes receivable is reduced by an allowance for uncollectible taxes. Included in property taxes receivable is an amount of assessed property tax that is expected to be reimbursed to the City by the State for the State's Senior Veteran Property Tax Exemption program rather than being paid by the taxpayer themselves. Property taxes are due and considered earned on January 1 following the year levied. The first and second halves become delinquent on March 1 and June 16, respectively. Tax rate levy authority for the 2022 fiscal year was approved when Resolution 22-1579, Series of 2022, was adopted by the City Council and approved by the Mayor.

4. **Water and Wastewater Service Accounts** – Sanitary sewer accounts are maintained, billed, and collected by the Water Board in connection with its water accounts. The Wastewater Management enterprise fund is responsible for billing and collecting storm drainage charges using a cycle billing system. Flat rate accounts and certain cycle billings are billed in advance on a monthly basis and revenues relating to future years are classified as unearned revenue. Metered accounts are billed in arrears and have been accrued.
5. **Interfund Receivables/Payables** – During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The balances from these transactions are classified as “interfund receivable” or “interfund payable” on the balance sheet/statement of net position. Other interfund receivables/payables between individual funds have occurred because some funds have overdrawn their equity share of pooled cash.
6. **Due from Other Governments** – Due from other governments includes amounts due from grantors for grants for specific programs and capital projects. Program and capital grants for capital assets are recorded as receivables and revenues when all eligibility requirements are met. Revenues received in advance of project costs being incurred or for which eligibility requirements have not been met are unearned. In the governmental funds, revenue recognition also depends on the timing of cash collections (availability).
7. **Inventories and Prepaid Items** – The City values inventories at cost, which approximates market, and accounts for them using either the weighted average method or the first-in/first-out method. The costs of governmental fund-type inventories are recorded as expenditures when purchased.

Payments made to vendors for services representing costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items in the governmental funds are recorded as expenditures when consumed.

8. **Restricted Assets** – Certain assets of the General Fund, General Government special revenue fund and certain component units are classified as restricted assets because their use is completely restricted by State statute. In the General Fund, certain monies related to COPs and certain leases (see **Note III.E - Leases**) are classified as restricted in accordance with lease requirements.

Certain resources of the governmental activities and the Denver Airport System enterprise fund are classified as restricted assets because their use is limited by applicable bond covenants. These covenants require the accumulation of resources for current principal and interest on both bonds and subordinate bonds, principal and redemption price on term bonds subject to mandatory redemption, principal and interest emergency reserve, and operating and maintenance emergency reserve.

Certain assets of the Environmental Services enterprise fund have been restricted by external parties to be used for future plant and equipment expenditures and payment of certain liabilities.

9. **Leases** – In accordance with GASB No. 87, a lessor is required to recognize a lease receivable and a deferred inflow of resources. A lease receivable is recognized at the net present value of the payments expected to be received during the lease term, and is reduced by principal payments received. The deferred inflow of resources is recognized in an amount equal to the sum of the lease receivable and any payments relating to a future period which were received prior to the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates include how the City determines the discount rate it uses to discount the expected lease receipts to present value, the lease term and the lease receipts. The City monitors changes in circumstances that would require remeasurement of its leases, and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

A lessee is required to recognize a lease payable and an intangible right-of-use lease asset in the government wide and proprietary fund financial statements. A lease payable is recognized at the net present value of future lease payments, and is subsequently reduced by the principal portion of the lease payments made. The right-of-use asset is initially recorded at the amount of the lease liability plus prepayments less any lease incentives received prior to lease commencement, and is subsequently amortized over the life of the lease.

10. Capital Assets – Land, collections, construction in progress, buildings, equipment, infrastructure, right-of-use leased assets and intangible assets are reported in the applicable governmental or business-type activities, or component unit columns of the government-wide financial statements. Such assets are recorded at cost or estimated cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The capitalization threshold of the City is \$5,000 except for internally-generated software, which has a threshold of \$50,000. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. The reporting requirements of Governmental Accounting Standards Board, Statement No. 87, *Leases* (GASB 87), which became effective on July 1, 2021, have brought about a change in the presentation of capital assets to include lease assets. For additional information, refer to **Note III-E - Leases**.

Right-of-use assets are recorded at the present value of future minimum lease payments and are amortized over the shorter of the lease term or the estimated useful life of the asset.

Capital assets of the City and certain component units are depreciated on a straight-line basis over the following estimated useful lives:

Buildings and improvements	5 to 50 years
Motor vehicles and motorized equipment	5 to 20 years
Furniture, machinery, and equipment	3 to 20 years
Collections, excluding library books	15 years
Library books	4 years
Infrastructure	6 to 50 years
Intangibles	3 to 5 years

Physical library books are depreciated over a four-year life and digital books are depreciated over a two-year life both using the composite method. The Western History artwork collection is not capitalized because these assets are held for public exhibition rather than financial gain and the value cannot be determined. They are protected and preserved and proceeds from any sales must be used to acquire other items for collection. In addition, artwork acquired through the Estate of Clyfford Still is not capitalized because the collection must be held for public exhibition and sale of the collection, or any piece of the collection, is prohibited, under the terms of the will and the donation agreement. A value has not been assigned to the Clyfford Still collection and due to the rarity of the collection combined with restrictions within the will for its ownership and exhibition, its ultimate value may be impossible to establish with any certainty.

11. Long-term Obligations – The City records long-term debt and other long-term obligations as liabilities in the government-wide and proprietary fund financial statements. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method or the straight-line method, which is not materially different than the effective-interest method, over the term of the debt. Bond premiums and discounts are presented as an addition or reduction (net) of the face amount of the bond payable. With few exceptions, bonds issued by the City are tax-exempt and subject to federal arbitrage regulations.

In the fund financial statements for governmental fund-types, bond issuance costs, other than prepaid insurance, are recognized as expenditures during the current period even if withheld from actual net proceeds. Bond proceeds and bond premiums are reported as an other financing source. Bond discounts are reported as an other financing use.

12. Compensated Absences – The City has vacation, sick, and paid time off leave policies covering substantially all its employees, as follows:

- Career Service Authority
- Fire and Police Departments' Classified Service
- Undersheriff
- District Attorney and Judges

Employees may accumulate earned but unused benefits up to a specified maximum. The City has recorded an accrued liability for compensated absences in the government-wide and proprietary fund financial statements that was calculated using the vesting method.

13. Unearned Revenues – Unearned revenues reflect amounts that have been received before the City has a legal claim to the funds. In subsequent periods, when the City has a legal claim to the resources, the unearned revenue is removed from the statement of net position/balance sheet and revenue is recognized.

14. **Pensions** – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Denver Employees Retirement Plan (DERP) the Statewide Defined Benefit Plan and Old Hire Fire and Police Pension Plans, administered by the Fire and Police Pension Association of Colorado (FPPA) and the Public Employees’ Retirement Association of Colorado Pension Plans (PERA), and additions to/deductions from the various pension plan’s fiduciary net position have been determined on the same basis as they are reported by DERP, FPPA, and PERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.
15. **Other Post-Employment Benefits (OPEB)** – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Denver Employees Retirement Plan (DERP), Police Retiree Health Fund (PRHF) and the Public Employees’ Retirement Association of Colorado Pension Plans (PERA), and additions to/deductions from the various OPEB plan’s fiduciary net position have been determined on the same basis as they are reported by DERP, PRHF and PERA. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.
16. **Deferred Outflows of Resources and Deferred Inflows of Resources** – A deferred inflow of resources is an acquisition of net assets by the City that is applicable to a future period and a deferred outflow of resources is a consumption of net assets by the City that applies to a future period. Both deferred inflows and outflows are reported in the Statement of Net Position but are not recognized in the financial statements as revenues, expenses, and reduction of liabilities or increase in assets until the period(s) to which they relate. The City reports deferred outflows of resources for pension and OPEB related amounts for the City’s share of the difference between projected and actual earnings for the City’s share of the difference between contributions to the individual plans and the proportionate share of the contributions, for changes of assumptions or other inputs, the difference between expected and actual experience, and contributions subsequent to the measurement date. Deferred outflows of resources of the City also consist of the accumulated decrease in fair value of hedging derivatives and the deferred loss on refunding.
- The City reports deferred inflows of resources for pension and OPEB related amounts in the government wide financial statements or the City’s share of the difference between expected and actual experience and for the City’s share of the difference between contributions to the individual plans proportionate share of the contributions and the difference between projected and actual earnings. The City reports deferred inflows of resources for property tax receivables that are levied for the next fiscal year, and deferred gain on refunding. Additionally, the City recognizes deferred inflows of resources associated with lease transactions in accordance with the provisions of GASB 87. These deferred inflows are reported on the statement of financial position and are subsequently recognized as revenue over the lease term.
- Under the modified accrual basis of accounting, revenue and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources. Deferred inflows of resources are also comprised of property tax and long-term receivables that are unavailable in the fund statements.
17. **Net Position** – In the government-wide, proprietary fund and fiduciary fund financial statements, net position is the difference between assets, liabilities, deferred inflows of resources, and deferred outflows of resources. Net investment in capital assets, represents capital assets; less accumulated depreciation; and less any outstanding borrowings related to the acquisition, construction, or improvement of those assets. Certain net positions are restricted for capital projects, emergency use, debt service, and by donor restrictions.
18. **Fund Balance** – In the governmental fund financial statements, governmental funds report nonspendable, restricted, committed, assigned, and unassigned fund balance classifications based on the nature and extent of the constraints placed on the fund balances.
19. **Encumbrances** – Encumbrances for contracts and purchase orders are unencumbered at year end and reappropriated against the subsequent year’s budget. As of December 31, 2022, the encumbrances reflected below were reappropriated against the 2023 budget for remaining prior year encumbrances (dollars in thousands).

Governmental Activities:

General Fund	\$ 71,964
Bond Project Fund	446,132
Human Services Fund	14,606
Other Governmental Funds	513,556
Internal Service Funds	2,146
Total Governmental Activities	\$ 1,048,404

Business-type Activities:

Wastewater Management	\$ 58,610
Denver Airport System	651,323
Other Enterprise Funds	4,155
Total Business-type Activities	\$ 714,088

20. **Special Items** – GASB pronouncement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments (GASB 34), defines Special Items as transactions or other events within the control of management that are significant and either unusual in nature or infrequent in occurrence. As of December 31, 2022, the City had no special items to report.

Note E – Implementation of New Accounting Principles

Governmental Accounting Standards Board Statement No. 99 – In 2022, *GASB Statement No. 99, Omnibus* (GASB 99), enhances comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practice issues that have been identified during the implementation and application of certain GASB Statements and accounting and reporting standards. This statement addresses a variety of topics including issues related to leases implementation, derivative instruments, nonmonetary transactions, public-private and public-public partnerships and availability payment arrangements, subscription-based information technology arrangements, LIBOR, SNAP and other terminology updates.

- Classification and reporting of derivative instruments within the scope of Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument
- Clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives
- Clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset
- Clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability

GASB 99 paragraphs 11-25 will be effective for the City for the fiscal year beginning after June 15, 2022 and paragraphs 4-10 will be effective for the City for the fiscal year beginning after June 15, 2023.

- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt through June 30, 2023
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP)
- Pledges of future revenues when resources are not received by the pledging government
- Clarification of provisions in Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, as amended, related to the focus of the government-wide financial statements
- Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position
- Terminology used in Statement 53 to refer to resource flows statements.

GASB 99 paragraphs 26-32 were implemented by the City for the fiscal year ending December 31, 2022. There is no effect on the City's financial statements as a result of the implementation.

Governmental Accounting Standards Board Statement No. 87 – In June 2017, the GASB issued *Statement No. 87, Leases* (GASB 87). The statement requires recognition of lease assets and liabilities for certain leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the lease contract. It establishes a single model for lease accounting based on the foundational principle that leases are the financing of the right-of-use of an underlying asset. Under the statement, a lessee is required to recognize a lease liability and a tangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The City implemented this pronouncement effective January 1, 2022. There were no material cumulative effect adjustments recorded to the net position upon adoption. For lessee leases, right-of-use assets and liabilities were recognized on the commencement date of the lease based on present value of lease payments over the lease term. For lessor leases, lease receivables and deferred inflows were recognized on the commencement date of the lease based on the present value of the lease payments of the lease term. The City recognized right-of-use assets increased by \$19,084,000 with a corresponding increase in lease liability of \$19,084,000. lease receivables of \$7,546,000 and deferred inflows of \$7,546,000. As of December 31, 2022, the following lease amounts are reported: lease liabilities in the amount of \$35,484,000 and \$368,798,000 in current and long-term lease liabilities, respectively, lease receivable in the amount of \$939,000 and \$6,475,000 in current and long-term lease receivables, respectively and lease deferred inflows of \$7,412,000. For additional information, see note **Note III.E - Leases**.

Governmental Accounting Standards Board Statement No. 91 – In May 2019, the GASB issued *Statement No. 91, Conduit Debt Obligations* (GASB 91). This statement establishes accounting requirements for conduit debt obligations by issuers. The objectives of this Statement are to eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. It is important to note that the implementation of GASB 91 has not resulted in any discernible effects on the City's financial statements. The City's net position, results of operations, and cash flows remain unaffected as a direct consequence of this implementation. The City has appropriately assessed the impact of the statement and determined that there are no material adjustments or disclosures required in its financial statements. Furthermore, the City has diligently adhered to the disclosure requirements outlined in GASB 91. Relevant information regarding the nature, purpose, terms, and features of conduit debt obligations has been disclosed in the City's financial statements. The City has provided a comprehensive overview of its involvement in these obligations, including any commitments, guarantees, or support provided by the government. For additional information, see note **Note IV.4.E - Contingencies**.

Governmental Accounting Standards Board Statement No. 93 – In March 2020, the GASB issued *Statement No. 93, Replacement of Interbank Offered Rates* (GASB 93). This Statement addresses accounting and financial reporting implications that result from the replacement of an IBOR, such as:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing the London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended
- Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

However, *GASB Statement No. 99, Omnibus*, discussed above, offers an extension of the use of LIBOR which is effective immediately. Therefore, in accordance with both Statements 93 and 99, since LIBOR continues to be determined by the ICE Benchmark Administration using the methodology in place as of December 31, 2021, the City continues to use LIBOR as the benchmark interest rate for a derivative instrument that hedges the interest rate risk of taxable debt through June 30, 2023.

Governmental Accounting Standards Board Statement No. 96 – Issued in May 2020, *GASB Statement No. 96, Subscription-Based Technology Arrangements (SBITAs)* (GASB 96) establishes standards of accounting and financial reporting for SBITAs by a government end user. GASB 96 defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding subscription liability. GASB 96 also provides the capitalization criteria for outlays other than subscription payments, including SBITA implementation costs as well as note disclosure requirements for SBITAs. Implementation of this statement is effective for fiscal years beginning after June 15, 2022. The City is currently evaluating the impact of this statement on its financial statements.

Governmental Accounting Standards Board Statement No. 97 – In June 2020, the GASB issued *Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* (GASB 97). GASB 97 is an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32. The primary objectives are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component unit in fiduciary fund financial statement; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meets the definition of a pension plan and for benefits provided through those plans.

GASB Statement No. 97 paragraphs 4 and 5 were implemented by the City for the fiscal year ending December 31, 2022. The City only has one defined contribution plan, the Post Employment Health Plan for Firefighters (PEHP), that is subject to the applicable GASB 97 guidance. In conclusion, applying paragraphs 4 and 5 of GASB 97 does not change the analysis of PEHP under GASB 84. Under GASB 84, this plan is not reported.

II. Stewardship, Compliance, and Accountability

Note A – Deficit Fund Equity

At December 31, 2022, the Denver Convention Center Hotel Authority (DCCHA), the Denver Urban Renewal Authority (DURA), and the Downtown Denver Development Authority component units had deficit net position in the amounts of \$43,118,000, \$43,061,000 and \$52,256,000, respectively.

The DCCHA component unit will use revenue from its hotel facility to fund its deficit net position. DDDA receives sales and property tax revenue to fund its deficit net position. The DURA component unit uses Tax Increment Financing (TIF), which is additional incremental property and sales taxes generated by redevelopment projects, to fund its deficit net position.

Note B – Excess Expenditures Over Authorizations

As of December 31, 2022, the budget related to General Services for maintenance of City facilities was exceeded by \$142,000, the budget related to Annual Rental Payments for certificates of participation was exceeded by \$75,000, the budget related to the Denver Public Schools Mill Levy was exceeded by \$105,000, the budget related to Historic Tax Rebates was exceeded by \$113,000, and the budget related to Health for City payments to the Health Authority were exceeded by \$347,000. All were due to the timing of the accrual of payments and when the budget was available.

III. Detailed Notes for All Funds

Note A – Deposits and Investments

- 1. Deposits** – The City Charter, Section 2.5.3(c), requires all banking or savings and loan institutions to pledge sufficient collateral as required by law (Public Deposit Protection Act (CRS, 11-10.5-101)) before any public funds are deposited. In addition, the City's Investment Policy requires that certificates of deposit be purchased from institutions that are certified as Eligible Public Depositories by the appropriate state regulatory agency. Under the Colorado Public Deposit Protection Act (PDPA), all deposits exceeding the amount insured by the FDIC are to be fully collateralized at 102.00% of the deposits with specific approved securities identified in the act. The eligible

collateral pledged must be held in custody by any Federal Reserve Bank, or branch thereof, or held in escrow by some other bank in a manner as the banking commissioner shall prescribe by rule and regulation or may be segregated from the other assets of the eligible public depository and held in its own trust department. All collateral so held must be clearly identified as being security maintained or pledged for the aggregate amount of public deposits accepted and held on deposit by the eligible public depository. Deposits collateralized under the PDPA are considered collateralized with securities held by the pledging financial institutions' trust department or agent in the "City's name."

Custodial credit risk is the risk that, in the event of a failure of a financial institution or counterparty, the City would not be able to recover its deposits, investments or collateral securities. At December 31, 2022, the bank balance and carrying amounts of accounts managed by the Manager of Finance (the Manager) were \$11,642,000 and \$10,644,000.

All deposits for DURA, DDDA, DCCHA, and Caring for Denver were not subject to custodial credit risk at December 31, 2022, since they were covered by FDIC or PDPA. The National Western Center Authority maintains a bank account at one institution, which is insured by the FDIC up to \$250,000. The funds in this account may, at times, exceed the amounts insured by the FDIC. The Authority has never experienced any losses related to these amounts.

2. **Investments** – It is the policy of the City to invest its funds in a manner which will provide for the highest investment return consistent with the preservation of principal and provision of the liquidity necessary for daily cash flow demands. The City's Investment Policy applies to all investment activity of the City under the control of the Manager, including investments of certain monies related to all governmental and business-type activities, and trust and custodial funds. The City's Investment Policy does not apply to the investments of the deferred compensation plan, the Denver Employee Retirement Plan or component units. The City's investment Policy does not apply to the investments of the deferred compensation plan, the Denver Employee Retirement Plan, or component units. Other monies that may from time to time be deposited with the Manager for investment shall also be administered in accordance with the Investment Policy.

The City Charter, Section 2.5.3(c), and Revised Municipal Code, Section 20-21, authorize the investments that the City can hold. The Investment Policy requires that investments shall be managed in accordance with portfolio theory management principles to compensate for actual or anticipated changes in market interest rates. To the extent possible, investment maturity will be matched with anticipated cash flow requirements of each investment portfolio. Additionally, to the extent possible, investments will be diversified by security type, market sector, and institution. This diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolios. Deviations from expectations shall be reported in a timely fashion and appropriate action taken to control adverse developments.

At December 31, 2022, the City's investment balances, including fiduciary funds, were as shown below.

City Investment Balances

December 31, 2022 (dollars in thousands)

	Fair Value
Money market funds	\$ 5,000
Local government investment pool	152,983
Certificate of Deposit	54,034
Common stock	214,924
Commercial paper	195,887
Mutual funds	1,272,098
Municipal bonds	235,771
U.S. Treasury securities	2,641,884
U.S. agency securities	2,113,961
Corporate bonds	1,001,460
Structured products ⁽¹⁾	520,580
Multinational fixed income ⁽²⁾	446,652
Annuity contracts	201,656
Real estate	235,543
Other	1,077,674
Total Investments	\$ 10,370,107

⁽¹⁾ Includes asset backed securities, collateralized mortgage obligations, and mortgage backed securities.

⁽²⁾ Includes supranational securities. Supranationals are U.S. dollar denominated bonds of international organizations such as the World Bank and International Monetary Fund.

The DERP pension trust fund had securities lending collateral of \$68,603,000 at December 31, 2022; see **Note 7** of the DERP annual comprehensive financial report (available at <https://www.derp.org>) for additional discussion related to this balance.

At December 31, 2022, the investment balances of the discretely presented component units were as shown below.

Component Units Investment Balances

December 31, 2022 (dollars in thousands)

	Fair Value
Money market funds	\$ 109,338
Local government investment pool	20,362
Certificates of deposit	1,293
Municipal bonds	7,237
Commercial paper	2,923
U.S. Treasury securities	74,803
U.S. agency securities	27,256
Corporate bonds	11,095
Multinational fixed income ⁽¹⁾	5,571
Other ⁽²⁾	404
Mutual funds	36,829
Total Investments	\$ 297,111

⁽¹⁾ Includes supranational securities. Supranationals are U.S. dollar denominated bonds of international organizations such as the World Bank and International Monetary Fund.

⁽²⁾ Includes \$404,000 equity investment.

A reconciliation of cash and investments as shown in the basic financial statements as of December 31, 2022, is shown below.

Reconciliation of Cash and Investments

December 31, 2022 (dollars in thousands)

Governmental and Business-type Activities	Primary Government	Component Units	Total
Cash on hand	\$ 5,606	\$ -	\$ 5,606
Cash and cash equivalents	2,023,456	107,912	2,131,368
Investments	1,433,281	57,760	1,491,041
Restricted cash and cash equivalents	1,258,479	382	1,258,861
Restricted investments	2,504,862	239,351	2,744,213
Total Governmental and Business-type Activities	\$ 7,225,684	\$ 405,405	\$ 7,631,089
Fiduciary			
Cash on hand	\$ -	\$ -	\$ -
Cash and cash equivalents	79,687	-	79,687
Investments	3,147,928	-	3,147,928
Total Fiduciary	\$ 3,227,615	\$ -	\$ 3,227,615
Total	\$ 10,453,299	\$ 405,405	\$ 10,858,704
Less deposit balance ⁽¹⁾	(83,192)	(108,294)	(191,486)
Total	\$ 10,370,107	\$ 297,111	\$ 10,667,218

⁽¹⁾ The carrying amount of the City's deposits of \$36,604, less outstanding checks of \$19,605, plus petty cash of \$96, plus fiduciary cash of \$56,580, plus General Improvement District cash of \$1,105 and plus cash on hand of \$8,336 and cash adjustment of 76 equals \$83,192.

Fair Value Measurements – The City categorizes its fair value measurements within the fair value hierarchy established by 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 quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Equities within all asset classes that are classified in Level 1 are valued using prices quoted in active markets for those securities. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. The City currently does not maintain equity securities classified as Level 3. Fixed income securities and derivatives within all asset classes that are classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing issued to value securities based on the securities' relationship to benchmark quoted prices. Such securities include U.S. Treasuries, corporate and agency bonds, bank loans, and structured products. Level 2 fixed income securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market. The city currently does not maintain fixed income securities classified as Level 3.

Investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a proxy are not classified in the fair value hierarchy. See below for further detail. Short-term securities generally include investments in money market-type securities reported at amortized cost, which approximates market or fair value but are not classified in the fair value hierarchy.

Investment derivative instruments determination of fair value consists of a two-step process. First settlement prices are determined by utilizing the income approach under GASB 72 from "mid-market" pricing data available from public and subscription source. The second step is to determine the credit valuation adjustment for the derivative instrument. The purpose of the credit valuation adjustment is to quantify the nonperformance risk of the reporting entity as well as the nonperformance risk of the counterparty. Fair value is then determined as the settlement price of the derivative instrument adjusted by the credit valuation adjust of both the reporting entity's payment obligation and the counterparty's payment obligations.

The City has the following recurring fair value measurements as of December 31, 2022.

Fair Value Measurements

December 31, 2022 (Dollars In Thousands)

Governmental And Business-Type Activities	Fair Value	Level 1	Level 2	Level 3
Municipal bonds	\$ 235,174	\$ -	\$ 235,174	\$ -
Certificate of deposit	53,878	-	53,878	-
Commercial paper	195,318	-	195,318	-
U.S. Treasury securities	2,408,321	-	2,408,321	-
U.S. agency securities	2,050,359	-	2,050,359	-
Corporate bonds	928,635	-	928,635	-
Structured products	519,242	-	519,242	-
Multinational fixed income	445,520	-	445,520	-
Total Governmental And Business-Type Activities at Fair Value	\$ 6,836,447	\$ -	\$ 6,836,447	\$ -
Total Investments Measured At The NAV ⁽¹⁾	152,595	-	-	-
Total Other Investments Not Valued At Fair Value ⁽²⁾	214,453	-	-	-
Total Governmental And Business-Type Activities	\$ 7,203,495	\$ -	\$ -	\$ -
Fiduciary	Fair Value	Level 1	Level 2	Level 3
Municipal Bonds	\$ 597	\$ -	\$ 597	\$ -
Common stock	214,924	214,924	-	-
Certificate of deposit	157	-	157	-
Commercial paper	569	-	569	-
U.S. Treasury securities	233,563	226,959	6,604	-
U.S. agency securities	63,602	-	63,602	-
Corporate bonds	72,825	-	72,825	-
Structured products	1,338	-	1,338	-
Multinational fixed income	1,132	-	1,132	-
Mutual funds	1,272,098	1,272,098	-	-
Other (self directed brokerage)	15,138	15,138	-	-
Total Fiduciary at Fair Value	\$ 1,875,943	\$ 1,729,119	\$ 146,824	\$ -
Total Investments Measured At The NAV restricted for Pensions, OPEB and other purposes ⁽⁵⁾	\$ 1,089,013	\$ -	\$ -	\$ -
Total Other Investments Not Valued At Fair Value ⁽⁶⁾	201,656	-	-	-
Total Fiduciary	\$ 3,166,612	\$ -	\$ -	\$ -
Total Investments	\$ 10,370,107	\$ -	\$ -	\$ -
Major Component Units	Fair Value	Level 1	Level 2	Level 3
Money market funds	\$ 672	\$ 672	\$ -	\$ -
Mutual funds	36,829	36,829	-	-
Municipal bonds	7,237	-	7,237	-
Commercial paper	2,923	-	2,923	-
U.S. Treasury securities	74,802	74,802	-	-
U.S. agency securities	27,255	-	27,255	-
Corporate bonds	11,095	3,263	7,832	-
Multinational fixed income	5,571	-	5,571	-
Total Major Component Units at Fair Value	\$ 166,384	\$ 115,566	\$ 50,818	\$ -
Total Investments Measured At The NAV ⁽³⁾	17,736	-	-	-
Total Other Investments Not Valued At Fair Value ⁽⁴⁾	110,365	-	-	-
Total Major Component Units	\$ 294,485	\$ -	\$ -	\$ -
Police Retiree Health Fund	Fair Value	Level 1	Level 2	Level 3
Mutual Funds	\$ 7,600	\$ 7,600	\$ -	\$ -
Total Police Retiree Fund	\$ 7,600	\$ 7,600	\$ -	\$ -
Governmental And Business-Type Activities	Fair Value	Level 1	Level 2	Level 3
Investment Derivative Instruments:				
Interest rate swaps ⁽⁷⁾	\$ 5,204	\$ -	\$ -	\$ -
Total Governmental And Business-Type Activities	\$ 5,204	\$ -	\$ -	\$ -

⁽¹⁾ Balance held at Colotrust \$77,835 balance held at CSAFE of \$74,760.

⁽²⁾ Balance held in trust \$158,633 plus balance held outside the City \$50,835 and money market fund \$4,985.

⁽³⁾ Balance held at Colotrust \$17,736.

⁽⁴⁾ Includes \$109,072 of money market funds and \$1,293 of Certificate of Deposits.

⁽⁵⁾ Include \$223 of Colotrust and \$218 of CSAFE and plus DERP NAV equal \$1,089,013. See Fiduciary investments measured at the NAV table for DERP NAV.

⁽⁶⁾ Includes \$15,000 of money market funds and Deferred Comp synthetic guaranteed investment contracts of \$201,656.

⁽⁷⁾ \$5,204 is governmental activities at a liability position. Refer to 2008a COP swap table in Note G-Long Term debt section.

Synthetic Guaranteed Investment Contracts – An option in the City’s deferred compensation plan includes a custom stable value fund that includes synthetic guaranteed investment contracts (SGICs). The contracts provide a stable rate of return to the participants. The value of the underlying investments is \$201,656,000 as of December 31, 2022.

Fiduciary Investments Measured at the NAV

December 31, 2022 (dollars in thousands)

	December 31	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Fixed Income Investments				
Private debt	\$ 172,476	\$ 62,422	Not eligible	n/a
Emerging market debt	51,748	-	Monthly	3 days
Total Fixed Income Investments	\$ 224,224	\$ 62,422		
Real Estate Investments				
Real estate - open-end	\$ 204,127	\$ -	Quarterly	20-90 days
Real estate - closed-end	31,416	42,481	Not eligible	n/a
Total real estate investments	\$ 235,543	\$ 42,481		
Alternative Investments				
Private equity	\$ 291,693	\$ 44,247	Not eligible	n/a
Energy investments	107,160	29,200	Not eligible	n/a
Timber	38,392	-	Not eligible	n/a
Total alternative investments	\$ 437,245	\$ 73,447		
Absolute Return				
Hedge Fund	\$ 120,580	\$ -	Quarterly	65 days
Total Absolute Return	\$ 120,580	\$ -		
Infrastructure				
Infrastructure	\$ 70,980	\$ -	Quarterly	90 days
Total Infrastructure	\$ 70,980	\$ -		
Total Other Investments Measured at the NAV	\$ 1,088,572	\$ 178,350		
Local Government Investment Pool				
COLOTRUST	\$ 223			
CSAFE	218			
Total Local Government Investment Pool	\$ 441			
Total Investments Measured at the NAV	\$ 1,089,013			

Fixed Income Investments

- Private debt investments are intended to generate returns by lending money to various businesses and enterprises, or by purchasing loans originated by other lenders. There are six commingled investment pools, each taking the form of a partnership or similar structure. The debt may be secured or unsecured, and various yield enhancing techniques may be used, such as royalty sharing, equity options, or the application of leverage. Liquidity of these closed-end funds is determined by the monetization of underlying investments, and subject to reinvestment terms.
- Investments in emerging market debt seek to purchase the publicly traded sovereign or corporate debt obligations of developing nations.

Real Estate Investments

- Real Estate Investments - Open end real estate investments are pooled investments that own and operate commercial property. Returns are generated from income and price appreciation. These funds have perpetual life, and periodically accept contributions or honor redemptions.
- Closed end real estate investments consist of pooled funds to own and operate commercial property. These funds have a finite life, and funds are returned as investments are liquidated.

Alternative Investments

- Private equity utilizes a fund of funds approach to make investments in venture capital, buyouts, and other corporate finance transactions.
- Energy investments are a diversified portfolio of energy assets, including interests in oil, natural gas, power generation, and renewables.
- Timber investments are made in both domestic and international timberland. Returns are generated through the acquisition, management, harvesting and sale of timber.
- Liquidity of these closed-end funds is determined by the monetization of underlying investments, and subject to reinvestment terms.

Absolute Return Investments

- Absolute Return Investments - A hedge fund of funds is used to generate returns that are higher than core fixed income, with significantly lower risk than public equities. A multi strategy approach is used to improve consistency of returns while limiting downside risk.

Infrastructure Investments – DERP invests in funds which own and operate infrastructure assets such as utilities, toll roads, pipelines, and airports. Returns are generated through the cash flow produced by the normal business operations of the assets. As open-ended funds, these have infinite life and periodically accept contributions or honor redemptions.

Interest Rate Risk – Interest rate risk is the risk that changes in financial market interest rates will adversely affect the value of an investment. The City's Investment Policy limits interest rate risk for investments under the control of the Manager by limiting the maximum maturity of investments. Investments in commercial paper have a maximum maturity of 270 days. Corporate debt obligations have a maximum maturity of five years. U.S. Treasury, agency, and supranational, municipal, and asset-backed securities can have a maximum maturity of 10 years. Agency mortgage-backed securities have a maximum maturity of 31 years with an average life limitation of 20 years. Agency collateralized mortgage obligations have a maximum maturity of 31 years with an average life limitation of 10 years. To further mitigate interest rate risk, the investment policy limits investments in asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations to a combined maximum of 20.00% of the City's overall investments. The City also minimizes interest rate risk by maintaining a concentration of its portfolio invested in short-term and extremely liquid investments. The Manager is authorized to waive certain portfolio constraints when such action is deemed to be in the best interest of the City. The Manager has waived the maximum maturity for certain investments in U.S. agency securities that are part of the Denver Airport System structured pool created to facilitate an economic defeasance of a portion of the future debt service payments due on certain airport system bonds, and also the investments held for the Cable Land Trust and Workman's Compensation. Maturities of the underlying investments in the local government investment pool are limited by the pool's investment policies to less than one year.

At December 31, 2022, the City's investment balances and maturities for those investments subject to interest rate risk are shown in the tables below (dollars in thousands):

Investment Type	Fair Value	Investment Maturities in Years			Greater than 10
		Less than 1	1 - 5	6 - 10	
For the City					
Local government investment pool	\$ 69,281	\$ 69,281	\$ -	\$ -	-
Money market funds	2,280	2,280	-	-	-
Municipal bonds	101,853	14,202	60,694	25,649	1,308
U.S. Treasury securities	1,041,366	548,702	351,149	141,515	-
U.S. agency securities	859,114	264,420	479,797	112,819	2,078
Corporate bonds	386,281	68,768	295,929	21,584	-
Multinational fixed income	181,612	36,788	130,047	14,777	-
Structured products	214,106	17,490	130,103	64,417	2,096
Commercial paper	89,330	89,330	-	-	-
Certificate of deposit	24,641	24,641	-	-	-
Total	\$ 2,969,864	\$ 1,135,902	\$ 1,447,719	\$ 380,761	\$ 5,482

Investment Type	Fair Value	Investment Maturities in Years			Greater than 10
		Less than 1	1 - 5	6 - 10	
For the City fiduciary					
Local government investment pool	\$ 441	\$ 441	\$ -	\$ -	-
Money market funds	15	15	-	-	-
Municipal bonds	597	90	381	126	-
U.S. Treasury securities	6,605	3,495	2,220	890	-
U.S. agency securities	5,407	1,668	3,036	692	11
Corporate bonds	2,423	432	1,854	137	-
Multinational fixed income	1,132	234	809	89	-
Structured products	1,338	111	815	399	13
Commercial paper	569	569	-	-	-
Certificate of deposit	157	157	-	-	-
Total	\$ 18,684	\$ 7,212	\$ 9,115	\$ 2,333	\$ 24

Investment Type	Fair Value	Investment Maturities in Years			Greater than 10
		Less than 1	1 - 5	6 - 10	
For DERP					
U.S. Treasury securities	\$ 226,959	\$ 11,691	\$ 215,268	\$ -	-
U.S. agency securities	58,196	4,946	40,583	12,667	-
Asset backed	30	-	-	-	30
Corporate	70,370	282	70,086	-	2
Total	355,555	\$ 16,919	\$ 325,937	\$ 12,667	\$ 32
Non-rated Funds ⁽¹⁾	224,224	-	-	-	-
Total	\$ 579,779				

For Deferred Compensation Plan					
Investment Type	Fair Value	Less than 1	1 - 5	6 - 10	Greater than 10
Mutual funds	\$ 42,018	\$ -	\$ -	\$ 42,018	\$ -
Total	\$ 621,797	\$ 16,919	\$ 325,937	\$ 54,685	\$ 32

Investments with undetermined or without maturity dates:	Fair Value	Investment Maturities in Years			Greater than 10
		Less than 1	1 - 5	6 - 10	
For Police Retiree Health Fund					
Mutual Funds	\$ 7,600	\$ -	\$ -	\$ -	\$ -
Total	\$ 7,600	\$ -	\$ -	\$ -	\$ -

⁽¹⁾ Non-rated Funds are investments held in various funds, which are not rated, and not in specific securities

The City's portfolio of investments includes callable securities. As of December 31, 2022, the City owned agency and corporate bond callable securities with a fair value of \$26,891,000 and \$216,372,000, respectively.

Credit Quality Risk – Credit quality risk is the risk that the issuer or other counterparty to a debt security will not fulfill its obligations to the City. Moody's, Standard & Poor's, and Fitch Ratings are the three primary Nationally Recognized Securities Rating Organizations (NRSRO) that assess this risk and assign a credit quality rating for most investments. Obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government are assigned credit quality ratings of AAA by Fitch and Aaa by Moody's, both with stable outlooks as of December 31, 2022. Standard and Poor's rate securities of the U.S. Government AA+ also with a stable outlook. Of the City's investments at December 31, 2022, commercial paper, municipal bonds, corporate debt obligations, structured products, local government investment pools, and supranational securities were subject to credit quality risk.

The City's Investment Policy requires that commercial paper be rated by at least two NRSRO with a minimum short-term rating of A-1, P-1, or F-1 at the time of purchase. The Investment Policy requires that the municipal bonds have a minimum underlying issuer rating from at least two of the three rating agencies of A+ or its equivalent. The Investment Policy requires that corporate debt obligations have a minimum underlying issuer rating from at least two of the NRSRO or A- or its equivalent. The Investment Policy requires that asset-backed securities have a minimum underlying issuer rating from at least two of the NRSRO of AA- or its equivalent. The Investment Policy requires that mortgage-backed securities and collateralized mortgage obligations that had ratings of at least Aaa by Moody's, AAA by Fitch and AA+ by Standard & Poor's. The Investment Policy also requires local government investment pools to be in compliance with Title 24 Part 7 of Article 24 of the Colorado Revised Statutes. The Investment Policy also requires supranational securities issued by institutions with debt obligations rated AAA, or the equivalent, by at least two NRSROs.

Information on the credit ratings associated with the City's investments including City managed fiduciary and excluding DERP as of December 31, 2022, is shown below (dollars in thousands).

S&P	Commercial Paper	Municipal Bonds	Corporate Debt Obligations	Structured Products	Local			Negotiable CD	Multinational Fixed Income	Total
					Government Investment Pools	Money Market Funds				
AAA	\$ -	\$ 55,361	\$ 94,428	\$ 271,819	\$ 76,949	\$ 5,000	\$ -	\$ 429,587	\$ 933,144	
AA+ to AA-	-	-	-	17,807	-	-	-	-	17,807	
A+ to A-	-	930	492,307	-	-	-	-	-	493,237	
A-1+ to A-1	195,887	164,958	322,559	-	.	-	54,035	-	737,439	
BBB+	-	-	21,765	-	-	-	-	-	21,765	
NR	-	14,525	-	230,954	74,977	-	-	17,065	337,521	
Total	\$ 195,887	\$ 235,774	\$ 931,059	\$ 520,580	\$ 151,926	\$ 5,000	\$ 54,035	\$ 446,652	\$ 2,540,913	
Moody's										
Aaa	\$ -	\$ 65,509	\$ 227,770	\$ 266,382	\$ -	\$ 5,000	\$ -	\$ 446,652	\$ 1,011,313	
Aa1 to Aa2	-	152,213	82,370	-	-	-	-	-	234,583	
Aa3 to A1	-	11,961	389,713	-	-	-	-	-	401,674	
A2 to A3	-	-	209,441	-	-	-	-	-	209,441	
P-1	195,887	-	-	-	-	-	-	-	195,887	
Baa2	-	-	21,765	-	-	-	-	-	21,765	
NR	-	6,091	-	254,198	151,926	-	54,035	-	466,250	
Total	\$ 195,887	\$ 235,774	\$ 931,059	\$ 520,580	\$ 151,926	\$ 5,000	\$ 54,035	\$ 446,652	\$ 2,540,913	
U.S. Treasury securities									\$ 2,414,925	
U.S. Agency securities									2,055,756	
Total									\$ 7,011,594	

The DERP manages credit risk through the constraints on investments specified in each manager's investment guidelines included in the Plan's Investment Policy. Securities implicitly governed by the U.S. Government are included.

Information on the credit ratings associated with the DERP investments in debt securities at December 31, 2022, is shown below.

Credit Ratings for DERP

December 31, 2022 (dollars in thousands)

S&P	Moody's	Asset Backed	Corporate Bonds	Implicit U.S.		Total
				Government Bonds		
AAA	NR	\$ -	\$ 51,391	\$ -	\$ -	51,391
AA+ to AA-	Aa3 to A1	-	2,737	58,196	-	60,933
A+ to A-	Ca	-	8,591	-	-	8,591
BBB+ to BBB-	A3 to Baa3	-	7,641	-	-	7,641
CC+ to CC-	Ca	30	-	-	-	30
NR	NR	-	10	-	-	10
Total		\$ 30	\$ 70,370	\$ 58,196	\$ -	\$ 128,596
U.S. Government					\$ 226,959	
Non-rated funds						224,224
Total					\$ 579,779	

NR - no rating available

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of a failure, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if they are uninsured, are not registered in the City's name, and are held by either the counterparty to the investment purchase or are held by the counterparty's trust department or agent but not held in the City's name. None of the City's investments owned at December 31, 2022, were subject to custodial credit risk.

In accordance with the City's Investment Policy, all of the City's repurchase agreements are collateralized at 102.00% of the market value of the portfolio by U.S. agency securities at the time of purchase. Collateral valuation is calculated and adjusted at least once per week and adjusted on an as needed basis. Collateral for all investments, including repurchase agreements, are held in the City's name by the City's custodian, Principal Financial Group.

DERP has no formal policy for custodial credit risk. At December 31, 2022, DERP's cash deposits were collateralized in the amount of \$250,000 with the remaining \$27,276,285 not collateralized.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's Investment Policy states that a maximum of 5.00% of the portfolio may be invested in commercial paper, municipal securities, corporate debt obligations, certificates of deposit, asset-backed securities, or mortgage-backed securities issued by any one obligor. The City's Investment Policy states that a maximum of 10.00% of the portfolio may be invested in an individual supranational obligor, local government investment pool, money market mutual fund, or collateralized mortgage obligation. The City's Investment Policy also limits investments in U.S. agency securities to 80.00% of total investments and no more than 25.00% in a single issue. The City's Investment Policy also limits investments in U.S. agency securities to 25.00% of total investments. The City's Investment Policy limits concentrations even further with a combined maximum of 50.00% of the portfolio that can be invested in corporate debt obligations, commercial paper, and certificates of deposit as well as a combined maximum of 20.00% of the portfolio that can be invested in structured products. As of December 31, 2022, all investments were in compliance with this policy. More than 5.00% of the City's investments are in individual issuers: Federal Home Loan Bank (14.23%), Federal Farm Credit Bank (8.34%), and Federal National Mortgage Association (5.01%).

The DERP Investment Policy mandates that no managed account may invest more than 5.00% of managed assets in the securities of a single issuer. As of December 31, 2022, all DERP investments were in compliance with this policy.

Foreign Currency Risk – Foreign Currency risk is the risk that changes in exchange rates will adversely affect their value of an investment or deposit. The City's Investment Policy, excluding the DERP pension trust fund, does not allow for investments in foreign currency. The DERP pension trust fund Investment Policy allows 17.00% to 27.00% of total investments to be invested in international equities and 1.00% to 4.00% of total investments to be invested in international fixed income. The DERP pension trust fund exposure to foreign currency risk as of December 31, 2022, is reflected below (dollars in thousands).

Foreign Currency	Equities	Fixed Income	Total
Australian Dollar	\$ 17,783	\$ -	\$ 17,783
Brazilian Real	9,237	7,255	16,492
British Pound Sterling	33,397	-	33,397
Canadian Dollar	15,588	-	15,588
Chilean Peso	671	2,939	3,610
Chinese Yuan	39,946	-	39,946
Columbian Peso	369	4,461	4,830
Czech Koruna	-	41	41
Danish Krone	11,876	-	11,876
Egyptian Pound	319	-	319
Euro	92,710	-	92,710
Hong Kong Dollar	19,799	-	19,799
Hungary Forint	1,844	4,243	6,087
Indian Rupee	23,553	-	23,553
Indonesia Rupiah	4,074	1,464	5,538
Japanese Yen	52,146	-	52,146
Malaysian Ringgit	2,615	6,479	9,094
Mexican Peso	3,386	8,011	11,397
New Israeli Shekel	1,635	-	1,635
New Zealand Dollar	469	-	469
Norwegian Krone	1,567	-	1,567
Pakistani Rupee	469	-	469
Peruvian Sol	-	662	662
Philippine Peso	34	1,527	1,561
Polish Zloty	1,727	6,593	8,320
Qatari Riyal	1,090	-	1,090
Saudia Riyal	2,531	-	2,531
Singapore Dollar	3,048	-	3,048
South African Rand	7,376	3,985	11,361
South Korean Won	22,179	3,291	25,470
Swedish Krona	9,549	-	9,549
Swiss Franc	31,083	-	31,083
Taiwan Dollar	25,616	-	25,616
Thai Bhat	4,744	714	5,458
Turkey	4,241	-	4,241
United Arab Emirati Dirham	1,572	-	1,572
Other	2,317	-	2,317
Total Foreign Deposits and Investments	\$ 450,560	\$ 51,665	\$ 502,225

- Denver Convention Center Hotel Authority (DCCHA)** – DCCHA's investments were not subject to custodial credit risk at December 31, 2022, since they consisted solely of money market funds that are not evidenced by securities and are in DCCHA's name.
- Denver Urban Renewal Authority (DURA) and Caring for Denver Foundation** – DURA and Caring's investment policy limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates. At December 31, 2022, DURA and Caring's investment balances and maturities are shown below (dollars in thousands).

Investment Type	Investment Maturities in Years		
	Fair Value	Less than 1	1 - 5
Money market funds	\$ 671	\$ 671	\$ -
Mutual funds	36,829	36,829	-
U.S. Treasury securities	74,803	55,465	19,338
Structured products	10,099	9,084	1,015
U.S. agency securities	17,156	11,977	5,179
Corporate bonds	11,095	-	11,095
Multinational fixed income	5,571	1,451	4,120
Municipal bonds	7,237	429	6,808
Commercial paper	2,923	2,923	-
Total	\$ 166,384	\$ 118,829	\$ 47,555

Securities Lending – Although the City is authorized to enter into securities lending programs with certain qualified dealers, it had no security lending transactions in 2022. Under this program, investment securities owned by the City are loaned to the dealer up to a maximum of one year in exchange for a predetermined fee. The City continues to receive interest earnings on the loaned securities. The securities are collateralized by the dealer. The collateral is held in the City's name by Principal Financial Group, the City's custodian. Collateral for these transactions is limited to permissible investments included in the City's Investment Policy with maturities not exceeding one year from the date of settlement. The initial market value of the collateral for each investment position maintained with a dealer shall be 102.00% of the market value of the securities being collateralized. Market value includes investment principal plus accrued interest. Collateral valuation levels with each dealer must be determined on at least a weekly basis, and deficiencies from the required 102.00% level must be cured no later than the following business day. The City had no securities on loan as of December 31, 2022.

The DERP pension trust fund participates in a securities lending program to augment income. The program is administered by the DERP custodial agent bank, which lends certain securities for a predetermined period of time, to an independent broker/dealer (borrower) in exchange for collateral. Collateral may be cash, U.S. Government securities, defined letters of credit or other collateral approved by the DERP. Loans of domestic securities are initially collateralized at 102.00% of the fair value of securities lent. Loans of international securities are initially collateralized at 105.00% of the fair value of securities lent. The DERP continues to receive interest and dividends during the loan period as well as a fee from the borrower. There are no restrictions on the amount of securities that can be lent at one time. The duration of securities lending loans generally matches the maturation of the investments made with cash collateral. At December 31, 2022, the fair value of underlying securities lent was \$117,094,748. The fair value of associated collateral was \$121,574,823 of this amount, \$68,602,894 represents the fair value of cash collateral and \$52,971,929 is the fair value of non-cash collateral not reported on the financial statements. The DERP pension trust fund does not have the ability to pledge or sell non-cash collateral unless the borrower defaults, therefore it is not reported on the financial statements.

Note B – Receivables

- Accounts Receivables and Allowances** – The City reviews its accounts receivables periodically and allowances for doubtful accounts are established based upon management's assessment of collection.

The table below represents the accounts receivables and allowances for doubtful accounts at December 31, 2022.

