

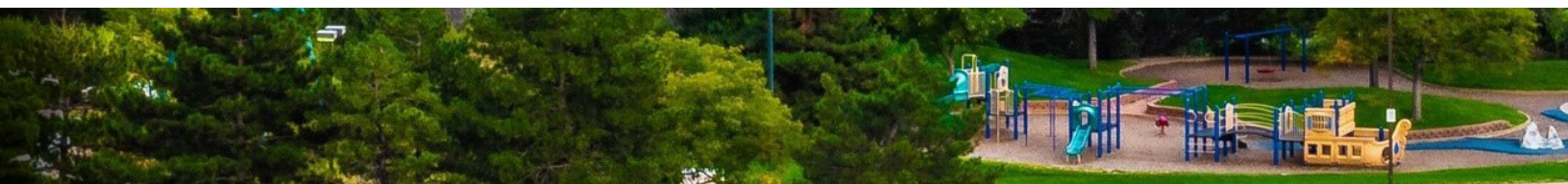
# Annual Comprehensive Financial Report

Year Ended December 31, 2023

## City and County of Denver, Colorado



**DENVER**  
THE MILE HIGH CITY





# Annual Comprehensive Financial Report

City and County of Denver, Colorado | Year Ended December 31, 2023

prepared by

## Department of Finance

### Controller's Office

Nicole Doheny, Chief Financial Officer

William Riedell, CGFM, Controller

Available online at [www.denvergov.org/finance](http://www.denvergov.org/finance)

Photo credits: SUDIO 1ONE, Jacob, Tomasz Zajda



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A photograph of a city skyline at sunset. The sky is a mix of orange, yellow, and grey. In the foreground, there are lush green trees. In the middle ground, a colorful water slide structure with orange, purple, and yellow slides is visible. The background features several tall buildings, including a prominent one with a pointed top. A large blue rectangular overlay is positioned in the center of the image, containing the word "Introduction" in white, bold, sans-serif font.

# Introduction





July 19, 2024

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



**Nicole Doheny**

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, 2023.

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, P.C., 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, 2023, 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, 2023. The independent Auditors' report is presented as the first component of the financial section of this report.

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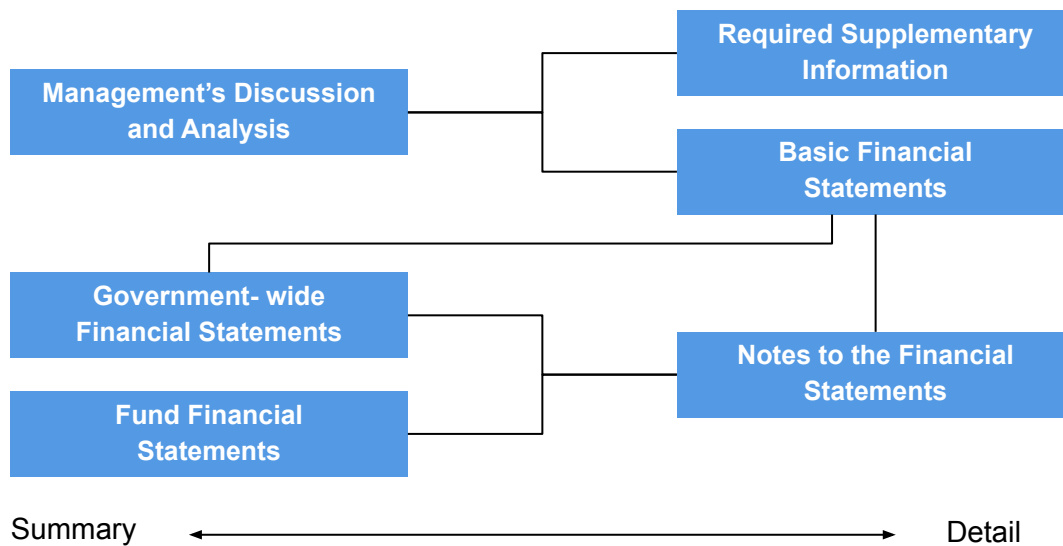
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## The Report

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.

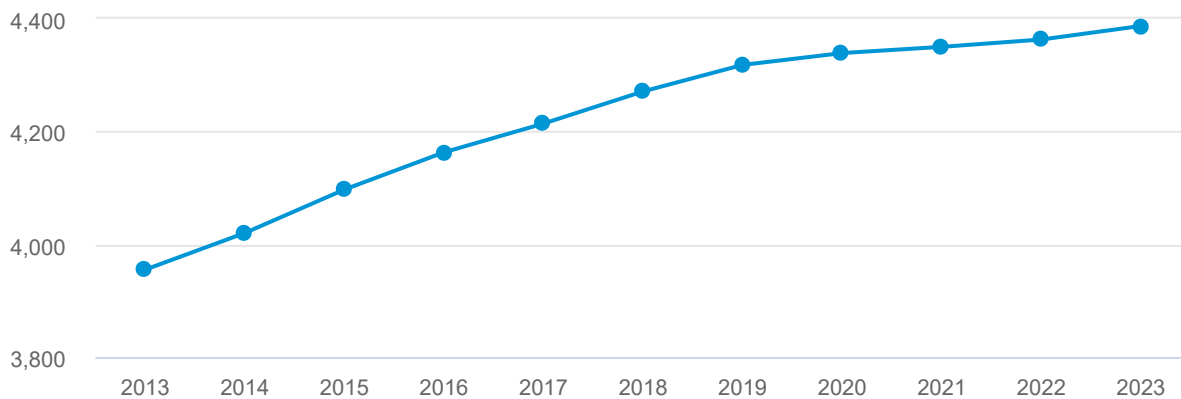


### City Profile

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 2023, Denver had an estimated population of 716,577 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), "Household finances remain relatively strong overall as real disposable income has turned positive in 2023, thereby increasing purchasing power. However, economic headwinds, including increasing consumer debt, restrictive monetary policy, and geopolitical risk, are expected to limit economic growth in 2024 and 2025."

### **Labor Market**

Since Q3 2023, Denver's unemployment rate has been outpacing that of the State as well as the U.S. and currently stands at 4.1% for March 2024. At the same time, the city has also been experiencing slowed growth (even negative for the latest reading) in labor force supply which is atypical for the region. Underlying factors are still unclear, but will continue to be monitored and assessed.

Per the OSPB, Colorado's labor market remains strong despite slowing jobs growth at both the state and national level. Consumer demand shows downward momentum off recent highs as growth in national retail sales are expected to follow Colorado's retail slowdown in the coming months before rebounding into 2025. Although the current U.S. unemployment rate of 3.9% and the Colorado rate of 3.4% remain above full employment and job growth continues, rolling slowdowns have already begun affecting certain sectors across the economy. Going forward, labor market slowdowns are expected in 2024 and 2025, with peak unemployment of 4.4% for the U.S. and 4.2% in Colorado expected in mid-2025.

### **Consumer Spending**

According to the OSPB, consumer spending closed out 2023 strong across the U.S. as holiday spending surprised to the upside against headwinds. However, as real disposable income growth slows and consumer confidence remains below pre-pandemic levels, capacity for additional growth in consumer spending is reduced going forward. Colorado trends in retail sales have exhibited this reduced capacity already in recent months and the U.S. is expected to follow.

Here in Denver, sales tax growth in the previous fiscal year was strong despite the onset of geopolitical conflicts, high inflation, actions by the Federal Reserve to increase interest rates, tighter monetary policy, and volatile markets. However, significant economic uncertainty and volatility in sales tax revenue collections in the last six months of 2023 require a cautious approach to forecasting. The baseline revenue forecast for the remainder of 2024 and looking ahead to 2025 is projected to expand but at a slower pace and is in line with peer cities as well as consensus economic forecasts.

## 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 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. Through 2023, the City has received \$108 million in federal financial assistance for COVID-19 work under the Federal Emergency Management Agency's Public Assistance program. 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.

The City's strategic approach to economic stimulation extends to the administration of tax abatement agreements. As of December 31, 2023, the City has entered into 38 tax abatement agreements aimed at encouraging the development and expansion of businesses within the City. These agreements are integral to our economic development strategy, fostering increased investment and job creation while supporting our fiscal responsibility and strategic economic planning initiatives. Details of these abatements can be found in Sub-note 9 of Note D - Capital Assets.

The City's tax abatement program is designed to attract and retain businesses by offering incentives that reduce the tax burden on new and expanding businesses. This initiative aligns with our long-term economic sustainability goals and is part of our broader economic development efforts. Businesses participating in the program in 2023 invested an additional \$8.6 million in business personal property, resulting in the creation of 798 new jobs and the retention of 3,990 existing jobs. This has led to a total impact of 4,788 jobs, underscoring the program's role in supporting economic growth and stability.

Our approach to tax abatements is grounded in a commitment to fiscal responsibility and strategic economic planning. The tax credits provided through these abatements are carefully calculated by the Assessor's Office based on the assessed value of qualified business personal property and the applicable mill levy. The Denver Economic Development & Opportunity (DEDO) facilitates the application process and ensures preliminary eligibility before the Assessor's Office finalizes the tax credit amounts. The City maintains rigorous standards for monitoring and compliance to ensure that all participating businesses adhere to the requirements set forth in the abatement agreements. If any business fails to meet these requirements, the City reserves the right to reassess and collect the abated taxes.

The City's tax abatement program is a critical tool for driving economic development, enhancing the business environment, and ensuring long-term economic health. By fostering a favorable climate for business investment and job creation, we are committed to maintaining transparent financial governance and promoting sustainable growth for our community.

## Revenue Administration

The City's main source of revenue for operating expenditures is sales and use tax, which averages close to 60.00% of total General Fund revenues. In addition, the City reviews fees, fines, and charges for services on a rotating basis to ensure they are meeting cost recovery goals. Through the budget process, the goal is to appropriate one-time and unpredictable revenues to 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, who monitors spending and performs department and citywide year-end projections throughout the year. Agency budgets are monitored to support projected vacancy savings and any transfer of unspent budget must be approved by the Department of Finance. A Position Review Committee (PRC) also began operating in the spring of 2023 to approve hiring of positions. This resulted in savings associated with delaying hiring of lower priority positions to offset the emergency response to the migrant and asylum seeker crisis in Denver.

## 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, 2023, the City's general obligation bonded debt of approximately \$700 million net amounts reserved for debt service and subject to this restriction, was 10.02% of the approximately \$7 billion 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, 2023, the City is rated triple-A (AAA) by all three of the major rating agencies: Standard & Poor's, Fitch, and Moody's Investors Service.

## Investment 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, 2022. 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 forty first consecutive year that the City has received this award. A Certificate of Achievement is valid for one year only. We believe this 2023 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, 2022. 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 ninth 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, 2023. 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 2024 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, PC., conducted their audit.

Respectfully submitted,



Nicole Doheny  
Chief Financial Officer

Dear Denver residents:

When our administration began in the middle of 2023, we immediately focused on delivering a city that is vibrant, affordable, and safe for everyone. In partnership with agency leaders across the City and County of Denver, we have worked together to design ambitious goals and a guiding vision, mission and values to ensure we are serving Denverites at the highest level. We believe that together, we can build a Denver that is vibrant, affordable and safe for all. Our problems are solvable, and we are the ones to solve them. As we do this work, we are guided by these values:

- **Listen** with humility to our community, partners, and each other, learning together to drive action,
- **Dare** to be bold and creative, driven by the urgency the people of Denver deserve, and
- **Deliver** by taking ownership of every problem, delivering breakthrough solutions and never doing it alone.



**Honorable  
Mike Johnston**

Mayor

Since taking office, we have made key investments in public safety, both increasing the number of new officers on our streets and pursuing innovative approaches that ensure the right responder responds to the right incident at the right time. We have increased investments into treatment alternatives and first responder programs, and in 2024, we set an ambitious goal to help 200 individuals struggling with addiction or mental health out of the criminal justice system and into a coordinated intervention, treatment, and rehabilitation pipeline.

We have also been successful in reducing street homelessness and encampments across Denver. By investing in safe, stable, temporary housing options and changing our outreach approach, we helped more than one thousand unsheltered Denverites get off the street and into housing in just six months. We are continuing to focus on homelessness resolution and affordable housing in 2024, with the goal of helping 1,000 more Denverites leave homelessness and supporting the development and preservation of 3,000 long-term affordable housing units.

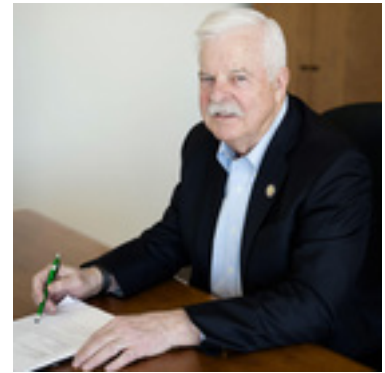
For Denver to succeed, we must secure vibrancy and economic opportunity in every neighborhood. That's why we also committed to expanding support for small, local businesses that face rising rents and historic inflation in some of Denver's fastest-changing neighborhoods. In August 2023, we launched Denver's first "Legacy Business" program to protect and strengthen these long-standing local businesses, many of which are minority- and women-owned.

In 2023, high inflation and interest rates put limits on economic growth and drove down refinancing, borrowing, and spending activity. But we have positioned our city to respond quickly and decisively to our toughest challenges and take advantage of our greatest opportunities. I deeply believe the challenges we face as a city are solvable, and we will be the ones to solve them. As we close the books on 2023, I look forward to working to deliver on our dream of Denver.

## Mayor's Cabinet and Chief of Staff

<b>Anne-Marie Braga</b> Executive Director of Human Services	<b>Nicole Doheny</b> Chief Financial Officer
<b>Jenn Ridder</b> Chief of Staff	<b>Al Gardner</b> Executive Director, General Services
<b>Kerry Tipper</b> City Attorney	<b>Jolon Clark</b> Executive Director of Parks and Recreation
<b>Phil Washington</b> Executive Director of Aviation	<b>Bob McDonald</b> Executive Director of Public Health and Environment
<b>Manish Kumar</b> Executive Director of Community Planning and Development	<b>Amy Ford</b> Executive Director of Transportation and Infrastructure
<b>Molly Duplechian</b> Executive Director of Excise and Licenses	<b>Armando Saldade</b> 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, U.S. 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 2027.



Honorable  
**President Jamie Torres**  
Council District 3



Honorable  
**Serena Gonzales-Gutierrez**  
Council At-Large



Honorable  
**Sarah Parady**  
Council At-Large



Honorable  
**Amanda Sandoval**  
Council District 1



Honorable  
**Kevin Flynn**  
Council District 2



Honorable  
**Diana Romero Campbell**  
Council District 4



Honorable  
**Amanda Sawyer**  
Council District 5



Honorable  
**Paul Kashmann**  
Council District 6



Honorable  
**Flor Alvidrez**  
Council District 7



Honorable  
**Shontel M. Lewis**  
Council District 8



Honorable  
**Darrell Watson**  
Council District 9

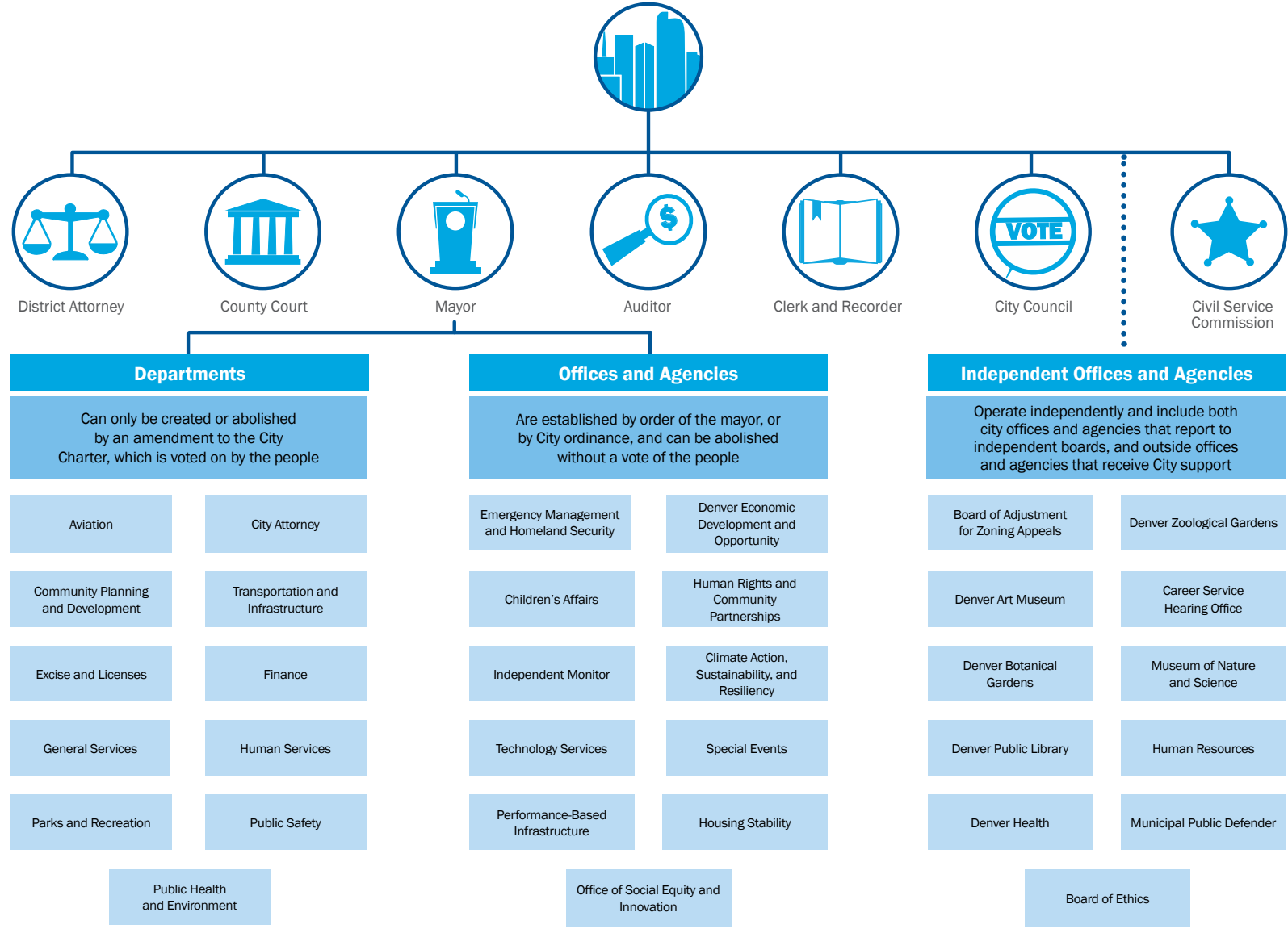


Honorable  
**Chris Hinds**  
Council District 10



Honorable  
**Stacie Gilmore**  
Council District 11

### 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, 2022

*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, 2022.

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, 2022. 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, 2023. 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.

A photograph of a city skyline at sunset, with a large blue rectangular overlay in the center. The word "Financial" is written in white, bold, sans-serif font on the blue background. The city features various skyscrapers, including one with a distinctive curved top and another with a tall spire. In the foreground, there are lush green trees and a colorful water slide structure with orange, purple, and yellow slides.

# Financial





Tel: 303-830-1120  
Fax: 303-830-8130  
www.bdo.com

303 E. 17th Avenue, Suite 600  
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, 2023, 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, 2023, 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 93.38 percent of total assets and deferred outflows of resources, 90.73 percent of total revenues, and 128.66 percent of net position (deficit) of the aggregate discretely presented component units as of and for the year ended December 31, 2023. 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 46.09 percent of total assets, 16.18 percent of total revenues and 49.19 percent of net position/fund balance of the aggregate remaining fund information as of and for the year ended December 31, 2023. 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 99.36 percent, 97.01 percent and 98.28 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, 2023. 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 96, *Subscription-Based Information Technology Arrangements*. 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, 2022, which are not presented with the accompanying financial statements. In our report dated July 14, 2023, 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, 2022 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, 2022, 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.C.*

Denver, Colorado  
July 26, 2024

A cityscape at sunset with a blue overlay containing the title "Management's Discussion and Analysis". The background shows a dense urban environment with various buildings, including a prominent skyscraper with a spire on the right. In the foreground, there are lush green trees and a colorful water slide structure. The sky is a mix of orange, yellow, and grey, indicating the time is either dawn or dusk.

# 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, 2023. 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 \$5,971,732,000 (net position). \$627,709,000 represents a surplus of unrestricted net position.
- The City's total net position increased by \$942,175,000, or 18.73%, over the prior year amount.
- As of close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,734,037,000, a decrease of \$46,264,000 in comparison with the prior year. Approximately 8.61% or \$235,278,000 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 \$247,573,000, which represents 13.67% of total General Fund expenditures, including transfers out.
- The City's total bonded debt decreased by \$425,621,000 during the year. General obligation bonds decreased by \$103,914,000 and revenue bonds decreased by \$321,707,000.
- The City implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements (GASB 96). This statement requires Governments to recognize a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability.

## 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 public safety, transportation and infrastructure, human services, public health, parks and recreation, cultural activities, community development and economic opportunity. 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, Environmental Services, 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 (refer to the separately issued financial statements of the component units). 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 projects 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 and certain special revenue funds, debt service 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 and Human Services special revenue 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 the private purpose trust fund 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 \$5,971,732,000 at the close of the most recent fiscal year. Net position of \$3,289,890,000 (55.09%) 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 \$2,054,133,000 (34.40%) 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, 2023 and 2022:

	Governmental Activities			Business-Type Activities		Total Primary Government		
	December 31, 2023	January 1, 2023 <sup>(4)</sup>	December 31, 2022	December 31, 2023	December 31, 2022, as restated	December 31, 2023	January 1, 2023	December 31, 2022, as restated
Other Assets	\$ 4,126,796	\$ -	\$ 4,278,486	\$ 4,551,133	\$ 4,917,721	\$ 8,677,929	\$ -	\$ 9,196,207
Capital Assets	4,375,550	67,022	3,845,766	7,659,348	7,084,342	12,034,898	67,022	10,930,108
<b>Total Assets</b>	<b>8,502,346</b>	<b>67,022</b>	<b>8,124,252</b>	<b>12,210,481</b>	<b>12,002,063</b>	<b>20,712,827</b>	<b>67,022</b>	<b>20,126,315</b>
<b>Deferred Outflows</b>	<b>578,892</b>	-	<b>343,393</b>	<b>96,773</b>	<b>79,062</b>	<b>675,665</b>	-	<b>422,455</b>
Noncurrent Liabilities	4,721,050	61,969	4,318,219	8,363,214	8,664,922	13,084,264	61,969	12,983,141
Other Liabilities	705,838	-	723,636	480,787	364,961	1,186,625	-	1,088,597
<b>Total Liabilities</b>	<b>5,426,888</b>	<b>61,969</b>	<b>5,041,855</b>	<b>8,844,001</b>	<b>9,029,883</b>	<b>14,270,889</b>	<b>61,969</b>	<b>14,071,738</b>
<b>Deferred Inflows</b>	<b>710,828</b>	-	<b>927,606</b>	<b>435,043</b>	<b>519,869</b>	<b>1,145,871</b>	-	<b>1,447,475</b>
<b>Net Position</b>								
Net Investment In Capital Assets	2,506,496	-	2,366,205	783,394	611,408	3,289,890	-	2,977,613
Restricted	1,639,995	-	2,588,514	414,138	482,458	2,054,133	-	3,070,972
Unrestricted	(1,202,969)	5,053	(2,456,535)	1,830,678	1,437,507	627,709	5,053	(1,019,028)
<b>Total Net Position</b>	<b>\$ 2,943,522</b>	<b>\$ 5,053</b>	<b>\$ 2,498,184</b>	<b>\$ 3,028,210</b>	<b>\$ 2,531,373</b>	<b>\$ 5,971,732</b>	<b>\$ 5,053</b>	<b>\$ 5,029,557</b>

<sup>(4)</sup> The city implemented GASB 96 as of January 1, 2023. As a result, capital assets increased by \$67,022,000 and noncurrent liabilities increased by 61,696,000. This resulted in an increase to total net position of \$5,053,000.

The table below reflects the City's changes in net position (dollars in thousands) for the years ended December 31, 2022 and 2023.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 468,765	\$ 442,345	\$ 1,467,056	\$ 1,312,678	\$ 1,935,821	\$ 1,755,023
Operating grants and contributions	361,007	306,318	-	-	361,007	306,318
Capital grants and contributions	156,120	58,676	117,150	83,913	273,270	142,589
General revenues:						
Facilities development admissions tax	20,596	18,924	-	-	20,596	18,924
Lodgers tax	153,596	138,250	-	-	153,596	138,250
Motor vehicle ownership fee	39,460	21,966	-	-	39,460	21,966
Occupational privilege tax	56,624	56,383	-	-	56,624	56,383
Property tax	582,971	558,707	-	-	582,971	558,707
Sales and use tax	1,249,309	1,199,536	-	-	1,249,309	1,199,536
Specific ownership tax	115	107	-	-	115	107
Telephone tax	16,649	16,090	-	-	16,649	16,090
Investment income (loss)	148,725	(77,088)	202,862	(127,200)	351,587	(204,288)
Other revenues	125,348	114,283	40,002	12,803	165,350	127,086
<b>Total revenues</b>	<b>3,379,285</b>	<b>2,854,497</b>	<b>1,827,070</b>	<b>1,282,194</b>	<b>5,206,355</b>	<b>4,136,691</b>
<b>Expenses</b>						
General government	705,771	585,790	-	-	705,771	585,790
Public safety	838,285	630,018	-	-	838,285	630,018
Transportation and infrastructure	327,572	329,635	-	-	327,572	329,635
Human services	221,043	176,068	-	-	221,043	176,068
Health	165,210	156,791	-	-	165,210	156,791
Parks and recreation	153,118	131,187	-	-	153,118	131,187
Cultural activities	211,304	173,674	-	-	211,304	173,674
Community development	212,438	183,775	-	-	212,438	183,775
Economic opportunity	30,560	22,117	-	-	30,560	22,117
Interest on long-term debt	67,965	64,181	-	-	67,965	64,181
Wastewater management	-	-	155,443	145,367	155,443	145,367
Denver airport system	-	-	1,141,408	1,075,889	1,141,408	1,075,889
Other enterprise funds	-	-	34,063	29,114	34,063	29,114
<b>Total expenses</b>	<b>2,933,266</b>	<b>2,453,236</b>	<b>1,330,914</b>	<b>1,250,370</b>	<b>4,264,180</b>	<b>3,703,606</b>
Change in net position before transfers	446,019	401,261	496,156	31,824	942,175	433,085
Transfers in (out)	1,733	2,462	(1,733)	(2,462)	-	-
Capital contribution	(2,414)	(2,218)	2,414	2,218	-	-
<b>Change in net position</b>	<b>445,338</b>	<b>401,505</b>	<b>496,837</b>	<b>31,580</b>	<b>942,175</b>	<b>433,085</b>
Net position - January 1, as previously reported	2,498,184	2,096,679	2,532,597	2,501,017	5,030,781	4,597,696
Implementation of GASB statement No. 96 <sup>(1)</sup>	-	-	(1,224)	-	(1,224)	-
Net position - January 1	2,498,184	2,096,679	2,531,373	2,501,017	5,029,557	4,597,696
<b>Net position - December 31</b>	<b>\$ 2,943,522</b>	<b>\$ 2,498,184</b>	<b>\$ 3,028,210</b>	<b>\$ 2,532,597</b>	<b>\$ 5,971,732</b>	<b>\$ 5,030,781</b>

<sup>(1)</sup>On January 1, 2022, the Airport adopted GASB Statement No. 96, (SBITA).

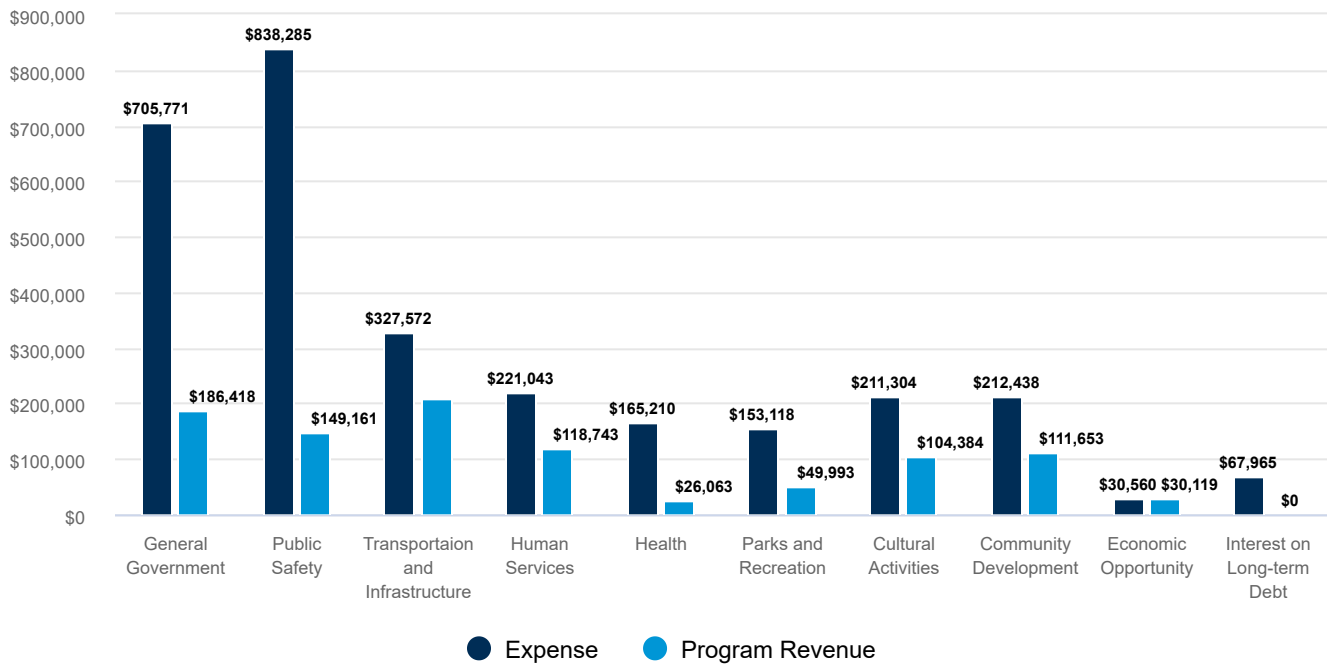
Governmental activities increased the City’s net position by \$445,338,000 for the year ended December 31, 2023. Key elements of the increase are as follows:

- Property tax and sales and use taxes totaled 86.46% of all tax revenues and 54.22% of all governmental activities’ revenues. Property tax recorded in the governmental funds totaled \$582,971,000 for an increase of \$24,264,000 (4.34%) while sales and use tax revenues of \$1,249,309,000 were up \$49,773,000 (4.15%) compared to 2022, reflecting a significant increase in retail and food services as the city is experiencing pre-pandemic levels in consumer spending.
- Lodgers tax increased \$15,346,000 (11.10%) primarily due to the continued strength of the city’s tourism sector along with historically low levels in unemployment rates. Occupancy rates in Denver-area lodging facilities averaged 70% in 2023, up from 68% in 2022, with average room rates rising to \$160.26 per night from \$148.63 in 2022.
- Total governmental activities expenses increased \$480,030,000 (19.57%) primarily due to higher staffing costs. The City increased staffing levels by 7.70% in 2023 compared to 2022 and implemented a 4.00% pay increase in 2023. General government expenses increased \$119,981,000 (20.48%). Public Safety expenses increased \$208,267,000 (33.06%). Transportation and Infrastructure expense decreased \$2,063,000 (0.63%). Human Services expenses increased \$44,975,000 (25.54%).

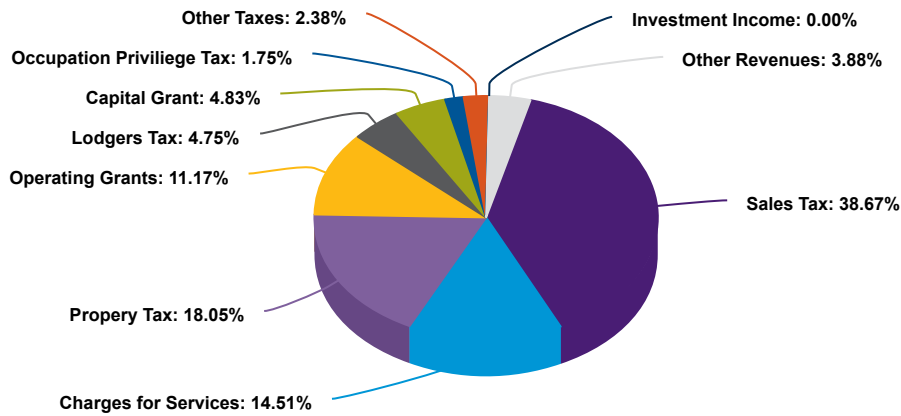
General government expenses in 2023 were \$705,771,000 (24.06%) of total expenses. Public safety expenses \$838,285,000 (28.58%) of total expenses. Transportation and Infrastructure expenses were \$327,572,000 (11.17%) of total expenses. Cultural activities were \$211,304,000 (7.20%) of total expenses. Human services expenses were \$221,043,000 (7.54%) of total expenses. The remainder of the governmental activities expenses is comprised of health with \$165,210,000 (5.63%), parks and recreation with \$153,118,000 (5.22%) community development with \$212,438,000 (7.24%), economic opportunity with \$30,560,000 (1.04%), and interest on long-term debt of \$67,965,000 (2.32%).

### Expenses and Program Revenues - Governmental Activities

(dollars in thousands)



### Revenues by Sources - Governmental Activities

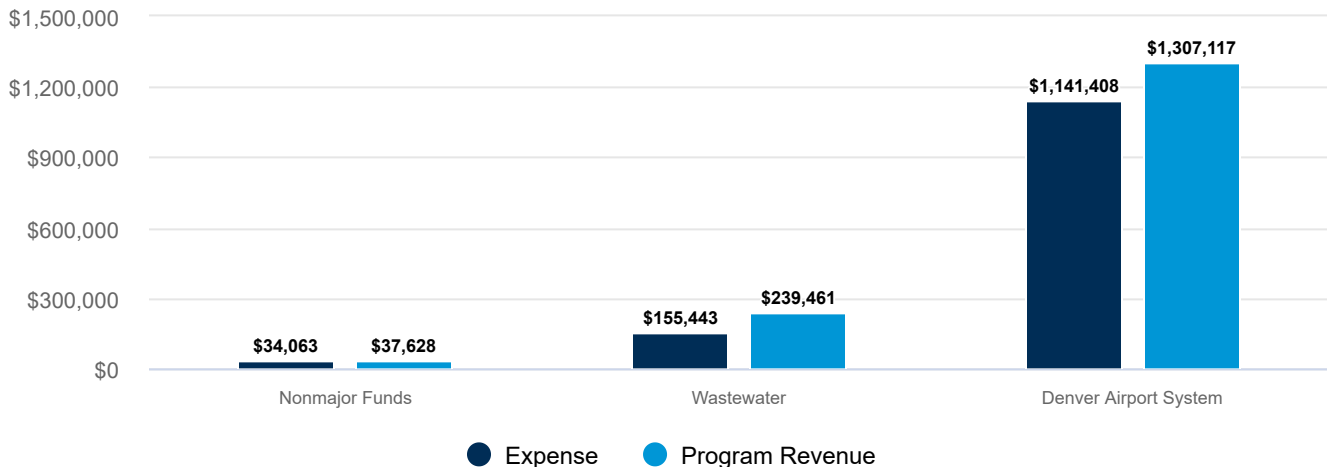


Business-type activities increased the City's net position by \$496,837,000. Key elements of this increase are as follows:

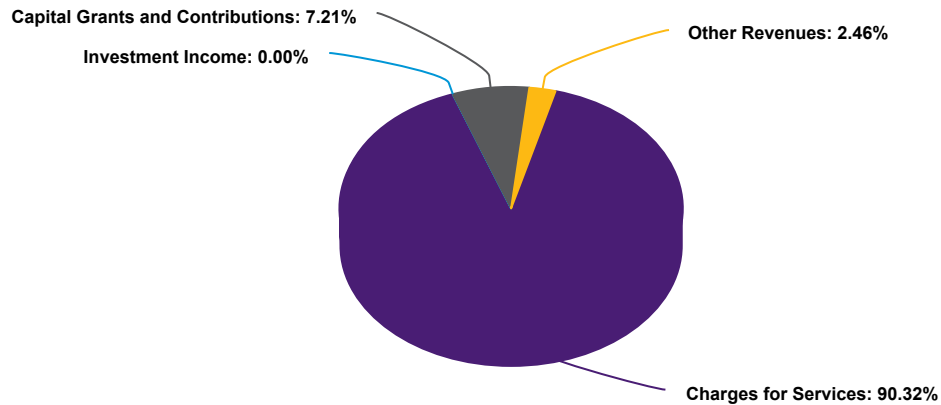
- Total revenues of \$1,827,070,000 were \$544,876,000 (42.50%) higher compared to prior year amounts. For the Denver Airport System, the change was primarily due to increases in facility rentals and landing fee revenue for 2023 compared to 2022. For Wastewater Management, there was a slight increase in revenue due to an increase in water consumption and a 8.2% increase in rates that took effect on January 1, 2023.
- Total expenses of \$1,330,914,000 increased by \$80,384,000 (6.43%) when compared to the prior year. For the Denver Airport System, their expenses increased primarily due to higher contractual services and an increase in personnel cost, 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, 2023, the City's governmental funds reported combined ending fund balances of \$2,734,037,000, a decrease of \$46,264,000, in comparison with the prior year. Approximately 8.61% or \$235,278,000 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, 2023, unassigned fund balance of the General Fund was \$247,573,000 while the total fund balance was \$422,147,000. 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 13.67% of total General Fund expenditures, including transfers out, of \$1,810,999,000 while total fund balance represents 23.31% of the same amount.

The total fund balance of the City's General Fund decreased by \$69,415,000 or 14.12% during the year ended December 31, 2023. This decrease was primarily driven by the city's return to pre-pandemic levels, which resulted in significant changes to the City's revenue and expenditures.

General Fund revenues, including transfers in, totaled \$1,710,326,000, an increase of \$132,734,000 or 8.41% from the previous year. This increase was due to the lifting of COVID-19 pandemic restrictions, leading to slight increases in almost every revenue source. Specific changes in revenues from 2022 to 2023 include:

- Sales and use taxes increased by \$34,768,000 or 3.92%. This increase was directly related to a rise in retail and service consumer spending as a result of the continued return of leisure travel and consumer spending over prior years since the COVID-19 pandemic.
- Property taxes increased by \$3,017,000 or 1.77%, primarily due to increases in the assessed value of property taxed during 2023, reflecting growth in the City's 2021 assessed valuation.
- Investment and interest income increased by \$65,818,000 or 262.64%, mainly due to rising interest rates starting in 2022 and continuing into 2023. The General Fund reported a gain of \$40,758,000 in 2023.
- Fines and forfeitures revenue increased by \$3,361,000 or 9.86%, largely due to an increase in criminal and traffic court fines.

Total General Fund expenditures, including transfers out, increased by \$263,062,000 or 16.99%. This increase was driven by higher expenses in Public Safety and General Government, along with increases in all other primary governmental functions. The primary driver of these increases was hiring, leading to an overall rise in salaries.

These financial dynamics, combined with the city's return to pre-pandemic levels, contributed to the overall reduction in the City's General Fund fund balance.

The Human Services fund had a total fund balance of \$89,647,000 as of December 31, 2023, a net decrease of \$19,580,000 or 17.93% due to increased expenditures and transfers out. Revenues rose by \$15,680,000 or 8.68% to \$196,415,000, driven by a \$15,696,000 or 15.57% increase in intergovernmental revenues and a \$341,000 or 0.43% rise in property taxes. Intergovernmental revenues include federal reimbursements and grants from the American Rescue Plan Act (ARPA), as well as state grants. Total expenditures, including transfers out, increased by \$56,134,000 or 32.52% to \$228,764,000, primarily due to a \$39,502,000 or 23.48% increase in human services costs. Specific programs and services such as Child Welfare Services, Medicaid Eligibility, and Adult Protection Services saw significant expenditures. Denver Human Services (DHS) faced challenges such as staffing up to support over 2,600 migrants, leading to the hiring of over 200 new staff. Community initiatives like the #BeAGiver School Supply Drive, Spring Showers Hygiene Drive, Human Together Community Grants, support for those facing homelessness, and the Denver Property Tax Relief Program supported local families and low-income residents. Transfers out increased by \$16,955,000 or 419.16%, largely to fund the Castro Campus Revitalization capital project. This revitalization project will focus on modernizing the facility to better serve the community's needs, including support for migrant services, child protection, and family assistance programs. These efforts contributed to the increased expenditures and transfers out, impacting the fund balance.

The Bond Projects fund had a total fund balance of \$605,152,000 as of December 31, 2023, a net decrease of \$274,144,000 or 31.18% due to significant capital outlay expenditures and principal payments. Revenues increased by \$69,132,000 or 276.32% to \$44,113,000, driven by a \$69,346,000 or 271.95% rise in investment and interest income. Expenditures surged by \$159,003,000 or 99.84% to \$318,257,000, primarily from a \$151,089,000 or 144.45% increase in capital outlay. No other financing sources or uses were recorded in 2023, compared to \$401,388,000 in 2022 from bond issuances and premiums. As of year-end, the City had \$897,885,000 in outstanding general obligation bonds, with \$129,000,000 and \$139,000,000 remaining authorizations in the Elevate Denver and Rise Denver programs, respectively.

### 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 \$1,038,477,000 and for the Denver Airport System net position was \$1,937,717,000. Net position for all enterprise funds was \$3,028,252,000. 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 2023, prepared in the summer of 2022, assumed moderate growth in the local and national economies. Sales and use tax revenue was originally projected to grow by 5.1% over the 2022 revised forecast and total General Fund revenue was projected to increase by 4.6% over 2022 revised figures. In the summer of 2023, the original General Fund revenue forecast, including transfers in, was revised upward by \$67,363,000 or 4.3%.

### Capital Assets and Bonded Debt Administration

#### Capital Assets

The City's capital assets for its governmental and business-type activities as of December 31, 2023, were \$12,034,898,000 (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 2023, the City adopted and implemented GASB Statement No. 96 - Subscription-Based Information Technology Arrangements (SBITA),

whereby subscription assets are being disclosed as right-of-use assets. It is important to note that although the City implemented GASB 96 as of January 1, 2023, one of its major enterprise funds, the Denver Airport System (DEN), implemented it as of January 1, 2022. Infrastructure-type assets of business-type activities are reported as buildings and improvements. The City's capital assets by type at December 31, 2023 and 2022 are shown in the table below (dollars in thousands).

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022, as restated	2023	2022, as restated	2023	2022, as restated
Land and construction in progress	\$ 1,581,961	\$ 1,208,799	\$ 1,141,160	\$ 935,919	\$ 2,723,121	\$ 2,144,718
Buildings and Improvements	2,772,671	2,720,378	9,776,756	9,367,836	12,549,427	12,088,214
Equipment and other	404,600	378,629	1,535,281	1,340,819	1,939,881	1,719,448
Collections	55,954	52,398	-	-	55,954	52,398
Intangibles	31,279	30,972	37,524	37,536	68,803	68,508
Infrastructure	2,312,701	2,159,044	-	-	2,312,701	2,159,044
Right-of-use assets	115,307	86,064	73,768	31,727	189,075	117,791
Less accumulated depreciation/ amortization	(2,898,923)	(2,723,496)	(4,905,141)	(4,629,495)	(7,804,064)	(7,352,991)
<b>Total</b>	<b>\$ 4,375,550</b>	<b>\$ 3,912,788</b>	<b>\$ 7,659,348</b>	<b>\$ 7,084,342</b>	<b>\$ 12,034,898</b>	<b>\$ 10,997,130</b>

Major capital asset activity for the year ended December 31, 2023, 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, 2023, the City had total bonded indebtedness of \$9,181,836,000. Of this amount, \$901,309,000 comprises debt backed by the full faith and credit of the City. The remainder of the City's debt, \$8,280,527,000 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, 2023.

As of December 31, 2023, 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, 2023 and 2022 is reflected in the table below (dollars in thousands).

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 901,309	\$ 1,005,223	\$ -	\$ -	\$ 901,309	\$ 1,005,223
Revenue bonds	836,653	850,239	7,443,874	7,751,995	8,280,527	8,602,234
<b>Total</b>	<b>\$ 1,737,962</b>	<b>\$ 1,855,462</b>	<b>\$ 7,443,874</b>	<b>\$ 7,751,995</b>	<b>\$ 9,181,836</b>	<b>\$ 9,607,457</b>

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](http://www.denvergov.org/finance).

A cityscape at sunset with a blue overlay containing the text "Basic Financial". The background shows a dense urban environment with various buildings, including a prominent skyscraper with a spire on the right. In the foreground, there are lush green trees and a colorful water slide structure. The sky is a mix of orange, yellow, and grey, indicating the time is either dawn or dusk.

# Basic Financial



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## Statement of Net Position

December 31, 2023 (dollars in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash on hand	\$ 6,713	\$ -	\$ 6,713	-
Cash and cash equivalents	1,980,562	59,735	2,040,297	110,291
Investments	-	1,671,517	1,671,517	89,901
Receivables, net				
Taxes	810,595	-	810,595	241,547
Leases	895	89,079	89,974	3
Notes	110,532	-	110,532	-
Accounts	75,870	225,673	301,543	3,103
Accrued interest	18,230	12,866	31,096	327
Other	-	-	-	2,184
Due from other governments	174,671	-	174,671	-
Internal balances	30,407	(30,407)	-	-
Inventories	79	11,102	11,181	-
Prepaid items and other assets	27,684	3,186	30,870	1,606
Restricted assets:				
Cash and cash equivalents	862,875	95,443	958,318	461
Investments	-	2,003,726	2,003,726	245,024
Accounts receivable	-	17,203	17,203	-
Accrued interest receivable	-	12,562	12,562	-
Prepaid items and other assets	-	12,485	12,485	-
Long-term receivables, net	14,773	42,507	57,280	-
Lease receivables, net	8,168	324,456	332,624	-
Prepaid expense - non-current	753	-	753	-
Assets held for disposition	3,989	-	3,989	-
Capital assets:				
Land and construction in progress	1,581,961	1,141,160	2,723,121	44,168
Buildings, improvements, infrastructure, collections, equipment, right-of-use, net	2,793,589	6,518,188	9,311,777	116,654
<b>Total Assets</b>	<b>8,502,346</b>	<b>12,210,481</b>	<b>20,712,827</b>	<b>855,269</b>
<b>Deferred Outflows of Resources</b>				
Deferred loss on refundings	3,004	25,969	28,973	8,264
Items related to OPEB and pension plans	575,888	70,804	646,692	-
<b>Total Deferred Outflows of Resources</b>	<b>578,892</b>	<b>96,773</b>	<b>675,665</b>	<b>8,264</b>

See accompanying notes to basic financial statements

**Statement of Net Position, continued**

December 31, 2023 (dollars in thousands)

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>Liabilities</b>				
Vouchers payable	263,668	160,452	424,120	8,501
Accrued liabilities	117,876	53,435	171,311	55,033
Unearned revenue	320,721	23,501	344,222	5,394
Advances and advance rent	3,209	59,889	63,098	3,588
Due to taxing units	364	-	364	-
Due to other governments	-	2,752	2,752	4,419
Liabilities payable from restricted assets	-	180,758	180,758	-
Noncurrent liabilities:				
Due within one year	158,398	358,685	517,083	90,985
Due in more than one year	4,562,652	8,004,529	12,567,181	390,436
<b>Total Liabilities</b>	<b>5,426,888</b>	<b>8,844,001</b>	<b>14,270,889</b>	<b>558,356</b>
<b>Deferred Inflows of Resources</b>				
Property taxes	621,715	-	621,715	235,772
Intergovernmental	14,900	-	14,900	-
Deferred gain on refunding	1,119	17,447	18,566	-
Items related to pension and OPEB plans	64,081	12,266	76,347	-
Deferred inflow on leases	9,013	405,330	414,343	-
<b>Total Deferred Inflows of Resources</b>	<b>710,828</b>	<b>435,043</b>	<b>1,145,871</b>	<b>235,772</b>
<b>Net Position</b>				
Net investment in capital assets	2,506,496	783,394	3,289,890	(85,583)
Restricted for:				
Capital projects and grants	1,314,039	14,791	1,328,830	102,020
Emergency use	70,988	-	70,988	13,039
Debt service	219,755	399,347	619,102	33,761
Donor and other restrictions:				
Expendable	-	-	-	17,927
Nonexpendable	3,000	-	3,000	-
Other purposes	32,213	-	32,213	-
Unrestricted (deficit)	(1,202,969)	1,830,678	627,709	(11,759)
<b>Total Net Position</b>	<b>\$ 2,943,522</b>	<b>\$ 3,028,210</b>	<b>\$ 5,971,732</b>	<b>\$ 69,405</b>

See accompanying notes to basic financial statements

## Statement of Activities

For the Year Ended December 31, 2023 (dollars in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities:				
General government	\$ 705,771	\$ 98,846	\$ 58,477	\$ 29,095
Public safety	838,285	107,800	41,361	-
Transportation and infrastructure	327,572	101,155	25,246	82,957
Human services	221,043	227	118,516	-
Health	165,210	3,165	22,898	-
Parks and recreation	153,118	13,312	5,677	31,004
Cultural activities	211,304	93,514	2,553	8,317
Community development	212,438	50,730	56,176	4,747
Economic opportunity	30,560	16	30,103	-
Interest on long-term debt	67,965	-	-	-
<b>Total Governmental Activities</b>	<b>2,933,266</b>	<b>468,765</b>	<b>361,007</b>	<b>156,120</b>
Business-type Activities:				
Wastewater management	155,443	213,452	-	26,009
Denver airport system	1,141,408	1,215,976	-	91,141
Environmental services	15,885	17,689	-	-
Golf course	18,178	19,939	-	-
<b>Total Business-type Activities</b>	<b>1,330,914</b>	<b>1,467,056</b>	<b>-</b>	<b>117,150</b>
<b>Total Primary Government</b>	<b>\$ 4,264,180</b>	<b>\$ 1,935,821</b>	<b>\$ 361,007</b>	<b>\$ 273,270</b>
<b>Component Units</b>	<b>\$ 331,619</b>	<b>\$ 98,354</b>	<b>\$ 107,223</b>	<b>\$ -</b>

### 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

Other revenues

Transfers in (out)

Capital contributions

### Total General Revenues and Transfers

Change in net position

Net position (deficit) - January 1, as previously reported

Implementation of GASB statement No. 96

Net position (deficit) - January 1<sup>(1)</sup>

**Net Position (deficit) - December 31**

<sup>(1)</sup>On January 1, 2022, the Airport adopted GASB Statement No. 96, (SBITA).

