CITY AND COUNTY OF DENVER, COLORADO
2024 DISCLOSURE STATEMENT

For the year ended December 31, 2023

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

2024 DISCLOSURE STATEMENT
Table of Contents

DENVER
DEPARTMENT OF FINANCE

DEPARTMENT OF FINANCE

NICOLE C. DOHENY

CHIEF FINANCIAL OFFICER

September 6, 2024

Dear Reader:

This Disclosure Statement for the Year Ended December 31, 2023 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 with the Denver Mayor's Executive Order 114, first enacted in 1996, which commits the City to provide ongoing information about the City's 2023 financial condition. This Disclosure Statement also contains certain post-2023 unaudited and prospective information as noted. This Disclosure Statement must be read in conjunction with the City's Annual Comprehensive Financial Report ("ACFR"), the Wastewater Management Enterprise Fund Financial Statements, the ACFR of the Airport System, and the Denver Employees Retirement Plan's ACFR. 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 that the City has contracted to provide on an ongoing basis.

The following is an overview of the 2023 transactions:

In August 2023, the City executed and delivered $243,945,000 of Certificates of Participation, Series 2023. The Series 2023 COPs were executed and delivered for the purposes of refunding the outstanding Certificates of Participation, Series 2008A, paying the termination fees of interest rate swaps and a guaranteed investment contract related to the Series 2008A Certificates, and funding renovations to the Wellington E. Webb Office Building.

In November 2023, the City, for and on behalf of its Department of Aviation, issued $586,835,000 of Series 2023A-B Airport System Subordinate Revenue Bonds to refund the outstanding Series 2013A-B Airport System Subordinate Revenue Bonds.

Additional information about the City's 2023 bond financings or other financings can be found in the files of the MSRB (online at https://emma.msrb.org/), may be obtained by calling the City's Cash and Capital Funding division at 720-913-9383, or may be found on the City's Investor Information webpage at www.denvergov.org/bondinvestor.

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

Sincerely,

Nicole Doheny
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, 2023

Mayor
Michael C. Johnston

City Council
Jamie Torres, President

Flor Alvidrez	Shontel M. Lewis
Kevin Flynn	Sarah Parady
Stacie Gilmore	Diana Romero Campbell
Serena Gonzales-Gutierrez	Amanda P. Sandoval
Chris Hinds	Amanda Sawyer
Paul Kashmann	Darrell Watson

Auditor
Timothy M. O'Brien

Clerk and Recorder
Paul D. López

CABINET OFFICIALS

Armando Saldate	Deputy Mayor, Executive Director of the Department of Safety
Nicole Doheny	Chief Financial Officer as Manager of Finance/*ex-officio* Treasurer
Anne-Marie Braga	Executive Director of the Department of Human Services
Jolon Clark	Executive Director of the Department of Parks and Recreation
Amy Ford	Executive Director of the Department of Transportation and Infrastructure
Al Gardner	Executive Director of the Department of General Services
Jill Jennings-Golich	Interim Executive Director of the Department of Community Planning and Development
Robert M. McDonald	Executive Director of the Department of Public Health and Environment
Kerry Tipper, Esq.	City Attorney
Phil Washington	Chief Executive Officer of the Department of Aviation

PRELIMINARY NOTICES

The information contained in this Disclosure Statement is as of December 31, 2023, unless it is expressly stated that the information is as of a different date. Unless the context indicates otherwise, the use of the word "currently" in this Disclosure Statement is intended to refer to the December 31, 2023 date.

For the purposes of this Disclosure Statement, the date of the Disclosure Statement shall be the listed date of the transmittal letter from the Manager of Finance (September 6, 2024).

This Disclosure Statement must be read in conjunction with the City's Annual Comprehensive Financial Report ("ACFR") for the Year Ended December 31, 2023 – available on the City's website or from the Controller's Office. 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 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," "projects," "estimates," or "proposes" 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.

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 (the "State"). The City is the capital of the State and is the service, retail, financial, transportation, and distribution center of the Rocky Mountain region. According to data available as of July 2024 (for 2023), over 3.2 million people, representing more than half of the population of the State, reside in the Denver metropolitan area, of which more than 716,000 reside within the City limits. See "APPENDIX A – 2023 Economic and Demographic Report."

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 Charter adopted by the qualified electors of the City on March 29, 1904, as amended from time to time (the "Charter"). The City is a single governmental entity performing both municipal and county functions.

Government

The 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 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 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. In accordance with the Charter, as amended by voters at the November 2021 election, beginning in 2023, the general election for the City has been moved from the first Tuesday in May of odd-numbered years to the first Tuesday in April of odd-numbered years.

The City held a general election on April 4, 2023 and a run-off election on June 6, 2023. In this election cycle, the prior Mayor and some incumbent City Council members were term limited or otherwise determined not to run again for elected office. The swearing in and seating of the elected officials for the current term is set by Charter for the third Monday in July, which occurred on July 17, 2023. As of the date of this Disclosure Statement, the elected officials are:(1)

Michael C. Johnston	Mayor
Timothy M. O'Brien, CPA	Auditor
Paul D. López	Clerk and Recorder
Amanda P. Sandoval	Councilmember and President - District 1
Diana Romero Campbell	Councilmember and *Pro Tem* - District 4
Kevin Flynn	Councilmember - District 2
Jamie Torres	Councilmember - District 3
Amanda Sawyer	Councilmember - District 5
Paul Kashmann	Councilmember - District 6
Flor Alvidrez	Councilmember - District 7
Shontel M. Lewis	Councilmember - District 8

Table continues on following page:

1 On July 15, 2024, the City Council elected Amanda Sandoval as its President and Diana Romero Campbell as its *Pro Tem*, effective immediately.

Darrell Watson	Councilmember - District 9
Chris Hinds	Councilmember - District 10
Stacie Gilmore	Councilmember - District 11
Serena Gonzales-Gutierrez	Councilmember - At Large
Sarah Parady	Councilmember - At Large

The City Auditor is responsible for internal or performance audits of the City and, with the Audit Committee, oversees the audit of the City's ACFR. The Auditor also performs external financial and performance audits of City contracts. The Auditor is elected every four years and is limited to three consecutive terms by the Charter.

The Clerk and Recorder is responsible for performing all the duties of the City Clerk as provided for in the Charter and the Denver Revised Municipal Code (the "DRMC"), 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 by the Charter.

The Manager of Finance is a Mayoral appointee serving on the Mayor's cabinet and is responsible for the management of the City's debt and financial obligations. As of December 31, 2023, the Manager of Finance has appointed individuals to fill the positions of the Treasurer and the Assessor in accordance with Charter requirements, and has designated individuals to fill positions within the Department of Finance, namely the Director of Cash and Capital Funding, the Director of Risk Management and Workers' Compensation, the Controller, the Budget Manager, and the Director of Capital Planning and Real Estate. Only the Assessor and the Treasurer positions are required by the Charter to be included within the Department of Finance, while other positions may be reorganized by the Manager of Finance. Responsibilities for issuance of payments, payroll, and other general accounting functions are performed by the Department of Finance.

As of December 31, 2023, the appointed members of the Mayor's cabinet, by their common title, were the following individuals:

Armando Saldate	Deputy Mayor, Executive Director of the Department of Safety
Nicole Doheny	Chief Financial Officer as Manager of Finance/*ex-officio* Treasurer
Anne-Marie Braga	Executive Director of the Department of Human Services
Jolon Clark	Acting Executive Director of the Department of Parks and Recreation(2)
Amy Ford	Acting Executive Director of the Department of Transportation and Infrastructure(3)
Al Gardner	Acting Executive Director of the Department of General Services(4)
Jill Jennings-Golich	Interim Executive Director of the Department of Community Planning and Development(5)
Robert M. McDonald	Acting Executive Director of the Department of Public Health and Environment(6)
Kerry Tipper, Esq.	City Attorney
Phil Washington	Chief Executive Officer of the Department of Aviation

2 On January 2, 2024, the City Council confirmed the appointment of Jolon Clark as the new Executive Director of the Department of Parks and Recreation.

3 On March 18, 2024, the City Council confirmed the appointment of Amy Ford as the new Executive Director of the Department of Transportation and Infrastructure.

4 On January 2, 2024, the City Council confirmed the appointment of Al Gardner as the new Executive Director of the Department of General Services.

5 On May 20, 2024, the City Council confirmed the appointment of Manish Kumar as the new Executive Director of the Department of Community Planning and Development.

6 On August 26, 2024, the City Council confirmed the appointment of Karin McGowan as the new Executive Director of the Department of Public Health and Environment.

In addition to the members of the cabinet required by Charter, other advisors in the Mayor's administration who have significant advisory roles in formulating policy included, as of December 31, 2023, Chief of Staff Jenn Ridder, Deputy Chief of Staff Evan Dreyer, Deputy Chief of Staff for Administration LaTonya Lacy, Deputy Chief of Staff for Strategy Dominick Moreno, Chief Projects Officer Josh Laipply, Deputy Chief Projects Officer Jennifer Welborn, Deputy Chief Projects Officer Shannon Gifford, Chief Operating Officer Janel Forde, Deputy Chief Operating Officer Molly Urbina, Senior Advisor for Community Partnerships Esther Leach, Legislative Director Angela Casias, Director of Policy Matthew Ball, Director of Federal and State Affairs Adam Burg, and Director of Regional Affairs Adam Paul.

The 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 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 City 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 Charter establishes a fiscal year for the City that begins on January 1 and ends on December 31 (the "Fiscal Year"). On or before September 15 of each year, the Mayor briefs the City Council on the tentative revenue and expenditure plans for the ensuing Fiscal Year. On or 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 City Council, following consultation with the Manager of Finance, may authorize an ordinance during the Fiscal Year appropriating new revenue or revenue in excess of those estimated in the budget or may authorize a transfer of an unencumbered balance in whole or in part from a specified non-enterprise fund, provided the supplemental appropriation or transfer does not conflict with any uses for which such revenue specifically accrued or exceed total estimated revenues.

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

The City has multiple reserves in the General Fund to address unforeseen revenue shortfalls or unanticipated expenditures. The annual budget includes a Contingency Reserve of no less than 2% of total estimated General Fund expenditures. In addition, an Emergency Reserve equal to 3% of Fiscal Year spending (excluding debt service) is required by State constitutional provisions to be included in the budget (the "TABOR Reserve"). A portion of the TABOR Reserve requirement may be fulfilled by pledging real property in lieu of cash. The TABOR Reserve may only be used for emergency purposes as specified in the State Constitution. Finally, pursuant to the City's Fiscal Accountability Rules, the target for the General Fund unassigned fund balance (the "unassigned fund balance") is 15% of General Fund expenditures and should not be drawn below 10%. These three reserves provide 15% to 20% of the General Fund's expected expenditures to respond to revenue shortfalls or unanticipated expenditures.

In 2020, in response to COVID-19, a portion of the TABOR Reserve was supplemented with real property in lieu of cash (the reserve remained fully funded). On an annual basis, the City evaluates whether it can transition any of the supplemented real property in the TABOR Reserve out for cash. The next evaluation is anticipated to occur during the City's 2025 budget process. The unassigned fund balance was used to supplement the loss in revenue during COVID-19 and was restored to pre-pandemic levels consistent with the City's reserve policies, but, as described below in "General Fund – Management Discussion of 2024 Budget," is likely to be needed to address underperformance in sales and use tax revenues, unrelated to COVID-19. See additional details of the City's response to the pandemic below in "COVID-19." In addition, starting at the end of 2022, the City began to experience an influx of migrants and asylum seekers, also referred to as "newcomers," arriving from the southern United States border. In early 2024, the City used a portion of the Contingency Reserve in the amount of $10 million to fund newcomer support operations. The City's response to the arrival of newcomers is described below in "General Fund – Management Discussion of 2024 Budget."

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

Ratings

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

Constitutional Revenue and Spending Limitations

Taxpayer's Bill of Rights. 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 is found in Article X, Section 20 of the State Constitution.

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 ("Measure 2A"), which permanently removed all TABOR restrictions described above regarding the collection and retention of all taxes, while imposing an annual cap on property tax revenue growth of 6% plus local growth. Effective January 1, 2013, the measure permanently allows the City to collect, retain, and spend all categories of lawful taxes. See "General Fund – Property Taxation – Denver Measure 2A" for additional details about Measure 2A.

TABOR requires voter approval prior to the City incurring any multiple fiscal year debt or other financial obligation, subject to certain exceptions, such as refinancing outstanding debt at a lower rate. TABOR contains an exception for "enterprises," defined in TABOR as a government-owned business authorized to issue its own revenue bonds and receiving less than 10% of its annual revenues from all State and local governments combined. The effect of "enterprise" status is to exempt an enterprise from the restrictions and limitations otherwise applicable under TABOR. The City has designated as enterprises for purposes of TABOR the operations of its sanitary and storm sewerage utilities, the Department of Aviation, the management and operation of environmental programs and services within the Department of Public Health and Environment, certain funds used for projects of the Department of Parks and Recreation, City-owned golf courses, and, subject to City Council approval as discussed below in "Denver Fiscal Initiatives," a fund used by the Department of Transportation and Infrastructure to support sidewalk construction, reconstruction, and repair.

Denver Fiscal Initiatives

The State Constitution and the Charter provide that the people are empowered to propose laws and amendments to the State Constitution and the Charter and to enact or reject such initiatives by a vote of the corresponding (State or City) electorate by ballot. The City has certified two citizen initiatives to be submitted to the Denver voters on November 5, 2024. The City Council may also refer amendments to the Charter and other ordinances to be submitted to the Denver voters. The City Council has referred eight such measures to be submitted to the appropriate Denver electorate on November 5, 2024. As of the date of this Disclosure Statement, the deadline for citizen-led initiatives and Council-referred measures to be on the November 5, 2024 ballot has passed. The full text of potential citizen-led initiatives and Council-referred measures is available at the following Denvergov.org website: https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Office-of-the-Clerk-and-Recorder/Elections-Division/Campaign-Hub/Candidate-and-Initiative-Tracking.(7)

---

7 Unless specified otherwise, such website and the information or links contained therein are not incorporated into, and are not part of, this Disclosure Statement.

In the November 2022 Election, voters approved citizen initiative 307, also called "Denver Deserves Sidewalks," which adopted an ordinance that authorized the creation of an enterprise fund to collect fees mandated to be used for sidewalk construction, reconstruction, and repair throughout the City. The City currently anticipates that annual revenue for the proposed enterprise fund will be approximately $40 million and that the fund's capital program will operate under a sidewalk master plan anticipated to be developed by the Sidewalk Enterprise. In August 2023, the City convened a stakeholder's task force to determine how to address issues needing legal and practical clarifications before the proposed enterprise fund could be implemented. In June 2024, the City Council adopted an ordinance delaying the effective date of the November 2022 ordinance, the related implementation of the proposed enterprise fund, and the imposition and collection of related fees until January 1, 2025.

Update on Litigation and Other Legal Proceedings

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

For Fiscal Year 2024, the City Attorney's office received an appropriation of $2.0 million in addition to any unspent amounts from 2023 in the City's claims and liability special revenue fund. The City anticipates additional claims could be filed that may require a request for the City Council to transfer additional funds into the claims account in excess of the amounts described above.

Pursuant to State law and subject to constitutional limitations, if a monetary judgment is rendered against the City, and the City fails to provide for the payment of such judgment, the City Council must levy a tax (not to exceed 10 mills per annum) upon all of the taxable property within the City for the purpose of making provision for the payment of the judgment. The City is required to continue to levy such tax until the judgment is discharged. Such mill levy is in addition to all other mill levies for other purposes.

Adams County Litigation. Related to the Airport System, the County of Adams, Colorado ("Adams County"), the county from which much of the land for the Denver International Airport ("DEN" or the "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 that can be created by DEN operations at 101 grid points in the vicinity of the Airport (the "Noise Standards"). On November 15, 2017, the City received from Adams County, the City of Aurora, the City of Commerce City, the City of Brighton, and the City of Thornton (the cities in which the property affected by the noise violations asserted by Adams County is located) (collectively, the "Claimants") a notice of default and three notices of violation which alleged a variety of noise claims from 2014 through 2016.

The Claimants then filed a Complaint based on these notices in the Jefferson County District Court. On June 19, 2020, the District Court issued a ruling (the "Ruling") finding, among other things, (i) that the Adams County IGA requires installation of a noise monitoring system as opposed to a noise modeling system, and (ii) that the City is liable to Adams County for liquidated damages in the amount of $500,000 for each of the 67 uncured Class II Violations from 2014 through 2016 for a total of $33,500,000, plus interest.

On January 29, 2024, the Colorado Supreme Court found in the City's favor by ruling that Adams County knew in 1995 that the Airport was using a noise modeling system to determine compliance with the Adams County IGA Noise Standards levels, rather than a monitor-based system as Adams County claimed is required by the Adams County IGA. Therefore, because Adams County waited until 2017 to file a complaint based on that alleged breach of the Adams County IGA, the claim was barred by the statute of limitations. The Court dismissed Adams County's complaint and, by doing so, vacated the lower courts' rulings. On February 7, 2024, Adams County filed a Motion for Extension of Time to File a Petition for Rehearing. That motion was denied, and the case was mandated to the lower courts for dismissal. On March 11, 2024, the District Court issued an "Order Re: Mandate" stating that "barring any motions from the parties, the Court will dismiss the complaint after 14 days [i.e., March 25, 2024]." Neither party filed any motions by the March 25, 2024, deadline and the District Court dismissed the complaint with prejudice on March 27, 2024. Upon such dismissal, the litigation is closed.

Police Response Protest Litigation. The City was subject to lawsuits arising out of police responses to protests that occurred in the City in 2020 after the death of George Floyd on May 25, 2020. Eleven of those lawsuits are active and unresolved. A number of plaintiffs claim significant damages. The lawsuit with the largest number of plaintiffs is the "*Epps/Fitouri*" case (named for the plaintiffs who originated the lawsuit), which the court consolidated with another filed protest case. Twelve individually-named plaintiffs sued the City alleging violations of their First Amendment right to free speech and Fourth Amendment right to be free from excessive force. The case was tried to a jury in March 2022. The jury returned a verdict against the City (and one individual officer) in the amount of $14,000,000, as well as approximately $3,000,000 in additional attorney fees and costs. The City is awaiting the court's certification of the case for appeal. It is not expected that the appeal will be ruled upon until 2025. The City has reached settlements in 20 protest lawsuits so far for a total of $13,996,000. The unsettled lawsuits are in the final stages of discovery, but most do not have trial dates set yet. If the remaining protest cases are not resolved by settlement and proceed to trial, additional judgments unfavorable to the City may occur and the potential aggregate amount of the City's financial exposure is estimated to be approximately $40,000,000. As of the date of this Disclosure Statement, the City expects that further judgments or settlements will be paid from the City's general liability fund. In the event that judgments or settlements are in excess of amounts in the City's general liability fund, the City anticipates it will utilize funds available in the City contingency and/or reserve funds. The use of contingency or reserve funds to pay any such potential judgments or settlements would comply with all City policies and bond covenants, and the City expects that the use of such funds would neither negatively impact its ability to pay debt service and comply with bond covenants, nor negatively impact regular City operations. As discussed in footnote 3 to Table 1, for 2024, the Manager of Finance has identified the assigned fund balance to address potential liabilities against the City. These funds are not appropriated and would require legislative action by the City Council to become appropriated.

Wrongful Conviction Lawsuit. In this lawsuit, the plaintiff alleges he was wrongfully arrested and maliciously prosecuted for a murder that occurred in January 2000. Plaintiff went to prison when he was fourteen years old and served approximately fifteen years before he was released when another person convicted of the murder cleared his name. The plaintiff asserts claims in violation of the Fourth, Fifth, Ninth and Fourteenth Amendments against individual officer defendants and a municipal liability claim against the City for an alleged unlawful pattern of using improper interrogation techniques to coerce confessions from minor suspects. Discovery is complete and dispositive motions have been filed. The court has not issued a decision on the defendants' motion for summary judgment. The City expects an order to be issued in early 2025 and, assuming that summary judgment is not granted, for trial to be set to occur in late 2025. Although the actual award amount is undetermined at this time, the plaintiff is seeking damages in excess of $25,000,000.

Denver Police Department ("DPD") Recruit Lawsuit. A DPD recruit (the "Recruit") who sustained serious permanent injuries when he suffered a medical emergency during a training exercise at the DPD academy (the "Academy") on January 6, 2023 filed a lawsuit on July 30, 2024 against the City and ten officers who participated in the training. The lawsuit alleges that: 1) the Recruit was illegally seized and excessive force was used against him in violation of the Fourth Amendment and Colorado statute; 2) the exercise drill was an unnecessary hazing ritual for DPD recruits; and 3) the Academy staff unreasonably required the Recruit to participate in and pushed him to finish the drill despite knowing he had sickle cell trait and observing him struggling to maintain consciousness during the drill. Although any award amount remains undetermined at this time, the Recruit's legal counsel claims damages may exceed $25,000,000. The lawsuit is in its beginning stages, and the City does not anticipate trial will occur until at least 2026.

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, 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

$350,000 for claims accruing before January 1, 2018; or the sum of $387,000 for claims accruing on or after January 1, 2018 and before January 1, 2022; or the sum of $424,000 for claims accruing on or after January 1, 2022 and before January 1, 2026; (b) for an injury to two or more persons in any single occurrence, the sum of $990,000 for claims accruing before January 1, 2018, except in such instance, no person may recover in excess of $350,000; or the sum of $1,093,000 for claims accruing on or after January 1, 2018, and before January 1, 2022, except in such instance, no person may recover in excess of $387,000; or the sum of $1,195,000 for claims accruing on or after January 1, 2022, and before January 1, 2026, except in such instance, no person may recover in excess of $424,000. 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.

COVID-19

On March 10, 2020, the Governor of the State issued an Executive Order declaring a state of disaster emergency, and on March 12, 2020, the Mayor of the City declared a state of local disaster emergency due to the risk of spread of the novel coronavirus, designated as "COVID-19." The COVID-19 local disaster emergency was later periodically extended by the City Council. The City's declaration of a public health emergency related to COVID-19 expired as of March 1, 2023. The State's emergency disaster declaration ended with the expiration of the Colorado COVID-19 Disaster Recovery order on or about May 5, 2023. The Federal government's public health emergency ended on May 11, 2023, following Congress having passed a resolution to end the COVID-19 national emergency in December 2022. As of the date of this Disclosure Statement, the City is no longer operating under any declared states of emergency regarding the COVID-19 pandemic.

As discussed above in "Budget Policy," the City used multiple reserves to address budgetary shortfalls and maintain core City services during the height of the COVID-19 pandemic. As of the date of this Disclosure Statement, the City has restored these reserves to pre-pandemic levels.

The City was awarded a Federal funding allocation of approximately $126.8 million as part of the Coronavirus Relief Funds ("CRF") through the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). This funding allocation does not include separate funding directed to the City's Municipal Airport System ("Airport System"), or approximately $134.7 million (of which approximately $2.7 million is applicable to Airport System operations) from the Federal Emergency Management Agency ("FEMA"). For further details on COVID-19 funding for the Airport System, see "THE AIRPORT SYSTEM – Impact of COVID-19 on the Airport." The City leveraged funding from FEMA for shelter, personal protective equipment, community testing, vaccine administration, and City emergency operation center costs and funding from the CRF for community support and Citywide operational needs due to COVID-19. CRF funds have been used to mitigate public health, safety, economic, and social impacts of COVID-19. As of December 31, 2023, the City has spent the full amount of the total awarded CRF funds and related interest earnings totaling approximately $129.5 million for a list of approved projects. The City utilized interest earnings from the CRF funding to expand the amount allocated to CRF-approved projects. As of December 31, 2023, the City has received approximately $115.5 million in FEMA funds in response to COVID-19.

In addition to CRF and FEMA funding, under the American Rescue Plan Act, the City was awarded approximately $308 million in Federal Coronavirus Local Fiscal Recovery Funds ("ARPA Funds"), which does not include separate funding directed to the Airport System. The City received the first half of the ARPA Funds in July 2021 and the second half in July 2022. The City is subject to rules issued by the U.S. Treasury Department regarding the use of ARPA Funds and has identified the following allowable uses: support public health expenditures, address negative economic impacts caused by the COVID-19 public health emergency, replace lost public sector revenue, provide premium pay for essential workers, and support program administration. As of December 31, 2023, the City has obligated $215.6 million of the ARPA Funds in each of those categories with expenditures totaling $144.8 million. All ARPA funds must be obligated by the end of 2024 and spent by the end of 2026.

The impacts of COVID-19 on the City's finances and operations, as reflected in the year-over-year data from 2022 to 2023, are further described in "General Fund – Management Discussion of Recent Financial Results" below. The COVID-19-related Federal funding received by the City and expenses incurred by the City are included in the data presented in Tables 1-5 and 11.

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 2023 and 2024, and information prepared by the Department of Finance.

Major Revenue Sources. 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, as of December 31, 2023, was a fixed-rate tax of 4.81% imposed on the sale of all tangible personal property not specifically exempted and on certain services. The general use tax, as of December 31, 2023, was a fixed-rate tax of 4.81% 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 "Sales and Use Taxes" below.

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 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" below.

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 under the General Fund include: General Government; Public Safety; Transportation and Infrastructure; Health; Parks and Recreation; Cultural Activities; and Housing Stability. The largest portion of expenditures in the 2023 revised budget (36.4%) was allocated to Public Safety, which is managed by the Executive Director of Safety and includes police, fire, and the sheriff's departments' services. For the 2024 adopted Budget, Public Safety represents 37.6% of the General Fund (this does not include the District Attorney, Denver County Court, or City Attorney).

Management Discussion of Recent Financial Results

Rather than relying on tax increases, the City maintains a policy of managing General Fund resources to the level of funds available by reallocating resources selectively to initiate new services, eliminating cash deficits in other funds, and targeting the year-end unassigned fund balance equal to 15% of estimated expenditures. Since the reductions during the COVID-19 pandemic, the City has increased its unassigned fund balance to pre-pandemic levels. The adopted 2024 Budget estimated an ending unassigned fund balance at 15.0% of projected expenditures.

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

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

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

2019. The General Fund's 2019 core revenue collections of sales and use tax, which do not include audit revenues, were 5.0% higher than 2018. Audit revenues decreased year-over-year in 2019. For the General Fund, total 2019 sales tax revenues including audit revenues grew by a net 4.3% over 2018. Total 2019 revenues grew 4.6% over 2018. Growth in actual 2019 General Fund revenue was approximately $13.6 million higher than the revised 2019 forecast due in part to overperformance in sales tax, lodger's tax, indirect cost reimbursement, and billings revenue from non-General Fund agencies. With respect to final General Fund expenditures, City departments saved $36.4 million from the revised 2019 budget as a result of unspent appropriations by 2.5%, due in large part to compensation and services and supplies savings and returning unspent contingency of $7.0 million. General Fund expenditures increased by 4.8% from 2018, primarily driven by personnel cost increases and transfers between City funds. With respect to audited General Fund and GASB 54 funds per the ACFR, expenditures increased by $97.5 million or 7.7% from 2018.

2020. The General Fund's 2020 core revenue collections of sales and use tax, which do not include audit revenues, were 10.4% lower than 2019 core revenue collections of sales and use tax. Audit revenues decreased by 38.3% year-over-year in 2020. For the General Fund, total 2020 sales and use tax revenues including audit revenues decreased by 11.3% compared to 2019. Total 2020 revenue was 9.4% lower than 2019. These decreases were due to the financial impacts of COVID-19 and, as a result, the 2020 budget was also revised over the year to address the impacts of COVID-19 on the budget as originally adopted. General Fund revenue was approximately $9.1 million higher than the revised 2020 budgeted total General Fund revenue due in part to overperformance in certain agency-generated revenue streams, tax revenues, and indirect cost reimbursement revenue. The City projected to reduce General Fund spending by approximately $129.7 million, and actual spending was within 0.3% of the revised 2020 budget. General Fund expenditures, including transfers out, decreased by 5.9% from 2019, primarily driven by 2020 mid-year reductions to align with a reduction in revenue due to the COVID-19 pandemic. Expenditure reductions were derived through personnel, service and supplies, and internal transfers. The 2020 unassigned fund balance, excluding GASB 54 funds, totaled 12.4%. With respect to audited General Fund and GASB 54 funds per the ACFR, the 2020 Fund balance totaled approximately $289.9 million.

2021. The General Fund 2021 core revenue collections of sales and use tax, which do not include audit revenues, were 21.7% higher than 2020 core revenue collections of sales and use tax and 9.0% higher than 2019 collections. Audit revenue increased by 43.8% year-over-year in 2021. For the General Fund, total 2021 sales and use tax revenues including audit revenues increased by 25.6% compared to 2020 and by 11.4% compared to 2019. Total 2021 revenue to the General Fund was 12.1% higher than 2020 and 1.5% higher than 2019. These increases largely reflect recovery from the financial impacts of COVID-19. The General Fund's revenue performance in 2021 exceeded expectations, with actuals exceeding the revised forecast by approximately $40.4 million. Nearly three-quarters of this overperformance is attributable to overperformance in sales and use tax revenue. Other areas of overperformance include lodger's tax, parking fines, and construction-related revenue streams. The 2021 expenditures underspent by $41.0 million or 3.1% from 2021 revised budget expenditures. Expenditure savings were due to personnel attrition and the inability to fill vacant positions, supply chain delays, fewer events and decreased employee travel. The 2021 unassigned fund balance, excluding GASB 54 funds, totaled 23.8% of actual expenditures, or $306.7 million.

2022. The General Fund 2022 core revenue collections of sales and use tax, which do not include audit revenues, were 13.0% higher than 2021 collections and 23.2% higher than pre-pandemic 2019 collections. Audit revenue decreased by 5.2% year-over-year in 2022. For the General Fund, total 2022 sales and use tax revenues including audit revenues increased by 10.6% compared to 2021 and by 23.2% compared to 2019. Total 2022 revenue to the General Fund was 9.3% higher than 2021 and 11.0% higher than pre-pandemic 2019 collections. These increases largely reflect recovery from the financial impacts of COVID-19 as well as inflationary impacts on the prices of taxable goods and services. The General Fund's revenue performance in 2022 came in slightly below expectations, with actuals totaling $1.8 million below the revised forecast. Areas of underperformance include parking revenue, motor vehicle ownership tax, billings for services, and recorder fees. These areas of underperformance were largely offset by overperformance in other areas, including lodger's tax, construction permitting revenue, investment income, and the City's Occupational Privilege Tax collections. The 2022 expenditures underspent by $18.5 million or 1.2% from 2022 revised budget expenditures. Expenditure savings were due to personnel attrition and vacant positions, supply chain delays, and decreased employee travel.

2023. The General Fund 2023 core revenue collections of sales and use tax, which do not include audit revenues, were 2.3% higher than 2022 core revenue collections of sales and use tax. Audit revenue increased by 51% year-over-year in 2023, driven primarily by some large audits that closed in the 2023 audit year. For the General Fund, total 2023 sales and use tax revenues including audit revenues increased by 3.9% compared to 2022. Total 2023 revenue to the General Fund was 4.6% higher than in 2022. This increase reflects continued growth in sales tax, lodgers' tax, investment income, a correction in motor vehicle ownership tax revenue distribution, and a one-time transfer associated with the close-out of a special revenue fund. The General Fund's revenue performance in 2023 slightly exceeded expectations, with actuals exceeding the revised forecast by approximately $5 million. This net overperformance is primarily attributable to the aforementioned motor vehicle ownership tax distribution correction and one-time transfer revenue that was partially offset by underperformance in core sales tax of 2023 revised projected growth of 4.6% compared to actual growth of 2.3%. Sales tax 2023 underperformance is attributable to softening of spending patterns and leveling out of inflation, which resulted in decreased cost of goods. The 2023 expenditures underspent by $35.6 million, or 2.1%, from 2023 revised budget expenditures. Expenditure savings were due to vacant positions, underutilized services and supplies budget such as professional services, technology supplies, vehicle parts, and cleaning materials. The 2023 unassigned fund balance, excluding GASB 54 funds, totaled 20.5% of actual expenditures.