Accounts Receivables and Allowances Summary

December 31, 2022 (dollars in thousands)

Receivable	Governmental Activities					Total
	General	Bond Projects	Human Services	Other Governmental Funds	Internal Service Funds	
Property taxes	\$ 178,567	\$ -	\$ 81,100	\$ 332,878	\$ -	\$ 592,545
Other taxes	102,868	-	1	45,271	-	148,140
Notes	15,414	-	-	192,811	-	208,225
Accounts	30,420	-	25	17,134	3,211	50,790
Long-term accounts	57,029	-	-	13,412	-	70,441
Leases	7,414	-	-	-	-	7,414
Accrued interest	2,896	4,067	-	5,953	248	13,164
Gross Receivable	394,608	4,067	81,126	607,459	3,459	1,090,719
Allowances	(53,214)	-	(455)	(118,890)	-	(172,559)
Net Receivable	\$ 341,394	\$ 4,067	\$ 80,671	\$ 488,569	\$ 3,459	\$ 918,160

Receivable	Business-type Activities				Fiduciary Funds
	Wastewater Management	Denver Airport System	Nonmajor Business-type	Total	Custodial and DERP
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,385,625
Other taxes	-	-	-	-	4,973
Accounts	34,548	115,230	3,663	153,441	345
Long-term accounts	-	46,754	4	46,758	-
Leases	-	464,259	-	464,259	-
Accrued interest	1,136	18,215	177	19,528	-
Gross Receivable	35,684	644,458	3,844	683,986	1,390,943
Allowances	-	(3,252)	(5)	(3,257)	(6,738)
Net Receivable	\$ 35,684	\$ 641,206	\$ 3,839	\$ 680,729	\$ 1,384,205

2. **Notes Receivable** – The notes receivable balance of special revenue funds, General Fund, related organizations, and component units at December 31, 2022 is shown below (dollars in thousands).

	December 31	Percent of Total Related Notes Receivable
Neighborhood Development Loans	\$ 11,947	n/a
Economic Development Loans	11,039	n/a
Housing Development Loans	182,771	n/a
Total Office of Economic Development	205,757	
General Fund	2,218	n/a
General Government Fund	250	n/a
Total Notes Receivable	208,225	
Less allowances for delinquent loans	(10,696)	n/a
Less allowances for forgivable loans	(118,286)	n/a
Notes Receivable, Net	\$ 79,243	
Denver Housing Authority	12,966	6.23%
Total Related Organizations Notes Receivable	\$ 12,966⁽¹⁾	
Denver Urban Renewal Authority	\$ 3,741 ⁽¹⁾	1.80%
Denver Building Housing	\$ 3,238 ⁽¹⁾	1.56%

⁽¹⁾ Amounts included in the notes receivable balance above.

Allowance for uncollectibles for notes receivable of \$128,982,000 is included in the accounts receivable allowance of \$172,559,000 in the Accounts Receivables and Allowances Summary table above. The Neighborhood, Economic and Housing Development loans are funded from both federal U.S. Housing and Urban Development grants and City monies designated for affordable housing. Recipients of affordable housing loans target low- and moderate-income households, special needs and the homeless. Rental and occupancy covenants are recorded

on these properties for affordability periods of 20 years or more. Housing loans may be fully forgivable at the end of the affordability period, due and payable in full, or due and payable based on occupancy rates or other conditions. The Economic Development loans are made to qualified program recipients under the Community Development Block Grant to provide business owners with funds to promote job creation and growth in targeted areas. Loans are collateralized by the underlying properties.

3. **Long-Term Receivables Allowance** – Included in long-term receivables are amounts related to reimbursement for construction costs, parking fines and court fines. The City recorded an allowance for uncollectible accounts for governmental activities of \$52,267,000. The DURA component recorded an allowance of \$404,000.

Note C – Interfund Receivables, Payables, and Transfers

The tables below reflect the City's interfund balances as of December 31, 2022 (dollars in thousands).

1. Interfund Payables/Receivables

These balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. In addition, some balances result from the overdraft of cash balances in the payable funds.

Receivable Fund	Payable Fund								Total
	General Fund	Human Services	Nonmajor	Bond Projects	Wastewater	Denver Airport System	Nonmajor Business-type	Internal Service	
General Fund	\$ -	\$ 996	\$ 7,552	\$ -	\$ 2,971	\$ 24,093	\$ 2,040	\$ 80	\$ 37,732
Human Services	7	-	-	-	-	-	-	-	7
Nonmajor Governmental	5	-	-	15	45	41	-	-	106
Wastewater Management	-	-	-	-	-	146	-	-	146
Internal Service	1	-	380	-	-	-	-	-	381
Total	\$ 13	\$ 996	\$ 7,932	\$ 15	\$ 3,016	\$ 24,280	\$ 2,040	\$ 80	\$ 38,372

2. Transfers

Transfers are used to move revenues from the fund in which the City budget requires collection to the fund required to expend the monies, and to move unrestricted revenues collected in the General Fund to finance various activities accounted for in other funds.

The majority of transfers are transfers from the General Fund to special revenue funds for alternative transportation, business incentives, affordable housing, crime prevention, the Senior and Disabled Property Tax Refund Program and the Wastewater Affordability Program. Additionally, General Fund transfers in consist mainly of transfers out of capital improvement funds.

Transfers In	Transfers Out						Total
	General Fund	Bond Projects	Human Services	Nonmajor Governmental	Wastewater Management	Nonmajor Business-type	
General Fund	\$ -	\$ -	\$ 1,145	\$ 52,223	\$ 13	\$ 2,449	\$ 55,830
Nonmajor Governmental	29,712	8,452	2,900	79,780	-	-	120,844
Total out	\$ 29,712	\$ 8,452	\$ 4,045	\$ 132,003	\$ 13	\$ 2,449	\$ 176,674

Note D – Capital Assets

Capital and lease asset activity for the year ended December 31, 2022, are shown in the below tables.

1. Governmental Activities

Governmental Activities

For the Year Ended December 31, 2022 (dollars in thousands)

	January 1, as restated	Additions	Deletions	Transfers	December 31
Capital assets not being depreciated/amortized:					
Land and land rights	\$ 731,030	\$ 3,546	\$ (326)	\$ 39,007	\$ 773,257
Construction in progress	294,019	260,233	-	(118,710)	435,542
Total capital assets not being depreciated/ amortized	1,025,049	263,779	(326)	(79,703)	1,208,799
Capital assets being depreciated/amortized:					
Buildings and improvements ⁽¹⁾	2,647,318	11,874	(2,188)	63,374	2,720,378
Equipment and other	359,362	23,770	(5,994)	1,491	378,629
Collections	52,279	4,862	(5,265)	522	52,398
Intangibles	27,811	-	(192)	3,353	30,972
Infrastructure	2,084,700	68,108	(2,498)	8,734	2,159,044
Right-of-use assets	19,084	32	(74)	-	19,042
Total capital assets being depreciated/amortized	5,190,554	108,646	(16,211)	77,474	5,360,463
Less accumulated depreciation/amortization for:					
Buildings and improvements	(1,133,932)	(73,568)	1,243	-	(1,206,257)
Equipment and other	(262,915)	(28,937)	5,798	11	(286,043)
Collections	(28,084)	(5,801)	5,265	-	(28,620)
Intangibles	(24,430)	(1,332)	192	-	(25,570)
Infrastructure	(1,110,494)	(65,682)	2,430	-	(1,173,746)
Right-of-use assets	-	(3,334)	74	-	(3,260)
Total accumulated depreciation/amortization	(2,559,855)	(178,654)	15,002	11	(2,723,496)
Total capital assets being depreciated/ amortized, net	2,630,699	(70,008)	(1,209)	77,485	2,636,967
Governmental Activities capital assets, net	\$ 3,655,748	\$ 193,771	\$ (1,535)	\$ (2,218)	\$ 3,845,766

⁽¹⁾ Includes certificate of participation of 347,641 and capital leases of \$35,539 that are now accounted for in GASB 87 as Right-of-use assets.

2. Business-type Activities

Business-type Activities

For the Year Ended December 31, 2022 (dollars in thousands)

	January 1, as restated	Additions	Deletions	Transfers	December 31
Capital assets not being depreciated/amortized:					
Land and land rights	\$ 334,951	\$ 16	\$ (1)	\$ -	\$ 334,966
Construction in progress	1,786,054	823,762	(11,289)	(1,997,573)	600,954
Total capital assets not being depreciated/amortized	2,121,005	823,778	(11,290)	(1,997,573)	935,920
Capital assets being depreciated/amortized:					
Buildings and improvements	4,934,074	233	(831)	1,674,207	6,607,683
Improvements other than buildings	2,650,128	5,137	(11,313)	116,201	2,760,153
Machinery and equipment	1,181,513	3,553	(53,493)	209,247	1,340,820
Intangibles	38,613	-	(1,231)	154	37,536
Right-of-use assets	5,487	5,520	-	-	11,007
Total capital assets being depreciated/amortized	8,809,815	14,443	(66,868)	1,999,809	10,757,199
Less accumulated depreciation/amortization for:					
Buildings and improvements	(2,434,811)	(170,181)	667	-	(2,604,325)
Improvements other than buildings	(1,050,660)	(74,900)	5,962	(7)	(1,119,605)
Machinery and equipment	(854,728)	(52,232)	49,026	(11)	(857,945)
Intangibles	(37,413)	(882)	1,231	-	(37,064)
Right-of-use assets	-	(6,293)	-	-	(6,293)
Total accumulated depreciation/amortization	(4,377,612)	(304,488)	56,886	(18)	(4,625,232)
Total capital assets being depreciated/amortized, net	4,432,203	(290,045)	(9,982)	1,999,791	6,131,967
Business-type Activities capital assets, net	\$ 6,553,208	\$ 533,733	\$ (21,272)	\$ 2,218	\$ 7,067,887

3. Major Discretely Presented Component Units

Capital Asset activity for the Denver Convention Center Hotel Authority, Denver Urban Renewal Authority, and the National Western Center Authority component units is shown below.

Discretely Presented Component Units

For the Year Ended December 31, 2022 (dollars in thousands)

	January 1, as restated	Additions and Transfers	Deletions	December 31
Capital assets not being depreciated/amortized:				
Land and land rights	\$ 23,421	\$ -	\$ -	\$ 23,421
Construction in progress	-	116	-	116
Total capital assets not being depreciated/amortized	23,421	116	-	23,537
Capital assets being depreciated/amortized:				
Buildings and improvements	242,487	156	(154)	242,489
Machinery and equipment	34,977	202	(159)	35,020
Right-of-use assets	33	-	-	33
Total capital assets being depreciated/amortized	277,497	358	(313)	277,542
Less accumulated depreciation/amortization for:				
Buildings and improvements	(106,530)	(7,690)	156	(114,064)
Machinery and equipment	(31,207)	(1,296)	149	(32,354)
Right-of-use assets	(5)	(1)	-	(6)
Total accumulated depreciation	(137,742)	(8,987)	305	(146,424)
Total capital assets being depreciated/amortized	139,755	(8,629)	(8)	131,118
Capital Assets, net	\$ 163,176	\$ (8,513)	\$ (8)	\$ 154,655

⁽⁴⁾ Excludes net capital assets of \$13,314 of Other Component Units.

4. Right-of-use Assets

Under GASB 87, a right-of-use asset refers to an intangible asset that represents the right to control the use of a leased asset over the lease term. This applies to tangible assets, that include buildings and vehicles as well as intangible assets, such as software licenses or patents. The City's right-of-use assets for the year ended December 31, 2022, are shown in the following table. For more information on see **Note III.E - Leases**.

Governmental Activities

Right-of-use Assets

For the Year Ended December 31, 2022 (dollars in thousands)

	January 1, as restated	Additions and Transfers	Deletions	December 31
Governmental activities:				
Lease Assets				
Land	\$ 1,216	\$ -	\$ (42)	\$ 1,174
Land Improvements	33	-	-	33
Buildings	17,557	32	(32)	17,557
Vehicles	265	-	-	265
Infrastructure	13	-	-	13
Total Lease Assets	19,084	32	(74)	19,042
Lease Accumulated Amortization				
Land	-	(368)	42	(326)
Land Improvements	-	(16)	-	(16)
Buildings	-	(2,758)	32	(2,726)
Vehicles	-	(187)	-	(187)
Infrastructure	-	(5)	-	(5)
Total Lease Accumulated Amortization	-	(3,334)	74	(3,260)
Total Governmental Lease Assets, Net	\$ 19,084	\$ (3,302)	\$ -	\$ 15,782

5. Business-type Activities

Right-of-use Assets

For the Year Ended December 31, 2022 (dollars in thousands)

	January 1, as restated	Additions and Transfers	Deletions	December 31
Business-Type Activities:				
Lease Assets				
Buildings	\$ -	\$ 2,383	\$ -	\$ 2,383
Vehicles	5,229	2,990	-	8,219
Infrastructure	258	147	-	405
Total Lease Assets	5,487	5,520	-	11,007
Lease Accumulated Amortization				
Buildings	-	(20)	-	(20)
Vehicles	-	(5,979)	-	(5,979)
Infrastructure	-	(294)	-	(294)
Total Lease Accumulated Amortization	-	(6,293)	-	(6,293)
Total Business-Type Lease Assets, Net	\$ 5,487	\$ (773)	\$ -	\$ 4,714

6. **Depreciation and Amortization Expense** – Depreciation and amortization expense that was charged to governmental activities' functions is shown in the table below (dollars in thousands).

General government	\$ 21,512
Public safety	17,112
Transportation and infrastructure, including depreciation of infrastructure	79,528
Human services	2,195
Health	554
Parks and recreation	26,175
Cultural activities	31,079
Community development	259
Economic opportunity	100
Capital assets held by internal service funds	140
Total	\$ 178,654

7. **Depreciation and Amortization Expense** – Depreciation and amortization expense that was charged to business-type activities' enterprise funds shown in the table below (dollars in thousands).

Denver Airport System	\$ 274,188
Environmental Services	19
Golf Course	2,552
Wastewater Management	27,729
Total	\$ 304,488

8. **Construction Commitments** – The City's governmental and business-type activities have entered into construction and professional services contracts having remaining commitments under contract as of December 31, 2022, as shown below (dollars in thousands).

Governmental Activities:

Winter Park Capital	\$ 1,891
Capital Improvements	117,378
Conservation Trust	7,438
Bond Projects	446,132
Other Capital Projects	143,571
Entertainment and Culture	4,019
Parks Legacy Capital Improvement Funds	14,708
Total Governmental Activities	\$ 735,137

Business-type Activities:

Wastewater Management	\$ 58,610
Denver Airport System	651,323
Environmental Services	1,750
Golf Course	2,404
Total Business-type Activities	\$ 714,087

The commitments for these funds are not reflected in the accompanying financial statements. Only the unpaid amounts incurred to date for these contracts are included as liabilities in the financial statements.

9. **Tax Abatements** – The City negotiates property tax abatement agreements on an individual basis and has tax abatement agreements with 74 entities as of December 31, 2022.

Pursuant to sections 30-11-123 and 31-15-903, CRS, and Chapter 53, Article XVI, DRMC, the City is authorized under the Business Incentive Program to enter into agreements with qualifying taxpayers for an incentive tax credit in the amount of the general fund portion of the taxes upon the taxpayer's new taxable personal property assessed by the City upon the new taxable personal property located at or within a new business facility, or directly attributable to an expanded business facility and located at or within the expanded facility, and used in connection with the operation of the new or expanded facility.

If at any time after the City grants an incentive tax credit, the City, in its sole discretion determines that the Taxpayer did not meet all requirements of sections 30-11-123 and 31-15-903, CRS, Chapter 53, Article XVI, DRMC or other incentive tax credit requirements of the City under section 53-544, DRMC in the tax year for which

a credit was granted; Taxpayer agrees that City may issue to Taxpayer a Special Notice of Valuation, and assess and collect from Taxpayer, in the manner provided for in the Colorado Revised Statutes, taxes in the amount of the incentive tax credit for the subject tax year.

The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities. Total tax abatements as of December 31, 2022 were \$315,000.

DURA has entered into agreements with various redevelopers to reimburse developer expenditures for certain capital improvements using tax increment financing above a stated base, that is collected by the City and passed through to DURA. These reimbursements are conditional on the developer meeting specified obligations and will only be paid when enough tax increment revenue relating to the specific project is collected. As of December 31, 2022, the approved reimbursement obligations where tax increment revenue has already been collected and will be paid to various redevelopers was \$49,621,000.

Note E – Leases

For the year ended December 31, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. The City is involved in various leasing arrangements for land, land improvements, buildings, and equipment, with the implementation of GASB Statement No. 87, all existing and newly acquired leases during the current year were analyzed and classified as either qualified or non-qualified leases, for both lessor and lessee positions. With this implementation, a respective receivable or payable is recognized.

Lease Receivables – The City has entered into 53 lease agreements as the lessor for buildings, land and land improvements, and infrastructure. The receivable related to these leases was initially recognized on January 1, 2022 with the adoption of GASB Statement No. 87. Out of these, 33 of the leases are related to buildings, 19 of the leases are related to land and land improvements and one of the leases is related to infrastructure.

The City is the lessor under 33 lease agreements related to buildings for various functions such as office space, garage space and a communication center. Of these, 11 are qualified leases under GASB Statement No. 87 with periods covering various ranges with the latest expiring on December 31, 2044. Interest rates for lessor leases range from 2.038% to 2.043%. The annual payments for the current year range from \$21,000 to \$194,000.

The City is the lessor for 19 lease agreements related to land and land improvements. Of these, three are qualified leases under GASB Statement No. 87 with periods covering various ranges with the latest expiring on March 31, 2044. Interest rates for lessor leases are 2.038%. The annual payments for the current year range from \$10,200 to \$159,514.

The City is the lessor for one infrastructure lease, which is also a qualified lease under GASB Statement No. 87. It expires on July 31, 2032. The interest rate for the lessee lease is 2.6570%.

The annual payment in the current year was \$54,280, with payments increasing by 3.00% annually in future years.

Below is a schedule by year of future lease receivables as of December 31, 2022 (dollars in thousands).

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$939	\$146	\$64,717	\$9,428
2024	759	128	85,736	8,226
2025	614	113	82,347	6,389
2026	499	102	77,846	4,619
2027	465	92	74,213	2,928
2028-2032	1,597	337	68,153	5,417
2033-2037	1,042	208	9,931	334
2038-2042	1,154	96	602	115
2043-2048	345	5	714	47
Total lease receivables	\$7,414	\$1,227	\$464,259	\$37,503

Lease Liabilities – The City has entered into 35 lease agreements as the lessee for buildings, land and land improvements, infrastructure, and vehicles. The liability related to these leases was initially recognized on January 1, 2022 with the adoption of GASB Statement No. 87. Out of these, 23 of the leases are related to buildings, 10 of the leases are related to land and land improvements, one of the leases is related to infrastructure, and one of the leases is related to vehicles.

The City is the lessee under 23 lease agreements related to buildings for various functions such as office space, garage space and a communication center. Of these, 15 are qualified leases under GASB Statement No. 87 with periods covering various ranges with the latest expiring on January 31, 2037. Interest rates for the leases range from 1.772% to 2.043%. The annual payments for the current year range from \$15,000 to \$968,596.

The City is the lessee for 10 lease agreements related to land and land improvements. Of these, four are qualified leases under GASB Statement No. 87 with periods covering various ranges with the latest expiring on November 14, 2026. Interest rates for the leases are 2.038%. The annual payments for the current year range from \$42,000 to \$344,585.

The City is the lessee for one infrastructure lease, which is also a qualified lease under GASB Statement No. 87. It expires on September 30, 2034. The interest rate for the lease is 2.0430%. The annual payment in the current year was \$4,500.

The City is the lessee for one vehicle lease, which is also a qualified lease under GASB Statement No. 87. It expires on May 31, 2023. The interest rate for the lease is 2.0430%. The annual payment in the current year was \$189,734.

Below is a schedule by year of future lease liabilities as of December 31, 2022 (dollars in thousands).

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 35,484	\$ 14,208	\$ 195	\$ 120
2024	31,273	12,875	161	112
2025	32,580	11,933	197	103
2026	33,601	10,953	216	93
2027	33,867	9,956	237	82
2028-2032	137,808	34,855	1,508	200
2033-2037	28,494	19,639	-	-
2038-2042	27,740	13,011	-	-
2043-2048	43,435	5,464	-	-
Total lease Liability	\$ 404,282	\$ 132,894	\$ 2,514	\$ 710

Below is a schedule by year of future lease receivables together with the present value of the net minimum lease payments as of December 31, 2022 (dollars in thousands).

	Governmental Activities	Business-type Activities
Buildings	\$ 430,178	\$ 14,152
Equipment	41,502	6,734
Intangibles	69	-
Land	16,667	-
Less accumulated depreciation	(235,234)	(16,729)
Net Book Value	\$ 253,182	\$ 4,157

The table below details assets pledged as collateral as of December 31, 2022.

Capital Leases	Asset Type
District Attorney	Computer equipment
Police	Helicopter
Golf	Equipment
Parks and Recreation	Equipment
Department of Transportation and Infrastructure	Vehicles
Safety	Equipment
Technology Services	Equipment
Fire	Equipment
General Services	Equipment
Certificates of Participation	Location
2008A1-A3	201 W. Colfax - Webb Office Building
2012A	Cultural Center Parking Garage
2012C1-C3	Arie P Taylor; Fire Station 10; Denver Permit Center (200 W. 14th); Districts 1,2,3,5 Police Station
2013A	Buell Theatre parcel and building
2015A	Fire Stations 18, 19, 22; Blair Caldwell 2401 Welton St
2017A	DBG Parking Facility
2018A	Portion of Colorado Convention Center Rooftop
2020A1-A2	1271 W. Bayaud on the Central Platte Campus

Note F – Rates and Charges

The Denver Airport System Airport establishes annually, as adjusted semi-annually, airline facility rentals, landing fees, and other charges sufficient to recover the costs of operations (excluding certain debt service payments), maintenance, and debt service related to the airfield and the space rented by the airlines. Any differences between amounts collected from and actual costs allocated to the airlines' leased spaces are credited or billed to the airlines.

50% of Net Revenues (as defined by the bond ordinance) remaining at the end of the year (Airline Revenue Credit) are to be credited in the following year to the airline rates and charges. As of December 31, 2022, the Net Credit liability balance is \$50,000,000, and is reported in the statements of net position as a revenue credit payable.

Note G – Long-Term Debt

- General Obligation Bonds** – The City issues general obligation bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues.

In April 2022, the City issued General Obligation bonds, Series 2022A-C, in the amount of \$366,390,000. The 2022A-C bonds were issued as fixed rate bonds with rates ranging between 0.95%-5.0% and a final maturity in 2042. The Series 2022A bonds were issued to fund approximately \$246 million of Elevate Denver bond projects, approved by Denver voters in November 2017. The 2017 Elevate Denver Bond Program authorized capital infrastructure projects across seven purposes: Transportation and Mobility, Public Safety, Library, Parks and Recreation, Public Facilities, Cultural Facilities and Denver Health and Hospital Authority. As of December 31, 2022, there is approximately \$129 million remaining authorization in the Elevate Denver Bond Program.

The Series 2022B and 2022C bonds were issued to fund approximately \$120 million of Rise Denver Bond projects, approved by Denver voters in November 2021. The 2021 Rise Denver Bond Program authorized capital infrastructure projects across four purposes: Denver Facilities, Housing and Sheltering, Transportation and Mobility and Parks and Recreation. The 2022C bonds were issued as taxable bonds. As of December 31, 2022, there is approximately \$139 million remaining authorization in the RISE Denver Bond Program.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds are generally issued as 15 to 20-year serial bonds, except for refunding issues. General obligation bonds outstanding, excluding compound interest of \$5,598,000 and excluding unamortized premium of \$135,174,000 at December 31, 2022, are \$999,625,000. Interest rates vary from 0.95% to 5.00% with a net interest cost of 0.73% to 5.00%.

Annual debt service requirements to maturity for general obligation bonds are shown below (dollars in thousands).

Year	General Obligation Bonds ⁽¹⁾		General Obligation Bonds - Direct Placements	
	Principal	Interest	Principal	Interest
2023	\$ 86,495	\$ 45,035	\$ 15,245	\$ 1,102
2024	53,730	38,171	15,600	743
2025	56,290	35,703	15,965	376
2026	70,890	33,055	-	-
2027	74,190	29,646	-	-
2028-2032	326,160	101,325	-	-
2033-2037	190,875	37,793	-	-
2038-2042	94,185	6,882	-	-
Total	\$ 952,815	\$ 327,610	\$ 46,810	\$ 2,221

⁽¹⁾ Does not include \$5,598 of compound interest on the Series 2014A mini-bond or unamortized premium of \$135,174.

2. **Revenue Bonds** – The City and component units issue bonds and notes where income derived from acquired or constructed assets is pledged to pay debt service. Certain Airport system revenue bonds are subject to mandatory redemption. Revenue bonds outstanding, excluding unamortized premium (net of discount) of \$84,132,000 and \$21,911,000 for the primary government and the component unit DCCHA respectively, at December 31, 2022, are shown in the table below (dollars in thousands).

Purpose	Net Interest Cost	Interest Rates	Amount
Excise Tax Revenue ⁽¹⁾	3.28-3.89%	1.54-5.00%	\$ 833,090
Wastewater Management	2.41-3.39%	3.00-5.00%	212,670
Denver Airport System - senior lien bonds		0.82-6.41%	4,132,940
Denver Airport System - subordinate lien bonds		3.50-5.25%	3,119,760
Denver Airport System - direct placement senior lien bonds		1.31-1.46%	110,755
Denver Airport System - direct placement subordinate lien bonds		1.37-2.20%	175,870
Total primary government			\$ 8,585,085
DCCHA component unit		4.00-5.00%	\$ 255,465
Total			\$ 8,840,550

⁽¹⁾ the total amount does not include \$17,149 of compound interest on the Series 2018A

Revenue bonds' debt service requirements to maturity are shown in the tables below (dollars in thousands).

	Governmental Activities	
	Principal ⁽¹⁾	Interest
2023	\$ 17,990	\$ 32,166
2024	12,205	31,364
2025	14,180	30,833
2026	16,215	30,278
2027	18,725	29,620
2028-2032	118,629	145,494
2033-2037	96,553	175,533
2038-2042	136,843	135,235
2043-2047	203,975	71,001
2048-2051	197,775	20,617
Total	\$ 833,090	\$ 702,141

	Business-type Activities					
	Wastewater Management		Denver Airport System			
	Direct Placement		Senior and Subordinate		Senior and Subordinate Direct Placement	
	Principal ⁽²⁾	Interest	Principal ⁽³⁾	Interest ⁽⁴⁾	Principal ⁽³⁾	Interest ⁽⁴⁾
2023	\$ 6,275	\$ 8,238	\$ 222,745	\$ 349,893	\$ 37,810	\$ 6,964
2024	6,550	7,956	212,070	339,769	67,705	6,047
2025	6,850	7,661	262,970	329,877	69,800	4,555
2026	7,155	7,352	287,885	316,905	18,140	3,272
2027	7,485	7,029	295,785	303,531	18,660	2,741
2028-2032	42,045	30,506	1,573,255	1,305,165	74,510	5,367
2033-2037	39,035	22,892	1,286,610	955,782	-	-
2038-2042	47,290	14,643	1,357,825	628,216	-	-
2043-2047	49,985	5,223	1,125,440	309,713	-	-
2048-2049	-	-	628,115	90,084	-	-
Total	\$ 212,670	\$ 111,500	\$ 7,252,700	\$ 4,928,935	\$ 286,625	\$ 28,946

⁽¹⁾ Does not include unamortized premium of \$84,916 and compound interest of \$17,149

⁽²⁾ Does not include unamortized premium of \$18,564

⁽³⁾ Does not include unamortized premium of \$469,351

⁽⁴⁾ Due to variable rate bonds, interest \$ are estimated.

Year	Component Unit	
	DCCHA	
	Principal ⁽¹⁾	Interest
2023	\$ 9,100	\$ 12,593
2024	9,555	12,138
2025	10,035	11,660
2026	10,535	11,159
2027-2031	61,125	47,344
2032-2036	78,015	30,456
2037-2040	77,100	9,679
Total	\$ 255,465	\$ 135,029

⁽¹⁾ Does not include unamortized premium of \$21,911

In January 2000, the City increased the tax rate on its lodger's tax by 1.75% and short-term auto rental tax by 1.75%. The City has pledged the increased portion of those taxes for debt service on \$149,190,000 of Series 2005A Excise Tax Revenue Refunding Bonds issued in August 2005, and \$73,630,000 of Series 2009A Excise

Tax Revenue Refunding Bonds issued in May 2009. The bonds were issued for the purpose of refunding bonds that financed the expansion of the Colorado Convention Center and were payable through 2023.

In November 2015, Denver voters approved the indefinite extension of each of the 1.75% lodger's tax and the 1.75% auto rental tax increases ("Excise Tax Increases") and authorized the issuance of up to \$778 million of new excise tax revenue bonds supported by pledged portions of the lodger's, food and beverage, and 23 auto rental taxes for the purpose of financing tourism-related projects for the National Western Center and for improvements to the Colorado Convention Center.

In April 2016, the City issued Dedicated Tax Revenue Refunding and Improvement Bonds, Series 2016AB, in the par amount of \$397,310,000. The bonds were issued to fund the initial costs of the National Western Center and Colorado Convention Center improvements, as well as to advance refund all of the outstanding 2005A and 2009A bonds. Effective April 6, 2016, all of the outstanding 2005A and 2009A bonds were defeased and advance refunded resulting in a present value savings of \$3,608,000 and a deferred loss of \$17,517,000. The City pledged additional revenues to the repayment of the 2016A-B bonds that were not pledged to the repayment of the 2005A and 2009A bonds. The previously unpledged 3.25% and 3.5% portions of the lodger's tax and auto rental tax, respectively, have been pledged to the repayment of the 2016A-B bonds.

The Series 2016A bonds are fixed rate bonds with final maturity in 2046; The Series 2016B bonds are fixed rate bonds with final maturity in 2032. The total principal and interest remaining to be paid on the bonds is \$446,500,000 with annual combined debt service requirements ranging from \$7,327,000 to \$36,353,000. In 2022, debt service paid and net revenue available for debt service was \$27,060,000 and \$91,642,000, respectively.

In August 2018, the City issued Dedicated Tax Revenue Current Interest and Capital Appreciation Bonds, Series 2018A and 2018B, in the par amount of \$300,000,000. The bonds were issued to finance and defray the cost of acquiring, constructing, installing and improving the National Western Center campus, as well as fund the reserve fund and pay the cost of issuing the Series 2018 bonds. The previously unpledged 3.25% and 3.50% portions of the lodger's tax and auto rental tax, respectively, have been pledged to the repayment of the bonds.

The Series 2018A bonds are fixed rate bonds with final maturity in 2048; The Series 2018B bonds are fixed rate bonds with final maturity in 2029. The total principal and interest remaining to be paid on the bonds is \$573,175,000 with annual combined debt service requirements ranging from \$5,679,000 to \$49,103,000. In 2022, debt service paid and net pledged revenue available for debt service was \$10,588,000 and \$34,582,000, respectively.

In May 2021, the City issued Dedicated Tax Revenue Bond, Series 2021A, in the par amount of \$273,830,000. The bond was issued to (i) finance and defray the cost of acquiring, constructing, installing and improving the National Western Center campus and the Colorado Convention Center, together with all necessary, incidental or appurtenant properties, facilities, equipment and costs; (ii) fund capitalized interest; (iii) purchase a municipal bond debt service reserve insurance policy; and (iv) pay the costs of issuing the Series 2021A Bonds. The previously unpledged 1.75% and 1.75% portions of the lodger's tax and auto rental tax, respectively, have been pledged to the repayment of the bonds. No new excise taxes or increases to existing excise taxes were imposed in conjunction with the issuance of the Series 2016A-B, 2018A-B, or 2021A bonds.

The Series 2021A bonds are fixed rate bonds with final maturity in 2051. The total principal and interest remaining to be paid on the bonds is \$515,556,000 with annual combined debt service requirements ranging from \$6,040,000 to \$54,418,000. In 2022, debt service paid and net revenue available for debt service was \$14,209,000 and \$46,685,000, respectively.

On August 20, 2019, the Airport issued the Airport System Subordinate Revenue Bonds Series 2019A (AMT) (Series 2019A) and Series 2019B (Taxable) (Series 2019B) for \$145,900,000 and \$22,700,000, respectively. The Series 2019A and Series 2019B proceeds coupled with Airport contributions of approximately \$54,700,000 were used to refund the Series 2008C2 and Series 2008C3 Bonds, terminate the 1998 Swap Agreements with Goldman Sachs Capital Markets, L.P and Societe Generale, New York Branch, and fund the costs of issuance.

On November 15, 2019, the Airport issued the Airport System Subordinate Revenue Bonds Series 2019C (Non-AMT) (Series 2019C) and Series 2019D (Non-AMT) (Series 2019D) for \$120,000,000 and \$83,700,000, respectively. The Series 2019C and Series 2019D proceeds coupled with Airport contributions of approximately \$15,300,000 were used to refund the Series 2009A and Series 2016B Bonds, terminate the 2006A Swap Agreements with JP Morgan Chase Bank, and fund the costs of issuance.

On October 28, 2020, the Airport issued the Airport System Revenue Bonds Series 2020A-1 (Non-AMT Private Activity), Series 2020A-2 (Non-AMT Governmental), Series 2020B-1 (AMT), Series 2020B-2 (AMT), and Series 2020C (Taxable) for \$95,300,000, \$60,500,000, \$37,500,000, \$24,100,000, and \$411,500,000, respectively. Proceeds from these 2020A-C bonds coupled with use of bond reserve and bond funds were used to (i) refund and redeem all or a portion of the outstanding principal amounts of \$35,300,000, \$35,500,000, \$79,100,000, \$114,800,000, \$17,000,000, \$9,000,000, \$135,400,000, and \$198,700,000 of the Airport System Revenues Bonds Series 2007F1, Series 2007F2, Series 2008C1, Series 2010A, Series 2011A, Series 2012A, and Series 2012B, respectively, (ii) pay the costs of terminating a 2008B Swap Agreement with Loop Financial Products I, LLC, and (iii) pay the costs of issuance. All the 2020A-C bonds bear interest at various fixed rates and staggered maturities through November 15, 2037.

On April 19, 2021, the City, for and on behalf of the Airport, issued a Notice of Full Prior Redemption of the Airport System Revenue Bonds, Series 1992C (LOI 1998/1999 bond). On May 20, 2021, the City, for and on behalf of the Airport, fully redeemed all the outstanding principal amount of \$40,100,000, plus accrued interest.

On July 14, 2021, the City, for and on behalf of the Airport, entered into a Bond Purchase and Exchange Agreements with Banc of America Preferred Funding Corporation for the Series 1992F-G for the Series 2021A-B, respectively. With the execution of this Bond Purchase and Exchange Agreement there were no longer any outstanding Airport System Revenue Bonds issued prior to August 1, 2000. This adjusted the calculation of the Minimum Bond Reserve as defined within the General Bond Ordinance and reduced the Minimum Bond Reserve amount as it applies to the senior lien airport system revenue bonds. The City, for and on behalf of the Airport, filed a Voluntary Notice (see <https://emma.msrb.org/P21480842-P21148170-P21561857.pdf>).

On December 17, 2021, the City, for and on behalf of its Department of Aviation, issued private activity Airport System Subordinate Revenue Bonds, Series 2021C (Series 2021C Bonds) and issued a Note Purchase Agreement (2021 Interim Note) in the amounts of \$26,200,000 million and \$700,000,000, respectively. The proceeds from the issuance of the 2021 Interim Note are to assist in funding the 2018-2022 Capital Program and were used to pay for issuance cost. The maturity date of the 2021 Interim Note is June 30, 2022. The 2021 Interim Note bears interest at a variable rate due at maturity. The Series 2021C Bonds were issued at a fixed interest rate for the purposes of current refunding Series 2011A Bonds maturing on November 15, 2021. The Series 2021C Bonds matured on November 15, 2022.

On July 19, 2022, the City, for and on behalf of the Airport, issued Airport System Revenue Bonds Series 2022A (AMT) Bonds (Series 2022A) and Airport System Revenue Bonds Series 2022B (non-AMT) Bonds (Series 2022B) in the aggregate principal amounts of \$1.5 billion and \$175.6 million, respectively. The proceeds of the Series 2022A and Series 2022B Bonds were used to redeem and pay the 2021 Interim Note, to fully fund the Airport's 2018 – 2022 Capital Program, to make deposits to the Bond Reserve Fund and Capitalized Interest Subaccount, and to pay costs of issuance for Series 2022A and Series 2022B Bonds. Both series were issued at premium, bear interest at various fixed interest rates, and are subject to redemption prior to maturity.

On November 15, 2022, the City, for and on behalf of the Airport, issued the Airport System Revenue Bonds Series 2022C (Non-AMT) Bonds (Series 2022C) and Airport System Revenue Bonds Series 2022D (AMT) Bonds (Series 2022D) for \$349.2 million and \$817.8 million, respectively. The proceeds from the Series 2022C and 2022D Bonds, coupled with Airport bond funds were used to provide project funds to pay a portion of the Vision 100 2023-2027 Capital Program, refund and redeem all or a portion of the outstanding principal amounts of \$93.4 million, \$70.2 million, \$113.0 million, and \$85.8 million of the Airport System Revenues Bonds Series 2007G1-G2, Series 2012A, Series 2012B, and Series 2019D respectively, pay the costs of terminating a 2006A Swap Agreement with GKB Financial Services Corp. and a 2008A Swap Agreement with Royal Bank of Canada, make necessary deposits to the Bond Reserve Fund, make deposits to the Capitalized Interest Subaccount for the Series 2022C and Series 2022D Bonds, and pay the costs of issuance of the Series 2022C and Series 2022D Bonds. The Series 2022C and Series 2022D Bonds bear interest at various fixed rates, staggered maturities through November 15, 2053 and are subject to redemption prior to maturity.

Direct placement debt issuances held by the Denver Airport System are shown in the table below (dollars in thousands).

Series	2008B ⁽²⁾	2009C	1992F ⁽²⁾	1992G ⁽²⁾
Par Outstanding at 12/31/2022:	\$29,600	\$45,255	\$-	\$-
Lien:	Senior	Senior	Senior	Senior
Bond Maturity Date:	11/15/2031	11/15/2031	11/15/2031	11/15/2031
Facility and Reimbursement Agreement Type:	Credit	Credit	Credit	Credit
As of 12/31/2022:				
Financial Institution:	Bank of America, N.A.	Bank of America, N.A.	Banc of America Preferred Funding Corporation	Banc of America Preferred Funding Corporation
Terms:				
Execution Date	7/1/2020	4/28/2017	10/24/2014	10/24/2014
Initial Expiration Date	7/1/2023	4/28/2020	9/25/2017	9/25/2017
Amended Expiration Date	n/a	4/28/2023	9/25/2020	9/25/2020
2nd Amended Expiration Date	n/a	n/a	4/28/2023	4/28/2023
Index Rate 12/31/2022:	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate
12/31/2020	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate
12/31/2019				
Applicable Spread as of 12/31/2022:	0.37%	0.37%	0.37%	0.37%
Increase in Applicable Spread Due To Credit:				
Rating Downgrade	Yes ⁽¹⁾	Yes ⁽¹⁾	Yes ⁽¹⁾	Yes ⁽¹⁾
Margin Rate Factor	n/a	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x	Rate Formula Index Rate x	Rate Formula Index Rate x	Rate Formula Index Rate x
Rate Formula	Applicable Factor + Applicable Spread	Applicable Factor + Applicable Spread	Applicable Factor + Applicable Spread	Applicable Factor + Applicable Spread
Moody's Rating as of 12/31/2022:	Aa3	Aa3	n/a	n/a
S&P Rating as of 12/31/2022:	AA-	AA-	n/a	n/a
Fitch Rating as of 12/31/2022:	AA-	AA-	n/a	n/a

⁽¹⁾ See Applicable Spread table.

⁽²⁾ New Credit Facility and Reimbursement Agreement was executed in 2020 with Bank of America, N.A.

Series	2021A	2021B	2015A	2002C	2019A
Par Outstanding at 12/31/2022:	\$12,100	\$10,000	\$99,540	\$13,800	\$76,330
Lien:	Senior	Senior	Subordinate	Senior	Subordinate
Bond Maturity Date:	11/15/2031	11/15/2031	11/15/2025	11/15/2031	11/15/2030
Facility and Reimbursement Agreement Type:	Credit	Credit	Credit	Credit	Credit
As of 12/31/2022:					
Financial Institution:	Banc of America Preferred Funding Corporation	Banc of America Preferred Funding Corporation	Bank of America, N.A.	Banc of America Preferred Funding Corporation	State Street Public Lending Corporation
Terms:					
Execution Date	7/1/2021	7/1/2021	11/20/2015	9/25/2014	8/27/2019
Initial Expiration Date	4/26/2023	4/26/2023	11/15/2025	9/25/2017	11/15/2025
Amended Expiration Date	n/a	n/a	n/a	9/25/2020	n/a
2nd Amended Expiration Date	n/a	n/a	n/a	4/28/2023	n/a
Index Rate 12/31/2022:	SIFMA Index Rate	SIFMA Index Rate	Fixed Rate	SIFMA Index Rate	Fixed Rate
Applicable Factor:	n/a	n/a	n/a	n/a	n/a
Applicable Spread as of 12/31/2022:	0.37%	0.0037	n/a	0.37%	n/a
Increase in Applicable Spread Due To Credit:					
Rating Downgrade	Yes ⁽¹⁾	Yes ⁽¹⁾	n/a	Yes ⁽¹⁾	n/a
Margin Rate Factor	n/a	n/a	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x	Rate Formula Index Rate x	n/a	Rate Formula Index Rate x	n/a
	Applicable Factor +	Applicable Factor +	n/a	Applicable Factor +	n/a
	Applicable Spread	Applicable Spread	n/a	Applicable Spread	n/a
Moody's Rating as of 12/31/2022:	Aa3	Aa3	n/a	Aa3	n/a
S&P Rating as of 12/31/2022:	AA-	AA-	n/a	AA-	n/a
Fitch Rating as of 12/31/2022:	AA-	AA-	n/a	AA-	n/a

⁽¹⁾ See Applicable Spread table.

Some of these bonds may be periodically remarketed to banks and the bank owners and can change before reaching maturity or are otherwise paid. These are certain events which could result in a higher interest rate and/or an acceleration of amounts due on these bonds. These events are described in the event filed on the Municipal Securities Rulemaking Boards (MSRB) Electronic Municipal Market Access (EMMA) site using the following links:

Credit Facility Bond Series

2008B	https://emma.msrb.org/SS1490948.pdf	Second Amended and Restated Reimbursement Agreement
2009C	https://emma.msrb.org/SS1480419.pdf	First Amendment to Credit Facility and Reimbursement Agreement
1992F	https://emma.msrb.org/SS1480106.pdf	Second Amended and Restated Reimbursement Agreement
1992G	https://emma.msrb.org/SS1480107.pdf	Second Amended and Restated Reimbursement Agreement
2002C	https://emma.msrb.org/SS1480109.pdf	Amended and Restated Credit Facility and Reimbursement Agreement
2019A	https://emma.msrb.org/ER1380040.pdf	Credit Facility and Reimbursement Agreement
2021A	https://emma.msrb.org/P21489462-P11171100-P11586834.pdf	Credit Facility and Reimbursement Agreement
2021B	https://emma.msrb.org/P21489462-P11171100-P11586834.pdf	Credit Facility and Reimbursement Agreement

For some bond series, the Reimbursement Agreements are not available on EMMA. These bonds series have the same event of default requirements as other bond series. Similar events of default sections within the Credit Agreements are detailed in the table below.

Similar Events of Default as of December 31, 2022:

Senior Lien		Senior Lien	
Sections with Credit Agreement	Series	Sections with Credit Agreement	Series
Section 5.10	2008B(1)	Section 6.10	2021A(1)
Section 5.11	1992F(1)	Section 6.12	2021B(1)
Section 5.13	1992G(1)	Section 6.14(b)	
Section 5.15(b)	2002C(1)	Section 6.16	
Section 5.17	2009C(1)	Section 7.1(a)	
Section 5.22	2007G1(2)	Section 7.1(b)	
Section 5.25	2007G2(2)		
Section 5.26			

As of December 31, 2022, the Airport has not defaulted on any of the events of defaults.

Applicable Spread – The variable rate interest due on these bonds is contingent on the related index and the related Senior Bond Ratings. If the Airport Senior Bond Rating adjusts so does the applicable spread basis points used to calculate the interest due. Below are the applicable spreads for each variable rate Bond Series:

Applicable spread upon credit ratings downgrade as of December 31, 2022, are presented in the table below.

Credit Facility Bond Series 2007 G1&G2			
Moody's	S&P	Fitch	Applicable Spread
A1 or higher	A+ or higher	A+ or higher	90 basis points (0.90%)
A2	A	A	116 basis points (1.16%)
A3	A-	A-	143 basis points (1.43%)
Baa1	BBB+	BBB+	172 basis points (1.72%)
Baa2	BBB	BBB	203 basis points (2.03%)

Refer to EMMA for detailed information regarding the Applicable Spread upon Credit Ratings for each of the following Series: 2008B, 2009C, 1992F, 1992G, and 2002C.

For the Series 2008B, 2009C, 1992F, 1992G, and 2002C, in the event the Airport maintains Senior Bond ratings from each of Moody's, S&P and Fitch, known as the Rating Agencies, and two of such Senior Bond ratings are equivalent, the Applicable Spread shall be based upon the Level in which the two equivalent Senior Bond ratings appears; if Senior Bond Ratings are assigned by all three Rating Agencies and no two such Senior Bond Ratings are equivalent, the Applicable Spread shall be based upon the Level in which the middle Senior Bond Rating appears; and if the Senior Bond Ratings are assigned by only two Rating Agencies and such Senior Bond Ratings are not equivalent, the Applicable Spread shall be based upon the Level in which the lower Senior Bond Ratings appears. Any change in the Applicable Spread resulting from a reduction, withdrawal, suspension or unavailability of a Senior Bond Rating shall be and become effective as of and on the date of the announcement of the reduction, withdrawal, suspension or unavailability of such Senior Bond Rating.

For Series 2007G1 & G2, in the event the Airport maintains Senior Bond ratings assigned by all three Rating Agencies, the Applicable Spread shall be based upon the Level in which the lower of the two highest Senior Bond Ratings appears; and if the Senior Bond Ratings are assigned by only two Rating Agencies and such Senior Bond Ratings are no equivalent, the Applicable Spread shall be based upon the Level in which the lower Senior Bond Ratings Appears. Any change in the Applicable Spread resulting from a reduction, which, suspension or unavailability of a Senior Bond Rating shall be and become effective as of and on the date of the announcement of the reduction, withdrawal, suspension or unavailability of such Senior Bond Rating.

The City, through its Wastewater Management Division, has pledged future income from its storm drainage and sanitary sewerage facilities, net of operating expenses, for debt service on \$50,425,000 of Series 2012

Wastewater Revenue Bonds issued in January 2012, and for debt service on \$115,000,000 of Series 2016 Wastewater Revenue bonds issued in November of 2016 and for debt service of \$103,050,000 of Series 2018 Wastewater Revenue bonds. The Series 2012 bonds were issued for the purpose of refunding the remaining \$20,350,000 of Series 2002 Wastewater Revenue bonds outstanding and to finance improvements to the storm drainage facilities. The Series 2016 bonds were issued to finance capital improvement projects. The Series 2018 were issued to finance additional capital improvement projects. The total principal and interest remaining to be paid on the bonds is \$324,170,000. In 2022, principal and interest payments were \$16,691,000. Total principal and interest payments remaining on the bonds are \$212,670,000 and \$111,500,000, respectively, payable through 2047. Over the past 10 years, annual net revenues available for debt service have averaged \$86,062,000. For detailed information on individual bond issues see **Other Supplementary Schedules – Combined Schedule of Bonds Payable and Escrows.**

3. **Other Debt** – DURA's note payable and tax increment bonds, exclusive of unamortized premium of \$9,528,000, and a discount of \$372,000, at December 31, 2022, are comprised of the following individual issues shown in the table below (dollars in thousands).

Purpose	Interest Rates	Amount
Series 2010B-1	3.00-5.00%	\$ 24,975
Series 2013A-1	5.00%	53,800
Series 2014D-2 - direct borrowing	4.10-4.19%	\$ 17,680
Series 2018 A	5.25%	48,195
Note payable		3,741
Total		\$ 148,391

The DURA 2014D-2 direct borrowings have the following terms related to events of default with finance-related consequences: Immediately upon the occurrence of a Loan Default, each Advance Amount or the Outstanding Loan Amount, as applicable, will accrue interest at the applicable Premium Rate. The Premium Rate shall be the applicable interest rate until such time as the applicable Loan Default or an Event of Loan Default is cured to the satisfaction of the Lenders.

On June 23, 2016, the RiNo Denver General Improvement district issued \$3,000,000 of revenue notes for the purpose of financing improvements to Brighton Boulevard between 29th and 44th Streets. The revenue notes were issued with a fixed rate of 3.55% and mature on June 1, 2036. Debt service for the RiNo General Improvement District's revenue note is to be paid from special assessments collected from property owners fronting Brighton Boulevard within the district.

