CITY AND COUNTY OF DENVER, COLORADO
2019 DISCLOSURE STATEMENT

For the year ended December 31, 2018

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

2019 DISCLOSURE STATEMENT
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DENVER
THE MILE HIGH CITY

Michael B. Hancock
Mayor

DEPARTMENT OF FINANCE

BRENDAN J. HANLON
CHIEF FINANCIAL OFFICER

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September 6, 2019

Dear Reader:

This Disclosure Statement for the Year Ended December 31, 2018 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 2018 financial condition. This Disclosure Statement also contains certain post 2018 unaudited and prospective information as noted. 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 2018 transactions:

In February 2018, the City, for and on behalf of the Wastewater Management Division of its Department of Public Works, issued $103,050,000 Series 2018 Wastewater Enterprise Revenue Bonds to fund certain storm drainage and sanitary sewerage facilities.

In June 2018, the City issued $260,905,000 Series 2018A-B General Obligation Bonds to fund certain Elevate Denver Bond projects approved by voters in November 2017 and to refund outstanding Series 2008 General Obligation Justice System Facilities Bonds for present value savings. After this issuance, of the authorized $937,418,500 of Elevate Denver Bonds, $744,418,500 of the electoral authorization remains.

In August 2018, the City entered into a lease purchase transaction. $129,000,000 of Series 2018A Certificates of Participation (COPs) were executed and delivered by the trustee to fund a portion of the Colorado Convention Center Expansion Project.

In August 2018, the City, for and on behalf of its Department of Aviation, issued $2,526,075,000 of Series 2018A-B Airport System Subordinate Revenue Bonds to fund a portion of the Airport System's capital program and to refund outstanding Series 2017C Airport System Subordinate Revenue Bonds for present value savings.

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, 2018 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 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.

For those who seek additional information about the City's 2018 transactions or other financings, the Official Statements and/or relevant event disclosures can be found in the files of the MSRB, online at http://emma.msrb.org or may be obtained by calling the City's Debt Management offices at 720-913-5500.

As the Manager of Finance and Chief Financial Officer, I am responsible for the City's compliance with Rule 15c2-12 and 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, 2018

Mayor
Michael B. Hancock

City Council
Jolon Clark, President

Kendra Black	Paul Kashmann
Albus Brooks	Robin Kniech
Rafael Espinoza	Paul D. López
Kevin Flynn	Wayne New
Stacie Gilmore	Deborah Ortega
Christopher Herndon	Mary Beth Susman

Auditor
Timothy M. O'Brien

Clerk and Recorder
Debra Johnson

CABINET OFFICIALS

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

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. Nearly 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 715,000 reside in the City limits.

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, Risk & Capital Funding, Controller, Treasurer, Budget Manager, Assessor, Director of Capital Planning and Programming, and Director of Real Estate. Responsibilities for issuance of payments, payroll and other general accounting functions are performed by the Department of Finance.

As of December 31, 2018, the appointed members of the Mayor's cabinet, by their common title, were the following individuals:

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

In addition to the members of the cabinet as of December 31, 2018, other advisors include Chief of Staff Alan Salazar, and Deputy Chiefs of Staff Erin Brown and Evan Dreyer. As of the date of this Disclosure Statement, Brendan J. Hanlon was replaced by Murphy Robinson as Deputy Mayor in December 2018. Subsequently, in August 2019, Murphy Robinson was replaced by Allegra "Happy" Haynes as Deputy Mayor and Murphy Robinson became Chief Operating Officer. Brandon Gainey was appointed Executive Director of General Services and Evelyn Baker was appointed Executive Director of Community Planning and Development.

The City held its municipal election on May 7th, 2019, resulting in a run-off for the Mayor, the Clerk and Recorder, and five City Council Districts. The City held a run-off election on June 4th, 2019 and re-elected Mayor Michael B. Hancock, Clerk and Recorder Paul Lopez, and elected five new City Council members.

Councilman Jolon Clark was re-elected president of the Denver City Council by the Council Members on July 15, 2019.

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.

The budget proposed by the Mayor 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 annual budget includes a Contingency Reserve of no less than 2% of total estimated 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. In March 2014, the City Council approved fulfilling a portion of the TABOR Reserve requirement by pledging real property in lieu of cash. This reserve may only be used for emergency purposes as specified in the

Colorado Constitution. By Department of Finance policy, the General Fund targeted reserve is 15%, and should not be drawn below 10%.

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. 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 bonds. 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.

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 2018 and 2019, 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, 2018, was a fixed-rate (3.65%) 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, 2018, was a fixed-rate (3.65%) 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. See also "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 2018 revised expenditure budget (38.5%) was allocated to Public Safety, which is primarily responsible for administering police, fire and the sheriff’s departments’ services. For the 2019 adopted Budget, Public Safety represents 39.2% of the General Fund.

Management Discussion of 2019 Budget

Adopted 2019 Budget. The initial 2019 Budget, adopted in November 2018, projected total General Fund revenue of $1.410 billion in 2019, an increase of approximately $57 million or 4.19% over the 2018 revised budget, due primarily to growth in sales tax and to a lesser extent, an increase in General Government revenue. Core sales and use tax revenues, which do not include audit revenues (which are taxes the City collects that were previously reported through routine audits), were originally projected to increase by 5.5% in 2019 driven by continued expansion of Denver’s economy, though at a more moderate pace than 2018. General fund expenditures are projected to grow to $1.46 billion in 2019, up by 4.27% over the revised 2018 appropriations, driven by significant transportation and mobility projects, an expansion of affordable housing programs, increased homeless services and facilities, programs to protect Denver’s existing neighborhoods and their residents, enhancements to parks and recreation, increases to uniformed personnel and enhanced training for uniformed personnel, a three year phased increase to the City’s minimum wage floor for all city and contract employees to begin annually in July 2019, increased assistance for those experiencing behavioral health challenges, increased support of local business development, and increased expenditures for sustainable growth through recycling, composting, and electric vehicles. Reserves are projected to remain healthy, with an anticipated undesignated fund balance of $220.9 million, or 15.1% of projected expenditures, by the end of 2019. For the complete 2019 Budget, visit www.denvergov.org/budget.

Revision of 2019 Budget. The 2019 Budget will be revised as part of the City’s 2020 Budget process, which began in late April 2019 and will conclude in September 2019. The City will continue to assess its revised 2019 budget throughout the remainder of 2019.

Litigation Update

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 2018, the City Attorney's office has received an appropriation of approximately $2.0 million in addition to any unspent amounts from the 2017 appropriation, for payment of claims and judgments for items not paid by existing insurance. 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.

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.

Adams County Litigation. Related to the Airport Enterprise, the City and the County of Adams, Colorado ("Adams County"), the county from which land for the Denver International Airport ("Airport") was annexed into the City, entered into an Intergovernmental Agreement 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 in the Jefferson County District Court of the State of Colorado (which has been amended several times to include the City of Aurora and the City of Brighton as plaintiffs, and clarify two other claims) asserting various claims of violation of the Adams County IGA related to the Noise Standards and noise contour. Additionally, the City received Notices of Violation from Adams County and certain other cities dated July 2, 2018, asserting certain violations by the City for 2014 through 2017. June 19, 2019, DEN also received an updated Notice of Violation for 2017, and a new Notice for alleged violations through 2018, which will be added into to the litigation. On September 3, 2019, Adams County filed a case management order in which it affirmed that it would seek $33,000,000 plus interest in noise mitigation payments for certain violations. The City intends to vigorously defend against all claims alleged in the Complaint. The City has filed an answer as well as counterclaims to the original and the amended complaints, and has one dispositive motion for summary judgment outstanding. Trial is scheduled to begin September 30, 2019. To the extent the City becomes obligated to pay all or a portion of any noise mitigation payments, the City expects to include such amounts in its calculation of future airlines' rates and charges. For additional information relating to this litigation, see the Official Statement prepared by the City in connection with the issuance of the Airport System Subordinate Revenue Bonds, Series 2018A (AMT) and Series 2018B (Non-AMT), available on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

Colorado Convention Center Expansion Project. On March 29, 2019, the City issued a voluntary event disclosure regarding the Colorado Convention Center Expansion Project, however, there has been no final determination with respect potential litigation for the actions as described in the voluntary disclosure. See "LEASE PURCHASE AGREEMENTS – Certificated Lease Purchase Agreements" for additional information on the project.

Great Hall Project Status. The Great Hall Project includes renovations to the Jeppesen Terminal designed to, among other things, enhance security of the passengers and the Airport, modernize aging building systems and conveyances, improve passenger flow and enhance customer experience.

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. Capitalized terms used but not defined herein have the meanings given them in the DA.

The City, on behalf of the Airport, filed voluntary event notices 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 on behalf of the Airport delivered a notice of termination for convenience to DGH, terminating the DA effective November 12, 2019, and filed a Voluntary Event Notice Relating to Exercise of Right to Terminate for Convenience by Owner. These disclosures are available at http://emma.msrb.org.

The City, on behalf of the Airport, expects the parties will work together to implement the termination procedures under the DA, including determining the amount of the termination payment to be made by the City to DGH, from existing bond proceeds and cash from the Capital Fund. During this time, the City, on behalf of the Airport, will begin the process of identifying a new contractor to complete construction but not the operations or maintenance of the commercial program. The City, on behalf of the Airport, is expected to operate any commercial development and retain 100 percent of the revenues. Outside of the termination payment, the City, on behalf of the Airport, projects the design and construction costs of the Great Hall Project will be at the original budgeted amount of $770 million with contingency. Pursuant to the terms of the DA, the City, on behalf of the Airport, has ownership rights to all of the design work and construction performed to date.

Wastewater Enterprise Litigation. Related to the Wastewater Enterprise, the City is re-grading a portion of the Park Hill Golf Course to detain storm water that currently comprises a portion of the Platte to Park Hill Stormwater Systems program (see "WASTEWATER MANAGEMENT SYSTEM – Capital Improvement Plan for more information regarding the program). The City negotiated immediate possession of the property, though the value continues to proceed in condemnation, with the landowner Clayton Early Learning Trust ("Clayton"), which occurred on January 2, 2019. Clayton has a tenant, Arcis Golf Course ("Arcis"), which operates the Park Hill Golf Course. In April of 2019, Arcis filed an inverse condemnation action related to the City's Platte-to-Parkhill Project. Thereafter, the interests of both Clayton and Arcis were purchased by Westside Development Investments ("Westside") which became the new landowner in July 2019. Although the City is in possession of the property for the Platte to Park Hill Stormwater Systems project, it is also still proceeding against Westside in both the condemnation and the inverse condemnation matters related to the value of the condemned property.

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.

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. In 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.

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
2018 ACTUAL RESULTS, 2018 REVISED BUDGET AND 2019 ADOPTED BUDGET
Prepared in Budgetary Format
($ in thousands – columns may not sum to totals due to rounding)

	2018 Actual[1]	2018 Revised Budget	2019 Adopted Budget
REVENUES			
Taxes			
Property	$129,299	$128,787	$131,095
Sales and Use	690,873	692,304	730,450
Other	117,478	115,729	118,810
Intergovernmental Revenues	36,230	39,075	39,970
Licenses and Permits	66,428	59,560	60,294
Fines and Forfeitures	44,582	49,633	50,320
Charges for Services	195,600	208,831	217,092
Investment Income	15,936	10,679	12,644
Transfers In	41,064	40,581	41,826
Other Revenues and Financing Sources	13,559	8,347	7,743
TOTAL FINANCIAL SOURCES	1,351,049	1,353,526	1,410,245
EXPENDITURES			
General Government	322,836	405,724	432,619
Public Safety	595,814	540,483	572,793
Public Works	145,556	139,446	146,005
Health	57,233	47,833	50,973
Parks and Recreation	75,690	73,705	77,683
Cultural Activities	51,101	49,398	52,648
Debt Service	1,466		
Transfers Out	110,632	132,043	115,460
General Fund Contingency	-	29,349	28,684
Estimated Unspent Appropriation	-	(15,000)	(14,000)
TOTAL EXPENDITURES BUDGET	1,360,328	1,402,980	1,462,864
FUND BALANCES[2]			
Net Change in Fund Balance	(9,279)	(49,453)	(52,619)
Fund Balance Jan 1	394,059		
Fund Balance Dec 31	$384,780		
Undesignated Fund Balance Jan 1		323,006	273,553
Undesignated Fund Balance Dec 31	$230,209	$273,553	$220,934

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 For the CAFR in 2018, the City 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: 2018 CAFR, Denver 2019 Budget)

TABLE 2

GENERAL FUND BUDGET SUMMARY
2018 ACTUAL RESULTS, 2018 REVISED BUDGET AND 2019 ADOPTED BUDGET
(by percentage)

	2018 Actual[1]	2018 Revised Budget	2019 Adopted Budget
REVENUES			
Taxes			
Property	9.6%	9.5%	9.3%
Sales and Use	51.1	51.1	51.8
Other	8.7	8.6	8.4
Intergovernmental Revenues	2.7	2.9	2.8
Licenses and Permits	4.9	4.4	4.3
Fines and Forfeitures	3.3	3.7	3.6
Charges for Services	14.5	15.4	15.4
Investment Income	1.2	0.8	0.9
Transfers In	3.0	3.0	3.0
Other Revenues and Financing Sources	1.0	0.6	0.5
TOTAL FINANCIAL SOURCES	100.0%	100.0%	100.0%
EXPENDITURES			
General Government	23.7%	28.9%	29.6%
Public Safety	43.8	38.5	39.2
Public Works	10.7	9.9	10.0
Health	4.2	3.4	3.5
Parks and Recreation	5.6	5.3	5.3
Cultural Activities	3.8	3.5	3.6
Debt Service	0.1	-	-
Transfers Out	8.1	9.4	7.9
General Fund Contingency	-	2.1	2.0
Estimated Unspent Appropriations	-	(1.0)	(1.1)
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 For the CAFR in 2018, the City 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: 2018 CAFR, Denver 2019 Budget)

Management Discussion of Recent Financial Results

For purposes of the following statements, "compensation savings" consists of vacancy savings when positions 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).

2014. Core revenue collections of sales and use tax, not including audit revenues, were 11.7% higher than 2013 primarily as a result of the continued robust recovery of the economy. Including audit revenues, total sales and use tax revenue collections for the General Fund were 12.7% higher than 2013. Total 2014 revenues performed 8.6% over 2013. With respect to budget basis expenditures, City departments saved $43.6 million due to achieving expected unspent appropriations, due in large part to payroll savings. Total General Fund expenditures, including transfers out, increased by 9.8% from 2013, primarily driven by personnel cost increases.

2015. Core revenue collections of sales and use tax, not including audit revenues, were 3.9% higher than 2014. Including audit revenues, total sales and use tax revenue collections for the General Fund were 4.8% higher than 2014. Total 2015 revenues performed 7.1% over 2014. With respect to budgeted expenditures, City departments saved $54.6 million from the revised 2015 budget due to achieving unspent appropriations and return of contingency funds in 2015. Total General Fund expenditures, including transfers out, increased by 10.3% from 2014, primarily due to personnel cost increases and transfers between City funds.

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.

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 2014 through 2018.

TABLE 3

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

ASSETS	2014	2015	2016	2017	2018
Cash and cash equivalents	$270,048	$273,039	$274,060	$286,222	$253,936
Cash on hand	140	117	1,156	921	137
Receivables (net of allowances for uncollectibles):					
Taxes	180,913	185,474	189,709	203,890	207,373
Notes	2,785	430	2,589	2,822	3,579
Accounts	19,541	21,999	24,642	19,877	22,116
Accrued interest	1,876	1,973	1,902	2,025	1,750
Interfund receivable	9,077	12,436	11,608	13,530	31,230
Prepaid items and other assets	425	2,890	7,215	2,983	4,709
Restricted assets:					
Cash and cash equivalents	51,218	65,283	68,115	71,295	76,018
Assets held for disposition	11,436	-	-	-	-
TOTAL ASSETS	$547,459	$563,641	$580,996	$603,565	$600,848
LIABILITIES					
Vouchers payable	$19,921	$19,240	$27,539	$42,799	$46,110
Accrued liabilities	35,582	15,882	19,620	19,609	24,524
Due to other funds	266	556	528	501	869
Interfund Payable	3,548	36	24	1,763	8
Deferred revenue	124,126	133,702	134,787	144,616	144,403
Advances	-	25	1,075	218	154
TOTAL LIABILITIES	$183,443	$169,441	$183,573	$209,506	$216,068
FUND BALANCE					
Nonspendable	425	2,890	7,215	2,979	4,709
Restricted	65,439	65,713	68,114	71,295	75,838
Committed	30,388	32,121	50,964	55,661	74,024
Unassigned	267,764	293,476	271,130	264,124	230,209
TOTAL FUND BALANCE	364,016	394,200	397,423	394,059	384,780
TOTAL LIABILITIES AND FUND BALANCE	$547,459	$563,641	$580,996	$603,565	$600,848

(Source: City and County of Denver's CAFR, 2014 - 2018)

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	2014	2015	2016	2017	2018
Taxes:					
Property	$112,120	$107,198	$116,009	$120,328	$129,299
Sales and Use	555,428	581,922	613,617	656,531	690,873
Other	94,124	100,704	104,291	116,347	117,478
Licenses and Permits	48,425	59,909	59,593	64,601	66,428
Intergovernmental Revenues	31,647	33,240	34,414	35,500	36,230
Charges for Services	169,047	189,573	193,659	194,569	195,600
Investment Income	7,499	7,388	8,308	9,185	15,936
Fines and Forfeitures	51,954	52,989	48,893	49,710	44,582
Other Revenues	8,233	16,443	10,666	14,393	8,898
TOTAL REVENUES	$1,078,477	$1,149,366	$1,189,450	$1,261,164	$1,305,324
EXPENDITURES					
Current:					
General Government	211,460	230,258	259,959	276,941	288,130
Public Safety	500,627	518,800	539,428	561,995	595,814
Public Works	129,111	121,516	135,073	151,959	145,556
Health and Human Services	48,957	49,301	53,051	54,045	57,233
Parks and Recreation	57,476	57,914	64,534	68,087	75,690
Cultural Activities	41,064	44,213	45,416	48,444	51,101
Community Development	18,152	21,515	29,464	32,463	33,961
Economic Opportunity	527	601	558	187	745
Obligation Retirement	7,506	5,995	5,904	4,950	1,466
TOTAL EXPENDITURES	$1,014,880	$1,050,113	$1,133,387	$1,199,071	$1,249,696
Excess of Revenues Over Expenditures	63,597	99,253	56,063	62,093	55,628
OTHER FINANCING SOURCES (USES)					
Other	19,039	772	564	4,160	4,661
Operating Transfers In	46,045	56,366	51,333	43,125	41,064
Operating Transfers Out	(52,000)	(126,207)	(104,737)	(112,742)	(110,632)
TOTAL OTHER FINANCING SOURCES (USES)	13,084	(69,069)	(52,840)	(65,457)	(64,907)
Net Change in Fund Balances	76,681	30,184	3,223	(3,364)	(9,279)
Fund Balance - January 1, as previously reported	287,335	364,016	394,200	397,423	394,059
Fund Balance - December 31	$364,016	$394,200	$397,423	$394,059	$384,780

(Source: City and County of Denver's CAFR, 2014 - 2018)

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, 2018, a general sales tax of 3.65% was imposed on the sale of all tangible personal property not specifically exempted and on certain services and a general use tax of 3.65% was also imposed on the storage, use and consumption of tangible personal property not specifically exempted. 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 2018

Taxation of Certain Goods or Services	City Tax Rate
Non-exempt retail sales, lease or rentals of tangible personal property and on certain services	3.65%[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 Includes a 0.15% portion dedicated to increasing access to quality preschool programs for City residents. The revenue from this portion of the sales tax is only available for such purpose and cannot be used for General Fund revenue.

2 A maximum tax of 15% was approved by voters to be imposed as a tax on the sale of retail marijuana and marijuana products. City Council approved the increase of the retail marijuana tax rate from 3.5% to 5.5% effective as of October 2018. 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.

In November 2018, Denver voters approved the following total of 0.66% of sales tax increases: 0.25% sales and use tax to fund Denver parks, trails, and open space; 0.25% sales and use tax for mental health services and substance abuse prevention; a 0.08% sales and use tax for college scholarships; and a 0.08% sales and use tax to improve availability of healthy food for children. The revenue from these portions of the sales tax are only available for such respective purposes and cannot be used for General Fund revenue. Collection of these taxes, at a general sales tax rate of 4.31%, were effective January 1, 2019.

The above General Fund Sales and Use Tax Rates effective for 2018 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
2009 - 2018
($ in thousands)

Year	Revenues[1]	Percent Change
2009	$387,838	(10.00)
2010	409,816	5.67
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

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 2009 through 2018.

TABLE 6

STATE PROPERTY APPRAISAL METHOD

Collection Year	Assessment Year	Value Calculated As of	Based on the Market Period
2010	2009	June 30, 2008	January 1, 2007 to June 30, 2008
2011	2010	June 30, 2008	January 1, 2007 to June 30, 2008
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

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 and is 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 is 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. 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 and 7.20% of its statutory actual value for assessment years 2017 and 2018. The residential assessment rate 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.

The City's assessed valuation is established 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.

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.

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	2014	2015	2016	2017	2018
City and County of Denver:					
General Fund	10.436	8.989	8.943	7.888	7.869
Bond Principal Fund	4.100	5.433	7.433	7.000	7.000
Bond Interest Fund	4.333	3.000	1.000	1.433	1.433
Social Services	4.470	3.849	3.835	3.380	3.374
Developmentally Disabled	1.016	1.012	1.010	1.010	1.009
Fire Pension	1.568	1.350	1.345	1.185	1.183
Police Pension	1.870	1.610	1.604	1.413	1.411
Capital Maintenance[2]	2.542	2.534	2.528	2.526	2.525
Capital Improvement	2.720	2.342	2.333	2.056	2.053
Affordable Housing[3,4]	0.000	0.000	0.500	0.442	0.444
TOTAL DENVER MILL LEVY	33.055	30.119	30.531	28.333	28.301
School District No. 1	49.299	47.397	50.396	48.244	48.244
Urban Drainage and Flood Control District	0.700	0.611	0.620	0.557	0.820
TOTAL MILL LEVY:	83.054	78.127	81.547	77.134	77.365

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 are collected 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 17 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, 2018.