Management Discussion of 2024 Budget

Adopted 2024 Budget. The 2024 Budget was adopted in November of 2023. Adopted 2024 Budget General Fund revenue was expected to grow by $76.0 million or 4.7% over the revised 2023 projection. Most of the General Fund's projected 2024 revenue growth is attributable to continued, though moderating, growth in sales tax, growth in property tax revenue up to the City's Measure 2A (as that term is defined above in "Constitutional Revenue and Spending Limitations") voter-approved growth limitation of 6% (plus a percentage for local growth), growth in investment income, and a one-time transfer from the Property Tax Relief special revenue fund in response to City Council's amendment to increase funding for rental assistance in the 2024 budget. Adopted 2024 Budget General Fund expenditures total approximately $1.75 billion in 2024, an increase of approximately 3.8% over revised 2023 appropriations. Adopted 2024 Budget unassigned fund balance was estimated at $261.8 million, or 15.0% of projected expenditures.

Revision of 2024 Budget. The 2024 Budget will be revised as part of the City's 2025 Budget process, which began in late April 2024 and will conclude in November 2024 with the adoption of the final 2025 Budget. As of the date of this Disclosure Statement, the City estimates that the General Fund's projected 2024 revenue growth will be revised downward from 4.7% to 2.3%, primarily attributable to underperformance in sales and use tax revenues. The City anticipates using unassigned fund balance to address this underperformance and could end 2024 with an unassigned fund balance below 15%. The City will reassess its revised 2024 Budget in its 2025 Budget process based upon actual results in 2024.

Starting at the end of 2022, the City began to experience an influx of migrants and asylum seekers, also referred to as "newcomers," arriving from the southern United States border. The City, in coordination with its network of partners, has offered several forms of assistance to arriving newcomers. Since the end of 2022 through August 1, 2024, the City has served approximately 43,000 newcomers at a total (unaudited) cost of approximately $74 million. The City has funded newcomer support operations using a combination of existing agency budgets, a portion of the Contingency Reserve in the amount of $10 million, State funding in the total amount of $3.5 million, and Federal funding in the total amount of $13.5 million, not all of which has been received as of the date hereof.

The City continues to incur capital and operational costs related to its newcomer-related activities, which are being funded through a dedicated special revenue fund established for this purpose, and is actively attempting to identify and obtain additional funding support from external sources. The City has also been actively working to contain newcomer-related costs and develop a long-term solution for ongoing newcomer sheltering and support needs. Such efforts have included re-instituting length-of-stay limits for City shelters, consolidating shelters and services to be more efficient, holding legal clinics to help newcomers apply for and obtain work authorizations, and launching a program that helps newcomers achieve self-sufficiency through job training, language classes, and targeted assistance. The City's funding of such activities has complied with all City policies and bond covenants. While certain City operations have been impacted and may be impacted in the future, the City expects that the use of such funds will not negatively impact its ability to pay its debt service or other outstanding financial obligations or comply with City policies or bond covenants.

The City estimates as of August 1, 2024 that the total costs incurred in 2024 by the City that are related to its newcomer-response related activities will come in under the $90 million of funding that was identified, provided no additional surge in arrivals. The majority of such $90 million of funds was made available through savings identified across City agencies and departments in early 2024. This required the City Council's authorization of budget rescissions and cash transfers to a special revenue fund designated for the City's newcomer response. As of August 1, 2024, the City Council has authorized the recissions and transfers of approximately $67.2 million previously earmarked for other purposes in the 2024 Budget to fund expenses arising from the arriving newcomers. The authorized amount includes the use of a portion of the Contingency Reserve in the amount of $10 million, as described above. Additional funding to address expenses related to arriving newcomers is expected to be addressed through federal funding and budget contingency.

General Fund Financial Information

The following pages include Table 1, General Fund Budget Summary – 2023 Actual Results, 2023 Revised Budget and 2024 Adopted Budget; Table 2, General Fund Budget Summary – 2023 Actual Results, 2023 Revised Budget and 2024 Adopted Budget (by percentage); Table 3, General Fund Balance Sheet; and Table 4, General Fund Statement of Revenues, Expenditures and Changes in Fund Balance for 2019 through 2023.

TABLE 1

GENERAL FUND BUDGET SUMMARY
2023 ACTUAL RESULTS, 2023 REVISED BUDGET AND 2024 ADOPTED BUDGET
Prepared in Budgetary Format
($ in thousands – columns may not sum to totals due to rounding)

	2023 Actual[1]	**2023 Revised Budget**[1]	**2024 Adopted Budget**[1]
REVENUES			
Taxes:			
Property	$173,630	$174,481	$187,252
Sales and Use	921,996	932,274	970,629
Other	138,909	118,954	119,887
Intergovernmental Revenues	39,990	38,255	39,165
Licenses and Permits	66,721	66,836	66,268
Fines and Forfeitures	37,464	41,986	44,024
Charges for Services	218,393	173,984	179,965
Investment Income (Loss)	40,758	29,009	30,505
Transfers In	55,611	49,481	61,636
Other Revenues and Financing Sources	48,112	3,235	5,174
TOTAL FINANCIAL SOURCES	**$1,741,584**	**$1,628,494**	**$1,704,504**
EXPENDITURES			
General Government	$547,675	$539,738	$567,739
Public Safety	737,737	611,055	655,618
Transportation and Infrastructure	161,735	132,171	133,628
Health	76,194	72,697	78,490
Parks and Recreation	93,407	152,297	160,358
Cultural Activities	60,464	-	-
Housing Stability	-	36,221	48,217
Debt Service	44,613	-	-
Transfers Out	76,897	144,021	93,110
General Fund Contingency	-	16,629	34,203
Sequestered and Other Budget Savings	-	-	-
Estimated Unspent Appropriation	-	(24,000)	(26,000)
Payment to Paying Agent	-	-	-
Capital Outlay	12,277	-	-
TOTAL EXPENDITURES BUDGET	**$1,810,999**	**$1,680,829**	**$1,745,362**
FUND BALANCES[2]			
Net Change in Fund Balance	$(69,415)	$(52,335)	$(40,858)
Fund Balance Jan 1	491,562		
Fund Balance Dec 31	$422,147		
Unassigned Fund Balance Jan 1	-	$390,947	$321,612
Unassigned Fund Balance Dec 31	$247,573	$338,612	$280,754
Prepaid Items & Other Reserves[3]	-	$(17,000)	$(19,000)
Total Fund Balance Dec 31	$247,573	$321,612	$261,754

[Footnotes on next page]

1 The City's ACFR and Budget use slightly different reporting codes for specific revenue and expenditure categories. Accordingly, there may be differences in some line-item descriptions and totals.

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

3 The Manager of Finance has identified this amount to address potential liabilities against the City. These funds are not appropriated and would require legislative action by the City Council to become appropriated.

(Sources: City and County of Denver 2023 ACFR and 2024 Mayor's Adopted Budget)

TABLE 2

GENERAL FUND BUDGET SUMMARY
2023 ACTUAL RESULTS, 2023 REVISED BUDGET AND 2024 ADOPTED BUDGET
(by percentage – columns may not sum to totals due to rounding)

	2023 Actual[1]	2023 Revised Budget[1]	2024 Adopted Budget[1]
REVENUES			
Taxes:			
Property	10.0%	10.7%	11.0%
Sales and Use	52.9	57.2	56.9
Other	8.0	7.3	7.0
Intergovernmental Revenues	2.3	2.3	2.3
Licenses and Permits	3.8	4.1	3.9
Fines and Forfeitures	2.2	2.6	2.6
Charges for Services	12.5	10.7	10.6
Investment Income	2.3	1.8	1.8
Transfers In	3.2	3.0	3.6
Other Revenues and Financing Sources	2.8	0.2	0.3
TOTAL FINANCIAL SOURCES	100.0%	100.0%	100.0%
EXPENDITURES			
General Government	30.2%	32.1%	32.5%
Public Safety	40.7	36.4	37.6
Transportation and Infrastructure	8.9	7.9	7.7
Health	4.2	4.3	4.5
Parks and Recreation	5.2	9.1	9.2
Cultural Activities	3.3	-	-
Housing Stability	-	2.2	2.8
Debt Service	2.5	-	-
Transfers Out	4.2	8.6	5.3
General Fund Contingency	-	1.0	2.0
Sequestered and Other Budget Savings	-	-	-
Estimated Unspent Appropriation	-	(1.4)	(1.5)
Payment to Paying Agent	-	-	-
Capital Outlay	0.7	-	-
TOTAL EXPENDITURES BUDGET	100.0%	100.0%	100.0%

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

(Sources: City and County of Denver 2023 ACFR and 2024 Mayor's Adopted Budget)

TABLE 3

CITY AND COUNTY OF DENVER
GENERAL FUND BALANCE SHEET
For the years ending December 31
($ in thousands – columns may not sum to totals due to rounding)

ASSETS	2019	2020	2021	2022	2023
Cash and cash equivalents	$221,393	$243,788	$355,628	$337,275	$293,862
Cash on hand	171	183	195	179	214
Receivables (net of allowances for uncollectibles):					
Taxes	238,457	242,482	269,817	280,523	294,165
Notes	2,735	2,677	3,388	4,703	9,139
Accounts	30,128	28,432	31,033	45,858	45,007
Leases	-	-	-	7,414	9,063
Accrued interest	2,495	2,162	1,429	2,894	3,676
Interfund receivable	37,758	19,059	50,535	37,732	44,171
Due from other governments	5	3	-	-	-
Prepaid items and other assets	11,651	14,254	14,231	21,489	23,193
Restricted assets:					
Cash and cash equivalents	84,654	20,044	20,351	99,307	72,141
TOTAL ASSETS	$629,447	$573,084	$746,607	$837,374	$794,631
LIABILITIES					
Vouchers payable	$52,785	$43,724	$55,756	$59,919	$53,367
Accrued liabilities	30,987	55,240	49,623	64,125	79,067
Due to taxing units	483	416	504	972	364
Interfund Payable	16	1,147	2,277	13	17
Deferred revenue	174,998	182,578	197,903	220,677	239,560
Advances	97	98	107	106	109
TOTAL LIABILITIES	$259,366	$283,203	$306,170	$345,812	$372,484
FUND BALANCE					
Nonspendable	$11,651	$14,254	$14,231	$21,489	$23,193
Restricted	85,127	71,056	81,161	103,867	76,701
Committed	74,677	41,555	76,472	71,964	74,680
Assigned	-	-	-	-	-
Unassigned	198,626	163,016	268,573	294,242	247,573
TOTAL FUND BALANCE	$370,081	$289,881	$440,437	$491,562	$422,147
TOTAL LIABILITIES AND FUND BALANCE	$629,447	$573,084	$746,607	$837,374	$794,631

(Sources: City and County of Denver ACFRs, 2019 – 2023)

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 – columns may not sum to totals due to rounding)

REVENUES	2019	2020	2021	2022	2023
Taxes:					
Property	$131,294	$152,554	$164,429	$170,613	$173,630
Sales and Use	720,416	638,796	802,273	887,228	921,996
Other	123,414	91,196	106,608	116,775	138,909
Licenses and Permits	67,754	62,032	67,135	70,287	66,721
Intergovernmental Revenues	40,509	41,263	39,424	38,314	39,990
Charges for Services	216,736	181,083	194,768	214,457	218,393
Investment and Interest Income (Loss)	26,915	29,335	712	(25,060)	40,758
Fines and Forfeitures	39,182	30,197	37,196	34,103	37,464
Other Revenues	11,440	9,565	11,755	15,045	16,854
TOTAL REVENUES	$1,377,660	$1,236,021	$1,424,300	$1,521,762	$1,654,715
EXPENDITURES					
Current:					
General Government	$318,230	$328,610	$352,408	$398,552	$466,713
Public Safety	631,274	629,422	574,704	662,975	737,737
Transportation and Infrastructure	162,932	148,705	132,180	150,044	161,735
Health and Human Services	59,674	58,996	51,184	70,658	76,194
Parks and Recreation	80,846	68,916	68,200	86,356	93,407
Cultural Activities	54,135	52,133	47,641	51,996	60,464
Community Development	33,598	51,170	52,880	70,022	79,710
Economic Opportunity	1,692	1,773	1,619	1,940	1,252
Obligation Retirement	26,195	19,986	19,875	21,006	44,613
Capital Outlay	-	-	-	4,676	12,277
TOTAL EXPENDITURES	$1,368,576	$1,359,711	$1,300,691	$1,518,225	$1,734,102
Excess of Revenues Over Expenditures	$9,084	$(123,690)	$123,609	$3,537	$(79,387)
OTHER FINANCING SOURCES (USES)					
Other	$5,876	$4,074	$862	$21,470	$31,258
Operating Transfers In	50,405	58,003	45,772	55,830	55,611
Operating Transfers Out	(80,064)	(18,571)	(19,687)	(29,712)	(76,897)
TOTAL OTHER FINANCING SOURCES (USES)	$(23,783)	$43,506	$26,947	$47,588	$9,972
Net Change in Fund Balances	$(14,699)	$(80,184)	$150,556	$51,125	$(69,415)
Fund Balance - January 1, as previously reported	$384,780	$370,081	$289,881	$440,437	$491,562
Change in accounting principal GASB 84	-	(16)	-	-	-
Fund Balance - January 1 as restated	384,780	370,065	289,881	440,437	491,562
Fund Balance - December 31	$370,081	$289,881	$440,437	$491,562	$422,147

(Sources: City and County of Denver ACFRs, 2019 – 2023)

Collection of Taxes

The Charter provides that the Manager of Finance, through the City's Treasurer, shall collect taxable real and personal property 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 Charter.

Sales and Use Taxes

The City's sales and use tax collections historically account for approximately 50% of General Fund revenues. As of December 31, 2023, a fixed-rate general sales tax of 4.81% was imposed on the sale of all tangible personal property not specifically exempted and on certain services, and a general use tax of 4.81% was also imposed on the storage, use and consumption of tangible personal property not specifically exempted. As described above, the City's practice is to account for sales and use taxes on a combined basis. Footnote 1 to the below table describes how portions of the total sales and use tax rate of 4.81% are dedicated for specific purposes and may not be used for General Fund purposes. Notably, a permanent extension of the 0.15% sales tax dedicated to increasing access to and quality of preschool programs for City residents was approved by City voters at the November 7, 2023 general election.

In addition to other applicable taxes, a 3.5% special tax is imposed upon all retail recreational marijuana sales, proceeds of which are deposited into the General Fund for expenditures authorized in the DRMC. Effective October 1, 2018, an additional 2% special sales tax on all retail recreational marijuana is required to be deposited into 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. Effective November 2021, revenue from this 5.5% special sales tax is being directed in the following manner: 2.5% is deposited into the General Fund for expenditures authorized in the DRMC; 2% is deposited into the Affordable Housing Property Tax and Other Local Revenue Fund; and, as discretionary spending within the General Fund allocation of marijuana special sales tax revenue, 1% is deposited into a Small Business Investment Special Revenue Fund, also known as the "Malone Fund," to provide grant and loan funding to small businesses. The percentage amount of marijuana special sales tax revenue that is deposited into the Malone Fund is subject to annual budgetary approval and may be adjusted or eliminated as a part of the City's annual budget process within the larger General Fund allocation.

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

GENERAL FUND SALES AND USE TAX RATES
EFFECTIVE FOR 2023

Taxation of Certain Goods or Services	City Tax Rate
Non-exempt retail sales, lease or rentals of tangible personal property and on certain services	4.81%(1)
Retail marijuana special sales tax	5.5%(2)
Prepared food and drink	4.0%(3)
Aviation fuel	$0.04 per gallon
Automobile rental for thirty (30) days or less	7.25%(3)
Lodging for thirty (30) days or less	10.75%(3,4)

[Footnotes on next page]

1 The total sales and use tax rate of 4.81% includes several portions dedicated to specific purposes as follows: 0.15% City sales tax dedicated to increasing access to and quality of preschool programs for City residents; 0.25% dedicated to fund Denver parks, trails, and open space, also known as the Parks Legacy Program; 0.25% dedicated for mental health services and substance abuse prevention, also known as the Caring for Denver Fund; 0.08% dedicated for post-secondary institution enrollment and completion options, including college scholarships, also known as the Denver College Affordability Fund; 0.08% dedicated to improved availability of healthy food for children, also known as the Healthy Food for Denver's Kids Initiative; 0.25% dedicated to fund environmental and climate-related programs, also known as the Climate Protection Fund Program; and 0.25% dedicated to fund housing and homeless services, also known as the Homeless Resolution Program. The revenue generated from these dedicated portions of the sales tax are only available for the purpose to which the applicable portion is dedicated and cannot be used for General Fund revenue or other purposes.

2 The City's imposition of a maximum special sales tax of 15% on the sale of retail marijuana and marijuana products was approved by City voters.

3 See "DEBT STRUCTURE OF THE CITY – Excise Tax/Dedicated Tax Revenue Bonds Debt Service Coverage – Colorado Convention Center and National Western Center" for more information about the dedication of a portion of this tax to repayment of outstanding dedicated tax revenue bonds.

4 In addition to the 10.75% Lodger's Tax imposed by the City, at an election held in 2017, certain hoteliers in the City 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 ("CCC"). Collection of this tax started on January 1, 2018.

(Source: Department of Finance)

The above General Fund Sales and Use Tax Rates effective for 2023 reflect the City's total tax rate for goods and services as set forth in the DRMC; 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 is 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
2014 – 2023
($ in thousands)

Year	Revenues[(1)]	Percent Change
2014	$555,428	12.66%[(2)]
2015	581,922	4.77
2016	613,617	5.45
2017	656,531	6.99
2018	690,873	5.23
2019	720,416	4.28
2020	638,796	(11.33)
2021	802,273	25.59
2022	887,228	10.59
2023	921,996	3.92

1 Revenues include amounts received from audit revenues.

2 Compared to $493,002 in sales and use tax revenues in 2013.

(Source: Department of Finance)

Property Taxation

*Property Subject to Taxation***.** Subject to the limitations imposed by TABOR, the City Council has the power to certify a levy for collection of ad valorem taxes against all taxable property within the City.

Property taxes are uniformly levied against the assessed valuation of all property subject to taxation by the City. Both real and personal property are subject to taxation, but there are certain classes of property which are exempt. Exempt property includes, but is not limited to: property of the United States of America; property of the State and its political subdivisions; public libraries; public school property; property used for charitable or religious purposes; nonprofit cemeteries; irrigation ditches, canals, and flumes used exclusively to irrigate the owner's land; household furnishings and personal effects not used to produce income; intangible personal property; inventories of merchandise and materials and supplies which are held for consumption by a business or are held primarily for sale; livestock; agricultural and livestock products; and works of art, literary materials and artifacts on loan to a political subdivision, gallery or museum operated by a charitable organization. The State Board of Equalization supervises the administration of all laws concerning the valuation and assessment of taxable property and the levying of property taxes.

*Assessment of Property***.** Taxable property is first appraised by the Assessor to determine its statutory "actual" value. This amount is then multiplied by the appropriate assessment percentage to determine each property's assessed value. The mill levy of each taxing entity is then multiplied by this assessed value to determine the amount of property tax levied upon such property by such taxing entity. Each of these steps in the taxation process is explained in more detail below.

Determination of Statutory Actual Value. The Assessor conducts appraisals every two years to determine, on the basis of statutorily specified approaches, the statutory "actual" value of all taxable property within the City as of January 1. Most property is valued using a market approach, a cost approach, or an income approach. Residential property is valued using the market approach, and agricultural property, exclusive of building improvements thereon, is valued by considering the earning or productive capacity of such lands during a reasonable period of time, capitalized at a statutory rate. The statutory actual value of a property is not intended to represent its current market value.

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 Manager of Finance, *ex officio* Assessor, based on evidence collected from the marketplace. Table 6 sets forth the State property appraisal method for property tax assessment (levy) years 2014 through 2023.

TABLE 6

STATE PROPERTY APPRAISAL METHOD

Collection Year	Assessment Year	Value Calculated As of	Based on the Market Period
2015	2014	June 30, 2012	July 1, 2010 to June 30, 2012
2016	2015	June 30, 2014	July 1, 2012 to June 30, 2014
2017	2016	June 30, 2014	July 1, 2012 to June 30, 2014
2018	2017	June 30, 2016	July 1, 2014 to June 30, 2016
2019	2018	June 30, 2016	July 1, 2014 to June 30, 2016
2020	2019	June 30, 2018	July 1, 2016 to June 30, 2018
2021	2020	June 30, 2018	July 1, 2016 to June 30, 2018
2022	2021	June 30, 2020	July 1, 2018 to June 30, 2020
2023	2022	June 30, 2020	July 1, 2018 to June 30, 2020
2024	2023	June 30, 2022	July 1, 2020 to June 30, 2022

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

The Assessor may consider market sales for periods up to 60 months immediately prior to the June 30 value calculation date if there were insufficient sales during the stated market period to accurately determine the level of value.

The statutory actual value of certain classes of property is anticipated to be temporarily reduced in accordance with SB 22-238 (defined below), SB 23B-001 (defined below), SB 24-233 (defined below), and HB 24B-1001 (defined below).

Oil and gas leaseholds and lands, producing mines, and other lands producing nonmetallic minerals are valued based on production levels rather than by the base year method. Public utilities are valued by the State Property Tax Administrator based upon the value of the utility's tangible property and intangibles (subject to certain statutory adjustments), gross and net operating revenues and the average market value of its outstanding securities during the prior calendar year.

Determination of Assessed Value.

Assessed valuation, which represents the value upon which ad valorem property taxes are levied, is calculated by the Assessor as a percentage of statutory actual value. The percentage used to calculate assessed valuation differs depending upon the classification of each property.

The assessed value for all residential real property is 7.15% of the actual value thereof, subject to certain temporary reductions, as further described below. The assessed value for all non-residential property, with certain specified exceptions, is 29% of the actual value thereof, subject to temporary reductions, as further described below. Producing oil and gas property is generally assessed at 87.5% of the selling price of the oil and gas. Residential and non-residential assessment rates may be changed by the Colorado General Assembly and by the eligible electors at a State-wide election, and any increases would require voter approval pursuant to TABOR. Set forth below is a description of three laws which are intended to reduce property taxes through reductions in both actual and assessed value.

SB 22-238. On May 16, 2022, Senate Bill 22-238 ("SB 22-238") became law. SB 22-238: (i) temporarily reduced the assessment rate for all residential real property to 6.765% in levy year 2023, and temporarily reduced the calculation of the actual value of such property (as described above in "Determination of Statutory Actual Value") by up to $15,000 in levy year 2023; (ii) temporarily reduced the assessment rate for multi-family residential property from 7.15% to 6.80% in levy year 2024; and (iii) temporarily adjusted the ratio of valuation for assessment for all residential real property other than multi-family residential real property for levy year 2024, so that the aggregate decrease in local government property tax revenue during the 2023 and 2024 property tax collection years, as a result of SB 238, equals $700,000,000.

SB 23B-001. On November 20, 2023, Senate Bill 23B-001 ("SB 23B-001") became law. SB 23B-001 further temporarily reduced the assessment rate for all residential real property to 6.7% in levy year 2023, and further temporarily reduced the calculation of the actual value of such property (as described above in "Determination of Statutory Actual Value") by up to $55,000 in levy year 2023.

In accordance with SB 22-238 and SB 23B-001, certain local governments are eligible for reimbursement (described therein as the "backfill") for reductions in property tax revenue resulting from the temporary reductions in assessed and actual value imposed by SB 22-238 and SB 23B-001. SB 22-238 and SB 23B-001 resulted in a $22.4 million and $13.1 million reduction in total property tax revenue, respectively, for the 2023 property tax year. The City was eligible for a backfill of approximately $14.6 million due to SB 22-238 (equal to 65% of the City's total property tax revenue reduction due to SB 22-238) and was eligible for a backfill of approximately $311,000 due to SB 23B-001 (equal to the amount of property tax revenue reduction associated with the City's fire protection services). The City has received these backfill funds from the State.

SB 24-233. On May 14, 2024, Senate Bill 24-233 ("SB 24-233") became law. SB 24-233: (i) extends all previously enacted temporary reductions in assessment rates and valuation reductions for the 2024 assessment year; (ii) overrides all previously enacted temporary reductions in assessment rates and value reductions beginning with the

2025 assessment year; (iii) splits the assessment rate for residential property between a rate for a levy imposed by school districts of 7.15% and a rate for a levy imposed by all other local governments that are not school districts (including the City) of 6.4% beginning with the 2025 assessment year; (iv) further modifies only the assessment rate for residential property for all local governments other than school districts (including the City) to 6.95% and reduces the calculation of the actual value of such property by 10% of the first $700,000 in actual value beginning with the 2026 assessment year; and (v) reduces the assessment rate for Improved Commercial, Renewable Energy, and Agricultural classified properties to 27% for the 2025 assessment year and 25% beginning with the 2026 assessment year.

In accordance with SB 24-233, any local government which experienced a decrease in total assessed value of real property from the 2022 assessment year to the 2024 assessment year is eligible for reimbursement from the State. This differs from the reimbursement methodology contained in SB 22-238 and SB 23B-001. The City will not experience such a decrease and therefore will not receive any such reimbursement.

SB 24-233 also establishes a revenue limit for local governments. However, the City is exempt from the limits imposed by this bill due to the prior adoption of the home-rule Charter.

HB 24B-1001. In August 2024, the Governor called a special session to reduce assessment rates and establish revenue caps, leading to the withdrawal of two November 2024 ballot measures (respectively, Initiatives #50 and #108). During this session, the State Legislature passed House Bill 24B-1001 ("HB 24B-1001"), which became law on September 4, 2024. This bill modifies the provisions of SB 24-233 as follows:

HB 24B-1001 adjusts the assessment rates for residential property depending upon the growth in statewide actual value between the 2024 and 2025 assessment years. If the growth in statewide actual value exceeds 5%, then the assessment rate for residential property will be 6.95% for school districts and 6.15% for all other local governments, including the City, beginning with the 2025 assessment year. Starting in the 2026 assessment year, the residential assessment rate for all other local governments, including the City, will increase to 6.7%, and the actual value of the property will be reduced by the lesser of 10% of the actual value or $70,000, as adjusted for inflation. If the growth in statewide actual value is 5% or less, then the assessment rate for residential property will be 7.05% for school districts and 6.25% for all other local governments, including the City, beginning with the 2025 assessment year. From 2026 onward, the residential assessment rate for these local governments, including the City, will be 6.8%, with the same actual value reduction as noted above.

For nonresidential property and personal property, the assessment rate is set at 27% for the 2025 assessment year. In 2026, the assessment rate will be 25% for commercial improved property and agricultural property, while it will be 26% for all other nonresidential property and personal property. Beginning in the 2027 assessment year, the assessment rate for all nonresidential property and personal property will be uniformly set at 25%.

HB 24B-1001 also extends the reimbursement provisions of SB 24-233 to the 2025 assessment year, but only for revenue losses directly attributable to HB 24B-1001. As the biennial revaluation process is just beginning, it is uncertain whether the City will experience a decrease in total assessed value from 2024 to 2025. Therefore, it is unclear at this time if the City will qualify for a reimbursement pursuant to HB 24B-1001.

Additionally, HB 24B-1001 further lowers the revenue limits for local governments. However, the City is exempt from these limits due to the prior adoption of the home-rule Charter.

Protests, Appeals, Abatements and Refunds. Property owners are notified of the valuation of their real property or taxable personal property, and certain other information related to the amount of property taxes levied, in accordance with statutory deadlines. Property owners are given the opportunity to object to the classification or valuation of such property and may petition for a hearing thereon before the City's Board of Equalization. Upon the conclusion of such hearings, the Assessor is required to complete the assessment roll of all taxable property and, no later than August 25 each year, prepare an abstract of assessment therefrom. The abstract of assessment and certain other required information is reviewed by the State Property Tax Administrator prior to October 15 of each year and, if necessary, the State Board of Equalization orders the Assessor to correct assessments. The valuation of property is subject to further review during various stages of the assessment process at the request of the property owner, by the State Board of Assessment Appeals, the State courts or by arbitrators appointed by the City's Board of Equalization. On the report of an erroneous assessment, an abatement or refund must be authorized by the City's Board of

Equalization; however, in no case will an abatement or refund of taxes be made unless a petition for abatement or refund is filed within two years after January 1 of the year in which the taxes were levied. Refunds or abatements of taxes are prorated among all taxing entities which levied a tax against the property.

Statewide Review. The State Legislature is required to cause a valuation for assessment study to be conducted each year in order to ascertain whether or not county assessors statewide have complied with constitutional and statutory provisions in determining statutory actual values and assessed valuations for that year. The final study, including findings and conclusions, must be submitted to the State Legislature and the State Board of Equalization by September 15 of the year in which the study is conducted. Subsequently, the State Board of Equalization may order a county to conduct reappraisals and revaluations during the following property tax levy year. Accordingly, the City's assessed valuation may be subject to modification following any such annual assessment study.

Taxation Procedure. The Assessor is required to certify to the City the assessed valuation of property within the City no later than August 25 of each year. If the Assessor makes changes in the valuation for assessment or the total actual value prior to December 10, the Assessor notifies the City of those changes. Subject to the limitations of TABOR, based upon the valuation certified by the Assessor, the BMO computes a rate of levy which, when levied upon every dollar of the valuation for assessment of property subject to the City's property tax, and together with other legally available City revenues, will raise the amount required by the City in its upcoming Fiscal Year. The City subsequently certifies the rate of levy sufficient to produce the needed funds. Such certification must be made no later than December 15 of the property tax levy year for collection of taxes in the ensuing year. The property tax rate is expressed as a mill levy, which is the rate equivalent to the amount of tax per one thousand dollars of assessed valuation. For example, a mill levy of 25 mills would impose a $250 tax on a parcel of property with an assessed valuation of $10,000.

The City Council levies the tax on all property subject to taxation by the City. By December 22 of each year, levies are presented to the City Council for certification. If the City Council fails to so certify, it is the duty of the Assessor to extend the levies of the previous year. Further revisions to the assessed valuation of property may occur prior to the final step in the taxing procedure, which is the delivery by the Assessor of the tax list and warrant to the Treasurer.

The Charter imposes a tax limit of 15 mills for all general municipal purposes, which includes funding the City's Social Services Fund, providing for fire and police pensions, and funding City support of affordable housing development and preservation. This limit does not apply to taxes levied for the payment of general obligation bonded indebtedness, to fund a City program for the developmentally disabled, to fund the Denver Public Library, 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.

Property Tax Collections. Taxes levied in one year are collected in the succeeding year. 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 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.

All taxes levied on property, together with interest thereon and penalties for default, as well as all other costs of collection, constitute a perpetual lien on and against the property taxed from January 1 of the property tax levy year until paid. Such lien is on a parity with the tax liens of other jurisdictions' property taxes. It is the Treasurer's duty to enforce the collection of delinquent real property taxes by sale of the tax lien on such realty.

The Treasurer is empowered to sell at public auction a tax lien upon real property upon which levied taxes remain unpaid, after due process of law. Tax lien sales are typically held in October or November of the year in which the taxes become delinquent. All tax certificates not sold to buyers at the annual tax lien sale are struck off to the City. Property that thereby becomes the property of the City or another taxing entity is removed from the tax rolls. Delinquent personal property taxes are enforceable by distraint, seizure, and sale of the taxpayer's personal property. Auctions of personal property seized may be held at any time after October 1 of the collection year following notice of delinquency and public notice of sale. In accordance with applicable State law, the City may: (1) cancel real property taxes that have been determined to be uncollectible after a period of six years from the date such real property taxes became delinquent, and (2) cancel personal property taxes that have been determined to be uncollectible after a period of one year after the date of their becoming delinquent.

In light of the United States Supreme Court's 2023 decision in *Tyler v. Hennepin County*, on July 27, 2023, the State Attorney General issued Formal Opinion No. 23-01, which opined that the existing statutory tax deed process may, under certain circumstances, result in a deprivation of property that constitutes an unconstitutional taking in violation of the Fifth Amendment Takings Clause of the U.S. Constitution. As a result, the State pursued a legislative fix to address the perceived deficiencies in the current statutes. On May 10, 2024, HB 24-1056 became law. HB 24-1056 established a new process by which the lawful holder of a certificate of purchase of a tax lien may apply for a public auction to occur for the sale of a certificate of option for treasurer's deed. Under such new process, if the public auction results in an "overbid," meaning that the purchaser of the sale of a certificate of option for treasurer's deed pays an amount in excess of the minimum bid that a county treasurer would accept at the public auction, then the amount of the overbid would be required to be paid in order of the recording priority to junior lien holders who have filed a notice of intent to redeem. After payment to all lien holders, any remaining overbid would then be required to be paid to the owner of the property subject to the tax lien. By providing for payment of any remaining overbid amount to the property owner, subject to any further legal challenge it is the City's belief that, as of the date of this Disclosure Statement, State law is in compliance with the *Hennepin County* decision described above.