On February 3, 2017, the Downtown Denver Development Authority (DDDA) district issued \$197,315,000 of direct placement tax increment revenue bonds with a fixed interest rate of 7.00% with principal due annually beginning December 1, 2017 through December 1, 2027, at which time the outstanding loan amount, less any amount transferred from the Reserve Fund and applied to the repayment of the outstanding loan amount, shall be due and payable in full. The proceeds of the loan were used to refund the Transportation Infrastructure Financing and Innovation Act Loan (TIFIA Loan) and the Railroad Rehabilitation and Improvement Financing Loan (RRIF Loan) formerly held by the Denver Union Station Project Authority prior to dissolving in 2017 to finance a multi-modal transportation hub project that included light rail, commuter rail and a regional bus facility. Debt service for the DDDA tax increment revenue bond is equal to available cash flow up to \$19,732,000 annually. If there is cash flow above \$19,732,000 annually, the City will determine if the excess will be used to prepay the principal amount.

The DDDA agreement contains terms regarding significant Events of Default with finance-related consequences that are classified as (1) failure to pay the scheduled principal or interest amount, or any other amount due and payable to and lender, (2) misrepresentation, (3) any final judgment obtained against the City that must be paid with loan funds or creates a lien on the funds, (4) bankruptcy, (5) the agreement is deemed null and void, (6) an event occurs that would have a material adverse on the City's ability to perform and the City fails to cure such condition, (7) the funds become subject to any judgment, and (8) action without consent, (9) default in obligations under any financing document, (10) failure to deposit pledged revenues, (11) dissolve or consolidate the DDDA, (12) refusal or inability of City's auditor to deliver an unmodified opinion, (13) failure to impose DUS Project Mill Levy, (14) DUS takes adverse action that effect pledged revenues or assets, and (15) an event of default is continuing after the expiration date of any applicable grace period. In an Event of Default, the administrator may apply all amounts on deposit in the Reserve and Surplus funds.

On August 17, 2017 the Denver 14th Street General Improvement district issued a \$4,000,000 refunding revenue note with an interest rate of 2.83% with principal due annually beginning on December 1, 2018 through December 1, 2034, at which time the interest rate will be reset at the then Federal Home Loan Board of Des Moines, Iowa one year advance rate. Interest is payable semiannually commencing June 1, 2018. The proceeds of the loan were used to advance refund the General Improvement Districts 2010 Revenue Bonds whose proceeds were used to provide funds to pay the costs and expenses of the 14th street streetscape and sidewalk improvements. The Notes are subject to redemption at the option of the GID on December 1, 2023 at a redemption price equal to the principal amount of each note plus a redemption premium of 1.5%, 1.0% premium from 2023 through December 1, 2027, 0.5% premium from 2028 through December 1, 2032 and no premium from 2033 through 2034. The note is secured by the pledged revenue derived from the imposition of capital charges on property owners within the District. The Capital charges constitute a perpetual lien on and against such property, and if capital charges are not paid when due, may be foreclosed the same as a mechanics lien.

Debt service requirements to maturity for DURA, DDDA, RiNo GID, and 14th Street GID's bonds and revenue notes are shown in the table below (dollars in thousands).

Year	Direct Borrowing								Direct Placement	
	DURA		DURA		RiNo GID		14th Street GID		DDDA	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 21,005	\$ 6,346	\$ 7,270	\$ 841	\$ 101	\$ 59	\$ 220	\$ 88	\$ 10,770	\$ 2,063
2024	22,970	5,329	8,590	531	105	55	225	82	11,278	1,698
2025	37,860	4,177	3,820	164	108	51	235	76	11,818	1,316
2026	1,970	2,265	-	-	112	48	240	69	12,444	915
2027	2,070	2,161	-	-	116	43	245	62	13,082	493
2028-2032	12,105	9,056	-	-	648	151	1,300	203	1,466	50
2033-2037	15,625	5,528	-	-	514	33	550	27	-	-
2038-2040	11,365	1,002	-	-	-	-	-	-	-	-
Total	\$ 124,970	\$ 35,864	\$ 19,680	\$ 1,536	\$ 1,704	\$ 440	\$ 3,015	\$ 607	\$ 60,858	\$ 6,535

Debt service for DURA's note payable to the City is dependent on the availability of tax increment financing (TIF) revenue. Due to the uncertainty of this revenue the payments cannot be estimated. Payments will be made quarterly on the 10th of January, April, July and October, and will consist of the entirety of DURA's receipt of TIF revenues. The note is to be paid over a 25-year period, with interest accruing at a rate of 2.00% per annum. The maturity date is May 11, 2037.

- Indentures and Reporting Requirements** – The City is subject to a number of limitations and restrictions contained in various indentures. Such limitations and covenants include: continued collection of pledged revenues, segregation of pledged revenues, and maintenance of specified levels of bond reserve funds, permissible investment of bond proceeds and pledged revenues, and ongoing disclosure to the secondary bond market in accordance with the Securities and Exchange Commission's Rule 15c2-12. The City is in compliance with all significant covenants.
- Changes in Long-term Liabilities** – Long-term liability activity for the year ended December 31, 2022, is shown in the tables below (dollars in thousands).

Governmental Activities	January 1, as restated	Additions	Deletions	December 31	Due within one year
Legal liability	\$ 191,500	\$ 52,000	\$ 97,000	\$ 146,500	\$ -
Compensated absences:					
Classified service employees - 3,150	97,859	70,566	44,037	124,388	4,523
Career Service employees - 8,394	62,893	58,646	54,204	67,335	5,666
Net pension liability	1,515,189	-	281,550	1,233,639	-
Net OPEB liability	91,838	-	8,637	83,201	-
Lease liability ⁽³⁾	418,238	20,759	34,715	404,282	35,484
OPEB implicit rate subsidy liability	130,289	9,054	7,321	132,022	7,321
Claims payable	35,810	69,373	68,325	36,858	11,330
General obligation bonds ⁽¹⁾	689,366	367,243	98,196	958,413	86,495
General obligation bonds - direct placements	61,700	-	14,890	46,810	15,245
GID revenue notes	5,031	-	312	4,719	321
Excise tax revenue bonds ⁽²⁾	861,921	4,228	15,910	850,239	17,990
Unamortized premium	209,831	43,450	23,468	229,813	-
Total Governmental Activities	\$ 4,371,465	\$ 695,319	\$ 748,565	\$ 4,318,219	\$ 184,375

⁽¹⁾ Addition includes \$854 of accretion for 2007mini and 2014mini bonds and ending balance includes compound interest from the 2014A mini-bonds of \$5,598

⁽²⁾ Ending balance includes compound interest of \$17,149.

⁽³⁾ Lease liability increased by \$19,084 as a result of implementing GASB 87 for January 1, 2022.

	January 1, as restated	Additions	Deletions	December 31	Due within one year
Business-type Activities					
Wastewater Management:					
Revenue bonds - direct placement	\$ 220,755	\$ -	\$ 8,085	\$ 212,670	\$ 6,275
Unamortized premium	19,496	-	932	18,564	-
Net pension liability	45,637	-	5,357	40,280	-
Net OPEB liability	2,850	-	300	2,550	-
OPEB implicit rate subsidy liability	3,261	294	231	3,324	231
Direct borrowings	2,765	-	874	1,891	933
Compensated absences	4,365	2,182	1,517	5,030	1,293
Total Wastewater Management	299,129	2,476	17,296	284,309	8,732
Denver Airport System:					
Legal liability	80,474	6,421	-	86,895	-
Senior lien revenue bonds	1,695,365	2,808,120	370,545	4,132,940	175,715
Subordinate lien revenue bonds	3,155,980	-	36,220	3,119,760	47,030
Senior lien revenue bonds - direct placement	227,155	-	116,400	110,755	5,790
Subordinate lien revenue bonds - direct placement	930,150	-	754,280	175,870	32,020
Unamortized premium	335,548	187,715	53,912	469,351	-
Revenue credit payable	40,000	10,561	-	50,561	50,000
Net pension liability	187,776	-	21,617	166,159	-
Net OPEB liability	11,725	-	1,209	10,516	-
OPEB implicit rate subsidy liability	11,745	478	793	11,430	793
Lease Liability	200	2,069	-	2,269	195
Notes payable	-	282	-	282	-
Compensated absences	11,872	9,272	8,675	12,469	2,385
Total Denver Airport System	6,687,990	3,024,918	1,363,651	8,349,257	313,928
Nonmajor enterprise funds:					
Net pension liability	15,884	-	1,537	14,347	-
Net OPEB liability	931	-	76	855	-
OPEB implicit rate subsidy liability	1,190	-	103	1,087	76
Direct borrowing	2,118	-	1,043	1,075	1,075
Compensated absences	498	363	437	424	498
Total nonmajor enterprise funds	20,621	363	3,196	17,788	1,649
Total Business-type Activities	\$ 7,007,740	\$ 3,027,757	\$ 1,384,143	\$ 8,651,354	\$ 324,309
Major Component Units:					
Revenue bonds ⁽¹⁾	288,170	-	10,794	277,376	9,100
Increment bonds and notes payable ⁽²⁾	188,327	1,538	30,100	159,765	28,275
Increment bonds - direct placements	98,338	-	37,480	60,858	10,770
Compensated Absences	223	122	90	255	-
Grants payable	19,366	26,192	12,713	32,845	12,683
Total Major Component Units	\$ 594,424	\$ 27,852	\$ 91,177	\$ 531,099	\$ 60,828

⁽¹⁾ Includes unamortized premium of \$21,911.

⁽²⁾ Includes unamortized premium of \$9,528 and unamortized discount of \$372.

⁽³⁾ The beginning balance has been restated due to the implementation of the GASB Statement No. 87 - Leases.

The legal liability, compensated absences, net other post-employment benefit (OPEB) liability and other accrued liabilities in the governmental activities are generally liquidated by the General Fund. The other governmental funds include a note payable liquidated by the Community Development special revenue fund and a claims payable liquidated by the Employee Insurance Benefits internal service fund. The amount available for long-term debt in the debt service funds and in the special revenue fund was \$210,284,000.

6. **Swap Agreements - Direct Placements** – Included in the City's governmental activities are three derivatives that are embedded in the City's certificated lease for the Webb Municipal Office Building. The intent of the three pay-fixed, receive-variable interest rate swaps is to protect against rising interest rates on the variable rate 2008A

Certificates of Participation (COPs). In 2003, Civic Center Office Building, Inc., the lessor, entered into two swap agreements with JP Morgan, associated with the 2003C1 and 2003C2 COPs, and one swap agreement with Lehman Brothers that was associated with the 2003C3 COPs. In October 2008, due to the deteriorating credit rating of the insurer (AMBAC), the outstanding COPs were refunded by the Series 2008A1-A3 Refunding Certificates of Participation, terminating the three swaps. To maintain the interest rate hedge related to the lease payments, the derivative instruments with JP Morgan were amended and new swaps were entered into that were associated with the 2008A1 and 2008A2 COPs. The derivative instrument with Lehman Brothers was terminated and replaced with an agreement with Royal Bank of Canada (RBC). A new swap was initiated under the RBC agreement that was associated with the 2008A3 COPs. At the time of termination of the 2003 swaps, the JP Morgan swaps had negative fair values, and no termination payments were made. In addition to a termination payment made to Lehman Brothers by the City, an up-front payment of \$475,000 was received from RBC at the initiation of the 2008 replacement swap. These events resulted in off-market components of the swaps that are being treated as implied loans for accounting purposes and are being amortized through investment revenues over the life of the new hedges.

The City's swap agreements contain terms regarding significant Events of Default with finance-related consequences that are classified as (1) failure to pay or deliver, (2) breach of agreement, (3) credit support default, (4) misrepresentation, (5) default under specified transactions, (6) cross default, (7) bankruptcy, and (8) merger without assumption. The results from an Event of Default include:

- First Method and Market Quotation – If the First Method and Market Quotation apply, the Defaulting Party will pay to the Non-defaulting Party the excess, if a positive number, of (A) the sum of the Settlement Amount (determined by the Non-defaulting Party) in respect of the Terminated Transactions and the Unpaid Amounts owing to the Non-defaulting Party over (B) the Unpaid Amounts owing to the Defaulting Party.
- First Method and Loss – If the First Method and Loss apply, the Defaulting Party will pay to the Non-defaulting Party, if a positive number, the Non-defaulting Party's Loss in respect of this Agreement.
- Second Method and Market Quotation – If the Second Method and Market Quotation apply, an amount will be payable equal to (A) the sum of the Settlement Amount (determined by the Non-defaulting Party) in respect of the Terminated Transactions and the Unpaid Amounts owing to the Non-defaulting Party less (B) the Unpaid Amounts owing to the Defaulting Party. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.
- Second Method and Loss – If the Second Method and Loss apply, an amount will be payable equal to the Non-defaulting Party's Loss in respect of this Agreement. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

The City's swap agreements contain terms regarding significant Termination Events with finance-related consequences that are classified as (1) illegality, (2) credit event upon merger, and (3) any additional termination events specified in the schedule or any confirmation as applying. The results from a Termination Event include:

- One Affected Party – If there is one Affected Party, the amount payable will be determined in accordance with Section 6(e)(i)(3), if Market Quotation applies, or Section 6(e)(i)(4), if Loss applies, except that, in either case, references to the Defaulting Party and to the Non-defaulting Party will be deemed to be references to the Affected Party and the party which is not the Affected Party, respectively, and, if Loss applies and fewer than all the Transactions are being terminated, Loss shall be calculated in respect of all Terminated Transactions.
- Two Affected Parties – If there are two Affected Parties:
 - If Market Quotation applies, each party will determine a Settlement Amount in respect of the Terminated Transactions, and an amount will be payable equal to (I) the sum of (a) one-half of the difference between the Settlement Amount of the party with the higher Settlement Amount ("X") and the Settlement Amount of the party with the lower Settlement Amount ("Y") and (b) the Unpaid Amounts owing to X less (II) the Unpaid Amounts.
 - If Loss applies, each party will determine its Loss in respect of this Agreement (or, if fewer than all the Transactions are being terminated, in respect of all Terminated Transactions) and an amount will be payable equal to one-half of the difference between the Loss of the party with the higher Loss ("X") and the Loss of the party with the lower Loss ("Y").

There are certain events which could result in a higher interest rate and/or acceleration of amounts due on the City's various Swaps. These events are described in the ISDA Master Agreement filed on the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access ("EMMA") site:

- JPMC (2008A1) <https://emma.msrb.org/MS275384-MS273078-MD554070.pdf>
- JPMC (2008A2) <https://emma.msrb.org/MS275384-MS273078-MD554070.pdf>
- RBC (2008A3) <https://emma.msrb.org/MS275384-MS273078-MD554070.pdf>

As of December 31, 2022, all three swaps are effective cash flow hedges and the fair values and changes in fair values are reported in the government-wide Statement of Net Position as deferred outflows of governmental activities. The fair market value of the three swaps as of December 31, 2022 was \$(5,204,000). The year-end fair values were calculated using the mid-market LIBOR swap curves as of December 31, 2022. The fair values represent the difference between the present value of the fixed payments and the present value of the floating payments, at forward floating rates as of December 31, 2022. When the present value of payments to be made by the City exceeds the present value of payments to be received, the swap has a negative value to the City. When the present value of payments to be received by the City exceeds that of payments to be made, the swap has a positive value to the City.

The table below provides the swap associated debt rates as of December 31, 2022

Swap	2008A1	2008A2	2008A3
Associated debt	2008A1 COP	2008A2 COP	2008A3 COP
Fixed payment to counterparty	3.400%	3.400%	3.130%
Variable payment from counterparty (68% LIBOR)	(2.913%)	(2.913%)	(2.913%)
Net swap interest rate	0.487%	0.487%	0.217%
Variable-rate certificate coupon payment	3.650%	3.650%	3.650%
Net swap and certificate rate	4.137%	4.137%	3.867%

As rates vary, lease interest payments and net swap payments will vary. As of December 31, 2022, lease payment requirements of the related variable rate COPs and the net swap payments, assuming current rates remain the same, for their terms, are summarized in the table below (dollars in thousands).

Year	Principal	Interest	Interest Rate Swaps Net
2023	\$ 12,460	\$ 5,816	\$ 6,376
2024	13,225	5,361	5,866
2025	14,035	4,879	5,327
2026	14,900	4,366	4,755
2027-2031	104,725	13,161	14,142
Total	\$ 159,345	\$ 33,583	\$ 36,466

The table below (dollars in thousands) provides the fair values and the 2022 changes in fair value of the on-market and the implied loan portions of the swaps as of December 31, 2022, and the accounting classifications of the changes in fair value for the year then ended.

Counterparty	Effective Date	Notional Amount	Termination Date	Associated Debt Series	Fair Values 12/31/22	Change in Fair Value	Classification
2008A1 Swap Agreements							
JP Morgan Chase Bank	7/17/03	\$ 42,955	12/1/29	2008A1 COP	\$ (1,168)	\$ (4,340)	Deferred outflow \$ (182) Investment revenue
2008A2 Swap Agreements							
JP Morgan Chase Bank	7/17/03	36,210	12/1/29	2008A2 COP	(986)	(3,658)	Deferred outflow (153) Investment revenue
2008A3 Swap Agreements							
Royal Bank of Canada	10/1/08	80,180	12/1/31	2008A3 COP	(3,050)	(10,771)	Deferred outflow (24) Investment revenue
Total		<u>\$159,345</u>			<u>\$ (5,204)</u>	<u>\$ (18,769)</u>	<u>\$ (359)</u>

Note: Certain City derivatives have been reported as investment derivatives in accordance with the provisions of GASB 53. Additionally, investment income on these derivatives has been recognized in accordance with GASB 53. The City does not enter into derivative transactions for investment purposes, nor does the City Charter allow for the investment in derivatives investments.

The risk involved in the three swaps flows through the lease from Civic Center Office Building, Inc. (the “lessor”) to the City. The following risks are generally associated with swap agreements:

- **Credit risk** – All of the governmental activity swaps rely on the performance of the respective swap counterparties. The City is exposed to the risk of these counterparties being unable to fulfill their financial obligations to the lessor. The City measures the extent of the risk based on the credit ratings of each counterparty and the fair value of the swap agreement. As of December 31, 2022, there was no risk of loss to the City, as the swap agreements had negative fair values. The credit ratings of the counterparties as of December 31, 2022, are shown in the table below.

Counterparty (Credit Support Provider)	Ratings of the Counterparty or its Credit Support Provider		
	S&P	Moody's	Fitch
JP Morgan Chase Bank	A+	A1	AA-
Royal Bank of Canada	AA-	Aa1	AA-

- **Termination risk** – Any party to these swap agreements may terminate the swap if the other party fails to perform under the terms of the contract. Additionally, the lessor may terminate any of the swap agreements at any time at its sole discretion. If the swap had a negative fair value at the time of termination the City could be liable to the counterparty for a termination payment equal to the fair market value of the swap. If any of the swaps were terminated, the associated variable rate certificates would no longer have the benefit of the interest rate hedge.
- **Interest rate risk** – The City is exposed to interest rate risk on the swaps. In regard to the pay fixed, receive variable swaps, as the London Interbank Offered Rate (LIBOR) index rate decreases, the City's net payments on the swaps increase.
- **Basis risk** – The City pays interest at variable rates on the COPs associated with the swaps. Each of the swap agreements provide for the applicable counterparty to make variable rate payments based on the LIBOR index. To the extent that the variable rate paid on the certificates is different than the rate received from the counterparties based on LIBOR, there may be a net loss or benefit to the City.

The following risk is generally associated with Denver Airport swap agreements:

Credit Risk – The ratings of the counterparties, or their credit support providers, as of December 31, 2022, are shown in the table below.

Counterparty (Credit Support Provider)	Ratings of the Counterparty or its Credit Support Provider		
	S&P	Moody's	Fitch
Goldman Sachs Capital Markets, L.P. (Goldman Sachs Group, Inc.)	BBB+	A2	A
JP Morgan Chase Bank, N.A.	A+	Aa2	AA
LOOP Financial Products, LLC (Deutsche Bank, AG, New York Branch)	A-	A2	A-
Merrill Lynch Capital Services, Inc. (Merrill Lynch & Co., Inc.)	A-	A2	AA-
Royal Bank of Canada	AA-	Aa2	AA-
GKB Financial Services Corporation II, Inc. (Societe Generale New York Branch)	A	A1	A

Due to termination of all Denver Airport swap agreements prior to December 17, 2022, the above risk was alleviated.

Note H – Fund Balances

In accordance with GASB Statement No. 54, fund balances are classified as nonspendable, restricted, committed, assigned or unassigned. When expenditures are incurred that use funds from more than one classification, the City will generally determine the order in which the funds are used on a case-by-case basis, taking into account any applicable requirements of grant agreements, contracts, business circumstances, or other constraints. If no restrictions otherwise exist, the order of spending of resources will be restricted, committed, assigned and lastly, unassigned.

The City has a target of maintaining a General Fund balance reserve that is 15.00% of budgeted expenditures and should not go below 10.00% of budgeted expenditures, except in response to a severe crisis, economic or otherwise.

Fund balances by classification are detailed in the table below (dollars in thousands).

- **Nonspendable Fund Balances** – Nonspendable fund balances are amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

The City has two types of nonspendable fund balances: Prepaid items and an endowment. The prepaid items, which total \$25,102,000 are in a nonspendable form and the endowment totaling \$3,000,000 is in a permanent fund whose earnings are used for the maintenance of the residence known as Cableland.

- **Restricted Fund Balances** – Restricted fund balances represent amounts constrained by external parties, enabling legislation and/or constitutional provisions.
- **Committed Fund Balances** – Committed funds can only be used for specific purposes pursuant to constraints imposed by City Council, the highest level of decision-making authority in the City. City Council's formal action to establish committed funds, and to rescind committed funds, is through passage of ordinance.
- **Assigned Fund Balances** – Assigned fund balances are constrained for specific purposes by City Council as authorized by the City's charter.
- **Unassigned Fund Balance** – Unassigned fund balance is the residual classification for the General Fund. A negative unassigned fund balance occurs when expenditures exceed amounts that are nonspendable, restricted, committed, or assigned.

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
Fund Balances					
Nonspendable:					
Endowment	\$ -	\$ -	\$ -	\$ 3,000	\$ 3,000
Prepaid items	21,489	-	184	3,424	25,097
Total Nonspendable	21,489	-	184	6,424	28,097
Restricted:					
General government	-	1,263	-	212,404	213,667
Public safety	-	-	-	49,416	49,416
Transportation and infrastructure	-	841,953	-	297,613	1,139,566
Human services	-	-	109,043	6,328	115,371
Health	-	-	-	32,723	32,723
Parks & recreation	-	-	-	93,053	93,053
Cultural activities	-	3,038	-	54,362	57,400
Community development	-	33,042	-	137,116	170,158
Economic opportunity	-	-	-	26	26
Loans receivable	4,560	-	-	82,762	87,322
Long-term debt	33,237	-	-	221,310	254,547
Emergency use	66,070	-	-	215	66,285
Total Restricted	103,867	879,296	109,043	1,187,328	2,279,534
Committed:					
General government	29,963	-	-	3,183	33,146
Public safety	9,495	-	-	-	9,495
Transportation and infrastructure	11,991	-	-	-	11,991
Health	9,096	-	-	-	9,096
Parks & recreation	3,933	-	-	61,258	65,191
Cultural Activities	811	-	-	49,250	50,061
Community development	5,653	-	-	-	5,653
Economic opportunity	1,022	-	-	-	1,022
Total Committed	71,964	-	-	113,691	185,655
Assigned:					
General government	-	-	-	1,826	1,826
Total Assigned	-	-	-	1,826	1,826
Unassigned	294,242	-	-	(9,053)	285,189
Total Fund Balances	\$ 491,562	\$ 879,296	\$ 109,227	\$ 1,300,216	\$ 2,780,301

IV. Other Note Disclosures

Note A – Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. In addition, the City is party to numerous pending or threatened lawsuits under which it may be required to pay certain amounts upon final disposition of these matters. The City has historically retained these risks, except where it has determined that commercial insurance is more cost beneficial or legally required. The City has covered all claim settlements and judgments out of its General Fund resources, except where specifically identifiable to an enterprise fund. The City currently reports substantially all of its risk management activities, except employee insurance benefits (see **Note IV-C**), in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Current liabilities are reported when the liability has matured. These losses include an estimate of claims that have been incurred but not reported.

The Lowry Landfill, which accepted hazardous waste from the late 1960s to 1980, is listed on the national Superfund list. This means that the contamination at the site will be mitigated under the auspices of the U.S. Environmental Protection Agency. Under federal law, the City, as owner and operator of the facility is one of the parties responsible for cleanup of the site. The City's share of the remaining costs for cleanup could be incurred over the next 5 to 30 years. The City's liability for a portion of the cleanup costs is probable but cannot be reasonably estimated.

With respect to matters expecting to be settled subsequent to 2022, the City Attorney estimates the amount of liability determined as probable and incurred but not reported claims and judgments at December 31, 2022, to be approximately \$146,500,000. The City Attorney also estimates that pending cases having a reasonably possible likelihood of resulting in an additional liability aggregating approximately \$24,200,000 at December 31, 2022.

Changes in the long-term legal liability during the past two years are shown in the table below (dollars in thousands).

	2022	2021
Beginning balance - January 1	\$ 191,500	\$ 43,865
Current year claims	52,000	148,835
Changes in estimates	(95,337)	-
Claims settled	(1,663)	(1,200)
Ending balance - December 31	\$ 146,500	\$ 191,500

Pursuant to Colorado law, if a monetary judgment is rendered against the City, and the City fails to provide for the payment of such judgment, the Board of County Commissioners must levy a tax (not to exceed 10 mills per annum) upon all of the taxable property within the City for the purpose of making provision for the payment of the judgment. The City must continue to levy such tax until the judgment is discharged. Such mill levy is in addition to all other mill levies for other purposes. The Colorado Governmental Immunity Act establishes limits for claims made against governmental entities. These limits are \$424,000 per injury or \$1,195,000 per occurrence. **See Note IV-D-5** regarding Denver Airport System related litigation.

Note B – Pollution Remediation

The City had four underground storage tanks that leaked and were under remediation. Funds spent on remediation were partially reimbursed up to 50.00% of the cost by the Colorado Petroleum Storage Tank Trust. As of December 31, 2022, the underground storage tanks were fully remediated, and no additional costs are anticipated to incur.

The Environmental Protection Agency has listed a large area in north Denver on the National Priorities List of Superfund Sites because of lead, arsenic and cadmium contamination found in soils in residential neighborhoods. EPA has divided the Site into three operable units. Operable Unit 1 (OU1) consists of the contaminated residential soils in north Denver. Operable Unit 2 (OU2) is the Grant-Omaha Smelter Site. Operable Unit 3 (OU3) is the Argo Smelter Site.

ASARCO, Inc. finished the remediation of Operable Unit 1 in 2006 and has not claimed that the City is responsible for any of those costs; therefore, management believes the possibility that the City has any liability associated with OU1 is remote.

The EPA has named the City a Potentially Responsible Party (PRP) at OU2 as the current owner of part of the site where the former Grant-Omaha Smelter was located. Denver has entered into an Administrative Order on Consent to perform a remedial investigation and feasibility study and has paid \$18,000 of EPA's past costs. Whether this

site is contaminated or whether it will require remediation cannot be determined until completion of the remedial investigation and feasibility study. The City's responsibility for some of the investigation and cleanup costs is probable; however, at this early stage in the process it is not possible to estimate the costs associated with this site, therefore no liability has been accrued. ASARCO, Inc. is another significant PRP at the site. ASARCO, Inc. filed bankruptcy and the City filed a contingent claim for environmental remediation costs and reached a settlement with ASARCO for \$640,000 which payment has been received. The City has no connection to OU3 and EPA has not asserted that the City has any responsibility for investigation or clean up, therefore management believes the possibility is remote that the City has any liability associated with OU3.

Note C – Insurance

The City has a Workers' Compensation fund, that reports workers' compensation self-insurance activity, that was established in accordance with State Statutes to be held for the benefit of the City's employees. This fund is included in the Employee Insurance Benefits internal service fund. The Employee Insurance Benefits internal service fund compensates City employees, or their eligible dependents, for injuries as authorized by the State Workers' Compensation law, in addition to maintaining in-house records of claims. The Workers' Compensation program is part of the City's Risk Management Office, which also provides safety training and loss prevention for all City departments and agencies.

The Department of Labor and Employment of the State of Colorado establishes the amount of funding required each year for the City to maintain its self-insured permit. The requirement is calculated using the average amount of claims paid over the previous three years plus the outstanding liability for claims as of the end of the previous year. This requirement at December 31, 2022, for 2023, was \$24,700,000. The Employee Insurance Benefits internal service fund has current assets and appropriations set aside in 2022 to satisfy this requirement. These funds may only be used for payment of employee insurance benefits and administrative costs.

The City has purchased reinsurance coverage in order to reduce its risk. For the period from January 1, 2022 through December 31, 2022, the self-retention amount was \$2,500,000 for all employees. The City had no settlements in the past three years that exceeded its self-retention levels.

The City has opted to provide salary continuation for qualifying, full-time employees who are temporarily disabled for more than three scheduled workdays or shifts by a compensable work injury. The rates and duration of salary continuation vary depending on the collective bargaining agreement or CSA rules, which apply. For the first 90 days, City departments or agencies cover the cost of salary continuation. After 90 days, salary continuation is charged to the Employee Insurance Benefits Fund. As of December 31, 2022, the City paid \$1,665,000 for salary continuation benefits.

The City began self-insuring for employee dental and medical benefits on January 1, 2005, and January 1, 2020, respectively. Premiums are paid into the Medical and Dental Self-Insurance Funds to pay claims, claim reserves, and administrative costs. All claims are reviewed and approved for payment by United Health Care for medical claims and Delta Dental of Colorado for dental claims in accordance with the administrative services agreement with the City. There is no annual exposure limit for participants of the Exclusive Provider Organization (EPO) plan. The annual exposure limit for the participants of the Preferred Provider Organization (PPO) High is \$2,000/year. The annual exposure limit for participants of the preferred Provider Organization Low is \$1,250/year.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated and includes an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, and other economic and social factors. The liability is reported in the Employee Insurance Benefits internal service fund and was discounted for investment income.

Changes in the insurance liabilities during the past two years are shown in the table below (dollars in thousands).

	2022	2021
Beginning balance, undiscounted - January 1	\$ 35,810	\$ 38,436
Current year claims and changes in estimates	76,592	74,568
Claims paid	(68,325)	(71,405)
Ending balance undiscounted	44,077	41,599
Less discount	(6,423)	(5,789)
Ending balance - December 31	\$ 37,654	\$ 35,810

Note D – Subsequent Events

1. **Credit Facility and Reimbursements Agreements** – On April 26, 2023, the City on behalf of the Airport amended and restated credit facility and reimbursement agreements for Series 2002C Credit Facility Bonds, and on April 28, 2023, for Series 2021A-B Credit Facility Bonds with Bank of America Preferred Funding Corporation (Bank of America). Bank of America will continue to hold the Series 2002C and 2021A-B Credit Facility Bonds to the initial period end date of April 28, 2028. The Series 2002C and 2021A-B Credit Facility Bonds will bear interest at the daily SOFR index rate starting April 28, 2023 and April 26, 2023, respectively.
2. **Credit Facility and Reimbursements Agreements** – On April 28, 2023, the City on behalf of the Airport amended and restated credit facility and reimbursement agreement with Bank of America N.A. for Series 2009C and 2008B Credit Facility Bonds. Bank of America N.A. will continue to hold the Series 2009C and 2008B Credit Facility Bonds to their respective initial period end dates of April 28, 2028 and July 1, 2028. The Series 2009C and 2008B Credit Facility Bonds will bear interest at the daily SOFR index rate starting April 28, 2023 and July 1, 2023, respectively.
3. **District improvements and services** – The Sun Valley Denver General Improvement District (“District”) was organized by vote of the Denver City Council on August 29, 2022. A general description of the types of services or improvements (or both) to be provided by the District includes, but is not limited to, those described in Section 31-25-601, C.R.S., et seq., those set forth in the District’s approved 2022 and 2023 Work Plan, and as may be permitted through the exercise of other powers that are granted to general improvement districts under Section 31-25-601, C.R.S., et seq. There was no material activity during 2022, and there were no balances as of December 31, 2023.
4. **Migrant Sheltering** – Starting at the end of 2022, people migrating from the southern border arrived in Denver. As of early June, the City and County of Denver has provided shelter and transportation services to over 11,000 migrants. It has been costing the City approximately \$1,000,000 per week to provide these services. The city has been using existing appropriation to fund the effort including \$11,000,000 in General Fund contingency. The city has received some funding from the State and additional federal funds are pending. This response was not a budgeted program and will require additional funds in 2023 and 2024.

Note E – Contingencies

1. **Legal Debt Margin** – Per the City Charter, the City’s indebtedness for general obligation bonds shall not exceed 3.00% of actual value as determined by the last final assessment of the taxable property within the City. At December 31, 2022, the City’s general obligation debt outstanding was \$1,005,223,000 and the City’s legal debt margin was \$4,846,685,000 or 2.52% of estimated actual valuation of taxable property.
2. **Prior Years’ Defeased Bonds** – At various dates in prior years, the City and certain component units have placed proceeds from bond issues and cash contributions in irrevocable refunding escrow accounts. The amounts deposited in the irrevocable escrow accounts are invested in U.S. Treasury obligations that, together with interest earned thereon, would provide amounts sufficient for payment of all principal and interest of the bond issues on each remaining payment date. The likelihood of the earnings and principal maturities of the U.S. Treasury obligations not being sufficient to pay the defeased bond issues appears remote. Accordingly, the escrow accounts and outstanding defeased bonds are not included in the accompanying financial statements. Defeased bonds principal outstanding at December 31, 2022, for the Denver International Airport, was \$32,200,000.
3. **Grants and Other** – Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial to its financial position and activities.

The City is responsible for administering certain federal and state social services programs for which the related revenue and expenditures are not included in the accompanying financial statements since the state now makes the grant disbursements.

The table below lists Denver County electronic benefit transfers (EBT) authorizations, warrant expenditures, and total expenditures associated with the Human Services special revenue fund for the year ended December 31, 2022 (dollars in thousands).

Program	City Share of		Expenditures by City Warrant	City Share of		Total Expenditures
	City EBT Authorizations	Authorizations		Expenditures by City Warrant	Authorizations	
Adult Protective Service	\$ -	\$ -	\$ 3,444	\$ 3,444	\$ 3,444	
Aid to Needy & Disabled	1,871	374	291	665	2,162	
Child Care	30,868	2,593	1,565	4,158	32,433	
Child Support Enforcement ⁽²⁾	107	46	13,235	13,281	13,342	
Child Welfare	12,357	2,715	38,310	41,025	50,667	
Child Welfare Discretionary Grants	-	16	253	269	253	
Child Welfare Staffing SB15-242	-	-	4,530	4,530	4,530	
Child Welfare Subadopt & Relative Guardianship	8,457	870	-	870	8,457	
Colorado Works Admin ⁽²⁾	25	-	8,881	8,881	8,906	
Colorado Works Non-Admin	14,249	2,328	830	3,158	15,079	
Core Services	4,129	744	3,915	4,659	8,044	
County Administration - CDHS2	404	81	14,257	14,338	14,661	
County Administration - HCPF Enhanced	-	-	11,992	11,992	11,992	
County Administration - HCPF Regular ⁽²⁾	-	-	4,545	4,545	4,545	
County Initiative TANF	-	-	-	-	-	
County Only Pass Thru	6,938	3,155	-	3,155	6,938	
Federal Grants	-	-	2,721	2,721	2,721	
Food Assistance Benefits & Collections	272,611	-	-	-	272,611	
Food Assistance Job Search	271	62	1,159	1,221	1,430	
Foster Care Adoption Recruitment	-	-	-	-	-	
Home Care Allowance	473	24	-	24	473	
Low Income Energy Assistance	7,607	-	56	56	7,663	
Non-allocated Programs	4,862	118	1,820	1,938	6,682	
Old Age Pension	13,107	-	1,213	1,213	14,320	
SNAP Incentive Bonus	-	-	2	2	2	
SSI-Home Care Allowance	698	35	-	35	698	
TANF Collections-EBT	(1,171)	(234)	-	(234)	(1,171)	
Title IV-B Sub Part 2 - PSSF	-	-	-	-	-	
Title IV-E Independent Living	-	-	149	149	149	
Total	\$ 377,863	\$ 12,927	\$ 113,168	\$ 126,095	\$ 491,031	

⁽¹⁾ Does not include audit adjustments, TANF Collections - IV-D Retained, Medicaid Collections, Federal and State Incentives, County Tax Base Relief and programs not settled in County Financial Management System (CFMS), with the exception of Federal grants, which are also captured in the financial statements. It also excludes County Wide Cost Allocation Pass Thru, as these amounts are not earned by expenses incurred by Human Services.

⁽²⁾ The State pays Direct Settled items for EBT Administration, The Work Number, IRS Fees and Locator fees and then charges the counties for those costs. These are not true EBT payments, but are amounts settled via CFMS.

4. **Conduit Debt Obligations** – From time to time, the City issues industrial development revenue bonds, single-family mortgage revenue bonds, multi-family mortgage revenue bonds, construction loan revenue bonds, and special obligation revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of private, industrial, and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Not the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2022, the aggregate principal amount payable for the bonds, excluding the Airport's Special Facility Revenue bonds, was approximately \$85,836,000.

To finance the acquisition and construction of various facilities at Denver International Airport, the City issued three series of Special Facility Revenue Bonds. These bonds are special limited obligations of the City, payable and secured by a pledge of certain revenues to be received from lease agreements for these facilities. The bonds do not constitute a debt or pledge of the full faith and credit of the City or the Airport System, and accordingly, have not been reported in the accompanying financial statements. As of December 31, 2022, Airport Special Facility Revenue Bonds outstanding totaled \$250,575,000.

5. **Denver Airport System - Great Hall Developments** – Great Hall (an open area of approximately 1 million square feet located on Levels 5 and 6 of Jeppesen Terminal) designed to, among other things, enhance security of the passengers and the Airport, improve passenger flow and increase and improve concessions areas. The City, for and on behalf of the Airport, granted to Denver Great Hall LLC, a Delaware limited liability company (the “Great Hall Developer”) an exclusive right to design, construct, finance, operate and maintain certain specified areas within Jeppesen Terminal, including the renovation and reconfiguration of a portion of the Great Hall (the “Great Hall Project”), pursuant to the Development Agreement dated August 24, 2017 (the “Great Hall Agreement”) between the City, for and on behalf of the Airport, and the Great Hall Developer. On August 12, 2019, the City, for and on behalf of the Airport, exercised its right to terminate the Great Hall Agreement for convenience and then, termination became effective November 12, 2019. As a result of the termination, the City, for and on behalf of the Airport, owed a termination payment to the Great Hall Developer in an amount determined pursuant to the terms of the Great Hall Agreement. The termination payment consisted of several components: (1) a net lender liability payment reimbursing Great Hall Developers for costs of design, construction and management work completed through the Termination Date (paid partially from reserve funds available from the prior issuance of Revenue Bonds (Denver International Airport Great Hall Project) Series 2017 by the Public Finance Authority on behalf of Great Hall Developer); (2) an equity payment equal to the return that Great Hall Developer’s equity members expected to receive on their investment in Great Hall Developer; (3) contractor breakage costs representing the costs incurred by Great Hall Developer and its contractors because of the termination of the Great Hall Agreement that would not have been incurred but for the termination of the Great Hall Agreement; (4) redundancy costs representing reimbursements to Great Hall Developer for costs incurred in terminating employees who would not continue with Great Hall Developer or an affiliate of Great Hall Developer after termination of the Great Hall Agreement; and (5) transition costs representing the amount spent by Great Hall Developer to wind down the work and transition the Great Hall Project to the City, for and on behalf of the Department.

The City, for and on behalf of the Airport, entered into a Final Agreement Regarding Termination dated March 13, 2020 (the “Termination Agreement”) with Great Hall Developer, Ferrovia Agroman West, LLC and Great Hall Builders, LLC (“Great Hall Builders”) to settle all disputes among the parties to the Termination Agreement relating to the Great Hall Agreement, resolve certain relief event claims filed by Great Hall Developer on its own behalf and on behalf of Great Hall Builders under the Great Hall Agreement and settle the final amount of the total Termination Payment. As set forth in the Termination Agreement, the City, for and on behalf of the Airport, made a series of payments toward the final Termination in the amount of \$183.7 million. Pursuant to the Termination Agreement, no other payments are due from the City, for and on behalf of the Airport, as a result of the termination of the Great Hall Agreement and all claims for payments against the City, for and on behalf of the Airport, have been dismissed. On March 17, 2020, the Airport made a final settlement payment relating to the Great Hall Project. On March 20, 2020, the City on behalf of the Airport filed a Voluntary Event Notice Relating to Great Hall Project Termination Payment. This disclosure is available at <https://emma.msrb.org/ER1317070-ER1026269-ER1432758.pdf>.

On November 19, 2021, the City, for and on behalf of the Airport, issued a Voluntary Notice related to the Great Hall Project Status Update. This disclosure is available at <https://emma.msrb.org/P21516492-P21172857-P21588899.pdf>.

6. **Denver Airport System - Noise Litigation** – The City and Adams County entered into an intergovernmental agreement for Denver International, dated April 21, 1988 (the Intergovernmental Agreement). The Intergovernmental Agreement establishes maximum levels of noise that should not be exceeded on an average annual basis at various grid points surrounding the Airport. Penalties must be paid to Adams County when these maximums are exceeded.

Currently, the Airport has not received any notices for penalties for 2022, 2021 and 2020. On August 27, 2020, the City received notices of violations for 2019. The Airport is reviewing these notices but has not made any determination of their validity. At December 31, 2022 and 2021, the Airport had claim litigation reserves of \$29.3 million and \$27.1 million for the penalties and estimated interest for 2017-2019 noise violations.

7. **Denver Airport System - Claims and Litigation** – City, related to the Airport, in the Jefferson County District Court of Colorado (the “Court”), which was amended on July 20, 2018 to include the City of Aurora and the City of Brighton as plaintiffs (as amended, the “Complaint”). The Complaint sought, among other things, a declaration from the Court that the City is in breach of the 1988 Adams County Intergovernmental Agreement (the “IGA”) as a result of the City’s continued use of noise modeling system known as ARTSMAP, which the plaintiffs alleged is not sufficient to measure compliance with certain noise standards (the “Noise Standards”) agreed to under the IGA. The Complaint also alleged between 93 and 108 Class II violations of Noise Standards in 2014 through 2016

that remained uncured in the succeeding calendar year and sought (i) a mandatory Court order requiring the City to implement reasonable, non-discriminatory rules and regulations concerning Airport operations to achieve and maintain compliance with the Noise Standards and (ii) if the Court does not make such order, an award of liquidated damages of \$500,000 for each Class II violation that occurred during 2014, 2015 and 2016 that remained uncured in the succeeding calendar year. On June 19, 2020, the Court issued a ruling (the "Ruling") (i) finding, among other things, that the use of ARTSMAP system does not comply with the IGA and (ii) awarding plaintiffs liquidated damages in the amount of \$500,000 for each of the 67 uncured Class II violations for 2014, 2015, and 2016 for a total amount of \$33.5 million plus interest. On September 1, 2020, the Court ruled on the method of calculating interest for each violation.

On October 16, 2020, the City filed a notice of appeal with the Colorado Court of Appeals (the "Appellate Court") appealing the Ruling and on March 3, 2022, the Appellate Court issued a decision affirming the Appellate Court Ruling and the method of calculating interest. On April 12, 2022, the City filed a petition for certiorari with the Colorado State Supreme Court and asked the court to clarify certain rulings of the Appellate Court, including the method of calculating interest. For further discussion see note 24(b) to the DEN financial statements.

As of December 31, 2022 and 2021, the outstanding amount due to plaintiffs for 67 uncured Class II violations for 2014, 2015, and 2016, including interest, was \$57.6 million and \$53.4 million, respectively. To the extent the City ultimately is obligated to pay amounts ordered by the Court, or additional amounts claimed by Adams County for violations occurred in years 2017-2019 discussed in noted 22(c) to the DEN financial statements, the City currently expects to fund these payments from the Airport unrestricted Capital Fund.

8. **Denver Airport System - Federal Grants** – Under the terms of Federal grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The Airport System management believes disallowances, if any, will be immaterial to its financial position and activities of the Airport.
9. **Environmental Services** – State and federal laws will require the City to close the Denver Arapahoe Disposal Site (DADS) once its capacity is reached and to monitor and maintain the site for 30 subsequent years. The contracted operator is responsible for all closure and post-closure costs for the landfill's individual cells while they are under contract to operate the landfill. However, the ultimate responsibility rests with the City as owner of the facility. The City contractually shifted this financial responsibility to its operator as described below.
Effective October 1, 1997, the City renegotiated its contract with Waste Management of Colorado, Inc. (WMC), the current operator of DADS. As a result, the City assigned its responsibility for all closure and post-closure costs to WMC. To cover these costs, WMC has provided a performance bond of \$4,103,000, provided a corporate guarantee from their parent company, Waste Management, Inc (WMI), and posted a financial assurance plan with the State of Colorado (including an insurance certificate of \$25,430,000 as of May 2022). Due to this assignment of closure and post-closure costs to WMC, the City no longer recognizes the related closure and post-closure costs liability in its financial statements.
10. **Denver Urban Renewal Authority** – In connection with DURA's development of the Denver Dry Building, DURA has guaranteed certain loans made to the Denver Building Housing, Ltd. by the Bank of Denver with an outstanding balance of \$2,109,000 at December 31, 2022. In addition, DURA has guaranteed all obligations of the Denver Dry Development Corporation as general partner, under the terms and conditions of the limited partnership agreement of the Denver Building Housing, Ltd. No amounts have been recorded as a liability in the financial statements, as DURA management believes the possibility of having to make payments under these guarantees is remote.
11. **TABOR** – At the general election held November 3, 1992, the voters of the State approved an amendment to the Colorado Constitution limiting the ability of the State and local governments, such as the City, to increase revenues, debt and spending, and restricting property, income, and other taxes. In addition, the amendment requires that the State and local governments obtain voter approval to create any multiple fiscal year direct or indirect debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years. The amendment excludes from its restrictions the borrowings and fiscal operations of enterprises. Enterprises are defined to include government-owned businesses authorized to issue their own revenue bonds and receiving less than 1.00% of their revenues in grants from all Colorado State and local governments combined. The amendment also requires the establishment of an Emergency Reserve equal to 3.00% of fiscal year spending excluding debt service for all years subsequent to 1994. The City has established an emergency reserve of \$66,285,000. The amendment is also applicable to several component units, which have established emergency reserves of \$13,421,000.

In November 2005, local voters approved Referred Measure 1B to allow the City to retain revenues collected, with the exception of property tax revenue, in excess of the limits established by the state amendment to the constitution for 10 fiscal years beginning with fiscal year 2005 and thereafter retain and spend any excess revenues up to the amount of the revenue cap as defined. For 2022, TABOR revenues exceeded the established limits by \$502,649,000.

In November 2012, Denver voters approved Referred Measure 2A to allow the City to retain all revenues collected beginning in 2013.

There are numerous uncertainties about the interpretation of the amendment and its application to particular governmental entities and their operations. It is possible that the constitutionality of the amendment as applied in some situations may be challenged on various grounds, including the argument that the amendment conflicts with other constitutional provisions and violates the protections afforded by the federal constitution against impairment of contract.

12. **National Western Center** – The National Western Center redevelopment requires the acquisition of 10 residential parcels and 28 commercial parcels. The City negotiates a purchase price with property owners and reimburses property owners for the reasonable cost of obtaining their own appraisal.

Note F – Deferred Compensation Plan

1. **Description of the Plan** – The Deferred Compensation Plan (Plan) was adopted by the City to provide a means by which public employees could defer a portion of their current income and related income taxes to future years. Under Section 457 of the Internal Revenue Code, amounts deferred, and income earned on those funds are not taxed until made available to the participant. The Plan's publicly available financial report can be obtained by contacting the City of Denver Controller's Office at 201 West Colfax Avenue, Department 1109, Denver, Colorado, 80202.
2. **Administration of the Plan** – The Deferred Compensation Governing Committee of the City manages the Plan. The Committee has designated a third-party administrator for the Plan to account for all deferred compensation, withdrawals, interest income credited, and the individual balance for each participant. In addition, the administrators execute individual participant agreements and provide Plan information and counseling to all eligible employees.
3. **Investments** – Investments are recorded at fair value. In compliance with the City Charter, the Deferred Compensation Governing Committee has approved certain options for investment. All investments are transferred to a retirement trust investment fund offered by Nationwide Retirement Plans. The Plan provides for self-directed investments by the participants.
4. **Contributions** – Participation in the Plan is voluntary and is open to all City employees. The City does not make any contributions. The maximum deferral in any one year is generally limited to 100.00% of a participant's pre-deferred taxable income or \$20,500 for 2022. Those who are age 50 and older may save an additional \$6,500 per year. However, special provisions, applicable during the last three taxable years before a participant attains normal retirement age under the Plan, or any year thereafter prior to the participants' separation from service, may increase the annual maximum up to \$41,000 for 2022. Total contributions by employees were \$56,603,000 for 2022.
5. **Withdrawals** – Withdrawals from the Plan may be made upon retirement, termination of employment with the City, or in hardship cases as approved by the Administrator. Upon death, amounts credited to the participant are paid to the beneficiary designated by the participant.