TABLE 8

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

ACTUAL AND ASSESSED VALUATION:	**2014**	**2015**	**2016**	**2017**	**2018**
Statutory Actual Valuation (est.)[1]	$80,891	$100,204	$105,773	$134,744	$139,408
Assessed Valuation:					
Real Property – Land	$3,218	$4,514	$4,506	$5,671	$5,631
Real Property – Improvement	6,564	8,220	8,406	10,064	10,428
Personal Property	765	826	827	888	918
Public Utilities	838	824	921	925	948
Total Assessed Valuations[2]	$11,385	$14,385	$14,659	$17,548	$17,925
Total Assessed Valuation Percentage Change[3]	1.07%	26.35%	1.91%	19.71%	2.15%
LEVIES AND COLLECTIONS:[4,5]					
Taxes Levied:	$312,314	$360,103	$372,011	$427,059	$433,101
Total Collections	$308,808	$348,477	$369,940	$424,106	N/A
Total Collections at Year End (as Percentage of Original Levy)	98.88%	96.77%	99.44%	99.31%	N/A

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 DURA (defined below) and Denver Downtown Development Authority ("DDDA"). Incremental assessed valuation attributable to DURA and the DDDA were the following amounts: $818,799,594 for levy year 2014; $1,149,380,667 for levy year 2015; $1,141,847,073 for levy year 2016; $962,347,864 for levy year 2017; and $1,044,702,284 for levy year 2018. Figures listed for taxes levied and collected are net of amounts paid to DURA and DDDA. 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 "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 2018 are collected in 2019.

5 Total collections represent City retained collections, therefore, figures do not include 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 2018 assessment year.

TABLE 9

CITY AND COUNTY OF DENVER
MAJOR PROPERTY TAXPAYERS - ASSESSED VALUATIONS 2018
(FOR COLLECTION IN 2019)
($ in thousands – columns may not sum to totals due to rounding)

Name	Business	Assessed Valuation	Percentage of City's Total Assessed Valuation[1]
Public Service Co.	Utility	$317,105	1.77%
Brookfield Office Properties	Real Estate	244,362	1.36
Invesco Realty Advisers Inc.	Real Estate	171,639	0.96
Beacon Capital Partners	Real Estate	132,488	0.74
Franklin Street Properties	Real Estate	130,327	0.73
CenturyLink Communications	Utility	120,088	0.67
Taubman Centers Inc.	Real Estate	112,529	0.63
Kroenke Sports Enterprises	Real Estate	107,660	0.60
Columbia-Healthone	Health Care	105,401	0.59
Ivanhoe Cambridge Inc.	Real Estate	104,048	0.58
TOTAL:		$1,545,646	8.62%

1 Based on a 2018 assessed valuation of $17,925,134,030. 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. In June 2018, the Series 2018A Bonds were issued pursuant to the 2017 Election authorization for $193,000,000 par and in May 2019, the Series 2019A Bonds were issued pursuant to the 2017 Election authorization for $81,910,000 par. Following issuance of the Series 2019A Bonds in May 2019, approximately $662,508,500 in authorization under the 2017 Election remains.

The following schedule sets forth the computation of the General Obligation debt margin of the City as of December 31, 2018.

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

TOTAL ESTIMATED ACTUAL VALUATION – December 31, 2018	$139,408,175
Maximum general obligation debt, limited to 3% of actual valuation	4,182,245
Less outstanding bonds chargeable to limit[1]	737,991
LEGAL DEBT MARGIN – December 31, 2018	$3,444,255

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, 2018, allocated to Bond Principal in the amount of approximately $34.01 million. Amounts in the Debt Service fund may be applied to both principal and interest of General Obligation Bonds.

As of December 31, 2018, the City had outstanding general obligation bonds in the aggregate principal amount of $737,990,500, which does not include accrued interest of $9,123,800 on compound interest 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, 2018.

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 and Zoo Bonds, Series 2009A[2]	104,500	62,540
General Obligation Better Denver Build America Bonds, Series 2010B	312,055	299,395
General Obligation Better Denver and Refunding Bonds, Series 2013A	120,925	42,195
General Obligation Refunding Bonds, Series 2013B1-2[3]	137,435	105,765
General Obligation Better Denver Bonds (Denver Mini-Bond Program), Series 2014A[4]	12,000	12,000
General Obligation Elevate Denver Bonds, Series 2018A	193,000	139,330
General Obligation Justice System Facilities Refunding Bonds, Series 2018B	67,905	67,905
TOTAL:	$956,681	$737,991

1 Amount excludes $6,477,680 of compound interest on the Series 2007 Capital Appreciation Bonds.
2 On May 6, 2019, the City issued $81,910,000 of General Obligation Elevate Denver Bonds, Series 2019A, and $50,140,000 General Obligation Better Denver and Zoo Refunding Bonds, Series 2019B. The Series 2019A Bonds were issued for the purpose of financing various civic facilities. The Series 2019B Bonds were issued to current refund, pay and discharge all of the City's outstanding General Obligation Better Denver and Zoo Bonds, Series 2009A, maturing on and after August 1, 2019. Effective as of August 1, 2019, the outstanding General Obligation Better Denver and Zoo Bonds, Series 2009A, will be legally defeased, thereby reducing the amounts outstanding to zero.
3 Direct bank placement; no official statement prepared.
4 Amount excludes $2,646,120 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, 2018.

Year Ending December 31	Debt Service[1] ($ in thousands)
2019	$119,362
2020	94,324
2021	85,742
2022	72,418
2023	$74,671
2024 through 2033, totaling	$548,012

1 The City previously issued Taxable General Obligation Better Denver Bonds (Direct Pay Build America Bonds), Series 2010B. The amounts in this column do not include the cash subsidy payments related to the interest payable on the 2010B Bonds pursuant to the City's designation of the 2010B Bonds as "Build America Bonds." Because the subsidy is not included in the annual debt service totals, sequestration will not affect the numbers going forward.

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, 2018.

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

Total Direct General Obligation Bonded Debt	$737,991
Overlapping General Obligation Bonded Debt[1]	$1,708,747
Total Direct and Overlapping General Obligation Bonded Debt	$2,446,738
Actual Valuation	$139,408,174
Assessed Valuation[2]	$17,925,134

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[2]
Total Direct G.O. Bonded Debt	0.53%	4.12%	$1,028
Total Direct and Overlapping G.O. Bonded Debt[1]	1.76%	13.65%	$3,407

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 2018 population projection from the State Demography Office of 718,107. The 2018 CAFR presents a population estimate from the U.S. Census Bureau of 716,492.

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 Revenue Tax debts 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. As of December 31, 2018, a principal amount of $351,475,000 of the Series 2016 A-B Bonds remained outstanding. 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 $299,999,983.80 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.

For an update regarding the Colorado Convention Center Expansion Project, see "LEASE PURCHASE AGREEMENTS – Certificated Lease Purchase Agreements."

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 2014 through 2018.

TABLE 11

HISTORY OF PLEDGED REVENUES AND DEBT SERVICE COVERAGE ON DEDICATED TAX REVENUE BONDS, SERIES 2016A-B AND SERIES 2018A-B[1,2]
2014-2018
($ in thousands)

Fiscal Year	2014	2015	2016	2017	2018
Excise Tax Increases					
Lodger's Tax Increase (1.75%)[3]	$12,303	$13,410	$14,468	$18,386	$18,124
Auto Tax Increase (1.75%)	9,532	10,163	10,910	10,962	11,548
Total Excise Tax Increases	21,835	23,573	25,378	29,348	29,672
Base Excise Taxes					
Base Lodger's Taxes (6.25%)[3]	42,153	46,061	49,771	63,665	62,852
Base Auto Taxes (5.50%)	29,958	31,940	34,132	34,308	36,090
Base Food and Beverage Taxes (0.50%)	15,202	16,350	17,164	18,619	19,821
Total Base Excise Taxes	87,313	94,351	101,067	116,592	118,763
Total Pledged Excise Taxes	$109,148	$117,924	126,445	145,940	148,435
Estimated Combined Maximum Annual Debt Service Requirements on the Series 2016 Bonds and the Series 2018 Bonds[4]	$49,103	$49,103	$49,103	$49,103	$49,103
Pro-Forma Coverage	2.22x	2.40x	2.58x	2.97x	3.02x

1 The above coverage for the years 2014 through 2015 is for informational purposes as these years did not have the same base pledge as the Dedicated Tax Revenue Refunding and Improvement Bonds, Series 2016A-B and Series 2018A-B Bonds. The base pledged taxes during 2014 through 2015 were: Lodger's Tax imposed at a rate of 4.75%; Auto Rental Tax imposed at a rate of 3.75%; and Food and Beverage Tax imposed at a rate of 0.5%. The City pledged an additional Base Lodger's Tax rate of 3.25% and an additional Base Auto Rental Tax rate of 3.5% to the Series 2016A-B and Series 2018A-B Bonds.

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

3 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. As of December 31, 2018, a principal amount of $1,275,000 of the Bonds remains outstanding. The Bonds were issued for the purpose of acquiring, maintaining, constructing, improving, installing and equipping certain City-owned golf facilities. The Bonds are special and limited obligations of the City payable solely from and secured by a first lien upon the pledged revenues of the Golf Enterprise from the operation of its golf facilities, which means all City-owned land, buildings, man-made structures, and equipment used to operate golf courses within the Golf Enterprise. The Bonds are also payable under certain circumstances from a reserve account and a rate maintenance account. The Wastewater Management Enterprise Fund ("Wastewater"), a division within the City's Department of Public Works, is working to implement 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 is currently anticipated to be open to a limited number of players per day in 2020. Wastewater has 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. The City will continue to evaluate any impacts from this stormwater project. For more information regarding the program see "WASTEWATER MANAGEMENT SYSTEM – Capital Improvement Plan."

Tables 12 and 13 summarize the debt service coverage ratios of the Golf Enterprise and the Golf Facilities, based upon the revenues and expenditures of the Golf Enterprise for the past five years. In 2014, Operation and Maintenance Expenses included a net non-cash charge of $1,318,108 related to a capital lease financing to acquire golf carts. Calculated based upon the Golf Bond Ordinance, the debt service coverage ratio for 2014 was 2.19. See "Accounting of Capital Assets" below.

Accounting of Capital Assets. As further described in the Notes to Basic Financial Statements in the City's 2015 CAFR, assets to be acquired pursuant to capital leases are to be recorded at the present value of future minimum lease payments and amortized over the shorter of the lease term or the estimated useful life of the asset. The City maintains an internally established capitalization threshold of $5,000 for the asset. Under the City's internally established policies, assets purchased under capital leases which fall below the capitalization threshold are to be fully expensed in the year purchased.

On May 30, 2014, the Golf Enterprise entered into a non-certificated capital lease financing transaction to acquire golf carts for a principal amount of $1,318,108. This did not meet City's capitalization threshold on a per unit basis, and therefore resulted in a net non-cash expense of $1,318,108 in 2014. The full amount was expensed in 2014 as a non-cash charge in accordance with the Department of Finance capitalization policy and this amount was correctly reported in previous disclosures.

Table 12 below shows the calculation of the debt service coverage ratio from 2014 through 2018 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

	2014	2015	2016	2017	2018
Operating Revenues	$10,881,173	$10,542,563	$11,058,264	$11,962,883[1]	$11,803,338[1]
Rate Maintenance Account	240,403	240,403	240,403	240,403	240,403
Golf Enterprise Fund Gross Revenue	11,121,576	10,782,966	11,298,667	12,203,286	12,043,741
Operation and Maintenance Expenses	10,935,965	9,450,590	9,852,543	10,240,379	10,701,200
Net Pledged Revenue	185,611	1,332,376	1,446,124	1,962,907	1,342,541
Series 2005 Maximum Annual Debt Service	$686,865	$686,865	$686,865	$686,865	$686,865
Coverage	0.27x	1.94x	2.11x	2.87x	1.95x

1 Operating revenue in 2017 and 2018 includes revenues, $92,911 and $1,102,089 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. 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)

Table 13 shows the City's calculation of the debt service coverage ratio from 2014 through 2018 utilizing the standard practice under GASB of depreciation of lease financed capital assets over the useful life of the asset. The allowance for depreciation is expressly excluded from Operation and Maintenance Expenses under the Golf Bond Ordinance

TABLE 13

Historical Coverage Based on Golf Bond Ordinance

	2014	2015	2016	2017	2018
Operating Revenues	$10,304,073	$10,542,563	$11,058,264	$11,962,883	$11,803,338[2]
Rate Maintenance Account	240,403	240,403	240,403	240,403	240,403
Golf Enterprise Fund Gross Revenue	10,544,476	10,782,966	11,298,667	12,203,286	12,043,741
Operation and Maintenance Expenses	9,040,757[1]	9,450,590	9,852,543	10,240,379	10,701,200
Net Pledged Revenue	1,503,719	1,332,376	1,446,124	1,962,907	1,342,541
Series 2005 Maximum Annual Debt Service	$686,865	$686,865	$686,865	$686,865	$686,865
Coverage	2.19x	1.94x	2.11x	2.87x	1.95x

1 2014 Operation and Maintenance Expense excludes a non-cash expense of $1,895,208 in Supplies and Materials Expenses for the gross cost of leased golf carts that did not meet City's capitalization threshold. 2014 Operating Revenues excludes $577,100 of revenues reflecting the trade-in value of older golf carts related to the same lease. The net effect to Net Pledged Revenue is $1,318,108, equal to the principal amount of the 2014 golf cart capital lease financing.

2 Operating revenue in 2017 and 2018 includes revenues, $92,911 and $1,102,089 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. 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 2014 through 2018.

TABLE 14

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

	2014	2015	2016	2017	2018
Operating Revenues					
Golf Charges	$10,289,915	$10,538,700	$11,028,217	$11,850,521	$10,162,966
Other	591,258[1]	3,863	30,047	112,362[2]	1,640,372[2]
Total Operating Revenues	10,881,173	10,542,563	11,058,264	11,962,883	11,803,338
Operating Expenses					
Personnel Services	5,132,359	5,354,362	5,933,998	5,779,628	6,228,995
Contractual Services	614,338	1,009,942	822,742	1,032,521	1,633,799
Supplies and Materials	3,050,851[4]	1,108,606	974,784	1,151,970	982,381
Depreciation Expense	1,120,810	1,132,992	1,163,438	1,142,687	894,103
Other Operating Expenses[3]	2,138,417	1,977,680	2,121,018	2,276,260	1,856,025
Total Operating Expenses	12,056,775	10,583,582	11,015,980	11,383,066	11,595,303
Operating Income (Loss)	(1,175,602)	(41,019)	42,284	579,817	208,035
Non-Operating Revenue (Expenses)					
Investment and Interest Income	50,380	28,050	309,660	24,758	76,891
Disposition of assets (City Park)					(1,322,021)
Interest Expenses	(195,125)	(185,119)	(156,148)	(120,000)	(81,779)
Income (Loss)	(1,320,347)	(198,088)	195,796	484,575	(1,118,874)
Change in accounting position GASB68, GASB75		(2,944,000)[5]			(711,917)[6]
Net Assets – January 1	14,253,564	12,933,217	9,791,129	9,986,925	10,471,500
Net Assets – December 31	$12,933,217	$9,791,129	$9,986,925	$10,471,500	$8,640,709

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1 Other revenue in 2014 includes $577,100 of revenues reflecting the trade-in value of older golf carts related to the purchase of new golf carts financed by a capital lease.
2 Other revenue in 2017 and 2018 includes revenues, $92,911 and $1,102,089 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. 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.
3 Major costs include payments made to City for employee costs, Workers Compensation and payroll processing.
4 Supplies and Materials Expenses and Operating Income in 2014 impacted by a non-cash expense of $1,895,208 for leased golf carts that did not meet City's capitalization threshold.
5 In 2015, the City implemented GASB 68 relating to the accounting for pension obligations, which resulted in an adjustment of beginning net position as of January 1, 2015. For additional information on the impact of the implementation of GASB 68, refer to the 2015 CAFR.
6 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.

(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 has decided to not hold a concert in 2019, and has not yet committed to concerts in subsequent years. Usage of the courses of the Golf Facilities in the last full five years are represented in Table 15. Table 16 reflects the green fees in effect on December 31, 2018.

TABLE 15

Total Rounds Played

	2014	2015	2016	2017	2018
Aqua Golf[1]	13,363	16,171	17,080	19,643	20,568
City Park[2]	50,751	51,836	48,492	45,645	0
Evergreen	19,331	21,678	24,988	25,099	26,198
Harvard Gulch	27,671	31,924	30,583	31,165	30,804
Kennedy[3]	85,408	85,333	85,212	83,640	86,000
Overland	45,277	45,130	45,149	47,572	44,073
Wellshire	52,274	52,105	54,184	55,778	54,965
Willis Case	50,079	49,636	51,360	51,521	51,494
Total	344,154	353,813	357,048	360,063	314,102

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. 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 16

Schedule of Green Fees[1] in effect on December 31, 2018 – Denver Golf Courses

Category of Play	City Park[2]	Evergreen	Harvard Gulch[3]	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 City Park Golf Course remains closed. Fees were in effect though no rounds were actually played.
3 Harvard Gulch is a 9-hole par 3 course.

(Source: Denver Parks and Recreation)

Overlapping Debt and Taxing Entities

The following information has been supplied by the overlapping entities described below and the City has not attempted to verify the accuracy thereof.

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 January of 2018, the School District issued the remaining $105.3 million of authorized bonds from the $572 million originally approved in 2016. Upon this issuance, all previously authorized bonds have been issued. As of December 31, 2018, the School District had $1,708,747,000 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, 2018, the aggregate principal amount of such certificates outstanding was $1,076,255,000. 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 STUCTURE OF THE CITY – Outstanding General Obligation Debt."

Metro Wastewater Reclamation District. 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 $52,043,395 for 2018. The Metro had outstanding $539,480,000 aggregate principal amount of bonds as of December 31, 2018.

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, 2018, approximately $2.607 billion of FasTracks debt was outstanding. RTD also has $72,425,000 of principal outstanding on non-FasTracks debt and $1,137,932,658 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 (the "Flood Control 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 Control District was established to provide flood control and drainage facilities for the areas within the Flood Control District. The Flood Control 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 Control District has no outstanding bonded indebtedness. Projects undertaken by the Flood Control District to date have been financed from ad valorem taxes and local government matching contributions.

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, 2018 is provided in the following table.

TABLE 17

CITY AND COUNTY OF DENVER
OVERLAPPING TAXING DISTRICTS WITH GENERAL OBLIGATION DEBT
Year Ending December 31, 2018

Taxing District	Assessed Valuation Attributable to Area Overlapping with Denver	% of Total Denver Assessed Value	2018 Mill Levy[4]
9th Ave. Metro No 2[2, 3]	$9,347,790	0.05%	50.000
9th Ave. Metro No 3[2, 3]	7,269,370	0.04	11.056
Adams County/ North Washington Fire[1]	6,947,730	0.04	16.650
Aviation Station #2[2]	2,627,850	0.01	53.000
Aviation Station #3[2]	656,010	0.00	53.000
Aviation Station #5[2]	423,520	0.00	10.000
Belleview Station Metro No 2[2]	42,825,460	0.24	50.559
Broadway Park North MD No 2 (debt)[2, 3]	24,707,740	0.14	15.200
Broadway Park North MD No 3[2, 3]	4,501,410	0.03	16.583
Bowles Metropolitan[1]	30,882,390	0.17	42.000
Broadway Station Metro No.3[2, 3]	54,190	0.00	6.000
Central Platte Valley Metro[2, 3]	243,986,480	1.36	28.250
Central Platte Valley Metro (debt)[2]	78,509,280	0.44	10.000
Cherry Creek North B.I.D.	310,367,110	1.73	15.142
Colo. Int. Center Metro No 13[2]	2,980	0.00	81.334
Colo. Int. Center Metro No 14[2]	32,904,040	0.18	75.000
Denargo Market Metro No 2[2]	19,349,160	0.11	40.000
Denver Connection West Metro	4,230,150	0.02	55.277
Denver Gateway Center Metro	6,154,880	0.03	50.000
Denver Intl. Bus. Ctr Metro No 1	31,795,040	0.18	44.175
DUS Metro No 2[2, 3]	93,282,180	0.52	25.000
DUS Metro No 3[2, 3]	9,470,730	0.05	27.639
Ebert Metropolitan[2]	114,143,640	0.64	58.040
Ebert Metropolitan (debt)[2]	3,711,960	0.02	34.440
Gateway Regional Metro	89,389,450	0.50	16.000
Midtown Metro District	5,455,310	0.03	30.000
Mile High Business Center Metro	26,566,800	0.15	30.000
RiNo GID[3]	161,181,020	0.90	4.000
Sand Creek Metropolitan[1,2]	36,756,190	0.21	27.500
Sand Creek Metropolitan (debt)[1,2]	14,435,470	0.08	16.000
SBC Metro[3]	91,961,210	0.51	35.000
Section 14 Metro[1,2]	9,315,930	0.05	23.669
Section 14 Metro (debt Raccoon)[1,2]	3,592,890	0.02	16.150
Section 14 Metro (debt Fairmark)[1,2]	4,598,240	0.03	5.819
South Sloan's Lake Metro No 2[2, 3]	19,848,360	0.11	41.378
Southeast Public Impr Metropolitan[1]	338,916,920	1.89	2.000
Westerly Creek Metro[2]	530,168,080	2.96	60.194
Special District Total Assessed Value	$2,410,336,960	13.44%	
Denver Total Assessed Value[3]	$17,925,134,030		

[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 on 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 $49,325,000 as of December 31, 2018. The City Council has never been requested to appropriate funds under the services agreement.