Overlap with Tax Increment Authorities. State law allows the formation of public highway authorities. Pursuant to statute, the board of directors of a public highway authority is entitled to designate areas within the authority's boundaries as "value capture areas" to facilitate the financing, construction, operation or maintenance of highways constructed by the authority; an authority is entitled to capture a portion of the property taxes in such an area to support these purposes. No public highway authority exists in the City.

Similarly, State law allows the formation of urban renewal authorities and downtown development authorities in areas which have been designated by the governing bodies of municipalities as blighted areas. The City has formed the Denver Urban Renewal Authority ("DURA"), which includes numerous redevelopment areas. The City has also formed the Denver Downtown Development Authority ("DDDA"), which includes, as of the date of this Disclosure Statement, the central commercial district property that encompasses Denver Union Station and Market Street Station. With respect to the property currently included in the boundaries of such districts (or within any urban renewal authority redevelopment area or downtown development authority created in the future and subject to a respective renewal plan or plan of development), the assessed valuation of such property that is taxable does not change from the amount existing in the year prior to the adoption of the plan (except that it adjusts in the reassessment years proportionally to the increase or decreases due to market changes within the district). Subject to applicable law and any applicable intergovernmental agreements with the appropriate taxing entities within such district, any increase above the "base" amount is paid to the applicable authority. See Table 8 – Property Valuations, Tax Levies and Collections – Last Five Years below for information on the assessed valuation attributable to the existing increment districts.

Denver Measure 2A. Measure 2A (enacted in 2012) put in place a City property tax revenue growth 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 to levy taxes to pay debt service on general obligation bonds.

Table 7 sets forth the mill levies for the City, School District No. 1 (the "School District"), and the Urban Drainage and Flood Control District (now doing business as "Mile High Flood 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 that 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	2019	2020	2021	2022	2023
City and County of Denver:					
General Fund	7.451	7.897	7.911	8.137	7.510
Bond Principal Fund	4.500	5.500	5.500	4.250	5.044
Bond Interest Fund	2.000	1.000	1.000	2.250	1.456
Social Services	2.479	2.627	2.586	2.618	2.423
Developmentally Disabled	1.011	1.011	1.009	1.012	1.008
Fire Pension	1.042	1.041	1.039	1.052	0.973
Police Pension	1.243	1.242	1.238	1.255	1.161
Capital Maintenance[(2)]	2.528	2.528	2.513	2.517	2.515
Capital Improvement	1.809	1.921	1.909	1.934	1.789
Affordable Housing[(3,4)]	0.392	0.417	0.415	0.421	0.389
Library[(5)]	--	--	--	1.500	1.507
TOTAL DENVER MILL LEVY	24.455	25.184	25.120	26.946	25.775
School District No. 1	46.664	48.011	48.498	51.579	50.711
Urban Drainage and Flood Control District[(6)]	0.997	1.000	1.000	1.000	1.000
TOTAL MILL LEVY	72.116	74.195	74.618	79.525	77.486

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

1 The columnar heading shows the year for which property is assessed and property taxes are levied. Taxes levied 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 12 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 additional 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 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.

5 In the November 2022 Election, voters approved a levy of 1.5 mills to create a dedicated funding stream for Denver Public Library. The funding is being used to maintain services and meet increased demand for additional services including: increased pay for librarians and staff, increased technology support, enhanced programs and services for children, youth, older adults, communities of color, and vulnerable groups like immigrants and refugees, expanding resources for those in the job market, returning library branches from reduced hours to normal schedules, extending hours, and expanding the collection of books, media, and other popular items to reduce wait times.

6 Urban Drainage and Flood Control District is now doing business as "Mile High Flood District."

(Source: Department of Finance)

Table 8 summarizes the statutory actual and assessed valuation of property in the City, taxes levied and collected by the City for general purposes, and the amounts and percentages delinquent for the last five assessment years. Information about the assessed valuation of various tax increment districts is found in footnote 2 to Table 8; the City does not realize the revenue from incremental property taxes attributable to the assessed value of tax increment districts. Collection data in the table is reported as of December 31, 2023, unless otherwise indicated.

TABLE 8

PROPERTY VALUATIONS, TAX LEVIES AND COLLECTIONS
LAST FIVE YEARS[1]
($ in millions – columns may not sum to totals due to rounding)

ACTUAL AND ASSESSED VALUATION	**2019**	**2020**	**2021**	**2022**	**2023**
Statutory Actual Valuation (est.)[2]	$171,450	$166,203	$187,562	$189,065	$235,393
Assessed Valuation:					
Real Property – Land	7,474	7,375	8,612	8,462	8,649
Real Property – Improvement	12,731	13,217	13,227	13,043	16,440
Personal Property	989	970	817	851	968
Public Utilities	914	966	873	879	896
Total Assessed Valuation[3]	$22,108	$22,528	$23,529	$23,235	$26,953
Total Assessed Valuation Percentage Change[4]	23.34%	1.90%	4.44%	-1.25%	16.00%
LEVIES AND COLLECTIONS[5,6]					
Taxes Levied	$460,127	$484,545	$502,919	$538,891	$598,330
Total Collections	$451,751	$475,083	$493,085	$495,149	$1,165
Total Collections at Year End (as Percentage of Original Levy)	98.18%	98.05%	98.04%	91.88%	0.19%

1 A portion of the information in this table is unaudited and therefore may not exactly correspond with the numbers in the City's General Ledger.

2 State 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 are used for commercial property, and market value is used for residential property.

3 This includes the assessed valuation attributable to Tax Increment Finance Districts, a portion of which is attributable to DURA or the DDDA. Incremental assessed valuation attributable to DURA or the DDDA were the following amounts: $1,385,827,342 for levy year 2019, $1,436,368,493 for levy year 2020, $1,487,097,505 for levy year 2021, $1,470,082,495 for levy year 2022, and $1,780,096,223 for levy year 2023. Figures listed for taxes levied and collected by the City are net of amounts paid to DURA or the DDDA. See "DEBT STRUCTURE OF THE CITY – Overlapping Debt and Taxing Entities."

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

5 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 2022 are collected in 2023.

6 Total collections represent City retained collections; therefore, figures do not include mills levied for the Fire Pension and Police Pension funds, the School District, or the Urban Drainage and Flood Control District (now doing business as "Mile High Flood District").

(Source: Department of Finance)

The City's 2023 gross assessed valuation (for collection of taxes in 2024) is $26,952,552,320 (including $1,780,096,223 of assessed valuation attributable to the tax increment districts located within the City's boundaries).

Assessed Valuation of Major Taxpayers. Table 9 lists the major property taxpayers based on assessed valuations for the 2023 assessment year.

TABLE 9

CITY AND COUNTY OF DENVER
MAJOR PROPERTY TAXPAYERS - ASSESSED VALUATIONS 2023
(FOR COLLECTION IN 2024)
($ in thousands – columns may not sum to totals due to rounding)

Name	Business	Assessed Valuation	Percentage of City's Total Assessed Valuation(1)
Brookfield Office Properties	Real Estate	$453,335	1.68%
Public Service Co	Utility	$335,542	1.24%
Simon Property Group	Real Estate	$210,289	0.78%
Beacon Capital Partners	Real Estate	$201,949	0.75%
Invesco Realty Advisors Inc	Real Estate	$191,312	0.71%
Hines Securities Inc	Real Estate	$167,463	0.62%
Kroenke Sports Enterprises	Real Estate	$151,833	0.56%
Franklin Street Properties	Real Estate	$128,981	0.48%
ProLogis	Real Estate	$128,765	0.48%
Columbia-Healthone	Health Care	$119,690	0.44%
TOTAL		$2,089,157	7.75%

1 Based on a 2023 assessed valuation (for collection of taxes in 2024) of $26,952,552,320. This includes the assessed valuation that generates tax increment revenues, a portion of which are paid to DURA or the DDDA and are not retained by the City. See "DEBT STRUCTURE OF THE CITY – Overlapping Debt and Taxing Entities."

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

DEBT STRUCTURE OF THE CITY

General Obligation Debt

General Obligation Bonds 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 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.

The City imposes two separate and distinct property tax mill levies each year in an amount to pay principal and interest, respectively, on general obligation bonds. Funds collected from these mill levies are deposited into separate debt service funds (a bonded indebtedness principal fund and a bonded indebtedness interest fund) of the City.

At the November 2017 election, the City's voters approved seven general obligation ballot measures collectively known as the "Elevate Denver Bond Program," authorizing debt in the aggregate principal amount of $937,418,500. Pursuant to the 2017 election authorization, in June 2018, the Series 2018A Bonds were issued in the principal amount of $193,000,000, in May 2019, the Series 2019A Bonds were issued in the principal amount of $81,910,000, in November 2019, the Series 2019C Bonds were issued in the principal amount of $117,265,000, in December 2020, the Series 2020A Bonds were issued in the principal amount of $169,925,000, in May 2022, the Series 2022A Bonds were issued in the principal amount of $246,080,000, and in April 2024, the Series 2024A Bonds were issued in the principal amount of $129,235,000. Following issuance of the Series 2024A Bonds in April 2024, the Elevate Denver Bond Program has $3,500 in remaining authorized-but-unissued debt; it is unlikely that any further general obligation bonds will be issued under the Elevate Denver Bond Program.

At the November 2021 election, the City's voters approved five general obligation ballot measures collectively known as the "RISE Denver Bond Program," authorizing debt in the aggregate principal amount of $260,030,000. Pursuant to the November 2021 election authorization, in May 2022, the Series 2022B and Series 2022C Bonds were issued in the principal amounts of $81,710,000 and $38,600,000,[8] respectively, and in April 2024, the Series 2024B Bonds were issued in the principal amount of $139,720,000. Following issuance of the Series 2024B Bonds in April 2024, the RISE Denver Bond Program does not have any remaining authorization outstanding.

The following table sets forth the computation of the general obligation debt margin of the City as of December 31, 2023.

COMPUTATION OF THE GENERAL OBLIGATION DEBT MARGIN

($ in thousands)

	2023
TOTAL ESTIMATED ACTUAL VALUATION – December 31, 2023	$235,392,653
Maximum general obligation debt, limited to 3% of actual valuation	7,061,780
Less outstanding bonds chargeable to limit[1,2]	897,885
LEGAL DEBT MARGIN – December 31, 2023	$6,163,895

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 ACFR because that figure uses outstanding principal net of the debt service fund balance as of December 31, 2023, allocated to Bond Principal in the amount of approximately $190.41 million. Amounts in the debt service fund may be applied to both principal and interest of general obligation bonds.

2 Does not include the Series 2024A-B Bonds totaling $268,955,000 in original par.

[8] The proceeds of the Series 2022C Bonds were used to fund capital infrastructure on shelter projects that serve an important public purpose in helping to benefit and secure the health, safety, and welfare of the City's residents.

As of December 31, 2023, the City had outstanding general obligation bonds in the aggregate principal amount of $897,885,000, which does not include the Series 2024A-B Bonds or accrued interest of $3,424,320 on certain capital appreciation bonds. See Table 10 below.

Outstanding General Obligation Debt

The following table lists the City's outstanding general obligation bonded debt as of December 31, 2023.

TABLE 10

OUTSTANDING GENERAL OBLIGATION DEBT
($ in thousands – columns may not sum to totals due to rounding)

Issue[1]	Original Amount	Amount Outstanding
General Obligation Better Denver, Series 2013A	$120,925	$22,000
General Obligation Justice System Refunding Bonds, Series 2013B1-2[2]	137,435	31,565
General Obligation Better Denver Bonds (Denver Mini-Bond Program), Series 2014A[3]	12,000	6,000
General Obligation Elevate Denver Bonds, Series 2018A	193,000	60,720
General Obligation Justice System Facilities Refunding Bonds, Series 2018B	67,905	24,875
General Obligation Elevate Denver Bonds, Series 2019A	81,910	59,570
General Obligation Better Denver and Zoo Refunding Bonds, Series 2019B	50,140	18,370
General Obligation Elevate Denver Bonds, Series 2019C	117,265	23,960
General Obligation Elevate Denver Bonds, Series 2020A	169,925	145,500
General Obligation Better Denver Refunding Bonds, Series 2020B	222,700	218,145
General Obligation Elevate Denver Bonds, Series 2022A	246,080	193,565
General Obligation RISE Denver Bonds, Series 2022B	81,710	71,760
General Obligation RISE Denver Bonds, Series 2022C	38,600	21,855
TOTAL	$1,539,595	$897,885

1 This table does not include the Series 2024A-B Bonds totaling $268,955,000 in original par.
2 Direct bank placement; no official statement prepared.
3 Amount excludes $3,424,320 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, 2023. This schedule does not include the Series 2024A-B Bonds.

Year Ending December 31	Debt Service ($ in thousands)
2024	$108,244
2025	108,333
2026	103,945
2027	103,836
2028	107,195
2029 through 2042, totaling	650,027
TOTAL:	$1,181,580

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, 2023.

SUMMARY OF
DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT

($ in thousands)

Total Direct General Obligation Bonded Debt(1)	$897,885
Overlapping General Obligation Bonded Debt(2)	1,993,857
Total Direct and Overlapping General Obligation Bonded Debt	$2,891,742
Actual Valuation	$235,392,653
Assessed Valuation(3)	$26,952,552

1 Does not include the Series 2024A-B Bonds totaling $268,955,000 in original par.

2 The overlapping general obligation debt represents the outstanding general obligation debt of the School District. See "DEBT STRUCTURE OF THE CITY – Overlapping Debt and Taxing Entities" below for information relating to other overlapping entities.

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

DEBT RATIOS

	2023		
	Actual Valuation	**Assessed Valuation**	**Per Capita(1)**
Total Direct General Obligation Bonded Debt	0.38%	3.33%	$1,253
Total Direct and Overlapping General Obligation Bonded Debt(2)	1.23%	10.73%	$4,035

1 Based upon a 2023 population estimate from the U.S. Census Bureau of 716,577.

2 The overlapping general obligation debt represents the outstanding general obligation debt of the School District. See "DEBT STRUCTURE OF THE CITY – Overlapping Debt and Taxing Entities" below for information relating to other overlapping entities.

Excise Tax/Dedicated Tax Revenue Bonds Debt Service Coverage

Excise Tax Revenue bonds (which were renamed 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, City voters must approve these bonds prior to issuance. There are no 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 Series 2001A-B Bonds were issued to finance the expansion of the Colorado Convention Center (the "CCC") and were subsequently refunded with the Series 2005A and Series 2009A Bonds.

In November 2015, City 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 (the "NWC") and for improvements to the CCC ("2015 Election").

In April 2016, the City issued Dedicated Tax Revenue Refunding and Improvement Bonds, Series 2016A-B, in the principal amount of $397,310,000. The bonds were issued to fund the initial costs of the NWC and CCC improvements as well as to advance refund and defease all of the outstanding Series 2005A and Series 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 (see discussion of these taxes below). Any portions of the additional pledged Lodger's Tax and Auto Rental Tax not utilized for debt service payment are then directed to the General Fund.

In August 2018, the City issued Dedicated Tax Revenue Bonds, Series 2018A-B, in the principal amount of $299,999,984 to provide additional funding for the NWC.

In April 2021, the City issued Dedicated Tax Revenue Bonds, Series 2021A, in the principal amount of $273,830,000 to provide additional project funding for the NWC and CCC improvements. No new dedicated taxes or increases to existing dedicated taxes were imposed in conjunction with the issuance of the Series 2016A-B, Series 2018A-B Bonds, or Series 2021A Bonds. After issuance of the Series 2021A Bonds, the City has no debt authorization remaining from the 2015 Election.

The Series 2016A-B Bonds, Series 2018A-B Bonds, and Series 2021A Bonds are required to be repaid by pledged revenues consisting of portions of the Lodger's Tax, Auto Rental Tax, and Food and Beverage Tax.

The 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 (assuming it is not utilized for debt service payment) 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 City 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 (assuming it is not utilized for debt service payment). 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 City voters in November 2015.

The Food and Beverage Tax, imposed on 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 is pledged to repayment of the Series 2016A-B Bonds, Series 2018A-B Bonds, and Series 2021A Bonds.

As of December 31, 2023, a principal amount of $815,099,984 of the Series 2016A-B Bonds, Series 2018A-B Bonds, and Series 2021A Bonds remains outstanding. This amount excludes $21,552,524 of compound interest on the Series 2018A-2 dedicated tax revenue bonds.

The following table presents the City's calculation of the combined historical debt service coverage on the Dedicated Tax Revenue Refunding and Improvement Bonds, Series 2016A-B, Series 2018A-B, and Series 2021A for the years 2019 through 2023.

TABLE 11

HISTORY OF PLEDGED REVENUES AND DEBT SERVICE COVERAGE ON DEDICATED TAX REVENUE BONDS, SERIES 2016A-B, SERIES 2018A-B, AND SERIES 2021A 2019-2023[1]

($ in thousands – columns may not sum to totals due to rounding)

Fiscal Year	2019	2020	2021	2022	2023
Dedicated Tax Increases					
Lodger's Tax Increase (1.75%)	$19,889	$7,049	$13,670	$20,801	$23,278
Auto Tax Increase (1.75%)	11,839	6,559	11,998	13,569	16,497
Total Dedicated Tax Increases	$31,728	$13,609	$25,668	$34,370	$39,775
Base Dedicated Taxes					
Base Lodger's Taxes (6.25%)	$69,123	$25,485	$48,198	$72,837	$81,390
Base Auto Taxes (5.50%)	36,990	20,085	37,437	42,429	51,486
Base Food and Beverage Taxes (0.50%)	20,480	14,376	19,078	22,579	25,401
Total Base Dedicated Taxes	$126,593	$59,946	$104,713	$137,845	$158,277
Total Pledged Dedicated Taxes	$158,321	$73,555	$130,381	$172,215	$198,052
Combined Maximum Annual Debt Service Requirements on the Series 2016 Bonds, Series 2018 Bonds, and Series 2021 Bonds[2]	$55,144	$55,144	$55,144	$55,144	$55,144
Pro-Forma Coverage	2.87x	1.33x	2.36x	3.12x	3.59x

1 A portion of the information in this table is unaudited and therefore may not exactly correspond with the numbers in the City's General Ledger.

2 Represents the Combined Maximum Annual Debt Service Requirements on the Series 2016A-B Bonds, 2018A-B Bonds, and Series 2021A Bonds ($55,143,800 in 2045).

(Source: City and County of Denver ACFRs, 2019-2023 and the Department of Finance)

Overlapping Debt and Taxing Entities

Except for the information contained below in "Other Overlapping Taxing Entities," the following information as of December 31, 2023 has been supplied by the overlapping entities described below. The City has not attempted to verify the accuracy thereof or update such information for developments that occurred in 2023. The City makes no representation as to the accuracy, truthfulness, or completeness of information contained in this section except for the information contained in "Other Overlapping Taxing Entities."

School District No. 1 in the City and County of Denver. School District No. 1 (the "School District") has identical boundaries with the City. In 2016, the School District authorized $572 million in bonds, and in 2020, the School District authorized $795 million in bonds. As of December 31, 2023, the School District had $1,993,857,000 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, 2023, the aggregate principal amount of such certificates outstanding was $855,670,000. 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.

Metro Water Recovery (formerly known as Metro Wastewater Reclamation District). Metro Water Recovery, formerly known as Metro Wastewater Reclamation District ("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 Metro in order to construct and operate a sewage disposal system in the Denver metropolitan area. Under service contracts with Metro, each municipal unit is obligated to pay Metro for the costs of services rendered (including debt service) based on usage of Metro's facilities. Each municipal unit imposes charges or taxes sufficient to fund its share of Metro costs.

The City is meeting its obligation to Metro from a sewer service charge collected from the users of the City's sewer system. Metro assessed the City charges of $58,055,155 for 2023. As of December 31, 2023, the Metro had $566,735,000 aggregate principal amount of bonds outstanding.

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, 2023, approximately $2,807,382,279 of FasTracks debt was outstanding. RTD also had $9,110,000 of principal outstanding on non-FasTracks debt and $377,596,000 of principal outstanding on certificates of participation related to various lease purchase and installment sales arrangements under which RTD is the lessee or purchaser.

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

Development Service Enterprise where the Flood District manages projects for regional drainage improvements required as part of the development and paid for by the developer.

Other Overlapping Taxing Entities. The Denver Tourism Improvement District ("TID") is an overlapping tax district. At an election held in 2017, certain hoteliers in the City 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 CCC. Collection of this tax started on 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, 2023 is provided in the following table.

TABLE 12

CITY AND COUNTY OF DENVER
OVERLAPPING TAXING DISTRICTS WITH GENERAL OBLIGATION DEBT
Year Ending December 31, 2023

Taxing District	Assessed Valuation Attributable to Denver	% of Total Denver Assessed Value	2023 Mill Levy[4]
9th Ave. Metro No. 2[2,3]	$30,994,320	0.11%	35.340
9th Ave. Metro No. 3[2, 3]	24,439,360	0.09%	12.721
2000 Holly Metro	2,385,570	0.01%	60.193
Aviation Station Metro No. 2[2]	13,661,920	0.05%	61.505
Aviation Station Metro No. 3[2]	10,741,200	0.04%	65.106
Aviation Station Metro No. 4[2]	370	0.00%	13.000
Aviation Station Metro No. 5[2]	4,980,170	0.02%	10.000
Belleview Station Metro No. 2[2]	140,984,910	0.52%	33.000
Boulevard at Lowry Metro	13,223,450	0.05%	25.000
Bowles Metro[1]	44,244,710	0.16%	40.000
Broadway Park North Metro No. 2[2]	37,657,140	0.14%	56.347
Broadway Station Metro No. 2[2,3]	10,938,770	0.04%	67.562
Broadway Station Metro No. 3[2,3]	16,748,050	0.06%	67.562
CCP Metro No. 1[1,3]	7,215,010	0.03%	34.600
Central Platte Valley Metro[2,3]	379,914,490	1.41%	19.000
Central Platte Valley Metro (debt)[2]	107,105,280	0.40%	7.000
Cherry Creek North Business Improvement District	499,812,530	1.85%	17.642
Colo. Int. Center Metro No. 13[2]	7,061,460	0.03%	105.924
Colo. Int. Center Metro No. 14[2]	57,195,910	0.21%	79.172
Denargo Market Metro No. 2[2]	46,161,570	0.17%	50.675
Denargo Market Metro No. 3[2]	13,231,510	0.05%	49.394
Denver Connection West Metro	20,372,870	0.08%	97.488
Denver Gateway Center Metro	27,586,300	0.10%	56.176
Denver Gateway Meadows Metro	4,629,890	0.02%	51.971
Denver Intl. Bus. Ctr Metro No. 1	75,617,210	0.28%	48.893
DUS Metro No. 2[2,3]	128,085,400	0.48%	23.243
DUS Metro No. 3[2,3]	9,138,370	0.03%	22.701
Ebert Metro[2]	164,914,670	0.61%	45.660
Ebert Metro (debt)[2]	20,318,080	0.08%	22.330
First Creek Village Metro	14,971,450	0.06%	85.111
Gateway Regional Metro	240,403,770	0.89%	16.000
Goldsmith Metro[1]	432,176,880	1.60%	7.124
Loretto Heights Metro No. 1	4,750	0.00%	15.592
Loretto Heights Metro No. 2	1,032,460	0.00%	67.562
Loretto Heights Metro No. 3	6,339,190	0.02%	67.918
Loretto Heights Metro No. 4	2,707,460	0.01%	67.562
Midtown Metro	49,661,980	0.18%	40.000
Mile High Business Center Metro	41,374,600	0.15%	26.391

Table continues on following page:

Taxing District	Assessed Valuation Attributable to Denver	% of Total Denver Assessed Value	2023 Mill Levy[4]
Prologis Central Park Business Center Metro[3]	149,819,770	0.56%	20.000
RiNo General Improvement District[3]	406,283,900	1.51%	4.000
River Mile Metro No. 2	23,978,380	0.09%	41.193
River Mile Metro No. 3	1,764,030	0.01%	62.218
Sand Creek Metro[1,2]	55,621,100	0.21%	21.200
Sand Creek Metro (debt)[1,2]	26,637,710	0.10%	15.200
South Sloan's Lake Metro No. 2[2,3]	49,986,290	0.19%	38.444
Valley Sanitation District[1]	26,579,270	0.10%	2.353
West Globeville Metro No. 1	15,353,880	0.06%	51.998
West Globeville Metro No. 2	30	0.00%	51.998
West Lot Metro No. 1	60,637,180	0.22%	8.000
West Lot Metro No. 2	8,905,540	0.03%	31.357
Westerly Creek Metro[2]	945,050,640	3.51%	66.852
Special District Total Assessed Value	$4,478,650,750	16.62%	
Denver Total Assessed Value[3]	$26,952,552,320		

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 table above due to insignificant assessed value.

3 This includes the assessed valuation that generates tax increment revenues, a portion of which is paid to DURA or the DDDA and is 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 of the Department of Finance and the Department of Finance)

City Discretionary Support Payments

General. The City is authorized to execute agreements with independent authorities in which the City, subject to annual appropriation, may agree to make either 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.

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 CCC. The DCCHA has issued various revenue bonds payable from hotel revenues and the hotel is mortgaged by the DCCHA 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 DCCHA 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. DURA has issued numerous series of tax increment revenue bonds secured by certain DURA tax increment revenues. With respect to one series of bonds (the "2010B-1 Bonds"), the City entered into a services agreement with DURA pursuant to which the City's Manager of Finance agreed to request that the City Council consider appropriating funds to replenish the reserve fund for the 2010B-1 Bonds in an amount not to exceed the maximum annual debt service payments (with a maximum of $12 million) to the extent that DURA's pledged revenues are not sufficient to pay debt service and amounts drawn from the reserve fund for the 2010B-1 Bonds. The City Council's decision to appropriate such funds is solely in the City Council's discretion. The 2010B-1 Bonds mature on December 1, 2025, and were outstanding in the aggregate principal amount of $18,965,000 as of December 31, 2023. The City Council has never been requested to appropriate funds under the services agreement.

The City and DURA also entered into agreements related to other series of DURA bonds (respectively, the "2014D-2 Bonds," "2014D-4 Bonds," "2017D-3 Bonds," and "2017D-5 Bonds"). With respect to the 2014D-2 Bonds, funds from the City Retained Taxes Fund (the "CRT Fund") can be used to cover bond obligations if DURA's pledged revenues fall short, with DURA compensating the City with an amount equal to twenty percent of incremental sales and property taxes collected from the Stapleton Urban Redevelopment Area between December 1, 2024 and November 30, 2025 (the 2014D-4 Bonds represent this particular obligation for DURA, originally estimated to equal $16,000,000 and subject to certain contractual limitations). As of December 31, 2023, DURA had not withdrawn any funds in the CRT Fund to make payments on the 2014D-2 Bonds, which had an outstanding principal of $9,410,000. Regarding the 2017D-3 Bonds and the 2017D-5 Bonds, the City agreed to advance $940,000 for the development costs of a new fire station (to the extent that such development costs exceeded $9,400,000) and up to $8,400,000 for development costs associated with the construction of the second span of the Central Park Boulevard Bridge (the "CPB Bridge"), with DURA obligated to reimburse the City for actual costs incurred by the City. No funds were advanced by the City for the fire station, but $8,400,000 was advanced for the CPB Bridge, which DURA is expected to repay by 2025.

National Western Center Authority Contingent Commitment Agreement Payments. The National Western Center Authority (the "NWCA") is a Colorado non-profit corporation formed pursuant to a Framework Agreement, dated September 28, 2017 and amended from time to time, by and among the City, the Colorado State University System, and the Western Stock Show Association, for the purpose of operating and maintaining the National Western Center Campus located in Denver, Colorado (the "NWC Campus").

The NWCA has entered into a Campus Energy Agreement, dated July 30, 2020 (the "CEA"), with EAS Energy Partners, LLC ("EAS"), whereby EAS has agreed to design, build, finance, operate and maintain a district energy system serving the NWC Campus for a primary term of forty (40) years. Pursuant to that certain Contingent Commitment Agreement, dated July 30, 2020, between the City and the NWCA (the "CCA"), the City has provided a contingent commitment to make payments to a designated remittance account with respect to monetary obligations of the NWCA arising under the CEA. The City's obligations under the CCA are contingent upon the occurrence of a shortfall in revenue to the NWCA sufficient to make payments due under the CEA. The NWCA's scheduled payments under the CEA, and any shortfall-related payments from the City under the CCA, if required, would not be made until 2022 at the earliest. Any payments made by the City under the CCA are subject to appropriation by the City. Any funds advanced by the City under the CCA constitute an interest-bearing loan from the City to the NWCA subject to repayment terms set forth in the CCA. The City made payments to the NWCA, considered loans under the CCA, in 2021, 2022, and 2023 for $680,000, $1,538,064, and $1,939,565, respectively. The 2021 loan was made prior to the CCA's stated 2022 payment timing. The loan was completed with approval from the City's Manager of Finance. As of December 31, 2023, the aggregate principal amount outstanding on the loans was $4,157,629.

The City and the NWCA also entered into a Cooperation Agreement in June 2023 (the "Cooperation Agreement") under which the NWCA, with the City's support, agrees to complete several tasks associated with the predevelopment phase for an equestrian center, full-service hotel, and parking facilities on the NWC Campus (the "NWC Campus Facilities"). These tasks include the issuance of a request for proposals for the development of the NWC Campus Facilities, the procurement of a developer of the NWC Campus Facilities, oversight over the design of the NWC Campus Facilities by the selected developer, and negotiations of a development agreement with the selected developer. The City is obligated to reimburse the NWCA for costs associated with these predevelopment tasks up to a maximum amount of $5,000,000 (this maximum amount has been appropriated by the City). In 2023, the City made its first payment to the NWCA for $500,000 to support the predevelopment phase for the NWC Campus Facilities.

PENSION PLANS

The City's career service employees are covered under 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

Unless otherwise noted, the following information is from the independently audited 2023 Annual Comprehensive Financial Report of DERP (the "DERP 2023 ACFR"). Information from DERP reports 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 the Denver Health and Hospital Authority ("DHHA"). 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."

As of January 1, 1997, DHHA separated from the City to operate as a separate legal entity and participating employer in DERP. As a participating employer, DHHA added DHHA employees as new members to the DERP plan. As of January 1, 2001, DHHA closed DERP to new members. DHHA makes contributions to DERP to fund the normal cost of pension liabilities owed to DHHA members of DERP. As of 2023, DHHA has approximately 195 employees upon which DHHA's pensionable payroll is determined for contributions. In addition to the normal cost of pension liabilities, DHHA makes supplemental contributions to DERP for its portion of the Unfunded Actuarial Liability ("UAL") which are not based on pensionable payroll. UAL supplemental contributions commenced in the fiscal year 2023.

DERP membership consisted of the following as of December 31, 2022 and 2023:

	2022	2023
Retirees and beneficiaries currently receiving benefits	10,895	11,087
Terminated employees entitled to benefits but not yet receiving such benefits	3,703	7,369
Current employees		
Vested	5,064	5,125
Non-vested	4,164	4,803
TOTAL	23,826	28,384

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 (or 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 either a 36 or 60 consecutive month period of credited service, depending on membership tier. 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 the DERP Retirement Board; 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 the DERP Retirement Board and enacted into ordinance by the City Council.

The following are DERP contribution requirements and dates on which contribution requirement changes took effect in the last five years. As illustrated by the table below, effective as of the first payroll after January 1, 2020, the City contribution was increased to 14.75% and the employee contribution was increased to 9.25%. Effective as of the first payroll after January 1, 2021, the City contribution was increased to 15.75%. Effective as of the first payroll after January 1, 2022, the City contribution was increased to 16.75% and the employee contribution rate was decreased to 8.85%. Effective as of the first payroll after January 1, 2023, the City contribution rate was increased to 17.95% and the employee contribution rate was decreased to 8.45%. As of January 1, 2024, these contribution rates remained at 2023 levels. In light of the DHHA shrinking pensionable payroll, the City Council modified DERP to add a new supplemental contribution for the participating employer. The supplemental contribution is to include the difference in the normal cost of benefits for current employees of the participating employer and amortization of the unfunded actuarial liability attributable to current or former employees of the participating employer, as actuarially determined. Additional changes in contribution would require a recommendation by the DERP Retirement Board to the City Council and enactment of an ordinance, but no ordinance has been filed with or is pending with the City Council.