Eligible participants may elect the Systematic Withdrawal Option, purchase an annuity, or receive a lump-sum distribution. The Systematic Withdrawal Option allows eligible participants to withdraw specified amounts from their account at regular intervals. The balance of their account remains in the pool of Plan assets and continues to be invested as directed by the participant. The annuity option allows eligible participants to purchase a payment stream for a period certain or for the lifetime of the annuitant. Contracts purchased under this annuity option remain as assets of the Plan. The periodic distributions are accounted for as withdrawals in the year disbursed.
6. **Assets** – All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust by the City for the exclusive benefit of the participants and their beneficiaries. The assets of the Plan are reported as an other-employee benefit trust fund of the City.

7. **Plan Termination and Amendments** – The City can at any time elect to amend, modify, or terminate the Plan. However, notice must be given to all participants at least 45 days prior to the effective date of an amendment. No amendments will deprive the participants of any benefits they were entitled to prior to the change. If the Plan is terminated, all amounts then credited to the participants are to be paid out by the administrators under the normal withdrawal requirements and procedures.
8. **Component Units** – Several component units offer plans similar to the City's which are also qualified under Section 457 of the Internal Revenue Code.

Note G – Pension Plans

The City has six pension plans covering substantially all employees of the primary government, as follows:

- Denver Employees Retirement Plan (DERP)
- Fire and Police Pension Plan - Statewide Defined Benefit Plan (FPPA SWDB)
- Public Employees' Retirement Association of Colorado Pension Plan - State Division Trust Fund (PERA SDTF)
- Public Employees' Retirement Association of Colorado Pension Plan - Judicial Division Trust Fund (PERA JDTF)
- Denver Old Hire Fire Pension Fund (FPPA Old Hire Fire)
- Denver Old Hire Police Pension Fund (FPPA Old Hire Police)

The majority of the City's employees are covered under the Denver Employees Retirement Plan. Full time firemen and policemen are covered under the Fire and Police Pension Association plans, and county court judges and the District Attorney are covered under the Public Employees' Retirement Association of Colorado. In addition to the six plans offered, several component units offer various types of pension plans, which include deferred annuity plans and defined contribution plans.

A summary of pension related items as of and for the year ended December 31, 2022, are shown in the table below (dollars in thousands).

Plan	Net Pension Liability	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Income)
DERP:					
Governmental Activities	\$ 1,080,472	\$ -	\$ 158,799	\$ 154,546	\$ 119,428
Business-type Activities	220,786	-	34,277	41,473	19,933
FPPA SWDB	-	156,920	102,507	108,679	(15,417)
PERA SDTF	452	-	90	206	(41)
PERA JDTF	584	-	2,871	5,582	(2,816)
Old hire Fire	112,534	-	17,248	22,217	(28,200)
Old hire Police	39,597	-	10,686	39,998	(45,250)
Total	\$ 1,454,425	\$ 156,920	\$ 326,478	\$ 372,701	\$ 47,637

1. Cost Sharing Multiple-Employer Defined Benefit Pension Plans

• The Denver Employees Retirement Plan (DERP)

Plan Description – The Denver Employees Retirement Plan (DERP) administers a cost sharing multiple-employer defined benefit plan to eligible members. The DERP is administered by the DERP Retirement Board in accordance with sections 18-401 through 18-430.7 of the City's Revised Municipal Code. Amendments to the plan are made by ordinance. These Code sections establish the plan, provide complete information on the DERP, and vests the authority for the benefit and contribution provisions with the City Council. The DERP Retirement Board acts as the trustee of the Plan's assets.

The Plan provides retirement, death and disability benefits for its members and their beneficiaries. Members who were hired before July 1, 2011 and retire at or after age 65 (or at age 55 if the sum of their age and credited service is at least 75) are entitled to an annual retirement benefit, in an amount equal to 2.00% of their final average salary for each year of credited service, payable monthly for life. Effective for employees hired after September 1, 2004, the formula multiplier was reduced to 1.50% final average salary is based on the member's highest salary during a period of 36 consecutive months of credited service. Members with five years of credited service may retire at or after age 55 and receive a reduced retirement benefit.

For members who were hired after July 1, 2011, they must be age 60 and have combined credited service of at least 85 to receive a normal retirement prior to age 65. Final average salary is based on the member's highest salary during a period of 60 consecutive months of credited service. Five- year vesting is required of all employees to qualify for a benefit, regardless of their age at the time of termination of employment.

Annual cost of living adjustment is granted on an ad hoc basis. The estimated cost of benefit and contribution provisions is determined annually by an independent actuary, recommended by the plan's Board, and enacted into ordinance by Denver City Council.

The Plan is accounted for using the economic resources measurement focus and the accrual basis of accounting. DERP issues a publicly available annual comprehensive financial report that can be obtained at <https://www.derp.org>.

Funding Policy – The City contributes 15.75% of covered payroll and employees make a pre-tax contribution of 9.25% in accordance with Section 18-407 of the Revised Municipal Code of the City. The City's contributions to DERP for the year ended December 31, 2022, were \$125,173,000, which equaled the required contributions.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

– At December 31, 2022, the City reported a liability of \$1,301,258,000 for its proportionate share of the net pension liability related to DERP. 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, 2021. Standard update procedures were used to roll forward the total pension liability to December 31, 2021. The City's proportion of the net pension liability was based on City contributions to DERP for the calendar year 2021 relative to the total contributions of participating employers to DERP.

At December 31, 2021, the City's proportion was 95.85%, which was an increase of 0.57% from its proportion measured as of December 31, 2020. The components of the City's proportionate share of the net pension liability related to DERP are presented in the table below (dollars in thousands).

	Governmental Activities	Business-type Activities	Total
Total pension liability	\$ 3,201,394	\$ 654,180	\$ 3,855,574
Plan fiduciary net position	2,120,922	433,394	2,554,316
Net pension liability	\$ 1,080,472	\$ 220,786	\$ 1,301,258

For the year ended December 31, 2022 the governmental activities and the business-type activities recognized pension expense of \$119,428,000 and \$19,933,000 respectively. A summary of the City's deferred outflows of resources and deferred inflows of resources related to pensions for DERP as of December 31, 2022, is presented in the table below (dollars in thousands).

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 19,142	\$ -
Changes of assumptions or other inputs	25,571	-
Net difference between projected and actual earnings on pension plan investments	-	154,546
Changes in proportion	11,006	-
Contributions subsequent to the measurement date	103,080	-
Total	\$ 158,799	\$ 154,546

	Business-type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,911	\$ -
Changes of assumptions or other inputs	5,225	-
Net difference between projected and actual earnings on pension plan investments	-	31,580
Changes in proportion	3,048	9,893
Contributions subsequent to the measurement date	22,093	-
Total	\$ 34,277	\$ 41,473

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 23,053	\$ -
Changes of assumptions or other inputs	30,796	-
Net difference between projected and actual earnings on pension plan investments	-	186,126
Changes in proportion	14,054	9,893
Contributions subsequent to the measurement date	125,173	-
Total	\$ 193,076	\$ 196,019

The \$125,173,000 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as presented in the table below (dollars in thousands).

Year	Governmental Activities	Business-type Activities	Total
2023	\$ 26,893	\$ (4,869)	\$ 22,024
2024	(51,810)	(9,317)	(61,127)
2025	(38,045)	(7,774)	(45,819)
2026	(35,865)	(7,329)	(43,194)
2027	-	-	-
Thereafter	-	-	-
Total	\$ (98,827)	\$ (29,289)	\$ (128,116)

The total pension liability in the January 1, 2021 actuarial valuation was determined using the actuarial assumptions and other inputs presented in the table below.

	DERP
Discount rate	7.25%
Salary increases	3.00-7.00%
Price inflation	2.50%

Mortality rates were based on the Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale (changed in 2018 from RP-2000 Combined Mortality Projected with Scale AA to 2020).

The latest experience study was conducted in 2018 covering the five year period of January 1, 2013 to December 31, 2017.

The 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 expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting 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 were adopted by the plan's trustees after considering input from the plan's investment consultant and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of December 31, 2021. These best estimates are summarized in the table below.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
U.S. Equities		
Large Cap	18.00%	7.10%
Small Cap	4.00%	7.60%
Total U.S. Equities	22.00%	
International Equities		
Developed Markets	14.00%	7.80%
Emerging Markets	8.00%	8.80%
Total International Equities	22.00%	
Fixed Income		
Core Fixed Income	17.00%	2.10%
Private Debt	4.00%	6.10%
Distressed Debt	2.50%	6.70%
Emerging Market Debt	2.00%	4.30%
Total Fixed Income	25.50%	
Real Estate		
Real Estate	10.00%	7.00%
Total Real Estate	10.00%	
Absolute Return		
Absolute Return	5.00%	4.30%
Total Absolute Return	5.00%	
MLPs (Infrastructure)		
MLPs	3.00%	6.40%
Total MLPs	3.00%	
Alternatives		
Private Equity	9.00%	9.10%
Natural Resources	3.50%	7.70%
Total Alternatives	12.50%	
Total Asset Class	100.00%	

Discount Rate – The single discount rate used to measure the total pension liability remained at 7.25%. The single discount rate was based on the expected rate of return on pension plan investments. The projection

of cash flows used to determine this single 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. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all 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 Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

– Presented in the table below, the City's proportionate share of the net pension liability, calculated using a discount rate of 7.25%, 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 one percentage-point lower or one percentage-point higher (dollars in thousands):

City's proportionate share of the net pension liability	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Governmental activities	\$ 1,432,046	\$ 1,080,472	\$ 785,621
Business-type activities	292,627	220,786	160,536
Total	\$ 1,724,673	\$ 1,301,258	\$ 946,157

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued DERP financial reports found at <https://www.derp.org>.

● **Fire and Police Pension Plan – Statewide Defined Benefit Plan (FPPA SWDB)**

Plan Description – Full-time firefighters and police officers hired on or after April 8, 1978, participate in the Statewide Defined Benefit Plan - Fire and Police Pension Plan (FPPA SWDB). The plan is a cost sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA) that provides normal, early, vested, or deferred retirement and death benefits. Authority for the plan, including benefit and contribution provisions, is derived from Title 31, Articles 30, 30.5, and 31 of the Colorado Revised Statutes. The plan is amended by statute and is accounted for using the economic resources measurement focus and the accrual basis of accounting. FPPA issues a publicly available annual comprehensive financial report that can be obtained at <https://fppaco.org/annual-reports.html>

Funding Policy – Statute requires the City contribute 9.00% of base salary and employees make a pre-tax contribution of 12.00% for a total contribution rate of 21.00%. In 2014, employees elected to increase the member contribution rate to the plan beginning in 2015. Member contributions will remain at 12% for the foreseeable future. Employer contributions will increase 0.50% annually beginning in 2021 through 2030 to a total of 13% of pensionable wages. The City's contributions to the FPPA SWDB for the year ended December 31, 2022, were \$22,013,000.

Pension Assets, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

– At December 31, 2022, the City reported a pension asset of \$156,920,000 for its proportionate share of the net pension asset related to the FPPA SWDB plan. The net pension asset was measured as of December 31, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022. The City's proportion of the net pension asset was based on City contributions to FPPA SWDB plan for the calendar year 2021 relative to the total contributions of participating employers to the FPPA SWDB plan.

At December 31, 2021, the City's proportion was 28.96%, which was a decrease of 1.43% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized pension income of \$15,417,000. The components of the City's proportionate share of the net pension asset related to FPPA SWDB as of December 31, 2022, are presented in the table below (dollars in thousands).

	FPPA SWDB
Total pension liability	\$ 970,764
Plan fiduciary net position	1,127,684
Net pension liability (asset)	\$ (156,920)

A summary of the City's deferred outflows of resources and deferred inflows of resources related to pensions for FPPA SWDB as of December 31, 2022, is presented in the table below (dollars in thousands).

	FPPA SWDB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 44,934	\$ 3,660
Changes of assumptions or other inputs	22,378	-
Net difference between projected and actual earnings on pension plan investments	-	105,019
Change in proportion	13,182	-
Contributions subsequent to the measurement date	22,013	-
Total	\$ 102,507	\$ 108,679

The \$22,013,000 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase in the net pension asset in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as presented in the table below (dollars in thousands).

Year	FPPA SWDB
2023	\$ (11,939)
2024	(22,802)
2025	(11,857)
2026	(1,820)
2027	11,155
Thereafter	9,078
Total	\$ (28,185)

The total pension asset in the January 1, 2022 actuarial valuation was determined using the actuarial assumptions and other inputs presented in the table below (dollars in thousands).

	FPPA SWDB
Investment rate of return	7.00%
Salary increases	4.25-11.25%
Inflation	2.50%

For determining the total pension asset, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50.00% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The 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 expense, 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 (assumed at 2.50%). 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 table below.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	39.00%	8.23%
Equity long/short	8.00%	6.87%
Private Markets	26.00%	10.63%
Fixed Income - Rates	10.00%	4.01%
Fixed Income - Credit	5.00%	5.25%
Absolute Return	10.00%	5.60%
Cash	2.00%	2.32%
Total Asset Class	100.00%	

Discount Rate – The discount rate used to measure the total pension asset remained at 7.00%. 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 SWDB plan fiduciary net position 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 Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate – Presented in the table below, the City’s proportionate share of the net pension liability (asset), calculated using a discount rate of 7.00%, as well as what the City’s proportionate share of plan’s net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher (dollars in thousands):

	1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
City’s proportionate share of the net pension liability (asset)	\$ (21,640)	\$ (156,920)	\$ (268,991)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued FPPA financial reports found at <https://fppaco.org>

- **Public Employees’ Retirement Association of Colorado Pension Plans (PERA)**

Plan Description – County court judges and the District Attorney of the City are provided with pensions through the State Division Trust Fund (SDTF) or the Judicial Division Trust Fund (JDTF) —cost-sharing multiple-employer defined benefit pension plans administered by PERA. PERA provides retirement, disability, and survivor benefits that are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (CRS), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. The plans are accounted for using the economic resources measurement focus and the accrual basis of accounting. PERA issues a publicly available annual comprehensive financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees’ Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions.

Funding Policy – Eligible employees are required to contribute 10.75% of their PERA-includable salary to the SDTF and 10.75% of their PERA-includable salary to the JDTF. The City contributes 20.23% of includable salaries to the SDTF and 22.84% of includable salaries to the JDTF. Employer contributions are recognized by the SDTF and the JDTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to the plans. The City’s contributions to the SDTF for

the year ended December 31, 2022, were \$48,000. The City's contributions to the JDTF for the year ended December 31, 2022, were \$848,000.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At December 31, 2022, the City reported a liability of \$452,000 and \$584,000 for the SDTF and JDTF, respectively, for its proportionate share of the net pension liability related to the PERA plans. The net pension liabilities were measured as of December 31, 2021, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the total pension liabilities to December 31, 2021. The City's proportion of the net pension liabilities were based on City contributions to the SDTF and JDTF plan for the calendar year 2021 relative to the total contributions of participating employers to the SDTF and JDTF plans.

At December 31, 2021, the City's proportion of the SDTF was 0.006%, which was a decrease of 0.001% from its proportion measured as of December 31, 2020. At December 31, 2021, the City's proportion of the JDTF was 6.37% which was a decrease of 0.14% from its proportion measured as of December 31, 2020. The components of the City's net pension liability related to PERA are presented in the table below (dollars in thousands).

	SDTF	JDTF
Total pension liability	\$ 1,676	\$ 30,959
Plan fiduciary net position	1,224	30,375
Net pension liability	\$ 452	\$ 584

For the year ended December 31, 2022, the City recognized pension income of \$41,000 for the SDTF and \$2,816,000 of pension income for the JDTF. A summary of the City's deferred outflows of resources and deferred inflows of resources related to pensions for the SDTF and JDTF plans as of December 31, 2022, is presented in the table below (dollars in thousands).

	SDTF		JDTF		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3	\$ 1	\$ 684	\$ -	\$ 687	\$ 1
Changes of assumptions or other inputs	16	-	33	1,279	49	1,279
Net difference between projected and actual earnings on pension plan investments	-	155	-	3,762	-	3,917
Change in proportion	23	50	1,306	541	1,329	591
Contributions subsequent to the measurement date	48	-	848	-	896	-
Total	\$ 90	\$ 206	\$ 2,871	\$ 5,582	\$ 2,961	\$ 5,788

The \$48,000 and \$848,000 reported by the SDTF and JDTF plans, respectively, as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as presented in the table below (dollars in thousands).

Year	SDTF	JDTF
2023	\$ (28)	\$ (1,894)
2024	(79)	(731)
2025	(38)	(483)
2026	(19)	(451)
2027	-	-
Thereafter	-	-
Total	\$ (164)	\$ (3,559)

The total pension liability in the December 31, 2020 actuarial valuation was determined using the actuarial assumptions and other inputs in the table below.

	SDTF	JDTF
Price inflation	2.30%	2.30%
Salary increases, including wage inflation	3.30-10.90%	2.80-5.30%
Investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25%	7.25%

The total pension liability as of December 31, 2021, includes the anticipated adjustments to contribution rates and the annual increase cap, resulting from the 2020 automatic adjustment provision assessment, statutorily recognized July 1, 2021 and effective July 1, 2022.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of the 2020 experience analysis dated October 28, 2020 for the periods January 1, 2016 through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board during the November 20, 2020 Board meeting.

The mortality tables are generational mortality tables developed on a benefit-weighted basis. Pre-retirement mortality assumptions were based upon the PubG-2010 Employee Table with general projection using scale MP-2019.

Post-retirement mortality assumptions were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

The mortality assumption for disabled retirees was based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table below.

Asset Class	Target Allocation	30-Year Expected Geometric Real Rate of Return
Global equity	54.00%	5.60%
Fixed income	23.00%	1.30%
Private equity	8.50%	7.10%
Real estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total Asset Class	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

SDTF Discount Rate – The discount rate used to measure the total pension liability was 7.25%. The basis for the projection of liabilities and the Fiduciary Net Position used to determine the discount rate was an actuarial valuation performed as of December 31, 2020 and the financial status of the Trust Fund as of the prior measurement date (December 31, 2020). In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including scheduled increases in SB 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law each year, including the scheduled increase in SB 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225,000,000 (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. In addition to the \$225,000,000 (actual dollars) direct distribution due July 1, 2022, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380,000,000 (actual dollars), upon enactment, with reductions to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered annual increase cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the SDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. The long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate

- Presented in the table below, the City's proportionate share of the net pension liability calculated using the discount rate of 7.25%, 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 (6.25%) or 1 percentage-point higher (8.25%) than the current rate (dollars in thousands).

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's proportionate share of the net pension liability	\$ 637	\$ 452	\$ 296

JDTF Discount Rate – The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including scheduled increases in SB 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law each year, including the scheduled increase in SB 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State will provide an annual direct distribution of \$225,000,000 (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered annual increase cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the end middle of the year.

Based on the above assumptions and methods, the Trust Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return is 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate – Presented in the table below, the City's proportionate share of the net pension liability calculated using the discount rate of 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate (dollars in thousands).

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's proportionate share of the net pension liability (asset)	\$ 3,734	\$ 584	\$ (2,118)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued PERA financial reports found at <https://www.copera.org/financial-reports-and-studies>.

2. Agent Single-Employer Defined Benefit Plans

• Denver Old Hire Fire and Police Pension Funds (FPPA Old Hire Fire and Police)

Plan Description – The Old Hire plans are agent multiple-employer defined benefit pension plans that are administered by the Fire and Police Pension Association (FPPA). Authority for the plans, including benefit and contribution provisions, is derived from Title 31, Articles 30, 30.5, and 31 of the Colorado Revised Statutes. The Plans are amended by statute. The plans provide normal, early, vested, or deferred retirement benefits to plan participants. The Old Hire pension plans are for firefighter and police employees hired before April 8, 1978. The plans are accounted for using the economic resources measurement focus and the accrual basis of accounting and are closed to new entrants. FPPA issues a publicly available annual comprehensive financial report that includes the old hire plans and can be obtained at <http://fppaco.org/annualreports.html>.

Funding Policy – The City is required to contribute to the Old Hire plans at an actuarially determined rate. Modification of the Old Hire plans is regulated by state law and by FPPA Rules and Regulations as authorized by state law. Changes to contribution requirements require an affirmative vote of 65.00% of active members and City Council ordinance. The City's contributions to the FPPA Old Hire Fire and Police plans for the year ended December 31, 2022 were \$17,248,000 and \$10,686,000, respectively.

Plan Membership – The plan membership of the Old Hire plans as of January 1, 2022, is presented in the table below.

Members	Old Hire Fire	Old Hire Police	Total
Retirees and beneficiaries	656	910	1,566
Inactive, non-retired beneficiaries	-	-	-
Active members	-	-	-
Total	656	910	1,566

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At December 31, 2022, the City reported a liability of \$112,534,000 and \$39,597,000 for the Old Hire Fire and Old Hire Police plans, respectively, for the net pension liability related to the FPPA old hire plans. The net pension liabilities were measured as of December 31, 2021, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of January 1, 2022. The components of the net pension liability of the City is presented in the table below (dollars in thousands).

	Old Hire Fire	Old Hire Police
Total pension liability	\$ 449,811	\$ 660,190
Fiduciary net position	337,277	620,593
Net Pension Liability	\$ 112,534	\$ 39,597

For the year ended December 31, 2022, the City recognized \$28,200,000 and \$45,250,000 of pension income for the Old Hire Fire and Old Hire Police plans, respectively. A summary of the City's deferred outflows of resources and deferred inflows of resources related to pensions for the Old Hire Fire and Old Hire Police plans as of December 31, 2022, is presented in the table below (dollars in thousands).

	Old Hire Fire	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	22,217
Change in proportion	-	-
Contributions subsequent to the measurement date	17,248	-
Total	\$ 17,248	\$ 22,217

	Old Hire Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	39,998
Change in proportion	-	-
Contributions subsequent to the measurement date	10,686	-
Total	\$ 10,686	\$ 39,998

The \$17,248,000 and \$10,686,000 reported by the Old Hire Fire and Old Hire Police plans, respectively, as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as presented in the table below (dollars in thousands).

Year	Old Hire Fire	Old Hire Police
2023	\$ (7,398)	\$ (4,199)
2024	(16,154)	(8,905)
2025	(10,346)	(5,750)
2026	(6,100)	(3,363)
2027	-	-
Thereafter	-	-
Total	\$ (39,998)	\$ (22,217)

The changes in net pension liability for Old Hire Fire and Old Hire Police plans are presented in the table below.

	Old Hire Fire		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of January 1, 2022	\$ 490,532	\$ 324,364	\$ 166,168
Changes for the year:			
Service cost	-	-	-
Interest	30,563	-	30,563
Differences between expected and actual experience	(29,982)	-	(29,982)
Changes of assumptions	-	-	-
Contributions - employer	-	17,248	(17,248)
Contributions - employee	-	-	-
Net investment income	-	37,126	(37,126)
Benefit payments	(41,302)	(41,302)	-
Administrative expense	-	(159)	159
Other changes	-	-	-
Total Net Changes	\$ (40,721)	\$ 12,913	\$ (53,634)
Balances as of December 31, 2022	\$ 449,811	\$ 337,277	\$ 112,534

	Old Hire Police		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of January 1, 2022	\$ 709,038	\$ 598,507	\$ 110,531
Changes for the year:			
Service cost	-	-	-
Interest	44,286	-	44,286
Differences between expected and actual experience	(36,817)	-	(36,817)
Changes of assumptions	-	-	-
Contributions - employer	-	10,686	(10,686)
Contributions - employee	-	-	-
Net investment income	-	67,938	(67,938)
Benefit payments	(56,317)	(56,317)	-
Administrative expense	-	(221)	221
Other changes	-	-	-
Total Net Changes	\$ (48,848)	\$ 22,086	\$ (70,934)
Balances as of December 31, 2022	\$ 660,190	\$ 620,593	\$ 39,597

The 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 expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting 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 Plans target asset allocation as of December 31, 2021 are summarized in the table below.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	5.00%	0.10%
Fixed income - rates	32.00%	2.30%
Fixed income - credit	6.00%	3.50%
Absolute return	6.00%	5.60%
Long short	6.00%	6.90%
Global public equity	17.00%	7.80%
Private capital	28.00%	10.50%
Total	100.00%	

The total pension liability in the December 31, 2021 actuarial valuation was determined using the actuarial assumptions and other inputs reflected in the table below.

	Old Hire Fire	Old Hire Police
Investment rate of return	6.50%	6.50%
Salary increases	n/a	n/a
Inflation	2.50%	2.50%

Mortality rates were based on the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

For Disabled (pre-1980), mortality rates were a minimum 5.06% rate for males and 3.28% rate for females.

The discount rate used to measure the total pension liability remained at 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the plan fiduciary net position 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 of 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 – Presented in the table below, the City's net pension liability, calculated using a discount rate of 6.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1.00% lower (5.50%) or 1.00% higher (7.50%) (dollars in thousands):

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Old Hire Fire net pension liability	\$ 150,818	\$ 112,534	\$ 79,321
Old Hire Police net pension liability (asset)	99,507	39,597	(12,027)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial reports found at <http://fppaco.org/annual-reports.html>.

Each retirement system issues a publicly available financial report that includes financial statements and required supplementary information of that plan. Those reports are available by contacting:

Colorado PERA

P. O. Box 5800
Denver, Colorado 80217-5800

Denver Employees Retirement Plan

777 Pearl Street
Denver, Colorado 80203

Fire and Police Pension Association

5290 DTC Parkway, Suite 100
Greenwood Village, Colorado 80111

Note H - Other Post Employment Benefit (OPEB) Plans

The City has seven OPEB benefits covering substantially all employees of the primary government, as follows:

- Denver Employee Retirement Plan (DERP)
- DERP Implicit Rate Subsidy
- Public Employees' Retirement Association of Colorado (PERA) Plan Health Care Trust Fund (HCTF)
- Denver Police Retiree Health Fund (PRHF)
- Fire and Police Pension Association Statewide Death and Disability Plan (SWD&D)
- Fire and Police Implicit Rate Subsidy
- The Post Employment Health Plan (PEHP) for Firefighters

The majority of the City's employees, and certain employees of Denver Health and Hospital Authority, are covered under the Denver Employee Retirement Plan which includes an implicit rate subsidy. County court judges and the

District Attorney are covered under the Public Employees' Retirement Association of Colorado Health Care Trust Fund. The Denver Police Retiree Health Fund covers individuals who became members after January 1, 1996 and are considered the classified service of the police department. The SWD&D Plan benefits are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan. The Fire and Police Pension Association Implicit Rate Subsidy covers eligible firefighter retirees and police officer retirees who participate in the health insurance programs offered by the City. The Post Employment Health Plan for Firefighters includes firefighters covered by a collective bargaining agreement between the Union and the City to provide post-employment health benefits.

A summary of OPEB related items as of and for the year ended December 31, 2022, is presented in the table below (dollars in thousands).

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
DERP:				
Governmental Activities	\$ 68,437	\$ 7,296	\$ 8,126	\$ 3,136
Business-type Activities	13,921	2,037	2,868	463
HCTF	314	73	139	(2)
PRHF	14,450	6,083	1,576	1,936
Total	\$ 97,122	\$ 15,489	\$ 12,709	\$ 5,533
Implicit Rate Subsidy				
OPEB Plan	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
DERP:				
Governmental Activities	\$ 75,248	\$ 18,910	\$ 6,265	\$ 5,523
Business-type Activities	15,841	7,156	1,797	1,554
Fire and Police	56,774	10,687	4,109	5,144
Total	\$ 147,863	\$ 36,753	\$ 12,171	\$ 12,221

1. The Denver Employee Retirement Health Plan (DERP) and DERP Implicit Rate Subsidy

1a. DERP Participants' Plan

Plan Description – The Denver Employees Retirement Plan (DERP) administers a cost-sharing multiple-employer defined benefit plan providing pension and post-employment health benefits to eligible members. The Plan was established in 1963 by the City and County of Denver, Colorado. During 1996, the Denver Health and Hospital Authority (DHHA) was created and joined the Plan as a contractual entity. In 2001, the Plan became closed to new entrants from DHHA. All risks and costs are shared by the City and County of Denver (the City) and DHHA. There is a single actuarial evaluation performed annually that covers both the pension and post-employment health benefits. All assets of the Plan are funds held in trust by the Plan for its members for the exclusive purpose of paying pension and post-employment health benefits.

Sections 18-401 through 18-430.7 of the City's Revised Municipal Code should be referred to for complete details of the Plan.

The Plan provides retirement, death and disability benefits for its members and their beneficiaries. Members who were hired before September 1, 2004 and retire at or after age 65 (or at age 55 if the sum of their age and credited service is at least 75) are entitled to an annual retirement benefit, in an amount equal to 2.00% of their final average salary for each year of credited service, payable monthly for life. Effective for employees hired on or after September 1, 2004, the formula multiplier was reduced to 1.50%. Final average salary is based on the member's highest salary during a consecutive 36-month period of credited service. Members with five years of credited service may retire at or after age 55 and receive a reduced retirement benefit.

For members who were hired on or after July 1, 2011, they must be age 60 and have combined credited service of at least 85 in order to receive a normal retirement prior to age 65. Final average salary is based on the member's highest salary during a consecutive 60-month period of credited service. Five-year vesting is required of all employees in order to qualify for a benefit, regardless of their age at the time of termination of employment. Annual cost of living adjustment is granted on an ad hoc basis. The estimated cost of benefit and contribution provisions is determined annually by an independent actuary, recommended by the Plan's Board, and enacted into ordinance by the Denver City Council.

The health benefits account was established by City Ordinance in 1991 to provide, beginning January 1, 1992, post-employment health care benefits in the form of a premium reduction to retired members, their spouses and dependents, spouses and dependents of deceased active and retired members, and members of the Plan awaiting approval of retirement applications. During 2021, the monthly health insurance premium reduction was \$12.50 per year of service for retired participants not yet eligible for Medicare, and \$6.25 per year of service for retirees eligible for Medicare. The health insurance premium reduction can be applied to the payment of medical, dental, and/or vision insurance premiums. The benefit recipient pays any remaining portion of the premiums.

Funding Policy for DERP Participants – The City is required to contribute at a rate of 1.25% of annual covered payroll. The contribution requirements for the City are established under the City’s Revised Municipal Code. For the year ended December 31, 2022, contributions were \$6,226,000.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – At December 31, 2022, the City reported a liability of \$82,358,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2021. The City’s proportion of the net OPEB was based on contributions to DERP for the calendar year 2021 relative to the total contributions of participating employers to the DERP

At December 31, 2021, the City’s proportion was 95.82% for OPEB, which was an increase of 0.41% from its proportion measured as of December 31, 2020. The components of the City’s proportionate share of the net OPEB liability related to DERP are presented in the table below (dollars in thousands).

OPEB Plan	Governmental Activities	Business-type Activities	Total
Total OPEB liability	\$ 135,880	\$ 27,640	\$ 163,520
Plan fiduciary net position	67,443	13,719	81,162
Net OPEB liability	\$ 68,437	\$ 13,921	\$ 82,358

For the year ended December 31, 2022, the City recognized OPEB expense for the DERP plan of \$3,599,000

A summary of the City’s deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2022, is presented in the table below (dollars in thousands).

OPEB Plan	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ 44	\$ 3,268
Changes of assumptions or inputs	2,101	-
Net difference between projected and actual earnings on pension plan investments	-	4,858
Changes in proportion and differences between contributions recognized and proportionate share of contributions	24	-
Contributions subsequent to the measurement date	5,127	-
Total	\$ 7,296	\$ 8,126

OPEB Plan	Business-type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ 9	\$ 665
Changes of assumptions or inputs	427	-
Net difference between projected and actual earnings on pension plan investments	-	988
Changes in proportion and differences between contributions recognized and proportionate share of contributions	502	1,215
Contributions subsequent to the measurement date	1,099	-
Total	\$ 2,037	\$ 2,868

OPEB Plan	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ 53	\$ 3,933
Changes of assumptions or inputs	2,528	-
Net difference between projected and actual earnings on pension plan investments	-	5,846
Changes in proportion and differences between contributions recognized and proportionate share of contributions	526	1,215
Contributions subsequent to the measurement date	6,226	-
Total	\$ 9,333	\$ 10,994

The \$6,226,000 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB and the implicit rate subsidy will be recognized as OPEB expense as presented in the table below (dollars in thousands).

OPEB Plan Year	Governmental Activities	Business-type Activities	Total
2023	\$ (900)	\$ (407)	\$ (1,307)
2024	(2,073)	(976)	(3,049)
2025	(1,850)	(316)	(2,166)
2026	(1,134)	(231)	(1,365)
2027	-	-	-
Thereafter	-	-	-
Total	\$ (5,957)	\$ (1,930)	\$ (7,887)

The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in the table below.

DERP	
Valuation date	January 1, 2021
Measurement date	December 31, 2021
Experience study	Conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017
Actuarial method	Entry Age Normal
Long-term investment rate of return	7.25%
Discount rate	7.25%
Salary increases	3.00-7.00%
Price inflation	2.50%
Mortality	Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table below.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
U. S. Equities		
Large Cap	18.00%	7.10%
Small Cap	4.00%	7.60%
Total U.S. Equities	22.00%	
International Equities		
Developed Markets	14.00%	7.80%
Emerging Markets	8.00%	8.80%
Total International Equities	22.00%	
Fixed Income		
Core Fixed Income	17.00%	2.10%
Private Debt	4.00%	6.10%
Distressed Debt	2.50%	6.70%
Emerging Market Debt	2.00%	4.30%
Total Fixed Income	25.50%	
Real Estate		
Real Estate	10.00%	7.00%
Total Real Estate	10.00%	
Absolute Return		
Absolute Return	5.00%	4.30%
Total Absolute Return	5.00%	
Infrastructure		
Infrastructure	3.00%	6.40%
Total Infrastructure	3.00%	
Alternatives		
Private Equity	9.00%	9.10%
Natural Resources	3.50%	7.70%
Total Alternatives	12.50%	
Total Asset Class	100.00%	

Discount rate – The single discount rate used to measure the total pension liability remained at 7.25%. The single discount rate was based on the expected rate of return on pension plan investments. The projection of cash flows used to determine this single rate assumed that plan member and employer contributions will be made at the current contribution rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the City's proportionate share of the net OPEB liability to changes in Discount Rate – Presented in the table below, the net OPEB liability using the current discount rate applicable to the DERP benefit structure, as well as if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher (dollars in thousands).

City's proportionate share of the net OPEB liability	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Governmental activities	\$ 82,019	\$ 68,437	\$ 56,915
Business-type activities	16,684	13,921	11,577
Total	\$ 98,703	\$ 82,358	\$ 68,492

As the plan is paid at a fixed dollar value, there is not an actuarially adjusted value for healthcare costs and thus Healthcare Cost Trend Rates are not applicable to this plan.

OPEB plan fiduciary net position. Detailed information about the DERP's fiduciary net position is available in DERP's annual comprehensive financial report which can be obtained at www.derp.org.

1b. DERP Implicit Rate Subsidy

DERP Implicit Subsidy Plan Description – The City acts in a single-employer capacity by providing health insurance to eligible Career Service retirees and their qualified dependents through the City's group insurance plans. The claims experience of active employees and pre-Medicare retirees is co-mingled in setting premium rates for the plans in which City employees and retirees participate. To be eligible, a retiree must be a minimum of 55 years of age if hired prior to July 1, 2011, and a minimum of 60 years of age if hired after July 1, 2011, with 5 years of service and have begun receiving their pension benefit. Coverage ceases when one reaches Medicare age.

Funding Policy for DERP Implicit Subsidy Plan – DERP retirees are responsible for 100.00% of the blended premium rate, The City's required contribution toward the implicit rate subsidy is based on pay-as-you-go financing. No assets are accumulated in a trust to pay for benefits. For the year ended December 31, 2022, contributions were \$6,320,000.

Participation Rate DERP Implicit Subsidy Plan – As authorized by section 18-412 of the City's Revised Municipal Code, DERP retirees are allowed to participate in the health insurance programs offered to active employees.

- **Participating active employees** – 50.00% of active DERP employees currently covered in the City's medical plans are assumed to continue their current medical plan election in retirement.
- **Actives not currently participating** – 25.00% of active DERP employees not currently covered by a City healthcare plan are assumed to elect coverage in the Kaiser HDHP plan at or before retirement.
- **Vested terminated employees** – 40.00% of vested terminated employees with 16 or more years of City/County service are assumed to elect coverage in the Kaiser HDHP plan when they retire and begin their pension benefits.
- **Retired participants** – Existing medical plan elections are assumed to be continued through retirement until the earlier of the retiree's death or the date he or she becomes eligible for Medicare.

Spouse Coverage

- **Active participants** – 25% of those assumed to elect coverage in retirement are assumed to be married participants electing coverage for their spouse until their death. Husbands are assumed to be three years older than their wives.
- **Retired participants** – Existing elections for spouse coverage are assumed to be maintained through retirement. Actual spouse information is used where available; otherwise the assumptions for spouses of active employees are applied.

Excise tax on high-cost plans

The Affordable Care Act created an excise tax on the value of employer sponsored coverage which exceeds certain thresholds ("Cadillac Plans"). The tax was to be effective in 2022 but was repealed in December 2019 by Senate Amendment to H.R. 1865, Further Consolidated Appropriations act, 2020.

The table below displays Plan participants at December 31, 2020, the date of the latest actuarial valuation.

	Plan Participants
Inactive employees currently receiving benefit payments	1,086
Inactive employees entitled to but not yet receiving benefit payments	264
Active employees	8,586
Total	9,936

The components of the implicit rate subsidy liability related to DERP are presented in the table below (dollars in thousands).

Implicit Rate Subsidy	Governmental Activities	Business-type Activities	Total
Total OPEB liability	\$ 75,248	\$ 15,841	\$ 91,089

For the year ended December 31, 2022, the City recognized OPEB expense of \$7,077,000 for the implicit rate subsidy. A summary of the City's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2022, is presented in the table below (dollars in thousands).

Implicit Rate Subsidy	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected actual experience	\$ 277	\$ 4,039
Changes of assumptions or other inputs	13,412	-
Changes in proportion	-	2,226
Benefit claims made subsequent to the measurement date	5,221	-
Total	\$ 18,910	\$ 6,265

Implicit Rate Subsidy	Business-type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected actual experience	\$ 58	\$ 850
Changes of assumptions or other inputs	2,824	-
Changes in proportion	3,175	947
Benefit claims made subsequent to the measurement date	1,099	-
Total	\$ 7,156	\$ 1,797

Implicit Rate Subsidy	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected actual experience	\$ 335	\$ 4,889
Changes of assumptions or other inputs	16,236	-
Changes in proportion	3,175	3,173
Benefit claims made subsequent to the measurement date	6,320	-
Total	\$ 26,066	\$ 8,062

The \$6,320,000 reported as deferred outflows of resources related to the implicit rate subsidy, resulting from benefit claims paid subsequent to the measurement date, will be recognized as a reduction of the net implicit rate subsidy liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB and the implicit rate subsidy will be recognized as OPEB expense as presented in the table below (dollars in thousands).

Implicit Rate Subsidy Year	Governmental Activities	Business-type Activities	Total
2023	\$ 1,393	\$ 685	\$ 2,078
2024	1,393	685	2,078
2025	1,393	685	2,078
2026	1,271	701	1,972
2027	1,151	690	1,841
Thereafter	823	814	1,637
Total	\$ 7,424	\$ 4,260	\$ 11,684

The implicit rate subsidy liability in the January 1, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in the table below.

Implicit Rate Subsidy	DERP
Valuation date	January 1, 2021
Measurement date	December 31, 2021
Actuarial Method	Entry Age Normal
Asset valuation method	Market value of assets (\$0; plan is not yet funded)
Discount rate	2.06%
Participants valued	Only current active employees under age 65, non-Medicare retired participants and covered spouses are valued. No future entrants are considered in this valuation.
Projected salary increases	3.00% per year
Inflation	2.50%
Mortality	RP-2021 MacLeod Watts Scale 2022 projected generationally from 2014
Healthcare trend	Medical plan premiums and claims costs by age are 3.90% - 5.80% January 1 of 2022-2043.
Medicare eligibility	Presumed to be eligible for Medicare Parts A and B at age 65
Demographic assumptions	Follow those used in the most recent (January 2021) actuarial valuation of the Denver Employees Retirement Plan, except for a different basis used to project future mortality improvements.

Discount rate – When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The basis chosen by the City was the Bond Buyer General Obligation 20 – Bond Municipal Bond Index. As such, a 2.06% discount was used to measure the implicit rate liability.

Sensitivity of the City's implicit rate subsidy liability to changes in the Discount Rate – Presented in the table below, the total OPEB liability using the current discount rate applicable to the DERP benefit structure, as well as if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher (dollars in thousands).

OPEB Liability - Implicit Rate Subsidy	1% Decrease	Current Discount Rate	1% Increase
	1.06%	2.06%	3.06%
Governmental activities	\$ 81,988	\$ 75,248	\$ 69,228
Business-type activities	17,259	15,841	14,573
Total	\$ 99,247	\$ 91,089	\$ 83,801

The change in the healthcare cost trend rate is presented in the table below (dollars in thousands).

Change in Healthcare Cost Trend Rate	Current Trend (1.00)%	Current Trend	Current Trend 1.00%
Governmental Activities OPEB Liability	\$ 68,329	\$ 75,248	\$ 83,357
Increase (decrease)	(6,919)		8,109
% Increase (decrease)	(9.19%)		10.78%
Business-type Activities OPEB Liability	\$ 14,384	\$ 15,841	\$ 17,548
Increase (decrease)	(1,457)		1,707
% Increase (decrease)	(9.19%)		10.78%

The change in the total OPEB liability is presented in the table below (dollars in thousands).

	Total OPEB Liability
Balances as of January 1, 2022	\$ 92,435
Changes for the year:	
Service cost	3,047
Interest	1,952
Benefit changes	-
Differences between expected and actual experience	-
Changes of assumptions	461
Benefit payments	(6,806)
Employee contributions	-
Employer contributions	-
Net investment income	-
Administrative expense	-
Total net changes	\$ (1,346)
Balances as of December 31, 2022	\$ 91,089

2. Public Employees' Retirement Association of Colorado (PERA)

PERA Participants' Plan Description – The City provides OPEB to county judges and the District Attorney through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly.

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5.00% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual benefit recipient meeting these conditions receives the maximum \$230 per

month subsidy reduced appropriately for service less than 20 years, as described above. Benefit recipients who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Funding Policy for PERA Participants' Plan – The City is required to contribute at a rate of 1.02% of PERA-includable salary for all PERA members. No member contributions are required. The contribution requirements for the City are established under Title 24, Article 51, Section 208(1)(f) of the C.R.S, as amended. For the year ended December 31, 2022, contributions to the HCTF were \$42,000.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – At December 31, 2022, the City reported a liability of \$314,000 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2021. The City's proportion of the net OPEB liability was based on contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the City's proportion was 0.04%, which was consistent with its proportion measured as of December 31, 2020.

The components of the City's proportionate share of the net OPEB liability related to PERA HCTF as of December 31, 2022, are presented in the table below (dollars in thousands).

	HCTF
Total OPEB liability	\$ 518
Plan fiduciary net position	204
Net OPEB liability	\$ 314

For the year ended December 31, 2022, the City recognized OPEB income for the PERA HCTF plan of \$2,000. A summary of the City's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2022, is presented in the table below (dollars in thousands).

	HCTF	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 75
Changes in assumptions or other inputs	7	17
Net difference between projected and actual earnings on OPEB plan investments	-	19
Change in proportion	24	28
Contributions subsequent to the measurement date	42	-
Total	\$ 73	\$ 139

The \$42,000 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as OPEB expense as presented in the table below (dollars in thousands).

Year	HCTF
2023	\$ (30)
2024	(34)
2025	(29)
2026	(12)
2027	(3)
Thereafter	-
Total	\$ (108)

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in the table below.

HCTF

Valuation date	December 31, 2020
Measurement date	December 31, 2021
Actuarial method	Entry Age Normal
Price inflation	2.30 %
Real wage growth	0.70 %
Wage inflation	3.00 %
Salary increases, including wage inflation	2.80-11.30% in aggregate
Long-term investment rate of return, net of OPEB investment expenses, including price inflation	7.25 %
Discount rate	7.25 %
Health care cost trend rates PERA benefit structure:	
Service-based premium subsidy	0.00 %
PERACare Medicare plans	4.50% in 2021, 6.00% in 2022 gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.75% in 2021 gradually increasing to 4.50% in 2029

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2020, valuation was based on the results of the 2020 experience analysis for the period January 1, 2016 through December 31, 2019, and were reviewed and adopted by the PERA Board on November 20, 2020.

The long-term expected return on the plan assets is reviewed as part of the regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are presented in the table below.

Year	PERACare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029	4.50%	4.50%
Thereafter	4.50%	4.50%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the PubG-2010 Healthy Retiree table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll forward calculation for the trust fund:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2020. As a result of the November 20, 2020, PERA Board meeting the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40% per year to 2.30% per year.
- Real rate of investment return assumption increased from 4.85% per year, net of investment expenses to 4.95% per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50% per year to 3.00% per year.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are presented in the table below.

Asset Class	Target Allocation	30-Year Expected Geometric Real Rate of Return
Global equity	54.00%	5.60%
Fixed income	23.00%	1.30%
Private equity	8.50%	7.10%
Real estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total Asset Class	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the City’s proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.

Presented in the table below, the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage-point lower or one percentage-point higher.

	1% Decrease	Current Trend Rate	1% Increase
Initial PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 305	\$ 314	\$ 324

Discount rate – The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the Trust Fund representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%.

Sensitivity of the City’s proportionate share of the net OPEB liability to changes in the discount rate.

Presented in the table below, the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) (dollars in thousands).

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City’s proportionate share of the net OPEB liability	\$ 305	\$ 314	\$ 324

OPEB plan fiduciary net position. Detailed information about the HCTF’s fiduciary net position is available in PERA’s annual comprehensive financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

3. The Denver Police Retiree Health Fund (PRHF)

Denver Police Retiree Health Fund Plan Description – The City acts in a single-employer capacity by providing health insurance to eligible Police retirees and their qualified dependents through the City’s group insurance plans. Denver Police retirees are allowed to participate in the health insurance programs offered to active employees. To be eligible, a retiree must terminate his/her employment on or after January 1, 1996, and has a vested right to receive a pension from the State of Colorado Fire and Police Pension Association based on years of service as an employee, whether or not such individual is currently eligible to receive or is receiving such a pension; or any former employee who commences on or after January 1, 1996, to receive and is thereafter receiving a total disability pension from the State of Colorado Fire and Police Pension Association. Coverage ceases when one reaches Medicare age. As of the December 31, 2020 actuarial valuation, there are 1,570 active employees under age 65 covered under the health insurance plans and 112 vested terminated employees. In addition, there are 239 retired employees not yet covered by Medicare who are covered by the plans.

Funding Policy for Denver Police Retiree Health Fund Participants – The City contributes annual contributions to the Denver Police Retiree Health Fund as stipulated in the respective collective bargaining agreement. As of December 31, 2022, the City contributed \$1,200,000 to the fund as stipulated in Article 29.1 of the collective bargaining agreement.

The monthly benefit for a Recipient shall not exceed the lesser of:

- The Plan’s Maximum Monthly Benefit of \$250;
- 100.00% of the Recipient’s actual health insurance, which amount is to be used for the exclusive purpose of paying or defraying such health insurance costs. There will be a presumption that the Recipient’s health insurance costs are in the amount shown by such proof as is required by the Administrator; and
- The amount based upon a Recipient’s years of service as a member of the Police Department of the City is reflected in the table below:

Years of Service	Percentage of the Maximum Monthly Benefit
10 - 14	40.00%
15 - 19	60.00%
20 - 24	80.00%
25+	100.00%

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – At December 31, 2022, the City reported a liability of \$14,450,000 for the net OPEB liability. The net OPEB liability for the Denver Police Retiree Fund was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. The components of the net OPEB liability related to the Denver Police Retiree Fund as of are presented in the table below (dollars in thousands).

	PRHF
Total OPEB liability	\$ 22,618
Plan fiduciary net position	8,168
Net OPEB liability	\$ 14,450
Plan fiduciary net position as percentage of total OPEB liability	56.53%

For the year ended December 31, 2022, the City recognized OPEB expense for the Denver Police Retiree Health Fund of \$1,936,000. A summary of the City’s deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2022, is presented in the table below (dollars in thousands).