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 2018 Comprehensive Annual Financial Report of DERP (the "DERP 2018 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, 2017 and 2018:

	2017	2018
Retirees and beneficiaries currently receiving benefits	9,644	9,945
Terminated employees entitled to benefits but not yet receiving such benefits	3,464	3,378
Current employees:		
Vested	4,978	4,996
Non-vested	4,114	4,214
TOTAL	22,200	22,533

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. 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%. At the May 2019 the board meeting, an estimated increase to 24.2% in 2019 and 25% in 2020 were discussed to be pursued in discussions with the City administration, but no ordinance has been filed with City Council to effectuate this change. Additional changes in contribution would require a recommendation by DERP's board of directors to the City Council and enactment of an ordinance, but no ordinance has been filed with the City Council.

	January 1, 2011	January 1, 2012	January 1, 2013	January 1, 2014	January 1, 2015	January 1, 2018	January 1, 2019
City Contribution	9.50%	10.25%	11.00%	11.20%	11.50%	12.50%	13.00%
Employee Contribution	5.50%	6.25%	7.00%	7.30%	8.00%	8.00%	8.50%
Total	15.00%	16.50%	18.00%	18.50%	19.50%	20.50%	21.50%

The total net plan assets were $2,300,253,563 and $2,130,042,808 as of December 31, 2017, and December 31, 2018, respectively. Per DERP 2018 CAFR, as of January 1, 2018, 67.7% of the plan's actuarial accrued liabilities were covered by actuarial value of assets. As of January 1, 2019, the date of the last actuarial valuation, 62.2% of the plan's actuarial accrued liabilities were funded by actuarial value of assets.

In May 2019, DERP adopted three methodology changes, all of which were effective for the January 1, 2019 valuation. First DERP adopted an Entry Age Normal Cost actuarial method. Secondly, DERP adopted a standard five-year asset smoothing method on the market value of annual gains and losses. Finally, DERP shortened the amortization period for the unfunded liability from 30 years to 20 years.

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, 2018, 2017, and 2016, were $24,343,000, $24,343,000, and $18,088,000, 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, 2018, 2017, and 2016, to the New Hire Plan, in the amounts of $17,396,000, $15,934,000, and $15,648,000, 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 2018 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 2018 CAFR, 47.98% of the plan's accrued, OPEB liabilities were covered by valuation assets. Per DERP's Actuarial Valuation dated January 1, 2019, 43.7% 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, 2018, 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 18.

TABLE 18

SCHEDULE OF CERTIFICATED LEASE PURCHASE TRANSACTIONS AND RELEASE DATES AS OF DECEMBER 31, 2018

Series	Outstanding Principal Amount	Leased Property	Date Lease Property Scheduled to be Acquired
2005A[1]	$3,475,000	Human Services Campus	May 1, 2020
2008A1-A3	202,350,000	Wellington E. Webb Office Building	December 1, 2031
2010A[2]	15,610,000	Central Platte Campus	December 1, 2030
2010B	6,680,000	Wastewater Office Building/Roslyn Maintenance Facility	December 1, 2021
2012A	3,185,000	Denver Cultural Center Parking Garage	December 1, 2021
2012C1-C3[2]	33,670,000	Denver Properties Leasing Trust	December 1, 2031
2013A	23,295,000	Buell Theatre	December 1, 2023
2015A	19,320,000	Blair-Caldwell African American Research Library, Fire Station Nos. 18, 19, and 22	December 1, 2034
2017A[2]	15,284,830	Denver Botanic Gardens Parking Facility	December 1, 2028
2018A	129,000,000	Colorado Convention Center Expansion Project	June 1, 2048
TOTAL	$451,869,830		

1 Through June 2016, the entire Human Services Campus was used by the City in its governmental functions. However, as Denver Human Services has modified its policies with respect to privatizing some services, the City has met its services obligations through contracts with non-profit service providers. As a result, the Family Crisis Center portion of the campus has been minimally-used in recent years. The City is currently reviewing alternative human services-related uses with the non-profit sector, under private-use guidelines, to optimize use of the former Family Crisis Center facility. To facilitate this direction the City conducted a TEFRA hearing in 2017.

2 Direct bank placements; no official statement prepared.

(Source: Department of Finance)

On August 21, 2018, the City executed and delivered $129,000,000 of Certificates of Participation, Series 2018A, to expand the existing Colorado Convention Center. The leased property is a portion of the Colorado Convention Center. On March 29, 2019, the City issued a voluntary event disclosure regarding the Colorado Convention Center Expansion Project ("Expansion Project"). The voluntary event disclosure detailed that in December 2018, the Expansion Project was temporarily paused due to discovered misconduct that comprised the competitive bidding process for a design/build contractor. While matters regarding potential litigation are still ongoing, the City has executed a contract with Rider Levett Bucknall to provide Program Management services in August 2019 and posted a request for qualification for a design-build contractor in July 2019. The award for design-build services is anticipated to be fully contracted in the first quarter of 2020. To read the voluntary event disclosure in its entirety, please refer to https://emma.msrb.org/.

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, 2018, the City was the lessee under various other capitalized lease agreements in a principal amount of $20,070,334 compared to $23,319,310 as of December 31, 2017. 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 Public Works, was established to account for the sanitary sewer and storm operations of the City. The City's wastewater collection facilities as of December 31, 2018, 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 Public Works, 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, 2018, a principal amount of $31,760,000 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 Public Works, 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, 2018, a principal amount of $111,055,000 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 Public Works, 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, 2018, a principal amount of $100,160,000 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 is currently anticipated to be open to a limited number of players per day in 2020. Wastewater has 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 is closed. In 2018, Wastewater Enterprise reimbursed Golf Enterprise in the amount of $1,195,000. The City will continue to evaluate any impacts from this stormwater project. For more information regarding the program see "WASTEWATER MANAGEMENT SYSTEM – Capital Improvement Plan." As of December 31, 2018, the combined outstanding principal amount for the Series 2012, Series 2016, and Series 2018 bonds is $242,975,000.

Wastewater Financial Information

Customer Information. Denver's Wastewater Management Division estimates that Wastewater serves approximately 162,975 sanitary sewer customers. Of this amount, approximately 147,228 (90%) are residential customers; approximately 15,747 (10%) are commercial, industrial, or governmental customers. It is estimated that Wastewater serves approximately 169,996 storm customers. Of this amount, approximately 160,582 (94%) are residential customers; approximately 9,414 (6%) are commercial, industrial or governmental customers.

Metro Wastewater Reclamation District. The sewage carried by the City's Sanitary Sewerage Facilities is delivered to 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 municipalities, districts and industrial entities contracting with Metro for sewage treatment and disposal services. 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 2041). 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 19 presents historical data between 2014 and 2018 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 19

HISTORICAL METRO WASTEWATER RECLAMATION DISTRICT ANNUAL CHARGES[1]

	2014	2015	2016	2017	2018
Total Enterprise Operating Expense[2]	$101,801,603	$111,330,996	$113,147,311	$120,618,000	$124,020,000[3]
Metro Annual Charge	$44,200,243	$48,872,825	$49,197,801	$54,710,000	$52,043,000
Metro Annual charge as a Percentage of Total Operating Expense	43.42%	43.90%	43.48%	45.36%	41.96%
Year-to-Year Metro Annual Charge Increase (Decrease)[4]	(1.47%)	10.57%	0.66%	11.20%	(4.87%)

1 In this table, "Enterprise" refers to Wastewater Management Enterprise Fund.
2 These figures do not reflect the amounts paid to other sewage treatment and disposal districts.
3 Total enterprise operating expense in 2018 includes $1,195,000 of expenses reflecting the reimbursement to Golf Enterprise from Wastewater for lost net revenue and specified expenses, from 2017-2018, 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.
4 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 20

HISTORICAL ACCOUNT INFORMATION

Years Ended (December 31)	Storm Drainage Accounts	Sanitary Sewerage Accounts
2009	158,955	154,230
2010	159,932	156,392
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

(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")); 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, will increase 10%; as of January 1, 2020, will increase 10% and thereafter, the minimum charge will increase annually according to the percentage change from the previous year in the Consumer Price Index. The following table show the historical, current, and future storm drainage service charges imposed in accordance with the 2016 ordinance.

TABLE 21

STORM DRAINAGE HISTORICAL, CURRENT AND FUTURE RATES

Ratio Group	Rate 2015(July)	Rate 2016(July)	Rate 2017(Jan)	Rate 2018(Jan)	Rate 2019(Jan)	Rate 2020(Jan)
0 to .10	$1.90	$2.11	$2.34	$2.60	$2.86	$3.15
.11 to .20	2.37	2.63	2.92	3.24	3.56	3.92
.21 to .30	2.88	3.20	3.55	3.94	4.33	4.76
.31 to .40	3.40	3.77	4.18	4.64	5.10	5.61
.41 to .50	3.88	4.31	4.78	5.31	5.84	6.42
.51 to .60	4.15	4.61	5.12	5.68	6.25	6.88
.61 to .70	4.41	4.90	5.44	6.04	6.64	7.30
.71 to .80	4.90	5.44	6.04	6.70	7.37	8.11
.81 to .90	5.39	5.98	6.64	7.37	8.11	8.92
.91 to 1.00	5.92	6.57	7.29	8.09	8.90	9.79
Minimum Annual Charge	$13.53	$15.02	$16.67	$18.50	$20.35	$22.39

(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, 2019, 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 $187.50 ($6.25 x 3,000/100). The minimum annual storm drainage service charge will not be less than $20.35 for the rate period effective January 1st of 2019. 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

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

CURRENT AND FUTURE SEWAGE 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.

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 2017(Jan)	Rate 2018(Jan)	Rate 2019(Jan)	Rate 2020(Jan)
5/8	$11.39	$11.85	$12.32	$12.81
3/4	17.10	17.78	18.49	19.23
1	28.47	29.61	30.79	32.02
1 1/4	42.79	44.50	46.28	48.13
1 1/2	57.03	59.31	61.68	64.15
2	91.18	94.83	98.62	102.56
3	170.95	177.79	184.90	192.30
4	285.00	296.40	308.26	320.59
6	569.96	592.76	616.47	641.13
8	912.30	948.79	986.74	1,026.21
10	1,310.87	1,363.30	1,417.83	1,474.54
12	2,450.76	2,548.79	2,650.74	2,756.77

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.

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. 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

[Rates continued on next page]

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.

(Source: Wastewater Enterprise)

The following table sets forth the statements of revenues, expenses of the 2017, 2018 and 2019 Approved Budgets with respect to Wastewater.

TABLE 22

WASTEWATER ENTERPRISE BUDGETS

	2017	2018	2019
Total Operating Revenue	\$141,554,117	\$151,292,789	\$166,954,382
Operating Expenses			
Personnel Services	28,340,440	31,158,346	32,443,766
Contractual Services	25,832,699	22,515,795	25,496,515
Supplies and Materials	1,766,552	2,104,946	2,070,036
District Water Treatment Charges	54,000,000	57,530,600	57,530,600
Total Operating Expenses	109,939,691	113,309,687	117,540,917
Operating Income (Loss)	31,614,426	37,983,102	49,413,465
Other Income (Expense)			
Investment and Interest Income	1,096,300	1,893,846	1,893,846
Debt Interest Payment	(6,103,125)	(5,983,325)[1]	(11,046,125)
Bond Principal Payment	(5,427,800)	(5,065,000)[1]	(5,660,900)
Purchase of capital equipment	(207,500)	(2,428,000)	(4,416,000)
Total Other Income (Expense)	(10,642,125)	(11,582,479)	(19,229,179)
Modified Net Income	\$20,972,301	\$26,400,623	\$30,184,286

1 Figures do not include debt service related to the Series 2018 Wastewater Bonds.

(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 2014 through 2018 is set forth in the following table.

TABLE 23

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

	2014	2015	2016	2017	2018
OPERATING REVENUES					
Sanitary sewer	$81,833,408	$85,709,854	$90,811,637	$98,800,000	$103,099,000
Storm drainage	38,972,387	40,550,193	42,563,676	51,322,000	56,427,000
TOTAL OPERATING REVENUES	120,805,795	126,260,047	133,375,313	150,122,000	159,526,000
OPERATING EXPENSES					
Personnel services	21,175,362	22,532,732	25,534,697	26,662,000	27,829,000
Contractual services	18,021,659	20,052,641	17,982,487	17,621,000	23,292,000[3]
Supplies	1,220,404	1,429,301	1,533,686	2,219,000	1,208,000
Utilities	438,928	376,018	390,844	280,000	329,000
Depreciation and amortization	16,745,007	18,067,479	18,507,796	19,126,000	19,319,000
Payments To Metro Wastewater Reclamation District	44,200,243	48,872,825	49,197,801	54,710,000	52,043,000
TOTAL OPERATING EXPENSES	101,801,603	111,330,996	113,147,311	120,618,000	124,020,000
Operating Income	19,004,192	14,929,051	20,228,002	29,504,000	35,506,000
NONOPERATING REVENUE (EXPENSES)					
Intergovernmental revenue	700,028	826,628	764,287	763,000	4,455,000
Investment income (loss)	894,994	705,812	822,223	2,013,000	5,313,000
Interest expense	(843,425)	(668,582)	(1,149,896)	(3,431,000)	(5,359,000)
Bond issuance costs	0	0	(496,431)	0	0
Gain (loss) on disposition of assets	81,677	194,853	157,199	(142,000)	61,000
NET NONOPERATING REVENUE (EXPENSES)	833,274	1,058,711	97,382	(797,000)	4,470,000
Income before capital contributions and transfers	19,837,466	15,987,762	20,325,384	28,707,000	39,976,000
Capital contributions	18,444,026	9,564,386	28,022,111	21,296,000	17,742,000
Transfers out	(25,000)	(25,000)	(29,500)	(757,000)	(33,000)
Change in net position	38,256,492	25,527,148	48,317,995	49,246,000	57,685,000
Net position, beginning of year (before restatement)	542,618,314	580,874,806	584,223,560	632,542,000	681,788,000
Change in accounting position GASB68, GASB75		(22,178,394)[1]			(4,319,000)[2]
Net position, beginning of year (as restated)		558,696,412	584,223,560		677,469,000
Net position, end of year	$580,874,806	$584,223,560	$632,541,555	$681,788,000	$735,154,000

[Footnotes on next page]

1 In 2015, the City implemented GASB 68 relating to the accounting for pension obligations, which resulted in an adjustment of beginning net position as of January 1, 2015. For additional information on the impact of the implementation of GASB 68, refer to the 2015 CAFR.
2 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.
3 Contractual services in 2018 includes $1,195,000 of expenses reflecting the reimbursement to Golf Enterprise from Wastewater for lost net revenue and specified expenses, from 2017-2018, 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.

(Source: Wastewater Management Enterprise Fund, Audited Financial Statements, 2014 –2018)

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 as follows.

HISTORIC DEBT SERVICE COVERAGE RATIOS

Years	Net Pledged Revenues	Combined Average Annual Debt Service Requirements	Debt Service Coverage Ratio
2014	$36,635,534	$3,099,422	11.82x
2015	33,362,784	3,027,084	11.02x
2016	35,293,111	8,298,555	4.25x
2017	46,666,000	7,930,000	5.88x
2018	49,871,000	13,032,000	3.83x

(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 2020-2021, which includes the Platte to Park Hill: Stormwater Systems program. 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 2019 THROUGH 2021[1]

Project Description	**2019**	**2020**	**2021**
Storm Drainage	$125,773,396	$55,765,963	$47,087,395
Sanitary Sewer	8,144,914	11,114,434	12,889,303
Total	$133,918,311	$66,880,398	$59,976,697

1 Figures represent current estimates of the remaining years of the adopted 2020-2021 capital improvement plan expenditures and are subject to re-evaluation.

(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 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 five executive vice presidents.

Situated approximately 24 miles northeast of downtown Denver, the Airport is the primary air carrier airport serving the region. According to Airports Council International, in 2018, the Airport was the fifth busiest airport in the United States and the twentieth busiest in the world, serving 64.5 million passengers. The Airport is comprised of approximately 33,800 acres (53 square miles) of land, an area twice the size of the island of Manhattan and is the second largest physical airport in the world. The passenger terminal complex is reached via Peña Boulevard, a 12-mile dedicated access road which connects Interstate 70 and intersects with 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, 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. The Airport has 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 3.1 million, is the primary region served by the Airport.

As of June 30, 2019, there are 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 Prime, provide 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 32.3 million enplaned passengers (passengers embarking on airplanes) in 2018, a 5.0% increase compared to 2017. The Airport served 30.7 million enplaned passengers in 2017, a 5.4% increase compared to 2016. Approximately 64.2% of passengers were originating or terminating their air travel at the Airport in 2018, compared to approximately 63.9% in 2017. Approximately 35.8% were passengers making connecting flights beyond Denver in 2018, compared to approximately 36.1% in 2017.

United Group

United Airlines, together with its regional affiliate airlines ("United" or the "United Group"), is the principal air carrier operating at the Airport. 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 US Department of Transportation). Under the United Use and Lease Agreement with the City, which currently expires in 2035, United leased 53 full-service contact gates and 16 ground loading positions as of June 30, 2019. United accounted for 43.5% of passenger enplanements at the Airport in 2018.

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 $250,575,000 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.

Southwest Airlines

Southwest Airlines ("Southwest") had the second largest market share at the Airport in 2017 and 2018. 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. Southwest initially served ten cities from the Airport, compared to the 65 cities to which it currently provides nonstop service from the Airport.

As of June 30, 2019, Southwest leased 25 gates at the Airport pursuant to a Use and Lease Agreement with the City which was extended from its initial expiration date of December 31, 2018 through December 31, 2019, with an option (available only to the City) to further extend such term until December 31, 2020. Southwest accounted for 29.1% of passenger enplanements at the Airport in 2018.

Frontier Airlines

Frontier Airlines and its affiliates ("Frontier" or the "Frontier Group") had the third largest market share at the Airport in 2017 and 2018. The Airport is Frontier's only hub and, in 2017, was 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 June 30, 2019, Frontier leased nine gates at the Airport pursuant to a Use and Lease Agreement with the City which was extended from its initial expiration date of December 31, 2018 through December 31, 2019, with an option (available only to the City) to further extend such term until December 31, 2020. Frontier accounted for 11.5% of passenger enplanements at the Airport in 2018.

Delta Airlines

Delta Airlines had the fourth largest market share at the Airport in 2018. Delta does not use the Airport as a major hub, accounting for 5.4% of passenger enplanements at the Airport in 2018.

American Airlines

The American Airlines Group ("American") does not use the Airport as a major hub, accounting for 5.0% of passenger enplanements at the Airport in 2018.

Other Passenger Airline Information

Other than United, Southwest, Frontier, Delta and American, no single airline currently accounts for more than 5% of any passenger enplanements at the Airport.

Availability of Information Concerning Individual Airlines

Certain airlines or their parent corporations, including United, Southwest, Delta and American, 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 contained in Tables 24, 25, 26, 27, and 28 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 24

AIRPORT SYSTEM
HISTORY OF ENPLANED PASSENGERSAT THE AIRPORT
2014-2018

Year	Enplaned Passengers (millions)	Percent Change
2014	26.737	1.7%[1]
2015	27.019	1.1
2016	29.140	7.9
2017	30.714	5.4
2018	32.259	5.0

1 Compared to 26.285 million enplaned passengers in 2013.

(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 25

AIRPORT SYSTEM
HISTORICAL ENPLANED PASSENGERS
BY AIRLINE TYPE
2014-2018

	Major / International 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
2014[1]	21,962,984	1.6%	4,767,207	7.4%	6,493	(97.2)%	26,736,684	1.7%
2015	22,713,090	3.4	4,296,830	(9.9)	9,009	38.7	27,018,929	1.1
2016	24,979,910	10.0	4,155,887	(3.3)	4,407	(51.1)	29,140,204	7.9
2017	26,758,785	7.1	3,953,656	(4.9)	1,570	(64.4)	30,714,011	5.4
2018	27,951,205	4.5	4,306,957	8.9	1,055	(32.8)	32,259,217	5.0

1 In 2014, the airport adjusted the methodology of classifying the airlines between each category based on the type of operation. This primarily included adjusting United Express international operations from Miscellaneous to Regional.

(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 26

AIRPORT SYSTEM
PERCENTAGE OF ENPLANED PASSENGERS
BY TRAFFIC TYPE
2014-2018

	2014	2015	2016	2017	2018
Domestic	95.8%	95.9%	96.1%	95.8%	95.4%
International	4.2%	4.1%	3.9%	4.2%	4.6%
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 27

AIRPORT SYSTEM
PERCENTAGE OF ENPLANED PASSENGERS BY AIRLINE

Airline	2014	2015	2016	2017	2018
United	24.3%	27.7%	29.3%	30.7%	30.9%
United Express	16.3	14.6	12.7	11.6	12.6
Total United	40.6	42.3	42.0	42.3	43.5
Southwest	26.4	29.3	29.4	29.7	29.1
Frontier[1]	18.4	12.4	12.2	11.4	11.5
American[2]	5.8	6.1	5.6	5.5	5.4
Delta	4.4	4.9	5.1	5.3	5.0
Other[3]	4.3	4.9	5.6	5.8	5.5
Total Other	59.4	57.7	58.0	57.7	56.5
Total	100.0%	100.0%	100.0%	100.0%	100.0%

1 Includes Frontier and Republic Holdings. Frontier Airlines was acquired by Indigo Partners LLC based in Phoenix, Arizona, in November 2013. Frontier no longer has regional flights offered by Republic Holdings. See also “Frontier Airlines” above.
2 American Airlines and US Airways merged in December 2013. See also “American Airlines” above.
3 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 2014 through 2018.

