CITY & COUNTY OF DENVER | MUNICIPAL AIRPORT SYSTEM

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2020 AND 2019

PREPARED BY THE FINANCE DIVISION

DEPARTMENT OF AVIATION

AN ENTERPRISE FUND OF THE CITY & COUNTY OF DENVER

COLORADO

DENVER INTERNATIONAL AIRPORT

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Letter of Transmittal

June 25, 2021

To the Public and Fellow Employees

We are pleased to present the Comprehensive Annual Financial Report of the Municipal Airport System for the fiscal years ended December 31, 2020 and 2019. This report was prepared by the Airport's Finance Division in collaboration with other Airport personnel. These financial statements were audited by BKD, LLP, independent certified public accountants.

The letter of transmittal is designed to complement and should be read in conjunction with Management's Discussion and Analysis (MD&A). The MD&A, which immediately follows the Independent Auditor's Report, provides an introduction, overview, and analysis of the Airport financial statements.

Responsibility for the accuracy, completeness, and fairness of the presentation and disclosures included in this report rests with management. To the best of our knowledge, this report is accurate in all material respects and designed to fairly present the financial position and results of Airport operations.

Background

The Municipal Airport System is organized as a department of the City and County of Denver, Colorado (the City) and includes Denver International Airport (the Airport or DEN) and former Stapleton International Airport (Stapleton). The Airport is headed by a Chief Executive Officer who reports directly to the Mayor. In addition, the senior management team further consists of five executive vice presidents of which three positions are permanently occupied. This report was prepared by the Airport's Finance Division in collaboration with other Airport personnel to provide a better understanding of the Airport.

The Airport is an enterprise fund of the City. Enterprise funds are defined as government-owned businesses or business-type activities that are authorized to issue their own revenue bonds. Enterprise funds also receive fewer than 10% of their annual revenues in grants from all State and Local governments combined. An enterprise fund is established to account for operations that are financed and operated in a manner similar to businesses, where fees are charged to external parties to cover the costs of providing goods and services. An enterprise fund uses the accrual basis of accounting, and accordingly, revenues are recognized when earned and expenses are recognized as incurred.

Description of DEN

Situated approximately 24 miles northeast of downtown Denver, DEN is the primary air carrier airport serving the region. According to Airports Council International, in 2020, DEN was the third busiest airport in the United States and the seventh busiest in the world, serving 33.7 million passengers. DEN comprises approximately 33,800 acres (53 square miles) of land, an area twice the size of the island of Manhattan and is the second largest physical airport in the world. The passenger terminal complex is reached via Peña Boulevard, a 12-mile dedicated access road which connects Interstate 70 and intersects with E-470 toll highway. 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.

The Airport's passenger terminal complex has a landside terminal and three airside concourses, as well as cargo and general aviation facilities. The landside terminal accommodates passenger ticketing, baggage claim, concessions, and passenger screening and is flanked by roads and curbs for public and private vehicles. Automobile parking is available in public garages adjacent to the landside terminal and in surface parking lots. DEN has a total of 16,683 parking spaces in the public garages and 27,403 spaces in the surface parking lots. Spaces are also provided for employee parking. Additional passenger services include car rental facilities and ground transportation. On November 19, 2015, a new 519-room Westin hotel and conference center was opened to the public and is connected to the terminal via a public plaza. On April 22, 2016, passenger rail service to downtown Denver began via a train station in the same area.

Passengers travel between the landside terminal and three airside concourses (Concourses A, B, and C) via an underground Automated Guideway Transit System (AGTS). In addition, there is a pedestrian passenger bridge to Concourse A. The passenger terminal complex includes a landside terminal and three airside concourses with a total of 115 full-service contact gates and 24 ground loading positions.

Metro Area

The Denver Metropolitan Area (Metro Denver), with a population of more than 3.0 million, is the primary region served by DEN. Metro Denver is comprised of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties. Metro Denver is home to 11 Fortune 500 companies and was ranked #4 in "Best Places for Business and Careers" by Forbes Magazine in 2020. U.S. News and World Report also ranked Denver #2 in "Best Places to Live" in 2020.

Metro Denver's diverse employment base across various industries, central location and transformation of its transportation network has positioned it to become a key distribution hub, fostering strong economic growth and development for the region/state. Metro Denver's unemployment rate was 6.9% as of December 2020.

COVID-19 Pandemic

General Description

In 2020, an outbreak of a new strain of coronavirus spread global, including the United States. In response to the COVID-19 Pandemic (COVID-19), the U.S. government and other governments around the world issued travel restrictions and warnings. The U.S. government currently has in place mandatory face mask requirements traveling through U.S. airports through September 13, 2021. During the year, the Governor of the State of Colorado has issued executive Stay at Home and Safer at Home order. In September 2020, the Governor issued a standardized level of openness or restrictions on a county level, based on metric of disease transmission, level of local testing, and hospitalizations. The Airport is following these requirements.

Federal Stimulus

In March 2020, the United States responded to the economic impact of COVID-19 by executing the Coronavirus Aids, Relief and Economic Security (CARES) Act stimulus package. DEN was awarded $269.1 million in CARES Act funds. DEN deposited these funds into an irrevocable escrow to pay debt service for its outstanding bonds. In December 2020, in response to the slow economic recovery due to COVID-19, the United States executed the Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Act. DEN received two awards totaling $55.8 million of which $7.2 million is to provide rent relief to concessionaires. Additional Federal stimulus funds are expected in 2021 under the American Rescue Plan Act (ARPA).

Rent Relief

As passenger traffic decreased, this directly impacted the airlines, concessionaires, and rental car company's operations and revenues. In response to this, DEN provided some rent and payment relief for 2020 which carried over into 2021. This included rent payment deferrals for the airlines and a waiver of the minimum annual guarantee for the concessionaires and rental car companies.

Air Traffic

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 cities. 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. Although DEN was one of the top airports domestically and internationally for 2020, COVID-19 impacted the passenger traffic at DEN. As reported by the Department of Transportation's Bureau of Transportation Statistics (BTS), total passenger traffic at DEN was down 51.1% in 2020 from 2019, compared with a 60.0% decrease nationally. In 2020, 33.7 million passengers traveled through DEN, with approximately 59.4% originating or concluding their air journeys at DEN and 40.6% connecting to flights beyond DEN. Originating and destination traffic (O&D) decreased by 54.9% in 2020 from 2019 and connecting traffic decreased by 44.3% during the same period. As shown in the table below, as of December 31, 2020, 26 airlines provided scheduled passenger service at DEN: 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.

Scheduled Passenger Airlines Serving Denver

as of December 31, 2020

Major/National
Alaska Airlines
Allegiant Air
American Airlines
Delta Air Lines
Frontier Airlines
JetBlue Airways
Southwest Airlines
Spirit Airlines
Sun Country Airlines
United Airlines

Regional/Commuter
American Eagle
Boutique Air
Denver Air Connection
Delta Connection
United Express

Foreign Flag
Aeromexico
Air Canada
British Airways
Cayman Aiways
Copa Airlines
Edelweiss
Icelandair
Lufthansa German Airlines
Norwegian Air Shuttle
Volaris
WestJet

Airline Use & Lease Agreements

United Airlines operates under a Use and Lease agreement that extends through February 28, 2035. Southwest Airlines operates under a Use and Lease agreement, executed on March 20, 2020, that extends through February 28, 2035. All other signatory airlines operate under two-year Use & Lease Agreements which expired on December 31, 2018 but were extended through December 31, 2021. Currently, the Airport is working with the Airlines to amend the current leases which expire at the end of the year.

Airlines Rates, Fees, and Charges

The Airport utilizes a hybrid rate structure established by the Use & Lease Agreements which includes a combination of residual and compensatory rate methods based on cost recovery principles. Residual cost centers recover the full cost of operations from the airlines (e.g. airfield). Compensatory cost centers recover only the costs associated with the space that has been leased by the airlines (e.g. terminal buildings) and allows the Airport to lease vacant space to concessionaires and other tenants for non-airline revenue opportunities. These opportunities allow the Airport to generate free cash flow for reinvestment. In return, the Use & Lease Agreement has established a revenue share between the Airport and airlines, with the airlines receiving 50% of the net revenue up to a $40.0 million cap per year. In 2020, the Airport provided the airlines with $29.4 million net revenue credit and has estimated to deposit $27.5 million into the capital improvement account that can be used for any lawful airport purpose. The net revenue available for sharing for the years ended December 31, 2011 through 2020 is reflected in the table below:

Net Revenue Available for Sharing
($ in thousands)

Year	Total	Airport Share
2011	126,686	86,686
2012	121,695	81,695
2013	122,784	82,784
2014	134,612	94,612
2015	130,147	90,147
2016	112,091	72,091
2017	135,976	95,976
2018	155,892	115,892
2019	183,064	143,064
2020*	56,893	27,454

CPE is total airline revenues per total enplaned passengers. The numbers above reflect an average across all carriers. Individual airlines may have a CPE higher or lower than this based on their individual operating models.

LF is a residual based recovery of airfield cost per 1,000 lbs. of aircraft landed weight.

Note: Airport Year-End Settlement Reports

*Landing Fee and CPE are not finalized until the year-end settlement is completed

Traditionally, the overall CPE has trended downward as a result of continued enplanement growth, the effective management of airline costs, as well as changes in leased space. The effect of COVID-19 directly impacted the airlines operations which drove up the CPE for 2020. Airport management continued to reduce costs as well to maximize the use of CARES Act to minimum the impact on the airlines.

Traditionally, the landing fee has been impacted by changes in landed weight, as well as increases in airfield expenses and debt service requirements. The effect of COVID-19 directly impacted the airlines operations which drove up the landing fee for 2020. Airport management continued to reduce costs as well maximum the use of CARES Act to maximize the impact on the airlines.

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 DEN. United operates a major connecting hub at DEN under a Use & Lease Agreement with the City that expires in 2035. United currently leases 55 full-service contact gates on Concourse B and 15 ground loading positions on Concourses A and B. On February 14, 2020, United agreed to lease additional gates and, upon completion of the Concourse A and Concourse B gate expansions, will have 90 combined full-service contact gates and ground loading positions across these concourses. At DEN, United accounted for 42.1% of total passengers in 2020. On November 20, 2020 the Airport opened four new gates, all leased by United, on the west side of Concourse B as part of the Gate Expansion project.

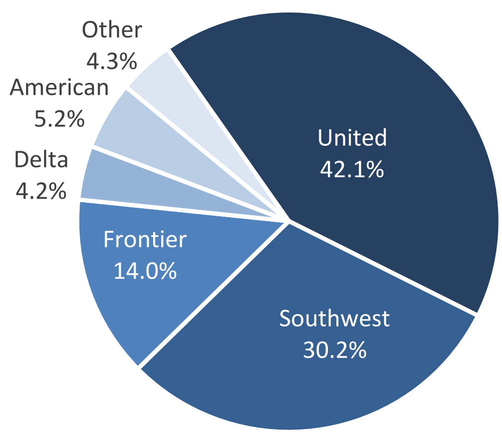
Southwest Airlines

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 now the airline's busiest station in its system, in terms of total scheduled flights. Southwest currently occupies 25 full-service contact gates on Concourse C. On March 20, 2020, Southwest agreed to lease additional gates and, upon completion of the Concourse C gate expansion, will have 40 full-service contact gates, all on Concourse C. Southwest accounted for 30.2% of total passengers in 2020.

Frontier Airlines

Frontier Airlines (Frontier) maintains the third largest market share at the Airport, which is Frontier's only hub and the busiest airport in the Frontier system. Frontier is an ultra-low-cost carrier and currently leases nine full-service contact gates on Concourse A. Frontier accounted for 14.0% of total passengers in 2020.

Airline Market Share
2020 Total Passengers



Cash Management

The Airport's cash is under the control of the City's Chief Financial Officer who invests the funds pursuant to the City's Investment Policy. As of December 31, 2020, and 2019, cash and investments totaled $2.9 billion and $3.6 billion, respectively. Current investment vehicles include U.S. agency securities, U.S. treasury securities, corporate bonds, multinational fixed income, structured products, municipal bonds, and local government investment pools. In 2020 and 2019, the City charged fees of $0.6 million and $0.6 million, respectively, to the Airport for performing the cash management function.

During the year, the Airport implemented temporary COVID-19 relief policies. The policies provided payment deferrals and some fee waivers to airline, concession, and car rental companies operating at DEN. In anticipation of decreased revenues, the Airport also implemented cost saving measures to defer non-essential contractual services and reduce service level contracts as a result or reduced passenger traffic. Additionally, the Airport instituted a hiring freeze and required furlough hours for all employees.

Accounting and Internal Control

The Airport follows accounting principles generally accepted in the United States of America applicable to governmental unit enterprise funds. Accordingly, the financial statements are prepared on the accrual basis of accounting in accordance with these accounting principles. In developing and evaluating the Airport's accounting system, consideration has been given to the adequacy of internal controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits require estimates and judgments by management.

We believe that the Airport's process of internal control adequately safeguards assets and provides reasonable assurance that financial transactions are recorded properly.

Awards

DEN is consistently named a passenger favorite and is the proud recipient of dozens of national and international awards for excellence. Notable awards include best large airport by USA Today Readers' Choice, fourth place in the J.D. Power North America Airport Satisfaction Study, and fifth World's best airport in size category by Skytrax World Airport Awards.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Airport for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. This was the 1st year that the Airport received this prestigious award. To be awarded a Certificate of Achievement, the Airport must publish an easily readable and efficiently organized financial report that meets GFOA eligibility requirements and comply with Generally Accepted Accounting Principles (GAAP). DEN believes that the current financial report will meet the Certificate of Achievement Program requirements and will submit it to the GFOA to determine the Airport's eligibility to receive a certificate for this financial report.

Acknowledgments

The preparation of this report in a timely and efficient manner is the result of, in large part, the dedicated service and professionalism of the Airport's accounting staff. We thank all members of the Airport who contributed to the preparation of the report.

Respectfully Submitted,

Kim Day
Chief Executive Officer

Sylvester Lavender
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Denver International Airport
Colorado

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

City and County of Denver – City Officials

Mayor

Michael B. Hancock

City Council

Stacie Gilmore, President

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

Auditor

Timothy M. O'Brien

Clerk and Recorder

Paul D. Lopez

Cabinet Officials

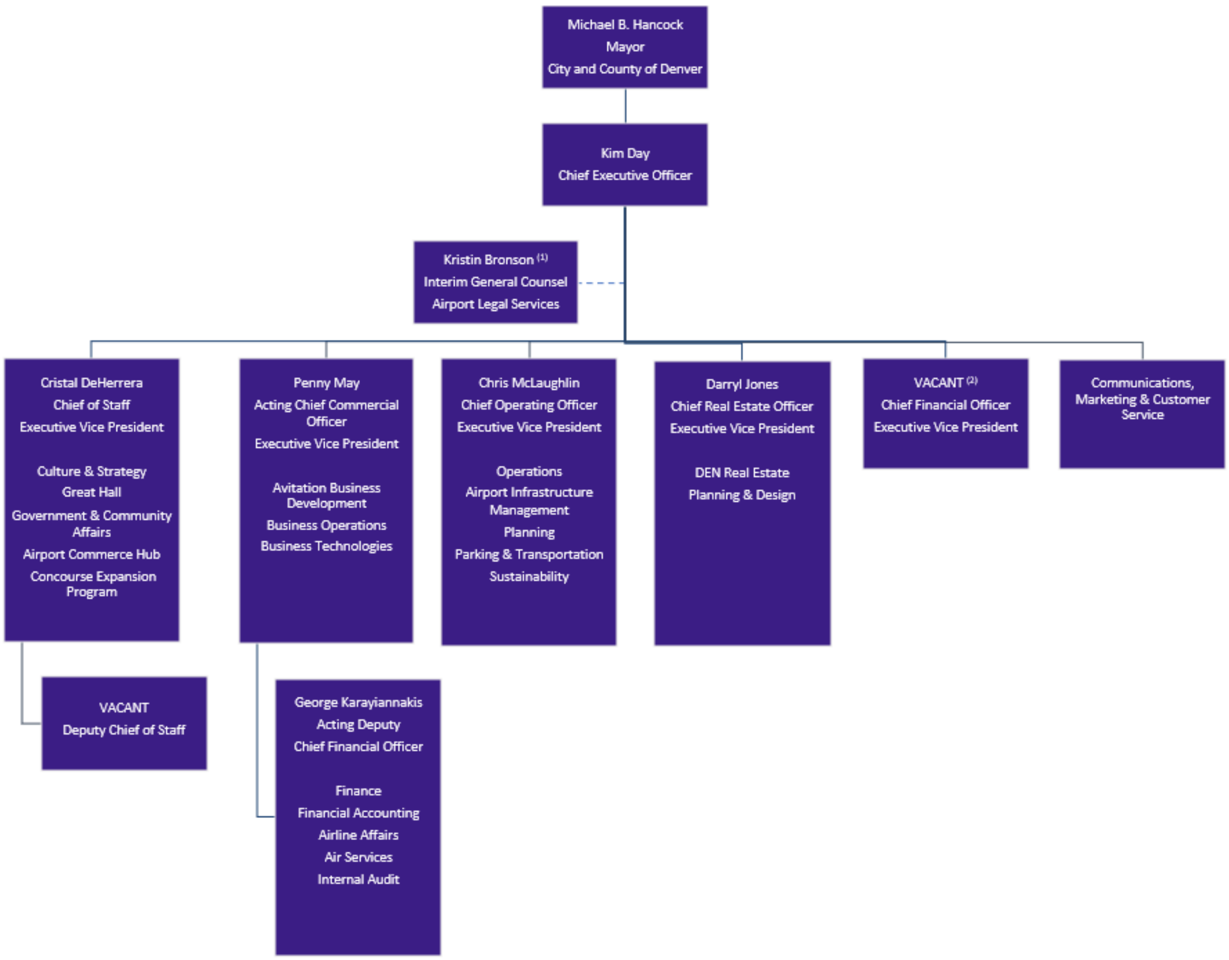
Donald J. Mares	Deputy Mayor, Executive Director of the Department of Human Services
Brendan J. Hanlon	Chief Financial Officer, as the Manager of Finance/ex officio Treasurer
Kristin M. Bronson, Esq.	City Attorney
Laura Aldrete	Executive Director of the Department of Community Planning and Development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

Department of Aviation

George Karayiannakis	Acting Deputy Chief Financial Officer[2]
Cristal Torres DeHerrera	Executive Vice President/Chief of Staff
Chris McLaughlin	Executive Vice President/Chief Operating Officer
Darryl Jones	Executive Vice President/Chief Real Estate Officer
Penny May	Acting Chief Commercial Officer
Kristin Bronson, Esq.	Interim General Counsel[1]

[1] Scott McCoy became the Airport's General Counsel in May 2021.
[2] The Executive Vice President/Chief Financial Officer position was vacant as of December 31, 2019. Sylvester Lavender became the Airport's Executive Vice President/Chief Financial Officer in March 2021. Mike Nakornkhet became the Airport's Deputy Chief Financial Officer in March 2021.

Denver International Airport
Organizational Chart
as of December 31, 2020



(1) Scott McCoy became the Airport's General Counsel in May 2021.
(2) The Executive Vice President/Chief Financial Officer position was vacant as of December 31, 2019. Sylvester Lavender became the Airport's Executive Vice President/Chief Financial Officer in March 2021. Mike Nakornkhet became the Airport's Deputy Chief Financial Officer in March 2021.

BKD
CPAs & Advisors

1801 California Street, Suite 2900 | Denver, CO 80202-2606
303.861.4545 | Fax 303.832.5705 | bkd.com

Independent Auditor's Report

Audit Committee
City and County of Denver
Denver, Colorado

We have audited the accompanying financial statements of the City and County of Denver, Colorado Municipal Airport System (the Airport System), an enterprise fund of the City and County of Denver, Colorado (the City), as of and for the years ended December 31, 2020 and 2019 and the related notes to the financial statements, which collectively comprise the Airport System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Airport System as of December 31, 2020 and 2019, and the respective changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1, the financial statements of the Airport System are intended to present the financial position and the changes in financial position and cash flows of only those portions of the business-type activities of the City that are attributable to the transactions of the Airport System. They do not purport to, and do not, present fairly the financial position of the City as of December 31, 2020 and 2019, the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Audit Committee
City and County of Denver

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Airport System's basic financial statements. The information as listed in the table of contents under "Introductory Section" and "Other Information Section" is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Denver, Colorado
June 25, 2021

2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Management's Discussion and Analysis (MD&A) (Unaudited)

The following discussion and analysis of the financial performance and activities of the Municipal Airport System (Airport System) of the City and County of Denver (the City) provides an introduction and understanding of the basic financial statements of the Airport System as of and for the twelve months ended December 31, 2020, 2019 and 2018. The Airport System includes the Denver International Airport (the Airport) and the former Stapleton International Airport (Stapleton). This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

Financial Highlights

Operating revenue at the Airport totaled $591.8 million, a decrease of $276.0 million, or 31.8%, for the year ended December 31, 2020, as compared to the year ended December 31, 2019. Airline revenue totaled $362.5 million, a decrease of $23.9 million, or 6.2%, driven by a decrease in landing fees because of reduced airline operations which were directly impacted by COVID-19. The decrease was offset by an increase in facility rentals attributable to increases in debt service and operating expenses. Non-airline revenue totaled $229.3 million, a decrease of $252.1 million, or 52.4%, primarily due to a 51.1% decrease in overall passengers due to COVID-19. Non-airline revenue represented 38.7% of total operating revenue.

Operating expenses, exclusive of depreciation and amortization, totaled $475.9 million for the twelve-month period ended December 31, 2020, a decrease of $108.6 million, or 18.6%, as compared to the twelve-month period ended December 31, 2019. The decrease compared to the prior year was primarily driven by a $47.7 million reduction in non-essential contractual services, a $38.5 million reduction in legal/claim reserve (see note 20 (c) and (d) for more information), a $14.1 million reduction in hotel expenses associated with decreased occupancy, and a $9.6 million reduction in maintenance, supplies, and materials, associated with a decrease in traffic resulting from COVID-19.

COVID-19 Pandemic

General Description

The outbreak of a new strain of coronavirus spread across the globe, including the United States. As a result of the COVID-19 Pandemic (COVID-19), the U.S. government and governments of other countries issued travel restrictions and warnings for numerous countries. Various government agencies and others warned against travel and large group events, and numerous states issued stay-home orders curtailing non-essential travel. The Governor of the State of Colorado issued an Executive Order for all people to Stay at Home starting on March 25, 2020 effective through April 11, 2020 and extended to April 26, 2020 as did the Mayor of the City through May 11, 2020, except to meet essential needs. Subsequent to May 8, 2020, the Mayor of the City executed the Safer at Home order loosening some of the restrictions of the Stay at Home order. Both the Stay at Home orders from the Governor and the Mayor have been lifted and are now Safer at Home. On September 15, 2020, the Governor issued a standardized level of openness or restrictions on a county level, based on metrics of disease transmission, level of local testing, and hospitalizations. On January 21, 2021, the President of the United States issued an Executive Order "*Promoting COVID-19 Safety in Domestic and International Travel*", requiring masks to be worn in airports, on commercial aircraft and in various modes of surface transportation. On April 30, 2021, the Transportation Security Administration (TSA) announced it was extending the face mask requirement for individual across all transportation networks through the United States, including at airports, onboard commercial aircraft, through September 13, 2021. The Airport continued its operations as an essential service, which included all services (i.e. concessions, rental car, etc.). Also, the Airport has made it mandatory for all individuals to wear facial coverings within the Airport and provides face coverings for all individuals.

Airport Operations

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

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

CARES Act

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

CRRSA Act

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

On March 25, 2021, the City for and on behalf of the Airport, executed a ACRGP Grant with the FAA and is eligible to receive a total of $48.6 million. This grant may be used for costs related to operations, personnel, cleaning, sanitation, janitorial services, combating spread of pathogens at the Airport, and debt service payments. The Airport has not made any final determination on the use of the funds.

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

COVID-19 Relief Policies

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

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

Bankruptcy Filings

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

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

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

Financial Impacts

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

Overview of the Financial Statements

The Airport's financial statements consist of its statements of net position, statements of revenues, expenses, and changes in net position, statements of cash flows, and notes to the financial statements. The statements of net position present information on the Airport's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. The statements of revenues, expenses, and changes in net position present information showing how the Airport's net position changed during the year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

This report also includes required supplementary information for the Airport's pension information, other postemployment benefit plan and other information presented for the purposes of additional analysis.

The Governmental Accounting Standards Board (GASB) allows the Airport to present comparative financial statements but requires that the Airport's MD&A address both years presented in the comparative financial statements. Therefore, the Airport's MD&A presents three years of comparative data – the current year, the prior year and the year preceding the prior year (i.e., 2020, 2019 and 2018).