	PRHF	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 671
Changes of assumptions or other inputs	4,883	86
Net difference between projected and actual earnings on OPEB plan investments	-	819
Contributions subsequent to the measurement date	1,200	-
Total	\$ 6,083	\$ 1,576

The \$1,200,000 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred inflows of resources will be recognized as OPEB expense as presented in the table below.

Year	PRHF
2023	\$ 412
2024	323
2025	454
2026	492
2027	625
Thereafter	1,001
	\$ 3,307

The total OPEB liability determined using the following actuarial cost method, actuarial assumptions and other inputs is presented in the table below.

	PRHF
Valuation date	December 31, 2020
Actuarial method	Entry age normal level % of pay
Discount rate	5.15 %
Asset valuation method	Market value assets
Salary increases, including wage inflation	3.00 %
Investment rate of return, net of OPEB plan investment expenses, including price inflation	6.00 %

Participants Valued

Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.

Mortality rates

- **Healthy retirees and beneficiaries** – For ages less than 55, RP-2014 Mortality Tables for employees. For ages 65 and older, RP-2014 Mortality Tables for healthy annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.
- **Active Members** – RP-2014 Mortality Tables for employees, projected with Scale BB, 50.00% multiplier for off-duty mortality. Increased by 0.00015% for on-duty related Fire and Police experience.
- **Mortality Improvement** – MacLeod Watts Scale 2020 applied generationally from 2018.

Future Increases in the Maximum Monthly Benefit

The Maximum Monthly Benefit paid by the Fund remained at the current level through December 31, 2022 and then will increase by 4.50% per year, beginning January 1, 2023.

Participation Rate

- **Active and vested former employees** – All future retirees who qualify for benefits under this program will elect to receive them and that their monthly benefit will be the vested portion of the Maximum Monthly Benefit.
- **Retired participants** – All existing retirees are assumed to receive the vested portion of the Maximum Monthly Benefit for the remaining period for which they qualify for payments.

Surviving Spouse Benefits

- **Active and vested terminated participants** – 50.00% of future retirees are assumed to have a spouse who might qualify for continuation of benefits in the event that the employee dies in the line of duty or after retirement and prior to receiving all of his or her benefits under this Program. Husbands are assumed to be three years older than their wives.
- **Retired participants** – Current spouse coverage information was used to project potential survivor benefits for existing retirees.

The target allocations for each major asset class are summarized in the table below.

Asset Class	Target Allocation
Cash and sweep balances	0.64%
Stocks, options & ETF's	75.09%
Mutual funds	24.27%
Total Asset Class	100.00%

Discount rate – The discount rate used to measure the total OPEB liability remained at 5.15%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of the cash flows:

The City's contributions to the Fund have exceeded 100.00% of the Actuarially Determined Contributions (ADC) and it is assumed that future City contribution levels will continue at or above the currently negotiated levels. As such, with the City's approval, the discount rate used in this valuation is 5.15%. The ADC are based on the following two components, which are then adjusted with interest to fiscal year end:

- The amounts attributed to service performed in the current fiscal year (the normal cost) and
- Amortization of the unfunded actuarial accrued liability (UAAL) over a closed 20-year period with payments determined as a level percent of payroll (using an assumed 3.00% per year aggregate payroll increase).

Sensitivity of the net OPEB liability to changes in the discount rate and Health Care Cost Trend Rates – The discount rate used for net OPEB liability is 5.15%. Healthcare Cost Trend Rate (as applied in projecting future increases in maximum benefits provided by the Fund) is 4.50% per year. The impact of 1.00% increase or a 1.00% decrease in these assumptions is shown in the table below.

Change in Discount Rate	Current -1.00% 4.15%	Current 5.15%	Current +1.00% 6.15%
Net OPEB liability	\$ 16,202	\$ 14,450	\$ 12,847
Increase (decrease)	1,752		(1,603)
% Increase (decrease)	12.10%		(11.10%)
Change in Healthcare Cost Trend Rate	Current Trend (1.00%)	Current Trend	Current Trend 1.00%
Net OPEB liability	\$ 12,376	\$ 14,450	\$ 16,844
Increase (decrease)	(2,074)		2,394
% Increase (decrease)	(14.40%)		16.60%

The change in the net OPEB liability is presented in the table below (dollars in thousands).

	2022		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of January 1, 2022	\$ 21,256	\$ 6,880	\$ 14,376
Changes for the Year:			
Service cost	873	-	873
Interest	1,124	-	1,124
Benefit changes	-	-	-
Differences between expected and actual experience	-	665	(665)
Transition to entry age normal	-	-	-
Changes of assumptions	-	-	-
Benefit payments	(635)	(635)	-
Employee contributions	-	-	-
Employer contributions	-	840	(840)
Net investment income	-	418	(418)
Administrative expense	-	-	-
Total Net Changes	\$ 1,362	\$ 1,288	\$ 74
Balances as of December 31, 2022	\$ 22,618	\$ 8,168	\$ 14,450

4. SWD&D Participant's Plan Description

The Fire & Police Pension Association Statewide Death & Disability Plan is a cost-sharing multiple-employer defined benefit death and disability plan covering full-time employees of substantially all fire and police departments in Colorado. As of August 5, 2003, the Plan may include part-time police and fire employees. Contributions to the Plan are used for the payment of death and disability benefits. Employers who are covered by Social Security may elect supplementary coverage by the Plan. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Defined Benefit System and the Statewide Death & Disability Plan. The Plan was established in 1980 pursuant to Colorado Revised Statutes and currently has 268 participating employer departments. Included in that number are 7 contributing employers as of December 31, 2021, who are covered by Social Security and have elected supplementary coverage by the Plan. The Plan assets are included in the Fire & Police Members' Benefit Investment Fund Long-Term Pool. The Long-Term Pool is designed primarily for open plans with a longer time horizon, higher risk tolerance, and lower liquidity needs. The investment return assumption is 7.0%. Plan benefits provide 24-hour coverage, both on- and off-duty and are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan. In the case of an on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire but were still working. Death and disability benefits are free from state and federal taxes in the event that a member's disability is determined to be the result of an on-duty injury or an occupational disease.

Funding Policy for SWD&D Participants' Plan – Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated. Members hired on or after January 1, 1997, began contributing 2.40% of base salary to this Plan as of January 1, 1997. Contributions may be increased 0.20% biennially by the FPPA Board. The contributions increased to 3.00% of base salary as of January 1, 2021. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The 3.00% contribution may be paid entirely by the employer or member, or it may be split between the employer and the member as determined at the local level. As all contributions are considered employee contributions, the City does not make any contributions to this plan, and there is no net OPEB liability to the City. The plan has 1,385 retirees and beneficiaries currently receiving benefits and 14,716 total members.

OPEB plan fiduciary net position. Detailed information about the FPPA's fiduciary net position is available in their annual comprehensive financial report which can be obtained at <https://www.fppaco.org/annual-reports.html>.

5. Fire and Police Pension Health Plan Implicit Rate Subsidy

Fire and Police Participants' Plan Description – City acts in a single-employer capacity by providing access to health insurance to eligible fire and police retirees and their qualified dependents through the respective groups' insurance plans. Based on City practice, firefighter retirees and police officer retirees are allowed to participate in the health

insurance programs offered to active employees. Firefighters and police officers hired prior to April 8, 1978, are eligible for this coverage with a minimum of 25 years of service; however, police officers are also eligible when they begin collecting their pension benefit should they not obtain 25 years of service. For fire and police employees hired after April 7, 1978, they must have elected to begin collecting their pension and be a minimum of 55 years of age with 5 years of service or attained age 50 with 30 years of service. Coverage ceases when one reaches Medicare age. As of the December 31, 2020 actuarial valuation, there are 2,614 active employees under age 65 covered under the health insurance plans and 81 vested-terminated employers. In addition, there are 184 retired employees not yet covered by Medicare who are covered by the plans. There is no stand-alone financial report for this medical coverage benefit and it is not included in the report.

Funding Policy for Fire and Police Participants' Plan – Fire and police retirees are responsible for 100.00% of the blended premium rate. The City's required contribution toward the implicit rate subsidy is based on pay-as-you-go financing, and no assets are accumulated in a trust to pay for benefits. For the year ended December 31, 2021, contributions were \$2,100,000. All contributions are considered employer contributions.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – At December 31, 2022, the City reported a liability of \$56,774,000 for the total OPEB implicit rate liability. The OPEB implicit rate liability for the Fire and Police plan was measured as of December 31, 2021. The total OPEB implicit rate liability was determined by an actuarial valuation as of December 31, 2020.

The components of the total OPEB liability related to the Fire and Police Implicit Rate Subsidy as of December 31, 2022 are presented in the table below (dollars in thousands).

Fire and Police Implicit Rate Subsidy

Total OPEB implicit rate liability	\$ 56,774
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For the year ended December 31, 2022, the City recognized OPEB implicit rate expense for Fire and Police of \$5,144,000. A summary of the City's deferred outflows of resources and deferred inflows of resources related to the OPEB implicit rate subsidy as of December 31, 2022, is presented in the table below (dollars in thousands).

	Fire and Police Implicit Rate Subsidy	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 8,587	\$ -
Net difference between projected and actual earnings on OPEB plan investments	-	4,109
Benefits paid subsequent to the measurement date	2,100	-
Total	\$ 10,687	\$ 4,109

The \$2,100,000 reported as deferred outflows of resources related to the Fire and Police OPEB implicit rate subsidy, resulting from benefit claims paid subsequent to the measurement date, will be recognized as a reduction of the total OPEB implicit rate liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as presented in the table below (dollars in thousands).

Year	
2023	\$ 707
2024	707
2025	707
2026	707
2027	677
Thereafter	973
Total	\$ 4,478

The total OPEB implicit rate liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in the table below.

Fire and Police Implicit Rate Subsidy

Valuation Date	December 31, 2020
Actuarial method	Entry age normal + % of pay
Discount rate	2.06% as of 12/31/2021
General inflation	2.50%
Salary increases, including wage inflation	3.00%
Mortality	FPPA 2022 Actuarial Valuation; Projected with MW Scale 2022

Participation Rate – The health benefits account was established by City Ordinance to provide post-employment health care benefits in the form of a premium reduction to retired members, their spouses and dependents, spouses and dependents of deceased active and retired members, and members of the Plan awaiting approval of retirement applications.

- **Participating active employees** – 35.00% of active fire and police employees currently covered in the City’s medical plans are assumed to continue their current medical plan election in retirement.
- **Actives not currently participating** – 17.50% of active fire and police employees not currently covered by a City healthcare plan are assumed to elect coverage in the following plans at or before retirement: (a) if police: United HDHP; (b) if fire: Kaiser HMO Vested terminated employees: 35.00% of vested employees age 45 or older with 10 or more years fire and police service are assumed to elect coverage in the Kaiser plan available when they retire and begin their pension benefits.
- **Retired participants** – Existing medical plan elections are assumed to be maintained through retirement until the earlier of the retiree’s death or the date he or she becomes eligible for Medicare.
- **Active and vested terminated participants** – 55.00% of those assumed to elect coverage in retirement are assumed to be married participants electing coverage for their spouse until their death. Husbands are assumed to be three years older than their wives.
- **Retired participants** – Existing elections for spouse coverage are assumed to be maintained through retirement. Actual spouse information is used where available; otherwise the assumptions for spouses of active employees are applied.

The Affordable Care Act created an excise tax on the value of employer sponsored coverage which exceeds certain thresholds (“Cadillac Plans”). The tax was to be effective in 2022 but was repealed in December 2019 by Senate Amendment to H.R. 1865, Further Consolidated Appropriations act, 2020.

Development of Age-related Premiums

Actual premium rates for fire and police retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, “Health Care Costs – From Birth to Death”, sponsored by the Society of Actuaries.

Representative claims costs derived for retirees not currently covered or not expected to be eligible for Medicare appear in the table below.

Medical Plan	Expected Monthly Claims by Medical Plan for Selected Ages							
	Male				Female			
	48	53	58	63	48	53	58	63
Police								
DHMP DHMO	\$ 557	\$ 736	\$ 938	\$ 1,163	\$ 721	\$ 850	\$ 961	\$ 1,129
DHMP HDHP	499	659	840	1,041	646	761	860	1,011
Kaiser DHMO	528	697	888	1,101	683	804	910	1,069
Kaiser HDHP	507	669	853	1,057	656	773	874	1,026
United HDHP	625	826	1,052	1,305	809	953	1,078	1,266
United CDP	647	855	1,089	1,350	837	987	1,116	1,311
Fire								
Kaiser HMO	\$ 598	\$ 790	\$ 1,006	\$ 1,247	\$ 774	\$ 911	\$ 1,031	\$ 1,211
Kaiser HDHMO	484	640	815	1,011	627	739	835	981
Kaiser Triple Options	690	912	1,162	1,440	893	1,052	1,190	1,398

In developing these factors, it was assumed there were 1.7 children per participant covering children with an average age of 13.1. Actual spouse ages were used if available. Otherwise husbands were assumed to be three years older than their wives.

Mortality rates

- **Healthy retirees and beneficiaries** – For ages less than 55, RP-2014 Employee Mortality Tables. For ages 65 and older, RP-2014 Mortality Tables for Healthy Annuitants. All tables are projected with Scale BB.
- **Active Members** – RP-2014 Employee Mortality Tables, projected with Scale BB, 50.00% multiplier for off-duty mortality. Increased by 0.00015% for on-duty related Fire and Police experience.
- **Mortality Improvement** – MacLeod Watts Scale 2022 applied from 2018.

Sensitivity of the net OPEB liability to changes in the discount rate and Health Care Cost Trend Rates – The discount rate used for net OPEB liability is 2.06%. Healthcare Cost Trend Rate was assumed to start at 5.80% (increase effective January 1, 2023) and grade down to 3.90% for the years 2076 and later. The impact of 1.00% increase or a 1.00% decrease in these assumptions is shown in the table below.

Discount Rate Implicit Rate Subsidy	1% Decrease 1.06%	Current Discount Rate 2.06%	1% Increase 3.06%
OPEB Liability	62,141	56,774	51,908
Increase (decrease)	5,367		(4,866)
% Increase (decrease)	9.45%		(8.57%)

Health Care Cost Trend Rate Implicit Rate Subsidy	1% Decrease	Current Trend	1% Increase
OPEB Liability	50,406	56,774	64,289
Increase (decrease)	(6,368)		7,515
% Increase (decrease)	(11.22%)		13.24%

Discount Rate – The discount rate was changed from 2.12% as of December 31, 2020, to 2.06% as of December 31, 2021, based on the published change in return for the applicable municipal bond index. The basis chosen by the City was the Bond Buyer General Obligation 20 – Bond Municipal Bond Index.

The change in the total OPEB liability is presented in the table below (dollars in thousands).

	Total OPEB Liability
Balances as of January 1, 2022	\$ 54,048
Changes for the Year:	
Service cost	3,244
Interest	1,193
Benefit changes	-
Differences between expected and actual experience	-
Changes of assumptions	305
Benefit payments	(2,016)
Employee contributions	-
Employer contributions	-
Net investment income	-
Administrative expense	-
Total Net Changes	\$ 2,726
Balances as of December 31, 2022	\$ 56,774

6. Post-employment Health Plan for Firefighters

PEHP Plan Description – The City provides other postemployment benefits to certain collectively bargained employees through a defined contribution OPEB trust administered by a third-party provider appointed by the City. The Plan is established under the collective bargaining agreement effective as of December 15, 2015. The trust provides post-retirement reimbursement of qualifying medical care expenses and healthcare insurance

premiums for the benefit of eligible City employees who are participants in the plan, and their dependents. Those benefits are intended to qualify as a voluntary employees' beneficiary association within the meaning of section 501(c)(9) of the Internal Revenue Code of 1986, as amended.

Funding Policy for the PEHP – Subject to appropriation, the City is required to contribute at a rate of 1.25% per year of base pay on behalf of each firefighter. The contribution requirements for the City are established under the collective bargaining agreement, as amended. For the year ended December 31, 2022, contributions to the PEHP were \$1,200,000. The City may periodically change its contributions to the trust, consistent with the objectives of the plan and applicable law by a mutually agreeable method between the City and the plan administrator.

Each system issues a publicly available financial report that includes financial statements and required supplementary information of that plan. Those reports are available by contacting:

Colorado PERA

P.O. Box 5800
Denver, CO 80217-5800

Denver Employees Retirement Plan

777 N Pearl Street
Denver, CO 80203

Fire and Police Pension Association

5290 DTC Pkwy #100
Greenwood Village, CO 80111

City and County of Denver

201 West Colfax Avenue
Denver, CO 80202

Postemployment Health Plan

Nationwide Retirement Solutions
P.O. Box 182797 Columbus, OH 43218-2797

Required Supplementary Information Budgetary Comparison Schedule - General Fund, Bond Projects Fund and Human Services Special Revenue Fund

Year Ended December 31, 2022 (dollars in thousands)

	General Fund			
	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 1,151,983	\$ 1,222,863	\$ 1,173,702	\$ (49,161)
Licenses and permits	55,421	60,864	70,287	9,423
Intergovernmental revenues	42,826	38,233	38,314	81
Charges for services	165,729	166,570	214,457	47,887
Investment and interest income (loss)	13,158	14,752	(25,212)	(39,964)
Fines and forfeitures	45,720	49,601	34,103	(15,498)
Contributions	-	-	160	160
Other revenue	10,128	10,089	15,955	5,866
Total Revenues	1,484,965	1,562,972	1,521,766	(41,206)
Budget Basis Expenditures				
General government	435,131	430,213	424,239	5,974
Public safety	676,274	676,855	662,975	13,880
Public works	147,991	151,089	150,040	1,049
Human services	6,053	6,053	3,452	2,601
Health	68,423	71,140	67,206	3,934
Parks and recreation	87,679	89,822	86,355	3,467
Cultural activities	57,328	53,012	51,996	1,016
Community development	73,854	74,579	70,022	4,557
Economic opportunity	1,940	1,940	1,940	-
Total Budget Basis Expenditures	1,554,673	1,554,703	1,518,225	36,478
Excess (deficiency) of revenues over budget basis expenditures	(69,708)	8,269	3,541	(4,728)
Other Financing Sources (Uses)				
Sale of capital assets	-	-	15	15
Payment to Paying Agent	-	-	-	-
Bond Premium	-	-	-	-
Issuance of Debt	-	-	-	-
Issuance of capital leases	-	-	20,727	20,727
Insurance recoveries	-	-	728	728
Transfers in	55,777	55,727	55,830	103
Transfers out	(74,608)	(76,683)	(29,712)	46,971
Total Other Financing Sources (Uses)	(18,831)	(20,956)	47,588	68,544
Excess (deficiency) of revenues and other financing sources over budget basis expenditures and other financing uses	<u>\$ (88,539)</u>	<u>\$ (12,687)</u>	51,129	<u>\$ 63,816</u>
Fund balances - January 1			440,437	
Fund Balances - December 31			<u>\$ 491,566</u>	

See accompanying notes to required supplementary information.

Human Services Special Revenue Fund				Bond Projects		
Budget		Actual	Variance with Final Budget	Final	Actual	Variance with Final Budget
Original	Final					
\$ 79,103	\$ 79,103	\$ 79,118	\$ 15	-	-	-
-	-	-	-	-	-	-
102,261	102,261	100,824	(1,437)	-	-	-
194	194	412	218	-	-	-
-	-	-	-	(25,500)	(25,500)	-
-	-	-	-	-	-	-
-	-	96	96	-	-	-
260	260	285	25	481	481	-
181,818	181,818	180,735	(1,083)	(25,019)	(25,019)	-
-	-	-	-	1	1	-
-	-	-	-	-	-	-
-	-	-	-	54,594	54,594	-
190,648	189,017	168,553	20,464	-	-	-
-	-	-	-	-	-	-
-	-	-	-	11	11	-
-	-	-	-	51	51	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
190,648	189,017	168,553	20,464	54,657	54,657	-
(8,830)	(7,199)	12,182	19,381	(79,676)	(79,676)	-
-	-	-	-	-	-	-
-	-	-	-	(104,597)	(104,597)	-
-	-	-	-	43,451	43,451	-
-	-	-	-	366,389	366,389	-
-	-	-	-	-	-	-
-	-	323	323	-	-	-
-	-	-	-	-	-	-
(4,045)	(4,045)	(4,045)	-	(8,452)	(8,452)	-
(4,045)	(4,045)	(3,722)	323	296,791	296,791	-
\$ (12,875)	\$ (11,244)	8,460	\$ 19,704	\$ 217,115	217,115	\$ -
		100,767			662,181	
		\$ 109,227		\$ 879,296		

Notes to Required Supplementary Information Budgetary Comparison Schedule

The City adheres to the following procedures in establishing the budgetary data for governmental fund types reflected in the financial statements:

1. Formal budgetary integration for expenditures is employed during the year for the general, special revenue, and capital projects funds except for certain special assessment projects and general improvement district funds. Formal budgetary integration is not employed for debt service funds, and certain special assessment projects and general improvement district funds included in capital projects and debt service funds, because effective budgetary control is alternatively achieved through bond and general obligation bond indenture provisions.
2. The Long Bill authorizes appropriations in all Funds that are designated as appropriated. Per Section 3.2.4 of the Charter “the Council shall have power to appropriate all money necessary for the expenses of the City and County.” Appropriated funds include the General Fund, certain special revenue funds including Human Services, Enterprise Funds, and capital project funds.
3. On or before July 1, heads of all City departments and agencies submit requests for appropriations to the budget officer who compiles the requests and submits a comprehensive budget request document to the Mayor. Thereafter, on or before September 15 of each year, the Mayor briefs the City Council on the tentative revenue and expenditure plans for the ensuing year. After receiving and considering City Council’s recommendations, the Mayor prepares and submits to the City Council, on or before the third Monday in October of each year, a proposed budgetary report which includes all projected revenues and expenditures, the amount to be raised by taxation to pay interest on general obligation bonded indebtedness, and the amounts to be expended during the ensuing year for capital improvement projects identifying the sources of revenue for financing such projects. Upon receipt of the proposed budget, the City Council publishes a notice that the budget is open for inspection by the public and that a public hearing on the proposed budget will be held by no later than the fourth Monday in October. After the public hearing and consideration is given to the input by the public, the City Council, not later than the second Monday in November, adopts the budget by passage of an ordinance.
4. Authorization to transfer budgeted amounts between departments (appropriations) within any fund or revisions that alter the total expenditures of any fund must be approved by the City Council. Management can transfer budgeted amounts between line items within departments (appropriations). The legal level of budgetary control is established and maintained at the funded project level for special revenue and capital projects funds and at the department level for all other funds. Budgeted amounts are as originally adopted and as amended by the City Council throughout the year.
5. Unencumbered appropriations in the General Fund and Human Services special revenue fund lapse at year end. The unencumbered appropriations in the remaining special revenue funds and capital projects funds do not lapse at year end but terminate upon expiration of the grant or project fiscal year or term.

Required Supplementary Information

Schedule of City's Proportionate Share of the Net Pension Liability - DERP

December 31, 2022 (dollars in thousands)

	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
DERP					
December 31, 2015	88.88%	\$ 778,462	\$ 557,646	139.60%	70.12%
December 31, 2016	89.51%	1,055,539	571,367	184.74%	62.26%
December 31, 2017	89.84%	1,095,568	574,914	190.56%	62.26%
December 31, 2018	90.70%	1,063,754	541,545	196.43%	65.49%
December 31, 2019	92.03%	1,388,395	542,111	256.11%	57.76%
December 31, 2020	94.76%	1,378,920	569,297	242.21%	60.82%
December 31, 2021	95.28%	1,483,121	586,482	252.88%	60.32%
December 31, 2022	95.85%	1,301,258	573,969	226.71%	66.25%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Note: Changes in assumptions. There were no assumption changes during the year. For the year ended December 31, 2021 the discount rate used to measure the total pension liability changed to 7.25% from 7.50% at December 31, 2019. For the year ended December 31, 2019 the discount rate used to measure the total pension liability changed to 7.50% from 7.75% at December 31, 2017. For the year ended December 31, 2017 the discount rate used to measure the total pension liability changed to 7.75% from 8.00% at December 31, 2015.

Required Supplementary Information

Schedule of City Contributions - DERP

December 31, 2022 (dollars in thousands)

	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
DERP					
December 31, 2015	\$ 64,443	\$ 60,181	\$ 4,262	\$ 560,157	10.74%
December 31, 2016	59,159	64,345	(5,186)	574,914	11.19%
December 31, 2017	64,404	64,404	-	541,545	11.89%
December 31, 2018	75,096	75,096	-	542,111	13.85%
December 31, 2019	83,255	83,255	-	569,297	14.62%
December 31, 2020	95,624	95,624	-	586,482	16.30%
December 31, 2021	102,295	102,295	-	573,969	14.51%
December 31, 2022	125,173	125,173	-	617,668	20.27%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 68.

Note: There were no benefit changes during the year. As of October 1, 2017, the valuation interest was lowered from 8% to 7.75%. The latest experience study was conducted in 2020 covering the 5-year period of January 1, 2016 to December 31, 2020. At the time, the recommended mortality table was expected to produce a margin of 8% on the retired male mortality experience and 7% on the retired female experience (Source: Denver Employees Retirement Plan 2014 Actuarial Experience Study for the period ending December 31, 2013, page 24).

Required Supplementary Information

Schedule of City's Proportionate Share of the Net Pension Liability - FPPA SWDB

December 31, 2022 (dollars in thousands)

	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
FPPA SWDB					
December 31, 2015	39.51%	\$ (44,591)	\$ 230,820	19.32%	106.80%
December 31, 2016	39.81%	(701)	251,518	0.28%	100.10%
December 31, 2017	38.18%	13,797	257,016	5.37%	98.21%
December 31, 2018	34.96%	(50,290)	200,006	25.14%	106.34%
December 31, 2019	32.29%	40,822	236,503	17.26%	95.20%
December 31, 2020	31.33%	(17,721)	250,435	7.08%	101.90%
December 31, 2021	30.39%	(65,973)	263,790	25.01%	106.72%
December 31, 2022	29.96%	(156,920)	258,134	60.79%	116.16%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information

Schedule of City Contributions - FPPA SWDB

December 31, 2022 (dollars in thousands)

FPPA	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
SWDB					
December 31, 2015	\$ 20,121	\$ 15,299	\$ 4,822	\$ 251,518	6.08%
December 31, 2016	20,561	15,648	4,913	257,016	6.09%
December 31, 2017	16,000	15,934	66	200,006	7.97%
December 31, 2018	18,920	17,396	1,524	236,503	7.36%
December 31, 2019	20,035	18,079	1,956	250,435	7.22%
December 31, 2020	21,103	19,528	1,575	263,790	7.40%
December 31, 2021	20,651	19,818	833	258,134	7.68%
December 31, 2022	21,074	22,013	(939)	263,420	8.36%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 68.

Note: Changes in Assumptions. At least every five years, the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2015 and July 2018 meetings, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The approved assumption changes from the July 2015 meeting were effective for actuarial valuations beginning January 1, 2016 and were used in the rollforward calculation of total pension liability as of December 31, 2015. Actuarial assumptions effective for actuarial valuations prior to January 1, 2016 were used in the determination of the actuarially determined contributions as of December 31, 2015. The approved assumption changes from the July 2018 meeting were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors as used.

Required Supplementary Information

Schedule of City's Proportionate Share of the Net Pension Liability - PERA

December 31, 2022 (dollars in thousands)

	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	State of Colorado's Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
PERA SDTF						
December 31, 2015	0.007%	\$ 674	\$ -	207	325.60%	59.80%
December 31, 2016	0.007%	755	-	221	341.63%	56.10%
December 31, 2017	0.007%	1,358	-	203	668.97%	42.60%
December 31, 2018	0.008%	1,677	-	314	534.08%	43.20%
December 31, 2019	0.007%	794	5	220	360.91%	55.11%
December 31, 2020	0.006%	602	5	230	261.74%	62.24%
December 31, 2021	0.007%	652	5	229	284.72%	65.36%
December 31, 2022	0.006%	452	-	229	197.38%	73.05%
PERA JDTF						
December 31, 2015	6.400%	\$ 8,854	\$ -	2,800	316.21%	66.90%
December 31, 2016	6.018%	11,066	-	2,986	370.60%	60.10%
December 31, 2017	5.840%	14,835	-	2,864	517.98%	53.20%
December 31, 2018	6.009%	13,945	-	2,841	490.85%	58.70%
December 31, 2019	5.087%	7,186	70	2,878	249.69%	68.48%
December 31, 2020	5.076%	4,616	68	3,148	146.63%	80.02%
December 31, 2021	6.506%	4,014	88	3,145	147.12%	87.06%
December 31, 2022	6.366%	584	-	2,740	21.31%	98.11%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: 2019 contributions include \$5,000 for the SDTF and \$70,000 for the JDTF from the special funding situation with the State of Colorado as a non-employer contributing entity per SB-18-200. 2020 contributions include \$5,000 for the SDTF and \$68,000 for the JDTF from the special funding situation with the State of Colorado as a non-employer contributing entity per SB-18-200. 2021 contributions include \$5,000 for the SDTF and \$88,000 for the JDTF from the special funding situation with the State of Colorado as a non-employer contributing entity per SB-18-200.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information Schedule of City's Contributions - PERA

December 31, 2022 (dollars in thousands)

PERA	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
SDTF					
December 31, 2015	\$ 36	\$ 37	\$ (1)	\$ 221	16.74%
December 31, 2016	37	37	-	203	18.23%
December 31, 2017	46	46	-	314	14.65%
December 31, 2018	43	43	-	220	19.55%
December 31, 2019	43	43	-	225	19.11%
December 31, 2020	44	44	-	229	19.21%
December 31, 2021	45	45	-	229	19.65%
December 31, 2022	48	48	-	222	21.62%
JDTF					
December 31, 2015	\$ 488	\$ 488	\$ -	\$ 2,986	16.34%
December 31, 2016	468	468	-	2,864	16.34%
December 31, 2017	468	468	-	2,841	16.47%
December 31, 2018	504	504	-	2,878	17.51%
December 31, 2019	598	598	-	3,148	19.00%
December 31, 2020	674	674	-	3,145	21.43%
December 31, 2021	696	696	-	2,740	25.40%
December 31, 2022	848	848	-	3,532	24.01%

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: No assumption changes in the total pension liability as of December 31, 2021. Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The following assumptions changes were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020:

Price inflation decreased to 2.30% from 2.40%

Real wage growth decreased to 0.70% from 1.10%

Wage inflation decreased to 3.00% from 3.50%

Note: Changes to assumptions or other inputs since the December 31, 2013 actuarial valuation are as follows:

Valuation of the full survivor benefit without any reduction for possible remarriage

Reflection of the employer match on separation benefits for all eligible years

Reflection of one year of service eligibility for survivor annuity benefit

Refinement of the 18 month annual increase timing

Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

Recognition of merit salary increases in the first projection year

Elimination of the assumption that 35% of future disabled members elect to receive a refund

Removal of the negative value adjustment for liabilities associated with refunds of future terminating members

Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information

Schedule of City's Contributions - FPPA Old Hire Fire and Police

December 31, 2022 (dollars in thousands)

FPPA	Actuarially determined Required Contributions	Contributions in Relation to Actuarially Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
Old Hire Fire					
December 31, 2015	\$ 13,061	\$ 15,912	\$ (2,851)	\$ 139	11447.48%
December 31, 2016	13,053	13,061	(8)	90	14512.22%
December 31, 2017	16,355	16,355	-	n/a	n/a
December 31, 2018	16,355	16,355	-	n/a	n/a
December 31, 2019	17,248	17,248	-	n/a	n/a
December 31, 2020	17,248	17,248	-	n/a	n/a
December 31, 2021	17,248	17,248	-	n/a	n/a
December 31, 2022	17,248	17,248	-	n/a	n/a
Old Hire Police					
December 31, 2015	\$ 16,262	\$ 18,977	\$ (2,715)	\$ 102	18604.90%
December 31, 2016	5,027	5,027	-	n/a	n/a
December 31, 2017	7,988	7,988	-	n/a	n/a
December 31, 2018	7,988	7,988	-	n/a	n/a
December 31, 2019	8,803	8,803	-	n/a	n/a
December 31, 2020	8,803	8,803	-	n/a	n/a
December 31, 2021	10,686	10,686	-	n/a	n/a
December 31, 2022	10,686	10,686	-	n/a	n/a

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 68.

Note: Valuation date: Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2012, determines the contribution amounts for 2013 and 2014.

	Old Hire Fire	Old Hire Police
Methods and assumptions used to determine contribution rates:		
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar, Open	Level Dollar, Open
Remaining amortization period	15 Years	15 Years
Asset valuation method	5-Year smoothed market	5-Year smoothed market
Inflation	2.50%	2.50%
Salary increases	n/a	n/a
Investment rate of return	6.50%	6.50%
Retirement age	Any remaining actives are assumed to retire immediately.	Any remaining actives are assumed to retire immediately.
Mortality	Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.	Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Note: Changes in assumptions. For the year ended December 31, 2022 the investment rate of return used to measure the total pension liability changed to 6.50% from 7.50% at December 31, 2021. The FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years. Beginning in the 2016 valuations, the inflation assumption was reduced from 3.0% to 2.5%, the real return on investments was increased 5.0% for an overall nominal investment return of 7.5%, an explicit charge for administration expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for rising longevity in the future to reflect current mortality studies, and the expected incidence of total disability was increased.

Required Supplementary Information**Schedule of Changes in the City's Net Pension Liability and Related Ratios - FPPA Old Hire Fire**

December 31, 2022 (dollars in thousands)

FPPA Old Hire Fire	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability								
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	34,596	34,026	35,748	35,214	34,880	34,233	31,286	30,563
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between actual and expected experience	-	(699)	-	3,533	-	787	-	(29,982)
Changes of assumptions	-	32,102	-	-	-	33,365	-	-
Benefit payments, including refunds of employee contributions	(42,249)	(42,134)	(42,834)	(42,893)	(43,529)	(43,462)	(43,460)	(41,302)
Net change in total pension liability	(7,653)	23,295	(7,086)	(4,146)	(8,649)	24,923	(12,174)	(40,721)
Total pension liability - beginning	482,022	474,369	497,664	490,578	486,432	477,783	502,706	490,532
Total pension liability - ending	\$ 474,369	\$ 497,664	\$ 490,578	\$ 486,432	\$477,783	\$502,706	\$490,532	\$449,811
Plan fiduciary net position								
Contributions - employer	\$ 13,944	\$ 16,803	\$ 13,061	\$ 16,355	\$ 16,355	\$ 17,248	\$ 17,248	\$ 17,248
Contributions - employee	7	7	8	8	3	-	-	-
Net investment income	23,465	6,174	17,084	44,879	531	37,862	31,818	37,126
Benefit payments, including refunds of employee contributions	(42,249)	(42,134)	(42,834)	(42,893)	(43,529)	(43,462)	(43,460)	(41,302)
Administrative expense	(545)	(488)	(518)	(146)	(175)	(155)	(162)	(159)
Net change in plan fiduciary net position	(5,378)	(19,638)	(13,199)	18,203	(26,815)	11,493	5,444	12,913
Plan fiduciary net position - beginning	354,255	348,877	329,238	316,039	334,242	307,427	318,920	324,364
Plan fiduciary net position - ending	\$ 348,877	\$ 329,239	\$ 316,039	\$ 334,242	\$307,427	\$318,920	\$324,364	\$337,277
Net Pension Liability	\$ 125,492	\$ 168,425	\$ 174,539	\$ 152,190	\$170,356	\$183,786	\$166,168	\$112,534
Plan fiduciary net position as a percentage of the total pension liability	73.55%	66.16%	64.42%	68.71%	64.34%	63.44%	66.12%	74.98%
Covered payroll	87	90	90	96	n/a	n/a	n/a	n/a
Net pension liability as a percentage of covered payroll	143734.99%	187436.70%	194240.85%	158531.25%	-	-	-	-

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information

Schedule of Changes in the City's Net Pension Liability and Related Ratios - FPPA Old Hire Police

December 31, 2022 (dollars in thousands)

FPPA Old Hire Police	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability								
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	49,249	48,801	50,590	50,141	49,712	49,118	45,077	44,286
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between actual and expected experience	-	(12,201)	-	983	-	(4,065)	-	(36,817)
Changes of assumptions	-	43,358	-	-	-	51,530	-	-
Benefit payments, including refunds of employee contributions	(55,137)	(55,326)	(56,901)	(56,248)	(57,458)	(57,772)	(58,140)	(56,317)
Net change in total pension liability	\$ (5,888)	\$ 24,632	\$ (6,311)	\$ (5,124)	\$ (7,746)	\$ 38,811	\$ (13,063)	\$ (48,848)
Total pension liability - beginning	683,727	677,839	702,471	696,160	691,036	683,290	722,101	709,038
Total pension liability - ending	\$677,839	\$702,471	\$696,160	\$691,036	\$683,290	\$722,101	\$709,038	\$660,190
Plan fiduciary net position								
Contributions - employer	\$ 16,262	\$ 18,089	\$ 5,027	\$ 7,988	\$ 7,988	\$ 8,803	\$ 8,803	\$ 10,686
Contributions - employee	5	-	-	-	-	-	-	-
Net investment income	42,091	11,278	30,983	82,545	754	69,918	57,998	67,938
Benefit payments, including refunds of employee contributions	(55,137)	(55,326)	(56,901)	(56,248)	(57,458)	(57,772)	(58,140)	(56,317)
Administrative expense	(977)	(910)	(1,013)	(194)	(233)	(61)	(219)	(221)
Net change in plan fiduciary net position	\$ 2,244	\$ (26,869)	\$ (21,904)	\$ 34,091	\$ (48,949)	\$ 20,888	\$ 8,442	\$ 22,086
Plan fiduciary net position - beginning	630,564	632,808	605,939	584,035	618,126	569,177	590,065	598,507
Plan fiduciary net position - ending	\$632,808	\$605,939	\$584,035	\$618,126	\$569,177	\$590,065	\$598,507	\$620,593
Net Pension Liability	\$ 45,031	\$ 96,532	\$ 112,125	\$ 72,910	\$ 114,113	\$ 132,036	\$ 110,531	\$ 39,597
Plan fiduciary net position as a percentage of the total pension liability	93.36%	86.26%	83.89%	89.45%	83.30%	81.72%	84.41%	94.00%
Covered payroll	90	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Net pension liability as a percentage of covered payroll	50070.05%	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Required Supplementary Information Schedule of City's Proportionate Share of the Net OPEB Liability - DERP

December 31, 2022 (dollars in thousands)

	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
DERP					
December 31, 2018	93.36%	\$ 78,593	\$ 541,545	14.51%	45.98%
December 31, 2019	93.99%	98,309	542,111	18.13%	39.18%
December 31, 2020	95.08%	93,516	569,297	16.43%	42.16%
December 31, 2021	95.41%	92,610	586,482	15.79%	43.59%
December 31, 2022	95.82%	82,358	573,969	14.35%	49.63%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: Changes in assumptions. There were no assumption changes during the year. For the year ended December 31, 2021 the discount rate used to measure the total pension liability changed to 7.25% from 7.50% at December 31, 2019. For the year ended December 31, 2019 the discount rate used to measure the total pension liability changed to 7.50% from 7.75% at December 31, 2017. For the year ended December 31, 2017 the discount rate used to measure the total pension liability changed to 7.75% from 8.00% at December 31, 2015.

Required Supplementary Information Schedule of City Contributions - DERP OPEB

December 31, 2022 (dollars in thousands)

	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
DERP OPEB					
December 31, 2018	\$ 4,651	\$ 4,651	-	\$ 542,111	0.86%
December 31, 2019	4,855	4,855	-	569,297	0.85%
December 31, 2020	5,288	5,288	-	586,482	0.90%
December 31, 2021	5,380	5,380	-	573,969	0.94%
December 31, 2022	6,226	6,226	-	617,668	1.01%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: Changes in assumptions. There were no assumption changes during the year. For the year ended December 31, 2021 the discount rate used to measure the total pension liability changed to 7.25% from 7.50%.

Required Supplementary Information

Schedule of Changes in the City's OPEB Liability - DERP Implicit Rate Subsidy

December 31, 2022 (dollars in thousands)

DERP Implicit Rate Subsidy	Total OPEB Liability				
	2018	2019	2020	2021	2022
Balances as of January 1	\$ 77,906	\$ 78,593	\$ 79,695	\$ 87,351	\$ 92,435
Changes for the year:					
Service cost	2,548	2,742	2,615	3,462	3,047
Interest	2,926	2,788	3,243	2,401	1,952
Benefit changes	-	-	-	-	-
Differences between expected and actual experience	-	628	-	(6,420)	-
Transition to Entry Age Normal	-	-	-	-	-
Changes of assumptions	1,312	987	8,630	12,039	461
Benefit payments	(6,099)	(6,043)	(6,832)	(6,398)	(6,806)
Employee contributions	-	-	-	-	-
Employer contributions	-	-	-	-	-
Net investment income	-	-	-	-	-
Administrative expense	-	-	-	-	-
Total Changes	\$ 687	\$ 1,102	\$ 7,656	\$ 5,084	\$ (1,346)
Balances as of December 31	\$ 78,593	\$ 79,695	\$ 87,351	\$ 92,435	\$ 91,089
Covered payroll	\$ 541,545	\$ 542,111	\$ 569,297	\$ 586,482	\$ 573,969
OPEB liability as a percentage of covered payroll	14.51%	14.70%	15.34%	15.76%	15.87%

Note: Information is not available prior to 2018. In future reports additional years will be added until 10 years of historical are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: For the year ended December 31, 2022 the discount rate used to measure the total pension liability changed to 2.06% from 2.12% at December 31, 2021. For the December 31, 2021 OPEB Liability, Demographic actuarial assumptions were based on the 2018 experience study of the DERP using data from the five-year period ending December 31, 2017. The implicit subsidy valuation uses these same demographic assumptions, as published in the DERP January 2021 pension valuation, except for a different basis used to project future mortality improvement. For years ended December 31, 2020 and prior the latest experience study was conducted in 2013 covering the 5-year period of January 1, 2008 to December 31, 2012. At the time, the recommended mortality table was expected to produce a margin of 8% on the retired male mortality experience and 7% on the retired female experience (Source: Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ending December 31, 2012, page 24). No assets are accumulated in a trust to pay related benefits.

Required Supplementary Information Schedule of City's Proportionate Share of the Net OPEB Liability - PERA HCTF

December 31, 2022 (dollars in thousands)

	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
PERA					
December 31, 2018	0.04%	\$ 515	\$ 3,155	16.32%	17.53%
December 31, 2019	0.04%	519	3,098	16.75%	17.09%
December 31, 2020	0.04%	417	3,145	13.26%	24.46%
December 31, 2021	0.04%	358	2,969	12.06%	32.83%
December 31, 2022	0.04%	314	3,754	8.36%	39.38%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Required Supplementary Information Schedule of City Contributions - PERA HCTF OPEB

December 31, 2022 (dollars in thousands)

	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
PERA OPEB					
December 31, 2018	\$ 34	\$ 34	\$ -	\$ 3,155	1.08%
December 31, 2019	35	35	-	3,098	1.13%
December 31, 2020	42	42	-	3,145	1.34%
December 31, 2021	49	49	-	2,969	1.65%
December 31, 2022	42	42	-	3,754	1.12%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: There were no benefit changes during the year.

Required Supplementary Information Schedule of Changes in the City's Net OPEB Liability - Police Retiree Health Fund

December 31, 2022 (dollars in thousands)

PRHF	2018			2019			2020			2021			2022		
	Total OPEB Liability	Net OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability	Net OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability	Net OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability	Net OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability	Net OPEB Liability	Plan Fiduciary Net Position
Balances as of January 1	\$ 11,394	\$ 8,315	\$ 3,079	\$ 11,971	\$ 8,097	\$ 4,187	\$ 15,536	\$ 11,349	\$ 5,721	\$ 19,789	\$ 14,068	\$ 6,880	\$ 21,256	\$ 14,376	\$ 6,880
Changes for the year:															
Service cost	358	358	-	372	372	-	633	633	-	708	708	-	873	873	-
Interest	691	691	-	727	727	-	742	742	-	1,212	1,212	-	1,424	1,424	-
Benefit changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	(1,302)	(1,302)	-	3,612	3,612	-	(3,096)	(3,096)	-	-	-	-
Transition to Entry Age Normal	-	-	-	4,214	4,214	-	-	-	-	-	-	-	-	-	-
Changes of assumptions	-	-	-	(446)	(446)	-	(268)	(268)	-	3,235	3,235	-	-	-	-
Benefit payments	(472)	1	(473)	-	(446)	(466)	(466)	(268)	(466)	(592)	(592)	(592)	(635)	(635)	(635)
Employee contributions	-	-	-	-	(955)	955	-	(955)	-	-	-	-	-	-	-
Employer contributions	-	(805)	805	-	196	(196)	-	(1,078)	1,200	-	(1,200)	840	-	(840)	840
Net investment income	-	(463)	463	-	446	(446)	-	(922)	551	-	(551)	1,083	-	(1,083)	1,083
Administrative expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Changes	\$ 577	\$ (218)	\$ 795	\$ 3,565	\$ (218)	\$ 313	\$ 4,253	\$ 2,719	\$ 1,534	\$ 1,467	\$ 308	\$ 1,159	\$ 1,362	\$ 1,288	\$ 74
Balances as of December 31	\$ 11,971	\$ 8,097	\$ 3,874	\$ 15,536	\$ 11,349	\$ 5,721	\$ 19,789	\$ 14,068	\$ 6,880	\$ 21,256	\$ 14,376	\$ 8,168	\$ 22,618	\$ 14,450	\$ 8,168

Plan Fiduciary Net Position as a Percentage of Total Pension Liability	2018			2019			2020			2021			2022		
	Total Pension Liability	Net OPEB Liability	Plan Fiduciary Net Position	Total Pension Liability	Net OPEB Liability	Plan Fiduciary Net Position	Total Pension Liability	Net OPEB Liability	Plan Fiduciary Net Position	Total Pension Liability	Net OPEB Liability	Plan Fiduciary Net Position	Total Pension Liability	Net OPEB Liability	Plan Fiduciary Net Position
Covered-employee payroll	32.36%	n/a	n/a	26.95%	n/a	n/a	28.91%	n/a	n/a	32.37%	n/a	n/a	36.11%	n/a	n/a
Net OPEB liability as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: The maximum monthly benefit was increased from \$200 to \$250 effective January 1, 2020.

Required Supplementary Information
Schedule of City Contributions - Police Retiree Health Fund

December 31, 2022 (dollars in thousands)

	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a % of Covered Payroll
Police Retiree Health Fund					
December 31, 2018	\$ 955	\$ 955	-	n/a	0.00%
December 31, 2019	1,078	1,078	-	n/a	0.00%
December 31, 2020	1,200	1,200	-	n/a	0.00%
December 31, 2021	840	840	-	n/a	0.00%
December 31, 2022	1,200	1,200	-	n/a	0.00%

Note: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Note: Information presented in this schedule has been determined as of the City's most recent fiscal year end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: Changes of assumptions. There were no assumption changes during the year. The discount rate used to measure the December 31, 2020 total OPEB liability increased from 4.65% to 6.00%. The discount rate used to measure the December 31, 2021 total OPEB liability decreased from 6.00% to 5.15%.

Required Supplementary Information

Schedule of Changes in the City's OPEB Liability - Fire and Police Implicit Rate Subsidy

December 31, 2022 (dollars in thousands)

FPPA Implicit Rate Subsidy	Total OPEB Liability				
	2018	2019	2020	2021	2022
Balances as of January 1	\$ 40,128	\$ 42,326	\$ 46,280	\$ 54,330	\$ 54,048
Changes for the year:					
Service cost	1,851	2,010	2,173	2,932	3,244
Interest	1,550	1,542	1,946	1,538	1,193
Benefit changes	-	-	-	-	-
Differences between expected and actual experience	-	630	-	(5,629)	-
Transition to Entry Age Normal	-	-	-	-	-
Changes of assumptions	768	1,857	6,117	3,146	305
Benefit payments	(1,971)	(2,085)	(2,186)	(2,269)	(2,016)
Employee contributions	-	-	-	-	-
Employer contributions	-	-	-	-	-
Net investment income	-	-	-	-	-
Administrative expense	-	-	-	-	-
Total Net Changes	\$ 2,198	\$ 3,954	\$ 8,050	\$ (282)	\$ 2,726
Balances as of December 31	\$ 42,326	\$ 46,280	\$ 54,330	\$ 54,048	\$ 56,774
Covered payroll	\$ 200,006	\$ 214,697	\$ 250,435	\$ 263,790	\$ 263,420
OPEB liability as a percentage of covered payroll	21.16%	21.56%	21.69%	20.49%	21.55%

Note: Information is not available prior to 2018. In future reports additional years will be added until 10 years of historical are presented.