TABLE 28

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

	2014	2015	2016	2017	2018
Enplaned Passengers (millions):					
United	6.491	7.493	8.549	9.429	9.963
United Express	4.370	3.928	3.697	3.548	4.064
Total United Group	10.861	11.421	12.246	12.977	14.028
Southwest	7.065	7.929	8.565	9.137	9.386
Frontier	4.932	3.360	3.567	3.501	3.696
American	1.537	1.642	1.644	1.683	1.728
Delta	1.180	1.334	1.490	1.636	1.620
Other	1.162	1.333	1.627	1.780	1.801
Total	26.737	27.019	29.140	30.714	32.259
Percent Change from Prior Year	*1.7%*	*1.1%*	*7.8%*	*5.4%*	*5.0%*
Originating Passengers (millions):	16.214	17.353	18.527	19.656	20.746
Percent of Total Enplaned	60.6%	64.2%	63.6%	64.0%	64.3%
Connecting Passengers (millions):	10.523	9.666	10.613	11.058	11.513
Percent Connecting of Total Enplaned	39.4%	35.8%	36.4%	36.0%	35.7%
United Group Passengers:					
Percent Originating	39.0%	40.4%	40.9%	43.2%	44.8%
Percent Connecting	61.0%	59.6%	59.1%	56.8%	55.2%
Frontier Passengers:					
Percent Originating	62.6%	78.9%	76.0%	72.2%	72.6%
Percent Connecting	37.4%	21.1%	24.0%	27.8%	27.4%
Southwest Passengers:					
Percent Originating	72.1%	75.6%	73.5%	74.7%	73.5%
Percent Connecting	27.9%	24.4%	26.5%	25.3%	26.5%
American Airlines:					
Percent Originating	100.0%	100.0%	100.0%	100.00%	95.27%
Percent Connecting	0.0%	0.0%	0.0%	0.0%	4.7%
Delta Airlines:					
Percent Originating	95.7%	95.8%	95.8%	95.7%	100.0%
Percent Connecting	4.3%	4.2%	4.2%	4.3%	0.0%
Average Daily Departures:					
Passenger Airlines:					
United	124	146	167	177	182
United Express	252	219	202	194	226
Frontier	100	66	64	190	191
Southwest	158	168	181	60	63
American	33	33	34	31	36
Delta	26	30	35	38	30
Other	49	47	59	65	53
Total Passenger Airlines	742	709	742	755	781
All-Cargo Airlines	26	26	26	27	29
Total	768	735	768	782	810
Percent Change from Prior Year	*(3.0%)*	*(4.3%)*	*4.5%*	*2.0%*	*3.6%*
Landed Weight (billion pounds):					
Passenger Airlines:					
United	7.292	8.214	9.452	10.225	10.642
United Express	4.881	4.427	4.148	4.064	4.571
Frontier	5.018	3.339	3.306	9.153	9.333
Southwest	7.423	7.922	8.610	3.208	3.413
American Airlines	1.609	1.678	1.742	1.759	1.809
Delta	1.242	1.390	1.590	1.728	1.672
Other	1.571	1.722	2.149	2.356	2.286
Total Passenger Airlines	29.036	28.692	30.996	32.492	33.725
All-Cargo Airlines	1.315	1.363	1.425	1.392	1.491
Total	30.351	30.055	32.421	33.884	35.216
Percent Change from Prior Year	*(0.8%)*	*(1.0%)*	*7.9%*	*4.5%*	*3.9%*
Enplaned Cargo (million pounds)[1]	229.458	238.664	229.410	238.848	258.262
Percent Change from Prior Year	*3.0%*	*4.0%*	*(3.9%)*	*4.1%*	*8.1%*
Total Aircraft Operations (Landings/Take-Offs):					
Air Carriers	422,178	424,930	445,019	461,992	462,276
Commuter/Military/Taxi/General Aviation	152,983	122,718	127,501	120,494	141,127
Total	575,161	547,648	572,520	582,486	603,403
Percent Change from Prior Year	*(2.0%)*	*(4.8%)*	*4.5%*	*1.7%*	*3.6%*

[Footnotes on next page]

Footnotes for Table 28

1 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 – Litigation Update."

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

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 adopted a new 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 ("CPI") through 2022) in the following areas of the Airport:

	in billions
Concourses A, B, and C	$1.8
Jeppesen Terminal	1.1
Airside	0.3
Landside	0.2
DEN Real Estate	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.

Major Projects in the 2018-2022 Capital Program

Concourse A, B, and C. Major projects include concourse gate expansion, as well as signage and wayfinding upgrades, remodeling of the public restrooms and the conveyance replacement program.

This also includes the design and construction of new gates and associated apron, airfield, and roadway improvements on Concourse A, B and C, as well as an increase in the amount of airline and concessions space on each concourse. Airport management expects that a majority of the additional gates and space will be revenue-producing in the near and longer term due to current and future airline demand.

On Concourse A, the project will add 12 new gates on the west side of the concourse, with a portion of these gates configured to accommodate both domestic and international operations. The Concourse B expansion will add four new gates on the west side of the concourse and a net of seven new narrow-body gates on the east side of the concourse, as it will replace certain ground loading and regional jet facility operations to increase capacity. The Concourse C expansion will add 16 new gates on the east side of the concourse. All 39 gates are anticipated to be operational by late 2021, with Concourse B's four west-side gates operational by late 2020.

Jeppesen Terminal. Major projects include the Great Hall project, development of two new Checked Bag Resolution Areas ("CBRAs") and other baggage system upgrades, additional AGTS train sets and the AGTS car replacement program.

Great Hall Project. 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.

Denver Great Hall LLC, a Delaware limited liability company (the "DGH") was granted an exclusive right to design, construct, finance, operate and maintain certain specified areas within Jeppesen Terminal, including the renovation and reconfiguration of a portion of the Great Hall (the "Great Hall Project"), pursuant to the Development Agreement ("DA"). On August 12, 2019, pursuant to Section 21.2 of the DA, the City exercised its right to terminate the DA for convenience, which termination will be effective November 12, 2019. See "THE CITY AND COUNTY OF DENVER – Litigation Update" above for more information on the status of the Great Hall Project. This disclosure is available at http://emma.msrb.org.

Baggage System Improvements. Major projects in connection with the baggage handling system improvements consist of the development of two new CBRAs that will replace 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 CBRAs; 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.

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.

Landside. Major projects include the East Bound Peña Boulevard reconstruction, realignment, and widening of various sections of Peña Boulevard and associated roadways as well as the replacement of deteriorating concrete. In addition, this includes the replacement of the parking revenue control system and installation of the parking lot entrance and exit canopies, which are designed to improve parking services.

DEN Real Estate. The Department has developed the DEN Strategic Development Plan, which provides guidance on opportunities available for commercial development of about 16,000 acres of non-aviation land. The plan focuses on development districts and infrastructure based on "Smart City" and strategic sustainability concepts. The Department is in the process of finalizing an infrastructure implementation phasing strategy, and planned projects include the funding to construct infrastructure for the initial 1,500 acres of commercial development along the Peña Boulevard corridor, pursuant to the IGA Amendment (as defined herein) with Adams County, to generate additional non-airline revenues to support passenger growth at the Airport.

Plan of Funding for the 2018-2022 Capital Program

Airport management currently expects that the 2018-2022 Capital Program will be funded with: (i) the Series 2018A-B Subordinate Bonds to fund $2,526,075,000 in project costs, (ii) approximately $1.1 billion of additional Airport system revenue bonds to fund approximately $900 million 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; (iii) amounts on deposit in the Capital Fund in the amount of approximately $161.3 million; (iv) interim financing sources consisting of Subordinate Contract Obligations; and (v) grants-in-aid from the FAA and/or the Transportation Security Administration ("TSA") in the amount of approximately $116.4 million.

The amount on deposit in the Capital Fund as of December 31, 2018, was approximately $444.5 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) $378.8 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, 2018, the total aggregate amount of all outstanding Bonds is as follows:

TABLE 29

AIRPORT SYSTEM – OUTSTANDING BONDS[1]
As of December 31, 2018

Issue	Amount
Series 1992C Bonds[1]	$40,080,000
Series 1992F Bonds[2,3,4]	19,100,000
Series 1992G Bonds[2,3]	15,800,000
Series 2002C Bonds[2,3,4]	26,200,000
Subseries 2007F1 Bonds[2,4,5]	37,625,000
Subseries 2007F2 Bonds[2,4,5]	37,925,000
Subseries 2007G1 Bonds[2,3,4]	59,700,000
Subseries 2007G2 Bonds[2,3,4]	59,700,000
Series 2008B Bonds[2,3,4]	50,600,000
Subseries 2008C1 Bonds[2,3,4]	86,800,000
Subseries 2008C2 Bonds[2,3,4,6]	100,000,000
Subseries 2008C3 Bonds[2,3,4,6]	100,000,000
Series 2009A Bonds	150,480,000
Series 2009B Bonds	65,290,000
Series 2009C Bonds[2,3,4]	100,955,000
Series 2010ABonds	150,050,000
Series 2011A Bonds	182,420,000
Series 2011B Bonds	9,010,000
Series 2012A Bonds	261,645,000
Series 2012B Bonds	492,925,000
Series 2012C Bonds	30,285,000
Series 2016A Bonds	223,735,000
Series 2016B Bonds[2]	92,390,000
Series 2017A Bonds	232,980,000
Series 2017B Bonds	21,280,000
Total Senior Bonds	**$2,646,975,000**
Series 2013A Bonds	$308,400,000
Series 2013B Bonds	375,890,000
Series 2015A Bonds[3]	148,175,000
Series 2018A Bonds	2,341,710,000
Series 2018B Bonds	184,365,000
Total Subordinate Bonds	**$3,359,540,000**
Total Outstanding Bonds	**$6,005,515,000**

[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.

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 2018, 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 The Subseries 2007F1-F2 Bonds currently are in an auction rate mode.

6 On August 27, 2019, the City and County of Denver, Colorado, for and on behalf of its Department of Aviation, issued its $145,875,000 Airport System Subordinate Revenue Bonds Series 2019A (AMT) (the "2019A Bonds") and its $22,710,000 Airport System Subordinate Revenue Bonds Series 2019B (Taxable) (the "2019B Bonds" and together with the 2019A Bonds, the "2019AB Bonds"). The 2019AB Bonds were privately placed with a bank, and the proceeds of the Series 2019AB Bonds, together with other Airport funds, will be used to refund and redeem on August 27, 2019 $200,000,000 Airport System Revenue Bonds issued in 2008 (the "Series 2008C2-C3 Bonds"), to pay costs associated with terminating certain non-integrated swaps associated with the Series 2008C2-C3 Bonds in the aggregate outstanding notional amount of $180,152,000 and to pay the costs of issuing the 2019AB Bonds. The 2019A Bonds bear interest at a fixed rate of 1.37% and the unamortized principal amount is subject to mandatory tender on November 15, 2025. The 2019B Bonds bear interest at a fixed rate of 2.12% and mature on November 15, 2020.

(Sources: Airport Financial Statements for 2018; Department of Aviation)

TABLE 30

SENIOR CREDIT FACILITY OBLIGATIONS
As of December 31, 2018

Senior Bonds	Outstanding Principal Amount	Current Interest Rate Mode	Final Maturity Date	Financial Institution	Last Day of the Initial Period[1]
Series 1992F	19,100,000	Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	9/25/2020
Series 1992G	15,800,000	Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	9/25/2020
Series 2002C	26,200,000	Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	9/25/2020
Series 2007G1-G2	119,400,000	Daily Floating	11/15/2031	BMO Harris Investment Corp.	12/1/2023
Series 2008B	50,600,000	Indexed Floating Rate	11/15/2031	Wells Fargo Bank, National Association	12/11/2020
Series 2008C1	86,800,000	Indexed Floating Rate	11/15/2031	Wells Fargo Bank, National Association	12/11/2020
Series 2008C2-C3	200,000,000	Indexed Floating Rate	11/15/2031	Royal Bank of Canada and RBC Capital Markets	8/29/2019
Series 2009C	100,955,000	Indexed Floating Rate	11/15/2031	Bank of America, N.A.	4/28/2020

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.

(Source: Department of Aviation)

Bond Issuances and Other Obligations

Senior Revenue Bonds. Currently, there is approximately $2,392,715,000 aggregate principal amount of Senior Revenue Bonds outstanding.

Subordinate Revenue Bonds. On August 28, 2018, the Airport issued $2,341,710,000 of Subordinate Airport System Revenue Bonds, Series 2018A (AMT) and $184,365,000 of Subordinate Airport System Revenue Bonds, Series 2018B (Non-AMT) to pay for and finance a portion of the costs of the Airport's 2018-2022 Capital Program, refund the Series 2017C Subordinate Bonds, fund a debt service reserve account for the Series 2018A-B Subordinate Bonds, pay capitalized interest on the Series 2018A-B Subordinate Bonds, and pay the costs of issuing the Series 2018A-B Subordinate Bonds. Upon the issuance of the Series 2018A-B Subordinate Bonds and the refunding of the Series 2017C Subordinate Bonds, there are approximately $3,612,800,000 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 Contract Obligations. For purposes of interim financing of project costs related to the Airport's 2018-2022 Capital Program, in December 2017, the City, for and on behalf of the Department of Aviation, incurred a Subordinate Contract Obligation in the form of a revolving loan in the maximum aggregate principal amount not to exceed $150 million pursuant to the Revolving Credit Agreement with U.S. Bank National Association. On October 22, 2018, the Revolving Credit Agreement was terminated.

Subordinate Hedge Facility Obligations. The City has entered into various interest rate swap agreements. On December 7, 2018, the Airport fully terminated the 2005 and 2006B Swap Agreements with Jackson Financial Products, LLC. There was no cost to the Airport for the terminations and the terminations yielded a net cash inflow of $1.16 million. Additionally, subsequent to December 31, 2018, the Airport fully terminated the 2005 and 2006B Swap Agreements with the Royal Bank of Canada and Piper Jaffray Financial Projects, LLC. These terminations were effective on March 13, 2019, with no cost to the Airport and yielded a net cash inflow of $1.19 million. Detailed information regarding these swap agreements outstanding as of December 31, 2018 is available in Note 13 of the audited financial statements of the Airport System for Fiscal Year 2018.

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.

Pursuant to the Junior Lien Bond Ordinance, the City also adopted the Supplemental General Junior Lien Bond Ordinance, Ordinance No. 17-0973, Series of 2017 (the "Great Hall Ordinance"), which declared an obligation of the City, for and on behalf of the Department, to make monthly Supplemental Payments under the DA a Junior Lien Contract Obligation. The monthly Supplemental Payments were scheduled to begin in 2022 (the first full year after the anticipated completion of the Great Hall Project). The City's obligation to make monthly Supplemental Payments under the DA will terminate upon the termination of the DA effective November 12, 2019. See "THE CITY AND COUNTY OF DENVER – Litigation Update" above for more information on the status of the Great Hall Project.

Installment Purchase Agreements. The City, for and on behalf of its Department of Aviation, entered into various Master Installment Purchase Agreements. Banc of America Public Capital Corp Master Installment Purchase Agreement, which was entered into on January 9, 2015, expired on March 30, 2018. As of December 31, 2018, the following agreements were outstanding:

Date Entered	Firm	Outstanding Amount	Interest Rate
1/10/2012	Santander Leasing, LLC	$6,575,949	1.9595%
6/19/2015	Santander Bank NA	1,012,047	1.1900%
		$7,587,996	

As of December 31, 2018, $7.6 million of principal note payments were outstanding under these Agreements, compared to $11.2 million at December 31, 2017.

Summary Financial Information

TABLE 31

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

	2014	2015[1]	2016	2017	2018[2]
Operating Revenues	$711,492	$687,536	$742,529	$768,925	$808,360
Operating Expenses	413,563	436,803	469,810	453,532	474,314
Operating Income Before Depreciation	297,928	250,733	272,719	315,393	334,046
Depreciation and Amortization	183,560	163,714	179,692	183,351	193,009
Operating Income	114,368	87,019	93,027	132,042	141,037
Non-Operating Revenues (Expenses) net	(9,013)	9,106	12,108	1,611	(3,787)
Capital Contributions	20,533	20,483	3,553	55,879	26,730
Change In Net Assets	$125,888	$116,608	$108,688	$189,532	$163,980

1 The adoption of GASB 68, Accounting and Financial Accounting for Pensions, required a one-time adjustment to reduce net assets by $90.6 million as a result of the cumulative effect of the change in accounting principle, which has not been reflected in the total above. 2014 has not been restated for adoption of GASB 68.

2 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. 2014 – 2017 have not been restated for adoption of GASB 75.

(Source: Department of Aviation)

TABLE 32

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

($ in thousands)

	2014	2015	2016	2017	2018
Gross Revenues[1,2]	$803,620	$808,614	$863,126	$892,160	$945,206
Operation & Maintenance Expenses	355,769	377,199	417,140	425,006	445,801
Net Revenues	447,851	431,415	445,986	467,155	499,405
Other Available Funds[3]	54,833	50,320	51,574	47,090	43,901
Total amount available for Debt Service Requirements	$502,684	$481,735	$497,560	$514,245	$543,306
Senior Bonds					
Debt Service Requirements[4]	$219,334	$201,279	$206,295	$188,360	$175,605
Debt Service Coverage	2.29x	2.39x	2.41x	2.75x	3.09x
Senior and Subordinate Bonds[5]					
Debt Service Requirements[4]	$268,422	$262,512	$294,914	$282,251	$276,949
Debt Service Coverage	1.87x	1.84x	1.69x	1.84x	1.96x

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 $17,214,747, $18,597,856, $19,883,506, $19,491,735, and $20,019,006 of rental car customer facility charges ("CFCs") in 2014, 2015, 2016, 2017, and 2018 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 2018 Annual Financial Report for the Airport.

3 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.

4 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 2018 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.

5 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
2018 Dollars

$10.56[1]

AVERAGE AIRLINE COSTS
PER ENPLANED PASSENGER
FOR UNITED GROUP (includes United Express)
2018 Dollars

$10.91[1]

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
2014	$103,959	0.9%[2]
2015	106,006	2.0
2016	114,230	7.8
2017	118,333	3.6
2018	123,907	4.7

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 $103,032 in 2013.

(Source: Department of Aviation)

CONTACTS FOR FURTHER INFORMATION

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Chief Financial Officer, Manager of Finance, *Ex-Officio* Treasurer
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(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):
Beth Machann
Controller
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/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)
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https://www.denverwater.org/about-us/investor-relations

Financial Statements – Denver Employees Retirement Plan:
Denver Employees Retirement Plan
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Executive Director
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www.derp.org/index.cfm/ID/9/Publications

The 2019 Disclosure Statement must be read in conjunction with the City's Comprehensive Annual Financial Report (CAFR) for the Year Ended December 31, 2018 – 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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Introduction

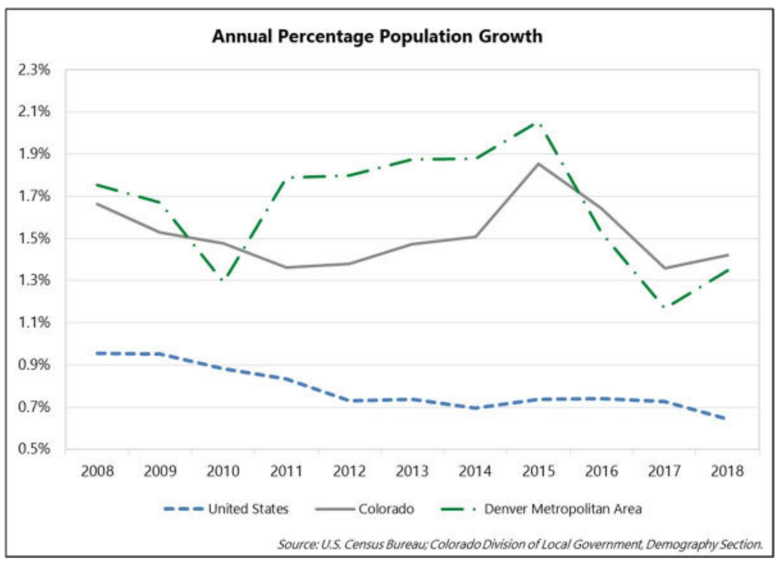
In 2018, Colorado's employment growth accelerated, aided by continued positive net migration, strong economic activity, and wage growth. Colorado remains a top-10 state for employment growth, with a 2.4 percent increase in jobs over-the-year. The Denver metropolitan statistical area ranked fourth among the nation's 25 largest metropolitan areas for employment gains in 2018, rising 2.5 percent. The expanding Denver metropolitan area economy is bolstered by a vibrant entrepreneurial community, rising population and employment growth, and an increasing presence in the global economy.

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 about 62 percent of Colorado jobs and 56 percent of the state's total population. All 11 industry supersectors in the Denver metropolitan area added jobs in 2018, with the addition of 41,600 jobs of the total 64,900 jobs added in the state. The City and County of Denver represents 22.5 percent of the total Denver metropolitan area population, the largest portion of the seven counties in the region. With nearly 520,000 workers, the City and County of Denver is the state's largest job base and employment grew 2.5 percent between 2017 and 2018.

