DENVER

THE MILE HIGH CITY

CITY AND COUNTY OF DENVER, COLORADO
2021 DISCLOSURE STATEMENT

For the year ended December 31, 2020

PROVIDED TO COMPLY WITH CONTINUING DISCLOSURE UNDERTAKINGS EXECUTED PURSUANT TO THE SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 IN CONNECTION WITH MUNICIPAL BONDS AND OTHER OBLIGATIONS

2021 DISCLOSURE STATEMENT
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September 10, 2020

Dear Reader:

This Disclosure Statement for the Year Ended December 31, 2020 has been prepared to comply with the City's current continuing disclosure undertakings pursuant to Rule 15c2-12 of the U.S. Securities and Exchange Commission and the Denver Mayor's Executive Order 114, first enacted in 1996, which commits the City to provide ongoing information about the City's 2020 financial condition. This Disclosure Statement also contains certain post 2020 unaudited and prospective information as noted, including certain information on the impact of COVID-19 on the City's finances and budget. This Disclosure Statement must be read in conjunction with the City's Comprehensive Annual Financial Report ("CAFR"), the Wastewater Management Enterprise Fund Financial Statements, the City's Municipal Airport System Annual Financial Report and the Denver Employees Retirement Plan's CAFR. Information on where to locate these reports can be found at the end of this Disclosure Statement. It is the practice of the City to separately file Event Notices on the Municipal Securities Rule Making Board ("MSRB") Electronic Municipal Market Access system ("EMMA"). This Disclosure Statement includes all other information the City has contracted to provide on an ongoing basis.

The following is an overview of the 2020 transactions:

In October 2020, the City, for and on behalf of its Department of Aviation, issued $628,905,000 of Series 2020A-C Airport System Subordinate Revenue Bonds to refund outstanding Series 2007F1, Series 2007F2, Series 2008C1, Series 2010A, a portion of Series 2011A, Series 2011B, a portion of Series 2012A, and a portion of Series 2012B Airport System Senior Revenue Bonds for present value savings and terminate 2008B Swap Agreements with Loop Financial Products I, LLC.

In December 2020, the City entered into an amended lease purchase transaction, whereby $19,670,000 of Series 2020A1-A2 Certificates of Participation (COPs) were executed and delivered by Zions Bancorporation, National Association, as trustee, for the purpose of refunding and refinancing the outstanding Series 2010A Central Platte Campus COPs and refunding Series 2010B Wastewater and Roslyn COPs to release the leasehold interest.

In December 2020, the City issued $392,625,000 of its Series 2020A-B General Obligation Bonds to both fund certain Elevate Denver Bond projects approved by voters in November 2017 and to refund outstanding Series 2010B General Obligation Better Denver Bonds for present value savings. After this issuance, $375,318,500 of the voter authorized total of $937,418,500 of Elevate Denver Bonds remains.

The information contained in this Disclosure Statement is current as of the date of this letter, unless it is expressly stated that the information is as of December 31, 2020 or relates to future results. Certain information in this Disclosure Statement including information incorporated by reference has been provided by third-party sources, which are believed to be accurate and reliable, but such information is not guaranteed as to accuracy or completeness. Nothing contained in any continuing disclosure undertaking or this Disclosure Statement is, or should be construed as, a representation by any person, including the City, that this Disclosure Statement includes

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all information that may be material to a decision to invest in, hold or dispose of any of the securities with respect to which this Disclosure Statement is provided, or any other securities of the City. Nothing contained in this Disclosure Statement obligates the City to update any of the financial information or operating data contained in this Disclosure Statement or incorporated by reference in this Disclosure Statement.

This Disclosure Statement contains statements relating to future results that are “forward-looking statements.” Words such as “expects,” “anticipates,” “intends,” “plans,” “project,” “estimate,” or “propose” and similar expressions or variations of such words are intended to identify forward-looking statements. Such statements are based on facts and circumstances currently known to the City and consequently, forward-looking statements are inherently subject to risks and uncertainties. The actual results may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Readers are urged not to place undue reliance on these forward-looking statements, which are attributed as of the date of this Disclosure Statement. The City accepts no obligation to revise or update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this Disclosure Statement.

Additional information about the City's 2020 bond financings or other financings can be found in the files of the MSRB, online at http://emma.msrb.org, may be obtained by calling the City's Debt Management offices at 720-913-5500, or may be found on the City’s Investor City’s Investor Information webpage at www.denvergov.org/bondinvestor.

As the Manager of Finance and Chief Financial Officer, I am responsible for the City's compliance with its continuing disclosure undertakings entered into pursuant to Rule 15c2-12 and with the Denver Mayor's Executive Order 114. Please contact my office if you have questions about the material contained within this Disclosure Statement, or if you have any comments regarding future disclosures.

Sincerely,

Brendan J. Hanlon
Chief Financial Officer as the Manager of Finance/*ex-officio* Treasurer
City and County of Denver

CITY AND COUNTY OF DENVER OFFICIALS
AS OF DECEMBER 31, 2020

Mayor
Michael B. Hancock

City Council
Stacie Gilmore, President

Kendra Black	Paul Kashmann
Candi CdeBaca	Robin Kniech
Jolon Clark	Deborah Ortega
Kevin Flynn	Amanda Sandoval
Christopher Herndon	Amanda Sawyer
Chris Hinds	Jamie Torres

Auditor
Timothy M. O'Brien

Clerk and Recorder
Paul D. Lopez

CABINET OFFICIALS

Donald J. Mares	Deputy Mayor, Executive Director of the Department of Human Services
Brendan J. Hanlon	Chief Financial Officer as the Manager of Finance/*ex-officio* Treasurer
Laura Aldrete	Executive Director of the Department of Community Planning and Development
Kristin M. Bronson, Esq.	City Attorney
Eulois Cleckley	Executive Director of the Department of Transportation and Infrastructure
Kim Day	Chief Executive Officer of the Department of Aviation
Brandon Gainey	Executive Director of the Department of General Services
Allegra "Happy" Haynes	Executive Director of the Department of Parks and Recreation
Donald J. Mares	Executive Director of the Department of Human Services
Robert M. McDonald	Executive Director of the Department of Public Health and Environment
Murphy Robinson	Executive Director of the Department of Public Safety

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THE CITY AND COUNTY OF DENVER, COLORADO

General Information

The City and County of Denver (the "City") is located on the front range of the Rocky Mountains in the north-central part of the State of Colorado. Denver is the capital of the State and is the service, retail, financial, transportation and distribution center of the Rocky Mountain region. Over 3.2 million people, representing more than half of the population of the State, currently reside in the Denver metropolitan area, of which more than 735,000 reside in the City limits. See "APPENDIX A – An Economic and Demographic Overview of the Denver Metropolitan Region."

Organization

The City was originally incorporated by a special act passed at the first session of the Legislative Assembly of the Territory of Colorado, adopted and approved on November 7, 1861. The State Constitution was adopted by the people of the State on March 14, 1876, and the Territory was admitted into the Union as a state by proclamation of President Grant on August 1, 1876. Article XX was added to the State Constitution at the State's general election in November 1902. The City was reorganized thereunder as the consolidated municipal government known as the City and County of Denver and exists as a "home-rule" city under the City Charter adopted by the qualified electors of the City on March 29, 1904, as amended from time to time. The City is a single governmental entity performing both municipal and county functions.

Government

The City Charter establishes a "strong-mayor" form of government. The Mayor of the City is the chief executive, exercising all administrative and executive powers granted to the City, except as otherwise delegated by the City Charter. The Mayor is elected every four years and is limited to three consecutive terms. The legislative powers of the City are vested in the City Council, except as otherwise provided in the City Charter. The City Council consists of thirteen members, two of whom are elected on an at-large basis and eleven of whom are elected by districts, all for four-year terms with a three consecutive-term limit. Seven members constitute a meeting quorum, and the vote of seven members is necessary to adopt any ordinance or resolution. Ordinances passed by the City Council are subject to a qualified veto by the Mayor (except certain ordinances concerning charter amendments or conventions). The Mayor's veto may be overridden by the vote of nine City Council members.

The City Auditor is responsible for internal audits of the City and, with the Audit Committee, oversees the audit of the City's Comprehensive Annual Financial Report ("CAFR"). The Auditor is elected every four years and is limited to three consecutive terms. Powers to conduct financial and performance audits are carried out by the City Auditor.

The Clerk and Recorder is responsible for performing all the duties of the City Clerk as provided for in the City Charter and City ordinances, as well as the duties of the Public Trustee and the County Clerk and Recorder provided by the State Constitution and statutes, with the exception of those relating to the registration of motor vehicles. The Clerk and Recorder also has oversight of the Election Division. The Clerk and Recorder is elected every four years and is limited to three consecutive terms.

The Manager of Finance/Chief Financial Officer serves on the Mayor's cabinet and is responsible for the management of the City's debt and financial obligations and the appointment of the Manager of Cash and Capital Funding (formerly known as Cash, Risk & Capital Funding), Director of Risk and Workers' Compensation (formerly part of Cash, Risk & Capital Funding),Controller, Treasurer, Budget Manager, Assessor, and Director of Capital Planning and Real Estate (formerly known as Capital Planning and Programming and combined with Real Estate in 2021). Responsibilities for issuance of payments, payroll and other general accounting functions are performed by the Department of Finance.

As of December 31, 2020, the appointed members of the Mayor's cabinet, by their common title, were the following individuals:

Donald J. Mares	Deputy Mayor, Executive Officer of the Department of Human Services
Brendan J. Hanlon	Chief Financial Officer as the Manager of Finance/*ex-officio* Treasurer
Laura Aldrete	Executive Director of the Department of Community Planning and Development
Kristin M. Bronson, Esq.	City Attorney
Eulois Cleckley	Executive Director of the Department of Transportation and Infrastructure
Kim Day	Chief Executive Officer of the Department of Aviation
Brandon Gainey	Executive Director of the Department of General Services
Allegra "Happy" Haynes	Executive Director of the Department of Parks and Recreation
Robert M. McDonald	Executive Director of the Department of Public Health and Environment
Murphy Robinson	Executive Director of the Department of Safety

In addition to the members of the cabinet as of December 31, 2020, other advisors who have significant advisory roles in formulating policy include, Chief of Staff Alan Salazar, Deputy Chief of Staff and Chief Strategy Officer Evan Dreyer, Deputy Chief of Staff Skye Stuart, Deputy Chief of Staff Tracy Winchester, Chief Projects Officer Josh Laipply, and Director of Strategic Operations and Senior Advisor to the Mayor and Chief of Staff Lisa Carpenter. As of the date of this Disclosure Statement, Donald J. Mares was replaced by Murphy Robinson as Deputy Mayor, Brandon Gainey was replaced by Andrew Amador as Executive Director of the Department of General Services, Kim Day was replaced by Phil Washington as Chief Executive Officer of the Department of Aviation and Eulois Cleckley was replaced by Adam Phipps as the acting Executive Director of the Department of Transportation and Infrastructure.

On July 19, 2021, Councilwoman Stacie Gilmore was re-elected president of the Denver City Council by all of the Council members and Councilwoman Jamie Torres was re-elected president pro tem.

The City Charter provides that a vacancy in the office of Mayor is to be filled by a special election except that, if the vacancy occurs within the final six months of a term of office, the acting Mayor, as described in this paragraph, is to discharge the duties of the Mayor for the unexpired portion of the term. Prior to the special election or for the remainder of the unexpired portion of the term, in the event a vacancy occurs in the office of Mayor, the City Charter provides for succession to such office by the Deputy Mayor, who is to resign and become Mayor. If the Deputy Mayor refuses or is unable to serve as Mayor, the President of the City Council is to resign as President and become Mayor. If the President of the Council refuses or is unable to serve as Mayor, the City Council is to elect one of their members to fulfill the duties of the Mayor.

Budget Policy

The City Charter establishes a fiscal year for the City that begins on January 1 and ends on December 31 (the "Fiscal Year"). Before the third Monday in October of each Fiscal Year, the Mayor submits an operating and capital budget for the ensuing Fiscal Year to the City Council for its approval. The City Council may accept the budget with a majority vote or may vote to override all or any part of the Mayor's budget with a two-thirds majority vote. After the budget is approved (no later than the second Monday in November), the Mayor is empowered to administer the operating and capital budget for the next Fiscal Year. If the City Council fails to adopt a budget by the required date, the proposed budget, together with any amendments approved by the City Council, becomes the official budget. By a voter approved amendment adopted in November 2020 the City Council, following consultation with the Manager of Finance, may during the fiscal year, authorize an ordinance appropriating new revenue or revenue in excess of those estimated in the budget or may authorize a transfer of an unencumbered balance in whole or in part from a specified non-enterprise fund, provided the supplemental appropriation or transfer does not conflict with any uses for which such revenue specifically accrued or exceed total estimated revenues.

The budget proposed by the Mayor also may not include expenditures in excess of estimated opening balances and anticipated revenues. In addition, the General Fund budget is required by the City Charter to include a year-end closing balance, which may only be expended upon a two-thirds majority vote of the City Council during that Fiscal Year but may be considered income for the ensuing Fiscal Year.

The City has multiple reserves in the General Fund to address unforeseen revenue shortfalls or unanticipated expenditures. The annual budget includes a Contingency Reserve of no less than 2% of total estimated General Fund expenditures. In addition, an Emergency Reserve equal to 3% of Fiscal Year spending excluding debt service is required by State constitutional provisions (the "TABOR Reserve") to be included in the budget. A portion of the TABOR Reserve requirement is fulfilled by pledging real property in lieu of cash. This reserve may only be used for emergency purposes as specified in the Colorado Constitution. And finally, by Department of Finance policy, the General Fund targeted undesignated or unassigned reserve is 15% of General Fund expenditures and should not be drawn below 10%. These three reserves provide between 15-20% of the General Fund's expected expenditures to respond to shortfalls or unanticipated expenditures. In 2020, to respond to COVID-19, a portion of the TABOR Reserve's cash was supplemented with real property. The reserve remains fully funded and transitioning back cash in lieu of property will be evaluated on an annual basis. Fund Balance was also used to supplement the loss in revenue and over the next couple of years will be restored to pre-pandemic levels consistent with the City's reserve policies.

The City administration uses multi-year planning and forecasting methods for General Fund budgeting and for capital projects planning.

Ratings

The City's general obligation debt is rated in the highest possible credit rating with a "Stable" outlook by each of the three major credit ratings agencies. Denver is the only city or county in Colorado to hold AAA General Obligation bond ratings from all three rating agencies.

Constitutional Revenue and Spending Limitations

In 1992, the voters of the State approved an amendment to the State Constitution known as the "Taxpayer's Bill of Rights" ("TABOR"), which limits the powers of public entities to borrow, tax and spend.

TABOR restricts the total amount of expenditures and reserve increases (excluding changes in debt service payments) that may be made by the City for all purposes by limiting the City's revenues to the total amount of revenues received by the City in the preceding year, adjusted for inflation and local growth. Under TABOR, excess revenues received by a government are required to be refunded to citizens in the next fiscal year unless the voters approve that a government may retain excess revenues. On November 6, 2012, Denver voters passed ballot measure 2A that permanently removed all TABOR restrictions described above regarding the collection and retention of all taxes. Effective January 1, 2013, the measure permanently allows the City to collect, retain, and spend all lawful taxes.

TABOR requires voter approval prior to the City incurring any multiple fiscal year debt or other financial obligation, subject to certain exceptions, such as refinancing outstanding debt at a lower rate. TABOR contains an exception for "enterprises" defined in TABOR as a government-owned business authorized to issue its own revenue bonds and receiving less than 10% of its annual revenues from all State and local governments combined. The effect of "enterprise" status is to exempt an enterprise from the restrictions and limitations otherwise applicable under TABOR. The City has designated as enterprises for purposes of TABOR the operations of its sanitary and storm sewerage utilities, the Department of Aviation, the Department of Public Health and Environment, and City-owned golf courses.

Proposed Denver Fiscal Initiatives

The State Constitution and the City Charter provide that the people are empowered to propose laws and amendments to the State Constitution and the City Charter and to enact or reject such Initiatives by a vote of the corresponding (State or City) electorate by ballot. The City has certified six citizen initiatives to be submitted to the Denver voters on November 2, 2021, one of which citizen initiatives ("Initiative 304") would impact governmental finance in Denver if passed. Initiative 304 is a citizen proposition and lacks clarity such that judicial interpretation or review may be necessary if it is approved by the electorate. Initiative 304 is prospective and does not have a foreseeable impact on the legal status of financing obligations which have been issued prior to its effective date. The full text of all initiatives is available at the Denvergov.org website https://www.denvergov.org/Government/Departments/Elections-Division/initiative-tracking but Initiative 304 is summarized below for convenience.

Initiative 304. Initiative 304, designated Initiated Ordinance 304, would decrease City sales and use tax levies from 4.81% to 4.5%. Initiative 304 purports to be in effect in perpetuity by preventing voters from raising any sales and use taxes over the 4.5% threshold in the future. Initiative 304 if passed would reduce the overall revenue that may be collected and spent by the City. The current estimate is that if the cap is applied in a manner which includes a decrease of marijuana sales tax, in 2022 the City would be forced to reduce its 2022 spending by approximately $80 Million. The Colorado Constitution at Article II, Section 11, which prohibits the passage of laws that impair the obligations of contracts, legally protects dedicated, previously-pledged sales and use revenues from the operation of Initiative 304, however, a loss of sales and use tax revenue in this magnitude would be material to the City's operations.

General Fund

The General Fund is the principal operating fund of the City. Information contained in this section has been derived from the annual financial reports of the City, the General Fund budget for the years 2019 and 2020, and information prepared by the Department of Finance.

Major Revenue Sources. Two major revenue sources for the City's General Fund are sales and use taxes and the City's property tax. Additional revenue sources include intergovernmental revenues, licenses and permits, fines and forfeitures, charges for services, investment income, and other miscellaneous taxes and revenues.

The general sales tax, at the end of December 31, 2020, was a fixed-rate (4.31%) tax imposed on the sale of all tangible personal property not specifically exempted and on certain services. The general use tax, at the end of December 31, 2020, was a fixed-rate (4.31%) tax imposed on the storage, use and consumption of tangible personal property not specifically exempted. In practice, sales and use taxes are accounted for on a combined basis. Effective as of January 1, 2021, both the 4.31% general sales tax and 4.31% use tax increased to 4.81% as a result of increased taxes approved by City voters at the November 3, 2020 general election. See also "THE CITY AND COUNTY OF DENVER, COLORADO – Sales and Use Taxes."

Property taxes are levied on all real property, personal property and public utilities within the City, except for certain property that has been specifically exempted in whole or in part. General categories of exempt property include property used for religious or charitable purposes and property owned by governmental entities.

Additional amounts collected by the City and accounted for in the General Fund include the City's lodger's tax ("Lodger's Tax"), short-term auto rental tax ("Auto Rental Tax"), prepared food and beverage tax ("Food and Beverage Tax"), occupational privilege taxes ("OPT" or "Head Tax"), automobile ownership tax, telecommunications business tax, and franchise fees. A portion of the Lodger's Tax, Auto Rental Tax, and Prepared Food and Beverage Tax are pledged to debt service on Excise Tax/Dedicated Tax Revenue bonds of the City. See "DEBT STRUCTURE OF THE CITY – Excise Tax/Dedicated Tax Revenue Bonds Debt Service Coverage."

The automobile ownership tax is levied on all motor vehicles registered with the City's Division of Motor Vehicles and is based on the age and value of the vehicle. The telecommunications business tax is imposed on providers of local exchange telecommunication service based upon the number of local service lines. Franchise fees include the utility franchise fees imposed upon Xcel Energy for its franchise to serve customers in the City and the franchise fee imposed on Comcast for operation of its cable television franchise within the City.

Charges for services are another major revenue source for the City's General Fund. General Fund agencies bill individuals, businesses and other City funds for various services, supplies and materials. Charges vary depending upon cost and are assessed to the individual or entity benefiting from the provision of a specific service, supply or material.

Intergovernmental revenues received by the City include State grants and other revenues. Various highway taxes and fees collected by the State are shared with local governments including the City. Currently, a portion of the State-imposed cigarette tax and wholesale marijuana tax is also shared with the City and included in intergovernmental revenues.

Major Expenditure Categories. The General Fund accounts for all expenditures normally associated with basic municipal functions. Expenditures in the General Fund include: General Government; Public Safety; Public Works; Health; and Parks and Recreation and Cultural Facilities. The largest portion of the 2020 revised expenditure budget (43.3%) was allocated to Public Safety, which is primarily responsible for administering police, fire and the sheriff's departments' services. For the 2021 adopted Budget, Public Safety represents 40.0% of the General Fund (this does not include the District Attorney, Denver County Court and City Attorney).

COVID-19

On March 10, 2020, the Governor of the State of Colorado issued an Executive Order declaring a state of disaster emergency and then on March 12, 2020, the Mayor of the City declared a state of local disaster emergency due to the risk of spread of the novel coronavirus, designated as "COVID-19" pandemic which local disaster emergency was later extended by the City Council of the City. The City continues to follow public health orders of the Colorado Department of Public Health and Environment ("CDPHE") and its own Department of Public Health & Environment ("DDPHE"), as well as executive orders issued by the State Governor (collectively and as may be amended, restated or reissued from time to time, the "Limited COVID-19 Restriction Orders"). It is unknown as of the date hereof what public safety measures, if any, will be in place after the expiration of the current Limited COVID-19 Restriction Orders.

The City has reopened in conformance with appropriate State and City public health orders. The COVID-19 pandemic, as described below, has affected and continues to affect the City's operations and finances.

Update. The City continues to evaluate various measures it may take in response to both the increased costs of providing City services and the decrease of City revenues due to the COVID-19 pandemic.

Although the City cannot at this time quantify the full extent of the negative impacts of the COVID-19 pandemic, the measures outlined in the various Limited COVID-19 Restriction Orders have materially adversely affected the City's finances due to, primarily, reduced revenues from sales and lodging taxes and other economically sensitive tax revenue. The City has formal financial policies and operating practices, including multiple reserves, that were used to address budgetary shortfalls and maintain core City services during the height of the pandemic.

In 2020, cost saving measures were taken, including agency budgetary reductions such as suspending personnel hiring for most positions, eight budgetary furlough days for each employee that occurred in 2020, an early retirement incentive provided for personnel who agreed to retire by September 1, 2020, and effecting a review board to evaluate the essentiality of all vacant positions prior to them being filled to obtain immediate cost savings while maintaining service levels.

In addition, the City has been awarded a federal funding allocation of approximately $126.8 million as part of the Coronavirus Relief Funds through the CARES Act ("CRF") which does not include separate funding directed to the Airport System and approximately $132.9 million (of which approximately $2.7 million is applicable to Airport operations) from FEMA. For further details on COVID-19 funding for the Airport, see "THE AIRPORT SYSTEM – Impact of COVID-19 on the Airport." The City is leveraging funding from FEMA for shelter, personal protective equipment, community testing, vaccine administration, and Emergency Operation Center costs and funding from the CRF for community support and citywide operations needs due to the COVID-19 pandemic. Since receiving the CRF funds in April 2020, the funds have been used for a variety of purposes aimed to mitigate public health, safety, economic, and social impacts of COVID-19. As of August 26, 2021, the City has spent a total of approximately $70.5 million in CRF funds for a list of approved projects totaling $112.9 million. It is expected that the City will designate the remainder of its allocated CRF for disbursement before the end of 2021. As of August 26, 2021, the City has spent approximately $89.5 million in allocated FEMA funds in response to COVID-19.

In addition to CRF and FEMA funding, under the American Rescue Plan Act, the City, which does not include separate funding directed to the Airport System, was awarded approximately $308 million in federal Coronavirus Local Fiscal Recovery Funds ("ARPA Funds"). The City received half of the ARPA Funds in July 2021, with the second half anticipated in 2022. The City is subject to rules issued by the U.S. Treasury Department regarding the use of ARPA Funds, and has identified the following allowable uses: support public health expenditures, address negative economic impacts caused by the COVID-19 public health emergency, replace lost public sector revenue, provide premium pay for essential workers, and invest in water, sewer, and broadband infrastructure. The City expects to spend the awarded funds under the applicable federal guidelines. See "Revision of 2021 Budget" for further details on the City's initial allocation of ARPA Funds.

The adverse impacts of the COVID-19 pandemic on City's finances and operations, as reflected in the year-over-year data from 2019 to 2020, is further described in "Management Discussion of Recent Financial Results" below. The COVID-19-related federal funding received by the City and expenses incurred by the City are included in the data presented in Tables 1-5 and 11.

Property Tax Relief. On April 6^{th}, 2020, Governor Jared Polis' Executive Order #D 2020 031 authorized county treasurers to extend the waiver of interest on late payment of property taxes through April 30, 2020. On April 10^{th}, 2020, Mayor Michael B. Hancock took measures to provide property tax relief to business and residential property owners, including waiving 100% late property tax payment interest through April 30, 2020 and extending the due date for the first property tax installment payment from the last day of February to April 30^{th}. The Colorado Legislature also passed laws that allowed for the City to adopt property tax relief measures in response to the COVID-19 pandemic. In accordance with the authorization granted pursuant to Colorado House Bill 20-1421, the City Council adopted a resolution on July 27, 2020 allowing for the temporary waiver of accruing interest for delinquent payment of property taxes between July 1, 2020 and October 1, 2020. Colorado Senate Bill 21-279 authorized further waivers and on July 19, 2021, the City Council adopted a resolution allowing for the temporary waiver of delinquent interest payments for property tax payments between July 1, 2021 and September 30, 2021.

Updates provided by the Chief Financial Officer to the City Council are posted on the City's main webpage and at the City's Investor Information webpage at www.denvergov.org/bondinvestor.

Management Discussion of 2021 Budget

Adopted 2021 Budget. The 2021 Budget was adopted in November of 2020. Adopted 2021 General Fund revenue is expected to grow by $62.2 million or 4.9% over the revised 2020 projection. Most of the General Fund's projected 2021 revenue growth is attributable to improvements in sales tax and lodgers' tax, due largely to continued recovery from COVID-19 impacts on consumer spending and travel, including the gradual easing of mass gathering restrictions, slow improvements in employment, and an improved public health outlook. Sales tax collections are also projected to be positively impacted in 2021 with expiring Downtown Tax Increment Financing Districts revenues returning to the City and as a result of increased sales tax revenue collection associated with out-of-state retailers. Property tax is also projected to contribute to growth in 2021. While revenues are anticipated to grow in 2021, the projected growth is expected to be insufficient to fund originally projected 2021 expenditures, thereby requiring significant cuts to expenditures to close an estimated budget deficit of $190 million between projected revenues and expenditures. These measures included, but were not limited to, reduced hiring for vacancies, fewer funds transferred from the General Fund for capital improvement or fleet replacement, reduced overtime spending for uniformed employees, smaller recruit class in safety agencies, the creation of a tiered Citywide furlough program, the creation of a special fund for reimbursed operations, savings in technology equipment, project, and license savings, project staff charging to capital projects, and savings in utility and facility maintenance. The planned expenditure cuts are subject to change based upon various factors that develop through the year, including available City revenues, such as amounts available due to the federal American Rescue Plan Act ("ARPA") as discussed below. Including these reductions, the 2021 General Fund budgeted expenditures total $1.33 billion in 2021, a decrease of 2.2% over revised 2020 appropriations and a decrease of 10.6% or $158 million compared to the 2020 adopted budget, to address the continuation of the City's response to the COVID-19 pandemic, continued increase in services for homeless and under-resourced communities, continued investments in safety to ensure Denver residents and neighborhoods are safe, and the rebuilding of the local economy--all with a focus on fiscal responsibility and equity. The City anticipates an undesignated fund balance of $160.1 million, or 12.0% of projected expenditures, by the end of 2021.

Revision of 2021 Budget. The 2021 Budget will be formally revised to reflect the changes in revenue and expenses as a result of COVID-19 as part of the City's 2022 Budget process, which began in late April 2021 and will provide the Mayor's proposed 2022 budget to City Council in September 2021 for public hearings, a final budget incorporating any accepted amendments to the proposed budget in October 2021, and an adopted budget in November 2021. As of July 2021, Denver's economy has shown monthly improvement, as public health mandates have loosened and as businesses, residents, and visitors have reengaged with some of their pre-pandemic activities. In July, occupancy rates in Denver-area lodging facilities totaled 76.8%. This compares to 43% occupancy in July of last year and 89.1% occupancy in July of 2019, pre-pandemic. Average room rates in July totaled $154.67, up 59% year-over-year and down 6% compared to July of 2019. Mobility on the City's street grid, as measured by the City's parking-related revenue streams, has shown gradual improvement in 2021, with parking meter revenue increasing each month through the first half of the year. As of July 2021 collections, the City's 2021 sales and use tax collections have shown recovery across a broad range of sectors, including motor vehicles and auto parts, electronics, clothing and accessories, short-term car rental, food and drinking services, marijuana, and non-store retailers, which includes new out-of-state retailer revenue generated from online purchases. In May of 2021, the City and County of Denver was awarded approximately $308 million in ARPA Funds, with the first half being provided to the City in July 2021 and the remaining half expected to be provided in 2022. Of the total $46.2 million ARPA fund designations approved by City Council, approximately $40.9 million ARPA funds have been applied to the 2021 General Fund expenditures, including $26.3 million to restore services reduced during the 2021 budget process, $2.6 million in supplemental services, and $12 million to cancel previously scheduled tiered furloughs. The remaining $5.3 million has been designated to cancel previously scheduled tiered furloughs for non-General Fund agencies. The majority of the recovery and supplemental ARPA funds will be allocated to restoring positions within the City which were reduced in 2021 and the associated supplies and equipment needed to provide City services. In addition, the ARPA funding will allow the City to reinstate police recruit classes and overtime budget, asset maintenance supplies, technology equipment, software, and application licensing, and recreation center hours. The City will continue to assess its revised 2021 Budget throughout the remainder of 2021 and will make necessary adjustments to ensure the 2021 Budget is balanced.

Update on Litigation and Other Legal Proceedings

General. The City is party to numerous pending lawsuits, for which it may be required to pay certain amounts upon final disposition of these matters. Generally, the City is self-insured, except for the City's Airport System.

For Fiscal Year 2020, the City Attorney's office received an appropriation of approximately $2.0 million for its Claims and Liability Fund in addition to any unspent amounts from 2019. The City anticipates additional claims could be filed that may require a request for the City Council to transfer additional funds into the claims account in excess of the amounts described above.

Pursuant to State law and subject to constitutional limitations, if a monetary judgment is rendered against the City, and the City fails to provide for the payment of such judgment, the City Council 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 is required to continue to levy such tax until the judgment is discharged. Such mill levy is in addition to all other City mill levies for other purposes.

ADA Compliance Review. The City is one of several hundred localities nationwide selected by the Department of Justice's Project Civic Access for an Americans with Disability Act ("ADA") compliance review. In 2012, Project Civic Access conducted a compliance review of City facilities. In 2014, the City received the results of the compliance review and engaged with Project Civic Access to identify and agree on necessary public improvements. The City reached an agreement with the Department of Justice, in January 2018, for a process to implement and fund necessary improvements that have been identified in the agreement and the City expects to request funds necessary for such improvements through the City's ordinary budgeting and financing process. Following a survey of additional City facilities as required by the 2018 agreement, the City reached an additional agreement with the Department of Justice in January 2021, for a process to implement and fund additional necessary improvements identified by the survey, and again expects to request funds necessary for such improvements through the City's ordinary budgeting and financing process.

Adams County Litigation. Related to the Airport Enterprise, the County of Adams, Colorado ("Adams County"), the county from which much of the land for the Denver International Airport ("Airport") was annexed into the City, entered into an Intergovernmental Agreement with the City on a New Airport, dated April 21, 1988 (the "Adams County IGA") that, among other things, governs land use in and around the Airport and establishes maximum levels of noise (the "Noise Standards") at 101 grid points in the vicinity of the Airport. The Adams County IGA also establishes a noise contour for the Airport beyond which the City agrees to keep aircraft noise below certain levels. On July 2, 2018, the Board of County Commissioners of Adams County filed a civil complaint against the City, related to the Airport, in the Jefferson County District Court of Colorado (the "Court"), which complaint was subsequently amended to include the City of Aurora, the City of Thornton, 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 Adams County IGA as a result of the City's continued use of noise modeling system known as ARTSMAP, which the plaintiffs allege is not sufficient to measure compliance with Noise Standards agreed to under the Adams County IGA. In conjunction with this declaratory relief, the Complaint sought an injunction of the City's continued use of ARTSMAP and specific performance including, among other things, (i) use of an alternative noise monitoring system and for the City to recalculate and re-report the annual calculation of compliance with the Noise Standards for 2014 through 2018 and future years using such alternative noise monitoring system, (ii) installation of additional noise monitoring terminals in and around the Airport to sufficiently measure compliance with the Noise Standards under the Adams County IGA; and (iii) supply of a terminal at the Adams County offices to allow real-time, continuous monitoring of such alternative noise monitoring system data. The Complaint also alleged between 93 and 108 Class II violations 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") finding, among other things, (i) that the Adams County IGA requires use of a noise monitoring system as opposed to noise modeling system, and the ARTSMAP system does not comply with that requirement as it is a noise modelling system, and so (ii) the City is liable to plaintiffs for liquidated damages in the amount of $500,000 for each of the 67 uncured Class II violations for 2014, 2015, and 2016 for total amount of $33.5 million plus interest. Under the Ruling, the City may be required to make changes in its noise monitoring program and may need to make changes to the operations of the Airport and flight procedures that could materially adversely affect Airport revenues. On September 1, 2020, the Court ruled on the parties' post-trial motions, denying the City's request for claim preclusion and calculating pre-trial interest on the liquidated damages. As a result, the total judgment plus prejudgment interest is calculated at $47,480,603.17, with post-judgment interest continuing to accrue at 8% per annum from June 19, 2020 until the date of payment. The City filed an appeal with the Colorado Court of Appeals and the Colorado Court of Appeals has notified the City that it will hold oral arguments in the case at some point after September 1, 2021. On August 27, 2020, the City received updated Notices of Violation alleging twelve Class I and twenty-two Class II violations in 2017 and one Class I and fourteen Class II violations in 2018, and a new Notice of Violations alleging one Class I and eight Class II violations in 2019, in each case using methods of calculation endorsed by the Court and in each case including potential additional to be determined Class II violations depending on noise value detection threshold levels. The City is reviewing these notices and as of the date of this Disclosure Statement has not made a determination of their validity. These notices will be interpreted in accordance with the Court's rulings, including any appeal of such rulings. To the extent the City ultimately may be obligated to pay amounts ordered by the Court, or additional amounts claimed in the notices of Noise Standards violations for the years 2017-2019, the City expects to include such amount in its calculation of future airline rates and charges. No assurance can be made regarding the outcome of the appeal.

Colorado Convention Center Expansion Project. On March 29, 2019, the City issued a voluntary event disclosure supplemented on July 17, 2020 and January 8, 2021 regarding the Colorado Convention Center Expansion Project, related to misconduct that compromised the competitive bidding process for a design/build contractor. The misconduct that was identified was limited to the program manager and other external contractors, and the City referred this matter to the Denver District Attorney's Office and the Colorado Attorney General's Office. The Denver District Attorney and the Colorado Attorney General's Office have each concluded their respective criminal investigations and the Colorado Attorney General's Office reached a settlement with both Trammell Crow, the former program management firm involved in the misconduct that compromised the competitive bidding process for a design/build contractor, and Mortenson, one of the bidders seeking to become the City's design/build contractor. The City did not receive a direct benefit from the Colorado Attorney General's settlement. In late December 2020, the City, Trammell Crow and Mortenson reached a settlement of all of the City's civil claims as a result of which (i) each of Trammell Crow and Mortenson paid the City $4.5 million in cash (for a total of $9 million) to compensate the City for the costs of delay arising out of their involvement in the procurement process, (ii) Mortenson agreed not to bid on any contracts for the City for a period of three years from the date of the settlement; and (iii) Mortenson issued a public apology to the City for its actions in the procurement of the Expansion Project. Each party was fully released for these matters and each party paid their own attorney's fees. The City intends to use $9 million in settlement compensation for the CCC expansion. Notwithstanding the litigation, the CCC expansion project is currently in the construction phase and is expected to be LEED Gold Certified and to seamlessly integrate with the existing building, both during construction and upon completion. Construction is expected to be completed in the fourth quarter of 2023.

Great Hall Project. The Great Hall Project includes renovations to the 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 and Denver Great Hall LLC ("DGH") entered into a Development Agreement dated as of August 24, 2017 (the "DA") in connection with the development of the Great Hall Project. Pursuant to the DA, DGH, among other things, agreed to design, construct, finance, operate and maintain certain areas within the Jeppesen Terminal.

The City, on behalf of the Airport, filed voluntary event notices with the MSRB on January 29, 2019, May 16, 2019, May 28, 2019, July 26, 2019, August 9, 2019, and August 17, 2019 related to the status of construction and certain other developments of the Great Hall Project. On August 12, 2019, the City, for and on behalf of the Department delivered a notice of termination for convenience to DGH, terminating the DA effective November 12, 2019. The City, for and on behalf of the Department, filed voluntary event notices with the MSRB relating to the termination of the DA on August 12, 2019, December 12, 2019 and March 20, 2020. These disclosures are available at http://emma.msrb.org.

Since terminating DA on November 12, 2019, the City, for and on behalf of the Department, recaptured control and operations of the Great Hall Project and contracted with a new project team in March 2020, including a program management consultant, Jacobs Engineering Group, LLC; a lead design firm, Stantec Consulting Services, Inc.; and a construction manager/general contractor, Hensel Phelps Construction Co. This team will complete construction of the initial phase of the Great Hall Project and is expected to construct any subsequent phases of the Great Hall Project. The City does not anticipate any further or ongoing matters to arise from the termination of the DA. In July 2021, DEN broke ground on Phase 2 of the Great Hall project. Construction walls are installed in the northwest corner of the terminal on both Level 5 and Level 6. Phase 1 and Phase 2 of the Great Hall Project will run concurrently until Phase 1 is complete by the end of 2021. Design work for subsequent phases is ongoing, and the final completion date of the Great Hall Project (which is anticipated to be later than the original completion date of November 2021), is not expected to be determined until the design work for subsequent phases of the Great Hall Project is completed. Upon completion of the Great Hall Project, the City, for and on behalf of the Department, expects to operate any commercial development in the Jeppesen Terminal and retain 100% of the revenues generated therefrom.