Note: Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 75.

Note: Changes of assumptions. The discount rate used to measure the total OPEB liability was 3.56%, 4.11%, 2.74%, 2.12% and 2.06% for the years ended December 31, 2018, 2019, 2020, 2021 and 2022, respectively.

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Governmental Funds



Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are operating funds used to account for the proceeds of specific revenue sources that are intended for specific purposes other than special assessments or major capital projects.

- **General Government** – to account for the proceeds of revenue not specifically accounted for in another special revenue fund.
- **Public Safety** – to account for the proceeds of revenue to be used for public safety purposes.
- **Health** – to account for the proceeds of revenue to be used for expenditures in connection with health related purposes and activities.
- **Culture and Recreation** – to account for the proceeds of revenue to be used in providing culture and recreation services.
- **Community Development** – to account for the proceeds of revenue to be used for community development purposes and activities.
- **Economic Opportunity** – to account for the proceeds of revenue to be used in providing economic opportunity services.
- **Special Funds** – to account for resources by agreement for various purposes.
- **General Improvement Districts** – to account for the financial resources segregated for the financing of improvements of properties within the general improvement districts.

Debt Service Funds

Debt service funds are used to account for the payment of principal and interest on long-term debt. Debt Service revenues are from taxes and other operating revenues, some of which are pledged specifically to repay certain outstanding bond issues.

- **Bond Principal** – to account for resources used for the payment of principal on governmental long-term debt.
- **Bond Interest** – to account for resources used for the payment of interest on governmental long-term debt.
- **Excise Tax Revenue Bond** – to account for the accumulation of funds for the payment of principal and interest on the Excise Tax Revenue bonds.
- **General Improvement Districts** – to account for the financial activities associated with the payment of principal and interest on General Improvement District general obligation bonds.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

- **Winter Park Capital Fund** – to account for financial resources from the Winter Park Trust.
- **Capital Improvements** – to account for financial resources segregated for the acquisition of major capital projects of the City other than those financed by bond projects, other capital projects, enterprise funds, and internal service funds.
- **Conservation Trusts** – to account for the proceeds from State Lottery Funds, investment earnings, and refunds; all used for parks and recreation capital improvements.
- **Other Capital Projects** – to account for financial resources segregated for the financing of major capital projects for which grant or other funds will be used.
- **Entertainment and Culture** – to account for surplus seat tax used for capital improvements to entertainment and cultural facilities owned by the City that generate seat taxes.
- **Special Assessments** – to account for the financing of improvements and maintenance deemed to benefit properties against which special assessments are levied.
- **General Improvements Districts** – to account for capital improvements related to properties within the general improvement districts.

Permanent Fund

- **Cableland Trust** – to account for resources by ordinance to be used to maintain the residence known as Cableland.

Governmental Individual Fund Schedules and Statements

- **General Fund and Human Services Special Revenue Fund** – Schedules of Expenditures Compared with Authorizations.
- **General Fund** – Comparative Balance Sheets and Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance.

Combining Balance Sheet - Nonmajor Governmental Funds

December 31, 2022 (Dollars In Thousands)

	Special Revenue	Debt Service	Capital Projects	Cableland Trust	Total
Assets					
Cash on hand	\$ 5,347	\$ -	\$ -	\$ -	5,347
Cash and cash equivalents	621,202	198,543	622,821	3,173	1,445,739
Receivables, net					
Taxes	128,531	151,434	98,184	-	378,149
Notes	74,540	-	-	-	74,540
Accounts	28,845	45	1,039	-	29,929
Accrued Interest	2,151	1,103	2,657	42	5,953
Interfund receivable	106	-	-	-	106
Due from other governments	131,665	-	11,529	-	143,194
Prepaid items and other assets	210	-	2,430	-	2,640
Restricted assets:					
Cash and cash equivalents	55	386	12,228	-	12,669
Prepaid expense - non-current	-	784	-	-	784
Total Assets	\$ 992,652	\$ 352,295	\$ 750,888	\$ 3,215	\$ 2,099,050
Liabilities, Deferred Inflows of Resources, And Fund Balances					
Liabilities:					
Vouchers payable	\$ 77,459	\$ -	\$ 45,047	\$ -	122,506
Accrued liabilities	33	-	20	-	53
Interfund payable	7,551	-	381	-	7,932
Unearned revenue	337,790	-	14,253	-	352,043
Advances	3,553	-	-	-	3,553
Compensated absences	83	-	-	-	83
Total Liabilities	426,469	-	59,701	-	486,170
Deferred inflows of resources:					
Unavailable revenues - property tax	61,530	142,066	97,475	-	301,071
Unavailable revenues - long-term receivables	10,887	-	706	-	11,593
Total Deferred Inflows Of Resources	72,417	142,066	98,181	-	312,664
Fund Balances:					
Nonspendable	210	784	2,430	3,000	6,424
Restricted	387,092	209,445	590,576	215	1,187,328
Committed	113,691	-	-	-	113,691
Assigned	1,826	-	-	-	1,826
Unassigned	(9,053)	-	-	-	(9,053)
Total Fund Balances	493,766	210,229	593,006	3,215	1,300,216
Total Liabilities, Deferred Inflows of Resources, And Fund Balances	\$ 992,652	\$ 352,295	\$ 750,888	\$ 3,215	\$ 2,099,050

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Special Revenue	Debt Service	Capital Projects	Cableland Trust	Total
Revenues					
Taxes:					
Facilities development admissions	\$ -	\$ -	\$ 18,924	\$ -	\$ 18,924
Lodgers	40,204	56,460	4,408	-	101,072
Property	65,109	148,518	95,349	-	308,976
Sales and use	260,689	51,619	-	-	312,308
Specific ownership	107	-	-	-	107
Telephone	15,756	-	-	-	15,756
Special assessments	-	-	1,783	-	1,783
Licenses and permits	1,473	-	29	-	1,502
Intergovernmental revenues	161,174	-	30,354	-	191,528
Charges for services	129,889	-	184	-	130,073
Investment and interest income (loss)	(2,627)	(7,445)	(16,822)	7	(26,887)
Fines and forfeitures	136	-	-	-	136
Contributions	5,740	-	2,813	-	8,553
Other revenue	72,712	-	23,583	-	96,295
Total Revenues	750,362	249,152	160,605	7	1,160,126
Expenditures					
Current:					
General government	147,094	56	14,353	-	161,503
Public safety	108,169	-	12	-	108,181
Transportation and infrastructure	7,970	-	99,358	-	107,328
Human services	155	-	123	-	278
Health	84,701	-	3,876	-	88,577
Parks and recreation	14,059	-	13,601	-	27,660
Cultural activities	92,079	-	5,341	-	97,420
Community development	111,762	-	1,055	-	112,817
Economic development	19,957	-	-	-	19,957
Debt service:					
Principal retirement	7,508	120,448	8,482	-	136,438
Interest	1,173	79,021	6,994	-	87,188
Capital outlay	18	-	144,751	-	144,769
Total Expenditures	594,645	199,525	297,946	-	1,092,116
Excess (deficiency) of revenues over (under) expenditures	155,717	49,627	(137,341)	7	68,010
Other Financing Sources (Uses)					
Insurance recoveries	978	-	-	-	978
Transfers in	11,042	-	109,892	-	120,934
Transfers out	(70,821)	(52,349)	(8,733)	(190)	(132,093)
Total Other Financing Sources (Uses)	(58,801)	(52,349)	101,159	(190)	(10,181)
Net change in fund balances	96,916	(2,722)	(36,182)	(183)	57,829
Fund balances - January 1	396,850	212,951	629,188	3,398	1,242,387
Fund Balances - December 31	\$ 493,766	\$ 210,229	\$ 593,006	\$ 3,215	\$ 1,300,216

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Combining Balance Sheet - Nonmajor Special Revenue Funds

December 31, 2022 (dollars in thousands)

	General Government	Public Safety	Health
Assets			
Cash On Hand	\$ -	\$ -	-
Cash And Cash Equivalents	315,507	27,218	32,959
Receivables, net			
Taxes	13,703	50,308	7,396
Notes	8,519	-	-
Accounts	1,218	3,953	29
Accrued Interest	1,250	14	131
Interfund Receivable	-	-	-
Due From Other Governments	97,940	6,132	8,877
Prepaid Items And Other Assets	-	-	-
Restricted Assets:			
Cash And Cash Equivalents	-	-	-
Total Assets	\$ 438,137	\$ 87,625	\$ 49,392
Liabilities, Deferred Inflows Of Resources, And Fund Balances			
Liabilities:			
Vouchers Payable	\$ 24,339	\$ 2,607	\$ 13,842
Accrued Liabilities	13	2	8
Interfund Payable	34	-	-
Unearned Revenue	287,135	5,140	3,752
Advances	-	27	-
Compensated Absences	83	-	-
Total Liabilities	311,604	7,776	17,602
Deferred Inflows Of Resources:			
Unavailable Revenues - Property Tax	-	50,281	-
Unavailable Revenues - Long-Term Receivables	-	482	-
Total Deferred Inflows Of Resources	-	50,763	-
Fund Balances:			
Nonspendable	-	-	-
Restricted	126,533	29,086	31,790
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	126,533	29,086	31,790
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	\$ 438,137	\$ 87,625	\$ 49,392

	Culture and Recreation	Community Development	Economic Opportunity	Special Funds	General Improvement Districts	Total
\$	5,347	\$ -	\$ -	\$ -	\$ -	5,347
	109,555	117,283	-	16,877	1,803	621,202
	38,321	15,323	309	1,126	2,045	128,531
	-	57,679	8,342	-	-	74,540
	13,000	-	97	10,458	90	28,845
	211	474	-	71	-	2,151
	65	-	41	-	-	106
	1,775	10,546	6,395	-	-	131,665
	196	-	2	-	12	210
	-	-	-	23	32	55
\$	168,470	\$ 201,305	\$ 15,186	\$ 28,555	\$ 3,982	\$ 992,652
\$	12,000	\$ 19,195	\$ 5,337	\$ 102	\$ 37	\$ 77,459
	5	-	4	1	-	33
	40	-	7,477	-	-	7,551
	38,564	3,199	-	-	-	337,790
	3,526	-	-	-	-	3,553
	-	-	-	-	-	83
	54,135	22,394	12,818	103	37	426,469
	-	9,203	-	-	2,046	61,530
	286	-	-	10,119	-	10,887
	286	9,203	-	10,119	2,046	72,417
	196	-	2	-	12	210
	162	169,708	11,420	18,332	61	387,092
	113,691	-	-	-	-	113,691
	-	-	-	-	1,826	1,826
	-	-	(9,054)	1	-	(9,053)
	114,049	169,708	2,368	18,333	1,899	493,766
\$	168,470	\$ 201,305	\$ 15,186	\$ 28,555	\$ 3,982	\$ 992,652

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	General Government	Public Safety	Health
Revenues			
Taxes:			
Lodgers	\$ 40,204	\$ -	-
Property	4,786	49,187	-
Sales and use	92,772	-	62,028
Specific ownership	-	-	-
Telephone	-	-	-
Licenses and permits	1,471	-	-
Intergovernmental revenues	87,329	19,356	21,228
Charges for services	6,638	13,836	13
Investment and interest income (loss)	4,518	(1,978)	576
Fines and forfeitures	-	136	-
Contributions	286	440	1,402
Other revenue	31,215	1,258	145
Total Revenues	269,219	82,235	85,392
Expenditures			
Current:			
General government	143,523	-	-
Public safety	14,730	83,847	-
Public works	7,977	-	-
Human services	155	-	-
Health	2,023	-	82,678
Parks and recreation	2,756	-	-
Cultural activities	2,494	-	-
Community development	34,232	-	-
Economic development	-	-	-
Debt service:			
Principal retirement	75	-	-
Interest	9	3	-
Capital outlay	5	-	-
Total Expenditures	207,979	83,850	82,678
Excess (deficiency) of revenues over (under) expenditures	61,240	(1,615)	2,714
Other Financing Sources (Uses)			
Insurance recoveries	-	-	-
Transfers in	372	-	-
Transfers out	(10,700)	-	-
Total Other Financing Sources (Uses)	(10,328)	-	-
Net change in fund balances	50,912	(1,615)	2,714
Fund balances - January 1	75,621	30,701	29,076
Fund Balances - December 31	\$ 126,533	\$ 29,086	\$ 31,790

Culture and Recreation	Community Development	Economic Opportunity	Special Funds	General Improvement Districts	Total
\$ -	\$ -	\$ -	\$ -	\$ -	40,204
-	8,966	-	-	2,170	65,109
46,991	55,024	3,874	-	-	260,689
-	-	-	-	107	107
-	-	-	15,756	-	15,756
2	-	-	-	-	1,473
2,645	17,762	12,854	-	-	161,174
89,923	17,190	-	2,289	-	129,889
(626)	(4,619)	-	(521)	23	(2,627)
-	-	-	-	-	136
1,941	1,489	182	-	-	5,740
23,470	2,584	6,870	7,129	41	72,712
164,346	98,396	23,780	24,653	2,341	750,362
41	-	1,570	1	1,959	147,094
-	-	-	9,592	-	108,169
-	-	-	(7)	-	7,970
-	-	-	-	-	155
-	-	-	-	-	84,701
11,300	-	-	3	-	14,059
89,585	-	-	-	-	92,079
-	77,530	-	-	-	111,762
-	-	19,957	-	-	19,957
-	-	-	7,433	-	7,508
-	-	-	1,161	-	1,173
13	-	-	-	-	18
100,939	77,530	21,527	18,183	1,959	594,645
63,407	20,866	2,253	6,470	382	155,717
978	-	-	-	-	978
5,290	-	-	5,380	-	11,042
(51,944)	-	-	(8,087)	(90)	(70,821)
(45,676)	-	-	(2,707)	(90)	(58,801)
17,731	20,866	2,253	3,763	292	96,916
96,318	148,842	115	14,570	1,607	396,850
\$ 114,049	\$ 169,708	\$ 2,368	\$ 18,333	\$ 1,899	\$ 493,766

Combining Balance Sheet - Nonmajor Debt Service Funds

December 31, 2022 (dollars in thousands)

	Bond Principal	Bond Interest	Excise Tax Revenue Bond	General Improvement Districts	Total
Assets					
Cash and cash equivalents	\$ 81,733	\$ 16,151	\$ 100,659	\$ -	\$ 198,543
Receivables, net					
Taxes	92,602	49,130	9,702	-	151,434
Accounts	38	7	-	-	45
Accrued interest	-	425	678	-	1,103
Restricted assets:					
Cash and cash equivalents	-	-	-	386	386
Prepaid expense - non-current	-	-	784	-	784
Total Assets	\$ 174,373	\$ 65,713	\$ 111,823	\$ 386	\$ 352,295
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Deferred Inflows of Resources:					
Unavailable revenues - property tax	92,989	49,077	-	-	142,066
Total of Deferred Inflows of Resources	92,989	49,077	-	-	142,066
Fund Balances:					
Nonspendable	-	-	784	-	784
Restricted	81,384	16,636	111,039	386	209,445
Total Fund Balances	81,384	16,636	111,823	386	210,229
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 174,373	\$ 65,713	\$ 111,823	\$ 386	\$ 352,295

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Debt Service Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Bond Principal	Bond Interest	Excise Tax Revenue Bond	General Improvement Districts	Total
Revenues					
Taxes:					
Lodgers	\$ -	\$ -	\$ 56,460	\$ -	\$ 56,460
Property	126,587	21,453	-	478	148,518
Sales and use	-	-	51,619	-	51,619
Investment and interest income (loss)	-	(2,492)	(4,953)	-	(7,445)
Total Revenues	126,587	18,961	103,126	478	249,152
Expenditures					
Current:					
General Government	-	10	38	8	56
Debt service:					
Principal retirement	104,226	-	15,910	312	120,448
Interest	-	42,917	35,947	157	79,021
Total Expenditures	104,226	42,927	51,895	477	199,525
Excess (deficiency) of revenues over (under) expenditures	22,361	(23,966)	51,231	1	49,627
Other Financing (Uses)					
Transfers out	-	-	(52,349)	-	(52,349)
Total Other Financing (Uses)	-	-	(52,349)	-	(52,349)
Net change in fund balances	22,361	(23,966)	(1,118)	1	(2,722)
Fund balances - January 1	59,023	40,602	112,941	385	212,951
Fund Balances - December 31	\$ 81,384	\$ 16,636	\$ 111,823	\$ 386	\$ 210,229

Combining Balance Sheet - Nonmajor Capital Projects Funds

December 31, 2022 (dollars in thousands)

	Winter Park Capital Fund	Capital Improvements	Conservation Trusts
Assets			
Cash and cash equivalents	\$ 8,805	\$ 308,569	\$ 25,473
Receivables (net of allowances for uncollectibles of \$4,391):			
Taxes	-	97,267	-
Accounts	-	133	-
Accrued interest	40	1,502	305
Due from other governments	-	-	-
Prepaid items and other assets	-	136	-
Restricted assets:			
Cash and Cash Equivalents	-	-	-
Total Assets	\$ 8,845	\$ 407,607	\$ 25,778
Liabilities, Deferred Inflow of Resources, and Fund Balances			
Liabilities:			
Vouchers payable	\$ 428	\$ 21,856	\$ 718
Accrued liabilities	-	-	-
Interfund payable	-	381	-
Unearned revenue	-	-	-
Total Liabilities	428	22,237	718
Deferred Inflow of Resources:			
Unavailable revenues - property tax	-	97,475	-
Unavailable revenues - long-term receivables	-	-	-
Total Deferred Inflows of Resources	-	97,475	-
Fund Balances:			
Nonspendable	-	136	-
Restricted	8,417	287,759	25,060
Total Fund Balances	8,417	287,895	25,060
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,845	\$ 407,607	\$ 25,778

	Other Capital Projects	Entertainment and Culture	Special Assessments	General Improvement Districts	Total
\$	252,745	\$ 23,781	\$ 3,448	\$ -	\$ 622,821
	572	344	1	-	98,184
	906	-	-	-	1,039
	717	78	15	-	2,657
	11,529	-	-	-	11,529
	1,896	-	398	-	2,430
	12,228	-	-	-	12,228
\$	280,593	\$ 24,203	\$ 3,862	\$ -	\$ 750,888
\$	21,597	\$ 448	\$ -	\$ -	\$ 45,047
	20	-	-	-	20
	-	-	-	-	381
	14,252	-	1	-	14,253
	35,869	448	1	-	59,701
	-	-	-	-	97,475
	706	-	-	-	706
	706	-	-	-	98,181
	1,896	-	398	-	2,430
	242,122	23,755	3,463	-	590,576
	244,018	23,755	3,861	-	593,006
\$	280,593	\$ 24,203	\$ 3,862	\$ -	\$ 750,888

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Capital Projects Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Winter Park Capital Fund	Capital Improvements	Conservation Trusts
Revenues			
Taxes:			
Facilities development admissions	\$ -	\$ -	\$ -
Lodgers	-	-	-
Property	-	95,349	-
Licenses and permits	-	-	-
Special assessments	-	-	-
Intergovernmental revenues	-	9,511	8,958
Charges for services	-	117	-
Investment and interest income (loss)	(291)	(9,414)	(2,089)
Contributions	-	-	-
Other revenue	-	-	4
Total Revenues	(291)	95,563	6,873
Expenditures			
Current:			
General government	-	14,060	-
Public Safety	-	-	-
Transportation and infrastructure	-	84,543	-
Human services	-	123	-
Health	-	3,876	-
Parks and recreation	1,288	1,808	6,685
Cultural activities	-	1,907	-
Community development	-	913	-
Debt service:			
Principal retirement	-	6,247	-
Interest	-	1,059	-
Capital outlay	5,754	21,489	433
Total Expenditures	7,042	136,025	7,118
Excess (deficiency) of revenues over (under) expenditures	(7,333)	(40,462)	(245)
Other Financing Sources (Uses)			
Transfers in	5,387	47,278	-
Transfers out	-	(827)	-
Total Other Financing Sources (Uses)	5,387	46,451	-
Net change in fund balances	(1,946)	5,989	(245)
Fund balances - January 1	10,363	281,906	25,305
Fund Balances - December 31	\$ 8,417	\$ 287,895	\$ 25,060

	Other Capital Projects	Entertainment and Culture	Special Assessments	General Improvement Districts	Total
\$	2,027	\$ 16,897	\$ -	\$ -	\$ 18,924
	4,408	-	-	-	4,408
	-	-	-	-	95,349
	29	-	-	-	29
	90	-	1,693	-	1,783
	11,885	-	-	-	30,354
	67	-	-	-	184
	(4,476)	(505)	(47)	-	(16,822)
	2,813	-	-	-	2,813
	23,579	-	-	-	23,583
	40,422	16,392	1,646	-	160,605
	-	293	-	-	14,353
	12	-	-	-	12
	13,334	131	1,260	90	99,358
	-	-	-	-	123
	-	-	-	-	3,876
	3,677	143	-	-	13,601
	1,798	1,636	-	-	5,341
	142	-	-	-	1,055
	2,235	-	-	-	8,482
	5,935	-	-	-	6,994
	116,724	351	-	-	144,751
	143,857	2,554	1,260	90	297,946
	(103,435)	13,838	386	(90)	(137,341)
	57,137	-	-	90	109,892
	(2,526)	(5,380)	-	-	(8,733)
	54,611	(5,380)	-	90	101,159
	(48,824)	8,458	386	-	(36,182)
	292,842	15,297	3,475	-	629,188
\$	244,018	\$ 23,755	\$ 3,861	\$ -	\$ 593,006

Schedule of Expenditures Compared with Authorizations - General Fund

For the Year Ended December 31, 2022 (dollars in thousands)

	2022 Annual Authorizations After Revisions	Budget Basis Expenditures	Authorized Balance
General Government			
Mayor's Office	\$ 3,466	\$ 3,361	\$ 105
Civic Events	1,001	969	32
Office of Climate Action, Sustainability, and Resiliency	5,703	5,346	357
Office of Social Equity & Innovation	1,096	1,058	38
Office of Special Events	899	898	1
Education/Advocacy Initiatives	5,126	4,991	135
Public Defenders Office	3,778	3,632	146
City Council	7,692	7,280	412
Board of Ethics	223	215	8
Office of Human Resources	21,148	19,194	1,954
Career Service Authority Hearing Office	679	433	246
City Attorney	43,354	43,043	311
Clerk and Recorder	17,937	16,663	1,274
Board of Adjustment	382	348	34
Human Rights and Community Partnerships	7,216	6,689	527
General Services	60,124	60,266	(142)
Auditor	11,641	10,099	1,542
Department of Finance	89,393	86,164	3,229
Special Payments	8,781	8,781	-
Unemployment Insurance	31,547	31,468	79
Adams Mark Tax Increment	600	403	197
Annual Rental Payments	1,045	1,120	(75)
Denver Public Schools Mill Levy	1,090	1,195	(105)
Historic Tax Rebates	2,345	2,458	(113)
Excise and Licenses	5,546	5,430	116
Technology Services	87,126	86,456	670
Office of Economic Development	11,275	9,443	1,832
Total General Government	\$ 430,213	\$ 417,403	\$ 12,810
Public Safety			
Safety Administration	\$ 34,505	\$ 33,817	\$ 688
Civil Service Commission	2,026	2,019	7
County Court	29,509	28,407	1,102
District Attorney	31,336	30,989	347
Emergency Management	1,797	1,774	23
Fire	154,503	153,431	1,072
Independent Monitor	2,143	1,825	318
Police	265,465	255,818	9,647
Undersheriff	155,571	155,419	152
Total Public Safety	\$ 676,855	\$ 663,499	\$ 13,356

continued

Schedule of Expenditures Compared with Authorizations - General Fund - continued

For the Year Ended December 31, 2022 (dollars in thousands)

	2022 Annual Authorizations After Revisions	Budget Basis Expenditures	Authorized Balance
Transportation and Infrastructure	\$ 151,089	\$ 147,990	\$ 3,099
Total Transportation and Infrastructure	\$ 151,089	\$ 147,990	\$ 3,099
Human Services	\$ 6,053	\$ 3,452	\$ 2,601
Total Human Services	\$ 6,053	\$ 3,452	\$ 2,601
Health			
Environmental Health	\$ 66,931	\$ 63,042	\$ 3,889
City Payments to Health Authority	1,003	1,350	(347)
Clinic	3,006	2,693	313
Poison Center	200	120	80
Total Health	\$ 71,140	\$ 67,205	\$ 3,935
Parks and Recreation	\$ 89,822	\$ 86,649	\$ 3,173
Total Parks and Recreation	\$ 89,822	\$ 86,649	\$ 3,173
Cultural Activities			
Arts and Venues	\$ 2,668	\$ 2,668	\$ -
Denver Public Library	50,345	49,329	1,016
Total Cultural Activities	\$ 53,013	\$ 51,997	\$ 1,016
Community Development	\$ 74,579	\$ 70,086	\$ 4,493
Total Community Development	\$ 74,579	\$ 70,086	\$ 4,493
Economic Development	\$ 1,940	\$ 1,940	\$ -
Total Economic Development	\$ 1,940	\$ 1,940	\$ -
Total	\$ 1,554,704	\$ 1,510,221	\$ 44,483

Schedule of Expenditures Compared with Authorizations - Human Services Special Revenue Fund

For the Year Ended December 31, 2022 (dollars in thousands)

		2022 Annual Authorizations After Revisions	Budget Basis Expenditures	Authorized Balance
Grants - Currently Active				
13001	Federal	\$ 1,422	\$ 1,422	\$ -
13007	Community Service	1,248	1,248	-
13501	State Grants	167	167	-
13601	Human Services Privately Funded	64	64	-
State/County Welfare				
13005	Child Welfare	-	-	-
13008	County Public Welfare	161,450	140,985	20,465
13017	Child Care	-	-	-
13301	Prenatal Fees Incentive	461	461	-
13302	Aid to the Blind	-	-	-
13303	Aid to the Needy Disabled	-	-	-
13304	Board for Developmentally Disabled	22,690	22,690	-
13305	General Assistance	-	-	-
13306	Local Funded Community Service	-	-	-
City and Other Projects				
13502	Integrated Care Management Incentive	64	64	-
13706	DHS Volunteer Services	22	22	-
13808	Energy Assistance	101	101	-
13811	Assistance Incentive Program	1,328	1,328	-
Total		\$ 189,017	\$ 168,552	\$ 20,465

Comparative Balance Sheets - General Fund

December 31, 2022 and 2021 (dollars in thousands)

	Totals December 31	
	2022	2021
Assets		
Cash on hand	\$ 179	\$ 195
Cash and cash equivalents	337,275	355,628
Receivables (net of allowances for uncollectibles of \$58,839 and \$69,127):		
Taxes	280,523	269,817
Notes	4,703	3,388
Accounts	45,858	31,033
Accrued interest	2,894	1,429
Interfund receivable	37,732	50,535
Prepaid items and other assets	21,489	14,231
Restricted assets:		
Cash and cash equivalents	99,307	20,351
Total Assets	\$ 829,960	\$ 746,607
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities:		
Vouchers payable	\$ 59,919	\$ 55,756
Accrued liabilities	64,125	49,623
Due to taxing units	972	504
Interfund payable	13	2,277
Unearned revenue	16,801	-
Advances	106	107
Total Liabilities	141,936	108,267
Deferred Inflows of Resources:		
Unavailable revenues - property tax	184,389	182,453
Unavailable revenues - long-term receivables	12,075	15,450
Total Deferred Inflows of Resources	196,464	197,903
Fund Balance:		
Nonspendable	21,489	14,231
Restricted	103,867	81,161
Committed	71,964	76,472
Unassigned	294,242	268,573
Total Fund Balance	491,562	440,437
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 829,962	\$ 746,607

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance - General Fund

For the Years Ended December 31, 2022 and 2021 (dollars in thousands)

	Totals December 31	
	2022	2021
Revenues		
Taxes:		
Lodgers	\$ 37,178	\$ 24,765
Motor vehicle ownership	21,966	28,988
Occupational privilege	56,383	52,319
Property	170,613	164,429
Sales and use	887,228	802,273
Telephone	334	536
Licenses and permits	70,287	67,135
Intergovernmental revenues	38,314	39,424
Charges for services	214,457	194,768
Investment and interest income	(25,060)	712
Fines and forfeitures	34,103	37,196
Contributions	160	309
Other revenue	14,885	11,446
Total Revenues	1,520,848	1,424,300
Expenditures		
Current:		
General government	398,552	352,408
Public safety	662,975	574,704
Public works	150,044	132,180
Human Services	3,452	2,712
Health	67,206	48,472
Parks and recreation	86,356	68,200
Cultural activities	51,996	47,641
Community development	70,022	52,880
Economic opportunity	1,940	1,619
Principal retirement	15,663	14,044
Interest	5,343	5,831
Total Expenditures	1,513,549	1,300,691
Excess (deficiency) of revenues over (under) expenditures	7,299	123,609
Other Financing Sources (Uses)		
Sale of capital assets	15	73
Insurance recoveries	728	789
Transfers in	55,830	45,772
Transfers out	(29,712)	(19,687)
Total Other Financing Sources (Uses)	26,861	26,947
Net change in fund balance	34,160	150,556
Fund balances - January 1, as previously reported	289,881	289,881
Fund balances - January 1, as restated	289,881	289,881
Fund Balance - December 31	\$ 324,041	\$ 440,437



Proprietary Funds



Proprietary Funds

Proprietary funds are a group of funds that account for activities that are often seen in the private sector and are operated in a similar manner as in the private sector.

Enterprise Funds

- **Environmental Services** – to account for the operation and activity of the City’s chemical waste disposal, phase out of hazardous materials disposal sites, and litter prevention.
- **Golf Course** – to account for the administration, operation, maintenance and improvement of City-owned golf facilities.

Internal Service Funds

- **Asphalt Plant** – to account for the expenditures and revenues of the City’s Asphalt Plant that provides a service to the metropolitan Denver area and is an essential element in the street resurfacing program of the City’s Street Maintenance division.
- **Employee Insurance Benefits** – to account for the City’s self insurance activities related to workers compensation, dental, and health.

Combining Statement of Net Position - Nonmajor Enterprise Funds

December 31, 2022 (dollars in thousands)

	Environmental Services	Golf Course	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 22,440	\$ 12,078	\$ 34,518
Receivables:			
Accounts	3,645	13	3,658
Accrued interest	108	55	163
Inventories	-	188	188
Restricted assets:			
Cash and cash equivalents	3,261	-	3,261
Accrued interest receivable	14	-	14
Total Current Assets	29,468	12,334	41,802
Capital assets:			
Land	3,169	1,131	4,300
Construction in progress	36	182	218
Buildings and improvements	665	40,132	40,797
Machinery and equipment	256	10,851	11,107
Accumulated depreciation	(852)	(26,178)	(27,030)
Net capital assets	3,274	26,118	29,392
Long-term receivables	4	-	4
Total Noncurrent Assets	3,278	26,118	29,396
Total Assets	32,746	38,452	71,198
Deferred Outflows of Resources			
Items related to pension and OPEB plans	1,240	1,849	3,089
Total Deferred Outflows of Resources	1,240	1,849	3,089
Liabilities			
Current liabilities:			
Vouchers payable	512	457	969
Accrued liabilities	-	129	129
Unearned revenue	3	654	657
Interfund payable	1,410	630	2,040
Direct borrowing	-	1,075	1,075
Compensated absences	314	184	498
OPEB implicit rate subsidy	41	35	76
Restricted liabilities:			
Vouchers payable	973	-	973
Total Current Liabilities	3,253	3,164	6,417
Noncurrent liabilities:			
Net pension and OPEB liability	7,978	8,234	16,212
Compensated absences	337	530	867
Total Noncurrent Liabilities	8,315	8,764	17,079
Total Liabilities	11,568	11,928	23,496
Deferred Inflows of Resources			
Items related to pension and OPEB plans	2,017	1,351	3,368
Total Deferred Inflows of Resources	2,017	1,351	3,368
Net Position			
Net investment in capital assets	3,192	23,987	27,179
Restricted for capital projects	2,302	-	2,302
Unrestricted	14,907	3,035	17,942
Total Net Position	\$ 20,401	\$ 27,022	\$ 47,423

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Nonmajor Enterprise Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Environmental Services	Golf Course	Total
Operating Revenues			
Charges for services	\$ 14,168	\$ 18,585	\$ 32,753
Other revenue	576	(197)	379
Total Operating Revenues	14,744	18,388	33,132
Operating Expenses			
Personnel services	4,514	8,858	13,372
Contractual services	6,565	2,873	9,438
Supplies and materials	87	1,119	1,206
Depreciation and amortization	18	2,552	2,570
Other operating expenses	1,758	770	2,528
Total Operating Expenses	12,942	16,172	29,114
Operating income (loss)	1,802	2,216	4,018
Nonoperating Revenues (Expenses)			
Investment and interest income	(939)	(394)	(1,333)
Intergovernmental revenue	175	-	175
Net Nonoperating Revenues (Expenses)	(764)	(394)	(1,158)
Income (loss) before transfers and contributions	1,038	1,822	2,860
Transfers in	300	-	300
Transfers out	(2,749)	-	(2,749)
Capital asset transfer	2	-	2
Change in Net Position	(1,409)	1,822	413
Net Position - January 1	21,810	25,200	47,010
Net Position - December 31	\$ 20,401	\$ 27,022	\$ 47,423

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Environmental Services	Golf Course	Total
Cash Flows From Operating Activities			
Receipts from customers	\$ 15,482	\$ 18,625	\$ 34,107
Payments to suppliers	(7,034)	(3,975)	(11,009)
Payments to employees	(5,002)	(8,466)	(13,468)
Other receipts	414	(197)	217
Net Cash Provided by Operating Activities	3,860	5,987	9,847
Cash Flows From Noncapital Financing Activities			
Operating grants received	175	-	175
Transfers in (out)	(2,449)	-	(2,449)
Net Cash Provided by (Used In) Noncapital Financing Activities	(2,274)	-	(2,274)
Cash Flows From Capital and Related Financing Activities			
Purchase of assets	(17)	(1,484)	(1,501)
Net Cash (Used In) Capital and Related Financing Activities	(17)	(1,484)	(1,501)
Cash Flows from Investing Activities			
Interest received / paid	(21)	(23)	(44)
Unrealized gain (loss)	(939)	(394)	(1,333)
Net Cash Provided by (Used In) Investing Activities	(960)	(417)	(1,377)
Net increase (decrease) in cash and cash equivalents	609	4,086	4,695
Cash and cash equivalents - January 1	25,092	7,992	33,084
Cash and Cash Equivalents - December 31	\$ 25,701	\$ 12,078	\$ 37,779
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating income (loss)	\$ 1,804	\$ 2,216	\$ 4,020
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	18	2,552	2,570
Changes in Assets and Liabilities			
(Increase) Decrease in Accounts Receivable	(41)	4	(37)
(Increase) Decrease in Accrued Interest Receivable	(21)	-	(21)
(Increase) Decrease in Interfund Receivable	1,356	-	1,356
(Increase) Decrease in Inventories	-	(83)	(83)
(Increase) Decrease in Capital Assets	2	-	2
Increase (Decrease) in Vouchers Payable	182	259	441
Increase (Decrease) in Unearned Revenue	(2)	35	33
Increase (Decrease) in Accrued Liabilities	(208)	-	(208)
Increase (Decrease) in Interfund Payable	1,049	612	1,661
Increase (Decrease) in Compensated Absences	(67)	(42)	(109)
Deferred Outflows of Resources	710	(68)	642
Deferred Inflows of Resources	444	850	1,294
Net Pension and OPEB Liability	(1,366)	(348)	(1,714)
Net Cash Provided by Operating Activities	\$ 3,860	\$ 5,987	\$ 9,847
Noncash Activities			
Capital assets transferred from other City departments/agencies	\$ 2	\$ -	\$ 2

Combining Statement of Net Position - Internal Service Funds

December 31, 2022 (dollars in thousands)

	Asphalt Plant	Employee Insurance Benefits	Total
Assets			
Current Assets:			
Cash and cash equivalents	\$ 7,395	\$ 56,344	\$ 63,739
Receivables:			
Accounts	1	3,210	3,211
Accrued interest	-	248	248
Inventories	209	-	209
Interfund receivable	380	1	381
Total Current Assets	7,985	59,803	67,788
Capital Assets:			
Buildings and improvements	5,712	-	5,712
Machinery and equipment	2,769	-	2,769
Accumulated depreciation	(5,829)	-	(5,829)
Net capital assets	2,652	-	2,652
Total Assets	10,637	59,803	70,440
Liabilities			
Current Liabilities:			
Vouchers payable	398	3,549	3,947
Accrued liabilities	-	6,562	6,562
Interfund payable	2	78	80
Compensated absences	-	120	120
Claims reserve	-	11,330	11,330
Total Current Liabilities	400	21,639	22,039
Noncurrent Liabilities:			
Compensated absences	106	134	240
Claims reserve	-	25,528	25,528
Total noncurrent liabilities	106	25,662	25,768
Total Liabilities	506	47,301	47,807
Net Position			
Net investment in capital assets	2,652	-	2,652
Unrestricted	7,479	12,502	19,981
Total Net Position	\$ 10,131	\$ 12,502	\$ 22,633

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Asphalt Plant	Employee Insurance Benefits	Total
Operating Revenues			
Charges for services	\$ 8,873	\$ 76,533	\$ 85,406
Other revenue	-	5,146	5,146
Total Operating Revenues	8,873	81,679	90,552
Operating Expenses			
Personnel services	676	2,607	3,283
Contractual services	594	9,589	10,183
Supplies and materials	7,874	90	7,964
Depreciation	140	-	140
Claims payments	-	68,327	68,327
Other operating expenses	43	675	718
Change in claims reserve	-	1,844	1,844
Total Operating Expenses	9,327	83,132	92,459
Operating Income (loss)	(454)	(1,453)	(1,907)
Nonoperating Revenues (Expenses)			
Investment and interest income (loss)	-	(2,178)	(2,178)
Net Nonoperating Revenue (Expenses)	-	(2,178)	(2,178)
Change in net position	(454)	(3,631)	(4,085)
Net position - January 1	10,585	16,133	26,718
Net Position - December 31	\$ 10,131	\$ 12,502	\$ 22,633

Combining Statement of Cash Flows - Internal Service Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Asphalt Plant	Employee Insurance Benefits	Total
Cash Flows From Operating Activities			
Receipts from customers	\$ 9,817	\$ 74,117	\$ 83,934
Payments to suppliers	(8,260)	(8,593)	(16,853)
Payments to employees	(630)	(4,756)	(5,386)
Other receipts	-	5,146	5,146
Claims paid	-	(68,325)	(68,325)
Net Cash Provided by Operating Activities	927	(2,411)	(1,484)
Cash Flows From Noncapital Financing Activities			
Cash Flows from Capital and Related Financing Activities			
Cash Flows Provided by Investing Activities			
Interest received (paid)	-	(2,184)	(2,184)
Net Cash Provided by Investing Activities	-	(2,184)	(2,184)
Net increase in cash and cash equivalents	927	(4,595)	(3,668)
Cash and cash equivalents - January 1	6,468	60,939	67,407
Cash and Cash Equivalents - December 31	\$ 7,395	\$ 56,344	\$ 63,739
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income (loss)	\$ (454)	\$ (1,453)	\$ (1,907)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	140	-	140
Changes in Assets and Liabilities			
(Increase) Decrease in Accounts Receivable	-	(2,416)	(2,416)
(Increase) Decrease in Interfund Receivable	944	-	944
(Increase) Decrease in Inventories	(113)	-	(113)
Increase (Decrease) in Vouchers Payable	426	(352)	74
Increase (Decrease) in Accrued Liabilities	(18)	708	690
Increase (Decrease) in Other Liabilities	-	49	49
Increase (Decrease) in Interfund Payable	2	7	9
Increase (Decrease) in Claims Reserved	-	1,046	1,046
Net Cash Provided by (Used In) Operating Activities	\$ 927	\$ (2,411)	\$ (1,484)



Fiduciary Funds



Fiduciary Funds

Fiduciary funds are trust and custodial funds which account for assets held by a governmental unit in a trustee capacity or as a custodian for individuals, private organizations, other governmental units, or other funds. These include expendable trust funds, non-expendable trust funds, pension trust funds, and custodial funds.

Pension, Health, and Other Employee Benefits Trust Funds

- **Pension Benefits Trust Funds - Denver Employees Retirement Plan** – to account for the pension assets of the Denver Employees Retirement Plan.
- **Health Benefits Trust Funds - Denver Employees Retirement Plan** – to account for the health benefits assets of the Denver Employees Retirement Plan.
- **Deferred Compensation** – to account for City employees' voluntary deferrals of current income to future years and the investment income earned.

Custodial Funds

- Custodial funds are comprised of resources held in a custodial capacity. This includes funds related to County Court and Police functions, as well as funds held for property foreclosure activities, and various taxes not yet distributed to external entities.

Combining Statement of Fiduciary Net Position - Pension, Health, and Other Trust Funds

As of December 31, 2022 (dollars in thousands)

	Pension Benefits Trust Fund	Health Benefits Trust Fund	Other Employee Benefit Trust Fund		Total
	Denver Employees Retirement Plan	Denver Employees Retirement Plan	Deferred Compensation Plan	Private-Purpose Trust Funds	
Assets					
Current assets:					
Cash and cash equivalents	\$ 54,836	\$ 1,744	\$ -	\$ 770	\$ 57,350
Securities lending collateral	66,488	2,115	-	-	68,603
Receivables:					
Accounts	312	10	-	-	322
Contributions	7,923	252	-	-	8,175
Accrued interest	1,601	51	-	-	1,652
Leases receivable	84	3	-	-	87
Investments:					
U.S. Government obligations	401,241	12,761	-	-	414,002
Domestic stocks and bonds	574,918	18,284	-	-	593,202
International stocks	446,835	14,211	-	-	461,046
Mutual funds	-	-	598,497	-	598,497
Alternative investments	423,767	13,477	-	-	437,244
Real estate	228,283	7,260	-	-	235,543
Infrastructure	68,793	2,188	-	-	70,981
Other	116,863	3,717	216,833	-	337,413
Total Investments	2,260,700	71,898	815,330	-	3,147,928
Prepaid and other assets	-	-	9,082	-	9,082
Total Current Assets	2,391,944	76,073	824,412	770	3,293,199
Capital assets, net of accumulated depreciation	1,872	59	-	-	1,931
Leased Equipment	18	1	-	-	19
Total Assets	2,393,834	76,133	824,412	770	3,295,149
Liabilities					
Vouchers payable	1,940	62	-	-	2,002
Securities lending obligations	66,500	2,114	-	-	68,614
Leases payable	19	1	-	494	514
Total Liabilities	68,459	2,177	-	494	71,130
Deferred inflow of resources	84	3	-	-	87
Net Position Held in Trust for Pension and Other Employee Benefit Trust Funds	\$ 2,325,291	-	\$ 824,412	\$ 276	
Net Position Restricted for OPEB		\$ 73,953			
Net Position Held in Trust for Benefits					\$ 3,223,932

Combining Statement of Changes in Fiduciary Net Position - Pension, Health, and Other Trust Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Pension Benefits Trust Fund	Health Benefits Trust Fund	Other Employee Benefit Trust Fund	Deferred Compensation Plan	Private-Purpose Trust Funds	Total
	Denver Employees Retirement Plan	Denver Employees Retirement Plan				
Additions						
Contributions:						
City and County of Denver	\$ 125,585	\$ 6,247	\$ -	\$ -	\$ -	\$ 131,832
Denver Health and Hospital Authority	4,107	207	-	-	-	4,314
Plan members	69,033	3,396	56,603	-	-	129,032
Total Contributions	198,725	9,850	56,603	-	-	265,178
Investment earnings:						
Net appreciation (depreciation) in fair value of investments	(284,763)	(8,989)	(143,166)	-	-	(436,918)
Interest and dividends	22,834	720	-	-	-	23,554
Real estate, alternative investments, and absolute return income	39,839	1,191	-	-	-	41,030
Total Investment Earnings	(222,090)	(7,078)	(143,166)	-	-	(372,334)
Less investment expense	(14,460)	(455)	-	-	-	(14,915)
Net Investment Costs	(236,550)	(7,533)	(143,166)	-	-	(387,249)
Securities lending income (expense):						
Securities lending income	1,343	42	-	-	-	1,385
Borrower rebates	(1,005)	(31)	-	-	-	(1,036)
Agent fees (loss)	(84)	(3)	-	-	-	(87)
Net Earnings from Securities Lending	254	8	-	-	-	262
Total Net Investment Earnings	(236,296)	(7,525)	(143,166)	-	-	(386,987)
Total Additions	(37,571)	2,325	(86,563)	-	-	(121,809)
Deductions						
Benefits	249,149	12,652	67,419	-	-	329,220
DROP and DROP II benefits paid	39,503	-	-	-	-	39,503
Refunds of contributions	8,874	280	-	-	-	9,154
Administrative expenses	4,658	147	830	-	-	5,635
Total Deductions	302,184	13,079	68,249	-	-	383,512
Change in net position	(339,755)	(10,754)	(154,812)	-	-	(505,321)
Net position - January 1	2,665,046	84,707	979,224	-	276	3,729,253
Net Position - December 31	\$ 2,325,291	\$ 73,953	\$ 824,412	\$ -	\$ 276	\$ 3,223,932

Combining Statement of Fiduciary Net Position - Custodial Funds

For the year ended December 31, 2022 (dollars in thousands)

	Special Trust Fund	Treasury Collections Clearing Fund	Unclaimed Payments and Wages	Special Deposits	Total
Assets					
Cash on hand	\$ 3,215	\$ -	\$ -	\$ 1,208	\$ 4,423
Cash and cash equivalents	-	10,019	2,450	5,444	17,913
Receivables (net of allowances for uncollectibles of \$6,509)					
Taxes	-	1,383,859	-	-	1,383,859
Accounts	-	336	-	10	346
Total Assets	\$ 3,215	\$ 1,394,214	\$ 2,450	\$ 6,662	\$ 1,406,541
Liabilities					
Vouchers payable	\$ -	\$ 1,422	\$ 2,450	\$ -	\$ 3,872
Other accrued liabilities	2,921	6,541	-	1,586	11,048
Due to taxing units	-	1,386,251	-	-	1,386,251
Total Liabilities	\$ 2,921	\$ 1,394,214	\$ 2,450	\$ 1,586	\$ 1,401,171
Net Position					
Restricted	\$ 294	\$ -	\$ -	\$ 5,076	\$ 5,370
Total Net Position	\$ 294	\$ -	\$ -	\$ 5,076	\$ 5,370

Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

For the Year Ended December 31, 2022 (dollars in thousands)

	Special Trust Fund	Treasury Collections Clearing Fund	Unclaimed Payments and Wages	Special Deposits	Total
Additions					
Contributions:					
Foreclosure deposits and inmate deposits	\$ 5,032	\$ -	\$ -	\$ -	\$ 5,032
Tax collections	-	2,792,143	-	-	2,792,143
Unclaimed payments and wages	-	-	2,363	-	2,363
Court deposits and police confiscation monies	-	-	-	8,945	8,945
Total Contributions	5,032	2,792,143	2,363	8,945	2,808,483
Total Additions	5,032	2,792,143	2,363	8,945	2,808,483
Deductions					
Payments for foreclosure activities and payments to inmates	\$ 4,885	\$ -	\$ -	\$ -	\$ 4,885
Distributions of taxes to outside entities	-	2,792,143	-	-	2,792,143
Unclaimed payments and wages claimed	-	-	2,363	-	2,363
Distribution of court deposits and police confiscation monies	-	-	-	8,374	8,374
Total Deductions	4,885	2,792,143	2,363	8,374	2,807,765
Change in net position	147	-	-	571	718
Net position - January 1	147	-	-	4,505	4,652
Net Position - December 31	\$ 294	\$ -	\$ -	\$ 5,076	\$ 5,370



Component Units



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Combining Statement of Net Position - Nonmajor Component Units

December 31, 2022 (dollars in thousands)

	Bluebird BID	Cherry Creek North BID	Cherry Creek Subarea BID	Colfax BID	Colfax Mayfair BID	Denver Preschool Program, Inc	Downtown Denver BID
Assets							
Cash and cash equivalents	\$ 224	\$ 175	\$ 84	\$ 112	\$ 333	\$ 23,153	\$ 1,611
Investments	-	1,388	-	1,055	-	-	183
Receivables (net of allowances):							
Taxes	152	6,572	-	877	6	-	7,289
Accounts	-	18	-	-	-	83	410
Other	-	-	-	8	-	-	-
Prepaid items and other assets	2	69	-	26	-	71	22
Restricted Assets:							
Cash and cash equivalents	4	373	-	-	-	-	-
Capital Assets:							
Land and construction in progress	-	18,240	-	112	-	-	-
Buildings and improvements	-	327	-	-	-	494	-
Machinery and equipment	-	457	-	3,258	-	352	5,184
Right-to-use	-	1,249	-	34	-	-	-
Accumulated depreciation	-	(10,585)	-	(2,026)	-	(764)	(3,308)
Net Capital Assets	-	9,688	-	1,378	-	82	1,876
Total Assets	382	18,283	84	3,456	339	23,389	11,391
Deferred Outflows of Resources							
Deferred loss on refundings	-	836	-	-	-	-	-
Total Deferred Outflows of Resources	-	836	-	-	-	-	-
Liabilities							
Vouchers payable	16	358	-	97	38	5,955	355
Accrued liabilities	-	149	-	1	-	50	-
Noncurrent liabilities:							
Lease liabilities	-	-	-	12	-	12	-
Due within one year	-	1,165	-	-	-	-	93
Due in more than one year	-	10,242	-	23	-	-	415
Total Liabilities	16	11,914	-	133	38	6,017	863
Deferred Inflows of Resources							
Property taxes	151	6,572	-	874	-	-	7,303
Total Deferred Inflows of Resources	151	6,572	-	874	-	-	7,303
Net Position							
Net investment in capital assets	-	(885)	-	1,379	-	-	1,367
Restricted for:							
Capital Projects	41	-	-	-	-	-	-
Emergency use	4	148	-	30	-	-	235
Debt service	-	199	-	-	-	-	-
Unrestricted	170	1,171	84	1,040	301	17,372	1,623
Total Net Position (Deficit)	\$ 215	\$ 633	\$ 84	\$ 2,449	\$ 301	\$ 17,372	\$ 3,225

	Federal Boulevard BID	Five Points BID	Old South Gaylord BID	RiNo BID	Santa Fe BID	West Colfax BID	Prosperity Denver Fund	Total
\$	202	\$ 335	\$ 79	\$ 677	\$ 51	\$ 210	\$ 29,337	\$ 56,583
	-	-	-	-	-	-	-	2,626
	-	266	-	2,331	-	151	-	17,644
	-	-	-	11	-	-	-	522
	-	-	-	-	-	-	-	8
	2	4	-	130	-	-	1	327
	-	-	-	-	-	5	-	382
	-	-	-	-	-	267	-	18,619
	-	-	-	-	-	-	-	821
	-	-	21	-	-	-	2	9,274
	-	-	-	-	-	-	-	1,283
	-	-	-	-	-	-	-	(16,683)
	-	-	21	-	-	267	2	13,314
	204	605	100	3,149	51	633	29,340	91,406
	-	-	-	-	-	-	-	836
	-	-	-	-	-	-	-	836
	2	12	5	55	-	16	58	6,967
	-	-	10	-	-	-	-	210
	-	-	-	-	-	-	-	24
	-	-	-	-	-	-	5,364	6,622
	-	-	-	-	-	-	-	10,680
	2	12	15	55	-	16	5,422	24,503
	-	265	-	2,331	-	151	-	17,647
	-	265	-	2,331	-	151	-	17,647
	-	-	-	-	-	267	-	2,128
	-	-	-	-	-	-	-	41
	-	-	-	69	-	5	-	491
	-	-	-	-	-	-	-	199
	202	328	85	694	51	194	23,918	47,233
\$	202	\$ 328	\$ 85	\$ 763	\$ 51	\$ 466	\$ 23,918	\$ 50,092

Combining Statement of Activities - Nonmajor Component Units

For the Year Ended December 31, 2022 (dollars in thousands)

	Bluebird BID	Cherry Creek North BID	Cherry Creek Subarea BID	Colfax BID	Colfax Mayfair BID	Denver Preschool Program, Inc	Downtown Denver BID
Expenses	\$ 158	\$ 6,471	\$ 25	\$ 1,279	\$ 90	\$ 28,778	\$ 9,479
Program Revenues							
Charges for services	-	214	-	23	1	-	-
Operating grants and contributions	-	-	-	4	25	185	-
Total Program Revenues	<u>-</u>	<u>214</u>	<u>-</u>	<u>27</u>	<u>26</u>	<u>185</u>	<u>-</u>
Net expenses	(158)	(6,257)	(25)	(1,252)	(64)	(28,593)	(9,479)
General Revenues							
Taxes:							
Property	150	5,503	15	888	119	-	6,954
Specific ownership	8	287	-	46	-	-	-
Investment and interest income (loss)	-	54	-	25	-	-	-
Other revenues	21	67	-	3	-	29,189	2,194
Total General Revenues	<u>179</u>	<u>5,911</u>	<u>15</u>	<u>962</u>	<u>119</u>	<u>29,189</u>	<u>9,148</u>
Change in net position	21	(346)	(10)	(290)	55	596	(331)
Prior period adjustment ⁽¹⁾	-	37	-	-	-	-	-
Net position - January 1	194	942	94	2,739	246	16,776	3,556
Net Position - December 31	<u>\$ 215</u>	<u>\$ 633</u>	<u>\$ 84</u>	<u>\$ 2,449</u>	<u>\$ 301</u>	<u>\$ 17,372</u>	<u>\$ 3,225</u>

⁽¹⁾ Cherry Creek North BID restated net position due to an error in the year ended December 31, 2021.