<b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Primary Government</b>			<b>Component Units</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
\$ (519,353)	\$ -	\$ (519,353)	
(689,124)	-	(689,124)	
(118,214)	-	(118,214)	
(102,300)	-	(102,300)	
(139,147)	-	(139,147)	
(103,125)	-	(103,125)	
(106,920)	-	(106,920)	
(100,785)	-	(100,785)	
(441)	-	(441)	
(67,965)	-	(67,965)	
<b>(1,947,374)</b>	<b>-</b>	<b>(1,947,374)</b>	
-	84,018	84,018	
-	165,709	165,709	
-	1,804	1,804	
-	1,761	1,761	
-	<b>253,292</b>	<b>253,292</b>	
<b>\$ (1,947,374)</b>	<b>\$ 253,292</b>	<b>\$ (1,694,082)</b>	
			<b>\$ (126,042)</b>
20,596	-	20,596	-
153,596	-	153,596	161,240
39,460	-	39,460	-
56,624	-	56,624	-
582,971	-	582,971	56,411
1,249,309	-	1,249,309	-
115	-	115	525
16,649	-	16,649	-
148,725	202,862	351,587	9,124
125,348	40,002	165,350	2,385
1,733	(1,733)	-	-
(2,414)	2,414	-	-
<b>2,392,712</b>	<b>243,545</b>	<b>2,636,257</b>	<b>229,685</b>
445,338	496,837	942,175	103,643
2,498,184	2,532,597	5,030,781	(33,047)
-	(1,224)	(1,224)	(1,191)
2,498,184	2,531,373	5,029,557	(34,238)
<b>\$ 2,943,522</b>	<b>\$ 3,028,210</b>	<b>\$ 5,971,732</b>	<b>\$ 69,405</b>

See accompanying notes to basic financial statements

## Balance Sheet - Governmental Funds

December 31, 2023 (dollars in thousands)

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash on hand	\$ 214	\$ -	\$ 80	\$ 6,419	\$ 6,713
Cash and cash equivalents	293,862	-	97,910	1,523,981	1,915,753
Receivables, net					
Taxes	294,165	-	88,429	428,001	810,595
Notes	9,139	-	-	101,393	110,532
Accounts	45,007	-	788	42,882	88,677
Leases	9,063	-	-	-	9,063
Accrued interest	3,676	4,469	-	9,769	17,914
Assets held for disposition	-	-	-	3,989	3,989
Interfund receivable	44,171	-	-	1,145	45,316
Due from other governments	-	-	13,086	161,585	174,671
Prepaid items and other assets	23,193	772	181	3,325	27,471
Restricted assets:					
Cash and cash equivalents	72,141	655,719	-	135,015	862,875
Prepaid expense - non-current	-	-	-	753	753
<b>Total Assets</b>	<b>\$ 794,631</b>	<b>\$ 660,960</b>	<b>\$ 200,474</b>	<b>\$ 2,418,257</b>	<b>\$ 4,074,322</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Vouchers payable	\$ 53,367	\$ 55,801	\$ 20,169	\$ 131,316	\$ 260,653
Accrued liabilities	79,067	-	2	108	79,177
Due to taxing units	364	-	-	-	364
Interfund payable	17	7	1,179	14,456	15,659
Unearned revenue	18,355	-	1,122	301,244	320,721
Advances	109	-	59	3,041	3,209
Compensated absences	-	-	-	101	101
<b>Total Liabilities</b>	<b>151,279</b>	<b>55,808</b>	<b>22,531</b>	<b>450,266</b>	<b>679,884</b>
Deferred Inflows of Resources:					
Unavailable revenues - property tax	196,404	-	87,533	337,778	621,715
Deferred unavailable revenue - intergovernmental	11,093	-	763	3,044	14,900
Deferred inflow - leases	9,013	-	-	-	9,013
Unavailable revenues - long-term receivables	4,695	-	-	10,078	14,773
<b>Total Deferred Inflows of Resources</b>	<b>221,205</b>	<b>-</b>	<b>88,296</b>	<b>350,900</b>	<b>660,401</b>
Fund Balances:					
Nonspendable	23,193	772	181	7,078	31,224
Restricted	76,701	604,380	89,466	1,512,060	2,282,607
Committed	74,680	-	-	107,909	182,589
Assigned	-	-	-	2,339	2,339
Unassigned (deficit)	247,573	-	-	(12,295)	235,278
<b>Total Fund Balances</b>	<b>422,147</b>	<b>605,152</b>	<b>89,647</b>	<b>1,617,091</b>	<b>2,734,037</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 794,631</b>	<b>\$ 660,960</b>	<b>\$ 200,474</b>	<b>\$ 2,418,257</b>	<b>\$ 4,074,322</b>

See accompanying notes to basic financial statements

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

December 31, 2023 (dollars in thousands)

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

Total fund balance-governmental funds.	\$ 2,734,037
Capital assets used in governmental activities, excluding internal service funds of \$2,514 are not financial resources, and therefore, are not reported in the funds.	4,373,036
Accrued interest payable not included in the funds.	(30,842)
Deferred inflow of resources are not available to pay for current period expenditures and therefore, are not recorded in the funds.	
Pensions	(29,993)
Gain on refunding	(1,119)
OPEB	(34,088)
Long term receivables	14,773
Deferred outflow of resources are not financial resources, and therefore are not reported in the funds and include:	
Pensions	523,032
Loss on refunding	3,004
OPEB	52,856
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.	21,232
Internal Service fund allocation of activities with Enterprise funds.	42
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 \$38,501).	<u>(4,682,448)</u>
<b>Net position of governmental activities</b>	<b><u><u>\$ 2,943,522</u></u></b>

See accompanying notes to basic financial statements

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

For the Year Ended December 31, 2023 (dollars in thousands)

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes:					
Facilities development admissions	\$ -	\$ -	\$ -	\$ 20,596	\$ 20,596
Lodgers	41,484	-	-	112,112	153,596
Motor vehicle ownership fee	39,460	-	-	-	39,460
Occupational privilege	56,624	-	-	-	56,624
Property	173,630	-	79,459	329,882	582,971
Sales and use	921,996	-	-	327,313	1,249,309
Specific ownership	-	-	-	115	115
Telephone	292	-	-	16,357	16,649
Special assessments	-	-	-	1,789	1,789
Leases	1,049	-	-	-	1,049
Licenses and permits	66,721	-	-	914	67,635
Intergovernmental revenues	39,990	-	116,520	249,820	406,330
Charges for services	218,393	-	299	153,477	372,169
Investment and interest income	40,758	43,846	2	62,623	147,229
Fines and forfeitures	37,464	-	-	116	37,580
Contributions	32	200	96	24,855	25,183
Other revenue	16,822	67	39	104,805	121,733
<b>Total Revenues</b>	<b>1,654,715</b>	<b>44,113</b>	<b>196,415</b>	<b>1,404,774</b>	<b>3,300,017</b>
<b>Expenditures</b>					
Current:					
General government	466,713	-	-	213,635	680,348
Public safety	737,737	-	-	121,009	858,746
Transportation and infrastructure	161,735	52,279	-	153,400	367,414
Human services	4,010	-	207,722	2,713	214,445
Health	72,184	-	-	91,542	163,726
Parks and recreation	93,407	-	-	30,143	123,550
Cultural activities	60,464	-	-	125,164	185,628
Community development	79,710	10,292	-	126,042	216,044
Economic opportunity	1,252	-	-	32,149	33,401
Debt service:					
Principal retirement	34,142	-	-	132,387	166,529
Interest	10,471	-	5	86,557	97,033
Capital outlay	12,277	255,686	37	140,615	408,615
<b>Total Expenditures</b>	<b>1,734,102</b>	<b>318,257</b>	<b>207,764</b>	<b>1,255,356</b>	<b>3,515,479</b>
Excess (deficiency) of revenues over (under) expenditures	(79,387)	(274,144)	(11,349)	149,418	(215,462)
<b>Other Financing Sources (Uses)</b>					
Bond premium	12,979	-	-	20,142	33,121
Payment to escrow	(144,544)	-	-	-	(144,544)
Issuance of financed leases	132,415	-	-	111,530	243,945
Right-of-use proceeds	29,032	-	474	3,679	33,185
Insurance recoveries	1,376	-	-	385	1,761
Transfers in	55,611	-	12,295	238,308	306,214
Transfers out	(76,897)	-	(21,000)	(206,587)	(304,484)
<b>Total Other Financing Sources (Uses)</b>	<b>9,972</b>	<b>-</b>	<b>(8,231)</b>	<b>167,457</b>	<b>169,198</b>
Net change in fund balances	(69,415)	(274,144)	(19,580)	316,875	(46,264)
Fund balances - January 1	491,562	879,296	109,227	1,300,216	2,780,301
<b>Fund Balances - December 31</b>	<b>\$ 422,147</b>	<b>\$ 605,152</b>	<b>\$ 89,647</b>	<b>\$ 1,617,091</b>	<b>\$ 2,734,037</b>

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, 2023 (dollars in thousands)

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

Net change in fund balances - total governmental funds	(46,264)
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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 and amortization expense in the current period:

Capital expenditures excluding capital transfer	549,699
Depreciation and amortization expense	(196,220)
Loss on disposal of assets	(4,623)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds. Also, 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	(2,414)
Donation of capital assets from others	85,614
Other revenue	(8,089)

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:

Certificate of participation	(243,945)
Premium on debt issued in current year	(33,121)
Principal retirement on bonds	122,730
Amortization of premium, discounts, and deferred gain (loss) on refunding	22,671
Lease and subscription proceeds	5,047
Lease and subscription principal payments	210,866
Principal payments on GID revenue note	321

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)	(12,867)
Accrued interest payable	1,166
Legal liability	22,950
Amortization of imputed debt-swap	1,496
Portion of pension expense that do not require current financial resources	(559,624)
Pension amortization	532,066
Portion of OPEB and OPEB implicit expense that do not require current financial resources	3,563
OPEB and OPEB implicit amortization	(4,066)

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.

(1,618)
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**Change in net position of governmental activities**

<b>\$ 445,338</b>
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**See accompanying notes to basic financial statements**

## Statement of Net Position - Proprietary Funds

December 31, 2023 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 3,652	\$ 19,346	\$ 36,737	\$ 59,735	\$ 64,809
Investments	66,472	322,353	-	388,825	-
Receivables, net					
Accounts	37,450	183,218	5,005	225,673	1,966
Accrued interest	1,853	10,751	262	12,866	316
Leases	-	89,079	-	89,079	-
Inventories	-	10,780	322	11,102	79
Interfund receivable	66	-	-	66	799
Prepaid items and other assets	780	2,406	-	3,186	213
Restricted assets:					
Cash and cash equivalents	-	91,955	3,488	95,443	-
Investments	3,501	454,350	-	457,851	-
Accounts receivable	-	17,203	-	17,203	-
Accrued interest receivable	-	12,541	21	12,562	-
Prepaid items and other assets	-	12,485	-	12,485	-
<b>Total Current Assets</b>	<b>113,774</b>	<b>1,226,467</b>	<b>45,835</b>	<b>1,386,076</b>	<b>68,182</b>
Noncurrent assets:					
Investments - restricted	10,172	1,535,703	-	1,545,875	-
Investments - unrestricted	193,138	1,089,554	-	1,282,692	-
Capital assets:					
Land and construction in progress	98,434	1,036,487	6,239	1,141,160	-
Buildings and improvements	31,432	6,809,644	41,283	6,882,359	5,712
Improvements other than buildings	1,325,484	1,568,913	-	2,894,397	-
Machinery and equipment	17,919	1,505,773	11,589	1,535,281	2,761
Intangibles	6,375	31,149	-	37,524	-
Right-of-use	-	73,768	-	73,768	-
Accumulated depreciation	(439,079)	(4,436,373)	(29,689)	(4,905,141)	(5,959)
Net capital assets	1,040,565	6,589,361	29,422	7,659,348	2,514
Lease receivables	-	324,456	-	324,456	-
Other long-term receivables, net	-	42,504	3	42,507	-
<b>Total Noncurrent Assets</b>	<b>1,243,875</b>	<b>9,581,578</b>	<b>29,425</b>	<b>10,854,878</b>	<b>2,514</b>
<b>Total Assets</b>	<b>1,357,649</b>	<b>10,808,045</b>	<b>75,260</b>	<b>12,240,954</b>	<b>70,696</b>
<b>Deferred Outflows of Resources</b>					
Deferred loss on refundings	-	25,969	-	25,969	-
Items related to pension and OPEB plans	17,386	49,232	4,186	70,804	-
<b>Total Deferred Outflows of Resources</b>	<b>17,386</b>	<b>75,201</b>	<b>4,186</b>	<b>96,773</b>	<b>-</b>

See accompanying notes to basic financial statements

**Statement of Net Position - Proprietary Funds, continued**

December 31, 2023 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Liabilities</b>					
Current liabilities:					
Vouchers payable	\$ 910	\$ 158,189	\$ 1,353	\$ 160,452	\$ 3,015
Revenue bonds payable	6,550	-	-	6,550	-
Revenue credit payable	-	50,000	-	50,000	-
Accrued liabilities	1,328	40,815	213	42,356	7,857
Lease liability	-	7,799	-	7,799	-
Subscription liability	-	5,006	-	5,006	-
Unearned revenue	22,812	-	689	23,501	-
Interfund payable	1,570	26,612	2,249	30,431	91
Advance rent	-	59,889	-	59,889	-
Direct borrowings, current portion	958	-	-	958	-
Compensated absences	1,127	2,068	503	3,698	105
Claims reserve	-	-	-	-	10,587
Construction payable	11,079	-	-	11,079	-
Due to other governments	2,752	-	-	2,752	-
OPEB implicit rate subsidy	240	834	75	1,149	-
Current liabilities (payable from restricted assets):					
Vouchers payable	-	10,502	1,204	11,706	-
Retainages payable	-	124,205	-	124,205	-
Notes payable	-	155	-	155	-
Accrued interest and other liabilities	-	37,352	-	37,352	-
Other accrued liabilities	-	7,495	-	7,495	-
Revenue bonds payable	-	283,370	-	283,370	-
<b>Total Current Liabilities</b>	<b>49,326</b>	<b>814,291</b>	<b>6,286</b>	<b>869,903</b>	<b>21,655</b>
Noncurrent liabilities:					
Revenue bonds payable, net	217,477	7,409,834	-	7,627,311	-
Net pension and OPEB liability	63,607	224,309	18,421	306,337	-
Lease liability	-	39,395	-	39,395	-
Subscription liability	-	9,314	-	9,314	-
Notes payable	-	2,775	-	2,775	-
Compensated absences	4,878	13,472	1,047	19,397	316
Legal and claims reserve	-	-	-	-	27,493
<b>Total Noncurrent Liabilities</b>	<b>285,962</b>	<b>7,699,099</b>	<b>19,468</b>	<b>8,004,529</b>	<b>27,809</b>
<b>Total Liabilities</b>	<b>335,288</b>	<b>8,513,390</b>	<b>25,754</b>	<b>8,874,432</b>	<b>49,464</b>
<b>Deferred Inflows of Resources</b>					
Deferred gain on refunding of debt	-	17,447	-	17,447	-
Items related to pension and OPEB plans	1,270	9,362	1,634	12,266	-
Deferred inflow on leases	-	405,330	-	405,330	-
<b>Total Deferred Inflows of Resources</b>	<b>1,270</b>	<b>432,139</b>	<b>1,634</b>	<b>435,043</b>	<b>-</b>
<b>Net Position</b>					
Net investment (deficit) in capital assets	818,172	(63,949)	29,171	783,394	2,514
Restricted for:					
Capital projects	-	12,486	2,305	14,791	-
Debt service	-	399,347	-	399,347	-
Unrestricted	220,305	1,589,833	20,582	1,830,720	18,718
<b>Total Net Position</b>	<b>\$ 1,038,477</b>	<b>\$ 1,937,717</b>	<b>\$ 52,058</b>	<b>\$ 3,028,252</b>	<b>\$ 21,232</b>
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				(42)	
<b>Net position of business-type activities</b>				<b>\$ 3,028,210</b>	

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, 2023 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Operating Revenues</b>					
Charges for services	\$ 213,452	\$ 1,022,065	\$ 37,628	\$ 1,273,145	\$ 101,601
Other revenue	-	-	434	434	6,822
<b>Total Operating Revenues</b>	<b>213,452</b>	<b>1,022,065</b>	<b>38,062</b>	<b>1,273,579</b>	<b>108,423</b>
<b>Operating Expenses</b>					
Personnel services	41,703	209,346	14,954	266,003	3,771
Contractual services	18,163	288,835	12,037	319,035	10,014
Supplies and materials	1,380	29,145	1,574	32,099	8,496
Depreciation and amortization	28,504	329,287	2,623	360,414	139
Claims paid	-	-	-	-	86,274
District water treatment charges	58,055	-	-	58,055	-
Other operating expenses	331	51,388	2,875	54,594	788
Legal and claims reserve expense	-	-	-	-	2,518
<b>Total Operating Expenses</b>	<b>148,136</b>	<b>908,001</b>	<b>34,063</b>	<b>1,090,200</b>	<b>112,000</b>
Operating income (loss)	65,316	114,064	3,999	183,379	(3,577)
<b>Nonoperating Revenues (Expenses)</b>					
Investment loss and interest income	10,678	190,573	1,611	202,862	2,173
Passenger facility charges	-	145,612	-	145,612	-
Customer facility fee	-	48,299	-	48,299	-
Intergovernmental revenue	984	-	175	1,159	-
Disposition of assets	43	-	-	43	-
Interest expense	(7,307)	(318,052)	-	(325,359)	-
Lease interest income	-	9,370	-	9,370	-
Stimulus funds	-	28,779	-	28,779	-
Legal and claims reserve recovery	-	86,895	-	86,895	-
Other income (expense)	-	(2,250)	-	(2,250)	-
<b>Net Nonoperating Revenues (Expenses)</b>	<b>4,398</b>	<b>189,226</b>	<b>1,786</b>	<b>195,410</b>	<b>2,173</b>
Income before capital grants, contributions, and transfers	69,714	303,290	5,785	378,789	(1,404)
Capital grants and contributions	26,009	91,141	-	117,150	-
Transfers in (out)	85	142	(1,960)	(1,733)	3
Capital contributions	1,604	-	810	2,414	-
Change in net position	97,412	394,573	4,635	496,620	(1,401)
Net position - January 1, as previously reported	941,065	1,544,368	47,423	2,532,856	22,633
Implementation of GASB statement No. 96	-	(1,224)	-	(1,224)	-
Net position - January 1, as restated <sup>(4)</sup>	941,065	1,543,144	47,423	2,531,632	22,633
<b>Net Position - December 31</b>	<b>\$ 1,038,477</b>	<b>\$ 1,937,717</b>	<b>\$ 52,058</b>	<b>\$ 3,028,252</b>	<b>\$ 21,232</b>
Change in net position of enterprise funds				\$ 496,620	
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				217	
<b>Change in net position of business-type activities</b>				<b>\$ 496,837</b>	

<sup>(4)</sup>On January 1, 2022, the Airport adopted GASB No. 96, Subscription-Based Information Technology Arrangements, and as a result, restated the December 31, 2022 Statement of Net Position, Statement of Revenue, Expenses and Changes in Net Position, and Statement of Cash Flows.

See accompanying notes to basic financial statements

## Statement of Cash Flows - Proprietary Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Cash Flows From Operating Activities</b>					
Receipts from customers	\$ 214,182	\$ 1,083,580	\$ 36,318	\$ 1,334,080	\$ 102,426
Payments to suppliers	(79,516)	(343,028)	(15,797)	(438,341)	(21,596)
Payments to employees	(38,608)	(211,718)	(15,308)	(265,634)	(2,416)
Additions from Custodial Activities	18,653	-	-	18,653	-
Deductions from Custodial Activities	(22,266)	-	-	(22,266)	-
Other receipts	-	-	430	430	6,821
Interfund activity	(1,446)	(21,296)	-	(22,742)	-
Claims paid	-	-	-	-	(86,274)
<b>Net Cash Provided (Used) in Operating Activities</b>	<b>90,999</b>	<b>507,538</b>	<b>5,643</b>	<b>604,180</b>	<b>(1,039)</b>
<b>Cash Flows From Noncapital Financing Activities</b>					
Operating grants received	-	-	175	175	-
Transfers in (out)	85	-	(1,150)	(1,065)	4
<b>Net Cash Provided (Used) in Noncapital Financing Activities</b>	<b>85</b>	<b>-</b>	<b>(975)</b>	<b>(890)</b>	<b>4</b>
<b>Cash Flows From Capital and Related Financing Activities</b>					
Insurance proceeds	-	630,665	-	630,665	-
Principal payments	(7,208)	(269,630)	-	(276,838)	-
Interest payments	(8,296)	(356,404)	-	(364,700)	-
Other bond costs	-	(2,054)	-	(2,054)	-
Passenger facility charges	-	144,179	-	144,179	-
Capital grant receipts	-	40,117	-	40,117	-
Car rental customer facility charges	-	46,649	-	46,649	-
Payments on capital assets acquired through construction payables	(9,858)	-	-	(9,858)	-
Acquisition and construction of capital assets	(58,106)	(739,525)	(3,805)	(801,436)	-
Cash received for capital projects	7,447	-	-	7,447	-
Interest portion of lease proceeds	-	8,283	-	8,283	-
Payments to escrow for current refunding of debt	-	(628,206)	-	(628,206)	-
Proceeds from sale of capital assets	43	1,921	-	1,964	-
Intergovernmental revenues	984	-	-	984	-
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(74,994)</b>	<b>(1,124,005)</b>	<b>(3,805)</b>	<b>(1,202,804)</b>	<b>-</b>
<b>Cash Flows From Investing Activities</b>					
Purchases of investments	(427,981)	(1,091,137)	-	(1,519,118)	-
Proceeds from sale of investments	398,656	1,444,381	-	1,843,037	-
Interest received (paid)	9,961	123,802	481	134,244	(68)
Unrealized gain	-	-	1,102	1,102	2,173
<b>Net Cash Provided (Used) in Investing Activities</b>	<b>(19,364)</b>	<b>477,046</b>	<b>1,583</b>	<b>459,265</b>	<b>2,105</b>
Net increase (decrease) in cash and cash equivalents	(3,274)	(139,421)	2,446	(140,249)	1,070
Cash and cash equivalents - January 1	6,926	250,722	37,779	295,427	63,739
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 3,652</b>	<b>\$ 111,301</b>	<b>\$ 40,225</b>	<b>\$ 155,178</b>	<b>\$ 64,809</b>

See accompanying notes to basic financial statements

## Statement of Cash Flows - Proprietary Funds, continued

For the Year Ended December 31, 2023 (dollars in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Wastewater Management	Denver Airport System	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Reconciliation of cash and cash equivalents to the Statement of Net Position</b>					
Unrestricted cash and cash equivalents	\$ 3,652	\$ 19,346	\$ 36,737	\$ 59,735	\$ 64,809
Restricted cash and cash equivalents	-	91,955	3,488	95,443	-
Total cash and cash equivalents	<u>\$ 3,652</u>	<u>\$ 111,301</u>	<u>\$ 40,225</u>	<u>\$ 155,178</u>	<u>\$ 64,809</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>					
Operating income (loss)	\$ 65,316	\$ 114,064	\$ 3,999	\$ 183,379	\$ (3,577)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation and amortization	28,504	329,287	2,623	360,414	138
<b>Changes in Assets and Liabilities</b>					
(Increase) Decrease in Accounts Receivable	(2,902)	1,580	(1,346)	(2,668)	1,244
(Increase) Decrease in Interfund Receivable	80	-	-	80	(419)
(Increase) Decrease in Inventories	-	(1,132)	(134)	(1,266)	130
(Increase) Decrease in Prepaid Items and Other Assets	-	3,186	-	3,186	(214)
(Increase) Decrease in Lease Receivables	-	50,724	-	50,724	-
(Increase) Decrease in Other Assets	(780)	-	-	(780)	-
Increase (Decrease) in Vouchers Payable	(807)	7,760	615	7,568	(919)
Increase (Decrease) in Unearned Revenue	3,552	-	31	3,583	-
Increase (Decrease) in Accrued and Other Liabilities	-	-	209	209	1,294
Increase (Decrease) in Interfund Payable	(1,446)	2,332	269	1,155	11
Increase (Decrease) in Due to Other Governments	(3,613)	-	-	(3,613)	-
Increase (Decrease) in Legal and Claims Reserve	-	-	-	-	1,224
Increase (Decrease) in Other Operating Liabilities	975	33,641	-	34,616	49
Increase (Decrease) in Deferred Rent	-	26,010	-	26,010	-
(Increase) Decrease in Deferred Outflows Related to					
Increase (Decrease) in Pension and OPEB	(9,118)	(17,119)	(1,097)	(27,334)	-
Increase (Decrease) in Deferred Inflows Lease	-	(54,147)	-	(54,147)	-
Increase (Decrease) in Deferred Inflows Related to Pension and OPEB	(6,455)	(25,686)	(1,734)	(33,875)	-
Increase (Decrease) in Net Pension and OPEB Liability	17,693	37,038	2,208	56,939	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 90,999</u>	<u>\$ 507,538</u>	<u>\$ 5,643</u>	<u>\$ 604,180</u>	<u>\$ (1,039)</u>
<b>Noncash Activities</b>					
Assets acquired through capital contributions	\$ 20,166	\$ -	\$ -	\$ 20,166	\$ -
Unrealized loss on investments	2,917	(61,019)	-	(58,102)	-
Payments to escrow agent:					
Capital assets acquired through accounts payable	11,079	234,255	-	245,334	-
Amortization of bond premiums and deferred losses and prepaid bond insurance	932	41,376	-	42,308	-
Net loss on disposal of capital assets	-	(5,924)	-	(5,924)	-
Capital assets transferred from other City departments/agencies	1,604	-	810	2,414	-
Right-to-use assets related to leases and subscriptions	-	49,905	-	49,905	-
Leases and subscriptions liabilities	-	(49,905)	-	(49,905)	-
Change in claim litigation reserve	-	86,895	-	86,895	-

See accompanying notes to basic financial statements

## Statement of Fiduciary Net Position - Fiduciary Funds

December 31, 2023 (dollars in thousands)

	Pension, Health, and Other Employee Benefit Trust Funds	Private-Purpose Trust Fund	Custodial Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 54,754	\$ 1,081	\$ 33,504
Securities lending collateral	61,701	-	-
Receivables, net			
Taxes	-	-	1,598,908
Accounts	2,479	-	335
Contributions	9,160	-	-
Accrued interest	1,933	-	-
Leases Receivable	57	-	-
Investments:			
U.S. Government obligations	295,917	-	-
Domestic stocks and bonds	813,433	-	-
International stocks	533,910	-	-
Mutual funds	739,812	-	-
Alternative investments	417,791	-	-
Real estate	191,835	-	-
Infrastructure	72,096	-	-
Other	374,430	-	-
<b>Total Investments</b>	<b>3,439,224</b>	<b>-</b>	<b>-</b>
Prepaid and other assets	9,540	-	-
Capital assets, net of accumulated depreciation	1,496	-	-
Leased Equipment	33	-	-
<b>Total Assets</b>	<b>3,580,377</b>	<b>1,081</b>	<b>1,632,747</b>
<b>Liabilities</b>			
Vouchers payable	2,144	805	5,853
Securities lending obligation	61,715	-	-
Other accrued liabilities	-	-	5,511
Leases Payable	35	-	-
Due to taxing units	-	-	1,615,002
<b>Total Liabilities</b>	<b>63,894</b>	<b>805</b>	<b>1,626,366</b>
<b>Deferred Inflow of Resources</b>			
Deferred inflow - leases	57	-	-
<b>Net Position</b>			
Net position restricted for pensions	2,486,314	-	-
Net position restricted for OPEB benefits	77,566	-	-
Net position held in trust for deferred compensation benefits	952,546	-	-
Net position held in trust for other purposes	-	276	6,381
<b>Net Position Restricted for Pensions, OPEB and Other Purposes</b>	<b>\$ 3,516,426</b>	<b>\$ 276</b>	<b>\$ 6,381</b>

See accompanying notes to basic financial statements

## Statement of Changes in Fiduciary Net Position - Fiduciary Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Pension, Health, and Other Employee Benefit Trust Funds	Private- Purpose Trust Fund	Custodial Funds
<b>Additions</b>			
Contributions:			
City and County of Denver	\$ 154,405	\$ -	-
Denver Health and Hospital Authority	5,179	-	-
Plan members	137,853	-	-
Foreclosure deposits and inmate deposits	-	-	5,032
Tax collections	-	-	1,686,178
Unclaimed payments and wages	-	-	2,363
Court deposits and police confiscation monies	-	-	11,455
<b>Total Contributions</b>	<b>297,437</b>	<b>-</b>	<b>1,705,028</b>
Investment Earnings:			
Net depreciation in fair value of investments	324,548	-	-
Interest and dividends	34,387	-	-
Real estate, alternative investments, and absolute absolute return income	12,506	-	-
<b>Total Investment Earnings</b>	<b>371,441</b>	<b>-</b>	<b>-</b>
Less Investment Expense	(16,217)	-	-
<b>Net Investment Costs</b>	<b>355,224</b>	<b>-</b>	<b>-</b>
Securities Lending Income (Expense):			
Securities lending income	3,628	-	-
Borrower rebates	(3,319)	-	-
Agent fees	(77)	-	-
<b>Net Earnings From Securities Lending</b>	<b>232</b>	<b>-</b>	<b>-</b>
<b>Total Net Investment Earnings</b>	<b>355,456</b>	<b>-</b>	<b>-</b>
<b>Total Additions</b>	<b>652,893</b>	<b>-</b>	<b>1,705,028</b>
<b>Deductions</b>			
Benefits	347,393	-	-
Refunds Of contributions	6,595	-	-
Administrative expenses	6,135	-	-
Payments for foreclosure activities and payments to inmates	-	-	5,137
Distributions of taxes to outside entities	-	-	1,686,178
Unclaimed payments and wages claimed	-	-	2,363
Distribution of court deposits and police confiscation monies	-	-	10,339
<b>Total Deductions</b>	<b>360,123</b>	<b>-</b>	<b>1,704,017</b>
Change in net position	292,770	-	1,011
Net position restricted for Pension, OPEB and other purposes - January 1	3,223,656	276	5,370
<b>Net Position restricted for Pension, OPEB and other purposes - December 31</b>	<b>\$ 3,516,426</b>	<b>\$ 276</b>	<b>\$ 6,381</b>

See accompanying notes to basic financial statements

## Statement of Net Position - Component Units

December 31, 2023 (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
<b>Assets</b>							
Cash and cash equivalents	\$ 40,861	\$ 3,483	\$ 8,128	\$ 8,653	\$ 2,089	\$ 47,077	\$ 110,291
Investments	59,665	-	-	-	345	29,891	89,901
Receivables (net of allowances):							
Taxes	-	-	174,787	45,892	-	20,868	241,547
Accounts	-	1,950	185	-	180	788	3,103
Leases	-	-	-	-	-	3	3
Accrued interest	-	-	327	-	-	-	327
Other	-	-	2,052	-	-	132	2,184
Prepaid items and other assets	98	1,249	136	-	-	123	1,606
Restricted Assets:							
Cash and cash equivalents	-	-	-	-	-	461	461
Investments	-	104,773	140,251	-	-	-	245,024
Capital Assets:							
Land and construction in progress	-	24,389	-	-	-	19,779	44,168
Buildings and improvements	-	242,393	94	-	-	195	242,682
Machinery and equipment	-	34,801	245	-	55	9,147	44,248
Right-of-use	-	-	-	-	32	1,555	1,587
Subscription Software	-	-	155	-	-	-	155
Accumulated depreciation/amortization	-	(153,265)	(313)	-	(49)	(18,391)	(172,018)
<b>Net Capital Assets</b>	<b>-</b>	<b>148,318</b>	<b>181</b>	<b>-</b>	<b>38</b>	<b>12,285</b>	<b>160,822</b>
<b>Total Assets</b>	<b>100,624</b>	<b>259,773</b>	<b>326,047</b>	<b>54,545</b>	<b>2,652</b>	<b>111,628</b>	<b>855,269</b>
<b>Deferred Outflows of Resources</b>							
Deferred loss on refundings	-	3,619	3,942	-	-	703	8,264
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>3,619</b>	<b>3,942</b>	<b>-</b>	<b>-</b>	<b>703</b>	<b>8,264</b>
<b>Liabilities</b>							
Vouchers payable	15	2,065	-	-	309	6,112	8,501
Accrued liabilities	126	8,831	45,481	-	329	266	55,033
Unearned revenue	-	5,346	-	-	48	-	5,394
Advances	1,497	1,655	436	-	-	-	3,588
Due to other governments	-	4,400	19	-	-	-	4,419
Noncurrent liabilities:							
Due within one year	29,307	9,555	31,397	11,278	-	9,448	90,985
Due in more than one year	7,912	256,667	93,085	19,079	4,158	9,535	390,436
<b>Total Liabilities</b>	<b>38,857</b>	<b>288,519</b>	<b>170,418</b>	<b>30,357</b>	<b>4,844</b>	<b>25,361</b>	<b>558,356</b>
<b>Deferred Inflows of Resources</b>							
Property taxes	-	-	169,028	45,892	-	20,852	235,772
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>169,028</b>	<b>45,892</b>	<b>-</b>	<b>20,852</b>	<b>235,772</b>
<b>Net Position</b>							
Net investment in capital assets	-	(87,663)	53	-	38	1,989	(85,583)
Restricted for:							
Capital projects	-	53,434	32,147	-	-	16,439	102,020
Emergency use	-	12,507	-	-	-	532	13,039
Debt service	-	1,881	31,627	-	-	253	33,761
Donor and other restrictions:							
Expendable	2,905	10,322	4,700	-	-	-	17,927
Unrestricted (deficit)	58,862	(15,608)	(77,984)	(21,704)	(2,230)	46,905	(11,759)
<b>Total Net Position (Deficit)</b>	<b>\$ 61,767</b>	<b>\$ (25,127)</b>	<b>\$ (9,457)</b>	<b>\$ (21,704)</b>	<b>\$ (2,192)</b>	<b>\$ 66,118</b>	<b>\$ 69,405</b>

See accompanying notes to basic financial statements

## Statement of Activities - Component Units

For the Year Ended December 31, 2023 (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
<b>Expenses</b>	\$ 47,590	\$ 70,909	\$ 136,682	\$ 8,879	\$ 7,160	\$ 60,399	\$ 331,619
<b>Program Revenues</b>							
Charges for services	-	94,020	-	-	2,182	2,152	98,354
Operating grants and contributions	49,357	-	1,650	-	3,100	53,116	107,223
<b>Total Program Revenues</b>	<b>49,357</b>	<b>94,020</b>	<b>1,650</b>	<b>-</b>	<b>5,282</b>	<b>55,268</b>	<b>205,577</b>
Net revenue (expense)	1,767	23,111	(135,032)	(8,879)	(1,878)	(5,131)	(126,042)
<b>General Revenues</b>							
Taxes:							
Lodgers	-	-	161,240	-	-	-	161,240
Property	-	-	-	38,347	-	18,064	56,411
Specific ownership	-	-	-	-	-	525	525
Investment and interest income (loss)	4,387	(5,569)	6,976	1,084	3	2,243	9,124
Other revenues	-	449	1,576	-	-	360	2,385
<b>Net General Revenues</b>	<b>4,387</b>	<b>(5,120)</b>	<b>169,792</b>	<b>39,431</b>	<b>3</b>	<b>21,192</b>	<b>229,685</b>
Change in net position	6,154	17,991	34,760	30,552	(1,875)	16,061	103,643
Net position (Deficit): January 1, as previously reported	55,613	(43,118)	(43,061)	(52,256)	(317)	50,092	(33,047)
Prior period adjustment <sup>(1)</sup>	-	-	(1,156)	-	-	(35)	(1,191)
Net position (Deficit): January 1	55,613	(43,118)	(44,217)	(52,256)	(317)	50,057	(34,238)
<b>Net Position (Deficit) - December 31</b>	<b>\$ 61,767</b>	<b>\$ (25,127)</b>	<b>\$ (9,457)</b>	<b>\$ (21,704)</b>	<b>\$ (2,192)</b>	<b>\$ 66,118</b>	<b>\$ 69,405</b>

<sup>(1)</sup> Denver Urban Renewal Authority and Federal Boulevard BID restated net position due to an error in the year ended December 31, 2022.

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 Prosperity Denver Fund (PDF) 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)** – Established as Colorado's first such entity in 2017 by VISIT DENVER, the Colorado Hotel & Lodging Association (CHLA), and the City of Denver, the TID is a specialized improvement district where businesses levy a tax to fund vital tourism-related projects with the intent to bolster Denver's tourism sector. The TID was created to close the funding gap for the Colorado Convention Center (CCC) expansion, finance future CCC improvements, and enhance marketing efforts. The TID imposes a 1% tax on the guest folio of hotels with 50 or more rooms within the City and County of Denver, operationalized through ordinance (17-0883), and was supported by a majority of TID-eligible hotels in late 2017.

The TID is classified as a blended component unit in the City's financial statements due to the following reasons:

##### a) Legally Separate:

- The TID is legally distinct from the City, as indicated by Ordinance No. 20170883. It is a body corporate and politic, distinct from the City itself. This legal status is affirmed by the ordinance which states that the TID is a unit of local government, although not a political subdivision of the state.

##### b) Substantial Financial Intertwining:

- The TID's financial operations are significantly intertwined with the City's finances. TID tax revenues, derived from the 1% tax on the guest folio of hotels within the City and County of Denver, are allocated for City-supported tourism projects. This financial interdependence ties the financial operations of the TID directly to the City's financial statements, demonstrating a substantial financial relationship. Specifically, the City reports the District Tax Revenues as follows: retention/deficiency amounts are reported in a Capital Project Fund, while excess revenues are reported in a Special Revenue Fund. This allocation further underscores the substantial financial intertwining between the TID and the City, as the funds are managed and utilized within the City's broader financial framework.

##### c) Control and Authority:

- The City holds significant control over the TID, affirmed by its authority to appoint the TID's Board, approve budgets, and oversee financial operations. Ordinance No. 20170883 grants the City this control, with

all Board nominees appointed by the Mayor and confirmed by the City Council. Board members serve at the pleasure of the Mayor and can be removed without cause.

- The City also exercises control through the requirement to approve the TID’s budget and modify or approve expenditures related to capital improvements and maintenance, ensuring significant oversight and governance over the TID’s operations.

d) **Indirect Benefit:**

- While the TID’s tax benefits the lodging sector, it also indirectly supports the City’s broader tourism-related economic goals, predominantly linked to the CCC. The TID’s tax revenues are dedicated primarily to capital asset and capital maintenance-related expenditures for the CCC, which is part of the City’s operations. This indirect benefit to the City’s economic development fulfills the requirement for an indirect benefit, justifying the blended classification.

e) **Financial Benefit/Burden Relationship:**

- The City is legally entitled to the resources of the TID as per the Intergovernmental Agreement (IGA) and TID Creation Ordinance, which states that all revenues derived from the 1% District Tax are pledged to the City to fund Tourism Improvements and Services. This ensures that the TID’s resources are available for the City’s use, indicating a financial benefit/burden relationship.
- The City is not obligated for the TID’s debt, as the TID cannot incur bonded debt or indebtedness in any other form. However, the City manages all pledged revenues and associated expenditures related to the TID, which demonstrates a financial benefit/burden relationship.

f) **Ability to Impose Will:**

- The City has the ability to impose its will on the TID, evidenced by the authority to remove Board members without cause, modify or approve the TID’s budget, and approve expenditures. This control ensures that the City can direct the TID’s activities and finances as needed.

These criteria align with GASB Statement No. 14 and No. 61, justifying the blending of the TID into the City’s financial statements. The TID’s classification as a blended component unit accurately reflects the City’s financial engagement and oversight responsibilities in relation to the TID.

## 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 2023. 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 \$79,068,000 for providing various health related services to the City and its residents during 2023. In addition, the Authority made payments in the amount of \$1,202,000 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, 2023, 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 fund** is used to account for resources legally held in trust by the City for use by various organizations for various purposes. All resources of the fund, 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. Currently the only fund being used is for COBRA used as a way for the City to pay our insurance vendors for premiums collected by our external COBRA vendor.

- **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 2023 fiscal year was approved when Resolution 22-1579, Series of 2023, 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 and Subscription-Based Information Technology Arrangements (SBITA)**) 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. **Subscription-Based Information technology Arrangements (SBITAs)** – Subscription-based information technology arrangements (SBITAs) are recognized in accordance with GASB Statement No. 96. This statement defines a SBITA as a contract granting control over the right to use another party’s information technology (IT) software, either alone or combined with tangible capital assets, as specified in the contract for a specified period, in an exchange or exchange-like transaction. Arrangements with a maximum possible term of 12 months or less are not recognized as an asset or liability. Payments are recognized as expenses/expenditures.

For financial statements prepared using the economic resources measurement focus, a subscriber must recognize a subscription liability and an intangible right-of-use subscription asset at the start of the subscription term. The subscription liability is recorded at the net present value of future subscription payments, adjusted over time for payments and interest, discounted using the City’s estimated incremental borrowing rate. The subscription asset is initially recorded as the sum of the subscription liability, payments made at the start of the subscription term, and capitalizable implementation costs, less any incentives received prior to the start of the subscription term. This asset is subsequently amortized over the subscription’s duration. Subscription and

capitalizable implementation cost payments made before the start of the subscription are classified as prepaid assets, reclassified as an intangible right-of-use subscription asset once the subscription begins.

For financial statements prepared using the current financial resources measurement focus, an other financing source and capital outlay are reported in the year the subscription asset is first recognized. The other financing source is reported as equal to the net present value of future subscription payments. Capital outlay is reported as the sum of the net present value of future subscription payments, payments made at the start of the subscription term, and capitalizable implementation costs, less any incentives received before the start of the subscription term. Subsequent governmental fund subscription payments are recorded as principal and interest payments.

The City has established a capitalization threshold for SBITAs, recognizing assets and liabilities valued at \$100,000 or greater. Amortization begins when the government has obtained control of the software and it is available for use. Contracts with auto-renewal periods are considered cancelable and where both the City and vendor have the ability to cancel the contract without permission from the other party are not included in the term of the arrangement. Perpetual licenses are excluded from the SBITA definition and are covered under GASB Statement No. 51. Software maintenance agreements, which only provide technical support or update installations without granting the right to use the software, are not included as they do not fall under the scope of GASB 96. Contracts that automatically renew until canceled are considered to have an option to terminate at each renewal date, thus not qualifying as perpetual licenses requiring assessment for likelihood of termination when determining the subscription term.

The City will remeasure a subscription asset and liability when an amendment results in a change in term or amount over the capitalization threshold of \$100,000.

Initial subscription asset and liability recognition was determined as of January 1, 2023, the date of adoption of GASB 96. Additional outlays or implementations recorded as capital assets prior to adoption were transferred to the new right-of-use SBITA asset class at their current net book value during the 2023 fiscal year.

The City has chosen not to implement GASB 96 at the date of adoption for the budgetary basis of accounting. For both the budgetary basis of accounting and for SBITAs that do not meet the criteria for valuation under GASB 96, the City will report outflows of cash for subscription payments.

11. **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 and Subscription-Based Information Technology Arrangements (SBITA)**.

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.

12. **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.

13. **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.

14. **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.
15. **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.
16. **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.
17. **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.

18. **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.
19. **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.
20. **Encumbrances** – Encumbrances for contracts and purchase orders are unencumbered at year end and reappropriated against the subsequent year's budget. As of December 31, 2023, the encumbrances reflected below were reappropriated against the 2024 budget for remaining prior year encumbrances (dollars in thousands).

**Governmental Activities:**

General Fund	\$ 74,676
Bond Project Fund	288,472
Human Services Fund	25,302
Other Governmental Funds	643,795
Internal Service Funds	2,192
<b>Total Governmental Activities</b>	<b>\$ 1,034,437</b>

**Business-type Activities:**

Wastewater Management	\$ 69,612
Denver Airport System	696,245
Other Enterprise Funds	3,367
<b>Total Business-type Activities</b>	<b>\$ 769,224</b>

21. **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, 2023, the City had no special items to report.

**Note E – New Accounting Principles Impacting the City:**

**Adoption of new GASB standards:**

**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.

Key areas of GASB 99 include:

- **Derivative Instruments:** Classification and reporting of derivative instruments within the scope of Statement No. 53 that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
- **Leases:** 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.
- **Public-Private Partnerships (PPPs):** Clarification of provisions in Statement No. 94 related to (a) the determination of the PPP term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.
- **SBITAs:** Clarification of provisions in Statement No. 96 related to the SBITA term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
- **LIBOR Transition:** Extension of the period during which 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.
- **Additional Topics:** Accounting for the distribution of benefits under SNAP, pledges of future revenues when resources are not received by the pledging government, clarification of provisions in Statement No. 34 related to the focus of the government-wide financial statements, and terminology updates related to certain provisions of Statement No. 63 and Statement 53 to refer to resource flows statements.

GASB 99 paragraphs 4-10 were implemented by the City for the fiscal year beginning after June 15, 2023, with no impact on the City's financial statements. GASB 99 paragraphs 11-32 were implemented by the City for the fiscal years ending December 31, 2022, and 2023, also with no impact on the City's financial statements.

**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 LIBOR, which is expected to cease.

Key provisions of GASB 93 include:

- **Hedging Derivative Instruments:** 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.
- **Lease Modifications:** Clarifying the lease modifications guidance in Statement No. 87 for leases where the rate upon which variable payments depend is replaced by an alternative reference rate.
- **Uncertainty and Expected Transactions:** 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.
- **Alternative Benchmark Rates:** Identifying a Secured Overnight Financing Rate (SOFR) and the Effective Federal Funds Rate (EFFR) as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap.
- **Reference Rate Definition:** Clarifying the definition of reference rate as used in Statement 53, as amended.

As the City closed out its three direct placement swap agreements in 2023 that were embedded in the City's certificates of participation (COP) for the Webb Municipal Office Building before the transition from LIBOR, there is no impact or need to implement the provisions of GASB 93 related to the replacement of LIBOR. This ensures that there is no effect on the City's financial statements as a result of the implementation.

**Governmental Accounting Standards Board Statement No. 94** – Issued in March 2020, GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements (GASB 94), addresses accounting and financial reporting requirements for Public-Private Partnerships (PPPs) and Public-Public Partnerships (PUPs). The statement provides guidance on the recognition and measurement of PPPs and PUPs that meet the definition of service concession arrangements (SCAs), including those involving availability payments.

Key provisions of GASB 94 include:

- **Recognition and Measurement of PPPs and PUPs:** Establishes that a PPP or PUP should be recognized as a lease if it meets the criteria of a lease as defined in GASB Statement No. 87, Leases, except for those that are SCAs.
- **Service Concession Arrangements:** Specifies that SCAs should be accounted for as a right-to-use intangible asset and a corresponding liability for the present value of payments expected to be made under the arrangement.