Population

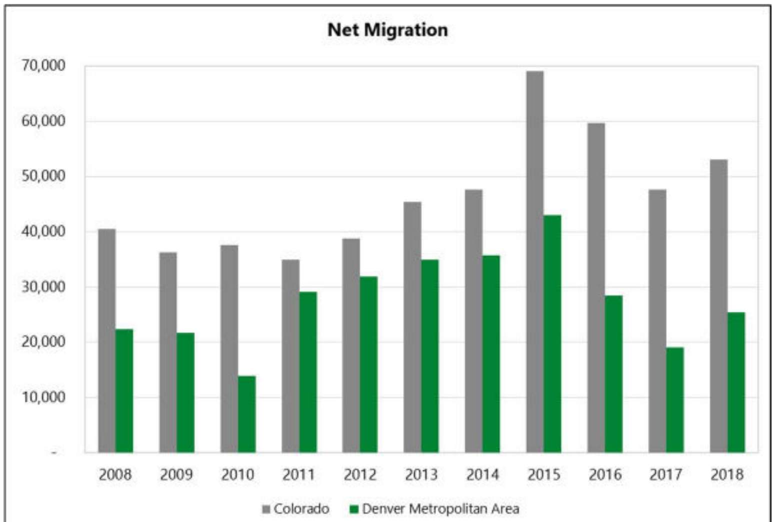
Colorado

Colorado ranked among the top states for population growth in 2018. According to data from the U.S. Census Bureau, Colorado grew by nearly 80,000 people between July 2017 and July 2018, making it the seventh fastest-growing state in the nation. The state's increase of 1.4 percent over-the-year was more than twice that of the nation and reached nearly 5.7 million in 2018, about 787,300 higher than in 2008. However, the population growth from 2016 through 2018 continued to slow due to less net in-migration, more deaths, and fewer births.



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 40 percent of Colorado's total population change between 2009 and 2018, and net migration accounted for 60 percent. According to the U.S. Census Bureau, Colorado's natural increase ranked ninth in 2018 among the 50 states and the state's net migration ranked eighth.

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 throughout the remainder of the decade, representing about 66 percent of the state's population increase in 2018. 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. Colorado is aging relatively fast, with the fifth-highest share of those 65 years and over (13.9 percent) in 2017. Between 2008 and 2018, the 65 years and older population increased by 293,100 or an annual average growth rate of 4.6 percent. This rate is 3.1 percentage points higher than the statewide total population annual average growth rate of 1.5 percent over this period. The State Demography Office projects that by 2030, this percentage will increase to nearly 18 percent of the population, rising from about 806,000 to about 1.2 million people.



Source: Colorado Division of Local Government, Demography Section.

Denver Metropolitan Area

The Denver metropolitan area is home to nearly 3.2 million people. The area's population increased 1.3 percent over-the-year and averaged 1.6 percent per year between 2008 and 2018, which was 0.9 percentage points above the national average (0.7 percent). The 10-year average annual growth rate for the area was relatively stable through most of the recent recession and recovery due to strong positive net migration.

Between 2008 and 2018, net migration represented 59 percent of total Denver metropolitan area population growth, and natural increase represented 41 percent of total growth. However, migration patterns have varied over the last 20 years. During the prior ten-year period (1999-2008), net migration represented a smaller 44 percent of the population change. Net migration surged in the Denver metropolitan area following the Great Recession and comprised most of the net migration to Colorado. Since 2010, net migration in the area accounted for about 60 percent of total Colorado net migration. However, the Denver metropolitan area's net migration fell to 40 percent in 2017.

Millennials are the largest population group in the area, totaling about 789,200 in 2018 and comprising nearly 25 percent of the population. Millennials also represent the largest share of the potential working age population ages 16 to 64 years. The Denver metropolitan area is an attractive location for this demographic and consistently ranks as a top area for college graduates and the millennial generation.

Individuals 65 years and over in the Denver metropolitan area represented 9.5 percent of the population in 2008 and grew to an estimated 13 percent of the population in 2018, which is smaller than the national share (15.7 percent). In absolute terms, the population 65 years and over was about 257,000 in 2008 and increased to about 416,900 in 2018, a 62.2 percent increase. The area's median age (37.3) is lower than the nationwide median (38.1).

Denver Metropolitan Area Population by County

Area	2008	2013	2018	Avg. Annual Population Growth 2008-2013	2013-2018
Adams	425,138	469,340	512,576	2.0%	1.8%
Arapahoe	556,246	606,938	649,703	1.8%	1.4%
Boulder	291,827	309,628	326,189	1.2%	1.0%
Broomfield	54,400	59,979	70,063	2.0%	3.2%
Denver	581,903	649,478	718,107	2.2%	2.0%
Douglas	276,740	306,223	340,436	2.0%	2.1%
Jefferson	530,565	551,876	579,631	0.8%	1.0%
Denver Metropolitan Area	2,716,819	2,953,462	3,196,704	1.7%	1.6%
Colorado	4,901,938	5,266,317	5,689,227	1.4%	1.6%

Source: Colorado Division of Local Government, Demography Section.

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. Growth in four of the seven counties exceeded the statewide average growth rate between 2013 and 2018, while growth in all seven counties exceeded the national average growth rate.

City and County of Denver

The City and County of Denver represents 22.5 percent of the total Denver metropolitan area population, the largest portion of the seven counties in the region. The young adults (age 25-34) represent the largest portion of the City and County of Denver's working age population, representing 21.8 percent of the population, which is 5.4 percentage points higher than the portion in the Denver metropolitan area. The City and County of Denver has a median age of 35.4, about two years younger than the surrounding population. Between 2008 and 2018, total population growth averaged 2.1 percent per year. Over this 10-year period, net migration represented more than 62 percent of the population growth, while less than 38 percent was attributed to natural increase.

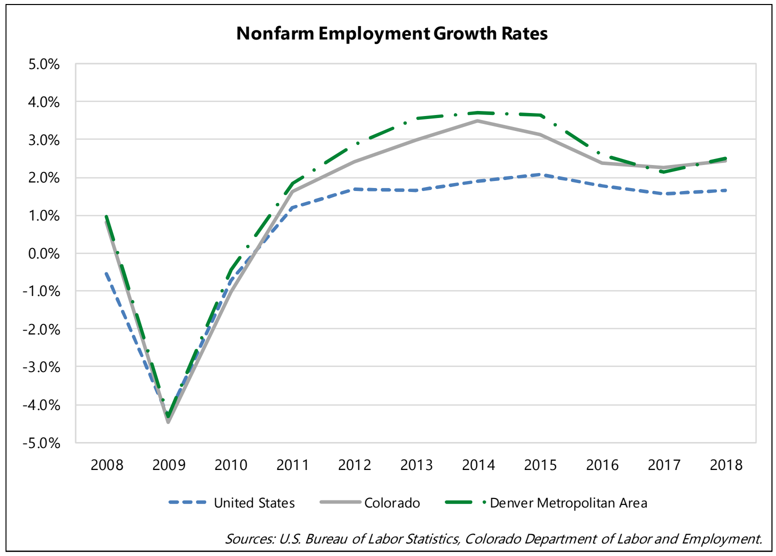
Employment

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 increased 2.4 percent in 2018, accelerating from 2.3 percent in 2017 and gained 64,900 jobs over-the-year. The state's employment growth rate was 0.7 percentage points above the national rate (1.7 percent) in 2018 and has consistently been at least 0.4 percentage points above the national rate since 2011. During the past 10 years, Colorado employment grew at an annual average rate of 1.5 percent and added 480,900 jobs to the state's economy over this period of time.

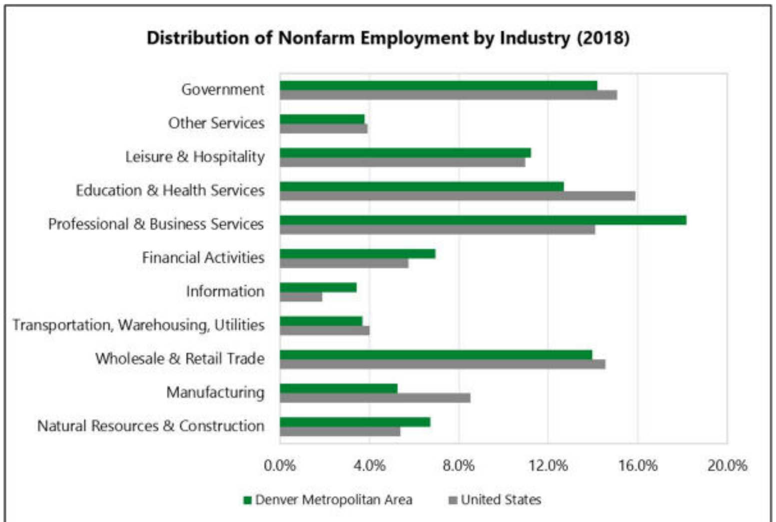
Fifty-eight percent of the state's total employment is concentrated in four supersectors consisting of government, professional and business services, wholesale and retail trade, and education and health services. Several supersectors including natural resources and construction, leisure and hospitality, and information continue to drive the state's recent period of economic expansion. Additionally, the state's high-tech and advanced industries support strong employment growth. Colorado employment rose across all 11 supersectors from 2017 to 2018, with the fastest growth recorded in natural resources and construction (+5.8 percent). Transportation, warehousing, and utilities and the information supersectors also recorded strong employment growth over-the-year, rising 5.7 percent and 4.2 percent, respectively.

Denver Metropolitan Area

The U.S. Bureau of Labor Statistics also 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 ten 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 1.7 million workers, which accounted for about 62 percent of the state's employment. Employment increased 2.5 percent between 2017 and 2018, with the addition of 41,600 jobs. From 2008 to 2018, the region's employment growth averaged 1.8 percent per year, higher than the state average (1.5 percent).

All 11 industry supersectors in the Denver metropolitan area continued to increase in 2018. Four supersectors in the Denver metropolitan area—professional and business services, wholesale and retail trade, education and health services, and government—represent 59 percent of the region's total employment. The three supersectors that added the most jobs in 2018 were professional and business services (+10,000 jobs), natural resources and construction (+6,000 jobs), and government (+4,700 jobs). Transportation, warehousing, and utilities recorded the fastest growth among the 11 supersectors, rising 6.8 percent between 2017 and 2018. While natural resources and construction comprised 6.7 percent of total employment in the region in 2018, the supersector recorded fast growth (+5.7 percent) or an increase of 6,100 jobs over-the-year, the second-most added in absolute terms.



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

Several key trends drove employment growth in the Denver metropolitan area in 2018. Generally, the area experienced rapid employment growth in several high-knowledge, high-wage sectors, including professional and business services, healthcare, and information. 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 2018. Transportation, warehousing, and utilities recorded the strongest year of growth since 2000. Since the Denver metropolitan area is a distribution hub, rapid expansions of fulfillment and distribution centers related to e-commerce resulted in the strongest year of employment growth in the transportation, warehousing, and utilities supersector since 2000. Further, the region's natural resources and construction supersector benefited from strong construction activity and record levels of commercial real estate space completed.

City and County of Denver

The City and County of Denver is the employment center for the Denver metropolitan area and accounts for just under one-third of the employment in the region. The Central Business District is the core of many of downtown Denver's largest sectors in banking, energy, and law, among a variety of other businesses. With nearly 520,000 workers, the City and County of Denver is the state's largest job base and employment grew 2.5 percent between 2017 and 2018.

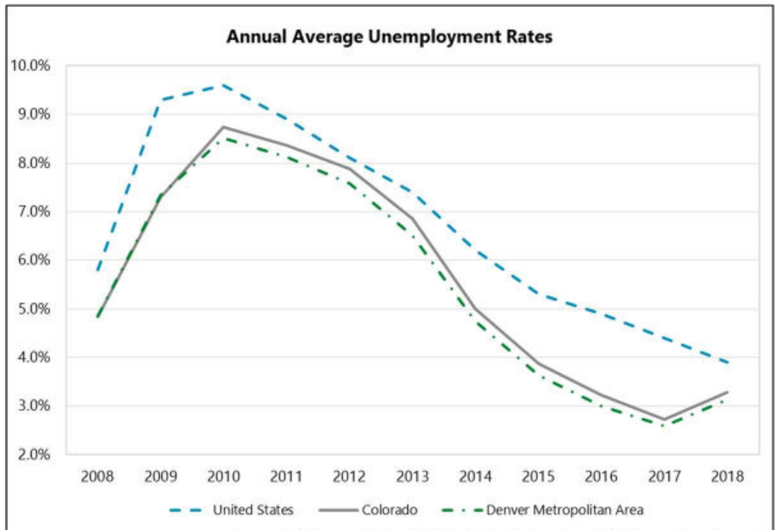
The City and County of Denver's three largest industry supersectors by employment concentration are professional and business services (20.4 percent), government (13.4 percent), and leisure and hospitality (12.6 percent). Total employment rose in nine of the 11 industry supersectors from 2017 to 2018, led by the fastest increases in the natural resources and construction (+8.6 percent) and information (+6.8 percent) supersectors. Employment declined slightly in the manufacturing and government supersectors between 2017 and 2018.

Labor Force & Unemployment

The U.S. unemployment rate fell to a historic low, reaching its lowest point since the late 1960s. According to data from the U.S. Bureau of Labor Statistics, the U.S. unemployment rate declined to 3.9 percent in 2018, a decrease of 0.5 percentage points from the 2017 rate (4.4 percent). While the labor market remains tight, companies continued to hire at a fast pace as consumer confidence remained strong.

Colorado

Colorado's unemployment rate remained near historically low levels in 2018 but increased slightly from the 2017 rate. The unemployment rate for 2018 increased to 3.3 percent, 0.6 percentage points higher than the 2017 rate of 2.7 percent. The higher rate was due to strong growth in Colorado's labor force, which grew 3.5 percent between 2017 and 2018 and was faster than employment growth. Despite a higher unemployment rate for 2018, this rate is still 5.4 percentage points below the peak rate of 8.7 percent reached in 2010. Colorado's unemployment rate remained below the national rate for the 14th consecutive year. The state's unemployment rate in 2018 was 0.6 percentage points below the national average.



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

Denver Metropolitan Area

In 2018, the unemployment rate in the Denver metropolitan area increased from the 17-year low posted in 2017. The region's rising wages and strong job market contributed to a 3.1 percent growth in the labor force in 2018. The Denver metropolitan area's labor force growth outpaced employment growth for the first time since the Great Recession and was the fastest annual growth over past 10 years. The unemployment rate in the region in 2018 rose to 3.1 percent in 2018, 0.5 percentage points higher than the 2.6 percent unemployment rate recorded in 2017. The Denver metropolitan area has been consistently below the statewide and nationwide rates since 2010.

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 average annual unemployment rate in the City and County of Denver peaked at 9.1 percent in 2010, but steadily declined each year until 2017. Similar to the trends for Colorado and the Denver metropolitan area, the unemployment rate in the City and County of Denver increased from 2.6 percent in 2017 to 3.2 percent in 2018.

Major Employers

Small businesses represent a significant portion of Colorado's workforce, spurring job creation and economic growth. 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 99.7 percent of businesses employed fewer than 500 workers and nearly 98 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 fourth-largest share of proprietors as a percentage of total employment in 2017.

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 75 firms with 1,000 or more employees were operating in the Denver metropolitan area and 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 2019 *Fortune 500* list. Arrow Electronics was the highest ranked Colorado company at #109 with $29.7 billion in revenue. The remaining nine companies on the list were DaVita (#188), Qurate Retail (#225), DISH Network (#232), Ball Corp. (#271), Molson Coors Brewing (#294), DCP Midstream (#320), Liberty Media (#380), Newmont Goldcorp. (#419), and Western Union (#498).

Metro Denver Largest Private Sector Employers

Company	Product/Service	Employment
King Soopers	Grocery	14,380
Wal-Mart	General Merchandise	11,900
HealthONE Corporation	Healthcare	11,870
Centura Health	Healthcare	9,450
UCHealth	Healthcare, Research	9,380
SCL Health System	Healthcare	8,930
CenturyLink	Telecommunications	7,800
Lockheed Martin Corporation	Aerospace & Defense Related Systems	7,510
Comcast	Telecommunications	7,250
Children's Hospital Colorado	Healthcare	7,160
Kaiser Permanente	Healthcare	7,000
Amazon	Warehousing & Distribution Services	6,490
Safeway Inc.	Grocery	6,180
United Airlines	Airline	6,080
United Parcel Service	Parcel Delivery	4,840
Charles Schwab	Financial Services	4,440
Southwest Airlines	Airline	4,200
Ball Corporation	Aerospace, Containers	4,030
DISH Network	Satellite TV & Equipment	3,980
Wells Fargo	Financial Services	3,670

Source: Development Research Partners, June 2019.

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 14,000 federal government employees, 15,100 state government employees, and 40,600 employees in local government entities in 2018, including Denver Public Schools (15,600 employees) and the City and County of Denver (12,400 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. More than 32 percent of the total dollar value of export shipments from Colorado went to Canada and Mexico in 2018. The state's other largest trading partners include China, South Korea, Japan, and Malaysia. The state's top six partners accounted for about 55 percent of the value of exports in 2018.

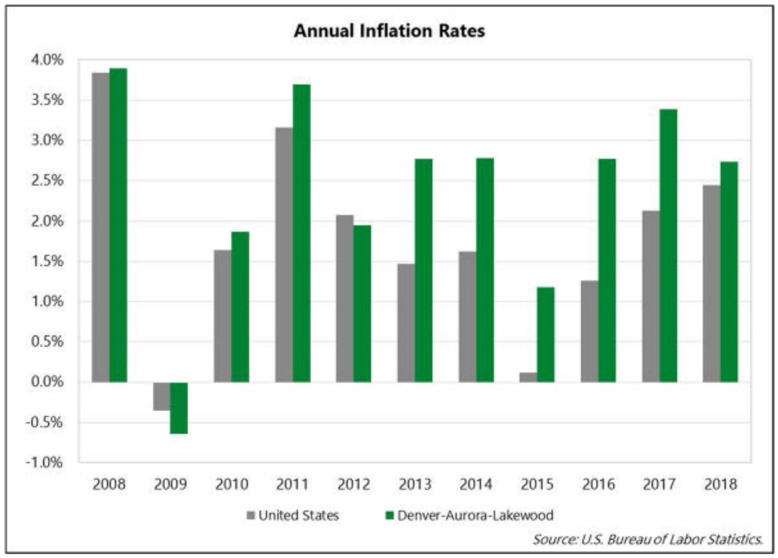
Colorado exports increased for the second consecutive year in 2018 after declining from 2014 to 2016. Colorado exports totaled $8.3 billion, increasing 3.3 percent over-the-year from 2017 to 2018. However, Colorado's exports in 2018 were below the peak in 2013 of more than $8.5 billion. Much of the decline was attributed to exports to Canada, which fell each year from 2014 through 2016. Colorado recorded robust export growth to South Korea, the Netherlands, Taiwan, and Canada in 2018.

Nearly two-thirds of Colorado's $8.3 billion in exports consisted of four key products, which were computer and electronic products, food products, machinery, and chemicals. Computer and electronic products comprised over 23 percent of the state's export volume in 2018, while food products comprised nearly 21 percent. Exports of mineral and ores and machinery were the largest contributors to growth in Colorado's exports overall in 2018.

Computer and electronic products rose for the second-consecutive year in 2018 after several years of declines, rising 0.5 percent over-the-year. Growth in Colorado's exports was negatively impacted by contractions in food manufacturing, chemical products, and nonmetallic mineral products.

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.



Changes in the Denver-Aurora-Lakewood CPI have often reflected changes in the national CPI. However, local inflation trends during and after the recent recession followed a slightly different course. The decline and subsequent increase in the Denver-Aurora-Lakewood CPI in 2009 and 2010 differed from national averages by a few tenths of a percentage point. Since 2013, inflation in the Denver-Aurora-Lakewood area has outpaced the U.S. an average of nearly three-times the national rate. 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 over the past five 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. Overall, the Denver-Aurora-Lakewood CPI rose 2.7 percent in 2018, 0.3 percentage points higher than the U.S. CPI. During 2018, the U.S. index increased 2.4 percent.

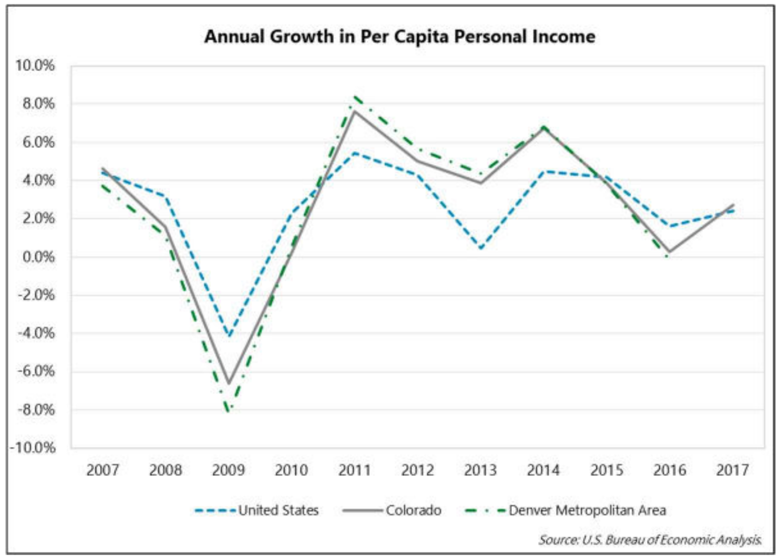
Five of the eight individual components increased at a faster pace in 2018 in the Denver-Aurora-Lakewood area than the U.S. average, consisting of food and beverages, housing, medical care, recreation, and transportation. The medical care component increased the most over-the-year, growing 6.4 percent in the Denver-Aurora-Lakewood area, while the U.S. increased 2 percent. Recreation recorded the smallest increase (+0.2 percent) in the local area, while the U.S. increased 0.5 percent in the same component. Apparel and education and communication were the only components to record declines over-the-year, decreasing 3.2 percent and 0.2 percent, respectively. The U.S. recorded increases in all components between 2017 and 2018.