Park Hill Golf Course Planning Activities. The City owns a conservation easement on the Park Hill Golf Course Golf Course property ("PHGC") for the purpose of maintaining a regulation length 18-hole public golf course. Westside Investment Partners, Inc. and its subsidiaries ("Westside") purchased the PHGC property from the Clayton Foundation in 2019, subject to the City's conservation easement. As part of a settlement agreement related to an eminent domain proceeding for the City's Platte-to-Park Hill Stormwater Project, the City agreed to forebear enforcement of its conservation easement, which would have required Westside to operate the golf course. The forbearance period under the settlement agreement is three years and is to enable Westside to engage in community outreach to determine whether a golf course or some other form of mixed-use development is feasible and/or supported by the community. Denver's Department of Community Planning and Development (CPD) is coordinating with Westside on those community outreach efforts. A non-profit citizen volunteer group, Save Open Space Denver, and a number of taxpayers filed a lawsuit against Denver, the head of CPD and Mayor Hancock seeking mandamus and declaratory relief regarding the City's and Westside's planning activities related to the PHGC. The Complaint alleges that Denver is, in effect, running a joint real estate venture with Westside and pursuing inevitable real estate development of the PHGC and, in so doing, disregarding the conservation easement that burdens the PHGC and which Denver owns. The Complaint essentially asks that the Court declare such planning activities unlawful in light of the conservation easement and that it halt those activities and/or compel the City to first seek an order from a court terminating the easement due to impossibility. They claim a court order terminating the conservation easement is a necessary condition precedent to any planning activities having to do with the PHGC, pursuant to the conservation easement statute, C.R.S. §§ 38-30.5-101, et seq. The City disagrees and intends to file a motion to dismiss this lawsuit.

Governmental Immunity

The Colorado Governmental Immunity Act, Title 24, Article 10, Part 1, C.R.S. (the "Immunity Act"), provides that, with certain specified exceptions, sovereign immunity acts as a bar to any action against a public entity, such as the City, for injuries which lie in tort or could lie in tort.

The Immunity Act provides that sovereign immunity is waived by a public entity for injuries occurring as a result of certain specified actions or conditions, including: the operation of a non-emergency motor vehicle (including a light rail car), owned or leased by the public entity; the operation of any public hospital, correctional facility or jail; a dangerous condition of any public building; certain dangerous conditions of a public highway, road or street; and the operation and maintenance of any public water facility, gas facility, sanitation facility, electrical facility, power facility or swimming facility by such public entity. After January 1, 2022, sovereign immunity will also be waived for injuries occurring after 1960 as a result of sexual misconduct against a minor for which the public entity knew or should have known that the perpetrator posed a risk. In all such instances, the public entity may be liable for injuries arising from an act or omission of the public entity, or an act or omission of its public employees, which are not willful and wanton, and which occur during the performance of their duties and within the scope of their employment.

As of December 31, 2020, the maximum amounts that may be recovered under the Immunity Act for injuries occurring on or after January 1, 2018, whether from one or more public entities and public employees, are as follows: (a) for any injury to one person in any single occurrence, the sum of $387,000; (b) for an injury to two or more persons in any single occurrence, the sum of $1,093,000; except in such instance, no person may recover in excess of $387,000. Those amounts will increase every four years pursuant to a formula based on the Denver-Boulder-Greeley Consumer Price Index. The City may increase any maximum amount that may be recovered from the City for certain types of injuries. However, the City may not be held liable either directly or by indemnification for punitive or exemplary damages unless the City voluntarily pays such damages in accordance with State law. The City has not acted to increase the damage limitations in the Immunity Act.

The City may be subject to civil liability and damages including punitive or exemplary damages under federal laws, and it may not be able to claim sovereign immunity for actions founded upon federal laws. Examples of such civil liability include suits filed pursuant to Section 1983 of Title 42 of the United States Code, alleging the deprivation of federal constitutional or statutory rights of an individual. However, the Immunity Act provides that it applies to any State court having jurisdiction over any claim brought pursuant to any federal law, if such action lies in tort or could lie in tort.

TABLE 1

GENERAL FUND BUDGET SUMMARY
2020 ACTUAL RESULTS, 2020 REVISED BUDGET AND 2021 ADOPTED BUDGET
Prepared in Budgetary Format
($ in thousands – columns may not sum to totals due to rounding)

	2020 Actual[1]	2020 Revised Budget	2021 Adopted Budget
REVENUES			
Taxes			
Property	$ 152,554	$151,698	$163,243
Sales and Use	638,796	636,630	733,835
Other	91,196	91,148	99,021
Intergovernmental Revenues	41,263	40,331	41,440
Licenses and Permits	62,032	51,670	46,998
Fines and Forfeitures	30,197	31,321	41,884
Charges for Services	181,083	189,554	155,576
Investment Income	29,335	13,247	12,014
Transfers In	58,003	54,088	27,789
Other Revenues and Financing Sources	33,150	5,149	5,267
TOTAL FINANCIAL SOURCES	**$1,317,609**	**$1,264,836**	**$1,327,066**
EXPENDITURES			
General Government	$381,553	$455,220	$ 406,294
Public Safety	629,422	588,355	531,914
Transportation and Infrastructure	148,705	149,692	128,185
Health	58,996	54,061	51,545
Parks and Recreation	68,916	133,222	124,758
Cultural Activities	52,133	-	-
Housing Stability	-	21,155	27,094
Debt Service	19,986	-	-
Transfers Out	18,571	87,671	52,843
General Fund Contingency	-	16,061	26,095
Sequestered and Other Budget Savings	-	(145,895)	(13,500)
Estimated Unspent Appropriation	-	-	(5,000)
Payment to Paying Agent	19,511	-	-
TOTAL EXPENDITURES BUDGET	**$1,397,793**	**$1,359,542**	**$1,330,228**
FUND BALANCES[2]			
Net Change in Fund Balance	(80,184)	(94,706)	(3,162)
Fund Balance Jan 1	370,065		
Fund Balance Dec 31	$289,881		
Undesignated Fund Balance Jan 1		$257,957	$163,251
Undesignated Fund Balance Dec 31	$163,016	$163,251	$160,089

1 The City's CAFRs and Budgets differ in reporting categories for certain revenues and expenditures, resulting in differences in some line item descriptions and totals.

2 The City's CAFR follows GASB 54, which clarifies existing fund type definitions. The CAFR lists Fund Balance as a change in all fund balances, which includes the General Fund and other Governmental Funds. The City's Budget Division does not use this methodology for the budget; therefore, fund balances should only be compared within the budget columns.

(Sources: 2020 CAFR, Denver 2021 Budget)

TABLE 2

GENERAL FUND BUDGET SUMMARY
2020 ACTUAL RESULTS, 2020 REVISED BUDGET AND 2021 ADOPTED BUDGET
(by percentage)

	2020 Actual[1]	**2020 Revised Budget**	**2021 Adopted Budget**
REVENUES			
Taxes			
Property	11.6%	12.0%	12.3%
Sales and Use	48.5	50.3	55.3
Other	6.9	7.2	7.5
Intergovernmental Revenues	3.1	3.2	3.1
Licenses and Permits	4.7	4.1	3.5
Fines and Forfeitures	2.3	2.5	3.2
Charges for Services	13.7	15.0	11.7
Investment Income	2.2	1.0	0.9
Transfers In	4.4	4.3	2.1
Other Revenues and Financing Sources	2.5	0.4	0.4
TOTAL FINANCIAL SOURCES	100.0%	100.0%	100.0%
EXPENDITURES			
General Government	27.3%	33.5%	30.5%
Public Safety	45.0	43.3	40.0
Transportation and Infrastructure	10.6	11.0	9.6
Health	4.2	4.0	3.9
Parks and Recreation	4.9	9.8	9.4
Cultural Activities	3.7	-	-
Housing Stability	-	1.6	2.0
Debt Service	1.4	-	-
Transfers Out	1.3	6.4	4.0
General Fund Contingency	-	1.2	2.0
Sequestered and Other Budget Savings	-	(10.7)	(1.0)
Estimated Unspent Appropriation	-	-	(0.4)
Payment to Paying Agent	1.4	-	-
TOTAL EXPENDITURES BUDGET	100.0%	100.0%	100.0%

1 The City's CAFRs and Budgets differ for certain revenues and expenditures. Accordingly, there may be differences in some line item descriptions and totals.

2 The City's CAFR follows GASB 54, which clarifies existing fund type definitions. The CAFR lists Fund Balance as a change in all fund balances, which includes the General Fund and other Governmental Funds. The City's Budget Division does not use this methodology for the budget; therefore, fund balances should only be compared within the budget columns.

(Sources: 2020 CAFR, Denver 2021 Budget)

Management Discussion of Recent Financial Results

Rather than relying on tax increases, the City maintains a policy of managing General Fund resources to the level of funds available by reallocating resources selectively to initiate new services, eliminating cash deficits in other funds and targeting year-end unrestricted General Fund balances equal to 15% of estimated expenditures. In 2020, due to the COVID-19 global pandemic, the City deployed unrestricted General Fund monies to reduce the balance to approximately 12% of estimated expenditures to end 2020. The City intends to rebuild the unrestricted General Fund balance back to 15% of estimated expenditures over the next few years as the City revenues recover.

Core sales and use taxes are collected in ordinary course of business under Denver Revised Municipal Code Section 53. Additionally, the City collects sales and use taxes that were not previously collected through routine audits ("audit revenues").

For purposes of the following statements, "compensation savings" consists of vacancy savings when positions were not filled the entire year. Compensation savings can also be a result of agencies hiring vacant positions at a lower rate than what was originally budgeted.

For purposes of the following statements, "personnel costs" are due to merit increase (and affected benefits related to salary increase such as Federal Insurance Contributions Act and Denver Employees Retirement Plan ("DERP")), health insurance increases, DERP increases (if required), and finally increases in full-time employee count (new positions).

2016. Core revenue collections of sales and use tax, not including audit revenues, were 6.5% higher than 2015. Audit revenues decreased year-over-year in 2016. For the General Fund, total sales and use tax revenue collections were 5.4% higher than 2015 including audit revenues. Total 2016 revenues performed 2.8% over 2015. With respect to budgeted expenditures, City departments saved $72.7 million from the revised 2016 budget due to achieving unspent appropriations and return of contingency funds in 2016. Total General Fund expenditures, including transfers out, increased by 10.3% from 2015, primarily due to personnel cost increases and transfers between City funds.

2017. Core revenue collections of sales and use tax, not including audit revenues, were 6.5% higher than 2016. Audit revenues increased in 2017. For the General Fund, total sales and use tax revenue collections were 7.0% higher than 2016 including audit revenues. Total 2017 revenues were 5.7% higher than in 2016. Excluding a one-time legal settlement related to online travel companies, total 2017 revenues were 4.9% higher than in 2016. With respect to budget basis expenditures, City departments saved $49.4 million from the revised 2017 budget by achieving unspent appropriations, due in large part to compensation savings and not fully expending contingency funds in 2017. Total General Fund expenditures, including transfers out, increased by 5.8% from 2016, primarily driven by personnel cost increases and transfers between City funds. Commencing 2017 year-end expenditure numbers between the CAFR and the budget differ due to the CAFR applying GASB 54 while the budget does not.

2018. The General Fund's 2018 core revenue collections of sales and use tax, which do not include audit revenues, were 5.8% higher than 2017. Audit revenues increased year-over-year in 2018. For the General Fund, total 2018 revenues including audit revenues grew 2.7% over 2017. Excluding a one-time legal settlement in 2017 related to online travel companies, total 2018 revenues grew 3.5% over 2017. Growth in actual, 2018 General Fund revenue was approximately $8.6 million below the revised 2018 due in part to delays in receiving certain anticipated revenues in 2018 that will now be received in 2019 (representing approximately $3.6 million of the lesser growth) and to a lesser extent due to reclassification of certain General Fund revenues to a special revenue fund (representing approximately $2 million of the lesser growth) and slightly lower than expected sales tax performance (representing approximately $1.4 million of the lesser growth). With respect to final General Fund expenditures, City departments saved $41.3 million from the revised 2018 budget as a result of unspent appropriations by 2.9%, due in large part to compensation savings and returning unspent contingency of $9.4 million. General Fund expenditures increased by 5.6% from 2017, primarily driven by personnel cost increases and transfers between City funds. With respect to audited General Fund and GASB 54 funds per CAFR, expenditures increased by $49.3M or 4.11% from 2017.

2019. The General Fund's 2019 core revenue collections of sales and use tax, which do not include audit revenues, were 4.9% higher than 2018. Audit revenues decreased year-over-year in 2019. For the General Fund, total 2019 sales tax revenues including audit revenues grew by a net 4.3% over 2018. Total 2019 revenues grew 4.5% over

2018. Growth in actual 2019 General Fund revenue was approximately $13.6 million higher than the revised 2019 forecast due in part to overperformance in sales tax, lodgers' tax, indirect cost reimbursement, and billings revenue from non-General Fund agencies. With respect to final General Fund expenditures, City departments saved $36.4 million from the revised 2019 budget as a result of unspent appropriations by 2.5%, due in large part to compensation and services and supplies savings and returning unspent contingency of $7.0 million. General Fund expenditures increased by 4.8% from 2018, primarily driven by personnel cost increases and transfers between City funds. With respect to audited General Fund and GASB 54 funds per CAFR, expenditures increased by $97.5M or 7.67% from 2018.

2020. The General Fund's 2020 core revenue collections of sales and use tax, which do not include audit revenues, were 10.4% lower than 2019 core revenue collections of sales and use tax. Audit revenues decreased by 38.3% year-over-year in 2020. For the General Fund, total 2020 sales and use tax revenues including audit revenues decreased by 11.3% compared to 2019. Total 2020 revenue was 9.4% lower than 2019. These decreases were due to the financial impacts of COVID-19 and, as a result, the 2020 budget was also revised over the year to address the impacts of COVID-19 on the budget as originally adopted. General Fund revenue was approximately $9.4 million higher than the revised 2020 budgeted total General Fund revenue due in part to overperformance in certain agency-generated revenue streams, tax revenues, and indirect cost reimbursement revenue. The City projected to reduce General Fund spending by $129.68 million, but actual spending was reduced by only $126.22 million, which was well under the original adopted 2020 budget. General Fund expenditures, including transfers out, decreased by 5.5% from 2019, primarily driven by 2020 mid-year reductions to align with a reduction in revenue due to the COVID-19 pandemic. Expenditure reductions were derived through personnel, service and supplies, and internal transfers. The 2020 General Fund, unassigned fund balance, excluding GASB 54 funds, totaled 12.4%. With respect to final audited General Fund and GASB 54 funds per CAFR, expenditures decreased by $12.94 million or 0.94% from 2019.

General Fund Financial Information

The following pages include Table 3, General Fund Balance Sheet and Table 4, General Fund Statement of Revenues, Expenditures and Changes in Fund Balance for 2016 through 2020.

TABLE 3

CITY AND COUNTY OF DENVER
GENERAL FUND BALANCE SHEET
For the years ending December 31
($ in thousands)

ASSETS	2016	2017	2018	2019	2020
Cash and cash equivalents	$274,060	$286,222	$253,936	$221,393	$243,788
Cash on hand	1,156	921	137	171	183
Receivables (net of allowances for uncollectibles):					
Taxes	189,709	203,890	207,373	238,457	$242,482
Notes	2,589	2,822	3,579	2,735	$2,677
Accounts	24,642	19,877	22,116	30,128	$28,432
Accrued interest	1,902	2,025	1,750	2,495	$2,162
Interfund receivable	11,608	13,530	31,230	37,758	19,059
Due from other governments				5	3
Prepaid items and other assets	7,215	2,983	4,709	11,651	14,254
Restricted assets:					
Cash and cash equivalents	68,115	71,295	76,018	84,654	$20,044
Assets held for disposition	-	-	-	-	-
TOTAL ASSETS	$580,996	$603,565	$600,848	$629,447	$573,084
LIABILITIES					
Vouchers payable	27,539	42,799	46,110	52,785	43,724
Accrued liabilities	19,620	19,609	24,524	30,987	55,240
Due to other funds	528	501	869	483	416
Interfund Payable	24	1,763	8	16	1,147
Deferred revenue	134,787	144,616	144,403	174,998	182,578
Advances	1,075	218	154	97	98
TOTAL LIABILITIES	$183,573	$209,506	$216,068	$259,366	$283,203
FUND BALANCE					
Nonspendable	7,215	2,979	4,709	11,651	14,254
Restricted	68,114	71,295	75,838	85,127	71,056
Committed	50,964	55,661	74,024	74,677	41,555
Unassigned	271,130	264,124	230,209	198,626	163,016
TOTAL FUND BALANCE	$397,423	$394,059	$384,780	$370,081	$289,881
TOTAL LIABILITIES AND FUND BALANCE	$580,996	$603,565	$600,848	$629,447	$573,084

(Source: City and County of Denver's CAFR, 2016 - 2020)

TABLE 4

CITY AND COUNTY OF DENVER
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the years ending December 31
($ in thousands)

REVENUES	2016	2017	2018	2019	2020
Taxes:					
Property	$116,009	$120,328	$129,299	$131,294	$152,554
Sales and Use	613,617	656,531	690,873	720,416	638,796
Other	104,291	116,347	117,478	123,414	91,196
Licenses and Permits	59,593	64,601	66,428	67,754	62,032
Intergovernmental Revenues	34,414	35,500	36,230	40,509	41,263
Charges for Services	193,659	194,569	195,600	216,736	181,083
Investment Income	8,308	9,185	15,936	26,915	29,335
Fines and Forfeitures	48,893	49,710	44,582	39,182	30,197
Other Revenues	10,666	14,393	8,898	11,440	9,565
TOTAL REVENUES	$1,189,450	$1,261,164	$1,305,324	$1,377,660	$1,236,021
EXPENDITURES					
Current:					
General Government	259,959	276,941	288,130	318,230	328,610
Public Safety	539,428	561,995	595,814	631,274	629,422
Transportation and Infrastructure	135,073	151,959	145,556	162,932	148,705
Health and Human Services	53,051	54,045	57,233	59,674	58,996
Parks and Recreation	64,534	68,087	75,690	80,846	68,916
Cultural Activities	45,416	48,444	51,101	54,135	52,133
Community Development	29,464	32,463	33,961	33,598	51,170
Economic Opportunity	558	187	745	1,692	1,773
Obligation Retirement	5,904	4,950	1,466	26,195	19,986
TOTAL EXPENDITURES	$1,133,387	$1,199,071	$1,249,696	$1,368,576	$1,359,711
Excess of Revenues Over Expenditures	56,063	62,093	55,628	9,084	(123,690)
OTHER FINANCING SOURCES (USES)					
Other	564	4,160	4,661	5,876	4,074
Operating Transfers In	51,333	43,125	41,064	50,405	58,003
Operating Transfers Out	(104,737)	(112,742)	(110,632)	(80,064)	(18,571)
TOTAL OTHER FINANCING SOURCES (USES)	$(52,840)	$(65,457)	$(64,907)	$(23,783)	$43,506
Net Change in Fund Balances	3,223	(3,364)	(9,279)	(14,699)	(80,184)
Fund Balance - January 1, as previously reported	394,200	397,423	394,059	384,780	370,081
Change in accounting principal GASB 84	-	-	-	-	(16)
Fund Balance - January 1 as restated	394,200	397,423	394,059	384,780	370,065
Fund Balance - December 31	$397,423	$394,059	$384,780	$370,081	$289,881

(Source: City and County of Denver's CAFR, 2016 - 2020)

Collection of Taxes

The City Charter provides that the Manager of Finance/Chief Financial Officer shall collect taxes in the same manner and at the same time as State taxes are collected. All laws of the State for the assessment and collection of general taxes, including laws for the sale of property for taxes and the redemption of the same, apply to the City, except as modified by the City Charter.

Sales and Use Taxes

The City's sales and use tax collections historically account for approximately 50% of the General Fund revenues. As of December 31, 2020, a general sales tax of 4.31% was imposed on the sale of all tangible personal property not specifically exempted and on certain services and a general use tax of 4.31% was also imposed on the storage, use and consumption of tangible personal property not specifically exempted. Effective as of January 1, 2021, both the 4.31% general sales tax and 4.31% use tax increased to 4.81% as a result of two tax increases approved by City voters at the November 3, 2020 general election. Of these tax increases, 0.25% is dedicated solely to fund climate related programs and programs designed to decrease greenhouse gases and 0.25% is dedicated solely to fund housing and homeless services. The City's practice is to account for sales and use taxes on a combined basis.

The sales and use tax rate includes a 0.15% preschool tax authorized by voters to fund increased access to quality preschool programs for City residents. The revenue from this portion of the sales and use tax, which is in effect through December 31, 2026, is only available for the described purposes and cannot be used for General Fund purposes.

In addition to other applicable taxes, a 3.5% special tax is imposed on all retail recreational marijuana sales, proceeds of which are deposited in the General Fund for expenditures authorized in the Denver Revised Municipal Code. Effective October 1, 2018, an additional 2% special sales tax on all retail recreational marijuana sales is required to be deposited in the Affordable Housing Property Tax and Other Local Revenue Fund for affordable housing purposes, resulting in a total 5.5% special sales tax on retail recreational marijuana sales.

The City imposes specific tax rates for the following goods or services:

GENERAL FUND SALES AND USE TAX RATES
EFFECTIVE FOR 2020

Taxation of Certain Goods or Services	City Tax Rate
Non-exempt retail sales, lease or rentals of tangible personal property and on certain services	4.31%[1]
Retail marijuana special sales tax	5.5%[2]
Prepared food and drink	4.0%
Aviation fuel	$0.04 per gallon
Automobile rental for thirty (30) days or less	7.25%
Lodging for thirty (30) days or less	10.75%[3]

[Footnotes on next page]

1 The total sales and use tax rate of 4.31% includes several portions dedicated to specific purposes as follows: 0.15% dedicated to increasing access to quality preschool programs for City residents; 0.25% dedicated to fund Denver parks, trails, and open space; 0.25% dedicated for mental health services and substance abuse prevention; 0.08% dedicated for college scholarships; and 0.08% dedicated to improve availability of healthy food for children. The revenue generated from these dedicated portions of the sales tax are only available for the purpose to which the applicable portion is dedicated and cannot be used for General Fund revenue or other purposes.

2 The State of Colorado imposes a maximum tax of 15% approved by Colorado voters on the sale of retail marijuana and marijuana products. City Council further approved the increase of the retail marijuana tax rate from 3.5% to 5.5%, effective as of October 2018, on the sale of retail marijuana products sold in Denver. The additional tax revenue generated from the 2.0% tax rate increase is required to support affordable housing.

3 In addition to the 10.75% Lodger's Tax imposed by the City, at an election held in 2017, certain hoteliers in Denver approved the creation of the Denver Tourism Improvement District (the "TID"), which imposes an additional hotel and Lodger's Tax of 1.0% on every hotel within the City limits with 50 or more rooms. The purpose of the additional Lodger's Tax is to contribute to an increase in marketing services provided by Visit Denver and to contribute to tourism-related capital improvements, including improvements at the Colorado Convention Center. Collection of this tax started January 1, 2018.

The above General Fund Sales and Use Tax Rates effective for 2020 reflect the City's total tax rate for goods and services as set forth; however, portions of the Lodger's Tax, Auto Rental Tax, and Food and Beverage Tax are reflected in the General Fund's Sales and Use Tax category while the remainder is either contractually pledged to the Denver Metropolitan Convention and Visitors Bureau or to certain Excise Tax/Dedicated Tax Revenue bonds and recorded in other Funds.

Table 5 reflects the City's General Fund sales and use tax collections for the past ten years.

TABLE 5

GENERAL FUND SALES AND USE TAX REVENUES
2011 – 2020
($ in thousands)

Year	Revenues[1]	Percent Change
2011	441,187	7.65%
2012	451,352	2.30
2013	493,002	9.23
2014	555,428	12.66
2015	581,922	4.77
2016	613,617	5.45
2017	656,531	6.99
2018	690,873	5.23
2019	720,416	4.28
2020	638,796	(11.33)

1 Revenues include amounts received from audit revenues.

(Source: Department of Finance)

Property Taxation

Assessed Valuation. The assessed value of real property for tax purposes is computed using statutory actual values as determined from manuals published by the Administrator of the State Division of Property Taxation and from data developed by the Chief Financial Officer, *ex officio* Assessor, based on evidence collected from the marketplace. Table 6 sets forth the State property appraisal method for assessment years 2011 through 2020.

TABLE 6

STATE PROPERTY APPRAISAL METHOD

Collection Year	Assessment Year	Value Calculated As of	Based on the Market Period
2012[1]	2011	June 30, 2010	July 1, 2008 to June 30, 2010
2013	2012	June 30, 2010	July 1, 2008 to June 30, 2010
2014	2013	June 30, 2012	July 1, 2010 to June 30, 2012
2015	2014	June 30, 2012	July 1, 2010 to June 30, 2012
2016	2015	June 30, 2014	July 1, 2012 to June 30, 2014
2017	2016	June 30, 2014	July 1, 2012 to June 30, 2014
2018	2017	June 30, 2016	July 1, 2014 to June 30, 2016
2019	2018	June 30, 2016	July 1, 2014 to June 30, 2016
2020	2019	June 30, 2018	July 1, 2016 to June 30, 2018
2021	2020	June 30, 2018	July 1, 2016 to June 30, 2018

1 Beginning in 2012, the City instituted a policy change already authorized by law to utilize a 24-month valuation period (instead of an 18-month valuation period) in order to provide more stability, accuracy, and fairness in valuation. The dollar amounts of tax collected during these years were accurately reported, it is only the methodology of valuation that changed.

(Source: Assessor's Office Division of the Department of Finance)

As of January 1, 1985, the State General Assembly was required to determine the percentage of the aggregate statewide valuation for assessment that is attributable to residential real property. For each subsequent year, the General Assembly was required to re-determine the percentage of the aggregate statewide valuation for assessment, which is attributable to each class of taxable property, after adding any increased valuation for assessment attributable to new construction and increased oil and gas production. For each year in which there is a change in the level of value, the General Assembly was required to adjust the assessed valuation ratio for residential real property as necessary to maintain the previous year's percentage of aggregate statewide valuation attributable to residential real property. At the November 3, 2020 statewide general election, Colorado voters approved an amendment to the Colorado Constitution repealing this mandated adjustment and, accordingly, the General Assembly is no longer required to recalculate and potentially adjust the residential assessment rate every two years. The Colorado General Assembly set the residential real property assessed valuation ratio at 7.96% of its statutory actual value for assessment years 2003 through 2016, 7.20% of its statutory actual value for assessment years 2017 and 2018, and 7.15% of its statutory actual value for assessment year 2019 and subsequent years. Assessment rates cannot increase without the approval of Colorado voters. All other taxable property (with certain specified exceptions) has had an assessed valuation ratio throughout these tax years of 29% of statutory actual value.

On April 30, 2021, the Colorado Ballot Title Setting Board approved the form of "Initiative 2021-2022 #27 – Property Tax Assessment Rate Reduction and Voter-Approved Revenue Change" ("Initiative 27"), which will be presented to voters in a State-wide election on November 2, 2021. The Colorado Secretary of State has determined that sufficient signatures were gathered in support of Initiative 27. Initiative 27 seeks to reduce the residential assessment rate from 7.15% to 6.5% and reduce the non-residential assessment rate, with certain specified exceptions, from 29% to 26.4% beginning with levy year 2022.

Colorado Senate Bill 21-293 ("SB 21-293"), which was signed by the Governor on June 23, 2021, among other things, designates multi-family residential real property as a new subclass of residential real property and temporarily reduces the residential assessment rates. SB 21-293 restructured the law so that if Initiative 27 is approved by voters at the November 2021 State-wide election, its provisions relating to the residential assessment rate would only apply to multi-family residential real property and, as a result, the assessment rate for multi-family residential real property will be reduced from 7.15% to 6.5% commencing January 1, 2022. If Initiative 27 is not approved, then pursuant to SB 21-293, the assessment rate for multi-family residential property will be temporarily reduced from 7.15% to 6.8% for levy years 2022 and 2023, and then return to 7.15% in levy year 2024. Furthermore, pursuant to SB 21-293, the assessment rate for all residential real property, other than multi-family residential real property, will be temporarily reduced from 7.15% to 6.95% for levy years 2022 and 2023, and then return to 7.15% in levy year 2024.

For levy years 2020 and 2021 (collection years 2021 and 2022), all non-residential taxable real and personal property, with certain specified exceptions, is assessed at 29% of its statutory actual value. Producing oil and gas property is generally assessed at 87.5% of the production value. Non-residential assessment rates may be changed by the General Assembly and by the eligible electors at a State-wide election, and any increases would require voter approval pursuant to TABOR. Initiative 27 seeks to reduce the assessment rate for non-residential real property from 29% to 26.4% beginning with levy year 2022, excluding producing mines and lands or leaseholds producing oil or gas. SB 21-293 classifies agricultural property, lodging property, and renewable energy production property as new subclasses of non-residential property. SB 21-293 also provides that the assessment rate for agricultural property and renewable energy production property will be temporarily reduced from 29% to 26.4% for levy years 2022 and 2023, and then return to 29% in levy year 2024. SB 21-293 restructures the law so that if Initiative 27 is approved, its provisions relating to non-residential real property would only apply to lodging property. In accordance with SB 21-293, if Initiative 27 is approved by voters at the November 2021 State-wide election, then the assessment rate for lodging property will be reduced from 29% to 26.4% beginning with levy year 2022. If Initiative 27 is not approved, then the assessment rate for lodging property will remain at 29%.

The impact of such reductions in the assessment rates are not expected at this time to be realized until after 2021 but will be evaluated by the City on a going-forward basis.

The City's assessed valuation is determined by the Assessor of the City, except for public utility property, which is assessed by the Administrator of the State Division of Property Taxation. Property taxes are levied on all real and personal property, except certain categories of exempt property. Classes of property not subject to property taxes include, but are not limited to, property of the United States of America; property of the State and its political subdivisions; property of school districts; property used as an integral part of a licensed school childcare center, inventories of merchandise and supplies that are held for consumption by a business or are held primarily for sale; agricultural and livestock products; agricultural equipment; property used for religious or charitable purposes; and noncommercial personal property.

Property Taxes. Property taxes are due January 1 of each year. They may be paid in full on or before April 30 or in two equal installments, the first due the last day of February and the second due June 15. The first half becomes delinquent after the last day of February. The second half becomes delinquent after June 15. If the entire tax is paid at one time on or before April 30, no interest is charged.

Delinquent general property taxes draw interest where the following circumstances exist. If the first installment is not paid by the last day of February, penalty interest accrues at the rate of 1% per month from March 1 until June 16 or to the date of payment if such installment is paid prior to June 16. After June 15, the entire tax becomes delinquent and accrues interest at the rate of 1% per month until the date of payment, which penalty interest is in addition to any penalty interest which may have accrued on the same taxes prior to June 16. If the full amount of taxes is paid in a single payment after the last day of April, interest is added to the full amount of taxes due in the amount of 1% per month and accrues from the first day of May until the date of payment. See "THE CITY AND COUNTY OF DENVER, COLORADO – COVID-19 – Property Tax Relief" for information related to 2020 waiver of interest on delinquent property taxes.

The Treasurer is empowered to sell at public auction property upon which levied taxes remain unpaid, after due process of law. Tax lien sales are held in November of the year in which the taxes become delinquent. All tax certificates not sold to buyers at the annual tax lien sale are bid on by the City. Property that becomes the property of the City or another taxing entity is removed from the tax rolls. Three years after the date of sale, a tax deed may be issued by the Treasurer for unredeemed tax certificates.

The City Charter imposes a tax limit of 15 mills for all general municipal purposes. This limit does not apply to taxes levied for the payment of general obligation bonded indebtedness, to fund the City's Social Services Fund, to provide for fire and police pensions, to fund a City program for the developmentally disabled or taxes levied pursuant to a voter authorized 2.5 mill levy increase dedicated for deferred capital maintenance. State case law permits the City to impose an additional General Fund levy for functions ordinarily performed by counties in the State. Current State statutes limiting mill levies imposed by counties do not apply to the City.

Denver Measure 2A. Measure 2A (2013) put in place a City property tax revenue limitation of 6%, plus a percentage for local growth, on certain affected funds within the City including the General Fund, the Human Service Fund, the Police Pension Fund, and the Fire Pension Fund. Measure 2A does allow the City to recapture growth from prior years that was above the property tax revenue limit. The Bond Principal Fund and the Bond Interest Fund are not subject to the property tax revenue limitation and therefore Measure 2A does not impact the City's ability levy taxes to pay debt service on general obligation bonds.

Legislative Property Tax Changes (Adopted 2021). On July 19, 2021, the City Council adopted a resolution allowing for the temporary waiver of delinquent interest payments for property tax payments between July 1, 2021 and September 30, 2021, which was authorized per Colorado Senate Bill 21-279. This resolution does not affect delinquent interest that was imposed prior to June 30, 2021 nor the City's statutorily-required property tax collection or tax lien sale process. Colorado Senate Bill 21-130 authorizes the City, in response to the COVID-19 global pandemic, to exempt up to one hundred percent of any business personal property from its levy and collection of property tax for the property tax year commencing on January 1, 2021. There is no expectation at this time that the City will adopt any percentage of the business personal property tax exemption allowed under Colorado Senate Bill 21-130. Lastly, Colorado House Bill 21-1312 increases the business personal property tax exemption that may be claimed under Colorado law to $7,900 for tax years 2021 and 2022, increasing to $50,000 for property tax years commencing on January 1, 2023, which exemption amounts may be adjusted biennially to account for inflation. Any exempted amounts will be back-filled by the State of Colorado back to the City, so the net effect should not result in any diminution of business personal property tax revenue collected by the City.

Table 7 sets forth the mill levies for the City, School District No. 1, and the Urban Drainage and Flood Control District for the last five levy years. See "DEBT STRUCTURE OF THE CITY - Overlapping Debt and Taxing Entities" for a discussion of mill levies attributable to other taxing entities which overlap or partially overlap the boundaries of the City.

TABLE 7

CITY AND COUNTY OF DENVER
CITY-WIDE MILL LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS[1]
(by year assessed)

Taxing Entity	2016	2017	2018	2019	2020
City and County of Denver:					
General Fund	8.943	7.888	7.869	7.451	7.897
Bond Principal Fund	7.433	7.000	7.000	4.500	5.500
Bond Interest Fund	1.000	1.433	1.433	2.000	1.000
Social Services	3.835	3.380	3.374	2.479	2.627
Developmentally Disabled	1.010	1.010	1.009	1.011	1.011
Fire Pension	1.345	1.185	1.183	1.042	1.041
Police Pension	1.604	1.413	1.411	1.243	1.242
Capital Maintenance[2]	2.528	2.526	2.525	2.528	2.528
Capital Improvement	2.333	2.056	2.053	1.809	1.921
Affordable Housing[3,4]	0.500	0.442	0.444	0.392	0.417
TOTAL DENVER MILL LEVY	30.531	28.333	28.301	24.455	25.184
School District No. 1	50.396	48.244	48.244	46.664	48.011
Urban Drainage and Flood Control District	0.620	0.557	0.820	0.997	1.000
TOTAL MILL LEVY:	81.547	77.134	77.365	72.116	74.195

Note: A mill equals one-tenth of one percent of assessed valuation.

1 The columnar heading shows the year for which property is assessed and property taxes are levied. Taxes levied in one year are collected in the following year. The table excludes certain overlapping government entities that impose mill levies in certain discrete portions of the City, but whose boundaries are not co-terminus with the City's boundaries. For "Overlapping Taxing Districts with General Obligation Debt" see Table 16 under "DEBT STRUCTURE OF THE CITY - Overlapping Debt and Taxing Entities."

2 A levy in excess of the 2.5 mills approved by voters is allowable due to prior year refunds and abatements.

3 In 2016, in addition to an affordable housing linkage fee applicable to new construction, the City Council approved a dedicated mill levy to support affordable housing development and preservation, for collection beginning on January 1, 2017. See footnote 4 below for affordable housing information.

4 In August 2018, the City Council approved a new revenue framework for Affordable Housing by increasing the special sales tax on recreational marijuana by two percent (2%), effective October 1, 2018, and depositing such revenue into the Affordable Housing Fund. The City then entered into a new Intergovernmental Agreement ("IGA") with Denver Housing Authority ("DHA") pursuant to which DHA will develop and deliver certain affordable housing units and the City will make an annual payment to DHA of the property tax revenues derived from the current affordable housing mills, subject to annual appropriation, from the Affordable Housing Fund for a period of 20 years.

(Source: CAFR)

Table 8 summarizes the statutory actual and assessed valuation of property in the City and taxes levied and collected by the City for the last five assessment years. Collection data is reported as of December 31, 2020.

TABLE 8

PROPERTY VALUATIONS, TAX LEVIES AND COLLECTIONS
LAST FIVE YEARS
($ in millions)

ACTUAL AND ASSESSED VALUATION:	**2016**	**2017**	**2018**	**2019**	**2020**
Statutory Actual Valuation (est.)[1]	$105,773	$134,744	$139,408	$171,450	$166,203
Assessed Valuation:					
Real Property – Land	4,506	5,671	5,631	7,474	7,375
Real Property – Improvement	8,406	10,064	10,428	12,731	13,217
Personal Property	827	888	918	989	970
Public Utilities	921	925	948	914	966
Total Assessed Valuations[2]	$14,659	$17,548	$17,925	$22,108	$22,528
Total Assessed Valuation					
Percentage Change[3]	1.91%	19.71%	2.15%	23.34%	1.90%
LEVIES AND COLLECTIONS:[4,5]					
Taxes Levied:	$372,011	$427,059	$433,101	$460,127	$442,331
Total Collections	$369,940	$424,106	$429,024	$454,889	N/A
Total Collections at Year End (as Percentage of Original Levy)	99.44%	99.31%	99.06%	98.86%	N/A

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1 Colorado statutes establish property valuation methods with actual valuation representing estimated appraisal value before the respective assessment ratios are applied. In general, an income and expense value is used for commercial property, and market value is used for residential property.