- **Availability Payment Arrangements:** Provides that availability payments should be recognized as a liability when the government has an unconditional obligation to make payments in exchange for the availability of a facility or service, regardless of usage.
- **Disclosure Requirements:** Requires disclosures about the terms of PPPs and PUPs, including significant judgments and assumptions made in applying the provisions of this statement.

The City implemented GASB Statement No. 94 for the fiscal year ending December 31, 2023. The implementation resulted in no significant financial impacts on the City's financial statements. There were no new lease liabilities or right-to-use assets recognized for PPPs and PUPs, and SCAs and availability payment arrangements were evaluated with no material adjustments required.

**Governmental Accounting Standards Board Statement No. 96** – In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96). This statement establishes standards of accounting and financial reporting for SBITAs by a government end user. GASB 96 defines a SBITA and establishes that a SBITA results in a right-of-use subscription asset (intangible asset) and a corresponding subscription liability. It also provides the capitalization criteria for outlays other than subscription payments, including SBITA implementation costs, as well as note disclosure requirements for SBITAs.

Key provisions of GASB 96 include the recognition of right-of-use subscription assets and corresponding subscription liabilities at the commencement of the subscription term. The initial measurement of the subscription asset includes the subscription liability amount, payments made at or before the commencement of the subscription term, and certain direct costs to place the subscription asset into service. Subsequent measurement involves amortization of the subscription asset over the subscription term and reducing the subscription liability as payments are made. Criteria for capitalization of outlays other than subscription payments, such as implementation costs, should be determined, and implementation costs that meet the capitalization criteria should be capitalized and amortized over the subscription term. Disclosure requirements include descriptions of the SBITAs, the total amount of subscription assets, accumulated amortization, related subscription liabilities, and significant assumptions or judgments made in applying the standards.

The City implemented GASB Statement No. 96 as of January 1, 2023 and recognized right-of-use subscription assets and corresponding subscription liabilities for both Governmental Activities (GA) and Business-Type Activities (BTA). However, one of the City's major enterprise funds, Denver Airport System (DEN), implemented GASB 96 as of January 1, 2022. The combined initial measurement of subscription assets amounted to \$83,478, with \$67,022 attributed to GA and \$16,456 to BTA. Similarly, the combined initial measurement of subscription liabilities totaled \$79,442, with \$61,969 attributed to GA and \$17,473 to BTA. As of December 31, 2023, the reported subscription assets amounted to \$80,089, net of \$66,609 for GA and \$13,480 for BTA. The accumulated amortization was \$20,188, with \$15,632 for GA and \$4,556 for BTA. The total subscription liabilities stood at \$75,210, comprising \$60,890 for GA and \$14,320 for BTA. For additional information, see **Note III.E - Leases and Subscription-Based Information Technology Arrangements (SBITA)** for subscription assets and **Note III.G - Long-Term Debt** for subscription liabilities.

#### Upcoming GASB statements:

**Governmental Accounting Standards Board Statement No. 100** – Issued in June 2022, GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100), establishes standards for accounting and financial reporting for each type of accounting change and the correction of an error in previously issued financial statements. GASB 100 requires that changes in accounting principles and error corrections be reported retroactively by restating prior periods. Changes to or within the financial reporting entity should be reported by adjusting beginning balances of the current period, and changes in accounting estimates should be reported prospectively by recognizing the change in the current period. Additionally, GASB 100 mandates that the aggregate amounts of adjustments and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by the reporting unit in the financial statement. The implementation of this statement is effective for fiscal years beginning after June 15, 2023, with earlier application encouraged. The City is currently evaluating the impact of this statement on its financial statements.

**Governmental Accounting Standards Board Statement No. 101** – Issued in June 2022, GASB Statement No. 101, *Compensated Absences* (GASB 101), establishes standards for accounting and financial reporting for compensated absences and associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits (OPEB). GASB 101 requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized if the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or paid in cash or settled through noncash means.

Additionally, GASB 101 requires that liabilities for certain types of compensated absences, such as parental leave, military leave, and jury duty leave, not be recognized until the leave commences. The implementation of this statement is effective for fiscal years beginning after December 15, 2023, with earlier application encouraged. The City is currently evaluating the impact of this statement on its financial statements.

**Governmental Accounting Standards Board Statement No. 102** – Issued in January 2024, GASB Statement No. 102, *Guidance in Disclosures of Certain Risks* (GASB 102), requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations and constraints. A concentration is defined as a lack of diversity related to a significant inflow or outflow of resources, while a constraint is a limitation imposed by an external party or by the government's highest level of decision-making authority. GASB 102 generally requires a government to disclose information about a concentration or constraint if it is known prior to issuing the financial statements, makes the government vulnerable to the risk of a substantial impact, and if an event associated with the concentration or constraint could cause a substantial impact within 12 months of the date the financial statements are issued. The disclosures should include a description of the concentration or constraint, events associated with it, and actions taken by the government to mitigate the risk. GASB 102 is effective for fiscal years beginning after June 15, 2024, with earlier application encouraged. The City is currently evaluating the impact of this statement on its financial statements.

**Governmental Accounting Standards Board Statement No. 103** – Issued in April 2024, GASB Statement No. 103, *Financial Reporting Model Improvements* (GASB 103), continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A). The MD&A should provide an objective and easily readable analysis of the government's financial activities, including comparisons between the current year and the prior year. GASB 103 requires the information presented in MD&A to be limited to specific topics discussed in five sections: Overview of the Financial Statements, Financial Summary, Detailed Analyses, Significant Capital Asset and Long-Term Financing Activity, and Currently Known Facts, Decisions, or Conditions. It mandates specific presentations of inflows and outflows related to unusual or infrequent items and requires a budgetary comparison using a single method of communication as required supplementary information (RSI), including explanations of significant variances. This statement is effective for fiscal years beginning after June 15, 2025, with earlier application encouraged. The City is currently evaluating the impact of this statement on its financial statements.

## II. Stewardship, Compliance, and Accountability

### Note A – Deficit Fund Equity

At December 31, 2023, the Denver Convention Center Hotel Authority (DCCHA), the Denver Urban Renewal Authority (DURA), the Downtown Denver Development Authority (DDDA), and the National Western Center Authority (NWCA) component units had deficit net positions in the amounts of \$25,127,000, \$9,457,000, \$21,704,000, and \$2,192,000, respectively. Additionally, the Economic Opportunity Special Revenue Fund had a deficit fund balance of \$1,105,000. Mainly due to significant decrease in marijuana tax revenue since COVID-19 pandemic all while expenditures for Denver Small Business Investments continued to grow in 2023.

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. The NWCA component unit will use revenue generated from campus operations, including event fees and energy user fees, as well as contributions from its key partners—the City and County of Denver, Colorado State University, and the Western Stock Show Association—to address its deficit net position. The Economic Opportunity Special Revenue Fund will utilize its future grant revenues and other designated sources to mitigate its deficit fund balance.

### Note B – Excess Expenditures Over Authorizations

As of December 31, 2023, the following budgets within the General Fund were exceeded. Detailed below are the specific functions impacted, the amount by which each was exceeded, and the primary reasons for these overruns.

#### General Government

- **Civic Events:** The budget for Civic Events was exceeded by \$26,000. This was due to higher than anticipated costs for hosting public events, including increased security measures and the need for additional facilities to accommodate larger-than-expected crowds.

- **Office of Municipal Public Defender:** The budget for the Office of Municipal Public Defender was exceeded by \$19,000. The primary cause was an unexpected increase in caseloads, necessitating additional legal resources and support services to ensure adequate defense for all clients.

#### Public Safety

- **Civil Service Commission:** The budget for the Civil Service Commission was exceeded by \$7,000. This overrun was due to unplanned expenses related to personnel recruitment and testing processes, including the implementation of new assessment tools to enhance the selection process.

**Transportation and Infrastructure** – The budget for Transportation and Infrastructure was exceeded by \$4,728,000. This overage was primarily due to unexpected costs in street maintenance and capital improvement projects, including emergency road repairs and necessary infrastructure upgrades to ensure public safety.

These excess expenditures were largely 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, 2023, the bank balance and carrying amounts of accounts managed by the Manager of Finance (the Manager) were \$9,554,000 and (\$760,000). The negative carrying amount represented outstanding checks that are in excess of current operating bank account balances on December 31. The funding of these checks, which would happen through the liquidation of investments, occurred in 2024 when the checks were presented at the bank. The City's deposits, except for the pension trust fund and certain component units' deposits are subject to, and in accordance with PDPA.

All deposits for DURA, DDDA, DCCHA, and Caring for Denver were not subject to custodial credit risk at December 31, 2023, 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.

The City's investment balances, including fiduciary funds, as of December 31, 2023, as shown below.

### City Investment Balances

December 31, 2023 (dollars in thousands)

	Fair Value
Money market funds	\$ 5,000
Local government investment pool	80,596
Common stock	262,455
Commercial paper	99,688
Mutual funds	1,521,759
Municipal bonds	242,314
U.S. Treasury securities	2,087,471
U.S. agency securities	2,076,458
Corporate bonds	1,056,933
Structured products <sup>(1)</sup>	710,789
Multinational fixed income <sup>(2)</sup>	497,959
Annuity contracts	184,482
Real estate	191,835
Other	1,124,876
<b>Total Investments</b>	<b><u>\$ 10,142,615</u></b>

<sup>(1)</sup> Includes asset backed securities, collateralized mortgage obligations, and mortgage backed securities.

<sup>(2)</sup> 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 \$61,701,000 at December 31, 2023; 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, 2023, the investment balances of the discretely presented component units were as shown below.

### Component Units Investment Balances

December 31, 2023 (dollars in thousands)

	Fair Value
Money market funds	\$ 144,551
Local government investment pool	40,953
Certificates of deposit	24,159
Municipal bonds	5,030
Structured products <sup>(3)</sup>	5,752
U.S. Treasury securities	46,941
U.S. agency securities	6,797
Corporate bonds	13,203
Multinational fixed income <sup>(1)</sup>	2,475
Other <sup>(2)</sup>	345
Mutual funds	44,719
<b>Total Investments</b>	<b><u>\$ 334,925</u></b>

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

<sup>(2)</sup> Includes \$345,000 equity investment.

<sup>(3)</sup> Includes asset backed securities, collateralized mortgage obligation, and mortgage backed securities.

A reconciliation of cash and investments as shown in the basic financial statements as of December 31, 2023, is shown below.

### Reconciliation of Cash and Investments

December 31, 2023 (dollars in thousands)

Governmental and Business-type Activities	Primary Government	Component Units	Total
Cash on hand	\$ 6,713	\$ -	\$ 6,713
Cash and cash equivalents	2,040,297	110,291	2,150,588
Investments	1,671,517	89,901	1,761,418
Restricted cash and cash equivalents	958,318	461	958,779
Restricted investments	2,003,726	245,024	2,248,750
<b>Total Governmental and Business-type Activities</b>	<b>\$ 6,680,571</b>	<b>\$ 445,677</b>	<b>\$ 7,126,248</b>
<b>Fiduciary</b>			
Cash on hand	\$ -	\$ -	\$ -
Cash and cash equivalents	89,339	-	89,339
Investments	3,439,224	-	3,439,224
Total Fiduciary	<b>\$ 3,528,563</b>	<b>\$ -</b>	<b>\$ 3,528,563</b>
Total	<b>\$ 10,209,134</b>	<b>\$ 445,677</b>	<b>\$ 10,654,811</b>
Less deposit balance <sup>(1)</sup>	<b>(66,519)</b>	<b>(110,752)</b>	<b>(177,271)</b>
<b>Total</b>	<b>\$ 10,142,615</b>	<b>\$ 334,925</b>	<b>\$ 10,477,540</b>

<sup>(1)</sup>The City's deposit balance include bank deposits of \$25,027, less outstanding checks of \$21,600, plus petty cash of \$90, plus fiduciary cash of \$54,754, plus General Improvement District cash of \$1,274 and plus cash on hand of \$6,974 equals \$66,519.

**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, 2023.

### Fair Value Measurements

December 31, 2023 (Dollars In Thousands)

<b>Governmental And Business-Type Activities</b>	<b>Fair Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Municipal bonds	\$ 241,260	\$ -	\$ 241,260	\$ -
Commercial paper	99,185	-	99,185	-
U.S. Treasury securities	1,845,539	-	1,845,539	-
U.S. agency securities	2,004,620	-	2,004,620	-
Corporate bonds	987,497	-	987,497	-
Structured products	707,527	-	707,527	-
Multinational fixed income	495,798	-	495,798	-
<b>Total Governmental And Business-Type Activities at Fair Value</b>	<b>\$ 6,381,426</b>	<b>\$ -</b>	<b>\$ 6,381,426</b>	<b>\$ -</b>
Total Investments Measured At The NAV <sup>(1)</sup>	80,198	-	-	-
Total Other Investments Not Valued At Fair Value <sup>(2)</sup>	211,969	-	-	-
<b>Total Governmental And Business-Type Activities</b>	<b>\$ 6,673,593</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fiduciary</b>	<b>Fair Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Municipal Bonds	\$ 1,053	\$ -	\$ 1,053	\$ -
Common stock	262,455	262,455	-	-
Commercial paper	503	-	503	-
U.S. Treasury securities	241,932	233,306	8,626	-
U.S. agency securities	71,837	-	71,837	-
Corporate bonds	69,436	-	69,436	-
Structured products	3,263	-	3,263	-
Multinational fixed income	2,161	-	2,161	-
Mutual funds	1,521,759	1,521,759	-	-
Other (self directed brokerage)	18,712	18,712	-	-
<b>Total Fiduciary at Fair Value</b>	<b>\$ 2,193,111</b>	<b>\$ 2,036,232</b>	<b>\$ 156,879</b>	<b>\$ -</b>
Total Investments Measured At The NAV restricted for Pensions, OPEB and other purposes <sup>(5)</sup>	\$ 1,091,404	\$ -	\$ -	\$ -
Total Other Investments Not Valued At Fair Value <sup>(6)</sup>	184,507	-	-	-
<b>Total Fiduciary</b>	<b>\$ 3,469,022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Investments</b>	<b>\$ 10,142,615</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Major Component Units</b>	<b>Fair Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Money market funds	\$ 444	\$ 444	\$ -	\$ -
Mutual funds	44,719	44,719	-	-
Municipal bonds	5,030	65	4,965	-
U.S. Treasury securities	46,941	46,941	-	-
U.S. agency securities	6,797	3,705	3,092	-
Corporate bonds	13,202	3,351	9,851	-
Structured products	5,752	-	5,752	-
Multinational fixed income	2,475	-	2,475	-
<b>Total Major Component Units at Fair Value</b>	<b>\$ 125,360</b>	<b>\$ 99,225</b>	<b>\$ 26,135</b>	<b>\$ -</b>
Total Investments Measured At The NAV <sup>(3)</sup>	39,358	-	-	-
Total Other Investments Not Valued At Fair Value <sup>(4)</sup>	140,316	-	-	-
<b>Total Major Component Units</b>	<b>\$ 305,034</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Police Retiree Health Fund</b>	<b>Fair Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Mutual Funds	\$ 8,863	\$ 8,863	\$ -	\$ -
<b>Total Police Retiree Fund</b>	<b>\$ 8,863</b>	<b>\$ 8,863</b>	<b>\$ -</b>	<b>\$ -</b>

<sup>(1)</sup> Balance held at Colotrust \$55,248 balance held at CSAFE of \$24,950.

<sup>(2)</sup> Balance held in trust \$64,609 plus balance held outside the City \$142,385 and money market fund \$4,975.

<sup>(3)</sup> Balance held at Colotrust \$39,358.

<sup>(4)</sup> Includes \$140,316 of money market funds.

<sup>(5)</sup> Include \$272 of Colotrust and \$127 of CSAFE and plus DERP NAV equal \$1,091,005. See Fiduciary investments measured at the NAV table for DERP NAV.

<sup>(6)</sup> Includes \$25 of money market funds and Deferred Comp synthetic guaranteed investment contracts of \$184,482.

**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 \$184,482,000 as of December 31, 2023.

### Fiduciary Investments Measured at the NAV

December 31, 2023 (dollars in thousands)

	December 31	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>Fixed Income Investments</b>				
Private debt	\$ 184,126	\$ 62,422	Not eligible	n/a
Emerging market debt	53,921	-	Monthly	3 days
<b>Total Fixed Income Investments</b>	<b>\$ 238,047</b>	<b>\$ 62,422</b>		
<b>Real Estate Investments</b>				
Real estate - open-end	\$ 162,391	\$ -	Quarterly	20-90 days
Real estate - closed-end	29,444	42,481	Not eligible	n/a
<b>Total real estate investments</b>	<b>\$ 191,835</b>	<b>\$ 42,481</b>		
<b>Alternative Investments</b>				
Private equity	\$ 275,271	\$ 44,247	Not eligible	n/a
Energy investments	101,210	29,200	Not eligible	n/a
Timber	41,310	-	Not eligible	n/a
<b>Total alternative investments</b>	<b>\$ 417,791</b>	<b>\$ 73,447</b>		
<b>Absolute Return</b>				
Hedge Fund	\$ 171,237	\$ -	Quarterly	65 days
<b>Total Absolute Return</b>	<b>\$ 171,237</b>	<b>\$ -</b>		
<b>Infrastructure</b>				
Infrastructure	\$ 72,096	\$ -	Quarterly	90 days
<b>Total Infrastructure</b>	<b>\$ 72,096</b>	<b>\$ -</b>		
<b>Total Other Investments Measured at the NAV</b>	<b>\$ 1,091,006</b>	<b>\$ 178,350</b>		
<b>Local Government Investment Pool</b>				
COLOTRUST	\$ 272			
CSAFE	126			
<b>Total Local Government Investment Pool</b>	<b>\$ 398</b>			
<b>Total Investments Measured at the NAV</b>	<b>\$ 1,091,404</b>			

### 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, 2023, 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			
		Less than 1	1 - 5	6 - 10	Greater than 10
<b>For the City</b>					
Local government investment pool	\$ 36,257	\$ 36,257	\$ -	\$ -	\$ -
Money market funds	2,295	2,295	-	-	-
Municipal bonds	103,341	18,302	61,547	22,223	1,269
U.S. Treasury securities	790,120	232,311	388,229	169,580	-
U.S. agency securities	846,442	225,438	520,045	100,599	360
Corporate bonds	419,379	100,664	281,081	37,634	-
Multinational fixed income	200,214	52,845	117,568	29,801	-
Structured products	301,187	8,358	203,979	85,162	3,688
Commercial paper	45,760	45,760	-	-	-
<b>Total</b>	<b>\$ 2,744,995</b>	<b>\$ 722,230</b>	<b>\$ 1,572,449</b>	<b>\$ 444,999</b>	<b>\$ 5,317</b>

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1 - 5	6 - 10	Greater than 10
<b>For the City fiduciary</b>					
Local government investment pool	\$ 398	\$ 398	\$ -	\$ -	\$ -
Money market funds	25	25	-	-	-
Municipal bonds	1,054	201	633	220	-
U.S. Treasury securities	8,626	2,553	4,237	1,836	-
U.S. agency securities	9,226	2,477	5,676	1,073	-
Corporate bonds	4,542	1,106	3,025	411	-
Multinational fixed income	2,161	581	1,274	306	-
Structured products	3,263	81	2,206	935	41
Commercial paper	503	503	-	-	-
<b>Total</b>	<b>\$ 29,798</b>	<b>\$ 7,925</b>	<b>\$ 17,051</b>	<b>\$ 4,781</b>	<b>\$ 41</b>

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1 - 5	6 - 10	Greater than 10
<b>For DERP</b>					
U.S. Treasury securities	\$ 233,306	\$ 35,838	\$ 197,468	\$ -	\$ -
U.S. agency securities	62,610	11,438	35,277	15,895	-
Asset backed	28	-	-	-	28
Corporate	64,865	703	64,161	-	1
<b>Total</b>	<b>360,809</b>	<b>\$ 47,979</b>	<b>\$ 296,906</b>	<b>\$ 15,895</b>	<b>\$ 29</b>
Non-rated Funds <sup>(1)</sup>	238,047	-	-	-	-
<b>Total</b>	<b>\$ 598,856</b>				

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1 - 5	6 - 10	Greater than 10
<b>For Deferred Compensation Plan</b>					
Mutual funds	\$ 42,609	\$ -	\$ -	\$ 42,609	\$ -
<b>Total</b>	<b>\$ 641,465</b>	<b>\$ 47,979</b>	<b>\$ 296,906</b>	<b>\$ 58,504</b>	<b>\$ 29</b>

Investments with undetermined or without maturity dates:	Fair Value	Investment Maturities in Years			
		Less than 1	1 - 5	6 - 10	Greater than 10
<b>For Police Retiree Health Fund</b>					
Mutual Funds	\$ 8,863	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 8,863</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<sup>(1)</sup> 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, 2023, the City owned agency, structured products, municipal, multinational fixed income, and corporate bond callable securities with a fair value of \$45,381,000, \$280,959,000, \$8,893,000, \$2,896,000, \$216,873,000 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, 2023. 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, 2023, 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, 2023, is shown below (dollars in thousands).

<b>S&amp;P</b>	<b>Commercial Paper</b>	<b>Municipal Bonds</b>	<b>Corporate Debt Obligations</b>	<b>Structured Products</b>	<b>Local Government Investment Pools</b>	<b>Money Market Funds</b>	<b>Multinational Fixed Income</b>	<b>Total</b>
AAA	\$ -	\$ 65,701	\$ 112,314	\$ 382,644	\$ 80,596	\$ 5,000	\$ 469,449	\$ 1,115,704
AA+ to AA-	-	163,648	327,539	151,747	-	-	724	643,658
A+ to A-	-	977	514,697	-	-	-	4,660	520,334
A-1+ to A-1	99,688	-	-	-	-	-	-	99,688
BBB+	-	-	32,713	-	-	-	-	32,713
NR	-	11,988	4,775	176,398	-	-	23,851	217,012
<b>Total</b>	<b>\$ 99,688</b>	<b>\$ 242,314</b>	<b>\$ 992,038</b>	<b>\$ 710,789</b>	<b>\$ 80,596</b>	<b>\$ 5,000</b>	<b>\$ 498,684</b>	<b>\$ 2,629,109</b>
<b>Moody's</b>								
Aaa	\$ -	\$ 70,289	\$ 231,994	\$ 481,654	\$ -	\$ -	\$ 484,096	\$ 1,268,033
Aa1 to Aa2	-	132,804	83,815	-	-	-	-	216,619
Aa3 to A1	-	21,980	353,943	-	-	-	4,660	380,583
A2 to A3	-	-	307,516	-	-	-	-	307,516
P-1	99,688	-	-	-	-	-	-	99,688
Baa2	-	-	14,771	-	-	-	-	14,771
NR	-	17,241	-	229,135	80,596	5,000	9,928	341,900
<b>Total</b>	<b>\$ 99,688</b>	<b>\$ 242,314</b>	<b>\$ 992,039</b>	<b>\$ 710,789</b>	<b>\$ 80,596</b>	<b>\$ 5,000</b>	<b>\$ 498,684</b>	<b>\$ 2,629,110</b>
U.S. Treasury securities								\$ 1,854,165
U.S. Agency securities								2,013,123
<b>Total</b>								<b>\$ 6,496,398</b>

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, 2023, is shown below.

## Credit Ratings for DERP

December 31, 2023 (dollars in thousands)

S&P	Moody's	Asset Backed	Corporate Bonds	Implicit U.S. Government Bonds	Total
AAA	NR	\$ -	\$ 2,569	\$ -	2,569
AA+ to AA-	Aa3 to A1	-	46,927	62,610	109,537
A+ to A-	Ca	-	8,328	-	8,328
BBB+ to BBB-	A3 to Baa3	-	7,038	-	7,038
CC+ to CC-	Ca	28	-	-	28
NR	NR	-	3	-	3
<b>Total</b>		<b>\$ 28</b>	<b>\$ 64,865</b>	<b>\$ 62,610</b>	<b>\$ 127,503</b>
U.S. Government				\$ 233,306	
Non-rated funds					238,047
<b>Total</b>				<b>\$ 598,856</b>	

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, 2023, 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, 2023, DERP's cash deposits were collateralized in the amount of \$250,000 with the remaining \$25,349,633 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, 2023, 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 (12.55%) and Federal Farm Credit Bank (12.54%).

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, 2023, 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, 2023, is reflected below (dollars in thousands).

<b>Foreign Currency</b>	<b>Equities</b>	<b>Fixed Income</b>	<b>Total</b>
Argentine Peso	\$ 2,246	\$ -	\$ 2,246
Australian Dollar	8,259	-	8,259
Brazilian Real	15,677	7,560	23,237
British Pound Sterling	42,511	-	42,511
Canadian Dollar	18,002	-	18,002
Chilean Peso	859	3,063	3,922
Chinese Yuan	40,329	-	40,329
Columbian Peso	339	4,648	4,987
Czech Koruna	-	43	43
Danish Krone	13,253	-	13,253
Egyptian Pound	419	-	419
Euro	109,498	-	109,498
Hong Kong Dollar	17,865	-	17,865
Hungary Forint	2,356	4,421	6,777
Indian Rupee	38,123	-	38,123
Indonesia Rupiah	3,934	1,526	5,460
Japanese Yen	50,046	-	50,046
Malaysian Ringgit	779	-	779
Mexican Peso	2,361	6,751	9,112
New Israeli Shekel	7,543	8,347	15,890
New Zealand Dollar	3,559	-	3,559
Norwegian Krone	291	-	291
Pakistani Rupee	748	-	748
Peruvian Sol	1,293	690	1,983
Philippine Peso	-	1,591	1,591
Polish Zloty	2,277	6,869	9,146
Qatari Riyal	1,338	-	1,338
Saudia Riyal	4,573	-	4,573
Singapore Dollar	2,916	-	2,916
South African Rand	6,689	4,152	10,841
South Korean Won	32,050	3,429	35,479
Swedish Krona	8,318	-	8,318
Swiss Franc	34,262	-	34,262
Taiwan Dollar	31,810	-	31,810
Thai Bhat	4,773	744	5,517
Turkey	2,796	-	2,796
United Arab Emirati Dirham	2,765	-	2,765
Other	9,280	-	9,280
<b>Total Foreign Deposits and Investments</b>	<b>\$ 524,137</b>	<b>\$ 53,834</b>	<b>\$ 577,971</b>

- Denver Convention Center Hotel Authority (DCCHA)** – DCCHA's investments were not subject to custodial credit risk at December 31, 2023, 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, 2023, 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	\$ 444	\$ 444	\$ -
Mutual funds	44,719	44,719	-
U.S. Treasury securities	46,941	19,236	27,705
Structured products	5,752	-	5,752
U.S. agency securities	6,797	3,499	3,298
Corporate bonds	13,202	1,083	12,119
Multinational fixed income	2,475	-	2,475
Municipal bonds	5,030	782	4,248
<b>Total</b>	<b>\$ 125,360</b>	<b>\$ 69,763</b>	<b>\$ 55,597</b>

**Securities Lending** – Although the City is authorized to enter into securities lending programs with certain qualified dealers, it had no security lending transactions in 2023. 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, 2023.

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, 2023, the fair value of underlying securities lent was \$162,808,948. The fair value of associated collateral was \$171,427,434 of this amount, \$61,700,970 represents the fair value of cash collateral and \$109,726,464 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, 2023.

## Accounts Receivables and Allowances Summary

December 31, 2023 (dollars in thousands)

Receivable	Governmental Activities					Total
	General	Bond Projects	Human Services	Other Governmental Funds	Internal Service Funds	
Property taxes	\$ 191,749	\$ -	\$ 88,837	\$ 375,944	\$ -	\$ 656,530
Other taxes	103,259	-	-	53,616	-	156,875
Notes	17,098	-	-	239,251	-	256,349
Accounts	55,944	-	788	33,077	1,966	91,775
Long-term accounts	61,467	-	-	13,398	-	74,865
Leases	9,063	-	-	-	-	9,063
Accrued interest	3,676	4,469	-	9,769	316	18,230
<b>Gross Receivable</b>	<b>442,256</b>	<b>4,469</b>	<b>89,625</b>	<b>725,055</b>	<b>2,282</b>	<b>1,263,687</b>
Allowances	(81,206)	-	(408)	(143,010)	-	(224,624)
<b>Net Receivable</b>	<b>\$ 361,050</b>	<b>\$ 4,469</b>	<b>\$ 89,217</b>	<b>\$ 582,045</b>	<b>\$ 2,282</b>	<b>\$ 1,039,063</b>

Receivable	Business-type Activities				Fiduciary Funds Custodial and DERP
	Wastewater Management	Denver Airport System	Nonmajor Business-type	Total	
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,600,164
Other taxes	-	-	-	-	5,113
Accounts	37,451	203,923	5,005	246,379	11,974
Long-term accounts	-	42,190	7	42,197	-
Leases	-	413,535	-	413,535	57
Accrued interest	1,852	23,292	283	25,427	1,933
<b>Gross Receivable</b>	<b>39,303</b>	<b>682,940</b>	<b>5,295</b>	<b>727,538</b>	<b>1,619,241</b>
Allowances	-	(3,188)	(4)	(3,192)	(6,369)
<b>Net Receivable</b>	<b>\$ 39,303</b>	<b>\$ 679,752</b>	<b>\$ 5,291</b>	<b>\$ 724,346</b>	<b>\$ 1,612,872</b>

2. **Notes Receivable** – The notes receivable balance of special revenue funds, General Fund, related organizations, and component units at December 31, 2023 is shown below (dollars in thousands).

	December 31	Percent of Total Related Notes Receivable
Neighborhood Development Loans	\$ 16,130	n/a
Economic Development Loans	10,423	n/a
Housing Development Loans	225,382	n/a
<b>Total Office of Economic Development</b>	<b>251,935</b>	
General Fund	4,193	n/a
General Government Fund	250	n/a
<b>Total Notes Receivable</b>	<b>256,378</b>	
Less allowances for delinquent loans	(7,094)	n/a
Less allowances for forgivable loans	(138,752)	n/a
<b>Notes Receivable, Net</b>	<b>\$ 110,532</b>	
Denver Housing Authority	12,966	5.06%
<b>Total Related Organizations Notes Receivable</b>	<b>\$ 12,966<sup>(1)</sup></b>	
Denver Urban Renewal Authority	\$ 3,023 <sup>(1)</sup>	1.18%
Denver Building Housing	\$ 3,238 <sup>(1)</sup>	1.26%

<sup>(1)</sup> Amounts included in the notes receivable balance above.

Allowance for uncollectibles for notes receivable of \$145,846,000 is included in the accounts receivable allowance of \$224,624,000 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 \$43,310,000. The DURA component recorded an allowance of \$214,000.

### Note C – Interfund Receivables, Payables, and Transfers

City's interfund balances as of December 31, 2023, are shown in the tables below (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 Governmental	Bond Projects	Wastewater Management	Denver Airport System	Nonmajor Business-type	Internal Service	
General Fund	\$ -	\$ 1,179	\$ 13,657	\$ -	\$ 1,570	\$ 25,425	\$ 2,249	\$ 91	\$ 44,171
Nonmajor Governmental	17	-	-	7	-	1,121	-	-	1,145
Wastewater Management	-	-	-	-	-	66	-	-	66
Internal Service	-	-	799	-	-	-	-	-	799
<b>Total</b>	<b>\$ 17</b>	<b>\$ 1,179</b>	<b>\$ 14,456</b>	<b>\$ 7</b>	<b>\$ 1,570</b>	<b>\$ 26,612</b>	<b>\$ 2,249</b>	<b>\$ 91</b>	<b>\$ 46,181</b>

#### 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 consist mainly of transfers out of capital improvement funds.

Transfers In	Transfers Out				Total
	General Fund	Human Services	Nonmajor Governmental	Nonmajor Business-type	
General Fund	\$ -	\$ 1,000	\$ 52,644	\$ 1,967	\$ 55,611
Human Services	12,046	-	249	-	12,295
Nonmajor Governmental	64,614	20,000	153,694	-	238,308
Wastewater Management	85	-	-	-	85
Denver Airport System	142	-	-	-	142
Nonmajor Business-type	7	-	-	-	7
Internal Service Fund	3	-	-	-	3
<b>Total out</b>	<b>\$ 76,897</b>	<b>\$ 21,000</b>	<b>\$ 206,587</b>	<b>\$ 1,967</b>	<b>\$ 306,451</b>

## Note D – Capital Assets

Capital and lease asset activity for the year ended December 31, 2023, are shown in the below tables.

### 1. Governmental Activities

#### Governmental Activities

For the Year Ended December 31, 2023 (dollars in thousands)

	January 1, as restated	Additions	Deletions	Transfers	December 31
<b>Capital assets not being depreciated/amortized:</b>					
Land and land rights	\$ 773,257	\$ 7,663	\$ -	\$ 12,309	\$ 793,229
Construction in progress	435,542	426,535	-	(73,345)	788,732
<b>Total capital assets not being depreciated/ amortized</b>	<b>1,208,799</b>	<b>434,198</b>	<b>-</b>	<b>(61,036)</b>	<b>1,581,961</b>
<b>Capital assets being depreciated/amortized:</b>					
Buildings and improvements	2,720,378	10,609	(1,597)	43,281	2,772,671
Equipment and other	378,629	26,612	(12,167)	11,526	404,600
Collections	52,398	6,704	(5,050)	1,902	55,954
Intangibles	30,972	256	(51)	102	31,279
Infrastructure	2,159,044	156,933	(5,002)	1,726	2,312,701
Right-of-use assets	86,064	35,590	(6,347)	-	115,307
<b>Total capital assets being depreciated/amortized</b>	<b>5,427,485</b>	<b>236,704</b>	<b>(30,214)</b>	<b>58,537</b>	<b>5,692,512</b>
<b>Less accumulated depreciation/amortization for:</b>					
Buildings and improvements	(1,206,257)	(75,003)	702	95	(1,280,463)
Equipment and other	(286,043)	(28,573)	9,088	(10)	(305,538)
Collections	(28,620)	(4,978)	5,025	-	(28,573)
Intangibles	(25,570)	(1,234)	51	-	(26,753)
Infrastructure	(1,173,746)	(66,965)	4,379	-	(1,236,332)
Right-of-use assets	(3,260)	(19,606)	1,602	-	(21,264)
<b>Total accumulated depreciation/amortization</b>	<b>(2,723,496)</b>	<b>(196,359)</b>	<b>20,847</b>	<b>85</b>	<b>(2,898,923)</b>
<b>Total capital assets being depreciated/ amortized, net</b>	<b>2,703,989</b>	<b>40,345</b>	<b>(9,367)</b>	<b>58,622</b>	<b>2,793,589</b>
<b>Governmental Activities capital assets, net</b>	<b>\$ 3,912,788</b>	<b>\$ 474,543</b>	<b>\$ (9,367)</b>	<b>\$ (2,414)</b>	<b>\$ 4,375,550</b>

## 2. Business-type Activities

### Business-type Activities

For the Year Ended December 31, 2023 (dollars in thousands)

	January 1, as restated	Additions	Deletions	Transfers	December 31
<b>Capital assets not being depreciated/amortized:</b>					
Land and land rights	\$ 334,964	\$ -	\$ -	\$ 11,424	\$ 346,388
Construction in progress	600,955	855,748	(1,587)	(660,344)	794,772
<b>Total capital assets not being depreciated/amortized</b>	<b>935,919</b>	<b>855,748</b>	<b>(1,587)</b>	<b>(648,920)</b>	<b>1,141,160</b>
<b>Capital assets being depreciated/amortized:</b>					
Buildings and improvements	6,607,683	332	(17,088)	291,432	6,882,359
Improvements other than buildings	2,760,153	27,976	(37,952)	144,220	2,894,397
Machinery and equipment	1,340,819	5,754	(26,031)	214,739	1,535,281
Intangibles	37,536	-	(1,022)	1,010	37,524
Right-of-use assets	31,727	51,012	(8,971)	-	73,768
<b>Total capital assets being depreciated/amortized</b>	<b>10,777,918</b>	<b>85,074</b>	<b>(91,064)</b>	<b>651,401</b>	<b>11,423,329</b>
<b>Less accumulated depreciation/amortization for:</b>					
Buildings and improvements	(2,569,132)	(197,373)	15,332	(94)	(2,751,267)
Improvements other than buildings	(1,154,780)	(78,319)	33,912	-	(1,199,187)
Machinery and equipment	(857,709)	(72,981)	25,599	27	(905,064)
Intangibles	(37,317)	(1,166)	1,022	-	(37,461)
Right-of-use assets	(10,557)	(10,576)	8,971	-	(12,162)
<b>Total accumulated depreciation/amortization</b>	<b>(4,629,495)</b>	<b>(360,415)</b>	<b>84,836</b>	<b>(67)</b>	<b>(4,905,141)</b>
<b>Total capital assets being depreciated/amortized, net</b>	<b>6,148,423</b>	<b>(275,341)</b>	<b>(6,228)</b>	<b>651,334</b>	<b>6,518,188</b>
<b>Business-type Activities capital assets, net</b>	<b>\$ 7,084,342</b>	<b>\$ 580,407</b>	<b>\$ (7,815)</b>	<b>\$ 2,414</b>	<b>\$ 7,659,348</b>

## 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, 2023 (dollars in thousands)

	January 1, as restated	Additions and Transfers	Deletions	December 31
<b>Capital assets not being depreciated/amortized:</b>				
Land and land rights	\$ 23,421	\$ -	\$ -	\$ 23,421
Construction in progress	116	1,352	(500)	968
<b>Total capital assets not being depreciated/amortized</b>	<b>23,537</b>	<b>1,352</b>	<b>(500)</b>	<b>24,389</b>
<b>Capital assets being depreciated/amortized:</b>				
Buildings and improvements	242,489	542	(543)	242,488
Machinery and equipment	35,020	452	(373)	35,099
Right-of-use assets	188	-	-	188
<b>Total capital assets being depreciated/amortized</b>	<b>277,697</b>	<b>994</b>	<b>(916)</b>	<b>277,775</b>
<b>Less accumulated depreciation/amortization for:</b>				
Buildings and improvements	(114,064)	(7,182)	543	(120,703)
Machinery and equipment	(32,354)	(904)	373	(32,885)
Right-of-use assets	(22)	(17)	-	(39)
<b>Total accumulated depreciation</b>	<b>(146,440)</b>	<b>(8,103)</b>	<b>916</b>	<b>(153,627)</b>
<b>Total capital assets being depreciated/amortized</b>	<b>131,257</b>	<b>(7,109)</b>	<b>-</b>	<b>124,148</b>
<b>Capital Assets, net</b>	<b>\$ 154,794</b>	<b>\$ (5,757)</b>	<b>\$ (500)</b>	<b>\$ 148,537</b>

<sup>(4)</sup> Excludes net capital assets of \$12,285 of Other Component Units.

#### 4. Right-of-use Assets

Under GASB 87 and GASB 96, 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, such as buildings and vehicles, as well as intangible assets, such as software licenses or patents, and subscription-based information technology arrangements (SBITAs).

Although the City implemented GASB 96 as of January 1, 2023, one of the City's major enterprise funds, Denver Airport System (DEN), implemented GASB 96 earlier, as of January 1, 2022.

The City's right-of-use assets for the year ended December 31, 2023, are shown in the following table.

For more information, see **Note III.E - Leases and Subscription-Based Information Technology Arrangements (SBITA)** and **Note III.G - Long-Term Debt**.

##### Governmental Activities

##### Right-of-use Assets

For the Year Ended December 31, 2023 (dollars in thousands)

	January 1, as restated	Additions and Transfers	Deletions	December 31
<b>Governmental activities:</b>				
Land	\$ 1,174	\$ 964	\$ -	\$ 2,138
Land Improvements	33	69	-	102
Infrastructure	13	-	-	13
Buildings	17,557	19,338	(6,082)	30,813
Vehicles	265	-	(265)	-
Software Subscriptions	67,022	15,219	-	82,241
<b>Total lease and subscription assets</b>	<b>86,064</b>	<b>35,590</b>	<b>(6,347)</b>	<b>115,307</b>
<b>Less accumulated amortization</b>				
Land	(326)	(393)	-	(719)
Land Improvements	(16)	(16)	-	(32)
Infrastructure	(5)	(5)	-	(10)
Buildings	(2,726)	(3,482)	1,337	(4,871)
Vehicles	(187)	(78)	265	-
Software Subscriptions	-	(15,632)	-	(15,632)
<b>Total accumulated amortization</b>	<b>(3,260)</b>	<b>(19,606)</b>	<b>1,602</b>	<b>(21,264)</b>
<b>Total Governmental Lease Assets, Net</b>	<b>\$ 82,804</b>	<b>\$ 15,984</b>	<b>\$ (4,745)</b>	<b>\$ 94,043</b>

#### 5. Business-type Activities

## Right-of-use Assets

For the Year Ended December 31, 2023 (dollars in thousands)

	January 1, as restated	Additions and Transfers	Deletions	December 31
<b>Business-type activities:</b>				
Buildings	\$ 2,788	\$ 1,118	-	\$ 3,906
Vehicles	8,219	38,123	(8,624)	37,718
Equipment	-	10,191	-	10,191
Software Subscriptions	20,720	1,580	(347)	21,953
<b>Total lease and subscription assets</b>	<b>31,727</b>	<b>51,012</b>	<b>(8,971)</b>	<b>73,768</b>
<b>Less accumulated amortization</b>				
Buildings	(314)	(380)	-	(694)
Vehicles	(5,979)	(4,977)	8,624	(2,332)
Equipment	-	(663)	-	(663)
Software Subscriptions	(4,264)	(4,556)	347	(8,473)
<b>Total Lease Accumulated Amortization</b>	<b>(10,557)</b>	<b>(10,576)</b>	<b>8,971</b>	<b>(12,162)</b>
<b>Total Business-Type Lease Assets, Net</b>	<b>\$ 21,170</b>	<b>\$ 40,436</b>	<b>\$ -</b>	<b>\$ 61,606</b>

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	\$ 33,649
Public safety	19,489
Transportation and infrastructure, including depreciation of infrastructure	78,183
Human services	2,273
Health	540
Parks and recreation	29,358
Cultural activities	32,334
Community development	294
Economic opportunity	100
Capital assets held by internal service funds	139
<b>Total</b>	<b>\$ 196,359</b>

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	\$ 329,289
Environmental Services	14
Golf Course	2,609
Wastewater Management	28,503
<b>Total</b>	<b>\$ 360,415</b>

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, 2023, as shown below (dollars in thousands).

**Governmental Activities:**

Winter Park Capital	\$ 2,507
Capital Improvements	100,657
Conservation Trust	6,576
Bond Projects	288,472
Other Capital Projects	167,091
Entertainment and Culture	9,038
Parks Legacy Capital Improvement Funds	20,431
Special Assessment	50
<b>Total Governmental Activities</b>	<b>\$ 594,822</b>

**Business-type Activities:**

Wastewater Management	\$ 69,612
Denver Airport System	696,245
Environmental Services	2,415
Golf Course	952
<b>Total Business-type Activities</b>	<b>\$ 769,224</b>

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 38 entities as of December 31, 2023.

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.

The tax credit is determined by the Assessor's Office and is a function of the assessed value of qualified business personal property times the general fund mill levy. The Denver Economic Development & Opportunity's (DEDO) role is to collect business applications and confirm preliminary eligibility for further review by the Assessor's

Office. The Assessor's Office identifies the qualified assets to be included in this program and ensures the applicant is in good standing regarding their property taxes.

### **How is the tax credit determined?**

After DEDO determines if an applicant is qualified, the Assessor's Office flags the qualified assets which qualify for the credit. The aggregate assessed value of these assets is multiplied against the appropriate mill levy, and the resulting tax amount/credit is applied to the account by the Treasurer's Office.

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, the Taxpayer agrees that the City may issue a Special Notice of Valuation, and assess and collect from the 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, 2023, were \$198,000.

### **Justification and Expected Long-term Benefits**

The Business Personal Property Tax Credit is a business attraction, expansion, and retention tool. Measure 2A included a four-year Business Personal Property Tax exemption (General Fund Portion only) to companies that invest in their Denver location and employees. In 2023, twelve (12) businesses participated for their 2022 investments. These firms employed 3,990 employees in Denver before their expansion or relocation activities. Their additional investments of \$8.6 million in business personal property resulted in the creation of 798 net new jobs. Overall, 4,788 jobs were impacted (created or retained).

### **Tax Increment Financing (TIF) Agreements**

The Denver Urban Renewal Authority (DURA) has entered into agreements with various redevelopers to reimburse developer expenditures for certain capital improvements using tax increment financing above a stated base, 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 sufficient tax increment revenue relating to the specific project is collected. As of December 31, 2023, the approved reimbursement obligations where tax increment revenue has already been collected and will be paid to various redevelopers was \$41,783,000.

## **Note E – Leases and Subscription-Based Information Technology Arrangements (SBITA)**

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.

For the year ended December 31, 2023, the financial statements include the adoption of GASB 96. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-of-use subscription asset. For additional information, refer to the disclosures below.

**Lease Receivables** – As of December 31, 2023, the City had 35 leases for buildings, land and land improvements, and infrastructure, of which 32 remained active and 3 terminated. This reflects a decrease from 53 leases in the previous year. Of these, 30 were initially recognized on January 1, 2022, with the adoption of GASB Statement No. 87, and 5 were recognized in 2023. The leases have receipts ranging from \$4,300 to \$200,000 and interest rates from 2.0380% to 3.3810%. The total combined value of the lease receivable is \$9,063,083, with \$891,143 as the short-term lease receivable, and the deferred inflow of resources is \$9,013,314. The leases had \$0 of Variable Receipts and \$0 of Other Receipts within the Fiscal Year.

Out of these, 26 leases are related to buildings, a decrease from 33 in the previous year. Five leases are related to land and land improvements, down from 19, and one lease is related to infrastructure, which remained the

same. Of these, 18 are qualified leases under GASB Statement No. 87, with 3 having their term ended in 2023. The number of qualified leases under GASB Statement No. 87 increased from 11 to 13 for buildings, remained the same at 1 for land and land improvements, and remained the same at 1 for infrastructure.

The City is the lessor under 26 lease agreements related to buildings for various functions such as office space, garage space, and a communication center. Of these, 13 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 5 lease agreements related to land and land improvements. Of these, 1 is a qualified lease under GASB Statement No. 87 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 1 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 2.657%. The annual payment in the current year was \$54,280, with payments increasing by 3.00% annually in future years.

Schedule by year of future lease receivables as of December 31, 2023, is shown in the table below (dollars in thousands).

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$895	\$193	\$89,079	\$8,813
2025	796	176	83,140	6,867
2026	737	160	78,936	5,025
2027	711	144	75,668	3,259
2028	657	128	20,224	2,091
2029-2033	1,873	490	58,245	4,474
2034-2038	1,648	290	7,042	503
2039-2043	1,648	101	621	102
2044-2049	98	1	580	31
<b>Total lease receivables</b>	<b>\$9,063</b>	<b>\$1,683</b>	<b>\$413,535</b>	<b>\$31,165</b>

**Lease Liabilities** – As of December 31, 2023, the City had 41 leases for buildings, land and land improvements, infrastructure, and vehicles, of which 28 remained active and 13 terminated. This reflects a decrease from 35 active leases in the previous year. Of these, 22 were initially recognized on January 1, 2022, with the adoption of GASB Statement No. 87, and 6 were recognized in 2023. The leases have payments ranging from \$0 to \$904,039 and interest rates from 1.7720% to 3.4790%. The total combined value of the lease liability is \$28,343,085, with \$4,083,983 as the short-term lease liability. The combined value of the right-to-use asset as of December 31, 2023, is \$33,065,472 with accumulated amortization of \$5,631,648. The leases had \$0 of Variable Payments and \$0 of Other Payments within the Fiscal Year.

Out of these, 19 leases are related to buildings, a decrease from 23 in the previous year. Eight leases are related to land and land improvements, a decrease from 10 in the previous year, and one lease is related to infrastructure, which remained the same. The number of qualified leases under GASB Statement No. 87 increased from 15 to 16 for buildings, remained the same at 4 for land and land improvements, and remained the same at 1 for infrastructure.

The City is the lessee under 19 lease agreements related to buildings for various functions such as office space, garage space, and a communication center. Of these, 16 are qualified leases under GASB Statement No. 87 with periods covering various ranges with the latest expiring on January 31, 2037. Interest rates for lessee leases range from 1.772% to 3.479%. The annual payments for the current year range from \$0 to \$904,039.

The City is the lessee for 8 lease agreements related to land and land improvements. Of these, 4 are qualified leases under GASB Statement No. 87 with periods covering various ranges with the latest expiring on June 20, 2042. Interest rates for lessee leases are 2.038%. The annual payments for the current year range from \$0 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 2.043%. 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 expired on May 31, 2023. The interest rate for the lease was 2.043%. The annual payment in the current year was \$189,734.

Schedule by year of future lease liabilities as of December 31, 2023, is shown in the table below (dollars in thousands).