Income

Colorado

The largest component of personal income is earnings from work, meaning a difficult labor market and slow wage growth can affect overall personal income trends. Total personal income increased each year from 2010 to 2018 in Colorado. Between 2013 and 2018, personal income in Colorado increased at an annual rate of 5.4 percent. Personal income growth peaked in 2014 at 8.9 percent before slowing in 2015 and 2016, due in part to a contraction in the oil and gas markets. Personal income growth rose 5.8 percent in 2017 and increased 5.7 percent in 2018 as proprietors' income and increasing transfer receipts bolstered growth.

Growth in per capita personal income – or total personal income divided by population – followed similar trends in Colorado, increasing each year since 2010. However, per capita personal income growth slowed in Colorado in 2016, rising a smaller 0.3 percent over-the-year. Colorado's per capita personal income increased 4.4 percent in 2017 and 4.2 percent in 2018, posting growth rates for both of these years that were higher than the nation. In Colorado, per capita personal income was $56,846 in 2018, or 106 percent of the national average, representing the 13th-highest level of the states.



Denver Metropolitan Area

Total personal income in the Denver metropolitan area has generally followed the same statewide trend over the last decade. Between 2010 and 2017, total personal income increased an average of 6.4 percent per year in the Denver metropolitan area, compared with 5.9 percent in Colorado and 4.3 percent in the U.S. In 2017, the Denver metropolitan area's total personal income rose 6.4 percent, compared with 5.8 percent in Colorado and 4.4 percent in the U.S.

Per capita personal income in the Denver metropolitan area is higher than both Colorado and the U.S. Per capita personal income in the Denver metropolitan area in 2017 ($60,685) was 117 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. Despite a slower 0.1 percent growth in per capita personal income in the Denver metropolitan area in 2016, per capita personal income surged 5.1 percent in 2017. This was 0.7 percentage points above the Colorado per capital personal income growth and 1.4 percentage points above the nationwide growth.

City and County of Denver

Per capita personal income in the City and County of Denver is generally higher than the U.S., averaging 132 percent of the national number between 2010 and 2017. The income differential peaked in 2014, when per capita personal income ($68,147) reached 145 percent of the national average. After the Great Recession, per capita income increased from 2010 through 2014. Per capita income declined 1.6 percent in 2015 and decreased another 4.5 percent in 2016 due to rapid population growth and the oil and gas contraction. Per capita personal income in the City and County of Denver reached $69,862 in 2017.

The City and County of Denver boasts a higher than average per capita personal income compared with the Denver metropolitan area, averaging 115 percent of the metro-wide number from 2010 to 2017. The difference can be attributed to the relatively high wage rates in the county. The average annual wage in the City and County of Denver was $67,625 in 2017, which was $4,158 higher than the Denver metropolitan area average annual wage.

Retail Trade

Retail sales account for a large part of the nation's total economic output and are a useful indicator of overall consumer health. Retail trade sales declined significantly during the Great Recession, falling 1.1 percent in 2008 and decreasing 7.4 percent in 2009. During the economic recovery, retail sales increased steadily from 2010 to

2018, averaging 4.3 percent per year over this period. Retail sales reached their highest level in 2018, rising 4.9 percent between 2017 and 2018 to over $6 billion. Eleven of the 12 retail trade categories recorded growth in 2018.

Sales of motor vehicles and auto parts is the largest retail trade category in the United States by volume. Sales of motor vehicles and auto parts, a good indicator of healthy spending, rose 2.6 percent in 2018. Gasoline stations were the fastest growing retail trade category from 2017 to 2018, which rose 12.9 percent. Gasoline stations were followed by non-store retailers, rising 9.3 percent over-the-year and includes businesses engaged in mail-order or electronic shopping, door-to-door sales, and in-home demonstrations, among other things. The only retail trade category to contract in 2018 was the sporting goods, hobby, book, and music stores category, which fell 5.7 percent.

Colorado

Retail trade sales in Colorado fell sharply during the Great Recession and improved significantly between 2010 and 2018. Following the Great Recession, retail trade sales increased during the economic recovery as consumers' incomes increased and spending abilities improved. Since 2010, retail sales growth has outpaced the nation, with sales increasing at an average annual rate of 6.3 percent from 2010 to 2015. Sales growth slowed slightly in 2016 to 4.2 percent, possibly reflecting the slower growth in personal income and the oil and gas slowdown. However, retail trade sales increased 5.2 percent in 2017 and rose 5.5 percent in 2018. The increase in 2018 retail trade sales reflected the combination of a strong economy, increased job creation, improved wages, and an increase in net worth.

Denver Metropolitan Area

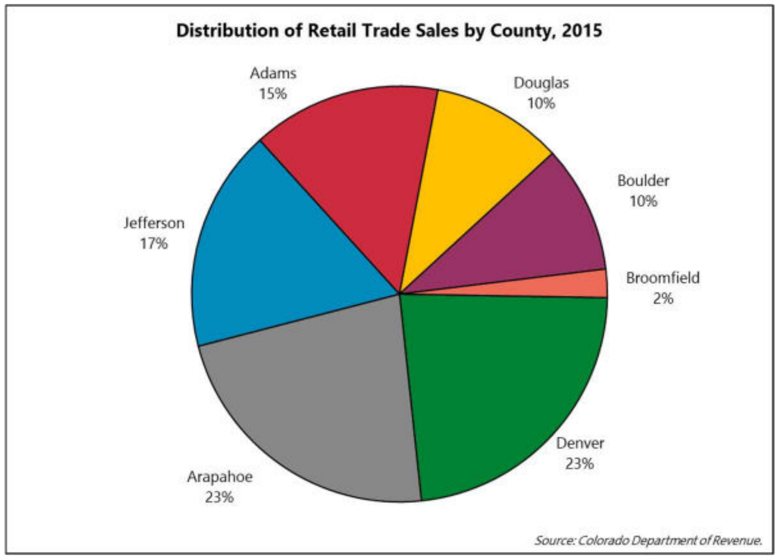
Consumer confidence remained strong during the economic recovery and continued to improve in 2018, rising higher than pre-recession levels. Denver metropolitan area retail trade sales rose 8 percent in 2014 and 5.5 percent in 2015. Retail sales data at the county and city level is currently available only through 2015 from the Colorado Department of Revenue due to data publication issues. The City and County of Denver has the largest share of retail trade activity in the Denver metropolitan area, comprising 23 percent of the region's retail sales.

U.S. Retail Trade Sales ($millions)

Industry	2017	2018	Percent Change
Retail Trade:			
Motor Vehicle / Auto Parts	$1,174,417	$1,205,167	2.6
Furniture and Furnishings	$113,783	$116,611	2.5
Electronics and Appliances	$99,401	$101,217	1.8
Building Materials / Nurseries	$365,651	$377,514	3.2
Food/Beverage Stores	$725,915	$754,656	4.0
Health and Personal Care	$333,219	$344,065	3.3
Service Stations	$452,856	$511,398	12.9
Clothing and Accessories	$258,472	$270,409	4.6
Sporting/Hobby/Books/ Music	$84,264	$79,464	-5.7
General Merchandise/ Warehouse	$683,854	$704,030	3.0
Misc. Store Retailers	$125,500	$130,493	4.0
Non-Store Retailers	$629,562	$688,251	9.3
Total Retail Trade	$5,046,894	$5,283,275	4.7
Food / Drinking Services	$693,716	$737,815	6.4
TOTAL	$5,740,610	$6,021,090	4.9

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.

Another indicator of consumer activity is Colorado state sales tax collections in the Denver metropolitan area. After state sales tax collections in the Denver metropolitan area slowed from a 5.8 percent increase in 2015 to a 3.5 percent increase in 2016, state sales tax collections rose 5 percent in 2017. While state sales tax collections in 2017 were 1 percentage point below the annual rate of growth over the past five years (6 percent from 2012 to 2017), growth in collections indicates retail spending remains robust.



The City and County of Denver also had the largest share of sales tax collections in the Denver metropolitan area in 2017, representing 28.3 percent of the total and rose 4.5 percent between 2016 and 2017. Trends in sales tax collections for the City and County of Denver followed similar trends to the Denver metropolitan area, rising 4.7 percent in 2015 and 0.9 percent in 2016. Sales tax collections rose 4.5 percent in 2017 and averaged 5.7 percent over the past five years. It should be noted that state sales tax collections may vary by year based on changes in the tax base as policy-makers enact exemptions, expand the number of taxable products, or issue rulings and guidance on collections and reporting.

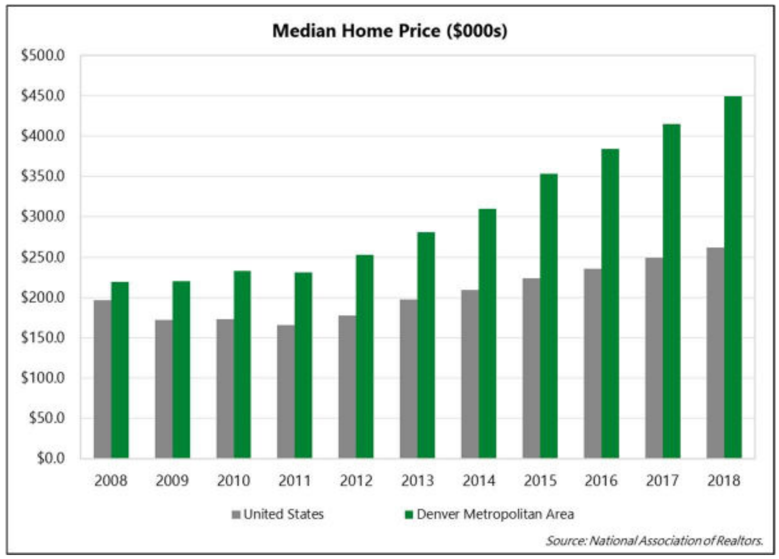
Residential Real Estate

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.

In recent years, demographic shifts, affordability challenges, and limited supply have contributed to decreasing homeownership rates across the nation. Data from the U.S. Census Bureau show the U.S. homeownership rate fell from 67.3 percent in the first quarter of 2009 to 64.2 percent in the first quarter of 2019. Changes in homeownership rates for states and metropolitan areas have been even more profound: Colorado's homeownership rate decreased from 69.8 percent in the first quarter of 2009 to 66.6 percent in the first quarter of 2019. Similarly, the Denver metropolitan area's homeownership rate fell from 68.6 percent in the first quarter of 2009 to 64.9 percent in the first quarter of 2019.

Further, demographic shifts are changing the makeup of the residential real estate market. Millennials represent an increasing share of homeownership, while the aging baby boomers represent a slightly smaller share. The homeownership rate was highest among householders ages 65 years and over (78.5 percent) and lowest for those under 35 years of age (35.4 percent). Between 2017 and 2018, the homeownership rate for those ages 65 years and older was unchanged at 78.5 percent. However, the homeownership rate for those under 35 years of age increased slightly from 35.3 percent in 2017 to 35.4 percent in 2018. Combined with historically low interest rates, the disconnect between high demand homes and the low supply has pushed home prices to record high levels. As a result, homeownership has been more challenging for all generational groups. Concurrently, demand for housing is urging new construction activity, resulting in increasing new residential building permits for single-family detached and multi-family homes.

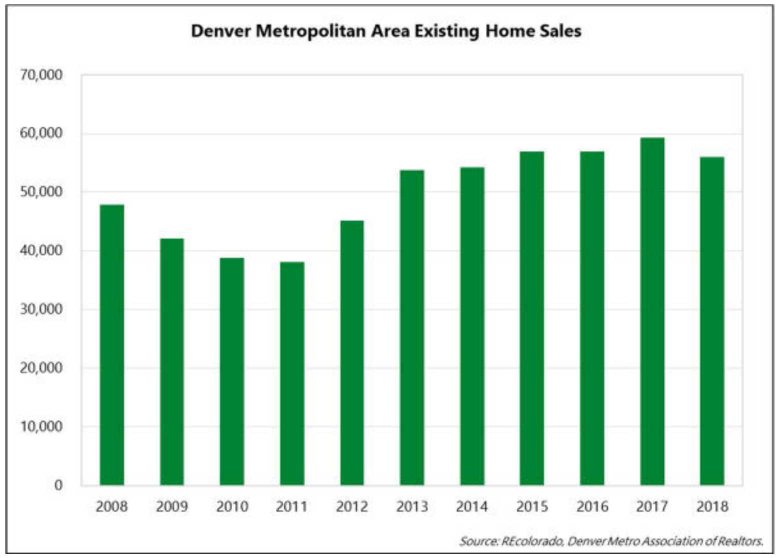
Residential Home Prices



The median home price rose for the seventh-consecutive year in 2018 as low inventory and strong in-migration drove-up prices. The median home price rose 8.5 percent to $449,900 from 2017 to 2018. Over the last decade, home prices have doubled in the Denver metropolitan area, rising $230,000 since 2009. Additionally, home prices have increased every year since 2009, except in 2011 when home prices fell 0.4 percent over-the-year. The Denver metropolitan area median home price is now 80 percent higher than the 2006 peak, whereas the 2018 national median home price is 18 percent higher than the 2006 peak. The national median price reached $261,600 in 2018, a 5.1 increase from 2017. Since 1994, home prices in the Denver metropolitan area have been higher than the nation. However, the differential between the two areas has increased significantly in recent years. Driven by rapid price appreciation in the Denver metropolitan area, the differential reached $188,300 in 2018, the greatest difference on record.

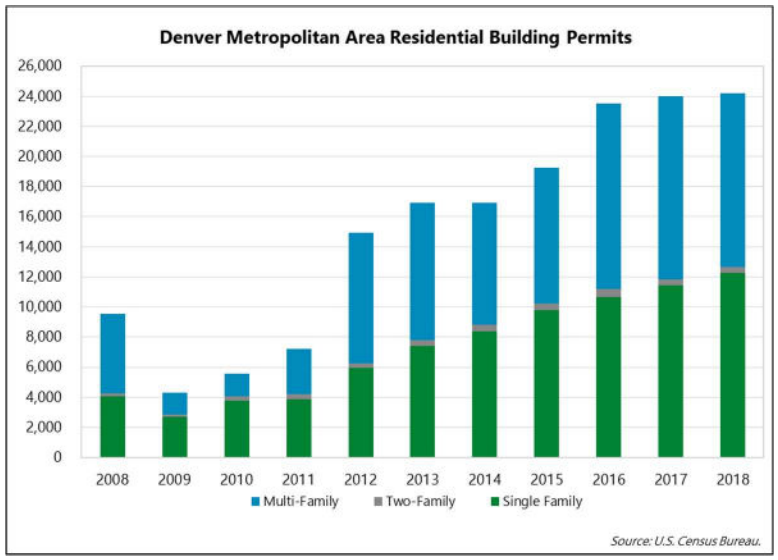
Home prices in the Denver metropolitan area increased at a rate well above the national average and among the fastest of the largest metropolitan areas in the U.S., as tracked by the S&P/Case-Shiller Home Price Index. As of December 2018, Denver recorded the fifth largest over-the-year increase of the 20 cities tracked by the index. Denver was also among 12 cities tracked in the 20-city index that had surpassed their pre-recession peaks as of December 2018. The December 2018 data shows the Denver index was 53.4 percent above its prerecession peak that was reached in August 2006. The 20-city composite index was 3.1 percent above its peak that was reached in July 2006. Another housing price index, the Federal Housing Finance Agency's Home Price Index shows the Denver-Aurora MSA as having the 64th highest (+8.15 percent) over-the-year increase of 100 metropolitan areas for the period ending December 31, 2018. While increasing home prices are a positive sign for the economy, the rate at which prices are rising suggests a significant disconnect in the supply and demand for homes.

Residential Home Sales



Existing home sales in the Denver metropolitan area decreased for the first time since 2011, falling 5.5 percent from 2017 to 2018 to 55,987. Several factors influenced the housing market in 2018 including slower net migration, rising interest rates, and low affordability as home price increases continued to outpace wage growth. Further, low inventory limited growth in sales in 2018 and fell to a record low at the end of 2017, with the Denver Metro Association of Realtors (DMAR) recording 3,854 active listings. While active listings rose to 5,577 in December 2018, the level was 80 percent lower than recorded in May 2008.

Over the last decade, Denver metropolitan area existing home sales increased 17 percent from 2008 to 2018. Following the Great Recession, home sales fell to a low of 38,106 sales in 2011. Home sales increased from 2012 to 2015, rising an average of 10.8 percent over the period, but slowed in 2016 and 2017. Despite the decline in sales, home sales remain at historically high levels.



Foreclosures

Foreclosure filings in the Denver metropolitan area declined for the ninth-consecutive year in 2018, falling 8.6 percent from 2017 to 2018. 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. Five of the seven counties in the Denver metropolitan area recorded foreclosure declines in 2018, ranging from a 27.3 percent decline in Boulder County to a 2.9 percent decline in Jefferson County. The City and County of Broomfield and Douglas County were the only two counties that recorded increases in foreclosure filings in 2018, rising 7.7 percent and 4.9 percent, respectively.

Residential Building Permits

The combination of low inventory and high demand have constrained the residential real estate market, and the pace of new development has been challenged to keep up with the increase in new households. Construction permits rose 0.8 percent in 2018 with 24,209 residential construction permits issued, the highest recorded permit count since 2001. Residential construction permits in the Denver metropolitan area have increased for the ninth-consecutive year since falling to a low of 4,288 permits in 2009. In 2018, single-family detached permits rose 7.3 percent and comprised nearly 51 percent of total permits issued. Single-family attached permits increased by 4.2 percent from 2017 to 2018 but comprised just 1.7 percent of permits. Multi-family permits declined, falling by 5.4

percent to 11,561 permits. Despite the drop in multi-family permits, multi-family permit activity remained at historic highs. It is important to note that multi-family construction, which has historically represented about one-third of permits issued over the past 20 years, comprised nearly 48 percent of the total in 2018. Multi-family permits have represented roughly one-half or more of all permits issued in the Denver metropolitan area from 2012 to 2018.

Total permits issued in the City and County of Denver fell 25.1 percent between 2017 and 2018, after rising 34.2 percent in the previous year. The decrease was attributed to a 32.9 percent decline in multi-family permits (5,340 permits). Single-family detached permits increased 2.4 percent (2,430), while single-family attached permits decreased 44.4 percent to 110 permits.

Generational shifts are changing the residential real estate market in the Denver metropolitan area. There has been an influx of millennial homebuyers in 2018 as older millennials are beginning to payoff student loan debt and had a longer period to grow in their careers. Additionally, low interest rates have led to more millennials entering the homeownership market. According to LendingTree.com, Denver ranked fifth among the "Most Popular Cities for Millennial Homebuyers" in 2018, with 45 percent of all new purchase mortgage requests from those under the age of 35. Another growing trend is a return to multigenerational living, driven by shifts in senior living, immigration reform, and affordability. The ongoing shift has increased new types of home product for this type of living including flexible units and accessory dwelling units. Additionally, the aging of the population in the Denver metropolitan area has increased demand for senior living facilities, ranging from independent senior living to assisted living facilities.

Apartment Market

Demand kept pace with supply and new units were rapidly absorbed in the Denver metropolitan area's apartment market in 2018. In 2018, tenants in the Denver metropolitan area absorbed 13,707 units, more than the number constructed. Subsequently, apartment rent growth has moderated, and vacancy rates remain stable. The vacancy rate average increased just 0.3 percentage points to 5.9 percent in 2018 from 2017.

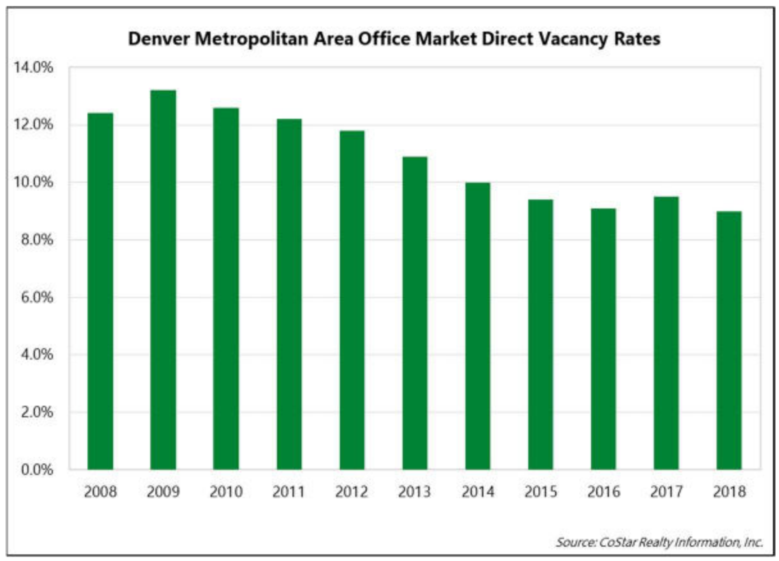
Markets across the region are also showing signs of stabilizing. The *Denver Metro Apartment Vacancy and Rent Survey* indicates average annual vacancy rates decreased from 2017 to 2018 in three of the six county-level markets reported, including the Boulder/Broomfield markets, Adams County, and Douglas County. The vacancy rate decreases ranged from 0.9 percentage points in Douglas County to 0.3 percentage points in the Boulder/Broomfield markets. The vacancy rate increased in two markets including the City and County of Denver (+0.8 percentage points) and Arapahoe County (+0.7 percentage points). The vacancy rate remained unchanged in Jefferson County at 5 percent. Among the six submarkets, the City and County of Denver reported the highest average annual vacancy rate in 2018, reaching 7.3 percent. The City and County of Denver reported a vacancy rate of 6.5 percent in 2017, the second-highest rate of the six submarkets.