2 This includes the assessed valuation attributable to Tax Increment Finance Districts, a portion of which is attributable to Denver Urban Renewal Authority ("DURA") and Denver Downtown Development Authority ("DDDA"). Total incremental assessed valuation attributable to DURA and the DDDA were the following amounts: $1,141,847,073 for levy year 2016; $962,347,864 for levy year 2017; $1,044,702,284 for levy year 2018; and $1,385,827,342 for levy year 2019, $1,436,368,493 for levy year 2020. Figures listed for taxes levied and collected by the City are net of amounts paid to DURA and DDDA which represent property taxes collected from the foregoing incremental assessed valuation. The City does not realize revenue from taxes imposed on incremental assessed valuation of property. See "DEBT STRUCTURE OF THE CITY – Overlapping Debt and Taxing Entities."

3 Changes in assessed valuations for the years shown are due in part to changes in the years used to compute values which occur every two years and adjustments attributable to a legislative extension of time permitted for appeals of assessed values. See "THE CITY AND COUNTY OF DENVER, COLORADO – Property Taxation – Assessed Valuation" and Table 6 above.

4 The columnar headings show the years for which property taxes have been assessed and levied. Taxes shown in a column are actually collected in the following year. For example, property taxes levied in 2019 are collected in 2020.

5 Total collections represent City retained collections, therefore, figures do not include dedicated mills levied for the Fire Pension and Police Pension funds, School District No. 1, or Urban Drainage and Flood Control District.

(Source: Department of Finance)

Assessed Valuation of Major Taxpayers. Table 9 lists the major property taxpayers based on assessed valuations for the 2020 assessment year.

TABLE 9

CITY AND COUNTY OF DENVER
MAJOR PROPERTY TAXPAYERS - ASSESSED VALUATIONS 2020
(FOR COLLECTION IN 2021)
($ in thousands – columns may not sum to totals due to rounding)

Name	Business	Assessed Valuation	Percentage of City's Total Assessed Valuation[1]
Brookfield Office Properties	Real Estate	$386,893	1.72%
Public Service Co.	Utility	357,435	1.59
Invesco Realty Advisors Inc.	Real Estate	273,414	1.21
Beacon Capital Partners	Real Estate	265,319	1.18
Franklin Street Properties	Real Estate	153,179	0.68
Kroenke Sports Enterprises	Entertainment	149,156	0.66
Taubman Centers Inc.	Real Estate	132,439	0.59
Columbia-Healthone	Health Care	119,897	0.53
Hines Securities Inc.	Real Estate	116,070	0.52
Heitman LLC	Real Estate	105,979	0.47
TOTAL:		$2,059,780	9.14324%

1 Based on a 2020 assessed valuation of $22,527,890,740. This includes the assessed valuation that generates tax increment revenues, a portion of which are paid to DURA and DDDA and are not retained by the City. See "DEBT STRUCTURE OF THE CITY-Overlapping Debt and Taxing Entities."

(Source: Assessor's Office Division of the Department of Finance)

DEBT STRUCTURE OF THE CITY

General Obligation Debt

General Obligation Bonds ("G.O.") are backed by the full faith and credit of the City and are payable from ad valorem property taxes and other general revenues. Except for refunding bonds issued to achieve savings, Denver voters must approve general obligation debt prior to issuance. Under the City Charter, general obligation bonded debt is subject to a limitation of three percent (3%) of the actual value of the taxable property within the City.

At the 2017 Election, the City's voters approved seven general obligation ballot questions, the "Elevate Denver Bond Program", authorizing debt in the aggregate principal amount of $937,418,500. Pursuant to the 2017 Election authorization, in June 2018, the Series 2018A Bonds were issued for $193,000,000, in May 2019, the Series 2019A Bonds were issued for $81,910,000, in November 2019, the Series 2019C Bonds were issued for $117,265,000, and in December 2020, the Series 2020A Bonds were issued for $169,925,000. Following issuance of the Series 2020A Bonds in December 2020, approximately $375,318,500 in authorization under the 2017 Election remains.

City Council has approved placing five general obligation bond measures collectively known as the "RISE Denver Bonds Program" on the November 2021 ballot seeking voter approval. If all five bond measures are approved by voters, they will authorize new debt in the aggregate principal amount of $450.03 million. The ballot measures are in the amount of $104.04 million for the purpose of Denver Facilities, $38.6 million for the purpose of Housing & Sheltering, $63.32 million for the purpose of Transportation, $54.07 million for the purpose of Parks & Recreation, and $190.0 million for the purpose of the National Western Campus.

The following schedule sets forth the computation of the General Obligation debt margin of the City as of December 31, 2020.

COMPUTATION OF THE GENERAL OBLIGATION DEBT MARGIN
($ in thousands)

TOTAL ESTIMATED ACTUAL VALUATION – December 31, 2020	$176,687,330
Maximum general obligation debt, limited to 3% of actual valuation	5,300,620
Less outstanding bonds chargeable to limit[1]	842,371
LEGAL DEBT MARGIN – December 31, 2020	$4,458,249

1 This figure represents outstanding gross principal of the City's General Obligation Bonds. It differs from the Debt Margin calculation in the City's CAFR because that figure uses outstanding principal net of the Debt Service fund balance as of December 31, 2020, allocated to Bond Principal in the amount of approximately $165.97 million. Amounts in the Debt Service fund may be applied to both principal and interest of General Obligation Bonds.

As of December 31, 2020, the City had outstanding general obligation bonds in the aggregate principal amount of $842,370,500, which does not include accrued interest of $11,709,571 on certain capital appreciation bonds. See Table 10 below.

Outstanding General Obligation Debt

The following table lists the City's outstanding general obligation bonded debt as of December 31, 2020.

TABLE 10
OUTSTANDING GENERAL OBLIGATION DEBT
($ in thousands)

Issue	Original Amount	Amount Outstanding
General Obligation Justice System Facilities Bonds (Denver Mini-Bond Program), Series 2007[1]	$8,861	$8,861
General Obligation Better Denver Bonds, Series 2013A	120,925	32,590
General Obligation Justice System Refunding Bonds, Series 2013B1-2[2]	137,435	76,250
General Obligation Better Denver Bonds (Denver Mini-Bond Program), Series 2014A[3]	12,000	12,000
General Obligation Elevate Denver Bonds, Series 2018A	193,000	74,335
General Obligation Justice System Facilities Refunding Bonds, Series 2018B	67,905	47,435
General Obligation Elevate Denver Bonds, Series 2019A	81,910	77,055
General Obligation Better Denver and Zoo Refunding Bonds, Series 2019B	50,140	42,770
General Obligation Elevate Denver Bonds, Series 2019C	117,265	78,450
General Obligation Elevate Denver Bonds, Series 2020A	169,925	169,925
General Obligation Better Denver Refunding Bonds, Series 2020B	222,700	222,700
TOTAL:	$1,182,066	$842,371

1 Amount excludes $7,655,472 of compound interest on the Series 2007 Capital Appreciation Bonds.
2 Direct bank placement; no official statement prepared.
3 Amount excludes $4,054,099 of compound interest on the Series 2014A Capital Appreciation Bonds.

(Source: Department of Finance)

The following schedule sets forth the debt service on the City's outstanding General Obligation Bonds as of December 31, 2020.

Year Ending December 31	Debt Service ($ in thousands)
2021	$134,043
2022	113,555
2023	82,049
2024	78,717
2025	78,805
2026 through 2039, totaling	604,882
TOTAL:	$1,092,050

The following schedules set forth certain debt ratios based on the City's actual and assessed valuations and General Obligation bonded debt as of December 31, 2020.

SUMMARY OF
DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
($ in thousands)

Total Direct General Obligation Bonded Debt	$842,371
Overlapping General Obligation Bonded Debt[1]	$1,542,762
Total Direct and Overlapping General Obligation Bonded Debt	$2,385,133
Actual Valuation	$176,687,330
Assessed Valuation[2]	$22,527,891

1 The overlapping general obligation debt represents the outstanding general obligation debt of School District No. 1. See "DEBT STRUCTURE OF THE CITY - Overlapping Debt and Taxing Entities" below for information relating to other overlapping entities.

2 This includes the assessed valuation that generates tax increment revenues, a portion of which are paid to DURA and DDDA and are not retained by the City. See "DEBT STRUCTURE OF THE CITY - Overlapping Debt and Taxing Entities."

DEBT RATIOS

	Actual Valuation	Assessed Valuation	Per Capita[1,2]
Total Direct G.O. Bonded Debt	0.48%	3.74%	$1,144
Total Direct and Overlapping G.O. Bonded Debt	1.35%	10.59%	$3,238

1 The overlapping general obligation debt represents the outstanding general obligation debt of School District No. 1. See "DEBT STRUCTURE OF THE CITY - Overlapping Debt and Taxing Entities" below for information relating to other overlapping entities.

2 Based upon a 2020 population projection from the State Demography Office of 736,598. The 2020 CAFR presents a population estimate from the U.S. Census Bureau of 749,103.

Excise Tax/Dedicated Tax Revenue Bonds Debt Service Coverage

Excise Tax Revenue bonds (which were redefined as "Dedicated Tax Revenue Bonds" effective 2016) are special and limited revenue obligations of the City, payable from a specific, dedicated source of revenue which does not pledge the full faith and credit of the City. Except for refunding bonds issued to achieve savings, Denver voters must approve these bonds prior to issuance. There are no City Charter limitations stipulating maximum revenue bond debt.

Colorado Convention Center and National Western Center. In 2001, the City issued Excise Tax Revenue Bonds, Series 2001A-B, in the amount of $261,500,000. The 2001A-B Bonds were issued to finance the expansion of the Colorado Convention Center ("CCC") and were subsequently refunded with the 2005A and 2009A Bonds, respectively. The 2005A and 2009A bonds were required to be repaid by pledged revenues consisting of portions of the Lodger's Tax, Auto Rental Tax, and Food and Beverage Tax.

The total Lodger's Tax, imposed on the purchase price of hotel, motel and similar temporary accommodations in the City, is 10.75%. Of that percentage, 3.25% is directed to the General Fund and 2.75% is contractually pledged to the privately-operated Denver Metropolitan Convention and Visitors Bureau. The remaining 4.75% of the Lodger's Tax consists of a 3.0% portion (Pledged Lodger's Tax Base Revenues) that has no expiration date, and a 1.75% portion (Pledged Lodger's Tax Increases) which was indefinitely extended by Denver voters in November 2015.

The Auto Rental Tax, imposed on car rentals paid on the purchase price of short-term automobile rentals, is 7.25%. Of that percentage, 3.5% is directed to the General Fund. The remaining 3.75% of the Auto Rental Tax consists of a 2.0% portion (Pledged Auto Rental Base Revenues) that has no expiration date, and a 1.75% portion (Pledged Auto Rental Tax Increases) which was indefinitely extended by Denver voters in November 2015.

The Food and Beverage Tax, imposed upon the purchase price of certain prepared food and beverages, is 4.0%. Of that amount, 3.5% is directed to the General Fund and is not pledged for bond debt service. The remaining 0.5% of the Food and Beverage Tax was pledged to the repayment of the 2005A and 2009A Bonds.

In November 2015, Denver voters 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 Auto Rental Taxes for the purpose of financing tourism related projects for the National Western Center ("NWC") and for improvements to the CCC.

In April 2016, the City issued Dedicated Tax Revenue Refunding and Improvement Bonds, Series 2016A-B, in the principal amount of $397,310,000. The bonds were issued to fund the initial costs of the NWC and CCC improvements as well as to advance refund and defease all of the outstanding 2005A and 2009A Bonds. The City pledged additional portions of revenues for the repayment of the 2016A-B Bonds that were not previously 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.

In August 2018, the City issued Dedicated Tax Revenue Bonds, Series 2018A-B, in the principal amount of $299,999,984 to provide additional funding for the National Western Center. No new excise taxes or increases to existing excise taxes were imposed in conjunction with the issuance of the Series 2016A-B Bonds or Series 2018 A-B Bonds.

As of December 31, 2020, a principal amount of $589,429,984 of the Series 2016 A-B Bonds and Series 2018A-B remained outstanding.

In April 2021, the City issued Dedicated Tax Revenue Bonds, Series 2021A, in the principal amount of $273,830,000 to provide additional project funding for the NWC and CCC Expansion Project. No new excise taxes or increases to existing excise taxes were imposed in conjunction with the issuance of the Series 2021A Bonds. After issuance of the Series 2021A Bonds, the City has no authorization remaining from the 2015 Election.

The following table presents the City's calculation of the combined historic debt service coverage on the Dedicated Tax Revenue Refunding and Improvement Bonds, Series 2016A-B and Series 2018A-B, for the years 2016 through 2020.

TABLE 11

**HISTORY OF PLEDGED REVENUES AND
DEBT SERVICE COVERAGE ON
DEDICATED TAX REVENUE BONDS, SERIES 2016A-B AND SERIES 2018A-B
2016-2020
($ in thousands)**

Fiscal Year	2016	2017	2018	2019	2020
Excise Tax Increases					
Lodger's Tax Increase (1.75%)[2]	$14,468	$18,386	$18,124	$19,889	$7,049
Auto Tax Increase (1.75%)	10,910	10,962	11,548	11,839	6,559
Total Excise Tax Increases	25,378	29,348	29,672	31,728	13,609
Base Excise Taxes					
Base Lodger's Taxes (6.25%)[2]	49,771	63,665	62,852	69,123	25,485
Base Auto Taxes (5.50%)	34,132	34,308	36,090	36,990	20,085
Base Food and Beverage Taxes (0.50%)	17,164	18,619	19,821	20,480	14,376
Total Base Excise Taxes	101,067	116,592	118,763	126,593	59,946
Total Pledged Excise Taxes	126,445	145,940	148,435	158,321	73,555
Combined Maximum Annual Debt Service Requirements on the Series 2016 Bonds and the Series 2018 Bonds [1]	$49,103	$49,103	$49,103	$49,103	$49,103
Pro-Forma Coverage	2.58x	2.97x	3.02x	3.22x	1.5x

1 Represents the Combined Maximum Annual Debt Service Requirements on the Series 2016A-B Bonds and 2018A-B Bonds ($49,103,400 in 2048).

2 Lodger's Tax for 2017 includes $9,989,000 from a one-time legal settlement with online travel companies.

(Source: Department of Finance)

Golf Enterprise Revenue Bonds

In 2005, the City designated the Golf Division of its Department of Parks and Recreation (the "Golf Enterprise") as an "enterprise" within the meaning of the State Constitution and established the Golf Division Enterprise Fund. The assets of the Golf Enterprise are owned by the City and the power to operate, maintain and control the Golf Enterprise is vested in the City's Department of Parks and Recreation. The Golf Enterprise is not authorized to levy any taxes in connection with the Golf Facilities, and changes to the rates, fees and charges collected by the Golf Enterprise are set by City Council acting by ordinance.

In March 2006, the City issued $7,365,000 of Golf Enterprise Revenue Bonds, Series 2005 on behalf of the Golf Division of its Department of Parks and Recreation. Final payment was made under the terms of the bonds on September 1, 2020. The Wastewater Management Enterprise Fund ("Wastewater"), a division within the City's Department of Transportation and Infrastructure, implements stormwater improvements throughout the City, which include the Platte to Park Hill: Stormwater Systems program. A project within the Platte to Park Hill: Stormwater Systems program consists of integrating stormwater detention areas at City Park Golf Course. As a result, City Park Golf Course closed on November 1, 2017. City Park Golf Course opened to a limited number of players per day on September 1, 2020 and fully reopened in May 2021. Wastewater entered into an interagency memorandum of understanding to reimburse Golf Enterprise for lost net revenue and specified expenses to the project during the time period that the City Park Golf Course is closed. In 2018, Wastewater Enterprise reimbursed Golf Enterprise in the amount of $1,195,000; $92,911 applicable to 2017 lost net revenue and specified expenses and $1,102,089 applicable to 2018 lost net revenue and specified expenses. In 2019, Wastewater Enterprise reimbursed Golf Enterprise in the amount of $2,153,886. In 2020, no reimbursement payments were made from Wastewater Enterprise to Golf Enterprise and no further City Park Golf Course lost revenue reimbursement payments are anticipated to be made from Wastewater Enterprise to Golf Enterprise. For more information regarding the program see "WASTEWATER MANAGEMENT SYSTEM – Capital Improvement Plan."

Table 12 below shows the calculation of the debt service coverage ratio from 2016 through 2020 based on audited CAFR figures which reflect the City's internally adopted threshold for accounting of capital assets.

TABLE 12

Historical Coverage Based on CAFR Figures

	2016	2017	2018	2019	2020
Operating Revenues[1]	$11,058,264	$11,962,883	$11,803,338	$12,996,965	$14,732,463
Rate Maintenance Account	240,403	240,403	240,403	240,403	240,403
Golf Enterprise Fund Gross Revenue	11,298,667	12,203,286	12,043,741	13,237,368	14,972,866
Operation and Maintenance Expenses	9,852,543	10,240,379	10,701,200	10,824,631	12,373,836
Net Pledged Revenue	1,446,124	1,962,907	1,342,541	2,412,737	2,599,030
Series 2005 Maximum Annual Debt Service	$686,865	$686,865	$686,865	$686,865	$686,865
Coverage	2.11	2.87	1.95	3.51	3.78

1 Operating revenue in 2017, 2018, and 2019 includes $92,911, $1,102,089, and $2,153,886 respectively, reflecting the reimbursement to Golf Enterprise from Wastewater for lost net revenue and specified expenses during the Platte to Park Hill Stormwater Systems program which resulted in City Park Golf Course closure beginning November 1, 2017, until September 1, 2020. Golf Enterprise recognized the revenues in the year they were earned versus when they were received, therefore, reimbursement timing varies from Wastewater which recognized reimbursements based on payment date.

(Source: Denver Parks and Recreation)

The following table sets forth comparative, operating results of the Golf Enterprise for Fiscal Years 2016 through 2020.

TABLE 13

City of Denver, Colorado – Golf Division Enterprise Fund - Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances.

	2016	2017	2018	2019	2020
Operating Revenues					
Golf Charges	$11,028,217	$11,850,521	$10,162,966	$10,136,787	$13,622,062
Other	30,047	112,362[1]	1,640,372[1]	2,860,177[1]	1,110,401
Total Operating Revenues	11,058,264	11,962,883	11,803,338	12,996,965	14,732,463
Operating Expenses					
Personnel Services	5,933,998	5,779,628	6,228,995	7,370,464	8,139,516
Contractual Services	822,742	1,032,521	1,633,799	1,645,728	2,347,981
Supplies and Materials	974,784	1,151,970	982,381	1,123,839	1,067,610
Depreciation Expense	1,163,438	1,142,687	894,103	1,943,002	2,486,526
Other Operating Expenses[2]	2,121,018	2,276,260	1,856,025	684,599	818,729
Total Operating Expenses	11,015,980	11,383,066	11,595,303	12,767,632	14,860,362
Operating Income (Loss)	42,284	579,817	208,035	229,332	(127,899)
Non-Operating Revenue (Expenses)					
Investment and Interest Income	309,660	24,758	76,891	135,143	251,420
Intergovernmental revenue				1,660[4]	
Disposition of assets (City Park)			(1,322,021)	(26,205)	(2,329)
Transfer In- Dental Self-Insurance Surplus Reserves to Golf					32,701
Capital Asset Transfer Out - Adjustment for City Park Assets from Wastewater					147,064
Interest Expenses	(156,148)	(120,000)	(81,779)	(51,779)	(20,742)
Income (Loss)	195,796	484,575	(1,118,874)	288,152	280,215
Change in accounting position GASB68, GASB75			(711,917)[3]		
City Park Asset Addition - Transferred from Wastewater				14,856,235[1 5]	
Net Assets – January 1	9,791,129	9,986,925	10,471,500	8,640,709	23,785,095
Net Assets – December 31	$9,986,925	$10,471,500	$8,640,709	$23,785,095	$24,065,311

1 Other revenue in 2017, 2018, and 2019 includes revenues in the amount of, $92,911, $1,102,089, and $2,153,886 respectively, reflecting the reimbursement to Golf Enterprise from Wastewater for lost net revenue and specified expenses during the Platte to Park Hill Stormwater Systems program which resulted in City Park Golf Course closure beginning November 1, 2017 until September 1, 2020. Golf Enterprise recognized the revenues in the year they were earned versus when they were received, therefore, reimbursement timing varies from Wastewater which recognized reimbursements based on payment date.

2 Major costs include payments made to City for employee costs, Workers Compensation and payroll processing.

3 In 2018, the City implemented GASB 75 relating to the accounting for pension obligations, which resulted in an adjustment of beginning net position as of January 1, 2018. For additional information on the impact of the implementation of GASB 75, refer to the 2018 CAFR.

4 During the City's audit of 2019 financials, by independent auditor BKD, LLP, a donation of $1,660 from Junior Golf Alliance was included in Intergovernmental Revenue rather than Other Revenue. To be consistent with the 2019 CAFR, the funds were not moved to the correct account in the Annual Disclosure Statement.

5 Amount includes City Park maintenance building, club house and golf course.

(Source: Denver Parks and Recreation)

Usage of Courses and Multi-Year Green Fees. In addition to the usage of the Courses for golfing purposes, in 2017 the Golf Enterprise contracted to lease the Overland Golf Course for short-term concert use beginning in 2018. The contractor held the first concert in September 2018. The contractor decided to not hold a concert in 2019 and has not committed to concerts in subsequent years. Usage of the courses of the Golf Facilities in the last full five years are represented in Table 14. Table 15 reflects the green fees in effect on December 31, 2020.

TABLE 14

Total Rounds Played

	2016	2017	2018	2019	2020
Aqua Golf[1]	17,080	19,643	20,568	23,036	14,732
City Park[2]	48,492	45,645	0	0	7,580
Evergreen	24,988	25,099	26,198	22,923	36,068
Harvard Gulch	30,583	31,165	30,804	30,718	33,580
Kennedy[3]	85,212	83,640	86,000	91,287	123,327
Overland	45,149	47,572	44,073	46,940	58,007
Wellshire	54,184	55,778	54,965	51,206	60,235
Willis Case	51,360	51,521	51,494	50,033	57,749
Total	357,048	360,063	314,102	316,143	391,278

1 This facility offers two separate 18-hole miniature golf courses and has a signature aquatic driving range.
2 City Park Golf Course closed on November 1, 2017, as a result of integrating stormwater detention areas. The golf course reopened for limited play in September 2020 and fully reopened in May 2021. For more information, see "DEBT STRUCTURE OF THE CITY - Golf Enterprise Revenue Bonds."
3 Kennedy Golf Course has a miniature golf course; however, miniature golf rounds are not included in total rounds played.

(Source: Denver Parks and Recreation)

TABLE 15

Schedule of Green Fees[1] in effect on December 31, 2020 – Denver Golf Courses

Category of Play	City Park	Evergreen	Harvard Gulch[2]	Kennedy	Overland	Wellshire	Willis Case
18-Hole - Weekday	$29.00	$29.00	N/A	$29.00	$29.00	$29.00	$29.00
18-Hole - Weekend/Holiday	$41.00	$41.00	N/A	$41.00	$41.00	$41.00	$41.00
18-Hole - Senior (Weekday Only)	$23.00	$23.00	N/A	$23.00	$23.00	$23.00	$23.00
18-Hole - Junior (Weekday Only)	$14.00	$14.00	N/A	$14.00	$14.00	$14.00	$14.00
9-Hole - Weekday	$18.00	$18.00	11.00	$18.00	$18.00	$18.00	$18.00
9-Hole - Weekend/Holiday	$21.00	$21.00	11.00	$21.00	$21.00	$21.00	$21.00
9-Hole - Senior (Weekday Only)	$13.00	$13.00	8.00	$13.00	$13.00	$13.00	$13.00
9-Hole - Junior (Weekday Only)	$9.00	$9.00	7.00	$9.00	$9.00	$9.00	$9.00

1 The City charges the same fees for residents and non-residents.
2 Harvard Gulch is a 9-hole par 3 course.

(Source: Denver Parks and Recreation)

Overlapping Debt and Taxing Entities

Except for the information contained in subsection titled "Other Overlapping Taxing Districts," the following information as of December 31, 2020 has been supplied by the overlapping entities described below and the City has not attempted to verify the accuracy thereof or update such information for developments that occurred in 2021. The City makes no representation as to the accuracy, truthfulness or completeness of information contained in this section except for the information contained in subsection titled "Other Overlapping Taxing Districts."

School District No. 1 in the City and County of Denver. School District No. 1 (the "School District") has identical boundaries with the City. In 2016, the School District authorized $572 million in bonds. All authorized bonds have been issued. As of December 31, 2020, the School District had $1,524,762,000 aggregate principal amount of general obligation bonds outstanding.

The School District has entered into annually renewable lease purchase arrangements from time to time in which certificates of participation have been executed and delivered by trustees for the transactions. As of December 31, 2020, the aggregate principal amount of such certificates outstanding was $1,049,925,000. Neither the lease purchase agreements nor the related certificates executed and delivered by the trustees are considered debt or multiple-fiscal year financial obligations of the School District for State law purposes. The obligations of the School District to make lease payments for each year are subject to annual appropriations by the Board of Education. For more information, see "DEBT STRUCTURE OF THE CITY – Outstanding General Obligation Debt."

Metro Water Recovery (formerly known as Metro Wastewater Reclamation District). Metro Water Recovery, formerly known as Metro Wastewater Reclamation District (the "Metro"), a governmental and political subdivision of the State, was organized in 1961 and currently includes the City and numerous other adjacent municipal units. Each municipal unit presently owns and operates a sewer system and voluntarily became part of the Metro in order to construct and operate a sewage disposal system in the Denver metropolitan area. Under service contracts with the Metro, each municipal unit is obligated to pay the Metro for the costs of services rendered (including debt service) based on usage of the Metro's facilities. Each municipal unit imposes taxes or charges sufficient to fund its share of Metro costs.

The City is meeting its obligation to the Metro from a sewer service charge collected from the System's users. The Metro assessed the City charges of $55,421,329 for 2020. The Metro had outstanding $649,640,000 aggregate principal amount of bonds as of December 31, 2020.

Regional Transportation District. The Regional Transportation District ("RTD"), a governmental and political subdivision of the State, was established in 1969, and currently includes the City, Boulder, City and County of Broomfield and Jefferson Counties and portions of Adams, Arapahoe, Weld and Douglas Counties. RTD is empowered to develop, maintain and operate a mass transportation system within its boundaries. RTD may levy up to one-half of one mill on all taxable property within the RTD boundaries for the payment of its expenses in situations of deficiencies, subject to the provisions of State constitutional revenue and spending limitations. RTD has not exercised its power to levy a general ad valorem property tax since 1976. At an election held within the RTD in 2004, voters approved an increase to the RTD's sales tax rate from 0.6% to 1.0% and authorized debt in the amount of $3.477 billion to be spent on the construction and operation of a transit expansion plan known as FasTracks. As of December 31, 2020, approximately $2,024,428,000 of FasTracks debt was outstanding. RTD also has $38,490,000 of principal outstanding on non-FasTracks debt and $1,011,319,000 of principal outstanding on certificates of participation related to various lease purchase and installment sales arrangements under which RTD is the lessee or purchaser.

Urban Drainage and Flood Control District. The Urban Drainage and Flood Control District, doing business as Mile High Flood District (the "Flood District"), a governmental and political subdivision of the State, was established in 1969 and includes the City and portions of Adams, Arapahoe, Boulder, Broomfield, Douglas and Jefferson Counties. The Flood District was established to provide regional floodplain and stormwater management for the areas within its boundaries. The Flood District may levy up to 1/10 mill to defray engineering and operating expenses, up to 4/10 mill for construction costs and up to 4/10 mill for maintenance expenses. Beginning with taxes levied in 1986 and collected in 1987, a 1/10 mill for a special revenue fund for the South Platte River basin was authorized. Authorization for an additional levy may be obtained by voter approval. The Flood District has no outstanding bonded indebtedness. Projects undertaken by the Flood District to date have been financed from ad valorem taxes, local government matching contributions, and grants. In 2017 the Flood District created a Development Service Enterprise where the Flood District manages projects for regional drainage improvements required as part of the development and paid for by the developer.

Other Overlapping Taxing Entities. The Denver Tourism Improvement District ("TID") is an overlapping tax district. At an election held in 2017, certain hoteliers in Denver approved the creation of the TID, which imposes an additional hotel and Lodger's Tax of 1.0% on every hotel within the City limits with 50 or more rooms. The purpose of the additional Lodger's Tax is to contribute to an increase in marketing services provided by Visit Denver and to contribute to tourism-related capital improvements, including improvements at the Colorado Convention Center. Collection of this tax started January 1, 2018.

Additionally, there are a number of partially overlapping taxing districts, whose boundaries overlap the City or portions thereof, having general obligation debt in amounts which do not materially affect the ability of the City to pay debt service on its general obligation bonds. Assessed valuation and bond mill levy information for those taxing districts with general obligation debt outstanding as of December 31, 2020 is provided in the following table.

TABLE 16

CITY AND COUNTY OF DENVER
OVERLAPPING TAXING DISTRICTS WITH GENERAL OBLIGATION DEBT
Year Ending December 31, 2020

Taxing District	Assessed Valuation Attributable to Denver	% of Total Denver Assessed Value	2020 Mill Levy
9th Ave. Metro No 2[2, 3]	$17,596,550	0.08%	30.000
9th Ave. Metro No 3[2, 3]	18,720,040	0.08%	11.133
2000 Holly Metro	1,553,910	0.01%	50.000
Adams County Fire Protection District[1]	10,395,330	0.05%	16.683
Aviation Station Metro No 2[2]	11,143,310	0.05%	60.000
Aviation Station Metro No 3[2]	6,184,560	0.03%	64.191
Aviation Station Metro No 5[2]	423,520	0.00%	10.000
Belleview Station Metro No 2[2]	84,911,330	0.38%	33.000
Broadway Park North Metro No 2[2, 3]	21,319,330	0.09%	53.525
Broadway Park North Metro No 3[2, 3]	4,995,940	0.02%	16.132
Bowles Metro[1]	34,878,430	0.15%	40.000
Broadway Station Metro No 2[2, 2]	11,545,180	0.05%	41.000
Broadway Station Metro No 3[2, 3]	5,398,320	0.02%	46.000
CCP Metro No 1[1, 3]	5,688,810	0.03%	44.000
Central Platte Valley Metro[2, 3]	387,201,350	1.72%	20.000
Central Platte Valley Metro (debt)[2]	90,715,900	0.40%	8.000
Cherry Creek North Business Improvement District	406,014,270	1.80%	15.142
Colo. Int. Center Metro No 13[2]	1,194,850	0.01%	83.496
Colo. Int. Center Metro No 14[2]	31,065,320	0.14%	75.000
Denargo Market Metro No 2[2]	24,641,650	0.11%	41.195
Denver Connection West Metro	15,795,120	0.07%	55.664
Denver Gateway Center Metro	9,980,850	0.04%	50.000
Denver Intl. Bus. Ctr Metro No 1	50,874,100	0.23%	47.000
DUS Metro No 2[2, 3]	127,417,480	0.57%	22.161
DUS Metro No 3[2, 3]	7,051,330	0.03%	22.161
Ebert Metropolitan[2]	134,364,490	0.60%	58.319
Ebert Metropolitan (debt)[2]	10,610,830	0.05%	33.669
First Creek Village Metro	10,766,350	0.05%	73.664
Gateway Regional Metro	168,622,700	0.75%	16.000
Midtown Metro District	17,538,850	0.08%	40.000
Mile High Business Center Metro	32,613,740	0.14%	26.391
RiNo General Improvement District[3]	237,117,380	1.05%	4.000
Sand Creek Metro[1,2]	51,792,950	0.23%	23.750
Sand Creek Metro (debt)[1,2]	17,364,660	0.08%	16.000
SBC Metro[3]	114,464,260	0.51%	22.000
South Sloan's Lake Metro No 2[2, 3]	35,115,030	0.16%	37.039
Southeast Public Improvement Metro[1]	416,420,390	1.85%	2.000
Valley Sanitation District[1]	20,226,340	0.09%	2.888
Westerly Creek Metro[2]	702,615,390	3.12%	59.753
Special District Total Assessed Value	$3,356,340,140	14.90%	
Denver Total Assessed Value[3]	$22,527,890,740		

[Footnotes on next page]

1 District also has assessed value located in more than one county.
2 Includes related districts which have separate financing and taxing roles; financing districts may not be listed in the chart above due to insignificant assessed value.
3 This includes the assessed valuation that generates tax increment revenues, a portion of which are paid to DURA or Union Station DDA and are not retained by the City.
4 The mill levy represented is the total mill levy for each respective district, not only the bond mill levy.

(Source: Assessor's Office Division of the Department of Finance, Department of Finance)

City Discretionary Support Payments

General The City has entered into agreements with several independent authorities in which the City, subject to annual appropriation, may be required to make certain contingent or discretionary payments. Those authorities may be component units of the City for accounting purposes; however, the City is not responsible for the repayment of any bonds or other obligations of the authorities. The City may enter into other agreements in the future.

Denver Convention Center Hotel Authority Discretionary Economic Development Payments The City created the Denver Convention Center Hotel Authority (the "DCCHA") for the express purpose of acquiring, constructing, equipping, operating and financing a convention center headquarters hotel, parking garage and supporting facilities across the street from the Colorado Convention Center. The DCCHA has issued various revenue bonds payable from hotel revenues and the hotel is mortgaged by the Authority to the bond trustee to secure the payment of those bonds. The City is not obligated to pay debt service on the DCCHA bonds. However, the City entered into an Economic Development Agreement with the Authority pursuant to which the City makes economic development payments related to the hotel's construction and operation. The agreement requires $11,000,000 of payments each year through 2040; those payments are subject to annual appropriation by the City. The Economic Development Agreement is subject to termination on each December 31 according to its terms.

Denver Urban Renewal Authority Contingent and Discretionary Payments The Denver Urban Renewal Authority ("DURA") has issued numerous series of tax increment revenue bonds secured by certain DURA tax increment revenues. With respect to one series of bonds (the "2010B-1 Bonds"), the City entered into a services agreement with DURA pursuant to which the City's Manager of Finance agreed to request that the City Council consider appropriating funds to replenish the reserve fund for the 2010B-1 Bonds in an amount not to exceed the maximum annual debt service payments (with a maximum of $12 million) to the extent that DURA's pledged revenues are not sufficient to pay debt service and amounts drawn from the reserve fund for the 2010B-1 Bonds. The City Council's decision to appropriate such funds is solely in the City Council's discretion. The 2010B-1 Bonds mature on December 1, 2025, and were outstanding in the aggregate principal amount of $36,330,000 as of December 31, 2020. The City Council has never been requested to appropriate funds under the services agreement.

National Western Center Authority Contingent Commitment Agreement Payments The National Western Center Authority (the "Authority") is a Colorado non-profit corporation formed pursuant to a Framework Agreement, dated September 28, 2017, by and among the City, the Colorado State University System, and the Western Stock Show Association, for the purpose of operating and maintaining the National Western Center Campus located in Denver, Colorado (the "Campus"). The Authority has entered into a Campus Energy Agreement, dated July 30, 2020 (the "CEA"), with EAS Energy Partners, LLC ("EAS"), whereby EAS has agreed to design, build, finance, operate and maintain a district energy system serving the Campus for a primary term of forty (40) years. Pursuant to that certain Contingent Commitment Agreement, dated July 30, 2020, between the City and the Authority (the "CCA"), the City has provided a contingent commitment to make payments to a designated remittance account with respect to monetary obligations of the Authority arising under the CEA. The City's obligations under the CCA are contingent upon the occurrence of a shortfall in revenue to the Authority sufficient to make payments due under the CEA. The Authority's scheduled payments under the CEA, and any shortfall-related payments from the City under the CCA, if required, would not be made until 2022 at the earliest. Any payments made by the City under the CCA are subject to appropriation by the City. Any funds advanced by the City under the CCA constitute an interest-bearing loan from the City to the Authority subject to repayment terms set forth in the CCA.

PENSION PLANS

The City's career service employees are covered under the Denver Employees Retirement Plan ("DERP"). Employees of the police department and the fire department are covered by separate retirement plans affiliated with and administered by the Fire and Police Pension Association ("FPPA").

Denver Employees Retirement Plan

The following information is from the independently audited 2020 Comprehensive Annual Financial Report of DERP (the "DERP 2020 CAFR") and has not been verified by the City.

DERP is a defined benefit plan. Its purpose is to provide retirement benefits to qualified members of the City and County of Denver and the Denver Health and Hospital Authority. DERP has separate legal standing and has no financial responsibility to the City. The assets of DERP are funds held in trust by DERP for the exclusive purpose of paying pension and certain postemployment health benefits to eligible members. DERP health benefits are described below under "OTHER POST EMPLOYMENT BENEFITS – DERP OPEB Plan."

The Denver Health and Hospital Authority ("DHHA") was established in 1996, and effective January 1, 1997, DHHA made contributions to DERP on behalf of its Denver Career Service Authority employees who were members of DERP.

DERP membership consisted of the following as of December 31, 2019 and 2020:

	2019	2020
Retirees and beneficiaries currently receiving benefits	10,137	10,520
Terminated employees entitled to benefits but not yet receiving such benefits	3,430	3,382
Current employees:		
Vested	5,035	5,165
Non-vested	4,371	3,796
TOTAL	22,973	22,863

DERP provides retirement benefits plus death and disability benefits. Members who were hired before July 1, 2011 and retire at or after the age of 65 (on or after age 55 if the sum of their age and credited years of service is at least 75) are entitled to an annual retirement benefit. For members hired before September 1, 2004, the annual retirement benefit is in an amount equal to 2.0% 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 1.5%. Final average salary is based on the member's highest salary during a 36 consecutive month period of credited service. These members with 5 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, the earliest they can retire is at the age of 60. In order to receive a normal, unreduced retirement prior to age 65, the sum of age added to credited years of service must equal at least 85. Final average salary is based on the member's highest salary during a 60 consecutive 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 adjustments to retirement benefits are authorized only by vote of DERP's board of directors; however, no cost of living adjustment has been made since 2002. The estimated cost of benefit and contribution provisions is determined annually by an independent actuary, recommended by DERP's board of directors and enacted into ordinance by the City Council.