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 31,277	\$ 19,594	\$ 7,799	\$ 2,231
2025	33,114	19,120	7,831	1,879
2026	34,027	17,888	8,405	1,469
2027	32,988	16,657	8,846	1,038
2028	28,149	15,395	6,205	605
2029-2033	126,771	59,130	4,235	1,819
2034-2038	111,123	29,628	3,873	709
2039-2043	34,708	11,672	-	-
2044-2049	36,934	3,812	-	-
<b>Total lease liability</b>	<b>\$ 469,091</b>	<b>\$ 192,896</b>	<b>\$ 47,194</b>	<b>\$ 9,750</b>

**Subscription Payables** - The City has entered into 97 qualified SBITA agreements as the subscriber for software. The subscription liability related to these SBITAs was initially recognized on January 1, 2023, with the adoption of GASB Statement No. 96. All 89 of the SBITAs are related to software. Of these, 65 had payments included in the measurement of the subscription liability with periods covering various ranges and the latest expiring on December 31, 2034. Interest rates range from 2.23% to 3.479%. Annual payments for the current year range from \$2,128 to \$1,553,787.

Schedule by year of future subscription liabilities as of December 31, 2023, is shown in the table below (dollars in thousands).

Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 14,553	\$ 1,589	\$ 5,006	\$ 386
2025	14,442	1,202	5,043	245
2026	12,540	817	4,271	104
2027	8,984	497	-	-
2028	4,544	262	-	-
2029-2033	5,511	289	-	-
2034-2038	316	8	-	-
<b>Total subscription liability</b>	<b>\$ 60,890</b>	<b>\$ 4,664</b>	<b>\$ 14,320</b>	<b>\$ 735</b>

Assets pledged as collateral as of December 31, 2023, are shown in the table below.

<b>Financed Purchases</b>	<b>Asset Type</b>
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
<b>Certificates of Participation</b>	<b>Location</b>
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
2023A	201 W. Colfax - Webb Office Building Project

## 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, 2023, the net credit liability balance is \$61,122,000, 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, 2023, 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, 2023, 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 \$3,424,000 and excluding unamortized premium of \$115,230,000 at December 31, 2023, are \$897,885,000. 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 as of December 31, 2023, are shown below (dollars in thousands).

Year	General Obligation Bonds <sup>(4)</sup>		General Obligation Bonds - Direct Placements	
	Principal	Interest	Principal	Interest
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	75,125	32,070	-	-
2029-2033	301,420	80,102	-	-
2034-2038	178,865	30,435	-	-
2039-2042	55,810	3,395	-	-
<b>Total</b>	<b>\$ 866,320</b>	<b>\$ 282,577</b>	<b>\$ 31,565</b>	<b>\$ 1,119</b>

<sup>(4)</sup> Does not include \$3,424 of compound interest on the Series 2014A mini-bond or unamortized premium of \$115,230.

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 \$80,102,000 and \$19,857,000 for the primary government and the component unit DCCHA respectively, at December 31, 2023, are shown in the table below (dollars in thousands).

Purpose	Net Interest Cost	Interest Rates	Amount
Excise Tax Revenue <sup>(4)</sup>	3.28-3.89%	1.54-5.00%	\$ 815,100
Wastewater Management	2.41-3.39%	3.00-5.00%	206,395
Denver Airport System - senior lien bonds		0.82-6.41%	3,957,225
Denver Airport System - subordinate lien bonds		3.50-5.25%	3,031,440
Denver Airport System - direct placement senior lien bonds		1.31-1.46%	104,965
Denver Airport System - direct placement subordinate lien bonds		1.37-2.20%	143,850
<b>Total primary government</b>			<b>\$ 8,258,975</b>
DCCHA component unit		4.00-5.00%	\$ 246,365
<b>Total</b>			<b>\$ 8,505,340</b>

<sup>(4)</sup> Does not include \$21,553 of compound interest on the series 2018A

Revenue bonds' debt service requirements to maturity as of December 31, 2023, are shown in the tables below (dollars in thousands).

	Governmental Activities	
	Principal <sup>(1)</sup>	Interest
2024	\$ 12,205	\$ 31,364
2025	14,180	30,833
2026	16,215	30,278
2027	18,725	29,620
2028	21,190	28,834
2029-2033	117,192	151,322
2034-2038	95,641	176,445
2039-2043	154,587	117,492
2044-2048	214,155	61,549
2049-2052	151,010	12,239
<b>Total</b>	<b>\$ 815,100</b>	<b>\$ 669,976</b>

	Business-type Activities							
	Wastewater Management				Denver Airport System			
	Direct Placement		Senior and Subordinate		Senior and Subordinate Direct Placement			
	Principal <sup>(2)</sup>	Interest	Principal <sup>(3)</sup>	Interest <sup>(4)</sup>	Principal <sup>(3)</sup>	Interest <sup>(4)</sup>	Principal <sup>(3)</sup>	Interest <sup>(4)</sup>
2024	\$ 6,550	\$ 7,956	\$ 215,665	\$ 336,174	\$ 67,705	\$ 7,336		
2025	6,850	7,661	262,190	326,690	69,800	5,735		
2026	7,155	7,352	287,045	313,778	18,140	4,441		
2027	7,485	7,029	294,750	300,600	18,660	3,726		
2028	7,820	6,690	316,105	287,494	19,190	3,001		
2029-2033	41,440	28,987	1,533,155	1,221,147	55,320	4,120		
2034-2038	40,585	21,339	1,264,195	886,715	-	-		
2039-2043	49,050	12,884	1,349,680	557,852	-	-		
2044-2048	39,460	3,364	1,064,430	255,267	-	-		
2049-2053	-	-	401,450	59,250	-	-		
<b>Total</b>	<b>\$ 206,395</b>	<b>\$ 103,262</b>	<b>\$ 6,988,665</b>	<b>\$ 4,544,967</b>	<b>\$ 248,815</b>	<b>\$ 28,359</b>		

<sup>(1)</sup> Does not include unamortized premium of \$80,855 and compound interest of \$21,553

<sup>(2)</sup> Does not include unamortized premium of \$17,631

<sup>(3)</sup> Does not include unamortized premium of \$455,724

<sup>(4)</sup> Due to variable rate bonds, interest \$ are estimated.

Year	Component Unit	
	DCCHA	
	Principal <sup>(1)</sup>	Interest
2024	\$ 9,555	\$ 12,138
2025	10,035	11,660
2026	10,535	11,159
2027	11,065	10,631
2028	11,615	10,079
2029-2033	67,390	41,079
2034-2038	85,830	22,640
2039-2040	40,340	3,050
<b>Total</b>	<b>\$ 246,365</b>	<b>\$ 122,436</b>

<sup>(1)</sup> Does not include unamortized premium of \$19,857

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 \$419,227,000 with annual combined debt service requirements ranging from \$7,327,000 to \$36,353,000. In 2023, debt service paid and net revenue available for debt service was \$27,273,000 and \$109,633,000, 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 \$561,437,000 with annual combined debt service requirements ranging from \$5,679,000 to \$49,103,000. In 2023, debt service paid and net pledged revenue available for debt service was \$11,739,000 and \$45,847,000, 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 \$504,412,000 with annual combined debt service requirements ranging from \$6,040,000 to \$54,418,000. In 2023, debt service paid and net revenue available for debt service was \$11,144,000 and \$43,853,000 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. The refunding transactions yielded a net present value savings of \$8.1 million and a net gain for accounting purposes of \$11.0 million, which is included in deferred inflows of resources.

On November 22, 2023, the City, for and on behalf of the Airport, issued the Airport System Subordinate Revenue Bonds Series 2023A (Non-AMT) Bonds (Series 2023A) and Airport System Revenue Subordinate Bonds Series 2023B (AMT) Bonds (Series 2023B) for \$316.1 million and \$270.8 million, respectively. The proceeds from the Series 2023A and Series 2023B Bonds, coupled with Airport other available Airport funds, were used to refund and redeem all outstanding Airport System Subordinate Revenue Bonds, Series 2013A and Series 2013B on

a subordinate lien basis, make necessary deposits to the Series 2023A and Series 2023B Subordinate Bond Reserve Subaccount, and to pay the costs of issuing the Series 2023A and Series 2023B Bonds. The Series 2023A and Series 2023B Bonds bear interest at various fixed rates, staggered maturities through November 15, 2043 and are subject to redemption prior to maturity. The refunding transactions yielded a net present value savings of \$46.1 million and a net gain for accounting purposes of \$4.5 million, which is included in deferred inflows of resources.

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

Series	2008B <sup>(2)</sup>	2009C	2021 Interm Note
<b>Par Outstanding at 12/31/2023:</b>	\$24,100	\$45,255	\$-
<b>Lien:</b>	Senior	Senior	Subordinate
<b>Bond Maturity Date:</b>	11/15/2031	11/15/2031	6/30/2022
<b>Facility and Reimbursement Agreement Type:</b>	Credit	Credit	Note Purchase agreement
<b>As of 12/31/2023:</b>			
Financial Institution:	Bank of America, N.A.	Bank of America, N.A.	Bank of America, N.A.
Terms:			
Execution Date	7/1/2020	4/28/2017	12/17/2021
Initial Expiration Date	7/1/2023	4/28/2020	6/30/2022
Amended Expiration Date	n/a	4/28/2023	n/a
2nd Amended Expiration Date	n/a	n/a	n/a
<b>Index Rate 12/31/2023:</b>	SOFR Index Rate	SIFMA Index Rate	SIFMA Index Rate
<b>Applicable Spread as of 12/31/2023:</b>	0.52%	0.52%	0.11%
<b>Increase in Applicable Spread Due To Credit:</b>			
Rating Downgrade	Yes <sup>(1)</sup>	Yes <sup>(1)</sup>	n/a
Margin Rate Factor	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x Applicable Factor + Applicable Spread	Rate Formula Index Rate x Applicable Factor + Applicable Spread	n/a n/a n/a
<b>Moody's Rating as of 12/31/2023:</b>	Aa3	Aa3	n/a
<b>S&amp;P Rating as of 12/31/2023:</b>	AA-	AA-	n/a
<b>Fitch Rating as of 12/31/2023:</b>	AA-	AA-	n/a

<sup>(1)</sup> See Applicable Spread table.

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

Series	2021A	2021B	2015A	2002C	2019A
<b>Par Outstanding at 12/31/2023:</b>	\$12,100	\$10,000	\$99,540	\$13,510	\$76,330
<b>Lien:</b>	Senior	Senior	Subordinate	Senior	Subordinate
<b>Bond Maturity Date:</b>	11/15/2031	11/15/2031	11/15/2025	11/15/2031	11/15/2030
<b>Facility and Reimbursement Agreement Type:</b>	Credit	Credit	Credit	Credit	Credit
<b>As of 12/31/2023:</b>					
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	4/28/2028	n/a	n/a	9/25/2020	n/a
2nd Amended Expiration Date	n/a	n/a	n/a	4/28/2023	n/a
3rd Amended Expiration Date	n/a	n/a	n/a	4/28/2028	n/a
<b>Index Rate 12/31/2023:</b>	SOFR Index Rate	SIFMA Index Rate	Fixed Rate	SOFR Index Rate	Fixed Rate
<b>Applicable Factor:</b>	0.8	n/a	n/a	80.0%	n/a
<b>Applicable Spread as of 12/31/2023:</b>	0.52%	0.37%	n/a	0.52%	n/a
<b>Increase in Applicable Spread Due To Credit:</b>					
Rating Downgrade	Yes <sup>(1)</sup>	Yes <sup>(1)</sup>	n/a	Yes <sup>(1)</sup>	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
<b>Moody's Rating as of 12/31/2023:</b>	Aa3	Aa3	n/a	Aa3	n/a
<b>S&amp;P Rating as of 12/31/2023:</b>	AA-	AA-	n/a	AA-	n/a
<b>Fitch Rating as of 12/31/2023:</b>	AA-	AA-	n/a	AA-	n/a

<sup>(1)</sup> 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	<a href="https://emma.msrb.org/SS1490948.pdf">https://emma.msrb.org/SS1490948.pdf</a>	Amended and Restated Credit Facility and Reimbursement Agreement
2009C	<a href="https://emma.msrb.org/SS1480419.pdf">https://emma.msrb.org/SS1480419.pdf</a>	Amended and Restated Credit Facility and Reimbursement Agreement
2002C	<a href="https://emma.msrb.org/SS1480109.pdf">https://emma.msrb.org/SS1480109.pdf</a>	Second Amended and Restated Reimbursement Agreement
2019A	<a href="https://emma.msrb.org/ER1380040.pdf">https://emma.msrb.org/ER1380040.pdf</a>	Credit Facility and Reimbursement Agreement
2021A	<a href="https://emma.msrb.org/P21489462-P11171100-P11586834.pdf">https://emma.msrb.org/P21489462-P11171100-P11586834.pdf</a>	Amended and Restated Credit Facility and Reimbursement Agreement
2021B	<a href="https://emma.msrb.org/P21489462-P11171100-P11586834.pdf">https://emma.msrb.org/P21489462-P11171100-P11586834.pdf</a>	Amended and Restated Credit Facility and Reimbursement Agreement
2021C	<a href="https://emma.msrb.org/P21533161-P11197861-P11616050.pdf">https://emma.msrb.org/P21533161-P11197861-P11616050.pdf</a>	Bond Purchase Agreement
2021	<a href="https://emma.msrb.org/P21533161-P11197861-P11616050.pdf">https://emma.msrb.org/P21533161-P11197861-P11616050.pdf</a>	Note Purchase Agreement
Interim Note		

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, 2023:**

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		Section 7.1(b)	
Section 5.25			
Section 5.26			

As of December 31, 2023, 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, 2023, are presented in the table below.

Credit Facility Bond Series 2008B, 2009C, 2002C, and 2021AB			
Moody's	S&P	Fitch	Applicable Spread
A2 or higher	A or higher	A or higher	52 basis points (0.90%)
A3	A-	A-	62 basis points (1.16%)
Baa1	BBB+	BBB+	72 basis points (1.43%)
Baa2 or below	BBB or below	BBB or below	Default rate

Refer to EMMA for detailed information regarding the Applicable Spread upon Credit Ratings for each of the following Series: 2008B, 2009C, 2002C, 2021A and 2021B.

For the Series 2008B, 2009C, 2002C and 2021AB, 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 \$309,657,000. In 2023, principal and interest payments were \$14,513,000. Total principal and interest payments remaining on the bonds are \$206,395,000 and \$103,262,000, respectively, payable through 2047. Over the past 10 years, net pledged revenues available for debt service have averaged \$54,189,000. For detailed information on individual bond issues see **Other Supplementary Schedules – Combined Schedule of Bonds Payable and Escrows.**

- Other Debt** – DURA's note payable and tax increment bonds, exclusive of unamortized premium of \$6,305,000, and a discount of \$350,000, at December 31, 2023, are comprised of the following individual issues shown in the table below (dollars in thousands).

<b>Purpose</b>	<b>Interest Rates</b>	<b>Amount</b>
Series 2010B-1	3.00-5.00%	\$ 18,965
Series 2013A-1	5.00%	40,360
Series 2014D-2 - direct borrowing	4.10-4.19%	\$ 9,410
Series 2018 A	5.25%	46,640
Note payable		3,022
<b>Total</b>		<b>\$ 118,397</b>

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, 2024 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 as of December 31, 2023, are shown in the table below (dollars in thousands).

Year	DURA		Direct Borrowing				Direct Placement			
	DURA		DURA		RiNo GID		14th Street GID		DDDA	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 22,970	\$ 5,762	\$ 8,412	\$ 531	\$ 105	\$ 55	\$ 225	\$ 82	\$ 11,278	\$ 1,029
2025	39,860	4,849	998	164	108	51	235	76	11,818	647
2026	1,970	2,265	-	-	112	48	240	69	7,261	246
2027	2,070	2,161	-	-	116	43	245	62	-	-
2028	2,180	2,052	-	-	121	39	255	55	-	-
2029-2033	12,740	8,421	-	-	671	128	1,310	165	-	-
2034-2038	16,445	4,708	-	-	370	17	285	9	-	-
2039-2043	7,730	406	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 105,965</b>	<b>\$ 30,624</b>	<b>\$ 9,410</b>	<b>\$ 695</b>	<b>\$ 1,603</b>	<b>\$ 381</b>	<b>\$ 2,795</b>	<b>\$ 518</b>	<b>\$ 30,357</b>	<b>\$ 1,922</b>

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, 2023, are shown in the tables below (dollars in thousands).

<b>Governmental Activities</b>	<b>January 1, as restated</b>	<b>Additions</b>	<b>Deletions</b>	<b>December 31</b>	<b>Due within one year</b>
Legal liability	\$ 146,500	\$ 28,250	\$ 51,200	\$ 123,550	\$ -
Compensated absences:					
Classified service employees - 3,215	124,388	44,227	43,957	124,658	5,239
Career Service employees - 9,216	67,335	67,960	55,199	80,096	7,556
Net pension liability	1,233,639	573,601	170,897	1,636,343	-
Net OPEB liability	83,201	8,706	6,369	85,538	-
Lease liability	404,282	264,361	199,553	469,090	31,277
Subscription liability <sup>(3)</sup>	61,969	15,180	16,259	60,890	14,553
OPEB implicit rate subsidy liability	132,022	1,421	7,321	126,122	7,321
Claims payable	36,858	87,496	86,274	38,080	10,587
General obligation bonds <sup>(1)</sup>	958,413	826	89,496	869,743	53,730
General obligation bonds - direct placements	46,810	-	15,245	31,565	15,600
GID revenue notes	4,719	-	321	4,398	330
Excise tax revenue bonds <sup>(2)</sup>	850,239	4,404	17,990	836,653	12,205
Unamortized premium	229,813	33,120	28,609	234,324	-
<b>Total Governmental Activities</b>	<b>\$ 4,380,188</b>	<b>\$ 1,129,552</b>	<b>\$ 788,690</b>	<b>\$ 4,721,050</b>	<b>\$ 158,398</b>

<sup>(1)</sup> Ending balance includes compound interest of \$3,424

<sup>(2)</sup> Ending balance includes compound interest of \$21,553

<sup>(3)</sup> Subscription liability increased by \$61,969 as a result of implementing GASB 96 for January 1, 2023.

	January 1, as restated	Additions	Deletions	December 31	Due within one year
<b>Business-type Activities</b>					
Wastewater Management:					
Revenue bonds - direct placement	\$ 212,670	\$ -	\$ 6,275	\$ 206,395	\$ 6,550
Unamortized premium	18,564	-	932	17,632	-
Net pension liability	40,280	22,883	5,506	57,657	-
Net OPEB liability	2,550	865	353	3,062	-
OPEB implicit rate subsidy liability	3,324	44	240	3,128	240
Direct borrowings	1,891	-	932	959	959
Compensated absences	5,030	2,873	1,898	6,005	1,127
<b>Total Wastewater Management</b>	<b>284,309</b>	<b>26,665</b>	<b>16,136</b>	<b>294,838</b>	<b>8,876</b>
Denver Airport System:					
Legal liability	86,895	6,970	93,865	-	-
Senior lien revenue bonds	4,132,940	-	175,715	3,957,225	164,920
Subordinate lien revenue bonds	3,119,760	586,835	675,156	3,031,439	50,744
Senior lien revenue bonds - direct placement	110,755	-	5,790	104,965	9,800
Subordinate lien revenue bonds - direct placement	175,870	-	32,020	143,850	57,905
Unamortized premium	469,351	40,600	54,227	455,724	-
Revenue credit payable	50,000	-	-	50,000	50,000
Net pension liability	166,159	62,871	25,536	203,494	-
Net OPEB liability	10,516	1,644	1,355	10,805	-
OPEB implicit rate subsidy liability	11,430	248	834	10,844	834
Lease liability	2,269	48,476	3,551	47,194	7,799
Subscription liability <sup>(3)</sup>	17,473	1,580	4,733	14,320	5,006
Notes payable	282	3,416	768	2,930	155
Compensated absences	12,469	12,081	9,010	15,540	2,068
<b>Total Denver Airport System</b>	<b>8,366,169</b>	<b>764,721</b>	<b>1,082,560</b>	<b>8,048,330</b>	<b>349,231</b>
Nonmajor enterprise funds:					
Net pension liability	14,347	4,119	1,835	16,631	-
Net OPEB liability	855	114	87	882	-
OPEB implicit rate subsidy liability	1,087	-	104	983	75
Direct borrowing	1,075	-	1,075	-	-
Compensated absences	424	1,687	561	1,550	503
<b>Total nonmajor enterprise funds</b>	<b>17,788</b>	<b>5,920</b>	<b>3,662</b>	<b>20,046</b>	<b>578</b>
<b>Total Business-type Activities</b>	<b>\$ 8,668,266</b>	<b>\$ 797,306</b>	<b>\$ 1,102,358</b>	<b>\$ 8,363,214</b>	<b>\$ 358,685</b>
<b>Major and non-major Component Units:</b>					
Revenue bonds <sup>(1)</sup>	277,376	-	11,154	266,222	9,555
Increment bonds and notes payable <sup>(2)</sup>	159,765	1,940	33,194	128,352	31,397
Increment bonds - direct placements	60,858	-	30,500	30,358	11,278
Compensated Absences	255	126	93	288	-
Grants payable	32,845	17,057	12,683	37,219	29,307
Total liability non-major component units <sup>(4)</sup>	17,302	8,302	6,622	18,982	9,448
<b>Total Component Units</b>	<b>\$ 548,401</b>	<b>\$ 27,425</b>	<b>\$ 94,246</b>	<b>\$ 481,421</b>	<b>\$ 90,985</b>

(1) Includes unamortized premium of \$19,857

(2) Includes unamortized premium of \$6,306 and unamortized discount of \$350

(3) The beginning balance has been restated due to the implementation of the GASB Statement No. 96 - SBITA's

(4) The City has added total liability for non-major component units to this table for clarity in presentation

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

4. **Swap Agreements - Direct Placements** – On July 30, 2023, the City executed a 2023 Certificate of Participation (COP) non-direct placement. The objectives were to refund the City's 2008a COP, terminate its interest rate risk swaps and to renovate the Webb building at 201 West Colfax Avenue. Of the total proceeds of \$277,000,000, \$131,000,000 is being used to renovate the Webb building while \$145,000,000 plus \$20,000,000 of the City's general fund was used to refund the 2008a COP and terminate the City's associated swaps. This transaction resulted in a net present value savings of \$1,467,000.

## 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 \$28,224,000 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. The General Fund is the only fund that can carry a positive unassigned fund balance.

	General	Bond Projects	Human Services	Other Governmental Funds	Total Governmental Funds
<b>Fund Balances</b>					
<b>Nonspendable:</b>					
Endowment	\$ -	\$ -	\$ -	\$ 3,000	\$ 3,000
Prepaid items	23,193	772	181	4,078	28,224
<b>Total Nonspendable</b>	<b>23,193</b>	<b>772</b>	<b>181</b>	<b>7,078</b>	<b>31,224</b>
<b>Restricted:</b>					
General government	-	-	-	212,483	212,483
Public safety	-	-	-	29,581	29,581
Transportation and infrastructure	-	544,927	-	348,189	893,116
Human services	-	-	89,466	14,078	103,544
Health	-	-	-	35,387	35,387
Parks & recreation	-	-	-	123,049	123,049
Cultural activities	-	2,420	-	85,876	88,296
Community development	-	57,033	-	186,802	243,835
Loans receivable	4,560	-	-	110,486	115,046
Long-term debt	1,387	-	-	365,895	367,282
Emergency use	70,754	-	-	234	70,988
<b>Total Restricted</b>	<b>76,701</b>	<b>604,380</b>	<b>89,466</b>	<b>1,512,060</b>	<b>2,282,607</b>
<b>Committed:</b>					
General government	25,822	-	-	19,323	45,145
Public safety	7,573	-	-	-	7,573
Transportation and infrastructure	14,811	-	-	-	14,811
Health	8,297	-	-	-	8,297
Parks & recreation	2,647	-	-	47,773	50,420
Cultural Activities	719	-	-	40,813	41,532
Community development	12,738	-	-	-	12,738
Economic opportunity	2,073	-	-	-	2,073
<b>Total Committed</b>	<b>74,680</b>	<b>-</b>	<b>-</b>	<b>107,909</b>	<b>182,589</b>
<b>Assigned:</b>					
General government	-	-	-	2,339	2,339
<b>Total Assigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,339</b>	<b>2,339</b>
<b>Unassigned</b>	<b>247,573</b>	<b>-</b>	<b>-</b>	<b>(12,295)</b>	<b>235,278</b>
<b>Total Fund Balances</b>	<b>\$ 422,147</b>	<b>\$ 605,152</b>	<b>\$ 89,647</b>	<b>\$ 1,617,091</b>	<b>\$ 2,734,037</b>

## 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 2023, the City Attorney estimates the amount of liability determined as probable and incurred but not reported claims and judgments at December 31, 2023, to be approximately \$123,550,000. The City Attorney also estimates pending cases that have a reasonably possible likelihood of resulting in an additional liability aggregating approximately \$19,850,000 at December 31, 2023.

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

	<b>2023</b>	<b>2022</b>
Beginning balance - January 1	\$ 146,500	\$ 191,500
Current year claims	28,250	52,000
Changes in estimates	(48,756)	(95,337)
Claims settled	(2,444)	(1,663)
<b>Ending balance - December 31</b>	<b>\$ 123,550</b>	<b>\$ 146,500</b>

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-E-6 and 7** 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, 2023, 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, 2023, for 2024, was \$46,576,000. The Employee Insurance Benefits internal service fund has current assets and appropriations set aside in 2023 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, 2023 through December 31, 2023, 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, 2023, the City paid \$1,594,000 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).

	2023	2022
Beginning balance, undiscounted - January 1	\$ 36,858	\$ 35,810
Current year claims and changes in estimates	94,027	75,796
Claims paid	(86,274)	(68,325)
<b>Ending balance undiscounted</b>	<b>44,611</b>	<b>43,281</b>
Less discount	(6,531)	(6,423)
<b>Ending balance - December 31</b>	<b>\$ 38,080</b>	<b>\$ 36,858</b>

## Note D – Subsequent Events

1. **Airport new lease agreement** - In February 2024, the City, on behalf and for the Airport, executed a new Use and Lease Agreement with Delta Air Lines. Delta Air Lines now operates under a Use and Lease agreement that extends through February 28, 2035.
2. **Airport new car rental fee** - On May 30, 2024, the Airport filed notice with the City's Clerk and Recorder's office under the provisions of Chapter 5 and Sections 5-15 and 5-16 of the Revised Municipal Code of the City to increase the CFC rate from \$6.00 to \$10.00 per rental car transaction day for all airport customers to be collected by all on-airport rental car companies. This also applies to the outlying locations that have qualified airport passengers. The expected effective date for the increase is September 1, 2024.
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 2023.
4. **Migrant Sheltering** – The City and County of Denver has continued to provide shelter and transportation services to migrants. From January 2024 up to May 2024, the cost and migrants served was estimated to be \$22,700,000 and 42,000 migrants. The City has received some funding from the State and additional federal funds are pending. This is an ongoing situation that will continue to be a City priority.
5. **2024AB COP** – On April 11, 2024, the City executed a certificate of participation for par amount of \$111,500,000. The proceeds from the 2024A COP in the amount of \$89,000,000 will be used to finance the acquisition of the Denver Post building on 101 W. Colfax Ave. The proceeds from the 2024B COP in the amount of \$22,500,000 will be used to finance the acquisition of the Embassy Suites hotel located on 7525 E. Hampden Ave.
6. **GO Bonds** – On April 25, 2024, the City issued General Obligation (GO) Bonds Series 2024AB in the par amount of \$268,955,000. The Series 2024A Bonds in the par amount of \$129,235,000, were issued as part of the Elevate Denver GO bond authorization approved by Denver voters in November 2017. After the Series 2024A bond issuance, the Elevate Denver bond program has remaining authorization of \$0. The Series 2024B Bonds in the par amount of \$139,720,000 were issued as part of the RISE GO bond authorization approved by Denver voters in November 2021. After the issuance, the RISE Denver bond program has remaining authorization of \$0.

## 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, 2023, the City's general obligation debt outstanding was \$897,885,000 and the City's legal debt margin was \$6,354,393,000 or 2.70% 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, 2023, for the Denver International Airport, was \$637,635,000.
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, 2023 (dollars in thousands).

Program	City Share of Authorizations Plus Expenditures					Total Expenditures
	City EBT Authorizations	City Share of Authorizations	Expenditures by City Warrant	Expenditures by City Warrant	Expenditures	
Adult Protective Service	\$ -	\$ -	\$ 3,319	\$ 3,319	\$ 3,319	
Aid to Needy & Disabled	1,895	379	448	827	2,343	
Child Care	32,372	2,709	1,563	4,272	33,935	
Child Support Enforcement <sup>(2)</sup>	225	97	14,008	14,105	14,233	
Child Welfare	14,442	3,286	42,381	45,667	56,823	
Child Welfare Discretionary Grants	-	16	283	299	283	
Child Welfare Staffing SB15-242	-	-	4,993	4,993	4,993	
Child Welfare Subadopt & Relative Guardianship	9,536	980	-	980	9,536	
Colorado Works Admin <sup>(2)</sup>	31	-	8,914	8,914	8,945	
Colorado Works Non-Admin	16,268	2,647	1,840	4,487	18,108	
Core Services	5,332	958	4,809	5,767	10,141	
County Administration - CDHS2	621	124	19,495	19,619	20,116	
County Administration - HCPF Enhanced	-	-	14,018	14,018	14,018	
County Administration - HCPF Regular <sup>(2)</sup>	-	-	5,438	5,438	5,438	
County Only Pass Thru	4,760	1,476	-	1,476	4,760	
Federal Grants	-	-	2,080	2,080	2,080	
Food Assistance Benefits & Collections	218,231	-	-	-	218,231	
Food Assistance Job Search	232	68	1,405	1,473	1,637	
Home Care Allowance	90	4	-	4	90	
Low Income Energy Assistance	4,775	-	69	69	4,844	
Non-allocated Programs	1,488	114	1,404	1,518	2,892	
Old Age Pension	16,400	-	1,123	1,123	17,523	
SSI-Home Care Allowance	94	5	-	5	94	
TANF Collections-EBT	(540)	(108)	-	(108)	(540)	
Title IV-E Independent Living	-	-	175	175	175	
<b>Total</b>	<b>\$ 326,252</b>	<b>\$ 12,755</b>	<b>\$ 127,765</b>	<b>\$ 140,520</b>	<b>\$ 454,017</b>	

<sup>(1)</sup> 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.

<sup>(2)</sup> 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, 2023, the aggregate principal amount payable for the bonds, excluding the Airport's Special Facility Revenue bonds, was approximately \$113,872,000.

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, 2023, 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 2017-2019. On January 29, 2024, the Colorado Supreme Court dismissed Adams County’s complaint related to uncured Class II violations for 2014, 2015, and 2016, including interest. Because of this dismissal, the outstanding 2017-2019 notice of violations penalties, including accrued interest, were no longer considered an obligation to the Airport. As of December 31, 2023 and 2022, the Airport had claim litigation reserves of \$0.0 million and \$29.3 million for the penalties and estimated interest for the 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.

On January 29, 2024, the Colorado Supreme Court found in the City’s favor by ruling that Adams County knew in 1995 that DEN was using a noise modeling system to determine compliance with the IGA levels, rather than a monitor-based system as Adams County claimed is required by the IGA. Therefore, because Adams County waited until 2017 to file a complaint based on that alleged breach of the IGA, the claim was barred by the applicable statute of limitations. The Court dismissed Adams County’s complaint and, by doing so, vacated the lower courts’ rulings, including all monetary damages awarded. The case was mandated to the lower courts for dismissal. On March 27, 2024, the complaint was dismissed, and this litigation is now closed.

As of December 31, 2023 and 2022, the outstanding amount due to plaintiffs for 67 uncured Class II violations for 2014, 2015, and 2016, including interest, was \$0.0 million and \$57.6 million, respectively.

For the year ended December 31, 2023, the Airport recorded \$86.9 million as nonoperating revenue on the Statement of Revenue, Expenses, and Changes in Net Position. This amount represents a reversal of the total liability for claim litigation reserves and for 67 uncured Class II violations for 2014, 2015, and 2016 noted above as well as the 2017-2019 notice of violation penalties, including interest, accumulated through December 31, 2022.

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 \$4,867,000, 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 \$27,210,000 as of April 2023). 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 \$3,322,000 at December 31, 2023. 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 \$70,754,000. The amendment is also applicable to several component units, which have established emergency reserves of \$13,039,000.

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 2023, TABOR revenues exceeded the established limits by \$500,324,000.

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 \$22,500 for 2023. Those who are age 50 and older may save an additional \$7,500 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 2023. Total contributions by employees were \$62,665,000 for 2023.
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, 2023, are shown in the table below (dollars in thousands).

Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Income)
DERP:				
Governmental Activities	\$ 1,345,506	\$ 259,584	\$ 25,890	\$ 153,649
Business-type Activities	277,782	61,075	7,400	22,442
FPPA SWDB	24,005	179,789	3,287	22,210
PERA SDTF	580	122	74	13
PERA JDTF	5,040	4,176	742	(789)
Old hire Fire	147,175	35,175	-	11,745
Old hire Police	114,037	44,186	-	11,628
<b>Total</b>	<b>\$ 1,914,125</b>	<b>\$ 584,107</b>	<b>\$ 37,393</b>	<b>\$ 220,898</b>

### 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 17.95% of covered payroll and employees make a pre-tax contribution of 8.45% 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, 2023, were \$144,375,000, which equaled the required contributions.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At December 31, 2023, the City reported a liability of \$1,623,288,000 for its proportionate share of the net pension liability related to DERP. The proportionate shares are determined based on the relative shares of the Unfunded Actuarial Liability (UAL) from the most recent actuarial valuation. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

At December 31, 2022, the City's proportion was 93.72%, which was a decrease of 2.13% from its proportion measured as of December 31, 2021. 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	\$ 3,151,834	\$ 650,701	\$ 3,802,535
Plan fiduciary net position	1,806,328	372,919	2,179,247
<b>Net pension liability</b>	<b>\$ 1,345,506</b>	<b>\$ 277,782</b>	<b>\$ 1,623,288</b>

For the year ended December 31, 2023 the governmental activities and the business-type activities recognized pension expense of \$153,649,000 and \$22,442,000 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, 2023, is presented in the table below (dollars in thousands).

	<b>Governmental Activities</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 6,786	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	134,741	5,565
Changes in proportion	-	20,325
Contributions subsequent to the measurement date	118,057	-
<b>Total</b>	<b>\$ 259,584</b>	<b>\$ 25,890</b>

	<b>Business-type Activities</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 1,401	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	27,817	1,149
Changes in proportion	5,539	6,251
Contributions subsequent to the measurement date	26,318	-
<b>Total</b>	<b>\$ 61,075</b>	<b>\$ 7,400</b>

	<b>Total</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 8,187	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	162,558	6,714
Changes in proportion	5,539	26,576
Contributions subsequent to the measurement date	144,375	-
<b>Total</b>	<b>\$ 320,659</b>	<b>\$ 33,290</b>

The \$144,375,000 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, 2024. 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).

<b>Year</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
2024	\$ 2,451	\$ 2,882	\$ 5,333
2025	15,879	4,386	20,265
2026	31,149	6,431	37,580
2027	66,158	13,658	79,816
2028	-	-	-
Thereafter	-	-	-
<b>Total</b>	<b>\$ 115,637</b>	<b>\$ 27,357</b>	<b>\$ 142,994</b>

The total pension liability in the January 1, 2022 actuarial valuation was determined using the actuarial assumptions and other inputs presented in the table below.

	<b>DERP</b>
Discount rate	7.25%
Salary increases	3.00% plus merit component based on years of service.
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, 2022. These best estimates are summarized in the table below.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Rate of Return</b>
<b>U.S. Equities</b>		
Large Cap	18.00%	7.80%
Small Cap	4.00%	8.70%
<b>Total U.S. Equities</b>	<b>22.00%</b>	
<b>International Equities</b>		
Developed Markets	14.00%	10.10%
Emerging Markets	8.00%	10.30%
<b>Total International Equities</b>	<b>22.00%</b>	
<b>Fixed Income</b>		
Core Fixed Income	15.00%	4.80%
Private Debt	4.00%	8.50%
Distressed Debt	2.50%	10.80%
Emerging Market Debt	2.00%	6.40%
<b>Total Fixed Income</b>	<b>23.50%</b>	
<b>Real Estate</b>		
Real Estate	10.00%	4.30%
<b>Total Real Estate</b>	<b>10.00%</b>	
<b>Absolute Return</b>		
Absolute Return	7.00%	5.40%
<b>Total Absolute Return</b>	<b>7.00%</b>	
<b>Infrastructure</b>		
Infrastructure	3.00%	7.80%
<b>Total Infrastructure</b>	<b>3.00%</b>	
<b>Alternatives</b>		
Private Equity	9.00%	9.70%
Natural Resources	3.50%	9.80%
<b>Total Alternatives</b>	<b>12.50%</b>	
<b>Total Asset Class</b>	<b>100.00%</b>	

**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	\$ 1,692,305	\$ 1,345,506	\$ 1,054,524
Business-type activities	349,379	277,782	217,708
<b>Total</b>	<b>\$ 2,041,684</b>	<b>\$ 1,623,288</b>	<b>\$ 1,272,232</b>

**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 9.50% of base salary and employees make a pre-tax contribution of 12.00% for a total contribution rate of 21.50%. 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, 2023, were \$23,959,000.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At December 31, 2023, the City reported a pension liability of \$24,005,000 for its proportionate share of the net pension liability related to the FPPA SWDB plan. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The City's proportion of the net pension liability was based on City contributions to FPPA SWDB plan for the calendar year 2022 relative to the total contributions of participating employers to the FPPA SWDB plan.

At December 31, 2022, the City's proportion was 27.04%, which was a decrease of 1.92% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized a pension expense of \$22,210,000. The components of the City's proportionate share of the net pension liability related to FPPA SWDB as of December 31, 2023, are presented in the table below (dollars in thousands).

	FPPA SWDB
Total pension liability	\$ 1,014,756
Plan fiduciary net position	990,751
<b>Net pension liability</b>	<b>\$ 24,005</b>

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, 2023, is presented in the table below (dollars in thousands).

	<b>FPPA SWDB</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 51,963	\$ 2,947
Changes of assumptions or other inputs	30,754	-
Net difference between projected and actual earnings on pension plan investments	54,324	-
Change in proportion	18,789	340
Contributions subsequent to the measurement date	23,959	-
<b>Total</b>	<b>\$ 179,789</b>	<b>\$ 3,287</b>

The \$23,959,000 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, 2024. 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).

<b>Year</b>	<b>FPPA SWDB</b>
2024	\$ 15,839
2025	26,058
2026	35,429
2027	47,527
2028	11,523
Thereafter	16,167
<b>Total</b>	<b>\$ 152,543</b>

The total pension liability in the January 1, 2023 actuarial valuation was determined using the actuarial assumptions and other inputs presented in the table below (dollars in thousands).

	<b>FPPA SWDB</b>
Investment rate of return	7.00%
Salary increases	4.25-11.25%
Inflation	2.50%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60.00% of the MP-2020 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 2022 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, 2023. 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, 2022, are summarized in the table below.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	35.00%	8.93%
Equity Long/Short	6.00%	7.47%
Private Markets	34.00%	10.31%
Fixed Income - Rates	10.00%	5.45%
Fixed Income - Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Cash	1.00%	3.92%
<b>Total Asset Class</b>	<b>100.00%</b>	

**Discount Rate** – The discount rate used to measure the total pension liability 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)	\$ 165,490	\$ 24,005	\$ (93,190)

**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](http://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 11.00% of their PERA-includable salary to the SDTF and 11.00% of their PERA-includable salary to the JDTF. The City contributes 20.55% of includable salaries to the SDTF and 23.89% 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, 2023, were \$48,000. The City's contributions to the JDTF for the year ended December 31, 2023, were \$899,000.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At December 31, 2023, the City reported a liability of \$580,000 and \$5,040,000 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, 2022, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the total pension liabilities to December 31, 2022. The City's proportion of the net pension liabilities were based on City contributions to the SDTF and JDTF plan for the calendar year 2022 relative to the total contributions of participating employers to the SDTF and JDTF plans.

At December 31, 2022, the City's proportion of the SDTF was 0.005%, which was a decrease of 0.001% from its proportion measured as of December 31, 2021. At December 31, 2022, the City's proportion of the JDTF was 5.349% which was a decrease of 1.017% from its proportion measured as of December 31, 2021. 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	\$ 1,474	\$ 26,954
Plan fiduciary net position	894	21,914
<b>Net pension liability</b>	<b>\$ 580</b>	<b>\$ 5,040</b>

For the year ended December 31, 2023, the City recognized pension expense of \$13,000 for the SDTF and \$789,000 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, 2023, 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	\$ -	\$ 8	\$ 597	\$ -	\$ 597	\$ 8
Changes of assumptions or other inputs	-	-	17	-	17	-
Net difference between projected and actual earnings on pension plan investments	74	-	1,851	-	1,925	-
Change in proportion	-	66	812	742	812	808
Contributions subsequent to the measurement date	48	-	899	-	947	-
<b>Total</b>	<b>\$ 122</b>	<b>\$ 74</b>	<b>\$ 4,176</b>	<b>\$ 742</b>	<b>\$ 4,298</b>	<b>\$ 816</b>

The \$48,000 and \$899,000 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, 2024. 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
2024	\$ (62)	\$ 407
2025	(10)	588
2026	27	567
2027	45	973
2028	-	-
Thereafter	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 2,535</b>

The total pension liability in the December 31, 2021 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%
Long-term investment rate of return, net pension plan investment expenses, including price inflation	7.25%	7.25%

The total pension liability as of December 31, 2022, 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, 2021 valuation were based on the results of the 2020 experience analysis 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.

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%
<b>Total Asset Class</b>	<b>100.00%</b>	

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, 2021 and the financial status of the Trust Fund as of the prior measurement date (December 31, 2021). 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, and required adjustments resulting from the 2018 and 2020 AAP assessments. 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.
- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the \$225,000,000 (actual dollars) direct distribution a warrant to PERA in the amount of \$380,000,000 (actual dollars) with reductions to future direct distributions. The July 1, 2023, direct distribution was reduced by \$190,000,000 (actual dollars) to \$35,000,000 (actual dollars). The July 1, 2024, direct distribution will not be redacted from \$225,000,000 (actual dollars) due to a negative investment return in 2022.
- 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.
- 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).

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
	<b>6.25%</b>	<b>Discount Rate</b> <b>7.25%</b>	<b>8.25%</b>
City's proportionate share of the net pension liability	\$ 742	\$ 580	\$ 444

**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 and required adjustments resulting from the 2018 and 2020 AAP assessments. 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 for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2019 and 2020 AAP assessments. 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 drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect 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.
- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the \$225,000,000 (actual dollars) direct distribution a warrant to PERA in the amount of \$380,000,000 (actual dollars) with reductions to future direct distributions. The July 1, 2023, direct distribution was reduced by \$190,000,000 (actual dollars) to \$35,000,000 (actual dollars). The July 1, 2024, direct distribution will not be redacted from \$225,000,000 (actual dollars) due to a negative investment return in 2022.
- 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.
- As required by HB 20-1394, 5.00% of the Judicial Division base employer contribution rate is to be paid by the members of the Judicial Division effective for the 2020-21 and 2021-22 fiscal years. This contribution rate modification does not apply to judges employed by the Denver County Court.
- 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	\$ 7,786	\$ 5,040	\$ 2,688

**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/annual-reports.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, 2023 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 members	-	-	-
Active members	-	-	-
<b>Total</b>	<b>656</b>	<b>910</b>	<b>1,566</b>

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At December 31, 2023, the City reported a liability of \$147,175,000 and \$114,037,000 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, 2022, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of January 1, 2023. 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	\$ 436,846	\$ 645,693
Fiduciary net position	289,671	531,656
<b>Net Pension Liability</b>	<b>\$ 147,175</b>	<b>\$ 114,037</b>

For the year ended December 31, 2023, the City recognized \$11,745,000 and \$11,628,000 of pension expense 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, 2023, is presented in the table below (dollars in thousands).

	<b>Old Hire Fire</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	\$ 17,927	\$ -
Change in proportion	-	-
Contributions subsequent to the measurement date	17,248	-
<b>Total</b>	<b>\$ 35,175</b>	<b>\$ -</b>

	<b>Old Hire Police</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	\$ 33,500	\$ -
Change in proportion	-	-
Contributions subsequent to the measurement date	10,686	-
<b>Total</b>	<b>\$ 44,186</b>	<b>\$ -</b>

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, 2024. 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).

<b>Year</b>	<b>Old Hire Fire</b>	<b>Old Hire Police</b>
2024	\$ 81	\$ 371
2025	3,237	6,179
2026	5,623	10,425
2027	8,986	16,525
2028	-	-
Thereafter	-	-
<b>Total</b>	<b>\$ 17,927</b>	<b>\$ 33,500</b>

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

	Old Hire Fire		
	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
<b>Balances as of January 1, 2023</b>	\$ 449,811	\$ 337,277	\$ 112,534
<b>Changes for the year:</b>			
Service cost	-	-	-
Interest	27,929	-	27,929
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	17,248	(17,248)
Contributions - employee	-	-	-
Net investment income	-	(23,771)	23,771
Benefit payments	(40,894)	(40,894)	-
Administrative expense	-	(189)	189
Other changes	-	-	-
<b>Total Net Changes</b>	<b>\$ (12,965)</b>	<b>\$ (47,606)</b>	<b>\$ 34,641</b>
<b>Balances as of December 31, 2023</b>	<b>\$ 436,846</b>	<b>\$ 289,671</b>	<b>\$ 147,175</b>

	Old Hire Police		
	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
<b>Balances as of January 1, 2023</b>	\$ 660,190	\$ 620,593	\$ 39,597
<b>Changes for the year:</b>			
Service cost	-	-	-
Interest	41,133	-	41,133
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	10,686	(10,686)
Contributions - employee	-	-	-
Net investment income	-	(43,732)	43,732
Benefit payments	(55,630)	(55,630)	-
Administrative expense	-	(261)	261
Other changes	-	-	-
<b>Total Net Changes</b>	<b>\$ (14,497)</b>	<b>\$ (88,937)</b>	<b>\$ 74,440</b>
<b>Balances as of December 31, 2023</b>	<b>\$ 645,693</b>	<b>\$ 531,656</b>	<b>\$ 114,037</b>

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, 2022 are summarized in the table below.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	5.00%	4.40%
Fixed income - rates	30.00%	4.90%
Fixed income - credit	6.00%	6.60%
Absolute return	6.00%	6.90%
Long short	6.00%	6.70%
Global public equity	17.00%	8.70%
Private capital	30.00%	10.20%
<b>Total</b>	<b>100.00%</b>	

The total pension liability in the January 1, 2022 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	\$ 183,266	\$ 147,175	\$ 115,772
Old Hire Police net pension liability	170,910	114,037	64,874

**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, 2023, is presented in the table below (dollars in thousands).

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
<b>DERP:</b>				
Governmental Activities	\$ 71,932	\$ 13,163	\$ 8,272	\$ 3,647
Business-type Activities	14,750	2,754	2,013	566
HCTF	318	111	131	2
PRHF	13,288	6,218	3,631	1,960
<b>Total</b>	<b>\$ 100,288</b>	<b>\$ 22,246</b>	<b>\$ 14,047</b>	<b>\$ 6,175</b>
<b>Implicit Rate Subsidy</b>				
	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
<b>DERP:</b>				
Governmental Activities	\$ 69,596	\$ 19,609	\$ 12,265	\$ 4,998
Business-type Activities	14,954	6,973	2,851	1,499
Fire and Police	56,526	13,755	9,789	5,028
<b>Total</b>	<b>\$ 141,076</b>	<b>\$ 40,337</b>	<b>\$ 24,905</b>	<b>\$ 11,525</b>

## 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 2022, 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, 2023, contributions were \$7,181,000.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** – At December 31, 2023, the City reported a liability of \$86,682,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022. For the year ended December 31, 2022, the City's proportion of the net OPEB liability was determined based on the relative shares of the Unfunded Actuarial Liability (UAL) from the January 1, 2022 actuarial valuation.

At December 31, 2022, the City's proportion was 94.14% for OPEB, which was a decrease of 1.68% from its proportion measured as of December 31, 2021. 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).

<b>OPEB Plan</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Total OPEB liability	\$ 129,705	\$ 26,596	\$ 156,301
Plan fiduciary net position	57,773	11,846	69,619
<b>Net OPEB liability</b>	<b>\$ 71,932</b>	<b>\$ 14,750</b>	<b>\$ 86,682</b>

For the year ended December 31, 2023, the City recognized OPEB expense for the DERP plan of \$4,213,000.

A summary of the City's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2023, is presented in the table below (dollars in thousands).