Average lease rates in the Denver metropolitan area showed signs of slowing in 2018 as a result of the balanced market conditions. While average lease rates increased slightly in 2018, the pace of growth slowed to its lowest level since 2011. Average rent in the Denver metropolitan area increased 3.8 percent between 2017 and 2018 to $1,456 per month. Rent growth peaked in 2015 at 12.2 percent before slowing to 6.9 percent in 2016 and 3.9 percent in 2017. Every county reported over-the-year increases in the average rental rate. Jefferson County recorded the largest increase in the average rental rate, reporting a 4.9 percent increase between 2017 and 2018. Douglas County reported the smallest increase in the average rental rate, rising 1 percent over-the-year. The average monthly rental rate reached $1,502 in the City and County of Denver, a 4.6 percent increase from 2017. Average monthly rental rates ranged from $1,367 in Adams County to $1,607 in the Boulder/Broomfield submarket.

Commercial Real Estate

Office Activity

Data from CoStar Realty Information, Inc. show that vacancy for office space remained stable and rents were flat in 2018. The vacancy rate over the four quarters of 2018 in the Denver metropolitan area averaged 9.6 percent, which was the same average one year earlier. The fourth quarter 2018 vacancy rate of 9 percent was 0.5 percentage points below the prior year. However, the vacancy rate in 2018 rose to as high as 10 percent in the second quarter of 2018, its highest point since the fourth quarter of 2014. The office vacancy rate had declined year-over-year for 26 consecutive quarters before increasing starting in the first quarter of 2017. While office lease rates have steadily increased since the second quarter of 2011, lease rates in 2017 and 2018 remained relatively flat. The average lease rate for direct space in the fourth quarter of 2018 ($26.62 per square foot) was relatively unchanged from the year-ago level.



Office construction activity increased in 2018 with 3.83 million square feet completed, up from 3 million square feet in 2017. Office construction activity in the Denver metropolitan area was at its highest level since 2001. Some of the year's most notable completed construction projects included the 672,000-square-foot 1144 Fifteenth tower, the 428,200-square-foot 16 Chestnut Building at Denver Union Station, the 324,100-square-foot Village Center Station II building in Greenwood Village, and the 222,100-square-foot INOVA Dry Creek 2 building in Centennial. Further, there was about 4.1 million square feet of office space under construction during the fourth quarter of 2018. Of this space, nearly 76 percent, or 3.1 million square feet, was under construction in the City and County of Denver.

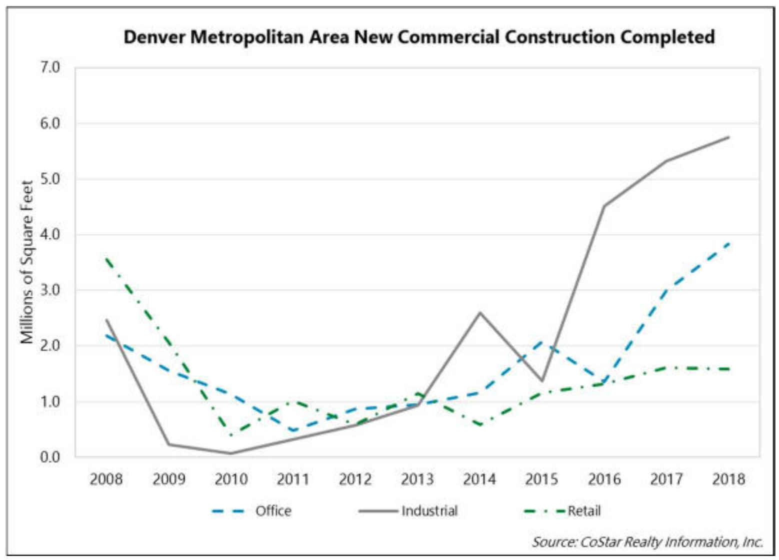
Industrial and Flex Activity

CoStar Realty Information shows that the industrial market posted a stable vacancy rate in 2018 despite adding nearly 6 million square feet of newly completed space to the market. Additionally, demand for industrial space was strong as rents continued to grow throughout the year. The industrial direct vacancy rate averaged 4 percent through the four quarters of 2018 in the Denver metropolitan area, down from an annual average of 4.1 percent in 2017. Average lease rates continued to climb in the industrial market. While average lease rates appeared to moderate in 2017, even posting an over-the-year decline in the first quarter of 2017, average lease rates increased as much as 6.7 percent over-the-year in the first quarter of 2018. From the fourth quarter of 2017 to the fourth quarter of 2018, average lease rates in the industrial market rose 3.9 percent to $8.05 per square foot triple-net.

Strong industrial demand over the past several years has led to record levels of construction activity, notably for warehousing and distribution space for online merchandisers. Absorption in the industrial market remained strong as new completions were at historic levels for the past three years. New completions rose to 5.75 million square feet in 2018, up from 5.32 million square feet in 2017, representing a record year of new industrial completions. There was another 4.6 million square feet under construction in the fourth quarter of 2018. Notable industrial projects completed included the 2.4 million-square-foot Amazon fulfillment center in Thornton and the 701,900-square-foot Building 15 in Aurora.

The Denver metropolitan area flex market recorded falling vacancy rates and increasing average lease rates through the fourth quarter of 2018. Direct flex market vacancy averaged 5.7 percent in 2018, 0.7 percentage points below the average vacancy rate in 2017. The fourth quarter 2018 vacancy rate (5.2 percent) was 0.6 percentage points below the fourth quarter 2017 level of 5.8 percent and was the lowest recorded vacancy rate based on records going back to 1999. The Denver metropolitan area direct flex market lease rate was $12.07 per square foot, 0.3 percent above the fourth quarter 2017 average. Since the fourth quarter of 2012, the average lease rate has risen steadily, increasing $3.44 per square foot from 2012 to 2018. There was about 442,800 square feet of flex space completed in the Denver metropolitan area in 2018, including 133,122 square feet of flex space in the Interpark industrial development in the City and County of Broomfield. As of the fourth quarter of 2018, there was about 432,500 square feet of flex space under construction.

Retail Activity



Consumer confidence in the Mountain Region, which includes Colorado, remained strong in 2018 with several index values during the year rising above previous high levels reached in the early 2000s. Retail sales in both Colorado and the Denver metropolitan area have steadily increased over the past five years in response to increased consumer demand and rising consumer spending activity. Signaling an improved retail real estate market in the Denver metropolitan area, vacancy rates continued to decline, average lease rates grew, and construction activity continued at a reasonable pace in 2018. In the fourth quarter of 2018, the vacancy rate fell to 4.1 percent, falling by 0.2 percentage points from the fourth quarter of 2017. The vacancy rate in the Denver metropolitan area's retail market peaked at 8 percent in 2009. Over the same time period, the average lease rate was up 5.2 percent over-the-year to $19.12 per square foot. While average lease rate growth appears to have peaked in 2017, retail average lease rates outpaced increases for office and industrial space in 2018.

Analysts have noted that strong population and housing growth continues to drive the Denver metropolitan area's retail market. Additionally, retailers in categories such as entertainment, fitness, grocery, and food and beverage continue to lead leasing activity in the area. Even with national closures and e-commerce disruption, the market has rebounded and continues to attract developers and investors. In 2018, the Denver metropolitan area's retail market added 1.59 million square feet of space in 113 buildings. The level of construction remained close to the long-term average of 1.65 million square feet per year since 2006. An additional 1 million square feet of retail space was under construction at the end of 2018. Some of the major projects completed in 2018 included the 330,000-square-foot Denver Premium Outlets in Thornton, a 140,000-square-foot King Soopers in Arvada, and the 77,300-square-foot Promenade at Castle Rock.

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. The area's growing and aging population and changes in residents' behavior and lifestyle choices will continue to drive demand for healthcare and wellness services.

As one of the most ambitious medical developments in the nation, the $5.4 billion, 578-acre Fitzsimons Innovation Community and adjacent Anschutz Medical Campus is the largest academic health and bioscience center between Chicago and the West Coast. The campus serves more than 500,000 patients annually and offers two world-class research hospitals—UCHealth University of Colorado Hospital and Children's Hospital Colorado. In 2018, the Veteran's Administration celebrated the opening of its Rocky Mountain Regional VA Medical Center in Aurora. The facility features 306,000 square feet of diagnostic and treatment space, 260,000 square feet of inpatient space, and 302,000 square feet of clinic space in 12 buildings across 31 acres.

Construction activity remained robust for medical and healthcare facilities in 2018 to accommodate ongoing patient demand. Notable healthcare projects included the construction of Denver Health's $157 million outpatient center, which is part of a $937 million bond package approved by Denver voters in 2017. A five-story, 100,000-square-foot medical pavilion will soon be developed at Saint Joseph's Hospital in Denver's Uptown neighborhood that is expected to be completed in the second quarter of 2020. Further, Boulder Community Health is expanding with a new 30,000-square-foot office on South Boulder Road. BCH is also building a new medical office and urgent care center in Erie, where it plans to open the new Lafayette rehabilitation center. Children's Hospital Colorado is expanding its North Campus, which will be four times the size of the existing facility once complete.

Transportation

Highways

Colorado's transportation network includes almost 1,000 miles of Interstate highway, more than 350 miles of other freeways and expressways, and almost 87,400 miles of arterials, collectors, and local roads. The Texas Transportation Institute reported that the Denver-Aurora area had nearly 1.3 million auto commuters who logged 21.7 million vehicle-miles of freeway travel and 21 million arterial street daily vehicle-miles in 2014. Commuters in the Denver-Aurora area also observe 49 hours of traffic congestion annually per commuter, ranking Denver with the 19th highest level of traffic congestion of the 101 tracked metropolitan areas.

Major transportation projects aimed at improving travel and accessibility throughout the Denver metropolitan area were underway in 2018. Construction continued on the $276 million C-470 Express Lanes project, which will provide 12.5 miles of increased mobility between I-25 and Wadsworth Boulevard. The project will include both two-lane and one-lane expansions for the Eastbound and Westbound directions. The project also includes on- and off-ramp improvements, widening of existing bridges, and replacing the bridges over the South Platte River. The project is expected to be completed in 2019. The Central 70 project broke ground in August 2018 and 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 141 fixed routes, 172 light rail vehicles on 58.5 miles of track, and 66 commuter rail vehicles on 29 miles of track. The District operates 84 Park-n-Rides, 54 active light rail stations on 11 rail lines (A, B, C, D, E, F, G, H, L, R, and W), and 9,800 bus stops.

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. Future projects include the N Line, a 13-mile rail line that will provide service from Union Station through Denver, Commerce City, Thornton, Northglenn, and eventually north Adams County; several rail extensions including the L Line extension that will connect the existing downtown rail service to the University of Colorado A Line and the C and D lines will be extended 2.5 miles into Highlands Ranch and provide 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 nine-county region and the state of Colorado. DEN is one of the few major U.S. airports with room to expand to accommodate future growth.

DEN is the 20th-busiest airport in the world and the fifth-busiest airport in the United States, with nearly 64.5 million passengers travelling through DEN in 2018. This was the fifth-consecutive year of record-breaking growth for the airport, with passenger traffic increasing 5.1 percent between 2017 and 2018. Additionally, several records were broken throughout the year including the busiest August in DEN history, the first time the airport served more than 6 million passengers in a single month in July, and the first time that passenger traffic surpassed 5 million in the month of April. International traffic also continues to increase at DEN as a result of strong demand and increased carrier capacity. International passenger traffic rose 13.9 percent between 2017 and 2018 and accounted for nearly 5 percent of the airport's total passenger traffic.

DEN continues to be the fastest-growing airport in the country, adding more flights and more seats than any top-10 U.S. airport in the past year. Located near the geographic center of the United States, DEN is the only major hub airport within a 500-mile radius. DEN provides nonstop service to more than 210 destinations worldwide, including 26 international destinations in 12 countries and about 190 domestic destinations in 46 states. DEN is served by 24 airlines, including major hubs for United, Southwest, and Frontier Airlines. In fact, United Airlines has grown more at DEN than any other U.S. airport. Many domestic and international service additions were announced in 2018, including Frankfurt, Germany and the Cayman Islands. Additionally, DEN celebrated inaugural nonstop flights to Zurich, Switzerland on a new DEN carrier, Edelweiss/SWISS, and Paris-Charles de Gaulle on Norwegian Air Shuttle.

DEN is a leading air cargo center and a key distribution hub. Eight cargo airlines and 14 major and national carriers currently provide cargo service at DEN, handling 613.6 million pounds of cargo in 2018. With 24-hour operations, the airfield and a 39-acre cargo ramp make freight handling efficient, with no curfews. DEN is home to several world-class cargo companies and support facilities, including FedEx, UPS, Southern Air, and United Airlines cargo. The U.S. Postal Service facility is located nearby, providing a wide array of competitive shipping and receiving options.

DEN serves its ever-expanding travel market with six runways, three concourses, and 111 gates with 38 ground load positions. DEN has capacity for six additional runways, another terminal, and two additional concourses. The Jeppesen Terminal at DEN features 1.5 million square feet of space, and includes passenger ticketing, baggage claim, ground transportation, international arrivals, shops and restaurants, and Transportation Security Administration (TSA) security checkpoints. Located adjacent to the Jeppesen Terminal is the Westin Denver International Airport, which opened in 2015. The Westin offers 519 guest rooms, 37,500 square feet of conference space, 15 meeting rooms, and an open-air plaza for arts and entertainment.

DEN is at the forefront of technology advancements. In 2018, DEN and the Federal Aviation Administration (FAA) successfully launched an upgrade to the use of satellite-based air traffic management that will help airlines save fuel, cut travel times, reduce miles flown, and improve the efficiency of final approach patterns for incoming planes in low-visibility operations. DEN is a leader in developing, testing, and implementing NextGen flight procedures and was the first commercial airport to design a truly comprehensive plan of Area Navigation (RNAV) that allows aircraft to fly more predictable and smoother approaches into DEN that reduce fuel consumption and noise. Since 2010, DEN has worked closely with the FAA, Jeppesen, the major airlines, and Rocky Mountain and Centennial Airports to implement NextGen and Unmanned Aircraft Systems (UAS) programs.

Three reliever airports complement DEN's expanding role in the Denver metropolitan area economy. Centennial Airport serves the southeast metropolitan area; Colorado Air and Space Port (formerly Front Range Airport) is located six miles southeast of DEN 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.

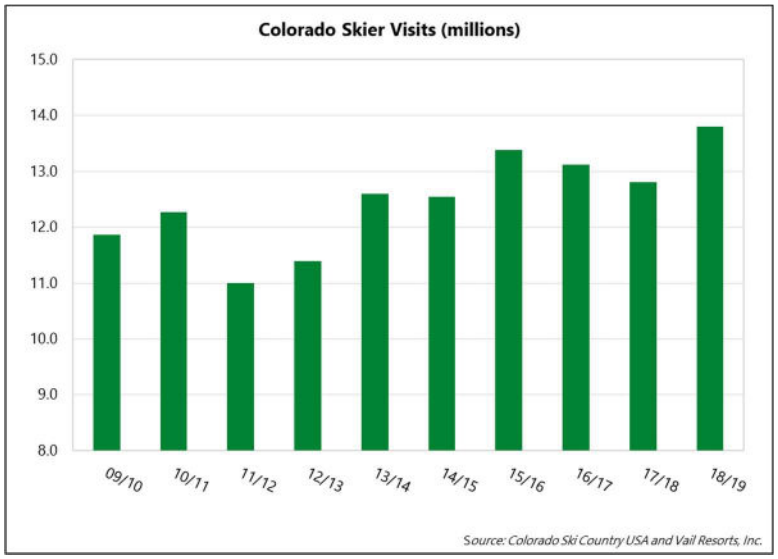
The primary passenger rail system in the Denver metropolitan area includes light rail, commuter rail, and intercity passenger rail. Amtrak's California Zephyr route offers area residents transportation through the Rocky Mountains west of Denver and connects Chicago to San Francisco. The Southwest Chief route passes through Lamar, La Junta, and Trinidad, providing transportation between Kansas City, Kan. and Albuquerque, N.M. 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. Nearly 280,000 travelers passed through Colorado Amtrak stations in fiscal year 2017, and 55 percent of those travelers either boarded or alighted from trains in the Denver metropolitan area. There were 11.5 percent more riders in fiscal year 2017 than there were during the 2016 fiscal year, which was bolstered by the additional 16,658 passengers on the new Ski Train.

Tourism

The Denver metropolitan area offers 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 with nearly 90 bike sharing stations. 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 31.4 million visitors in 2018, which was the third year in a row that visitors surpassed 31 million. According to the most recent study by Longwoods International, visitors to the city spent $6.5 billion in 2018, which matched the same level from the previous record set in 2017. Of the 31.4 million, 17.3 million were overnight visitors, which decreased 1 percent over-the-year. 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.

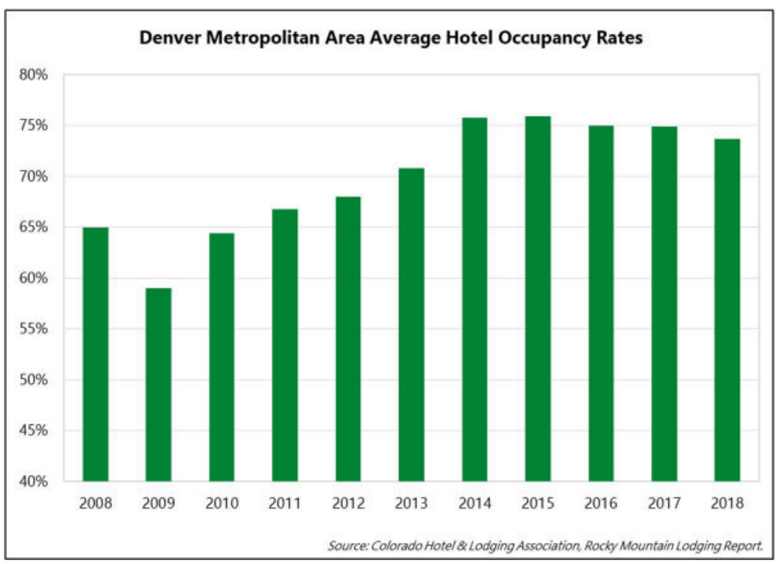
Denver metropolitan area residents and visitors have a multitude of recreational opportunities from which to choose including skiing, hiking, camping, biking, and hunting. Colorado remains the number one ski destination in the country with over 21 percent of the market share, according to Longwoods International. The state is a top three ski and snowboard state, with 77 percent of the state's resorts in the top 100 U.S. ski resorts. The state is home to 28 ski and snowboard resorts offering 330 ski lifts and 67,490 skiable acres.



Twelve Colorado ski resorts are located within two hours 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. Late February and March featured record snow totals, which led to a strong end to the season and ski season extensions at numerous resorts.

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.

Business, professional, and leisure travelers to Denver have increased in recent years. In 2018, overnight leisure and business travelers spent $5.6 billion, which matched 2017's record spending. 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 spending. In 2018, the Convention Center hosted over 180 events that attracted more than 893,000 attendees.



There were several new hotels that opened in 2018 or are in the pipeline for 2019, including the Hilton Garden Inn Denver Union Station, the Marriott Element Downtown East, the 201-room Jacquard Hotel in Cherry Creek North, the Ramble Hotel Denver in the River North Art District, and the Origin Red Rocks. Notably, the Gaylord Rockies Resort opened in late 2018, which is the largest hotel property in the state with more than 1,500 hotel rooms.

Despite rising demand over the last few years, the hotel industry in the Denver metropolitan area is showing signs of stabilizing. According to the *Rocky Mountain Lodging Report*, the 2018 revenue per available room (RevPAR) dropped 1.3 percent over 2017, a statistic many in the industry view as the most important indicator. The flood of new rooms in the area's market has contributed to a decline in RevPAR after seven years of significant growth. The average occupancy rate also fell, declining to 73.7 percent in 2018 from 74.9 percent in 2017. The region's average nightly room rate for 2018 ($144.03) was 0.2 percent higher than the 2017 average.

Summary

The Denver metropolitan area has a nonfarm employment base of nearly 1.7 million workers, which accounted for about 62 percent of the state's employment. Employment growth in the region has been slightly stronger than the state, rising 2.5 percent between 2017 and 2018 compared with 2.4 percent in Colorado. All 11 industry supersectors in the Denver metropolitan area added jobs in 2018, with the addition of 41,600 jobs of the total 64,900 jobs added in the state. The unemployment rate in the Denver metropolitan area increased from the 17-year low posted in 2017. The growing labor force pushed up the unemployment rate from 2.6 percent in 2017 to 3.1 percent in 2018.

The residential real estate market in the Denver metropolitan area began to moderate in 2018. Existing home sales decreased for the first time since 2011, falling 5.5 percent from 2017 to 2018 due to slower net migration, rising interest rates, and low affordability. However, home prices continued to climb in 2018; the median home price rose for the seventh-consecutive year, rising 8.5 percent to $449,900 in 2018. Additionally, the combination of low inventory and high demand have constrained the residential real estate market, and the pace of new development has been challenged to keep up with the increase in new households.

Commercial construction activity in the office, industrial, and retail markets remained strong in 2018 as the level of completed space rose to a record 11.61 million square feet. Vacancy rates declined in three of the four major property types (office, flex, and retail) and increased slightly in industrial. The average lease rates continued to grow in industrial, flex, and retail, but remained flat for office. New development continued in 2018 in the Denver metropolitan area with levels of activity in several of the markets, including office and industrial, exceeding their pre-recession peak. The amount of space under construction in the fourth quarter of 2018 remained near multi-decade highs with 10.12 million square feet under construction. Construction activity also remained robust for hotels, medical, and healthcare facilities across the region.

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 3.2 million residents and visitors alike. Transportation options throughout the region including Denver International Airport, three reliever airports, FasTracks, and various highways and rail systems, supports the region's quality of life and growing appeal for businesses, workers, and residents.