	January 1, 2020	**January 1, 2021**	**January 1, 2022**	**January 1, 2023**	**January 1, 2024**
City Contribution	14.75%[(1)]	15.75%[(2)]	16.75%	17.95%	17.95%
Employee Contribution	9.25%	9.25%	8.85%	8.45%	8.45%
Total	24.00%	25.00%	25.60%	26.40%	26.40%

1 Through Ordinance 19-1271, the contribution rate of the City increased to 14.75%, effective January 1, 2020. Additionally, the City was given the one-time option of either increasing its respective contribution rate to 15.75% (effective January 1, 2020) or paying an additional 1% total increase in a one-time, lump sum payment on or before December 31, 2019. The City chose the one-time, lump sum payment and kept the contribution percentage reflected in the DRMC at 14.75%.

2 Through Ordinance 20-1401, the contribution rate of the City increased to 15.75%, effective January 1, 2021. This table has been updated from prior disclosures to correct an error in the effective date of this contribution rate change.

The total net plan assets were $2,399,244,141 and $2,563,880,081 as of December 31, 2022 and December 31, 2023, respectively. According to the DERP 2023 ACFR, as of January 1, 2023, 59.7% of the plan's actuarial accrued liabilities were covered by actuarial value of assets. As of January 1, 2024, the date of the last actuarial valuation, 60.9% of the plan's actuarial accrued liabilities were covered by actuarial value of assets.

On July 21, 2023, the DERP Retirement Board approved a recommendation to reduce the Assumed Rate of Return from 7.25% to 7.00% to better reflect future return expectations and the current investment environment. On November 20, 2023, City Council considered the DERP Retirement Board's recommendation and passed a reduction in the Assumed Rate of Return from 7.25% to 7.00%. The 7.00% Assumed Rate of Return was effective for the January 1, 2023 and January 1, 2024 actuarial valuations.

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, 2023, 2022, and 2021, were $27,934,000, $27,934,000, and $27,934,000, respectively. The City also made contributions for the years ended December 31, 2023, 2022, and 2021, to the New Hire Plan, in the amounts of $23,959,000, $22,013,000, and $19,818,000, respectively. In 2014, FPPA-covered employees elected to increase the member contribution rate beginning in 2015. The member contribution rate increased 0.5% annually through 2022 to a total of 12% of pensionable earnings and will remain at 12% of base salary for the foreseeable future. On April 1, 2020, State House Bill 20-1044 became law, increasing the employer contribution rate by 4.0% over eight years and establishing the statewide defined benefit rule of 80 (the "Rule of 80"). As a result, effective January 1, 2021, the new hire employer contribution rate was 8.5% and will increase by 0.5% annually through 2028. Pursuant to House Bill 20-1044, beginning January 1, 2021, any member who has attained the age of fifty years, whose combined years of accrued service and age totals 80 or more, and who is not receiving benefits pursuant to C.R.S. § 31-31-803, is eligible for normal retirement. Additionally, a 1.0% increase in employer contributions will be implemented in 2029 and 2030 (0.5% per year over two years). Once a member qualifies for normal retirement under the Rule of 80, they can continue to work or retire and begin pension payments. The funded status of the FPPA Old Hire and New Hire Plans will be disclosed as implemented under GASB 68.

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 G in the "Other Note Disclosures" section of the City's 2023 ACFR.

DERP OPEB Plan

DERP retirees are responsible for 100% of the blended premium rate. Retirees 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. According to the DERP 2023 ACFR, as of January 1, 2023, 49.9% of the plan's accrued OPEB liabilities were covered by valuation assets. As of January 1, 2024, the date of the last actuarial valuation, 52.1% of the plan's accrued OPEB liabilities were covered by 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 to the extent allowable by the Charter. 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. The 2023 ACFR refers to these as "financed leases," but they are not "financed," certificates are not issued by the City, and they are not a City multi-year fiscal debt obligation.

Certificated Lease Purchase Transactions. COPs 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, 2023, 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 13.

TABLE 13

SCHEDULE OF CERTIFICATED LEASE PURCHASE TRANSACTIONS AND RELEASE DATES AS OF DECEMBER 31, 2023

Series	Outstanding Principal Amount	Leased Property	Date Lease Property Scheduled to be Acquired
2012C1-C3[1]	$17,030,000	Denver Properties Leasing Trust	December 1, 2031
2015A	13,505,000	Blair-Caldwell African American Research Library, Fire Station Nos. 18, 19, and 22	December 1, 2034
2017A[1]	8,193,650	Denver Botanic Gardens Parking Facility	December 1, 2028
2018A	120,020,000	Colorado Convention Center Expansion Project	June 1, 2048
2020A1-A2[1]	15,515,000	Central Platte Campus	December 1, 2030
2023	231,995,000	Wellington E. Webb Municipal Office Building	December 1, 2037
TOTAL[2,3]	$406,258,650		

1 Direct bank placements; no official statement prepared.

2 On April 10, 2024, the City executed and delivered $22,500,000 of Certificates of Participation, Series 2024B. The Series 2024B COPs were executed and delivered for the purpose of purchasing and improving the property located at 7525 East Hampden Avenue. The Series 2024B COPs are not included in the table above. The Series 2024B COPs were a direct bank placement, so an official statement was not prepared for this transaction.

3 On April 11, 2024, the City executed and delivered $89,000,000 of Certificates of Participation, Series 2024A. The Series 2024A COPs were executed and delivered for the purpose of purchasing the property located at 101 West Colfax Avenue. The Series 2024A COPs are not included in the table above. The Series 2024A COPs were a direct bank placement, so an official statement was not prepared for this transaction.

(Source: Department of Finance)

Non-Certificated Lease Purchase Agreements

The City may also enter into non-certificated capital lease purchase arrangements for the lease purchase of real property and equipment. As of December 31, 2023, the City was the lessee under various other capitalized lease agreements for the lease purchase of equipment outstanding in the principal amount of $35,445,773, compared to $43,554,846 as of December 31, 2022. At the end of the final term of such leases, the City expects to own the equipment that is 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. The 2023 ACFR refers to these as "financed purchases," but they are not "financed" by the City and are not a City multi-year fiscal debt obligation.

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 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 Charter to issue general obligation bonds of the City and there are no Denver Water Board general obligation bonds outstanding. Financial statements and ongoing disclosure for Denver Water are available at: https://www.denverwater.org/about-us/investor-relations/financial-information. Such financial information is not incorporated into this Disclosure Statement by this reference.

WASTEWATER MANAGEMENT SYSTEM

The Wastewater Management Enterprise Fund ("Wastewater"), a division within the City's Department of Transportation and Infrastructure, was established to account for the sanitary sewer and storm operations of the City. Effective January 1, 2020, the Department of Public Works became the Department of Transportation and Infrastructure. The City's wastewater collection facilities as of December 31, 2023 consisted of approximately 1,564 miles of sanitary sewer lines and 837 miles of storm drainage lines of various compositions, overall ranging in size from 8" to more than 120" in diameter. The City's system uses 7 sanitary sewer lift stations and 8 storm sewer lift stations which are currently in service, as well as gravity flow stations.

The City maintains an active sewer line maintenance program which uses television and sealing units to monitor line condition and seal joints. The City 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 Wastewater's capital maintenance program.

In January 2012, the City, for and on behalf of the Wastewater Management Division of its Department of Transportation and Infrastructure, issued $50,425,000 of Wastewater Enterprise Revenue Bonds, Series 2012. The proceeds were used to defease the outstanding Series 2002 revenue bonds and to finance $32,500,000 in capital improvements for storm drainage facilities. As of December 31, 2023, a principal amount of $16,525,000 of the Series 2012 Wastewater Bonds remains outstanding.

In November 2016, the City, for and on behalf of the Wastewater Management Division of its Department of Transportation and Infrastructure, issued $115,000,000 of Wastewater Enterprise Revenue Bonds, Series 2016, to fund capital improvement projects, including the Platte to Park Hill: Stormwater Systems program ("P2P"). As of December 31, 2023, a principal amount of $99,675,000 of the Series 2016 Wastewater Bonds remains outstanding.

In February 2018, the City, for and on behalf of the Wastewater Management Division of its Department of Transportation and Infrastructure, issued $103,050,000 of Wastewater Enterprise Revenue Bonds, Series 2018, to fund capital improvement projects, including P2P and citywide improvements to storm drainage and sanitary sewage facilities. As of December 31, 2023, a principal amount of $90,195,000 of the Series 2018 Wastewater Bonds remains outstanding.

Wastewater Financial Information

Customer Information. Denver's Wastewater Management Division estimates that Wastewater serves approximately 168,516 sanitary sewer customers. Of this amount, approximately 152,327 (90%) are residential customers and approximately 16,080 (10%) are commercial, industrial, or governmental customers. It is estimated that Wastewater serves approximately 178,278 storm customers. Of this amount, approximately 169,017 (95%) are residential customers and approximately 9,261 (5%) are commercial, industrial, or governmental customers.

Metro Water Recovery (formerly known as Metro Wastewater Reclamation District). The sewage carried by the City's Sanitary Sewerage Facilities is delivered to Metro Water Recovery, formerly known as Metro Wastewater Reclamation District ("Metro"), a political subdivision of the State organized to manage and finance facilities for the carriage, treatment, and disposal of wastewater throughout the metropolitan Denver area. The City entered into a Sewage Treatment and Disposal Agreement (the "Metro Agreement") with Metro in March 1964. There are currently 61 local governmental entities receiving sewage treatment and disposal services through Metro. Under the Metro Agreement, there is an annual charge to each entity, payable quarterly. The annual charge is required by the terms of the Metro Agreement to be reasonable and in an amount adequate to fund Metro's operation and maintenance expenses as well as debt service on Metro's outstanding debt obligations and certain other obligations. The annual charge is calculated with the intention that each signatory pays in proportion to its use of Metro's services. The Metro Agreement may not be terminated until such time as all Metro debt obligations are no longer outstanding (currently anticipated to be 2045). At such time, the Metro Agreement will be extended to the extent permitted by law from year to year until the City or Metro elects to terminate the Metro Agreement. Table 14 presents historical data between 2019 and 2023 related to Metro's total annual charges to Wastewater, the Metro Annual Charge as a percentage of Wastewater's total operating expenses, and the annual increase (decrease) in the Metro Annual Charge.

TABLE 14

HISTORICAL METRO WATER RECOVERY(1)
ANNUAL CHARGES(2)

	2019(4)	2020	2021	2022	2023
Total Enterprise Operating Expense(3)	$129,202,000	$142,620,000	$142,337,000	$137,773,000	$148,136,000
Metro Annual Charge	52,209,000	55,421,000	61,805,000	52,402,000	58,055,000
Metro Annual charge as a Percentage of Total Operating Expense	40.41%	38.86%	43.42%	38.04%	39.19%
Year-to-Year Metro Annual Charge Increase (Decrease)(5)	0.32%	6.15%	11.52%	(15.21%)	10.79%

1 Metro Water Recovery was formerly known as Metro Wastewater Reclamation District.

2 In this table, "Enterprise" refers to Wastewater Management Enterprise Fund.

3 These figures do not reflect the amounts paid to other sewage treatment and disposal districts.

4 Total enterprise operating expense in 2019 includes $2,153,886 of expenses reflecting the reimbursement to Golf Enterprise from Wastewater for lost net revenue and specified expenses from 2017-2019 during P2P, which resulted in City Park Golf Course closure beginning November 1, 2017. City Park Golf Course fully reopened in May 2021. No lost revenue reimbursements were made from Wastewater Enterprise to Golf Enterprise in 2020 or thereafter and no further City Park Golf Course lost revenue reimbursement payments are anticipated to be made from Wastewater Enterprise to Golf Enterprise. Golf Enterprise recognized the revenues in the year they were earned versus when they were received, so the reimbursement timing varies from Wastewater, which accounted for the reimbursements based on payment date.

5 Increases/(decreases) 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 15

HISTORICAL ACCOUNT INFORMATION

Years (December 31)	Storm Drainage Accounts	Sanitary Sewerage Accounts
2014	163,143	157,939
2015	164,681	158,956
2016	166,638	160,047
2017	168,192	161,288
2018	169,996	162,975
2019	171,833	164,616
2020	174,185	165,866
2021	175,603	166,570
2022	175,805	167,355
2023	178,278	168,516

(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 the 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 lots 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.

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. Storm drainage service charges were increased effective as of July 1, 2016 as follows: as of January 1, 2017, increased 11%; as of January 1, 2018, increased 11%; as of January 1, 2019, increased 10%; as of January 1, 2020, increased 3.1%; as of January 1, 2021, storm drainage service charges will increase annually according to the percentage change from the previous year in the United States Consumer Price Index (the "Consumer Price Index" or "CPI"). The following table shows the historical, current, and future storm drainage service charges imposed in accordance with the 2016 ordinance.

TABLE 16

STORM DRAINAGE HISTORICAL, CURRENT AND FUTURE RATES

Ratio Group	Rate 2021 (Jan)	Rate 2022 (Jan)	Rate 2023 (Jan)	Rate 2024 (Jan)	Rate 2025 (Jan)
0 to .10	$3.22	$3.32	$3.59	$3.76	$3.84
.11 to .20	4.01	4.13	4.47	4.68	4.77
.21 to .30	4.86	5.02	5.43	5.69	5.80
.31 to .40	5.73	5.92	6.40	6.70	6.83
.41 to .50	6.56	6.77	7.33	7.67	7.82
.51 to .60	7.03	7.26	7.85	8.22	8.38
.61 to .70	7.46	7.70	8.33	8.72	8.89
.71 to .80	8.29	8.55	9.26	9.69	9.87
.81 to .90	9.12	9.41	10.18	10.66	10.86
.91 to 1.00	10.01	10.33	11.17	11.70	11.92
Minimum Annual Charge	$23.08	$23.82	$25.77	$26.98	$27.50

(Source: Wastewater Enterprise)

The rate for the lot or parcel's ratio group is multiplied by the square footage of the lot 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, 2024, 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 $246.61 ($8.22 x 3,000/100). The minimum annual storm drainage service charge will not be less than $26.98 for the rate period effective January 1, 2024. 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 DRMC 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 1, 2016 as indicated in the following table. In June 2016, the City adopted by ordinance a fee schedule for sanitary sewage service charges whereby such sanitary sewage service charges were to increase effective July 1, 2016 (from 2.7%), and then each January 1 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 CPI.

Effective Date	Rate Change
July 1, 2016	5.0%
January 1, 2017	5.0%
January 1, 2018	4.0%
January 1, 2019	4.0%
January 1, 2020	4.0%
January 1, 2021	CPI (3.1%)
January 1, 2022	CPI (3.2%)
January 1, 2023	CPI (8.2%)
January 1, 2024	CPI (4.7%)
January 1, 2025	CPI (1.9%)

Current and Future Rates

For each residential unit: Monthly charge of $13.21 effective January 1, 2021; monthly charge of $13.63 effective January 1, 2022; monthly charge of $14.75 effective January 1, 2023; monthly charge of $15.44 effective January 1, 2024; monthly charge of $15.74 effective January 1, 2025.

For other than residential units: The charge shall be computed in relation to the rated size of the water meter as shown in the following table and described below.

Size (inches)	Rate 2021 (Jan)	Rate 2022 (Jan)	Rate 2023 (Jan)	Rate 2024 (Jan)	Rate 2025 (Jan)
5/8	$13.21	$13.63	$14.75	$15.44	$15.74
3/4	19.83	20.46	22.14	23.18	23.62
1	33.01	34.07	36.86	38.59	39.33
1 1/4	49.62	51.21	55.41	58.01	59.11
1 1/2	66.14	68.26	73.85	77.32	78.79
2	105.74	109.12	118.07	123.62	125.97
3	198.26	204.60	221.38	231.79	236.19
4	330.53	341.11	369.08	386.42	393.77
6	661.01	682.16	738.10	772.79	787.47
8	1,058.02	1,091.88	1,181.41	1,236.94	1,260.44
10	1,520.25	1,568.90	1,697.55	1,777.33	1,811.10
12	2,842.23	2,933.18	3,173.70	3,322.87	3,386.00

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 $4.84/thousand gallons effective January 1, 2021; $4.99/thousand gallons effective January 1, 2022; $5.40/thousand gallons effective January 1, 2023; $5.65/thousand gallons effective January 1, 2024; if no change to rates occurs, $5.76/thousand gallons effective January 1, 2025.

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 $4.84/thousand gallons effective January 1, 2021; $4.99/thousand gallons effective January 1, 2022; $5.40/thousand gallons effective January 1, 2023; $5.65/thousand gallons effective January 1, 2024; if no change to rates occurs, $5.76/thousand gallons effective January 1, 2025.

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 shown in the following table and described below:

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

For users whose potable water is measured: The charge shall be computed by multiplying the volume of sewage during the billing period by $4.84/thousand gallons effective January 1, 2021; $4.99/thousand gallons effective January 1, 2022; $5.40/thousand gallons effective January 1, 2023; $5.65/thousand gallons effective January 1, 2024; if no change to rates occurs, $5.76/thousand gallons effective January 1, 2025.

(Source: Wastewater Enterprise)

The following table sets forth the statements of revenues and expenses of the 2022, 2023, and 2024 Approved Budgets with respect to Wastewater.

TABLE 17

WASTEWATER ENTERPRISE BUDGETS

	2022	**2023**	**2024**
Total Operating Revenue	$185,053,078	$194,507,659	$228,062,569
Operating Expenses			
Personnel Services	36,064,259	43,440,530	49,113,799
Contractual Services	22,016,201	22,758,548	22,828,826
Supplies and Materials	2,206,485	2,527,054	3,686,154
District Water Treatment Charges	63,585,338	63,638,338	66,785,338
Total Operating Expenses	123,872,283	132,364,470	142,414,117
Operating Income (Loss)	61,180,795	62,143,189	85,648,452
Other Income (Expense)			
Investment and Interest Income	1,832,779	1,832,779	4,009,999
Debt Interest Payment	(8,700,000)	(8,700,000)	(8,700,000)
Bond Principal Payment	(8,085,000)	(6,275,000)	(6,550,000)
Purchase of capital equipment	(2,801,446)	(2,675,861)	(4,049,234)
Total Other Income (Expense)	(17,753,667)	(15,818,082)	(15,289,235)
Modified Net Income	$43,427,128	$46,325,107	$70,359,217

(Source: Wastewater Enterprise)

Operating History

Historical Wastewater Management Enterprise Fund Information. A five-year comparative statement of the City's Wastewater Management Enterprise Fund revenues, expenses, and resulting changes in retained earnings as reported in Wastewater Management Enterprise Fund's Audited Financial Statements for Fiscal Years 2019 through 2023 is set forth in the following table.

TABLE 18

WASTEWATER MANAGEMENT ENTERPRISE FUND STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEARS ENDING DECEMBER 31

	2019	2020	2021	2022	2023
OPERATING REVENUES					
Sanitary sewer	$107,829,000	$108,374,000	$115,943,000	$119,914,000	$130,096,000
Storm drainage	64,121,000	70,040,000	75,612,000	79,729,000	83,356,000
TOTAL OPERATING REVENUES	171,950,000	178,414,000	191,555,000	199,643,000	213,452,000
OPERATING EXPENSES					
Personnel services	31,629,000	34,423,000	30,292,000	32,279,000	41,703,000
Contractual services(1)	20,111,000	26,895,000	22,215,000	23,725,000	18,163,000
Supplies	1,440,000	1,176,000	935,000	1,235,000	1,380,000
Utilities	334,000	370,000	376,000	403,000	331,000
Depreciation and amortization	23,479,000	24,335,000	26,714,000	27,729,000	28,504,000
Payments To Metro Wastewater Recovery(2)	52,209,000	55,421,000	61,805,000	52,402,000	58,055,000
TOTAL OPERATING EXPENSES	129,202,000	142,620,000	142,337,000	137,773,000	148,136,000
Operating Income	42,748,000	35,794,000	49,218,000	61,870,000	65,316,000
NONOPERATING REVENUE (EXPENSES)					
Intergovernmental revenue	2,952,000	2,161,000	912,000	949,000	984,000
Investment income (loss)	9,211,000	10,403,000	(2,837,000)	(8,537,000)	10,678,000
Interest expense	(8,849,000)	(8,506,000)	(8,145,000)	(7,754,000)	(7,307,000)
Gain (loss) on disposition of assets	270,000	(40,000)	142,000	118,000	43,000
NET NONOPERATING REVENUE (EXPENSES)	3,584,000	4,018,000	(9,928,000)	(15,224,000)	4,398,000
Income before capital contributions and transfers	46,332,000	39,812,000	39,290,000	46,646,000	69,714,000
Capital contributions/Asset Transfers(3)	(5,464,000)	11,386,000	14,728,000	12,022,000	27,613,000
Transfers out	(13,000)	83,000	1,102,000	(13,000)	85,000
Change in net position	40,855,000	51,281,000	55,120,000	58,655,000	97,412,000
Net position, beginning of year (before restatement)	735,154,000	776,009,000	827,290,000	882,410,000	941,065,000
Change in accounting position GASB68, GASB75(4)					
Net position, beginning of year (as restated)					
Net position, end of year	$776,009,000	$827,290,000	$882,410,000	$941,065,000	$1,038,477,000

[Footnotes on next page]

1 Contractual services in 2019 includes $2,153,886 of expenses reflecting the reimbursement to Golf Enterprise from Wastewater for lost net revenue and specified expenses, from 2017-2019, during P2P, which resulted in City Park Golf Course closure beginning November 1, 2017. City Park Golf Course fully reopened in May 2021. No lost revenue reimbursements were made from Wastewater Enterprise to Golf Enterprise in 2020 or thereafter and no further City Park Golf Course lost revenue reimbursement payments are anticipated to be made from Wastewater Enterprise to Golf Enterprise. Golf Enterprise recognized the revenues in the year they were earned versus when they were received, so the reimbursement timing varies from Wastewater, which accounted for the reimbursements based on payment date.

2 Metro Water Recovery was formerly known as Metro Wastewater Reclamation District.

3 2019 balance is comprised of $10.7 million in capital contributions and $16.2 million in asset transfers, including $14.9 million asset transfer from Wastewater Enterprise to Parks and Recreation for City Park Golf Course club house, maintenance building, and restrooms.

(Sources: Wastewater Management Enterprise Fund, Audited Financial Statements, 2019-2023)

Historical Net Pledged Revenues. Based upon the revenues and expenditures of the Wastewater Management Division Enterprise Fund, the amounts which constituted Net Pledged Revenues available for debt service, the Debt Service Requirements of the Wastewater Revenue Bonds, and the resulting debt service coverage ratio for each of the past five years are shown in the table below.

HISTORIC DEBT SERVICE COVERAGE RATIOS

Years	Net Pledged Revenues	Combined Average Annual Debt Service Requirements	Debt Service Coverage Ratio
2019	$66,237,000	$12,457,000	5.32
2020	57,193,118	11,918,506	4.80
2021	72,810,000	11,362,059	6.41
2022	86,062,000	13,110,000	6.56
2023	93,180,000	12,966,814	7.19

(Source: Wastewater Enterprise)

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 improvement 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 Wastewater Enterprise has completed a 6-year Capital Improvement Plan for 2022-2027.

The following schedule provides the expenditures for the Wastewater Enterprise's most recent capital improvement plan for the years 2022-2027.

WASTEWATER ENTERPRISE CAPITAL IMPROVEMENT PLAN

FOR 2022 THROUGH 2027(1)

Project Description	2022	2023	2024	2025	2026	2027
Storm Drainage	$50,114,008	$50,202,996	$50,850,000	$51,600,000	$50,950,000	$50,450,000
Sanitary Sewer	8,935,992	8,347,004	9,900,000	7,900,000	8,900,000	8,400,000
Total	$59,050,000	$58,550,000	$60,750,000	$59,500,000	$59,850,000	$58,850,000

1 Figures for 2022 through 2027 represent expenditure estimates generated on or about July 2021 for the term of the capital improvement plan and are subject to re-evaluation.

2 In May 2023, the City signed a project partnership agreement ("PPA") with the Army Corps of Engineers for reimbursement and cost sharing for a proposed phased project for flood risk mitigation and ecosystem restoration on Denver area waterways. The PPA includes an estimated cost of the project of approximately $602M. The Army Corps of Engineers has appropriated $350M of federal funds for reimbursement to the City, leaving an estimated City share of approximately $226M. The City believes the original PPA estimate under today's market conditions to be insufficient for the full project completion; therefore, the scope and the budget would likely need to be adjusted. The City's obligations under the PPA are subject to annual appropriation by the City. The City, including the Wastewater Enterprise, and other organizations in Denver are anticipated to enter into future construction agreements and the City anticipates additional financing may be needed to accomplish the project phases. The City is exploring various ways to fund this project, and the amount that may be contributed by the Wastewater Enterprise is unknown at this time. The total project costs and scope of the project are subject to change. As of the date of this Disclosure Statement, no expenses related to the PPA have been added to the Capital Improvement Plan for 2022-2027 because no funds have been appropriated by the City and it is unknown when or if that will occur.

(Source: Wastewater Enterprise)

THE AIRPORT SYSTEM

Description of the Airport

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

Situated approximately 24 miles northeast of downtown Denver, DEN is the primary air carrier airport serving the Denver air service region. According to Airports Council International, in 2023, DEN was the third busiest airport in the United States and the sixth busiest in the world, serving 77.8 million passengers. DEN comprises approximately 33,800 acres (53 square miles) of land 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 the E-470 toll highway. DEN 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 any airline 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, the City has long been a major air transportation hub. DEN provides airline service to more than 200 destinations. Denver's natural geographic advantage as a connecting hub is enhanced by the Airport's ability to accommodate aircraft landings and takeoffs in virtually any weather conditions.

At DEN, 26 airlines provide scheduled passenger service: 10 major/national airlines, five regional/commuter airlines, and 11 foreign-flag airlines. In addition, several passenger charter and all-cargo airlines, including Federal Express and United Parcel Service, provide service at the Airport.

As reported by the Department of Transportation's Bureau of Transportation Statistics ("BTS"), total passenger traffic at DEN was up 12.3% in 2023 from 2022, compared with a 12.3% increase nationally. Total aircraft operations increased by 7.5% over the same period as well. In 2023, 77.8 million passengers traveled through DEN, with approximately 57.2% originating or concluding their air journeys at DEN and 42.8% connecting to flights beyond DEN. Originating and destination traffic ("O&D") increased by 9.2% in 2023 from 2022 and connecting traffic increased by 16.8% during the same period. In addition, international passengers increased 21.5% in 2023 from 2022, amounting to 5.2% of total passengers in 2023 (up from 4.8% of total passengers in 2022). Total cargo, in tons, decreased 5.9% during 2023 compared to the same period in 2022.

With respect to parking at DEN, as of December 31, 2023, the Pikes Peak Lot, West Economy Lot and all garage parking are in operation. The East Economy Lot was under construction through mid-November 2023 and was fully operational as of year-end. On May 26, 2023, the Airport converted the Landside Employee Lot into a public parking lot called Longs Peak, which is the overflow shuttle parking for the Pikes Peak Lot.

United Group

United Group ("United") includes the operations of United Airlines, as well as regional affiliate airlines operating under the United Express brand. United is one of the world's largest airlines and is the principal air carrier operating at the Airport. United operates a major connecting hub at the Airport under a Use and Lease Agreement with the City that expires in 2035. In November 2020, the Airport opened four new gates on the west end of Concourse B, all leased by United. In November 2022, the Airport opened 12 new gates at the west end of Concourse A and 10 new gates at the east end of Concourse B, all leased by United. As of December 31, 2023, United occupies 80 full-service contact gates and two ground loading positions on Concourses A and B, and has agreed to lease a total of 90 combined full-service contact gates and ground loading positions at the Airport. United accounted for 46.9% of passenger enplanements at the Airport for the year ended December 31, 2023.

Southwest Airlines

Southwest Airlines ("Southwest") maintains the second largest market share at the Airport. Southwest began service at the Airport in January 2006, and since that time has experienced strong and continued growth. The Airport is currently the airline's busiest station in its system in terms of total scheduled flights. In May 2022, the Airport opened 16 new gates at the east end of Concourse C and has transitioned all new gates to Southwest. As of December 31, 2023, Southwest occupies 38 full-service gates on Concourse C and has agreed to lease a total of 40 full-service gates. The Airport anticipates delivering the remaining gates to Southwest by the first quarter of 2025. Southwest accounted for 30.9% of passenger enplanements at the Airport for the year ended December 31, 2023.

Frontier Airlines

Frontier Airlines ("Frontier") maintains the third largest market share at the Airport, which is Frontier's largest station in their system. Frontier is an ultra-low-cost carrier. As of December 31, 2023, Frontier leases nine full-service contact gates on Concourse A. Frontier accounted for 9.7% of passenger enplanements at the Airport for the year ended December 31, 2023. In May 2022, a new Use and Lease agreement was entered into with Frontier. Under the Use and Lease Agreement, Frontier will lease a total of 14 ground load gates along with new hold-rooms and modifications to existing hold-rooms on Concourse A, collectively known as the "New Ground Load Facility" or "New GLF." The delivery of the 14 ground load positions was to be completed in phases. In early 2024, the Airport delivered two of the gates and Frontier commenced operations from those two gates. In mid-summer 2024, the Airport delivered an additional six gates and Frontier commenced operations from those gates. The remaining six gates are expected to be delivered by the Airport in fall 2024. The new Use and Lease Agreement will have a 10-year term effective upon Frontier operating all of the 14 ground load positions.

Delta Airlines

Delta Airlines ("Delta") had the fourth largest market share at the Airport in 2023, accounting for 4.7% of passenger enplanements. Delta does not use the Airport as a major hub. In February 2024, Delta executed a new Use and Lease Agreement with the City that extends through February 28, 2035.

American Airlines

The American Airlines Group ("American") had the fifth largest market share at the Airport in 2023, accounting for 3.5% of passenger enplanements. American does not use the Airport as a major hub.

Other Passenger Airline Information

Other than United, Southwest, Frontier, Delta, and American, no single airline accounted for more than 3.5% of passenger enplanements at the Airport in 2023.

Information on Passenger Enplanements and Related Aviation Activity

Information contained in Tables 19, 20, 21, 22, and 23 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 19

AIRPORT SYSTEM
HISTORY OF ENPLANED PASSENGERS AT THE AIRPORT
2019-2023

Year	Enplaned Passengers (millions)	Percent Change
2019	34.513	7.0%[1]
2020	16.874	(51.1)
2021	29.418	74.3
2022	34.643	17.8
2023	38.898	12.3

1 Compared to 32.259 million enplaned passengers in 2018.

(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, foreign flag airlines, regional/commuter airlines, and charter and other airlines.

TABLE 20

AIRPORT SYSTEM
ENPLANED PASSENGERS
BY AIRLINE TYPE
2019-2023

	Major/National Airlines		Foreign Flag Airlines		Regional/Commuter Airlines		Charter/Miscellaneous Airlines		Total Airlines	
Year	Enplaned Passengers	Percent Change	Enplaned Passengers	Percent Change	Enplaned Passengers	Percent Change	Enplaned Passengers	Percent Change	Enplaned Passengers	Percent Change
2019[1]	29,288,442	7.0%	675,558	6.8%	4,547,258	6.9%	1,696	60.8%	34,512,954	7.0%
2020	14,462,035	-50.6%	146,242	-78.4%	2,265,159	-50.2%	407	-76.0%	16,873,843	-51.1%
2021	25,320,437	75.1%	259,602	77.5%	3,837,432	69.4%	411	1.0%	29,417,882	74.3%
2022	30,575,591	20.8%	581,595	124.0%	3,485,519	-9.2%	153	-62.8%	34,642,858	17.8%
2023	34,986,144	14.4%	693,241	19.2%	3,218,796	-7.7%	286	86.9%	38,898,467	12.3%

1 Statistical comparisons are to 2018 data.

(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 21

AIRPORT SYSTEM
PERCENTAGE OF ENPLANED PASSENGERS
BY TRAFFIC TYPE
2019-2023

	2019	2020	2021	2022	2023
Domestic	95.4%	97.3%	96.8%	95.3%	94.8%
International	4.6%	2.7%	3.2%	4.7%	5.2%
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 22

AIRPORT SYSTEM
PERCENTAGE OF ENPLANED PASSENGERS BY AIRLINE

Airline	2019	2020	2021	2022	2023
United	32.1 %	29.0 %	31.3 %	36.9 %	39.0 %
United Express	12.6	13.1	12.6	9.5	7.9
Total United	44.7	42.1	43.9	46.4	46.9
Southwest	27.4	30.3	31.7	30.6	30.9
Frontier	12.1	14.0	11.0	9.8	9.7
Delta	4.7	4.1	4.6	4.9	4.7
American	5.3	5.2	4.9	3.8	3.5
Other[1]	5.8	4.3	3.9	4.5	4.3
Total Other	55.3	57.9	56.1	53.6	53.1
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

1 Includes other airlines with scheduled flights at the Airport.

(Source: Department of Aviation)

The following table sets forth a summary of selected aviation activity at the Airport for the most recent five-year period.