The following are DERP contribution requirements and dates on which contribution requirement changes took effect. As illustrated by the table below, there were no contribution requirement changes in January 2016 or 2017.

Effective as of the first payroll after January 1, 2019, the City contribution (employer contribution) was increased to 13.00%. The employee contribution was increased to 8.50%. Effective as of the first payroll after January 1, 2020, the City contribution was increased to 15.75%. The employee contribution was increased to 9.25%.

	January 1, 2013	January 1, 2014	January 1, 2015	January 1, 2018	January 1, 2019	January 1, 2020
City Contribution	11.00%	11.20%	11.50%	12.50%	13.00%	15.75%
Employee Contribution	7.00%	7.30%	8.00%	8.00%	8.50%	9.25%
Total	18.00%	18.50%	19.50%	20.50%	21.50%	25.00%

The total net plan net position was $2,330,171,602 and $2,441,691,073 as of December 31, 2019, and December 31, 2020, respectively. Per DERP 2020 CAFR, as of January 1, 2020, 61.7% of the plan's actuarial accrued liabilities were covered by actuarial value of assets. As of January 1, 2021, the date of the last actuarial valuation, 60.32% of the plan's actuarial accrued liabilities were funded by actuarial value of assets.

In late 2019, DERP discovered two errors related to statutory benefit limitations that were not being properly applied, leading to two separate operational noncompliance failures. In both cases, the Internal Revenue Code ("IRC") and Revised Municipal Code of the City and County of Denver ("DRMC") specifically prohibited DERP from paying certain benefits that were paid.

The first error related to IRC Sec. 401(a)(17), which limits the amount of compensation that can be used by a qualified plan for calculating pension benefits. DERP discovered that this limitation was being acknowledged, but not used to limit benefits. This error affected one former City employee and forty former Denver Health and Hospital Authority ("DHHA") employees.

The second error related to IRC Sec. 415(b), which limits the total amount of pension benefits a qualified plan can pay to any individual retiree in any given year. Since 2006, DERP has had a valid IRC Sec. 415(m) governmental excess benefit arrangement, which can be used to pay benefits in excess of the IRC Sec. 415(b) limits. However, DERP had never secured separate funding for the excess benefit arrangement, as required by IRC Sec. 415(m), and had paid excess benefits from the qualified plan trust. Excess benefits were paid to former DHHA employees only (no former City employees).

DERP has taken steps towards rectifying these errors and has filed a Voluntary Correction Program ("VCP") application with the IRS to correct both errors. This issue was still pending as of December 31, 2020 but DERP received the final signed compliance statement back from the IRS in August 2021, effectively successfully exiting the VCP program.

In 2021, DERP introduced to City Council a recommendation to lower the prospective interest rate credited to both Deferred Retirement Option Plans, which recommendations were adopted by Ordinance in July of 2021. DERP also made a recommendation that the IRC section 401(a)(17), which applied as a matter of law, be expressly included in the Denver Revised Municipal Code. The latter recommendation was adopted by City Council via separate Ordinance in July of 2021.

On December 21, 2020, City Council passed a reduction of the Assumed Rate of Return from 7.5% to 7.25% to better reflect future return expectations and the current investment environment. The change went into effect on January 1, 2021.

Fire and Police Pension Plans

All full-time fire fighters and police officers in the classified service of the City hired on or after April 8, 1978 ("New Hires") participate in the Statewide Defined Benefit Plan ("New Hire Plan"), a cost-sharing multiple-employer public employee retirement system. The New Hire Plan is administered by the FPPA. Pursuant to Colorado Revised Statutes §31-31-701(2), which was deleted in 2014 as obsolete, full-time City firefighters and police officers in the classified service hired prior to April 8, 1978 ("Old Hires") participate in the City's Old Hire Fire and Police

Pension Plans ("Old Hire Plans"), unless the Old Hires elected to become covered by the New Hire Plan before March 1, 1981. The FPPA manages investments, and administers the contributions to, and distributions from, the Old Hire Plans. The City's Police Pension and Relief Board and the Trustees of the Firefighters Pension Fund administer various other matters relating to the Old Hire Plans.

The City's contributions to FPPA Old Hire Plans, for the years ended December 31, 2020, 2019, and 2018, were \$26,051,000, \$26,051,000, and \$24,343,000, respectively. For FPPA, covered employees under the New Hire Plan contribute at the rate of at least 8% of base salary. The City also made contributions for the years ended December 31, 2020, 2019, and 2018, to the New Hire Plan, in the amounts of \$19,528,000, \$18,079,000, \$17,396,000, respectively. Due to the implementation of the provisions of GASB 68 in 2015, the funded status of the FPPA Old Hire and New Hire Plans will no longer be disclosed. For additional information on the implementation of GASB 68, refer to the 2015 CAFR.

OTHER POST EMPLOYMENT BENEFITS

In addition to the pension benefits described above, the City provides health insurance benefits to eligible retirees and their qualifying dependents. Current and retired employees participate in the same group plans with blended premium rates creating an implicit benefit for the retirees in the plans. The City's contribution toward the implicit rate subsidy is based on pay-as-you-go funding for the retirees. The plans for eligible DERP and FPPA retirees are described below and at Note F in the "Other Note Disclosures" section of the City's 2020 CAFR.

DERP OPEB Plan

DERP retirees are responsible for 100% of the blended premium rate. They may choose to use their health benefit toward the premium costs. The health benefit associated with the DERP pension provides monthly health insurance premium reduction of \$12.50 per year of service for retired participants not eligible for Medicare and \$6.25 per year of service for retirees eligible for Medicare. Per the DERP 2020 CAFR, 43.7% of the plan's accrued, OPEB liabilities were covered by valuation assets. Per DERP's Actuarial Valuation dated January 1, 2021, 44.4% of the plan's accrued, OPEB Retiree Medical Plan liabilities were covered by actuarial valuation assets.

OPEB for Collectively Bargained Agreements

The City has collectively bargained agreements with the Sheriff, Police, and Fire Departments employees. Each of those agreements provides for post-employment benefits as individually negotiated. All collectively bargained agreements are of public record and available in the Clerk and Recorder's Office.

The Sheriff Department employees are treated as DERP employees for purposes of retirement including their post-employment health benefits but have additional bargained benefits, including funeral expenses for death in the line of duty, within the collectively bargained agreement. Police and Fire Department employees or their survivors receive contractual payments for their respective non-City post-employment health plans, funeral expenses, and statutorily required death and disability coverages.

LEASE PURCHASE AGREEMENTS

Certificated Lease Purchase Agreements

The City has entered into lease purchase transactions whereby an independent lessor sells Certificates of Participation ("COPs") which represent proportionate interests in the lessor's right to receive rentals and revenues paid by the City pursuant to lease purchase agreements executed to facilitate the financing of certain public capital projects. Neither the lease purchase agreements nor the COPs constitute general obligations or other indebtedness of the City within the meaning of any constitutional, statutory, or Charter debt limitations. Under its various lease purchase agreements, the City has the right to appropriate or not appropriate the rental payments due for the then current fiscal year. In the event of nonappropriation, the respective lease purchase agreement terminates, and the related COPs are then payable solely from the proceeds received by the trustee for the benefit of the owners of the COPs from specified remedies. If appropriated for the applicable fiscal year, the City has the obligation to pay the related lease agreement rentals for that fiscal year.

Certificated Lease Purchase Transactions. Certificates of participation have been executed and delivered in conjunction with various lease purchase agreements discussed in the paragraph above. Principal portions of Base Rentals under these lease purchase agreements outstanding as of December 31, 2020, as well as the dates on which leased property is scheduled to be acquired by the City at the end of the term of the related lease purchase agreements, are summarized in Table 17.

TABLE 17

SCHEDULE OF CERTIFICATED LEASE PURCHASE TRANSACTIONS AND RELEASE DATES AS OF DECEMBER 31, 2020

Series	Outstanding Principal Amount	Leased Property	Date Lease Property Scheduled to be Acquired
2008A1-A3	$182,135,000	Wellington E. Webb Office Building[1]	December 1, 2031
2012A	1,100,000	Denver Cultural Center Parking Garage	December 1, 2021
2012C1-C3[2]	26,580,000	Denver Properties Leasing Trust	December 1, 2031
2013A	14,655,000	Buell Theatre	December 1, 2023
2015A	17,015,000	Blair-Caldwell African American Research Library, Fire Station Nos. 18, 19, and 22	December 1, 2034
2017A[1]	12,606,796	Denver Botanic Gardens Parking Facility	December 1, 2028
2018A	126,730,000	Colorado Convention Center Expansion Project	June 1, 2048
2020A1-A2[2]	19,670,000	Central Platte Campus	December 1, 2030
TOTAL	$400,491,796		

1 The Wellington E Webb Office Building Certificates of Participation, Series 2008A1-A3, have associated swaps that are indexed to the one-month LIBOR rate. The phase out of the overnight, one-month, three-month, six-month, and 12-month LIBOR rate was extended from the end of 2021 to June of 2023. The City continues to monitor the phase out requirements and will take mitigating actions prior to the 2023 deadline.

2 Direct bank placements; no official statement prepared.

(Source: Department of Finance)

Non-certificated Lease Purchase Agreements

The City may also enter into non-certificated capital lease purchase arrangements for the lease purchase of real property and equipment. As of December 31, 2020, the City was the lessee under various other capitalized lease agreements in a principal amount of $19,702,554 compared to $21,676,401 as of December 31, 2019. At the end of the final term of each such leases, the City expects to own the equipment which are the subject of such leases. Such leases do not constitute general obligations or other indebtedness of the City within the meaning of any constitutional, statutory, or Charter debt limitations.

DENVER WATER BOARD

In November 1870 the privately-owned Denver City Water Company was organized. It was merged into the Denver Union Water Company in October 1894, along with several smaller companies servicing various parts of a growing Denver. In November 1918, the governing board of the Denver Water Department purchased the Water Company for the citizens of the City. Article X of the Charter of the City establishes the Denver Water Department, an independent and non-political agency of the City, which is under the control of a five-member, nonpartisan Board of Water Commissioners (the "Denver Water Board") and vests the charge and control of the City's water system and plant in the Denver Water Board. All revenues of the water system are accounted for in the Water Works Fund, disbursements from which are controlled by the Denver Water Board. Members of the Denver Water Board are appointed by the Mayor of the City. The Denver Water Board may issue revenue bonds that are payable solely from the net revenues of the operations of the Denver Water Board but, since 2003, the Denver Water Board has not had the authority under the City Charter to issue general obligation bonds of the City and there are no Denver Water Board general obligation bonds outstanding. Financial statements and ongoing disclosure for Denver Water are available at: https://www.denverwater.org/about-us/investor-relations/financial-information. Such financial information is not incorporated into this Disclosure Statement by this reference.

WASTEWATER MANAGEMENT SYSTEM

The Wastewater Management Enterprise Fund ("Wastewater"), a division within the City's Department of Transportation and Infrastructure, was established to account for the sanitary sewer and storm operations of the City. Effective January 1, 2020, the Department of Public Works has become the Department of Transportation & Infrastructure. The City's wastewater collection facilities as of December 31, 2020, consisted of approximately 1,538 miles of sanitary sewer lines and 823 miles of storm drainage lines of various compositions, overall ranging in size from 8" to more than 120" in diameter. Denver's system uses 5 sanitary sewer lift stations and 9 storm sewer lift stations which are currently in service as well as gravity flow stations.

Denver maintains an active sewer line maintenance program, which uses television and sealing units to monitor line condition and seal joints. Denver employs a regular maintenance schedule to flush out lines, a grout process to repair slight breaks, and trenchless technology to replace lines. Maintenance and replacement have historically been funded out of the Wastewater System's capital maintenance program.

In January 2012, the City, for and on behalf of the Wastewater Management Division of its Department of Transportation and Infrastructure, issued $50,425,000 of Wastewater Enterprise Revenue Bonds, Series 2012. The proceeds were used to defease the outstanding Series 2002 revenue bonds and to finance $32,500,000 capital improvements to storm drainage facilities. As of December 31, 2020, a principal amount of $25,195,000 of the Series 2012 Wastewater Bonds remains outstanding.

In November 2016, the City, for and on behalf of the Wastewater Management Division of its Department of Transportation and Infrastructure, issued $115,000,000 of Wastewater Enterprise Revenue Bonds, Series 2016, to fund capital improvement projects, including the Platte to Park Hill ("P2P"): Stormwater Systems program. For more information regarding the program see "WASTEWATER MANAGEMENT SYSTEM – Capital Improvement Plan." As of December 31, 2020, a principal amount of $106,835,000 of the Series 2016 Wastewater Bonds remains outstanding.

In February 2018, the City, for and on behalf of the Wastewater Management Division of its Department of Transportation and Infrastructure, issued $103,050,000 of Wastewater Enterprise Revenue Bonds, Series 2018, to fund capital improvement projects, including P2P and citywide improvements to storm drainage and sanitary sewage facilities. As of December 31, 2020, a principal amount of $96,460,000 of the Series 2018 Wastewater Bonds remains outstanding.

A project within the P2P program consists of integrating stormwater detention areas at City Park Golf Course. As a result, City Park Golf Course closed on November 1, 2017. City Park Golf Course opened to a limited number of players per day on September 1, 2020 and fully reopened in May 2021. Wastewater entered into an interagency memorandum of understanding to reimburse Golf for lost net revenue and specified expenses due to the project during the time period that the City Park Golf Course was closed. In 2019, Wastewater Enterprise reimbursed Golf Enterprise in the amount of $2,154,000. No lost revenue reimbursements were made from Wastewater Enterprise to Golf Enterprise in 2020 and no further City Park Golf Course lost revenue reimbursement payments are anticipated to be made from Wastewater Enterprise to Golf Enterprise. For more information regarding the program see below "WASTEWATER MANAGEMENT SYSTEM – Capital Improvement Plan."

Wastewater Financial Information

Customer Information. Denver's Wastewater Management Division estimates that Wastewater serves approximately 165,866 sanitary sewer customers. Of this amount, approximately 149,843 (90%) are residential customers; approximately 16,023 (10%) are commercial, industrial, or governmental customers. It is estimated that Wastewater serves approximately 174,185 storm customers. Of this amount, approximately 164,802 (95%) are residential customers; approximately 9,383 (5%) are commercial, industrial or governmental customers.

Metro Water Recovery (formerly known as Metro Wastewater Reclamation District). The sewage carried by the City's Sanitary Sewerage Facilities is delivered to Metro Water Recovery, formerly known as Metro Wastewater Reclamation District ("Metro"), a political subdivision of the State organized to manage and finance facilities for the carriage, treatment and disposal of wastewater throughout the metropolitan Denver area. The City entered into a Sewage Treatment and Disposal Agreement (the "Metro Agreement") with Metro in March 1964. There are currently 60 local governmental entities receiving sewage treatment and disposal services through Metro. Under the Metro Agreement, there is an annual charge to each entity, payable quarterly. The annual charge is required by the terms of the Metro Agreement to be reasonable and in an amount adequate to fund Metro's operation and maintenance expenses as well as debt service on Metro's outstanding debt obligations and certain other obligations. The annual charge is calculated with the intention that each signatory pays in proportion to its use of Metro's services. The Metro Agreement may not be terminated until such time as all Metro debt obligations are no longer outstanding (currently 2045). At such time, the Metro Agreement will be extended to the extent permitted by law from year to year until the City or Metro elects to terminate the Metro Agreement. Table 18 presents historical data between 2016 and 2020 relating to the Metro's total annual charges to Wastewater, the Metro Annual Charge as a percentage of the Wastewater's total operating expenses and the annual increase (decrease) in the Metro Annual Charge.

TABLE 18
HISTORICAL METRO WATER RECOVERY[1]
ANNUAL CHARGES[2]

	2016	2017	2018	2019	2020
Total Enterprise Operating Expense[3]	$113,147,311	$120,618,000	$124,020,000[4]	$129,202,000[4]	$142,620,000
Metro Annual Charge	49,197,801	54,710,000	52,043,000	52,209,000	55,421,000
Metro Annual charge as a Percentage of Total Operating Expense	43.48%	45.36%	41.96%	40.41%	38.86%
Year-to-Year Metro Annual Charge Increase (Decrease)[5]	0.66%	11.20%	(4.87%)	0.32%	6.15%

1 Metro Water Recovery was formerly known as Metro Wastewater Reclamation District.
2 In this table, "Enterprise" refers to Wastewater Management Enterprise Fund.
3 These figures do not reflect the amounts paid to other sewage treatment and disposal districts.
4 Total enterprise operating expense in 2018 and 2019 includes $1,195,000 and $ $2,153,886 of expenses reflecting the reimbursement to Golf Enterprise from Wastewater for lost net revenue and specified expenses, from 2017-2019, during the Platte to Park Hill Stormwater Systems program which resulted in City Park Golf Course closure beginning November 1, 2017. Golf Enterprise recognized the revenues in the year they were earned versus when they were received so the reimbursement timing varies from Wastewater who accounted for the reimbursements based on payment date.
5 Increases/(decrease) in year-to-year metro annual charge due to the increase/decrease in both flow and contaminants in the water.

(Source: Wastewater Enterprise)

Account Information. The number of accounts served by the Storm Drainage facilities and Sanitary Sewerage facilities of Wastewater during the past ten years are reflected in the following table:

TABLE 19

HISTORICAL ACCOUNT INFORMATION

Years (December 31)	Storm Drainage Accounts	Sanitary Sewerage Accounts
2011	159,932	156,392
2012	161,420	156,374
2013	162,192	156,884
2014	163,143	157,939
2015	164,681	158,956
2016	166,638	160,047
2017	168,192	161,288
2018	169,996	162,975
2019	171,833	164,616
2020	174,185	165,866

(Source: Wastewater Enterprise)

Storm Drainage Service Charge. The City imposes a storm drainage service charge on every lot or parcel of land within the City to the owners thereof, with the exception of property at Denver International Airport. The storm drainage service charge is structured so that the owner of each lot or parcel pays for the Storm Drainage Facilities to the extent its lot or parcel contributes stormwater runoff to the Storm Drainage Facilities. The amount of stormwater runoff attributed to a lot or parcel is directly related to the amount of impervious surface area (e.g., roofs, driveways, parking lots, etc.) on the property. The storm drainage service charge is based on the percentage of impervious area to the total property area. The City determines the annual storm drainage service charge for each lot or parcel by dividing the lot's or parcel's impervious area by its total area. The ratio of these figures is then matched to the appropriate ratio group determined by the City, with each ratio group assigned a corresponding rate.

Storm drainage service charges were increased effective July 1st from 2011 through 2015 as follows: as of July 1, 2011, increased 20%; as of July 1, 2012, increased 2%; as of July 1, 2013, increased 2%; as of July 1, 2014, increased 2.8% (in accordance with the percentage change from the previous year in the United States Consumer Price Index (the "Consumer Price Index" or "CPI")); as of July 1, 2015, increased 2.7% (in accordance with the percentage change from the previous year in the Consumer Price Index). In June of 2016, the City adopted by ordinance a fee schedule for storm drainage service changes informed by a rate study calculated with the assistance of the Wastewater Consultant whereby storm drainage service charges were increased effective as of July 1, 2016 as follows: as of July 1, 2016, increased 11%; as of January 1, 2017, increased 11%; as of January 1, 2018, increased 11%; as of January 1, 2019, increased 10%; as of January 1, 2020, will increase annually according to the percentage change from the previous year in the Consumer Price Index. The following table shows the historical, current, and future storm drainage service charges imposed in accordance with the 2016 ordinance.

TABLE 20

STORM DRAINAGE HISTORICAL, CURRENT AND FUTURE RATES

Ratio Group	Rate 2016(July)	Rate 2017(Jan)	Rate 2018(Jan)	Rate 2019(Jan)	Rate 2020(Jan)	Rate 2021(Jan)	Rate 2022(Jan)
0 to .10	$2.11	$2.34	$2.60	$2.86	$3.15	$3.22	$3.32
.11 to .20	2.63	2.92	3.24	3.56	3.92	4.01	4.13
.21 to .30	3.20	3.55	3.94	4.33	4.76	4.86	5.02
.31 to .40	3.77	4.18	4.64	5.10	5.61	5.73	5.92
.41 to .50	4.31	4.78	5.31	5.84	6.42	6.56	6.77
.51 to .60	4.61	5.12	5.68	6.25	6.88	7.03	7.26
.61 to .70	4.90	5.44	6.04	6.64	7.30	7.46	7.70
.71 to .80	5.44	6.04	6.70	7.37	8.11	8.29	8.55
.81 to .90	5.98	6.64	7.37	8.11	8.92	9.12	9.41
.91 to 1.00	6.57	7.29	8.09	8.90	9.79	10.01	10.33
Minimum Annual Charge	$15.02	$16.67	$18.50	$20.35	$22.39	$23.08	$23.82

(Source: Wastewater Enterprise)

The rate for the lot or parcel's ratio group is multiplied by the square footage of the lot's or parcel's impervious area and then divided by 100. The resulting quotient is equal to the annual storm drainage service charge. For example, on January 1, 2021, a 5,000 square foot lot with 3,000 square feet of impervious area would be included in the .51 to .60 ratio group and therefore would be charged an annual storm drainage service charge of $210.94 ($7.03 x 3,000/100). The minimum annual storm drainage service charge will not be less than $23.08 for the rate period effective January 1st of 2021. The power and authority of home rule municipalities such as the City to impose storm drainage service charges computed as described above has been affirmed by the State Supreme Court.

Sanitary Sewer Service Charge. The sanitary sewage service charge is imposed on all real property within the City which discharges or has the opportunity to discharge sewage into the Sanitary Sewerage Facilities of the City. The City Code prescribes a methodology for calculation of these charges. Depending on the circumstances of the particular user, the user will be charged the fee on a flat rate, a rate correlated to the user's use of potable water, a rate based on the characteristics of the subject property (e.g., number of rooms and bath facilities, etc.), or a rate based on use measured by a meter or other method approved by the Manager of Wastewater. Industrial waste accounts are also assessed a sewer service surcharge based on the amount and composition of their sewage, with such surcharges calculated to match the aggregate surcharge payable to the Metro under the Metro Agreement. This surcharge is billed to and paid by industrial waste accounts in the same frequency as the sanitary sewage service charge.

Sanitary sewage service charges were increased effective July 1st from 2011 through 2015 as follows. In June 2016, the City adopted by ordinance a fee schedule for sanitary sewage service charges whereby such sanitary sewage service charges are to increase effective July 1st, 2016, and then each January 1st from 2017 through 2020 as shown in the table below. On January 1, 2021, and thereafter, the annual sanitary sewerage service charges are to be adjusted annually based on the percentage change from the previous year in the United States Consumer Price Index.

Effective Date	Rate Change
July 1, 2011[1]	45%
July 1, 2012	15
July 1, 2013	10
July 1, 2014	CPI (2.8)
July 1, 2015	CPI (2.7)
July 1, 2016	5
January 1, 2017	5
January 1, 2018	4
January 1, 2019	4
January 1, 2020	4
January 1, 2021	CPI (3.1)
January 1, 2022	CPI (3.2)

1 Prior to 2011 the last rate increase for sanitary sewer occurred in 1995.

Current and Future Rates

For each residential unit: Monthly charge of $11.85 effective January 1, 2018; monthly charge of $12.32 effective January 1, 2019; monthly charge of $12.81 effective January 1, 2020; monthly charge of $13.21 effective January 1, 2021; monthly charge of $13.63 effective January 1, 2022.

For other than residential units: The charge shall be computed in relation to the rated size of the water meter as follows.

Size (inches)	Rate 2018(Jan)	Rate 2019(Jan)	Rate 2020(Jan)	Rate 2021(Jan)	Rate 2022(Jan)
5/8	$11.85	$12.32	$12.81	$13.21	$13.63
3/4	17.78	18.49	19.23	19.83	20.46
1	29.61	30.79	32.02	33.01	34.07
1 1/4	44.5	46.28	48.13	49.62	51.21
1 1/2	59.31	61.68	64.15	66.14	68.26
2	94.83	98.62	102.56	105.74	109.12
3	177.79	184.9	192.3	198.26	204.60
4	296.4	308.26	320.59	330.53	341.11
6	592.76	616.47	641.13	661.01	682.16
8	948.79	986.74	1,026.21	1,058.02	1,091.88
10	1,363.30	1,417.83	1,474.54	1,520.25	1,568.90
12	2,548.79	2,650.74	2,756.77	2,842.23	2,933.18

For users whose water is metered or measured: The sanitary sewage service charge is computed by multiplying the volume of potable water into the premises during the billing period by $3.78/thousand gallons effective July 1, 2015; $3.97/thousand gallons effective July 1, 2016; $4.17/thousand gallons effective January 1, 2017; $4.34/thousand gallons effective January 1, 2018; $4.51/thousand gallons effective January 1, 2019; $4.69/thousand gallons effective January 1, 2020; $4.79/thousand gallons effective January 1, 2021; $4.94/thousand gallons effective January 1, 2022.

For users whose potable water is not metered or measured (flat rate customers): The charge shall be one-twelfth of the annual charge which shall be computed by multiplying the annual equivalent sewage contribution by $3.78/thousand gallons effective July 1, 2015; $3.97/thousand gallons effective July 1, 2016; $4.17/thousand gallons effective January 1, 2017; $4.34/thousand gallons effective January 1, 2018; $4.51/thousand gallons effective January 1, 2019; $4.69/thousand gallons effective January 1, 2020; $4.79/thousand gallons effective January 1, 2021; $4.94/thousand gallons effective January 1, 2022.

The annual equivalent sewage contribution shall be the total of the annual unit equivalent sewage contributions in relation to the number of rooms and water-using devices in the premises of the users as follows:

Equivalency Factors	**Annual Unit Equivalent Sewage Contribution (in thousands of gallons)**
Room (1—4, each)	8.030
Room (all rooms over 4, each)	1.736
First bath facility	16.425
Each additional bath facility	10.950
First water closet	21.000
Each additional water closet	14.600
Each water-using device	5.475

For users whose potable water is measured: The charge shall be computed by multiplying the volume of sewage during the billing period by $3.78/thousand gallons effective July 1, 2015; $3.97/thousand gallons effective July 1, 2016; $4.17/thousand gallons effective January 1, 2017; $4.34/thousand gallons effective January 1, 2018; $4.51/thousand gallons effective January 1, 2019; $4.69/thousand gallons effective January 1, 2020; $4.79/thousand gallons effective January 1, 2021; $4.94/thousand gallons effective January 1, 2022.

(Source: Wastewater Enterprise)

The following table sets forth the statements of revenues, expenses of the 2019, 2020 and 2021 Approved Budgets with respect to Wastewater.

TABLE 21

WASTEWATER ENTERPRISE BUDGETS

	2019	**2020**	**2021**
Total Operating Revenue	$166,954,382	$180,056,053	$179,881,052
Operating Expenses			
Personnel Services	32,443,766	34,533,017	33,890,101
Contractual Services	25,496,515	26,115,181	22,278,311
Supplies and Materials	2,070,036	1,975,839	1,881,589
District Water Treatment Charges	57,530,600	57,530,600	57,530,600
Total Operating Expenses	117,540,917	120,154,637	115,580,601
Operating Income (Loss)	49,413,465	59,901,416	64,300,451
Other Income (Expense)			
Investment and Interest Income	1,893,846	2,201,496	1,362,968
Debt Interest Payment	(11,046,125)	(11,046,125)	(11,046,125)
Bond Principal Payment	(5,660,900)	(5,660,650)	(5,660,900)
Purchase of capital equipment	(4,416,000)	(3,459,880)	(1,050,000)
Total Other Income (Expense)	(19,229,179)	(17,965,159)	(16,394,057)
Modified Net Income	$30,184,286	$41,936,257	$47,906,394

(Source: Wastewater Enterprise)

Operating History

Historical Wastewater Management Enterprise Fund Information. A five-year comparative statement of Denver's Wastewater Management Fund revenues, expenses and resulting changes in retained earnings as reported in Wastewater Management Enterprise Fund's Audited Financial Statements for Fiscal Years 2016 through 2020 is set forth in the following table.

TABLE 22

**WASTEWATER MANAGEMENT ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the years ending December 31**

	2016	2017	2018	2019	2020
OPERATING REVENUES					
Sanitary sewer	$90,811,637	$98,800,000	$103,099,000	$107,829,000	$108,374,000
Storm drainage	42,563,676	51,322,000	56,427,000	64,121,000	70,040,000
TOTAL OPERATING REVENUES	133,375,313	150,122,000	159,526,000	171,950,000	178,414,000
OPERATING EXPENSES					
Personnel services	25,534,697	26,662,000	27,829,000	31,629,000	34,423,000
Contractual services	17,982,487	17,621,000	23,292,000[2]	20,111,000[2]	26,895,000
Supplies	1,533,686	2,219,000	1,208,000	1,440,000	1,176,000
Utilities	390,844	280,000	329,000	334,000	370,000
Depreciation and amortization	18,507,796	19,126,000	19,319,000	23,479,000	24,335,000
Payments To Metro Water Recovery[3]	49,197,801	54,710,000	52,043,000	52,209,000	55,421,000
TOTAL OPERATING EXPENSES	113,147,311	120,618,000	124,020,000	129,202,000	142,620,000
Operating Income	20,228,002	29,504,000	35,506,000	42,748,000	35,794,000
NONOPERATING REVENUE (EXPENSES)					
Intergovernmental revenue	764,287	763,000	4,455,000	2,952,000	2,161,000
Investment income (loss)	822,223	2,013,000	5,313,000	9,211,000	10,403,000
Interest expense	(1,149,896)	(3,431,000)	(5,359,000)	(8,849,000)	(8,506,000)
Bond issuance costs	(496,431)	0	0	0	0
Gain (loss) on disposition of assets	157,199	(142,000)	61,000	270,000	(40,000)
NET NONOPERATING REVENUE (EXPENSES)	97,382	(797,000)	4,470,000	3,584,000	4,018,000
Income before capital contributions and transfers	20,325,384	28,707,000	39,976,000	46,332,000	39,812,000
Capital contributions/Asset Transfers	28,022,111	21,296,000	17,742,000	(5,464,000)[4]	11,386,000
Transfers out	(29,500)	(757,000)	(33,000)	(13,000)	83,000
Change in net position	48,317,995	49,246,000	57,685,000	40,855,000	51,281,000
Net position, beginning of year (before restatement)	584,223,560	632,542,000	681,788,000	735,154,000	776,009,000
Change in accounting position GASB75			(4,319,000)[1]		
Net position, beginning of year (as restated)	584,223,560		677,469,000		
Net position, end of year	$632,541,555	$681,788,000	$735,154,000	$776,009,000	$827,290,000

[Footnotes on next page]

1 In 2018, the City implemented GASB 75 relating to the accounting for pension obligations, which resulted in an adjustment of beginning net position as of January 1, 2018. For additional information on the impact of the implementation of GASB 75, refer to the 2018 CAFR.
2 Contractual services includes $1,195,000 in 2018 and $2,153,886 in 2019 of expenses reflecting the reimbursement to Golf Enterprise from Wastewater for lost net revenue and specified expenses, from 2017-2019, during the Platte to Park Hill Stormwater Systems program which resulted in City Park Golf Course closure beginning November 1, 2017. Golf Enterprise recognized the revenues in the year they were earned versus when they were received so the reimbursement timing varies from Wastewater who accounted for the reimbursements based on payment date.
3 Metro Water Recovery was formerly known as Metro Wastewater Reclamation District.
4 Balance is comprised of $10.7M in capital contributions and $16.2M in asset transfers, including $14.86M asset transfer from Wastewater Enterprise to Parks and Recreation for City Park Golf Course club house, maintenance building, and restrooms.

(Source: Wastewater Management Enterprise Fund, Audited Financial Statements, 2016-2020)

Historical Net Pledged Revenues. Based upon the revenues and expenditures of the Wastewater Management Division Enterprise Fund for the past five years and using the Debt Service Requirements of the Wastewater Revenue Bonds, the amounts which constituted Net Pledged Revenues available for debt service in each of the past five years covered the Debt Service Requirements of the Wastewater Revenue Bonds are as follows.

HISTORIC DEBT SERVICE COVERAGE RATIOS

Years	Net Pledged Revenues	Combined Average Annual Debt Service Requirements	Debt Service Coverage Ratio
2015	$33,362,784	$3,027,084	11.02x
2016	35,293,111	8,298,555	4.25
2017	46,666,000	7,930,000	5.88
2018	49,871,000	13,032,000	3.83
2019	66,237,000	12,457,000	5.31
2020	21,775,000	11,919,000	1.83

(Source: Wastewater Enterprise Accounting Services)

Capital Improvement Plan

The Wastewater Enterprise continuously reviews its future capital needs to be identified in the master drainage plan and master sewage plan through staff observation and customer and community feedback. Recommended projects are incorporated into the Six-Year Capital Improvement Plan. The timing and priority for implementation of recommended projects within the Six-Year Capital Improvement Plan are based upon certain factors including the master plan, study findings, health and safety matters, legal and contractual obligations, completion of existing projects, coordination with other projects, mitigation of damages, cost and operational efficiency, public/private cooperation and regional benefits. The Wastewater Enterprise is continuously implementing the results of this process in its capital improvements plan. The capital improvement plan is formally adopted every six years but updated annually. The annual update assesses storm drainage and sanitary sewerage needs throughout the City and estimates the amount and timing of capital needed to meet the plan. The following schedule provides the Wastewater Enterprise's currently proposed capital improvements plan expenditures for the years 2020-2022, which includes the Platte to Park Hill: Stormwater Systems program. The Platte to Park Hill: Stormwater Systems program was completed in 2020. Public information about the Platte to Park Hill: Stormwater Systems program is available at: https://www.denvergov.org/content/denvergov/en/platte-to-park-hill.html; however, the material on this website is not deemed to be incorporated into this Disclosure Statement by this reference.

WASTEWATER ENTERPRISE PROPOSED CAPITAL IMPROVEMENT PLAN FOR 2020 THROUGH 2022[1]

Project Description	2020	2021	2022
Storm Drainage	$55,765,963	$34,650,000	$50,114,008
Sanitary Sewer	11,114,434	8,850,000	8,935,992
Total	$66,880,398	$43,500,000	$59,050,000

1 Figures represent current estimates of the remaining years of the adopted capital improvement plan expenditures and are subject to re-evaluation. The Wastewater Enterprise in coordination with the Department of Finance is currently working on a new 6-year Capital Improvement Plan for 2022-2028.

(Source: Wastewater Enterprise)

THE AIRPORT SYSTEM

Description of the Airport

The Municipal Airport System ("Airport System") is organized as a department of the City, known as the Department of Aviation, (the "Department"). The Airport System includes Denver International Airport ("DEN or the Airport") and former Stapleton International Airport ("Stapleton"). The Airport is headed by a Chief Executive Officer who reports directly to the Mayor. In addition, the senior management team further consists of four executive vice presidents and general counsel under the City Attorney.

The Airport is the primary air carrier airport serving the region. According to Airports Council International, in 2020, the Airport was the third busiest airport in the United States and the seventh busiest in the world, serving 33.7 million passengers in 2020. The Airport site encompasses approximately 53 square miles located about 24 miles northeast of Denver's central business district. The passenger terminal complex is reached via Peña Boulevard, a 12-mile dedicated access road that connects with Interstate 70 and intersects with the E-470 toll highway. The Airport has six runways – four oriented north-south and two oriented east-west. Five runways are 12,000 feet long and 150 feet wide. The sixth runway is 16,000 feet long and 200 feet wide, providing unrestricted global access for airlines and the ability to accommodate fully loaded jumbo jets and large airliners, including the Airbus A-380.

Airport System Aviation Activity

Located close to the geographic center of the United States mainland, Denver has long been a major air transportation hub. As of December 31, 2020, the Airport had direct airline service to more than 200 destinations. Denver's natural geographic advantage as a connecting hub location has been enhanced by the Airport's ability to accommodate aircraft landings and takeoffs in virtually all-weather conditions. The Denver Metropolitan Area, with a population of more than 3.2 million, is the primary region served by the Airport.

As of December 31, 2020, there were 26 passenger airlines providing scheduled service at the Airport, including ten major/national passenger airlines, 11 foreign flag passenger airlines and five regional/commuter airlines. In addition, several passenger charter airlines and all-cargo airlines, including FedEx Corporation, United Parcel Service, and Atlas Air/Amazon Air, provided service at the Airport.

With a few exceptions, the Airport has experienced continual growth in both passenger traffic and associated revenues since it opened in 1995. The Airport served approximately 16.9 million enplaned passengers (passengers embarking on airplanes) in 2020, a 51.1% decrease compared to 2019[1]. The Airport served 34.5 million enplaned passengers in 2019, a 7.0% increase compared to 2018. Approximately 59.4% of passengers were originating or terminating their air travel at the Airport in 2020, compared to approximately 64.4% in 2019. Approximately 40.6% were passengers making connecting flights beyond Denver in 2020, compared to approximately 35.6% in 2019.

United Group

United Airlines, together with its regional affiliate airlines ("United" or the "United Group"), is the principal air carrier operating at the Airport, accounting for 42.1% of passenger enplanements at the Airport in 2020. The Airport is a major connecting hub in United's route system both in terms of passengers and flight operations (based on data published by the U.S. Department of Transportation). Under the United Use and Lease Agreement with the City, which currently expires in 2035, United leased 55 full-service contact gates and 15 ground loading positions as of December 31, 2020.

Southwest Airlines

Southwest Airlines ("Southwest") had the second largest market share at the Airport in 2020. Southwest commenced service at the Airport in January 2006 and since that time has experienced strong and continued growth in airline service at the Airport, accounting for 30.3% of passenger enplanements at the Airport in 2020. Southwest initially served ten cities from the Airport, compared to the 74 cities to which it served in 2020. Under the Southwest

[1] The COVID-19 pandemic adversely affected the Airport's operations in 2020, including a decrease in enplaned passengers, daily departures, and total aircraft operations, among other operations, as reflected in the information and tables included below.