<b>OPEB Plan</b>	<b>Governmental Activities</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 4,808
Changes of assumptions or inputs	758	-
Net difference between projected and actual earnings on OPEB plan investments	4,334	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,199	3,464
Contributions subsequent to the measurement date	5,872	-
<b>Total</b>	<b>\$ 13,163</b>	<b>\$ 8,272</b>

OPEB Plan	Business-type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 985
Changes of assumptions or inputs	155	-
Net difference between projected and actual earnings on OPEB plan investments	889	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	401	1,028
Contributions subsequent to the measurement date	1,309	-
<b>Total</b>	<b>\$ 2,754</b>	<b>\$ 2,013</b>

OPEB Plan	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 5,793
Changes of assumptions or inputs	913	-
Net difference between projected and actual earnings on OPEB plan investments	5,223	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,600	4,492
Contributions subsequent to the measurement date	7,181	-
<b>Total</b>	<b>\$ 15,917</b>	<b>\$ 10,285</b>

The \$7,181,000 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, 2024. 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
2024	\$ (1,410)	\$ (801)	\$ (2,211)
2025	(1,197)	(143)	(1,340)
2026	(491)	(58)	(549)
2027	2,117	434	2,551
2028	-	-	-
Thereafter	-	-	-
<b>Total</b>	<b>\$ (981)</b>	<b>\$ (568)</b>	<b>\$ (1,549)</b>

The total OPEB liability in the January 1, 2022 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, 2022
Measurement date	December 31, 2022
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
<b>U. S. Equities</b>		
Large Cap	18.00%	7.80%
Small Cap	4.00%	8.70%
<b>Total U.S. Equities</b>	<b>22.00%</b>	
<b>International Equities</b>		
Developed Markets	14.00%	10.10%
Emerging Markets	8.00%	10.30%
<b>Total International Equities</b>	<b>22.00%</b>	
<b>Fixed Income</b>		
Core Fixed Income	15.00%	4.80%
Private Debt	4.00%	8.50%
Distressed Debt	2.50%	10.80%
Emerging Market Debt	2.00%	6.40%
<b>Total Fixed Income</b>	<b>23.50%</b>	
<b>Real Estate</b>		
Real Estate	10.00%	4.30%
<b>Total Real Estate</b>	<b>10.00%</b>	
<b>Absolute Return</b>		
Absolute Return	7.00%	5.40%
<b>Total Absolute Return</b>	<b>7.00%</b>	
<b>Infrastructure</b>		
Infrastructure	3.00%	7.80%
<b>Total Infrastructure</b>	<b>3.00%</b>	
<b>Alternatives</b>		
Private Equity	9.00%	9.70%
Natural Resources	3.50%	9.80%
<b>Total Alternatives</b>	<b>12.50%</b>	
<b>Total Asset Class</b>	<b>100.00%</b>	

**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	\$ 84,894	\$ 71,932	\$ 60,941
Business-type activities	17,408	14,750	12,496
<b>Total</b>	<b>\$ 102,302</b>	<b>\$ 86,682</b>	<b>\$ 73,437</b>

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](http://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, 2023, contributions were \$6,499,000.

**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.

The table below displays Plan participants at December 31, 2022, the date of the latest actuarial valuation.

	<b>Plan Participants</b>
Inactive employees currently receiving benefit payments	933
Inactive employees entitled to but not yet receiving benefit payments	449
Active employees	8,810
<b>Total</b>	<b>10,192</b>

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

<b>Implicit Rate Subsidy</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Total OPEB liability	\$ 69,596	\$ 14,954	\$ 84,550

For the year ended December 31, 2023, the City recognized OPEB expense of \$6,497,000 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, 2023, is presented in the table below (dollars in thousands).

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>Implicit Rate Subsidy</b>		
Difference between expected actual experience	\$ 2,528	\$ 3,395
Changes of assumptions or other inputs	11,084	6,130
Changes in proportion	647	2,740
Benefit claims made subsequent to the measurement date	5,350	-
<b>Total</b>	<b>\$ 19,609</b>	<b>\$ 12,265</b>
	Business-type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>Implicit Rate Subsidy</b>		
Difference between expected actual experience	\$ 542	\$ 729
Changes of assumptions or other inputs	2,382	1,317
Changes in proportion	2,900	805
Benefit claims made subsequent to the measurement date	1,149	-
<b>Total</b>	<b>\$ 6,973</b>	<b>\$ 2,851</b>
	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>Implicit Rate Subsidy</b>		
Difference between expected actual experience	\$ 3,070	\$ 4,124
Changes of assumptions or other inputs	13,466	7,447
Changes in proportion	3,547	3,545
Benefit claims made subsequent to the measurement date	6,499	-
<b>Total</b>	<b>\$ 26,582</b>	<b>\$ 15,116</b>

The \$6,499,000 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, 2024. 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
2024	\$ 838	\$ 605	\$ 1,443
2025	838	605	1,443
2026	716	621	1,337
2027	595	609	1,204
2028	139	525	664
Thereafter	(1,132)	8	(1,124)
<b>Total</b>	<b>\$ 1,994</b>	<b>\$ 2,973</b>	<b>\$ 4,967</b>

The implicit rate subsidy liability in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in the table below.

<b>Implicit Rate Subsidy</b>	<b>DERP</b>
Valuation date	December 31, 2022
Measurement date	December 31, 2022
Actuarial Method	Entry Age Normal
Asset valuation method	N/A; the plan is not being funded through a trust
Discount rate	3.72% as of December 31, 2022
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 4.90% - 7.00% January 1 of 2023-2039
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 3.72% as of December 31, 2022.

**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).

<b>OPEB Liability - Implicit Rate Subsidy</b>	<b>1% Decrease 2.72%</b>	<b>Current Discount Rate 3.72%</b>	<b>1% Increase 4.72%</b>
Governmental activities	\$ 75,174	\$ 69,596	\$ 64,572
Business-type activities	16,153	14,954	13,874
<b>Total</b>	<b>\$ 91,327</b>	<b>\$ 84,550</b>	<b>\$ 78,446</b>

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

<b>Change in Healthcare Cost Trend Rate</b>	<b>Current Trend (1.00)%</b>	<b>Current Trend</b>	<b>Current Trend 1.00%</b>
<b>Governmental Activities OPEB Liability</b>	\$ 63,988	\$ 69,596	\$ 76,064
Increase (decrease)	(5,608)		6,468
% Increase (decrease)	(8.06%)		9.29%
<b>Business-type Activities OPEB Liability</b>	\$ 13,749	\$ 14,954	\$ 16,344
Increase (decrease)	(1,205)		1,390
% Increase (decrease)	(8.06%)		9.29%

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

	<b>Total OPEB Liability</b>
<b>Balances as of January 1, 2023</b>	\$ 91,089
<b>Changes for the year:</b>	
Service cost	3,177
Interest	1,877
Benefit changes	-
Differences between expected and actual experience	3,194
Changes of assumptions	(8,467)
Benefit payments	(6,320)
Employee contributions	-
Employer contributions	-
Net investment income	-
Administrative expense	-
<b>Total net changes</b>	<b>\$ (6,539)</b>
<b>Balances as of December 31, 2023</b>	<b>\$ 84,550</b>

## 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, 2023, contributions to the HCTF were \$43,000.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** – At December 31, 2023, the City reported a liability of \$318,000 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2022. The City's proportion of the net OPEB liability was based on contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the City's proportion was 0.04%, which was consistent with its proportion measured as of December 31, 2021.

The components of the City's proportionate share of the net OPEB liability related to PERA HCTF as of December 31, 2023, are presented in the table below (dollars in thousands).

	<b>HCTF</b>	
Total OPEB liability	\$	518
Plan fiduciary net position		200
<b>Net OPEB liability</b>	<b>\$</b>	<b>318</b>

For the year ended December 31, 2023, the City recognized OPEB expense for the PERA HCTF plan was \$2,000. A summary of the City's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2023, is presented in the table below (dollars in thousands).

	<b>HCTF</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 77
Changes in assumptions or other inputs	5	35
Net difference between projected and actual earnings on OPEB plan investments	19	-
Change in proportion	44	19
Contributions subsequent to the measurement date	43	-
<b>Total</b>	<b>\$ 111</b>	<b>\$ 131</b>

The \$43,000 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, 2024. 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).

<b>Year</b>	<b>HCTF</b>	
2024	\$	(30)
2025		(25)
2026		(7)
2027		3
2028		(3)
Thereafter		(1)
<b>Total</b>	<b>\$</b>	<b>(63)</b>

The total OPEB liability in the December 31, 2021 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, 2021
Measurement date	December 31, 2022
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 %
<b>Health care cost trend rates PERA benefit structure:</b>	
Service-based premium subsidy	0.00 %
PERACare Medicare plans	6.50% in 2022 gradually decreasing to 4.50% in 2030
Medicare Part A premiums	3.75% in 2022 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, 2021, valuation was based on the 2020 experience analysis 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.

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, 2022, 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
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	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 2022 plan year.
- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- 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.

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.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30-Year Expected Geometric Real Rate of Return</b>
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%
<b>Total Asset Class</b>	<b>100.00%</b>	

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	5.25%	6.25%	7.25%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
<b>Net OPEB Liability</b>	<b>\$ 309</b>	<b>\$ 318</b>	<b>\$ 328</b>

**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, 2022 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 middle of the year..

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	\$ 369	\$ 318	\$ 275

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/financial-reports-and-studies](http://www.copera.org/financial-reports-and-studies).

**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, 2022 actuarial valuation, there are 1,524 active employees under age 65 covered under the health insurance plans and 68 vested terminated employees. In addition, there are 273 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, 2023, 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, 2023, the City reported a liability of \$13,288,000 for the net OPEB liability. The net OPEB liability for the Denver Police Retiree Fund was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. 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	\$ 21,074
Plan fiduciary net position	7,786
<b>Net OPEB liability</b>	<b>\$ 13,288</b>
<b>Plan fiduciary net position as percentage of total OPEB liability</b>	<b>58.59%</b>

For the year ended December 31, 2023, the City recognized OPEB expense for the Denver Police Retiree Health Fund of \$1,960,000. A summary of the City’s deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2023, is presented in the table below (dollars in thousands).

	PRHF	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ -	\$ 3,557
Changes of assumptions or other inputs	4,536	74
Net difference between projected and actual earnings on OPEB plan investments	482	-
Contributions subsequent to the measurement date	1,200	-
<b>Total</b>	<b>\$ 6,218</b>	<b>\$ 3,631</b>

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, 2024. Other amounts reported as deferred inflows of resources will be recognized as OPEB expense as presented in the table below.

Year	PRHF
2024	\$ 283
2025	414
2026	452
2027	585
2028	313
Thereafter	(660)
	<u>\$ 1,387</u>

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, 2022
Actuarial method	Entry age normal level % of pay
Discount rate	4.95 %
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 2022 applied generationally from 2018.

### Future Increases in the Maximum Monthly Benefit

The Maximum Monthly Benefit paid by the Fund is assumed to remain at the current level through December 31, 2025, increase by 20% effective January 1, 2026, and then increase by 3.5% per year thereafter, beginning January 1, 2027.

### 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	6.00%
Stocks, options & ETFs	70.20%
Fixed income securities	18.90%
Global hedge funds	4.90%
<b>Total Asset Class</b>	<b>100.00%</b>

**Discount rate** – The discount rate used to measure the total OPEB liability decreased to 4.95%. 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 has been prefunding its OPEB liability in accordance with levels established in bargaining agreements. In some years, these contribution levels may exceed or fall short of the Actuarially Determined Contribution (ADC). The ADC consists of two basic components, which have been adjusted with interest to the City’s 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). For this purpose, we used a closed 20-year amortization period, with payments determined on a level percent of payroll basis.

**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 4.95%. The Healthcare Cost Trend Rate (as applied in projecting future increases in maximum benefits provided by the Fund) has a 20.00% initial assumed increase effective January 1, 2026, and then continues on at 3.50% per year thereafter. 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% 3.95%	Current 4.95%	Current +1.00% 5.95%
Net OPEB liability	\$ 14,908	\$ 13,288	\$ 11,803
Increase (decrease)	1,620		(1,485)
% Increase (decrease)	12.20%		(11.20%)

Change in Healthcare Cost Trend Rate	Current Trend (1.00%)	Current Trend	Current Trend 1.00%
Net OPEB liability	\$ 11,444	\$ 13,288	\$ 15,412
Increase (decrease)	(1,844)		2,124
% Increase (decrease)	(13.90%)		16.00%

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

	2023		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
<b>Balances as of January 1, 2023</b>	\$ 22,618	\$ 8,168	\$ 14,450
<b>Changes for the Year:</b>			
Service cost	900	-	900
Interest	1,192	-	1,192
Benefit changes	-	-	-
Differences between expected and actual experience	-	(1,359)	1,359
Changes of assumptions	445	-	445
Benefit payments	(728)	(728)	-
Employee contributions	-	-	-
Employer contributions	-	1,200	(1,200)
Net investment income	-	505	(505)
Plan experience	(3,353)	-	(3,353)
<b>Total Net Changes</b>	<b>\$ (1,544)</b>	<b>\$ (382)</b>	<b>\$ (1,162)</b>
<b>Balances as of December 31, 2023</b>	<b>\$ 21,074</b>	<b>\$ 7,786</b>	<b>\$ 13,288</b>

#### 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 270 participating employer departments. Included in that number are 7 contributing employers as of December 31, 2022, 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. During 2022, C.R.S. 31-31-811 was amended to provide additional payments from the State to the Plan on July 1, 2022 and July 1, 2023 of \$6,650,000 each. Members hired on or after January 1, 1997, began contributing 2.40% of base salary to this Plan as of January 1, 1997. Effective January 1, 2022, the contribution rate increased to 3.20% of base salary and may be increased 0.20% annually by the FPPA Board. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The contribution may be paid entirely by the employer or member, or may be split between the employer and the member as determined at the local level. The plan has 1,436 retirees and beneficiaries currently receiving benefits and 15,193 total members. 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, 2022 actuarial valuation, there are 2,575 active employees under age 65 covered under the health insurance plans and 86 vested-terminated employers. In addition, there are 233 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, 2022, contributions were \$2,665,000. 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, 2023, the City reported a liability of \$56,526,000 for the total OPEB implicit rate liability. The OPEB implicit rate liability for the Fire and Police plan was measured as of December 31, 2022. The total OPEB implicit rate liability was determined by an actuarial valuation as of December 31, 2022.

The components of the total OPEB liability related to the Fire and Police Implicit Rate Subsidy as of December 31, 2023 are presented in the table below (dollars in thousands).

**Fire and Police Implicit Rate Subsidy**

Total OPEB implicit rate liability	\$	56,526
------------------------------------	----	--------

For the year ended December 31, 2023, the City recognized OPEB implicit rate expense for Fire and Police of \$5,028,000. 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, 2023, is presented in the table below (dollars in thousands).

	<b>Fire and Police Implicit Rate Subsidy</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes of assumptions or other inputs	\$ 7,373	\$ 5,867
Net difference between projected and actual earnings on OPEB plan investments	3,717	3,922
Benefits paid subsequent to the measurement date	2,665	-
<b>Total</b>	<b>\$ 13,755</b>	<b>\$ 9,789</b>

The \$2,665,000 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, 2024. 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).

<b>Year</b>		
2024	\$	430
2025		430
2026		430
2027		399
2028		350
Thereafter		(738)
<b>Total</b>	<b>\$</b>	<b>1,301</b>

The total OPEB implicit rate liability in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented in the table below.

<b>Fire and Police Implicit Rate Subsidy</b>	
Valuation Date	December 31, 2022
Actuarial method	Entry age normal + % of pay
Discount rate	3.72% as of December 31, 2022
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.

### 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
<b>Police</b>								
Kaiser DHMO	\$ 608	\$ 803	\$ 1,023	\$ 1,269	\$ 787	\$ 927	\$ 1,048	\$ 1,232
Kaiser HDHP	566	748	953	1,182	733	864	977	1,147
United HDHP	661	873	1,112	1,379	855	1,007	1,139	1,338
United CDP	746	985	1,255	1,556	965	1,137	1,286	1,510
<b>Fire</b>								
Kaiser HMO	\$ 657	\$ 868	\$ 1,105	\$ 1,370	\$ 850	\$ 1,001	\$ 1,132	\$ 1,330
Kaiser HDHMO	525	693	883	1,095	679	800	904	1,062
Kaiser Triple Option	760	1,004	1,279	1,585	983	1,158	1,310	1,539

In developing these factors, it was assumed there were 1.85 children per participant covering children with an average age of 13.0. 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 3.72%. Healthcare Cost Trend Rate was assumed to start at 7.00% (increase effective January 1, 2024) and grade down to 3.90% for the years 2075 and later. The impact of 1.00% increase or a 1.00% decrease in these assumptions is shown in the table below.

<b>Discount Rate</b>	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
<b>Implicit Rate Subsidy</b>	<b>2.72%</b>	<b>3.72%</b>	<b>4.72%</b>
OPEB Liability	61,675	56,526	51,876
Increase (decrease)	5,149		(4,650)
% Increase (decrease)	9.11%		(8.23%)
<b>Health Care Cost Trend Rate</b>			
<b>Implicit Rate Subsidy</b>	<b>1% Decrease</b>	<b>Current Trend</b>	<b>1% Increase</b>
OPEB Liability	50,768	56,526	63,280
Increase (decrease)	(5,758)		6,754
% Increase (decrease)	(10.19%)		11.95%

**Discount Rate** – The discount rate was changed from 2.06% as of December 31, 2021, to 3.72% as of December 31, 2022, 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).

	<b>Total OPEB Liability</b>
<b>Balances as of January 1, 2023</b>	\$ 56,774
<b>Changes for the Year:</b>	
Service cost	3,381
Interest	1,218
Benefit changes	-
Differences between expected and actual experience	3,779
Changes of assumptions	(6,526)
Benefit payments	(2,100)
Employee contributions	-
Employer contributions	-
Net investment income	-
Administrative expense	-
<b>Total Net Changes</b>	<b>\$ (248)</b>
<b>Balances as of December 31, 2023</b>	<b>\$ 56,526</b>

**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, 2023, contributions to the PEHP were \$1,476,000. 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

**Fire and Police Pension Association**

5290 DTC Pkwy #100  
Greenwood Village, CO 80111

**Postemployment Health Plan**

Nationwide Retirement Solutions  
P.O. Box 182797 Columbus, OH 43218-2797

**Denver Employees Retirement Plan**

777 N Pearl Street  
Denver, CO 80203

**City and County of Denver**

201 West Colfax Avenue  
Denver, CO 80202

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## Required Supplementary Information Budgetary Comparison Schedule - General Fund and Human Services Special Revenue Fund

Year Ended December 31, 2023 (dollars in thousands)

	General Fund			Variance with Final Budget
	Budget Original	Final	Actual	
<b>Revenues</b>				
Taxes	\$ 1,217,343	\$ 1,225,709	\$ 1,233,486	\$ 7,777
Licenses and permits	60,795	66,836	66,721	(115)
Intergovernmental revenues	40,166	38,255	39,990	1,735
Charges for services	173,281	172,272	218,393	46,121
Investment and interest income	18,689	30,721	40,577	9,856
Fines and forfeitures	50,003	41,986	37,464	(4,522)
Contributions	-	-	32	32
Other revenue	4,671	3,235	18,030	14,795
<b>Total Revenues</b>	<b>1,564,948</b>	<b>1,579,014</b>	<b>1,654,693</b>	<b>75,679</b>
<b>Budget Basis Expenditures</b>				
General government	600,510	637,776	623,889	13,887
Public safety	688,606	743,886	738,100	5,786
Transportation and infrastructure	156,108	158,711	163,439	(4,728)
Human services	-	6,122	4,010	2,112
Health	72,344	74,292	72,647	1,645
Parks and recreation	96,457	95,813	93,702	2,111
Cultural activities	61,777	61,814	59,590	2,224
Community development	82,441	88,931	79,716	9,215
Economic opportunity	1,252	1,252	1,252	-
<b>Total Budget Basis Expenditures</b>	<b>1,759,495</b>	<b>1,868,597</b>	<b>1,836,345</b>	<b>32,252</b>
Excess (deficiency) of revenues over budget basis expenditures	(194,547)	(289,583)	(181,652)	107,931
<b>Other Financing Sources (Uses)</b>				
Bond Premium	-	-	12,979	12,979
Issuance of bonds and notes	-	-	132,415	132,415
Insurance recoveries	-	-	1,376	1,376
Transfers in	49,481	81,001	180,230	99,229
Transfers out	(144,021)	(201,590)	(201,514)	76
<b>Total Other Financing Sources (Uses)</b>	<b>(94,540)</b>	<b>(120,589)</b>	<b>125,486</b>	<b>246,075</b>
Excess (deficiency) of revenues and other financing sources over budget basis expenditures and other financing uses	<u>\$ (289,087)</u>	<u>\$ (410,172)</u>	(56,166)	<u>\$ 354,006</u>
Fund balances - January 1			491,570	
<b>Fund Balances - December 31</b>			<b>\$ 435,404</b>	
<b>Adjustment to generally accepted accounting principles (GAAP) basis</b>				
Non-budgeted expenditures recognized in fund financial statement			(12,172)	
GASB 87 and GASB 96 adjustments included in fund financial statement			(1,085)	
<b>Fund Balances - December 31</b>			<u><b>\$ 422,147</b></u>	

See accompanying notes to required supplementary information.

**Human Services Special Revenue Fund**

<b>Budget</b>						<b>Variance with</b>
<b>Original</b>	<b>Final</b>	<b>Actual</b>			<b>Final Budget</b>	
\$ 81,987	\$ 79,280	\$ 79,459	\$			179
-	-	-				-
103,100	103,100	116,520				13,420
194	194	299				105
-	-	2				2
-	-	-				-
-	-	96				96
-	-	39				39
<b>185,281</b>	<b>182,574</b>	<b>196,415</b>				<b>13,841</b>
-	-	-				-
-	-	-				-
-	-	-				-
209,857	213,664	207,288				6,376
-	-	-				-
-	-	-				-
-	-	-				-
-	-	-				-
<b>209,857</b>	<b>213,664</b>	<b>207,288</b>				<b>6,376</b>
(24,576)	(31,090)	(10,873)				20,217
-	-	-				-
-	-	-				-
-	-	-				-
-	-	12,295				12,295
(20,000)	(37,063)	(21,000)				16,063
<b>(20,000)</b>	<b>(37,063)</b>	<b>(8,705)</b>				<b>28,358</b>
<b>\$ (44,576)</b>	<b>\$ (68,153)</b>	(19,578)	<b>\$</b>			<b>48,575</b>
		109,227				
		<b>89,649</b>				
		(2)				
		<b>89,647</b>	<b>\$</b>			

## 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, Debt Service Funds, Capital Project Funds, and Enterprise 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. Unspent appropriations in the General Fund, Enterprise Funds, Human Services special revenue fund, and some other Special Revenue Funds 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. Note that for appropriated funds that lapse, funds that are encumbered at year end also lapse. The City’s practice is to roll encumbrances forward into the new fiscal year, which then encumber the new year’s budget. When the prior year closes, the Budget Management Office works with agencies to review rolled encumbrances to determine which need budget added in the future year—in other words, which encumbrances needed budget to ‘not lapse’. This process is due to the fact that most encumbrances are for ongoing expenses covered by existing budget in the following year; thus, rolling budget for all encumbrances at year end would result in these expenses being budgeted twice in the following year.

## Required Supplementary Information Schedule of City's Proportionate Share of the Net Pension Liability - DERP

December 31, 2023 (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 as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<b>DERP</b>					
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%
December 31, 2023	93.72%	1,623,288	617,668	262.81%	57.31%

**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. For the year ended December 31, 2023, the proportionate share for the City was determined based on the relative share of the Unfunded Actuarial Liability from the January 1, 2022 actuarial valuation. 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, 2023 (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
<b>DERP</b>					
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%
December 31, 2023	144,375	144,375	-	769,728	18.76%

**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. For the year ended December 31, 2023, the proportionate share for the City was determined based on the relative share of the Unfunded Actuarial Liability from the January 1, 2022 actuarial valuation. 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's Proportionate Share of the Net Pension Liability - FPPA SWDB

December 31, 2023 (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
<b>FPPA SWDB</b>					
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	17.26%	106.72%
December 31, 2022	28.96%	(156,920)	258,134	60.79%	116.16%
December 31, 2023	27.04%	24,005	263,420	9.11%	97.63%

**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, 2023 (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
<b>SWDB</b>					
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%
December 31, 2023	22,451	23,959	(1,508)	280,642	8.54%

**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, July 2018 and July 2022 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. The approved assumption changes from the July 2022 meeting were effective for actuarial valuations beginning January 1, 2023 and were used in the rollforward calculation of total pension liability as of December 31, 2022. 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, 2023 (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 as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<b>PERA SDTF</b>						
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	-	229	284.72%	65.36%
December 31, 2022	0.006%	452	5	229	197.38%	73.05%
December 31, 2023	0.005%	580	10	222	261.26%	60.65%
<b>PERA JDTF</b>						
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	-	3,145	127.63%	87.06%
December 31, 2022	6.366%	584	87	2,740	21.31%	98.11%
December 31, 2023	5.349%	5,040	191	3,532	142.70%	81.30%

**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. 2022 contributions include \$5,000 for the SDTF and \$87,000 for the JDTF from the special funding situation with the State of Colorado as a non-employer contributing entity per SB-18-200. 2023 contributions include \$10,000 for the SDTF and \$191,000 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, 2023 (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
<b>SDTF</b>					
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%
December 31, 2023	48	48	-	238	20.17%
<b>JDTF</b>					
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%
December 31, 2023	899	899	-	3,936	22.84%

**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 during the year. 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, 2023 (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
<b>Old Hire Fire</b>					
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
December 31, 2023	17,248	17,248	-	n/a	n/a
<b>Old Hire Police</b>					
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
December 31, 2023	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:** Changes in assumptions. No changes during the year. 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.

Methods and assumptions used to determine contribution rates:	Old Hire Fire	Old Hire Police
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar, Open	Level Dollar, Open
Remaining amortization period	n/a	n/a
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.

## Required Supplementary Information

### Schedule of Changes in the City's Net Pension Liability and Related Ratios - FPPA Old Hire Fire

December 31, 2023 (dollars in thousands)

FPPA Old Hire Fire	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total pension liability</b>									
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	34,596	34,026	35,748	35,214	34,880	34,233	31,286	30,563	27,929
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)	(40,894)
<b>Net change in total pension liability</b>	<b>(7,653)</b>	<b>23,295</b>	<b>(7,086)</b>	<b>(4,146)</b>	<b>(8,649)</b>	<b>24,923</b>	<b>(12,174)</b>	<b>(40,721)</b>	<b>(12,965)</b>
<b>Total pension liability - beginning</b>	<b>482,022</b>	<b>474,369</b>	<b>497,664</b>	<b>490,578</b>	<b>486,432</b>	<b>477,783</b>	<b>502,706</b>	<b>490,532</b>	<b>449,811</b>
<b>Total pension liability - ending</b>	<b>\$ 474,369</b>	<b>\$ 497,664</b>	<b>\$ 490,578</b>	<b>\$ 486,432</b>	<b>\$ 477,783</b>	<b>\$ 502,706</b>	<b>\$ 490,532</b>	<b>\$ 449,811</b>	<b>\$ 436,846</b>
<b>Plan fiduciary net position</b>									
Contributions - employer	\$ 13,944	\$ 16,803	\$ 13,061	\$ 16,355	\$ 16,355	\$ 17,248	\$ 17,248	\$ 17,248	\$ 17,248
Contributions - employee	7	7	7	8	3	-	-	-	-
Net investment income (loss)	23,465	6,174	17,084	44,879	531	37,862	31,818	37,126	(23,771)
Benefit payments, including refunds of employee contributions	(42,249)	(42,134)	(42,834)	(42,893)	(43,529)	(43,462)	(43,460)	(41,302)	(40,894)
Administrative expense	(545)	(488)	(518)	(146)	(175)	(155)	(162)	(159)	(189)
<b>Net change in plan fiduciary net position</b>	<b>(5,378)</b>	<b>(19,638)</b>	<b>(13,200)</b>	<b>18,203</b>	<b>(26,815)</b>	<b>11,493</b>	<b>5,444</b>	<b>12,913</b>	<b>(47,606)</b>
<b>Plan fiduciary net position - beginning</b>	<b>354,255</b>	<b>348,877</b>	<b>329,239</b>	<b>316,039</b>	<b>334,242</b>	<b>307,427</b>	<b>318,920</b>	<b>324,364</b>	<b>337,277</b>
<b>Plan fiduciary net position - ending</b>	<b>\$ 348,877</b>	<b>\$ 329,239</b>	<b>\$ 316,039</b>	<b>\$ 334,242</b>	<b>\$ 307,427</b>	<b>\$ 318,920</b>	<b>\$ 324,364</b>	<b>\$ 337,277</b>	<b>\$ 289,671</b>
<b>Net Pension Liability</b>	<b>\$ 125,492</b>	<b>\$ 168,425</b>	<b>\$ 174,539</b>	<b>\$ 152,190</b>	<b>\$ 170,356</b>	<b>\$ 183,786</b>	<b>\$ 166,168</b>	<b>\$ 112,534</b>	<b>\$ 147,175</b>
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%	66.31%
Covered payroll	87	90	90	96	n/a	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, 2023 (dollars in thousands)

FPPA Old Hire Police	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total pension liability</b>									
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	49,249	48,801	50,590	50,141	49,712	49,118	45,077	44,286	41,133
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)	(55,630)
<b>Net change in total pension liability</b>	<b>\$ (5,888)</b>	<b>\$ 24,632</b>	<b>\$ (6,311)</b>	<b>\$ (5,124)</b>	<b>\$ (7,746)</b>	<b>\$ 38,811</b>	<b>\$ (13,063)</b>	<b>\$ (48,848)</b>	<b>\$ (14,497)</b>
<b>Total pension liability - beginning</b>	<b>683,727</b>	<b>677,839</b>	<b>702,471</b>	<b>696,160</b>	<b>691,036</b>	<b>683,290</b>	<b>722,101</b>	<b>709,038</b>	<b>660,190</b>
<b>Total pension liability - ending</b>	<b>\$ 677,839</b>	<b>\$ 702,471</b>	<b>\$ 696,160</b>	<b>\$ 691,036</b>	<b>\$ 683,290</b>	<b>\$ 722,101</b>	<b>\$ 709,038</b>	<b>\$ 660,190</b>	<b>\$ 645,693</b>
<b>Plan fiduciary net position</b>									
Contributions - employer	\$ 16,262	\$ 18,089	\$ 5,027	\$ 7,988	\$ 7,988	\$ 8,803	\$ 8,803	\$ 10,686	\$ 10,686
Contributions - employee	5	-	-	-	-	-	-	-	-
Net investment income (loss)	42,091	11,278	30,983	82,545	754	69,918	57,998	67,938	(43,732)
Benefit payments, including refunds of employee contributions	(55,137)	(55,326)	(56,901)	(56,248)	(57,458)	(57,772)	(58,140)	(56,317)	(55,630)
Administrative expense	(977)	(910)	(1,013)	(194)	(233)	(61)	(219)	(221)	(261)
<b>Net change in plan fiduciary net position</b>	<b>\$ 2,244</b>	<b>\$ (26,869)</b>	<b>\$ (21,904)</b>	<b>\$ 34,091</b>	<b>\$ (48,949)</b>	<b>\$ 20,888</b>	<b>\$ 8,442</b>	<b>\$ 22,086</b>	<b>\$ (88,937)</b>
<b>Plan fiduciary net position - beginning</b>	<b>630,564</b>	<b>632,808</b>	<b>605,939</b>	<b>584,035</b>	<b>618,126</b>	<b>569,177</b>	<b>590,065</b>	<b>598,507</b>	<b>620,593</b>
<b>Plan fiduciary net position - ending</b>	<b>\$ 632,808</b>	<b>\$ 605,939</b>	<b>\$ 584,035</b>	<b>\$ 618,126</b>	<b>\$ 569,177</b>	<b>\$ 590,065</b>	<b>\$ 598,507</b>	<b>\$ 620,593</b>	<b>\$ 531,656</b>
<b>Net Pension Liability</b>	<b>\$ 45,031</b>	<b>\$ 96,532</b>	<b>\$ 112,125</b>	<b>\$ 72,910</b>	<b>\$ 114,113</b>	<b>\$ 132,036</b>	<b>\$ 110,531</b>	<b>\$ 39,597</b>	<b>\$ 114,037</b>
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%	82.34%
Covered payroll	90	n/a	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	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, 2023 (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
<b>DERP</b>					
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%
December 31, 2023	94.14%	86,682	617,668	14.03%	44.54%

**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. For the year ended December 31, 2023, the proportionate share for the City was determined based on the relative share of the Unfunded Actuarial Liability from the January 1, 2022 actuarial valuation. 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, 2023 (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
<b>DERP OPEB</b>					
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%
December 31, 2023	7,181	7,181	-	769,728	0.93%

**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. For the year ended December 31, 2023, the proportionate share for the City was determined based on the relative share of the Unfunded Actuarial Liability from the January 1, 2022 actuarial valuation. 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, 2023 (dollars in thousands)

DERP Implicit Rate Subsidy	Total OPEB Liability					
	2018	2019	2020	2021	2022	2023
<b>Balances as of January 1</b>	\$ 77,906	\$ 78,593	\$ 79,695	\$ 87,351	\$ 92,435	\$ 91,089
<b>Changes for the year:</b>						
Service cost	2,548	2,742	2,615	3,462	3,047	3,177
Interest	2,926	2,788	3,243	2,401	1,952	1,877
Benefit changes	-	-	-	-	-	-
Differences between expected and actual experience	-	628	-	(6,420)	-	3,194
Transition to Entry Age Normal	-	-	-	-	-	-
Changes of assumptions	1,312	987	8,630	12,039	461	(8,467)
Benefit payments	(6,099)	(6,043)	(6,832)	(6,398)	(6,806)	(6,320)
Employee contributions	-	-	-	-	-	-
Employer contributions	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-
<b>Total Changes</b>	<b>\$ 687</b>	<b>\$ 1,102</b>	<b>\$ 7,656</b>	<b>\$ 5,084</b>	<b>\$ (1,346)</b>	<b>\$ (6,539)</b>
<b>Balances as of December 31</b>	<b>\$ 78,593</b>	<b>\$ 79,695</b>	<b>\$ 87,351</b>	<b>\$ 92,435</b>	<b>\$ 91,089</b>	<b>\$ 84,550</b>
<b>Covered-employee payroll</b>	<b>\$ 541,545</b>	<b>\$ 542,111</b>	<b>\$ 569,297</b>	<b>\$ 586,482</b>	<b>\$ 573,969</b>	<b>\$ 617,668</b>
<b>OPEB liability as a percentage of covered-employee payroll</b>	<b>14.51%</b>	<b>14.70%</b>	<b>15.34%</b>	<b>15.76%</b>	<b>15.87%</b>	<b>13.69%</b>

**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, 2023 the discount rate used to measure the total pension liability changed to 3.72% from 2.06% at December 31, 2022. 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, 2023 (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
<b>PERA</b>					
December 31, 2018	0.04%	\$ 515	3,155	16.32%	17.53%
December 31, 2019	0.04%	519	3,098	16.75%	24.46%
December 31, 2020	0.04%	417	3,373	12.36%	24.46%
December 31, 2021	0.04%	358	3,375	10.61%	32.83%
December 31, 2022	0.04%	314	2,970	10.57%	39.38%
December 31, 2023	0.04%	318	3,754	8.47%	38.61%

**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, 2023 (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
<b>PERA OPEB</b>					
December 31, 2018	\$ 34	\$ 34	\$ -	3,098	1.10%
December 31, 2019	35	35	-	3,373	1.04%
December 31, 2020	42	42	-	3,375	1.24%
December 31, 2021	49	49	-	2,970	1.65%
December 31, 2022	42	42	-	3,754	1.12%
December 31, 2023	43	43	-	4,174	1.03%

**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, 2023 (dollars in thousands)

PRHF	2018			2019			2020		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
<b>Balances as of</b>									
<b>January 1</b>	\$ 11,394	\$ 3,079	\$ 8,315	\$ 11,971	\$ 3,874	\$ 8,097	\$ 15,536	\$ 4,187	\$ 11,349
<b>Changes for the year:</b>									
Service cost	358	-	358	372	-	372	633	-	633
Interest	691	-	691	727	-	727	742	-	742
Benefit changes	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	(1,302)	-	(1,302)	3,612	-	3,612
Transition to Entry Age Normal	-	-	-	4,214	-	4,214	-	-	-
Changes of assumptions	-	-	-	(446)	-	(446)	(268)	-	(268)
Benefit payments	(472)	(473)	1	-	-	-	(466)	(466)	-
Employee contributions	-	-	-	-	955	(955)	-	-	-
Employer contributions	-	805	(805)	-	(196)	196	-	1,078	(1,078)
Net investment income	-	463	(463)	-	(446)	446	-	922	(922)
Plan experience	-	-	-	-	-	-	-	-	-
<b>Total Net Changes</b>	<b>\$ 577</b>	<b>\$ 795</b>	<b>\$ (218)</b>	<b>\$ 3,565</b>	<b>\$ 313</b>	<b>\$ 3,252</b>	<b>\$ 4,253</b>	<b>\$ 1,534</b>	<b>\$ 2,719</b>
<b>Balances as of</b>									
<b>December 31</b>	<b>\$ 11,971</b>	<b>\$ 3,874</b>	<b>\$ 8,097</b>	<b>\$ 15,536</b>	<b>\$ 4,187</b>	<b>\$ 11,349</b>	<b>\$ 19,789</b>	<b>\$ 5,721</b>	<b>\$ 14,068</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>			<b>32.36%</b>			<b>26.95%</b>			<b>28.91%</b>
<b>Covered-employee payroll</b>			<b>n/a</b>			<b>n/a</b>			<b>n/a</b>
<b>Net OPEB liability as a percentage of covered-employee payroll</b>			<b>0.00%</b>			<b>0.00%</b>			<b>0.00%</b>

**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.

2021			2022			2023		
Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
\$ 19,789	\$ 5,721	\$ 14,068	\$ 21,256	\$ 6,880	\$ 14,376	\$ 22,618	\$ 8,168	\$ 14,450
708	-	708	873	-	873	900	-	900
1,212	-	1,212	1,124	-	1,124	1,192	-	1,192
-	-	-	-	-	-	-	-	-
(3,096)	-	(3,096)	-	-	-	-	(1,359)	1,359
-	-	-	-	-	-	-	-	-
3,235	-	3,235	-	-	-	445	-	445
(592)	(592)	-	(635)	(635)	-	(728)	(728)	-
-	-	-	-	-	-	-	-	-
-	1,200	(1,200)	-	840	(840)	-	1,200	(1,200)
-	551	(551)	-	1,083	(1,083)	-	505	(505)
-	-	-	-	-	-	(3,353)	-	(3,353)
\$ 1,467	\$ 1,159	\$ 308	\$ 1,362	\$ 1,288	\$ 74	\$ (1,544)	\$ (382)	\$ (1,162)
\$ 21,256	\$ 6,880	\$ 14,376	\$ 22,618	\$ 8,168	\$ 14,450	\$ 21,074	\$ 7,786	\$ 13,288
		32.37%			36.11%			36.95%
		n/a			n/a			n/a
		0.00%			0.00%			0.00%

### Required Supplementary Information Schedule of City Contributions - Police Retiree Health Fund

December 31, 2023 (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
<b>Police Retiree Health Fund</b>					
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%
December 31, 2023	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. The discount rate used to measure the total OPEB liability was 6.00%, 4.65%, 6.00%, 5.15%, 5.15% and 4.95% for the years ended December 31, 2018, 2019, 2020, 2021, 2022 and 2023, respectively.

**Required Supplementary Information****Schedule of Changes in the City's OPEB Liability - Fire and Police Implicit Rate Subsidy**

December 31, 2023 (dollars in thousands)

FPPA Implicit Rate Subsidy	Total OPEB Liability					
	2018	2019	2020	2021	2022	2023
<b>Balances as of January 1</b>	\$ 40,128	\$ 42,326	\$ 46,280	\$ 54,330	\$ 54,048	\$ 56,774
<b>Changes for the year:</b>						
Service cost	1,851	2,010	2,173	2,932	3,244	3,381
Interest	1,550	1,542	1,946	1,538	1,193	1,218
Benefit changes	-	-	-	-	-	-
Differences between expected and actual experience	-	630	-	(5,629)	-	3,779
Transition to Entry Age Normal	-	-	-	-	-	-
Changes of assumptions	768	1,857	6,117	3,146	305	(6,526)
Benefit payments	(1,971)	(2,085)	(2,186)	(2,269)	(2,016)	(2,100)
Employee contributions	-	-	-	-	-	-
Employer contributions	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-
<b>Total Net Changes</b>	<b>\$ 2,198</b>	<b>\$ 3,954</b>	<b>\$ 8,050</b>	<b>\$ (282)</b>	<b>\$ 2,726</b>	<b>\$ (248)</b>
<b>Balances as of December 31</b>	<b>\$ 42,326</b>	<b>\$ 46,280</b>	<b>\$ 54,330</b>	<b>\$ 54,048</b>	<b>\$ 56,774</b>	<b>\$ 56,526</b>
<b>Covered-employee payroll</b>	<b>\$ 200,006</b>	<b>\$ 214,697</b>	<b>\$ 250,435</b>	<b>\$ 263,790</b>	<b>\$ 263,420</b>	<b>\$ 280,624</b>
<b>OPEB liability as a percentage of covered-employee payroll</b>	<b>21.16%</b>	<b>21.56%</b>	<b>21.69%</b>	<b>20.49%</b>	<b>21.55%</b>	<b>20.14%</b>

**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%, 2.06% and 3.72% for the years ended December 31, 2018, 2019, 2020, 2021, 2022 and 2023, respectively. No assets are accumulated in a trust to pay related benefits.

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A photograph of a city skyline at sunset. The sky is a mix of orange, yellow, and grey. In the foreground, there are lush green trees. In the middle ground, there is a colorful water slide structure with orange, purple, and yellow slides. In the background, several tall buildings are visible, including a prominent one with a pointed top. A large blue rectangular overlay is positioned in the center of the image, containing the text "Governmental Funds" in white, bold, sans-serif font.