TABLE 23
SUMMARY OF SELECTED AVIATION ACTIVITY(1)
(Totals may not add due to rounding)

	2019	2020	2021	2022	2023
Enplaned Passengers (millions):					
United	11.084	4.891	9.208	12.783	15.142
United Express	4.353	2.216	3.706	3.284	3.086
Total United Group	15.436	7.107	12.915	16.067	
Southwest	9.467	5.114	9.317	10.608	18.228
Frontier	4.177	2.355	3.226	3.397	12.005
Delta	1.837	0.697	1.354	1.687	3.759
American	1.633	0.875	1.446	1.319	1.839
Other	1.963	0.725	1.161	1.565	1.719
Total	34.513	16.874	29.418	34.643	38.898
Percent Change from Prior Year	*7.0%*	*(51.1%)*	*74.3%*	*17.8%*	*12.3%*
Originating Passengers (millions):	22.259	10.032	17.322	20.398	22.060
Percent of Total Enplaned	64.5%	59.5%	58.9%	58.9%	57.2%
Connecting Passengers (millions):	12.254	6.842	12.096	14.245	16.639
Percent Connecting of Total Enplaned	35.5%	40.5%	41.1%	41.1%	42.8%
United Group Passengers:					
Percent Originating	45.1%	41.0%	40.7%	43.8%	44.4%
Percent Connecting	54.9%	59.0%	59.3%	56.2%	55.6%
Southwest Passengers:					
Percent Originating	72.5%	65.3%	62.1%	60.0%	55.1%
Percent Connecting	27.5%	34.7%	37.9%	40.0%	44.9%
Frontier Passengers:					
Percent Originating	77.5%	65.8%	74.1%	75.3%	75.0%
Percent Connecting	22.5%	34.2%	25.9%	24.7%	25.0%
Delta Airlines:					
Percent Originating	95.2%	95.0%	100.0%	100.0%	100.0%
Percent Connecting	4.8%	5.0%	0.0%	0.0%	0.0%
American Airlines:					
Percent Originating	100.0%	100.0%	100.0%	100.0%	100.0%
Percent Connecting	0.0%	0.0%	0.0%	0.0%	0.0%
Average Daily Departures:(2)					
Passenger Airlines:					
United	198	116	184	237	276
United Express	245	161	219	181	159
Southwest	194	163	204	222	264
Frontier	71	50	58	59	63
Delta	36	21	32	33	35
American	30	20	28	25	25
Other	55	30	31	38	46
Total Passenger Airlines	829	561	756	795	867
All-Cargo Airlines	31	33	35	33	28
Total	860	594	792	829	896
Percent Change from Prior Year	*6.2%*	*(30.9%)*	*33.3%*	*4.7%*	*8.1%*
Landed Weight (billion pounds):					
Passenger Airlines:					
United	11.902	6.948	10.877	14.049	16.618
United Express	4.885	3.367	4.637	3.811	3.579
Southwest	9.456	8.009	10.128	11.021	13.279
Frontier	3.866	2.724	3.241	3.249	3.566
Delta	1.865	1.174	1.849	1.890	2.001
American	1.651	1.049	1.568	1.378	1.419
Other	2.396	1.059	1.441	1.968	2.135
Total Passenger Airlines	36.021	24.330	33.741	37.365	42.597
All-Cargo Airlines	1.647	1.816	1.873	1.806	1.599
Total	37.668	26.146	35.614	39.171	44.196
Percent Change from Prior Year	*7.0%*	*-30.6%*	*36.2%*	*10.0%*	*12.8%*
Enplaned Cargo (million pounds)(3)	285.638	293.287	282.964	313.784	291.811
Percent Change from Prior Year	*10.6%*	*2.7%*	*(3.5%)*	*10.9%*	*(7.0%)*
Total Aircraft Operations (Landings/Take-Offs):					
Air Carriers	487,725	343,922	471,690	510,345	579,760
Commuter/Military/Taxi/General Aviation	152,373	98,649	122,226	105,388	82,250
Total	640,098	442,571	593,916	615,733	662,010
Percent Change from Prior Year	*6.1%*	*-30.9%*	*34.2%*	*3.7%*	*7.5%*

[Footnotes on next page]

1 This table has been updated from disclosures prior to 2022 to correct an error transposing some data between airlines.

2 2020 was a leap year and reflects daily usage based on 366 calendar days.

3 The weight of enplaned cargo does not impact the Airport's Gross Revenues. Revenue is received from cargo carriers only from landing fees and space rentals, which historically have constituted less than 3% of Gross Revenues.

(Source: Department of Aviation)

Current and Potential Litigation

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

Impact of COVID-19 on the Airport

General Description. In March 2020, the World Health Organization declared COVID-19 as a pandemic and the United States government imposed travel restrictions on domestic and international air travel. The City's declaration of public health emergency related to COVID-19 expired as of March 1, 2023. The State's emergency disaster declaration ended with the expiration of the Colorado COVID-19 Disaster Recovery order on or about May 5, 2023. The Federal government's public health emergency ended on May 11, 2023, following Congress having passed a resolution to end the COVID-19 national emergency in December 2022. Effective on May 12, 2023, non-citizen non-immigrant air passengers no longer needed to show proof of being fully vaccinated with an accepted COVID-19 vaccine to board a flight in the United States.

CARES Act. On March 27, 2020, the United States executed the Coronavirus Aid, Relief and Economic Security (CARES) Act stimulus package. Under the CARES Act, the Federal Aviation Administration (the "FAA") awarded funds to airports based on enplanements and other metrics related to cash reserves and debt service. In April 2020, the City, for and on behalf of the Airport, executed the CARES Act Grant with the FAA, and in 2020 and 2021 it received a total of $269.1 million in CARES Act Funding ("CARES Act Funds"). The Airport used the CARES Act Funds as a reimbursement of debt service payments and such funds were fully applied to reimbursement of debt service payments by the end of 2021.

Coronavirus Response and Relief Supplemental Appropriation Act. On December 27, 2020, the United States executed the Coronavirus Response and Relief Supplemental Appropriation Act (the "CRRSA Act"). Under the CRRSA Act, the FAA awarded funds to airports based on calendar year 2019 enplanements. These funds may be used for costs related to operations, personnel, cleaning sanitization, janitorial services, combating the spread of pathogens at the Airport, and debt service payments, including reimbursement of debt service. The CRRSA Act includes relief from rent and minimum annual guarantees ("MAG") for eligible airport concessions. Under the CRRSA Act, the FAA provides funding through the Airport Coronavirus Relief Grant Program (the "ACRGP").

On March 25, 2021, the City for and on behalf of the Airport, executed an ACRGP grant with the FAA and was eligible to receive a total of $48.6 million (the "ACRGP Grant"). The Airport used the ACRGP Grant funds as a reimbursement of debt service payments and such funds were fully applied to reimbursement of debt service payments by the end of 2022. On March 31, 2021, the City, for and on behalf of the Airport, executed an ACRGP Concessions Relief Addendum with the FAA and was eligible to receive a total of $7.2 million (the "ACRGP Concessions Grant"). The ACRGP Concessions Grant may be used to provide credit relief to eligible concessions based on criteria established by the FAA. A portion of these funds, up to two percent, may be used to reimburse the Airport for administrative costs. In April 2021, the Airport granted $7.1 million in credit relief to eligible concessions under this ACRGP Concessions Grant. The remaining amount, $0.1 million, is to reimburse the Airport for costs to administer the ACRGP Concessions Grant.

The American Rescue Plan Act of 2021. On March 11, 2021, the United States executed the American Rescue Plan Act of 2021 ("ARPA"), which included $8.0 billion in funds to be awarded as economic assistance to eligible U.S. airports to prevent, prepare for, and respond to COVID-19. The Airport received an award totaling $204.3 million of general grant funding, as well as an additional $28.8 million reserved for concessionaire rent relief (together known as "ARPA Funds"). In 2024, the Airport issued the $28.8 million ARPA concessionaire relief in the form of rent credits to eligible concessionaires (the Airport received the $28.8 million ARPA concessionaire relief in 2024, but it was reflected in the financial statements in 2023). Airport management determined to use the $204.3 million in the general grant funding of ARPA Funds as a reimbursement of debt service payments. As of December 31, 2021, the Airport had been reimbursed $195.2 million and recognized as non-operating revenue in 2021. In July

2022, the Airport received the remaining $9.1 million. On April 22, 2022, the City, for and on behalf of the Airport, executed the ARPA Act Irrevocably Committed Escrow Agreement (the "ARPA Act Irrevocable Escrow") to restrict all the reimbursed general grant funding under ARPA Funds solely for future application to senior and/or subordinate debt service payments and deposited the full amount of the general grant funding under the ARPA Funds into the ARPA Act Irrevocable Escrow. Approximately $101.2 million and $50.3 million of the ARPA Act Irrevocable Escrow was utilized for debt service payments in 2023 and 2022, respectively. As of December 31, 2023, approximately $59.7 million in ARPA Act Irrevocable Escrow remained available for future debt service and remaining amount is expected to be fully utilized in 2024.

The CARES Act Funds, CRRSAA Funds, and the ARPA Funds received by the Airport are collectively defined as the "Stimulus Funds."

2021 Rent Relief Policy. Issued in November 2020 and effective in January 2021, the Airport implemented relief policies ("2021 COVID-19 Relief Policies") for revenue contracts providing payment deferrals and certain fee waivers. For the signatory airlines, participants were required to maintain payment compliance through the policy term and were required to pay 75% of their fixed and variable rate billings as outlined in the Use and Lease Agreements for 2021. The remaining 25% of these billings must be paid over the next five years in equal annual installments starting in 2022 and any outstanding balance is charged interest at the U.S. Treasury Note rate set at 1.63% as of February 1, 2022. As of December 31, 2021, 15 signatory airlines were under the 2021 COVID-19 Relief Policy. As of December 31, 2023, and December 31, 2022, approximately $8.5 million and $13.6 million, respectively, of deferred payments balance remained outstanding. As of December 31, 2022, deferred payment balance was reduced by $79.3 million as some of the airlines paid the full outstanding deferred balances.

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. The Department is currently completing the projects in the 2018-2022 Capital Program and Airport management has developed and commenced execution of the 2023-2027 Capital Program (as defined below and together with the 2018-2022 Capital Program, the "Total Capital Program").

The projects included in the Total Capital Program are periodically evaluated by the Department with respect to their scope, timing, costs, availability of funding, Department cash position, any environmental issues that may arise, and other factors that might affect the implementation of the Total Capital Program. Accordingly, timing and costs of projects included in the Total Capital Program are subject to change.

In March 2024, the Department expanded the 2023-2027 Capital Program to extend the projection timeframe through 2035 with an increase in overall estimated value of approximately $9.9 billion. The new expanded and extended 2023-2035 Capital Program provides both vertical and horizontal infrastructure projects that add capacity at DEN to accommodate the projected passenger growth as well as maintain and modernize existing facilities. Some of the expansion projects include additional gates on Concourse C west, expansion of the AGTS, a consolidated rental car facility along with common transportation system, and north terminal expansion. Additional information regarding the new 2023-2035 Capital Program is available on the Department's website: https://www.flydenver.com/app/uploads/2024/03/DEN-Capital-Improvement-Plan-CIP-2023-2035.pdf. The following discussion does not incorporate the new 2023-2035 Capital Program.

2018-2022 Capital Program

The capital program for the Airport for the years 2018 through 2022 (the "2018-2022 Capital Program") included projects with a total cost of approximately $4.3 billion in the following areas of the Airport:

	in billions
Concourses A, B, and C	$2.8
Jeppesen Terminal[(1)]	1.0
Airside	0.3
Landside	0.2
TOTAL	$4.3

1 Includes phases one and two of the Great Hall Project.

(Source: Department of Aviation)

Major Projects in the 2018-2022 Capital Program

The 2018-2022 Capital Program has been fully funded, and a majority of the 2018-2022 Capital Program has been completed. There are two key projects within the 2018-2022 Capital Program currently under construction – the second phase of the Great Hall Project, and the New GLF on Concourse A (East). The second phase of the Great Hall Project generally consists of a new security checkpoint, a widened balance for more capacity and space at the new checkpoint, a new triple escalator from the security checkpoint to the train platform and installation of a new escalator on the west curbside. The second phase of the Great Hall Project was substantially complete in December 2023 and operational in February 2024. The New GLF will include five additional full-service contact gates for a total of 14 ground loading positions along with the new hold-rooms and modification to existing hold-rooms, and will be subject to lease by Frontier under its new Use and Lease Agreement. This project is expected to be completed in fall 2024.

2023-2027 Capital Program

General. The capital program for the Airport for the years 2023 through 2027 (the "2023-2027 Capital Program") includes projects with a total cost of approximately $2.9 billion in the following areas of the Airport:

	in billions
Jeppesen Terminal[(1)]	$1.6
Airside	0.6
Concourse Projects	0.5
Landside	0.2
TOTAL	$2.9

1 Includes the completion phase of the Great Hall Project.

(Source: Department of Aviation)

Major Projects in the 2023-2027 Capital Program

Jeppesen Terminal. Included in Jeppesen Terminal is the Great Hall completion phase. The completion phase consists of a full buildout of improvements to the Jeppesen Terminal and includes relocating and adding new screening lanes and a new security checkpoint with enhanced technology, the addition of new modern and spacious ticketing spaces, a new concession area, renovations to restrooms, flooring, lighting, elevators/escalators, and other critical infrastructure, and added leisure spaces for travelers. In addition, the completion phase includes the development of a new Center of Equity and Excellence in Aviation ("CEEA"). CEEA will engage, educate, empower, motivate, and provide opportunities for under-represented students and young people who are interested and passionate about careers in aviation. Other major projects in connection with the baggage handling system consist of the modernization of the existing facilities and equipment as well as other improvements, upgrades to the screening system and the replacement of existing conveyors located at the curbside.

Airside. Major projects include rehabilitation and construction 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; deicing modernization and expansion; rehabilitation and installation of lighting; certain safety area upgrades; and airfield planning studies.

Landside. Major projects include reconstruction, realignment, and widening of various sections of Peña Boulevard (both east and westbound) and associated roadways as well as the replacement of deteriorating concrete. This project includes rehabilitation of all six surface parking lot locations. Also included is the plug and abandonment of all existing oil and gas drilling wells and tank batteries and removal of all flowlines. In addition, projects under Landside include the development of an approximately 30-acre mixed-use district which may include hospitality, retail and office space under the Airport's real estate program, as well as complete replacement of the physical access control system used to restrict access throughout the Airport. This real estate development plan contemplates certain infrastructure and utility construction within Airport boundary lines as well as surrounding real estate development.

Concourses. Major projects include the remodeling of the public restrooms throughout the concourses, the conveyance replacement and passenger loading bridge programs, and replacement of Automated Guideway Transit System ("AGTS") cars.

Funding for the Capital Programs

The 2023-2027 Capital Program is expected to be funded from: (i) a portion of the proceeds of the Series 2022C-D Bonds issued by the City, for and on behalf of the Department, in November 2022, in the approximate amount of $700 million; (ii) net proceeds from future issuances of Airport System Revenue Bonds in the amount of approximately $1.3 billion which bonds may be issued as Senior Bonds and/or Subordinate Bonds depending on certain factors existing at the time of issuance;; (iii) approximately $280 million in Airport System cash; and (iv) grants-in-aid from the FAA (including under the Infrastructure Investment and Jobs Act) and the Transportation Security Administration (the "TSA") in the amount of approximately $616.3 million.

Federal Funding. On November 5, 2021, Congress passed H.R.3684 – the Infrastructure Investment and Jobs Act, and on November 13, 2021, the President executed the $1.0 trillion Bipartisan Infrastructure Bill ("BIL"). Under BIL, airports were allocated $25.0 billion over the next five years. The allocation was split into three components: $15.0 billion for the Airport Infrastructure Grant ("AIG") Program, $5.0 billion for the Airport Terminal Program ("ATP"), and $5.0 billion for FAA infrastructure assets. The AIG is formula-based funding allocated based on passenger traffic. The ATP portion is discretionarily awarded by the FAA. The Airport submitted applications for available ATP funding for Federal fiscal years 2022, 2023 and 2024. Under the ATP, the Airport has been awarded a total of approximately $97.1 million to cover both Federal fiscal years 2022 and 2023. The ATP funds are for baggage handling system modernization. The Airport was also awarded $178.6 million under the AIG for the Federal fiscal years 2022 through 2024.

CFCs. Effective January 1, 2014, the Airport imposed a CFC of $2.15 per rental car transaction day. The CFC is imposed pursuant to the provisions of Chapter 5 and Sections 5-15 and 5-16 of the DRMC. According to the DRMC, the CFC shall be established through a cost recovery methodology based on the estimated costs associated with the management of, improvements to, and expansion of the existing rental car facility area and related transportation facilities and the planning and design of future phases of the rental car program, which may include a consolidated rental car facility and possible common transportation system. The Department may seek City Council approval to amend the ordinances relating to CFCs to exclude CFCs from Gross Revenues, and the CFCs may be pledged to the payment of Special Facility Revenue Bonds or other financial instruments used to fund future phases of the rental car program.

Effective February 1, 2023, the CFC rate increased to $6.00 per rental car transaction day for all airport customers to be collected by all on-airport rental car companies. This rate also applies to the outlying locations that have qualified airport passengers.

On May 30, 2024, the Airport filed notice with the City Clerk's office under the provisions of Chapter 5 and Sections 5-15 and 5-16 of the DRMC to increase the CFC rate from $6.00 to $10.00 per rental car transaction day for all airport customers to be collected by all on-airport rental car companies. This rate also applies to the outlying locations that have qualified airport passengers. The expected effective date for the increase is September 1, 2024.

Capital Fund Balance

The amount on deposit in the Capital Fund as of December 31, 2023, was approximately \$1.116 billion. Such amount has been designated for use by the City as follows: (i) \$65.8 million for the Coverage Account (constituting Other Available Funds); and (ii) \$1.050 billion for any lawful Airport System purpose.

Outstanding Senior and Subordinate Bonds and Notes; Credit Facility Obligations Related to Senior Bonds

Senior Bonds and Subordinate Bonds have been issued to fund capital construction and maintenance of the Airport System. As of December 31, 2023, the following Senior Bonds and Subordinate Bonds were outstanding:

TABLE 24

AIRPORT SYSTEM – OUTSTANDING BONDS
As of December 31, 2023

Issue	Amount
Series 2002C Bonds[1,2]	$13,510,000
Series 2008B Bonds[1,2]	24,100,000
Series 2009B Bonds	65,290,000
Series 2009C Bonds[1,2]	45,255,000
Series 2012A Bonds	25,970,000
Series 2012B Bonds	150,315,000
Series 2012C Bonds	30,285,000
Series 2016A Bonds	126,545,000
Series 2017A Bonds	144,130,000
Series 2017B Bonds	21,280,000
Series 2019C Bonds	120,005,000
Series 2020A-1 Bonds	29,225,000
Series 2020A-2 Bonds	18,095,000
Series 2020B-1 Bonds	17,055,000
Series 2020B-2 Bonds	24,060,000
Series 2020C Bonds	387,340,000
Series 2021A Bonds[1,2]	12,100,000
Series 2021B Bonds[1,2]	10,000,000
Series 2022A Bonds	1,465,560,000
Series 2022B Bonds	175,570,000
Series 2022C Bonds	338,690,000
Series 2022D Bonds	817,810,000
Total Senior Bonds	**$4,062,190,000**
Series 2015A Bonds	$67,520,000
Series 2018A Bonds	2,261,540,000
Series 2018B Bonds	183,065,000
Series 2019A Bonds	76,330,000
Series 2023A Bonds	316,050,000
Series 2023B Bonds	270,785,000
Total Subordinate Bonds	**$3,175,290,000**
Total Outstanding Bonds	**$7,237,480,000**

1 These bonds are variable interest rate obligations that currently constitute credit facility bonds owned by certain banks. The City’s repayment obligations to the financial institutions issuing such Credit Facilities constitute Credit Facility Obligations under the Senior Bond Ordinance.

2 These credit facility Senior Bonds bear interest at a fixed spread indexed to SOFR pursuant to private placement transactions directly placed with certain banks.

(Source: Department of Aviation)

The following series of Senior Bonds were purchased by certain financial institutions pursuant to reimbursement agreements entered into with the City, for and on behalf of the Airport: Series 2002C, Series 2008B, Series 2009C, Series 2021A, and Series 2021B.

TABLE 25

CREDIT FACILITY OBLIGATIONS RELATED TO SENIOR BONDS
As of December 31, 2023

Senior Bonds	Outstanding Principal Amount	Current Interest Rate Mode	Final Maturity Date	Financial Institution	Last Day of the Initial Period[1]
Series 2002C[2]	$13,510,000	SOFR Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	4/28/2028
Series 2008B([3]	24,100,000	SOFR Indexed Floating Rate	11/15/2031	Bank of America, N.A.	7/1/2028
Series 2009C[3]	45,255,000	SOFR Indexed Floating Rate	11/15/2031	Bank of America, N.A.	4/28/2028
Series 2021A[2]	12,100,000	SOFR Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	4/28/2028
Series 2021B[2]	10,000,000	SOFR Indexed Floating Rate	11/15/2031	Banc of America Preferred Funding Corporation	4/28/2028

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

2 On April 1, 2023, the City, on behalf of the Department, amended and restated credit facility and reimbursement agreements with Banc of America Preferred Funding Corporation ("Banc of America") for the Series 2002C and Series 2021A-B Credit Facility Bonds to extend the terms through April 28, 2028, and to change the floating rate index to the Secured Overnight Financing Rate ("SOFR"), effective on the Closing Date. The Series 2002C and Series 2021A-B Closing Dates are April 28, 2023, and April 26, 2023, respectively. For additional information, see the following Electronic Municipal Market Access posting: https://emma.msrb.org/P11711423.pdf.

3 On April 1, 2023, the City, on behalf of the Department, amended and restated credit facility and reimbursement agreements with Bank of America N.A. for the Series 2009C and Series 2008B Credit Facility Bonds to extend the terms through April 28, 2028, and July 1, 2028, respectively, and to change the floating rate index to SOFR, effective on the Closing Date. The Series 2009C and Series 2008B Closing Dates are April 28, 2023 and July 1, 2023, respectively. For additional information, see the following Electronic Municipal Market Access posting: https://emma.msrb.org/P11711423.pdf.

(Source: Department of Aviation)

The Airport has no remaining outstanding derivative instruments.

Summary Financial Information

TABLE 26

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

	2019[1]	2020	2021	2022[2]	2023
Operating Revenues	$867,793	$591,810	$716,396	$930,184	$1,022,065
Operating Expenses	584,472	475,900	461,413	542,554	578,714
Operating Income Before Depreciation	283,321	115,910	254,983	387,630	443,351
Depreciation and Amortization	203,321	210,513	226,852	274,187	329,288
Operating Income	80,000	(94,603)	28,131	113,443	114,063
Non-Operating Revenues (Expenses) net	53,172	216,373	111,883	(215,198)[3]	189,368
Capital Contributions	15,301	33,773	24,814	74,107	91,141
Special Items	(65,793)				
Change In Net Assets	$82,680	$155,543	$164,828	($27,648)	$394,572

1 On August 12, 2019, the City, for and on behalf of the Department, exercised its right to terminate the Great Hall Agreement for convenience, with an effective termination date of November 12, 2019. A portion of the cost associated with the termination payments was determined not to be costs that can be capitalized, $65.8 million, and reported under the requirements of GASB 34, Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments, as a Special Item.

2 Effective in 2022, the adoption of GASB 87, Lease Accounting, required the Department to establish a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

3 The Non-Operating Revenues (Expenses) net incurred more expenses than revenue for the fiscal year ended December 31, 2022. The net expense is mostly attributed to the unrealized investment loss due to changes in fair value of investments.

(Source: Department of Aviation)

TABLE 27

HISTORICAL NET REVENUES AND DEBT SERVICE COVERAGE UNDER THE BOND ORDINANCE FOR THE FISCAL YEAR ENDED DECEMBER 31 ($ in thousands)

	2019	2020	2021	2022	2023
Gross Revenues[1,2]	$1,102,851	$748,264	$929,450	$1,182,524	$1,380,523
Operation & Maintenance Expenses	478,305	407,365	424,042	497,403	578,917
Net Revenues	624,546	340,899	505,408	685,121	801,606
Other Available Funds[3]	68,365	39,848	35,051	35,613	43,680
Total amount available for Debt Service Requirements	$692,911	$380,747	$540,459	$720,734	$845,286
Senior Bonds					
Debt Service Requirements[4]	$273,460	$159,392	$140,205	$142,452	$174,720
Debt Service Coverage[5]	253%	239%	385%	506%	484%
Senior and Subordinate Bonds[6]					
Debt Service Requirements[4]	$376,265	$252,387	$256,990	$361,349	$390,047
Debt Service Coverage[5]	184%	151%	210%	199%	217%

1 Beginning in Fiscal Year 2019 and thereafter, all Passenger Facility Charge ("PFC") revenues received by the City (net of the PFC collection fees retained by airlines) are being included in Gross Revenues for purposes of the Bond Ordinances until such time as the Manager of Finance gives written notice to the Treasurer to stop including all or a portion of PFCs in Gross Revenues.

2 These amounts exclude $21,524,769, $10,621,397, $15,585,116, $17,389,370, and $48,299,433 of CFCs received in 2019, 2020, 2021, 2022, and 2023, 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 2023 ACFR 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 Senior Bond debt service is reduced by any estimated Build America Bond subsidy payments from the United States Treasury and the Stimulus Funds that were applied to the payment of Debt Service Requirements for Senior Bonds in the amounts of $67,844,388, $72,710,325, $67,519,539, and $81,018,656 for 2020, 2021, 2022, and 2023, respectively, and Subordinate Debt Service Requirements in the amounts of $62,155,613, $66,372,545, $33,647,128, and $20,147,344 for 2020, 2021, 2022, and 2023, respectively.

5 The Airport's governing bond ordinances require that the Department's net revenues plus other available funds, as defined in the bond ordinance, be sufficient to provide debt service coverage of 125% of the annual debt service requirement on senior bonds and 110% of the aggregate annual debt service requirements on senior bonds, subordinate bonds, and junior liens.

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

(Source: Department of Aviation)

AVERAGE AIRLINE COSTS
PER ENPLANED PASSENGER

2023 Dollars
$10.75[1]

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

2023 Dollars
$11.27[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
2019	$132,484	6.9%[2]
2020	64,922	(51.0)
2021	113,500	74.8
2022	132,709	16.9
2023	145,612	9.7

---

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 $123,907 in 2018.

(Source: Department of Aviation)

CONTACTS FOR FURTHER INFORMATION

Compliance Officer for the City and County of Denver, Colorado 2024 Disclosure Statement:

Nicole Doheny
Chief Financial Officer as Manager of Finance, *Ex-Officio* Treasurer
201 W. Colfax Avenue
Denver, Colorado 80202
(720) 913-5514 (Phone)
capitalfunding@denvergov.org

Financial reports are available on the City's web site, https://denvergov.org/Home, 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
Judson Woods
Senior Capital Funding Analyst
201 West Colfax Avenue, Dept. 1010
Denver, Colorado 80202
(720) 913-5208 (Phone)
https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Department-of-Finance/Financial-Reports/Annual-Disclosure-Statements

Annual Comprehensive Financial Report (ACFR):
Jessica Chandler
Director of Accounting & Financial Reporting
201 West Colfax Avenue
Denver, Colorado 80202
(720) 913-5500 (Phone)
https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Department-of-Finance/Financial-Reports/Annual-Comprehensive-Financial-Report

Financial Statements and Supplementary Information - Airport System:
Department of Aviation - Finance
Denver International Airport
8500 Peña Boulevard
Denver, Colorado 80249-6340
(720) 730-4359 or (720) 583-5758 (Phone)
https://www.flydenver.com/about-den/governance/reports-and-financials/

Financial Statements - Board of Water Commissioners:
Denver Water Board
Angela Bricmont
Chief of Finance
1600 West 12th Avenue
Denver, Colorado 80204
(303) 628-6411 (Phone)
https://www.denverwater.org/about-us/investor-relations

Financial Statements - Denver Employees Retirement Plan:
Denver Employees Retirement Plan
Jake Huolihan, CPA
Finance and Technology Director
777 Pearl Street
Denver, Colorado 80203
(303) 839-5419 (Phone)
http://www.derp.org/index.cfm/ID/9/Publications

APPENDIX A
2023 ECONOMIC AND DEMOGRAPAHIC REPORT

(THIS PAGE LEFT INTENTIONALLY BLANK)

City and County of Denver

2023 ECONOMIC AND DEMOGRAPHIC REPORT

July 2024

TABLE OF CONTENTS

Report prepared by:

Metro Denver Economic Development Corporation
1445 Market Street, Suite 400
Denver, CO 80202
www.metrodenver.org

Questions? Contact:

Hanna Scovill, Economist & Senior Manager of Economic Competitiveness
(303) 620-8058 or hanna.scovill@metrodenver.org

Introduction

Following the COVID-19 recession of 2020, Colorado and the Denver metropolitan area recovered at a faster pace than the rest of the nation. Colorado restored all jobs lost by January 2022 and the Denver metropolitan area surpassed its pre-pandemic employment peak in December 2021, six months faster than it took the U.S. to restore employment. Even as the Federal Reserve hiked interest rates to combat rising inflation rates, the economy continued to expand in 2023. However, following the faster rate of recovery immediately after the COVID-19 recession, the Denver metropolitan area saw slower employment growth in 2023 compared with the nation on average, while employment growth across Colorado remained higher than the national average.

Employment in the Denver metropolitan area increased 2.1 percent with 37,400 jobs added in 2023, bringing total employment to 1.8 million. Eight of the 11 supersectors added jobs over-the-year, with the fastest rates of job growth occurring in the government, education and health services, and other services. The Denver metropolitan area experienced net out-migration of just over 2,700 residents in 2022, followed by a rebound of an additional 5,100 residents in 2023. These residents spent their dollars at a brisk pace in 2021 and 2022, with retail trades sales increasing 16 percent and 10 percent, respectively. However, activity tempered in 2023 as consumers responded to rising interest rates and navigated continued high rates of inflation. The residential real estate market suffered the greatest challenges of the region's economic base as home sales declined by 20.4 percent in 2022, before falling another 18.0 percent in 2023 due to rapidly rising mortgage rates and persistently high home prices. Commercial real estate fundamentals were mixed in the Denver metropolitan area in 2023, with low occupancy rates and high levels of volatility in the office market, while retail spaces reported high occupancy and strong rent growth. With strong development activity in the industrial market over the last several years, new space continued to be added in 2023. Despite an initial uptick in vacancies as new space comes online, demand in the industrial market continues to be strong.

The Denver metropolitan area is comprised of seven counties – Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson. The Denver metropolitan area economy strongly influences the economy statewide as the area accounts for 62 percent of Colorado's jobs and 56 percent of the state's total population. The City and County of Denver represents 22 percent of the total Denver metropolitan area population and 31 percent of the area's jobs, the largest portions of the seven counties in the region. Indeed, with more than 569,000 workers, the City and County of Denver has the state's largest job base and is the largest contributor to retail sales activity among the seven counties.