Summary of Revenues, Expenses, and Changes in Net Position

The following is a summary of the revenues, expenses, and changes in net position for the years ended December 31, 2020, 2019, and 2018 ($ in thousands):

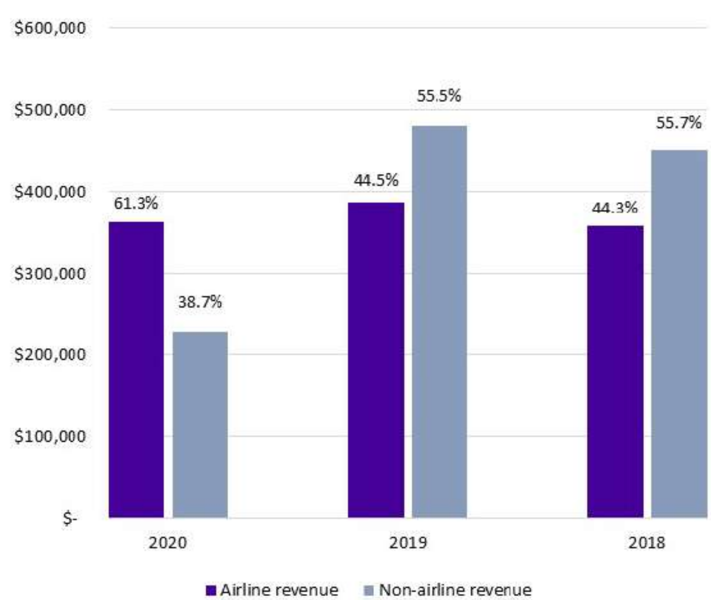
	2020	2019	2018	2020 / 2019 $ change	2020 / 2019 % change
Operating revenue	$ 591,810	$ 867,793	$ 808,360	$ (275,983)	(31.8%)
Less: operating expenses	475,900	584,472	474,314	(108,572)	(18.6%)
Operating income before depreciation and amortization	115,910	283,321	334,046	(167,411)	(59.1%)
Less: depreciation and amortization	210,513	203,321	193,009	7,192	3.5%
Operating (loss) income	(94,603)	80,000	141,037	(174,603)	(218.3%)
Add: nonoperating revenues	498,162	328,075	233,844	170,087	51.8%
Less: nonoperating expenses	281,789	274,903	237,631	6,886	2.5%
Add: capital grants and contributions	33,773	15,301	26,730	18,472	120.7%
Increase in net position before special item	155,543	148,473	163,980	7,070	4.8%
Special item	-	(65,793)	-	65,793	(100.0%)
Increase in net position	155,543	82,680	163,980	72,863	88.1%
Net position, beginning of year	1,251,645	1,168,965	1,004,985	82,680	7.1%
Net position, end of year	$1,407,188	$1,251,645	$1,168,965	155,543	12.4%

Summary of Operating Revenues

The following is a summary of operating revenues for the years ended December 31, 2020, 2019, and 2018 ($ in thousands):

	2020	2019	2018	2020 / 2019 $ change	2020 / 2019 % change
Operating revenue:					
Airline revenue					
Facility rentals	$ 226,837	$ 210,836	$ 196,065	$ 16,001	7.6%
Landing fees	135,708	175,636	161,981	(39,928)	(22.7%)
Total airline revenue	362,545	386,472	358,046	(23,927)	(6.2%)
Non-airline revenue					
Parking	88,259	203,502	189,890	(115,243)	(56.6%)
Concession	45,216	85,703	83,297	(40,487)	(47.2%)
Car rental	45,993	80,348	72,621	(34,355)	(42.8%)
Hotel	24,481	62,088	53,304	(37,607)	(60.6%)
Aviation fuel tax	9,789	25,464	25,039	(15,675)	(61.6%)
Ground transportation	8,575	19,997	17,313	(11,422)	(57.1%)
Other sales and charges	6,952	4,219	8,850	2,733	64.8%
Total non-airline revenue	229,265	481,321	450,314	(252,056)	(52.4%)
Total operating revenue	$ 591,810	$ 867,793	$ 808,360	$ (275,983)	(31.8%)

Total Operating Revenues
for the years ended December 31, 2020, 2019 and 2018
(% of total)



2020/2019

The Airport's activities changed as described below for the year ended December 31, 2020, as compared to 2019:

	2020	2019	Percentage change
Passengers (in thousands)	33,741	69,016	(51.1%)
Enplanements (in thousands)	16,874	34,513	(51.1%)
Landed weight (in millions lbs)	26,146	37,668	(30.6%)
Aircraft operations (in thousands)[1]	443	640	(30.8%)
Cargo (in thousand tons)	331	336	(1.5%)

(1) Aircraft operations are takeoffs, landings, or other communications with the control tower.

Total airline revenues at the Airport were $362.5 million, a decrease of $23.9 million, or 6.2%, for the year ended December 31, 2020, as compared to the year ended December 31, 2019.

Facility rental revenue increased by $16.0 million, or 7.6%, due to an increase in the terminal complex rental rate in 2020. The rate change was driven by increases in debt service, as well as maintenance and professional services to support anticipated passenger growth and facility utilization.

Landing fee revenue decreased by $39.9 million, or 22.7%, due to a decline in airline operations as a result of COVID-19. Landing fee revenue is based on costs associated with the airfield and is a cost recovery cost center.

Total non-airline revenues at the Airport were $229.3 million, a decrease of $252.1 million, or 52.4%, for the year ended December 31, 2020, as compared to the year ended December 31, 2019. The decrease was primarily due to a 51.1% decrease in overall passengers as a result of COVID-19.

Parking revenue decreased by $115.2 million, or 56.6%, primarily due to a 54.9% reduction in O&D passenger traffic. This coupled with a 61.4% decrease in the number of transactions, resulted in the overall reduction of public parking revenue. The decrease was slightly offset by an increase in parking rates, which were effective beginning September 1, 2019.

Concession revenue decreased by $40.5 million, or 47.2%, due to a 51.1% reduction in enplaned passengers. With the implementation of the 2020 COVID-19 Relief Policy, concession revenue consisted mostly of the contractual percentage of the concessionaires' gross sales.

Car rental revenue decreased by $34.4 million, or 42.8%. Total gross monthly receipts decreased by approximately 47.3% compared to December 31, 2019, primarily due to a 54.9% decrease in O&D passengers. The decrease in total gross monthly receipts is partially offset by a 5.2% increase in ground rent compared to December 31, 2019, as well as the addition of car sharing operations in 2020. With the implementation of the 2020 COVID-19 Relief Policy, car rental revenue primarily includes contractual percentage of gross monthly receipts, as well as ground and facility rents.

Hotel revenue decreased by $37.6 million, or 60.6%, primarily due to a decrease in hotel guest room occupancy from 86.7% to 47.0%. Additionally, food and beverage operations (restaurant and banquet) temporarily closed at the end of the first quarter due to COVID-19 restrictions and reduced guest demand. The restaurant reopened in mid-July and banquet facilities reopened in October. As of December 31, 2020, some of the food and beverage operations were open with limited capacity in adherence with State and Local COVID-19 ordinances.

Aviation fuel tax revenue decreased by $15.7 million, or 61.6%, primarily due to a decrease in gallons sold as a result of reduced airline operations. Fuel tax revenues are comprised of both excise and sales tax collections. The Airport receives $0.02 per gallon from excise tax collections, and 65% of the 2.9% sales tax collections.

Ground transportation revenue decreased by $11.4 million, or 57.1%, primarily due to a 54.9% reduction in O&D passengers resulting from COVID-19. The decrease in O&D passengers directly impacts total trips made by ground transportation operators. This reduction was partially offset by a rate increase for transportation network companies (TNC). Beginning in November 2019, the rate increased from $2.60 to $2.86 per pickup and drop-off.

Other sales and charges revenue increased by $2.7 million, or 64.8%, due to changes in various operational revenue sources.

2019/2018

The Airport's activities changed as described below for the year ended December 31, 2019, as compared to 2018:

	2019	2018	Percentage change
Passengers (in thousands)	69,016	64,495	7.0%
Enplanements (in thousands)	34,513	32,259	7.0%
Landed weight (in millions lbs)	37,668	35,216	7.0%
Aircraft operations (in thousands)[1]	640	603	6.1%
Cargo (in thousand tons)	336	307	9.4%

[1] Aircraft operations are takeoffs, landings, or other communications with the control tower.

Total airline revenues at the Airport were $386.5 million, an increase of $28.4 million, or 7.9%, for the year ended December 31, 2019, as compared to the year ended December 31, 2018.

Facility rental revenue increased by $14.8 million, or 7.5%, due to an increase in the terminal complex rental rate in 2019, related to additional maintenance and professional services to support the continued passenger growth and utilization.

Landing fee revenue increased by $13.7 million, or 8.4%. The landing fee revenue is based on cost recovery and landed weights. The increase was driven by an increase in snow removal costs and airfield maintenance costs.

Total non-airline revenues at the Airport were $481.3 million, an increase of $31.0 million, or 6.9%, for the year ended December 31, 2019, as compared to the year ended December 31, 2018.

Parking revenue increased by $13.6 million, or 7.2%, primarily due to a rate increase and increased parking duration in the garage parking facilities. Effective September 1, 2019, there was an increase in hourly and daily rates for all parking facilities except for the shuttle lots. Garage rates increased to $28 (formerly $25 per day) and the economy rate increased to $17 per day (formerly $16 per day).

Concession revenue increased by $2.4 million, or 2.9%, driven by an increase in sales and terminal advertising revenue.

Car rental revenue increased by $7.7 million, or 10.6%, primarily due to an increase in O&D passengers, coupled with an increase in number of transaction days.

Hotel revenue increased by $8.8 million, or 16.5%, primarily due to an increase in occupancy rate from 75.7% to 86.7%, combined with a 7.9% increase in average room rates.

Aviation fuel tax revenue increased by approximately $0.4 million, or 1.7% due to an increase in gallons sold. Fuel tax revenues are comprised of both excise and sales tax collections. The Airport receives $0.02 per gallon from excise tax collections, and 65% of the 2.9% sales tax collections.

Ground transportation revenue increased $2.7 million, or 15.5%, driven by increased utilization of transportation network companies (TNCs).

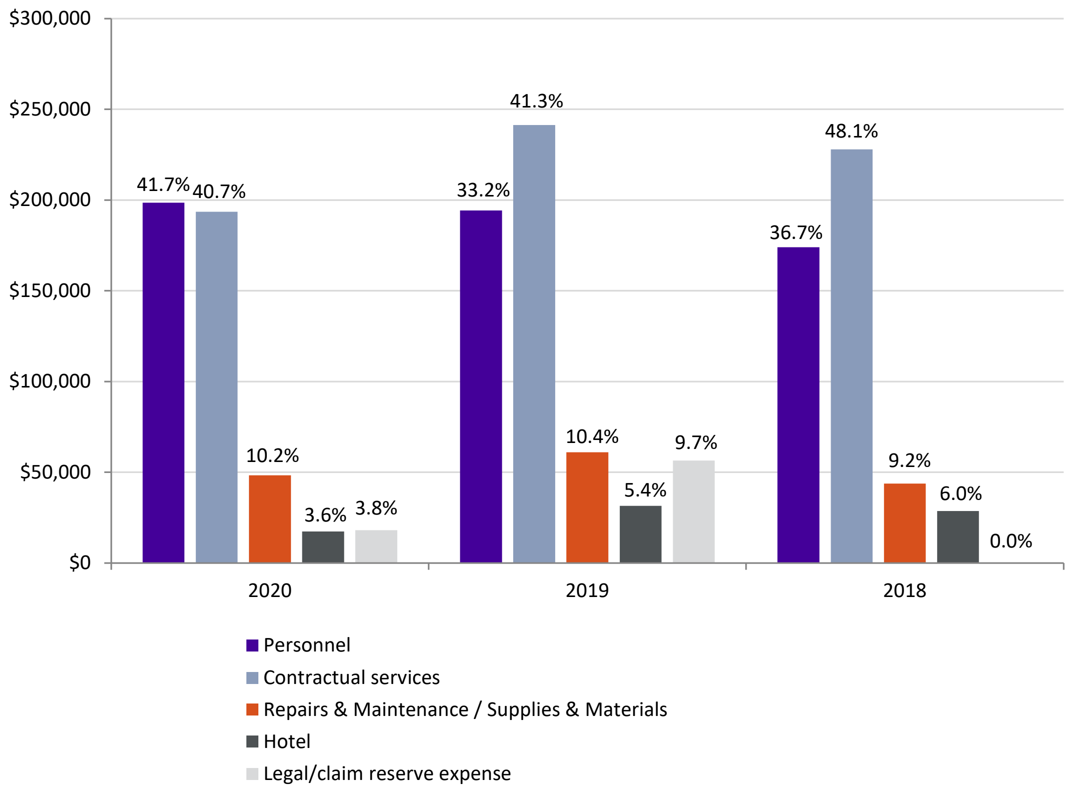
Other sales and charges revenue decreased by $4.6 million, or 52.3%, due to various operational and revenue sources.

Summary of Operating Expenses

The following is a summary of operating expenses before depreciation and amortization for the years ended December 31, 2020, 2019, and 2018 ($ in thousands):

	2020	2019	2018	2020 / 2019 $ change	2020 / 2019 % change
Personnel	$ 198,582	$ 194,317	$ 173,979	$ 4,265	2.2%
Contractual services	193,606	241,264	227,918	(47,658)	(19.8%)
Repair and maintenance projects	29,229	32,296	19,423	(3,067)	(9.5%)
Maintenance, supplies, and materials	19,092	28,649	24,378	(9,557)	(33.4%)
Hotel	17,378	31,446	28,616	(14,068)	(44.7%)
Legal/claim reserve expense	18,013	56,500	-	(38,487)	(68.1%)
Total operating expenses	$ 475,900	$ 584,472	$ 474,314	$ (108,572)	(18.6%)

Operating Expenses before Depreciation and Amortization
for the years ended December 31, 2020, 2019 and 2018
(% of total)



2020/2019

Operating expenses, exclusive of depreciation and amortization, were $475.9 million for the year ended December 31, 2020, a decrease of $108.6 million, or 18.6%, as compared to the same period in 2019. The Airport implemented several cost saving measures as a result of COVID-19 including a hiring freeze, reductions in contractual services, and suspension of nonessential procurements and contracts.

Personnel costs increased $4.3 million, or 2.2%, primarily due a $4.1 million increase to pension expense associated with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68) and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). For additional information, see notes 17 and 18 to the financial statements.

Contractual services decreased by $47.7 million, or 19.8%, primarily due to service level reductions and cost savings measures attributed to decreased passenger traffic, as well as deferral of non-essential services as part of Airport wide cost savings measures. Additionally, the Airport realized savings in snow removal services due to changes in operational call out procedures.

Project repair and maintenance expenses decreased by $3.1 million, or 9.5%, due to fewer non-capitalizable project expenditures during the year. The decrease is primarily attributable to higher infrastructure repairs related to parking lot pavement, as well as fire protection and wildlife mitigation projects during 2019.

Maintenance, supplies, and materials decreased $9.6 million, or 33.4% primarily due to the cost saving measures.

Hotel expenses decreased by $14.1 million, or 44.7%, due to a decrease in occupancy compared to the prior year. The decrease, attributable to COVID-19, is primarily driven by lower operating costs associated with decreased room occupancy and suspended food and beverage operations, as well as furlough and temporary layoffs of hotel employees.

Legal/claim reserve expense decreased by $38.5 million, 68.1%, due to claim litigation judgment for 2014-2016 and additional claims for 2017-2019. For additional information, see notes 20 (c) and (d) to the financial statements.

2019/2018

Operating expenses, exclusive of depreciation and amortization, were $584.5 million for the year ended December 31, 2019, an increase of $110.2 million, or 23.2%, as compared to the same period in 2018.

Personnel increased $20.3 million, or 11.7%, primarily driven by increases in police and fire compensation of approximately $2.8 million, increase in annual merit and benefit costs, and higher labor costs associated with snow removal. Also contributing to the increase is an increase in GASB 68 Pension expenses of approximately $8.8 million.

Contractual services overall increased $13.3 million, or 5.9%, primarily due to increased maintenance and snow removal services and other key professional and city services contracts to support continued passenger growth. One of the key drivers for the change in operational call out procedures as well as significant increase in snowfall during the 2018-2019 snow season.

Project repair and maintenance increased by $12.9 million, or 66.3%, due to more non-capitalizable project expenditures. The increase is attributed to roadwork and certain parking lot paving repairs.

Maintenance, supplies, and materials increased $4.3 million, or 17.5%, due to increase in snow removal and de-icing related expenses.

Hotel expenses increased $2.8 million, or 9.9%, due to an increase in operating costs associated with an increase in occupancy rate from 75.7% to 86.7% when compared to the prior year.

Legal/claim reserve expense increased by $56.5 million, 100.0%, due to claim litigation judgment for 2014-2016 and additional claims for 2017-2018. This is further discussed in note 20(d).

Nonoperating Revenues and Expenses, Capital Grants and Capital Contributions

2020/2019

Total nonoperating revenues increased by $170.1 million, or 51.8%, primarily attributable to revenue of $269.1 million under the CARES Act. The increase was offset by a decrease in Passenger Facility Charges (PFC), Customer Facility Charges (CFC), and investment income. The decrease in PFC revenue is the result of reductions in passenger traffic due to COVID-19. With the reduction in O&D passengers, and the number of transactions days resulted in the decrease in CFC revenue. The reduction in investment income is driven by decreases in cash and investment balances associated with the use of bond proceeds to fund the 2018-2022 Capital Program.

Total nonoperating expenses increased $6.9 million, or 2.5%. With the transition on development of the Great Hall Project, there has been some re-design of the project. Some of the prior design costs, $23.4 million, were determined to not be relevant under the re-design and these costs were expensed as a capital asset disposal. The increase was partially offset by a decrease in interest expense associated with Airport's overall debt portfolio.

In 2020 and 2019, capital grants totaled $33.8 million and $15.3 million, respectively. The increase is attributable to reimbursements for airfield expenditures under the Airport Improvement Program.

2019/2018

Total nonoperating revenues increased by $94.2 million, or 40.3%, primarily due to an increase in investment income resulting from bond proceeds associated with the Airport System Subordinate Revenue Series 2018A (AMT) Bonds and 2018B (Non-AMT) Bonds.

Total nonoperating expenses increased $37.3 million, or 15.7%, primarily due to interest expense associated with the Airport System Subordinate Revenue Series 2018A (AMT) Bonds and 2018B (Non-AMT) Bonds.

In 2019 and 2018, capital grants totaled $15.3 million and $26.7 million, respectively. The 2018 capital grants included Transportation Security Administration grant funding for a capital project to improve the throughput of the checked baggage handling system. The 2019 capital grants included pavement rehab on the airfield as well as infrastructure grants.

Special Item

2019/2018

GASB issued pronouncement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments* (GASB 34). GASB 34 defines Special Item as transactions or other events within the control of management that are significant and either unusual in nature or infrequent in occurrence. On August 12, 2019, the City, for and on behalf of the Airport, exercised its right to terminate the Great Hall Agreement for convenience, with an effective termination date of November 12, 2019. A portion of the cost associated with the termination payments were determined not to be capitalizable costs. For additional information, see note 20(b) to the financial statements.

Summary of Net Position

The following is a summary of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of December 31, 2020, 2019 and 2018 ($ in thousands):

	2020	2019	2018	2020 / 2019 $ change	2020 / 2019 % change
Assets:					
Current assets, unrestricted[1]	$ 249,197	$ 279,147	$ 346,850	$ (29,950)	(10.7%)
Current assets, restricted	503,411	547,238	1,116,062	(43,827)	(8.0%)
Noncurrent investments, unrestricted	752,600	835,682	503,915	(83,082)	(9.9%)
Noncurrent investments, restricted	1,479,310	2,052,930	2,168,124	(573,620)	(27.9%)
Long-term receivables	31,152	30,548	29,716	604	2.0%
Capital assets, net	4,838,360	4,224,698	3,826,587	613,662	14.5%
Bond insurance costs, net	114	329	384	(215)	(65.3%)
Interest rate swaps	4,773	4,589	13,226	184	4.0%
Total assets	7,858,917	7,975,161	8,004,864	(116,244)	(1.5%)
Deferred outflows of resources	108,924	131,372	119,394	(22,448)	(17.1%)
Liabilities:					
Current liabilities, unrestricted	196,162	293,992	215,707	(97,830)	(33.3%)
Current liabilities, restricted	298,415	281,820	257,538	16,595	5.9%
Bonds payable, noncurrent	5,729,750	5,955,004	6,215,968	(225,254)	(3.8%)
Interest rate payable swaps, noncurrent	20,112	36,097	78,388	(15,985)	(44.3%)
Notes payable, noncurrent	-	2,235	4,427	(2,235)	(100.0%)
Compensated absences payable, noncurrent	9,573	7,579	7,751	1,994	26.3%
Net pension liability	199,878	191,995	140,679	7,883	4.1%
Net OPEB liability	21,616	21,315	18,548	301	1.4%
Claim litigation reserves	74,513	56,500	-	18,013	31.9%
Total liabilities	6,550,019	6,846,537	6,939,006	(296,518)	(4.3%)
Deferred inflows of resources	10,634	8,351	16,287	2,283	27.3%
Net position (deficit)					
Net investment in capital assets (deficit)	(104,547)	(157,375)	(29,619)	52,828	(33.6%)
Restricted	655,032	490,723	507,237	164,309	33.5%
Unrestricted	856,703	918,297	691,347	(61,594)	(6.7%)
Total net position	$ 1,407,188	$ 1,251,645	$ 1,168,965	$ 155,543	12.4%

[1] Accounts receivable net of allowance for doubtful accounts of $2,726, $2,599, and $3,442, respectively

2020/2019

Total assets were $7.9 billion as of December 31, 2020, a decrease of $116.2 million, or 1.5%, compared to December 31, 2019. The main contribution to the decrease was a reduction of $729.0 million, or 20.3%, in total cash and investments, primarily due to use of bond proceeds to fund the 2018-2022 Capital Program. Also contributing to the reduction in cash and investments is fee waivers resulting from the COVID-19 Relief Policies. Offsetting the decrease was a net increase in capital assets of $613.7 million, or 14.5%. The capital asset increase is attributable to additional capital assets entering service and a $523.5 million, or 60.2%, increase in construction in progress, offset by $210.5 million in current year depreciation. Additionally, grants receivable increased $12.5 million, or 168.8%, due to the completion of grant-eligible airfield work and remaining CARES Act funding.

Total deferred outflows of resources decreased by $22.5 million, or 17.1% primarily due to pension adjustments as required by GASB 68 and GASB 75, as well as amortization of the deferred losses on bond refundings. The decrease was partially offset by the net increase of $5.0 million associated with the refunding issuance of Series 2020C.

Total liabilities were $6.6 billion, a decrease of $296.5 million, or 4.3%, compared to December 31, 2019. The primary contribution to the decrease was a reduction of $225.3 million, or 3.8%, in noncurrent bonds payable due to scheduled bond principal payments and bond refundings. Also contributing to the decrease were reductions in vouchers payable of $49.0 million, or 30.5%, due to cost saving measures, interest rate payable on swaps of $16.0 million, or 44.3%, and due to other city agencies of $24.5, or 77.7%, attributable to the timing of the yearend payment for city services. In addition to those decreases is the annual revenue credit payable of $10.6 million, or 26.4%. Partially offsetting the decrease is an increase in retainages payable of $32.0 million, or 119.4%, due to expenditures associated with the 2018-2022 Capital Program.

Total deferred inflows of resources increased by $2.3 million, or 27.3%, primarily due to the adjustments as required under GASB 68 and GASB 75, as well as $1.4 million increase associated with the issuance of Series 2020A1. The increase was partially offset by amortization of the deferred gains on bond refundings.

As of December 31, 2020, total net position is $1.4 billion, of which 46.5% is restricted for future debt service and capital construction. The total net position restricted for future debt service is $636.4 million. This includes bond reserve account, bonds accounts, and the Irrevocable Escrow Account. The bond reserve account and bond accounts represent $497.3 million and are restricted for debt service. In September 2020, the amount deposited in the Irrevocable Escrow account was $269.1 million and funded by CARES Acts designated for debt service. As of December 31, 2020, the remaining unused portion of the Irrevocable Escrow account is $139.1 million. The net position restricted for capital projects represent $18.6 million.

As of December 31, 2020, the remaining net position consist of unrestricted balance of $856.7 million and a deficit net investment in capital assets of ($104.5) million. Unrestricted net position may be used to meet any of the Airport's ongoing operational needs, as such, management of the Airport has internally designated $65.8 million of its unrestricted net position amount, as allowed in the 1984 Airport System General Bond Ordinance as supplemented and amended, to help meet debt coverage requirements. The deficit in net investment in capital assets results because the outstanding debt exceeds the net book value of the capital assets financed by the related debt.

2019/2018

Total assets decreased by $29.7 million, or 0.4% compared to December 31, 2018. This was primarily due to a decrease of $406.8 million, or 10.2%, in total cash and investments, as well as by a decrease of $16.5 million, or 27.2%, in accounts receivable. The decrease was offset by the net increase in capital assets of $398.1 million, or 10.4%. The decrease in total cash and investments is primarily driven by cash outflows related to the 2018-2022 capital program and partial use of Airport funds to refund Series 2008C2 and 2008C3 Bonds. These decreases in cash and investments are partially offset by cash received from operational activities. The decrease in accounts receivable is reflective of an increase in collections. The net increase in capital assets is due to additional capital assets entering service and additions to construction in progress related to the 2018-2022 capital program.

Total deferred outflows of resources increased by $12.0 million, or 10.0% primarily due to pension adjustments as required by GASB Statement No.68 *Accounting and Financial Reporting for Pension* (GASB 68)and GASB Statement No.75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). The increase was offset by the amortization of deferred losses on bond refundings, as well as the change in fair value of hedging activities.

Total liabilities decreased by $92.5 million, or 1.3%, compared to December 31, 2018. This decrease was primarily due to schedule bond principal payments of $198.8 million, a $41.6 million decrease in noncurrent bonds payable due to bond refunding of the series 2008C2 and 2008C3 Bonds, as well as a $42.3 million, or 54.0%, decrease in noncurrent interest rate payable on swaps as a result of some swap terminations. These decreases were offset by an increase in current vouchers payable of $65.7 due to accruals related to capital expenditures for the 2018-2022 capital program as well as claim litigation reserve accrual of $56.5 million.

Total deferred inflows of resources decreased by $8.0 million, or 48.7%, primarily due to the adjustments as required under GASB 68 and GASB 75. This decrease was offset by the amortization of deferred gain on bond refundings.

The Airport's 2019 total net position is $1.3 billion, of which 39.2% is restricted for future debt service and capital construction. The bond reserve account and bond accounts that are externally restricted represent $476.9 million for debt service and $13.8 million for capital projects.

As of December 31, 2019, the remaining net position consist of unrestricted balance of $918.3 million and a deficit net investment in capital assets of ($157.4) million. Unrestricted net position may be used to meet any of the Airport's ongoing operational needs, as such, management of the Airport has internally designated $65.8 million of its unrestricted net position amount, as allowed in the 1984 Airport System General Bond Ordinance as supplemented and amended, to help meet debt coverage requirements. The deficit in investment results because the outstanding debt exceeds the net book value of the capital assets financed by the related debt.