Use and Lease Agreement with the City, which currently expires in 2035, Southwest leased 25 gates at the Airport as of December 31, 2020.

Frontier Airlines

Frontier Airlines and its affiliates ("Frontier" or the "Frontier Group") had the third largest market share at the Airport in 2020, accounting for 14.0% of passenger enplanements at the Airport. The Airport is Frontier's only hub and, is the busiest airport in the Frontier system. Frontier has transformed its business model from a low-cost carrier to an ultra-low-cost carrier. As of December 31, 2020, Frontier leased nine gates at the Airport pursuant to a Use and Lease Agreement with the City which will expire on December 31, 2021.

American Airlines

The American Airlines Group ("American") had the fourth largest market share at the Airport in 2020, accounting for 5.2% of passenger enplanements at the Airport in 2020. American does not use the Airport as a major hub.

Delta Airlines

Delta Airlines ("Delta") had the fifth largest market share at the Airport in 2020, accounting for 4.1% of passenger enplanements at the Airport. Delta does not use the Airport as a major hub.

Other Passenger Airline Information

Other than United, Southwest, Frontier, American, and Delta, no single airline accounted for more than 4.0% of passenger enplanements at the Airport in 2020.

Availability of Information Concerning Individual Airlines

Certain airlines or their parent corporations, including United, Southwest, American, and Delta, are subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended, and as such are required to file periodic reports, including financial and operational data, with the Securities and Exchange Commission ("SEC"). All such reports and statements may be inspected in the public reference facilities maintained by the SEC, which can be located by calling the SEC at 1-800-SEC-0330. Reports, proxy statements, and other information of registrants that file electronically with the SEC may be accessed and downloaded for free from the SEC's EDGAR website at https://www.sec.gov/edgar.shtml. In addition, each domestic airline is required to file periodic reports of financial and operating statistics with the U.S. Department of Transportation ("DOT"). Information collected from these reports is available for inspection at the DOT's Bureau of Transportation Statistics, 1200 New Jersey Avenue, SE, Washington, D.C. 20590, and copies of such reports can be obtained from its website at https://www.bts.gov. The contents of this website are not incorporated into this Disclosure Statement. The City, including its Department of Aviation, does not take any responsibility for and makes no representations as to the accuracy or completeness of the content of information available from the SEC or the DOT.

Information on Passenger Enplanements and Related Aviation Activity

Information contained in Tables 23, 24, 25, 26, and 27 regarding passenger enplanements and related aviation activity at the Airport may vary from information published in the past due to changes in categorization or presentation by certain airlines.

TABLE 23

AIRPORT SYSTEM
HISTORY OF ENPLANED PASSENGERS AT THE AIRPORT
2016-2020

Year	Enplaned Passengers (millions)	Percent Change
2016	29.140	7.9%
2017	30.714	5.4
2018	32.259	5.0
2019	34.513	7.0
2020	16.874	(51.1)

1 Compared to 27.019 million enplaned passengers in 2015.

(Source: Department of Aviation)

The following table shows annual levels of enplaned passengers by airline type for all airlines serving the Airport System for the most recent five-year period. The totals include activity data for major/national airlines, regional/commuter airlines and charter and other airlines.

TABLE 24

AIRPORT SYSTEM
HISTORICAL ENPLANED PASSENGERS
BY AIRLINE TYPE[1]
2016-2020

	Major/Mainline Airlines		Foreign Flag Airlines		Regional/Commuter Airlines		Charter/Miscellaneous Airlines		Total Airlines	
Year	Enplaned Passengers	Percent Change	Enplaned Passengers	Percent Change	Enplaned Passengers	Percent Change	Enplaned Passengers	Percent Change	Enplaned Passengers	Percent Change
2016	24,592,838	9.9%	404,754	19.5%	4,138,502	(3.7%)	4,110	(52.2%)	29,140,204	7.9%
2017	26,288,610	6.9	502,685	24.2	3,921,476	(5.2)	1,240	(69.8)	30,714,011	5.4
2018	27,372,672	4.1	632,681	25.9	4,252,809	8.4	1,055	(14.9)	32,259,217	5.0
2019	29,288,442	7.0	675,558	6.8	4,547,258	6.9	1,696	60.8	34,512,954	7.0
2020	14,462,035	(50.6)	146,242	(78.4)	2,265,159	(50.2)	407	(76.0)	16,873,843	(51.1)

1 Table is in a different format from Disclosure Statements prior to 2020 because it has been restructured to show Foreign Flag Airlines separately.

(Source: Department of Aviation)

The following table shows annual percentage of enplaned passengers by traffic type for all airlines serving the Airport System for the most recent five-year period.

TABLE 25

AIRPORT SYSTEM
PERCENTAGE OF ENPLANED PASSENGERS
BY TRAFFIC TYPE
2016-2020

	2016	2017	2018	2019	2020
Domestic	96.1%	95.8%	95.4%	95.4%	97.3%
International	3.9	4.2	4.6	4.6	2.7
Total	100.0%	100.0%	100.0%	100.0%	100.0%

(Source: Department of Aviation)

The following table shows comparative market share information based on enplaned passengers for the most recent five-year period.

TABLE 26

AIRPORT SYSTEM
PERCENTAGE OF ENPLANED PASSENGERS BY AIRLINE

Airline	2016	2017	2018	2019	2020
United	29.3 %	30.7 %	30.9 %	32.1 %	29.0 %
United Express	12.7	11.6	12.6	12.6	13.1
Total United	42.0	42.3	43.5	44.7	42.1
Southwest[1]	29.4	29.7	29.1	27.4	30.3
Frontier	12.2	11.4	11.5	12.1	14.0
American[2]	5.6	5.5	5.4	5.3	5.2
Delta	5.1	5.3	5.0	4.7	4.1
Other	5.6	5.8	5.5	5.8	4.3
Total Other	58.0	57.7	56.5	55.3	57.9
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

1 Includes other airlines with scheduled flights at the Airport.

(Source: Department of Aviation)

The following table sets forth a summary of selected aviation activity at the Airport for the period of 2016 through 2020.

TABLE 27[1]

SUMMARY OF AVIATION ACTIVITY - DENVER INTERNATIONAL AIRPORT
(In thousands – Totals may not add due to rounding)

	2016	2017	2018	2019	2020
Enplaned Passengers (millions):					
United	8.549	9.429	9.963	11.084	4.891
United Express	3.697	3.548	4.064	4.353	2.216
Total United Group	12.246	12.977	14.028	15.436	7.107
Southwest	8.565	9.137	9.386	9.467	5.114
Frontier	3.567	3.501	3.696	4.177	2.355
American	1.644	1.683	1.620	1.633	0.875
Delta	1.490	1.636	1.728	1.837	0.697
Other	1.627	1.780	1.801	1.963	0.725
Total	29.140	30.714	32.259	34.513	16.874
Percent Change from Prior Year	*7.8%*	*5.4%*	*5.0%*	*7.0%*	*(51.1%)*
Originating Passengers (millions):	18.527	19.656	20.746	22.259	10.032
Percent of Total Enplaned	63.6%	64.0%	64.3%	64.5%	59.5%
Connecting Passengers (millions):	10.613	11.058	11.513	12.254	6.842
Percent Connecting of Total Enplaned	36.4%	36.0%	35.7%	35.5%	40.5%
United Group Passengers:					
Percent Originating	40.9%	43.2%	44.8%	45.1%	41.0%
Percent Connecting	59.1%	56.8%	55.2%	54.9%	59.0%
Frontier Passengers:					
Percent Originating	76.0%	72.2%	72.6%	72.5%	65.3%
Percent Connecting	24.0%	27.8%	27.4%	27.5%	34.7%
Southwest Passengers:					
Percent Originating	73.5%	74.7%	73.5%	77.5%	65.8%
Percent Connecting	26.5%	25.3%	26.5%	22.5%	34.2%
American Airlines:					
Percent Originating	100.0%	100.00%	100.00%	100.0%	100.0%
Percent Connecting	0.0%	0.0%	0.0%	0.0%	0.0%
Delta Airlines:					
Percent Originating	95.8%	95.7%	95.3%	95.2%	95.0%
Percent Connecting	4.2%	4.3%	4.7%	4.8%	5.0%
Average Daily Departures[2]:					
Passenger Airlines:					
United	167	177	182	198	116
United Express	201	194	226	245	161
Frontier	180	190	191	194	163
Southwest	63	60	63	71	50
American	34	31	30	30	20
Delta	35	38	36	36	21
Other	60	65	53	55	30
Total Passenger Airlines	740	755	781	829	561
All-Cargo Airlines	26	27	29	31	33
Total	766	782	810	860	594
Percent Change from Prior Year	*4.2%*	*2.1%*	*3.6%*	*6.2%*	*(30.9%)*
Landed Weight (billion pounds):					
Passenger Airlines:					
United	9.452	10.225	10.642	11.902	6.948
United Express	4.148	4.064	4.571	4.885	3.367
Frontier	8.610	9.153	9.333	9.456	8.009
Southwest	3.306	3.208	3.413	3.866	2.724
American Airlines	1.742	1.759	1.672	1.651	1.049
Delta	1.590	1.728	1.809	1.865	1.174
Other	2.149	2.355	2.286	2.396	1.059
Total Passenger Airlines	30.996	32.492	33.726	36.021	24.330
All-Cargo Airlines	1.425	1.392	1.491	1.647	1.816
Total	32.421	33.884	35.216	37.668	26.146
Percent Change from Prior Year	*4.2%*	*4.5%*	*3.9%*	*7.0%*	*-30.6%*
Enplaned Cargo (million pounds)[3]	229.410	238.848	258.263	285.638	293.287
Percent Change from Prior Year	*(3.9%)*	*4.1%*	*8.1%*	*10.6%*	*2.7%*
Total Aircraft Operations (Landings/Take-Offs):					
Air Carriers	445,019	461,992	462,276	487,725	343,922
Commuter/Military/Taxi/General Aviation	127,501	120,494	141,127	152,373	98,649
Total	572,520	582,486	603,403	640,098	442,571
Percent Change from Prior Year	*4.5%*	*1.7%*	*3.6%*	*6.1%*	*-30.9%*

[Footnotes on next page]

Footnotes for Table 27

1 Table has been updated from prior disclosures to correct an error transposing some data rows between airlines for the period 2016-2019.
2 Years 2016 and 2020 were leap years and reflect daily usage based on 366 calendar days.
3 The weight of enplaned cargo does not impact the Airport's Gross Revenues. Revenue is received from cargo carriers only from landing fees and space rentals, which historically have constituted less than 3% of Gross Revenues.

(Source: Department of Aviation)

Current and Potential Litigation

The City and the County of Adams, Colorado, are involved in a civil litigation matter discussed under "THE CITY AND COUNTY OF DENVER – Update on Litigation and Other Legal Proceedings."

For a discussion of the status of the Great Hall Project, please see "THE CITY AND COUNTY OF DENVER – Update on Litigation and Other Legal Proceedings" above.

Impact of COVID-19 on the Airport

General Description. The outbreak of a new strain of coronavirus spread across the globe, including the United States. As a result of the COVID-19 Pandemic (COVID-19), the U.S. government and governments of other countries issued travel restrictions and warnings for numerous countries. Various government agencies and others warned against travel and large group events, and numerous states issued stay-home orders curtailing non-essential travel. As discussed in "THE CITY AND COUNTY OF DENVER, COLORADO – COVID-19" above, the City continues to follow Limited COVID-19 Restriction Orders issued by CDPHE and DDPHE, as well as executive orders issued by the State Governor. It is unknown as of the date hereof what public safety measures, if any, will be in place after the expiration of the current Limited COVID-19 Restriction Orders. On January 21, 2021, the President of the United States issued an Executive Order "*Promoting COVID-19 Safety in Domestic and International Travel*", requiring masks to be worn in airports, on commercial aircraft and in various modes of surface transportation. On April 30, 2021, the Transportation Security Administration (TSA) announced it was extending the face mask requirement for individual across all transportation networks through the United States, including at airports, onboard commercial aircraft, through September 13, 2021. The Airport continued its operations as an essential service, which included all services (i.e. concessions, rental car, etc.). Also, the Airport has made it mandatory for all individuals to wear facial coverings within the Airport and provides face coverings for all individuals.

Airport Operations. Under Presidential Proclamations issued in 2020, air service to the United States was prohibited from certain international locations and for certain foreign nationals. As a result of the impact of COVID-19, as of December 31, 2020, the Airport experienced reductions of 51.1% and 30.8% in year-to-date total passengers and total operations, respectively. International passengers declined 70.1% year-over-year, amounting to 2.8% of total passengers in 2020 compared to 4.6% in 2019. Total cargo decreased 1.5% in 2020 compared to 2019. Additionally, in 2020, Origin and Destination (O&D) traffic decreased to 59.4% as a percentage of overall traffic compared to 64.4% in 2019. However, given the Airport's position as a strategic connecting hub, connecting traffic increased to 40.6% as a percentage of overall traffic compared to 35.6% in 2019.

With the reduction in total passengers, the concessionaires' operating hours decreased with some temporary closures. As of December 31, 2020, 105 concessionaires remained open with 33 temporarily closed. Because of the reduction in O&D passengers, the Airport temporarily closed the remote parking lots, the east economy lot, and valet operations. The west economy lot, as well as all garage parking, remain in operation. The Airport currently has 103 gates leased by airlines operating at the Airport which have an executed Use and Lease Agreement with the City ("Signatory Airlines"), and 10 gates available on a per-use basis.

CARES Act. On March 27, 2020, the United States executed the Coronavirus Aid, Relief and Economic Security (CARES) Act stimulus package. Under the CARES Act, the Federal Aviation Administration (FAA) awarded funds to airports based on enplanements and other metrics related to cash reserves and debt service. Funding received through the CARES Act is intended to prevent, prepare for and respond to the impacts of COVID-19. On April 28, 2020, the City, for and on behalf of the Airport, executed the CARES Act Grant with the FAA and is eligible to receive a total of $269.1 million. As of December 31, 2020, the Airport received $262.7 million in CARES Act funding and subsequent to December 31, 2020, received the final $6.4 million that it was eligible to receive. On September 8, 2020, the City, for and on behalf of the Airport, executed an Irrevocably Committed Escrow Agreement (Irrevocable Escrow). The full amount of the CARES Act was irrevocably committed to pay debt service for senior and/or subordinate lien debt per terms of the Irrevocable Escrow. During 2020, approximately $130.0 million of the funds in the Irrevocable Escrow was used for debt service payments and as of December 31, 2020, the remaining Irrevocable Escrow balance was approximately $139.1 million.

CRRSA Act. On December 27, 2020, the Unites States executed the Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Act. Under the CRRSA Act, the Federal Aviation Administration (FAA) awarded funds to airports based on calendar year 2019 enplanements. Funding received through the CRRSA Act is intended to prevent, prepare for, and respond to the impacts of COVID-19, including relief from rent and minimum annual guarantees (MAG) for eligible airport concessions. Under the CRRSA Act, the FAA provides funding through the Airport Coronavirus Relief Grant Program (ACRGP).

On March 25, 2021, the City for and on behalf of the Airport, executed a ACRGP Grant with the FAA and is eligible to receive a total of $48.6 million. This grant may be used for costs related to operations, personnel, cleaning, sanitation, janitorial services, combating spread of pathogens at the Airport, and debt service payments. The Airport has determined to use these funds as a reimbursement of debt service payments. As of June 30, 2021, approximately $27.8 million has been reimbursed from the FAA and recognized as non-operating revenue for the first six months of 2021. To the extent there are remaining eligible CRRSA funds, the City anticipates executing an irrevocably committed escrow agreement similar to, and for similar purposes, as the Irrevocable Escrow described for the CARES Act funds, above.

On March 31, 2021, the City, for and on behalf of the Airport, executed an ACRGP Concessions Relief Addendum with the FAA and is eligible to receive a total of $7.2 million. This grant may be used to provide a credit relief to eligible concessions based on criteria established by the FAA. A portion of these funds, up to two (2) percent, may be used to reimburse the Airport for administrative costs.

ARPA. On March 11, 2021, the United States executed the American Rescue Plan Act of 2021 (ARPA), which included $8.0 billion in funds to be awarded as economic assistance to eligible U.S. airports to prevent, prepare for, and respond to COVID-19. Under ARPA, primary commercial service airports will share nearly $6.5 billion in a similar way to how airports currently receive Airport Improvement Program (AIP) entitlement funds. Also, shared funds will be available for airports to provide relief from rent and minimum annual guarantees to eligible airport concessions. As of July 29, 2021, the Airport has been allocated as its share of ARPA funds “general purpose funds” amounting to $204.3 million and “concessions” funds of $28.8 million.

COVID-19 Relief Policies. Effective in March 2020, the Airport implemented temporary relief policies (2020 COVID-19 Relief Policy) for revenue contracts providing payment deferrals and some fee waivers. For the airlines, the Airport provided an option for three-month payment deferral of all April, May, and June 2020 billings, but required to be paid in full by December 31, 2020. For the concessionaires, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2020 and are charged only for the contractual percentage of the concessionaire’s gross sales. For rental car companies, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2020, and the rental car companies were charged the contractual percentage of their gross sales and provided a three-month payment deferral of the ground and facility April, May, and June 2020 billings. Deferred ground and facility payment deferrals were due by December 31, 2020. The airlines and rental car companies have paid the deferrals that were due by December 31, 2020.

Issued in November 2020 and effective in January 2021, the Airport implemented relief policies (2021 COVID-19 Relief Policies) for revenue contracts providing payment deferrals and certain fee waivers. For the Signatory Airlines, participants must maintain payment compliance through the policy term and are required to pay 75% of their fixed and variable rate billings as outlined in the Use and Lease Agreements for 2021. The remaining 25% of these billings must be paid over the next five years and will be charged interest at the U.S. Treasury Note rate. As of December 31, 2020, sixteen Signatory Airlines accepted the 2021 COVID-19 Relief Policy. For the concessionaires, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2021 and are charged only for the contractual percentage of the concessionaire’s gross sales. For rental car companies, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2021 and the rental car companies are charged the contractual percentage of their gross sales. Rental car companies are provided a three-month payment deferral of the ground and facility billings for January, February, and March 2021. Deferred ground and facility payments are due by December 31, 2021.

Bankruptcy Filings. On May 22, 2020, The Hertz Corporation (which includes Hertz Car Rental, Dollar Car Rental and Thrifty Car Rental) filed a Voluntary Petition with the United States Bankruptcy Court under Chapter 11 of the Bankruptcy Code.

On May 27, 2020, Advantage Holdco, Inc. (which includes Advantage Rent a Car and E-Z Rent-A-Car) filed a Voluntary Petition with the United States Bankruptcy Court under Chapter 11 of the Bankruptcy Code. In July 2020, the ground and facility and concession agreements between the City and Advantage Holdco, Inc. subsidiaries were acquired by Sixt Rent A Car, LLC.

On June 30, 2020, Aerovias de Mexico, S.A. de C.V. (Aeromexico) filed a voluntary Petition with the United States Bankruptcy Court under Chapter 11 of the Bankruptcy Code.

Financial Impacts. The Airport proactively implemented several measures intended to mitigate operational and financial impacts of COVID-19. Non-essential contract services were deferred, and service level reductions were implemented where appropriate. The Airport also instituted a hiring freeze along with furlough hours for all employees, reassigned available employees to other operating areas of the Airport and limited the number of personnel physically present at the Airport based on essential operating needs.

2018-2022 Capital Program

It is Airport management's practice to develop a capital program for the Airport System and reevaluate the capital needs of the Airport System on a regular basis to reflect changes in, among other things (i) the type of projects that it plans to undertake based on current and projected aviation demand and major maintenance needs of facilities and/or equipment, (ii) the scope and timing of individual projects, (iii) project costs, and (iv) the timing and amount of available funding sources. Airport management has a capital program for the Airport for the years 2018 through 2022 (the "2018-2022 Capital Program").

The Airport's current 2018-2022 Capital Program includes projects with a total cost of approximately $3.5 billion (adjusted for inflation using the Consumer Price Index through 2022) in the following areas of the Airport:

	in billions
Concourses A, B, and C	$2.3
Jeppesen Terminal	0.8
Airside	0.3
Landside	0.1
TOTAL	$3.5

Source: Department of Aviation

The projects included in the 2018-2022 Capital Program are expected to be periodically evaluated by the Department with respect to timing, costs, availability of funding, cash position, any environmental issues that may arise and other factors that might affect the 2018-2022 Capital Program. Accordingly, projects currently included in the 2018-2022 Capital Program, their timing and costs are subject to change. See "THE AIRPORT SYSTEM – Impact of COVID-19 on the Airport – Capital Program" above.

Major Projects in the 2018-2022 Capital Program

Concourse A, B, and C. Major projects include the concourse gate expansion, as well as renewal of existing facilities including but not limited to hold-room, signage and wayfinding upgrades, remodeling of the public restrooms, ramp replacement, and the conveyance replacement program. This includes the design and construction of new gates and associated apron, airfield, and roadway improvements on Concourse A, B and C, as well as increasing the amount of airline and concessions space on each concourse. It is the Airport's current expectation that most of the additional gates and space will be revenue-producing in the near and longer term due to current airline demand. On November 20, 2020, the Airport completed four new gates on the west side of Concourse B, leased by United, as part of the Gate Expansion project. This portion of the Gate Expansion project achieved LEED® (Leadership in Energy and Environmental Design) Gold certification. The remaining 35 gates are expected to be operational by the end of 2022, with a portion of such new gates to be phased in starting late 2021 and continuing throughout 2022.

Jeppesen Terminal. Major projects include the Great Hall project, baggage system upgrades, additional AGTS train sets and the AGTS car replacement program. Major projects in connection with the baggage handling system improvements consist of the development of two new checked bag resolution areas that will replace the nine existing locations; installation of new conventional baggage conveyors and individual carrier system to move bags identified for additional screening between the screening areas to the new checked bag resolution areas; modifications to the run out belts and equipment in the airline use area of level 6 and associated rights of way to accommodate upgrades; and replacement and update of baggage handling system controls, automatic tag readers, and baggage handling reporting systems to meet the latest TSA requirements. The Great Hall project includes renovations to Jeppesen Terminal designed to, among other things, enhance security of the passengers and the Airport, improve passenger flow and increase and improve concessions areas.

Airside. Major projects include rehabilitation of certain runways, taxiways, and apron areas as part of the Airport's pavement management system; improvements to airfield drainage, safety areas, and airfield service roads; rehabilitation and installation of lighting; certain safety area upgrades and airfield planning studies. Airside projects are partly funded through the Federal Aviation Administration's Airport Improvement Program.

Landside. Major projects include the east bound Peña Boulevard reconstruction, realignment and various sections of roadway as well as annual pavement rehabilitation to replace deteriorating concrete. In addition, this includes the replacement of the revenue control system, which will improve parking services.

Plan of Funding for the 2018-2022 Capital Program

A portion of the 2018-2022 Capital Program in the amount of approximately $2.2 billion was funded with proceeds of the Airport System Subordinate Revenue Bonds, Series 2018A and Series 2018B. Airport management currently expects that the remaining funding 2018-2022 Capital Program will come from: (i) approximately $1.5 billion of additional Airport system revenue bonds to fund approximately $1.2 billion in project costs, which additional Airport system revenue bonds are expected to consist of Senior Bonds, although all or a portion of such projects may be funded with Subordinate Bonds depending on certain factors existing at the time of issuance; and (ii) grants-in-aid from the FAA and/or the Transportation Security Administration ("TSA") in the amount of approximately $116.4 million.

Capital Fund Balance

The amount on deposit in the Capital Fund as of December 31, 2020, was approximately $702.8 million. Such amount has been designated for use by the City as follows: (1) $65.8 million for the Coverage Account (constituting Other Available Funds) and (2) $637.0 million for any lawful Airport System purpose.

Outstanding Bonds and Notes

Senior and Subordinate Bonds have been issued to fund capital construction and maintenance of the Airport. As of December 31, 2020, the total aggregate amount of all outstanding Bonds is as follows:

TABLE 28

AIRPORT SYSTEM – OUTSTANDING BONDS[1]
As of December 31, 2020

Issue	Amount
Series 1992C Bonds[1]	$40,080,000
Series 1992F Bonds[2,3,6,9]	15,800,000
Series 1992G Bonds[2,3,6,9]	13,100,000
Series 2002C Bonds[2,3,4,6]	20,400,000
Subseries 2007G1 Bonds[2,3,4,7,8]	49,900,000
Subseries 2007G2 Bonds[2,3,4,7,8]	50,100,000
Series 2008B Bonds[2,3,4,6]	40,400,000
Series 2009B Bonds	65,290,000
Series 2009C Bonds[2,3,4,6]	72,455,000
Series 2011A Bonds	71,330,000
Series 2012A Bonds	124,160,000
Series 2012B Bonds	282,725,000
Series 2012C Bonds	30,285,000
Series 2016A Bonds[8]	210,430,000
Series 2017A Bonds	186,095,000
Series 2017B Bonds	21,280,000
Series 2019C Bonds	120,005,000
Series 2019D Bonds	83,725,000
Series 2020A-1 Bonds[5]	95,330,000
Series 2020A-2 Bonds[5]	60,515,000
Series 2020B-1 Bonds[5]	37,465,000
Series 2020B-2 Bonds[5]	24,060,000
Series 2020C Bonds[5]	411,535,000
Total Senior Bonds	**$2,126,465,000**
Series 2013A Bonds	$299,830,000
Series 2013B Bonds	363,620,000
Series 2015A Bonds[3]	117,655,000
Series 2018A Bonds	2,328,795,000
Series 2018B Bonds	183,885,000
Series 2019A Bonds	133,270,000
Total Subordinate Bonds	**$3,427,055,000**
Total Outstanding Bonds	**$5,553,520,000**

[Footnotes on next page]

1 In 1999, the City used the proceeds from certain federal grants to establish an escrow to economically defease $40,080,000 of the Series 1992C Bonds. However, the defeasance did not satisfy all of the requirements of the General Bond Ordinance, and consequently such economically defeased Series 1992C Bonds are reflected as still being outstanding. On May 20, 2021, the City redeemed the 1992C Bonds from proceeds of the escrow and the 1992C Bonds are no longer outstanding.

2 These Senior Bonds constitute variable interest rate obligations that currently constitute credit facility bonds owned by certain banks as described in footnote 3 below. The City's repayment obligations to the financial institutions issuing such Credit Facilities constitute Credit Facility Obligations under the Senior Bond Ordinance.

3 These credit facility Senior Bonds bear interest at a fixed spread indexed to one-month LIBOR pursuant to private placement transactions directly placed with certain banks.

4 A portion of these Senior Bonds are associated with certain swap agreements discussed below and in Note 13 to the audited financial statements of the Airport System for Fiscal Year 2020, effectively converting the floating rates of the variable rate bonds to fixed rates and converting the fixed rates of the fixed rate bonds to variable rates.

5 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 $95.3 million, $60.5 million, $37.5 million, $24.1 million, and $411.5 million, 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 $35.3 million, $35.5 million, $79.1 million, $114.8 million, $17.0 million, $9.0 million, $135.4 million, and $198.7 million of the Airport System Revenues Bonds Series 2007F1, Series 2007F2, Series 2008C1, Series 2010A, Series 2011A, Series 2011B, 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.

6 Bonds shifted from LIBOR to SIFMA in 2020 in preparation for the LIBOR phase out beginning at year end 2021 with the complete phase out by June 2023.

7 Bonds are indexed to the one-month LIBOR rate. The phase out of the overnight, one-month, three-month, six-month, and 12-month LIBOR rate was extended from the end of 2021 to June of 2023. The City continues to monitor the phase out requirements and will take mitigating actions prior to the 2023 deadline.

8 Associated swap agreements indexed to one-month LIBOR. The phase out of the overnight, one-month, three-month, six-month, and 12-month LIBOR rate was extended from the end of 2021 to June of 2023. The City continues to monitor the phase out requirements and will take mitigating actions prior to the 2023 deadline.

9 On July 14, 2021, the Series 1992F-G Bonds were voluntarily exchanged for the Series 2021A-B Bonds in accordance with the terms of certain related bond purchase and exchange agreements. The only functional change to the bonds will be the series description which will be amended at DTC, and no funds will change hands. The result of such exchange is a decrease in the required reserve fund amount in accordance with the Senior Bond Ordinance.

(Sources: Airport Financial Statements for 2020; Department of Aviation)

TABLE 29

SENIOR CREDIT FACILITY OBLIGATIONS
As of December 31, 2020

Senior Bonds	Outstanding Principal Amount	Current Interest Rate Mode	Final Maturity Date	Financial Institution	Last Day of the Initial Period[1]
Series 1992F[2]	$15,800,000	Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	4/28/2023
Series 1992G[2]	13,100,000	Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	4/28/2023
Series 2002C	20,400,000	Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	4/28/2023
Series 2007G1-G2	100,000,000	Daily Floating	11/15/2031	BMO Harris Investment Corp.	12/1/2023
Series 2008B	40,400,000	Indexed Floating Rate	11/15/2031	Bank of America, N.A.	7/1/2023
Series 2009C	72,455,000	Indexed Floating Rate	11/15/2031	Bank of America, N.A.	4/28/2023

1 Indicates the end date of the initial period during which the applicable financial institution has agreed to own the related Series of Senior Bonds at the index rate set forth in the related reimbursement agreement. Prior to the end of the initial period, the City may request the applicable financial institution to repurchase the related Series of Senior Bonds or provide liquidity or credit enhancement necessary to facilitate the conversion of such Series to a new interest rate mode. If the financial institution does not respond or rejects the City's request in its sole discretion, the City will be required to repurchase or redeem such Series of Senior Bonds on the last day of the applicable initial period for a purchase price of 100% of the par amount plus accrued interest to such date.

2 On July 14, 2021, the Series 1992F-G Bonds were voluntarily exchanged for the Series 2021A-B Bonds in accordance with the terms of certain related bond purchase and exchange agreements. The only functional change to the bonds will be the series description which will be amended at DTC, and no funds will change hands. The result of such exchange is a decrease in the required reserve fund amount in accordance with the Senior Bond Ordinance.

(Source: Department of Aviation)

Bond Issuances and Other Obligations

Senior Revenue Bonds. 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 $95.3 million, $60.5 million, $37.5 million, $24.1 million, and $411.5 million, 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 $35.3 million, $35.5 million, $79.1 million, $114.8 million, $17.0 million, $9.0 million, $135.4 million, and $198.7 million of the Airport System Revenues Bonds Series 2007F1, Series 2007F2, Series 2008C1, Series 2010A, Series 2011A, Series 2011B, 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. As of December 31, 2020, there is approximately $1.92 billion aggregate principal amount of Senior Revenue Bonds outstanding.

Subordinate Revenue Bonds. As of December 31, 2020, there are approximately $3.63 billion aggregate principal amount of Subordinate Bonds Outstanding.

Commercial Paper Notes. Airport System Commercial Paper Notes may be issued for the purpose of funding the costs of acquiring, improving and equipping facilities for the Airport, refunding or paying certain Airport System obligations and other purposes. The Airport does not currently maintain a Commercial Paper facility and no commercial paper notes are currently outstanding.

Subordinate Hedge Facility Obligations. The City has entered into various interest rate swap agreements.

On October 28, 2020, the Airport issued the Airport System Revenue Bonds Series 2020C (Taxable) for \$411.5 million. A portion of the bond proceeds, \$9.6 million, were used to fully terminate the 2008B Swap Agreement with Loop Financial Products I, LLC.

More detailed information regarding all swap agreements outstanding of the Airport as of December 31, 2020 is available in Note 13 of the Airport System's Annual Financial Report for the fiscal years ended December 31, 2020 and 2019.

Junior Lien Obligations. On September 26, 2017, the City adopted the Airport System General Junior Bond Ordinance ("Junior Lien Bond Ordinance") permitting the issuance of Junior Lien Bonds having a lien on the Net Revenues subordinate only to the lien thereon of the Senior Bonds and Subordinate Bonds and incurrence of Junior Lien Obligations (consisting of Junior Lien Credit Facility Obligations, Junior Lien Contract Obligations, and Junior Lien Hedge Facility Obligations), having a lien on the Net Revenues subordinate only to the lien thereon of the Senior Obligations and Subordinate Obligations. The Junior Lien Bond Ordinance affirms the Hotel Junior Lien Obligation and states that it shall constitute a Junior Lien Obligation for purposes of the Junior Lien Bond Ordinance.

Special Facilities Bonds

The City, for and on behalf of its Department of Aviation, has issued various series of Special Facilities Bonds to finance the acquisition and construction of certain facilities at the Airport. These bonds are payable solely from designated payments received under the lease agreements for the related Airport special facilities and are not payable from Gross Revenues.

United financed and subsequently refinanced its support facilities at the Airport (aircraft and ground support equipment, maintenance and air freight facilities, and a flight kitchen that is subleased to Dobbs International Services) largely through the issuance by the City, for and on behalf of the Department of Aviation, of its Special Facility Bonds. United currently leases all of the support facilities and certain tenant finishes and systems on Concourse B under a lease which terminates on October 1, 2023, unless extended as set forth in the lease or unless terminated earlier upon the occurrence of certain events as set forth in the lease. The lease payments under this lease constitute the sole source of payment for the \$250.6 million City and County of Denver, Colorado Special Facilities Airport Revenue Refunding Bonds (United Air Lines Project) Series 2017 which refunded bonds originally issued in 1992 and refunded in 2007. The repayment of these bonds is the sole responsibility of United.

Installment Purchase Agreements. The City is a party an Installment Purchase Agreement with Santander Bank NA, which was entered into in order to provide for the financing of certain portions of the Airport's capital program, including, among other things, the acquisition of technology equipment, the acquisition of various runway maintenance, snow removal and emergency vehicles and equipment, additional jetways and flight information display systems, ticket counter improvements in Jeppesen Terminal and the funding of the portion of the costs of modifications to the baggage system facilities at the Airport that enabled the TSA to install and operate its own explosives detection systems for the screening of checked baggage "in-line" with the existing baggage systems facilities. As of December 31, 2020, \$1.8 million of principal note payments were outstanding under this Installment Purchase Agreement.

Summary Financial Information

TABLE 30

AIRPORT SYSTEM
CONDENSED STATEMENT OF REVENUES AND EXPENSES
FOR THE FISCAL YEAR ENDED DECEMBER 31
($ in thousands)

	2016	2017	2018[1]	2019[2]	2020
Operating Revenues	$742,529	$768,925	$808,360	$867,793	$591,810
Operating Expenses	469,810	453,532	474,314	584,472	475,900
Operating Income Before Depreciation	272,719	315,393	334,046	283,321	115,910
Depreciation and Amortization	179,692	183,351	193,009	203,321	210,513
Operating Income	93,027	132,042	141,037	80,000	(94,603)
Non-Operating Revenues (Expenses) net	12,108	1,611	(3,787)	53,172	216,373
Capital Contributions	3,553	55,879	26,730	15,301	33,773
				(65,793)	
Change In Net Assets	$108,688	$189,532	$163,980	$82,680	$155,543

1 The adoption of GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, required the Airport to record beginning net Other Postemployment Benefits (OPEB) liability and deferred inflows and outflows of resources related to OPEB with the effect of a reduction of $18.7 million on the beginning of 2018 unrestricted net position. This has not been reflected in the total above. 2016 – 2017 have not been restated for adoption of GASB 75.

2 On August 12, 2019, the City, for and on behalf of the Airport, exercised its right to terminate the Great Hall Agreement for convenience, with an effective termination date of November 12, 2019. A portion of the cost associated with the termination payments were determined not to be capitalizable costs, $65.8 million, and reported as a Special Item.

(Source: Department of Aviation)

TABLE 31

HISTORICAL NET REVENUES AND DEBT SERVICE COVERAGE UNDER THE BOND ORDINANCE FOR THE FISCAL YEAR ENDED DECEMBER 31

($ in thousands)

	2016	2017	2018	2019	2020
Gross Revenues[1,2]	$863,126	$892,160	$945,206	$1,102,851	$748,264
Operation & Maintenance Expenses[3]	417,140	425,006	445,801	478,305	407,365
Net Revenues	445,986	467,155	499,405	624,546	340,899
Other Available Funds[4]	51,574	47,090	43,901	68,365	39,848
Total amount available for Debt Service Requirements	$497,560	$514,245	$543,306	$692,911	$380,747
Senior Bonds					
Debt Service Requirements[5]	$206,295	$188,360	$175,605	$273,460	$159,392
Debt Service Coverage	2.41x	2.75x	3.09x	2.53x	2.39x
Senior and Subordinate Bonds[6]					
Debt Service Requirements[5]	$294,914	$282,251	$276,949	$376,265	$252,387
Debt Service Coverage	1.69x	1.84x	1.96x	1.84x	1.51x

1 Includes Designated Passenger Facility Charges which represent one-third of the Passenger Facility Charges ("PFC") revenues (the $1.50 portion of the $4.50 PFC, net of the PFC collection fees retained by airlines) received by the City that are included in Gross Revenues. Pursuant to an ordinance adopted by the City Council in August 2018, in Fiscal Year 2019 and thereafter, all PFC revenues received by the City (net of the PFC collection fees retained by airlines) will be included in Gross Revenues until such time as the Manager of the Department of Aviation gives written notice to the Chief Financial Officer of the City to stop including all or a portion of PFCs in Gross Revenues.

2 Includes $19,883,506, $19,491,735, $20,019,006, $21,524,769, and $10,621,397 of rental car customer facility charges ("CFCs") in 2016, 2017, 2018, 2019, and 2020, respectively. CFCs were included in Gross Revenues for the first time in 2014 upon maturity of Special Facilities Revenue Bonds for car rental facilities at the Airport. The Department of Aviation may seek City Council approval to amend the ordinances relating to CFCs to exclude CFCs from Gross Revenues in 2018 and thereafter, consistent with the treatment of CFCs in years prior to 2014. CFCs may be pledged to the payment of Special Facilities Revenue Bonds in the future. For additional information on CFCs, refer to the 2020 Comprehensive Annual Financial Report for the Airport, notes 20 (c) and (d).