Population

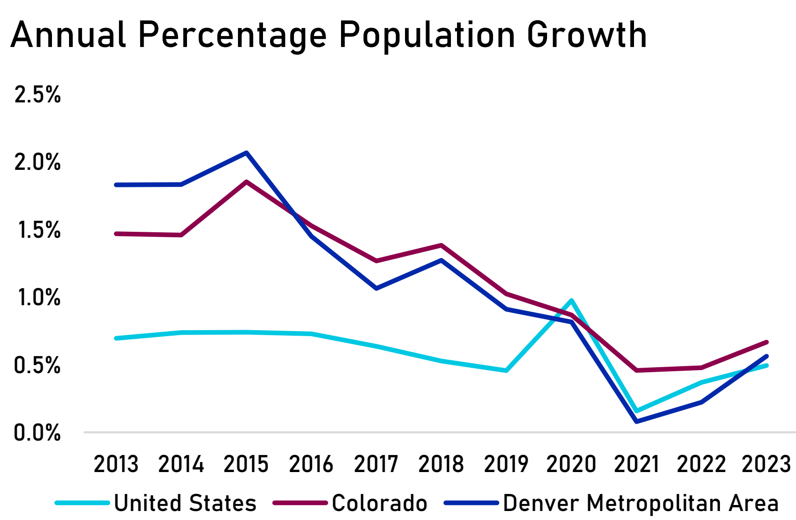
Colorado

The population in Colorado increased by 36,571 people from 2022 to 2023 to 5.88 million. According to data from the U.S. Census Bureau, Colorado ranked 9th for its population growth rate during the period. From 2013 to 2023, Colorado's population grew at an average annual rate of 1.1 percent, higher than the national average of 0.6 percent during the period. Population growth has remained consistently above the national growth rate since 1990.

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 people moving into 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 39.0 percent of Colorado's total population change between 2013 and 2023, and net migration accounted for 61.0 percent.

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

Colorado is experiencing two major demographic shifts in the state's population. First, in 2012, the largest generational group residing in the state became millennials (born 1981-1996), surpassing the baby boomers (born 1946-1964). Second, Colorado's share of the population 65 years and older is increasing rapidly. Between 2012 and 2022, the 65 years and older population increased by nearly 317,000 or an annual average growth rate of 3.9 percent. By comparison, the population under 65 years increased by 0.6 percent per year over the same period. The State Demography Office projects that by 2032, Colorado's population 65 years and older will comprise 18.8 percent of the population, rising from about 928,000 in 2022 to over 1.2 million people.



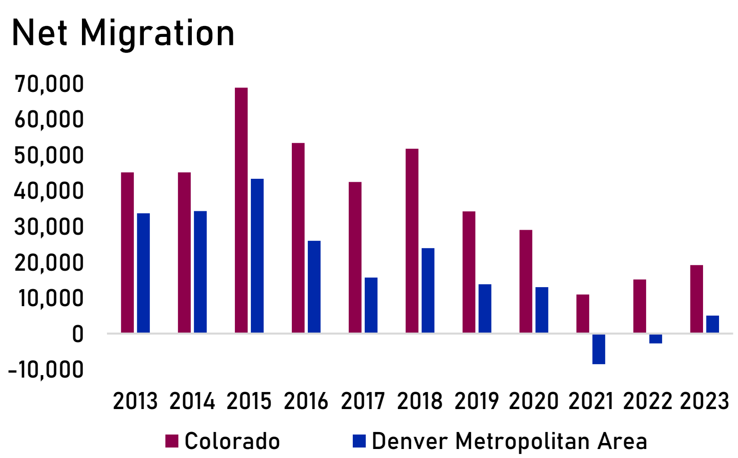
Source: Colorado Division of Local Government, Demography Section; U.S. Census Bureau

Denver Metropolitan Area

The Denver metropolitan area is home to 3.27 million people. The area's population increased 0.6 percent from 2022 to 2023 and averaged 1.0 percent growth per year between 2013 and 2023, just below the average annual growth rate in Colorado (+1.1 percent) and nearly double the national average annual growth rate (+0.6 percent).

Between 2013 and 2023, net migration represented 53.5 percent of total Denver metropolitan area population growth, and natural increase represented 46.6 percent.

However, migration patterns have varied over the last 10 years. After peaking at 69.8 percent in 2015, net migration accounted for just 49.4 percent of the area's population growth in 2020. From 2020 to 2021, the Denver metropolitan area's population increased just 0.1 percent as 8,581 more people moved out of the region than moved in, the first negative net migration for the area since 2005 and the largest net movement out of the area since 1990. Net migration was negative again in 2022, with 2,724 more people moving out of the region than moving in. Largely due to an increase in the number of deaths in 2022, natural increase slowed to its lowest rate on records going back to 1970. Net migration turned positive in 2023, with 5,011 more residents in the Denver metropolitan area compared to 2022. Jefferson and Adams counties saw the highest levels of net migration, with 6,125 more residents added in Jefferson County and 2,958 added in Adams County. By contrast, Arapahoe and Boulder counties lost the most residents, with negative net migration of 3,225 in Arapahoe County and 959 in Boulder County between 2022 and 2023.



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

Millennials are the largest generational group in the Denver metropolitan area, totaling 843,744 in 2022 and accounting for 25.9 percent of the area's population. The Denver metropolitan area is an attractive location for young professionals and working populations. Individuals ages 16 to 64 years, which are considered the prime potential working age population, made up 66.8 percent of the population in the Denver metropolitan area in 2022, while those 65 years and over accounted for 14.5 percent of the population.

Of the seven Denver metropolitan area counties, Douglas County and the City and County of Broomfield reported the fastest population growth over the past five years. Three of the seven counties reported average annual population growth rates that were either equal to or higher than the state between 2018 and 2023. The only counties to record declines in population between 2018 and 2023 were Boulder and Jefferson counties, which both fell by an average of 0.1 percent per year during the five-year period.

Denver Metropolitan Area Population by County

Area	2013	2018	2023*	2013-2018 (Annual Average)	2018-2023 (Annual Average)
Adams	469,878	511,422	533,365	1.7%	0.8%
Arapahoe	607,861	650,167	656,061	1.4%	0.2%
Boulder	310,896	328,055	326,831	1.1%	-0.1%
Broomfield	60,669	71,322	76,860	3.3%	1.5%
Denver	645,302	702,679	716,577	1.7%	0.4%
Douglas	306,327	343,267	383,906	2.3%	2.3%
Jefferson	552,236	579,821	576,366	1.0%	-0.1%
Denver Metropolitan Area	2,953,169	3,186,733	3,269,966	1.5%	0.5%
Colorado	5,270,884	5,676,913	5,877,610	1.5%	0.7%

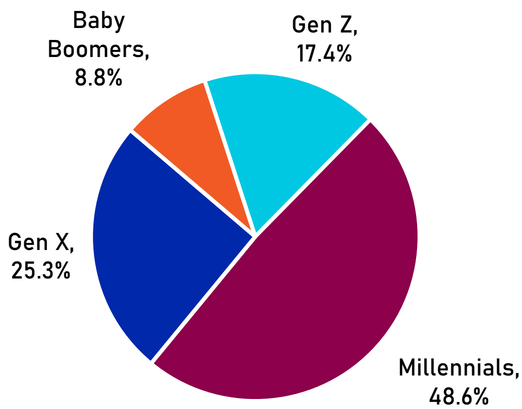
Source: Colorado Division of Local Government, Demography Section
*Source: U.S. Census Bureau

City and County of Denver

The City and County of Denver represents 21.9 percent of the total Denver metropolitan area population, the largest share of the seven counties in the region. Millennials represent the largest portion of the City and County of Denver's working age population, representing 48.6 percent of the population 16 to 64 years, or 9.7 percentage points higher than the Denver metropolitan area. The City and County of Denver has a median age of 37.1, about 0.8 years younger than the surrounding area.

Working Age Population (16-64)

City and County of Denver, 2022



Source: Colorado Division of Local Government, Demography Section

Between 2013 and 2023, total population growth averaged 1.1 percent per year. Over this 10-year period, net migration represented 43.6 percent of the population growth, while 56.5 percent was attributed to natural increase. Even though the City and County of Denver posted a 0.9 percent decline in the population from 2020 to 2021 due to negative net migration of 9,558 people, the severity of the situation lessened in 2022 and 2023 as the population increased 0.2 percent and 0.6 percent, respectively. While net migration continued to track negative in the past two years, negative net migration fell to 1,473 in 2022 and only 449 in 2023.

Employment

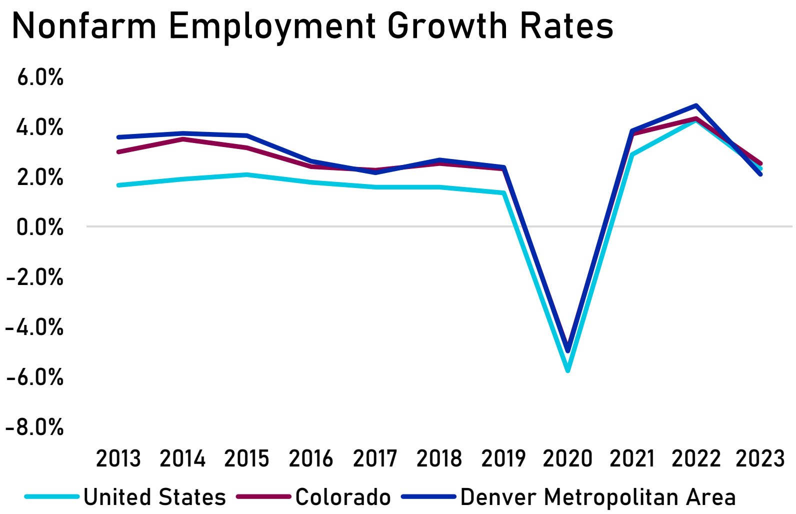
The U.S. Bureau of Labor Statistics releases employment data based on two different surveys. The household survey – also called the Current Population Survey (CPS) – reflects employment characteristics by place of residence and is the data source for statistics on labor force, employment and self-employment,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

The "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 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 2.5 percent in between 2022 and 2023, rising by 72,300 employees, to reach a total of 2.94 million.



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

This was faster than the 2.3 percent growth for the nation, but a slowdown from the rate of 4.3 percent in 2022, which was the fastest rate of growth for the state since 1995. These results demonstrate tightness in the labor market, even as the Federal Reserve continued to hike interest rates to cool the economy following rapid employment increases in 2021 and 2022 on the heels of the pandemic-induced business closures in 2020.

Nearly 59 percent of the state's total employment is concentrated in four supersectors: professional and business services, government, wholesale and retail trade, and education and health services. From 2013 through 2023, employment growth was strongest in the transportation, warehousing, and utilities industries, rising at an average annual rate of 4.4 percent, followed by professional and business services (+3.0 percent) and other services (+2.7 percent). Employment increased in eight of the 11 supersectors between 2022 and 2023, with the largest increases reported in government (+5.2 percent, +23,200 jobs) and education and health services (+4.6 percent, +16,200 jobs). The supersectors with declines in employment were information (-2.1 percent), manufacturing (-1.2 percent), and financial activities (-0.9 percent.)

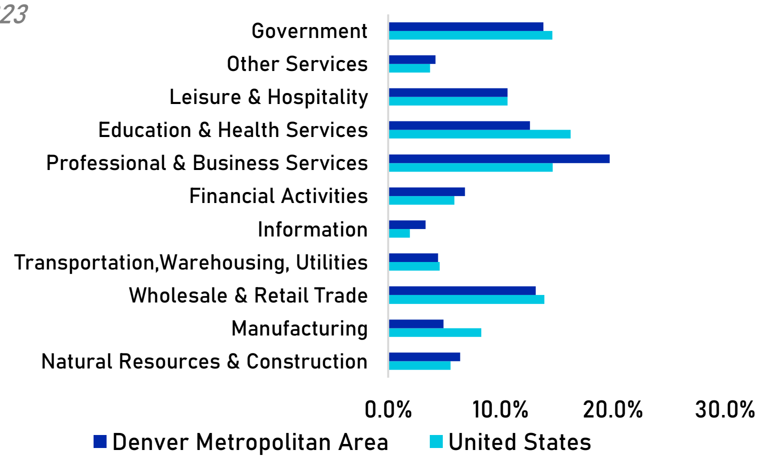
Denver Metropolitan Area

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

This 11-county region has a nonfarm employment base of 1.8 million workers, which accounted for 62.4 percent of the state's employment in 2023. Average annual employment increased 2.1 percent in 2023 compared with 2022, representing 37,400 more employees during the period. From 2013 through 2023, the region's employment growth averaged 2.3 percent per year, higher than the state average of 2.1 percent.

Nonfarm Employment Distribution by Industry

2023



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

Eight of the 11 industry supersectors in the Denver metropolitan area reported increases in employment between 2022 and 2023. Government reported the largest over-the-year increase of 5.2 percent, or the addition of 12,400 jobs, followed by education and health services (+4.2 percent, +9,400 jobs) and other services (+3.8 percent, +2,800 jobs). Information reported the largest decrease of 3.9 percent, or 2,500 jobs, followed by manufacturing (-3.1 percent, -2,900 jobs). The same as Colorado, four supersectors represented nearly 60 percent of employment throughout the Denver metropolitan area: professional and business services, government, wholesale and retail trade, and education and health services. From 2013 through 2023, employment growth was driven by transportation, warehousing, and utilities as well as natural resources and mining, posting average annual increases of 4.7 percent and 3.3 percent, respectively.

City and County of Denver

The City and County of Denver is the employment center for the Denver metropolitan area and currently accounts for 31.0 percent of the employment in the region. The Central Business District is the core of many of Denver's largest sectors such as high technology, banking, energy, and law, among a variety of other businesses. With an average of 569,132 workers in 2023, the City and County of Denver is the state's largest job base and employment increased 2.4 percent from the same period in 2022.

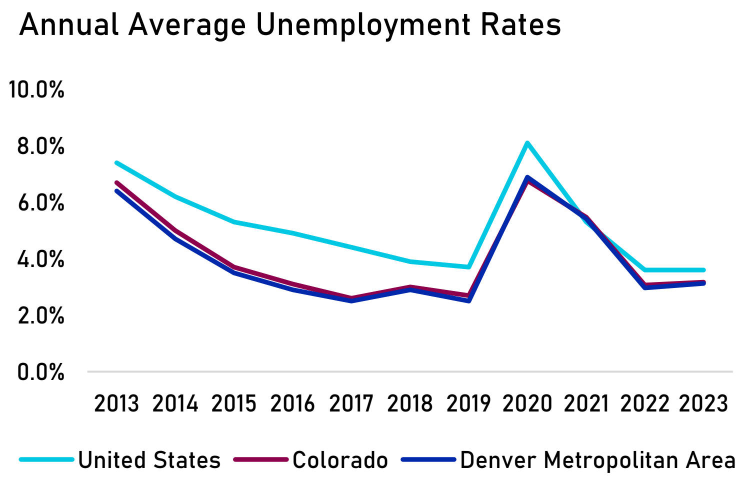
The City and County of Denver's three largest industry supersectors in 2023 were professional and business services (22.7 percent), government (12.8 percent), and education and health services (12.0 percent). Total employment increased in seven of the 11 industry supersectors from 2022 to 2023, with the largest increases in transportation, warehousing, and utilities (+7.5 percent, +2,600 jobs), leisure and hospitality (+5.7 percent, +3,600 jobs), and government (+5.3 percent, +3,700 jobs). The information supersector posted the largest decrease (-4.6 percent, -900 jobs).

Labor Force & Unemployment

The annual average U.S. unemployment rate rose to 8.1 percent in 2020, its highest point since 2012. The coronavirus pandemic upended business conditions as the unemployment rate skyrocketed to 14.4 percent in April 2020 as business restrictions introduced to combat COVID-19 resulted in company closures and severe job losses. As the economy recovered and businesses were able to reopen, national unemployment declined to an average of 3.6 percent in both 2022 and 2023, the lowest average annual rate since 1969.

Colorado

Colorado's unemployment rate averaged 3.2 percent in 2023, an increase of 0.1 percentage points from 2022, but below the national rate of 3.6 percent reported in both 2022 and 2023. The labor force throughout the state increased 1.4 percent in 2023, the third consecutive year of labor force growth following a 0.7 percent decline in 2020. Compared with the pre-pandemic labor force in 2019, there were 125,800 more people employed or looking for work in 2023.



Source: U.S. Bureau of Labor Statistics, Colorado Department of Labor

Denver Metropolitan Area

The unemployment rate in the Denver metropolitan area was 3.1 percent in 2023, up 0.1 percentage points from 3.0 percent in 2022. Prior to the COVID-19 recession, when the unemployment rate in the Denver metropolitan area reached a high of 12.0 percent in May 2020, the unemployment rate had fallen to a record-low of 2.5 percent in 2019. With the exception of 2020, the unemployment rate in the Denver metropolitan area has been at or below the statewide and nationwide rates since 2011.

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 2012, averaging 0.2 percentage points above the Denver metropolitan area over this period of time. The annual average unemployment rate in the City and

County of Denver peaked at 9.5 percent in 2010, but steadily declined each year through 2017. After a slight uptick in 2018, the unemployment rate fell to 2.6 percent in 2019, which was the lowest rate posted in the City and County of Denver based on data going back to 1984.

The unemployment rate averaged 7.6 percent in 2020 before falling to 3.1 percent in 2022. Between 2022 and 2023 the unemployment rate rose 0.2 percentage points to 3.3 percent in the City and County of Denver.

Major Employers

Nearly all private businesses in Colorado, or 99.8 percent, are considered small businesses that employ fewer than 500 workers, according to data from the U.S. Census Bureau. In the Denver metropolitan area 97.8 percent of businesses employed fewer than 100 workers. A significant share of Colorado's employment base is proprietors' employment, indicating a high level of entrepreneurial activity. In 2021, proprietors comprised 28.3 percent of the state's total employment, the sixth-highest share in the nation. Colorado has ranked among the top 10 for the share of sole proprietors since 2000.

Denver Metropolitan Area Largest Private Sector Employers, 2024

Company	Product/Service	Employment
UCHealth	Healthcare	13,500
HealthOne	Healthcare	12,053
Amazon	Distribution	11,950
Centura Health	Healthcare	11,074
Lockheed Martin	Aerospace/Aviation	11,000
Intermountain Health	Healthcare	10,221
Comcast	Broadband Communications	8,029
United Airlines	Aviation	7,589
Kaiser Permanente	Healthcare	7,178
Children's Hospital Colorado	Healthcare	7,075
Lumen Tech	Broadband Communications	5,826
UPS - United Parcel Service	Distribution	5,773
Dish Network	Broadband Communications	5,350
Southwest	Aviation	5,051
BAE Systems	Aerospace	4,726
Charter Communications	Broadband Communications	4,497
Fedex	Distribution	4,173
United Healthcare	Healthcare	3,948
University of Denver	Education	3,944
Wells Fargo	Banking	3,359

Source: Metro Denver EDC

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, 76 firms with 1,000 or more employees were operating in the Denver metropolitan area in 2021 and 38 percent of these large businesses were located in the City and County of Denver. The Denver Metro region is home to nine Fortune 500 companies including Arrow Electronics, EchoStar, and Ball Corporation.

Fortune 500 Companies, Denver Metropolitan Area, 2023

Company	Product/Service	Rank
Arrow Electronics	Manufacturing	133
EchoStar	Satellite Communications	242
Ball	Manufacturing	304
Liberty Media	Media	328
DaVita	Healthcare	341
Newmont	Mining	349
VF	Apparel	355
Qurate Retail	Media	370
Ovintiv	Energy	373

Source: Fortune Magazine

Although 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 from all levels. There are nearly 75,000 federal, state, and local government employees, 56 percent of which are local government workers. In 2022, key public employers included Denver Public Schools (15,000 employees) and the City and County of Denver (13,800 employees).

Public Sector Employment, City and County of Denver, 2022

Total Government	74,590
Federal	13,130
State	17,670
Local	41,610

Source: Bureau of Economic Analysis

International Trade

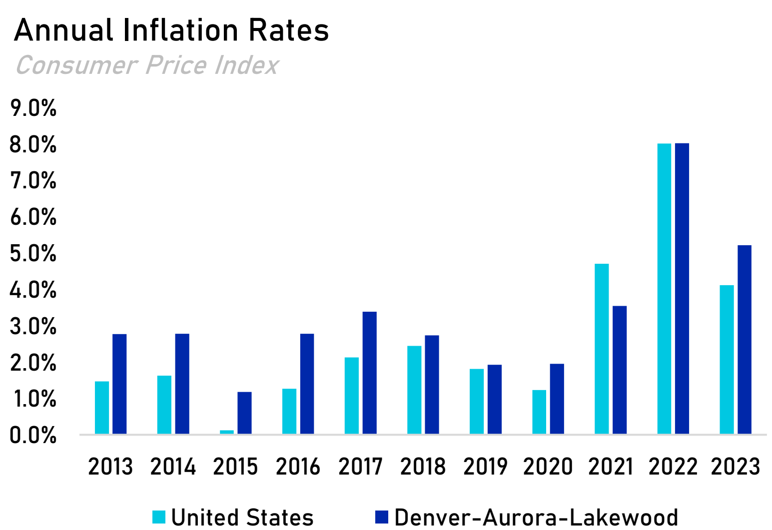
The Denver metropolitan area's central U.S. location just west of the nation's geographic center makes it a strategic choice for companies conducting international business. The area is one of the nation's premier transportation hubs located at the crossroads of major interstate highways that serve a 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.

Colorado exports totaled $10.4 billion in 2023, a 0.8 percent increase from 2022. The top five export destinations accounted for 56.0 percent of the total value of export shipments from Colorado in 2023, with the top two, Canada and Mexico, accounting for 33.4 percent alone. Canada is the state's largest export market, accounting for 17.9 percent of Colorado's exports in 2023. Mexico is the second-largest recipient of exports from Colorado, accounting for 15.5 percent of output, followed by China (8.6 percent), South Korea (7.1 percent), and Switzerland (6.9 percent).

Four key products comprised 61.7 percent of exports from Colorado in 2023, including processed foods (21.2 percent), computer and electronic products (20.2 percent), machinery (11.9 percent), and chemicals (8.4 percent). Among the top 15 export products, agricultural products, which represented 2.0 percent of all exports, reported the largest over-the-year increase of 100.7 percent in 2023, followed by electrical equipment, appliances, and components (+28.5 percent) and nonmetallic mineral products (+11.5 percent).

Inflation

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



Source: U.S. Bureau of Labor Statistics

Changes in the Denver-Aurora-Lakewood MSA CPI have often reflected changes in the national CPI. Since 2013, inflation in the Denver-Aurora-Lakewood MSA has outpaced the U.S. for all years except 2021. The rapid increase in home prices in the Denver metropolitan area from 2013 to 2018 and rising medical care costs were major drivers of price increases in recent years. The housing component in the Denver-Aurora-Lakewood MSA increased at an average annual rate of 4.5 percent between 2013 and 2018, while housing costs across the U.S. rose at an average annual rate of 2.6 percent during the same period. Since 2013, prices rose a total of 38.8 percent in the Denver-Aurora-Lakewood MSA, compared with 30.8 percent across the U.S.

The nation entered a period of over-the-year price increases of 6 percent or more during the third quarter of 2021, reaching a peak increase of 9.1 percent in June 2022. Price increases have slowed consistently since that point, with national CPI increasing 3.4 percent in December 2023. The national average annual rate of inflation was 4.1 percent in 2023, down from 8.0 percent in 2022, the highest annual increase since 1981. The Denver-Aurora-Lakewood CPI also increased 8 percent from 2021 to 2022, matching the national increase and representing the highest annual price increase in the region since 1982, but average inflation in the Denver-Aurora-Lakewood MSA remained above the national average in 2023, falling to 5.3 percent.

Core inflation, which includes all items except food and energy and is a more stable indicator of price changes over time due to the volatility of food and energy prices, was 5.4 percent in the Denver metropolitan area compared with 4.8 percent nationally in 2023.

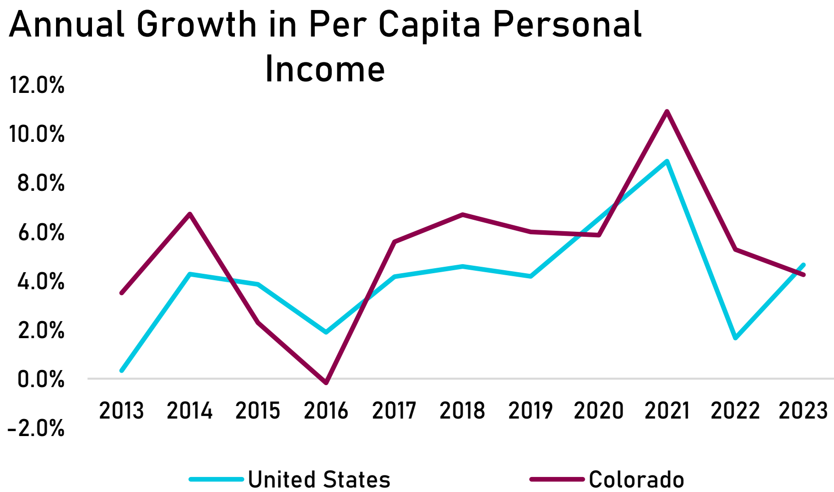
The CPI is calculated based on price changes in eight main categories of goods and services. Between 2022 and 2023, prices increased in all eight categories at the national level as well as the local level.

While inflation in 2022 was fueled by high oil and gas prices, inflation in 2023 was driven largely by housing prices, which constitutes nearly half of the CPI basket. In 2023, the housing category posted the fastest increase of the eight categories in Denver-Aurora-Lakewood (+7.8 percent), followed by food and beverage (+5.9 percent) and recreation (+5.8 percent). Nationally, the same three indexes had the fastest growth, led by housing (+6.4 percent), food and beverage (+5.7 percent), and recreation (+4.0 percent).

Income

Colorado

The largest component of personal income is earnings from work, meaning personal income trends can be affected by the labor market and wage growth. Total personal income in Colorado increased 4.9 percent from 2022 to 2023, 0.3 percentage points slower than the national rate of growth. Between 2013 and 2023, total personal income increased at an average annual rate of 6.5 percent in Colorado, 1.5 percentage points above the national average rate of 5.0 percent during the period.



Source: U.S. Bureau of Labor Statistics

National per capita personal income – or total personal income divided by population – generally increased nationally each year since 2010, with the fastest over-the-year growth recorded in 2021 (+8.9 percent) as federal and state policy responses to the pandemic resulted in a large boost to personal income. Colorado's per capita personal income increased by 10.9 percent in 2021. In 2022, per capita personal income growth fell to 1.7 percent nationally and 5.3 percent in Colorado before personal income rose 4.6 percent nationally and 4.2 percent in Colorado in 2023.

Colorado had the seventh-highest per capita personal income in the nation, averaging $78,918 in 2023, which was 15.2 percent higher than the national average of $68,514.

Total national personal income rose 5.2 percent between 2022 and 2023, while per capita personal income increased 4.6 percent over the period.

Denver Metropolitan Area

Personal income in the Denver metropolitan area grew rapidly over the past decade, generally exceeding statewide and U.S. growth rates. Total personal income increased an average of 6.8 percent per year in the Denver metropolitan area between 2012 and 2022, which was 0.3 percentage points above the statewide average growth rate and 2.2 percentage points higher than the U.S. average growth rate during the same period. From 2021 to 2022, personal income in the

Denver metropolitan area rose 6.9 percent, above the statewide growth rate of 5.8 percent and above the national growth rate of 2.0 percent.

Higher wages and salaries in the Denver metropolitan area tend to keep per capita personal income above the national average. The Denver metropolitan area per capita personal income in 2022 ($86,148) was 31.6 percent higher than the U.S. average.

City and County of Denver

Per capita personal income in the City and County of Denver is significantly higher than the U.S., averaging 147 percent of the national number between 2012 and 2022. The income differential reached its highest level in 2022, when per capita personal income in the City and County of Denver ($112,290) reached 171 percent of the national average. The 2022 value was 8.8 percent higher than the per capita personal income level of $103,180 reached in 2021, a higher increase than posted at the national, state, or Denver metropolitan area levels.

Retail Trade

National

Consumer spending accounts for about two-thirds of the nation's total economic output and is a useful indicator of overall consumer health. National retail trade sales declined significantly during the Great Recession, falling 1.1 percent in 2008 and decreasing 7.4 percent in 2009. In contrast, overall retail activity was impacted only slightly during the COVID-19 recession, increasing 0.9 percent from 2019 to 2020. Between 2020 and 2021, retail activity increased at a record 18.4 percent, bolstered by government stimulus checks, rising wages, and pent-up demand after the lockdown period in 2020, although some of the growth in retail sales can be attributed to an increase in prices as opposed to an increase in the amount of goods purchased. The change in retail trade activity moderated in 2022, but remained historically high, increasing 9.6 percent compared to 2021 retail trade activity. In 2023, retail sales growth returned to trends more consistent with pre-pandemic growth rates, rising 3.2 percent between 2022 and 2023. For comparison, average annual growth in retail trade activity was 3.6 percent between 2013 and 2019.

Amid the continued moderation in sales activity, there was a notable shift in spending by category. Between 2022 and 2023, retail trade sales increased in eight of the thirteen categories, with the largest increases reported in food services and drinking places (11.3 percent), as consumers continued dining out, even as prices continued to rise. Health and personal care stores reported the second-highest increase of 8.5 percent, followed by non-store retailers (7.9 percent), a category that includes businesses engaged in electronic shopping. The largest decline was reported in gasoline stations, reflecting declining gasoline prices, falling 11.4 percent over the year. Declines in furniture and home furnishing stores (-5.4 percent) and building materials and garden equipment stores (-3.0 percent) coincide with low home sales activity in 2023, as these purchases are often correlated with the purchase of a new home.

National Retail Trade Sales ($millions)

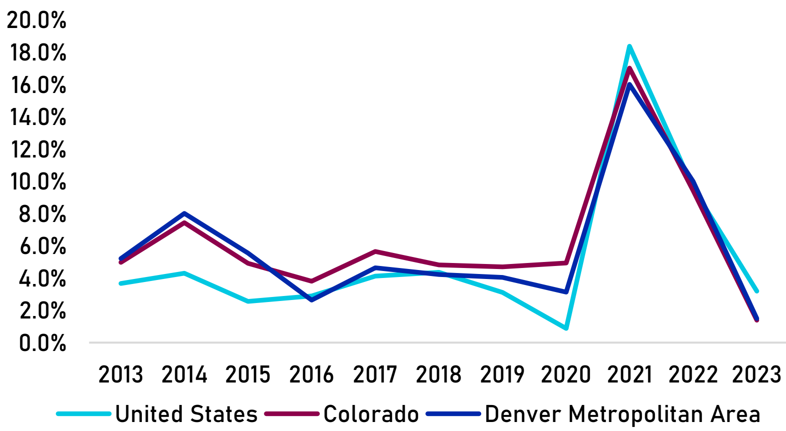
Industry	2022	2023	Percent Change
Retail Trade:			
Motor Vehicles and parts dealers	$1,530,125	$1,593,950	4.2%
Furniture and home furnishing stores	$141,261	$133,573	-5.4%
Electronics and appliance stores	$92,046	$91,422	-0.7%
Building materials/garden equipment stores	$514,478	$499,052	-3.0%
Food and beverage stores	$961,502	$985,647	2.5%
Health and personal care stores	$399,366	$433,446	8.5%
Gasoline stations	$738,645	$654,137	-11.4%
Clothing and clothing accessories stores	$307,923	$312,534	1.5%
Sporting goods, hobby, book and music stores	$102,797	$102,740	-0.1%
General merchandise stores	$852,380	$874,657	2.6%
Miscellaneous store retailers	$179,300	$184,842	3.1%
Non-store retailers	$1,275,204	$1,376,558	7.9%
Food services and drinking places	$975,918	$1,086,560	11.3%
TOTAL	**$8,070,945**	**$8,329,118**	**3.2%**

Source: U.S. Census Bureau

Colorado

Despite the pandemic's influence, retail trade sales in Colorado increased 4.9 percent from 2019 to 2020, outpacing the national sales increase by 4 percentage points. Indeed, the annual increase in retail trade sales in Colorado surpassed that of the nation each year between 2012 and 2020. In each year from 2021 to 2023, Colorado's annual increase in retail trade sales was lower than the national rate.

Annual Growth Retail Trade Sales



Source: U.S. Bureau of Labor Statistics

Similar to national trends, retail sales in Colorado increased sharply between 2020 and 2021, rising 17.0 percent as consumers used government stimulus payments to purchase more goods and less services. Sales activity moderated in 2022 to a 9.4 percent increase and moderated further in 2023, rising only 1.4 percent over the year.

Denver Metropolitan Area

Retail trade sales growth across the Denver metropolitan area outpaced national sales growth for seven of the last 10 years. The average annual growth rate from 2013 to 2023 in the area was 5.9 percent, below the state average of 6.3 percent but higher than the national average of 5.2 percent. Retail sales in 2021 increased 16.0 percent over-the-year, a slower rate of growth than the state by 1 percentage point. Similar to the U.S. and Colorado, sales activity moderated in 2022 and 2023, with year over year growth of 10.0 percent in 2022 and 1.5 percent in 2023.