Long-Term Debt

As of December 31, 2020, the Airport had approximately $5.6 billion in outstanding senior and subordinate bonded debt, bearing fixed and variable interest rates. The total annual debt service (principal and interest) was $472.3 million in 2020. Annual debt service for 2021 will be $444.4 million, which includes approximately $52.2 million to be funded from bond capitalized interest accounts and $139.1 million from the Irrevocable Escrow

The Airport's senior lien debt is currently rated by Standard & Poor's (S&P), Moody's, and Fitch at A+, A1, and AA-, respectively, with a negative outlook for S&P and Fitch and a stable outlook for Moody's. The Airport's subordinate lien debt is currently rated by S&P, Moody's, and Fitch at A, A2, and A+, respectively with a negative outlook for S&P and Fitch and stable outlook for Moody's. The industry has been impacted by COVID-19 and as a result, the Airport's rating outlooks were updated. On March 26, 2020, S&P changed the senior and subordinate lien debt outlook from stable to negative. On March 31, 2020, Fitch changed the senior and subordinate lien debt outlook from stable to negative. On April 16, 2020, Moody's changed the senior and subordinate lien debt outlook from positive to stable. On August 7, 2020, S&P revised the Airport senior and subordinate lien bonds to include CreditWatch with negative implications. On August 24, 2020, S&P affirmed both the senior and subordinate lien bonds ratings of A+ and A, respectively, and the outlook remained negative. On October 7, 2020, Moody's affirmed the rating of A1 and A2 for the senior lien debt and subordinate lien debt, respectively, with a stable outlook. On April 22, 2021, S&P affirmed the ratings of A+ and A for the Airport's senior and subordinate bonds, respectively, but changed the outlook to stable.

The Airport's governing bond ordinances (the bond ordinance) require that the Airport'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 and subordinate bonds, and junior liens. The debt service coverage ratio on all bonds for the years ended December 31, 2020 and 2019 were 151% and 184% of total debt service, respectively.

On October 28, 2020, the Airport issued the Airport System Revenue Bonds Series 2020A-1 (Non-AMT Private Activity), Series 2020A-2 (Non-AMT Governmental), Series 2020B-1 (AMT), Series 2020B-2 (AMT), and Series 2020C (Taxable) for $95.3 million, $60.5 million, $37.5 million, $24.1 million, and $411.5 million, respectively. Proceeds from these 2020A-C bonds coupled with use of bond reserve and bond funds were used to (i) refund and redeem all or a portion of the outstanding principal amounts of $35.3 million, $35.5 million, $79.1 million, $114.8 million, $17.0 million, $9.0 million, $135.4 million, and $198.7 million of the Airport System Revenues Bonds Series 2007F1, Series 2007F2, Series 2008C1, Series 2010A, Series 2011A, Series 2012A, and Series 2012B, respectively, (ii) pay the costs of terminating a 2008B Swap Agreement with Loop Financial Products I, LLC ($9.6 million), and (iii) pay the costs of issuance. All the 2020A-C bonds bear interest at various fixed rates and staggered maturities through November 15, 2037. The transactions yielded a net present value savings of $58.4 million.

On July 1, 2020, the Airport entered into a credit facility and reimbursement agreement with Bank of America, N.A., who purchased the Series 2008B Bonds, bearing interest at the SIFMA Index Rate. These agreements are set to expire on July 1, 2023.

On April 28, 2020, the Airport extended the credit facility and reimbursement agreements with Bank of America for the Series 1992 F, G, Series 2002C and Series 2009C bonds through April 28, 2023.

On December 18, 2019, the Airport fully terminated the 2002 Swap Agreement with Goldman Sachs Bank. There was no cost to the Airport for the termination and it yielded a de minimis net cash inflow.

On November 15, 2019, the Airport issued the Airport System Subordinate Revenue Bonds Series 2019C (Non-AMT) (Series 2019C) and Series 2019D (Non-AMT) (Series 2019D) for $120.0 million and $83.7 million, respectively. The Series 2019C and Series 2019D proceeds coupled with Airport contributions of approximately $15.3 million were used to refund the Series 2009A and Series 2016B Bonds, terminate the 2006A Swap Agreements with JP Morgan Chase Bank ($10.6 million), and fund the costs of issuance.

On August 20, 2019, the Airport issued the Airport System Subordinate Revenue Bonds Series 2019A (AMT) (Series 2019A) and Series 2019B (Taxable) (Series 2019B) for $145.9 million and $22.7 million, respectively. The Series 2019A and Series 2019B proceeds coupled with Airport contributions of approximately $54.7 million were used to refund the Series 2008C2 and Series 2008C3 Bonds, terminate the 1998 Swap Agreements with Goldman Sachs Capital Markets, L.P. ($11.3 million) and Societe Generale ($11.4 million), New York Branch, and fund the costs of issuance.

On March 13, 2019, the Airport fully terminated the 2005 and 2006B Swap Agreements with the Royal Bank of Canada and Piper Jaffray Financial Projects, LLC. There was no cost to the Airport for the terminations and it yielded a net cash inflow of $1.19 million.

On December 7, 2018, the Airport fully terminated the 2005 and 2006B Swap Agreements with Jackson Financial Products, LLC. There was no cost to the Airport for the terminations and it yielded a net cash inflow of $1.16 million.

On August 28, 2018, the Airport issued Subordinate Bonds (i) $2.3 billion of Series 2018A (AMT) Bonds and (ii) $184.4 million of Series 2018B (Non-AMT) Bonds. Combined, these two transactions will be used to assist in funding the 2018-2022 Capital Program, pay off the Airport System Subordinate Revenue Bonds Series 2017C (AMT), the Subordinate Bond Reserve Requirement, provided funds for capitalized interest and pay cost of issuance.

For additional information about the Airport's long-term debt, see note 9 to the financial statements.

Capital Assets

As of December 31, 2020, and December 31, 2019, the Airport had $4.8 billion and $4.2 billion, respectively, in total capital assets, net of accumulated depreciation. The net accumulated depreciation is approximately $3.8 billion in 2020 and $3.6 billion in 2019. For additional information about the Airport's capital assets, see note 6 to the financial statements.

The Airport developed a new capital program for the years 2018 through 2022 (the "2018-2022 Capital Program"). The projects included in the 2018-2022 Capital Program are periodically evaluated by the Airport with respect to their timing, costs, availability of funding, Airport cash position, any environmental issues that may arise and other factors that might affect the implementation of the 2018-2022 Capital Program. Accordingly, projects currently included in the 2018-2022 Capital Program, their timing and costs are subject to change and are reflected below.

The 2018-2022 Capital Program identifies capital projects with a total cost of approximately $3.5 billion in the following areas of the Airport:

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

Concourse A, B, C:

Major projects include the concourse gate expansion, as well as renewal of existing facilities including but not limited to hold-room, signage and wayfinding upgrades, remodeling of the public restrooms, ramp replacement, and the conveyance replacement program. This includes the design and construction of new gates and associated apron, airfield, and roadway improvements on Concourse A, B and C, as well as increase the amount of airline and concessions space on each concourse. It is the Airport's current expectation that most of the additional gates and space will be revenue-producing in the near and longer term due to current airline demand. On November 20, 2020, the Airport completed four new gates on the west side of Concourse B, leased by United, as part of the Gate Expansion project.

Jeppesen Terminal:

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

After termination of the Development Agreement with Great Hall Developers, who were granted an exclusive right for the renovation and reconfiguration of a portion of the Great Hall Project, the Airport projects that the design and construction costs of the Great Hall Project will remain at the original budgeted amount of $770 million which includes $120 million of contingency costs. This budgeted amount includes a portion of the termination payment that represents project value costs that were originally part of the construction budget. In order to meet the original construction budget, the Airport is working to reduce the scope of the Great Hall Project without compromising the original project goals to enhance security of passengers and the Airport, improve passenger flow and increase and improve concessions areas. The construction costs are anticipated to be funded with proceeds of the Series 2018 Subordinate Bonds, amounts on deposit in the Capital Fund, and future bond issuances. In early 2020, the procurement process was completed, and the construction of the Great Hall Project resumed in the first quarter of 2020. Upon completion of the Great Hall Project, the City, for and on behalf of the Airport, expects to operate any commercial development in the Jeppesen Terminal and retain 100 percent of the revenues generated. For additional information about the Great Hall Development Agreement termination see note 20 to the financial statements.

Airside:

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

Landside:

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

DEN Real Estate:

The Airport revised its land development plan which reduced the Airport's infrastructure investment requirement.

Passenger Facility Charges (PFCs)

In 1992, the PFC program authorized the imposition of a fee of $3.00 per enplaned passenger and the use of this funding for approved projects, with certain qualifying airports permitted to charge a maximum PFC of $4.50. In 2000, the Federal Aviation Administration (FAA) approved the Airport's application for an increase in the PFC fee from $3.00 to $4.50, the revenues from which are to be used for qualified costs of the Airport, including associated debt service and approved capital projects. The Airport increased the PFC rate from $3.00 to $4.50 effective April 1, 2001.

As of December 31, 2020, a total of $2.3 billion has been remitted to the Airport (including interest earned), of which $76.9 million has been expended on approved projects. $2.3 billion has been used to pay debt service on the Airport's general airport revenue bonds, and $5.7 million is unexpended. The Airport's authorization to impose the PFC expires on the earlier of February 1, 2029, or upon collection of the authorized maximum PFC total of $3.2 billion. On May 2, 2019, the FAA approved through Final Agency Decision the City's application to impose additional PFC collections at the Airport. As a result of the decision, the PFC rate will remain the same, at $4.50, but the authorized maximum PFC collection total increased by $244.4 million to $3.5 billion through February 1, 2029. The decision is to fund already approved capital projects.

Customer Facility Charges (CFCs)

Effective January 1, 2014, the Airport imposed a CFC of two dollars and fifteen cents ($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 Revised Municipal Code of the City and County of Denver. 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.

Budgetary Highlights

	2020 Budget	2020 Actual	% Over / (Under)	2019 Budget	2019 Actual	% Over / (Under)
Operating revenues						
Airline revenues	$ 397,757	$ 362,545	(8.9%)	$ 380,202	$ 386,472	1.6%
Non-airline revenues	495,010	229,265	(53.7%)	452,600	481,321	6.3%
Total operating revenues	892,767	591,810	(33.7%)	832,802	867,793	4.2%
Total operating expenses[1]	510,253	408,176	(20.0%)	489,020	479,183	(2.0%)
Total operating income	$ 382,514	$ 183,634	(52.0%)	$ 343,782	$ 388,610	13.0%

[1] Operating expenses exclusive of repair and maintenance of projects, GASB 68, GASB 75, and legal claim reserve.

2020

Actual operating revenues at the Airport were $591.8 million, which were $301.0 million, or 33.7% lower than the budget of $892.8 million, for the year ended December 31, 2020. The decrease was primarily due to a decrease in overall passenger traffic as a result of COVID-19 and the associated travel restrictions. Operating expenses decreased as cost saving measures were quickly implemented including a hiring freeze, reductions in contractual services, and suspension of nonessential procurements and contracts.

2019

Actual operating revenues at the Airport were $867.8 million, which were $35.0 million, or 4.2% higher than the budget of $832.8 million, for the year ended December 31, 2019. The increase was primarily driven by non-airline revenue due to higher than anticipated passenger traffic along with general rate increases, and additional maintenance to support passenger growth. Operating expenses were in line with the proposed budget.

Request for Information

This financial report is designed to provide a general overview of the Airport's finances for all those with an interest. Questions concerning any of the information presented in this report or requests for additional information should be addressed to the Finance Department, Denver International Airport, Airport Office Building, 8th Floor, 8500 Pena Boulevard, Denver, CO 80249-6340.

2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT
FINANCIAL STATEMENTS

Statements of Net Position

December 31, 2020 and 2019 ($ in thousands)

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	$ 19,761	$ 28,948
Investments	142,453	169,964
Accounts receivable, net of allowance of $2,726 and $2,599, respectively	38,920	44,250
Due from other City agencies	1,146	-
Accrued interest receivable	7,953	6,220
Grants receivable	19,935	7,417
Customer facility charges receivable	239	1,929
Other receivables	7,072	6,078
Inventories	9,297	10,613
Prepaid expenses and other	2,421	3,728
Total current unrestricted assets	249,197	279,147
Restricted assets:		
Cash and cash equivalents	189,631	87,543
Investments	280,004	417,532
Accrued interest receivable	6,102	12,541
Prepaid expenses and other	18,620	13,836
Passenger facility charges receivable	9,054	15,786
Total current restricted assets	503,411	547,238
Total current assets	752,608	826,385
Noncurrent assets:		
Investments - unrestricted	752,600	835,682
Long-term receivables, net of current portion in other receivables	31,152	30,548
Capital assets (non-depreciable):		
Art	7,376	7,344
Capacity rights	12,400	12,400
Construction in progress	1,393,010	869,515
Land, land rights and air rights	295,766	295,766
Capital assets (depreciable):		
Buildings and Improvements	5,836,833	5,637,968
Machinery and equipment	1,048,021	974,696
Less: accumulated depreciation and amortization	3,755,046	3,572,991
Total capital assets	4,838,360	4,224,698
Prepaid bond insurance	114	329
Interest rate swaps	4,773	4,589
Investments - restricted	1,479,310	2,052,930
Total noncurrent assets	7,106,309	7,148,776
Total assets	7,858,917	7,975,161
Deferred outflows of resources	108,924	131,372
Total assets and deferred outflows	$7,967,841	$8,106,533

See accompanying notes to financial statements

Statements of Net Position

December 31, 2020 and 2019 ($ in thousands)

	2020	2019
Liabilities		
Current liabilities:		
Unrestricted:		
Vouchers payable	$ 108,481	$ 158,471
Due to other city agencies	7,004	31,468
Compensated absences payable	2,524	2,579
Other liabilities	8,179	21,473
Revenue credit payable	29,439	40,000
Advance rent	40,535	40,001
Total current unrestricted liabilities	196,162	293,992
Restricted:		
Vouchers payable	3,295	2,329
Retainages payable	58,870	26,832
Accrued interest and matured coupons	27,005	29,114
Note payable	2,235	2,192
Other liabilities	6,415	5,063
Revenue bonds	200,595	216,290
Total current restricted liabilities	298,415	281,820
Total current liabilities	494,577	575,812
Noncurrent liabilities:		
Bonds payable:		
Revenue bonds, net of current portion	5,352,925	5,541,130
Plus: net unamortized premiums	376,825	413,874
Total bonds payable, noncurrent	5,729,750	5,955,004
Interest rate swaps	20,112	36,097
Note payable	-	2,235
Compensated absences payable	9,573	7,579
Net pension liability	199,878	191,995
Net OPEB liability	21,616	21,315
Claim litigation reserves	74,513	56,500
Total noncurrent liabilities	6,055,442	6,270,725
Total liabilities	6,550,019	6,846,537
Deferred inflows of resources	10,634	8,351
Net Position		
Net deficit in capital assets	(104,547)	(157,375)
Restricted for:		
Capital projects	18,622	13,835
Debt service	636,410	476,888
Unrestricted	856,703	918,297
Total net position	1,407,188	1,251,645
Total liabilities, deferred inflows and net position	$7,967,841	$8,106,533

See accompanying notes to financial statements

Statements of Revenues, Expenses, and Changes in Net Position

Years Ended December 31, 2020 and 2019 ($ in thousands)

	2020	2019
Operating revenues:		
Facility rentals	$ 226,837	$ 210,836
Parking	88,259	203,502
Landing fees	135,708	175,636
Concession	45,216	85,703
Car rental	45,993	80,348
Hotel	24,481	62,088
Aviation fuel tax	9,789	25,464
Ground transportation	8,575	19,997
Other sales and charges	6,952	4,219
Total operating revenues	591,810	867,793
Operating expenses:		
Personnel	198,582	194,317
Contractual services	193,606	241,264
Repair and maintenance projects	29,229	32,296
Maintenance, supplies and materials	19,092	28,649
Hotel	17,378	31,446
Legal/claim reserve expense	18,013	56,500
Total operating expenses	475,900	584,472
Operating income, before depreciation and amortization	115,910	283,321
Less: Depreciation and amortization	210,513	203,321
Operating (loss) income	(94,603)	80,000
Nonoperating revenues (expenses):		
Passenger facility charges	64,922	132,484
Customer facility charges	10,621	21,525
Investment income	150,043	171,096
Interest expense	(247,293)	(270,394)
CARES Act funds	269,074	-
Other revenues (expenses), net	(30,994)	(1,539)
Total nonoperating revenues (expenses)	216,373	53,172
Change in net position before capital grants and contributions and special item	121,770	133,172
Capital grants and contributions	33,773	15,301
Change in net position before special item	155,543	148,473
Special item	-	(65,793)
Change in net position	155,543	82,680
Net position, beginning of year, as previously reported	1,251,645	1,168,965
Net position, as of December 31	$ 1,407,188	$ 1,251,645

See accompanying notes to financial statements

Statements of Cash Flows

Years Ended December 31, 2020 and 2019 ($ in thousands)

	2020	2019
Cash flows from operating activities:		
Receipts from customers	$ 572,139	$ 887,667
Payments to suppliers	(241,153)	(304,109)
Interfund activity payments to other funds	(23,852)	(21,318)
Payments to employees	(174,629)	(177,250)
Net cash provided by operating activities	132,505	384,990
Cash flows from capital and related financing activities:		
Proceeds from issuance of debt	-	412,325
Principal paid on notes payable and capital leases	(2,192)	(3,173)
Principal paid on revenue bonds	(208,090)	(188,460)
Interest paid on revenue bonds	(258,203)	(290,570)
Bond insurance and issue costs paid	-	(897)
Interest paid on notes payable	(71)	(113)
Capital grant receipts	27,657	17,306
CARES Act grant receipts	262,672	-
Passenger facility charges	71,653	131,189
Customer facility charges	12,311	22,596
Purchases of capital assets	(842,211)	(463,954)
Purchase of capital assets - Great Hall Termination	(29,461)	(92,102)
Payment of Special Item	(24,534)	(41,258)
Payments to escrow for current refunding of debt	(19,945)	(431,950)
Payments to escrow for advanced refunding of debt	(2,111)	-
Proceeds from sale of capital assets	670	511
Net cash used in capital and related financing activities	(1,011,855)	(928,550)
Cash flows from investing activities:		
Purchases of investments	(503,465)	(2,134,790)
Proceeds from sales and maturities of investments	1,325,208	2,605,017
Proceeds from sales of assets held for dispostion	-	183
Net swap termination receipts (payments)	-	(32,061)
Interest and dividends on investments and cash equivalents	150,607	95,566
Payments to maintain assets held for disposal	(99)	(29)
Net cash provided by investing activities	972,251	533,886
Net increase (decrease) in cash and cash equivalents	92,901	(9,674)
Cash and cash equivalents, beginning of year	116,491	126,165
Cash and cash equivalents, end of period	$ 209,392	$ 116,491

(continued)

Statements of Cash Flows

Years Ended December 31, 2020 and 2019 ($ in thousands)

	2020	2019
Reconciliation of operating income to net cash provided by operating activities:		
Operating (loss) income	$ (94,603)	$ 80,000
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	210,513	203,321
Changes in assets and liabilities:		
Receivables, net of allowance	4,849	16,495
Due from other city agencies	(1,146)	-
Inventories	1,316	925
Prepaid expenses and other	1,333	(1,267)
Deferred outflows - pension	10,559	(27,350)
Deferred outflows - OPEB	-	(1,926)
Vouchers and other payables	16,165	516
Deferred rent	534	(632)
Due to other city agencies	(24,463)	7,108
Compensated absences	1,939	17
Net pension liability	7,884	51,315
Net OPEB liability	301	2,767
Deferred inflows - pension	1,733	(7,814)
Deferred inflows - OPEB	-	(643)
Claim litigation reserve	18,013	56,500
Other operating liabilities	(22,422)	5,658
Net cash provided by operating activities	$ 132,505	$ 384,990

Noncash activities:

	2020	2019
Unrealized gain on investments	$ 64,589	$ 73,074
Unrealized gain on interest rate swaps	5,445	396
Amortization of bond premiums, deferred losses on bond refundings, and prepaid bond insurance	23,575	18,737
Bond refunding transaction:		
Proceeds from bond issuance	660,608	-
Payments to ecrow agent:		-
Current refunding	(247,853)	-
Advanced refunding	(399,452)	-
Swap termination	(9,645)	-
Cost of issuance	(3,569)	
Transfer of Capital Asset from other Government	-	109
Capital assets in vouchers payable and retainage payable	119,659	98,500
Capital assets in vouchers payable - Great Hall Termination	-	29,461
Vouchers payable - special item	-	24,534
Net (loss) on disposal of capital assets	(40,950)	(3,209)

See accompanying notes to financial statements

2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT
NOTES TO FINANCIAL STATEMENTS

(1) Organization and Reporting Entity

(a) Nature of Operations

Pursuant to Article XX of the State of Colorado Constitution and the City and County of Denver, Colorado (the City) Charter, the City acquired, owns, operates, and maintains certain airport facilities. These facilities include Denver International Airport (the Airport) and certain assets of Stapleton International Airport (Stapleton) and are referred to herein as the City and County of Denver Municipal Airport System (the Airport or Airport System). The Airport is operated as the Department of Aviation, with a Chief Executive Officer appointed by and reporting to the Mayor.

DEN consists of a landside terminal building, hotel, transit center, three airside concourses, six runways, roadways, and ancillary facilities on a 53-square mile site. Stapleton was closed to all air traffic on February 27, 1995. See note 7 for further discussion.

(b) Reporting Entity

The accompanying financial statements present only the Airport enterprise fund and are not intended to present fairly the financial position of the City, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The Airport is an enterprise fund of the City and, as such, is an integral part of the City. An enterprise fund is established to account for an activity that is financed with debt secured solely by a pledge of net revenues from fees and charges of the activity or when laws and regulations require that the activity's costs of providing services, including capital costs (such as depreciation or capital debt service), be recovered with fees and charges rather than with taxes or similar revenues. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP). As an enterprise fund, the Airport uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as incurred (flow of economic resources measurement focus).

(b) Cash and Cash Equivalents

City investments attributed to the Airport that have original maturities of three months or less from the purchase date are classified as cash equivalents. See note 4 for further discussion.

(c) Investments

Investments, which the City manages, are reported at fair value, which is primarily determined based on significant other observable inputs at December 31, 2020 and 2019. The Airport's investments are maintained in pools at the City and include municipal securities, commercial paper, corporate bonds, multi-national fixed income, structured products, U.S. Treasury securities, and U.S. Agency securities. The City and County of Denver investment policy can be viewed at https:// www.denvergov.org/content/dam/denvergov/Portals/344/documents/transparency/investments/Investment_Policy.pdf.

(d) Inventories

Inventories consist of materials and supplies valued at cost.

(e) Capital Assets

Capital assets are recorded at historical cost and consist of buildings, roadways, airfield improvements, machinery and equipment, infrastructure, intangibles, land, and land rights at the Airport. Donated capital assets are reported at their acquisition value as of the date of acquisition. Repairs and maintenance are expensed as incurred, unless they have the effect of improving or extending the life of an asset, in which case they are capitalized as part of the cost of the asset. Costs associated with ongoing construction activities of the Airport are included in construction in progress. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Effective January 1, 2019, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 89, *Accounting for Interest Cost incurred before the End of the Construction Period*, and no longer capitalizes interest costs.

Depreciation is recorded using the straight-line method over the following estimated useful lives:

Buildings	20 - 40 years
Roadways	30 - 40 years
Runways/taxiways	30 - 40 years
Other improvements	15 - 40 years
Major system equipment	15 - 25 years
Vehicles and other equipment	5 - 10 years
Intangibles	3 - 5 years

(f) Prepaid Bond Insurance, Deferred Gains (Losses) on Bond Refundings, and Unamortized Premiums (Discounts)

Bond insurance premiums are recorded as assets and amortized over the life of the insurance policy using the effective interest method. Premiums (discounts) on bonds payable are recorded as liabilities or contra-liabilities and amortized over the life of bonds using the effective interest method. Unamortized premiums on bonds are recorded as an addition to the face amount of the bonds payable. Gains (losses) on bond refundings are deferred and amortized over the life of the old bonds, or the remaining life of the refunding bonds, whichever is shorter, using the effective interest rate method. Gains (losses) on bond refundings are recorded as deferred inflows or outflows of resources, respectively.

(g) Compensated Absences Payable

Accumulated vested sick and vacation benefits are recorded as an expense and a liability as benefits accrue to employees. The Airport uses the vesting method for estimating sick leave compensated absences payable.

(h) Advance Rent

Advance rent is recorded when rental payments are received by the Airport, for periods subsequent to the reporting period and prior to when the Airport has a legal right claim to the payments as revenue. Included in advance rent are customer credits and deposits.

(i) Pensions and Other Postemployment Benefits (OPEB)

For purposes of recording the net pension and OPEB liability, deferred outflows of resources and deferred inflows of resources relating to pension and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Denver Employees' Retirement Plan (DERP) and additions to/reductions from DERP's fiduciary net position have been determined on the same basis as they are reported by DERP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(j) Net Position

2020

The Airport assets and deferred outflows exceeded liabilities and deferred inflows by $1.4 billion as of December 31, 2020, a $155.5 million, or 12.4%, increase in net position from December 31, 2019. As of December 31, 2020, 46.5% of the net position is restricted for future debt services and capital construction. The total net position restricted for future debt service is $636.4 million. The bond reserve account and bond accounts represent $497.3 million. On September 8, 2020, the City, for and on behalf of the Airport, executed an Irrevocably Committed Escrow Agreement (Irrevocable Escrow). The purpose of the Irrevocable Escrow is to secure and pay the debt service for senior and/or subordinate Lien debt. The amount deposited in the Irrevocable Escrow account was $269.1 million and funded by CARES Acts designated for debt service. As of December 31, 2020, the remaining balance in the Irrevocable Escrow account is $139.1 million. The net position restricted for capital projects represent $18.6 million.