# 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, 2023 (Dollars In Thousands)

	Special Revenue	Debt Service	Capital Projects	Cableland Trust	Total
<b>Assets</b>					
Cash on hand	\$ 6,419	\$ -	\$ -	\$ -	6,419
Cash and cash equivalents	556,869	202,172	761,745	3,195	1,523,981
Receivables, net					
Taxes	138,288	180,096	109,617	-	428,001
Notes	101,393	-	-	-	101,393
Accounts	39,706	44	3,132	-	42,882
Accrued Interest	3,291	1,645	4,794	39	9,769
Assets held for disposition	3,989	-	-	-	3,989
Interfund receivable	1,145	-	-	-	1,145
Due from other governments	131,626	-	29,959	-	161,585
Prepaid items and other assets	818	-	2,507	-	3,325
Restricted assets:					
Cash and cash equivalents	76	403	134,536	-	135,015
Prepaid expense - non-current	-	753	-	-	753
<b>Total Assets</b>	<b>\$ 983,620</b>	<b>\$ 385,113</b>	<b>\$ 1,046,290</b>	<b>\$ 3,234</b>	<b>\$ 2,418,257</b>
<b>Liabilities, Deferred Inflows of Resources, And Fund Balances</b>					
Liabilities:					
Vouchers payable	\$ 71,556	\$ -	\$ 59,760	\$ -	131,316
Accrued liabilities	61	-	47	-	108
Interfund payable	13,657	-	799	-	14,456
Unearned revenue	285,523	-	15,721	-	301,244
Advances	3,041	-	-	-	3,041
Compensated absences	101	-	-	-	101
<b>Total Liabilities</b>	<b>373,939</b>	<b>-</b>	<b>76,327</b>	<b>-</b>	<b>450,266</b>
Deferred inflows of resources:					
Unavailable revenues - property tax	64,775	164,605	108,398	-	337,778
Deferred Revenue - Intergovernmental	1,140	-	1,904	-	3,044
Unavailable revenues - long-term receivables	9,372	-	706	-	10,078
<b>Total Deferred Inflows Of Resources</b>	<b>75,287</b>	<b>164,605</b>	<b>111,008</b>	<b>-</b>	<b>350,900</b>
Fund Balances:					
Nonspendable	818	753	2,507	3,000	7,078
Restricted	435,623	219,755	856,448	234	1,512,060
Committed	107,909	-	-	-	107,909
Assigned	2,339	-	-	-	2,339
Unassigned	(12,295)	-	-	-	(12,295)
<b>Total Fund Balances</b>	<b>534,394</b>	<b>220,508</b>	<b>858,955</b>	<b>3,234</b>	<b>1,617,091</b>
<b>Total Liabilities, Deferred Inflows of Resources, And Fund Balances</b>	<b>\$ 983,620</b>	<b>\$ 385,113</b>	<b>\$ 1,046,290</b>	<b>\$ 3,234</b>	<b>\$ 2,418,257</b>

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

For the Year Ended December 31, 2023 (dollars in thousands)

	Special Revenue	Debt Service	Capital Projects	Cableland Trust	Total
<b>Revenues</b>					
Taxes:					
Facilities development admissions	\$ -	\$ -	\$ 20,596	\$ -	\$ 20,596
Lodgers	44,406	63,184	4,522	-	112,112
Property	98,227	132,476	99,179	-	329,882
Sales and use	263,585	63,728	-	-	327,313
Specific ownership	115	-	-	-	115
Telephone	16,357	-	-	-	16,357
Special assessments	-	-	1,789	-	1,789
Licenses and permits	914	-	-	-	914
Intergovernmental revenues	195,581	-	54,239	-	249,820
Charges for services	151,358	-	2,119	-	153,477
Investment and interest income (loss)	19,288	11,755	31,371	209	62,623
Fines and forfeitures	116	-	-	-	116
Contributions	8,787	-	16,068	-	24,855
Other revenue	56,286	-	48,519	-	104,805
<b>Total Revenues</b>	<b>855,020</b>	<b>271,143</b>	<b>278,402</b>	<b>209</b>	<b>1,404,774</b>
<b>Expenditures</b>					
Current:					
General government	186,846	50	26,739	-	213,635
Public safety	121,009	-	-	-	121,009
Transportation and infrastructure	49,461	-	103,939	-	153,400
Human services	1,900	-	813	-	2,713
Health	88,339	-	3,203	-	91,542
Parks and recreation	18,377	-	11,766	-	30,143
Cultural activities	112,890	-	12,274	-	125,164
Community development	120,401	-	5,641	-	126,042
Economic development	32,149	-	-	-	32,149
Debt service:					
Principal retirement	7,257	120,051	5,079	-	132,387
Interest	917	78,449	7,191	-	86,557
Capital outlay	324	-	140,291	-	140,615
<b>Total Expenditures</b>	<b>739,870</b>	<b>198,550</b>	<b>316,936</b>	<b>-</b>	<b>1,255,356</b>
Excess (deficiency) of revenues over (under) expenditures	115,150	72,593	(38,534)	209	149,418
<b>Other Financing Sources (Uses)</b>					
Issuance of financed leases	-	-	111,530	-	111,530
Bond premium	-	-	20,142	-	20,142
Right-of-use proceeds	3,679	-	-	-	3,679
Insurance recoveries	385	-	-	-	385
Transfers in	45,220	-	193,088	-	238,308
Transfers out	(123,806)	(62,314)	(20,277)	(190)	(206,587)
<b>Total Other Financing Sources (Uses)</b>	<b>(74,522)</b>	<b>(62,314)</b>	<b>304,483</b>	<b>(190)</b>	<b>167,457</b>
Net change in fund balances	40,628	10,279	265,949	19	316,875
Fund balances - January 1	493,766	210,229	593,006	3,215	1,300,216
<b>Fund Balances - December 31</b>	<b>\$ 534,394</b>	<b>\$ 220,508</b>	<b>\$ 858,955</b>	<b>\$ 3,234</b>	<b>\$ 1,617,091</b>

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## Combining Balance Sheet - Nonmajor Special Revenue Funds

December 31, 2023 (dollars in thousands)

	General Government	Public Safety	Health
<b>Assets</b>			
Cash On Hand	\$ -	\$ -	\$ 2
Cash And Cash Equivalents	269,113	23,850	26,268
Receivables, net			
Taxes	13,692	53,933	7,500
Notes	18,996	-	-
Accounts	10,553	2,940	25
Accrued Interest	1,820	19	147
Assets held for disposition	-	-	-
Interfund Receivable	1,011	-	-
Due From Other Governments	87,832	8,301	5,830
Prepaid Items And Other Assets	615	-	-
Restricted Assets:			
Cash And Cash Equivalents	-	-	-
<b>Total Assets</b>	<b>\$ 403,632</b>	<b>\$ 89,043</b>	<b>\$ 39,772</b>
<b>Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>			
Liabilities:			
Vouchers Payable	\$ 23,453	\$ 2,233	\$ 4,735
Accrued Liabilities	3	-	-
Interfund Payable	-	-	-
Unearned Revenue	230,077	7,959	3,452
Advances	-	-	-
Compensated Absences	101	-	-
<b>Total Liabilities</b>	<b>253,634</b>	<b>10,192</b>	<b>8,187</b>
Deferred Inflows Of Resources:			
Unavailable Revenues - Property Tax	-	50,281	-
Deferred Revenue - Intergovernmental	-	-	-
Unavailable Revenues - Long-Term Receivables	-	482	-
<b>Total Deferred Inflows Of Resources</b>	<b>-</b>	<b>50,763</b>	<b>-</b>
Fund Balances:			
Nonspendable	615	-	-
Restricted	149,383	28,088	31,585
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balances</b>	<b>149,998</b>	<b>28,088</b>	<b>31,585</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 403,632</b>	<b>\$ 89,043</b>	<b>\$ 39,772</b>

	<b>Culture and Recreation</b>	<b>Community Development</b>	<b>Economic Opportunity</b>	<b>Special Funds</b>	<b>General Improvement Districts</b>	<b>Total</b>
\$	6,417	\$ -	\$ -	\$ -	\$ -	6,419
	106,935	109,047	-	19,204	2,452	556,869
	43,765	15,997	403	1,018	1,980	138,288
	-	74,874	7,523	-	-	101,393
	16,791	3	298	9,061	35	39,706
	441	707	-	152	5	3,291
	-	3,989	-	-	-	3,989
	24	-	110	-	-	1,145
	1,861	20,815	6,987	-	-	131,626
	195	-	2	-	6	818
	-	-	-	67	9	76
<b>\$</b>	<b>176,429</b>	<b>\$ 225,432</b>	<b>\$ 15,323</b>	<b>\$ 29,502</b>	<b>\$ 4,487</b>	<b>\$ 983,620</b>
\$	19,033	\$ 18,901	\$ 2,804	\$ 312	\$ 85	\$ 71,556
	6	-	-	52	-	61
	32	-	13,624	1	-	13,657
	44,035	-	-	-	-	285,523
	3,041	-	-	-	-	3,041
	-	-	-	-	-	101
	<b>66,147</b>	<b>18,901</b>	<b>16,428</b>	<b>365</b>	<b>85</b>	<b>373,939</b>
	-	12,514	-	-	1,980	64,775
	1,140	-	-	-	-	1,140
	286	-	-	8,604	-	9,372
	<b>1,426</b>	<b>12,514</b>	<b>-</b>	<b>8,604</b>	<b>1,980</b>	<b>75,287</b>
	195	-	2	-	6	818
	752	194,017	11,188	20,533	77	435,623
	107,909	-	-	-	-	107,909
	-	-	-	-	2,339	2,339
	-	-	(12,295)	-	-	(12,295)
	<b>108,856</b>	<b>194,017</b>	<b>(1,105)</b>	<b>20,533</b>	<b>2,422</b>	<b>534,394</b>
<b>\$</b>	<b>176,429</b>	<b>\$ 225,432</b>	<b>\$ 15,323</b>	<b>\$ 29,502</b>	<b>\$ 4,487</b>	<b>\$ 983,620</b>

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	General Government	Public Safety	Health
<b>Revenues</b>			
Taxes:			
Lodgers	\$ 44,406	\$ -	\$ -
Property	5,039	49,573	-
Sales and use	93,634	-	63,531
Specific ownership	-	-	-
Telephone	-	-	-
Licenses and permits	914	-	-
Intergovernmental revenues	98,994	25,194	19,619
Charges for services	29,446	12,849	9
Investment and interest income	9,218	425	875
Fines and forfeitures	-	116	-
Contributions	1,523	3,121	1,991
Other revenue	17,231	65	832
<b>Total Revenues</b>	<b>300,405</b>	<b>91,343</b>	<b>86,857</b>
<b>Expenditures</b>			
Current:			
General government	178,594	-	-
Public safety	12,522	92,342	-
Transportation and infrastructure	49,461	-	-
Human services	1,900	-	-
Health	1,288	-	87,051
Parks and recreation	3,510	-	-
Cultural activities	1,609	-	-
Community development	33,006	-	-
Economic development	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest	16	-	-
Capital outlay	34	-	-
<b>Total Expenditures</b>	<b>281,940</b>	<b>92,342</b>	<b>87,051</b>
Excess (deficiency) of revenues over (under) expenditures	18,465	(999)	(194)
<b>Other Financing Sources (Uses)</b>			
Right-of-use proceeds	598	-	-
Insurance recoveries	-	-	-
Transfers in	22,017	1	-
Transfers out	(17,615)	-	(11)
<b>Total Other Financing Sources (Uses)</b>	<b>5,000</b>	<b>1</b>	<b>(11)</b>
Net change in fund balances	23,465	(998)	(205)
Fund balances - January 1	126,533	29,086	31,790
<b>Fund Balances (deficit) - December 31</b>	<b>\$ 149,998</b>	<b>\$ 28,088</b>	<b>\$ 31,585</b>

Culture and Recreation	Community Development	Economic Opportunity	Special Funds	General Improvement Districts	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,406
32,356	9,046	-	-	2,213	98,227
48,128	54,398	3,894	-	-	263,585
-	-	-	-	115	115
-	-	-	16,357	-	16,357
-	-	-	-	-	914
1,363	20,229	30,182	-	-	195,581
95,941	12,618	16	479	-	151,358
3,116	4,906	-	668	80	19,288
-	-	-	-	-	116
1,762	351	39	-	-	8,787
28,958	624	865	7,584	127	56,286
<b>211,624</b>	<b>102,172</b>	<b>34,996</b>	<b>25,088</b>	<b>2,535</b>	<b>855,020</b>
22	-	6,320	2	1,908	186,846
-	-	-	16,145	-	121,009
-	-	-	-	-	49,461
-	-	-	-	-	1,900
-	-	-	-	-	88,339
14,862	-	-	5	-	18,377
111,281	-	-	-	-	112,890
-	87,395	-	-	-	120,401
-	-	32,149	-	-	32,149
-	-	-	7,257	-	7,257
3	-	-	898	-	917
148	52	-	90	-	324
<b>126,316</b>	<b>87,447</b>	<b>38,469</b>	<b>24,397</b>	<b>1,908</b>	<b>739,870</b>
85,308	14,725	(3,473)	691	627	115,150
257	-	-	2,824	-	3,679
385	-	-	-	-	385
8,237	9,584	-	5,381	-	45,220
(99,380)	-	-	(6,696)	(104)	(123,806)
<b>(90,501)</b>	<b>9,584</b>	<b>-</b>	<b>1,509</b>	<b>(104)</b>	<b>(74,522)</b>
(5,193)	24,309	(3,473)	2,200	523	40,628
114,049	169,708	2,368	18,333	1,899	493,766
<b>\$ 108,856</b>	<b>\$ 194,017</b>	<b>\$ (1,105)</b>	<b>\$ 20,533</b>	<b>\$ 2,422</b>	<b>\$ 534,394</b>

## Combining Balance Sheet - Nonmajor Debt Service Funds

December 31, 2023 (dollars in thousands)

	Bond Principal	Bond Interest	Excise Tax Revenue Bond	General Improvement Districts	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 63,331	\$ 24,088	\$ 114,753	\$ -	\$ 202,172
Receivables, net					
Taxes	127,039	37,200	15,857	-	180,096
Accounts	38	6	-	-	44
Accrued interest	-	599	1,046	-	1,645
Restricted assets:					
Cash and cash equivalents	-	-	-	403	403
Prepaid expense - non-current	-	-	753	-	753
<b>Total Assets</b>	<b>\$ 190,408</b>	<b>\$ 61,893</b>	<b>\$ 132,409</b>	<b>\$ 403</b>	<b>\$ 385,113</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
Deferred Inflows of Resources:					
Unavailable revenues - property tax	127,264	37,341	-	-	164,605
<b>Total of Deferred Inflows of Resources</b>	<b>127,264</b>	<b>37,341</b>	<b>-</b>	<b>-</b>	<b>164,605</b>
Fund Balances:					
Nonspendable	-	-	753	-	753
Restricted	63,144	24,552	131,656	403	219,755
<b>Total Fund Balances</b>	<b>63,144</b>	<b>24,552</b>	<b>132,409</b>	<b>403</b>	<b>220,508</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 190,408</b>	<b>\$ 61,893</b>	<b>\$ 132,409</b>	<b>\$ 403</b>	<b>\$ 385,113</b>

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Debt Service Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Bond Principal	Bond Interest	Excise Tax Revenue Bond	General Improvement Districts	Total
<b>Revenues</b>					
Taxes:					
Lodgers	\$ -	\$ -	\$ 63,184	\$ -	\$ 63,184
Property	83,500	48,493	-	483	132,476
Sales and use	-	-	63,728	-	63,728
Investment and interest income	-	5,569	6,184	2	11,755
<b>Total Revenues</b>	<b>83,500</b>	<b>54,062</b>	<b>133,096</b>	<b>485</b>	<b>271,143</b>
<b>Expenditures</b>					
Current:					
General Government	-	10	40	-	50
Debt service:					
Principal retirement	101,740	-	17,990	321	120,051
Interest	-	46,136	32,166	147	78,449
<b>Total Expenditures</b>	<b>101,740</b>	<b>46,146</b>	<b>50,196</b>	<b>468</b>	<b>198,550</b>
Excess (deficiency) of revenues over (under) expenditures	(18,240)	7,916	82,900	17	72,593
<b>Other Financing (Uses)</b>					
Transfers out	-	-	(62,314)	-	(62,314)
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>-</b>	<b>(62,314)</b>	<b>-</b>	<b>(62,314)</b>
Net change in fund balances	(18,240)	7,916	20,586	17	10,279
Fund balances - January 1	81,384	16,636	111,823	386	210,229
<b>Fund Balances - December 31</b>	<b>\$ 63,144</b>	<b>\$ 24,552</b>	<b>\$ 132,409</b>	<b>\$ 403</b>	<b>\$ 220,508</b>

## Combining Balance Sheet - Nonmajor Capital Projects Funds

December 31, 2023 (dollars in thousands)

	Winter Park Capital Fund	Capital Improvements	Conservation Trusts
<b>Assets</b>			
Cash and cash equivalents	\$ 12,104	\$ 381,355	\$ 27,551
Receivables, net			
Taxes	-	108,292	-
Accounts	-	2,379	-
Accrued interest	54	2,788	474
Due from other governments	-	-	-
Prepaid items and other assets	-	84	-
Restricted assets:			
Cash and Cash Equivalents	-	129,598	-
<b>Total Assets</b>	<b>\$ 12,158</b>	<b>\$ 624,496</b>	<b>\$ 28,025</b>
<b>Liabilities, Deferred Inflow of Resources, and Fund Balances</b>			
Liabilities:			
Vouchers payable	\$ 550	\$ 26,426	\$ 1,850
Accrued liabilities	-	47	-
Interfund payable	-	799	-
Unearned revenue	-	-	-
<b>Total Liabilities</b>	<b>550</b>	<b>27,272</b>	<b>1,850</b>
Deferred Inflow of Resources:			
Unavailable revenues - property tax	-	108,398	-
Unavailable revenues - long-term receivables	-	-	-
Deferred Revenue - Intergovernmental	-	1,904	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>110,302</b>	<b>-</b>
<b>Fund Balances:</b>			
Nonspendable	-	84	-
Restricted	11,608	486,838	26,175
<b>Total Fund Balances</b>	<b>11,608</b>	<b>486,922</b>	<b>26,175</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 12,158</b>	<b>\$ 624,496</b>	<b>\$ 28,025</b>

	<b>Other Capital Projects</b>	<b>Entertainment and Culture</b>	<b>Special Assessments</b>	<b>General Improvement Districts</b>	<b>Total</b>				
\$	308,288	\$	28,700	\$	3,747	\$	-	\$	761,745
	702		622		1		-		109,617
	753		-		-		-		3,132
	1,288		165		25		-		4,794
	29,959		-		-		-		29,959
	1,896		-		527		-		2,507
	4,916		-		-		22		134,536
<b>\$</b>	<b>347,802</b>	<b>\$</b>	<b>29,487</b>	<b>\$</b>	<b>4,300</b>	<b>\$</b>	<b>22</b>	<b>\$</b>	<b>1,046,290</b>
\$	29,506	\$	1,329	\$	77	\$	22	\$	59,760
	-		-		-		-		47
	-		-		-		-		799
	15,720		-		1		-		15,721
	<b>45,226</b>		<b>1,329</b>		<b>78</b>		<b>22</b>		<b>76,327</b>
	-		-		-		-		108,398
	706		-		-		-		706
	-		-		-		-		1,904
	<b>706</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>111,008</b>
	1,896		-		527		-		2,507
	299,974		28,158		3,695		-		856,448
	<b>301,870</b>		<b>28,158</b>		<b>4,222</b>		<b>-</b>		<b>858,955</b>
<b>\$</b>	<b>347,802</b>	<b>\$</b>	<b>29,487</b>	<b>\$</b>	<b>4,300</b>	<b>\$</b>	<b>22</b>	<b>\$</b>	<b>1,046,290</b>

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Capital Projects Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Winter Park Capital Fund	Capital Improvements	Conservation Trusts
<b>Revenues</b>			
Taxes:			
Facilities development admissions	\$ -	\$ -	\$ -
Lodgers	-	-	-
Property	-	99,179	-
Special assessments	-	-	-
Intergovernmental revenues	-	7,871	9,771
Charges for services	-	75	-
Investment and interest income	442	18,889	3,226
Contributions	-	-	-
Other revenue	-	33,542	-
<b>Total Revenues</b>	<b>442</b>	<b>159,556</b>	<b>12,997</b>
<b>Expenditures</b>			
Current:			
General government	-	21,207	-
Transportation and infrastructure	-	78,805	-
Human services	-	813	-
Health	-	3,203	-
Parks and recreation	1,326	447	6,394
Cultural activities	-	1,121	-
Community development	-	894	-
Debt service:			
Principal retirement	-	1,402	-
Interest	-	927	-
Capital outlay	1,722	58,149	5,584
<b>Total Expenditures</b>	<b>3,048</b>	<b>166,968</b>	<b>11,978</b>
Excess (deficiency) of revenues over (under) expenditures	(2,606)	(7,412)	1,019
<b>Other Financing Sources (Uses)</b>			
Bond premium	-	20,142	-
Issuance of financed leases	-	111,530	-
Transfers in	5,797	77,721	96
Transfers out	-	(2,954)	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,797</b>	<b>206,439</b>	<b>96</b>
Net change in fund balances	3,191	199,027	1,115
Fund balances - January 1	8,417	287,895	25,060
<b>Fund Balances - December 31</b>	<b>\$ 11,608</b>	<b>\$ 486,922</b>	<b>\$ 26,175</b>

	Other Capital Projects	Entertainment and Culture	Special Assessments	General Improvement Districts	Total
\$	2,814	\$ 17,782	\$ -	\$ -	\$ 20,596
	4,522	-	-	-	4,522
	-	-	-	-	99,179
	83	-	1,706	-	1,789
	36,597	-	-	-	54,239
	2,044	-	-	-	2,119
	7,881	775	158	-	31,371
	16,068	-	-	-	16,068
	14,932	-	45	-	48,519
	<b>84,941</b>	<b>18,557</b>	<b>1,909</b>	-	<b>278,402</b>
	4,958	574	-	-	26,739
	23,436	46	1,548	104	103,939
	-	-	-	-	813
	-	-	-	-	3,203
	3,554	45	-	-	11,766
	6,865	4,288	-	-	12,274
	4,747	-	-	-	5,641
	3,677	-	-	-	5,079
	6,264	-	-	-	7,191
	72,724	2,112	-	-	140,291
	<b>126,225</b>	<b>7,065</b>	<b>1,548</b>	<b>104</b>	<b>316,936</b>
	(41,284)	11,492	361	(104)	(38,534)
	-	-	-	-	20,142
	-	-	-	-	111,530
	109,336	34	-	104	193,088
	(10,200)	(7,123)	-	-	(20,277)
	<b>99,136</b>	<b>(7,089)</b>	-	<b>104</b>	<b>304,483</b>
	57,852	4,403	361	-	265,949
	244,018	23,755	3,861	-	593,006
<b>\$</b>	<b>301,870</b>	<b>\$ 28,158</b>	<b>\$ 4,222</b>	<b>\$ -</b>	<b>\$ 858,955</b>

## Schedule of Expenditures Compared with Authorizations - General Fund

For the Year Ended December 31, 2023 (dollars in thousands)

	2023 Annual Authorizations After Revisions	Budget Basis Expenditures	Authorized Balance
<b>General Government</b>			
Mayor's Office - Administration	\$ 2,278	\$ 2,210	\$ 68
Civic Events	1,301	1,327	(26)
Mayor's Office of Education and Children	5,495	5,317	178
Performance Based Infrastructure Office (PBI Office) Control	334	310	24
Office of Climate Action, Sustainability and Resiliency	6,367	6,119	248
Office of Social Equity and Innovation	1,825	1,669	156
Denver Economic Development and Opportunity	12,570	12,360	210
DBD Business Incentives Fund Control	447	447	-
Board of Ethics	326	322	4
Human Rights - Community Relations	7,962	7,806	156
Office of Special Events	982	951	31
City Council	9,211	8,852	359
Auditor's Office	12,683	11,635	1,048
Office of Municipal Public Defender	4,673	4,692	(19)
Career Service Authority	23,525	22,099	1,426
Career Service Hearings Office	657	481	176
Office of the Clerk & Recorder	22,064	21,185	879
Board of Adjustment and Zoning	389	366	23
Department of Finance	266,801	263,730	3,071
Workers' Compensation Billings	8,969	8,965	4
Special Payments	7,227	7,227	-
Hotel Tax Increment (HTI)	900	882	18
Downtown Historic District Tax Rebate	300	300	-
DPS-Stapleton Mill Levy Payment	2,750	2,729	21
Annual Rental Payments (ARP)	1,031	667	364
Unemployment Comp Insurance	837	352	485
Department of General Services	69,290	65,975	3,315
Technology Services	98,820	97,508	1,312
Department of Excise & License	6,762	6,441	321
City Attorney Office	60,999	60,956	43
<b>Total General Government</b>	<b>\$ 637,775</b>	<b>\$ 623,880</b>	<b>\$ 13,895</b>
<b>Public Safety</b>			
Office of the Independent Monitor	\$ 2,396	\$ 2,395	\$ 1
Emergency Management	2,118	1,943	175
District Attorney Office	39,702	39,700	2
County Court	33,206	32,870	336
Civil Service Commission	2,207	2,214	(7)
Safety Administration	43,052	42,608	444
Police Department	284,871	282,030	2,841
Fire Department	165,219	163,602	1,617
Undersheriff	171,115	170,738	377
<b>Total Public Safety</b>	<b>\$ 743,886</b>	<b>\$ 738,100</b>	<b>\$ 5,786</b>

continued

## Schedule of Expenditures Compared with Authorizations - General Fund - continued

For the Year Ended December 31, 2023 (dollars in thousands)

	2023 Annual Authorizations After Revisions	Budget Basis Expenditures	Authorized Balance
Transportation and Infrastructure	\$ 158,711	\$ 163,439	\$ (4,728)
<b>Total Transportation and Infrastructure</b>	<b>\$ 158,711</b>	<b>\$ 163,439</b>	<b>\$ (4,728)</b>
<b>Human Services</b>	<b>\$ 6,122</b>	<b>\$ 4,010</b>	<b>\$ 2,112</b>
<b>Total Human Services</b>	<b>\$ 6,122</b>	<b>\$ 4,010</b>	<b>\$ 2,112</b>
<b>Health</b>			
Denver Department of Public Health and Environment	\$ 37,355	\$ 36,040	\$ 1,315
Payment Public Health Clinic	927	677	250
Payment Denver Cares	3,033	2,961	72
Payment Poison Center	200	192	8
Payment Medically Indigent	32,577	32,577	0
Payment Temporary Health Clinic	201	200	1
<b>Total Health</b>	<b>\$ 74,293</b>	<b>\$ 72,647</b>	<b>\$ 1,646</b>
<b>Parks and Recreation</b>	<b>\$ 95,812</b>	<b>\$ 93,702</b>	<b>\$ 2,110</b>
<b>Total Parks and Recreation</b>	<b>\$ 95,812</b>	<b>\$ 93,702</b>	<b>\$ 2,110</b>
<b>Cultural Activities</b>			
Arts and Venues	\$ 2,660	\$ 2,660	\$ -
Denver Public Library	59,154	56,929	2,225
<b>Total Cultural Activities</b>	<b>\$ 61,814</b>	<b>\$ 59,590</b>	<b>\$ 2,225</b>
<b>Community Development</b>	<b>\$ 88,931</b>	<b>\$ 79,716</b>	<b>\$ 9,215</b>
<b>Total Community Development</b>	<b>\$ 88,931</b>	<b>\$ 79,716</b>	<b>\$ 9,215</b>
<b>Economic Development</b>	<b>\$ 1,252</b>	<b>\$ 1,252</b>	<b>\$ -</b>
<b>Total Economic Development</b>	<b>\$ 1,252</b>	<b>\$ 1,252</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 1,868,596</b>	<b>\$ 1,836,336</b>	<b>\$ 32,260</b>

## Schedule of Expenditures Compared with Authorizations - Human Services Special Revenue Fund

For the Year Ended December 31, 2023 (dollars in thousands)

		<b>2023 Annual Authorizations After Revisions</b>	<b>Budget Basis Expenditures</b>	<b>Authorized Balance</b>
<b>Grants - Currently Active</b>				
13001	Federal	\$ 1,649	\$ 1,649	\$ -
13007	Community Service	1,222	1,222	-
13501	State Grants	3,669	3,669	-
13601	Human Services Privately Funded	-	-	-
<b>State/County Welfare</b>				
13005	Child Welfare	-	-	-
13008	County Public Welfare	165,664	159,495	6,169
13017	Child Care	-	-	-
13301	Prenatal Fees Incentive	589	589	-
13302	Aid to the Blind	-	-	-
13303	Aid to the Needy Disabled	-	-	-
13304	Board for Developmentally Disabled	28,382	28,382	-
13305	General Assistance	-	-	-
13306	Local Funded Community Service	-	-	-
<b>City and Other Projects</b>				
13502	Integrated Care Management Incentive	192	192	-
13706	DHS Volunteer Services	21	21	-
13808	Energy Assistance	402	402	-
13809	Border Crisis Response	11,005	11,005	-
13811	Assistance Incentive Program	869	869	-
<b>Total</b>		<b>\$ 213,664</b>	<b>\$ 207,495</b>	<b>\$ 6,169</b>

## Comparative Balance Sheets - General Fund

December 31, 2023 and 2022 (dollars in thousands)

	Totals December 31	
	2023	2022
<b>Assets</b>		
Cash on hand	\$ 214	\$ 179
Cash and cash equivalents	293,862	337,275
Receivables (net of allowances for uncollectibles of \$58,839 and \$69,127):		
Taxes	294,165	280,523
Notes	9,139	4,703
Accounts	45,007	45,858
Leases	9,063	7,414
Accrued interest	3,676	2,894
Interfund receivable	44,171	37,732
Prepaid items and other assets	23,193	21,489
Restricted assets:		
Cash and cash equivalents	72,141	99,307
<b>Total Assets</b>	<b>\$ 794,631</b>	<b>\$ 837,374</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>		
Liabilities:		
Vouchers payable	\$ 53,367	\$ 59,919
Accrued liabilities	79,067	64,125
Due to taxing units	364	972
Interfund payable	17	13
Unearned revenue	18,355	16,801
Advances	109	106
<b>Total Liabilities</b>	<b>151,279</b>	<b>141,936</b>
Deferred Inflows of Resources:		
Unavailable revenues - property tax	196,404	184,389
Deferred revenue - intergovernmental	11,093	-
Deferred inflow - leases	9,013	7,412
Unavailable revenues - long-term receivables	4,695	12,075
<b>Total Deferred Inflows of Resources</b>	<b>221,205</b>	<b>203,876</b>
Fund Balance:		
Nonspendable	23,193	21,489
Restricted	76,701	103,867
Committed	74,680	71,964
Unassigned	247,573	294,242
<b>Total Fund Balance</b>	<b>422,147</b>	<b>491,562</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 794,631</b>	<b>\$ 837,374</b>

## Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance - General Fund

For the Years Ended December 31, 2023 and 2022 (dollars in thousands)

	<b>Totals December 31</b>	
	<b>2023</b>	<b>2022</b>
<b>Revenues</b>		
Taxes:		
Lodgers	\$ 41,484	\$ 37,178
Motor vehicle ownership	39,460	21,966
Occupational privilege	56,624	56,383
Property	173,630	170,613
Sales and use	921,996	887,228
Telephone	292	334
Leases	1,049	914
Licenses and permits	66,721	70,287
Intergovernmental revenues	39,990	38,314
Charges for services	218,393	214,457
Investment and interest income (loss)	40,758	(25,060)
Fines and forfeitures	37,464	34,103
Contributions	32	160
Other revenue	16,822	14,885
<b>Total Revenues</b>	<b>1,654,715</b>	<b>1,521,762</b>
<b>Expenditures</b>		
Current:		
General government	466,713	398,552
Public safety	737,737	662,975
Public works	161,735	150,044
Human Services	4,010	3,452
Health	72,184	67,206
Parks and recreation	93,407	86,356
Cultural activities	60,464	51,996
Community development	79,710	70,022
Economic opportunity	1,252	1,940
Principal retirement	34,142	15,663
Interest	10,471	5,343
Capital outlay	12,277	4,676
<b>Total Expenditures</b>	<b>1,734,102</b>	<b>1,518,225</b>
Excess (deficiency) of revenues over (under) expenditures	(79,387)	3,537
<b>Other Financing Sources (Uses)</b>		
Sale of capital assets	-	15
Bond premium	12,979	-
Payment to escrow	(144,544)	-
Issuance of financed leases	132,415	20,727
Right-of-use proceeds	29,032	-
Insurance recoveries	1,376	728
Transfers in	55,611	55,830
Transfers out	(76,897)	(29,712)
<b>Total Other Financing Sources (Uses)</b>	<b>9,972</b>	<b>47,588</b>
Net change in fund balance	(69,415)	34,160
Fund balances - January 1	491,562	289,881
<b>Fund Balance - December 31</b>	<b>\$ 422,147</b>	<b>\$ 491,562</b>

A photograph of a city skyline at sunset. The sky is a mix of orange, yellow, and grey. In the foreground, there are lush green trees. In the middle ground, there is a colorful water slide structure with orange, purple, and yellow slides. In the background, several skyscrapers are visible, including one with a distinctive curved top and another with a tall spire. A large blue rectangular overlay is positioned in the center of the image, containing the text "Proprietary Funds" in white, bold, sans-serif font.

# 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, 2023 (dollars in thousands)

	Environmental Services	Golf Course	Total
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 22,845	\$ 13,892	\$ 36,737
Receivables:			
Accounts	4,985	20	5,005
Accrued interest	168	94	262
Inventories	-	322	322
Restricted assets:			
Cash and cash equivalents	3,488	-	3,488
Accrued interest receivable	21	-	21
<b>Total Current Assets</b>	<b>31,507</b>	<b>14,328</b>	<b>45,835</b>
Capital assets:			
Land	3,168	1,131	4,299
Construction in progress	198	1,742	1,940
Buildings and improvements	665	40,618	41,283
Machinery and equipment	251	11,338	11,589
Accumulated depreciation	(860)	(28,829)	(29,689)
Net capital assets	<b>3,422</b>	<b>26,000</b>	<b>29,422</b>
Long-term receivables	3	-	3
<b>Total Noncurrent Assets</b>	<b>3,425</b>	<b>26,000</b>	<b>29,425</b>
<b>Total Assets</b>	<b>34,932</b>	<b>40,328</b>	<b>75,260</b>
<b>Deferred Outflows of Resources</b>			
Items related to pension and OPEB plans	1,968	2,218	4,186
<b>Total Deferred Outflows of Resources</b>	<b>1,968</b>	<b>2,218</b>	<b>4,186</b>
<b>Liabilities</b>			
Current liabilities:			
Vouchers payable	1,010	343	1,353
Accrued liabilities	-	213	213
Unearned revenue	1	688	689
Interfund payable	1,582	667	2,249
Compensated absences	416	87	503
OPEB implicit rate subsidy	40	35	75
Restricted liabilities:			
Vouchers payable	1,204	-	1,204
<b>Total Current Liabilities</b>	<b>4,253</b>	<b>2,033</b>	<b>6,286</b>
Noncurrent liabilities:			
Net pension and OPEB liability	9,657	8,764	18,421
Compensated absences	456	591	1,047
<b>Total Noncurrent Liabilities</b>	<b>10,113</b>	<b>9,355</b>	<b>19,468</b>
<b>Total Liabilities</b>	<b>14,366</b>	<b>11,388</b>	<b>25,754</b>
<b>Deferred Inflows of Resources</b>			
Items related to pension and OPEB plans	575	1,059	1,634
<b>Total Deferred Inflows of Resources</b>	<b>575</b>	<b>1,059</b>	<b>1,634</b>
<b>Net Position</b>			
Net investment in capital assets	3,212	25,959	29,171
Restricted for capital projects	2,305	-	2,305
Unrestricted	16,442	4,140	20,582
<b>Total Net Position</b>	<b>\$ 21,959</b>	<b>\$ 30,099</b>	<b>\$ 52,058</b>

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Nonmajor Enterprise Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Environmental Services	Golf Course	Total
<b>Operating Revenues</b>			
Charges for services	\$ 17,689	\$ 19,939	\$ 37,628
Other revenue	437	(3)	434
<b>Total Operating Revenues</b>	<b>18,126</b>	<b>19,936</b>	<b>38,062</b>
<b>Operating Expenses</b>			
Personnel services	5,334	9,620	14,954
Contractual services	8,409	3,628	12,037
Supplies and materials	108	1,466	1,574
Depreciation and amortization	14	2,609	2,623
Other operating expenses	2,020	855	2,875
<b>Total Operating Expenses</b>	<b>15,885</b>	<b>18,178</b>	<b>34,063</b>
Operating income	2,241	1,758	3,999
<b>Nonoperating Revenues</b>			
Investment and interest income	1,102	509	1,611
Intergovernmental revenue	175	-	175
<b>Net Nonoperating Revenues</b>	<b>1,277</b>	<b>509</b>	<b>1,786</b>
Income (loss) before transfers and contributions	3,518	2,267	5,785
Transfers in	508	-	508
Transfers out	(2,468)	-	(2,468)
Capital asset transfer	-	810	810
Change in Net Position	1,558	3,077	4,635
Net Position - January 1	20,401	27,022	47,423
<b>Net Position - December 31</b>	<b>\$ 21,959</b>	<b>\$ 30,099</b>	<b>\$ 52,058</b>

## Combining Statement of Cash Flows - Nonmajor Enterprise Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Environmental Services	Golf Course	Total
<b>Cash Flows From Operating Activities</b>			
Receipts from customers	\$ 16,352	\$ 19,966	\$ 36,318
Payments to suppliers	(9,636)	(6,161)	(15,797)
Payments to employees	(5,605)	(9,703)	(15,308)
Other receipts	433	(3)	430
<b>Net Cash Provided by Operating Activities</b>	<b>1,544</b>	<b>4,099</b>	<b>5,643</b>
<b>Cash Flows From Noncapital Financing Activities</b>			
Operating grants received	175	-	175
Transfers in (out)	(1,960)	810	(1,150)
<b>Net Cash Provided by (Used In) Noncapital Financing Activities</b>	<b>(1,785)</b>	<b>810</b>	<b>(975)</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition and construction of capital assets	(162)	(3,643)	(3,805)
<b>Net Cash (Used In) Capital and Related Financing Activities</b>	<b>(162)</b>	<b>(3,643)</b>	<b>(3,805)</b>
<b>Cash Flows from Investing Activities</b>			
Interest received / paid	(67)	548	481
Unrealized gain (loss)	1,102	-	1,102
<b>Net Cash Provided by (Used In) Investing Activities</b>	<b>1,035</b>	<b>548</b>	<b>1,583</b>
Net increase (decrease) in cash and cash equivalents	632	1,814	2,446
Cash and cash equivalents - January 1	25,701	12,078	37,779
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 26,333</b>	<b>\$ 13,892</b>	<b>\$ 40,225</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>			
Operating income (loss)	\$ 2,241	\$ 1,758	\$ 3,999
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	14	2,609	2,623
<b>Changes in Assets and Liabilities</b>			
(Increase) Decrease in Accounts Receivable	(1,339)	(7)	(1,346)
(Increase) Decrease in Inventories	-	(134)	(134)
Increase (Decrease) in Vouchers Payable	729	(114)	615
Increase (Decrease) in Unearned Revenue	(2)	33	31
Increase (Decrease) in Interfund Payable	172	37	209
Increase (Decrease) in Compensated Absences	221	48	269
Deferred Outflows of Resources	(728)	(369)	(1,097)
Deferred Inflows of Resources	(1,442)	(292)	(1,734)
Net Pension and OPEB Liability	1,678	530	2,208
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 1,544</b>	<b>\$ 4,099</b>	<b>\$ 5,643</b>
<b>Noncash Activities</b>			
Capital assets transferred from other City departments/agencies	\$ -	\$ 810	\$ 810

## Combining Statement of Net Position - Internal Service Funds

December 31, 2023 (dollars in thousands)

	Asphalt Plant	Employee Insurance Benefits	Total
<b>Assets</b>			
Current Assets:			
Cash and cash equivalents	\$ 7,824	\$ 56,985	\$ 64,809
Receivables:			
Accounts	-	1,966	1,966
Accrued interest	-	316	316
Inventories	79	-	79
Interfund receivable	799	-	799
Prepaid items and other assets	-	213	213
<b>Total Current Assets</b>	<b>8,702</b>	<b>59,480</b>	<b>68,182</b>
<b>Capital Assets:</b>			
Buildings and improvements	5,712	-	5,712
Machinery and equipment	2,753	8	2,761
Accumulated depreciation	(5,951)	(8)	(5,959)
Net capital assets	2,514	-	2,514
<b>Total Assets</b>	<b>11,216</b>	<b>59,480</b>	<b>70,696</b>
<b>Liabilities</b>			
Current Liabilities:			
Vouchers payable	88	2,927	3,015
Accrued liabilities	-	7,857	7,857
Interfund payable	4	87	91
Compensated absences	-	105	105
Claims reserve	-	10,587	10,587
<b>Total Current Liabilities</b>	<b>92</b>	<b>21,563</b>	<b>21,655</b>
Noncurrent Liabilities:			
Compensated absences	119	197	316
Claims reserve	-	27,493	27,493
Total noncurrent liabilities	119	27,690	27,809
<b>Total Liabilities</b>	<b>211</b>	<b>49,253</b>	<b>49,464</b>
<b>Net Position</b>			
Net investment in capital assets	2,514	-	2,514
Unrestricted	8,491	10,227	18,718
<b>Total Net Position</b>	<b>\$ 11,005</b>	<b>\$ 10,227</b>	<b>\$ 21,232</b>

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Asphalt Plant	Employee Insurance Benefits	Total
<b>Operating Revenues</b>			
Charges for services	\$ 10,659	\$ 90,942	\$ 101,601
Other revenue	1	6,821	6,822
<b>Total Operating Revenues</b>	<b>10,660</b>	<b>97,763</b>	<b>108,423</b>
<b>Operating Expenses</b>			
Personnel services	809	2,962	3,771
Contractual services	427	9,587	10,014
Supplies and materials	8,353	143	8,496
Depreciation	139	-	139
Legal and claims payments	-	86,274	86,274
Other operating expenses	61	727	788
Change in claims reserve	-	2,518	2,518
<b>Total Operating Expenses</b>	<b>9,789</b>	<b>102,211</b>	<b>112,000</b>
Operating Income (loss)	871	(4,448)	(3,577)
<b>Nonoperating Revenues</b>			
Investment and interest income	-	2,173	2,173
<b>Net Nonoperating Revenue</b>	<b>-</b>	<b>2,173</b>	<b>2,173</b>
Income before transfers	871	(2,275)	(1,404)
Transfers in	3	-	3
Change in net position	874	(2,275)	(1,401)
Net position - January 1	10,131	12,502	22,633
<b>Net Position - December 31</b>	<b>\$ 11,005</b>	<b>\$ 10,227</b>	<b>\$ 21,232</b>

## Combining Statement of Cash Flows - Internal Service Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Asphalt Plant	Employee Insurance Benefits	Total
<b>Cash Flows From Operating Activities</b>			
Receipts from customers	\$ 10,240	\$ 92,186	\$ 102,426
Payments to suppliers	(9,019)	(12,577)	(21,596)
Payments to employees	(796)	(1,620)	(2,416)
Other receipts	-	6,821	6,821
Claims paid	-	(86,274)	(86,274)
<b>Net Cash Provided by Operating Activities</b>	<b>425</b>	<b>(1,464)</b>	<b>(1,039)</b>
<b>Cash Flows From Noncapital Financing Activities</b>			
Transfers to other funds	4	-	4
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>4</b>	<b>-</b>	<b>4</b>
<b>Cash Flows from Capital and Related Financing Activities</b>			
<b>Cash Flows Provided by Investing Activities</b>			
Interest received (paid)	-	(68)	(68)
Unrealized gain (loss)	-	2,173	2,173
<b>Net Cash Provided by Investing Activities</b>	<b>-</b>	<b>2,105</b>	<b>2,105</b>
Net increase in cash and cash equivalents	429	641	1,070
Cash and cash equivalents - January 1	7,395	56,344	63,739
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 7,824</b>	<b>\$ 56,985</b>	<b>\$ 64,809</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>			
Operating income (loss)	\$ 871	\$ (4,448)	\$ (3,577)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	138	-	138
<b>Changes in Assets and Liabilities</b>			
(Increase) Decrease in Accounts Receivable	-	1,244	1,244
(Increase) Decrease in Prepaid Items	-	(214)	(214)
(Increase) Decrease in Interfund Receivable	(419)	-	(419)
(Increase) Decrease in Inventories	130	-	130
Increase (Decrease) in Vouchers Payable	(297)	(622)	(919)
Increase (Decrease) in Accrued Liabilities	-	1,294	1,294
Increase (Decrease) in Other Liabilities	-	49	49
Increase (Decrease) in Interfund Payable	2	9	11
Increase (Decrease) in Claims Reserved	-	1,224	1,224
<b>Net Cash Provided by (Used In) Operating Activities</b>	<b>\$ 425</b>	<b>\$ (1,464)</b>	<b>\$ (1,039)</b>

A cityscape at sunset with a blue overlay containing the text "Fiduciary Funds". The background shows a dense urban environment with various buildings, including a prominent skyscraper with a spire on the right. In the foreground, there are lush green trees and a colorful water slide structure. The sky is a mix of orange, yellow, and grey, indicating the time is either dawn or dusk.

# 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, 2023 (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	
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 53,065	\$ 1,689	\$ -	\$ 54,754
Securities lending collateral	59,835	1,866	-	61,701
Receivables:				
Accounts	2,404	75	-	2,479
Contributions	8,883	277	-	9,160
Accrued interest	1,875	58	-	1,933
Leases receivable	55	2	-	57
Investments:				
U.S. Government obligations	286,968	8,949	-	295,917
Domestic stocks and bonds	788,834	24,599	-	813,433
International stocks	517,764	16,146	-	533,910
Mutual funds	-	-	739,812	739,812
Alternative investments	405,157	12,634	-	417,791
Real estate	186,034	5,801	-	191,835
Infrastructure	69,916	2,180	-	72,096
Other	166,058	5,178	203,194	374,430
Total Investments	<b>2,420,731</b>	<b>75,487</b>	<b>943,006</b>	<b>3,439,224</b>
Prepaid and other assets	-	-	9,540	9,540
<b>Total Current Assets</b>	<b>2,546,848</b>	<b>79,454</b>	<b>952,546</b>	<b>3,578,848</b>
Capital assets, net of accumulated depreciation	1,451	45	-	1,496
Leased Equipment	32	1	-	33
<b>Total Assets</b>	<b>2,548,331</b>	<b>79,500</b>	<b>952,546</b>	<b>3,580,377</b>
<b>Liabilities</b>				
Vouchers payable	2,079	65	-	2,144
Securities lending obligations	59,849	1,866	-	61,715
Leases payable	34	1	-	35
<b>Total Liabilities</b>	<b>61,962</b>	<b>1,932</b>	<b>-</b>	<b>63,894</b>
<b>Deferred inflow of resources</b>	<b>55</b>	<b>2</b>	<b>-</b>	<b>57</b>
<b>Net Position Held in Trust for Pension and Other Employee Benefit Trust Funds</b>	<b>\$ 2,486,314</b>	<b>-</b>	<b>\$ 952,546</b>	
<b>Net Position Restricted for OPEB</b>		<b>\$ 77,566</b>		
<b>Net Position Held in Trust for Benefits</b>			<b>\$ 3,516,426</b>	

## Combining Statement of Changes in Fiduciary Net Position - Pension, Health, and Other Trust Funds

As of December 31, 2023 (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	
<b>Additions</b>				
Contributions:				
City and County of Denver	\$ 148,135	\$ 6,270	\$ -	\$ 154,405
Denver Health and Hospital Authority	4,964	215	-	5,179
Plan members	72,767	3,021	62,065	137,853
<b>Total Contributions</b>	<b>225,866</b>	<b>9,506</b>	<b>62,065</b>	<b>297,437</b>
Investment earnings:				
Net appreciation (depreciation) in fair value of investments	189,089	5,894	129,565	324,548
Interest and dividends	33,343	1,044	-	34,387
Real estate, alternative investments, and absolute return income	12,261	245	-	12,506
<b>Total Investment Earnings</b>	<b>234,693</b>	<b>7,183</b>	<b>129,565</b>	<b>371,441</b>
Less investment expense	(15,725)	(492)	-	(16,217)
<b>Net Investment Costs</b>	<b>218,968</b>	<b>6,691</b>	<b>129,565</b>	<b>355,224</b>
Securities lending income (expense):				
Securities lending income	3,518	110	-	3,628
Borrower rebates	(3,218)	(101)	-	(3,319)
Agent fees (loss)	(75)	(2)	-	(77)
<b>Net Earnings from Securities Lending</b>	<b>225</b>	<b>7</b>	<b>-</b>	<b>-</b>
<b>Total Net Investment Earnings</b>	<b>219,193</b>	<b>6,698</b>	<b>129,565</b>	<b>355,224</b>
<b>Total Additions</b>	<b>445,059</b>	<b>16,204</b>	<b>191,630</b>	<b>652,661</b>
<b>Deductions</b>				
Benefits	256,886	12,230	62,665	331,781
DROP and DROP II benefits paid	15,612	-	-	15,612
Refunds of contributions	6,395	200	-	6,595
Administrative expenses	5,143	161	831	6,135
<b>Total Deductions</b>	<b>284,036</b>	<b>12,591</b>	<b>63,496</b>	<b>360,123</b>
Change in net position	161,023	3,613	128,134	292,770
Net position - January 1	2,325,291	73,953	824,412	3,223,656
<b>Net Position - December 31</b>	<b>\$ 2,486,314</b>	<b>\$ 77,566</b>	<b>\$ 952,546</b>	<b>\$ 3,516,426</b>

## Combining Statement of Fiduciary Net Position - Custodial Funds

As of December 31, 2023 (dollars in thousands)

	Special Trust Fund	Treasury Collections Clearing Fund	Unclaimed Payments and Wages	Special Deposits	Total
<b>Assets</b>					
Cash on hand	\$ 3,074	\$ -	\$ -	\$ 1,712	\$ 4,786
Cash and cash equivalents	-	17,188	4,431	7,099	28,718
Receivables (net of allowances for uncollectibles of \$6,369)					
Taxes	-	1,598,908	-	-	1,598,908
Accounts	-	335	-	-	335
<b>Total Assets</b>	<b>\$ 3,074</b>	<b>\$ 1,616,431</b>	<b>\$ 4,431</b>	<b>\$ 8,811</b>	<b>\$ 1,632,747</b>
<b>Liabilities</b>					
Vouchers payable	\$ -	\$ 1,422	\$ 4,431	\$ -	\$ 5,853
Other accrued liabilities	2,885	7	-	2,619	5,511
Due to taxing units	-	1,615,002	-	-	1,615,002
<b>Total Liabilities</b>	<b>\$ 2,885</b>	<b>\$ 1,616,431</b>	<b>\$ 4,431</b>	<b>\$ 2,619</b>	<b>\$ 1,626,366</b>
<b>Net Position</b>					
Restricted	\$ 189	\$ -	\$ -	\$ 6,192	\$ 6,381
<b>Total Net Position</b>	<b>\$ 189</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,192</b>	<b>\$ 6,381</b>

## Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

For the Year Ended December 31, 2023 (dollars in thousands)

	Special Trust Fund	Treasury Collections Clearing Fund	Unclaimed Payments and Wages	Special Deposits	Total
<b>Additions</b>					
Contributions:					
Foreclosure deposits and inmate deposits	\$ 5,032	\$ -	\$ -	\$ -	\$ 5,032
Tax collections	-	1,686,178	-	-	1,686,178
Unclaimed payments and wages	-	-	2,363	-	2,363
Court deposits and police confiscation monies	-	-	-	11,455	11,455
<b>Total Contributions</b>	<b>5,032</b>	<b>1,686,178</b>	<b>2,363</b>	<b>11,455</b>	<b>1,705,028</b>
<b>Total Additions</b>	<b>5,032</b>	<b>1,686,178</b>	<b>2,363</b>	<b>11,455</b>	<b>1,705,028</b>
<b>Deductions</b>					
Payments for foreclosure activities and payments to inmates	\$ 5,137	\$ -	\$ -	\$ -	\$ 5,137
Distributions of taxes to outside entities	-	1,686,178	-	-	1,686,178
Unclaimed payments and wages claimed	-	-	2,363	-	2,363
Distribution of court deposits and police confiscation monies	-	-	-	10,339	10,339
<b>Total Deductions</b>	<b>5,137</b>	<b>1,686,178</b>	<b>2,363</b>	<b>10,339</b>	<b>1,704,017</b>
Change in net position	(105)	-	-	1,116	1,011
Net position - January 1	294	-	-	5,076	5,370
<b>Net Position - December 31</b>	<b>\$ 189</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,192</b>	<b>\$ 6,381</b>

A photograph of a city skyline at sunset. The sky is a mix of orange, yellow, and grey. In the foreground, there are lush green trees. In the middle ground, there is a colorful water slide structure with orange, purple, and yellow slides. In the background, several skyscrapers are visible, including one with a distinctive curved top and another with a tall spire. A large blue rectangular overlay is positioned in the center of the image, containing the text "Component Units" in white.