Denver Metropolitan Area Retail Trade Sales ($millions)

Industry	2022	2023	Percent Change
Retail Trade:			
Motor Vehicle and Parts Dealers	$16,157	$16,628	2.9%
Building Material/Garden Equipment/Supplies Dealers	$5,791	$5,269	-9.0%
Food and Beverage Retailers	$13,147	$13,487	2.6%
Furniture/Home Furnishings/Electronics/Appliance Retailers	$4,932	$4,418	-10.4%
General Merchandise Retailers	$18,330	$19,011	3.7%
Health and Personal Care Retailers	$4,164	$4,059	-2.5%
Gasoline Stations and Fuel Dealers	$2,689	$2,546	-5.3%
Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	$3,490	$3,855	10.5%
Sporting Goods/Hobby/Musical Instrument/Book Retailers	$7,371	$7,426	0.7%
Food Services and Drinking Places	$10,025	$10,683	6.6%
TOTAL	**$86,096**	**$87,382**	**1.5%**

Source: Colorado Department of Revenue

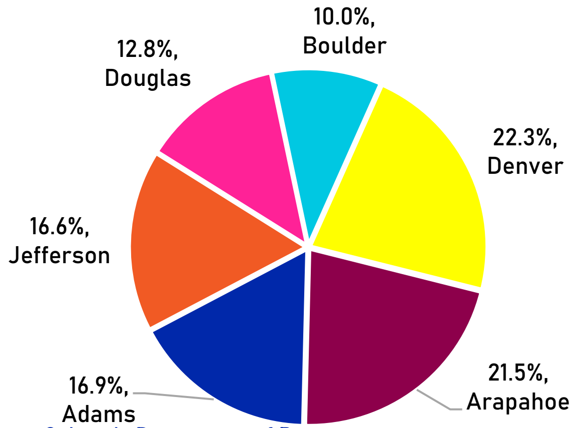
The NAICS codes that are used to track employment activity are also used to classify retail activity by industry. The NAICS codes are revised every five years, and the latest revisions resulted in multiple changes to the retail sector such that the 2022 and 2023 data by industry provided by the Colorado Department of Revenue are not comparable with prior years. The largest retail trade category in the Denver metropolitan area in 2023 was general merchandise (21.8 percent), followed by motor vehicle and parts dealers (19.0 percent) and food and beverage retailers (15.4 percent).

Six of the 10 retail industries reported growth between 2022 and 2022, the largest growth in clothing, clothing accessories, shoe, and jewelry retailers (+10.5 percent) and food service and drinking places (+6.6 percent). The largest declines were reported in furniture, home furnishings, electronics, and appliance retailers (-10.4 percent) and building materials and garden equipment and supplies dealers (-9.0 percent).

City and County of Denver

The City and County of Denver generally has the largest share of retail trade activity in the Denver metropolitan area, with the exception of 2020 and 2021, when retail sales in Arapahoe County were the highest. Due to the decline in the number of workers located in the central business district, the closure of the majority of the entertainment venues, and a general lack of visitors, especially in the downtown core, retail trade sales in the City and County of Denver declined 2.6 percent from 2019 to 2020. The City and County of Denver was the only Denver metropolitan area county to post a decline in retail trade sales in 2020. Although retail sales growth increased 16.9 percent in the City and County of Denver between 2020 and 2021, retail trade in Arapahoe County continued to post the highest share of retail activity in 2021. The City and County of Denver regained its position as the county with the highest level of retail activity in 2022 and remained on top in 2023.

Distribution of Retail Trade Sales By County
2023



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

Retail trade sales in the City and County of Denver increased 11.6 percent in 2022 and 0.7 percent in 2023. Although retail sales growth rates slowed in every county across the Metro Denver between 2022 and 2023, growth remained positive in all six of the counties tracked, with Boulder County reporting the highest growth rate of 3.6 percent.

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.

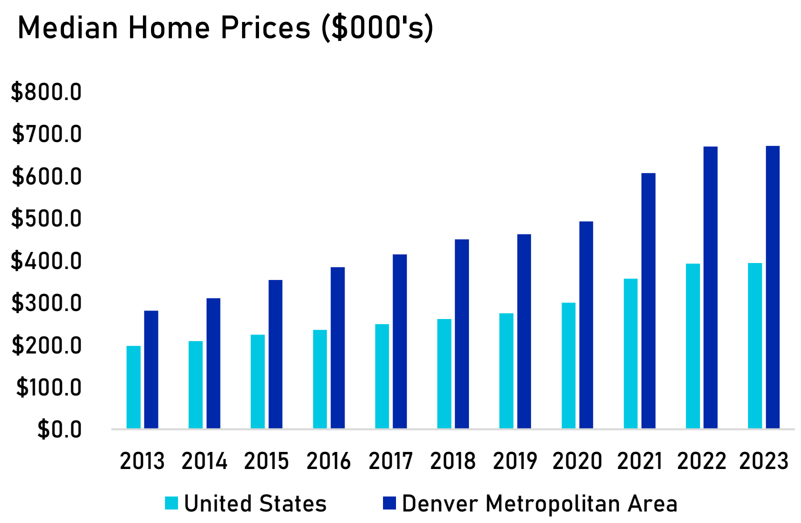
According to the U.S. Census Bureau, homeownership rates across the U.S. increased significantly from a recent annual low of 63.4 percent reported in 2016 to 66.6 percent in 2020, the highest annual rate since 2010. Since then, home ownership rates have fallen slightly to 65.9 percent in 2023. Low interest rates and the desire for more or different space due to the pandemic created strong home purchasing patterns in 2020 and 2021, but a substantial retreat in home buying patterns occurred in 2022 and 2023 due to rising mortgage rates, a continued lack of inventory, and high home prices, resulting in a decline in the home ownership rates.

The homeownership rate in Colorado was below the national level in 2020 at 64.9 percent but surpassed the nation in 2021 (65.9 percent) and in 2022 (67.4 percent). However, homeownership in the City and County of Denver tends to track below the national and state rates. After reaching a recent low of 51.9 percent in 2016, homeownership rates have generally increased every year, reaching 54.7 percent in 2022. Homeownership rates are not yet available for the state and local level for 2023.

Residential Home Prices

Home prices increased steadily from 2012 to 2020, and then posted double-digit growth throughout 2021 and most of 2022. According to the S&P/Case-Shiller Home Price Index, the national index posted over-the-year increases of 18 percent or higher from June 2021 through June 2022, peaking at 20.8 percent in March and April 2022. Price increases moderated by the end of 2022 and into 2023, before dipping into the negative in April and May of 2023. Price growth steadily rose in the second half of 2023, with the national index posting a 5.5 percent over-the-year increase in December 2023.

Among the metropolitan statistical areas included in the 20-City Composite Index, the Denver metropolitan area had the 3rd lowest home price increase over-the-year, rising 2.3 percent from December 2022 to December 2023. This represented a dramatic change from the situation in 2022 when home price appreciation rate had reached 23.6 percent in March and April 2022.



Source: National Association of Realtors

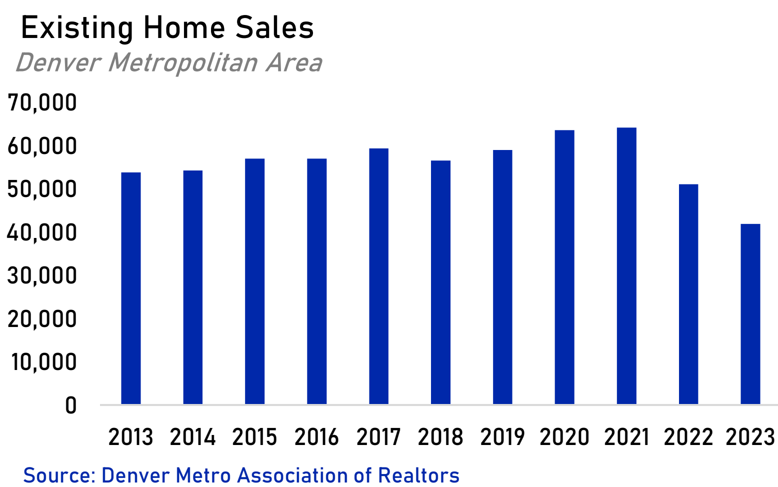
The National Association of Realtors (NAR) provides a different measure of home price appreciation. The NAR tracks median home prices each month at the national level and quarterly for metropolitan statistical areas.

According to the quarterly data series, home prices in the Denver MSA have increased every year since 2009, with the exception of 2011 when home prices fell 0.4 percent over-the-year after the

Great Recession. The median home price in the Denver MSA increased at a faster pace than the nation from 2014 to 2018, and then slowed to below the national growth rate in 2019 and 2020. Home price appreciation rates accelerated in 2021 due to supply/demand mismatches and the Denver MSA's median home price reached $607,100, up 23.2 percent from 2020. This increase outpaced the national increase of 19 percent achieved during the same time. Home price increases started to moderate in the middle of 2022, before turning negative in the first half of 2023. Despite these two quarters of depreciation, home prices increased 0.1 percent annually in 2023, rising to $671,100. The national median home price increased 0.3 percent between 2022 and 2023 reaching $393,600.

Residential Home Sales

After a brisk sales pace in 2020 when 63,516 homes traded hands, an increase of 7.8 percent from the year before, home sales in the Denver metropolitan area increased just 0.9 percent in 2021. Home sales then fell 20.4 percent in 2022 and another 18.0 percent in 2023, suggesting a contraction in supply despite strong housing demand.



Home sales totaled only 51,016 in 2022 and fell to 41,840 in 2023. Home sales were stymied by rapidly rising mortgage rates throughout 2022 and 2023 with the 30-year fixed rate mortgage averaging 5.34 percent in 2022 and 6.81 percent in 2023, up from 2.96 percent in 2021. Increasing material costs and increasing mortgage rates pushed both buyers and sellers out of the residential market in 2022 and 2023.

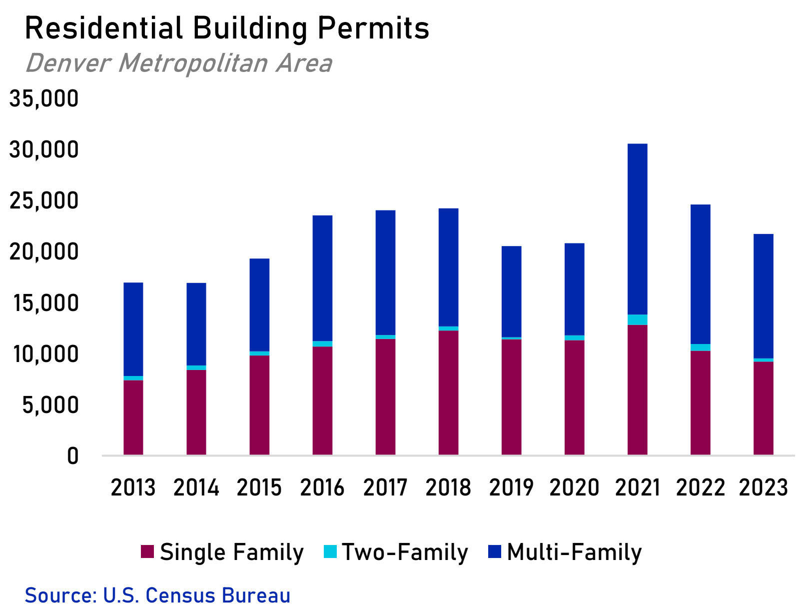
Foreclosures

The government's foreclosure moratorium and mortgage forbearance programs kept foreclosures low for most of 2020 and 2021. When the foreclosure moratorium ended August 31, 2021, the Consumer Financial Protection Bureau enacted guidelines that allowed foreclosures to resume under limited circumstances. In 2022, foreclosures in the Denver metropolitan area increased by 392.8 percent to 2,523 filings by year end, which was still 8.2 percent below the number of filings in 2019. Foreclosures fell 5.0 percent between 2022 and 2023, with 2,397 filings in the Denver metropolitan Area.

The count of new foreclosure filings reported in the City and County of Denver declined 60.8 percent from 2019 to 2020 and then fell another 49.6 percent from 2020 to 2021 to a record low of just 115 filings. As the foreclosure moratorium ended, the number of filings increased 327 percent to 491 in 2022, before rising 2.2 percent to 502 filings in 2023.

Residential Building Permits

Residential building permit activity in Colorado decreased 19.5 percent from 2022 to 2023 to an estimated 39,337 new residential units permitted in 2023. Data from the U.S. Census Bureau indicate that permits for all housing types decreased from 2022 to 2023, with single-family detached units declining 17.1 percent, single-family attached units declining 32.1 percent, and multi-family units falling 21.0 percent. Building permit activity also fell in 2022, down 13.6 percent from 2021. Material shortages and ongoing production bottlenecks as well as inflation, worker shortages, and high interest rates were major concerns for builders in both 2022 and 2023.



The number of residential units permitted in the Denver metropolitan area generally increased each year from 2013 through 2018. However, total units permitted fell 15.4 percent from 2018 to 2019 and were relatively flat from 2019 to 2020. In 2021, residential building permit activity reached a new high of more than 30,500 units.

Building permit activity in the Denver metropolitan area decreased 19.4 percent in 2022 and 11.7 percent in 2023 compared with 2021, falling to 21,682 units in 2023. Single-family detached development reported the smallest decrease, falling 10.5 percent, followed by multi-family units (-10.9 percent), and single family attached units (-48.9 percent). Over 55 percent of total residential permitting activity in the state was in the Denver metropolitan area, whereas 65.3 percent of the multi-family units permitted were located in the area.

While residential building permits were down in 2022 and 2023, permitting activity was consistent with pre-pandemic levels. According to data from the U.S. Census Bureau, Jefferson (-46.3 percent), Denver (-31.0 percent), and Douglas (-25.2 percent) counties were the only counties in the Denver metropolitan area to report a decrease in permitted units for the year. Broomfield County reported the largest increase in permitting activity, with permits issued rising by 137.4 percent from 2022 to 2023.

In the City and County of Denver, residential building permit activity peaked at 10,525 units permitted in 2017 before falling in each of the next three years. The trend reversed between 2020 and 2021, and permit activity nearly doubled from 5,059 in 2020 to 10,000 units permitted in 2021. The number of multi-family units permitted increased from 3,892 in 2020 to 8,446 in 2021, a 117 percent increase. Residential building permit activity declined 17.0 percent from 2021 to 2022 and activity decline another 31.0 percent in 2023. The 5,725 units permitted in 2023 represented the lowest level reported annually in the City and County of Denver since 2012. Permits in the City and County of Denver comprised 26.4 percent of the permit activity in the Denver metropolitan area in 2023, down from 33.8 percent in percent in 2022.

Apartment Market

For most of 2021 and the beginning of 2022, the apartment market was defined by a dramatic rise in the cost of rent across the country as demand for rental units far outpaced supply. Soaring home purchase prices added to the problem as many first-time home buyers became priced out of homebuying options and were forced to remain in the rental market. According to rent data from the CoStar Group, the national market asking rent increased 9.7 percent from the fourth quarter of 2020 to the same period in 2021. Rental prices moderated throughout 2022 as consumer confidence fell, new household formation slowed, and individuals put off moves as they waited to get a clearer economic picture. As a result, the national market asking rent increased just 3.2 percent from the fourth quarter of 2021 to the same period in 2022. Between 2022 and 2023, rent prices moderated further, rising only 1.3 percent as new supply outpaced demand and renters had more options to choose from.

The Denver Metro Apartment Vacancy and Rent Survey found that rental rates followed a similar trend in the Denver metropolitan area. Rental rates increased 15.8 percent from the fourth quarter of 2020 to the fourth quarter of 2021, rising to an average of $1,726 per month. Rental rate increases moderated to a 6.5 percent pace in the fourth quarter of 2022 and a 1.7 percent pace in the fourth quarter of 2023. Douglas County reported the highest average rental rate during the fourth quarter of 2023 of $2,006 per month and Adams County reported the lowest rental rate of $1,725 per month. Arapahoe County reported the largest over-the-year increase of 3.3 percent and the City and County of Denver reported the most modest increases of 0.5 percent, reaching an average monthly rental rate of $1,909 in the fourth quarter of 2023.

The apartment vacancy rate in the Denver metropolitan area averaged 5.8 percent in the fourth quarter of 2023, up from 5.6 percent in the year prior. Four of the six counties in the Denver metropolitan area reported over-the-year increases in vacancies, with the largest increases reported in Adams County and the Boulder/Broomfield market, which each increased 0.6 percentage points. Jefferson County reported the only decline in vacancy rate of 0.2 percentage points, while Douglas County reported no change.

Vacancy rates ranged from 5.6 percent in the Boulder/Broomfield market to 6.1 percent in Adams County, the City and County of Denver, and Douglas County. The apartment vacancy rate increased 0.5 percentage points between the fourth quarters of 2022 and 2023.

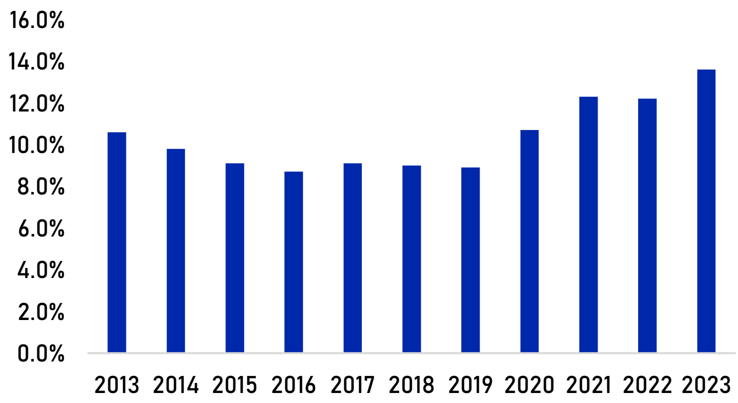
Commercial Real Estate

Office Activity

The Denver metropolitan area direct office vacancy rate remained around 9 to 10 percent between 2013 and 2020. Data from the CoStar Group showed that direct vacancy for office space increased sharply in 2021 as businesses continued their remote and hybrid work arrangements that began at the start of the pandemic and more sublease space was listed as companies evaluated their current and future space needs. The direct vacancy rate averaged 12.3 percent in the Denver metropolitan area in the fourth quarter of 2021 and 12.2 percent in the fourth quarter of 2022, up from 10.7 percent in the fourth quarter of 2020. The vacancy rate climbed to 13.6 percent throughout 2023 as remote work and the re-evaluation of space needs continued, alongside a slowdown in activity in information and finance industries, which are some of the primary users of office space.

Office Market Direct Vacancy Rates

Denver Metropolitan Area



Source: CoStar Realty Information, Inc.

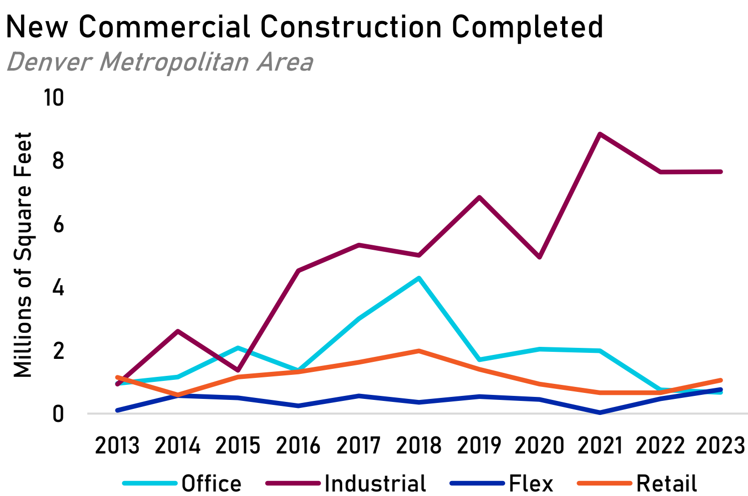
Office lease rates have generally increased since 2011, with the completion of new and class A buildings propping up lease rates, even as office vacancy rates reach near-record highs. The average lease rate increased 0.8 percent between the fourth quarters of 2022 and 2023 to $31.28 per square foot.

There were 13 office buildings completed in 2023, delivering more than 673,000 square feet to the Denver metropolitan area. This was the smallest amount of new office space added to the market since 2011. The largest office building completed was the 238,000-square-foot The Current in Denver's River North neighborhood. Despite construction continuing to taper off amid uncertainty related to future office demand, the Denver metropolitan area had 4.1 million square feet of office space in 28 buildings under construction as of the end of the fourth quarter of 2023. The largest office buildings under construction were 1900 Lawrence (720,000 SF in downtown Denver) and the

600,000-square-foot World Trade Center in northwest Denver. As has been the trend in recent years, the largest share of office construction (68.6 percent in 2023) is found in the City and County of Denver.

Industrial Activity

The industrial market in the Denver metropolitan area has been the most active commercial real estate segment due to rapid growth in e-commerce requiring the expansion of distribution space and the general health of the manufacturing sector. CoStar Group data revealed that the direct vacancy rate for the industrial market in the Denver metropolitan area increased 2.0 percentage points between the fourth quarters of 2022 and 2023 to 7.3 percent. The average lease rate increased to $10.93 per square foot, a 12.3 percent increase over the same time last year.



Source: CoStar Realty Information, Inc.

Despite strong industrial space demand, the vacancy rate increased over-the-year due to the staggering amount of new space that has been added in the Denver metropolitan area over the last few years. Across 47 industrial buildings, 7.64 million square feet of space were completed in 2023, the seventh consecutive year that 5 million square feet or more was added to the market. The largest industrial building completed was the 1.0 million square-foot Building 6 at 20500 E. Colfax Avenue in Arapahoe County.

The Denver metropolitan area's industrial construction pipeline remains robust with 8.6 million square feet of space under construction in 46 buildings as of the end of 2023. Nearly 68 percent of the industrial space under construction is located in Adams County. The largest building under construction, the 1.2 million-square-foot PepsiCo Center, is in the City and County of Denver. Of the buildings under construction, 42 are slated to be completed in 2024.

Retail Activity

Retail activity struggled in 2020 due to mass store closures and bankruptcies from national and small retailers. Even with lingering effects of the health crisis and increased challenges due to supply chain bottlenecks and worker shortages, retail activity rebounded at record levels in 2021. Consumer confidence improved considerably between 2020 and 2021 both nationally and in the Mountain Region, which includes Colorado. In the Mountain Region, consumer confidence in 2021 increased an average of 10.2 percent over the 2020 level.

Retail activity moderated in 2023 after strong growth in 2021 and 2022. In the Metro Denver region total retail sales fell 2.7 percent in 2023 compared to 2022. However, consumer confidence rebounded slightly, increasing 0.7 percent nationally and 1.4 percent in the Mountain Region in 2023. Nonetheless, the retail real estate market was regarded as the most stable market and continued to trend toward equilibrium levels of vacancy, lease rates, and new construction.

Strong population and housing growth in the Denver metropolitan area supported the retail market throughout the past ten years. In addition, many retail sites diversified their tenant mix with more experiential, entertainment, fitness, grocery, and food and beverage options. These changes helped owners and investors mitigate disruption in the market from national closures and e-commerce. The direct vacancy rate for retail space in the Denver metropolitan area rose 0.1 percentage point over-the-year to 4.1 percent in Q4 2023 and the average lease rate increased 5.3 percent to $21.30 per square foot, according to CoStar.

New retail construction activity increased in 2023, with 1.01 million square feet under construction across 82 buildings, up from 680,000 square feet across 80 buildings in 2022. An additional 41 buildings with more than 610,000 square feet of space were under construction at the end of 2023 and all are expected to be completed in 2024. Of the space under construction, Boulder County has the most with 38.5 percent of the total. The City and County of Denver ranked second with 18.9 percent of the total.

Transportation

Highways

Colorado's public transportation network includes nearly 1,000 miles of Interstate highway, about 350 miles of other freeways and expressways, and about 87,900 miles of arterials, collectors, and local roads. The Denver-Aurora area is home to almost 1.4 million auto commuters who logged 23.9 million vehicle-miles of freeway travel and over 20 million arterial street daily vehicle-miles as of 2020, according to the Texas Transportation Institute's most recent mobility data. Commuters in the Denver-Aurora area also observe 26 hours of traffic congestion annually per commuter, ranking Denver as the 16th highest level of traffic congestion among the 32 large metropolitan areas.

As of March 2024, $5.9 billion in Bipartisan Infrastructure Law funding, as enacted in the Infrastructure Investment and Jobs Act of 2021, had been announced for Colorado with over 357 specific projects identified for funding. Colorado will receive approximately $3.4 billion for transportation to invest in roads, bridges, public transit, ports, and airports and roughly $579 million for clean water.

Major transportation projects aimed at improving travel and accessibility throughout the Denver metropolitan area were either completed or underway in 2024. The Colorado Department of Transportation is tracking progress on 29 state projects in or near the Denver metropolitan area, 20 of which are interstate projects. Two of the larger projects included the I-70 Mountain Corridor and the Central 70 Project. The I-70 Mountain Corridor project includes 18 segments of construction to be completed by the end of 2025. The Central 70 Project reconstructed a 10-mile stretch of I-70 between Brighton Boulevard and Chambers Road, added one new express lane in each direction, removed the aging 57-year-old viaduct, lowered the interstate between Brighton and Colorado boulevards, and placed a 4-acre park over a portion of the lowered interstate. Final punch-list items related to the $1.2 billion Central 70 Project were completed in 2023.

Mass Transit

The Regional Transportation District (RTD), funded by a 1 percent sales tax, oversees the Denver metropolitan area's mass transit system. As of January 31, 2023, RTD operated 1,028 fixed-route transit buses, 201 light rail vehicles, 344 Access-a-Ride paratransit vehicles and Flex Ride vehicles, and 66 commuter rail vehicles on 110 rail and bus routes. The District operates 96 Park-n-Rides, 57 active rail stations on 10 rail lines (A, B, D, E, G, H, L, N, R and W), and 9,720 bus stops. In 2020, the District faced an approximate 60 percent decline in ridership as a result of the pandemic. RTD had 61.6 million boardings in 2022, compared with over 100 million in 2019.

RTD's FasTracks program is a multibillion-dollar comprehensive transit expansion plan to build 122 miles of new commuter rail and light rail, extend existing rail routes, and expand the regional bus network across the eight-county district. The first FasTracks rail line opened in 2013 (the W Line) and was followed in recent years by the A Line to Denver International Airport (DEN), the R Line in Aurora, the G Line to Arvada and Wheat Ridge, and the N Line to Thornton. In addition, the intermodal hub at Union Station in downtown Denver opened in 2014 and the Flatiron Flyer bus rapid transit service began operations in 2016. Future expansions of the rail lines depend upon funding options and include the L Line extension that will connect the existing downtown rail service to the A Line and act as a loop around downtown, the C and D Line extensions into Highlands Ranch, and the completion of the B Line to Longmont and the N Line in Thornton.

Air

Denver International Airport (DEN) is owned and operated by the City and County of Denver and is the primary airport serving the Denver metropolitan area and the state of Colorado. DEN's strategic location near the geographic center of the U.S. makes it a convenient transcontinental connecting point and is the only major hub airport within a 500-mile radius.

DEN has 23 airlines that offer nonstop service to 218 destinations, including 187 domestic airports in 45 states and 28 international destinations across 17 countries. Further, DEN was the largest hub in terms of seats for Frontier, Southwest, and United Airlines. DEN has grown from serving 31 million passengers in 1995 to 77.8 million in 2023, surpassing the number served in 2022. DEN ranked as the sixth-busiest airport in the U.S. in 2023 due to its strong domestic network and connections, according to the annual rankings issued by the Airports Council International trade group.

DEN is the largest airport site in North America and the second largest in the world with six non-intersecting runways and three concourses. DEN has the space to double its runways and facilities to serve 100 million passengers a year, with an additional 16,000 acres of land available for commercial development. To accommodate current and future passenger needs, the Gate Expansion Program completed in 2022 constructed 39 new gates across all three DEN concourses, increasing gate capacity by 30 percent. In addition, the continuing Great Hall Project is enhancing security and improving operational efficiency. The project includes ticketing/check-in space for some of the airlines, one new security checkpoint, and the development of critical infrastructure needs and expansion in Jeppesen Terminal. The entire Great Hall Project is on schedule to be completed in summer 2028 with segments opening along the way. DEN is also planning to build the Center of Equity and Excellence in Aviation to train workers in a variety of aviation-related roles and is planning the development of a consolidated rental car facility.

DEN is home to several world-class cargo movers and support facilities, including DHL, UPS, FedEx, and United Airlines cargo. Nine cargo airlines provide cargo service at DEN, handling nearly 681.5 million pounds of cargo in 2023, a 5.9 percent decrease from 2022. There are no operation curfews, making DEN a 24-hour cargo operation. The layout of the airfield and a 39-acre cargo ramp make freight handling efficient.

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

Rail

Rail infrastructure is the backbone of the Denver metropolitan area's intermodal network and serves as a critical component to help the region compete in global markets. Currently, 14 privately owned railroads operate in Colorado on 2,545 miles of track, according to the Association of American Railroads (AAR). The AAR estimated that 15.2 million tons of commodities originated on rail in Colorado and 27 million tons of commodities terminated on rail in Colorado in 2021. 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.

The primary passenger rail system in the Denver metropolitan area includes light rail, commuter rail, and intercity passenger rail. Amtrak's California Zephyr route offers area residents transportation through the Rocky Mountains west of Denver and connects Chicago to the Bay Area. The Southwest Chief route passes through Lamar, La Junta, and Trinidad, providing transportation between Chicago and Los Angeles. Amtrak also offers a seasonal transportation alternative between Denver and Winter Park Resort on the Amtrak Winter Park Express or "Ski Train." Plans are also underway for the proposed new passenger rail line connecting Fort Collins to Pueblo that could accommodate two dozen roundtrips each weekday with stops in Boulder, Denver, Castle Rock, Colorado Springs, and Fort Carson, serving a projected 6,900 riders by 2045.

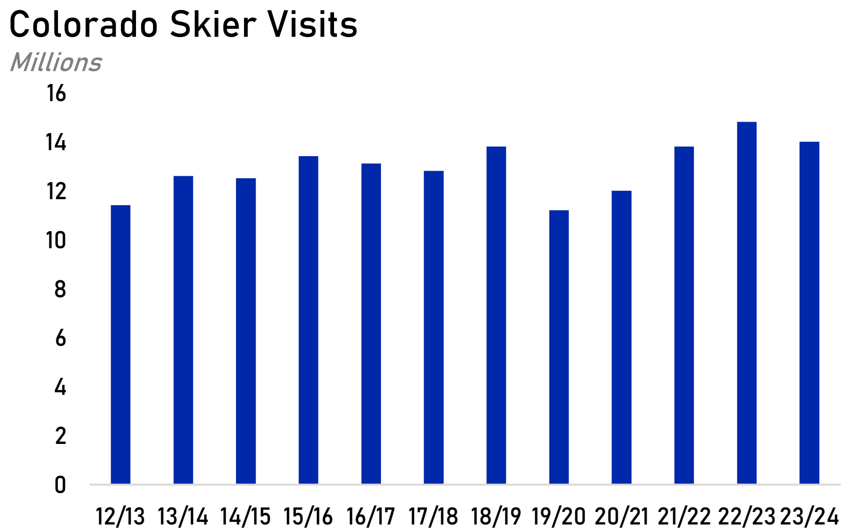
Tourism

The travel and tourism industry provides the Denver metropolitan area with vast recreational opportunities, entertainment and convention venues, and cultural attractions attract business and leisure travelers alike. With the nation's largest public parks system, 42 state parks, five national parks, and 11 world-class ski resorts in the Denver metropolitan area's backyard, prime recreation opportunities abound. The area is the cultural capital of the Rocky Mountain region and is home to the Denver Performing Arts Complex, the nation's largest arts complex under one roof. Visitors can attend symphony, ballet, opera, theatre, and touring productions throughout the area. According to the U.S. Bureau of Economic Analysis (BEA) the arts and culture industry in Colorado generated $4.9 billion in value added in 2022, up 23.2 percent from 2021.

According to Longwoods International, Denver welcomed a record 37.4 million visitors in 2023, generating $10.3 billion in tourism revenue, compared to the previous record of $9.4 billion spent in 2022. In the last two years, the Colorado Avalanche and Denver Nuggets have drawn visitors to the area, adding to the influx of people and spending. Denver entertainment and shopping areas included the Lower Downtown Historic District, the 16th Street Mall, and the Cherry Creek area. The city's top visitor attractions included Red Rocks Park & Amphitheatre, the Denver Zoo, the Downtown Aquarium, the Denver Museum of Nature and Science, the Denver Botanic Gardens, Meow Wolf, and the Denver Art Museum.