3 Excludes $56.5 million and $18.0 million related to legal/claim reserve expense for 2019 and 2020, respectively. For additional information on CFC's refer to the 2020 Comprehensive Annual Financial Report for the Airport.

4 Other Available Funds is defined in the Senior Bond Ordinance as an amount determined by the Manager of Aviation to be transferred from the Capital Fund to the Revenue fund; but in no event is such amount to exceed 25% of aggregate Debt Service Requirements for the Fiscal Year. On July 14, 2021, the Airport issued the 2021A-B Bonds to exchange the 1992F-G Bonds in description only. With the 2021A-B bond transaction, a new Minimum Bond Reserve requirement was established in accordance with the Senior Bond Ordinance. The fund difference between the new 2021A-B requirement and the previous 1992F-G requirement will be transferred to the Project Fund.

5 Less Committed Passenger Facility Charges which represent two-thirds of the PFC revenues (the $3.00 portion of the $4.50 PFC, net of the PFC collection fees retained by airlines) received by the City that are irrevocably committed through 2019 to the payment of Debt Service Requirements on Senior Bonds. The City has determined not to extend such irrevocable commitment after December 31, 2018. From January 1, 2019, all PFC revenues received by the City will be Designated Passenger Facility Charges as described in footnote 1 above.

6 Subordinate Obligations include Subordinate Credit Facility Obligations, Subordinate Contract Obligations and Subordinate Hedge Facility Obligations

(Source: Department of Aviation)

AVERAGE AIRLINE COSTS
PER ENPLANED PASSENGER
2020 Dollars

$20.01[1]

AVERAGE AIRLINE COSTS
PER ENPLANED PASSENGER
FOR UNITED GROUP (includes United Express)
2020 Dollars

$21.58[1]

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1 Numbers are net of revenue credit and fuel tax rebates.

(Source: Department of Aviation)

HISTORICAL PASSENGER FACILITY CHARGE REVENUES
($ in thousands)[1]

Year	Revenues	Percent Change
2016	$114,230	7.8%
2017	118,333	3.6
2018	123,907	4.7
2019	132,484	6.9
2020	64,922	(51.0)

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1 These amounts constitute the revenues derived from the entire $4.50 PFC net of the collection fees retained by the airlines.
2 Compared to PFC revenues of $106,006 in 2015.

(Source: Department of Aviation)

CONTACTS FOR FURTHER INFORMATION

Compliance Officer for the City and County of Denver, Colorado 2019 Disclosure Statement:

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Chief Financial Officer, Manager of Finance, *Ex-Officio* Treasurer
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Denver, Colorado 80202
(720) 913-1514 (Phone)
(720) 913-5599 (Fax)
debtmanagement@denvergov.org

Financial reports are available on the City's web site, **http://www.denvergov.org/**, and may be obtained by following the instructions given under the respective headings below. Copies of the financial reports may also be obtained from the following City and County of Denver, Colorado contacts:

Annual Disclosure Statement and
Wastewater Management Enterprise Fund Financial Statements:
City and County of Denver
Department of Finance
Hannah Stewart
Senior Capital Funding Analyst
201 West Colfax Avenue, Dept. 1010
Denver, Colorado 80202
(720) 913-9301 (Phone)
(720) 913-9460 (Fax)
https://www.denvergov.org/content/denvergov/en/denver-department-of-finance/financial-reports/disclosure-statements.html

Comprehensive Annual Financial Report (CAFR):
Kelli Bennett
Director of Accounting & Financial Reporting
201 West Colfax Avenue
Denver, Colorado 80202
(720) 913-5500 (Phone)
(720) 913-5247 (Fax)
https://www.denvergov.org/content/denvergov/en/denver-department-of-finance/our-divisions/controllers-office.html

Financial Statements and Supplementary Information - Airport System:
Department of Aviation - Finance
Denver International Airport
8500 Peña Boulevard
Denver, Colorado 80249-6340
(303) 342-2000 or (800) 247-2336 (Phone)
http://www.flydenver.com/about/financials

Financial Statements - Board of Water Commissioners:
Denver Water Board
Usha Sharma
Treasurer
1600 West 12th Avenue
Denver, Colorado 80204
(303) 628-6410 (Phone)
https://www.denverwater.org/about-us/investor-relations

Financial Statements – Denver Employees Retirement Plan:
Denver Employees Retirement Plan
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Denver, Colorado 80203
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(303) 839-9525 (Fax)
www.derp.org/index.cfm/ID/9/Publications

The 2021 Disclosure Statement must be read in conjunction with the City's Comprehensive Annual Financial Report (CAFR) for the Year Ended December 31, 2020 – available on the City's website or from the Controller's Office.

APPENDIX A
AN ECONOMIC AND DEMOGRAPHIC OVERVIEW OF THE DENVER METROPOLITAN AREA

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A Note on COVID-19

A novel coronavirus, now called COVID-19, spread rapidly across the globe, causing the World Health Organization to declare it a pandemic on March 11, 2020. The first death in Colorado due to COVID-19 occurred on March 13, causing Colorado Governor Polis to take swift action by shutting down large events and ski areas. The virus' rapid spread led to progressively more restrictive guidance issued by individual communities, culminating in Governor Polis issuing an executive order on March 25th ordering Coloradans to stay in place. All businesses except those specifically deemed critical in the executive order were closed or shifted to remote work/remote learning as of March 26, ultimately through May 8th. From May through November, many non-essential businesses were opened with restricted capacity. However, many non-essential businesses were again closed in various parts of the state in November and December depending upon coronavirus infection and hospitalization rates.

While the restrictive measures were necessary to contain the pandemic and save lives, this resulted in a rapid loss in employment, effectively ending the longest economic expansion on record. As this report presents annual economic data for 2010 through 2020, the economic conditions described in this report reflect the influence of the pandemic.

Introduction

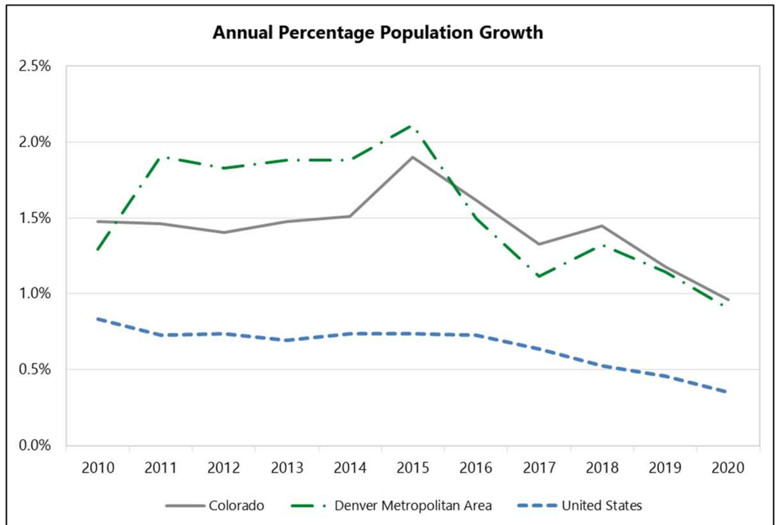
In 2019, Colorado's employment growth continued, aided by positive net migration, strong economic activity, and wage growth. Colorado remained a top-10 state for employment growth, with a 2.3 percent increase in jobs over-the-year. The Denver metropolitan statistical area ranked in the top 10 among the nation's 25 largest metropolitan areas for employment gains in 2019, rising 2.3 percent. The expanding Denver metropolitan area economy was bolstered by a vibrant entrepreneurial community, rising population and employment growth, and an increasing presence in the global economy. Economic conditions changed dramatically in 2020 as the state lost 145,500 jobs, population growth slowed, and market uncertainty prevailed.

The Denver metropolitan area is comprised of seven counties – Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson. The Denver metropolitan area economy strongly influences the economy statewide as the area accounts for 62 percent of Colorado's jobs and 56 percent of the state's total population. As a result of COVID-19, 10 of the 11 industry supersectors in the Denver metropolitan area lost jobs in 2020. Employment declined by 91,600 positions, representing 63 percent of the total job losses in the state. The City and County of Denver represents 23 percent of the total Denver metropolitan area population and 30 percent of the area's jobs, the largest portions of the seven counties in the region. With 491,000 workers, the City and County of Denver is the state's largest job base and employment declined 7.1 percent between 2019 and 2020.

Population

Colorado

Population in Colorado increased by 49,233 people from 2019 to 2020. According to data from the U.S. Census Bureau, Colorado ranked 12th for population growth rate during the period. From 2010 to 2020, Colorado's population grew at an average annual rate of 1.4 percent, higher than the national average of 0.6 percent during the period. Population growth has remained consistently above national growth since 1990 and has been almost consistently double the national growth rate or more since 2010.

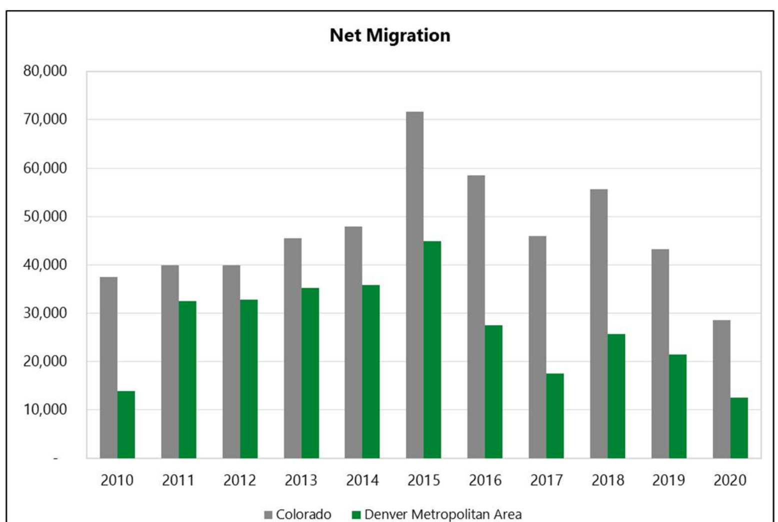


Source: U.S. Census Bureau; Colorado Division of Local Government, Demography Section.

Population growth is comprised of both natural increase and net migration. Natural increase is the difference between births and deaths, and typically changes only gradually as the population ages. Net migration reflects the number of in-migrants to the state minus the number leaving, and it tends to be more volatile as economic cycles, housing costs, and other less-predictable factors tend to influence population mobility. Natural increase accounted for 37.5 percent of Colorado's total population change between 2010 and 2020, and net migration accounted for 62.5 percent.

Like many of the fastest growing states, net migration contributed the most to Colorado's rapid population growth. Demographers expect this trend to continue and will be the major contributing factor to Colorado's population growth over the next 10 years.

Notably, Colorado is experiencing two major demographic shifts in the state's population. First, in 2015, the largest generational group residing in the state became the millennials (born 1981-1996), surpassing the baby boomers (born 1946-1964). Second, Colorado's share of the population 65 years and older is increasing rapidly. Between 2010 and 2020, the 65 years and older population increased by nearly 323,000 or an annual average growth rate of 4.7 percent. The State Demography Office projects that by 2030, Colorado's population 65 years and older will comprise 18.3 percent of the population, rising from about 877,700 in 2020 to about 1.2 million people.



Source: Colorado Division of Local Government, Demography Section.

Denver Metropolitan Area

The Denver metropolitan area is home to more than 3.26 million people. The area's population increased 0.8 percent over-the-year and averaged 1.5 percent per year between 2010 and 2020, 0.1 percentage point above the average annual growth rate in Colorado (+1.4 percent) and nearly 1 percentage point above the national average annual growth rate (+0.6 percent).

Between 2010 and 2020, net migration represented about 62 percent of total Denver metropolitan area population growth, and natural increase represented 38 percent. However, migration patterns have varied over the last 20 years. During the prior 10-year period (2000-2010), net migration represented a smaller 35 percent of the population change. Since 2010, net migration significantly increased in the Denver metropolitan area following the Great Recession and accounted for most of the population increase in the region. From 2011 to 2019, net migration remained above 50 percent, and reached a peak share of 70.5 percent in 2015 before falling to 48.5 percent in 2020.

Millennials are the largest generational group in the Denver metropolitan area, totaling 815,200 in 2020 and accounting for 25 percent of the area's population. The Denver metropolitan area is an attractive location for young professionals and working populations. CBRE ranked Denver No. 5 for most concentrated millennial markets in their "2020 Scoring Tech Talent" report, and LendingTree ranked Denver fourth for most popular city among millennial homebuyers.

Denver Metropolitan Area Population by County

Area	2010	2015	2020	Avg. Annual Population Growth 2010-2015	2015-2020
Adams	443,711	490,562	523,709	2.0%	1.3%
Arapahoe	574,819	630,599	661,363	1.9%	1.0%
Boulder	295,605	318,933	328,006	1.5%	0.6%
Broomfield	56,107	64,780	71,803	2.9%	2.1%
Denver	604,879	684,826	735,822	2.5%	1.4%
Douglas	287,124	322,319	356,811	2.3%	2.1%
Jefferson	535,651	565,118	584,725	1.1%	0.7%
Denver Metropolitan Area	2,797,896	3,077,137	3,262,239	1.9%	1.2%
Colorado	5,050,332	5,453,996	5,813,209	1.5%	1.3%

Source: Colorado Division of Local Government, Demography Section.

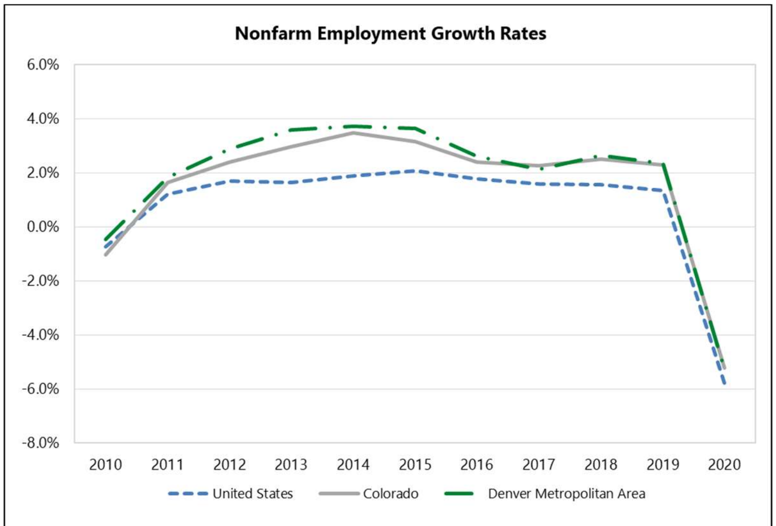
Individuals ages 16 to 64 years, which is considered the potential working age population, made up 67.5 percent of the population in the Denver metropolitan area in 2020, while those 65 years and over accounted for 13.8 percent of the population.

Of the seven Denver metropolitan area counties, the City and County of Broomfield and Douglas County reported the fastest population growth over the past five years, each increasing by 2.1 percent over the period. Four of the seven counties reported population growth rates that were either equal to or higher than the state, and all seven counties exceeded the national average growth rate of 0.5 percent between 2015 and 2020.

City and County of Denver

The City and County of Denver represents 22.6 percent of the total Denver metropolitan area population, the largest portion of the seven counties in the region. Millennials represent the largest portion of the City and County of Denver's working age population, representing nearly 44 percent of the population 16 to 64 years, or 7 percentage points higher than the Denver metropolitan area. The City and County of Denver has a median age of 36.2, about 1.2 years younger than the surrounding area. Between 2010 and 2020, total population growth averaged 2 percent per year. Over this 10-year period, net migration represented nearly 64 percent of the population growth, while about 36 percent was attributed to natural increase.

Employment



Sources: U.S. Bureau of Labor Statistics, Colorado Department of Labor and Employment.

The U.S. Bureau of Labor Statistics releases employment data based on two different surveys. The household survey – also called the Current Population Survey (CPS) – reflects employment characteristics by place of residence and is the data source for statistics on labor force, employment and self-employment, and unemployment by county. This data is discussed in the Labor Force & Unemployment section of this report.

The so-called "establishment" survey is the data source for the Current Employment Statistics (CES) series, which includes detailed information on employment, hours, and earnings by industry. Although the survey does not count the self-employed, the CES data are some of the most closely watched and widely used gauges of employment trends.

Industry employment data in the CES series are grouped according to North American Industry Classification System (NAICS) codes. This coding structure includes 20 detailed industry sectors that are combined to form 11 "supersectors."

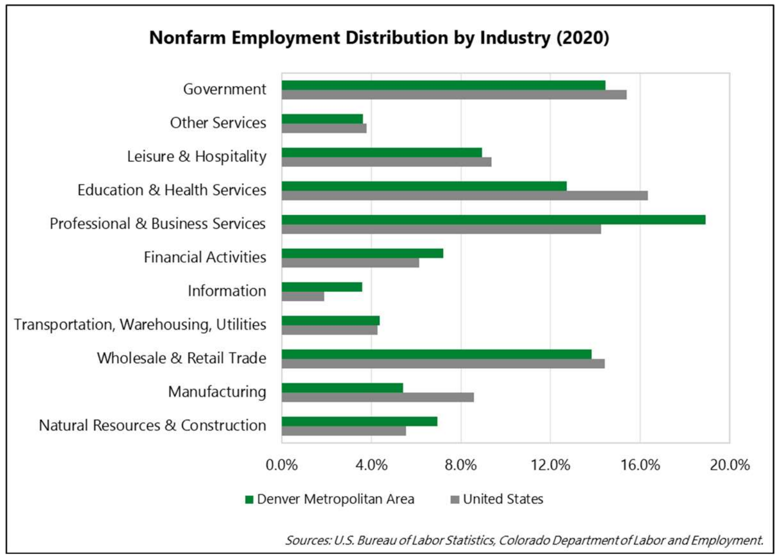
Colorado

Colorado employment decreased 5.2 percent in 2020 compared with 2019, falling by 145,500 employees during the period as the pandemic strained labor market conditions and forced mass business closures throughout 2020. The state's employment decline was 0.6 percentage points lower than the national rate of contraction of 5.8 percent. As a result of the pandemic, Colorado lost 376,000 jobs between January 2020 and April 2020 and reported over-the-year employment declines during each following month in 2020, the first employment declines in the state since 2010. Colorado has recovered about 73.5 percent of the jobs lost as of June 2021. In contrast, the U.S. has recovered 69.8 percent of the jobs lost, so Colorado is tracking ahead of the national average.

Nearly 60 percent of the state's total employment is concentrated in four supersectors consisting of education and health services, wholesale and retail trade, professional and business services, and government. From 2010 through 2020, employment increased in natural resources and construction at an average annual rate of 3.5 percent, followed by transportation, warehousing, and utilities (+3.5 percent) and professional and business services (+2.7 percent). Despite the long-term increases, employment fell in 10 of the 11 supersectors in 2020 compared with 2019, with the largest declines reported in leisure and hospitality (-74,200 jobs), government (-14,100 jobs), and wholesale and retail trade (-13,400 jobs). Transportation, warehousing, and utilities reported the only over-the-year increase with the addition of 3,800 jobs, and financial activities reported the most modest decline of 2,200 jobs during the period.

Denver Metropolitan Area

The U.S. Bureau of Labor Statistics compiles CES data for a number of Metropolitan Statistical Areas (MSAs), including the Denver-Aurora-Lakewood MSA (Denver MSA) and the Boulder MSA. The Denver MSA consists of 10 counties: Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties. Because CES data are not available for the counties individually, data in this section of the report reflects the Denver MSA and Boulder MSA (Boulder County) combined.



This 11-county region has a nonfarm employment base of nearly 1.65 million workers, which accounted for 62.2 percent of the state's employment in 2020. Average annual employment decreased 5.3 percent in 2020 compared with 2019, representing 91,600 fewer employees during the period. From 2010 through 2020, the region's employment growth averaged 2 percent per year, higher than the state average of 1.8 percent.

Ten of the 11 industry supersectors in the Denver metropolitan area reported decreases in employment between 2019 and 2020. Similar to the state, transportation, warehousing, and utilities reported the only over-the-year increase with the addition of 4,200 jobs. Information reported the most modest decline of 800 jobs during the period. The supersectors most affected by the pandemic were leisure and hospitality (-24.4 percent), other services (-9 percent), and wholesale and retail trade (-4.2 percent). Similar to Colorado, four supersectors represented over 60 percent of employment throughout the Denver metropolitan area: professional and business services, education and health services, wholesale and retail trade, and government. From 2010 through 2020, natural resources and construction drove employment growth, posting an average annual increase of 4.4 percent, followed by transportation, warehousing, and utilities (+4.2 percent) and professional and business services (+2.9 percent).

Before the pandemic started in March 2020, several key trends were driving employment growth in the Denver metropolitan area. The area was experiencing rapid employment growth in several high-knowledge, high-wage sectors. The region's innovative and entrepreneurial activity continued to draw significant tech-related and information technology-software employees, particularly to downtown Denver and Boulder County. Professional and business services—the largest supersector in the Denver metropolitan area—includes computer systems design and software engineering, which were major expanding components of this supersector in 2019. Transportation, warehousing, and utilities was the region's fastest growing supersector for the third-consecutive year in 2019, helped by a burgeoning industrial pipeline and heightened demand for warehouse facilities, specifically for the rapidly-expanding e-commerce industry.

City and County of Denver

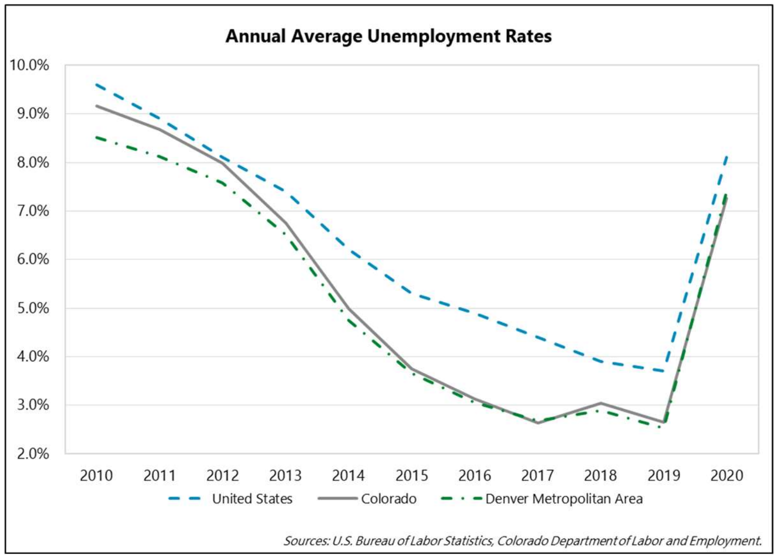
The City and County of Denver is the employment center for the Denver metropolitan area and accounts for nearly 30 percent of the employment in the region. The Central Business District is the core of many of Denver's largest sectors such as high technology, banking, energy, and law, among a variety of other businesses. With 491,000 workers, the City and County of Denver is the state's largest job base and employment declined 7.1

percent between 2019 and 2020. The steep decline was due to the closure or restricted operations of numerous businesses due to the pandemic, especially those located in the downtown core.

The City and County of Denver's three largest industry supersectors in 2020 were professional and business services (21.6 percent), government (14.1 percent), and education and health services (12.6 percent). Total employment declined in 10 of the 11 industry supersectors from 2019 to 2020, with the steepest job losses in leisure and hospitality (-20,500 jobs), wholesale and retail trade (-3,200 jobs), and natural resources and construction (-3,100 jobs). The information supersector added 1,800 jobs over-the-year, the only supersector to post an employment increase.

Labor Force & Unemployment

The annual average U.S. unemployment rate fell to 3.7 percent in 2019, its lowest point since 1969. The coronavirus pandemic upended business conditions as the unemployment rate skyrocketed to 14.4 percent in April 2020 as business restrictions introduced to combat COVID-19 resulted in company closures and severe job losses. As businesses slowly were able to reopen, national unemployment came down and averaged 8.1 percent in 2020. However, part of the reason for the falling unemployment rate was that the labor force contracted by 1.7 percent, a decline of nearly 2.8 million people either employed or looking for work due to changing household responsibilities or concern with continuing jobs that require working with the public.



Colorado

Colorado's unemployment rate averaged 7.3 percent in 2020, an increase of 4.6 percentage points from 2019. The labor force throughout the state decreased 0.1 percent during the period, representing 3,900 fewer people employed or looking for work, which was 1.6 percentage points less than the national rate of decline during the period. Colorado's unemployment rate remained at or below the national rate for the 16th consecutive year.

Denver Metropolitan Area

The unemployment rate in the Denver metropolitan area averaged 7.4 percent in 2020. The rate was up from 4.9 percentage points from the 2019 average of 2.5 percent, which marked the lowest annual unemployment rate in 19 years. Unemployment in 2020 was 0.1 percentage points above the statewide unemployment rate but 0.7 percentage points below the national unemployment rate. According to a February 2020 comparison by *The Wall Street Journal,* which analyzed data from Moody's Analytics, Denver ranked No. 1 for labor force participation, No. 8 for unemployment, and No. 14 for labor force growth, totaling a final ranking of No. 3 for the top market for jobs in the U.S.

City and County of Denver

As an urban center, the City and County of Denver typically records higher unemployment than the Denver metropolitan area. The unemployment rate has generally matched or been slightly higher than the metropolitan area since 2010, averaging about 0.2 percentage points above the Denver metropolitan area over this period of time. The unemployment rate in the City and County of Denver peaked at 9.5 percent in 2010, but steadily declined each year until 2017. After a slight uptick in 2018, the unemployment rate fell to 2.6 percent in 2019, which was the lowest rate posted in the City and County of Denver based on data going back to 1990. The unemployment rate rose by 5.6 percentage points from 2019 to 2020 to 8.2 percent, a level higher than the national average. Nonetheless, the annual average unemployment rate in the City and County of Denver in 2020 remained below the annual averages reached during the Great Recession.

Major Employers

Small businesses represent a significant portion of Colorado's workforce. According to the most recent data from the U.S. Small Business Administration, nearly all private businesses in Colorado, or 99.5 percent of employers, are considered small, or employing fewer than 500 workers. In the Denver metropolitan area, data from the U.S. Census Bureau show that 99.8 percent of businesses employed fewer than 500 workers and about 97.6 percent of businesses employed fewer than 100 workers. An additional key facet of Colorado's employment base is the state's level of entrepreneurial activity. Colorado had the nation's fifth-largest share of proprietors as a percentage of total employment in 2019 and has ranked among the top 10 since 2000.

Metro Denver Largest Private Sector Employers

Company	Product/Service	Employment
King Soopers	Grocery	14,480
Amazon	Warehousing & Distribution Services, General Merchandise	12,200
HealthONE Corporation	Healthcare	12,080
Wal-Mart	General Merchandise	11,900
UCHealth	Healthcare, Research	11,550
SCL Health System	Healthcare	9,970
Centura Health	Healthcare	9,960
Lockheed Martin Corporation	Aerospace & Defense Related Systems	9,710
Comcast	Telecommunications	7,640
Kaiser Permanente	Healthcare	7,100
Children's Hospital Colorado	Healthcare	6,960
United Airlines	Airline	6,930
Safeway Inc.	Grocery	6,180
Lumen Technologies (formerly CenturyLink)	Telecommunications	5,800
Target Corporation	General Merchandise	5,790
Ball Corporation	Aerospace, Containers	5,480
United Parcel Service	Logistics	5,450
Charles Schwab	Financial Services	4,510
Southwest Airlines	Airline	4,380
Charter Communications	Telecommunications	4,030

Source: Development Research Partners, June 2021.

While small businesses and the self-employed are vitally important to the Denver metropolitan area economy, larger firms are key providers of jobs and income. According to the most recent data from the U.S. Census Bureau, about 81 firms with 1,000 or more employees were operating in the Denver metropolitan area in 2018 and nearly a third of these large businesses were located in the City and County of Denver.

Ten companies headquartered in Colorado were included on the June 2021 *Fortune 500* list. Arrow Electronics was the highest ranked Colorado company at #102 with $28.7 billion in revenue. The remaining nine companies on the list were Dish Network (#197), Quarate Retail (#216), Ball (#260), VF (#263), DaVita (#271), Newmont Corp (#273), Liberty Media (#326), DCP Midstream (#442), and Ovintiv (#458).

While private sector businesses account for the majority of employment in the Denver metropolitan area, the public sector also represents a sizeable portion of the area's job base. As the capital of Colorado, the City and County of Denver has a large concentration of government employees. Specifically, public sector employment in Denver consists of 13,200 federal government employees, 15,400 state government employees, and 40,300 employees in local government entities in 2020, including Denver Public Schools (15,400 employees) and the City and County of Denver (13,400 employees).

International Trade

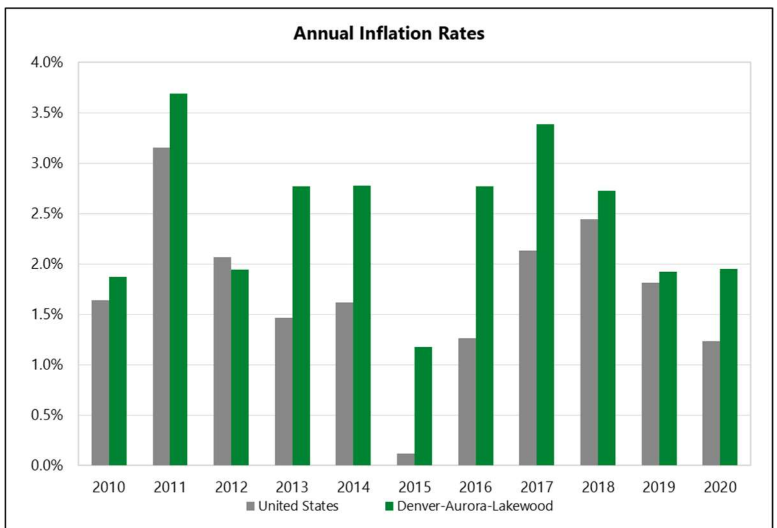
The Denver metropolitan area's central U.S. location just west of the nation's geographic center makes it a strategic choice for companies conducting international business. The area is one of the nation's premier transportation hubs at the crossroads of major interstate highways that serve a critical function in supporting interstate and international commerce. Shipping businesses can access the Denver metropolitan area via all transportation modes except water, and the region's location midway between Canada and Mexico is another asset for trade-focused companies. About 28 percent of the total dollar value of export shipments from Colorado went to Canada and Mexico in 2020.

Colorado exports totaled about $8.3 billion in 2020, a 2.3 percent increase from 2019. Annual exports peaked in 2013 at more than $8.5 billion before falling to about $7.6 billion annually in 2016. Much of the decline was attributed to exports to Canada, which decreased 34 percent from 2013 to 2016. However, Canada remains Colorado's main country for exports, accounting for 15.4 percent of Colorado's exports as in 2020. Mexico was the second-largest recipient of exports from Colorado, accounting for 12.7 percent of output, followed by Malaysia (7.4 percent), South Korea (6.3 percent), and China (6.3 percent).

About 64 percent of exports from Colorado in 2020 consisted of four key products, which were computer and electronic products (24.9 percent), food products (20.1 percent), machinery (10.7 percent), and chemicals (8.2 percent). Nonmetallic mineral products, which represented 4.1 percent of all exports, reported the largest over-the-year increase of 223 percent in 2020, followed by other animals (+30.4 percent), transportation equipment (+25.7 percent), and computer and electronic products (+14.5 percent).

Inflation

The U.S. Bureau of Labor Statistics measures inflation – or deflation – as a change in the Consumer Price Index (CPI). The CPI is a compilation of price measures for items in eight broad categories, the most heavily weighted of which are housing, transportation, and food and beverages. Housing carries the most weight of these three categories.



Source: U.S. Bureau of Labor Statistics.

Changes in the Denver-Aurora-Lakewood CPI have often reflected changes in the national CPI. Since 2010, inflation in the Denver-Aurora-Lakewood area has outpaced the U.S. for all years except 2012. The rapid increase in home prices in the Denver metropolitan area from 2013 to 2018 and rising medical care costs were major drivers of price increases in recent years. Housing costs in the Denver-Aurora-Lakewood area increased at an average annual rate of 4.5 percent between 2013 and 2018, while housing costs across the U.S. rose 2.6 percent during the same period. Since 2010, prices rose a total of 28.1 percent in the Denver-Aurora-Lakewood MSA, compared with 18.7 percent across the U.S.

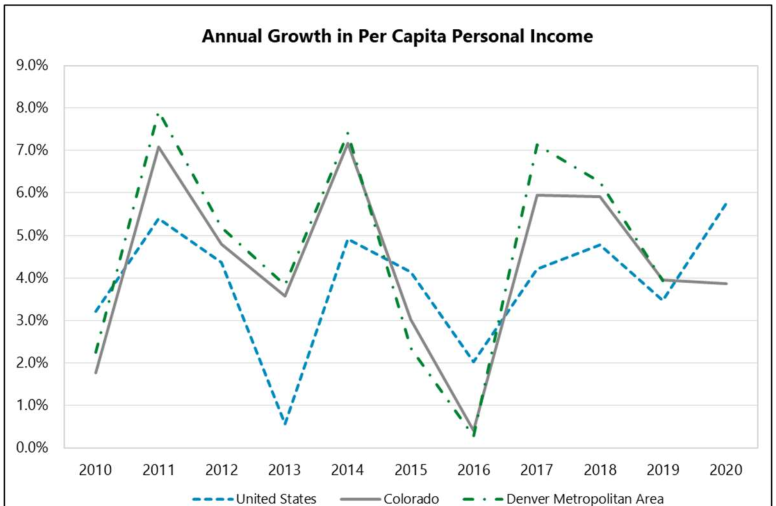
The Denver-Aurora-Lakewood CPI increased 2 percent from 2019 to 2020, outpacing the national increase of 1.2 percent. Core inflation, which is all items except for food and energy, rose 2.3 percent in the Denver metropolitan area compared with 1.7 percent nationally. Core inflation is a more stable indicator of price changes over time due to the volatility of food and energy prices.

The CPI is calculated based on price changes in eight main categories of goods and services. Prices decreased in two of the main categories at the national and local level in 2020 compared with 2019, with the declines in apparel and transportation costs being greater at the national level than in the Denver-Aurora-Lakewood area. Of the six categories that posted increases, all categories except medical care posted a faster increase in the Denver-Aurora-Lakewood area than the national level. The fastest increases in the Denver-Aurora-Lakewood area occurred in food and beverages (+4 percent), other goods and services (+3.1 percent), and housing (+2.8 percent).

Income

Colorado

The largest component of personal income is earnings from work, meaning personal income trends can be largely affected by the labor market and wage growth. Total personal income in Colorado increased 4.8 percent from 2019 to 2020, 1.3 percentage points slower than the national rate of growth. However, total personal income increased at an average annual rate of 6 percent from 2010 to 2020 in Colorado, higher than the national average rate of 4.6 percent during the period.



Source: U.S. Bureau of Economic Analysis.
Note: 2020 growth rate based on 1Q-3Q 2019 average versus 1Q-3Q 2020 average.

Per capita personal income – or total personal income divided by population – increased each year since 2010, with the slowest over-the-year growth reported in 2016 (+0.4 percent) and the fastest increase in 2014 (+7.2 percent). Colorado had the 10th-highest per capita personal income in the nation, averaging $63,522 in 2020, which was higher than the national average of $59,729 in 2020. From 2010 to 2020, per capita personal income increased at an average annual rate of 4.6 percent in Colorado and increased 3.9 percent across the U.S.

Denver Metropolitan Area

Total personal income in the Denver metropolitan area has increased at a faster annual pace than the state since 2010. Between 2010 and 2019, total personal income increased an average of 6.6 percent per year in the Denver metropolitan area, compared with 6.2 percent in Colorado and 4.4 percent in the U.S. In 2019, the Denver metropolitan area's total personal income rose 5.1 percent, the same rate as Colorado and 1.2 percentage points higher than the rate in the U.S.

Per capita personal income in the Denver metropolitan area was higher than both Colorado and the U.S. in 2019, totaling $68,399, which was 121 percent of the U.S. average. Comparatively high wage rates tend to keep per capita personal income in the Denver metropolitan area above the national average. Data for 2020 is not available yet for counties and metropolitan statistical areas.

City and County of Denver

Per capita personal income in the City and County of Denver is consistently higher than the U.S., averaging 136 percent of the national number between 2010 and 2019. The income differential peaked in 2018, when per capita personal income ($79,023) reached 145 percent of the national average. After the Great Recession, per capita income increased from 2010 through 2014. Per capita income declined 1.5 percent in 2015 and decreased another 4.2 percent in 2016 due to rapid population growth and the oil and gas contraction. Income rebounded rapidly in 2017 and increased by 6 percent in 2018 and 3 percent in 2019.

Retail Trade

National

Consumer spending accounts for about two-thirds of the nation's total economic output and is a useful indicator of overall consumer health. National retail trade sales declined significantly during the Great Recession, falling 1.1 percent in 2008 and decreasing 7.4 percent in 2009. In contrast, overall retail activity has remained relatively resilient during the COVID-19 recession with total retail trade sales in 2020 increasing 0.5 percent compared with 2019. While total retail sales has remained relatively constant, there has been a significant shift in spending by category.