# Component Units



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## Combining Statement of Net Position - Nonmajor Component Units

December 31, 2023 (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
<b>Assets</b>							
Cash and cash equivalents	\$ 212	\$ 1,017	\$ 86	\$ 82	\$ 324	\$ 441	\$ 1,741
Investments	-	503	-	1,092	-	28,296	-
Receivables (net of allowances):							
Taxes	168	8,849	-	982	-	-	7,617
Accounts	-	47	-	4	-	-	727
Leases	-	-	-	3	-	-	-
Other	-	-	-	-	-	77	30
Prepaid items and other assets	2	5	-	3	-	76	-
Restricted Assets:							
Cash and cash equivalents	4	451	-	-	-	-	-
Capital Assets:							
Land and construction in progress	-	18,819	-	136	-	494	-
Buildings and improvements	-	195	-	-	-	-	-
Machinery and equipment	-	596	-	3,241	-	96	5,192
Right-of-use	-	1,248	-	52	-	255	-
Accumulated depreciation	-	(11,821)	-	(2,256)	-	(547)	(3,767)
<b>Net Capital Assets</b>	<b>-</b>	<b>9,037</b>	<b>-</b>	<b>1,173</b>	<b>-</b>	<b>298</b>	<b>1,425</b>
<b>Total Assets</b>	<b>386</b>	<b>19,909</b>	<b>86</b>	<b>3,339</b>	<b>324</b>	<b>29,188</b>	<b>11,540</b>
<b>Deferred Outflows of Resources</b>							
Deferred loss on refundings	-	703	-	-	-	-	-
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>							
Vouchers payable	21	416	-	75	24	5,112	346
Accrued liabilities	-	174	-	-	-	78	-
Noncurrent liabilities:							
Due within one year	-	1,232	-	14	-	59	97
Due in more than one year	-	9,010	-	10	-	197	318
<b>Total Liabilities</b>	<b>21</b>	<b>10,832</b>	<b>-</b>	<b>99</b>	<b>24</b>	<b>5,446</b>	<b>761</b>
<b>Deferred Inflows of Resources</b>							
Property taxes	168	8,818	-	982	-	-	7,631
<b>Total Deferred Inflows of Resources</b>	<b>168</b>	<b>8,818</b>	<b>-</b>	<b>982</b>	<b>-</b>	<b>-</b>	<b>7,631</b>
<b>Net Position</b>							
Net investment in capital assets	-	(501)	-	1,150	-	-	1,010
Restricted for:							
Capital Projects	41	-	-	-	143	16,244	-
Emergency use	4	178	-	31	-	-	236
Debt service	-	253	-	-	-	-	-
Unrestricted	152	1,032	86	1,077	157	7,498	1,902
<b>Total Net Position (Deficit)</b>	<b>\$ 197</b>	<b>\$ 962</b>	<b>\$ 86</b>	<b>\$ 2,258</b>	<b>\$ 300</b>	<b>\$ 23,742</b>	<b>\$ 3,148</b>

	Federal Boulevard BID	Five Points BID	Old South Gaylord BID	RiNo BID	Santa Fe BID	West Colfax BID	Prosperity Denver Fund	Total
\$	229	\$ 368	\$ 79	\$ 793	\$ 45	\$ 195	\$ 41,465	\$ 47,077
	-	-	-	-	-	-	-	29,891
	84	311	-	2,708	-	149	-	20,868
	-	1	-	9	-	-	-	788
	-	-	-	-	-	-	-	3
	-	-	-	-	-	25	-	132
	-	3	-	5	6	7	16	123
	2	-	-	-	-	4	-	461
	-	-	-	-	-	330	-	19,779
	-	-	-	-	-	-	-	195
	-	-	21	-	-	-	1	9,147
	-	-	-	-	-	-	-	1,555
	-	-	-	-	-	-	-	(18,391)
	-	-	<b>21</b>	-	-	<b>330</b>	<b>1</b>	<b>12,285</b>
	<b>315</b>	<b>683</b>	<b>100</b>	<b>3,515</b>	<b>51</b>	<b>710</b>	<b>41,482</b>	<b>111,628</b>
	-	-	-	-	-	-	-	703
	-	-	-	-	-	-	-	<b>703</b>
	6	42	5	-	5	14	46	6,112
	-	-	10	1	3	-	-	266
	-	-	-	-	-	-	8,046	9,448
	-	-	-	-	-	-	-	9,535
	<b>6</b>	<b>42</b>	<b>15</b>	<b>1</b>	<b>8</b>	<b>14</b>	<b>8,092</b>	<b>25,361</b>
	84	312	-	2,708	-	149	-	20,852
	<b>84</b>	<b>312</b>	-	<b>2,708</b>	-	<b>149</b>	-	<b>20,852</b>
	-	-	-	-	-	330	-	1,989
	-	11	-	-	-	-	-	16,439
	4	-	-	74	-	5	-	532
	-	-	-	-	-	-	-	253
	221	318	85	732	43	212	33,390	46,905
<b>\$</b>	<b>225</b>	<b>\$ 329</b>	<b>\$ 85</b>	<b>\$ 806</b>	<b>\$ 43</b>	<b>\$ 547</b>	<b>\$ 33,390</b>	<b>\$ 66,118</b>

## Combining Statement of Activities - Nonmajor Component Units


For the Year Ended December 31, 2023 (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
<b>Expenses</b>	\$ 179	\$ 7,080	\$ 13	\$ 1,214	\$ 124	\$ 29,744	\$ 9,793
<b>Program Revenues</b>							
Charges for services	-	298	-	35	-	-	1,760
Operating grants and contributions	-	-	-	11	-	35,395	469
<b>Total Program Revenues</b>	<u>-</u>	<u>298</u>	<u>-</u>	<u>46</u>	<u>-</u>	<u>35,395</u>	<u>2,229</u>
Net revenue (expenses)	(179)	(6,782)	(13)	(1,168)	(124)	5,651	(7,564)
<b>General Revenues</b>							
Taxes:							
Property	148	6,556	15	856	123	-	7,378
Specific ownership	7	315	-	50	-	-	-
Investment and interest income	-	161	-	67	-	719	-
Other revenues	6	79	-	4	-	-	109
<b>Total General Revenues</b>	<u>161</u>	<u>7,111</u>	<u>15</u>	<u>977</u>	<u>123</u>	<u>719</u>	<u>7,487</u>
Change in net position	(18)	329	2	(191)	(1)	6,370	(77)
Prior period adjustment <sup>(4)</sup>	-	-	-	-	-	-	-
Net position - January 1	215	633	84	2,449	301	17,372	3,225
<b>Net Position - December 31</b>	<u>\$ 197</u>	<u>\$ 962</u>	<u>\$ 86</u>	<u>\$ 2,258</u>	<u>\$ 300</u>	<u>\$ 23,742</u>	<u>\$ 3,148</u>

<sup>(4)</sup> Federal Boulevard BID restated net position due to an error in the year ended December 31, 2022.

	<b>Federal Boulevard BID</b>	<b>Five Points BID</b>	<b>Old South Gaylord BID</b>	<b>RiNo BID</b>	<b>Santa Fe BID</b>	<b>West Colfax BID</b>	<b>Prosperity Denver Fund</b>	<b>Total</b>
\$	65	\$ 357	\$ 55	\$ 2,419	\$ 159	\$ 337	\$ 8,860	\$ 60,399
	-	-	-	-	14	45	-	2,152
	-	10	-	-	3	189	17,039	53,116
	-	<b>10</b>	-	-	<b>17</b>	<b>234</b>	<b>17,039</b>	<b>55,268</b>
	(65)	(347)	(55)	(2,419)	(142)	(103)	8,179	(5,131)
	116	260	55	2,272	134	151	-	18,064
	7	17	-	129	-	-	-	525
	-	2	-	-	-	1	1,293	2,243
	-	69	-	61	-	32	-	360
	<b>123</b>	<b>348</b>	<b>55</b>	<b>2,462</b>	<b>134</b>	<b>184</b>	<b>1,293</b>	<b>21,192</b>
	58	1	-	43	(8)	81	9,472	16,061
	(35)	-	-	-	-	-	-	(35)
	202	328	85	763	51	466	23,918	50,092
<b>\$</b>	<b>225</b>	<b>\$ 329</b>	<b>\$ 85</b>	<b>\$ 806</b>	<b>\$ 43</b>	<b>\$ 547</b>	<b>\$ 33,390</b>	<b>\$ 66,118</b>

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# Other Supplementary Schedules



## Combined Schedule of Bonds Payable and Escrows

December 31, 2023 (dollars in thousands)

	Amount Issued	Maturity	Interest Rate <sup>(4)</sup>	Amount Outstanding	1st Optional Call Date
<b>Denver Airport System</b>					
<b>Non-Direct senior lien bonds</b>					
2009B Credit Facility Bonds	65,290	2036-2039	6.41%	65,290	1/2/17
2012A Airport System Revenue	315,780	2031-2043	4.00-5.00%	25,970	11/15/22
2012B Airport System Revenue	510,140	2024-2043	4.00-5.00%	150,315	11/15/22
2012C Airport System Revenue	30,285	2026	3.59%	30,285	1/2/17
2016A Airport System Revenue	256,810	2024-2032	5.00%	126,545	11/15/26
2017A Airport System Revenue	225,220	2018-2030	5.00%	144,130	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
2020A-1 Airport System Revenue	95,330	2024-2032	5.00%	29,225	11/15/30
2020A-2 Airport System Revenue	60,515	2024-2025	5.00%	18,095	n/a
2020B-1 Airport System Revenue	37,465	2024-2025	5.00%	17,055	n/a
2020B-2 Airport System Revenue	24,060	2025	5.00%	24,060	n/a
2020C Airport System Revenue	411,535	2024-2037	0.82%-2.87%	387,340	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	2024-2053	5.00%-5.25%	338,690	11/15/33
2022D Airport System Revenue	817,810	2024-2053	5.00%-5.75%	817,810	11/15/33
<b>Total</b>				<b>3,957,225</b>	
<b>Non-Direct subordinate lien bonds</b>					
2018A Airport System Revenue	2,341,710	2024-2048	3.75-5.25%	2,261,540	12/1/29
2018B Airport System Revenue	184,365	2024-2048	3.50-5.00%	183,065	12/1/29
2023A Airport System Revenue	316,050	2024-2043	5.00%	316,050	11/15/33
2023B Airport System Revenue	270,785	2024-2043	5.00%-5.50%	270,785	11/15/33
<b>Total</b>				<b>3,031,440</b>	
<b>Direct Placement senior lien bonds</b>					
2002C Credit Facility Bonds <sup>(4)</sup>	30,300	2031	4.91%	13,510	9/25/17
2008B Airport System Revenue <sup>(4)</sup>	81,800	2031	4.92%	24,100	1/2/17
2009C Airport System Revenue <sup>(4)</sup>	104,655	2031	4.91%	45,255	1/2/17
2021A-B Credit Facility Bonds <sup>(4)</sup>	36,900	2031	4.91%	22,100	n/a
<b>Total</b>				<b>104,965</b>	
<b>Direct Placement subordinate lien bonds</b>					
2015A Airport System Revenue	195,940	2021,2023, & 2035	2.20%	67,520	11/15/17
2019A Airport System Revenue	145,875	2020-2030	1.37%	76,330	n/a
<b>Total</b>				<b>143,850</b>	
Unamortized premium net of discount				455,724	
<b>Total Denver Airport System</b>				<b>7,693,204</b>	
<b>Wastewater Management</b>					
2012 Wastewater Revenue Bonds	50,425	2024-2032	2.00-5.00%	16,525	n/a
2016 Wastewater Revenue Bonds	115,000	2024-2046	4.00-5.00%	99,675	11/1/26
2018 Wastewater Revenue Bonds	103,050	2024-2047	3.00-5.00%	90,195	11/1/29
Unamortized premium				18,564	
<b>Total Wastewater Management</b>				<b>224,959</b>	

continued

## Combined Schedule of Bonds Payable and Escrows - continued

December 31, 2023 (dollars in thousands)

	Amount Issued	Maturity	Interest Rate	Amount Outstanding	1st Optional Call Date
<b>General Obligation</b>					
<b>Non-direct Placement</b>					
2013A Better Denver Bonds	120,925	2024-2030	3.00-5.00%	22,000	8/1/2023
2014 Better Denver (mini-bonds)	12,000	2028	4.39-4.89%	6,000 <sup>(3)</sup>	Not callable
2018A GO Elevate Denver Bonds	193,000	2024-2033	3.13-5.00%	60,720	8/1/2023
2018B GO Justice System Refunding Bonds	67,905	2024-2025	5.00%	24,875	Not callable
2019A GO Elevate Denver Bonds	81,910	2024-2024	5.00%	59,570	Not callable
2019B GO Better Denver and Zoo Refunding Bonds	50,140	20224-2025	5.00%	18,370	Not callable
2019C GO Elevate Denver Bonds	117,265	2024-2033	2.38-5.00%	23,960	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%	218,145	Not callable
2022A GO RISE Denver	246,080	2022-2033	5.00%	193,565	8/1/2032
2022B GO RISE Denver	81,710	2022-2033	4.00-5.00%	71,760	8/1/2032
2022C GO RISE Denver	38,600	2022-2027	0.95%-3.10%	21,855	n/a
<b>Direct Placement</b>					
2013B1 GO Better Denver	48,020	2024-2025	2.30%	10,205	8/1/2023
2013B2 GO Better Denver	89,415	2024-2025	2.38%	21,360	8/1/2023
<b>Total Primary Government</b>				<b>897,885</b>	
Unamortized premium				115,230	
<b>Net Primary Government</b>				<b>1,013,115</b>	
<b>Total General Obligation</b>				<b>1,013,115</b>	
<b>Excise Tax Revenue Bonds</b>					
2016A Dedicated Tax Refunding and Improvement	242,500	2024-2046	2.00-5.00%	204,710	8/1/2026
2016B Dedicated Tax Refunding and Improvement	154,810	2024-2032	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 <sup>(3)</sup>	8/1/2026
2018B Dedicated Tax Revenue Bonds	60,000	2024-2029	2.58-3.75%	54,275	8/1/2026
2021A Dedicated Tax Revenue Bonds	273,830	2027-2051	4.00-5.00%	273,830	8/1/2031
<b>Total Excise Tax Revenue Bonds</b>				<b>815,100</b>	
Unamortized premium				80,102	
<b>Net Excise Tax Revenue Bonds</b>				<b>895,202</b>	
<b>Total General Long-Term Debt</b>				<b>1,908,317</b>	
<b>Total Bonds Payable</b>				<b>\$ 10,839,595</b>	

<sup>(1)</sup> Variable rate issue - weekly interest rate reset

<sup>(2)</sup> Variable rate issue - monthly interest rate reset

<sup>(3)</sup> Amounts does not include \$3,424 of compound interest on the Series 2014A mini-bond. Amount does not include \$21,553 of compound interest on the Series 2018A2.

<sup>(4)</sup> Variable rate issues reflect rate in effect as of December 31, 2022.

LOCAL HIGHWAY FINANCE REPORT		City or County: Denver			
		YEAR ENDING : December 2023			
This Information From The Records Of (example - City of _ or County of _): City and County of Denver		Prepared By: Anthony Davern Phone: (303) 446-3402			
<b>I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE</b>					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle 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					
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES</b>		<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES</b>			
ITEM	AMOUNT	ITEM	AMOUNT		
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>			
1. Local highway-user taxes		1. Capital outlay (from page 2)	170,820,577.75		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	41,838,960.79		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	11,282,709.24		
2. General fund appropriations	78,284,994.01	b. Snow and ice removal	2,352,613.85		
3. Other local imposts (from page 2)	-	c. Other	42,014,323.33		
4. Miscellaneous local receipts (from page 2)	-	d. Total (a. through c.)	55,649,646.42		
5. Transfers from toll facilities	-	4. General administration & miscellaneous	14,042,928.10		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	27,852,572.45		
a. Bonds - Original Issues	-	6. Total (1 through 5)	310,204,685.51		
b. Bonds - Refunding Issues	-	<b>B. Debt service on local obligations:</b>			
c. Notes	-	1. Bonds:			
d. Total (a. + b. + c.)	-	a. Interest	-		
7. Total (1 through 6)	78,284,994.01	b. Redemption	-		
<b>B. Private Contributions</b>	40,418,902.92	c. Total (a. + b.)	-		
<b>C. Receipts from State government</b> (from page 2)	30,528,827.62	2. Notes:			
<b>D. Receipts from Federal Government</b> (from page 2)	12,989,525.84	a. Interest	-		
<b>E. Total receipts (A.7 + B + C + D)</b>	162,222,250.39	b. Redemption	-		
		c. Total (a. + b.)	-		
		3. Total (1.c + 2.c)	-		
		<b>C. Payments to State for highways</b>	-		
		<b>D. Payments to toll facilities</b>	-		
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	310,204,685.51		
<b>IV. LOCAL HIGHWAY DEBT STATUS</b> (Show all entries at par)					
	Opening Debt	Amount Issued	Closing Debt		
<b>A. Bonds (Total)</b>			-		
1. Bonds (Refunding Portion)					
<b>B. Notes (Total)</b>			-		
<b>V. LOCAL ROAD AND STREET FUND BALANCE</b>					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		162,222,250.39	310,204,685.51	(147,982,435.12)	-
<b>Notes and Comments:</b>					
- II.A.2 ("General fund appropriations") have been added to the extent that they are calculated to support highway expenditure;					
- 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.					

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado
	YEAR ENDING (mm/yy) 12/23

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
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
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	28,510,323.08	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	-
d. Other (Specify)	-	e. U.S. Corps of Engineers	-
e. Other (CDOT Reimb.)	2,018,504.54	f. Other Federal	12,989,525.84
f. Total (a. through e.)	2,018,504.54	g. Total (a. through f.)	12,989,525.84
4. Total (1. + 2. + 3.f)	30,528,827.62	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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	-	12,483,292.27	12,483,292.27
b. Engineering Costs	-	41,486,399.91	41,486,399.91
c. Construction:			
(1). New Facilities	-	20,232,837.88	20,232,837.88
(2). Capacity Improvements	-	22,341,769.75	22,341,769.75
(3). System Preservation	-	63,985,493.87	63,985,493.87
(4). System Enhancement & Operation	-	10,290,784.07	10,290,784.07
(5). Total Construction (1) + (2) + (3) + (4)	-	116,850,885.57	116,850,885.57
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	170,820,577.75	170,820,577.75
			(Carry forward to page 1)

**Notes and Comments:** No cost here as DOTI does not expand on assets that we don't own  
They do through grants but those fields (project match and FHWA) are blacked out

A photograph of a city skyline at sunset, with a large blue rectangular overlay in the center. The word "Statistical" is written in white, bold, sans-serif font on the blue background. The city features various buildings, including a prominent one with a curved, golden facade on the left and a tall, dark skyscraper with a spire on the right. In the foreground, there are lush green trees and a colorful water slide structure with orange, purple, and yellow slides.

**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

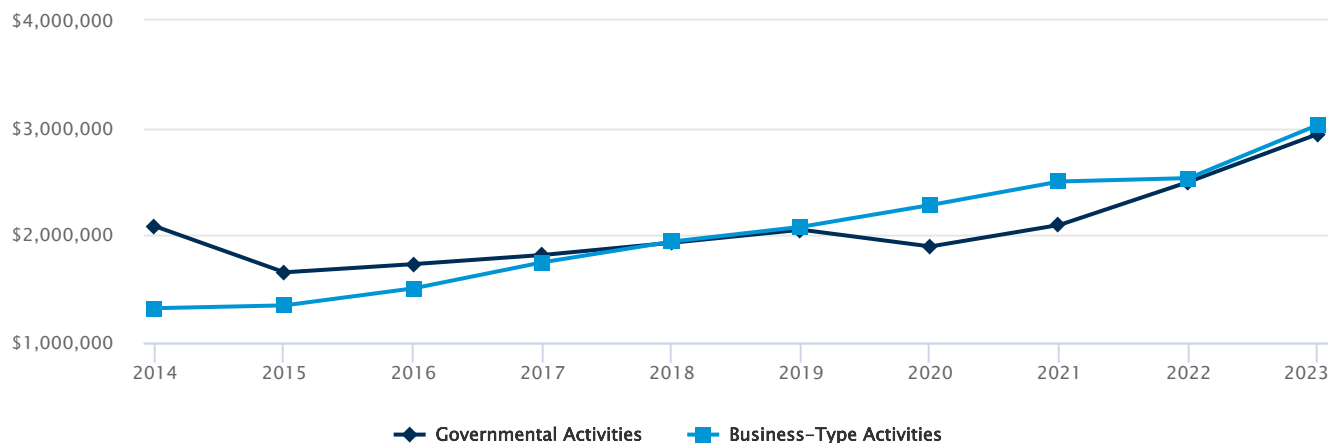
<b>Financial Trends</b> .....	214
<p>These schedules contain trend information to help the reader understand how the City’s Financial performance and well-being have changed over time.</p>	
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<p>These schedules contain information to help the reader assess the City’s most significant local revenue source, the sales tax.</p>	
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<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.</p>	
<b>Operating Information</b> .....	237
<p>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.</p>	

## Net Position by Component

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental activities</b>										
Net investment in capital assets	\$ 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	\$ 2,506,496
Restricted	524,017	649,483	918,405	792,057	1,580,026	1,745,453	1,396,675	2,236,907	2,588,514	1,639,995
Unrestricted	138,255	(504,190)	(759,893)	(706,069)	(1,429,565)	(1,648,841)	(1,503,715)	(2,426,943)	(2,456,535)	(1,202,969)
<b>Total governmental activities net position</b>	<b>\$ 2,083,089</b>	<b>\$ 1,654,647</b>	<b>\$ 1,731,265</b>	<b>\$ 1,816,508</b>	<b>\$ 1,930,534</b>	<b>\$ 2,051,730</b>	<b>\$ 1,895,627</b>	<b>\$ 2,096,679</b>	<b>\$ 2,498,184</b>	<b>\$ 2,943,522</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ (193,351)	\$ (81,930)	\$ 175,636	\$ 701,234	\$ 604,246	\$ 517,177	\$ 610,628	\$ 611,204	\$ 611,408	\$ 783,394
Restricted	667,801	675,863	622,880	493,837	512,691	496,583	660,987	389,360	483,682	414,138
Unrestricted	846,056	752,775	707,076	553,533	824,401	1,065,120	1,010,116	1,500,453	1,437,507	1,830,678
<b>Total business-type activities net position</b>	<b>\$ 1,320,506</b>	<b>\$ 1,346,708</b>	<b>\$ 1,505,592</b>	<b>\$ 1,748,604</b>	<b>\$ 1,941,338</b>	<b>\$ 2,078,880</b>	<b>\$ 2,281,731</b>	<b>\$ 2,501,017</b>	<b>\$ 2,532,597</b>	<b>\$ 3,028,210</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 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	\$ 3,289,890
Restricted	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	2,054,133
Unrestricted	984,311	248,585	(52,817)	(152,536)	(605,164)	(583,721)	(493,599)	(926,490)	(1,019,028)	627,709
<b>Total primary government net position</b>	<b>\$ 3,403,595</b>	<b>\$ 3,001,355</b>	<b>\$ 3,236,857</b>	<b>\$ 3,565,112</b>	<b>\$ 3,871,872</b>	<b>\$ 4,130,610</b>	<b>\$ 4,177,358</b>	<b>\$ 4,597,696</b>	<b>\$ 5,030,781</b>	<b>\$ 5,971,732</b>

### Primary Government Net Position



## Changes in Net Position

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government	\$ 319,464	\$ 340,401	\$ 405,900	\$ 445,601	\$ 472,623	\$ 553,292	\$ 594,462	\$ 651,338	\$ 585,790	\$ 705,771
Public safety	592,270	588,597	688,287	707,981	670,773	724,031	855,496	805,223	630,018	838,285
Transportation and Infrastructure	193,207	190,577	216,587	254,381	282,285	378,125	306,170	351,142	329,635	327,572
Human services	114,727	125,195	145,594	167,131	176,745	163,930	159,248	165,061	176,068	221,043
Health	59,216	64,687	65,265	62,351	61,391	112,395	130,305	129,433	156,791	165,210
Parks and recreation	80,199	68,650	93,842	100,294	117,622	111,776	106,702	114,000	131,187	153,118
Cultural activities	128,799	131,835	130,536	157,531	156,680	168,960	123,649	147,593	173,674	211,304
Community development	39,598	45,355	48,766	52,832	71,622	64,884	178,505	172,452	183,775	212,438
Economic opportunity	21,091	20,027	14,830	11,746	1,187	9,873	12,385	15,354	22,117	30,560
Interest on long-term debt	66,306	63,267	62,566	63,952	62,524	74,432	60,650	55,630	64,181	67,965
<b>Total governmental activities</b>	<b>1,614,877</b>	<b>1,638,591</b>	<b>1,872,173</b>	<b>2,023,800</b>	<b>2,073,452</b>	<b>2,361,698</b>	<b>2,527,572</b>	<b>2,607,226</b>	<b>2,453,236</b>	<b>2,933,266</b>
<b>Business-type activities:</b>										
Wastewater management	102,688	111,941	114,740	124,046	129,459	138,617	151,126	150,482	145,527	155,443
Denver airport system	773,345	769,896	811,094	825,110	889,251	1,059,258	964,700	921,608	1,075,889	1,141,408
Environmental services	8,174	9,967	11,837	10,880	16,720	12,998	13,671	12,542	12,942	15,885
Golf course	12,254	10,766	11,146	11,507	11,711	12,820	14,881	16,141	16,172	18,178
<b>Total business-type activities</b>	<b>896,461</b>	<b>902,570</b>	<b>948,817</b>	<b>971,543</b>	<b>1,047,141</b>	<b>1,223,693</b>	<b>1,144,378</b>	<b>1,100,773</b>	<b>1,250,530</b>	<b>1,330,914</b>
<b>Total Primary Government Expenses</b>	<b>\$ 2,511,338</b>	<b>\$ 2,541,161</b>	<b>\$ 2,820,990</b>	<b>\$ 2,995,343</b>	<b>\$ 3,120,593</b>	<b>\$ 3,585,391</b>	<b>\$ 3,671,950</b>	<b>\$ 3,707,999</b>	<b>\$ 3,703,766</b>	<b>\$ 4,264,180</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government	\$ 97,289	\$ 99,302	\$ 99,847	\$ 97,788	\$ 83,149	\$ 101,603	\$ 99,453	\$ 103,977	\$ 98,597	\$ 98,846
Public safety	86,010	93,230	95,497	97,339	110,837	99,548	93,350	101,188	100,680	107,800
Public works	71,653	77,308	75,580	79,397	81,237	78,883	-	-	-	-
Community development	25,741	41,312	34,264	39,905	41,317	51,039	37,091	58,190	59,550	50,730
Other activities	86,043	91,608	95,337	92,573	103,838	107,264	81,111	136,168	183,518	211,389
Operating grants and contributions:										
General government	23,694	37,017	23,475	25,288	26,177	28,415	79,325	120,899	41,812	58,477
Public safety	26,861	26,914	26,398	24,327	27,787	25,012	27,279	31,145	35,115	41,361
Public works	20,654	20,825	23,358	21,992	116,848	24,616	-	-	-	-
Human services	76,207	73,768	86,469	95,221	96,337	96,093	92,925	95,765	100,919	118,516
Community development	17,064	7	6	283	1,577	17,763	60,518	87,543	57,730	56,176
Other activities	22,767	22,006	19,935	27,174	31,437	22,381	69,165	76,438	70,742	86,477
Capital grants and contributions:										
Public works	35,699	9,701	36,527	65,555	77,198	59,431	-	-	-	-
Other activities	18,780	28,597	31,691	24,877	25,376	48,804	104,157	108,977	58,676	156,120
<b>Total governmental activities program revenues</b>	<b>608,462</b>	<b>621,595</b>	<b>648,384</b>	<b>691,719</b>	<b>823,115</b>	<b>760,852</b>	<b>744,374</b>	<b>920,290</b>	<b>807,339</b>	<b>985,892</b>

## Changes in Net Position, continued

Last 10 Fiscal Years (dollars in thousands - accrual basis of accounting)

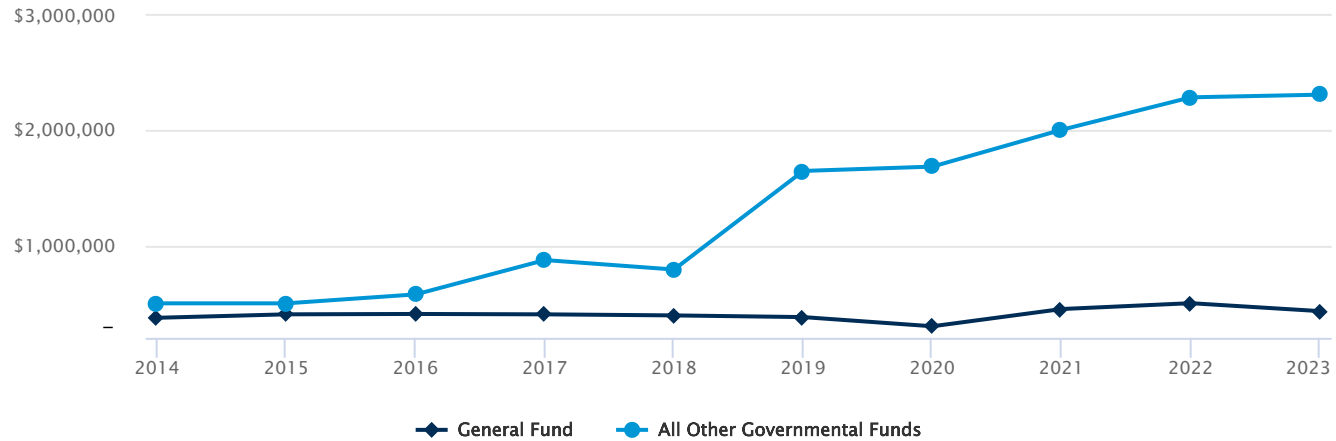
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Business-type activities:</b>										
Charges for services:										
Wastewater management	\$ 120,806	\$ 126,260	\$ 133,375	\$ 150,122	\$ 159,526	\$ 107,829	\$ 108,374	\$ 191,555	\$ 199,643	\$ 213,452
Denver airport system	711,490	793,543	876,643	906,750	952,286	1,021,802	667,353	845,481	1,080,282	1,215,976
Other activities	20,627	26,339	22,131	26,663	22,531	21,542	25,526	30,964	32,753	37,628
Operating grants and contributions:										
Denver airport system	121,690	19,220	686	873	-	-	-	-	-	-
Capital grants and contributions:										
Wastewater enterprises	8,379	9,564	25,142	21,296	17,742	10,752	9,099	13,327	9,806	26,009
Denver airport system	20,533	20,483	3,553	55,879	26,730	15,301	33,773	24,814	74,107	91,141
Other activities	-	-	280	-	-	-	-	-	-	-
<b>Total business-type activities program revenues</b>	<b>1,003,525</b>	<b>995,409</b>	<b>1,061,810</b>	<b>1,161,583</b>	<b>1,178,815</b>	<b>1,177,226</b>	<b>844,125</b>	<b>1,106,141</b>	<b>1,396,591</b>	<b>1,584,206</b>
<b>Total Primary Government Net Revenue</b>	<b>\$ 1,611,987</b>	<b>\$ 1,617,004</b>	<b>\$ 1,710,194</b>	<b>\$ 1,853,302</b>	<b>\$ 2,001,930</b>	<b>\$ 1,938,078</b>	<b>\$ 1,588,499</b>	<b>\$ 2,026,431</b>	<b>\$ 2,203,930</b>	<b>\$ 2,570,098</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Taxes:										
Property	\$ 347,079	\$ 349,176	\$ 399,859	\$ 419,648	\$ 472,995	\$ 479,346	\$ 510,841	\$ 533,823	\$ 558,707	\$ 582,971
Sales and use	615,735	638,276	674,398	718,577	762,201	896,924	791,510	1,079,287	1,199,536	1,249,309
Other	165,584	180,745	187,427	217,940	229,725	250,162	138,736	199,901	251,720	287,040
Net investment and interest income (loss)	14,928	15,503	19,151	20,642	37,996	83,806	97,767	4,153	(77,088)	148,725
Other revenue	25,511	48,550	24,128	39,465	21,000	57,196	74,434	70,635	114,283	125,348
Transfers	575	2,275	(1,676)	1,052	444	1,324	4,964	1,594	2,462	1,733
Capital asset transfers	(10,066)	-	(2,880)	-	-	(1,282)	(2,250)	(1,405)	(2,218)	-
<b>Total governmental activities</b>	<b>1,159,346</b>	<b>1,234,525</b>	<b>1,300,407</b>	<b>1,417,324</b>	<b>1,524,361</b>	<b>1,770,040</b>	<b>1,616,002</b>	<b>1,887,988</b>	<b>2,047,402</b>	<b>2,395,126</b>
<b>Business-type activities:</b>										
Net investment and interest income (loss)	45,205	41,593	40,414	49,083	79,751	181,628	162,114	(38,278)	(127,200)	202,862
Other revenues	2,225	13,666	921	4,941	6,238	4,987	343,704	252,385	2,720	40,002
Transfers	(575)	(2,275)	1,676	(1,052)	(444)	(1,324)	(4,964)	(1,594)	(2,462)	(1,733)
Capital asset transfers	10,066	-	2,880	-	-	(1,282)	2,250	1,405	2,218	-
<b>Total business-type activities</b>	<b>56,921</b>	<b>52,984</b>	<b>45,891</b>	<b>52,972</b>	<b>85,545</b>	<b>184,009</b>	<b>503,104</b>	<b>213,918</b>	<b>(124,724)</b>	<b>241,131</b>
<b>Total General Revenues and Other Changes in Net Position</b>	<b>\$ 1,216,267</b>	<b>\$ 1,287,509</b>	<b>\$ 1,346,298</b>	<b>\$ 1,470,296</b>	<b>\$ 1,609,906</b>	<b>\$ 1,954,049</b>	<b>\$ 2,119,106</b>	<b>\$ 2,101,906</b>	<b>\$ 1,922,678</b>	<b>\$ 2,636,257</b>
<b>Changes in Net Position</b>										
Governmental activities	\$ 152,931	\$ 217,529	\$ 76,618	\$ 85,243	\$ 274,024	\$ 169,194	\$ (167,196)	\$ 201,052	\$ 401,505	\$ 445,338
Business activities	163,985	145,823	158,884	243,012	217,219	137,542	202,851	219,286	31,580	496,837
<b>Total Primary Government</b>	<b>\$ 316,916</b>	<b>\$ 363,352</b>	<b>\$ 235,502</b>	<b>\$ 328,255</b>	<b>\$ 491,243</b>	<b>\$ 306,736</b>	<b>\$ 35,655</b>	<b>\$ 420,338</b>	<b>\$ 433,085</b>	<b>\$ 942,175</b>

## Fund Balances of Governmental Funds

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

	2014 <sup>(1)</sup>	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Nonspendable	\$ 425	\$ 2,890	\$ 7,215	\$ 2,979	\$ 4,709	\$ 11,651	\$ 14,254	\$ 14,231	\$ 21,489	\$ 23,193
Restricted	65,439	65,713	68,114	71,295	75,838	85,127	71,056	81,161	103,867	76,701
Committed	30,388	32,121	50,964	55,661	74,024	74,677	41,555	76,472	71,964	74,680
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	267,764	293,476	271,130	264,124	230,209	198,626	163,016	268,573	294,242	247,573
<b>Total General Fund</b>	<b>\$ 364,016</b>	<b>\$ 394,200</b>	<b>\$ 397,423</b>	<b>\$ 394,059</b>	<b>\$ 384,780</b>	<b>\$ 370,081</b>	<b>\$ 289,881</b>	<b>\$ 440,437</b>	<b>\$ 491,562</b>	<b>\$ 422,147</b>
<b>All other governmental funds</b>										
Nonspendable	\$ 3,038	\$ 8,218	\$ 9,395	\$ 20,479	\$ 16,580	\$ 4,686	\$ 3,686	\$ 6,507	\$ 6,608	\$ 8,031
Restricted	455,110	528,071	833,997	743,187	1,387,996	1,636,150	1,694,495	1,991,173	2,175,667	2,205,906
Committed	3,966	2,262	24,041	20,624	29,940	4,203	24,712	18,465	113,691	107,909
Assigned	28,076	30,040	559	1,062	1,047	1,057	1,038	1,538	1,826	2,339
Unassigned (Deficit)	-	(372)	-	-	-	-	(40,109)	(12,348)	(9,053)	(12,295)
<b>Total all other governmental funds</b>	<b>\$ 490,190</b>	<b>\$ 568,219</b>	<b>\$ 867,992</b>	<b>\$ 785,352</b>	<b>\$ 1,435,563</b>	<b>\$ 1,646,096</b>	<b>\$ 1,683,823</b>	<b>\$ 2,005,335</b>	<b>\$ 2,288,739</b>	<b>\$ 2,311,890</b>

### Fund Balances of Governmental Funds



## Changes in Fund Balances of Governmental Funds

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Property taxes	\$ 347,079	\$ 349,176	\$ 399,859	\$ 299,320	\$ 472,995	\$ 480,741	\$ 510,841	\$ 533,823	\$ 558,707	\$ 582,971
Sales and use taxes	608,307	640,251	676,916	64,981	762,201	896,925	791,510	1,079,287	1,199,536	1,249,309
Other taxes	165,584	180,745	187,427	101,593	229,725	248,770	138,736	199,901	251,720	287,040
Special assessments	1,913	1,575	1,282	1,257	1,305	1,819	1,858	1,285	1,783	1,789
Leases	-	-	-	-	-	-	-	-	914	1,049
Licenses and permits	49,963	61,530	61,235	431	68,005	69,322	63,571	68,933	71,789	67,635
Intergovernmental revenues	218,206	213,643	223,296	211,345	278,238	280,420	389,641	467,127	330,666	406,330
Charges for services	237,077	265,105	267,170	71,668	279,037	313,011	225,575	291,774	344,942	372,169
Investment and interest income	14,413	14,998	18,661	10,984	37,540	83,371	97,355	3,766	(77,447)	147,229
Fines and forfeitures	54,472	53,540	49,433	1,688	45,032	39,579	30,470	37,531	34,239	37,580
Contributions	5,578	4,657	6,709	9,975	29,960	7,147	7,585	18,463	8,809	25,183
Other revenue	54,660	65,103	62,289	51,828	63,132	67,190	67,678	69,555	111,946	121,733
<b>Total revenues</b>	<b>1,757,252</b>	<b>1,850,323</b>	<b>1,954,277</b>	<b>825,070</b>	<b>2,267,170</b>	<b>2,488,295</b>	<b>2,324,820</b>	<b>2,771,445</b>	<b>2,837,604</b>	<b>3,300,017</b>
<b>Expenditures</b>										
General government	304,479	332,024	374,605	205,575	425,260	466,523	495,843	567,219	560,056	680,348
Public safety	574,812	607,077	606,983	75,714	687,895	718,926	722,561	670,637	771,156	858,746
Public works	221,813	192,462	188,078	139,248	309,140	364,097	313,358	352,697	312,244	367,414
Health	59,469	64,036	61,822	13,139	59,532	107,222	149,820	155,870	171,672	214,445
Human services	113,799	123,095	135,733	-	168,061	164,274	126,625	128,175	155,783	163,726
Parks and recreation	70,301	73,222	75,752	12,902	101,208	99,176	90,970	89,435	114,027	123,550
Cultural activities	107,138	110,427	115,446	81,525	133,983	142,806	110,349	115,419	149,467	185,628
Community development	39,469	44,791	46,968	19,417	68,699	75,052	155,581	169,228	182,839	216,044
Economic opportunity	21,085	19,813	14,588	6,873	745	9,642	15,057	15,186	21,897	33,401
Principal retirement	95,885	104,667	107,346	149,079	160,127	146,111	150,794	148,798	152,101	166,529
Interest	69,427	64,622	60,908	64,927	56,510	75,097	76,137	65,901	92,532	97,033
Bond issuance costs	500	491	2,073	-	-	-	-	-	-	-
Capital outlay	32,697	35,194	99,506	57,959	121,666	170,324	171,176	166,297	254,406	408,615
<b>Total Expenditures</b>	<b>1,710,874</b>	<b>1,771,921</b>	<b>1,889,808</b>	<b>826,358</b>	<b>2,292,826</b>	<b>2,539,250</b>	<b>2,578,271</b>	<b>2,644,862</b>	<b>2,938,180</b>	<b>3,515,479</b>
Deficiency of revenues under expenditures	46,378	78,402	64,469	(1,288)	(25,656)	(50,955)	(253,451)	126,583	(100,576)	(215,462)

**continued**

## Changes in Fund Balances of Governmental Funds, continued

Last 10 Fiscal Years (dollars in thousands - modified accrual basis of accounting)

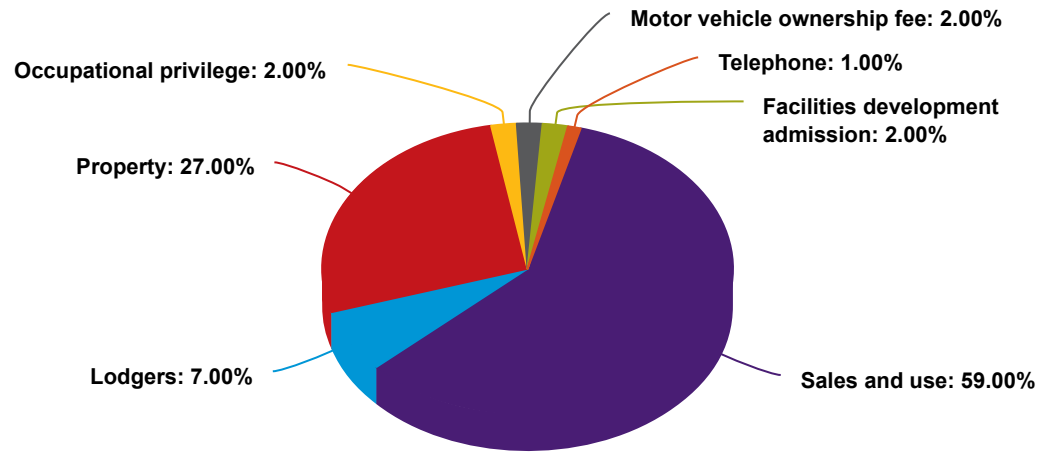
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Other financing sources (uses)</b>										
Sale of capital assets	1,784	296	1,081	3,957	651	14,429	5,980	203	15	-
GID general obligation bonds issued	-	-	-	-	-	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-	-	-	-	-	-
Issuance of certificate of participation	-	22,470	-	1,055	129,000	-	19,670	-	-	-
Issuance of financed purchases	19,905	485	373	13,551	4,463	4,888	3,341	14,812	20,727	243,945
Financed Purchases restructured	-	-	-	15,507	-	-	-	-	-	-
Intergovernmental agreement	-	-	-	-	-	-	-	-	-	-
Right-of-use proceeds	-	-	-	-	-	-	-	-	-	33,185
Payment to escrow	-	-	(193,979)	(21,478)	(75,824)	(56,221)	(314,083)	-	-	(144,544)
Commercial paper issued	-	-	-	-	-	-	-	-	-	-
Bond premium (discount)	-	-	30,857	-	46,140	32,094	94,225	52,197	43,451	33,121
Note proceeds	-	1,422	3,000	4,025	-	-	-	-	-	-
Issuance of bonds	12,000	-	204,170	-	560,905	199,175	169,925	273,830	366,389	-
Issuance of bonds - refunding	-	-	193,140	-	-	50,140	222,700	-	-	-
Insurance recoveries	500	1,266	1,561	793	809	965	776	1,129	2,029	1,761
Capital asset transfer	-	-	-	-	-	-	-	(279)	-	-
Transfers in	112,670	206,427	182,897	198,933	190,327	219,870	143,203	209,330	176,764	306,214
Transfers out	(112,736)	(202,555)	(184,573)	(197,466)	(189,883)	(218,546)	(134,744)	(205,736)	(174,302)	(304,484)
<b>Total other financing sources (uses)</b>	<b>34,123</b>	<b>29,811</b>	<b>238,527</b>	<b>18,877</b>	<b>666,588</b>	<b>246,794</b>	<b>210,993</b>	<b>345,486</b>	<b>435,073</b>	<b>169,198</b>
<b>Net change in fund balances</b>	<b>\$ 80,501</b>	<b>\$ 108,213</b>	<b>\$ 302,996</b>	<b>\$ (86,004)</b>	<b>\$ 640,932</b>	<b>\$ 195,839</b>	<b>\$ (42,458)</b>	<b>\$ 472,069</b>	<b>\$ 334,533</b>	<b>\$ (46,264)</b>
Debt service as a percentage of noncapital expenditures	10.4%	10.6%	9.7%	11.6%	9.4%	9.9%	10.0%	9.2%	6.5%	8.9%

### Governmental Activities Tax Revenues by Source

Last Ten Fiscal Years (dollars in thousands - modified accrual basis of accounting)

Taxes	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Facilities development admission	\$ 9,262	\$ 12,569	\$ 12,401	\$ 13,816	\$ 16,846	\$ 15,859	\$ 1,808	\$ 12,760	\$ 18,924	\$ 20,596
Lodgers	75,579	82,376	88,872	112,947	120,056	134,047	47,149	90,696	138,250	153,596
Motor vehicle ownership fee	23,944	26,647	26,787	30,793	30,654	32,020	25,921	28,988	21,966	39,460
Occupational privilege	46,438	48,293	49,864	50,955	53,093	54,940	50,669	52,319	56,383	56,624
Property	347,079	349,176	399,859	419,648	472,995	479,346	510,841	533,823	558,707	582,971
Sales and use	608,307	640,251	676,916	721,512	762,201	896,924	791,510	1,079,287	1,199,536	1,249,309
Specific ownership	213	232	57	57	62	88	82	88	107	115
Telephone	10,148	10,628	9,446	9,372	9,014	13,208	13,107	15,050	16,090	16,649
<b>Total primary government taxes</b>	<b>\$ 1,120,970</b>	<b>\$ 1,170,172</b>	<b>\$ 1,264,202</b>	<b>\$ 1,359,100</b>	<b>\$ 1,464,921</b>	<b>\$ 1,626,432</b>	<b>\$ 1,441,087</b>	<b>\$ 1,813,011</b>	<b>\$ 2,009,963</b>	<b>\$ 2,119,320</b>

### Revenues by Sources - Governmental Activities

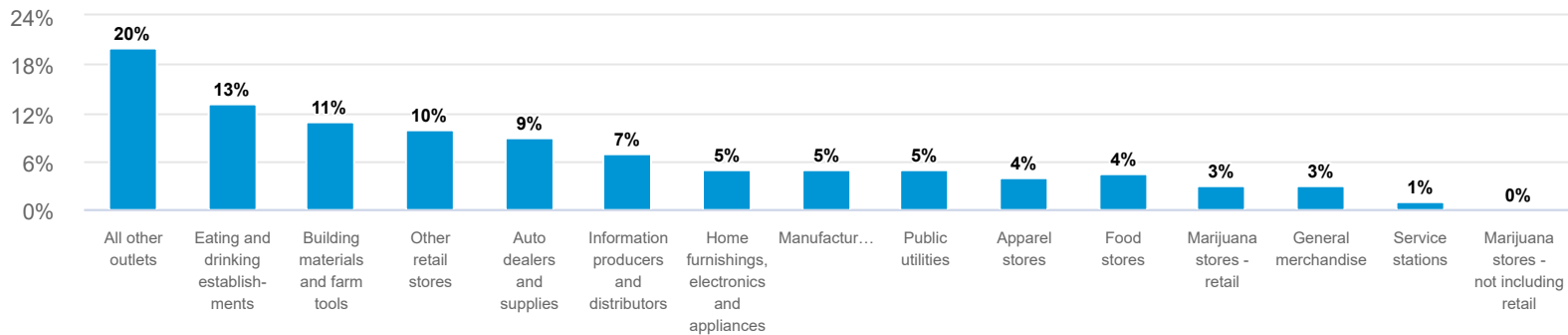


## Sales Tax by Category

Last 10 Calendar Years (dollars in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Apparel stores	\$ 24,111	\$ 25,523	\$ 26,029	\$ 26,758	\$ 28,393	\$ 33,031	\$ 25,325	\$ 40,916	\$ 47,427	\$ 48,534
General merchandise	18,276	18,527	22,189	21,894	23,548	26,312	25,632	30,702	32,985	33,933
Food stores	23,698	24,994	27,972	28,833	31,067	35,992	36,546	42,399	41,892	43,010
Eating and drinking establishments	94,439	101,242	106,903	113,091	122,062	145,747	79,912	129,410	148,008	157,204
Home furnishings, electronics and appliances	26,138	28,026	38,112	41,147	44,738	50,809	49,788	61,433	67,635	64,285
Building materials and farm tools	52,708	55,122	78,695	86,174	91,072	100,886	102,790	118,972	136,997	141,986
Auto dealers and supplies	55,414	62,000	62,801	64,529	63,872	75,490	77,633	97,598	108,816	113,912
Service stations	15,027	15,058	13,333	12,879	12,758	15,591	3,762	5,518	15,532	17,404
Public utilities	32,931	31,106	30,285	31,366	32,743	36,235	37,186	49,762	55,747	55,894
Manufacturing	46,870	46,166	38,616	29,579	35,373	41,312	40,576	47,184	57,574	64,870
Information producers and distributors	38,213	37,036	40,450	41,637	38,025	48,054	49,651	68,748	82,537	87,612
Marijuana stores - retail	10,761	15,636	20,611	26,723	29,995	37,024	53,536	56,753	39,364	35,184
Marijuana stores - not including retail	6,451	6,996	7,730	7,430	7,636	9,220	8,129	9,205	4,564	738
Other retail stores	55,634	55,530	45,338	50,577	54,605	65,771	71,216	123,190	129,509	128,915
All other outlets	107,636	117,289	117,852	138,895	146,314	175,450	129,827	197,317	230,952	255,828
<b>Total</b>	<b>\$ 608,307</b>	<b>\$ 640,251</b>	<b>\$ 676,916</b>	<b>\$ 721,512</b>	<b>\$ 762,201</b>	<b>\$ 896,924</b>	<b>\$ 791,509</b>	<b>\$ 1,079,107</b>	<b>\$ 1,199,539</b>	<b>\$ 1,249,309</b>
City direct sales tax rate	3.62%	3.62%	3.65%	3.65%	3.65%	4.31%	4.31%	4.81%	4.81%	4.81%