The remaining net position included unrestricted net position of $856.7 million which may be used to meet any of the Airport's ongoing operations. Management of the Airport internally designated $65.8 million of its unrestricted net position amount, as allowed for in the 1984 Airport System General Bond Ordinance, as supplemented and amended, to help meet debt covenant coverage requirements.

In addition, ($104.5) million represents the Airport's investment in capital assets less the related debt outstanding to finance those capital assets. The deficit in net investment in capital assets results because the outstanding debt exceeds the net book value of the capital assets financed by the related debt.

2019

The Airport assets and deferred outflows exceeded liabilities and deferred inflows by $1.3 billion as of December 31, 2019, a $82.7 million increase in net position from December 31, 2018. Of the Airport's 2019 net position, 39.2% are restricted for future debt services and capital construction. The bond reserve account and bond accounts represent $476.9 million and are externally restricted for debt service. The net position restricted for capital projects represent $13.8 million.

The remaining net position included unrestricted net position of $918.3 billion which may be used to meet any of the Airport's ongoing operations. Management of the Airport internally designated $65.8 million of its unrestricted net position amount, as allowed for in the 1984 Airport System General Bond Ordinance, as supplemented and amended, to help meet debt covenant coverage requirements.

In addition, ($157.4) million represents the Airport's investment in capital assets less the related debt outstanding to finance those capital assets. The deficit in investment results because the outstanding debt exceeds the net book value of the capital assets financed by the related debt.

(k) Restricted and Unrestricted Resources

Uses of restricted and unrestricted resources are made on a case-by-case basis by management depending on overall requirements. Generally, management applies restricted resources and then unrestricted resources when both restricted and unrestricted resources are available to pay an expense.

(l) Operating Revenues and Expenses

The statements of revenues, expenses, and changes in net position distinguish operating revenues and expenses from nonoperating activity and capital contributions. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Airport's principal ongoing operations. The principal operating revenues of the Airport are charges to airline tenants for facility rentals, landing fees and parking. Operating expenses include the cost of providing services, administrative costs, and depreciation on capital assets.

(m) Nonoperating Revenues and Expenses

All revenues and expenses not meeting the above definition of operating revenues and expenses are reported as nonoperating revenues and expenses or capital contributions. Such items include Passenger Facility Charges (PFCs), Car Rental Customer Facility Fees (CFCs), interest expense, and investment income. Also included is the CARES Act funding.

(n) Governmental Grants

The Airport periodically receives grant revenues from federal agencies which are either for capital projects or operating purposes. Revenue is considered earned as the related approved capital outlays or expenses are incurred by the Airport. Revenues from capital grants are reported as capital contributions on the statements of revenues, expenses, and changes in net position, and revenues from operating grants are reported as operating revenues.

(o) Rates and Charges

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

50% of Net Revenues (as defined by the bond ordinance) remaining at the end of the year with an annual cap of $40.0 million are to be credited in the following year to the airline rates and charges. As of December 31, 2020, and December 31, 2019 the Net Credit liability balance is $29.4 million and $40.0 million, respectively, and is reported in the statements of net position as revenue credit payable.

(p) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates.

(q) Reclassifications

Certain reclassifications have been made to the 2019 financial statements to conform to the 2020 financial statement presentation. These reclassifications had no effect on the change in total net position.

(r) Special Item

GASB issued pronouncement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments* (GASB 34). GASB 34 defines Special Item as transactions or other events within the control of management that are significant and either unusual in nature or infrequent in occurrence. On August 12, 2019, the City, for and on behalf of the Airport, exercised its right to terminate the Great Hall Agreement for convenience, with an effective termination date of November 12, 2019. A portion of the cost associated with the termination payments were determined to not be capitalizable and have been recorded as a Special Item on the Statement of Revenues, Expenses and Changes in Net Position. See note 20(b) for more information.

(3) New Accounting Standards

Effective GASB statements impacting the Airport.

Issued in April 2018, GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* (GASB 88), is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Implementation of this statement is effective fiscal year 2019. On April 14, 2020, GASB issued an Exposure Draft on Postponement of the Effective Dates of Certain Authoritative Guidance. On May 6, 2020, GASB issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* (GASB 95), which postpones GASB 88's effective date to reporting periods beginning after June 15, 2019. The Airport elected to implement this standard in fiscal year 2020. The adoption of GASB 88 did not have an impact on the Airport's net position at December 31, 2020.

Issued in May 2020, GASB 95, postpones the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later in light of the COVID-19 pandemic. The adoption of GASB 95 resulted in postponing effective dates of following announcements:

Statement No. 87, *Leases*: fiscal years beginning after June 15, 2021 and all reporting periods thereafter.

Statement No. 93: *Replacement of Interbank Offered Rates*: fiscal years beginning after June 15, 2021

Future GASB Statements:

Issued in June 2017, GASB Statement No. 87, *Leases*, is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, 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, thereby enhancing the relevance and consistency of information about governments' leasing activities. Implementation of this statement is effective for fiscal year 2020. GASB 87 effective date is postponed to reporting periods beginning after June 15, 2021.

Issued in March 2020, GASB Statement No. 93, *Replacement of Interbank Offered Rates* establishes accounting and financial reporting implications related to the replacement of Interbank Offered Rates in hedging derivative instruments and leases. Implementation of this statement is effective for fiscal year 2021. GASB 93 effective date is postponed to reporting periods beginning after June 15, 2021.

(4) Cash and Cash Equivalents

(a) Deposits

As a department of the City the City, the Airport System's deposits are pooled with the City's. Deposits are subject to, and are in accordance with, the State of Colorado's Public Deposit Protection Act (the PDPA). In addition, the City's Investment Policy (the Policy) requires that certificates of deposit be purchased from institutions that are certified as eligible public depositories. Under the PDPA, all uninsured deposits exceeding the amount insured by the FDIC, are to be fully collateralized with specific approved securities identified in the act valued at 102% of the deposits. The eligible collateral pledged must be held in custody by any Federal Reserve Bank, or branch thereof, or held in escrow by some other bank in a manner as the banking commissioner shall prescribe by rule and regulation, or may be segregated from the other assets of the eligible public depository and held in its own trust department. All collateral so held must be clearly identified as being security maintained or pledged for the aggregate amount of public deposits accepted and held on deposit by the eligible public depository. Deposits collateralized under the PDPA are considered collateralized with securities held by the pledging financial institution's trust department or agent in the "City's name." At December 31, 2020, the amount of the Airport's deposits was $7.6 million. At December 31, 2019, the amount of the Airport's deposits was $30.6 million.

(b) Investments

The Airport's investments are managed by the City and are subject to the Policy of the City. The objectives of the City's Policy, in order of priority are to maintain principal, to ensure the availability of funds to meet obligations promptly, and to maximize yield on the investment portfolio. The City's Policy applies to all investment activity of the City under the control of the Chief Financial Officer (CFO), including investments of certain monies related to business-type activities, and trust and agency funds. The City's Policy does not apply to the investments of the deferred compensation plan or component units. Other monies that may from time to time be deposited with the CFO for investment shall also be administered in accordance with the Policy.

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

At December 31, 2020 and 2019, respectively, the Airport's cash, cash equivalents, and investment balances were as follows ($ in thousands):

	December 31, 2020	December 31, 2019
Cash and cash equivalents (including cash on hand)	$ 209,392	$ 116,492
Municipal bonds	88,675	139,951
Commercial paper	-	74,111
Corporate bonds	410,853	537,541
Multinational fixed income	303,427	380,314
Structured products	261,013	331,324
U.S. treasury securities	594,898	774,346
U.S. agency securities	995,501	1,238,520
	$ 2,863,759	$ 3,592,599

Fair Value Measurement: The Airport categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

At December 31, 2020, the Airport has the following recurring fair value measurements ($ in thousands):

	Fair value measurements			
Asset	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Corporate bonds	$ 410,853	$ -	$ 410,853	$ -
Multinational fixed income	303,427	-	303,427	-
Municipal bonds	88,675	-	88,675	-
Structured products	261,013	-	261,013	-
U.S. agency securities	995,501	-	995,501	-
U.S. treasury securities	594,898	-	594,898	-
Total investments	2,654,367	-	2,654,367	-
Net derivative instruments interest rate swaps	$ 15,339	$ -	$ 15,339	$ -

At December 31, 2019, the Airport has the following recurring fair value measurements ($ in thousands):

	Fair value measurements			
Asset	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Commercial paper	$ 74,111	$ -	$ 74,111	$ -
Corporate bonds	537,541	-	537,541	-
Multinational fixed income	380,314	-	380,314	-
Municipal bonds	139,952	-	139,952	-
Structured products	331,324	-	331,324	-
U.S. agency securities	1,238,520	-	1,238,520	-
U.S. treasury securities	774,346	-	774,346	-
Total investments	3,476,108	-	3,476,108	-
Net derivative instruments interest rate swaps	$ 31,508	$ -	$ 31,508	$ -

The City invests in two Local Government Investment Pools, CSAFE and Colotrust. CSAFE and Colotrust are regulated by state statute so that the funds held are fully collateralized. As of December 31, 2020, the Airport has balances of $19.8 million and $42.2 million in CSAFE and Colotrust, respectively, included in cash and cash equivalents. As of December 31, 2019, the Airport has balances of $20.6 million and $65.3 million in CSAFE and Colotrust, respectively. CSAFE measures all of its investments at $1 net asset per share or amortized cost. Additionally, Colotrust adheres to FASB and reports its investments in accordance with ASC 820. Colotrust maintains a stable net asset value of $1 per share using the fair value method.

A reconciliation of cash, cash equivalents, and investment balances as shown in the basic financial statements as of December 31, 2020 and 2019, is as follows ($ in thousands):

	December 31, 2020	December 31, 2019
Unrestricted cash and cash equivalents	$ 19,761	$ 28,948
Unrestricted investments	895,053	1,005,646
Restricted cash equivalents	189,631	87,543
Restricted investments	1,759,314	2,470,462
	$ 2,863,759	$ 3,592,599

Interest Rate Risk: Interest rate risk is the risk that changes in the financial market rates of interest will adversely affect the value of an investment. Per the City's Policy, commercial paper can have a maximum maturity of 270 days, U.S. Treasury and Agency securities can have a maximum maturity of 10 years, and structured products, such as Mortgage Pass-Through Securities and Collateralized Mortgage Obligations can have a maximum of 31 years. The City manages interest rate risk for investments under the control of the CFO by limiting their maximum maturity of investments.

At December 31, 2020, the Airport's investment balances and maturities, in years, for those investments subject to interest rate risk were as follows ($ in thousands):

		Investments maturity in years			
Investment type	**Fair value**	**Less than 1**	**1-5**	**6-10**	**10+**
Municipal bonds	$ 88,675	$ 16,332	$ 69,543	$ 2,800	$ -
U.S. treasury securities	594,898	173,901	303,348	117,649	-
U.S. agency securities	995,501	129,091	705,328	161,082	-
Corporate bonds	410,853	67,887	342,966	-	-
Multinational fixed income	303,427	21,994	238,375	43,058	-
Structured products	261,013	13,252	219,067	28,694	-
Total	$ 2,654,367	$ 422,457	$ 1,878,627	$ 353,283	$ -

At December 31, 2019, the Airport's investment balances and maturities, in years, for those investments subject to interest rate risk were as follows ($ in thousands):

		Investments maturity in years			
Investment type	**Fair value**	**Less than 1**	**1-5**	**6-10**	**10+**
Commercial paper	$ 74,111	$ 74,111	$ -	$ -	$ -
Municipal bonds	139,952	19,202	112,850	7,900	-
U.S. treasury securities	774,346	169,734	475,263	129,349	-
U.S. agency securities	1,238,520	181,742	889,846	166,932	-
Corporate bonds	537,541	103,892	433,649	-	-
Multinational fixed income	380,314	32,326	284,860	63,128	-
Structured products	331,324	6,489	282,449	39,282	3,104
Total	$ 3,476,108	$ 587,496	$ 2,478,917	$ 406,591	$ 3,104

As of December 31, 2020, the Airport portfolio included callable U. S. Agency, structured product, and corporate bond callable securities with a fair value of $250.0 million, $2.5 million, and $215.4 million, respectively. If a callable investment is purchased at a discount, the maturity date is assumed to be the maturity date of the investment. If the investment is bought at a premium, the maturity date is assumed to be the call date.

Credit Quality Risk: Credit quality risk is the risk that an issuer or other counterparty to a debt security will not fulfill its obligation to the City. Moody's Investors Service (Moody's), Standard & Poor's (S&P), and Fitch are the three primary Nationally Recognized Securities Rating Organizations (NRSRO) that assess this risk and assign a credit quality rating for most investments. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are assigned credit quality ratings AAA or its equivalent. Of the City's investments at December 31, 2020, commercial paper, U.S. Agency securities and local government investment pools were subject to credit quality risk. The City's Policy requires that commercial paper be rated by at least two of the NRSRO's and have a minimum short-term rating of A-1, P-1, and or F-1 at the time of purchase. The Policy also requires the local government investment pools be in conformity with Title 24, Article 75 Part 7 of the Colorado Revised Statutes and have an office in Denver.

As of December 31, 2020, the Airport's investments complied with the City's Policy. More than 5% of airport investments in U.S. Agency securities are in individual issuers: Federal Home Loan Bank 15.07%, Federal National Mortgage Association 11.49% and International Bank for Reconstruction and Development 5.05%.

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of failure, the Airport System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if they are uninsured, are not registered in the City's name, and are held by either the counterparty to the investment purchase or are held by the counterparty's trust department or agent but not held in the City's name.

None of the Airport System's investments owned at December 31, 2020, were subject to custodial credit risk.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single type of investment, or in a single issuer. The City's Policy states that a maximum of 5% of the portfolio, based on market value, may be invested in commercial paper, municipal securities, corporate debt obligations, or certificates of deposit issued by any one provider. The Policy limits investments in money market funds, local government investment pool and supranationals to 10% per provider. Investments in money market funds, local government investment pools are limited to 25% of total investments with asset-back securities and municipal securities limited to 15% of the portfolio. Corporate bonds are limited to 20% of total investments and federal agency securities limited to 80% of the portfolio.

Foreign Currency Risk: Foreign Currency risk is the risk that changes in exchange rates will adversely affect their value of an investment or deposit. The City's Policy does not allow for investments in foreign currency.

As of December 31, 2020, all investments complied with this policy.

(5) Accounts Receivable

(a) Allowance for Doubtful Accounts

Management of the Airport reviews accounts receivables periodically and an allowance for doubtful accounts has been established based upon management's assessment of the probability of collection. As of December 31, 2020, and 2019, an allowance of $2.7 million and $2.6 million, respectively, was established.

(b) Loan Receivable

Included in long-term receivable is approximately $5.2 million notes receivable related to solar panel installation and approximately $26.2 million loans due from two districts. The Districts are reimbursing the Airport for funding the construction and infrastructure of the rail station at 61st Boulevard and Pena Boulevard for infrastructure work around the Airport property. Each loan bears interest at 5.0% with interest compounded and due semiannually on June 1st and December 1st with principal due annually on December 1st. The outstanding loan balance plus any accrued and unpaid interest, included in the table below, will be repaid from ad valorem taxes. The loans are capped at $41.6 million. The projected future collections are as follows ($ in thousands):

	Amount
Year:	
2021	$ 324
2022	170
2023	173
2024	254
2025	437
2026-2030	4,455
2031-2035	8,264
2036-2040	10,030
2041-2045	11,074
2046-2048	6,388
Total	$ 41,569

(6) Capital Assets

Changes in capital assets for the years ended December 31, 2020 and 2019 were as follows ($ in thousands):

	2020				
	January 1, 2020	Additions	Transfers and reclassifications	Reductions	December 31, 2020
Non depreciable capital assets					
Art	$ 7,344	$ -	$ 32	$ -	$ 7,376
Capacity rights	12,400	-	-	-	12,400
Construction in progress	869,515	865,571	(311,113)	(30,963)	1,393,010
Land, land rights, and air rights	295,766	-	-	-	295,766
Total non depreciable capital assets	1,185,025	865,571	(311,081)	(30,963)	1,708,552
Depreciable capital assets					
Buildings and improvements	4,299,531	34	176,826	(17,254)	4,459,137
Machinery and equipment	974,696	189	79,032	(5,896)	1,048,021
Infrastructure and land improvements	1,306,005	-	55,140	(15,964)	1,345,181
Intangibles	32,432	-	83	-	32,515
Total depreciable capital assets	6,612,664	223	311,081	(39,114)	6,884,854
Less accumulated depreciation					
Buildings and improvements	(2,138,950)	(125,061)	10,062	11,041	(2,242,908)
Machinery and equipment	(758,890)	(36,524)	(5,476)	5,790	(795,100)
Infrastructure and land improvements	(648,511)	(45,436)	(4,586)	11,627	(686,906)
Intangibles	(26,640)	(3,492)	-	-	(30,132)
Total accumulated depreciation	(3,572,991)	(210,513)	-	28,458	(3,755,046)
Total depreciable capital assets, net	3,039,673	(210,290)	311,081	(10,656)	3,129,808
Total capital assets	$ 4,224,698	$ 655,281	$ -	$ (41,619)	$ 4,838,360

	2019				
	January 1, 2019	Additions	Transfers and reclassifications	Reductions	December 31, 2019
Non depreciable capital assets					
Art	$ 7,166	$ -	$ 178	$ -	$ 7,344
Capacity rights	12,400	-	-	-	12,400
Construction in progress	422,585	613,919	(157,272)	(9,717)	869,515
Land, land rights, and air rights	295,766	-	-	-	295,766
Total non depreciable capital assets	737,917	613,919	(157,094)	(9,717)	1,185,025
Depreciable capital assets					
Buildings and improvements	4,337,753	42	(31,587)	(6,677)	4,299,531
Machinery and equipment	908,973	398	90,370	(25,045)	974,696
Infrastructure and land improvements	1,214,261	-	93,211	(1,467)	1,306,005
Intangibles	28,124	-	5,100	(792)	32,432
Total depreciable capital assets	6,489,111	440	157,094	(33,981)	6,612,664
Less accumulated depreciation					
Buildings and improvements	(2,057,983)	(121,042)	35,515	4,560	(2,138,950)
Machinery and equipment	(745,602)	(37,771)	-	24,483	(758,890)
Infrastructure and land improvements	(573,724)	(40,208)	(35,515)	936	(648,511)
Intangibles	(23,132)	(4,300)		792	(26,640)
Total accumulated depreciation	(3,400,441)	(203,321)	-	30,771	(3,572,991)
Total depreciable capital assets, net	3,088,670	(202,881)	157,094	(3,210)	3,039,673
Total capital assets	$ 3,826,587	$ 411,038	$ -	$ (12,927)	$ 4,224,698

(7) Disposal of Stapleton

The City ceased aviation operations at Stapleton upon the opening of the Airport on February 28, 1995 and all property has been disposed. Certain portions of Stapleton were acquired with proceeds from federal grants, which provide for the return of certain federal funds. In addition, certain portions of the property are also subject to deed restrictions, under which the property would revert to the United States government. The City is able to seek releases from the grant assurances and deed restrictions from the Secretary of Transportation as dispositions occur, provided that: 1) the property is sold at fair market value, and 2) the proceeds are used to develop, improve, and construct the Airport. The City intends to continue to seek such releases and, in accordance with certain Use & Lease Agreements, use any net proceeds from sales of Stapleton to retire or defease subordinate debt.

The current and anticipated costs accrued in restricted other liabilities for the environmental liability for Stapleton as of December 31, 2020 and 2019 were $2.7 million and $2.8 million, respectively. The Airport has accrued $5.2 million and $4.5 million of insurance recoveries in accounts receivable at December 31, 2020 and 2019. The Airport received de minimis insurance recovery payments for 2020 and no insurance recovery payments during 2019.

(8) Due to Other City Agencies

The City provides various services to the Airport, including data processing, investing, financial services, budgeting, engineering, and personnel (including airport police and fire salaries). Billings from the City, both direct and indirect, during 2020 and 2019 totaled $68.1 million and $67.5 million, respectively, and have been included in operating expenses. The outstanding liability to the City and its related agencies in connection with these services totaled $7.0 million and $31.5 million at December 31, 2020 and 2019, respectively.

(9) Bonds Payable

Changes in long-term debt for the years ended December 31, 2020 and 2019 were as follows ($ in thousands):

	2020					
	January 1, 2020	**Additions**	**Refunded debt**	**Retirements**	**December 31, 2020**	**Amounts due within one year**
Senior lien bonds	$ 1,850,030	$ 628,905	$ (545,615)	$ (109,090)	$ 1,824,230	$ 98,450
Subordinate lien bonds	3,196,475	-	-	(20,345)	3,176,130	20,150
Direct Placement						
Senior lien bonds	376,555	-	(79,100)	(35,300)	262,155	35,000
Subordinate lien bonds	294,280	-	-	(43,355)	250,925	46,995
Total Airport System revenue bonds	5,717,340	628,905	(624,715)	(208,090)	5,513,440	200,595
Economic defeasance	40,080	-	-	-	40,080	-
Plus unamortized net premiums	413,874	31,703	(30,109)	(38,643)	376,825	-
Total bond debt	$ 6,171,294	$ 660,608	$ (654,824)	$ (246,733)	$ 5,930,345	$ 200,595
Less current portion					(200,595)	
Noncurrent portion					$ 5,729,750	

	2019					
	January 1, 2019	Additions	Refunded debt	Retirements	December 31, 2019	Amounts due within one year
Senior lien bonds	$ 1,988,040	$ 203,730	$ (231,950)	$ (109,790)	$ 1,850,030	$ 109,090
Subordinate lien bonds	3,210,365	-	-	(13,890)	3,196,475	20,345
Direct Placement						
Senior lien bonds	618,855	-	(200,000)	(42,300)	376,555	43,500
Subordinate lien bonds	148,175	168,585	-	(22,480)	294,280	43,355
Total Airport System revenue bonds	5,965,435	372,315	(431,950)	(188,460)	5,717,340	216,290
Economic defeasance	40,080	-	-	-	40,080	-
Plus unamortized net premiums	409,278	40,010	-	(35,414)	413,874	-
Total bond debt	$ 6,414,793	$ 412,325	$ (431,950)	$ (223,874)	$ 6,171,294	$ 216,290
Less current portion					(216,290)	
Noncurrent portion					$ 5,955,004	

The Airport has issued bonds, bearing fixed and variable interest rates, collateralized by and payable from Airport Net Revenues, as defined in the 1984 Airport System General Bond Ordinance as supplemented and amended (Bond Ordinance) and the 1990 Airport System General Subordinate Bond Ordinance as supplemented and amended (Subordinate Bond Ordinance). Interest on fixed rate bonds is payable semi-annually. The variable rate bonds are issued in weekly mode (except for the Series 2007G1-G2 Bonds which are currently in a daily mode). Auction rate bonds carried interest rates that are periodically reset for 7-day periods. On October 28, 2020, the auction rate bonds were refunded with the Series 2020A-2 and bear interest at a fixed rate. As such, the actual interest rate on the bonds will vary based on market conditions in the short-term tax-exempt bond market.

The maturity dates, interest rates, and principal amounts outstanding as of December 31, 2020 and December 31, 2019 are as follows ($ in thousands):

Bond	Maturity	Interest rate	Amount outstanding December 31, 2020	Amount outstanding December 31, 2019
Senior lien bonds				
Series 2007F1-F2	November 15, 2021 to 2025	0.000%	$ -	$ 70,775
Series 2009B	November 15, 2036 to 2039	6.414%	65,290	65,290
Series 2010A	November 15, 2021 to 2032	4.00-5.00%	-	134,005
Series 2011A	November 15, 2020 to 2023	4.00-5.25%	71,330	137,990
Series 2011B	November 15, 2024	4.00-5.00%	-	9,010
Series 2012A	November 15, 2020 to 2043	3.00-5.00%	124,160	260,620
Series 2012B	November 15, 2021 to 2025, 2031, and 2038 to 2043	4.00-5.00%	282,725	487,360
Series 2012C	November 15, 2026	3.592%	30,285	30,285
Series 2016A	November 15, 2021, 2023 to 2025, and 2031 to 2032	5.00%	210,430	219,575
Series 2017A	November 15, 2021 to 2024, and 2026 to 2030	4.00 - 5.00%	186,095	210,110
Series 2017B	November 15, 2033	5.00%	21,280	21,280
Series 2019C	November 15, 2026 to 2036	5.00%	120,005	120,005
Series 2019D	November 15, 2026 to 2031	5.00%	83,725	83,725
Series 2020A-1	November 15, 2021 to 2024, 2026, 2029, and 2032	5.00%	95,330	-
Series 2020A-2	November 15, 2021 to 2025	5.00%	60,515	-
Series 2020B-1	November 15, 2021 to 2025	5.00%	37,465	-
Series 2020B-2	November 15, 2025	5.00%	24,060	-
Series 2020C	November 15, 2022 to 2037	0.821 - 2.867%	411,535	-
Subordinate lien bonds				
Series 2013A	November 15, 2021 to 2043	4.00-5.50%	299,830	304,220
Series 2013B	November 15, 2021 to 2043	3.00-5.25%	363,620	369,905
Series 2018A	December 1, 2021 to 2048	3.75-5.25%	2,328,795	2,338,220
Series 2018B	December 1, 2021 to 2048	3.50-5.00%	183,885	184,130
Direct Placement				
Senior lien bonds				
Series 1992F, G*	November 15, 2021, 2022, and 2024 to 2031	0.460%	28,900	32,000
Series 2002C*	November 15, 2022, 2023, and 2026 to 2031	0.460%	20,400	23,400
Series 2007G1-G2*	November 15, 2021 to 2031	1.008%	100,000	109,100
Series 2008B*	November 15, 2021 to 2031	0.460%	40,400	45,600
Series 2008C1*	November 15, 2021 to 2031	0.000%	-	79,100
Series 2009C*	November 15, 2021, 2022, and 2026 to 2031	0.460%	72,455	87,355
Subordinate lien bonds				
Series 2015A	November 15, 2021, and 2023 to 2035	2.20%	117,655	131,855
Series 2019A	November 15, 2021 to 2022, 2024 and 2030	1.37 - 2.12%	133,270	145,875
Series 2019B	November 15, 2020	2.12%	-	16,550
Economic Defeasance				
LOI 1998/1999	November 15, 2024 and 2025	6.125%	40,080	40,080
Total revenue bonds			5,553,520	5,757,420
Less current portion			(200,595)	(216,290)
Net unamortized premiums			376,825	413,874
Total bonds payable noncurrent			$ 5,729,750	$ 5,955,004

* Variable rates are as of December 31, 2020

Most of the Airport term bonds are subject to certain mandatory redemption requirements and most of the Airport bonds are subject to certain optional redemption provisions. Certain of the Airport bonds are subject to certain mandatory sinking fund redemption requirements.