National Retail Trade Sales ($millions)

Industry	2019	2020	Percent Change
Retail Trade:			
Motor Vehicle / Auto Parts	$1,239,767	$1,244,316	0.4%
Furniture and Furnishings	$120,517	$115,563	-4.1%
Electronics and Appliances	$90,536	$76,680	-15.3%
Building Materials / Nurseries	$372,432	$425,577	14.3%
Food/Beverage Stores	$773,647	$865,095	11.8%
Health and Personal Care	$342,569	$348,713	1.8%
Service Stations	$512,377	$430,116	-16.1%
Clothing and Accessories	$268,735	$204,196	-24.0%
Sporting/Hobby/Books/ Music	$80,757	$86,380	7.0%
General Merchandise/ Warehouse	$716,476	$739,679	3.2%
Misc. Store Retailers	$131,560	$132,716	0.9%
Non-Store Retailers	$761,664	$924,559	21.4%
Total Retail Trade	$5,411,037	$5,593,590	3.4%
Food / Drinking Services	$773,545	$621,483	-19.7%
TOTAL	$6,184,582	$6,215,073	0.5%

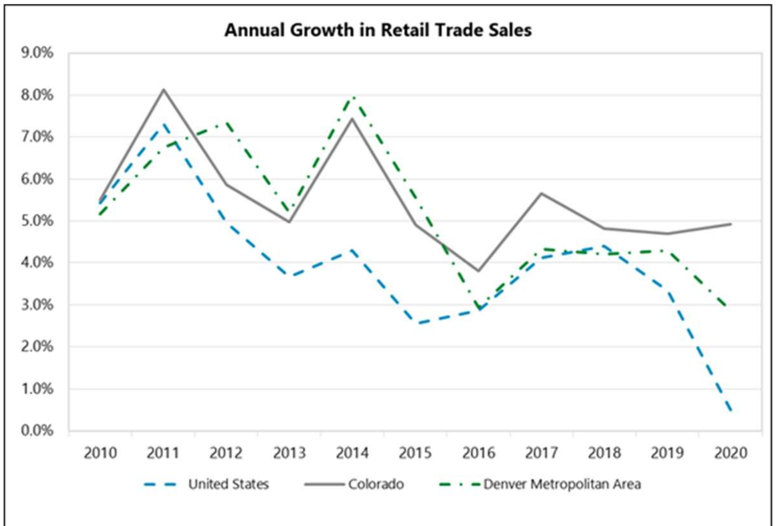
Note: Data are not adjusted for inflation. Sales by industry may not add to totals due to rounding and data suppression. Source: U.S. Census Bureau.

Comparing total retail trade sales in 2019 to 2020, five of the 13 retail trade categories reported decreases, led by clothing and clothing accessories stores, food services and drinking places, and gasoline stations. Non-store retailers, which includes businesses engaged in mail-order or electronic shopping, door-to-door sales, and in-home demonstrations, among other things, reported the largest increase, consistent with the longer-term trend of consumers increasing their online purchasing patterns. From 2010 to 2020, non-store retailers reported the highest annual average growth rate of 10.5 percent, followed by motor vehicles and parts dealers (+5.3 percent) and building materials/garden equipment stores (+5 percent).

Retail sales rose steadily from 2010 to 2020, averaging a 3.8 percent annual increase during the period. Retail sales reached their highest level in 2020, rising 0.5 percent between 2019 and 2020 to $6.2 trillion, but sales growth was highest in 2011 when retail sales increased 7.3 percent over-the-year.

Colorado

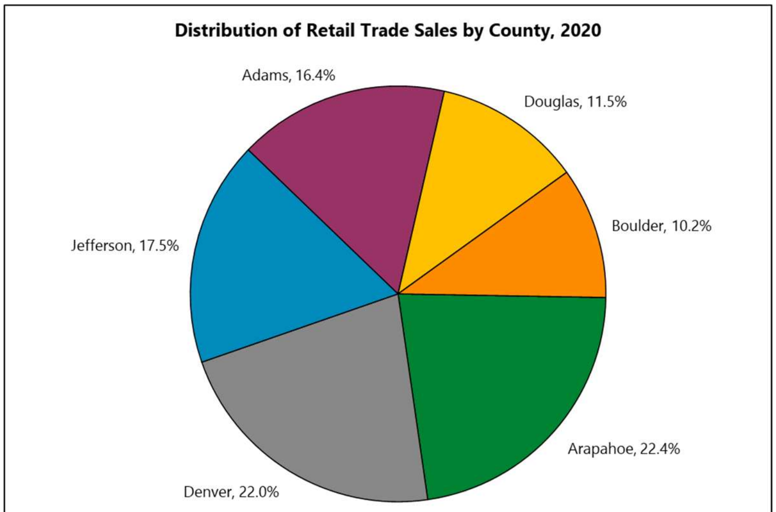
Retail trade sales in Colorado fell sharply during the Great Recession, but increased consistently from 2010 to 2020, increasing at an average annual rate of 5.5 percent. The increase in retail trade sales reflected the combination of a strong economy, increased job creation, high labor force participation, improved wages, and an increase in net worth. Despite the pandemic's influence, retail trade sales increased 4.9 percent from 2019 to 2020, far outpacing the national sales increase. Indeed, the annual increase in retail trade sales in Colorado has surpassed that of the nation each year since 2010.



Source: U.S. Census Bureau, Colorado Department of Revenue.

Denver Metropolitan Area

Retail trade sales growth across the Denver metropolitan area outpaced national sales growth in seven of the past 10 years. The average annual growth rate from 2010 to 2020 in the area was 5.1 percent, below the state average (+5.5 percent) but higher than the national average (+3.8 percent). Retail sales in 2020 increased 2.9 percent over-the-year, a slower rate of growth than the state by 2 percentage points. Arapahoe County represented the largest share of retail sales across the Denver metropolitan area of 22.4 percent, followed by Denver County (22 percent) and Jefferson County (17.5 percent).



Source: Colorado Department of Revenue.
Note: Retail trade sales data for Broomfield not available.

City and County of Denver

Prior to the pandemic, the City and County of Denver generally had the largest share of retail trade activity in the Denver metropolitan area. Due to the decline in the number of workers, the closure of the majority of the entertainment venues, and a general lack of visitors, especially in the downtown core, retail trade sales in the City and County of Denver declined 2.6 percent from 2019 to 2020. The City and County of Denver was the only Denver metropolitan area county to post a decline in retail trade sales in 2020. This decline allowed Arapahoe County to post the greatest share of activity of the Denver metropolitan area counties. Despite the current setback, retail sales in the City and County of Denver grew faster than the Denver metropolitan area since the Great Recession, increasing at an annual rate of 5.2 percent from 2010 to 2020.

Residential Real Estate

Combined, all aspects of the housing market – from new home construction to money spent on mortgage and rental payments, furnishings, and home improvements – contribute significantly to the nation's economy. The Denver metropolitan area reported strong market fundamentals despite economic strains on construction costs, supply, and affordability.

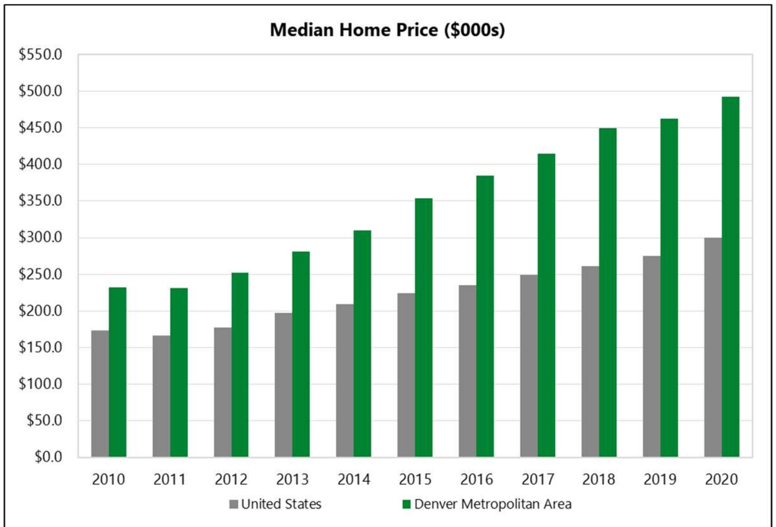
Homeownership rates across the U.S. increased significantly from a recent annual low of 63.4 percent reported in 2016 to 66.6 percent in 2020, which was the highest annual rate since 2010. Prior to 2020, homeownership rates remained well below levels recorded prior to the Great Recession due to demographic shifts, affordability challenges, and limited home supply. Low interest rates and the desire for more or different space due to the pandemic created a strong home purchasing pattern. While the quarterly homeownership rate peaked at 67.9

percent in the second quarter of 2020, the recent retreat in home buying patterns was likely more an issue of lack of inventory than lack of interest in owning a home.

Homeownership in the Denver-Aurora-Lakewood MSA is below the national rate of homeownership. In the fourth quarter of 2020, homeownership declined to 56.9 percent in the Denver metropolitan area, 8.9 percentage points below the national average and ranking No. 65 among the 75 largest MSAs for homeownership, according to the U.S. Census Bureau. However, demographic shifts are changing the makeup of the residential real estate market. Millennials represent an increasing share of homeownership, with 55.3 percent of mortgage requests in the Denver metropolitan area coming from millennials. Further, the region ranked No. 6 for work from home conditions, No. 8 for young workforce population, and No. 8 for real estate conditions according to the Site Selection Group, showing that the area is primed for drawing in young professionals looking for more affordable options outside of other major tech hubs across the U.S.

Residential Home Prices

The increase in home prices picked up across the nation in 2020 after price growth slowed in 2019. According to the S&P/Case-Shiller Home Price Index, prices increased at a faster over-the-year rate throughout 2020 compared with 2019 across the nation. Indeed, the national index was 10.4 percent higher in December 2020 compared with December 2019. Among the metropolitan statistical areas included in the 20-City Composite Index, the Denver metropolitan area had the 14th-highest home price increase over-the-year, rising 9.2 percent.

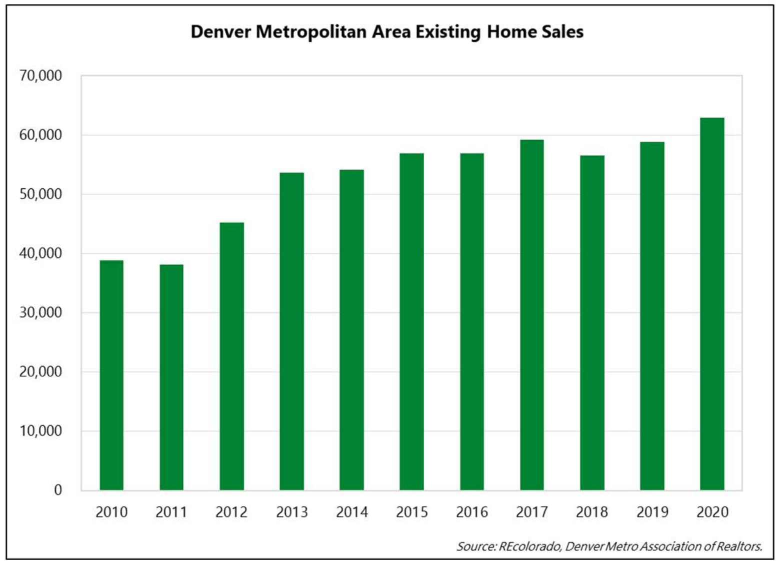


Source: National Association of Realtors.

The National Association of Realtors reported 106 straight months of national year-over-year gains in home prices as of December. In December, the median existing-home price for all housing types was up 12.9 percent from the same time last year.

Home prices in the Denver metropolitan area have increased every year since 2009, with the exception of 2011 when home prices fell 0.4 percent over-the-year after the Great Recession. In 2019, home prices in the Denver metropolitan area rose at their slowest pace since 2011, increasing at a rate of 2.7 percent following years of growth of about 8 percent year-over-year. Home price appreciation rates shifted in 2020 due to the influence of the pandemic and the Denver metropolitan area's median home price reached $492,700, up 6.6 percent from 2019. Still, this increase was slower than the national increase of 9.3 percent achieved during the same time, with the national median home price reaching $300,200.

Residential Home Sales



Home sales in the Denver metropolitan area increased 6.9 percent in 2020, while unsold homes on the market fell 50 percent from December 2019 to December 2020, suggesting a contraction in supply despite consistent housing demand. While builder confidence for newly built single-family homes reached record highs, according to the National Association for Home Builders/Wells Fargo Housing Market Index, builders were not able to keep up with demand, which securing data related to the housing market as one of the bright spots of the economy during the pandemic. Sellers took a median of seven days to get their property under contract according to the Denver Metro Association of Realtors, and 2020 was the first time in history that there were over 60,000 homes purchased annually in the area.

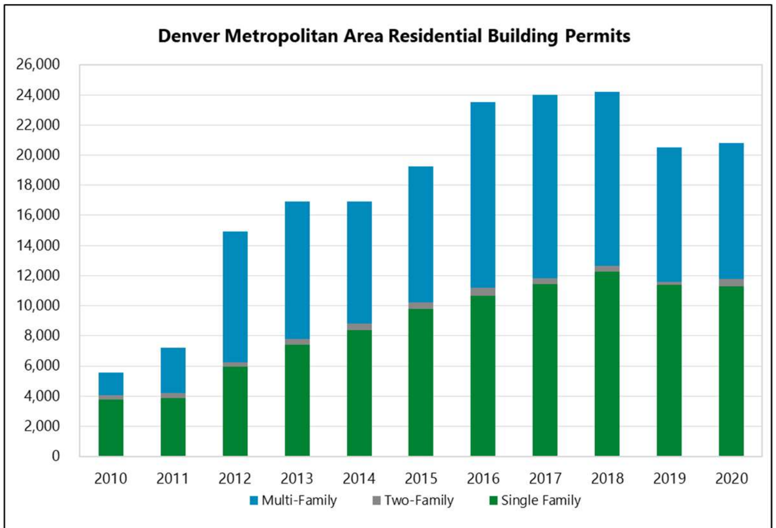
Generational shifts are changing the residential landscape across the nation as millennials and generation Z (born 1996-2010) become an increasingly important share of the working-age population. According to home improvement services website Porch, the Denver-Aurora-Lakewood MSA ranked No. 24 among metro areas for the percent of millennials who are homeowners. The report found that over 39 percent of millennials in Denver are homeowners, just below the national average of 39.5 percent. Additionally, record-low interest rates during the pandemic gave homebuyers flexible financing options, adding to the heightened market during a time of extreme political and economic uncertainty.

Foreclosures

The Denver metropolitan area's low unemployment rate, strong job market, rising home prices, and demand for housing have enabled many homeowners to maintain mortgage payments, restructure debt, and avoid foreclosure. Foreclosure filings in the Denver metropolitan area reached an annual low in 2018, reporting 2,725 filings, before rising 0.8 percent to 2,747 filings in 2019. There were 978 foreclosure filings in the area in 2020, down 64.4 percent compared with last year. Filings fell drastically in 2020 due to the foreclosure moratorium in effect in Colorado from April 30 to July 13. Further, homeowners with a federally backed mortgage, which covers two-thirds of residential mortgages across the U.S., are protected from foreclosure until July 31, 2021 as a result of the pandemic.

Residential Building Permits

Residential building permit activity increased a slight 1.5 percent in the Denver metropolitan area from 2019 to 2020 due to a contraction in the number of single-family detached units permitted. Single-family detached units permitted fell 0.8 percent, or by 94 homes. In contrast, the number of single-family attached units increased by 259 units permitted and the number of multi-family units permitted increased by 140. Across the Denver metropolitan area, multi-family units increased as a share of total units permitted since 2010, rising from 26.6 percent of total units to 43.5 percent in 2020. However, the share of multi-family units has declined since reaching a high of 58.2 percent in 2012.



Source: U.S. Census Bureau.

The number of residential units permitted in the Denver metropolitan area had generally increased each year from 2012 through 2018. However, total units permitted fell 15.4 percent from 2018 to 2019 and were relatively flat from 2019 to 2020. The shift in building patterns reflects the significant buildout of the FasTracks light rail system and associated higher density development around the light rail stations as well as a general catching up in housing development after limited construction during the Great Recession while population growth continued. Residential development patterns now better reflect annual population growth patterns.

In the City and County of Denver, permit activity fell 31 percent from 2019 to 2020 to 5,059 units permitted, the third-consecutive year of falling permit activity after a peak of 10,525 units permitted in 2017. The number of units permitted declined for all three property types. From 2019 to 2020, the number of single-family detached units permitted declined from 2,257 to 1,167. The number of multi-family units permitted fell from 5,066 in 2019 to 3,892 in 2020, a 23.2 percent decline. There were no single-family attached units permitted in the City and County of Denver in 2020. Permits in the City and County of Denver comprised about 24 percent of the permit activity in the Denver metropolitan area.

Apartment Market

Apartment demand and absorption remained competitive in 2020 despite the economic fallout of the pandemic that affected affordability and rental payments. The apartment market in the Denver metropolitan area outpaced the nation in 2020, recording 11 percent more rental applications registered in the area from 2019 to 2020 and ranking fourth for largest increase in applications across major metropolitan statistical areas, according to RENTCafé. This was in contrast to the 10 percent decrease in applications nationally. Further, the region added 2,910 units in the third quarter of 2020, ranking fourth for the highest apartment absorption according to CoStar.

In general, the area's submarkets exhibited strong fundamentals. The *Denver Metro Apartment Vacancy and Rent Survey* found that apartment vacancy averaged 5.4 percent in 2020, up 0.3 percentage points from the average in 2019. Three of the six submarkets in the Denver metropolitan area reported over-the-year declines in vacancy, led by Douglas County (-2.3 percentage points) and Arapahoe County (-0.5 percentage points). The Boulder/Broomfield market reported the largest over-the-year increase in 2020 (+2.2 percentage points), followed by Denver County (+1.3 percentage points) and Jefferson County (+0.2 percentage points). The apartment vacancy rates ranged from a high of 6.9 percent in the City and County of Denver to a low of 4.2 percent in Adams County.

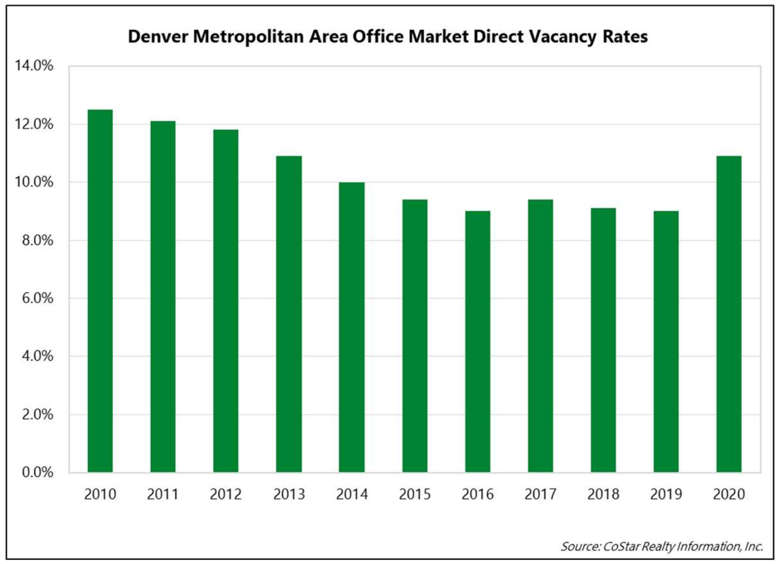
Rental rates increased 0.5 percent from the fourth quarter of 2019 to the fourth quarter of 2020, rising to an average of $1,510 per month. The Boulder/Broomfield submarket reported the highest average rental rate during the fourth quarter of 2020 of $1,641 per month, but this was 1.1 percent lower than the same period last year. Adams County reported the lowest rental rate of $1,428 per month, which was up 1.9 percent from the prior year.

The apartment rental rate averaged $1,539 in the City and County of Denver, a 1.2 percent decline compared with last year.

The COVID-19 pandemic had negative effects on rent collection and payments from renters. The National Multifamily Housing Council found that 78.6 percent of renters in the Denver metropolitan area paid their monthly rental payments since April 2020, down from an average of about 81.2 percent from the same time last year. Monthly payments in the region in 2020 have consistently remained just below the average from the prior year, but rent agreements between renters and landlords, as well as further national and local housing assistance, has helped stave off apartment evictions and a further decline in rent collections.

Commercial Real Estate

Office Activity



The office vacancy rate peaked at 13 percent in the fourth quarter of 2004 but has improved considerably since then, remaining in the 9 to 10 percent range since 2014. Data from CoStar Realty Information, Inc. showed that direct vacancy for office space increased in 2020. The vacancy rate was 11 percent in the Denver metropolitan area in the fourth quarter of 2020, up from 9 percent in the fourth quarter of 2019. The pandemic shifted office vacancy upward, and more sublease space has become available as companies reassess their use of office space in light of the pandemic. Office lease rates have steadily increased since the fourth quarter of 2011. The average lease rate for direct space in the fourth quarter of 2020 was $28.87 per square foot, up 3 percent, or by $0.85, from the same time last year.

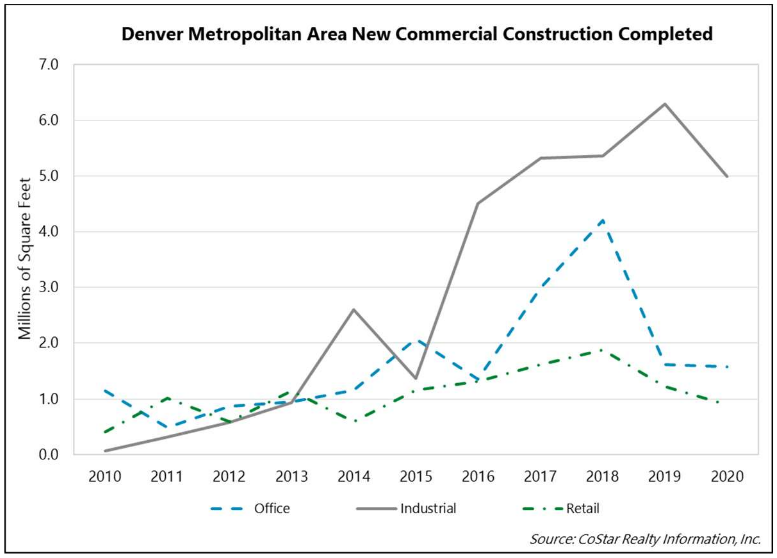
Office square footage completed declined 2.5 percent from the fourth quarter of 2019 to 2020 to 1.58 million square feet across 28 buildings, down from a peak of 4.21 million square feet completed in 2018. Notable projects completed in 2020 included Revolution 360, a 171,000-square-foot office building in Denver, and a new Google office building totaling 120,000 square feet in Boulder. Further, medical buildings added nearly 200,000 square feet of office space in the City and County of Denver in 2020. Despite construction tapering off towards the end of 2020 as uncertainty related to office demand puzzled developers, the Denver metropolitan area had 2.82 million square feet across 28 buildings under construction at the end of the year. Notable projects under construction at the end of the year included Block 162, a 607,987-square-foot office building in Denver, and a Kiewit regional headquarters in Lone Tree that will add 260,121 square feet to the region upon completion.

Industrial and Flex Activity

The industrial market in the Denver metropolitan area remained stable in 2020, shaped by rapid growth in e-commerce and expansion of distribution networks throughout the pandemic. CoStar Realty Information found that the industrial market vacancy rate increased 0.7 percentage points from the fourth quarter of 2019 to 5.5 percent in the fourth quarter of 2020 as high levels of industrial construction continued. Average lease rates rose 2.7 percent to $8.63 per square foot in the fourth quarter of 2020, up from $8.40 per square foot one year ago.

Nearly 5 million square feet of industrial space was completed in 2020, the fourth consecutive year that 5 million square feet or more was added to the market. Notable buildings completed in 2020 were the Karcher N America building totaling 380,000 square feet and an industrial building in Brighton totaling 352,240 square feet. There was 6.14 million square feet of industrial space under construction at the end of 2020, up 6 percent from the same time last year. Notable buildings under construction at the end of 2020 included the Shamrock Foods distribution facility, which will deliver 900,000 square feet of space, and Building 1 in the Stafford Logistics Center that will add 594,138 square feet of space. Industrial construction was largely centered in Adams County, which accounted for over 56 percent of all completed industrial space in the Denver metropolitan area in 2020.

The Denver metropolitan area flex market reported increasing vacancy rates and rental rates through the fourth quarter of 2020, with vacancy rising 1.4 percentage points over-the-year to 7.1 percent. Average lease rates exceeded $13 per square foot for the first time in the Denver metropolitan area in 2020, finishing the year at $13.22 per square foot or 7.1 percent higher than the same time last year.



The construction pipeline remained muted in 2020, finishing the year with 400,000 square feet of construction completed and an additional 180,000 square feet under construction. Two major flex buildings completed in 2020 were the J.P. Morgan Chase Data Center in Aurora that added 250,000 square feet of space and the Bioscience 3 building on the Fitzsimons campus in Aurora totaling 117,000 square feet.

Retail Activity

Retail activity struggled early during the pandemic due to mass store closures and bankruptcies from national and small retailers. CoStar found that more than 40 major retailers across the country declared bankruptcy and more than 11,000 stores were announced for closure through October 2020, with impactful announcements from JCPenney, Macy's, Stein Mart, Bed Bath & Beyond, and Pier 1 Imports. Further, small businesses including restaurants and bars drove most of the negative absorption in 2020, and nearly 100,000 businesses were permanently closed by September and more than 65,000 remained temporarily closed, according to Yelp.com. However, consumer confidence in the Mountain Region, which includes Colorado, remained above national confidence with an annual average 3.5 percent higher than the national average, suggesting solid local demand for goods compared with the nation.

Strong population and housing growth in the Denver metropolitan area supported the retail market throughout most of the past decade. In addition, many retail sites diversified their tenant mix with more experiential, entertainment, fitness, grocery, and food and beverage options. These changes helped many owners and investors mitigate disruption in the market from national closures and e-commerce. However, the Denver metropolitan area's retail market signaled weakness in 2019 despite strong income growth and consumer confidence. In 2019, the retail real estate market in the Denver metropolitan area posted rising vacancy, lower average lease rates, and a decline in construction activity. In 2020, that trend continued with increasing vacancy rates and lower construction activity, while rental rates remained relatively flat year-over-year. Vacancy rose 0.8 percentage points from 2019 to 2020 to 5 percent, while the average lease rate rose 1.8 percent over-the-year to $18.86 per square foot. However, the average lease rate remains below the peak achieved in the fourth quarter of 2018 of $18.92 per square foot.

Minimal new retail construction occurred in 2020 as only 902,000 square feet was added, down from 1.2 million square feet added in 2019. Notable projects completed included a 154,912-square-foot building at 231 E Flatiron Crossing Dr. in Broomfield and an 88,500-square-foot building at 1601 Market St. in Denver. An additional 580,000 square feet of retail space across 41 buildings was under construction as of the end of 2020.

Medical Facilities

The Denver metropolitan area offers a robust culture of health and wellness and is home to major health systems and significant healthcare and wellness facilities. Medical facilities in Colorado and the Denver metropolitan have suffered significant revenue losses brought on by the pandemic. Colorado hospitals are expected to face a revenue decline between $4.5 billion and $7.1 billion over 2020 and 2021, according to the Colorado Hospital Association, as most typical visits to hospitals were down at least 40 percent year-over-year.

Despite financial struggles, Colorado health systems have adapted new medical practices, shifted priorities, and implemented new and effective means of treatment to keep health and wellness a vibrant industry. Further, local health systems continue to invest in new and expanded facilities for the future. For example, construction began on the 104,350-square-foot expansion of National Jewish Health Center for Outpatient Health in Denver and is expected to be completed in the fall of 2021. UCHealth also plans to expand its footprint by building an additional intensive-care and emergency room space at Longs Peak Hospital. The Reunion Rehabilitation Hospital broke ground on two 48,500-square-foot facilities that will be delivered in 2021, and Parker Adventist Hospital is building a four-story medical office building slated for 2021 totaling about 82,000 square feet.

Transportation

Highways

Colorado's public transportation network includes nearly 1,000 miles of Interstate highway, about 350 miles of other freeways and expressways, and about 87,700 miles of arterials, collectors, and local roads.

The Denver metropolitan area ranked No. 42 out of the top 50 MSAs for annual cost of commuting, with the sixth-longest commuting time and an annual cost of commute of $9,056, according to 2019 data from the American Community Survey, Bureau of Labor Statistics, and U.S. Department of Transportation. However, transportation infrastructure in Colorado was boosted as appropriations to the Colorado Department of Transportation increased from $1.8 billion during the last fiscal year to $2.1 billion in the 2019-2020 fiscal year. Further, the U.S. Senate approved additional funding for national highway construction and maintenance in December 2020 as part of a larger package aimed at extending the borrowing limit of the Commodity Credit Corporation.

Major transportation projects aimed at improving travel and accessibility throughout the Denver metropolitan area were underway in 2020. Construction was completed on the $276 million C-470 Express Lanes project, providing 12.5 miles of increased mobility between I-25 and Wadsworth Boulevard. The project included both two-lane and one-lane expansions for the Eastbound and Westbound directions, on- and off-ramp improvements, widening of existing bridges, and replacing the bridges over the South Platte River. The express lanes opened for in Summer 2020. Another notable project is the north I-25 express toll lanes from 120th Avenue to the E-470 interchange. Construction was completed on the $21.5 million project in June 2020. In addition, construction continues on the Central 70 project that broke ground in August 2018. The project includes plans to reconstruct a 10-mile stretch of I-70, add a new express lane in each direction along I-70, lower a portion of the highway below grade, and create a 4-acre park above the highway cap. Construction of the $1.2 billion project is anticipated through 2022.

Mass Transit

The Regional Transportation District (RTD), funded by a 1 percent sales tax, oversees the Denver metropolitan area's mass transit system. RTD operates 1,026 buses on 142 fixed routes, 201 light rail vehicles on 60.1 miles of track, and 66 commuter rail vehicles on 40 miles of track. The District operates 89 Park-n-Rides, 57 active light rail stations on 12 rail lines (A, B, C, D, E, F, G, H, L, R, N, and W), and 9,800 bus stops. While RTD had 105.8 million boardings in 2019, including users of the Free MallRide and Free MetroRide, ridership was lower in 2020 due to COVID-19.

FasTracks is a multibillion-dollar comprehensive transit expansion plan to build 122 miles of new commuter rail and light rail, extend existing routes, and expand the regional bus network across the eight-county district. RTD works continually to expand capacity and services for public transportation in order to meet increasing demand. RTD opened its N Line in September 2020, a 13-mile commuter rail line connecting Union Station to Commerce City, Northglenn, and Thornton. The new service is expected to carry 5,600 daily riders. Ultimately, the line will be extended another 5.5 miles to northern Adams County. Other future expansions of the rail lines include the L Line extension that will connect the existing downtown rail service to the University of Colorado A Line and act as a loop around downtown and the C and D lines will be extended 2.5 miles into Highlands Ranch and to a station providing 1,000 parking spaces.

Air

Denver International Airport (DEN) is a state-of-the-art facility owned and operated by the City and County of Denver. Occupying 53 square miles and located approximately 24 miles northeast of downtown Denver, DEN is the primary airport serving the Denver metropolitan area and the state of Colorado.

DEN is the largest airport in North America by land area and the second largest in the world. Further, DEN is one of the few major U.S. airports with room to expand to accommodate future growth. Six, non-intersecting runways, three concourses, and 115 gates with 38 ground load positions serve the airport. DEN has the space to double its runways and facilities to serve 100 million passengers a year, with an additional 16,000 acres of land available for commercial development.

DEN celebrated 25 years of service in February 2020 and ranked as the fifth-busiest airport in the U.S. and the 16th-busiest in the world based on 2019 passenger traffic. Over the past 25 years, DEN has grown from serving 31 million passengers in 1995 to 69 million in 2019, including more than 3 million international passengers.

The COVID-19 pandemic ravaged the global aviation industry as travel restrictions slowed demand, decreased passenger travel, and grounded aircraft. As a result, total passenger traffic declined 51.1 percent between 2019 and 2020, with 33.7 million passengers traveling through DEN. The decline was even more severe for international passenger traffic, which declined 70.1 percent from 2019 to 2020. Despite passenger declines, DEN ranked as the No. 1 or No. 2 U.S. airport for TSA throughput for 21 of 30 weeks and was the top airport for year-over-year seat capacity retention for each of the last five months of 2020 among the 20 busiest U.S. airports.

Twenty-three airlines provide service to 210 destinations from DEN, including 28 international destinations to 14 countries, although many international carriers and destinations have temporarily paused their service due to COVID-19. DEN's largest carriers are United Airlines, Southwest Airlines, and Frontier Airlines. DEN ranked as the fourth-largest hub by scheduled seat capacity in United's network and Southwest Airlines largest station in the company's network is DEN.

DEN is home to several world-class cargo movers and support facilities, including DHL, UPS, FedEx, and United Airlines cargo. The U.S. Postal Service facility is located nearby, providing a wide array of competitive shipping and receiving options. Thirteen cargo airlines and 17 major and national carriers currently provide cargo service at DEN, handling over 661 million pounds of cargo in 2020. There are no operation curfews, making DEN a 24-hour cargo operation. The layout of the airfield and a 39-acre cargo ramp make freight handling efficient.

Six regional airports complement DEN's operations. Three reliever airports include Centennial Airport, which serves the southeast metropolitan area; Colorado Air and Space Port is located six miles southeast of DEN in Adams County and serves the northeast Denver metropolitan area; and Rocky Mountain Metropolitan Airport serves Jefferson, Broomfield, and Boulder Counties in the northwest area. Three general aviation airports – Boulder Municipal Airport, Erie Municipal Airport, and Vance Brand Municipal Airport in Longmont – also serve the Denver metropolitan area.

Rail

Rail lines are a critical component of the nation's transportation system and are vital to the Denver metropolitan area's economic health and global competitiveness. According to the Colorado Department of Transportation, Colorado's freight rail system extends over 2,684 miles and is operated by 14 privately owned railroads. Together, these freight railroads move nearly 155 million tons of products into, out of, within, and through Colorado. The Denver metropolitan area serves as a major hub for the Burlington Northern Santa Fe and Union Pacific railroads. Combined, these railroads operate more than 80 percent of freight track miles and carry most freight by volume and by value in the state. Coal is the predominant commodity by weight for trips originating and terminating in Colorado, representing 50 percent of total tonnage and 28 percent of product value carried by rail.

The primary passenger rail system in the Denver metropolitan area includes light rail, commuter rail, and intercity passenger rail. Amtrak's California Zephyr route offers area residents transportation through the Rocky Mountains west of Denver and connects Chicago to the Bay Area. The Southwest Chief route passes through Lamar, La Junta, and Trinidad, providing transportation between Chicago and Los Angeles. In 2017, Amtrak began new, seasonal service between Denver and Winter Park Resort. The Amtrak Winter Park Express marked the return of the "Ski Train" to the Denver metropolitan area and provides a car-free transportation alternative. Ski Train operations have been temporarily suspended due to COVID-19. Further, the Front Range Passenger Rail Study commissioned by the Colorado Department of Transportation proposed a new passenger rail line connecting Fort Collins to Pueblo which could serve up to 9,200 passengers on weekdays, running 191 miles with stops in Boulder, Denver, Castle Rock, Colorado Springs, and Fort Carson.

Tourism

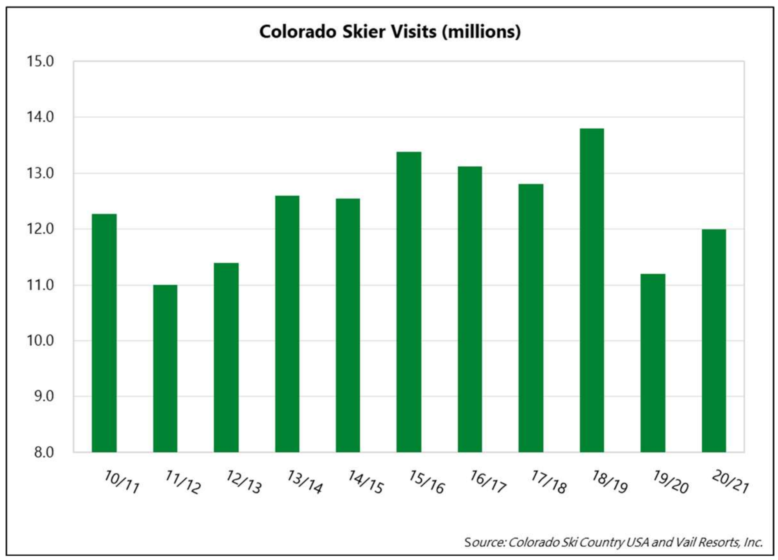
The travel and tourism industry in the Denver metropolitan was severely affected by the COVID-19 pandemic, which halted travel and caused the temporary closure of numerous cultural and entertainment facilities. Despite the economic fallout, the Denver metropolitan area continues to offer visitors a variety of natural, cultural, and historical assets, with the nation's largest public parks system, over 100 golf courses, and over 850 miles of bike paths. The area also offers major attractions including a zoo, an aquarium, two waterparks, two amusement parks, over 40 museums, and 13 historical sites. In 2017, arts and cultural events attracted 15 million people and generated $1.9 billion in economic activity.

Denver attracted 31.9 million visitors in 2019, which was the fourth year in a row that visitors surpassed 31 million. According to the most recent study by Longwoods International, visitors to the city spent $7 billion in 2019, setting a record. Of the 31.9 million, 17.7 million were overnight visitors, which increased 2 percent over 2018 levels. Top Denver attractions included the 16th Street Mall, the Cherry Creek Shopping District, and the Lower

Downtown area, as well as numerous cultural facilities such as the Denver Zoo, the Denver Art Museum, the Denver Botanic Gardens, and the Denver Museum of Nature and Science.

Denver metropolitan area residents and visitors have a multitude of recreational opportunities from which to choose including skiing, hiking, camping, biking, and hunting. Colorado offers a thriving outdoor industry, employing nearly 150,000 Coloradans whose salaries totaled more than $6.4 million, or 2.9 percent of total Colorado wages, in 2019. The U.S. Bureau of Economic Analysis found that the outdoor industry in the state contributed a total impact of over $12.2 billion, with winter sports contributing $1.7 billion to the economy.

Colorado remains the number one ski destination in the country with 18 percent of the market share in 2019, according to Longwoods International, and Colorado ranked first for economic activity generated by winter sports, according to the U.S. Bureau of Economic Analysis. The state is a top three ski and snowboard state, with many of the nation's top resorts. The state is home to 32 ski and snowboard resorts offering 273 ski lifts and more than 43,000 skiable acres.