### 2023 Sales Tax by Category



**Note:**The 2023 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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Vacant property	\$ 181,758	\$ 219,528	\$ 186,774	\$ 259,521	\$ 231,259	\$ 352,077	\$ 328,355	\$ 470,322	\$ 425,525	\$ 488,424
Residential property	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	12,237,613
Commercial property	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	12,147,454
Industrial property	122,425	150,606	143,930	179,325	175,198	230,238	219,793	281,325	264,626	215,378
Agricultural property	69	79	138	92	356	133	125	227	83	78
Personal property	765,486	825,798	827,331	887,721	918,036	988,926	970,056	817,751	851,143	967,504
State assessed property	838,378	824,187	920,535	925,503	947,791	914,200	965,822	872,881	879,331	896,101
<b>Total taxable assessed value</b>	<b>\$ 11,385,252</b>	<b>\$ 14,384,910</b>	<b>\$ 14,659,085</b>	<b>\$ 17,548,347</b>	<b>\$ 17,925,124</b>	<b>\$ 22,108,001</b>	<b>\$ 22,527,891</b>	<b>\$ 24,125,258</b>	<b>\$ 23,235,806</b>	<b>\$ 26,952,552</b>
Total direct tax rate	33.055	30.119	30.531	28.333	28.301	24.455	25.184	25.120	26.946	25.775
<b>Estimated actual taxable value</b>	<b>\$ 80,891,083</b>	<b>\$ 100,203,607</b>	<b>\$ 105,772,919</b>	<b>\$ 134,744,419</b>	<b>\$ 139,408,175</b>	<b>\$ 171,449,490</b>	<b>\$ 166,203,442</b>	<b>\$ 192,464,828</b>	<b>\$ 192,464,828</b>	<b>\$ 235,392,653</b>
Assessed value as a percentage of estimated actual value	14.1%	14.4%	13.9%	13.0%	12.9%	12.9%	13.6%	12.5%	12.1%	11.5%

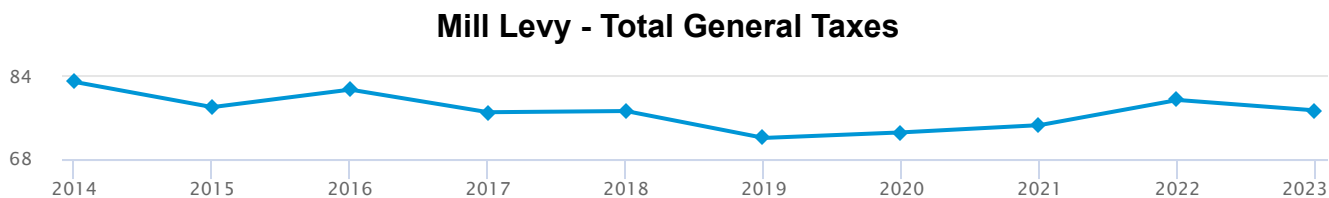
**Note:** The TABOR amendment, which was approved by Colorado voters in 1992, requires all assessors to use only the market approach in valuing residential property. For commercial real property, the income approach is generally the appropriate method to use in estimating value. Under Colorado law, all assessors must reappraise real property every two years; this occurs in every odd-numbered year (2013, 2015, 2017, 2019, 2021 and 2023). 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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>County Direct Rates</b>										
General fund	13.156	11.331	11.276	9.944	9.922	9.260	9.818	9.820	10.071	9.299
Bond principal	4.100	5.433	7.433	7.000	7.000	4.500	5.500	5.500	4.250	5.044
Bond interest	4.333	3.000	1.000	1.433	1.433	2.000	1.000	1.000	2.250	1.456
Social services	4.470	3.849	3.835	3.380	3.374	2.479	2.627	2.586	2.618	2.423
Developmentally disabled	1.016	1.012	1.010	1.010	1.009	1.011	1.011	1.009	1.012	1.008
Fire pension	1.568	1.350	1.345	1.185	1.183	1.042	1.041	1.039	1.052	0.973
Police pension	1.870	1.610	1.604	1.413	1.411	1.243	1.242	1.238	1.255	1.161
Capital maintenance	2.542	2.534	2.528	2.526	2.525	2.528	2.528	2.513	2.517	2.515
Affordable housing	-	-	0.500	0.442	0.444	0.392	0.417	0.415	0.421	0.389
Library	-	-	-	-	-	-	-	-	1.500	1.507
<b>Total County Direct Rates</b>	<b>33.055</b>	<b>30.119</b>	<b>30.531</b>	<b>28.333</b>	<b>28.301</b>	<b>24.455</b>	<b>25.184</b>	<b>25.120</b>	<b>26.946</b>	<b>25.775</b>
<b>School District #1</b>										
General fund	38.780	37.147	41.013	38.594	38.676	37.096	36.926	37.413	39.391	37.695
Bond redemption	10.519	10.250	9.383	9.650	9.568	9.568	9.568	9.568	9.843	9.843
Special revenue mill	-	-	-	-	-	-	1.517	1.517	2.345	3.173
<b>Total School District #1</b>	<b>49.299</b>	<b>47.397</b>	<b>50.396</b>	<b>48.244</b>	<b>48.244</b>	<b>46.664</b>	<b>48.011</b>	<b>48.498</b>	<b>51.579</b>	<b>50.711</b>
<b>Urban Drainage &amp; Flood Control District</b>	<b>0.700</b>	<b>0.611</b>	<b>0.620</b>	<b>0.557</b>	<b>0.820</b>	<b>0.997</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
<b>Total General Taxes</b>	<b>83.054</b>	<b>78.127</b>	<b>81.547</b>	<b>77.134</b>	<b>77.365</b>	<b>72.116</b>	<b>74.195</b>	<b>74.618</b>	<b>79.525</b>	<b>77.486</b>



**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.

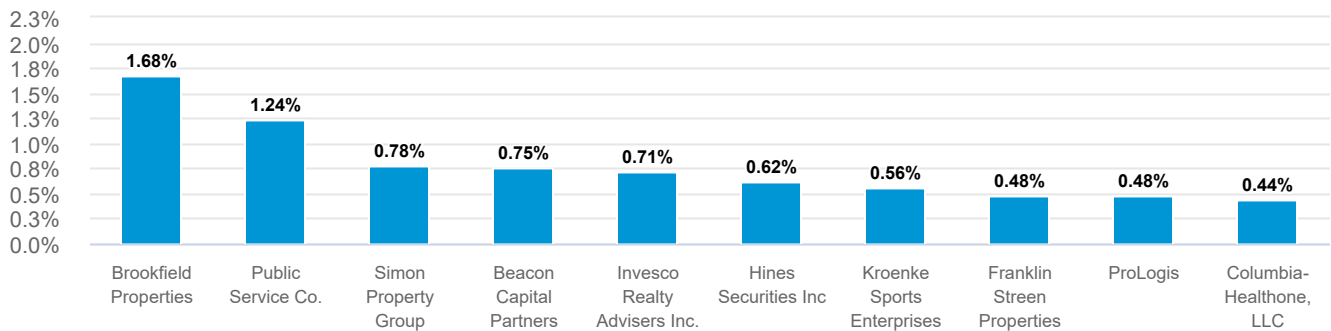
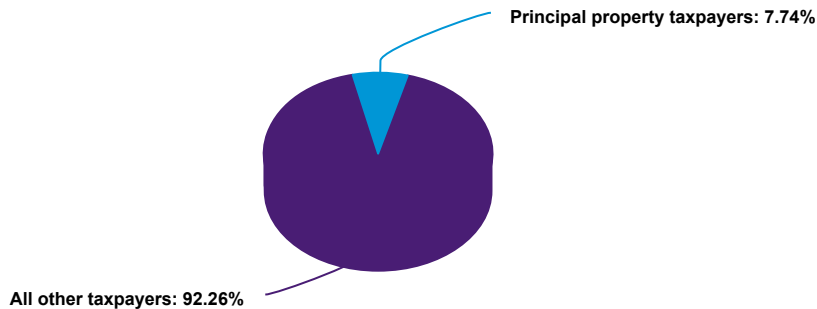
**Source:** Abstract of Assessment documents

### Principal Property Taxpayers

Current Year and Nine Years Ago (dollars in thousands)

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Brookfield Office Properties	\$ 453,335	1	1.68%	\$ 157,806	3	1.39%
Public Service Co.	335,542	2	1.24%	238,892	1	2.10%
Simon Property Group	210,289	3	0.78%			
Beacon Capital Partners	201,949	4	0.75%	140,874	4	1.24%
Invesco Realty Advisors Inc.	191,312	5	0.71%			
Hines Securities Inc.	167,463	6	0.62%			
Kroenke Sports Enterprises	151,833	7	0.56%			
Franklin Street Properties	128,981	8	0.48%			
ProLogis	128,765	9	0.48%			
Columbia-Healthtone	119,690	10	0.44%	93,118	5	0.82%
CenturyLink Inc.				160,625	2	1.41%
UBS Realty Investors				82,268	6	0.72%
Taubman Centers Inc.				82,255	7	0.72%
Callahan Capital Partners				75,956	8	0.67%
LBA Realty Fund				73,287	9	0.64%
Frontier Airlines				61,653	10	0.54%
<b>Totals</b>	<b>\$ 2,089,159</b>		<b>7.74%</b>	<b>\$ 1,166,734</b>		<b>10.25%</b>

### Principal Property Taxpayers



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 (Refunds) in subsequent years	Total collections to date		Cancellations <sup>(1)</sup>					
							Amount	Percentage of levy						
<b>General Fund</b>														
2014	\$	109,682	\$	580	\$	108,074	99.06%	\$	1,550	\$	109,624	99.95%	\$	58
2015		118,856		631		116,532	98.58%		2,277		118,809	99.96%		47
2016		120,180		586		118,973	99.48%		1,121		120,094	99.93%		86
2017		130,549		2,043		127,117	98.94%		1,325		130,485	99.95%		
2018		132,251		599		131,536	99.91%		41		132,176	99.94%		
2019		154,200		565		153,354	99.82%		207		154,126	99.95%		
2020		166,586		157		165,017	99.15%		1,074		166,248	99.80%		
2021		173,652		54		173,325	99.84%		93		173,472	99.90%		
2022		177,476		216		175,732	99.14%		-		175,948	99.14%		
2023		189,519		370		-	0.20%		n/a		370	0.20%		
<b>Affordable Housing</b>														
2016	\$	6,730	\$	32	\$	6,664	99.49%	\$	61	\$	6,725	99.93%	\$	5
2017		7,326		114		7,134	98.94%		74		7,322	99.95%		
2018		7,470		34		7,429	99.91%		3		7,466	99.95%		
2019		8,123		30		8,078	99.82%		10		8,118	99.94%		
2020		8,797		8		8,724	99.26%		56		8,788	99.90%		
2021		9,110		3		9,092	99.84%		5		9,100	99.89%		
2022		9,182		11		9,141	99.67%		-		9,152	99.67%		
2023		9,818		19		-	0.19%		n/a		19	0.19%		
<b>Bond Principal Fund</b>														
2014	\$	43,121	\$	228	\$	42,512	99.12%	\$	586	\$	43,098	99.95%	\$	23
2015		71,837		381		70,525	98.70%		1,283		71,808	99.96%		29
2016		100,054		487		99,052	99.49%		930		99,982	99.93%		72
2017		116,028		1,813		112,978	98.93%		1,180		115,971	99.95%		
2018		117,770		533		117,134	99.91%		35		117,702	99.94%		
2019		93,250		341		92,736	99.81%		117		93,194	99.94%		
2020		116,021		109		115,846	99.94%		(38)		115,917	99.91%		
2021		120,729		38		120,574	99.90%		65		120,677	99.96%		
2022		92,697		113		92,586	100.00%		-		92,699	100.00%		
2023		127,288		249		-	0.20%		n/a		249	0.20%		

## Property Tax Levies and Collections, continued

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 (refunds) in subsequent years	Total collections to date		Cancellations <sup>(1)</sup>
						Amount	Percentage of levy	
<b>Bond Interest Fund</b>								
2014	\$ 45,572	\$ 241	\$ 44,928	99.12%	\$ 620	\$ 45,548	99.95%	\$ 24
2015	39,667	211	38,942	98.70%	709	39,651	99.96%	16
2016	13,461	65	13,326	99.48%	125	13,451	99.93%	10
2017	23,753	371	23,128	98.93%	242	23,741	99.95%	
2018	24,109	109	23,979	99.91%	7	24,095	99.94%	
2019	41,444	152	41,215	99.81%	52	41,419	99.94%	
2020	21,095	20	21,169	100.45%	(115)	21,074	99.90%	
2021	21,951	7	21,823	99.45%	13	21,843	99.51%	
2022	49,075	60	48,557	99.07%	-	48,617	99.07%	
2023	36,743	72	-	0.20%	n/a	72	0.20%	
<b>Human Services Fund</b>								
2014	\$ 58,530	\$ 305	\$ 57,705	99.11%	\$ 795	\$ 58,500	99.95%	\$ 30
2015	65,295	341	64,097	98.69%	1,172	65,269	99.96%	26
2016	66,205	317	65,548	99.49%	610	66,158	99.93%	47
2017	73,507	1,137	71,586	98.93%	748	73,471	99.95%	
2018	74,516	334	74,116	99.91%	22	74,472	99.94%	
2019	73,287	264	72,885	99.81%	94	73,243	99.94%	
2020	78,195	72	78,455	100.42%	(393)	78,134	99.92%	
2021	80,411	25	80,253	99.83%	43	80,321	99.89%	
2022	80,663	96	80,307	99.68%	-	80,403	99.68%	
2023	88,318	169	-	0.19%	n/a	169	0.19%	
<b>Library</b>								
2022	32,717	40	32,572	99.68%	-	32,612	99.68%	
2023	38,030	74	-	0.19%	n/a	74	0.19%	

## Property Tax Levies and Collections, continued

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 (refunds) in subsequent years	Total collections to date		
						Amount	Percentage of levy	Cancellations
<b>Capital Improvement and Maintenance Funds</b>								
2014	\$ 55,322	\$ 292	\$ 54,526	99.09%	\$ 767	\$ 55,293	99.95%	\$ 29
2015	64,472	342	63,255	98.64%	1,191	64,446	99.96%	26
2016	65,381	153	64,891	99.48%	443	65,334	99.93%	47
2017	75,897	1,187	73,902	98.94%	771	75,860	99.95%	
2018	76,985	348	76,569	99.91%	23	76,940	99.94%	
2019	89,823	329	89,327	99.81%	113	89,769	99.94%	
2020	93,851	88	94,127	100.39%	(505)	93,710	99.85%	
2021	97,066	30	96,689	99.64%	53	96,772	99.70%	
2022	97,081	118	97,364	100.41%	-	97,482	100.41%	
2023	108,614	212	-	0.20%	n/a	212	0.20%	
<b>Total</b>								
2014	\$ 312,227	\$ 1,646	\$ 307,745	99.09%	\$ 4,318	\$ 312,063	99.95%	\$ 164
2015	360,127	1,906	353,351	98.65%	6,632	359,983	99.96%	144
2016	372,011	1,640	368,454	99.48%	3,290	371,744	99.93%	267
2017	427,060	6,665	415,845	98.93%	4,340	419,528	98.24%	
2018	433,101	1,957	430,763	99.91%	131	425,385	98.22%	
2019	460,127	1,681	457,595	99.82%	593	451,751	98.18%	
2020	484,545	454	483,338	99.84%	79	475,083	98.05%	
2021	502,919	157	501,756	99.80%	272	493,085	98.04%	
2022	538,891	654	536,259	99.63%	-	495,149	91.88%	
2023	598,330	1,165	-	0.19%	n/a	1,165	0.19%	

<sup>(4)</sup> Taxes are determined to be uncollectable after six years from the date of becoming delinquent and cancelled as authorized by C.R.S. 39-10-114<sup>(2)</sup>(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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities</b>										
General obligation bonds	\$ 867,646	\$ 815,676	\$ 761,406	\$ 661,776	\$ 737,991	\$ 842,856	\$ 778,162	\$ 689,366	\$ 958,413	\$ 869,744
General obligation bonds										
Direct Placement	-	-	-	-	-	-	76,250	61,700	46,810	31,565
Excise tax revenue bonds	191,150	171,365	374,960	351,475	630,659	611,596	589,430	849,000	850,239	836,653
Lease liability	406,490	403,555	375,112	360,219	467,327	439,273	341,635	321,465	404,238	469,091
Subscription liability <sup>(1)</sup>	-	-	-	-	-	-	-	-	-	60,890
Unamortized premium	37,948	31,080	50,253	42,612	79,109	100,208	181,060	209,831	229,813	234,324
Note payable	7,456	1,431	1,431	-	-	-	-	-	-	-
GID note payable	-	-	5,844	6,165	5,921	5,634	5,330	5,031	4,719	4,398
<b>Business-Type Activities</b>										
Revenue bonds	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	6,988,664
Revenue bonds										
Direct Placement	-	-	-	-	-	-	741,570	1,378,060	499,295	455,210
Economic defeasance	-	-	-	-	-	40,080	40,080	-	-	-
Revenue credit payable	-	-	-	-	-	413,874	29,439	40,000	50,561	50,000
Unamortized (discount)/ premium	158,108	133,495	163,975	180,335	431,574	435,237	397,254	355,044	487,915	17,632
Financed purchases	9,345	8,179	10,980	8,506	6,063	9,494	-	-	-	-
Lease liability	-	-	-	-	-	-	-	-	2,464	47,194
Subscription liability <sup>(1)</sup>	-	-	-	-	-	-	-	-	-	14,320
Financed purchases - Direct Placement	-	-	-	-	-	-	6,712	4,883	-	-
Notes payable	20,987	17,077	10,751	8,684	6,576	4,427	2,235	-	282	2,930
<b>Total primary government</b>	<b>\$ 6,030,065</b>	<b>\$ 5,738,028</b>	<b>\$ 5,800,897</b>	<b>\$ 5,735,097</b>	<b>\$ 8,614,985</b>	<b>\$ 8,856,559</b>	<b>\$ 8,189,517</b>	<b>\$ 8,765,725</b>	<b>\$ 10,787,448</b>	<b>\$ 10,082,615</b>
<b>Percentage of personal income</b>	n/a	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.

<sup>(1)</sup> addition of GASB 96 to subscription liability

## Ratios of General Bonded Debt Outstanding

Last 10 Fiscal Years (dollars in thousands, except per capita amount)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General obligation bonds	\$ 867,646	\$ 815,676	\$ 761,406	\$ 661,776	\$ 737,991	\$ 842,856	\$ 778,162	\$ 689,366	\$ 958,413	\$ 869,744
General obligation bonds - Direct placement	-	-	-	-	-	-	76,250	61,700	46,810	31,565
Unamortized premium	37,948	31,080	50,253	42,612	79,109	100,208	181,060	209,831	229,813	234,324
Less amounts available in debt service fund	(64,755)	(84,239)	(129,356)	(145,707)	(151,904)	(154,464)	(165,397)	(180,386)	(174,373)	(190,408)
<b>Total</b>	<b>\$ 840,839</b>	<b>\$ 762,517</b>	<b>\$ 682,303</b>	<b>\$ 558,681</b>	<b>\$ 665,196</b>	<b>\$ 788,600</b>	<b>\$ 870,075</b>	<b>\$ 780,511</b>	<b>\$1,060,663</b>	<b>\$ 945,225</b>
Percentage of estimated actual taxable value of property	0.99%	0.73%	0.60%	0.38%	0.42%	0.40%	0.41%	0.34%	0.50%	0.40%
Per Capita	\$ 1,356	\$ 1,235	\$ 1,068	\$ 862	\$ 960	\$ 1,147	\$ 904	\$ 762	\$ 1,165	\$ 1,325

**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, 2023 (dollars in thousands)

	Debt Outstanding	Percentage Applicable	City and County of Denver Share of Debt
<b>Direct Debt</b>			
General Obligation bonds	\$ 869,744		
General Obligation bonds - direct placement	31,565		
General Improvement District revenue notes	4,398		
Lease liability	469,091 <sup>(1)</sup>		
Subscription liability	60,890		
Unamortized premium	234,324		
Excise tax revenue bonds	836,653		
<b>Total Net Direct Debt</b>	<b>2,506,665</b>		
<b>Overlapping Debt</b>			
Regional Transportation District	\$ 3,640,909	22.74% <sup>(2)</sup>	\$ 827,981
Metro Water Recovery	579,765	48.98% <sup>(3)</sup>	283,954
School District #1	2,103,812	100.00%	2,103,812
<b>Total Overlapping Debt</b>	<b>6,324,486</b>		<b>3,215,747</b>
<b>Total Net Direct and Overlapping Debt</b>	<b>\$ 8,831,151</b>		<b>\$ 5,722,412</b>

<sup>(1)</sup> Includes Certificates of Participation (COPs) in addition to GASB 87 Leases.

<sup>(2)</sup> 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.

<sup>(3)</sup> Percentage calculated on Denver's wastewater charges compared to the entire metro district per Metro Wastewater Reclamation District.

## Legal Debt Margin Information

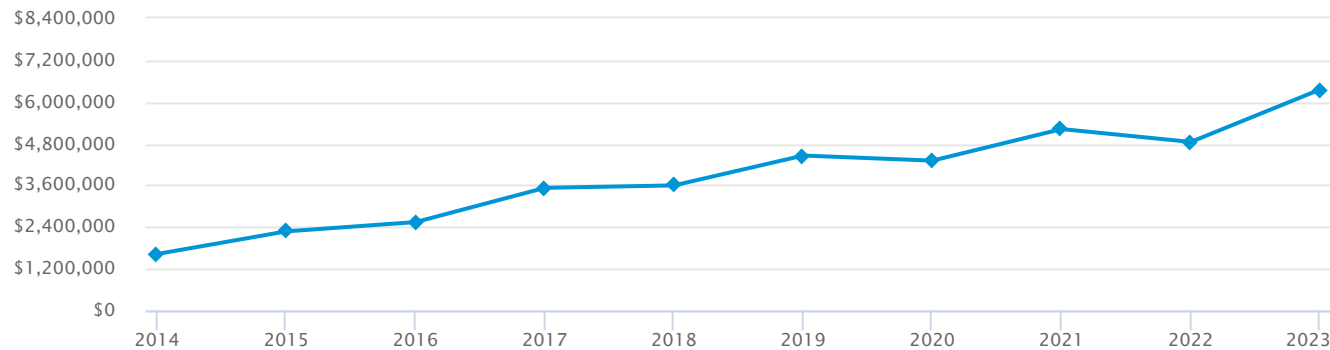
Last 10 Fiscal Years (dollars in thousands)

### Calculation of Legal Debt Margin for Fiscal Year 2023

<b>Total Estimated Actual Valuation</b>	<b><u>\$ 235,392,653</u></b>
Maximum general obligation debt, limited to 3% of total valuation	\$ 7,061,780
Outstanding bonds chargeable to limit	897,885
Less amount reserved for long-term debt	<u>190,408</u>
<b>Net chargeable to bond limit</b>	<b><u>707,477</u></b>
<b>Legal Debt Margin – December 31</b>	<b>\$ 6,354,303</b>

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$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	\$7,061,780
Total net debt application to limit	<u>802,891</u>	<u>731,437</u>	<u>632,050</u>	<u>516,069</u>	<u>586,087</u>	<u>688,392</u>	<u>676,973</u>	<u>557,074</u>	<u>825,252</u>	<u>707,477</u>
<b>Legal debt margin</b>	<b><u>\$1,623,841</u></b>	<b><u>\$2,274,671</u></b>	<b><u>\$ 2,541,138</u></b>	<b><u>\$3,526,264</u></b>	<b><u>\$3,596,158</u></b>	<b><u>\$4,455,093</u></b>	<b><u>\$4,309,130</u></b>	<b><u>\$5,216,871</u></b>	<b><u>\$4,846,685</u></b>	<b><u>\$6,354,303</u></b>
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	<b>33.09%</b>	<b>24.33%</b>	<b>19.92%</b>	<b>12.77%</b>	<b>14.01%</b>	<b>13.38%</b>	<b>13.58%</b>	<b>9.65%</b>	<b>14.55%</b>	<b>10.02%</b>

### 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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Pledged 3.0% lodger's tax revenues	\$ 21,092	\$ 22,989	\$ 24,802	\$ 31,519	\$ 31,082	\$ 34,096	\$ 12,085	\$ 23,433	\$ 35,659	\$ 39,906
Pledged 0.5% food and beverage tax revenues	15,202	16,350	17,164	18,619	19,821	20,480	14,376	19,078	22,579	25,401
Pledged 2.0% short-term auto rental tax revenues	10,894	11,614	12,468	12,515	13,197	13,530	7,497	13,719	15,532	18,833
Other sources	381	541	961	720	776	892	602	473	694	1,281
<b>Total pledged excise tax base</b>	<b>\$ 47,569</b>	<b>\$ 51,494</b>	<b>\$ 55,395</b>	<b>\$ 63,373</b>	<b>\$ 64,876</b>	<b>\$ 68,998</b>	<b>\$ 34,560</b>	<b>\$ 56,703</b>	<b>\$ 74,464</b>	<b>\$ 85,421</b>
Debt service (2009B Bonds)	8,655	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Pledged excise tax base remaining after payment of 2009B Bonds debt service</b>	<b>\$ 38,914</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Pledged 1.75% short-term auto rental increase	9,532	10,163	10,910	10,962	11,548	11,839	6,559	11,998	13,569	16,497
Pledged 1.75% lodgers' tax increase	12,303	13,410	14,468	18,386	18,124	19,889	7,049	13,670	20,801	23,278
<b>Available for Series 2005A and 2009A Bonds debt service</b>	<b>\$ 60,749</b>	<b>\$ 23,573</b>	<b>\$ 25,378</b>	<b>\$ 29,348</b>	<b>\$ 29,672</b>	<b>\$ 31,728</b>	<b>\$ 13,608</b>	<b>\$ 25,668</b>	<b>\$ 34,370</b>	<b>\$ 39,775</b>
Debt service (2005A and 2009A Bonds)	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	41,484
Additional pledged 3.50% short-term auto rental revenues	-	-	21,820	21,793	22,893	23,460	12,588	23,718	26,897	32,653
Available for Series 2016AB, 2018AB, and 2021A Bonds debt service	-	-	122,836	146,660	149,211	159,213	74,156	130,854	172,909	199,333
Debt service (2016A and 2016B Bonds)	-	-	26,916	11,061	35,599	34,608	28,687	26,692	27,060	27,273
Debt service (2018A and 2018B Bonds)	-	-	-	-	-	10,223	10,944	9,618	10,588	11,739
Debt service (2021A Bonds)	-	-	-	-	-	-	-	-	-	11,144

**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 2016A-B 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 2018A-B 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 2016A-B Bonds and 2018A-B 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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net pledged revenues	\$ 36,635	\$ 33,363	\$ 35,293	\$ 46,666	\$ 49,871	\$ 66,237	\$ 21,775	\$ 72,810	\$ 86,062	\$ 93,180
Combined average debt service requirements <sup>(1)</sup>	\$ 3,099	\$ 3,027	\$ 8,299	\$ 7,930	\$ 13,032	\$ 12,475	\$ 11,919	\$ 11,362	\$ 13,110	\$ 12,967
Debt service coverage ratio	11.82	11.02	4.25	5.88	3.83	5.31	1.83	6.41	6.56	7.19
Required coverage	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25

**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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net pledged revenues	\$ 1,264 <sup>(2)</sup>	\$ 912	\$ 1,940	\$ 1,653	\$ 1,653	\$ 2,147	\$ 2,382	\$ 4,168	\$ -	\$ -
Rate maintenance account	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ -	\$ -
Available fund balance	\$ 12,933	\$ 9,791	\$ 9,987	\$ 12,932	\$ 8,641	\$ 23,785	\$ 24,065	\$ 25,414	\$ -	\$ -
Annual debt service requirement	\$ 686	\$ 684	\$ 685	\$ 685	\$ 682	\$ 687	\$ 687	\$ 687	\$ -	\$ -
Service coverage ratio	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	-	-

**\*Golf bonds were issued in 2006**

<sup>(1)</sup> Does not include non-cash expenditure of \$617 for leased items that did not meet City's capitalization limit.

<sup>(2)</sup> 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)

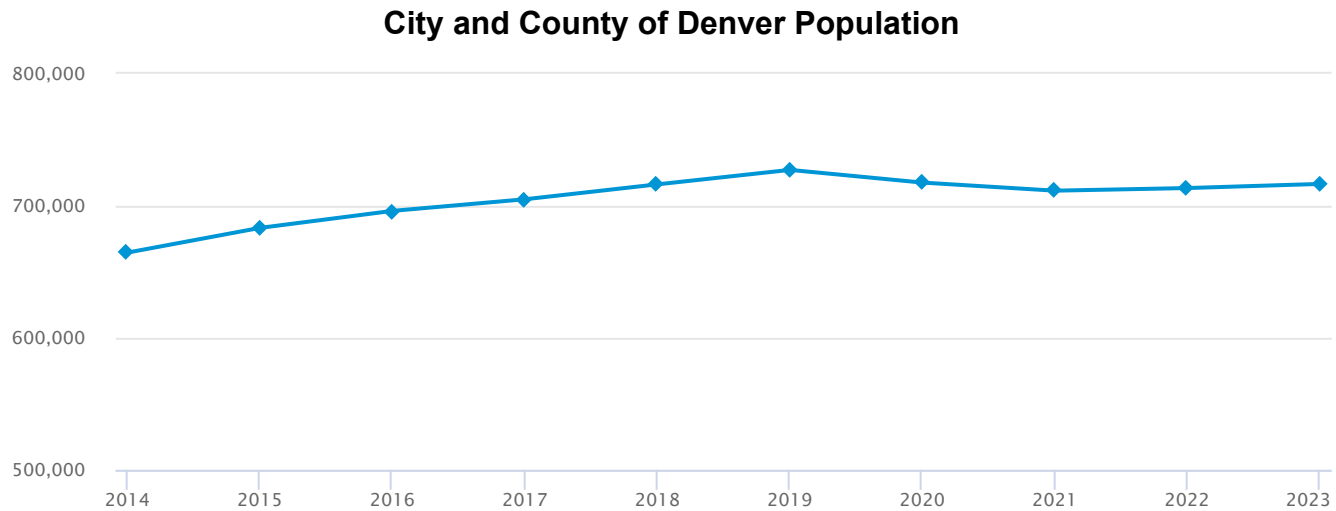
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Gross Revenues	\$ 803,620	\$ 808,614	\$ 863,126	\$ 895,857	\$ 945,206	\$ 1,102,851	\$ 748,264	\$ 929,450	\$ 1,182,524	\$ 1,380,523
Operation and maintenance expenses	355,769	377,199	417,140	425,005	445,801	478,305	407,365	424,042	497,403	578,917
<b>Net revenues</b>	<b>447,851</b>	<b>431,415</b>	<b>445,986</b>	<b>470,852</b>	<b>499,405</b>	<b>624,546</b>	<b>340,899</b>	<b>505,408</b>	<b>685,121</b>	<b>801,606</b>
Other available funds	54,834	50,320	51,574	47,090	43,901	68,365	39,848	35,051	35,613	43,680
<b>Total amount available for debt service</b>	<b>\$ 502,685</b>	<b>\$ 481,735</b>	<b>\$ 497,560</b>	<b>\$ 517,942</b>	<b>\$ 543,306</b>	<b>\$ 692,911</b>	<b>\$ 380,747</b>	<b>\$ 540,459</b>	<b>\$ 720,734</b>	<b>\$ 845,286</b>
Debt service requirements per general and supplemental bond ordinances	\$ 219,334	\$ 201,279	\$ 294,914	\$ 282,251	\$ 276,949	\$ 376,265	\$ 252,387	\$ 256,990	\$ 361,349	\$ 390,047
Debt service coverage	2.29	2.39	1.69	1.84	1.96	1.84	1.51	2.10	1.99	2.17
Required coverage	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25

**Source:** Denver International Airport Financial Statements

## Demographic and Economic Statistics

Last 10 Calendar Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population	664,582	683,285	696,159	704,961	716,265	727,211	717,606	711,468	713,453	716,577
Personal income (expressed in millions)	\$ 41,789	\$ 46,668	\$ 46,821	\$ 49,250	\$ 57,193	\$ 59,199	\$ 50,105	\$ 36,030	\$ 40,225	n/a
Per capita Personal income	\$ 62,880	\$ 68,299	\$ 67,256	\$ 69,862	\$ 79,849	\$ 81,405	\$ 69,822	\$ 50,642	\$ 56,381	n/a
School enrollment	90,150	91,429	92,331	92,686	93,356	92,039	90,296	90,250	89,213	88,235
Unemployment rate	4.30%	3.70%	3.00%	3.00%	3.00%	2.50%	6.90%	4.20%	2.80%	3.30%



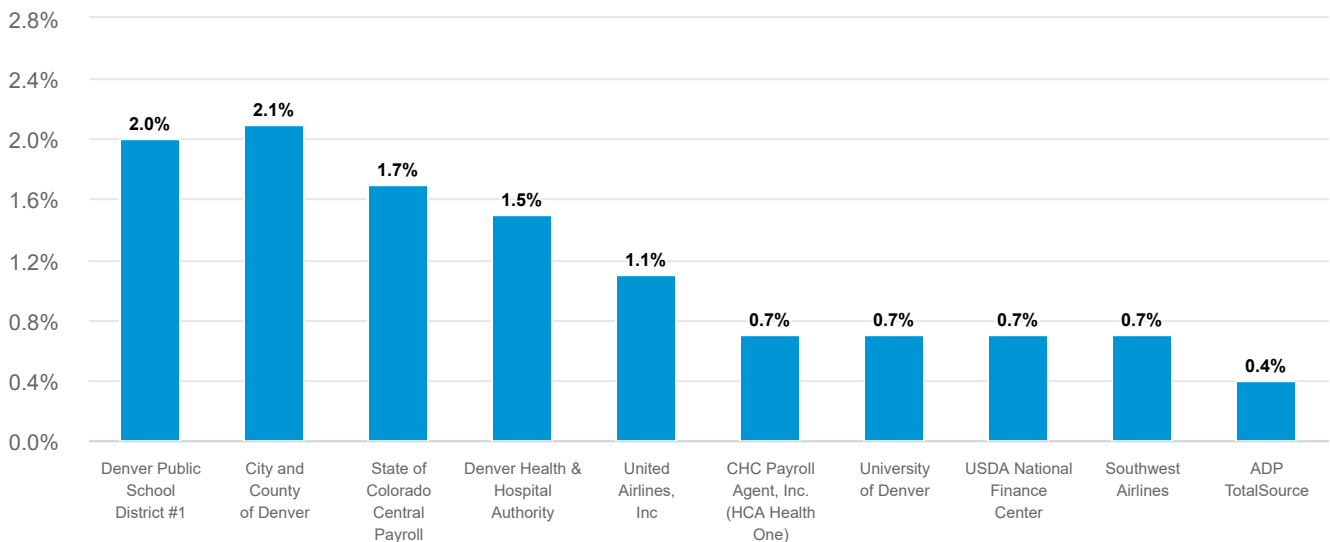
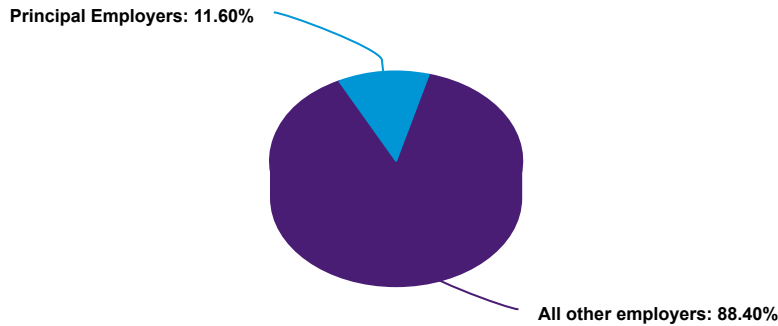
**Source:** Denver Public Schools  
 U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics  
 U.S. Census Bureau  
 U.S. Department of Commerce

### Principal Employers

Current Year and Nine Years Ago

	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
City and County of Denver	13,584	1	2.1%	10,281	2	2.5%
Denver Public School District #1	12,693	2	2.0%	12,482	1	3.1%
State of Colorado Central Payroll	10,686	3	1.7%	9,195	3	2.2%
Denver Health & Hospital Authority	9,502	4	1.5%	5,523	5	1.4%
United Airlines, Inc	7,230	5	1.1%	5,070	6	1.2%
CHC Payroll Agent, Inc. (HCA Health One)	4,592	6	0.7%	4,226	7	1.0%
University of Denver	4,548	7	0.7%	3,759	8	0.9%
USDA National Finance Center	4,496	8	0.7%	7,187	4	1.8%
Southwest Airlines	4,247	9	0.7%			
ADP TotalSource	2,535	10	0.4%			
Frontier Airlines Inc.				3,642	9	0.9%
University of Colorado Central				3,448	10	0.8%
<b>Total</b>	<b>74,113</b>		<b>11.6%</b>	<b>64,813</b>		<b>15.8%</b>

### Principal Employers



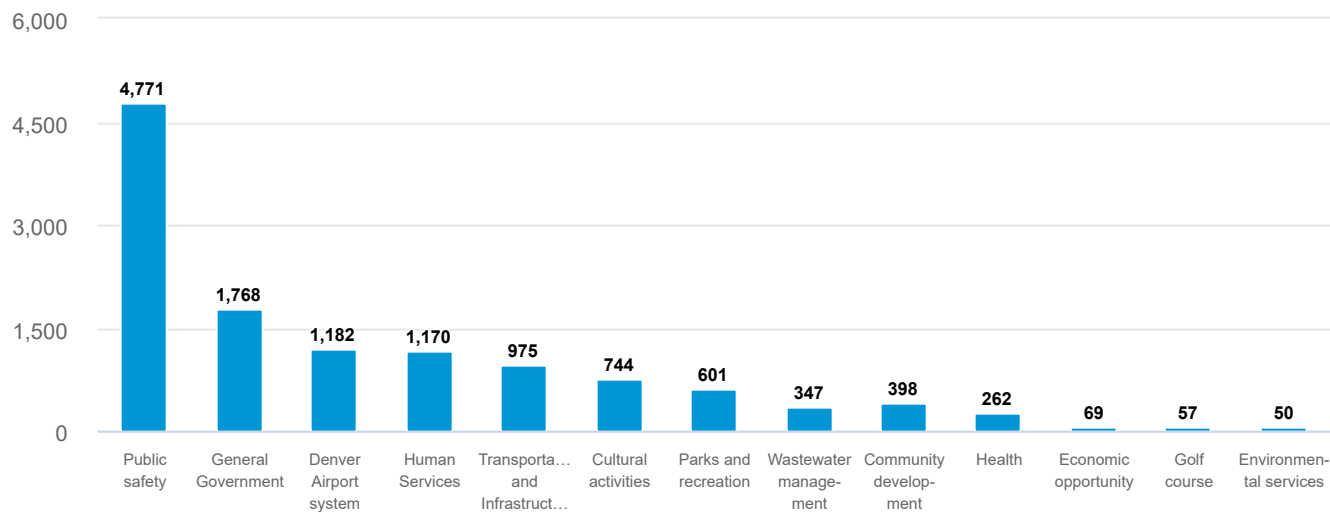
Source: Based on 2023 and 2014 Occupational Privilege Tax Remitters.

## Full-Time Equivalent City Government Employees by Function

Last 10 Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	1,282	1,290	1,336	1,373	1,430	1,561	1,466	1,417	1,618	1,768
Public safety	4,256	4,324	4,375	4,606	4,689	4,804	4,685	4,417	4,625	4,771
Transportation and Infrastructure	754	794	844	875	906	968	878	807	865	975
Human Services	941	1,022	1,087	1,123	1,123	1,115	1,127	1,066	1,094	1,170
Health	131	136	145	144	172	172	226	236	223	262
Parks and recreation	450	450	458	530	498	529	511	533	579	601
Cultural activities	642	665	658	668	671	665	633	566	603	744
Community development	200	219	239	272	285	299	289	317	364	398
Economic opportunity	186	176	80	77	39	46	54	57	68	69
Wastewater management	252	259	276	278	283	296	280	269	312	347
Denver Airport system	1,097	1,125	1,190	1,151	1,104	1,133	1,042	969	1,052	1,182
Environmental services	46	44	44	44	28	51	44	43	46	50
Golf course	44	45	49	49	51	56	57	55	54	57
<b>Total</b>	<b>10,281</b>	<b>10,549</b>	<b>10,781</b>	<b>11,190</b>	<b>11,279</b>	<b>11,695</b>	<b>11,292</b>	<b>10,752</b>	<b>11,503</b>	<b>12,394</b>

### 2023 Full-Time City Employees by Function



Source: Denver Controller's Office

## Operating Indicators by Function

Last 10 Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Police</b>										
Physical arrests	52,517	52,912	51,340	49,797	50,747	44,145	30,174	26,982	27,605	30,020
Traffic violations	98,434	86,427	73,011	67,312	79,732	67,123	48,334	48,576	30,878	35,201
<b>Fire</b>										
Emergency responses	112,370	107,076	114,224	116,061	119,287	123,428	111,242	114,196	128,129	123,260
Flame/Smoke Responses	1,986	1,792	2,010	2,250	2,597	3,371	4,670	5,736	5,743	5,813
Inspections	34,044	36,897	33,825	34,670	34,697	35,827	27,947	32,244	31,840	31,517
<b>Sheriff</b>										
Average daily population	2,049	2,004	2,221	2,187	2,110	2,187	1,352	1,509	1,448	1,684
Number of jails	2	2	2	2	2	2	2	2	2	2
<b>Transportation and Infrastructure</b>										
Parking tickets issued	640,126	653,491	642,320	574,400	526,016	465,094	381,564	416,715	428,442	441,750
Recyclables collected (tons)	34,350	37,318	38,325	40,810	40,884	42,200	46,500	43,815	39,288	44,551
Refuse collected (tons)	208,222	207,132	196,870	184,395	176,311	173,542	191,101	181,000	173,323	150,409
<b>Other Transportation and Infrastructure</b>										
Alleys paved (square yards)	14,358	19,860	15,867	21,408	27,894	3,678	5,220	5,238	7,968	-
Potholes repaired (tons of asphalt)	4,666	5,025	3,374	3,306	2,517	874	2,329	1,516	1,327	1,864
Street resurfacing (square yards)	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	2,698,016
<b>Human services</b>										
Family Medicaid Application for Denver clients	77,219	38,061	38,273	38,118	41,566	35,442	31,164	18,847	20,289	36,789
New child welfare case involvements	824	1,231	1,769	1,920	1,614	871	683	552	633	609
<b>Community development</b>										
Permits issued	67,818	75,717	64,624	75,665	69,562	70,967	60,147	58,757	62,250	63,679
<b>Economic opportunity</b>										
Low income affordable housing units created	557	749	579	1,438	667	1,042	541	587	560	762
Percent of job seekers entering employment	59.51%	65.30%	56.83%	59.60%	62.00%	66.00%	55.42%	49.13%	51.42%	61.91%
<b>Library</b>										
Total volumes borrowed	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	7,557,955
Volumes in collection	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	1,848,943
<b>Denver airport system</b>										
Passenger air traffic	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	77,837,917
<b>Excise and Licenses</b>										
Number of business license transactions	17,230	22,207	24,168	24,573	26,044	24,437	22,404	25,524	39,269	75,505

<sup>(4)</sup> 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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Fire</b>										
Number of engines/trucks	41/23	44/23	42/23	42/23	42/23	43/23	43/23	43/23	43/23	44/23
Number of stations	34	37	38	38	38	39	39	39	39	39
<b>Police</b>										
Number of patrol marked/unmarked vehicles	414/213	417/209	430/265	399/219	403/153	385/189	419/166	427/167	416/163	400/139
Number of stations	6	6	6	6	6	6	6	6	6	6
<b>Transportation and Infrastructure</b>										
Bridges (major/minor)	297/182	297/184	297/187	297/190	297/194	297/207	220/402	220/402	218/409	228/408
Alleys										
paved	5142	5,169	5,190	5,217	5,237	5,236	5,238	5,238	5,238	5,238
unpaved	100	73	73	46	42	23	21	21	21	21
Streets (centerline miles)	2,005	2,005	2,010	2,010	2,017	2,018	2,163	2,166	2,172	2,196
Traffic signals	1,272	1,285	1,295	1,306	1,315	1,168	1,056	1,064	1,080	1,090
<b>Parks and recreation</b>										
Acreage owned	20,106	20,361	20,374	20,374	20,383	20,448	20,474	20,474	21,619	21,682
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	14,591	14,591
Number of parks (includes mountain parks)	325	332	336	336	336	343	347	347	365	367
Parkways (miles)	60	60	60	60	63	63	63	63	63	63
Athletic fields/lighted	329/50	330/50	328/52	324/52	321/52	315/45	313/46	313/46	309/47	313/47
Recreation centers	30	30	30	31	31	31	31	31	31	31
Swimming pools	29	29	29	31	31	31	31	31	31	33
Tennis courts/lighted	146/88	146/88	148/88	147/90	147/90	152/90	147/91	147/91	143/93	142/92
<b>Cultural activities</b>										
Concert venues	7	7	7	7	7	7	7	7	7	7
Public libraries	25	26	26	26	26	26	26	26	26	27
<b>Wastewater</b>										
Sanitary sewers (miles)	1,506	1,514	1,523	1,533	1,538	1,535	1,546	1,551	1,563	1,563
Storm sewers (miles)	805	812	821	823	823	825	842	829	833	833
<b>Denver airport system</b>										
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
<b>Seating Capacities</b>										
Boettcher Concert Hall	2,679	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	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Ellie Caulkins Opera House	2,225	2,255	2,255	2,225	2,225	2,225	2,225	2,225	2,225	2,225
Red Rocks Amphitheater	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525	9,525
Temple Hoyne Buell Theatre	2,884	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	1,900

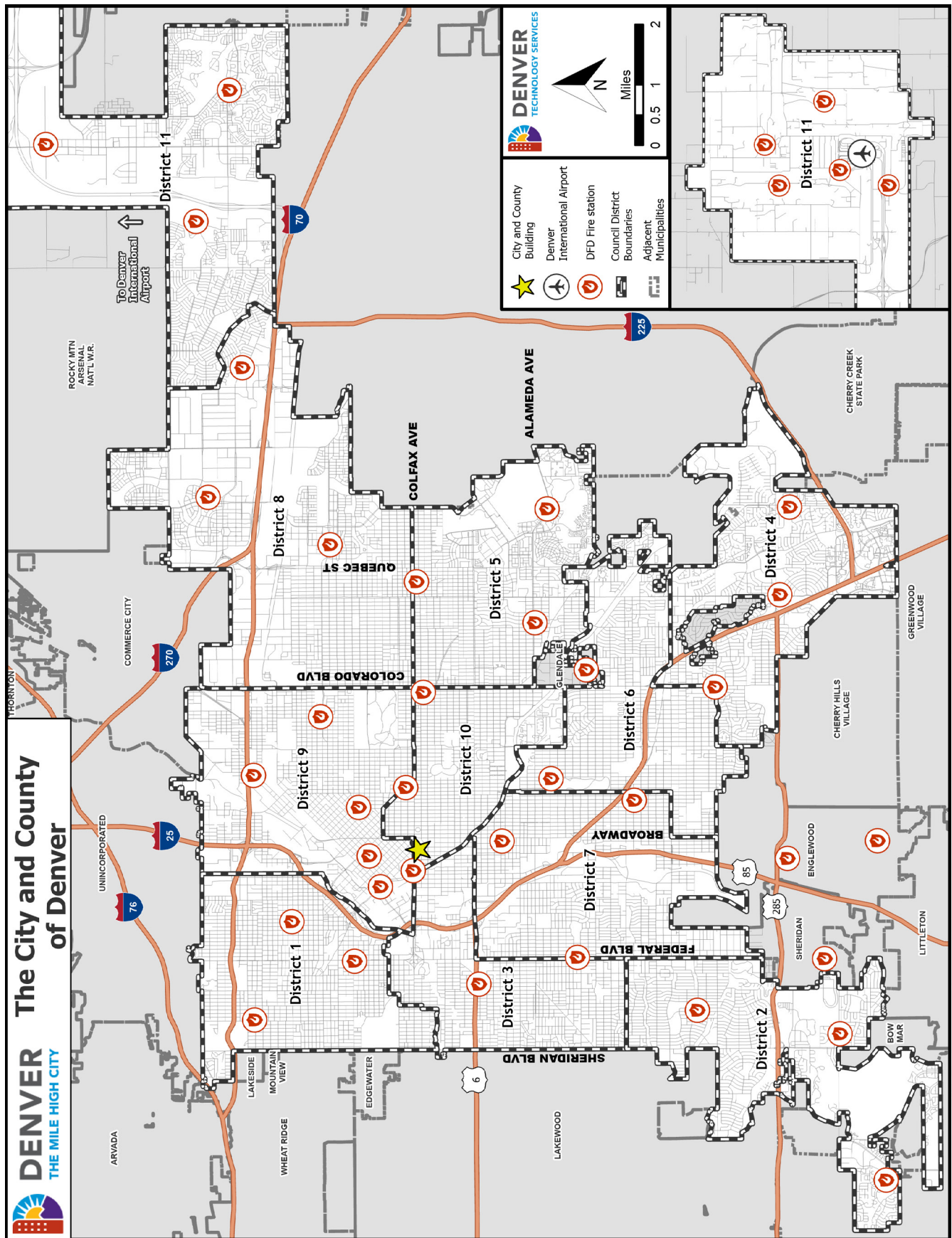
**Sources:** Denver Department of Aviation  
Denver Department of Finance

Denver Department of Public Works  
Denver Department of Safety

Denver Department of General Services  
Denver Department of Parks and Recreation

Denver Public Library

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# DENVER

THE MILE HIGH CITY

## DEPARTMENT OF FINANCE CONTROLLER'S OFFICE

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