Federal Boulevard BID	Five Points BID	Old South Gaylord BID	RiNo BID	Santa Fe BID	West Colfax BID	Prosperity Denver Fund	Total
\$ 70	\$ 256	\$ 54	\$ 2,028	\$ 125	\$ 335	\$ 5,796	\$ 54,944
-	-	-	-	-	-	-	238
-	-	-	-	-	116	-	330
-	-	-	-	-	116	-	568
(70)	(256)	(54)	(2,028)	(125)	(219)	(5,796)	(54,376)
134	293	89	2,160	127	146	14,497	31,075
-	17	-	120	-	-	-	478
-	-	-	-	-	-	-	79
4	40	-	-	10	16	125	31,669
138	350	89	2,280	137	162	14,622	63,301
68	94	35	252	12	(57)	8,826	8,925
-	-	-	-	-	-	-	37
134	234	50	511	39	523	15,092	41,130
\$ 202	\$ 328	\$ 85	\$ 763	\$ 51	\$ 466	\$ 23,918	\$ 50,092

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Other Supplementary Schedules



Combined Schedule of Bonds Payable and Escrows

December 31, 2022 (dollars in thousands)

	Amount Issued	Maturity	Interest Rate ⁽⁴⁾	Amount Outstanding	1st Optional Call Date
Denver Airport System					
Non-Direct senior lien bonds					
2009B Credit Facility Bonds	65,290	2036-2039	6.41%	65,290	1/2/17
2012A Airport System Revenue	315,780	2017-2043	4.00-5.00%	32,380	11/15/22
2012B Airport System Revenue	510,140	2017-2043	4.00-5.00%	157,045	11/15/22
2012C Airport System Revenue	30,285	2026	3.59%	30,285	1/2/17
2016A Airport System Revenue	256,810	2017-2032	5.00%	207,020	11/15/26
2017A Airport System Revenue	225,220	2018-2030	5.00%	158,805	11/15/27
2017B Airport System Revenue	21,175	2033	5.00%	21,280	11/15/27
2019C Airport System Revenue	120,005	2026-2036	5.00%	120,005	n/a
2019D Airport System Revenue	83,725	2026-2031	5.00%	-	n/a
2020A-1 Airport System Revenue	95,330	2021-2032	5.00%	42,390	11/15/30
2020A-2 Airport System Revenue	60,515	2021-2025	5.00%	36,640	n/a
2020B-1 Airport System Revenue	37,465	2021-2025	5.00%	18,930	n/a
2020B-2 Airport System Revenue	24,060	2025	5.00%	24,060	n/a
2020C Airport System Revenue	411,535	2022-2037	0.82%-2.87%	410,690	11/15/30
2022A Airport System Revenue	1,465,560	2024-2053	4.13%-5.50%	1,465,560	11/15/33
2022B Airport System Revenue	175,570	2026-2053	5.00%-5.25%	175,570	11/15/33
2022C Airport System Revenue	349,180	2023-2053	5.00%-5.25%	349,180	11/15/33
2022D Airport System Revenue	817,810	2024-2053	5.00%-5.75%	817,810	11/15/33
Total				4,132,940	
Non-Direct subordinate lien bonds					
2013A Airport System Revenue	326,260	2017-2043	4.00-5.50%	290,380	11/15/23
2013B Airport System Revenue	393,655	2017-2043	5.00%-5.25%	350,100	11/15/23
2018A Airport System Revenue	2,341,710	2020-2048	3.75-5.25%	2,295,930	12/1/29
2018B Airport System Revenue	184,365	2020-2048	3.50-5.00%	183,350	12/1/29
Total				3,119,760	
Direct Placement senior lien bonds					
2002C Credit Facility Bonds ⁽⁴⁾	30,300	2031	0.48%	13,800	9/25/17
2007G1-G2 Credit Facility Bonds ⁽²⁾	135,600	2031	0.97%	-	12/1/23
2008B Airport System Revenue ⁽⁴⁾	81,800	2031	0.48%	29,600	1/2/17
2009C Airport System Revenue ⁽⁴⁾	104,655	2031	0.48%	45,255	1/2/17
2021A-B Credit Facility Bonds ⁽⁴⁾	36,900	2031	0.48%	22,100	n/a
Total				110,755	
Direct Placement subordinate lien bonds					
		2021, 2023, & 2035			
2015A Airport System Revenue	195,940	2035	2.20%	99,540	11/15/17
2019A Airport System Revenue	145,875	2020-2030	1.37%	76,330	n/a
2021A Interim Note	700,000	2022	0.21%	-	n/a
2021C Airport System Revenue	26,220	2022	0.51%	-	n/a
Total				175,870	
Unamortized premium net of discount				469,351	
Total Denver Airport System				8,008,676	
Wastewater Management					
2012 Wastewater Revenue Bonds	50,425	2017-2032	2.00-5.00%	18,105	n/a
2016 Wastewater Revenue Bonds	115,000	2017-2046	4.00-5.00%	102,180	11/1/26
2018 Wastewater Revenue Bonds	103,050	2018-2047	3.00-5.00%	92,385	11/1/29
Unamortized premium				18,564	
Total Wastewater Management				231,234	

continued

Combined Schedule of Bonds Payable and Escrows - continued

December 31, 2022 (dollars in thousands)

	Amount Issued	Maturity	Interest Rate	Amount Outstanding	1st Optional Call Date
General Obligation					
Non-direct Placement					
2013A Better Denver Bonds	120,925	2017-2030	3.00-5.00%	22,000	8/1/2023
2014 Better Denver (mini-bonds)	12,000	2023, 2028	4.39-4.89%	12,000 ⁽³⁾	Not callable
2018A GO Elevate Denver Bonds	193,000	2018-2033	3.13-5.00%	60,720	8/1/2023
2018B GO Justice System Refunding Bonds	67,905	2019-2025	5.00%	36,430	Not callable
2019A GO Elevate Denver Bonds	81,910	2019-2024	5.00%	67,910	Not callable
2019B GO Better Denver and Zoo Refunding Bonds	50,140	2019-2025	5.00%	26,905	Not callable
2019C GO Elevate Denver Bonds	117,265	2020-2033	2.38-5.00%	25,790	8/1/2023
2020A GO Elevate Denver Bonds	169,925	2039	2.0-5.0%	145,500	Not callable
2020B GO Elevate Denver Bonds	222,700	2030	5%	218,645	Not callable
2022A GO RISE Denver	246,080	2022-2033	5.00%	226,460	8/1/2032
2022B GO RISE Denver	81,710	2022-2033	4.00-5.00%	80,560	8/1/2032
2022C GO RISE Denver	38,600	2022-2027	0.95%-3.10%	29,895	n/a
Direct Placement					
2013B1 GO Better Denver	48,020	2017-2025	2.30%	15,140	8/1/2023
2013B2 GO Better Denver	89,415	2017-2025	2.38%	31,670	8/1/2023
Total Primary Government				999,625	
Unamortized premium				135,174	
Net Primary Government				1,134,799	
Total General Obligation				1,134,799	
Excise Tax Revenue Bonds					
2016A Dedicated Tax Refunding and Improvement	242,500	2021-2046	2.00-5.00%	220,550	8/1/2026
2016B Dedicated Tax Refunding and Improvement	154,810	2017-2032	1.54-3.82%	42,285	8/1/2026
2018A1 Dedicated Tax Revenue Bonds	151,485	2041-2048	5.00%	151,485	8/1/2026
2018A2 Dedicated Tax Revenue Bonds	88,515	2029-2040	3.84-4.33%	88,515 ⁽³⁾	8/1/2026
2018B Dedicated Tax Revenue Bonds	60,000	2019-2029	2.58-3.75%	56,425	8/1/2026
2021A Dedicated Tax Revenue Bonds	273,830	2027-2051	4.00-5.00%	273,830	8/1/2031
Total Excise Tax Revenue Bonds				833,090	
Unamortized premium				84,132	
Net Excise Tax Revenue Bonds				917,222	
Total General Long-Term Debt				2,052,021	
Total Bonds Payable				\$ 11,426,730	

⁽¹⁾ Variable rate issue - weekly interest rate reset

⁽²⁾ Variable rate issue - monthly interest rate reset

⁽³⁾ Amounts does not include \$5,598 of compound interest on the Series 2014A mini-bond. Amount does not include \$17,149,000 of compound interest on the Series 2018A2.

⁽⁴⁾ Variable rate issues reflect rate in effect as of December 31, 2022.

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT		City or County: Denver
		YEAR ENDING : December 2022
This Information From The Records Of (example - City of _ or County of _): City and County of Denver	Prepared By: Phone:	Anthony Davern (303) 446-3402

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	137,448,840.83
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	48,504,134.70
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	8,576,533.65
2. General fund appropriations	83,819,676.12	b. Snow and ice removal	1,652,374.83
3. Other local imposts (from page 2)	-	c. Other	10,758,826.44
4. Miscellaneous local receipts (from page 2)	-	d. Total (a. through c.)	20,987,734.92
5. Transfers from toll facilities	-	4. General administration & miscellaneous	18,606,173.65
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	24,551,797.66
a. Bonds - Original Issues	-	6. Total (1 through 5)	250,098,681.76
b. Bonds - Refunding Issues	-	B. Debt service on local obligations:	
c. Notes	-	1. Bonds:	
d. Total (a. + b. + c.)	-	a. Interest	-
7. Total (1 through 6)	83,819,676.12	b. Redemption	-
B. Private Contributions	13,296,365.89	c. Total (a. + b.)	-
C. Receipts from State government (from page 2)	30,739,701.94	2. Notes:	
D. Receipts from Federal Government (from page 2)	9,607,661.77	a. Interest	-
E. Total receipts (A.7 + B + C + D)	137,463,405.72	b. Redemption	-
		c. Total (a. + b.)	-
		3. Total (1.c + 2.c)	-
		C. Payments to State for highways	-
		D. Payments to toll facilities	-
		E. Total disbursements (A.6 + B.3 + C + D)	250,098,681.76

IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				-
1. Bonds (Refunding Portion)				-
B. Notes (Total)				-

V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		137,463,405.72	250,098,681.76	(112,635,276.04)	-

Notes and Comments:
 - II.A.2 ("General fund appropriations") have been added to the extent that they are calculated to support highway expenditures
 - IV. Until 2006 we reported debt only for street-related special assessment districts. That amount is now negligible. General Obligation debt related to highways cannot be separated from debt for other purposes.
 - V.A&D. The City and County of Denver has no comprehensive, separate Road and Street "Fund." We have funds for various capital outlays; General Fund appropriations and other specified revenues support non-capital expenditures on roads and streets.

LOCAL HIGHWAY FINANCE REPORT		STATE:	Colorado
		YEAR ENDING (mm/yy)	12/22
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	-	a. Interest on investments	-
b. Other local imposts:		b. Traffic Fines & Penalties	-
1. Sales Taxes	-	c. Parking Garage Fees	-
2. Infrastructure & Impact Fees	-	d. Parking Meter Fees	-
3. Liens	-	e. Sale of Surplus Property	-
4. Licenses	-	f. Charges for Services	-
5. Specific Ownership &/or Other	-	g. Other Misc. Receipts	-
6. Total (1. through 5.)	-	h. Other	-
c. Total (a. + b.)	-	i. Total (a. through h.)	-
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	29,209,316.80	1. FHWA (from Item I.D.5.)	-
2. State general funds	-	2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	-
a. State bond proceeds	-	b. FEMA	-
b. Project Match	-	c. HUD	-
c. Motor Vehicle Registrations	-	d. Federal Transit Admin	2,319,470.99
d. Other (Specify)	-	e. U.S. Corps of Engineers	-
e. Other (CDOT Reimb.)	1,530,385.14	f. Other Federal	7,288,190.78
f. Total (a. through e.)	1,530,385.14	g. Total (a. through f.)	9,607,661.77
4. Total (1. + 2. + 3.f)	30,739,701.94	3. Total (1. + 2.g)	-
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	-	12,372,116.15	12,372,116.15
b. Engineering Costs	-	18,632,488.31	18,632,488.31
c. Construction:			
(1). New Facilities	-	19,575,122.39	19,575,122.39
(2). Capacity Improvements	-	19,113,175.91	19,113,175.91
(3). System Preservation	-	55,566,343.69	55,566,343.69
(4). System Enhancement & Operation	-	12,189,594.38	12,189,594.38
(5). Total Construction (1) + (2) + (3) + (4)	-	106,444,236.37	106,444,236.37
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	137,448,840.83	137,448,840.83
			(Carry forward to page 1)
Notes and Comments:			



Statistical



This part of the City and County of Denver’s annual comprehensive 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 government’s overall financial health.

Contents

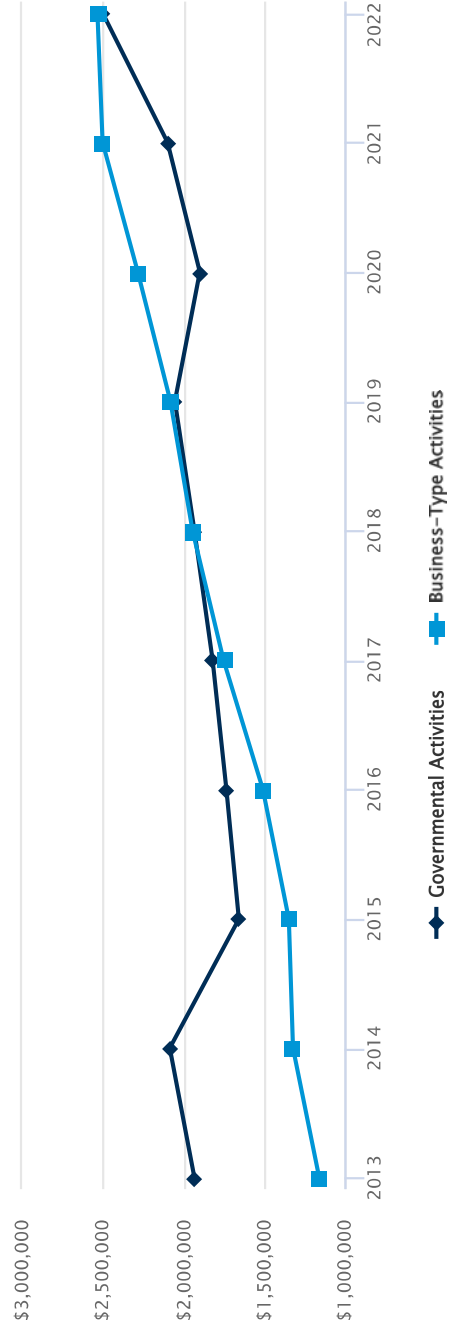
Financial Trends	210
These schedules contain trend information to help the reader understand how the City’s Financial performance and well-being have changed over time.	
Revenue Capacity	216
These schedules contain information to help the reader assess the City’s most significant local revenue source, the sales tax.	
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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	
Demographic and Economic Information	230
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
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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 the activities it performs.	

Net Position by Component

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 1,366,632	\$ 1,420,817	\$ 1,509,354	\$ 1,572,753	\$ 1,730,520	\$ 1,780,073	\$ 1,955,118	\$ 2,002,667	\$ 2,286,715	\$ 2,366,205
Restricted	481,937	524,017	649,483	918,405	792,057	1,580,026	1,745,453	1,396,675	2,236,907	2,588,514
Unrestricted	81,589	138,255	(504,190)	(759,893)	(706,069)	(1,429,565)	(1,648,841)	(1,503,715)	(2,426,943)	(2,456,535)
Total governmental activities net position	\$ 1,930,158	\$ 2,083,089	\$ 1,654,647	\$ 1,731,265	\$ 1,816,508	\$ 1,930,534	\$ 2,051,730	\$ 1,895,627	\$ 2,096,679	\$ 2,498,184
Business-type activities										
Net investment in capital assets	\$ (192,372)	\$ (193,351)	\$ (81,930)	\$ 175,636	\$ 701,234	\$ 604,246	\$ 517,177	\$ 610,628	\$ 611,204	\$ 611,408
Restricted	671,317	667,801	675,863	622,880	493,837	512,691	496,583	660,987	389,360	483,682
Unrestricted	677,576	846,056	752,775	707,076	553,533	824,401	1,065,120	1,010,116	1,500,453	1,437,507
Total business-type activities net position	\$ 1,156,521	\$ 1,320,506	\$ 1,346,708	\$ 1,505,592	\$ 1,748,604	\$ 1,941,338	\$ 2,078,880	\$ 2,281,731	\$ 2,501,017	\$ 2,532,597
Primary government										
Net investment in capital assets	\$ 1,174,260	\$ 1,227,466	\$ 1,427,424	\$ 1,748,389	\$ 2,431,754	\$ 2,384,319	\$ 2,472,295	\$ 2,613,295	\$ 2,897,919	\$ 2,977,613
Restricted	1,153,254	1,191,818	1,325,346	1,541,285	1,285,894	2,092,717	2,242,036	2,057,662	2,626,267	3,072,196
Unrestricted	759,165	984,311	248,585	(52,817)	(152,536)	(605,164)	(583,721)	(493,599)	(926,490)	(1,019,028)
Total primary government net position	\$ 3,086,679	\$ 3,403,595	\$ 3,001,355	\$ 3,236,857	\$ 3,565,112	\$ 3,871,872	\$ 4,130,610	\$ 4,177,358	\$ 4,597,696	\$ 5,030,781

Primary Government Net Position



Changes in Net Position

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 262,466	\$ 319,464	\$ 340,401	\$ 405,900	\$ 445,601	\$ 472,623	\$ 553,292	\$ 594,462	\$ 651,338	\$ 585,790
Public safety	563,658	592,270	588,597	688,287	707,981	670,773	724,031	855,496	805,223	630,018
Transportation and Infrastructure	164,837	193,207	190,577	216,587	254,381	282,285	378,125	306,170	351,142	329,635
Human services	114,624	114,727	125,195	145,594	167,131	176,745	163,930	159,248	165,061	176,068
Health	54,453	59,216	64,687	65,265	62,351	61,391	112,395	130,305	129,433	156,791
Parks and recreation	89,305	80,199	68,650	93,842	100,294	117,622	111,776	106,702	114,000	131,187
Cultural activities	123,248	128,799	131,835	130,536	157,531	156,680	168,960	123,649	147,593	173,674
Community development	35,142	39,598	45,355	48,766	52,832	71,622	64,884	178,505	172,452	183,775
Economic opportunity	21,218	21,091	20,027	14,830	11,746	1,187	9,873	12,385	15,354	22,117
Interest on long-term debt	70,030	66,306	63,267	62,566	63,952	62,524	74,432	60,650	55,630	64,181
Total governmental activities	1,498,981	1,614,877	1,638,591	1,872,173	2,023,800	2,073,452	2,361,698	2,527,572	2,607,226	2,453,236
Business-type activities:										
Wastewater management	105,679	102,688	111,941	114,740	124,046	129,459	138,617	151,126	150,482	145,527
Denver airport system	801,786	773,345	769,896	811,094	825,110	889,251	1,059,258	964,700	921,608	1,075,889
Environmental services	9,354	8,174	9,967	11,837	10,880	16,720	12,998	13,671	12,542	12,942
Golf course	10,474	12,254	10,766	11,146	11,507	11,711	12,820	14,881	16,141	16,172
Total business-type activities	927,293	896,461	902,570	948,817	971,543	1,047,141	1,223,693	1,144,378	1,100,773	1,250,530
Total Primary Government Expenses	\$ 2,426,274	\$ 2,511,338	\$ 2,541,161	\$ 2,820,990	\$ 2,995,343	\$ 3,120,593	\$ 3,585,391	\$ 3,671,950	\$ 3,707,999	\$ 3,703,766
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 87,988	\$ 97,289	\$ 99,302	\$ 99,847	\$ 97,788	\$ 83,149	\$ 101,603	\$ 99,453	\$ 103,977	\$ 98,597
Public safety	87,996	86,010	93,230	95,497	97,339	110,837	99,548	93,350	101,188	100,680
Public works	68,666	71,653	77,308	75,580	79,397	81,237	78,883	-	-	-
Community development	25,615	25,741	41,312	34,264	39,905	41,317	51,039	37,091	58,190	59,550
Other activities	76,577	86,043	91,608	95,337	92,573	103,838	107,264	81,111	136,168	183,518
Operating grants and contributions:										
General government	26,716	23,694	37,017	23,475	25,288	26,177	28,415	79,325	120,899	41,812
Public safety	29,023	26,861	26,914	26,398	24,327	27,787	25,012	27,279	31,145	35,115
Public works	19,370	20,654	20,825	23,358	21,992	116,848	24,616	-	-	-
Human services	68,244	76,207	73,768	86,469	95,221	96,337	96,093	92,925	95,765	100,919
Community development	15,800	17,064	7	6	283	1,577	17,763	60,518	87,543	57,730
Other activities	20,259	22,767	22,006	19,935	27,174	31,437	22,381	69,165	76,438	70,742
Capital grants and contributions:										
Public works	29,408	35,699	9,701	36,527	65,555	77,198	59,431	-	-	-
Other activities	40,104	18,780	28,597	31,691	24,877	25,376	48,804	104,157	108,977	58,676
Total governmental activities program revenues	595,766	608,462	621,595	648,384	691,719	823,115	760,852	744,374	920,290	807,339

Changes in Net Position, continued

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

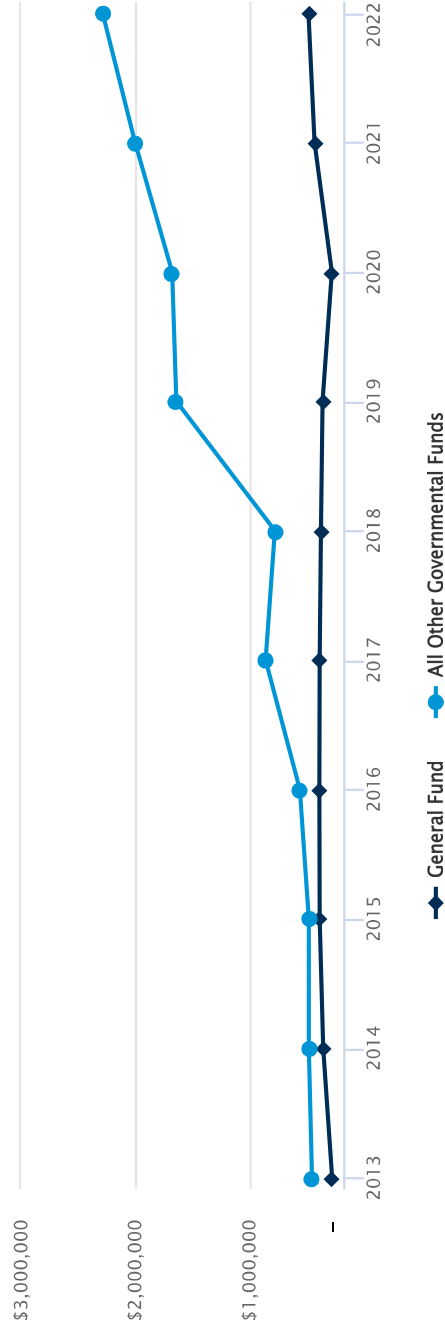
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Charges for services:										
Wastewater management	\$ 115,872	\$ 120,806	\$ 126,260	\$ 133,375	\$ 150,122	\$ 159,526	\$ 107,829	\$ 108,374	\$ 191,555	\$ 199,643
Denver airport system	661,637	711,490	793,543	876,643	906,750	952,286	1,021,802	667,353	845,481	1,080,282
Other activities	18,108	20,627	26,339	22,131	26,663	22,531	21,542	25,526	30,964	32,753
Operating grants and contributions:										
Denver airport system	103,513	121,690	19,220	686	873	-	-	-	-	-
Capital grants and contributions:										
Wastewater enterprises	7,289	8,379	9,564	25,142	21,296	17,742	10,752	9,099	13,327	9,806
Denver airport system	31,412	20,533	20,483	3,553	55,879	26,730	15,301	33,773	24,814	74,107
Other activities	-	-	-	280	-	-	-	-	-	-
Total business-type activities	937,831	1,003,525	995,409	1,061,810	1,161,583	1,178,815	1,177,226	844,125	1,106,141	1,396,591
Total Primary Government	\$ 1,533,597	\$ 1,611,987	\$ 1,617,004	\$ 1,710,194	\$ 1,853,302	\$ 2,001,930	\$ 1,938,078	\$ 1,588,499	\$ 2,026,431	\$ 2,203,930
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property	\$ 331,914	\$ 347,079	\$ 349,176	\$ 399,859	\$ 419,648	\$ 472,995	\$ 479,346	\$ 510,841	\$ 533,823	\$ 558,707
Sales and use	539,348	615,735	638,276	674,398	718,577	762,201	896,924	791,510	1,079,287	1,199,536
Other	146,875	165,584	180,745	187,427	217,940	229,725	250,162	138,736	199,901	251,720
Net investment and interest income (loss)	2,525	14,928	15,503	19,151	20,642	37,996	83,806	97,767	4,153	(77,088)
Other revenue	35,368	25,511	48,550	24,128	39,465	21,000	57,196	74,434	70,635	114,283
Transfers	275	575	2,275	(1,676)	1,052	444	1,324	4,964	1,594	2,462
Capital asset transfers	-	(10,066)	-	(2,880)	-	-	1,282	(2,250)	(1,405)	(2,218)
Total governmental activities	1,056,305	1,159,346	1,234,525	1,300,407	1,417,324	1,524,361	1,770,040	1,616,002	1,887,988	2,047,402
Business-type activities:										
Net investment and interest income (loss)	24,357	45,205	41,593	40,414	49,083	79,751	181,628	162,114	(38,278)	(127,200)
Other revenue	948	2,225	13,666	921	4,941	6,238	4,987	343,704	252,385	2,720
Transfers	(275)	(575)	(2,275)	1,676	(1,052)	(444)	(1,324)	(4,964)	(1,594)	(2,462)
Capital asset transfers	-	10,066	-	2,880	-	-	(1,282)	2,250	1,405	2,218
Total business-type activities	25,030	56,921	52,984	45,891	52,972	85,545	184,009	503,104	213,918	(124,724)
Total General Revenues and Other Changes in Net Position	\$ 1,081,335	\$ 1,216,267	\$ 1,287,509	\$ 1,346,298	\$ 1,470,296	\$ 1,609,906	\$ 1,954,049	\$ 2,119,106	\$ 2,101,906	\$ 1,922,678
Changes in Net Position										
Governmental activities	\$ 153,090	\$ 152,931	\$ 217,529	\$ 76,618	\$ 85,243	\$ 274,024	\$ 169,194	\$ (167,196)	\$ 201,052	\$ 401,505
Business activities	35,568	163,985	145,823	158,884	243,012	217,219	137,542	202,851	219,286	31,580
Total Primary Government	\$ 188,658	\$ 316,916	\$ 363,352	\$ 235,502	\$ 328,255	\$ 491,243	\$ 306,736	\$ 35,655	\$ 420,338	\$ 433,085

Fund Balances of Governmental Funds

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

	2013 ⁽¹⁾	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 268	\$ 425	\$ 2,890	\$ 7,215	\$ 2,979	\$ 4,709	\$ 11,651	\$ 14,254	\$ 14,231	\$ 21,489
Restricted	62,443	65,439	65,713	68,114	71,295	75,838	85,127	71,056	81,161	103,867
Committed	23,594	30,388	32,121	50,964	55,661	74,024	74,677	41,555	76,472	71,964
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	201,030	267,764	293,476	271,130	264,124	230,209	198,626	163,016	268,573	294,242
Total General Fund	\$ 287,335	\$ 364,016	\$ 394,200	\$ 397,423	\$ 394,059	\$ 384,780	\$ 370,051	\$ 289,881	\$ 440,437	\$ 491,562
All other governmental funds										
Nonspendable	\$ 6,515	\$ 3,038	\$ 8,218	\$ 9,395	\$ 20,479	\$ 16,580	\$ 4,686	\$ 3,686	\$ 6,507	\$ 6,608
Restricted	413,008	455,110	528,071	833,997	743,187	1,387,996	1,636,150	1,694,495	1,991,173	2,175,667
Committed	37,804	3,966	2,262	24,041	20,624	29,940	4,203	24,712	18,465	113,691
Assigned	29,043	28,076	30,040	559	1,062	1,047	1,057	1,038	1,538	1,826
Unassigned	-	-	(372)	-	-	-	-	(40,109)	(12,348)	(9,053)
Total all other governmental funds	\$ 486,370	\$ 490,190	\$ 568,219	\$ 867,992	\$ 785,352	\$ 1,435,563	\$ 1,646,096	\$ 1,683,823	\$ 2,005,335	\$ 2,288,739

Fund Balances of Governmental Funds



Changes in Fund Balances of Governmental Funds

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property taxes	\$ 331,914	\$ 347,079	\$ 349,176	\$ 399,859	\$ 299,320	\$ 472,995	\$ 480,741	\$ 510,841	\$ 533,823	\$ 558,707
Sales and use taxes	539,348	608,307	640,251	676,916	64,981	762,201	896,925	791,510	1,079,287	1,199,536
Other taxes	146,875	165,584	180,745	187,427	101,593	229,725	248,770	138,736	199,901	251,720
Special assessments	1,702	1,913	1,575	1,282	1,257	1,305	1,819	1,858	1,285	1,783
Licenses and permits	44,415	49,963	61,530	61,235	431	68,005	69,322	63,571	68,933	914
Intergovernmental revenues	206,878	218,206	213,643	223,296	211,345	278,238	280,420	389,641	467,127	71,789
Charges for services	225,169	237,077	265,105	267,170	71,668	279,037	313,011	225,575	291,774	330,666
Investment and interest income	2,003	14,413	14,998	18,661	10,984	37,540	83,371	97,355	3,766	344,942
Fines and forfeitures	57,469	54,472	53,540	49,433	1,688	45,032	39,579	30,470	37,531	(77,447)
Contributions	7,086	5,578	4,657	6,709	9,975	29,960	7,147	7,585	18,463	34,239
Other revenue	55,664	54,660	65,103	62,289	51,828	63,132	67,190	67,678	69,555	8,809
Total revenues	1,618,523	1,757,252	1,850,323	1,954,277	825,070	2,267,170	2,488,295	2,324,820	2,771,445	2,725,658
Expenditures										
General government	258,408	304,479	332,024	374,605	205,575	425,260	466,523	495,843	567,219	-
Public safety	552,663	574,812	607,077	606,983	75,714	687,895	718,926	722,561	670,637	560,056
Public works	170,129	221,813	192,462	188,078	139,248	309,140	364,097	313,358	352,697	771,156
Health	54,205	59,469	64,036	61,822	13,139	59,532	107,222	149,820	155,870	312,244
Human services	114,079	113,799	123,095	135,733	-	168,061	164,274	126,625	128,175	171,672
Parks and recreation	66,992	70,301	73,222	75,752	12,902	101,208	99,176	90,970	89,435	155,783
Cultural activities	98,038	107,138	110,427	115,446	81,525	133,983	142,806	110,349	115,419	114,027
Community development	35,030	39,469	44,791	46,968	19,417	68,699	75,052	155,581	169,228	149,467
Economic opportunity	21,321	21,085	19,813	14,588	6,873	745	9,642	15,057	15,186	182,839
Principal retirement	99,525	95,885	104,667	107,346	149,079	160,127	146,111	150,794	148,798	-
Interest	72,842	69,427	64,622	60,908	64,927	56,510	75,097	76,137	65,901	152,101
Bond issuance costs	-	500	491	2,073	-	-	-	-	-	-
Capital outlay	45,877	32,697	35,194	99,506	57,959	121,666	170,324	171,176	166,297	92,532
Total Expenditures	1,589,109	1,710,874	1,771,921	1,889,808	826,358	2,292,826	2,539,250	2,578,271	2,644,862	2,661,877
Deficiency of revenues under expenditures	29,414	46,378	78,402	64,469	(1,288)	(25,656)	(50,955)	(253,451)	126,583	63,781

continued

Changes in Fund Balances of Governmental Funds, continued

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

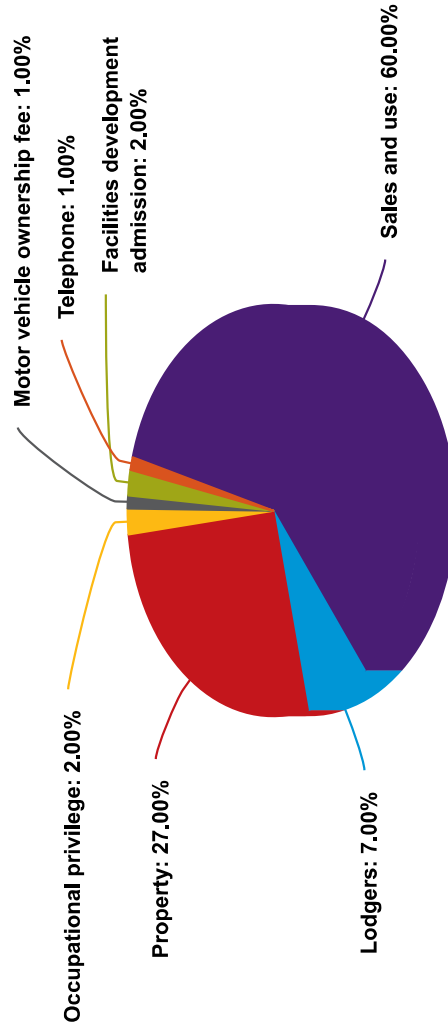
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other financing sources (uses)										
Sale of capital assets	128	1,784	296	1,081	3,957	651	14,429	5,980	203	15
GID general obligation bonds issued	-	-	-	-	-	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-	-	-	-	-	-
Issuance of certificate of participation	-	-	22,470	-	1,055	129,000	-	19,670	-	-
Issuance of capital leases	34,030	19,905	485	373	13,551	4,463	4,888	3,341	14,812	20,727
Capital leases restructured	-	-	-	-	15,507	-	-	-	-	-
Intergovernmental agreement	-	-	-	-	-	-	-	-	-	-
Payment to escrow	(256,518)	-	-	(193,979)	(21,478)	(75,824)	(56,221)	(314,083)	-	-
Commercial paper issued	-	-	-	-	-	-	-	-	-	-
Bond premium (discount)	19,659	-	-	30,857	-	46,140	32,094	94,225	52,197	43,451
Note proceeds	-	-	1,422	3,000	4,025	-	-	-	-	-
Issuance of bonds	48,660	12,000	-	204,170	-	560,905	199,175	169,925	273,830	366,389
Issuance of bonds - refunding	209,700	-	-	193,140	-	-	50,140	222,700	-	-
Insurance recoveries	749	500	1,266	1,561	793	809	965	776	1,129	2,029
Capital asset transfer	-	-	-	-	-	-	-	-	(279)	-
Transfers in	108,121	112,670	206,427	182,897	198,933	190,327	219,870	143,203	209,330	176,764
Transfers out	(108,483)	(112,736)	(202,555)	(184,573)	(197,466)	(189,883)	(218,546)	(134,744)	(205,736)	(174,302)
Total other financing sources (uses)	56,046	34,123	29,811	238,527	18,877	666,588	246,794	210,993	345,486	435,073
Net change in fund balances	\$ 85,460	\$ 80,501	\$ 108,213	\$ 302,996	\$ (86,004)	\$ 640,932	\$ 195,839	\$ (42,458)	\$ 472,069	\$ 334,533
Debt service as a percentage of noncapital expenditures	11.7%	10.4%	10.6%	9.7%	11.6%	9.4%	9.9%	10.0%	9.2%	6.5%

Governmental Activities Tax Revenues by Source

Last Ten Fiscal Years (dollars in thousands - modified accrual basis of accounting)

Taxes	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Facilities development admission	\$ 8,721	\$ 9,262	\$ 12,569	\$ 12,401	\$ 13,816	\$ 16,846	\$ 15,859	\$ 1,808	\$ 12,760	\$ 18,924
Lodgers	63,482	75,579	82,376	88,872	112,947	120,056	134,047	47,149	90,696	138,250
Motor vehicle ownership fee	21,000	23,944	26,647	26,787	30,793	30,654	32,020	25,921	28,988	21,966
Occupational privilege	44,515	46,438	48,293	49,864	50,955	53,093	54,940	50,669	52,319	56,383
Property	331,914	347,079	349,176	399,859	419,648	472,995	479,346	510,841	533,823	558,707
Sales and use	539,348	608,307	640,251	676,916	721,512	762,201	896,924	791,510	1,079,287	1,199,536
Specific ownership	193	213	232	57	57	62	88	82	88	107
Telephone	8,964	10,148	10,628	9,446	9,372	9,014	13,208	13,107	15,050	16,090
Total primary government taxes	\$ 1,018,137	\$ 1,120,970	\$ 1,170,172	\$ 1,264,202	\$ 1,359,100	\$ 1,464,921	\$ 1,626,432	\$ 1,441,087	\$ 1,813,011	\$ 2,009,963

Revenues by Sources - Governmental Activities

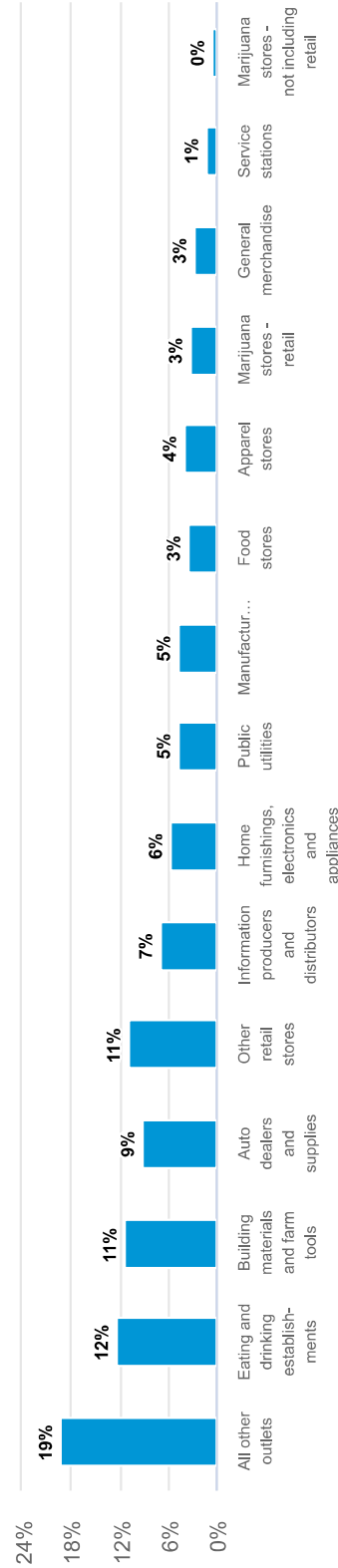


Sales Tax by Category

Last 10 Calendar Years (dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Apparel stores	\$ 22,778	\$ 24,111	\$ 25,523	\$ 26,029	\$ 26,758	\$ 28,393	\$ 33,031	\$ 25,325	\$ 40,916	\$ 48,437
General merchandise	17,704	18,276	18,527	22,189	21,894	23,548	26,312	25,632	30,702	33,687
Food stores	21,399	23,698	24,994	27,972	28,833	31,067	35,992	36,546	42,399	42,783
Eating and drinking establishments	85,211	94,439	101,242	106,903	113,091	122,062	145,747	79,912	129,410	151,160
Home furnishings, electronics and appliances	24,410	26,138	28,026	38,112	41,147	44,738	50,809	49,788	61,433	69,075
Building materials and farm tools	44,188	52,708	55,122	78,695	86,174	91,072	100,886	102,790	118,972	139,914
Auto dealers and supplies	50,021	55,414	62,000	62,801	64,529	63,872	75,490	77,633	97,598	111,133
Service stations	14,396	15,027	15,058	13,333	12,879	12,758	15,591	3,762	5,518	15,863
Public utilities	30,944	32,931	31,106	30,285	31,366	32,743	36,235	37,186	49,762	56,934
Manufacturing	40,651	46,870	46,166	38,616	29,579	35,373	41,312	40,576	47,184	58,800
Information producers and distributors	37,877	38,213	37,036	40,450	41,637	38,025	48,054	49,651	68,748	84,294
Marijuana stores - retail	n/a	10,761	15,636	20,611	26,723	29,995	37,024	53,536	56,753	40,202
Marijuana stores - not including retail	n/a	6,451	6,996	7,730	7,430	7,636	9,220	8,129	9,205	4,661
Other retail stores	52,656	55,634	55,530	45,338	50,577	54,605	65,771	71,216	123,190	132,266
All other outlets	97,113	107,636	117,289	117,852	138,895	146,314	175,450	129,827	197,317	235,870
Total	\$ 539,348	\$ 608,307	\$ 640,251	\$ 676,916	\$ 721,512	\$ 762,201	\$ 896,924	\$ 791,509	\$ 1,079,107	\$ 1,225,079
City direct sales tax rate	3.62%	3.62%	3.62%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%

2022 Sales Tax by Category



Note: The 2022 tax rate for retail marijuana is 10.31%

Source: Denver Controller's Office

Assessed Value and Estimated Actual Value of Taxable Property

Last 10 Fiscal Years (dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Vacant property	\$ 212,668	\$ 181,758	\$ 219,528	\$ 186,774	\$ 259,521	\$ 231,259	\$ 352,077	\$ 328,355	\$ 470,322	\$ 425,525
Residential property	4,469,706	4,567,603	5,919,659	6,059,029	7,211,589	7,428,065	8,957,539	9,211,401	10,290,939	9,888,755
Commercial property	4,886,510	4,909,533	6,445,053	6,521,348	8,084,596	8,224,419	10,664,888	10,832,339	11,391,813	10,926,343
Industrial property	124,503	122,425	150,606	143,930	179,325	175,198	230,238	219,793	281,325	264,626
Agricultural property	69	69	79	138	92	356	133	125	227	83
Personal property	741,538	765,486	825,798	827,331	887,721	918,036	988,926	970,056	817,751	851,143
State assessed property	829,207	838,378	824,187	920,535	925,503	947,791	914,200	965,822	872,881	879,331
Total taxable assessed value	\$ 11,264,201	\$ 11,385,252	\$ 14,384,910	\$ 14,659,085	\$ 17,548,347	\$ 17,925,124	\$ 22,108,001	\$ 22,527,891	\$ 24,125,258	\$ 23,235,806
Total direct tax rate	33.119	33.055	30.119	30.531	28.333	28.301	24.455	25.184	25.120	26.946
Estimated actual taxable value	\$ 79,581,379	\$ 80,891,083	\$ 100,203,607	\$ 105,772,919	\$ 134,744,419	\$ 139,408,175	\$ 171,449,490	\$ 166,203,442	\$ 192,464,828	\$ 192,464,828
Assessed value as a percentage of estimated actual value	14.2%	14.1%	14.4%	13.9%	13.0%	12.9%	12.9%	13.6%	12.5%	12.1%

Note: The TABOR amendment, which was approved by Colorado voters in 1992, requires all assessors to use only the market approach in valuing residential property. For commercial real property, the income approach is generally the appropriate method to use in estimating value. Under Colorado law, all assessors must reappraise real property every two years; this occurs in every odd-numbered year (2013, 2015, 2017, 2019 and 2021). If home sales have been very active, and home prices have been increasing, then the property value and assessment for many types and styles of homes typically will increase during these reappraisals. Property tax is determined by the mill levy, which is set in December of each year by the taxing authorities in Denver (the school district, city council, special districts, etc.) In November 2012, Denver voters removed the Taxpayer Bill of Rights (TABOR) limits on property tax, and as a result, mill levies assessed after 2012 will not be subject to TABOR limits. Taxable assessed values are reported net of tax-exempt property.