(a) Economic Defeasances

On November 1, 1999, the Airport entered into an economic defeasance of $54.9 million of Airport Revenue Bonds through the use of certain 1998 and 1999 federal grant proceeds from the United States Department of Transportation under a 1990 Letter of Intent. These funds were set aside in special escrow accounts (Escrow A and Escrow B) held by the City. Escrow A proceeds will be used to pay principal and interest on $40.1 million of the Series 1992C Bonds maturing on November 15, 2025. Escrow B proceeds were used to pay principal and interest on $14.8 million of the Series 1991D Bonds which matured on November 15, 2013.

The economically defeased bonds are considered outstanding for the purposes of the General Bond Ordinance and were not considered legal defeasances or in-substance defeasances under US GAAP and, therefore, the bonds remain outstanding in the accompanying financial statements.

(b) Bond Issuances

On October 28, 2020, the Airport issued the Airport System Revenue Bonds Series 2020A-1 (Non-AMT Private Activity), Series 2020A-2 (Non-AMT Governmental), Series 2020B-1 (AMT), Series 2020B-2 (AMT), and Series 2020C (Taxable) for $95.3 million, $60.5 million, $37.5 million, $24.1 million, and $411.5 million, respectively. Proceeds from these 2020A-C bonds coupled with use of bond reserve and bond funds were used to (i) refund and redeem all or a portion of the outstanding principal amounts of $35.3 million, $35.5 million, $79.1 million, $114.8 million, $17.0 million, $9.0 million, $135.4 million, and $198.7 million of the Airport System Revenues Bonds Series 2007F1, Series 2007F2, Series 2008C1, Series 2010A, Series 2011A, Series 2012A, and Series 2012B, respectively, (ii) pay the costs of terminating a 2008B Swap Agreement with Loop Financial Products I, LLC, and (iii) pay the costs of issuance. All the 2020A-C bonds bear interest at various fixed rates and staggered maturities through November 15, 2037. The transactions yielded a net present value savings of $58.4 million.

On November 15, 2019, the Airport issued the Airport System Subordinate Revenue Bonds Series 2019C (Non-AMT) (Series 2019C) and Series 2019D (Non-AMT) (Series 2019D) for $120.0 million and $83.7 Million, respectively. The Series 2019C and Series 2019D proceeds coupled with Airport contributions of approximately $15.3 million were used to refund the Series 2009A and Series 2016B Bonds, terminate the 2006A Swap Agreements with JP Morgan Chase Bank, and fund the costs of issuance. The issuance yielded an approximate net present value savings of $41.5 million.

On August 20, 2019, the Airport issued the Airport System Subordinate Revenue Bonds Series 2019A (AMT) (Series 2019A) and Series 2019B (Taxable) (Series 2019B) for $145.9 million and $22.7 million, respectively. The Series 2019A and Series 2019B proceeds coupled with Airport contributions of approximately $54.7 million were used to refund the Series 2008C2 and Series 2008C3 Bonds, terminate the 1998 Swap Agreements with Goldman Sachs Capital Markets, L.P. and Societe Generale, New York Branch, and fund for costs of issuance. The Series 2019A and Series 2019B Bonds are scheduled to mature on November 15, 2031 and November 15, 2020, respectively, and bear fixed interest of 1.37% and 2.12%, respectively. The Series 2019A Bonds have a Mandatory Tender of $25.9 million due on November 15, 2025. The issuance yielded an approximate net present value savings of $1.5 million.

(c) *Defeased Bonds*

The Airport has defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the accompanying financial statements. As of December 31, 2020, and December 31, 2019, $392.2 million and $32.2 million, respectively, of bonds outstanding are considered defeased.

(10) Bond and Notes Payable Debt Service Requirements

(a) *Bonds Payable*

Bond debt service requirements of the Airport for bonds payable to maturity as of December 31, 2020 are as follows ($ in thousands):

					Direct Placement					
	Senior lien bonds		Subordinate lien bonds		Senior lien bonds		Subordinate lien bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Year:										
2021	$ 98,450	$ 79,182	$ 20,150	$ 155,986	$ 35,000	$ 1,754	$ 46,995	$ 4,438	$ 200,595	$ 241,360
2022	134,585	73,337	36,220	154,978	30,800	1,554	28,060	3,640	229,665	233,509
2023	165,225	63,922	47,030	153,167	16,290	1,373	32,020	3,256	260,565	221,718
2024	145,125	56,623	47,150	150,866	19,900	1,240	57,905	2,545	270,080	211,274
2025	171,540	50,089	45,500	148,498	17,975	1,093	60,025	1,451	295,040	201,131
2026-2030	543,985	173,338	571,620	673,349	116,750	3,288	25,920	734	1,258,275	850,709
2031-2035	331,475	85,450	654,380	519,350	25,440	173	-	-	1,011,295	604,973
2036-2040	169,050	38,094	688,290	354,251	-	-	-	-	857,340	392,345
2041-2045	64,795	5,330	659,900	188,896	-	-	-	-	724,695	194,226
2046-2048	-	-	405,890	39,267	-	-	-	-	405,890	39,267
Total	$1,824,230	$ 625,366	$ 3,176,130	$2,538,608	$ 262,155	$ 10,475	$ 250,925	$ 16,063	$ 5,513,440	$3,190,512

Debt service requirements for the economic defeasance LOI of the Airport to maturity as of December 31, 2020, are as follows ($ in thousands):

	Principal	Interest
Year:		
2021	$ -	$ 2,455
2022	-	2,455
2023	-	2,455
2024	24,060	2,455
2025	16,020	981
Total	$ 40,080	$ 10,801

(b) *Notes Payable and Capital Lease*

Notes Payable – The Airport entered into a $20.5 million Master Installment Purchase Agreement with Sovereign Leasing, LLC on January 10, 2012, to finance capital equipment purchases, at a rate of 1.9595% based on a 30/360 calculation for 2012.

The payment schedule relating to note requirements as of December 31, 2020 is as follows ($ in thousands):

	Principal	Interest
Year:		
2021	2,235	27
Total	$ 2,235	$ 27

Capital Lease – The Airport entered into an Installment Purchase Agreement on January 5, 2016 for $4.1 million to finance various capital equipment purchases at a rate of 1.19%. The final payment of this obligation was processed during the first quarter of 2019. Net assets under capital leases at December 31, 2019 totaled $0.08 million, with accumulated depreciation of $5.9 million.

Changes in notes payable and capital lease for the years ended December 31, 2020 and 2019 were as follows ($ in thousands):

	Balance January 1, 2020	Additions	Retirements	Balance December 31, 2020	Amounts due within one year
Note payable	$ 4,427	$ -	$ (2,192)	$ 2,235	$ 2,235
Less current portion				(2,235)	
Noncurrent portion				$ -	

	Balance January 1, 2019	Additions	Retirements	Balance December 31, 2019	Amounts due within one year
Notes payable	$ 6,576	$ -	$ (2,149)	$ 4,427	$ 2,192
Capital Lease payable	1,024	-	(1,024)	-	-
Total	$ 7,600	$ -	$ (3,173)	$ 4,427	$ 2,192
Less current portion				(2,192)	
Noncurrent portion				$ 2,235	

(11) Demand Bonds

As of December 31, 2020, and 2019, the Airport held directly placed debt as detailed below:

Series:	**2008B(3)**	**2008B(3)**	**2008C1(2)**	**2009C**
Par Outstanding at 12/31/2020 (000)	$ -	$ 40,400	$ -	$ 72,455
Par Outstanding at 12/31/2019 (000)	$ 45,600	$ -	$ 79,100	$ 87,355
Lien	Senior	Senior	Senior	Senior
Bond Maturity Date	n/a	11/15/2031	n/a	11/15/2031
Facilty and Reimbursement Agreement Type As of 12/31/2020	Liquidity	Credit	Liquidity	Credit
Financial Institution:	Wells Fargo Bank, National Association	Bank of America, N.A.	Wells Fargo Bank, National Association	Bank of America, N.A.
Terms:				
Execution Date	7/29/2011	7/1/2020	8/8/2011	4/28/2017
Initial Expiration Date	12/11/2015	7/1/2023	12/11/2015	4/28/2020
Amended Expiration Date	12/11/2020(3)	n/a	12/11/2020(2)	4/28/2023
2nd Amended Expiration Date	n/a	n/a	n/a	n/a
Index Rate				
12/31/2020	n/a	SIFMA Index Rate	n/a	SIFMA Index Rate
12/31/2019	1-month LIBOR Rate	n/a	1-month LIBOR Rate	1-month LIBOR Rate
Applicable Factor	n/a	n/a	n/a	70.0%
Applicable Spread as of 12/31/2020	n/a	0.37%	n/a	0.37%
Applicable Spread as of 12/31/2019	0.60%	n/a	0.60%	0.44%
Increase in Applicable Spread Due To Credit:				
Rating Downgrade	Yes(1)	Yes(1)	Yes(1)	Yes(1)
Margin Rate Factor	n/a	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x Applicable Factor + Applicable Spread	Rate Formula Index Rate x Applicable Factor + Applicable Spread	Rate Formula Index Rate x Applicable Factor + Applicable Spread	Rate Formula Index Rate x Applicable Factor + Applicable Spread
Moody's Rating as of 12/31/2020	n/a	A1	A1	A1
Moody's Rating as of 12/31/2019	A1	n/a	A1	A1
S&P Rating as of 12/31/2020	n/a	A+	A+	A+
S&P Rating as of 12/31/2019	A+	n/a	A+	A+
Fitch Rating as of 12/31/2020	n/a	AA-	AA-	AA-
Fitch Rating as of 12/31/2019	AA-	n/a	AA-	AA-

(1) See Applicable Spread table
(2) This bond series was refunded with the 2020B1 and 2020B2 series
(3) New Credit Facility and Reimbursement Agreement was executed in 2020 with Bank of America, N.A.

Series:	1992F	1992G	2002C	2007G1
Par Outstanding at 12/31/2020 (000)	$ 15,800	$ 13,100	$ 20,400	$ 49,900
Par Outstanding at 12/31/2019 (000)	$ 17,500	$ 14,500	$ 23,400	$ 54,500
Lien	Senior	Senior	Senior	Senior
Bond Maturity Date	11/15/2031	11/15/2031	11/15/2031	11/15/2031
Facilty and Reimbursement Agreement Type As of 12/31/2020	Credit	Credit	Credit	Credit
Financial Institution:	Banc of America Preferred Funding Corporation	Banc of America Preferred Funding Corporation	Banc of America Preferred Funding Corporation	BMO Harris Investment Corp.
Terms:				
Execution Date	10/24/2014	10/24/2014	9/25/2014	11/1/2014
Initial Expiration Date	9/25/2017	9/25/2017	9/25/2017	12/1/2023
Amended Expiration Date	9/25/2020	9/25/2020	9/25/2020	n/a
2nd Amended Expiration Date	4/28/2023	4/28/2023	4/28/2023	n/a
Index Rate				
12/31/2020	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate	1-month LIBOR Rate
12/31/2019	1-month LIBOR Rate	1-month LIBOR Rate	1-month LIBOR Rate	1-month LIBOR Rate
Applicable Factor	70.0%	70.0%	70.0%	70.0%
Applicable Spread as of 12/31/2020	0.37%	0.37%	0.37%	0.90%
Applicable Spread as of 12/31/2019	0.49%	0.49%	0.43%	0.90%
Increase in Applicable Spread Due To Credit:				
Rating Downgrade	Yes(1)	Yes(1)	Yes(1)	Yes(1)
Margin Rate Factor	n/a	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x Applicable Factor + Applicable Spread	Rate Formula Index Rate x Applicable Factor + Applicable Spread	Rate Formula Index Rate x Applicable Factor + Applicable Spread	Rate Formula Index Rate x Applicable Factor + Applicable Spread
Moody's Rating as of 12/31/2020	A1	A1	A1	A1
Moody's Rating as of 12/31/2019	A1	A1	A1	A1
S&P Rating as of 12/31/2020	A+	A+	A+	A+
S&P Rating as of 12/31/2019	A+	A+	A+	A+
Fitch Rating as of 12/31/2020	AA-	AA-	AA-	AA-
Fitch Rating as of 12/31/2019	AA-	AA-	AA-	AA-

(1) See Applicable Spread table
(2) This bond series was refunded with the 2020B1 and 2020B2 series
(3) New Credit Facility and Reimbursement Agreement was executed in 2020 with Bank of America, N.A.

Series:	2007G2	2015A	2019A	2019B
Par Outstanding at 12/31/2020 (000)	$ 50,100	$ 117,655	$ 133,270	$ -
Par Outstanding at 12/31/2019 (000)	$ 54,600	$ 131,855	$ 145,875	$ 16,550
Lien	Senior	Subordinate	Subordinate	Subordinate
Bond Maturity Date	11/15/2031	11/15/2025	11/15/2031	11/15/2020
Facilty and Reimbursement Agreement Type As of 12/31/2020	Credit	Credit	Credit	Credit
Financial Institution:	BMO Harris Investment Corp.	Bank of America, N.A.	State Street Public Lending Corporation	State Street Public Lending Corporation
Terms:				
Execution Date	11/1/2014	11/20/2015	8/27/2019	8/27/2019
Initial Expiration Date	12/1/2023	11/15/2025	11/15/2025	11/15/2020
Amended Expiration Date	n/a	n/a	n/a	n/a
2nd Amended Expiration Date	n/a	n/a	n/a	n/a
Index Rate				
12/31/2020	1-month LIBOR Rate	Fixed Rate	Fixed Rate	Fixed Rate
12/31/2019	1-month LIBOR Rate	Fixed Rate	Fixed Rate	Fixed Rate
Applicable Factor	70.0%	n/a	n/a	n/a
Applicable Spread as of 12/31/2020	0.90%	n/a	n/a	n/a
Applicable Spread as of 12/31/2019	0.90%	n/a	n/a	n/a
Increase in Applicable Spread Due To Credit:				
Rating Downgrade	Yes(1)	n/a	n/a	n/a
Margin Rate Factor	n/a	n/a	n/a	n/a
Rate Formula	Rate Formula Index Rate x Applicable Factor + Applicable Spread	n/a	n/a	n/a
Moody's Rating as of 12/31/2020	A1	n/a	n/a	n/a
Moody's Rating as of 12/31/2019	A1	n/a	n/a	n/a
S&P Rating as of 12/31/2020	A+	n/a	n/a	n/a
S&P Rating as of 12/31/2019	A+	n/a	n/a	n/a
Fitch Rating as of 12/31/2020	AA-	n/a	n/a	n/a
Fitch Rating as of 12/31/2019	AA-	n/a	n/a	n/a

(1) See Applicable Spread table
(2) This bond series was refunded with the 2020B1 and 2020B2 series
(3) New Credit Facility and Reimbursement Agreement was executed in 2020 with Bank of America, N.A.

On July 29, 2011 and August 8, 2011, the Airport entered into a Liquidity Facility and Reimbursement Agreement (Liquidity Agreement) with Wells Fargo, who purchased the Series 2008B and 2008C1 Bonds, respectively, at a floating rate indexed to 1-month LIBOR. On December 11, 2015, this agreement was amended, and the expiration date was extended to December 11, 2020. On July 1, 2020, the Airport entered into a credit facility and reimbursement agreement with Bank of America, N.A., who purchased the Series 2008B Bonds, bearing interest at the SIFMA Index Rate. These agreements are set to expire on July 1, 2023. On October 28, 2020, the Airport issued the Airport System Revenue Bonds Series 2020A-1 (Non-AMT Private Activity), Series 2020A-2 (Non-AMT Governmental), Series 2020B-1 (AMT), Series 2020B-2 (AMT), and Series 2020C (Taxable) for $95.3 million, $60.5 million, $37.5 million, $24.1 million, and $411.5 million, respectively. This redeemed the 2008C1 bonds outstanding principal balance.

On August 31, 2011, the Airport entered into a Liquidity Agreement with Royal Bank of Canada, who purchased the Series 2008C2-C3 Bonds at a floating rate index to 1-month LIBOR. On August 29, 2014, this agreement was amended, but expired on August 20, 2019 with the issuance of Series 2019A and 2019B Bonds.

On October 1, 2012, the Airport entered into a Credit Facility and Reimbursement Agreement (Credit Agreement) with U.S. Bank National Association, who purchased the Series 2009C Bonds at a floating rate indexed to 1-month LIBOR. This agreement was to expire on April 30, 2017. On April 28, 2017, the Airport entered into a Credit Agreement with Bank of America, N.A., who purchased the Series 2009C Bonds at a floating indexed to 1-month LIBOR. This agreement expires on April 28, 2020. On April 28, 2020, the Airport amended the agreement to extend the expiration date to April 28, 2023 and the floating rate index changed to SIFMA index rate.

On October 24, 2014, the Airport entered into Credit Agreements with Bank of America Preferred Funding Corporation who purchased the Series 1992F, G Bonds at a floating rate indexed to 1-month LIBOR. These agreements expired on September 25, 2017. These agreements were extended to expire on September 25, 2020. On April 28, 2020, the Airport amended the agreement to extend the expiration date to April 28, 2023. The index shall remain the 1-month LIBOR rate with the option to change to the SIFMA index rate prior to September 25, 2020. On September 25, 2020, the floating rate index changes to the SIFMA index rate. On June 15,2020, the Airport converted the index rate from a 1-month LIBOR rate to a SIFMA index rate.

On September 25, 2014, the Airport entered into Credit Agreements with Bank of America Preferred Funding Corporation, who purchased the Series 2002C Bonds at a floating rate indexed to 1-month LIBOR. This agreement expired on September 25, 2017. These agreements were extended to expire on September 25, 2020. On April 28, 2020, the Airport amended the agreement to extend the expiration date to April 28, 2023. The index shall remain the 1-month LIBOR rate with the option to change to the SIFMA index rate prior to September 25, 2020. On September 25, 2020, the floating rate index changes to the SIFMA index rate. On June 15,2020, the Airport converted the index rate from a 1-month LIBOR rate to a SIFMA index rate.

On November 1, 2014, the Airport entered into Credit Agreements with BMO Harris Investment Corp. who purchased the Series 2007G1-G2 Bonds at a floating rate indexed to 1-month LIBOR. This agreement expires on December 1, 2023.

On November 20, 2015, the Airport entered into Credit Agreement with Bank of America, N.A., who purchased the Series 2015A Bonds at a fixed interest rate. The Series 2015A Bonds mature on November 15, 2025.

On August 20, 2019, the Airport entered into Credit Agreements with State Street Public Leasing Corporation, who purchased the Series 2019A-B Bonds at a fixed interest rate. The Series 2019A (AMT) matures on November 15, 2031 with a Mandatory Tender of $25.9 million due on November 15, 2025, and the Series 2019B (Taxable) matures on November 15, 2020.

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

Credit Facility Bond Series

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

For some bond series, the Reimbursement Agreements are not available on EMMA. These bonds series have the same event of default requirements as other bond series. Below is a list of the similar event of defaults sections within the Credit Agreements as of December 31, 2020 and 2019:

Similar Event of Defaults as of December 31, 2020:

Similar Event of Defaults		Similar Event of Defaults	
Sections with Credit Agreement	Series	Sections with Credit Agreement	Series
Section 5.10	2008B(1)	Section 5.7	2015A(2)
Section 5.11	1992F(1)	Section 5.8	2019A(1)
Section 5.13	1992G(1)	Section 5.10(b)	2019B(1)
Section 5.15(b)	2002C(1)	Section 6.1(a)	
Section 5.17	2009C(1)	Section 6.1(b)	
Section 5.22	2007G1(2)	Section 6.1(e)	
Section 5.25	2007G2(2)		
Section 5.26			
Section 6.1(a)			
Section 6.1(b)			
Section 6.1(f)			
Section 6.1(j)			

(1) Event of Default Sections of the Credit Agreement can be viewed on EMMA for language.
(2) Although details of the Event of Default sections are not posted on EMMA, the related sections are posted on EMMA for other bond series. There are no difference in the requirements of these bonds.

Similar Event of Defaults as of December 31, 2019:

Similar Event of Defaults		Similar Event of Defaults	
Sections with Credit Agreement	Series	Sections with Credit Agreement	Series
Section 5.10	2008B(2)	Section 5.7	2015A(2)
Section 5.11	2008C1(3)	Section 5.8	2019A(1)
Section 5.13	1992F(2)	Section 5.10(b)	2019B(1)
Section 5.15(b)	1992G(2)	Section 6.1(a)	
Section 5.17	2002C(2)	Section 6.1(b)	
Section 5.22	2009C(2)	Section 6.1(e)	
Section 5.25	2007G1(2)		
Section 5.26	2007G2(2)		
Section 6.1(a)			
Section 6.1(b)			
Section 6.1(f)			
Section 6.1(j)			

(1) Event of Default Sections of the Credit Agreement can be viewed on EMMA for language.
(2) Although details of the Event of Default sections are not posted on EMMA, the related sections are posted on EMMA for other bond series. There are no difference in the requirements of these bonds.
(3) This bond series was refunded with the 2020B1 and 2020B2 series.

As of December 31, 2020, and 2019, the Airport has not defaulted on any of the events of defaults.

Applicable spread:

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

Applicable spread upon credit ratings downgrade as of December 31, 2020:

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

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

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

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

Applicable spread upon credit ratings downgrade as of December 31, 2019:

	Credit Facility Bond Series	Moody's	S&P	Fitch	Applicable Spread
Senior Series	2008B	A1 or higher	A+ or higher	A+ or higher	60 basis points (0.60%)
		A2	A	A	70 basis points (0.70%)
		A3	A-	A-	80 basis points (0.80%)
		Baa1	BBB+	BBB+	105 basis points (1.05%)
		Baa2	BBB	BBB	140 basis points (1.40%)
		Baa3	BBB-	BBB-	190 basis points (1.90%)
Senior Series	2008C1	A1 or higher	A+ or higher	A+ or higher	60 basis points (0.60%)
		A2	A	A	70 basis points (0.70%)
		A3	A-	A-	80 basis points (0.80%)
		Baa1	BBB+	BBB+	105 basis points (1.05%)
		Baa2	BBB	BBB	140 basis points (1.40%)
		Baa3	BBB-	BBB-	190 basis points (1.90%)
Senior Series	2009C	A2 or higher	A or higher	A or higher	44 basis points (0.44%)
		A3	A-	A-	54 basis points (0.54%)
		Baa1	BBB+	BBB+	74 basis points (0.74%)
		Baa2 or below	BBB or below	BBB or below	Default Rate
Senior Series	1992F	A2 or higher	A or higher	A or higher	49 basis points (0.49%)
		A3	A-	A-	59 basis points (0.59%)
		Baa1	BBB+	BBB+	79 basis points (0.79%)
		Baa2 or below	BBB or below	BBB or below	Default Rate
Senior Series	1992G	A2 or higher	A or higher	A or higher	49 basis points (0.49%)
		A3	A-	A-	59 basis points (0.59%)
		Baa1	BBB+	BBB+	79 basis points (0.79%)
		Baa2 or below	BBB or below	BBB or below	Default Rate
Senior Series	2002C	A2 or higher	A or higher	A or higher	43 basis points (0.43%)
		A3	A-	A-	53 basis points (0.53%)
		Baa1	BBB+	BBB+	73 basis points (0.73%)
		Baa2 or below	BBB or below	BBB or below	Default Rate
Senior Series	2007G1&G2	A1 or higher	A+ or higher	A+ or higher	90 basis points (0.90%)
		A2	A	A	116 basis points (1.16%)
		A3	A-	A-	143 basis points (1.43%)
		Baa1	BBB+	BBB+	172 basis points (1.72%)
		Baa2	BBB	BBB	203 basis points (2.03%)

For Series 2008B and 2008C1 bonds, in the event the Airport maintains Senior Bond Ratings from the three Rating Agencies and there is a split among such Senior Bond Ratings, the highest Level (corresponding to the lowest rating) will prevail for purposes of determining the Applicable Spread. Each change in the Applicable Spread resulting from a change in the Senior Bond Ratings shall become effective on the date of announcement or publication by any of the Rating Agencies of a change in such Senior Bond Rating or, in the absence of such announcement or publication, on the effective date of such changed Senior Bond Rating.

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

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

(12) Bond Ordinance Provisions

(a) Additional Bonds

The Airport may issue additional parity and subordinate bonds, subject to certain coverage and other provisions, for the purpose of acquiring, improving or equipping facilities related to the Airport.

(b) Airport Revenue Bonds

Under the terms of the Bond Ordinance, all bond series (the Senior Bonds) are collateralized by a first lien on the Net Revenues of the Airport. Under the terms of the Subordinate Bond Ordinance, outstanding Commercial Paper is collateralized by Net Revenues of the Airport subordinate to the Senior Bonds.

The Airport is required by the Bond Ordinance to set and collect rates and charges sufficient, together with other available funds, to provide for the payment of all operating and maintenance expenses for the current fiscal year plus 125% of the aggregate principal and interest payments of the Senior Bonds for such fiscal year prior to the issuance of additional bonds. The Airport is in compliance with the bond covenants listed in the bond ordinance.

(13) Swap Agreements

The Airport has entered into interest rate swap agreements in order to protect against rising interest rates. The 1999 and 2009A swap agreements all pay fixed–receive variable rate cash flow hedges, with the variable payment from the counterparty based on the USD-SIFMA Municipal Swap Index and the variable rate of the bonds. The rest of the Airport's swap agreements are considered investment derivatives in accordance with the provisions of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53). Additionally, investment income on these derivatives has also been recognized in accordance with GASB 53. The City does not enter into derivative transactions for investment purposes, nor does the City Charter allow for the investment in derivative investments.