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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
POPULATION (July 1)											
United States (thousands)	304,094	306,772	309,326	311,580	313,874	316,058	318,386	320,743	323,071	325,147	327,167
Colorado	4,901,938	4,976,853	5,050,332	5,119,182	5,189,861	5,266,317	5,345,680	5,444,871	5,534,240	5,609,445	5,689,227
Denver Metropolitan Area	2,716,819	2,762,164	2,797,896	2,847,883	2,899,133	2,953,462	3,008,976	3,070,803	3,117,696	3,154,134	3,196,704
City and County of Denver	581,903	595,573	604,879	621,034	635,339	649,478	664,715	683,081	696,347	705,651	718,107
POPULATION GROWTH RATE											
United States	1.0%	0.9%	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%
Colorado	1.7%	1.5%	1.5%	1.4%	1.4%	1.5%	1.5%	1.9%	1.6%	1.4%	1.4%
Denver Metropolitan Area	1.8%	1.7%	1.3%	1.8%	1.8%	1.9%	1.9%	2.1%	1.5%	1.2%	1.3%
City and County of Denver	2.0%	2.3%	1.6%	2.7%	2.3%	2.2%	2.3%	2.8%	1.9%	1.3%	1.8%
NET MIGRATION											
Colorado	40,469	36,267	37,569	34,944	38,710	45,345	47,655	69,096	59,628	47,640	52,979
Denver Metropolitan Area	22,326	21,639	13,892	29,168	31,857	34,971	35,778	43,055	28,421	19,030	25,382
City and County of Denver	5,480	7,620	3,819	10,705	9,286	9,094	10,143	13,324	8,316	4,665	7,837
NONAGRICULTURAL EMPLOYMENT											
United States (millions)	137.2	131.3	130.4	131.9	134.2	136.4	139.0	141.8	144.4	146.6	149.1
Colorado (thousands)	2,349.3	2,244.4	2,221.1	2,257.3	2,311.7	2,380.5	2,463.7	2,541.0	2,601.8	2,660.4	2,725.3
Denver Metropolitan Area (thousands)	1,420.7	1,359.5	1,353.1	1,378.0	1,417.6	1,468.2	1,522.7	1,578.1	1,619.2	1,653.9	1,695.5
City and County of Denver	449,254	423,282	420,523	422,704	434,083	441,249	460,619	478,564	494,614	506,023	518,825
NONAGRICULTURAL EMPLOYMENT GROWTH RATE											
United States	-0.5%	-4.3%	-0.7%	1.2%	1.7%	1.6%	1.9%	2.1%	1.8%	1.6%	1.7%
Colorado	0.8%	-4.5%	-1.0%	1.6%	2.4%	3.0%	3.5%	3.1%	2.4%	2.3%	2.4%
Denver Metropolitan Area	1.0%	-4.3%	-0.5%	1.8%	2.9%	3.6%	3.7%	3.6%	2.6%	2.1%	2.5%
City and County of Denver	1.5%	-5.8%	-0.7%	0.5%	2.7%	1.7%	4.4%	3.9%	3.4%	2.3%	2.5%

2018 EMPLOYMENT DISTRIBUTION BY INDUSTRY

	United States	Colorado	Denver Metropolitan Area	City & County of Denver
Natural Resources & Construction	5.4%	7.4%	6.7%	6.2%
Manufacturing	8.5%	5.4%	5.2%	4.1%
Wholesale & Retail Trade	14.5%	14.0%	14.0%	11.4%
Transportation, Warehousing, Utilities	4.0%	3.3%	3.7%	5.7%
Information	1.9%	2.7%	3.4%	2.6%
Financial Activities	5.7%	6.3%	6.9%	7.7%
Professional & Business Services	14.1%	15.6%	18.2%	20.4%
Education & Health Services	15.9%	12.5%	12.7%	12.5%
Leisure & Hospitality	11.0%	12.5%	11.2%	12.6%
Other Services	3.9%	4.1%	3.8%	3.4%
Government	15.1%	16.3%	14.2%	13.4%

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
UNEMPLOYMENT RATE											
United States	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%
Colorado	4.8%	7.3%	8.7%	8.4%	7.9%	6.9%	5.0%	3.9%	3.2%	2.7%	3.3%
Denver Metropolitan Area	4.9%	7.3%	8.5%	8.1%	7.6%	6.5%	4.7%	3.6%	3.0%	2.6%	3.1%
City and County of Denver	5.4%	8.1%	9.1%	8.6%	7.9%	6.6%	4.8%	3.7%	3.1%	2.6%	3.2%
CONSUMER PRICE INDEX (CPI-U, 1982-84=100)											
United States	215.3	214.5	218.1	224.9	229.6	233.0	236.7	237.0	240.0	245.1	251.1
Denver-Boulder-Greeley	209.9	208.5	212.4	220.3	224.6	230.8	237.2	240.0	246.6	255.0	262.0
INFLATION RATE											
United States	3.8%	-0.4%	1.6%	3.2%	2.1%	1.5%	1.6%	0.1%	1.3%	2.1%	2.4%
Denver-Aurora-Lakewood	3.9%	-0.6%	1.9%	3.7%	1.9%	2.8%	2.8%	1.2%	2.8%	3.4%	2.7%

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
TOTAL PERSONAL INCOME (millions, except as noted)											
United States (billions)	$12,439	$12,051	$12,542	$13,315	$13,998	$14,176	$14,983	$15,712	$16,116	$16,820	$17,573
Colorado	$207,773	$198,147	$204,692	$222,572	$236,687	$248,959	$271,101	$284,143	$289,621	$306,411	$323,767
Denver Metropolitan Area	$127,120	$119,244	$123,978	$136,459	$146,258	$154,805	$169,476	$176,907	$179,824	$191,255	N/A
City and County of Denver	$31,213	$27,656	$29,471	$33,539	$36,684	$40,024	$45,200	$45,701	$44,469	$49,226	N/A
TOTAL PERSONAL INCOME GROWTH RATE											
United States	3.6%	-3.1%	4.1%	6.2%	5.1%	1.3%	5.7%	4.9%	2.6%	4.4%	4.5%
Colorado	3.3%	-4.6%	3.3%	8.7%	6.3%	5.2%	8.9%	4.8%	1.9%	5.8%	5.7%
Denver Metropolitan Area	2.9%	-6.2%	4.0%	10.1%	7.2%	5.8%	9.5%	4.4%	1.6%	6.4%	N/A
City and County of Denver	6.2%	-11.4%	6.6%	13.8%	9.4%	9.1%	12.9%	1.1%	-2.7%	10.7%	N/A
PER CAPITA PERSONAL INCOME											
United States	$40,904	$39,284	$40,546	$42,735	$44,599	$44,851	$47,060	$48,985	$49,883	$51,731	$53,712
Colorado	$42,492	$39,851	$40,547	$43,456	$45,572	$47,236	$50,662	$52,116	$52,269	$54,561	$56,846
Denver Metropolitan Area	$47,053	$43,374	$44,336	$47,939	$50,478	$52,444	$56,358	$57,645	$57,722	$60,685	N/A
City and County of Denver	$54,215	$46,954	$48,856	$54,152	$57,880	$61,761	$68,147	$67,048	$64,004	$69,862	N/A
PER CAPITA PERSONAL INCOME GROWTH RATE											
United States	2.7%	-4.0%	3.2%	5.4%	4.4%	0.6%	4.9%	4.1%	1.8%	3.7%	3.8%
Colorado	1.4%	-6.2%	1.7%	7.2%	4.9%	3.7%	7.3%	2.9%	0.3%	4.4%	4.2%
Denver Metropolitan Area	1.0%	-7.8%	2.2%	8.1%	5.3%	3.9%	7.5%	2.3%	0.1%	5.1%	N/A
City and County of Denver	4.1%	-13.4%	4.1%	10.8%	6.9%	6.7%	10.3%	-1.6%	-4.5%	9.2%	N/A
RETAIL TRADE SALES (millions, except as noted)											
United States (billions)	$4,392	$4,064	$4,285	$4,598	$4,826	$5,002	$5,216	$5,349	$5,509	$5,741	$6,021
Colorado	$74,911	$66,454	$70,105	$75,804	$80,248	$84,240	$90,507	$94,936	$98,930	$104,075	$109,799
Denver Metropolitan Area	$43,829	$38,882	$40,894	$43,658	$46,861	$49,299	$53,245	$56,192	N/A	N/A	N/A
City and County of Denver	$10,252	$8,517	$8,925	$9,454	$10,388	$10,992	$12,409	$12,946	N/A	N/A	N/A

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
RETAIL TRADE SALES GROWTH RATE											
United States	-1.1%	-7.4%	5.4%	7.3%	5.0%	3.6%	4.3%	2.6%	3.0%	4.2%	4.9%
Colorado	-0.6%	-11.3%	5.5%	8.1%	5.9%	5.0%	7.4%	4.9%	4.2%	5.2%	5.5%
Denver Metropolitan Area	-0.8%	-11.3%	5.2%	6.8%	7.3%	5.2%	8.0%	5.5%	N/A	N/A	N/A
City and County of Denver	0.9%	-16.9%	4.8%	5.9%	9.9%	5.8%	12.9%	4.3%	N/A	N/A	N/A
MEDIAN HOME PRICE (thousands)											
United States	$196.6	$172.1	$173.1	$166.2	$177.2	$197.4	$208.9	$223.9	$235.5	$248.8	$261.6
Denver Metropolitan Area	$219.3	$219.9	$232.4	$231.4	$252.4	$280.6	$310.2	$353.6	$384.3	$414.7	$449.9
EXISTING HOME SALES											
Denver Metropolitan Area	47,837	42,070	38,818	38,106	45,210	53,711	54,183	56,931	56,915	59,258	55,987
NEW RESIDENTIAL UNITS DENVER METROPOLITAN AREA											
Single Family	4,037	2,690	3,791	3,885	5,947	7,396	8,396	9,786	10,663	11,419	12,248
Two-Family	224	133	285	309	299	399	440	422	532	384	400
Multi-Family	5,296	1,465	1,478	3,005	8,679	9,145	8,074	9,061	12,301	12,218	11,561
Total Units	9,557	4,288	5,554	7,199	14,925	16,940	16,910	19,269	23,496	24,021	24,209
OFFICE VACANCY RATE											
Denver Metropolitan Area	12.4%	13.2%	12.6%	12.2%	11.8%	10.9%	10.0%	9.4%	9.1%	9.5%	9.0%
HOTEL OCCUPANCY RATE											
Denver Metropolitan Area	65.0%	59.0%	64.4%	66.8%	68.0%	70.8%	75.8%	75.9%	75.0%	74.9%	73.7%
SKIER VISITS	**08/09**	**09/10**	**10/11**	**11/12**	**12/13**	**13/14**	**14/15**	**15/16**	**16/17**	**17/18**	**18/19**
Colorado (millions)	11.9	11.9	12.3	11.0	11.4	12.6	12.5	13.4	13.1	12.8	13.8

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

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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
2018 ABSTRACT OF ASSESSMENT

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Summary of Levies and Taxes

	Mill Levy		Tax Revenue
City & County of Denver			
General Fund	9.922	$	177,853,180
Bond Principal	7.000		125,475,938
Bond Interest	1.433		25,686,717
Social Services	3.374		60,479,402
Developmentally Disabled	1.009		18,086,460
Fire Pension	1.183		21,205,434
Police Pension	1.411		25,292,364
Capital Maintenance	2.525		45,260,963
Affordable Housing	0.444		7,958,760
Total	**28.301**	**$**	**507,299,218**
School District #1			
General Fund	38.676	$	693,272,484
Bond Redemption	9.568		171,507,682
Total	**48.244**	**$**	**864,780,166**
Urban Drainage & Flood Control District	**0.820**	**$**	**14,698,610**
Total General Taxes	**77.365**	**$**	**1,386,777,994**
Total Special District Taxes			**83,214,730**
Grand Total of All Taxes		**$**	**1,469,992,724**
Taxes Distributed to DURA Denver Urban Renewal Authority		**$**	**58,593,607**
Tax Distributed to DDA Denver Downtown Development Authority		**$**	**21,317,611**

2019 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 3—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 2018, the State approved the following assessment rates:

Residential Property…………………………...7.20%
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 2019 must be paid by February 28th and the second half must be paid by June 17th. 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

2018

Total
Assessed Valuation
$17,925,134,030

Michael B. Hancock
Mayor

Keith A. Erffmeyer
Assessor

2018 Abstract of Assessment

		Total Assessed Value		Total Actual Value
Vacant Land				
Residential	$	57,734,750	$	242,898,900
Commercial		114,295,830		394,123,552
Industrial		12,809,200		44,169,655
Agricultural		356,060		1,227,793
All Others		46,428,450		160,098,103
Total	**$**	**231,624,290**	**$**	**842,518,003**
Residential				
Single Family	$	4,931,489,940	$	68,492,915,833
Condominiums		899,331,950		12,490,721,528
Duplexes/Triplexes		122,171,490		1,696,826,250
Multi Unit (4 to 8)		58,007,790		805,663,750
Multi Unit (9 & up)		1,411,312,500		19,601,562,500
Manufactured Homes		645,180		8,960,833
Partial Exempt		5,106,330		70,921,250
Total	**$**	**7,428,065,180**	**$**	**103,167,571,944**
Commercial				
Merchandising	$	1,186,239,960	$	4,090,482,621
Lodging		660,530,860		2,277,692,621
Offices		3,734,597,740		12,877,923,241
Recreation		122,299,320		421,721,793
Commercial Condos		204,103,890		703,806,517
Possessory Interest		46,961,070		161,934,724
Special Purpose		874,463,870		3,015,392,655
Warehouses		1,364,906,800		4,706,575,172
Partial Exempt		30,315,470		104,536,103
Total	**$**	**8,224,418,980**	**$**	**28,360,065,448**
Industrial				
Manufacturing	$	175,198,480	$	604,132,690
Total	**$**	**175,198,480**	**$**	**604,132,690**
Personal Property				
Residential	$	17,386,517	$	59,953,507
Commercial		795,074,927		2,741,637,679
Industrial		103,239,130		355,997,000
Renewable Energy		2,335,826		8,054,572
Total	**$**	**918,036,400**	**$**	**3,165,642,759**
Natural Resources				
Prod. Oil & Gas	$	0	$	0
Total	**$**	**0**	**$**	**0**
State Assessed	**$**	**947,790,700**	**$**	**3,268,243,793**
Grand Total	**$**	**17,925,134,030**	**$**	**139,408,174,638**
Exempt Properties		**Total Assessed**		**Total Actual**
Federal Government	$	203,114,070	$	700,393,345
State Government		370,148,650		1,289,783,117
County Government		2,015,725,520		8,012,105,017
Political Subdivision		1,382,478,260		4,770,972,017
Religious Entities		261,480,890		981,994,060
Private Schools		292,618,060		1,063,994,802
Charitable Entities		375,962,580		1,777,481,557
All Others		245,733,050		1,395,886,987
Total	**$**	**5,147,261,080**	**$**	**19,992,610,901**

Special Taxing Districts

	Assessed	Mill	Tax
9th Ave Metro No 2 (14)	9,347,790	50.000	467,390
9th Ave Metro No 3 (15)	7,269,370	11.056	80,370
Adams County/North Washington Fire	6,947,730	16.650	115,680
Aviation Station Metro No 2	2,627,850	53.000	139,276
Aviation Station Metro No 3	656,010	53.000	34,769
Aviation Station Metro No 5	423,520	10.000	4,235
Belleview Station Metro No 2	42,825,460	50.559	2,165,212
Bluebird BID	10,735,810	10.000	107,358
Broadway Park North MD No 2 (debt)	24,707,740	15.200	375,558
Broadway Park North MD No 2	24,707,740	5.000	123,539
Broadway Park North MD No 3	4,501,410	16.583	74,647
Bowles Metro	30,882,390	42.000	1,297,060
Broadway Station Metro No 2	6,376,120	31.000	197,660
Broadway Station Metro No 3	54,190	6.000	325
CCP Metro No 1	944,680	48.000	45,345
Central Platte Valley Metro (4)	243,986,480	28.250	6,892,618
Central Platte Valley Metro (debt)	78,509,280	10.000	785,093
Cherry Creek North BID	310,367,110	15.142	4,699,579
Cherry Creek Subarea BID (3)	87,435,330	0.171	14,951
Clear Creek Valley Water/Sanitation	631,730	2.406	1,520
Colfax BID	65,924,490	10.020	660,563
Colo. Int. Center Metro No 13	2,980	81.334	242
Colo. Int. Center Metro No 14	32,904,040	75.000	2,467,803
Denargo Market Metro No 2	19,349,160	40.000	773,966
Denver Connection West Metro	4,230,150	55.277	233,830
Denver Gateway Center Metro	6,154,880	50.000	307,744
Denver Gateway Meadows Metro	11,610	50.000	581
Denver High Point at DIA Metro	21,650	15.000	325
Denver Intl. Business Center Metro No 1	31,795,040	44.175	1,404,546
DUS Metro No 2 (5)	93,282,180	25.000	2,332,055
DUS Metro No 3 (6)	9,470,730	27.639	261,762
DUS Metro No 4 (7)	6,692,810	15.000	100,392
Ebert Metro	114,143,640	58.040	6,624,897
Ebert Metro (debt)	3,711,960	34.440	127,840
Fairlake Metro	28,708,440	8.314	238,682
Federal Boulevard BID	6,909,890	10.000	69,099
First Creek Village Metro	4,040,700	82.917	335,043
Five Points BID (13)	15,256,680	10.000	152,567
Gateway Regional Metro	89,389,450	16.000	1,430,231
Gateway Village GID	27,993,980	20.000	559,880
Goldsmith Metro	335,534,290	8.500	2,852,041
Greenwood Metro	1,792,140	2.000	3,584
GVR Metro	133,104,590	20.094	2,674,604
Holly Hills Water /Sanitation	29,281,560	2.716	79,529
Midtown Metro	5,455,310	30.000	163,659
Mile High Business Center Metro	26,566,800	30.000	797,004
North Washington Street Water/Sanitation	6,947,730	0.860	5,975
Old South Gaylord BID	11,031,480	4.166	45,957
RiNo BID (8 & 10)	286,295,280	4.000	1,145,181
RiNo GID (9 & 11)	161,181,020	4.000	644,724
Sand Creek Metro	36,756,190	27.500	1,010,795
Sand Creek Metro (debt)	14,435,470	16.000	230,968
SBC Metro (1)	91,961,210	35.000	3,218,642
Section 14 Metro	9,315,930	23.669	220,499
Section 14 Metro (debt -Raccoon Creek)	3,592,890	16.150	58,025
Section 14 Metro (debt-Fairmark)	4,598,240	5.819	26,757
Sheridan Sanitation No. 2	630,710	0.490	309
South Sloan's Lake Metro No 2 (12)	19,848,360	41.378	821,285
Southeast Public Improvement Metro	338,916,920	2.000	677,834
Town Center Metro	262,020	58.040	15,208
Town Center Metro Subdistrict No 1	7,116,600	55.278	393,391
Town Center Metro Subdistrict No 2	8,613,230	55.278	476,122
Valley Sanitation	16,643,840	2.131	35,468
Westerly Creek Metro (2)	530,168,080	60.194	31,912,937
Total			**$ 83,214,730**

(1) $2,990,385 of the tax for SBC Metro is distributed to Stapleton TIF
(2) $29,649,759 of the tax for Westerly Creek Metro is distributed to Stapleton TIF
(3) $11,577 of the tax for Cherry Creek Subarea BID is distributed to Denver Union Station DDA
(4) $5,080,592 of the tax for Central Platte Valley is distributed to Denver Union Station DDA
(5) $1,930,730 of the tax for DUS Metro No 2 is distributed to Denver Union Station DDA
(6) $216,714 of the tax for DUS Metro No 3 is distributed to Denver Union Station DDA
(7) $833,115 of the tax for DUS Metro No 4 is distributed to Denver Union Station DDA
(8) $3,483 of the tax for RiNo BID is distributed to Ironworks Foundry TIF (Phase I)
(9) $3,483 of the tax for RiNo GID is distributed to Ironworks Foundry TIF (Phase I)
(10) $27,044 of the tax for RiNo BID is distributed to Ironworks Foundry TIF (Phase II)
(11) $27,044 of the tax for RiNo GID is distributed to Ironworks Foundry TIF (Phase II)
(12) $781,386 of the tax for Sloan's Lake Metro District 2 is distributed to Saint Anthony TIF
(13) $4,673 of the tax for Five Points BID is distributed to 2560 Welton St. TIF
(14) $467,389 of the tax for 9th Ave Metro District 2 is distributed to 9th Ave TIF
(15) $80,370 of the tax for 9th Ave Metro District 3 is distributed to 9th Ave TIF

Tax Increment Finance Districts

District	Base	Increment
101 Broadway	881,840	0
Broadway & I-25	5,600,820	831,390
Colorado National Bank	1,241,045	12,820,055
Denver Union Station DDA	57,349,717	275,903,893
Emily Griffith	0	7,338,900
Executive Tower Hotel	3,840,308	21,720,342
Globeville Commercial	698,470	246,270
Highland's Garden	2,835,973	13,442,857
Ironworks Foundry Phase I	516,851	870,909
Ironworks Foundry Phase II	525,828	6,761,682
Marycrest	0	2,340,070
Mercantile Square	6,167,737	2,413,743
Northeast Park Hill	6,266,570	5,716,110
Point Urban	0	1,427,000
Saint Anthony	978,145	18,884,105
Stapleton	48,305,499	632,847,581
York Street	0	9,282,860
9th Avenue	0	16,622,260
9th & Colorado	0	7,065,380
414 14th Street	0	2,331,830
2300 Welton	738,950	1,720,120
2460 Welton	89,283	2,161,337
2560 Welton	135,840	1,832,540
2801 Welton	120,760	121,050
Total	**$ 136,293,636**	**$ 1,044,702,284**

CITY AND COUNTY OF DENVER

SEAL