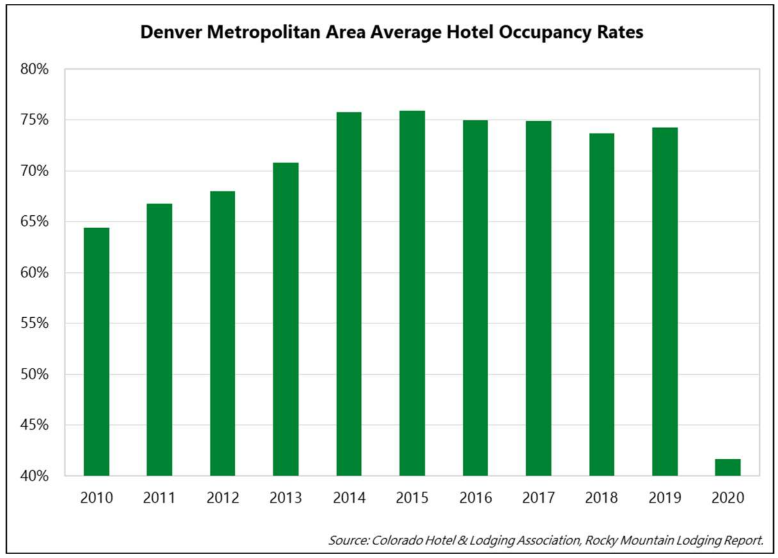


Eleven Colorado ski resorts are located within 100 miles of the Denver metropolitan area. Estimates from Colorado Ski Country USA and Vail Resorts, Inc. indicate that the number of skier visits – or the count of persons skiing or snowboarding for any part of one day – during the 2018-19 ski season increased to a record 13.8 million skier visits. Record snowfall, significant resort investments, and new activities added contributed to the new record. The National Ski Areas Association reported that skier visits were down almost 14 percent nationwide during the 2019-2020 season as ski areas closed in mid-March 2020 due to COVID-19. Skier visits rebounded in the 2020-2021 season as Colorado Ski Country USA estimated that Colorado hosted 12 million skier visits, a 7.6 percent increase from the prior season.

The Denver metropolitan area hosts many nationally recognized events and festivals throughout the year that positively impact the economy and attract numerous visitors including the National Western Stock Show, the Cinco de Mayo Festival, Denver Comic Con, and the Great American Beer Festival. Additionally, the Denver Performing Arts Complex is one of the largest such complexes in the world and attracts several major performances for visitors each year. Unfortunately, most events in 2020 were either cancelled or forced to move remote due to the pandemic. The 2021 National Western Stock Show, which typically generates about $115 million in direct economic impact and draws over 700,000 visitors, was cancelled due to health risks but is scheduled to resume in 2022.

Business, professional, and leisure travelers to Denver have increased in recent years. In 2019, overnight visitors' spending reached $6 billion, an 8 percent increase from 2018. These travelers drive convention activity and spur hotel development in Denver. Since it opened in 1990, the Colorado Convention Center has been an economic engine for downtown Denver, generating more than $500 million a year in economic impact. In 2019, the Convention Center hosted 170 events that attracted about 814,000 attendees.

Travel and tourism activity was severely restricted by the pandemic throughout most of 2020, challenging the hotel industry. According to the *Rocky Mountain Lodging Report*, hotel occupancy throughout the Denver metropolitan area averaged 41.7 percent in 2020, down from 74.3 percent occupancy in 2019. The hotel room rate averaged $104.53 per night in 2020, down from $146.14 per night in 2019.



Despite the challenging travel year, the *Rocky Mountain Lodging Report* expects seventeen new hotels to be completed across the Denver metropolitan area in 2021, bringing roughly 2,300 new hotel rooms to the market. A few of the notable new hotels include the 165-room Catbird by Sage Hospitality, the Rally Hotel in Denver's McGregor Square that will feature 176 rooms and the Rockies baseball team hall of fame when it opens in March, the Origin Hotel Westminster located at the former Westminster Mall near the U.S. 36 and West 88th Avenue intersection, and Vīb Denver that will add 140 rooms. Several hotels in the Denver metropolitan area ranked in the Top 100 Hotels in the World list from Travel + Leisure magazine. The Kimpton Hotel Born ranked No. 9 for best city hotels in the continental U.S. Additionally, according to 2020 Condé Nast Traveler Reader's Choice Awards, the Art Hotel in Denver ranked as the No. 22 best hotel in the world and No. 9 in the U.S.

Summary

The Denver metropolitan area has a nonfarm employment base of nearly 1.65 million workers, which accounted for 62 percent of the state's employment. The COVID-19 pandemic had a significant influence on all aspects of economic activity in 2020. Average annual employment decreased 5.3 percent in 2020 compared with 2019, representing a loss of 91,600 employees. Ten of the 11 industry supersectors in the Denver metropolitan area reported decreases in employment, with the high-touch sectors of leisure and hospitality and other services suffering the greatest losses. On the plus side, transportation, warehousing, and utilities expanded, primarily due to the strength of e-commerce activities. The unemployment rate, which had fallen to a 19-year low in 2019 at 2.5 percent, increased to 7.4 percent due to widespread business closures and restricted operations.

The residential real estate market in the Denver metropolitan area proved resilient throughout 2020 with low interest rates and changing living preferences driving an increase in home sales activity. Strong housing demand was challenged by the limited number of homes on the market, with the for-sale housing inventory falling by 50 percent compared to 2019. Despite strong builder confidence, residential building permit activity increased a slight 1.5 percent in the Denver metropolitan area in 2020 due to a contraction in single-family detached units permitted. As a result, the median home price increased 6.6 percent in 2020 to $492,700 and apartment rental rates rose 0.5 percent to $1,510 per month.

Vacancy rates increased for all commercial real estate property types in 2020. The office vacancy rate increased to 11 percent as businesses shifted to remote work, with many businesses questioning how much space they will need once the pandemic is passed. The industrial vacancy rate increased to 5.5 percent due to the addition of 5 million square feet or more each year for the past four years to meet surging demand. Conditions in the retail real estate market softened as business capacity constraints challenged the ability of some businesses to continue operations. Projects already under construction continued throughout 2020 with 7.5 million square feet of new office, industrial, and retail space delivered to the market.

The Denver metropolitan area offers visitors, travelers, and recreationists world-class natural, cultural, and historical assets. Further, the Denver metropolitan area's multimodal transit system accommodates its growing population of 3.26 million residents and visitors alike. Transportation options throughout the region including Denver International Airport, three reliever airports, FasTracks, and various highways and rail systems, support the region's quality of life and continued appeal for businesses, workers, and residents.

Prepared By:
Development Research Partners, Inc.
10184 West Belleview Avenue, Suite 100
Littleton, Colorado 80127
Phone: 303-991-0073

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
POPULATION (July 1)											
United States (thousands)	309,327	311,583	313,878	316,060	318,386	320,739	323,072	325,122	326,838	328,330	329,484
Colorado	5,050,332	5,124,143	5,195,972	5,272,662	5,352,288	5,453,996	5,542,211	5,615,732	5,696,897	5,763,976	5,813,209
Denver Metropolitan Area	2,797,896	2,851,151	2,903,322	2,957,937	3,013,535	3,077,137	3,123,110	3,158,013	3,199,796	3,236,481	3,262,239
City and County of Denver	604,879	622,085	636,635	650,876	666,071	684,826	697,744	706,615	718,184	729,239	735,822
POPULATION GROWTH RATE											
United States	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.5%	0.5%	0.4%
Colorado	1.5%	1.5%	1.4%	1.5%	1.5%	1.9%	1.6%	1.3%	1.4%	1.2%	0.9%
Denver Metropolitan Area	1.3%	1.9%	1.8%	1.9%	1.9%	2.1%	1.5%	1.1%	1.3%	1.1%	0.8%
City and County of Denver	1.6%	2.8%	2.3%	2.2%	2.3%	2.8%	1.9%	1.3%	1.6%	1.5%	0.9%
NET MIGRATION											
Colorado	37,569	39,905	39,860	45,579	47,918	71,613	58,474	45,956	55,604	43,268	28,562
Denver Metropolitan Area	13,892	32,436	32,778	35,257	35,862	44,830	27,501	17,495	25,712	21,510	12,485
City and County of Denver	3,819	11,756	9,531	9,196	10,101	13,713	7,968	4,232	7,060	6,855	3,012
NONAGRICULTURAL EMPLOYMENT											
United States (millions)	130.3	131.9	134.2	136.4	138.9	141.8	144.3	146.6	148.9	150.9	142.2
Colorado (thousands)	2,221.1	2,257.3	2,311.7	2,380.5	2,463.6	2,541.0	2,601.7	2,660.3	2,727.3	2,790.1	2,644.6
Denver Metropolitan Area (thousands)	1,353.1	1,378.0	1,417.6	1,468.3	1,522.8	1,578.2	1,619.4	1,654.0	1,697.7	1,737.4	1,645.7
City and County of Denver	420,505	422,768	434,090	441,426	460,715	478,275	494,890	506,049	519,092	529,083	491,419
NONAGRICULTURAL EMPLOYMENT GROWTH RATE											
United States	-0.7%	1.2%	1.7%	1.6%	1.9%	2.1%	1.8%	1.6%	1.6%	1.3%	-5.8%
Colorado	-1.0%	1.6%	2.4%	3.0%	3.5%	3.1%	2.4%	2.3%	2.5%	2.3%	-5.2%
Denver Metropolitan Area	-0.5%	1.8%	2.9%	3.6%	3.7%	3.6%	2.6%	2.1%	2.6%	2.3%	-5.3%
City and County of Denver	-0.7%	0.5%	2.7%	1.7%	4.4%	3.8%	3.5%	2.3%	2.6%	1.9%	-7.1%

NONFARM EMPLOYMENT DISTRIBUTION BY INDUSTRY (2020)

	United States	Colorado	Denver Metropolitan Area	City & County of Denver
Natural Resources & Construction	5.5%	7.4%	6.9%	6.0%
Manufacturing	8.6%	5.5%	5.4%	4.0%
Wholesale & Retail Trade	14.4%	14.0%	13.8%	11.7%
Transportation, Warehousing, Utilities	4.3%	3.7%	4.4%	6.0%
Information	1.9%	2.8%	3.6%	3.2%
Financial Activities	6.1%	6.5%	7.2%	8.4%
Professional & Business Services	14.2%	16.3%	18.9%	21.6%
Education & Health Services	16.3%	12.8%	12.7%	12.6%
Leisure & Hospitality	9.4%	10.3%	8.9%	9.2%
Other Services	3.8%	4.0%	3.6%	3.2%
Government	15.4%	16.7%	14.4%	14.1%

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
UNEMPLOYMENT RATE											
United States	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%
Colorado	9.2%	8.7%	8.0%	6.7%	5.0%	3.7%	3.1%	2.6%	3.0%	2.7%	7.3%
Denver Metropolitan Area	8.9%	8.4%	7.7%	6.4%	4.7%	3.5%	2.9%	2.5%	2.9%	2.5%	7.4%
City and County of Denver	9.5%	8.9%	7.9%	6.5%	4.8%	3.6%	3.0%	2.6%	2.9%	2.6%	8.2%
CONSUMER PRICE INDEX (CPI-U, 1982-84=100)											
United States	218.1	224.9	229.6	233.0	236.7	237.0	240.0	245.1	251.1	255.7	258.8
Denver-Aurora-Lakewood	212.4	220.3	224.6	230.8	237.2	240.0	246.6	255.0	262.0	267.0	272.2
INFLATION RATE											
United States	1.6%	3.2%	2.1%	1.5%	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%	1.2%
Denver-Aurora-Lakewood	1.9%	3.7%	1.9%	2.8%	2.8%	1.2%	2.8%	3.4%	2.7%	1.9%	2.0%

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
TOTAL PERSONAL INCOME (millions, except as noted)											
United States (billions)	$12,542	$13,315	$13,998	$14,176	$14,983	$15,717	$16,152	$16,938	$17,839	$18,542	$19,680
Colorado	$205,372	$223,153	$237,142	$249,282	$271,308	$284,820	$290,670	$312,046	$335,196	$352,185	$368,920
Denver Metropolitan Area	$124,402	$136,829	$146,547	$155,006	$169,610	$177,253	$180,379	$195,388	$210,299	$221,061	N/A
City and County of Denver	$29,589	$33,655	$36,773	$40,088	$45,242	$45,806	$44,700	$52,571	$56,602	$59,198	N/A
TOTAL PERSONAL INCOME GROWTH RATE											
United States	4.1%	6.2%	5.1%	1.3%	5.7%	4.9%	2.8%	4.9%	5.3%	3.9%	6.1%
Colorado	3.3%	8.7%	6.3%	5.1%	8.8%	5.0%	2.1%	7.4%	7.4%	5.1%	4.8%
Denver Metropolitan Area	4.0%	10.0%	7.1%	5.8%	9.4%	4.5%	1.8%	8.3%	7.6%	5.1%	N/A
City and County of Denver	6.6%	13.7%	9.3%	9.0%	12.9%	1.2%	-2.4%	17.6%	7.7%	4.6%	N/A
PER CAPITA PERSONAL INCOME											
United States	$40,546	$42,735	$44,598	$44,851	$47,058	$49,003	$49,995	$52,096	$54,581	$56,474	$59,729
Colorado	$40,688	$43,568	$45,660	$47,295	$50,687	$52,219	$52,431	$55,550	$58,836	$61,159	$63,522
Denver Metropolitan Area	$44,499	$48,024	$50,515	$52,445	$56,331	$57,652	$57,809	$61,930	$65,806	$68,399	N/A
City and County of Denver	$49,040	$54,236	$57,896	$61,732	$68,076	$67,037	$64,209	$74,573	$79,023	$81,405	N/A
PER CAPITA PERSONAL INCOME GROWTH RATE											
United States	3.2%	5.4%	4.4%	0.6%	4.9%	4.1%	2.0%	4.2%	4.8%	3.5%	5.8%
Colorado	1.8%	7.1%	4.8%	3.6%	7.2%	3.0%	0.4%	5.9%	5.9%	3.9%	3.9%
Denver Metropolitan Area	2.3%	7.9%	5.2%	3.8%	7.4%	2.3%	0.3%	7.1%	6.3%	3.9%	N/A
City and County of Denver	4.1%	10.6%	6.7%	6.6%	10.3%	-1.5%	-4.2%	16.1%	6.0%	3.0%	N/A
RETAIL TRADE SALES (millions, except as noted)											
United States (billions)	$4,285	$4,598	$4,826	$5,003	$5,219	$5,352	$5,506	$5,733	$5,985	$6,185	$6,215
Colorado	$70,105	$75,804	$80,248	$84,240	$90,507	$94,951	$98,568	$104,137	$109,154	$114,287	$119,916
Denver Metropolitan Area	$40,894	$43,658	$46,861	$49,299	$53,245	$56,200	$57,851	$60,352	$62,893	$65,592	$67,477
City and County of Denver	$8,925	$9,454	$10,388	$10,992	$12,409	$12,956	$13,224	$13,814	$14,527	$15,203	$14,813

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
RETAIL TRADE SALES GROWTH RATE											
United States	5.4%	7.3%	5.0%	3.7%	4.3%	2.6%	2.9%	4.1%	4.4%	3.3%	0.5%
Colorado	5.5%	8.1%	5.9%	5.0%	7.4%	4.9%	3.8%	5.6%	4.8%	4.7%	4.9%
Denver Metropolitan Area	5.2%	6.8%	7.3%	5.2%	8.0%	5.5%	2.9%	4.3%	4.2%	4.3%	2.9%
City and County of Denver	4.8%	5.9%	9.9%	5.8%	12.9%	4.4%	2.1%	4.5%	5.2%	4.6%	-2.6%
MEDIAN HOME PRICE (thousands)											
United States	$173.1	$166.2	$177.2	$197.4	$208.9	$223.9	$235.5	$248.8	$261.6	$274.6	$300.2
Denver Metropolitan Area	$232.4	$231.4	$252.4	$280.6	$310.2	$353.6	$384.3	$414.7	$449.9	$462.1	$492.7
EXISTING HOME SALES											
Denver Metropolitan Area	38,818	38,106	45,210	53,711	54,183	56,900	56,936	59,253	56,504	58,893	62,985
NEW RESIDENTIAL UNITS											
DENVER METROPOLITAN AREA											
Single Family	3,791	3,885	5,947	7,396	8,396	9,786	10,663	11,419	12,248	11,401	11,307
Two-Family	285	309	299	399	440	422	532	384	400	192	451
Multi-Family	1,478	3,005	8,679	9,145	8,074	9,061	12,301	12,218	11,561	8,896	9,036
Total Units	5,554	7,199	14,925	16,940	16,910	19,269	23,496	24,021	24,209	20,489	20,794
OFFICE VACANCY RATE											
Denver Metropolitan Area	12.4%	12.0%	11.7%	10.8%	10.0%	9.3%	9.0%	9.4%	9.1%	9.0%	11.0%
HOTEL OCCUPANCY RATE											
Denver Metropolitan Area	64.4%	66.8%	68.0%	70.8%	75.8%	75.9%	75.0%	74.9%	73.7%	74.3%	41.7%
SKIER VISITS	**10/11**	**11/12**	**12/13**	**13/14**	**14/15**	**15/16**	**16/17**	**17/18**	**18/19**	**19/20**	**20/21**
Colorado (millions)	12.3	11.0	11.4	12.6	12.5	13.4	13.1	12.8	13.8	11.2	12.0

N/A: Not Available

Sources: U.S. Department of Commerce, Bureau of the Census; Colorado Division of Local Government, Demography Section; U.S. Department of Labor, Bureau of Labor Statistics; Colorado Department of Labor and Employment, Labor Market Information; U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Bureau of the Census; Colorado Department of Revenue; Colorado Legislative Council; National Association of REALTORS; REcolorado; Denver Metro Association of REALTORS; U.S. Department of Commerce, Bureau of the Census; CoStar Realty Information, Inc.; Rocky Mountain Lodging Report; Vail Resorts, Inc. and Colorado Ski Country USA.

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APPENDIX B
EXECUTIVE ORDER NO. 114

EXECUTIVE ORDER NO. 114

TO: **All Departments and Agencies Under the Mayor**

FROM: **Mayor**

DATE: **May 4, 2012**

SUBJECT: **Securities Disclosure Policies and Practices of the City and County of Denver**

PURPOSE: This Executive Order establishes the policy of the City and County of Denver for the preparation and dissemination of information that must be disclosed in connection with the issuance of certain bonds, notes, certificates of participation and other municipal securities of the City and its Enterprises. The City is required to prepare and disseminate certain disclosure information in order to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, including a requirement for continuing disclosure of annual financial information and notices of certain material events in a timely fashion. These reporting and disclosure practices require close coordination on the part of the City in order to assure compliance with contractual Undertakings, promote uniformity in disclosures and reduce liability on the part of the City to holders of securities.

This Order is designed to centralize the information dissemination process, to establish appropriate controls on Disclosure Statements made by the City's Department of Finance, and to enable the City and its Enterprises to comply with Rule 15c2-12, in order to assure the City's access to the capital markets as a source of funds for necessary and useful public undertakings of the City.

This Order is not designed to limit any person's access to public records or information, nor to infringe upon the political process, in particular the right of any elected official of the City to review, discuss, release, comment upon or criticize any information.

Executive Order No. 114, dated October 29, 1996, is hereby canceled and superseded by this Executive Order No. 114.

1. **Applicable Authority**. The applicable authority relevant to the provisions and requirements of this Executive Order No. 114 are Sections 2.5.1 and 2.5.3 (E) of the Charter of the City; and Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, including a requirement for continuing disclosure of annual financial information and notices of certain material events in a timely fashion.

2. **Definitions.** As used in this Order, the terms "annual financial information," "issuer," "municipal securities," "obligated person," and "official statement" shall have the meanings ascribed to these terms under Rule 15c2-12. The following terms shall have the following meanings.

   2.1. "1934 Act" means the Securities Exchange Act of 1934, as the same may be amended, modified and integrated at the time in question, together with any similar federal statute applicable to brokers, dealers or municipal securities dealers purchasing, selling or trading in securities issued by the City.

   2.2. "Compliance Officer" means the Manager of the Department of Finance of the City.

   2.3. "Disclosure Statement" means any written or oral communication relating generally to the creditworthiness of the City or its Enterprises or specifically to the financial viability of particular projects being financed with municipal securities whose payment is supported by the City or one of its Enterprises. The term includes annual financial information, information concerning the occurrence of events, and notices, conferences, reports, speeches and published material of any other sort made in a manner and under circumstances where it is —reasonable to expect that such statement may reach and be relied upon by investors in the securities issued by the City or its

Enterprises. The term does not include any statement made or information provided by an elected official of the City unless the statement has been coordinated with and approved by the Compliance Officer for release to the public.

2.4. "Enterprise" means the Department of Aviation, the Wastewater Management Division of the Department of Public Works, and any other section, division, agency or department of the City designated as an "Enterprise" pursuant to the Charter or by ordinance.

2.5. "Rule 15c2-12" means Rule 15c2-12 promulgated by the SEC under the 1934 Act, as the same may be amended, modified and interpreted at the time in question, together with any similar rule or regulation promulgated by a federal agency and applicable to the City and its securities.

2.6. "SEC" means the United States Securities and Exchange Commission and any success or federal agency having jurisdiction over the purchase, sale and offering by broker-dealers of securities such as those issued by the City.

2.7. "Undertaking" means a contract designed to comply with the continuing disclosure requirements of Rule 15c2-12, entered into by the City and obligating the City to provide annual financial information and notices of the occurrence of certain events, if material.

3. **Statement of Policy:** In order to assure compliance by the City with the disclosure requirements of Rule 15c2-12, it is the policy of the City that:

3.1. No official statement relating to any municipal securities as to which the City or any of its Enterprises is the issuer or an obligated person for purposes of Rule 15c2-12 shall be issued or released to the public until and unless approved by the Manager of the Department of Finance.

3.2. No Disclosure Statement concerning municipal securities as to which the City or any of its Enterprises is the issuer or an obligated person for purposes of Rule 15c2-12 shall be issued or released to the public by any employee, agent or official of the City in a way reasonably expected to be received and relied upon by investors in such securities until and unless such Statement and its release shall be approved by the Manager of the Department of Finance.

3.3. No Undertaking relating to municipal securities as to which the City or any of its Enterprises is the issuer or an obligated person for purposes of Rule 15c2-12 shall be binding upon the City without the approval of the Manager of the Department of Finance.

3.4. Unless required by law to do otherwise, prior to releasing to the public any Disclosure Statement intended to be made public, all non-elected employees, agents and officials of the City shall report to and file with the Manager of the Department of Finance any such Disclosure Statement, together with such additional information requested by the Manager of the Department of Finance, and each such employee, agent and official of the City shall consult with the Manager of the Department of Finance concerning such proposed Disclosure Statement.

3.5. No Disclosure Statement, official statement or Undertaking in respect of any municipal securities as to which the City or any of its Enterprises is the issuer or an obligated person for purposes of Rule 15c2-12 that is issued or released to the public by any employee, agent or official of the City without the approval of the Manager of the Department of Finance required by this Order shall be deemed to be a statement or undertaking by or on behalf of the City or such Enterprise.

3.6. Filings with the Municipal Securities Rulemaking Board (MSRB) shall be made through the electronic platform Electronic Municipal Market Access (EMMA).

4. **Rules and Regulations:** The Manager of the Department of Finance shall promulgate and revise from time to time such rules and regulations as the Manager of the Department of Finance shall deem necessary to implement this Order, such rules and regulations to be binding upon all non-elected officials, employees and agents of the City.

Approved for Legality:

Douglas J. Friednash
City Attorney for the City and County
Of Denver

Approve:

Michael B. Hancock
MAYOR

Kim Day
Manager of Aviation

Doug Linkhart
Manager of Environmental Health

Adrienne Benavidez
Manager of General Services

Lauri J. Dannemiller
Manager of Parks & Recreation

Jose Cornejo
Manager of Public Works

Cary Kennedy
Manager of Finance

Alex J. Martinez
Manager of Safety

Penny L. May
Manager of Human Services

Molly Urbina
Manager of Community Planning and Development

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APPENDIX C
2020 ABSTRACT OF ASSESSMENT

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Summary of Levies and Taxes

Calculations based on net assessed valuation of $21,091,522,247 (total assessed valuation less TIF increment)

	Mill Levy		Tax Revenue
City & County of Denver			
General Fund	9.82	$	207,076,565
Bond Principal	5.50		116,003,372
Bond Interest	1.00		21,091,522
Social Services	2.63		55,407,429
Developmentally Disabled	1.01		21,323,529
Fire Pension	1.04		21,956,275
Police Pension	1.24		26,195,671
Capital Maintenance	2.53		53,319,368
Affordable Housing	0.42		8,795,165
Total	**25.184**	**$**	**531,168,896**
School District #1			
General Fund	36.926	$	778,825,550
Bond Redemption	9.568		201,803,685
Special Revenue Mill	1.517		31,995,839
Total	**48.011**	**$**	**1,012,625,075**
Urban Drainage & Flood Control District	**1.000**	**$**	**21,091,522**
Total General Taxes	**74.195**	**$**	**1,564,885,493**
Total Special District Taxes			**108,549,054**
Grand Total of All Taxes		**$**	**1,673,434,547**
Taxes Distributed to DURA Denver Urban Renewal Authority		**$**	**72,208,179**
Tax Distributed to DDA Denver Downtown Development Authority		**$**	**32,918,233**

2021 Assessment Calendar

January 1—All taxable property is listed and valued based on its status.
By April 15—All assessable business personal property (equipment, fixtures, and furnishings) must be listed on a Declaration Schedule and returned to the Assessor to avoid penalties.
By May 1—Real property valuations are mailed to taxpayers.
May 1 to June 1—Assessor hears protests to real property valuations.
July 15 to July 30—Assessor hears protests to business personal property valuations.
By August 25—Initial Certification of Value is sent to each taxing entity in the county.
By December 15—Taxing entities certify mill levies to Assessor.

General Information

The Assessment Division is responsible for the accurate valuation and uniform assessment of property within the City & County of Denver. All real and personal property, except that specifically exempted by law, is subject to taxation. It is the joint responsibility of the Assessor and the owner to ensure that property is correctly listed on assessment rolls.

Please Note

- The Assessor does **not** set tax rates (mill levies).
- City & County taxes are established each year under constitutional guidelines and are approved by the Mayor and City Council.
- School taxes are levied by Denver Public Schools under authority of the School Board.
- Special district taxes are approved by boards of directors for their individual districts.

Tax bill calculations are based on four components: Actual Value, Exempt Amount, Assessment Rate and Mill Levy. The **Assessor** determines Actual Value and amount(s) under law to be exempted from taxation; the **State** of Colorado sets the Assessment Rate for various classes of property and **Taxing Jurisdictions** (City & County, School and Special Districts) establish Mill Levies (tax rates).

In 2020, the State approved the following assessment rates:

Residential Property…………………………...7.15%
Natural Resources……..………………………87.50%
Non-residential………..………………………..29.00%

Each charge or line on a Tax Bill is calculated as follows:

(Actual Value — Exemption) x Asmt Rate x Millage = Property Tax

Denver property taxes issued in January may be paid in one or two installments. To avoid interest charges, the first half of taxes due in 2021 must be paid by February 28th and the second half must be paid by June 15th. If paid in one installment, the entire amount must be received (or postmarked) no later than April 30th.

Denver staff are available from 7:30 AM to 4:30 PM Monday through Friday to answer questions and provide information by dialing 3-1-1 (720-913-1311). For 24x7 assistance visit the Assessor's Office online at:

www.denvergov.org/assessor

Abstract of Assessment And Summary of Levies

City & County of Denver Colorado

DENVER
THE MILE HIGH CITY

2020

Total
Assessed Valuation
$22,527,890,740

Michael B. Hancock
Mayor

Keith A. Erffmeyer
Assessor

2020 Abstract of Assessment

	Total Assessed Value	Total Actual Value
Vacant Land		
Residential	$ 55,420,630	$ 775,113,706
Commercial	169,955,764	586,054,359
Industrial	20,989,230	72,376,655
Agricultural	125,550	432,931
All Others	81,989,100	282,721,034
Total	**$ 328,480,274**	**$ 1,716,698,685**
Residential		
Single Family	$ 6,020,044,828	$ 84,196,431,161
Condominiums	1,051,428,680	14,705,296,224
Duplexes/Triplexes	136,427,930	1,908,082,937
Multi Unit (4 to 8)	69,274,392	968,872,615
Multi Unit (9 & up)	1,928,378,194	26,970,324,392
Manufactured Homes	733,590	10,260,000
Partial Exempt	5,113,090	71,511,748
Total	**$ 9,211,400,704**	**$ 128,830,779,077**
Commercial		
Merchandising	$ 1,577,402,028	$ 5,439,317,338
Lodging	849,446,880	2,929,127,172
Offices	5,011,411,806	8,150,453,595
Recreation	131,741,950	454,282,586
Commercial Condos	243,641,390	840,142,724
Possessory Interest	51,152,140	176,386,690
Special Purpose	1,133,739,080	3,909,445,103
Warehouses	1,799,689,550	6,205,826,034
Partial Exempt	34,114,070	117,634,724
Total	**$ 10,832,338,894**	**$ 28,222,615,966**
Industrial		
Manufacturing	$ 219,793,355	$ 757,908,121
Total	**$ 219,793,355**	**$ 757,908,121**
Personal Property		
Residential	$ 29,084,460	$ 100,291,241
Commercial	830,281,440	2,863,039,448
Industrial	107,784,200	371,669,655
Renewable Energy	2,905,700	10,019,655
Total	**$ 970,055,800**	**$ 3,345,020,000**
Natural Resources		
Prod. Oil & Gas	$ 0	$ 0
Total	**$ 0**	**$ 0**
State Assessed	**$ 965,821,713**	**$ 3,330,419,700**
Grand Total	**$ 22,527,890,740**	**$ 166,203,441,550**

Exempt Properties	Total Assessed	Total Actual
Federal Government	$ 206,655,010	$ 712,603,483
State Government	465,217,690	1,614,629,079
County Government	2,120,389,590	9,072,179,255
Political Subdivision	1,608,635,820	5,561,431,480
Religious Entities	296,969,970	1,140,657,951
Private Schools	337,092,310	1,228,462,793
Charitable Entities	370,588,020	1,999,227,194
All Others	301,347,270	1,686,866,841
Total	**$ 5,706,895,680**	**$ 23,016,058,074**

Special Taxing Districts

	Assessed	Mill	Tax
9th Ave Metro No 2 (14)	17,596,550	30.000	527,897
9th Ave Metro No 3 (15)	18,720,040	11.133	208,410
2000 Holly	1,553,910	50.000	77,696
Adams County/North Washington Fire	10,395,330	16.683	173,425
Aviation Station Metro No 2	11,143,310	60.000	668,599
Aviation Station Metro No 3	6,184,560	64.191	396,993
Aviation Station Metro No 5	423,520	10.000	4,235
Belleview Station Metro No 2	84,911,330	33.000	2,802,074
Bluebird BID	15,334,870	10.000	153,349
Broadway Park North Metro No 2	21,319,330	53.525	1,141,117
Broadway Park North Metro No 3	4,995,940	16.132	80,595
Bowles Metro	34,878,430	40.000	1,395,137
Broadway Station Metro No 2 (16)	11,545,180	41.000	473,352
Broadway Station Metro No 3 (17)	5,398,320	46.000	248,323
CCP Metro No 1 (18)	5,688,810	44.000	250,308
Central Platte Valley Metro (4)	387,201,350	20.000	7,744,027
Central Platte Valley Metro (debt)	90,715,900	8.000	725,727
Cherry Creek North BID	406,014,270	15.142	6,147,868
Cherry Creek Subarea BID (3)	124,087,140	0.120	14,890
Clear Creek Valley Water/Sanitation	789,460	2.274	1,795
Colfax BID	89,041,810	10.305	917,576
Colo. Int. Center Metro No 13	1,194,850	83.496	99,765
Colo. Int. Center Metro No 14	31,065,320	75.000	2,329,899
Denargo Market Metro No 2	24,641,650	41.195	1,089,038
Denver Connection West Metro	15,795,120	55.664	879,220
Denver Gateway Center Metro	9,980,850	50.000	499,043
Denver Gateway Meadows Metro	4,930	50.000	247
Denver High Point at DIA Metro	3,040	15.000	46
Denver Intl. Business Center Metro No 1	50,874,100	47.000	2,391,083
DUS Metro No 2 (5)	127,417,480	22.161	2,823,699
DUS Metro No 3 (6)	7,051,330	22.161	156,264
Ebert Metro	134,364,490	58.319	7,836,003
Ebert Metro (debt)	10,610,830	33.669	357,256
Fairlake Metro	34,422,910	6.967	239,824
Federal Boulevard BID	10,313,150	10.000	103,132
First Creek Village Metro	10,766,350	73.664	793,092
Five Points BID (13, 19, 20, 21)	24,372,390	10.000	243,724
Gateway Regional Metro	168,622,700	16.000	2,697,963
Gateway Village GID	32,622,940	20.000	652,459
Goldsmith Metro	431,309,100	7.500	3,234,818
Greenwood Metro	1,730,610	3.400	5,884
GVR Metro	134,589,840	20.094	2,704,448
Holly Hills Water /Sanitation	35,355,790	2.716	96,026
Loretto Heights Metro No 2	30	60.000	2
Market Station Metro No 1 (7)	18,874,770	15.000	283,122
Midtown Metro	17,538,850	40.000	701,554
Mile High Business Center Metro	32,613,740	26.391	860,709
North Washington Street Water/Sanitation	10,395,320	0.775	8,056
Old South Gaylord BID	12,238,440	4.091	50,067
RiNo BID (8 & 10)	440,070,230	4.000	1,760,281
RiNo GID (9 & 11)	237,117,380	4.000	948,470
River Mile Metro No 2	9,135,690	40.000	365,428
River Mile Metro No 3	1,539,790	60.000	92,387
Sand Creek Metro	51,792,950	23.750	1,230,083
Sand Creek Metro (debt)	17,364,660	16.000	277,835
SBC Metro (1)	114,464,260	22.000	2,518,214
Section 14 Metro	11,266,070	20.000	225,321
Sheridan Sanitation No. 2	491,950	0.467	230
South Sloan's Lake Metro No 2 (12)	35,115,030	37.039	1,300,626
Southeast Public Improvement Metro	416,420,390	2.000	832,841
Town Center Metro	398,630	58.319	23,248
Town Center Metro Subdistrict No 1	7,979,770	55.664	444,186
Town Center Metro Subdistrict No 2	13,069,910	55.664	727,523
Town Center Metro Subdistrict No 3	4,310,340	50.000	215,517
Town Center Metro Subdistrict No 4	3,834,380	55.664	213,437
Town Center Metro Subdistrict No 5	750,920	55.664	41,799
Valley Sanitation	20,226,340	2.888	58,414
Westerly Creek Metro (2)	702,615,390	59.753	41,983,377
West Globeville Metro No 1	30	55.385	2
West Globeville Metro No 2	30	55.385	2
West Lot Metro No 1	30	10.000	0
West Lot Metro No 2	30	45.000	1
Total			**$ 108,549,054**

(1) $747.844 of the tax for SBC Metro is distributed to Stapleton TIF
(2) $39.185,059 of the tax for Westerly Creek Metro is distributed to Stapleton TIF
(3) $11,704 of the tax for Cherry Creek Subarea BID is distributed to Denver Union Station DDA
(4) $5,857,596 of the tax for Central Platte Valley is distributed to Denver Union Station DDA
(5) $2,407,054 of the tax for DUS Metro No 2 is distributed to Denver Union Station DDA
(6) $133,207 of the tax for DUS Metro No 3 is distributed to Denver Union Station DDA
(7) $241,346 of the tax for Market Station No 1 is distributed to Denver Union Station DDA
(8) $5,192 of the tax for RiNo BID is distributed to Ironworks Foundry TIF (Phase I)
(9) $5,192 of the tax for RiNo GID is distributed to Ironworks Foundry TIF (Phase I)
(10) $31,778 of the tax for RiNo BID is distributed to Ironworks Foundry TIF (Phase II)
(11) $31,778 of the tax for RiNo GID is distributed to Ironworks Foundry TIF (Phase II)
(12) $1,261,660 of the tax for South Sloan's Lake Metro No 2 is distributed to Saint Anthony TIF
(13) $13,120 of the tax for Five Points BID is distributed to 2560 Welton St. TIF
(14) $527,897 of the tax for 9th Ave Metro No 2 is distributed to 9th Ave TIF
(15) $208,410 of the tax for 9th Ave Metro No 3 is distributed to 9th Ave TIF
(16) $237,383 of the tax for Broadway Station No 2 is distributed to the Broadway and I-25 TIF
(17) $124,532 of the tax for Broadway Station No 3 is distributed to the Broadway and I-25 TIF
(18) $132,754 of the tax for CCP Metro No 1 is distributed to the Globeville Commercial TIF
(19) $1,902 of the tax for Five Points BID is distributed to 2801 Welton St. TIF
(20) $6,934 of the tax for Five Points BID is distributed to the Point Urban TIF
(21) $3,398 of the tax for the Five Points BID is distributed to the 2460 Welton St. TIF

Tax Increment Finance Districts

District	Base	Increment
Broadway & I-25	8,447,427	8,498,043
Colorado National Bank	1,329,485	13,662,925
Denver Union Station DDA	77,857,792	449,800,758
Emily Griffith	0	7,727,420
Globeville Commercial	2,752,027	2,937,863
Ironworks Foundry Phase I	797,016	1,355,824
Ironworks Foundry Phase II	541,483	8,575,897
Marycrest	0	8,672,670
Mercantile Square	11,287,168	994,802
Northeast Park Hill	7,565,735	10,994,685
Point Urban	0	2,156,340
Saint Anthony	1,056,595	34,210,855
Stapleton	58,059,476	813,007,964
York Street	0	12,842,710
101 Broadway	709,920	250,540
414 14th Street	0	2,807,800
1840 Grant	1,964,980	0
2300 Welton	750,892	1,811,448
2460 Welton	95,284	2,426,496
2560 Welton	133,312	4,063,628
2801 Welton	183,335	197,205
4201 E Arkansas	0	3,836,220
9th Avenue	0	36,549,990
9th & Colorado	0	8,986,410
Total	**$ 173,531,927**	**$ 1,436,368,493**

CITY AND COUNTY OF DENVER

SEAL