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

On December 18, 2019, the Airport fully terminated the 2002 Swap Agreement with Goldman Sachs Bank. There was no cost to the Airport for the termination and it yielded a de minimis net cash inflow.

On November 6, 2019, the Airport fully terminated the 2006A Swap Agreement with JP Morgan Chase Bank at a cost of $10.6 million. The termination was funded from Series 2019D Bonds proceeds.

On August 20, 2019, the Airport fully terminated the 1998 Swap Agreements with Goldman Sachs Capital Markets, L.P. and Societe Generale, New York Branch at a cost of $11.3 million and $11.4 million, respectively, and was funded from Series 2019B Bonds proceeds.

On March 13, 2019, the Airport fully terminated the 2005 and 2006B Swap Agreements with the Royal Bank of Canada and Piper Jaffray Financial Projects, LLC. There was no cost to the airport for these terminations and yielded a net cash inflow of $1.19 million.

The fair value balances and notional amounts of the swaps outstanding at December 31, 2020 and 2019 and the changes in the fair value of such swaps for the periods then ended, are as follows ($ in thousands):

Counterparty	Effective date	Notional amount (in millions)	Bond/swap termination date	Associated debt series	Payable swap rate	Variable receivable swap rate	Changes in fair value Classification	Changes in fair value Amount	Fair value 12/31/2020
1999 Swap Agreements									
Goldman Sachs Capital Markets, L.P.	10/4/2001	$ 44	11/1/2022	(1)	5.6179%	SIFMA	Deferred Outflow	$ (430)	$ (2,941)
							Investment Income	$ (1,854)	
Merrill Lynch Capital Services, Inc.	10/4/2001	$ 22	11/1/2022	(1)	5.5529%	SIFMA	Deferred Outflow	$ (215)	(1,454)
							Investment Income	$ (907)	
2005 Swap Agreements									
JP Morgan Chase Bank, N.A.	11/15/2006	$ 38	11/15/2025	2016A(3)	3.6874%	70% LIBOR	Investment Income	$ 311	(4,355)
2006A Swap Agreements									
GKB Financial Services Corp.	11/15/2007	$ 28	11/15/2025	2007F-G(2)	4.0085%	70% LIBOR	Investment Income	$ (24)	(3,292)
2006B Swap Agreements									
JP Morgan Chase Bank, N.A.	11/15/2006	$ 37	11/15/2025	2016A	SIFMA	4.0855%	Investment Income	$ (184)	4,773
2008A Swap Agreement									
Royal Bank of Canada	12/18/2008	$ 57	11/15/2025	2007F-G(2)	4.0085%	70% LIBOR	Investment Income	$ (48)	(6,583)
2008B Swap Agreement									
Loop Financial Products I LLC	1/8/2009	$ 66	11/15/2025	2008C1(2)	4.7600%	70% LIBOR + 0.1%	Investment Income	$ (2,034)	- (4)
2009A Swap Agreement									
Loop Financial Products I LLC	1/12/2010	$ 22	11/1/2022	(1)	5.6229%	SIFMA	Deferred Outflow	$ (433)	(1,487)
							Investment Income	$ (707)	
Total									$ (15,339)

(1) Swaps associated with Series 2009C, 2008B and a portion of the 2002C Bonds
(2) A portion of the Series 2002C bonds are additionally associated with these swaps
(3) Previously associated with 2007D. Swaps currently associated with Series 2017A
(4) Swap was terminated 10/15/2020

Counterparty	Effective date	Notional amount (in millions)	Bond/swap termination date	Associated debt series	Payable swap rate	Variable receivable swap rate	Changes in fair value: Classification	Changes in fair value: Amount	Fair value 12/31/2019	
1998 Swap Agreements										
Goldman Sachs Capital Markets, L.P.	10/4/2000	$ -	8/20/2019	-	-	-	Deferred Outflow	$ (441)	$ -	(5)
							Investment Income	$ 1,748		
Societe Generale, New York Branch	10/4/2000	$ -	8/20/2019	-	-	-	Deferred Outflow	$ (441)	-	(5)
							Investment Income	$ 1,992		
1999 Swap Agreements										
Goldman Sachs Capital Markets, L.P.	10/4/2001	$ 92	11/1/2022	(1)	5.6179%	SIFMA	Deferred Outflow	$ (17)	(5,225)	
							Investment Income	$ (2,488)		
Merrill Lynch Capital Services, Inc.	10/4/2001	$ 46	11/1/2022	(1)	5.5529%	SIFMA	Deferred Outflow	$ (9)	(2,575)	
							Investment Income	$ (1,217)		
2002 Swap Agreements										
Goldman Sachs Capital Markets, L.P.	4/15/2002	$ 92	12/18/2019	-	-	-	Investment Income	$ 261	-	(7)
2005 Swap Agreements										
Royal Bank of Canada	11/15/2006	$ -	3/13/2019	-	-	-	Investment Income	$ (3)	-	(4)
JP Morgan Chase Bank, N.A.	11/15/2006	$ 42	11/15/2025	2016A,(3)	3.6874%	70% LIBOR	Investment Income	$ 281	(4,044)	
Piper Jaffray Financial Products, Inc.	11/15/2006	$ -	3/13/2019	-	-	-	Investment Income	$ (3)	-	(4)
2006A Swap Agreements										
JP Morgan Chase Bank, N.A.	11/15/2007	$ 114	11/6/2019	-	-	-	Investment Income	$ 583	-	(6)
GKB Financial Services Corp.	11/15/2007	$ 38	11/15/2025	2007F-G(2)	4.0085%	70% LIBOR	Investment Income	$ (35)	(3,315)	
2006B Swap Agreements										
Royal Bank of Canada	11/15/2006	$ -	3/13/2019	-	-	-	Investment Income	$ 12	-	(4)
JP Morgan Chase Bank, N.A.	11/15/2006	$ 42	11/15/2025	2016A	SIFMA	4.0855%	Investment Income	$ (278)	4,589	
Piper Jaffray Financial Products, Inc.	11/15/2006	$ -	3/13/2019	-	-	-	Investment Income	$ (2)	-	(4)
2008A Swap Agreement										
Royal Bank of Canada	12/18/2008	$ 76	11/15/2025	2007F-G(2)	4.0085%	70% LIBOR	Investment Income	$ (69)	(6,631)	
2008B Swap Agreement										
Loop Financial Products I LLC	1/8/2009	$ 90	11/15/2025	2008C1(2)	4.7600%	70% LIBOR + 0.1%	Investment Income	$ (229)	(11,679)	
2009A Swap Agreement										
Loop Financial Products I LLC	1/12/2010	$ 46	11/15/2022	(1)	5.6229%	SIFMA	Deferred Outflow	$ (289)	(2,628)	
							Investment Income	$ (948)		
Total									$ (31,508)	

(1) Swaps associated with Series 2009C, 2008B and a portion of the 2002C Bonds
(2) A portion of the Series 2002C bonds are additionally associated with these swaps
(3) Previously associated with 2007D. Swaps currently associated with Series 2017A
(4) Swaps were terminated 3/13/2019
(5) Swaps were terminated 8/20/2019
(6) Swaps were terminated 11/6/2019
(7) Swaps were terminated 12/18/2019

Payments by the Airport to counterparties relating to these swap agreements, including termination payments, are Subordinate Obligations, subordinate to debt service payments on the Airport's Senior Bonds, and on parity with the Airport's Subordinate Bonds. Fair values were calculated using the mid-market LIBOR and SIFMA swap curves as of December 31, 2020 and 2019. Fair values represent the difference between the present value of the fixed payments and the present value of the floating payments, at forward floating rates as of December 31, 2020. When the present value of payments to be made by the Airport exceeds the present value of payments to be received, the swap has a negative value to the Airport. When the present value of payments to be received by the Airport exceeds that of payments to be made, the swap has a positive value to the Airport.

(a) Risks Associated with the Swap Agreements

The following risks are generally associated with swap agreements:

Credit Risk – All of the Airport's swap agreements rely upon the performance of swap counterparties. The Airport is exposed to the risk of these counterparties being unable to fulfill their financial obligations to the Airport. The Airport measures the extent of this risk based upon the credit ratings of the counterparty and the fair value of the swap agreement. If the Airport delivers a surety policy or other credit support document guaranteeing its obligations under the Swap Agreement that is rated in the highest rating category of either S&P, Moody's, or Fitch, for any swap agreement, the counterparty to that agreement is obligated to either be rated, or provide credit support securing its obligations under the swap agreement rated in the highest rating category of either S&P, Moody's, or Fitch; or under certain circumstances, provide collateral. The Airport is obligated, under the swap agreements, to provide such surety policy or credit support if the unsecured and unenhanced ratings of the Airport's Senior Bonds is below any two of BBB by S&P, Baa2 by Moody's, or BBB by Fitch.

As of December 31, 2020, the ratings of the Airport's Senior Bonds were A+ by (S&P) (with a negative outlook), A1 by Moody's (with a stable outlook) and AA- by Fitch (with a negative outlook). Therefore, no surety policy or credit has been provided to the counterparties by the Airport. Failure of either the Airport or the counterparty to provide credit support or collateral, as described in the swap agreements, is a termination event under the swap agreements (see termination risk below).

The ratings of the counterparties, or their credit support providers, as of December 31, 2020 are as follows:

	Ratings of the counterparty or its credit support provider		
Counterparty (credit support provider)	**S&P**	**Moody's**	**Fitch**
Goldman Sachs Capital Markets, L.P. (Goldman Sachs Group, Inc.)	BBB+	A3+	A
JP Morgan Chase Bank, N.A.	A+	Aa2	AA
LOOP Financial Products, LLC (Deutsche Bank, AG, New York Branch)	BBB+	A3	BBB
Merrill Lynch Capital Services, Inc. (Merrill Lynch & Co., Inc.)	A-	A2	A+
Royal Bank of Canada	AA-	Aa2	AA
GKB Financial Services Corporation II, Inc. (Societe Generale New York Branch)	A	A1	A

As of December 31, 2020, there was no risk of loss for the swap agreements that had negative fair values. For the swap agreements that had positive fair values, the risk of loss is the amount of the derivatives' fair value.

Termination Risk – Any party to the Airport's swap agreements may terminate the swap if the other party fails to perform under the terms of the contract. Additionally, the Airport may terminate any of its swap agreements at any time at its sole discretion. Further, certain credit events can lead to a termination event under the swap agreements (see Credit Risk above). If, at the time of termination, the swap has a negative fair value, the Airport could be liable to the counterparty for a payment equal to the swap's fair value. If any of the Airport's swap agreements are terminated, the associated variable rate bonds would either no longer be hedged with a synthetic fixed interest rate or the nature of the basis risk associated with the swap agreement may change. The Airport is not aware of any existing event that would lead to a termination event with respect to any of its swap agreements.

Interest Rate Risk – The Airport is exposed to interest rate risk in that as the variable rates of the swap agreements decrease, the Airport's net payments on the swap agreements increase.

Basis Risk – Each of the Airport's swap agreements is associated with certain debt obligations or other swaps. The Airport pays interest at variable interest rates on some of the associated debt obligations and associated swaps. The Airport receives variable payments under some of its swap agreements. To the extent the variable rate on the associated debt or the associated swap paid by the Airport is based on an index different than that used to determine the variable payments received by the Airport under the swap agreement, there may be an increase or decrease in the synthetic interest rate intended under the swap agreement. The nature of this risk for each of the Airport's series of swaps is discussed more specifically in the descriptions of these swap agreements below.

(b) Swap Payments and Associated Debt

Interest Rate Swap Profile (all rates as of December 31, 2020):

Swaps	**1999, 2009A**	**2005, 2006B**	**2006A, 2008A**
Associated debt	**2008B, 2009C**	**2016A**	**2007G1-G2**
Payment to counterparty:	5.6029%	3.7774%	4.0085%
Payment from counterparty:	0.0900%	4.1863%	0.1008%
Net swap payment:	5.5129%	-0.4089%	3.9077%
Associated bond interest rate:	0.4600%	5.0000%	1.0008%
Net swap & bond payment:	5.9729%	4.5911%	4.9085%

As rates vary, variable rate bond interest payments and net swap payments will vary. As of December 31, 2020, debt service requirements of the related variable rate debt and net swap payments for the Airport's cash flow hedges (1998, 1999, and 2009A Swap Agreements), assuming current interest rates remain the same, for their terms, were as follows ($ in thousands):

	Principal	Interest	Interest rate swaps net	Total
Year:				
2021	$ 21,300	$ 401	$ 4,801	$ 26,502
2022	16,700	303	1,810	18,813
2023	3,825	226	-	4,051
2024	-	208	-	208
2025	-	208	-	208
2026-2030	37,200	708	-	37,908
2031	8,055	37	-	8,092
Total	$ 87,080	$ 2,091	$ 6,611	$ 95,782

*Note: the amortization of the notional amounts on the swaps no longer match the amortization on the bonds (the duration of the bonds is longer than the swaps)

Bond principal reflects the hedged portion on 12/31/2020

Variable Rate Bonds and Swap payments are calculated using rates in effect on December 31, 2020.

(14) Denver International Airport Special Facility Revenue Bonds

To finance the acquisition and construction of various facilities at the Airport, the City issued three series of Special Facility Revenue Bonds. These bonds are special limited obligations of the City, payable and secured by a pledge of certain revenues to be received from lease agreements for these facilities. The bonds do not constitute a debt or pledge of the full faith and credit of the City or the Airport, and accordingly, have not been reported in the accompanying financial statements. In October 2017, the City issued Special Facility Revenue Bonds (Series 2017) on a current refunding of the Special Facilities Airport Revenue Bonds (Series 2007A). The Series 2017 proceeds were used to pay off the outstanding balance of the Series 2007A series and closing costs. At December 31, 2020 and December 31, 2019, Special Facility Revenue Bonds outstanding totaled to $250.6 million.

(15) Compensated Absences

Employees may accumulate earned but unused benefits up to specified maximum. The changes in compensated absences for 2020 and 2019 are as follows ($ in thousands):

	Balance January 1, 2020	Additions	Retirements	Balance December 31, 2020	Amounts due within one year
Compensated absences payable	$ 10,158	$ 9,340	$ (7,401)	$ 12,097	$ 2,524
Less current				(2,524)	
Noncurrent portion				$ 9,573	

	Balance January 1, 2019	Additions	Retirements	Balance December 31, 2019	Amounts due within one year
Compensated absences payable	$ 10,142	$ 8,502	$ (8,486)	$ 10,158	$ 2,579
Less current				(2,579)	
Noncurrent portion				$ 7,579	

(16) Deferred Outflow and Inflow of Resources

A deferred outflow of resources is a consumption of net position by the Airport that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position by the Airport that is applicable to a future reporting period. Both deferred inflows and outflows of resources are reported in the statements of net position but are not recognized in the financial statements as revenues and expenses until the period to which they relate. Deferred outflows of resources of the Airport consist of accumulated decreases in fair value of hedging derivatives, deferred losses on refunding and certain pension and OPEB related deferrals. Deferred inflows of resources are comprised of deferred gain on refundings, and certain pension and OPEB related deferrals.

The composition of deferred outflows and inflows are as follows as of December 31 ($ in thousands):

	December 31, 2020	December 31, 2019
Deferred outflows:		
Accumulated decrease in fair value of hedging activities	$ 3,029	$ 4,106
Deferred loss on refunding of debt	64,290	75,102
GASB 68 pension deferred outflow	37,765	48,757
GASB 75 deferred outflow		
DERP OPEB	2,303	2,483
DERP implicit rate	1,537	924
Total deferred outflows	$ 108,924	$ 131,372
Deferred inflows:		
Deferred gain on refunding of debt	$ 4,620	$ 4,072
GASB 68 pension deferred inflow	4,693	3,568
GASB 75 deferred inflow		
DERP OPEB	699	348
DERP implicit rate	622	363
Total deferred inflows	$ 10,634	$ 8,351

(17) Pension Plan

Substantially all of the Airport's employees are covered under the City and County of Denver's pension plan, the Denver Employees' Retirement Plan (DERP). The net pension liability is calculated annually, based on the measurement date, for the citywide financial statements and is allocated to the Airport as of the end of the fiscal year.

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

The Plan provides retirement, death and disability benefits for its members and their beneficiaries. Members who were hired before September 1, 2004, and retire at or after age 65 (or at age 55 if the sum of their age and credited service is at least 75) are entitled to an annual retirement benefit, in an amount equal to 2.0% of their final average salary for each year of credited service, payable monthly for life. Effective for employees hired after September 1, 2004, the formula multiplier was reduced to 1.5%. Final average salary is based on the member's highest salary during a 36 consecutive month period of credited service. Members with five years of credited service may retire at or after age 55 and receive a reduced retirement benefit.

For members who were hired on or after July 1, 2011, they must be age 60 and have combined credited service of at least 85 in order to receive a normal retirement prior to age 65. Final average salary is based on the member's highest salary during a 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 are granted on an ad hoc basis. The estimated cost of benefit and contribution provisions is determined annually by an independent actuary, recommended by the plan's Board, and enacted into ordinance by Denver City Council.

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

Funding Policy – For 2019 and 2018, the City contributes 13.0% and 12.5%, respectively, of covered payroll and employees make a pre-tax contribution of 8.5% and 8.0%, respectively, in accordance with Section 18-407 of the Revised Municipal Code of the City. The City's contributions to DERP for the years ended December 31, 2020 and 2019, were $95.6 million and $83.3 million, respectively, which equaled the required contributions. The Airport's share of the total contributions is $13.1 million and $11.9 million for the years ended December 31, 2020 and 2019 respectively.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At December 31, 2020 and 2019, the Airport reported a liability of $199.9 million and $192.0 million, respectively, for its proportionate share of the net pension liability related to DERP. The net pension liabilities were measured as of December 31, 2019 and 2018, respectively, and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of those respective dates. Member census data for the year preceding the measurement period was used in developing each actuarial valuation. Standard actuarial roll forward techniques were then used to project the total pension liability to the measurement date. The Airport's proportion of the net pension liability was based on contributions to DERP relative to the total contributions of participating employers to DERP.

At December 31, 2019, the Airport's proportion was 13.73604%, which was an increase of 1.01011% from its proportion measured as of December 31, 2018. As December 31, 2018, the Airport's proportion was 12.72593%, which was an increase of 0.731% from its proportion measured as of December 31, 2017.

The components of the Airport's net pension liability related to DERP as of December 31, 2020 and 2019, respectively, are presented below ($ in thousands):

	2020	2019
Total pension liability	$ 510,104	$ 454,490
Plan fiduciary net position	(310,226)	(262,495)
Net pension liability	$ 199,878	$ 191,995

The change in net pension liability for the year ended December 31, 2020 was ($ in thousands):

Beginning balance	Additions	Reductions	Ending balance
$ 191,995	$ 48,122	$ (40,239)	$ 199,878

The change in net pension liability for the year ended December 31, 2019 was ($ in thousands):

Beginning balance	Additions	Reductions	Ending balance
$ 140,679	$ 63,266	$ (11,950)	$ 191,995

For the years ended December 31, 2020 and 2019, pension expense recognized by the Airport was $33.1 million and $28.1 million, respectively. At December 31, 2020, the Airport reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources ($ in thousands):

Sources:	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	$ 6,289	$ -
Changes of assumptions or other inputs	6,248	-
Net difference between projected and actual earnings on pension plan investments	-	3,660
Changes in proportion and differences between contributions recognized and proportionate share of contributions	12,095	1,033
Contributions subsequent to the measurement date	13,133	-
Total	$ 37,765	$ 4,693

At December 31, 2019, the Airport reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources ($ in thousands):

Sources:	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	$ 2,428	$ -
Changes of assumptions or other inputs	17,026	-
Net difference between projected and actual earnings on pension plan investments	11,237	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	6,129	3,568
Contributions subsequent to the measurement date	11,937	-
Total	$ 48,757	$ 3,568

At December 31, 2020 and 2019, the Airport reported $13.1 million and $11.9 million, respectively, as deferred outflows of resources related to pensions resulting from Airport contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the following year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as presented below ($ in thousands):

Year:	Deferred inflows/ outflows of resources
2021	$ 12,862
2022	7,861
2023	2,860
2024	(3,644)
2025	-
Thereafter	-
Total	$ 19,939

The total pension liability in the December 31, 2019 and 2018 actuarial valuations were determined using the actuarial assumptions as follows:

2019	DERP
Investment rate of return	7.50%
Salary increases	3.00% to 7.00%
Inflation	2.50%

2018	DERP
Investment rate of return	7.50%
Salary increases	3.00% to 7.00%
Inflation	2.50%

Mortality rates were based on the Adjusted RP-2014 Mortality Tables, with general projections using Ultimate MP Scale (changed in 2018 from RP-2000 Combined Mortality Projected with Scale AA to 2020). The latest experience study was conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017. At the time, the recommended mortality table was expected to produce a margin of 10% on the retired male mortality experience and 5% on the retired female experience.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant and actuary(s).

For each major asset class that is included in the pension plan's target asset allocation as of December 31, 2019 and 2018 these best estimates are summarized in the following table:

2019		
Asset class	**Target allocation**	**Long-term expected real rate of return**
US equity	**21.00%**	
Large cap	17.00%	5.50%
Small cap	4.00%	5.70%
International equity	**21.00%**	
Developed markets	13.00%	5.90%
Emerging markets	8.00%	7.80%
Fixed income	**25.50%**	
Core fixed income	17.00%	0.80%
Private debt	4.00%	4.10%
Distress debt	2.50%	4.70%
Emerging market debt	2.00%	2.70%
Real estate	**8.00%**	4.40%
Absolute return	**5.00%**	2.80%
MLP	**7.00%**	6.40%
Alternatives	**12.50%**	
Private equity	7.00%	7.50%
Natural resources	5.50%	6.90%
Total	**100.00%**	

2018		
Asset class	**Target allocation**	**Long-term expected real rate of return**
US equities	**22.50%**	
Large cap	12.00%	3.80%
Large cap value	3.50%	4.30%
Large cap growth	3.50%	3.80%
Small cap value	1.25%	4.50%
Small cap growth	2.25%	4.00%
International equity	**23.50%**	
International large cap	2.00%	4.30%
International large cap value	4.00%	5.30%
International large cap growth	4.00%	4.80%
International small cap value	5.50%	4.80%
Emerging markets	8.00%	6.30%
Fixed income	**20.50%**	
Governments	5.00%	0.50%
Core fixed income	6.50%	1.00%
Emerging market debt	2.50%	4.30%
Private debt	4.00%	5.00%
Distress debt	2.50%	6.50%
Real estate	**8.00%**	
Non-core real estate	3.20%	5.80%
Core real estate	4.80%	3.80%
Alternatives	**25.50%**	
Hedge funds	5.00%	3.30%
MLP	7.00%	6.30%
Private equity	7.00%	6.50%
Private energy	5.50%	6.50%
Timber	1.00%	3.00%
Total	**100.00%**	

Discount Rate - A single discount rate of 7.50% and 7.50% was used to measure the total pension liability at December 31, 2019 and 2018, respectively. This single discount rate was based on the expected rate of return on pension plan investments of 7.50% and 7.50%, respectively. The projection of cash flows used to determine this single rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.50%, as well as what the Plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage point higher ($ in thousands):

2020	1 % decrease 6.50%	Current discount rate 7.50%	1% increase 8.50%
Proportionate share of net pension liability	$ 255,207	$ 199,878	$ 153,362

Pension Plan Fiduciary Net Position: Detailed information about DERP's fiduciary net position is available in DERP's separately issue of financial reports at https://www.derp.org/.

(18) Plan Postemployment Healthcare Benefits under GASB Statement No. 75

The Airport has two Other Postemployment Healthcare Benefit (OPEB) plans: Denver Employees Retirement Plan (DERP) and DERP Implicit Rate Subsidy. The liability associated with these plans is calculated annually, based on the measurement date, for the citywide financial statements and is allocated to the Airport as of the end of the fiscal year as follows:

	2020	2019
DERP OPEB plan net OPEB liability	$ 13,555	$ 13,594
DERP implicit rate subsidy OPEB plan total OPEB liability	8,061	7,721
Total/Net OPEB liability	$ 21,616	$ 21,315

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

Sections 18-401 through 18-430.7 of the City's Revised Municipal Code should be referred to for complete details of the Plan. DERP issues a publicly available comprehensive annual financial report that can be obtained at https://www.derp.org/.

Benefits Provided - The Plan provides retirement, death, and disability benefits for its members and their beneficiaries. Members who were hired before September 1, 2004 and retire at or after age 65 (or at age 55 if the sum of their age and credited service is at least 75) are entitled to an annual retirement benefit, in an amount equal to 2.0% 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 consecutive 36-month period of credited service. Members with five years of credited service may retire at or after age 55 and receive a reduced retirement benefit.

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

The health benefits account was established by City Ordinance in 1991 to provide, beginning January 1, 1992, post-employment health care benefits in the form of a premium reduction to retired members, their spouses and dependents, spouses and dependents of decreased active and retired members, and members of the Plan awaiting approval of retirement applications. During 2019, the monthly health insurance premium reduction was $12.50 per year of service for retired participants not yet eligible for Medicare, and $6.25 per year of service for retirees eligible for Medicare. The health insurance premium reduction can be applied to the payment of medical, dental, and/or vision insurance premiums. The benefit recipient pays any remaining portion of the premiums.

Contributions – During 2019 and 2018, the Airport was required to contribute at a rate of 1.34% and 1.26% of annual covered payroll, respectively. The contribution requirements for the Airport are established under the City's Revised Municipal Code. For the year ended December 31, 2020 and 2019, contributions to the DERP OPEB plan were $0.7 million.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - At December 31, 2020, the Airport reported a liability of $13.6 million for its proportionate share of the net OPEB liability. The net OPEB liability for DERP was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2019. The Airport's proportion of the net OPEB liability was based on contributions to DERP for the calendar year 2019 relative to the total contributions of participating employers to the DERP.