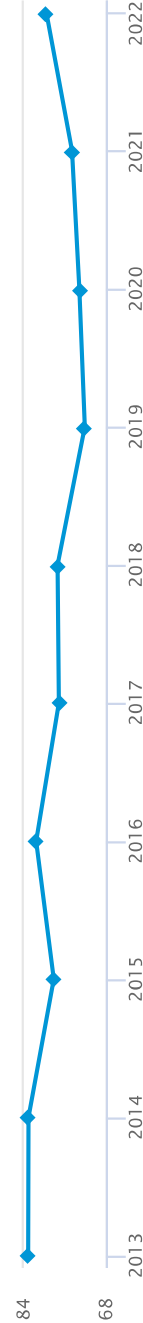
Source: Abstract of Assessment documents

Direct and Overlapping Property Tax Rates

Last 10 Fiscal Years (mill levy - total general taxes)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County Direct Rates										
General fund	13.185	13.156	11.331	11.276	9.944	9.922	9.260	9.820	9.820	10.071
Bond principal	4.330	4.100	5.433	7.433	7.000	7.000	4.500	5.500	5.500	4.250
Bond interest	4.103	4.333	3.000	1.000	1.433	1.433	2.000	1.000	1.000	2.250
Social services	4.480	4.470	3.849	3.835	3.380	3.374	2.479	2.630	2.586	2.618
Developmentally disabled	1.021	1.016	1.012	1.010	1.010	1.009	1.011	1.010	1.009	1.012
Fire pension	1.572	1.568	1.350	1.345	1.185	1.183	1.042	1.040	1.039	1.052
Police pension	1.875	1.870	1.610	1.604	1.413	1.411	1.243	1.240	1.238	1.255
Capital maintenance	2.553	2.542	2.534	2.528	2.526	2.525	2.528	2.530	2.513	2.517
Affordable housing	-	-	-	0.500	0.442	0.444	0.392	0.420	0.415	0.421
Library	-	-	-	-	-	-	-	-	-	1.500
Total County Direct Rates	33.119	33.055	30.119	30.531	28.333	28.301	24.455	25.190	25.120	26.946
School District #1										
General fund	38.853	38.780	37.147	41.013	38.594	38.676	37.096	36.926	37.413	39.391
Bond redemption	10.446	10.519	10.250	9.383	9.650	9.568	9.568	9.568	9.568	9.843
Special revenue mill	-	-	-	-	-	-	-	1.517	1.517	2.345
Total School District #1	49.299	49.299	47.397	50.396	48.244	48.244	46.664	48.011	48.498	51.579
Urban Drainage & Flood Control District										
	0.672	0.700	0.611	0.620	0.557	0.820	0.997	1.000	1.000	1.000
Total General Taxes	83.090	83.054	78.127	81.547	77.134	77.365	72.116	73.201	74.618	79.525

Mill Levy - Total General Taxes



Note: The mill levy shown for total general taxes does not include special district mill levies. In November 2012, Denver voters removed the Taxpayer Bill of Rights (TABOR) limits on property tax, and as a result mill levies assessed after 2012 will not be subject to TABOR limits.

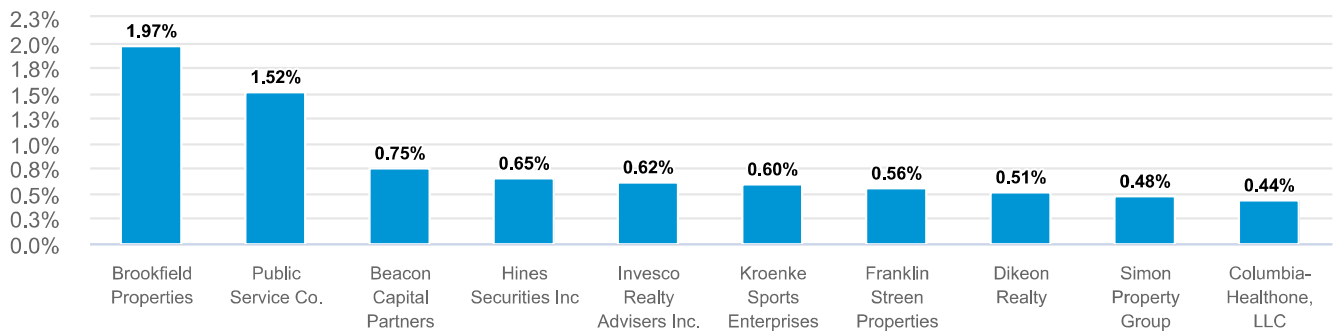
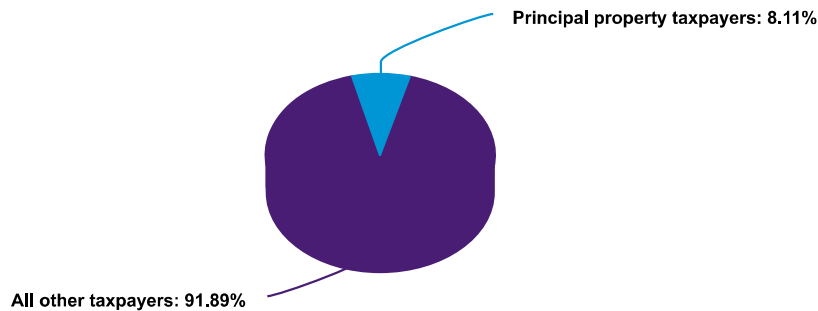
Source: Abstract of Assessment documents

Principal Property Taxpayers

Current Year and Nine Years Ago (dollars in thousands)

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Brookfield Properties	\$ 475,327	1	2.05%	\$ 159,001	2	1.41%
Public Service Co.	311,649	2	1.34%	245,136	1	2.18%
Beacon Capital Partners	174,799	3	0.75%	140,004	4	1.24%
Hines Securities Inc	159,335	4	0.69%			
Kroenke Sports Enterprises	147,044	5	0.63%			
Invesco Realty Advisers Inc.	146,295	6	0.63%			
Franklin Streen Properties	135,197	7	0.58%			
Columbia-Healthone, LLC	116,656	8	0.50%	91,814	5	0.82%
Simon Property Group	114,910	9	0.49%			
ProLogis	103,715	10	0.45%			
CenturyLink, Inc.				154,809	3	1.37%
Taubman Centers Inc.				82,545	6	0.73%
UBS Realty Investors				79,685	7	0.71%
United Continental Holdings				78,818	8	0.70%
Callahan Capital Partners				76,442	9	0.68%
LBA Realty Fund				72,044	10	0.64%
Totals	\$ 1,884,927		8.11%	\$ 1,180,298		10.48%

Principal Property Taxpayers



⁽¹⁾ CenturyLink, Inc. merged with Qwest Corp. in April 2011.

Source: Abstract of Assessment documents

Property Tax Levies and Collections

Last 10 Fiscal Years (dollars in thousands)

	Taxes levied	Prepaid amount collected within the fiscal year of the levy	Amount collected in year due	Percentage of levy prepaid and collected in year due	Collections in subsequent years	Total collections to date	
						Amount	Percentage of levy
General Fund							
2013	\$ 109,268	\$ 469	\$ 107,758	99.05%	\$ 970	\$ 109,197	99.94%
2014	109,682	580	108,074	99.06%	970	109,624	99.95%
2015	118,856	631	116,532	98.58%	1,646	118,809	99.96%
2016	120,180	586	118,973	99.48%	538	120,097	99.93%
2017	130,549	2,043	127,117	98.94%	1,316	130,476	99.94%
2018	132,251	599	131,536	99.91%	37	132,172	99.94%
2019	154,200	565	153,354	99.82%	197	154,116	99.95%
2020	166,586	157	165,017	99.15%	1,129	166,303	99.83%
2021	173,652	54	173,325	99.84%	202	173,581	99.96%
2022	177,476	216	-	0.12%	-	216	0.12%
Affordable Housing							
2016	\$ 6,730	\$ 32	\$ 6,664	99.49%	\$ 29	\$ 6,725	99.93%
2017	7,326	114	7,134	98.94%	74	7,322	99.95%
2018	7,470	34	7,429	99.91%	2	7,465	99.93%
2019	8,123	30	8,078	99.82%	10	8,118	99.94%
2020	8,797	8	8,724	99.26%	59	8,791	99.93%
2021	9,110	3	9,092	99.84%	-	9,095	99.84%
2022	9,182	11	-	0.12%	-	11	0.12%
Bond Principal Fund							
2013	\$ 45,268	\$ 194	\$ 44,643	99.05%	\$ 402	\$ 45,239	99.94%
2014	43,121	228	42,512	99.12%	358	43,098	99.95%
2015	71,837	381	70,525	98.70%	902	71,808	99.96%
2016	100,054	487	99,052	99.49%	444	99,983	99.93%
2017	116,028	1,813	112,978	98.93%	1,172	115,963	99.94%
2018	117,770	533	117,134	99.91%	31	117,698	99.94%
2019	93,250	341	92,738	99.82%	112	93,189	99.93%
2020	116,021	109	115,846	99.94%	-	115,955	99.94%
2021	120,729	38	120,574	99.90%	-	120,612	99.90%
2022	92,697	113	-	0.12%	-	113	0.12%
Bond Interest Fund							
2013	\$ 42,895	\$ 184	\$ 42,302	99.05%	\$ 381	\$ 42,867	99.93%
2014	45,572	241	44,928	99.12%	379	45,548	99.95%
2015	39,667	211	38,942	98.70%	498	39,651	99.96%
2016	13,461	65	13,326	99.48%	60	13,451	99.93%
2017	23,753	371	23,128	98.93%	241	23,740	99.95%
2018	24,109	109	23,979	99.91%	6	24,094	99.94%
2019	41,444	152	41,215	99.81%	50	41,417	99.93%
2020	21,095	20	21,169	100.45%	(108)	21,081	99.93%
2021	21,951	7	21,823	99.45%	-	21,830	99.45%
2022	49,075	60	-	0.12%	-	60	0.12%

Property Tax Levies and Collections, continued

Last 10 Fiscal Years (dollars in thousands)

Human Services Fund	Prepaid amount collected within the fiscal year of the levy			Amount collected in year due		Percentage of levy prepaid and collected in year due		Collections in subsequent years	Total collections to date		
	Taxes levied	Amount collected	in year due	Percentage of levy prepaid and collected in year due	Amount collected	in year due	Percentage of levy prepaid and collected in year due		Amount	Percentage of levy	Cancellations ⁽¹⁾
2013	\$ 58,308	\$ 247	\$ 57,501	99.04%	\$	\$	99.94%	523	\$ 58,271	\$	37
2014	58,530	305	57,705	99.11%			99.95%	490	58,500		30
2015	65,295	341	64,097	98.69%			99.96%	831	65,269		26
2016	66,205	317	65,548	99.49%			99.93%	293	66,158		
2017	73,507	1,137	71,586	98.93%			99.94%	743	73,466		
2018	74,516	334	74,116	99.91%			99.94%	20	74,470		
2019	73,287	264	72,885	99.81%			99.93%	90	73,239		
2020	78,195	72	78,455	100.42%			99.95%	(368)	78,159		
2021	80,411	25	80,253	99.83%			99.83%	-	80,278		
2022	80,663	96	-	0.12%			0.12%	-	96		
Library											
2022	32,717	40	-	0.12%			0.12%	-	40		
Capital Improvement and Maintenance Funds											
2013	\$ 55,183	\$ 237	\$ 54,420	99.05%	\$	\$	99.93%	490	\$ 55,147	\$	36
2014	55,322	292	54,526	99.09%			99.95%	475	55,293		29
2015	64,472	342	63,255	98.64%			99.96%	849	64,446		26
2016	65,381	153	64,891	99.48%			99.93%	290	65,334		
2017	75,897	1,187	73,902	98.94%			99.94%	765	75,854		
2018	76,985	348	76,569	99.91%			99.94%	21	76,938		
2019	89,823	329	89,327	99.81%			99.93%	108	89,764		
2020	93,851	88	94,127	100.39%			99.88%	(474)	93,741		
2021	97,066	30	96,689	99.64%			99.64%	-	96,719		
2022	97,081	118	-	0.12%			0.12%	-	118		
Total											
2013	\$ 310,922	\$ 1,331	\$ 306,624	99.05%	\$	\$	99.94%	2,766	\$ 310,721	\$	201
2014	312,227	1,646	307,745	99.09%			99.95%	2,672	312,063		164
2015	360,127	1,906	353,351	98.65%			99.96%	4,726	359,983		144
2016	372,011	1,640	368,454	99.48%			99.93%	1,654	371,748		
2017	427,060	6,665	415,845	98.93%			99.94%	4,311	426,821		
2018	433,101	1,957	430,763	99.91%			99.94%	117	432,837		
2019	460,127	1,681	457,597	99.82%			99.94%	567	459,843		
2020	484,545	454	483,338	99.84%			99.89%	238	484,030		
2021	502,919	157	501,756	99.80%			99.84%	202	502,115		
2022	538,891	654	-	0.12%			0.12%	-	654		

⁽¹⁾ Taxes are determined to be uncollectable after six (6) years from the date of becoming delinquent and cancelled as authorized by C.R.S. 39-10-114^{(2)(b)}.

Note: The property tax is certified by the City's Assessor on or before December 15 of each year, unless there is a special election. Property taxes are due and considered earned on January 1 following the year levied. The first and second halves become delinquent on March 1 and June 16, respectively. Figures shown capture the effect of payments, tax adjustments, and refunds.

Source: Denver Controller's Office

Ratios of Outstanding Debt by Type

Last 10 Fiscal Years (dollars in thousands, except per capita amount)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
General obligation bonds	\$ 903,939	\$ 867,646	\$ 815,676	\$ 761,406	\$ 661,776	\$ 737,991	\$ 842,856	\$ 778,162	\$ 689,366	\$ 958,413
General obligation bonds	-	-	-	-	-	-	-	76,250	61,700	46,810
Direct Placement	211,325	191,150	171,365	374,960	351,475	630,659	611,596	589,430	849,000	850,239
Excise tax revenue bonds	413,417	406,490	403,555	375,112	360,219	467,327	439,273	341,635	321,465	404,238
Lease liability ⁽¹⁾	47,108	37,948	31,080	50,253	42,612	79,109	100,208	181,060	209,831	229,813
Unamortized premium	7,856	7,456	1,431	1,431	-	-	-	-	-	-
Note payable	-	-	-	5,844	6,165	5,921	5,634	5,330	5,031	4,719
GID note payable	-	-	-	-	-	-	-	-	-	-
Business-Type Activities										
Revenue bonds	4,491,390	4,330,935	4,156,170	4,046,185	4,115,325	6,249,765	5,953,880	5,000,360	4,851,345	7,252,700
Revenue bonds	-	-	-	-	-	-	-	741,570	1,378,060	499,295
Direct Placement	-	-	-	-	-	-	-	40,080	-	-
Economic defeasance	-	-	-	-	-	-	413,874	29,439	40,000	50,561
Revenue credit payable	-	-	-	-	-	-	-	-	-	-
Unamortized (discount)/	177,856	158,108	133,495	163,975	180,335	431,574	435,237	397,254	355,044	487,915
premium	8,785	9,345	8,179	10,980	8,506	6,063	9,494	-	-	-
Lease liability ⁽¹⁾	-	-	-	-	-	-	-	6,712	4,883	(1)
Capital leases - Direct	-	-	-	-	-	-	-	2,235	-	282
Placement	25,804	20,987	17,077	10,751	8,684	6,576	4,427	-	-	-
Notes payable										
Total primary government	\$ 6,287,480	\$ 6,030,065	\$ 5,738,028	\$ 5,800,897	\$ 5,735,097	\$ 8,614,985	\$ 8,856,559	\$ 8,189,517	\$ 8,765,725	\$ 10,784,984
Percentage of personal income	16.37%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statement.

⁽¹⁾ addition of GASB 87 to lease liability

Ratios of General Bonded Debt Outstanding

Last 10 Fiscal Years (dollars in thousands, except per capita amount)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General obligation bonds	\$ 903,939	\$ 867,646	\$ 815,676	\$ 761,406	\$ 661,776	\$ 737,991	\$ 842,856	\$ 778,162	\$ 689,366	\$ 958,413
General obligation bonds - Direct placement	-	-	-	-	-	-	-	76,250	61,700	46,810
Less amounts available in debt service fund	(26,513)	(64,755)	(84,239)	(129,356)	(145,707)	(151,904)	(154,464)	(165,397)	(180,386)	(174,373)
Total	\$ 877,426	\$ 802,891	\$ 731,437	\$ 632,050	\$ 516,069	\$ 586,087	\$ 688,392	\$ 689,015	\$ 570,680	\$ 830,850
Percentage of estimated actual taxable value of property	1.10%	0.99%	0.73%	0.60%	0.38%	0.42%	0.40%	0.41%	0.34%	0.50%
Per Capita	\$ 1,482	\$ 1,356	\$ 1,235	\$ 1,068	\$ 862	\$ 960	\$ 1,147	\$ 904	\$ 762	\$ 1,165

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statement.

Direct and Overlapping Governmental Activities Debt

December 31, 2022 (dollars in thousands)

	Debt Outstanding	Percentage Applicable	City and County of Denver Share of Debt
Direct Debt			
General Obligation bonds	\$ 958,413		
General Improvement District revenue notes	4,719		
Lease liability	404,238 ⁽¹⁾		
Excise tax revenue bonds	850,239		
Total Net Direct Debt	2,217,609		
Overlapping Debt			
Regional Transportation District	\$ 2,917,255	22.52% ⁽²⁾	\$ 656,966
Metro Water Recovery	610,292	47.11% ⁽³⁾	287,509
School District #1	2,225,552	100.00%	2,225,552
Total Overlapping Debt	5,753,099		3,170,027
Total Net Direct and Overlapping Debt	\$ 7,970,708		\$ 5,387,636

⁽¹⁾ Includes Certificates of Participation (COPs) in addition to GASB 87 Leases.

⁽²⁾ Percentage calculated on estimated Scientific and Cultural Facilities District sales and use tax for Denver City and County compared to State total, per the Colorado Department of Revenue, Office of Research and Analysis.

⁽³⁾ Percentage calculated on Denver's wastewater charges compared to the entire metro district per Metro Wastewater Reclamation District.

Legal Debt Margin Information

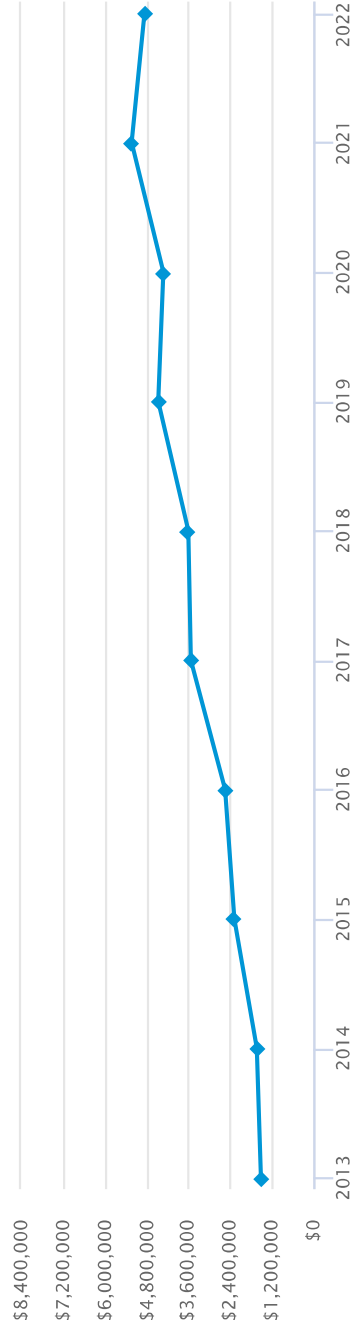
Last 10 Fiscal Years (dollars in thousands)

Calculation of Legal Debt Margin for Fiscal Year 2022

Total Estimated Actual Valuation	\$ 189,064,566
Maximum general obligation debt, limited to 3% of total valuation	\$ 5,671,937
Outstanding bonds chargeable to limit	999,625
Less amount reserved for long-term debt	174,373
Net chargeable to bond limit	825,252
Legal Debt Margin – December 31	\$ 4,846,685

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$2,387,441	\$2,426,732	\$3,006,108	\$3,173,188	\$4,042,333	\$4,182,245	\$5,143,485	\$4,986,103	\$5,773,945	\$5,671,937
Total net debt application to limit	877,426	802,891	731,437	632,050	516,069	586,087	688,392	676,973	557,074	825,252
Legal debt margin	\$1,510,015	\$1,623,841	\$2,274,671	\$2,541,138	\$3,526,264	\$3,596,158	\$4,455,093	\$4,309,130	\$5,216,871	\$4,846,685
Total net debt applicable to the limit as a percentage of debt limit	36.75%	33.09%	24.33%	19.92%	12.77%	14.01%	13.38%	13.58%	9.65%	14.55%

Legal Debt Margin



Note: Section 7.2.5, Charter of the City and County of Denver: The City and County of Denver shall not become indebted for general obligation bonds, to any amount, which, including indebtedness, shall exceed three percent of the actual value as determined by the last final assessment of the taxable property within the City and County of Denver.

National Western Center and Convention Center Excise Pledged-Revenue Coverage

Last 10 Fiscal Years (dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Pledged 3.0% lodger's tax revenues	\$ 17,726	\$ 21,092	\$ 22,989	\$ 24,802	\$ 31,519	\$ 31,082	\$ 34,096	\$ 12,085	\$ 23,433	\$ 35,659
Pledged 0.5% food and beverage tax revenues	13,564	15,202	16,350	17,164	18,619	19,821	20,480	14,376	19,078	22,579
Pledged 2.0% short-term auto rental tax revenues	9,425	10,894	11,614	12,468	12,515	13,197	13,530	7,497	13,719	15,532
Other sources	263	381	541	961	720	776	892	602	473	694
Total pledged excise tax base	\$ 40,978	\$ 47,569	\$ 51,494	\$ 55,395	\$ 63,373	\$ 64,876	\$ 68,998	\$ 34,560	\$ 56,703	\$ 74,464
Debt service (2009B Bonds)	8,647	8,655	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pledged excise tax base remaining after payment of 2009B Bonds debt service	\$ 32,331	\$ 38,914	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pledged 1.75% short-term auto rental increase	8,247	9,532	10,163	10,910	10,962	11,548	11,839	6,559	11,998	13,569
Pledged 1.75% lodgers' tax increase	10,340	12,303	13,410	14,468	18,386	18,124	19,889	7,049	13,670	20,801
Available for Series 2005A and 2009A Bonds debt service	\$ 50,918	\$ 60,749	\$ 23,573	\$ 25,378	\$ 29,348	\$ 29,672	\$ 31,728	\$ 13,608	\$ 25,668	\$ 34,370
Debt service (2005A and 2009A Bonds)	19,868	19,824	27,165	4,726	-	-	-	-	-	-
Additional pledged 3.25% lodger's tax revenues	-	-	-	24,969	32,146	31,770	35,027	13,400	24,765	37,178
Additional pledged 3.50% short-term auto rental revenues	-	-	-	21,820	21,793	22,893	23,460	12,588	23,718	26,897
Available for Series 2016AB, 2018AB, and 2021A Bonds debt service	-	-	-	122,836	146,660	149,211	159,213	74,156	130,854	172,909
Debt service (2016A and 2016B Bonds)	-	-	-	26,916	11,061	35,599	34,608	28,687	26,692	27,060
Debt service (2018A and 2018B Bonds)	-	-	-	-	-	-	10,223	10,944	9,618	10,588
Debt service (2021A Bonds)	-	-	-	-	-	-	-	-	-	14,209

Note: The pledged excise tax base is funded by portions of the lodger's tax (3.0%), short-term auto rental tax (2.0%), and prepared food and beverage tax (0.5%). The pledged excise tax base was used to pay the debt service on the series 2009B Excise Tax Bonds, which matured and was fully paid off in 2014. The pledged excise tax increase is funded by portions of the lodger's tax (1.75%) and short-term auto rental tax (1.75%). The pledged excise tax increase has only been used to pay the debt service on the series 2005A and 2009A Excise Tax Bonds. Any deficiency in the pledged excise tax increase revenue was covered by excess funds in the pledged excise tax base. The series 2005A, 2009A and 2009B bond issuances funded the Colorado Convention Center and its original expansion. In 2016, the City issued Series 2016AB Bonds to fund the initial costs of the National Western Center redevelopment and Colorado Convention Center expansion projects, as well as to advance refund of all the outstanding Series 2005A and 2009A bonds. In 2018, the City issued Series 2018AB bonds to fund additional costs of the National Western Center campus redevelopment. The City pledged the excise tax base and excise tax increase revenues to the repayment of the 2016AB Bonds and 2018AB Bonds, as well as additional revenues that were not pledged to the repayment of the 2005A and 2009A Bonds which includes portion of the lodger's tax (3.25%) and short-term auto rental tax (3.50%).

Note: Lodger's Tax for 2017 includes a one-time legal settlement from online travel companies of \$9,989,000.

Wastewater Management Fund Pledged-Revenue Coverage

Last 10 Fiscal Years (dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net pledged revenues	\$ 28,016	\$ 36,635	\$ 33,363	\$ 35,293	\$ 46,666	\$ 49,871	\$ 66,237	\$ 21,775	\$ 72,810	\$ 86,062
Combined average debt service requirements ⁽¹⁾	\$ 3,164	\$ 3,099	\$ 3,027	\$ 8,299	\$ 7,930	\$ 13,032	\$ 12,475	\$ 11,919	\$ 11,362	\$ 13,110
Debt service coverage ratio	8.85	11.82	11.02	4.25	5.88	3.83	5.31	1.83	6.41	6.56
Required coverage	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25

⁽¹⁾ Numbers through 2011 apply to Series 2002 bonds that were refunded in January 2012 by Series 2012 bonds.

Note: The Wastewater Management bonds are secured by the net revenues derived from the operation of Wastewater Management's Storm Drainage Facilities and Sanitary Sewer Facilities.

Golf Fund Pledged-Revenue Coverage

Last 10 Fiscal Years (dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net pledged revenues	\$ 907 ⁽¹⁾	\$ 1,264 ⁽²⁾	\$ 912	\$ 1,940	\$ 1,653	\$ 1,653	\$ 2,147	\$ 2,382	\$ 4,168	\$ -
Rate maintenance account	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ -
Available fund balance	\$ 14,253	\$ 12,933	\$ 9,791	\$ 9,987	\$ 12,932	\$ 8,641	\$ 23,785	\$ 24,065	\$ 25,414	\$ -
Annual debt service requirement	\$ 682	\$ 686	\$ 684	\$ 685	\$ 685	\$ 682	\$ 687	\$ 687	\$ 687	\$ -
Service coverage ratio	1.68	2.19	1.68	3.18	2.76	2.78	3.47	3.82	6.42	-
Required coverage	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	-

***Golf bonds were issued in 2006**

⁽¹⁾ Does not include non-cash expenditure of \$617 for leased items that did not meet City's capitalization limit.

⁽²⁾ Does not include non-cash expenditure of \$1,318 for leased items that did not meet City's capitalization limit.

Note: The Golf bonds were issued to fund improvement to the City-owned golf courses and are secured by the gross revenues of the Golf Enterprise fund minus certain Operating and Maintenance Expenses. The bonds were paid off in 2021.

Denver International Airport Fund Pledged-Revenue Coverage

Last 10 Fiscal Years (dollars in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gross Revenues	\$ 743,101	\$ 803,620	\$ 808,614	\$ 863,126	\$ 895,857	\$ 945,206	\$ 1,102,851	\$ 748,264	\$ 929,450	\$ 1,182,524
Operation and maintenance expenses	349,987	355,769	377,199	417,140	425,005	445,801	478,305	407,365	424,042	497,403
Net revenues	393,114	447,851	431,415	445,986	470,852	499,405	624,546	340,899	505,408	685,121
Other available funds	50,409	54,834	50,320	51,574	47,090	43,901	68,365	39,848	35,051	35,613
Total amount available for debt service	\$ 443,523	\$ 502,685	\$ 481,735	\$ 497,560	\$ 517,942	\$ 543,306	\$ 692,911	\$ 380,747	\$ 540,459	\$ 720,734
Debt service requirements per general and supplemental bond ordinances	\$ 242,816	\$ 219,334	\$ 201,279	\$ 294,914	\$ 282,251	\$ 276,949	\$ 376,265	\$ 252,387	\$ 256,990	\$ 361,349
Debt service coverage	1.83	2.29	2.39	1.69	1.84	1.96	1.84	1.51	2.10	1.99
Required coverage	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1	1.25	1.25

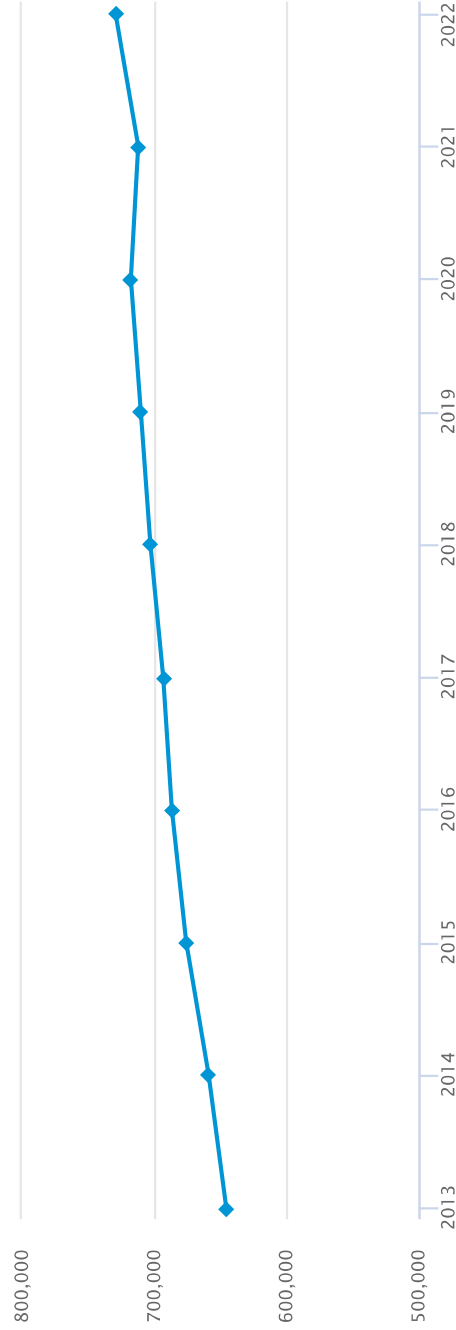
Source: Denver International Airport Financial Statements

Demographic and Economic Statistics

Last 10 Calendar Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Population	649,495	663,862	682,545	693,060	693,292	716,492	727,211	738,200	749,103	729,239
Personal income (expressed in millions)	\$ 36,999	\$ 41,743	\$ 46,617	\$ 46,612	\$ 47,289	\$ 57,211	\$ 61,348	\$ 51,543	\$ 37,936	n/a
Per capita Personal income	\$ 56,967	\$ 62,880	\$ 68,299	\$ 67,256	\$ 69,862	\$ 79,849	\$ 81,405	\$ 69,822	\$ 50,642	n/a
School enrollment	87,398	90,150	91,429	92,331	92,686	93,356	92,039	90,296	90,250	89,213
Unemployment rate	7.00%	4.30%	3.70%	3.00%	3.00%	3.00%	2.50%	6.90%	4.20%	2.80%

City and County of Denver Population



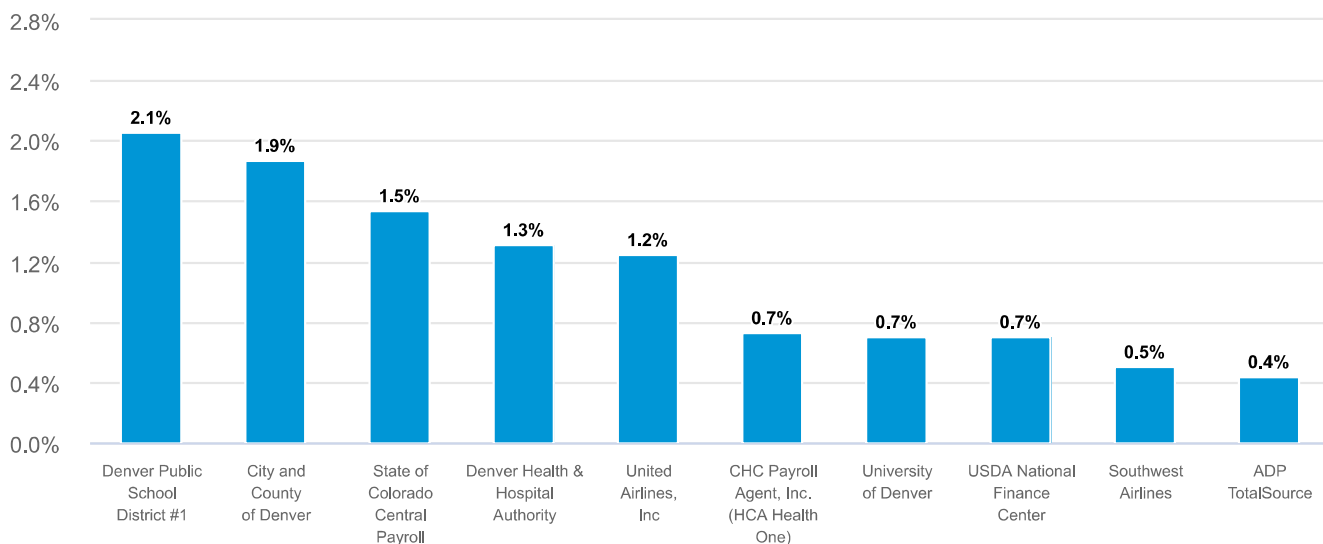
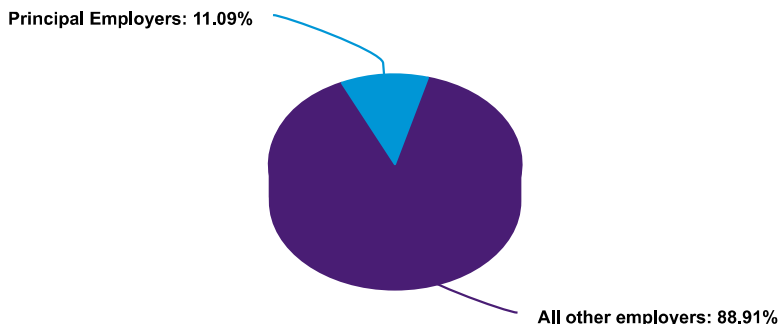
Source:
 Denver Public Schools
 U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
 U.S. Census Bureau
 U.S. Department of Commerce

Principal Employers

Current Year and Nine Years Ago

	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Denver Public School District #1	12,644	1	2.1%	11,863	1	3.0%
City and County of Denver	11,503	2	1.9%	9,946	2	2.5%
State of Colorado Central Payroll	9,503	3	1.5%	9,790	3	2.5%
Denver Health & Hospital Authority	8,139	4	1.3%	5,408	5	1.4%
United Airlines, Inc	7,669	5	1.2%	4,682	6	1.2%
CHC Payroll Agent, Inc. (HCA Health One)	4,464	6	0.7%	4,153	7	1.1%
University of Denver	4,365	7	0.7%	3,764	8	1.0%
USDA National Finance Center	4,320	8	0.7%	7,567	4	1.9%
Southwest Airlines	3,079	9	0.5%			
ADP TotalSource	2,695	10	0.4%			
University of Colorado				3,389	9	0.9%
Accounting Services Center (U. S. Postal Service)				3,188	10	0.8%
Total	68,381		11.1%	63,750		16.3%

Principal Employers



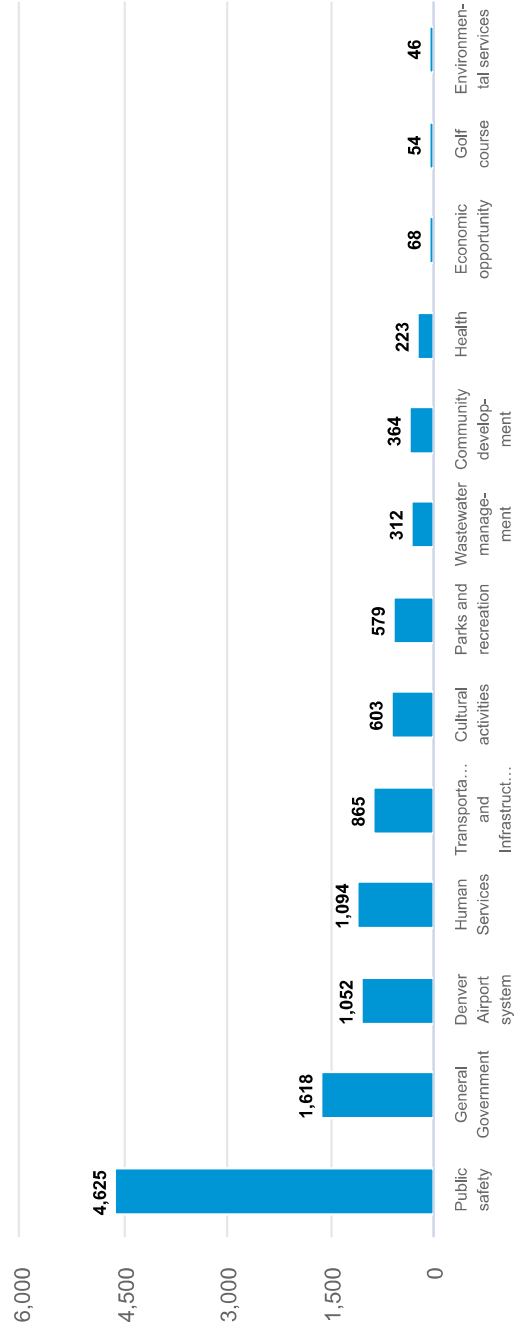
Source: Based on 2022 and 2012 Occupational Privilege Tax Remitters.

Full-Time Equivalent City Government Employees by Function

Last 10 Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	1,190	1,282	1,290	1,336	1,373	1,430	1,561	1,466	1,417	1,618
Public safety	4,192	4,256	4,324	4,375	4,606	4,689	4,804	4,685	4,417	4,625
Transportation and Infrastructure	754	754	794	844	875	906	968	878	807	865
Human Services	884	941	1,022	1,087	1,123	1,123	1,115	1,127	1,066	1,094
Health	124	131	136	145	144	172	172	226	236	223
Parks and recreation	449	450	450	458	530	498	529	511	533	579
Cultural activities	628	642	665	658	668	671	665	633	566	603
Community development	176	200	219	239	272	285	299	289	317	364
Economic opportunity	182	186	176	80	77	39	46	54	57	68
Wastewater management	248	252	259	276	278	283	296	280	269	312
Denver Airport system	1,035	1,097	1,125	1,190	1,151	1,104	1,133	1,042	969	1,052
Environmental services	43	46	44	44	44	28	51	44	43	46
Golf course	41	44	45	49	49	51	56	57	55	54
Total	9,946	10,281	10,549	10,781	11,190	11,279	11,695	11,292	10,752	11,503

2022 Full-Time City Employees by Function



Source: Denver Controller's Office

Operating Indicators by Function
Last 10 Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Physical arrests	50,878	52,517	52,912	51,340	49,797	50,747	44,145	30,174	26,982	27,605
Traffic violations	109,342	98,434	86,427	73,011	67,312	79,732	67,123	48,334	48,576	30,878
Fire										
Emergency responses	105,290	112,370	107,076	114,224	116,061	119,287	123,428	111,242	114,196	128,129
Flame/Smoke Responses	1,985	1,986	1,792	2,010	2,250	2,597	3,371	4,670	5,736	5,743
Inspections	31,818	34,044	36,897	33,825	34,670	34,697	35,827	27,947	32,244	31,840
Sheriff										
Average daily population	2,270	2,049	2,004	2,221	2,187	2,110	2,187	1,352	1,509	1,448
Number of jails	2	2	2	2	2	2	2	2	2	2
Transportation and Infrastructure										
Parking tickets issued	677,369	640,126	653,491	642,320	574,400	526,016	465,094	381,564	416,715	428,442
Recyclables collected (tons)	33,193	34,350	37,318	38,325	40,810	40,884	42,200	46,500	43,815	39,288
Refuse collected (tons)	205,985	208,222	207,132	196,870	184,395	176,311	173,542	191,101	181,000	173,323
Other Transportation and Infrastructure										
Alleys paved (square yards)	7,750	14,358	19,860	15,867	21,408	27,894	3,678	5,220	5,238	7,968
Potholes repaired (tons of asphalt)	3,358	4,666	5,025	3,374	3,306	2,517	874	2,329	1,516	1,327
Street resurfacing (square yards)	2,553,301	2,563,000	2,721,030	2,778,788	3,027,270	3,366,458	3,627,571	3,987,853	3,358,790	3,246,321
Human services										
Family Medicaid Application for Denver clients	29,025	77,219	38,061	38,273	38,118	41,566	35,442	31,164	18,847	20,289
New child welfare case involvements	974	824	1,231	1,769	1,920	1,614	871	683	552	633
Community development										
Permits issued	55,252	67,818	75,717	64,624	75,665	69,562	70,967	60,147	58,757	62,250
Economic opportunity										
Low income affordable housing units created	568	557	749	579	1,438	667	1,042	541	587	560
Percent of job seekers entering employment	55.83%	59.51%	65.30%	56.83%	59.60%	62.00%	66.00%	55.42%	49.13%	51.42%
Library										
Total volumes borrowed	9,811,501	9,067,577	9,097,572	9,556,962	9,675,656	7,395,551	9,022,428	5,458,956	6,118,184	6,788,153
Volumes in collection	1,982,000	2,049,703	1,922,628	2,111,879	2,072,239	3,490,143	1,795,256	1,685,336	1,558,336	1,646,583
Denver airport system										
Passenger air traffic	52,556,359	53,472,514	54,014,502	58,266,515	61,379,396	64,494,613	69,015,703	33,741,129	58,828,552	69,286,461
Excise and Licenses										
Number of business license transactions	15,085	17,230	22,207	24,168	24,573	26,044	24,437	22,404	25,524	39,269

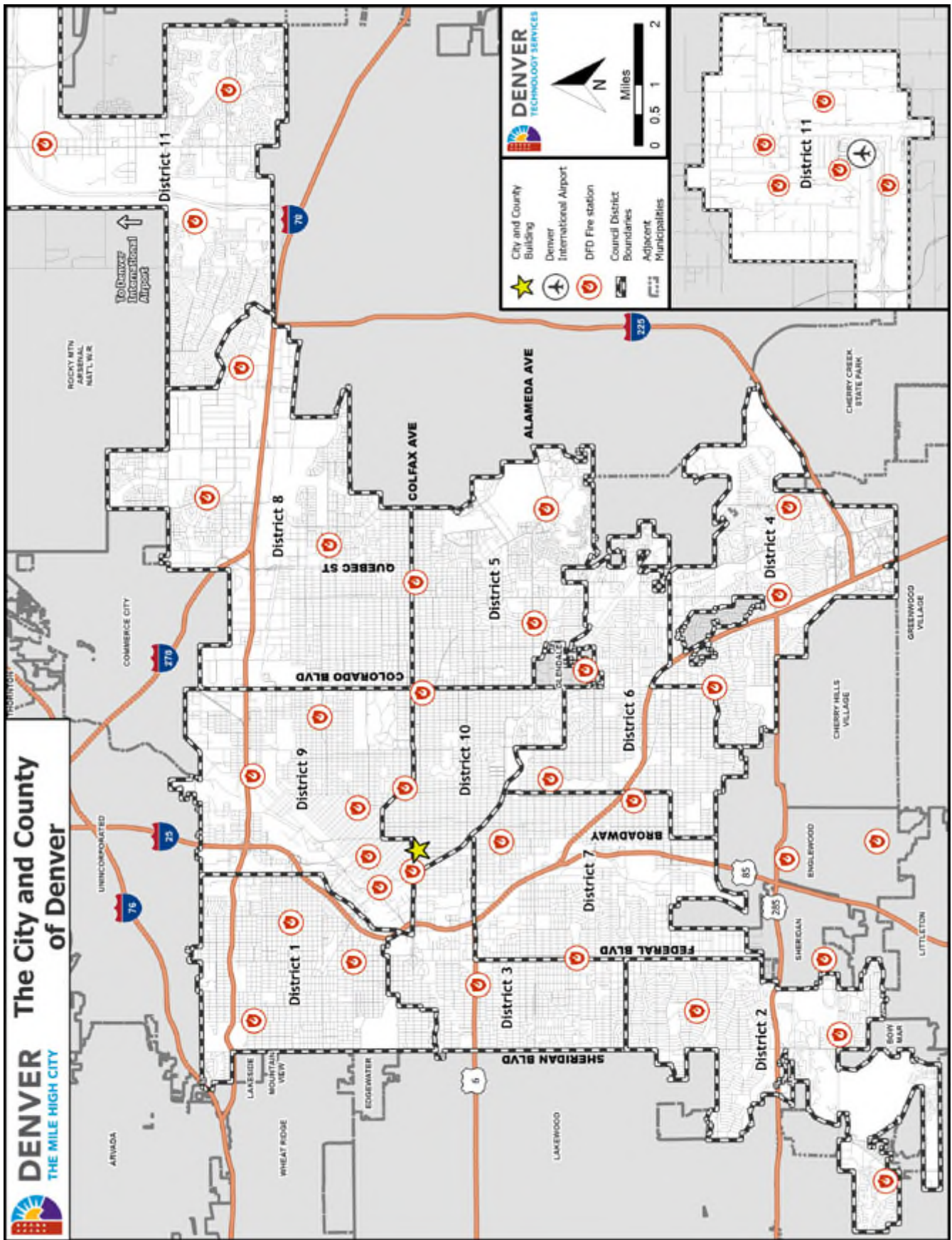
(1) Family Medicaid Applications increased due to changes in the Affordable Care Act and additional outreach funding client engagement.

Sources: Denver Department of Aviation
 Denver Department of Community Planning and Development
 Denver Department of Excise and Licenses
 Denver Department of Finance
 Department of Human Services
 Denver Department of Transportation and Infrastructure
 Denver Department of Safety
 Denver Office of Economic Development
 Denver Public Library

Capital Asset Statistics
Last 10 Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Fire										
Number of engines/trucks	40/22	41/23	44/23	42/23	42/23	42/23	43/23	43/23	43/23	43/23
Number of stations	34	34	37	38	38	38	39	39	39	39
Police										
Number of patrol marked/unmarked vehicles	392/207	414/213	417/209	430/265	399/219	403/153	385/189	419/166	427/167	416/163
Number of stations	6	6	6	6	6	6	6	6	6	6
Transportation and Infrastructure										
Bridges (major/minor)	297/182	297/182	297/184	297/187	297/190	297/194	297/207	220/402	220/402	218/409
Alleys paved	5125	5,142	5,169	5,190	5,217	5,237	5,236	5,238	5,238	5,238
unpaved	102	100	73	73	46	42	23	21	21	21
Streets (centerline miles)	2005	2,005	2,005	2,010	2,010	2,017	2,018	2,163	2,166	2,172
Traffic signals	1267	1,272	1,285	1,295	1,306	1,315	1,168	1,056	1,064	1,080
Parks and recreation										
Acreage owned	20,106	20,106	20,361	20,374	20,374	20,383	20,448	20,474	20,474	21,619
Golf courses	8	8	8	8	8	8	8	8	8	8
Mountain acreage	14,141	14,141	14,141	14,141	14,141	14,141	14,141	14,141	14,141	14,591
Number of parks (includes mountain parks)	332	325	332	336	336	336	343	347	347	365
Parkways (miles)	60	60	60	60	60	63	63	63	63	63
Athletic fields/lighted	324/45	329/50	330/50	328/52	324/52	321/52	315/45	313/46	313/46	309/47
Recreation centers	30	30	30	30	31	31	31	31	31	31
Swimming pools	29	29	29	29	31	31	31	31	31	31
Tennis courts/lighted	148/88	146/88	146/88	148/88	147/90	147/90	152/90	147/91	147/91	143/93
Cultural activities										
Concert venues	7	7	7	7	7	7	7	7	7	7
Public libraries	24	25	26	26	26	26	26	26	26	26
Wastewater										
Sanitary sewers (miles)	1504	1,506	1,514	1,523	1,533	1,538	1,535	1,546	1,551	1,563
Storm sewers (miles)	802	805	812	821	823	823	825	842	829	833
Denver airport system										
Acreage	33,800	33,800	33,800	33,800	33,800	33,800	33,800	33,800	33,800	33,800
Number of runways	6	6	6	6	6	6	6	6	6	6
Seating Capacities										
Boettcher Concert Hall	2,709	2,679	2,679	2,679	2,679	2,679	2,679	2,679	2,679	2,679
Colorado Convention Center	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Denver Coliseum	10,474	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Ellie Caulkins Opera House	2,225	2,225	2,255	2,255	2,225	2,225	2,225	2,225	2,225	2,225
Red Rocks Amphitheater	9,450	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525
Temple Hoyne Buell Theatre	2,846	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884
McNichols Civic Center Building	-	2,000	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900

Sources: Denver Department of Aviation
 Denver Department of Finance
 Denver Department of Public Works
 Denver Department of Safety
 Denver Department of General Services
 Denver Department of Parks and Recreation
 Denver Public Library





DENVER

THE MILE HIGH CITY

DEPARTMENT OF FINANCE CONTROLLER'S OFFICE

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