The Denver metropolitan area is world-renowned for its recreational opportunities including skiing, hiking, running, climbing, biking, and camping. The region's outdoor recreation industry contributes significantly to economic activity. In Colorado, outdoor recreation supported 125,200 workers and contributed $13.9 billion to the state's economy in 2022. Colorado ranked No. 10 among all states in outdoor recreation employment and ranked 12th among all states in outdoor recreation spending annually. According to the BEA, winter sports was the largest contributor to total outdoor activity in Colorado, representing 10.9 percent of the total.

The Denver metropolitan area is within two hours or 100 miles of 11 Colorado ski resorts. The state's 31 ski areas recorded 14 million skier visits—or the count of persons skiing or snowboarding for any part of one day—in the 2023-2024 ski season, a 5.4 percent decrease from the prior season, according to Colorado Ski Country USA. Colorado is home to some of the nation's best ski resorts and is among the top ski and snowboard states. Ski Magazine named Aspen resorts among the "Best Ski Resorts in the U.S." in 2024.

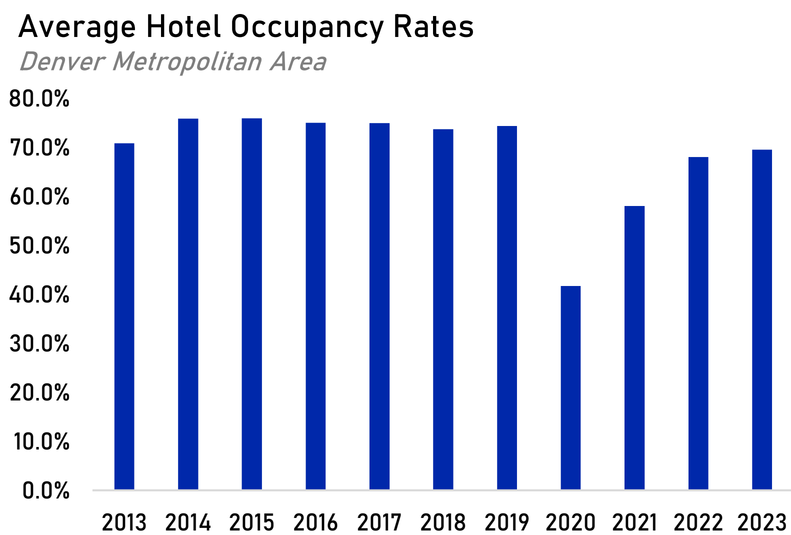


Source: Colorado Ski Country USA

Colorado and the Denver metropolitan area are popular destinations for business, leisure, and convention travel. Notable Broadway shows, concerts, cultural events, and other attractions lured significant visitors in 2023. Further, annual events such as the Great American Beer Festival, Fan Expo Denver, and the National Western Stock Show drive demand and support economic activity in the area. The National Western Stock Show annually attracts over 700,000 attendees from over 40 states and 30 countries, generating an economic impact of $170 million annually. The National Western Center redevelopment is making progress on the 246-acre site that will preserve the National Western Stock Show & Rodeo as Denver's largest event for the next 100 years and add state-of-the-art spaces for the site to be activated throughout the year.

The Colorado Convention Center, special events and sporting complexes, tourism, and major corporate office parks represent the primary sources of lodging demand in the Denver metropolitan area. The Colorado Convention Center is the eighth-most popular convention center in the U.S. based on visitor reviews in according to an October 2023 ranking by TW. The Colorado Convention Center has completed a $233 million expansion that includes a new 80,000-square-foot ballroom, lobby renovations, 150,000 square feet of meeting space, 600,000 square feet of exhibit space, and a 5,000-seat theatre. Moving forward the expansion will generate an additional $85 million in annual economic impact, which was already generating an economic impact of $700 million a year.

The pandemic significantly affected the Denver metropolitan area's lodging market. Most notably, the downtown Denver market experienced substantial losses in demand given the large presence of full-service hotels that rely heavily on meeting and group demand. 2023 showed a continued rebounding, with a nearly 70 percent occupancy rate. While this is still lower than the levels seen in the 2010s, the market is starting to see a return in business travel. Hotel occupancy throughout the Denver metropolitan area averaged 69.5 percent in 2022, up 1.5 percentage points from 68.0 percent in 2022, and 58 percent occupancy in 2021, according to the Rocky Mountain Lodging Report. Although occupancy is still lower than pre-pandemic levels, the hotel room rate rose from $151.49 per night in 2022 to $160.82 in 2023, a 6.2 percent over-the-year increase.



Source: Colorado Hotel & Lodging Association, Rocky Mountain Lodging Report

According to a U.S. News & World Report ranking released in February 2024, three Colorado hotels ranked among the top 100 luxury hotels and resorts in the nation. The Broadmoor in Colorado Springs was ranked at No. 19 in the U.S., followed by The Little Nell in Aspen (No. 22), and the Ritz-Carlton in Avon (No. 88).

Summary

Economic growth in 2023 was stronger than many had expected, as most forecasters and economists projected a recession during the year. The confident recession calls stemmed from decades-high inflation levels and attendant increases in the federal fund rates. Instead, the U.S. economy saw healthy 2.5 percent GDP growth in 2023. Consumer spending remained steady, employment growth continued - albeit at a slower pace, and inflation gradually eased.

Economic growth in the Denver metropolitan area typically outpaces that of the U.S, but this started to soften during 2023 as inflation in the Denver metropolitan area remained above the US average, driven largely by the cost of housing. Indeed, the region reported slower growth in several economic indicators including population, employment, and retail trade.

Employment in the Denver metropolitan area increased 2.1 percent in 2023, bringing total employment to 1.8 million. Growth was uneven across supersectors, with eight of the 11 supersectors reporting increases in employment between 2022 and 2023. The largest increases were reported in government, education and health services, while the largest declines were reported in the information and manufacturing supersectors. The unemployment rate rose from 3.0 percent in 2022 to 3.1 percent in 2023, a rate that remained below the national unemployment rate of 3.6 percent for both years. The low unemployment rates both nationally and locally are consistent with a tight labor market as many businesses struggled to find and retain the workers needed for efficient operations.

The Denver metropolitan area experienced net in-migration of 5,011 residents in 2023 following net out-migration of over 11,300 in 2021 and 2022, bringing the total population in the Denver metropolitan area to 3.27 million in 2023. These residents spent their dollars at a slightly higher pace in 2023, with retail trade activity rising 1.5 percent between 2022 and 2023. This is a notable slowdown in the pace of growth compared to the 16.0 percent and 10.0 percent rate of growth reported in 2021 and 2022, respectively. This tempering of retail activity in 2023 coincided with a high interest rate environment alongside high inflation, which generally outpaced wage growth causing a decrease in consumers' purchasing power.

The residential real estate market suffered some of the greatest challenges of the region's economic base as home sales declined by 18.0 percent in 2023, following a 20.8 percent in 2022. With an ongoing housing shortage in the region, Denver metropolitan area's median home price remained nearly unchanged in 2023, rising 0.1 percent from 2022, even as mortgage rates rose to a 23-year high.

Commercial real estate fundamentals were mixed in the Denver metropolitan area as office-using industries continued to assess their post-pandemic office space needs, putting upward pressure on vacancy rates. Meanwhile the retail market reported low vacancy rates alongside strong rent growth. The industrial and flex markets continued to show strength as demand for industrial space held steady, even after a third consecutive year of over 7 million square feet of new industrial space being added to the market.

A variety of transportation options and ongoing improvements to infrastructure support the region's quality of life and the needs of businesses, workers, and residents. A talented labor force combined with vibrant natural, cultural, and historical assets contribute to the attractiveness of the Denver metropolitan area as a preferred business, resident, and visitor location.

Prepared By:

Metro Denver Economic Development Corporation

Metro Denver EDC

Data Appendix

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
POPULATION (July 1)											
United States (thousands)	316,060	318,386	320,739	323,072	325,122	326,838	328,330	331,527	332,049	333,271	334,915
Colorado*	5,270,884	5,347,654	5,446,593	5,529,629	5,599,589	5,676,913	5,734,913	5,784,584	5,811,026	5,838,736	5,877,610
Denver Metropolitan Area*	2,953,169	3,007,185	3,069,273	3,113,687	3,146,741	3,186,733	3,215,705	3,241,942	3,244,493	3,251,694	3,269,966
City and County of Denver*	645,302	658,632	675,534	686,468	693,134	702,679	710,143	717,545	711,375	712,637	716,577
POPULATION GROWTH RATE											
United States	0.7%	0.7%	0.7%	0.7%	0.6%	0.5%	0.5%	1.0%	0.2%	0.4%	0.5%
Colorado*	1.5%	1.5%	1.9%	1.5%	1.3%	1.4%	1.0%	0.9%	0.5%	0.5%	0.7%
Denver Metropolitan Area*	1.8%	1.8%	2.1%	1.4%	1.1%	1.3%	0.9%	0.8%	0.1%	0.2%	0.6%
City and County of Denver*	2.0%	2.1%	2.6%	1.6%	1.0%	1.4%	1.1%	1.0%	-0.9%	0.2%	0.6%
NET MIGRATION											
Colorado*	45,109	45,062	68,844	53,295	42,395	51,761	34,161	29,011	10,965	15,145	19,167
Denver Metropolitan Area*	33,675	34,280	43,316	25,942	15,646	23,921	13,797	12,968	-8,581	-2,724	5,011
City and County of Denver*	7,333	8,236	11,860	5,984	2,027	5,036	3,264	3,827	-9,558	-1,473	-449
NONAGRICULTURAL EMPLOYMENT											
United States (millions)	136.4	138.9	141.8	144.3	146.6	148.9	150.9	142.2	146.3	152.6	156.1
Colorado (thousands)	2,380.5	2,463.6	2,541.0	2,601.7	2,660.3	2,727.3	2,790.1	2,652.7	2,750.9	2,864.9	2,905.3
Denver Metropolitan Area (thousands)	1,468.2	1,522.8	1,578.2	1,619.3	1,654.1	1,698.2	1,738.4	1,651.8	1,715.0	1,793.7	1,803.0
City and County of Denver	441,426	460,715	478,275	494,890	506,049	519,092	529,083	491,687	516,893	555,532	564,499
NONAGRICULTURAL EMPLOYMENT GROWTH RATE											
United States	1.6%	1.9%	2.1%	1.8%	1.6%	1.6%	1.3%	-5.8%	2.9%	4.3%	2.3%
Colorado	3.0%	3.5%	3.1%	2.4%	2.3%	2.5%	2.3%	-4.9%	3.7%	4.3%	2.5%
Denver Metropolitan Area	3.6%	3.7%	3.6%	2.6%	2.2%	2.7%	2.4%	-5.0%	3.8%	4.8%	2.1%
City and County of Denver	1.7%	4.4%	3.8%	3.5%	2.3%	2.6%	1.9%	-7.1%	5.1%	7.5%	2.4%

NONFARM EMPLOYMENT DISTRIBUTION BY INDUSTRY (2023)

	United States	Colorado	Denver Metropolitan Area	City & County of Denver
Natural Resources & Construction	5.5%	7.0%	6.4%	5.2%
Manufacturing	8.3%	5.1%	4.9%	3.4%
Wholesale & Retail Trade	13.9%	13.3%	13.1%	11.0%
Transportation, Warehousing, Utilities	4.6%	3.9%	4.4%	6.6%
Information	1.9%	2.6%	3.3%	3.3%
Financial Activities	5.9%	6.1%	6.8%	8.1%
Professional & Business Services	14.6%	16.9%	19.7%	22.7%
Education & Health Services	16.2%	12.6%	12.6%	12.0%
Leisure & Hospitality	10.6%	12.0%	10.6%	11.5%
Other Services	3.7%	4.3%	4.2%	3.3%
Government	14.6%	16.1%	13.8%	12.8%

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
UNEMPLOYMENT RATE											
United States	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%	3.6%	3.6%
Colorado	6.7%	5.0%	3.7%	3.1%	2.6%	3.0%	2.7%	6.8%	5.5%	3.1%	3.2%
Denver Metropolitan Area	6.4%	4.7%	3.5%	2.9%	2.5%	2.9%	2.5%	6.9%	5.4%	3.0%	3.1%
City and County of Denver	6.5%	4.8%	3.6%	3.0%	2.5%	2.9%	2.6%	7.6%	5.9%	3.1%	3.3%
CONSUMER PRICE INDEX (CPI-U, 1982-84=100)											
United States	233.0	236.7	237.0	240.0	245.1	251.1	255.7	258.8	271.0	292.7	304.7
Denver-Aurora-Lakewood	230.8	237.2	240.0	246.6	255.0	262.0	267.0	272.2	281.8	304.4	320.3
INFLATION RATE											
United States	1.5%	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%	1.2%	4.7%	8.0%	4.1%
Denver-Aurora-Lakewood	2.8%	2.8%	1.2%	2.8%	3.4%	2.7%	1.9%	2.0%	3.5%	8.0%	5.2%

Metro Denver EDC

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PERSONAL INCOME (millions, except as noted)											
United States (billions)	$14,069	$14,784	$15,474	$15,888	$16,663	$17,528	$18,356	$19,629	$21,408	$21,841	$22,966
Colorado	$247,817	$268,453	$279,696	$283,679	$303,367	$328,113	$351,373	$375,158	$417,968	$442,213	$463,852
Denver Metropolitan Area	$156,722	$170,632	$176,406	$177,569	$191,915	$208,762	$224,820	$239,422	$267,125	$285,439	N/A
City and County of Denver	$40,027	$44,888	$45,466	$43,032	$50,999	$55,200	$59,572	$62,300	$73,394	$80,091	N/A
TOTAL PERSONAL INCOME GROWTH RATE											
United States	1.1%	5.1%	4.7%	2.7%	4.9%	5.2%	4.7%	6.9%	9.1%	2.0%	5.2%
Colorado	5.0%	8.3%	4.2%	1.4%	6.9%	8.2%	7.1%	6.8%	11.4%	5.8%	4.9%
Denver Metropolitan Area	5.7%	8.9%	3.4%	0.7%	8.1%	8.8%	7.7%	6.5%	11.6%	6.9%	N/A
City and County of Denver	11.3%	12.1%	1.3%	-5.4%	18.5%	8.2%	7.9%	4.6%	17.8%	9.1%	N/A
PER CAPITA PERSONAL INCOME											
United States	$44,367	$46,258	$48,038	$48,944	$50,978	$53,311	$55,539	$59,159	$64,410	$65,476	$68,514
Colorado	$47,082	$50,244	$51,394	$51,306	$54,171	$57,794	$61,258	$64,848	$71,920	$75,708	$78,918
Denver Metropolitan Area	$52,146	$55,757	$56,478	$56,034	$59,909	$64,350	$68,678	$72,534	$80,827	$86,148	N/A
City and County of Denver	$62,142	$68,252	$67,395	$62,754	$73,644	$78,624	$83,981	$86,823	$103,180	$112,290	N/A
PER CAPITA PERSONAL INCOME GROWTH RATE											
United States	0.3%	4.3%	3.8%	1.9%	4.2%	4.6%	4.2%	6.5%	8.9%	1.7%	4.6%
Colorado	3.5%	6.7%	2.3%	-0.2%	5.6%	6.7%	6.0%	5.9%	10.9%	5.3%	4.2%
Denver Metropolitan Area	3.8%	6.9%	1.3%	-0.8%	6.9%	7.4%	6.7%	5.6%	11.4%	6.6%	N/A
City and County of Denver	9.2%	9.8%	-1.3%	-6.9%	17.4%	6.8%	6.8%	3.4%	18.8%	8.8%	N/A
RETAIL TRADE SALES (millions, except as noted)											
United States (billions)	$5,003	$5,218	$5,351	$5,506	$5,733	$5,983	$6,169	$6,223	$7,366	$8,071	$8,329
Colorado	$84,240	$90,507	$94,951	$98,568	$104,137	$109,154	$114,287	$119,916	$140,314	$153,514	$155,647
Denver Metropolitan Area	$49,299	$53,245	$56,200	$57,682	$60,352	$62,893	$65,433	$67,477	$78,274	$86,096	$87,382
City and County of Denver	$10,992	$12,409	$12,956	$13,224	$13,814	$14,527	$15,203	$14,813	$17,314	$19,315	$19,448

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
RETAIL TRADE SALES GROWTH RATE											
United States	3.7%	4.3%	2.6%	2.9%	4.1%	4.4%	3.1%	0.9%	18.4%	9.6%	3.2%
Colorado	5.0%	7.4%	4.9%	3.8%	5.6%	4.8%	4.7%	4.9%	17.0%	9.4%	1.4%
Denver Metropolitan Area	5.2%	8.0%	5.5%	2.6%	4.6%	4.2%	4.0%	3.1%	16.0%	10.0%	1.5%
City and County of Denver	5.8%	12.9%	4.4%	2.1%	4.5%	5.2%	4.6%	-2.6%	16.9%	11.6%	0.7%
MEDIAN HOME PRICE (thousands)											
United States	$197.4	$208.9	$223.9	$235.5	$248.8	$261.6	$274.6	$300.2	$357.1	$392.6	$393.6
Denver Metropolitan Area	$280.6	$310.2	$353.6	$384.3	$414.7	$449.9	$462.1	$492.7	$607.1	$670.1	$671.1
EXISTING HOME SALES											
Denver Metropolitan Area	53,711	54,183	56,900	56,936	59,253	56,509	58,902	63,516	64,108	51,016	41,840
NEW RESIDENTIAL UNITS DENVER METROPOLITAN AREA											
Single Family	7,396	8,396	9,786	10,663	11,419	12,248	11,401	11,307	12,807	10,263	9,189
Two-Family	399	440	422	532	384	400	192	451	987	654	334
Multi-Family	9,145	8,074	9,061	12,301	12,218	11,561	8,896	9,036	16,724	13,651	12,159
Total Units	16,940	16,910	19,269	23,496	24,021	24,209	20,489	20,794	30,518	24,568	21,682
OFFICE VACANCY RATE											
Denver Metropolitan Area	10.6%	9.8%	9.1%	8.7%	9.1%	9.0%	8.9%	10.7%	12.3%	12.2%	13.6%
HOTEL OCCUPANCY RATE											
Denver Metropolitan Area	70.8%	75.8%	75.9%	75.0%	74.9%	73.7%	74.3%	41.7%	58.0%	68.0%	69.5%
SKIER VISITS	**13/14**	**14/15**	**15/16**	**16/17**	**17/18**	**18/19**	**19/20**	**20/21**	**21/22**	**22/23**	**23/24**
Colorado (millions)	12.6	12.5	13.4	13.1	12.8	13.8	11.2	12.0	13.8	14.8	14.0

N/A: Not Available

*Source for 2023 Population estimates for Colorado, Denver Metropolitan Area, and the City and County of Denver is the U.S. Census Bureau. Source for all other years is Colorado Division of Local Government, Demography Section

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; National Association of REALTORS; 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.

APPENDIX B
EXECUTIVE ORDER NO. 114

(THIS PAGE LEFT INTENTIONALLY BLANK)

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

(THIS PAGE LEFT INTENTIONALLY BLANK)

APPENDIX C
2023 ABSTRACT OF ASSESSMENT

Summary of Levies and Taxes

Calculations based on net assessed valuation of $25,179,372,911 (total assessed valuation less TIF increment)

	Mill Levy		Tax Revenue
City & County of Denver			
General Fund	9.299	$	234,142,989
Bond Principal	5.044		127,004,757
Bond Interest	1.456		36,661,167
Social Services	2.423		61,009,621
Developmentally Disabled	1.008		25,380,808
Fire Pension	0.973		24,499,530
Police Pension	1.161		29,233,252
Capital Maintenance	2.515		63,326,123
Affordable Housing	0.389		9,794,776
Library	1.507		37,945,315
Total	**25.775**	**$**	**648,998,338**
School District #1			
General Fund	37.695	$	949,136,462
Bond Redemption	9.843		247,840,568
Special Revenue Mill	3.173		79,894,150
Total	**50.711**	**$**	**1,276,871,180**
Urban Drainage & Flood Control District	**1.000**	**$**	**25,179,373**
Total General Taxes	**77.486**	**$**	**1,951,048,891**
Total Special District Taxes			**154,952,745**
Grand Total of All Taxes		**$**	**2,106,001,636**
Taxes Distributed to DURA Denver Urban Renewal Authority		**$**	**97,076,110**
Tax Distributed to DDA Denver Downtown Development Authority		**$**	**35,003,005**

2024 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 10—Assessor hears protests to real property valuations.
July 15 to July 30—Assessor hears protests to business personal property valuations.
By August 26—Initial Certification of Value is sent to each taxing entity in the county.
By December 16—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 2023, the State approved the following assessment rates:

Residential Property………….......................6.70%
Non-residential……...…………………………27.90%
Renewable Energy and Agricultural…… ….26.40%

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 2024 must be paid by February 29th 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

2023

Total
Assessed Valuation
$26,952,552,320

Michael Johnston
Mayor

Keith A. Erffmeyer
Assessor

2023 Abstract of Assessment

	Total Assessed Value	Total Actual Value
Vacant Land		
Residential	$ 76,274,630	$ 273,385,770
Commercial	297,511,900	1,066,350,896
Industrial	46,784,990	167,688,136
Agricultural	77,870	279,104
All Others	67,853,020	243,200,789
Total	**$ 488,502,410**	**$ 1,750,904,695**
Residential		
Single Family	$ 7,832,888,860	$ 116,908,788,955
Condominiums	101,042,820	1,508,101,791
Duplexes/Triplexes	149,844,030	2,236,478,060
Multi Unit (4 to 8)	2,645,334,390	39,482,602,836
Multi Unit (9 & up)	1,507,561,110	22,500,912,090
Manufactured Homes	941,290	14,049,104
Total	**$ 12,237,612,500**	**$ 182,650,932,836**
Commercial		
Merchandising	$ 1,506,596,500	$ 5,399,987,455
Lodging	1,072,674,520	3,844,711,541
Offices	5,054,805,920	18,117,583,943
Recreation	161,471,750	578,751,792
Commercial Condos	316,720,100	1,135,197,491
Possessory Interest	54,909,010	196,806,487
Special Purpose	1,370,582,050	4,912,480,466
Warehouses	2,609,694,288	9,353,742,968
Total	**$ 12,147,454,138**	**$ 43,539,262,143**
Industrial		
Manufacturing	$ 215,377,640	$ 771,962,867
Total	**$ 215,377,640**	**$ 771,962,867**
Personal Property		
Residential	$ 32,704,500	$ 117,220,430
Commercial	808,860,962	2,899,143,233
Industrial	125,256,710	448,948,781
Renewable Energy	682,160	2,445,018
Total	**$ 967,504,332**	**$ 3,467,757,462**
Natural Resources		
Prod. Oil & Gas	$ 0	$ 0
Total	**$ 0**	**$ 0**
State Assessed	**$ 896,101,300**	**$ 3,211,832,616**
Grand Total	**$ 26,952,552,320**	**$ 235,392,652,619**

Exempt Properties	**Total Assessed**	**Total Actual**
Federal Government	$ 206,887,080	$ 741,530,753
State Government	575,798,649	2,077,943,085
County Government	2,326,326,006	11,457,918,486
Political Subdivision	1,920,072,331	6,906,441,734
Religious Entities	369,738,690	1,514,655,207
Private Schools	384,807,070	1,523,404,749
Charitable Entities	603,512,124	3,345,314,082
All Others	331,116,311	1,880,606,888
Total	**$ 6,718,258,261**	**$ 29,447,814,984**

Special Taxing Districts

9th Ave Metro No 2 (14)	30,994,320	35.340	1,095,339
9th Ave Metro No 3 (15)	24,439,360	12.721	310,893
2000 Holly Metro	2,385,570	60.193	143,595
Adams County/North Washington Fire	15,940,010	17.439	277,978
Aviation Station Metro No 2	13,661,920	61.505	840,276
Aviation Station Metro No 3	10,741,200	65.106	699,317
Aviation Station Metro No 4	370	13.000	5
Aviation Station Metro No 5	4,980,170	10.000	49,802
Belleview Station Metro No 2	140,984,910	33.000	4,652,502
Bluebird BID	16,767,750	10.000	167,678
Boulevard at Lowry Metro	13,223,450	25.000	330,586
Bowles Metro	44,244,710	40.000	1,769,788
Broadway Park North Metro No 2	37,657,140	56.347	2,121,867
Broadway Park North Metro No 3	7,119,310	17.430	124,090
Broadway Station Metro No 2 (16)	10,938,770	67.562	739,045
Broadway Station Metro No 3 (17)	16,748,050	67.562	1,131,532
CCP Metro No 1 (18)	7,215,010	34.600	249,639
Central Platte Valley Metro (4)	379,914,490	19.000	7,218,375
Central Platte Valley Metro (debt)	107,105,280	7.000	749,737
Cherry Creek North BID	499,812,530	17.642	8,817,693
Cherry Creek Subarea BID (3)	103,764,710	0.144	14,942
Clear Creek Valley Water/Sanitation	1,162,080	2.649	3,078
Colfax BID	97,225,640	10.098	981,785
Colo. Int. Center Metro No 13	7,061,460	105.924	747,978
Colo. Int. Center Metro No 14	57,195,910	79.172	4,528,315
Denargo Market Metro No 2	46,161,570	50.675	2,339,238
Denargo Market Metro No 3	13,231,510	49.394	653,557
Denver Connection West Metro	20,372,870	97.488	1,986,110
Denver Gateway Center Metro	27,586,300	56.176	1,549,688
Denver Gateway Meadows Metro	4,629,890	51.971	240,620
Denver High Point at DIA Metro	8,890	15.591	139
Denver Intl. Business Center Metro No 1	75,617,210	48.893	3,697,152
DUS Metro No 2 (5)	128,085,400	23.243	2,977,089
DUS Metro No 3 (6)	9,138,370	22.701	207,450
Ebert Metro	164,914,670	45.660	7,530,004
Ebert Metro (debt)	20,318,080	22.330	453,703
Fairlake Metro	42,490,410	6.184	262,761
Federal Boulevard BID	11,908,850	7.000	83,362
First Creek Village Metro	14,971,450	85.111	1,274,235
Five Points BID (13, 19, 20, 21)	34,676,210	10.000	346,762
Gateway Regional Metro	240,403,770	16.000	3,846,460
Gateway Village GID	38,424,510	10.000	384,245
Goldsmith Metro	432,176,880	7.124	3,078,828
GVR Metro	162,902,200	12.000	1,954,826
Holly Hills Water /Sanitation	39,101,620	2.716	106,200
Loretto Heights Metro No 1	4,750	15.592	74
Loretto Heights Metro No 2	1,032,460	67.562	69,755
Loretto Heights Metro No 3	6,339,190	67.918	430,545
Loretto Heights Metro No 4	2,707,460	67.562	182,921
Market Station Metro No 1 (7)	28,410,260	15.000	426,154
Midtown Metro	49,661,980	40.000	1,986,479
Mile High Business Center Metro	41,374,600	26.391	1,091,917
North Washington Street Water/Sanitation	15,940,010	0.574	9,150
Old South Gaylord BID	12,511,620	4.294	53,725
Prologis Central Park Business Center Metro	149,819,770	20.000	2,996,395
RiNo BID (8 & 10)	687,680,400	4.000	2,750,722
RiNo GID (9 & 11)	406,283,900	4.000	1,625,136
River Mile Metro No 2	23,978,380	41.193	987,741
River Mile Metro No 3	1,764,030	62.218	109,754
Sand Creek Metro	55,621,100	21.200	1,179,167
Sand Creek Metro (debt)	26,637,710	15.200	404,893
Section 14 Metro	10,449,830	11.000	114,948
Sheridan Sanitation No. 2	835,580	0.420	351
South Sloan's Lake Metro No 2 (12)	49,986,290	38.444	1,921,673
Southeast Public Improvement Metro	420,420,740	1.806	759,280
Sun Valley Denver GID	3,969,470	6.000	23,817
Town Center Metro	525,410	53.150	27,926
Town Center Metro Subdistrict No 1	8,829,410	53.000	467,959
Town Center Metro Subdistrict No 2	15,981,000	53.000	846,993
Town Center Metro Subdistrict No 3	7,034,460	55.000	386,895
Town Center Metro Subdistrict No 4	5,441,900	53.000	288,421
Town Center Metro Subdistrict No 5	4,509,860	59.404	267,904
Valley Sanitation	26,579,270	2.353	62,541
West Globeville Metro No 1	15,353,880	51.998	798,371
West Globeville Metro No 2	30	51.998	2
West Lot Metro No 1	60,637,180	8.000	485,097
West Lot Metro No 2	8,905,540	31.357	279,251
Westerly Creek Metro (2)	945,050,640	66.852	63,178,525
Total			**$ 154,952,745**

(1) $2,803,883 of the tax for Prologis Central Park Business is distributed to Stapleton TIF
(2) $59,119,431 of the tax for Westerly Creek Metro is distributed to Stapleton TIF
(3) $11,845 of the tax for Cherry Creek Subarea BID is distributed to Denver Union Station DDA
(4) $5,216,568 of the tax for Central Platte Valley is distributed to Denver Union Station DDA
(5) $2,533,914 of the tax for DUS Metro No 2 is distributed to Denver Union Station DDA
(6) $176,569 of the tax for DUS Metro No 3 is distributed to Denver Union Station DDA
(7) $362,716 of the tax for Market Station No 1 is distributed to Denver Union Station DDA
(8) $5,465 of the tax for RiNo BID is distributed to Ironworks Foundry TIF (Phase I)
(9) $5,465 of the tax for RiNo GID is distributed to Ironworks Foundry TIF (Phase I)
(10) $30,742 of the tax for RiNo BID is distributed to Ironworks Foundry TIF (Phase II)
(11) $30,742 of the tax for RiNo GID is distributed to Ironworks Foundry TIF (Phase II)
(12) $1,864,261 of the tax for South Sloan's Lake Metro No 2 is distributed to Saint Anthony TIF
(13) $21,687 of the tax for Five Points BID is distributed to 2560 Welton St. TIF
(14) $1,095,339 of the tax for 9th Ave Metro No 2 is distributed to 9th Ave TIF
(15) $301,893 of the tax for 9th Ave Metro No 3 is distributed to 9th Ave TIF
(16) $380,582 of the tax for Broadway Station No 2 is distributed to the Broadway and I-25 TIF
(17) $583,225 of the tax for Broadway Station No 3 is distributed to the Broadway and I-25 TIF
(18) $137,586 of the tax for CCP Metro No 1 is distributed to the Globeville Commercial TIF
(19) $2,365 of the tax for Five Points BID is distributed to 2801 Welton St. TIF
(20) $6,869 of the tax for Five Points BID is distributed to the Point Urban TIF
(21) $4,358 of the tax for the Five Points BID is distributed to the 2460 Welton St. TIF
(22) $13,277 of the tax for the RiNo BID is distributed to the 27th and Larimer TIF

Tax Increment Finance Districts

District	Base	Increment
Broadway & I-25	7.988,189	20,228,001
Colorado National Bank Bldg	1,275,014	13,197,146
Denver Union Station DDA	79,003,183	451,709,777
Emily Griffith	0	21,124,350
Fox Park	15,353,910	0
Globeville Commercial	3,240,408	3,978,802
Ironworks Foundry Phase I	969,671	1,389,729
Ironworks Foundry Phase II	513,970	8,371,230
Marycrest	0	10,400,650
Northeast Park Hill	6,558,645	11,754,565
Point Urban	0	2,131,050
Saint Anthony	1,493,402	48,493,938
Stapleton	75,027,766	1,092,764,964
Sun Valley	0	6,670
101 Broadway	456,192	901,068
414 14th Street	0	2,298,130
1840 Grant	3,131,555	6,375
2300 Welton	1,592,021	3,563,449
2460 Welton	118,472	2,931,898
2560 Welton	195,847	5,841,193
2801 Welton	219,437	236,503
3015 E Colfax	365,077	139,953
4201 E Arkansas	0	5,299,990
9th Avenue	0	55,628,420
9th & Colorado	0	10,955,570
27th & Larimer	2,115,268	6,742,802
38th & Huron	3,096,180	0
Total	**$ 202,714,207**	**$ 1,780,096,223**

(THIS PAGE LEFT INTENTIONALLY BLANK)

CITY AND COUNTY OF DENVER

SEAL