At December 31, 2019, the Airport reported a liability of $13.6 million for its proportionate share of the net OPEB liability. The net OPEB liability for DERP was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2018. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2018. The Airport's proportion of the net OPEB liability was based on contributions to DERP for the calendar year 2018 relative to the total contributions of participating employers to the DERP.

At December 31, 2019, the Airport's proportion was 13.782320% percent for OPEB, which was an increase of 0.784580% from its proportion measured as of December 31, 2018. At December 31, 2018, the Airport's proportion was 12.99774% percent for OPEB, which was an increase of 0.65141% from its proportion measured as of December 31, 2017.

The components of the Airport's proportionate share of the net OPEB liability related to DERP as of December 31, 2020 and 2019 are presented below ($ in thousands):

OPEB plan	2020	2019
Total OPEB liability	$ 23,436	$ 22,350
Plan fiduciary net position	(9,881)	(8,756)
Net OPEB liability	$ 13,555	$ 13,594

For the year ended December 31, 2020 and 2019, the Airport recognized OPEB expense for the DERP plan of $0.5 million and $0.3 million, respectively.

A summary of the Airport's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2020, is presented below ($ in thousands):

Sources	Deferred outflows of resources	Deferred inflows of resources
OPEB plan:		
Difference between expected and actual experience	$ 47	$ 347
Changes of assumptions or other inputs	593	-
Net difference between projected and actual earnings on OPEB plan investments	-	130
Changes in proportion and differences between contributions recognized and proportionate share of contributions	937	222
Contributions subsequent to the measurement date	726	-
Total	$ 2,303	$ 699

A summary of the Airport's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2019, is presented below ($ in thousands):

Sources	Deferred outflows of resources	Deferred inflows of resources
OPEB plan:		
Difference between expected and actual experience	$ 63	$ -
Changes of assumptions or other inputs	793	-
Net difference between projected and actual earnings on OPEB plan investments	387	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	543	348
Contributions subsequent to the measurement date	697	-
Total	$ 2,483	$ 348

At December 31, 2020 and 2019, the Airport reported $0.7 million, respectively, as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the following year ended. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as presented below ($ in thousands):

Year	Deferred inflows and outflows of resources
OPEB plan:	
2021	$ 319
2022	354
2023	325
2024	(120)
2025	-
Thereafter	-
	$ 878

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented below:

OPEB plan	DERP
Valuation date	January 1, 2019
Measurement date	December 31, 2019
Experience study	Conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017
Actuarial method	Entry age normal
Long-term investment rate of return	7.50%
Discount rate	7.50%
Projected salary increases	3.00%
Inflation	2.50%
Mortality	Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale

The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented below:

OPEB plan	**DERP**
Valuation date	January 1, 2018
Measurement date	December 31, 2018
Experience study	Conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017
Actuarial method	Entry age normal
Long-term investment rate of return	7.50%
Discount rate	7.50%
Projected salary increases	3.00% to 7.00%
Inflation	2.50%
Mortality	RP-2014 Combined Mortality Table (genderspecific) projected with the Ultimate MP Scale with a multiplier of 110% male and 105% female

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized below as of December 31, 2019 and 2018:

2019		
Asset class	**Target allocation**	**Long-term expected real rate of return**
US equity	**21.00%**	
Large cap	17.00%	5.50%
Small cap	4.00%	5.70%
International equity	**21.00%**	
Developed markets	13.00%	5.90%
Emerging markets	8.00%	7.80%
Fixed income	**25.50%**	
Core fixed income	17.00%	0.80%
Private debt	4.00%	4.10%
Distress debt	2.50%	4.70%
Emerging market debt	2.00%	2.70%
Real estate	**8.00%**	4.40%
Absolute return	**5.00%**	2.80%
MLP	**7.00%**	6.40%
Alternatives	**12.50%**	
Private equity	7.00%	7.50%
Natural resources	5.50%	6.90%
Total	**100.00%**	

2018		
Asset class	**Target allocation**	**Long-term expected real rate of return**
US Equities	**22.50%**	
Large cap	12.00%	4.90%
Large cap value	3.50%	5.30%
Large cap growth	3.50%	4.70%
Small cap value	2.20%	5.50%
Small cap growth	1.30%	5.00%
International Equity	**23.50%**	
International large cap	2.00%	5.80%
International large cap value	4.00%	6.30%
International large cap growth	4.00%	5.50%
International small cap value	5.50%	6.00%
Emerging markets	8.00%	7.80%
Fixed Income	**20.50%**	
Governments	5.00%	0.60%
Core fixed income	6.50%	1.10%
Emerging market debt	2.50%	4.60%
Private debt	4.00%	7.50%
Distress debt	2.50%	7.50%
Real Estate	**8.00%**	
Non-core real estate	3.20%	5.90%
Core real estate	4.80%	4.10%
Alternatives	**25.50%**	
Hedge funds	5.00%	2.60%
MLP	7.00%	7.20%
Private equity	7.00%	7.50%
Private energy	5.50%	7.30%
Timber	1.00%	3.60%
Total	**100.00%**	

Discount Rate – At December 31, 2020 and 2019, a single discount rate of 7.50% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 7.50%. The projection of cash flows used to determine this single rate assumed that plan member and employer contributions will be made at the current contribution rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Airport's proportionate share of the net OPEB liability to changes in the Discount Rate - Below presents the net OPEB liability as of December 31, 2020 and 2019 using the current discount rate applicable to the DERP benefit structure, as well as if it were calculated using a discount rate that is one percentage point lower or one percentage point higher ($ in thousands):

2020	1% decrease	Current discount rate	1% increase
DERP OPEB plan			
Discount rate	6.50%	7.50%	8.50%
Proportionate share of net liability	$ 15,864	$ 13,555	$ 11,592

2019	1% decrease	Current discount rate	1% increase
DERP OPEB plan			
Discount rate	6.50%	7.50%	8.50%
Proportionate share of net liability	$ 15,796	$ 13,594	$ 11,722

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

OPEB Plan Fiduciary Net Position - Detailed information about the DERP's fiduciary net position is available in DERP's comprehensive annual financial report which can be obtained at https://www.derp.org/.

DERP Implicit Rate Subsidy OPEB Plan

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

Benefit Payments - DERP retirees are responsible for 100.00% of the blended premium rate. The Airport's required contribution toward the implicit rate subsidy is based on a pay-as-you-go financing. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay benefits. For the year ended, December 31, 2020 and 2019, benefit payments were $0.6 million and $0.7 million, respectively.

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

Participating active employees: 50% of active DERP employees currently covered in the City's medical plans are assumed to continue their current medical plan election in retirement.

Actives not currently participating: 25% of active DERP employees not currently covered by a City healthcare plan are assumed to elect coverage in the Kaiser DHMO plan at or before retirement.

Vested terminated employees: 40% of vested terminated employees with 16 or more years of City/County service are assumed to elect coverage in the Kaiser DHMO plan when they retire and begin their pension benefits.

Retired participants: Existing medical plan elections are assumed to be continued through retirement until the earlier of the retiree's death or the date he or she becomes eligible for Medicare.

Spouse Coverage

Active participants: 25% of those assumed to elect coverage in retirement are assumed to be married participants electing coverage for their spouse until their death. Husbands are assumed to be three years older than their wives.

Retired participants: Existing elections for spouse coverage are assumed to be maintained through retirement. Actual spouse information is used where available; otherwise the assumptions for spouses of active employees are applied.

The Patient Protection and Affordable Care Act (ACA) included a 40% excise tax on the value of high-cost employer sponsored health coverage exceeding certain thresholds ("Cadillac Plans"). The tax applied to the aggregate annual cost of any employee's applicable coverage that exceeds a dollar limit. Implementation of this tax had been delayed by subsequent legislation to 2022. This excise tax was repealed by Senate Amendment to H.R. 1865, Further Consolidate Appropriations Act, 2020, and signed by the President on December 20, 2019. Although this change occurred after the valuation date and measurement date, we changed our assumptions, now assuming the City will longer bear any such excise tax liability.

Employees covered by benefit terms at December 31, 2019 and December 31, 2018, the date of the latest actuarial valuation:

	2019	2018
Inactive employees currently receiving benefit payments	1,124	1,124
Inactive employees entitled to but not yet receiving benefit payments	306	306
Active employees	8,755	8,755
Total	10,185	10,185

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - The Airport's proportionate share is determined by the Airport's contributions for the measurement period divided by total contributions of all employer entities for the measurement period. The Airport's proportionate share of the implicit rate subsidy total OPEB liability related to DERP as of December 31, 2020 and 2019 are as follows ($ in thousands):

Implicit rate subsidy	2020	2019
Total OPEB liability	$ 8,061	$ 7,721

For the year ended December 31, 2020, the Airport recognized OPEB expense of $0.6 million for the implicit rate subsidy. A summary of the Airport's deferred outflows of resources and deferred inflow of resources related to OPEB as of December 31, 2020 is presented below ($ in thousands):

Sources	Deferred outflows of resources	Deferred inflows of resources
Implicit rate subsidy:		
Difference between expected and actual experience	$ 44	$ -
Changes of assumptions - future economic or demographic factors	851	-
Changes in proportion	52	622
Benefit payments subsequent to the measurement date	590	-
Total	$ 1,537	$ 622

For the year ended December 31, 2019, the Airport recognized OPEB expense of $0.5 million for the implicit rate subsidy. A summary of the Airport's deferred outflows of resources and deferred inflow of resources related to OPEB as of December 31, 2019 is presented below ($ in thousands):

Sources	Deferred outflows of resources	Deferred inflows of resources
Implicit rate subsidy:		
Difference between expected and actual experience	$ 54	$ -
Changes of assumptions - future economic or demographic factors	181	-
Changes in proportion	28	363
Benefit payments subsequent to the measurement date	661	-
Total	$ 924	$ 363

As of December 31, 2020 and 2019, the $0.6 million and $0.7 million, respectively, reported as deferred outflows of resources related to the implicit rate subsidy, resulting from benefit payments subsequent to the measurement date, will be recognized as a reduction of the total implicit rate subsidy OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of recourses and deferred inflows of resources related to OPEB for the implicit rate subsidy will be recognized as presented below ($ in thousands):

Year	Deferred inflows and outflows of resources
Implicit rate subsidy:	
2021	36
2022	36
2023	36
2024	36
2025	36
Thereafter	146
	$ 326

The implicit rate subsidy liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented below:

Implicit rate subsidy	**DERP**
Valuation date	December 31, 2018
Measurement date	December 31, 2019
Actuarial method	Entry age normal
Asset valuation method	Market value of assets
Discount rate	2.74% as of December 31, 2019 4.11% as of December 31, 2018
Participants valued	Only current active employees under age 65, non-medicare retired participants and covered spouses are valued. No future entrants are considered in this valuation
Projected salary increases	3.00% per year
Inflation	2.50%
Mortality	DERP 2016 actuarial valuation projected with MW Scale 2018
Healthcare cost trend rates	Medical plan premiums and claims costs by are assumed to 6.5% in 2022 and fluctuates until the ultimate rate of 4% in 2076
Medicare eligibility	Absent contrary data, all individuals are assumed to be eligible for Medicate Parts A and B at age 65.
Demographic assumptions	Based on most recent (January 2016) actuarial valuation of the Denver Employees Retirement Plan, except for a different basis used to project future mortality improvements (rates of retirement, termination, disability and mortality).

The implicit rate subsidy liability in the December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented below:

Implicit rate subsidy	DERP
Valuation date	December 31, 2018
Measurement date	December 31, 2018
Actuarial method	Entry age normal
Asset valuation method	Market value of assets
Discount rate	3.56% as of December 31, 2017 4.11% as of December 31, 2018
Participants valued	Only current active employees under age 65, non-medicare retired participants and covered spouses are valued. No future entrants are considered in this valuation
Projected salary increases	3.00% per year
Inflation	2.50%
Mortality	RP-2000 MacLeod Watts Scale 2018 projected generationally from 2000
Healthcare cost trend rates	Medical plan premiums and claims costs by are assumed to 7.0% in 2021 and fluctuates until the ultimate rate of 4% in 2076
Medicare eligibility	Absent contrary data, all individuals are assumed to be eligible for Medicate Parts A and B at age 65.
Demographic assumptions	Based on most recent (January 2016) actuarial valuation of the Denver Employees Retirement Plan, except for a different basis used to project future mortality improvements (rates of retirement, termination, disability and mortality).

Discount Rate - When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). As such, a 2.74% and 4.11% discount were used to measure the implicit rate liability as, of December 31, 2019 and 2018, based on the published rates of the applicable municipal bond index.

Sensitivity of the Airport's Proportionate Share of the Implicit Rate Subsidy OPEB Total Liability to Changes in the Discount Rate - Below presents total OPEB liability as of December 31, 2020 and 2019 using the discount rate applicable to the DERP benefit structure, as well as if it were calculated using a discount rate that is one percentage point lower or one percentage point higher ($ in thousands):

2020	1% decrease	Current discount rate	1% increase
Implicit rate subsidy:			
Discount rate	1.74%	2.74%	3.74%
Proportionate share of total liability	$ 8,717	$ 8,061	$ 7,469

2019	1% decrease	Current discount rate	1% increase
Implicit rate subsidy:			
Discount rate	3.11%	4.11%	5.10%
Proportionate share of total liability	$ 8,326	$ 7,721	$ 7,175

Sensitivity of the total implicit rate subsidy OPEB liability to changes in the healthcare cost trend rates as of December 31, 2020 and 2019 presented below ($ in thousands):

2020	1% decrease	Current trend rate	1% increase
Change in healthcare cost trend rates:			
Total OPEB liability	$ 7,401	$ 8,061	$ 8,821

2019	1% decrease	Current trend rate	1% increase
Change in healthcare cost trend rates:			
Total OPEB liability	$ 7,098	$ 7,721	$ 8,449

(19) Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The Plan's publicly available financial report can be obtained by contacting the City of Denver Controller's Office at 201 West Colfax Avenue, Department 1109, Denver, Colorado, 80202.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employees or other beneficiary) held in trust by the City for the exclusive benefit of the participants and their beneficiaries. It is the opinion of the City's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

The City can at any time elect to amend, modify, or terminate the Plan. However, notice must be given to all participants at least 45 days prior to the effective date of an amendment. No amendments will deprive the participants of any benefits they were entitled to prior to the change. If the Plan is terminated, all amounts then credited to the participants are to be paid out by the administrators under the normal withdrawal requirements and procedures.

(20) Commitments and Contingencies

(a) Commitments

As of December 31, 2020, the Airport had remaining construction project contract capacity totaling $1.9 billion, of which $0.6 billion has been encumbered but not yet incurred, with the remaining $1.3 billion expected to be committed and incurred to complete current approved capital projects.

(b) Great Hall Project Development Agreements

The City, for and on behalf of the Airport, is undertaking renovations to Jeppesen Terminal including the Great Hall (an open area of approximately 1 million square feet located on Levels 5 and 6 of Jeppesen Terminal) designed to, among other things, enhance security of the passengers and the Airport, improve passenger flow and increase and improve concessions areas. The City, for and on behalf of the Airport, granted to Denver Great Hall LLC, a Delaware limited liability company (the "Great Hall Developer") an exclusive right to design, construct, finance, operate and maintain certain specified areas within Jeppesen Terminal, including the renovation and reconfiguration of a portion of the Great Hall (the "Great Hall Project"), pursuant to the Development Agreement dated August 24, 2017 (the "Great Hall Agreement") between the City, for and on behalf of the Airport, and the Great Hall Developer. On August 12, 2019, the City, for and on behalf of the Airport, exercised its right to terminate the Great Hall Agreement for convenience, which termination became effective November 12, 2019. As a result of such termination, the City, for and on behalf of the Airport, owed a termination payment to the Great Hall Developer in an amount determined pursuant to the terms of the Great Hall Agreement. The termination payment consists of several components: (1) a net lender liability payment reimbursing Great Hall Developers for costs of design, construction and management work completed through the Termination Date (paid partially from reserve funds available from the prior issuance of Revenue Bonds (Denver International Airport Great Hall Project) Series 2017 by the Public Finance Authority on behalf of Great Hall Developer); (2) an equity payment equal to the return that Great Hall Developer's equity members expected to receive on their investment in Great Hall Developer; (3) contractor breakage costs representing the costs incurred by Great Hall Developer and its contractors because of the termination of the Great Hall Agreement that would not have been incurred but for the termination of the Great Hall Agreement; (4) redundancy costs representing reimbursements to Great Hall Developer for costs incurred in terminating employees who will not continue with Great Hall Developer or an affiliate of Great Hall Developer after termination of the Great Hall Agreement; and (5) transition costs representing the amount spent by Great Hall Developer to wind down the work and transition the Great Hall Project to the City, for and on behalf of the Department. On March 20, 2020, the City on behalf of the Airport filed a Voluntary Event Notice Relating to Great Hall Project Termination Payment. This disclosure is available at https://emma.msrb.org/ER1317070-ER1026269-ER1432758.pdf. On March 17, 2020, the Airport made a final settlement payment relating to the Great Hall Project.

The City, for and on behalf of the Airport, entered into a Final Agreement Regarding Termination dated March 13, 2020 (the "Termination Agreement") with Great Hall Developer, Ferrovial Agroman West, LLC and Great Hall Builders, LLC ("Great Hall Builders") to settle all disputes among the parties to the Termination Agreement relating to the Great Hall Agreement, resolve certain relief event claims filed by Great Hall Developer on its own behalf and on behalf of Great Hall Builders under the Great Hall Agreement and settle the final amount of the total Termination Payment. As set forth in the Termination Agreement, the City, for and on behalf of the Airport, has made a series of payments toward the Termination Payment which, together with the amount referenced in the prior paragraph, resulted in the full and final Termination Payment amount of $183.7 million. This amount falls within the estimated range of the Termination Payment of $170.0 million to $210.0 million previously disclosed by the City, for and on behalf of the Airport. Pursuant to the Termination Agreement, no other payments are due from the City, for and on behalf of the Airport, as a result of the termination of the Great Hall Agreement and all claims for payments against the City, for and on behalf of the Airport, have been dismissed.

As of December 31, 2019, the Airport recorded a total cost incurred of $187.4 million related to the termination of the Great Hall Agreement, of which $50.4 million are accrued cost paid after December 31, 2019 on the Statement of Net Position. This cost included the $183.7 million related to the termination to Great Hall Partners and $3.7 million in additional costs related to the termination of the agreement. For the year ended December 31, 2020 and 2019, the Airport recorded $0.0 million and $65.8 million, respectively of the $187.4 million as Special Item on the Statement of Revenue, Expenses, and Changes in Net Position. This amount represents costs incurred determined not to be capitalizable.

(c) Noise Litigation

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

Currently, the Airport has not received any notices for any penalties for 2020. On August 27,2020, the City received notices of violations for 2019. The Airport is reviewing these notices but has not made any determination of their validity. At December 31, 2020 and 2019, the Airport accrued in claim litigation reserve the penalties along with estimated interest for 2017-2019 in the amount of $25.1 million, and $23.0 million, respectively.

(d) Claims and Litigation

On July 2, 2018, the Board of County Commissioners of Adams County filed a civil complaint against the City, related to the Airport, in the Jefferson County District Court of Colorado, which was amended on July 20, 2018 to include the City of Aurora and the City of Brighton as plaintiffs (the Claimant). The Claimant sought, among other things, a declaration from the Court that the City is in breach of the 1988 Adams County Intergovernmental Agreement (IGA) as a result of the City's continued use of noise modeling system known as ARTSMAP, which the Claimant allege is not sufficient to measure compliance with Noise Standards agreed to under the IGA. In conjunction with this declaratory relief, the Claimant sought an injunction of the City's continued use of ARTSMAP and specific performance including, among other things, (i) use of an alternative noise monitoring system and for the City to recalculate and re-report the annual calculation of compliance with the Noise Standards for 2014 through 2018 and future years using such alternative noise monitoring system, (ii) installation of additional noise monitoring terminals in and around the Airport to sufficiently measure compliance with the Noise Standards under the IGA; and (iii) supply of a terminal at the Adams County offices to allow real-time, continuous monitoring of such alternative noise monitoring system data. On May 21, 2019, Adams County, the City of Thornton, the City of Aurora and the City of Brighton (the "Plaintiffs") filed a Third Amended Complaint (the "Amended Claimant") which, in addition to allegations made in the Original Claimant, alleged between 93 and 108 Class II violations in 2014 through 2016 that remained uncured in the succeeding calendar year and, in addition to the relief sought in the Original Claimant, seeks (i) a mandatory Court order requiring the City to implement Claimant reasonable, non-discriminatory rules and regulations concerning airport operations to achieve and maintain compliance with the Noise Standards and (ii) if the Court does not make such order, an award of liquidated damages of $500,000 for each Class II violation that occurred during 2014, 2015 and 2016 that remained uncured in the succeeding calendar year. The trial concluded on October 4, 2019. Written closing arguments and proposed findings were submitted in November 2019. On June 19, 2020, the Court issued Findings of Fact and Conclusions of Law (Order) related to the claim filed by the Complainants, and ruled in favor of the Claimant's claims with respect to (i) the City's use of an alternative noise monitoring system and (ii) Class II violations for 2014, 2015, and 2016 for the judgment amount of $33.5 million plus interest. Under the Ruling, the City will make changes in its Noise Monitoring Program and may make changes to the operations of the Airport and flight procedures that could materially adversely affect Net Revenues. Post-trial motions have been filed but not yet ruled upon. A Notice of Appeal to the Colorado Court of Appeals has been filed. No assurance can be given regarding the outcome of an appeal or whether the Claimants may file additional claims in the future alleging new violations. On October 16, 2020, the City filed a notice of appeal with the Colorado Court of Appeals appealing the Ruling, including specifically, the trial court's judgment in favor of the Plaintiffs on the claims for relief regarding the use of a noise monitoring system, liquidated damages for the Class II Violations from 2014 through 2016, calculation of prejudgment interest and the denial of the City's affirmative defenses. At December 31, 2020 and 2019, the Airport accrued the judgment amount of $33.5 million included in claim litigation reserve along with approximately $15.9 million in accrued interest through December 31, 2020.

(e) Denver International Assets under Operating Leases

The Airport leases portions of its buildings and improvements to airline and concession tenants under non-cancelable operating leases. Lease terms vary from 1 to 30 years. The operating leases with the concession tenants require rental payments equal to the greater of a fixed minimum amount per square foot or percentage of gross receipts. Under the 2020 COVID-19 Relief Policy, the monthly minimum annual guaranteed payments for certain concessions leases were waived for March 2020 through December 2020.

Minimum future rentals due from concession tenants are as follows for the years ending December 31 ($ in thousands):

2021*	$ -
2022	41,100
2023	34,768
2024	30,006
2025	21,941
2026-2030	68,388
2031-2034	13,169
Total	$ 209,372

* Effective January 1, 2021, the Airport implemented relief policies (2021 COVID-19 Relief Policies) for revenue contracts providing certain fee waivers. For the concessionaires and rental car companies, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2021. Accordingly, the future minimum rentals due from concession tenants for 2021 is $0. The concessionaires under these policies are required to pay contractually determined percentage rents monthly based on their concession sales and/or services activity during 2021. Rental income under operating leases for 2020 and 2019 was $33.0 million and $109.6 million, respectively.

The United lease provides that it can be terminated by the airline if the airline's cost per enplaned passenger exceeds $20 in 1990 dollars. Current costs per enplaned passenger did not approach this limit for 2020. Rental rates for airlines are established under a ratemaking methodology whereby a compensatory method is used to set terminal rental rates and a residual method is used to set landing fees. Rentals, fees, and charges must generate gross revenues together with other available funds sufficient to meet the rate maintenance covenant per the Bond Ordinance.

(f) Federal Grants

Under the terms of the federal grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The Airport management believes disallowances, if any, will be immaterial to its financial position and activities of the Airport.

(21) Insurance

The Department of Aviation is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Department of Aviation has purchased commercial insurance for the various risks.

Employees of the City and County of Denver (including all Department of Aviation employees) are covered by the City's insurance policies. Effective October 1, 1989, the City established a workers' compensation self-insurance trust in accordance with state statutes, to be held for the benefit of the City's employees.

The City's Workers' Compensation Internal Service Fund compensates City employees, or their eligible dependents, for injuries as authorized by the State Workers' Compensation law or City ordinances. The administrators of the fund provide safety training and enhancement programs, in addition to maintaining in-house records of claims.

In 2011, the Department of Aviation established an Owner Controlled Insurance Program (OCIP) to insure all contractors and subcontractors working on the Hotel Transit Center Project. The program included general liability, worker's compensation, builder's risk, contractor's pollution and Owners Protection Professional Liability. In 2013, the airport established a Rolling Owner Controlled Insurance Program (ROCIP) for selected Capital Improvement Projects from 2013-2017. In 2016, ROCIP II was established for selected Capital Improvement Projects from 2016-2021. In 2017, ROCIP III was established for selected Capital Improvement Projects from 2017-2022. Combined ROCIP program experience has generated cost savings to the Department of Aviation.

(22) Significant Concentration of Credit Risk

The Airport derives a substantial portion of its operating revenue from facility rental fees and airline landing fees (airline operating revenue). For the twelve months ended December 31, 2020, and years ended December 31, 2019 and 2018, the United Airlines group represented approximately, 43.6%, 44.6% and 43.8% of the Airport's airline operating revenue, respectively. Southwest Airlines represented 24.6%, 22.8% and 24.4% for the same periods, respectively. No other airline represented more than 10% of the Airport's airline operating revenue. The Airport requires performance bonds or other financial instruments to support airlines and concession accounts receivables.

(23) United Airlines

The dominant air carrier at the Airport is United Airlines, one of the world's largest airlines. Pursuant to the United Use & Lease Agreement, United currently leases 55 full-service contact gates on Concourse B and 15 ground loading positions. In addition, United together with its United Express commuter affiliates, accounted for 42.1% and 44.7% of enplaned passengers at the Airport in 2020 and 2019, respectively.

(24) Subsequent Events

(a) COIVD-19 Pandemic

General Description

On January 21, 2021, the President of the United States issued an Executive Order "*Promoting COVID-19 Safety in Domestic and International Travel*", requiring masks to be worn in airports, on commercial aircraft and in various modes of surface transportation. On April 30, 2021, the Transportation Security Administration (TSA) announced it was extending the face mask requirement for individual across all transportation networks through the United States, including at airports, onboard commercial aircraft, through September 13, 2021. The Airport continued its operations as an essential service, which included all services (i.e. concessions, rental car, etc.). Also, the Airport has made it mandatory for all individuals to wear facial coverings within the Airport and provides face coverings for all individuals.

(b) CRRSA

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

On March 25, 2021, the City, for and on behalf of the Airport, executed a ACRGP Grant with the FAA and is eligible to receive a total of $48.6 million. This grant may be used for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating spread of pathogens at the Airport, and debt service payments. The Airport has not made any final determination on the use of the funds.

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

(c) COVID-19 Relief Policies

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 some fee waivers. For the signatory airlines, the Airport provided an option to participate in the 2021 COVID-19 Relief Policy. As required under the 2021 COVID-19 Relief Policies, signatory airlines must maintain payment compliance period through the policy term. Under the 2021 COVID-19 Relief Policies, the signatory airlines are required to pay 75% of their fixed and variable rate billings as outlined in the Use and Lease Agreements for 2021 and defer payment of 25% of these billings over the next five years. The billings subject to the 25% payment deferrals will be charged interest at the U.S. Treasury Note rate. As of December 31, 2020, sixteen (16) signatory airlines are accepted the 2021 COVID-19 Relief Policy. For the concessionaires, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2021 and are charged only for the contractual percentage of the concessionaire's gross sales. For rental car companies, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2021, charged the contractually percentage of their gross sales, and provided a three-month payment deferral of the ground and facility January, February, and March 2021 billings. Deferred ground and facility payments were due by December 31, 2021.

(d) S&P Rating

On April 22, 2021, S&P affirmed the ratings of A+ and A for the Airport's senior and subordinate bonds, respectively, with an update to a stable outlook.

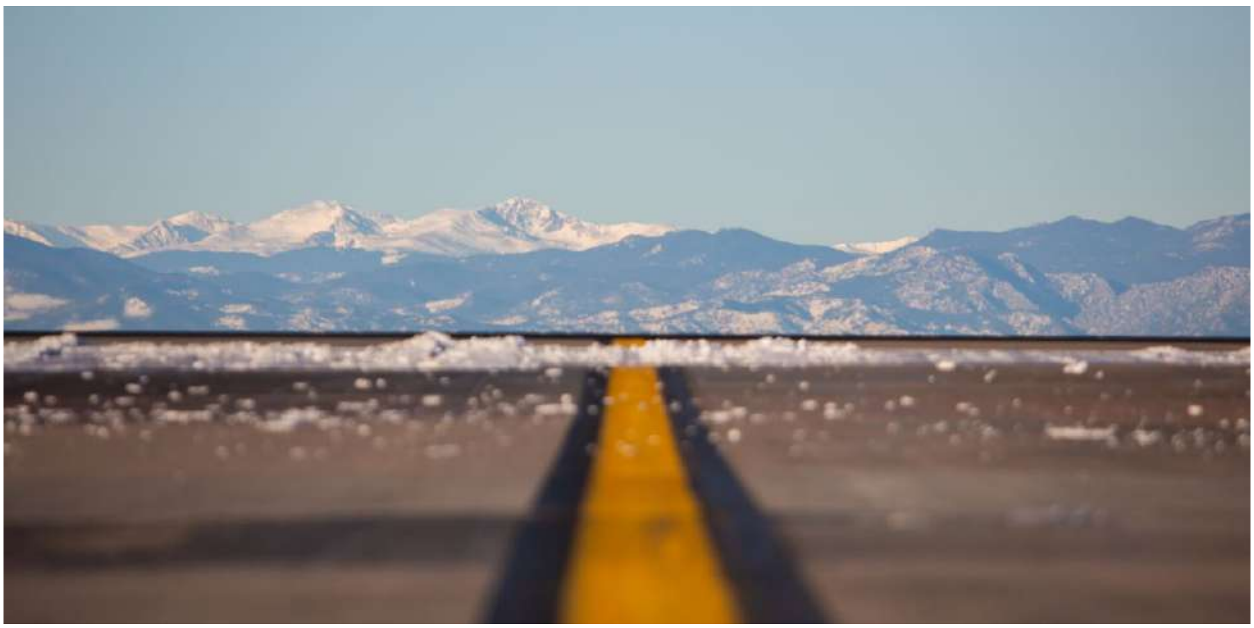
(e) Full Redemption of the Series 1992C Bonds

On April 19, 2021, The City, for and on behalf of the Airport, issued a Notice of Full Prior Redemption of the Airport System Revenue Bonds, Series 1992C (LOI 1998/1999 bond). The City, for and on behalf of the Airport, will redeem all of the currently outstanding principal amount ($40.1 million), plus accrued interest through May 20, 2021, the redemption date).

(f) CEO Retirement

On May 14, 2021, Kim Day, Airport Chief Executive Officer, announced her retirement from the Airport effective in July 2021.

2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)



SCHEDULE OF AIRPORT PROPORTIONATE SHARE
NET PENSION LIABILITY
DECEMBER 31 ($ IN THOUSANDS)

	2020	2019	2018	2017	2016	2015
DEN proportionate share of the net pension liability	13.736040%	12.725930%	11.994930%	12.618330%	13.400670%	13.13003%
DEN proportionate share of the net pension liability	$ 199,878	$ 191,995	$ 140,679	$ 153,869	$ 158,033	$ 115,000
DEN covered payroll	$ 97,266	$ 92,132	$ 88,612	$ 85,209	$ 84,601	$ 75,901
DEN proportionate share of the net pension liability as a percentage of its covered payroll	205.50%	208.39%	158.76%	180.58%	186.80%	151.51%
Plan fiduciary net position as a percentage of the total pension liability	60.82%	57.76%	65.49%	62.26%	62.26%	70.11%

Notes: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Information presented in this schedule has been determined as of the Airport's measurement date (December 31 of the year prior to the most recent fiscal year-end) of the collective net pension liability in accordance with Governmental Accounting Standards Board Statement No. 68.

Changes in assumptions: The discount rate used to measure the total pension liability at December 31, 2017 changed from 7.75% to 7.50% from the prior measurement date.

SCHEDULE OF AIRPORT CONTRIBUTIONS
NET PENSION LIABILITY
DECEMBER 31 ($ IN THOUSANDS)

	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 13,133	$ 11,937	$ 10,873	$ 9,513	$ 9,176	$ 9,109
Contributions in relation to the contractually required contribution	13,133	11,937	10,873	9,513	9,176	9,109
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
DEN covered payroll	$ 94,052	$ 97,266	$ 92,132	$ 88,612	$ 85,209	$ 84,601
Contributions as a percentage of covered payroll	13.96%	12.27%	11.80%	10.74%	10.77%	10.77%

Notes: Information is not available prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented.

Information presented in this schedule has been determined as of the Airport's most recent fiscal year-end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 68.

There were no benefit changes during the year. As of October 1, 2015, the valuation interest was lowered from 8% to 7.75%. The latest experience study was conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017. At the time, the recommended mortality table was expected to produce a margin of 8% on the retired male mortality experience and 7% on the retired female experience (Source: Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ending December 31, 2012, page 24).

OTHER POSTEMPLOYMENT BENEFIT PLANS
SCHEDULE OF AIRPORT PROPORTIONATE SHARE
NET OPEB LIABILITY
DECEMBER 31 ($ IN THOUSANDS)

OPEB	2020	2019	2018
DEN proportion of the net liability	13.782320%	12.997740%	12.346330%
DEN proportionate share of the net liability	$ 13,555	$ 13,594	$ 10,855
DEN covered payroll	$ 97,266	$ 92,132	$ 88,612
DEN proportionate share of the net liability as a percentage of its covered payroll	13.94%	14.75%	12.25%
Plan fiduciary net position as a percentage of the total liability	42.16%	39.18%	45.98%

Notes: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Information present in this schedule has been determined as of the Airport's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective net OPEB liability in accordance with Governmental Accounting Standards Board Statement No. 75.

OTHER POSTEMPLOYMENT BENEFIT PLANS
SCHEDULE OF AIRPORT EMPLOYER CONTRIBUTIONS
NET OPEB LIABILITY
DECEMBER 31 ($ IN THOUSANDS)

OPEB	2020	2019	2018
Actuarially required contribution	$ 701	$ 644	$ 539
Contributions in relation to the actuarially required contribution	726	697	674
Contribution deficiency (excess)	(25)	(53)	(135)
DEN covered payroll	$ 94,052	$ 97,266	$ 92,132
Contributions as a percentage of covered payroll	0.8%	0.7%	0.7%

Notes: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Information presented in this schedule has been determined as of the Airport's most recent fiscal year-end (December 31) in accordance with Governmental Accounting Standards Board Statement No. 75.

There were no benefit changes during the year.

OTHER POSTEMPLOYMENT BENEFIT PLANS
SCHEDULE OF AIRPORT PROPORTIONATE SHARE
IMPLICIT RATE SUBSIDY
DECEMBER 31 ($ IN THOUSANDS)

Implicit rate subsidy	2020	2019	2018
DEN proportion of the total liability	9.227772%	9.687901%	9.788102%
DEN proportionate share of the total liability	$ 8,061	$ 7,721	$ 7,693
DEN covered-employee payroll	$ 97,266	$ 92,132	$ 88,612
DEN proportionate share of the total liability as a percentage of its covered-employee payroll	8.29%	8.38%	8.68%

Notes: Information is not available prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented.

Information present in this schedule has been determined as of the Airport's measurement date (December 31 of the year prior to the most recent fiscal year) of the collective total implicit rate subsidy OPEB liabilities in accordance with Governmental Accounting Standards Board Statement No. 75.

There were no benefit changes during the year. The latest experience study was conducted in 2013 covering the 5-year period of January 1, 2008 to December 31, 2012. At the time, the recommended mortality table was expected to produce a margin of 8% on the retired male mortality experience and 7% on the retired female experience (Source: Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ending December 31, 2012, page 24). No assets are accumulated in a trust to pay related benefits.

2020 COMPREHENSIVEANNUAL FINANCIAL REPORT
OTHER INFORMATION (UNAUDITED)

SCHEDULE OF COMPLIANCE WITH RATE MAINTENANCE COVENANT AS DEFINED IN THE 1984 AIRPORT SYSTEM GENERAL BOND ORDINANCE
AIRPORT REVENUE ACCOUNT
YEAR ENDED DECEMBER 31, 2020 ($ IN THOUSANDS)

Gross revenues:	
Facility rentals	$255,464
Concession income	45,216
Parking income	88,259
Car rental income	45,993
Landing fees	136,016
Aviation fuel tax	9,789
Other sales and charges	15,527
Customer facility fee revenue	10,621
Interest income	44,031
Designated passenger facility charges	71,652
Hotel	24,481
Miscellaneous income	1,215
Total gross revenues	**$748,264**
Operation and maintenance (O&M) expenses:	
Personnel services	$177,289
Contractual services	193,606
Maintenance, supplies, and materials	19,092
Hotel	17,378
Total O&M expenses	**$407,365**
Net revenues	$340,899
Other available funds	39,848
Net revenues plus other available funds	**$380,747**
Debt service coverage - senior bonds:	
Debt Service Requirements - senior bonds	$227,236
Less: Application of escrow proceeds	(67,844)
Net debt service requirements - senior bonds	**$159,392**
Debt service coverage - senior bonds	**239%**
Debt service coverage - all bonds:	
Debt service requirements - subordinate bonds	$155,152
Less: Application of escrow proceeds	(62,156)
Net debt service requirements - senior bonds	159,391
Net debt service requirements - all bonds	**$252,387**
Debt service coverage - all bonds	**151%**

Notes: Debt service requirements are net of capitalized interest.
For additional information on escrow proceeds, see CARES Act (p. 19)
See accompanying independent auditors' report

SCHEDULE OF REQUIRED DEPOSITS TO THE BOND ACCOUNT, BOND RESERVE ACCOUNT, AND THE OPERATIONAL AND MAINTENACE RESERVE ACCOUNT AS DEFINED IN THE 1984 AIRPORT SYSTEM GENERAL BOND ORDINANCE

YEAR ENDED DECEMBER 31, 2020

(1) Bond Account

There shall be credited to the Bond Account, in the following order of priority:

(a) Interest Account

The required monthly deposit to the Bond Interest Account, commencing on the first day of the month immediately succeeding the issuance of any bonds, is an amount which, if made in substantially equal installments, would be sufficient to pay the next maturing installment of interest on such series bonds ($ in thousands).

Bond Series	Interest Payment Date	Balance Interest Due	Required Interest Acctount Balance at 12/31/2020
Series 1992F-G	01/01/21	$ 12	$ 12
Series 2002C	01/01/21	9	9
Series 2007G1-G2	01/01/21	95	95
Series 2008B	01/01/21	17	17
Series 2009B	05/15/21	2,094	523
Series 2009C	01/01/21	32	32
Series 2011A	05/15/21	1,821	455
Series 2012A	05/15/21	2,993	748
Series 2012B	05/15/21	6,450	1,612
Series 2012C	05/15/21	544	136
Series 2013A	05/15/21	7,949	1,987
Series 2013B	05/15/21	9,274	2,319
Series 2015A	05/15/21	1,306	326
Series 2016A	05/15/21	5,261	1,315
Series 2017A	05/15/21	4,577	1,144
Series 2017B	05/15/21	532	133
Series 2018A	05/15/21	56,372	9,395
Series 2018B	05/15/21	4,398	733
Series 2019A	05/15/21	913	228
Series 2019C	05/15/21	3,000	750
Series 2019D	05/15/21	2,093	523
Series 2020A-1	05/15/21	2,608	652
Series 2020A-2	05/15/21	1,656	414
Series 2020B-1	05/15/21	1,025	256
Series 2020B-2	05/15/21	658	165
Series 2020C	05/15/21	4,740	1,185
			$ 25,164

SCHEDULE OF REQUIRED DEPOSITS TO THE BOND ACCOUNT, BOND RESERVE ACCOUNT, AND THE OPERATIONAL AND MAINTENACE RESERVE ACCOUNT AS DEFINED IN THE 1984 AIRPORT SYSTEM GENERAL BOND ORDINANCE

YEAR ENDED DECEMBER 31, 2020

Principal Account

The required monthly deposit to the Bond Principal Account, commencing on the first day of the month immediately succeeding the issuance of any Serial Bonds, or commencing one year prior to the first fixed maturity date of such Serial Bonds, whichever date is later, is an amount which, if made in substantially equal installments, would be sufficient to pay the next maturing installment of principal of such Serial Bonds ($ in thousands).

Bond series	Principal Payment Date	Balance Principal Due	Required Principal Account Balance at 12/31/2020
1992F-G	11/15/21	$ 3,300	$ 413
2002C	11/15/21	3,200	400
2007G1-G2	11/15/21	7,200	900
2008B	11/15/21	5,300	663
2009C	11/15/21	16,000	2,000
2011A	11/15/21	40,915	5,114
2012A	11/15/21	7,275	909
2012B	11/15/21	6,370	796
2016A	11/15/21	3,410	426
2017A	11/15/21	13,310	1,664
2013A	11/15/21	4,610	576
2013B	11/15/21	6,595	824
2015A	11/15/21	18,115	2,264
2018A	12/01/21	8,685	724
2018B	12/01/21	260	22
2019A	11/15/21	28,880	3,610
Series 2020A-1	11/15/21	4,540	568
Series 2020A-2	11/15/21	13,585	1,698
Series 2020B-1	11/15/21	9,045	1,131
			$ 24,702

(b) Sinking Account

The required monthly deposit to the Bond Sinking Account, commencing on the first day of the 12th calendar month prior to the date on which the City is required to pay any Term Bonds, is one-twelfth of the amount necessary to pay the redemption price or principal of such Term Bonds scheduled to be retired in any year by mandatory redemption, at fixed maturity or otherwise, except to the extent any other monies, including without limitation, monies in any escrow account, are available therefore.

SCHEDULE OF REQUIRED DEPOSITS TO THE BOND ACCOUNT, BOND RESERVE ACCOUNT, AND THE OPERATIONAL AND MAINTENACE RESERVE ACCOUNT AS DEFINED IN THE 1984 AIRPORT SYSTEM GENERAL BOND ORDINANCE

YEAR ENDED DECEMBER 31, 2020

(c) Redemption Account

The required deposit to the Bond Redemption Account, on or prior to any date on which the Airport exercises its option to call for prior redemption of any Bonds, is an amount necessary to pay the redemption price of such bonds on such Redemption Date, except to the extent any other monies, including without limitation, monies in any escrow account, are available therefore.

As of December 31, 2020, the redemption account had a balance of $28.7 million for the sixth runway and baggage system.

(d) Bond Account Summary

The sum of the required bond account balances described in items (a) through (d) above is as follows ($ in thousands):

Bond account balance at December 31, 2020	$	79,874
Aggregate required bond account balance		79,286
Overfunded	$	588

(2) Bond Reserve Account

The City is required, after making required monthly deposits to the Interest, Principal, Sinking Account, and Redemption accounts of the Bond Account, to apply Net Revenues to fund the Bond Reserve Account, in an amount equal to the maximum annual interest and principal payable on all outstanding Senior Bonds of the Airport, as defined in the General Bond Ordinance. The amount deposited to the Bond Reserve Account at December 31, 2020 is $503.7 million. The minimum Bond Reserve Account requirement for both Senior and Subordinate Lien Bonds is $503.1 million.

(3) Operation and Maintenance Reserve Account

The operation and maintenance reserve account balance must be funded at an amount equal to no less than two months and no more than four months of the prior year operating expenses. Airport management funds the reserve based on three months of the prior year operating expenses. The operation and maintenance expenses noted below is presented as defined within the 1984 Airport System General Bond Ordinance ($ in thousands).

2019 Operation and Maintenance expenses	$	478,305
Minimum operations and maintenance reserve requirement for 2018	$	79,718
Operation and maintenance reserve account balance at December 31, 2020		116,649
Overfunded	$	36,931

2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT
STATISTICAL SECTION (UNAUDITED)

This section details historical information for supporting reader's understanding of financial statements and note disclosures presented in the Airport's Comprehensive Annual Financial Report.

CONTENTS

FINANCIAL TRENDS

This data is intended to help the reader understand how the Airport's financial position has changed over time. Schedules included are:

REVENUE CAPACITY

This data is intended to help the reader understand the major the Airport's revenue sources. Schedules included are:

Additional information effecting airport revenue capacity is provided in the Operating Information Section below.

DEBT CAPACITY

This data is intended to help the reader assess the Airport's ability to service existing debt and ability to issue additional debt in the future. Schedules included are:

DEMOGRAPHIC AND ECONOMIC INFORMATION

This data contains demographic and economic indicators to help the reader understand the environment within which the Airport's financial activities take place. Schedules included are:

OPERATING INFORMATION

This data offers information about the Airport's operations and resources to help the reader understand how the Airport's financial information relates to the services it provides and activities it performs. Schedules included are:

(1) Summary of Net Position

Years Ended 2011 - 2020
($ in thousands)

Purpose: This schedule provides information on the restricted and unrestricted components of net position for the last ten years of the Airport's operations.

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net investment (deficit) in capital assets	$ (104,547)	$ (157,375)	$ (29,619)	$ 78,760	$ (141,151)	$ (626,147)	$ (730,285)	$ (719,304)	$ (560,746)	$ (649,695)
Restricted for capital projects	18,622	13,835	11,264	2,708	10,153	32,479	23,119	16,086	22,669	18,562
Restricted for debt service	636,410	476,888	495,973	484,893	456,744	636,529	642,318	653,222	634,649	605,183
Unrestricted net position	856,703	918,297	691,347	457,312	508,395	682,592	764,259	623,519	456,464	571,024
Total net position	$ 1,407,188	$ 1,251,645	$ 1,168,965	$ 1,023,673	$ 834,141	$ 725,453	$ 699,411	$ 573,523	$ 553,036	$ 545,074

Source: Airport annual financial reports and management records

(2) Summary of Changes in Net Position

Years Ended 2011 - 2020
($ in thousands)

Purpose: This statement provides information on operating revenues and expenses, nonoperating income, capital contributions, and changes in net position for the last ten years of the Airport's operations.

	2020	2019	2018 (3)	2017	2016	2015 (2)	2014	2013	2012 (1)	2011
Operating revenues	$591,810	$867,793	$808,360	$768,925	$742,529	$687,536	$711,491	$661,637	$624,673	$602,769
Operating expenses excluding depreciation	475,900	584,472	474,314	453,532	469,810	436,803	413,563	431,935	388,171	392,862
Income before depreciation/ amortization	115,910	283,321	334,046	315,393	272,719	250,733	297,928	229,702	236,502	209,907
Depreciation and amortization	210,513	203,321	193,009	183,351	179,692	163,714	183,560	184,721	178,567	179,070
Operating income	(94,603)	80,000	141,037	132,042	93,027	87,019	114,368	44,981	57,935	30,837
Nonoperating revenues (expenses)	216,373	53,172	(3,787)	1,611	12,108	9,106	(9,013)	(55,906)	(46,259)	(75,488)
Income before capital contributions	121,770	133,172	137,250	133,653	105,135	96,125	105,355	(10,925)	11,676	(44,651)
Capital contributions/grants/transfers	33,773	15,301	26,730	55,879	3,553	20,483	20,533	31,412	22,996	34,702
Change in net position before special item	155,543	148,473	163,980	189,532	108,688	116,608	125,888	20,487	34,672	(9,949)
Special item (4)	-	(65,793)	-	-	-	-	-	-	-	-
Change in net position	$155,543	$ 82,680	$163,980	$189,532	$108,688	$116,608	$125,888	$ 20,487	$ 34,672	$ (9,949)

(1) Restated for GASB 65, *Items Previously Reported as Assets and Liabilities*
(2) Restated for GASB 68, *Accounting and Financial Reporting for Pension*
(3) Restated for GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*
(4) Special Item was recorded as defined in GASB 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments,* as related to the termination of the Great Hall Agreement.

Source: Airport annual financial reports and management records

(3) Summary of Operating Expenses

Years Ended 2011 - 2020
($ in thousands)

Purpose: This statement provides information on operating expenses by type for the last ten years of Airport's operations.

	2020	2019	2018 (3)	2017	2016	2015 (2)	2014	2013	2012	2011
Personnel	$198,582	$194,317	$173,979	$171,151	$165,114	$148,518	$134,699	$125,608	$120,334	$115,648
Contractual services	193,606	241,264	227,918	216,501	212,699	197,459	194,712	194,666	175,420	174,203
Repair and maintenance projects	29,229	32,296	19,423	14,071	37,514	55,358	57,049	81,234	68,047	79,951
Maintenance, supplies and material	19,092	28,649	24,378	24,452	27,547	32,911	27,103	30,427	24,370	23,060
Hotel (1)	17,378	31,446	28,616	27,357	26,936	2,557	-	-	-	-
Legal/claim reserve expense	18,013	56,500	-	-	-	-	-	-	-	-
Total operating expenses	$475,900	$584,472	$474,314	$453,532	$469,810	$436,803	$413,563	$431,935	$388,171	$392,862

(1) Hotel opened November 19, 2015
(2) Adopted GASB 68, *Accounting and Financial Reporting for Pension*
(3) Adopted GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*

Source: Airport annual financial reports and management records

(4) Summary of Nonoperating Income and Expenses

Years Ended 2011 - 2020
($ in thousands)

Purpose: This statement provides information on nonoperating income and expenses by source/type/activity for the last ten years of the Airport's operations.

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Passenger facility charges	$ 64,922	$ 132,484	$ 123,907	$ 118,333	$ 114,230	$ 106,007	$ 103,959	$ 103,032	$ 105,472	$ 103,210
Customer facility charges (1)	10,621	21,525	20,019	19,492	19,884	18,598	17,215	-	-	-
Investment income	150,043	171,096	73,802	46,779	39,274	40,648	44,030	25,205	46,899	32,490
Interest income	(247,293)	(270,394)	(214,799)	(188,152)	(156,481)	(169,413)	(176,177)	(183,359)	(190,347)	(209,599)
Grants (2)	-	-	-	873	686	622	516	481	675	401
CARES Act funds	269,074	-	-	-	-	-	-	-	-	-
Other revenues (expenses)	(30,994)	(1,539)	(6,716)	4,286	(5,485)	12,644	1,444	(1,265)	(8,958)	(1,990)
Total nonoperating revenues (expenses)	$ 216,373	$ 53,172	$ (3,787)	$ 1,611	$ 12,108	$ 9,106	$ (9,013)	$ (55,906)	$ (46,259)	$ (75,488)

(1) Customer Facility Charges imposed on on-airport rental car companies effective January 1, 2014.
(2) These grants represent operation reimbursements and have been included in operating revenues.

Source: Airport annual financial reports and management records

(5) Summary of Operating Revenues

Years Ended 2011 - 2020
($ in thousands)

Purpose: This statement provides information on operating income by revenue type for the last ten years of the Airport's operations.

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Airline revenues:										
Facility rentals	$ 226,837	$ 210,836	$ 196,065	$ 180,443	$ 198,407	$ 194,004	$ 235,774	$ 214,251	$ 211,411	$ 212,408
Landing fees	135,708	175,636	161,981	171,708	150,850	147,379	147,841	137,549	127,346	116,506
Total airline revenues	362,545	386,472	358,046	352,151	349,257	341,383	383,615	351,800	338,757	328,914
Non-airline revenues:										
Parking	88,259	203,502	189,890	176,006	176,949	178,478	167,851	159,465	137,912	132,728
Concession	45,216	85,703	83,297	68,269	67,408	59,677	55,863	52,022	49,592	47,499
Car rental	45,993	80,348	72,621	71,806	66,727	65,309	59,655	50,002	47,222	46,353
Hotel (1)	24,481	62,088	53,304	47,412	43,262	3,205	-	-	-	-
Aviation fuel tax	9,789	25,464	25,039	25,993	18,892	19,458	26,298	28,101	32,783	28,892
Ground transportation (2)	8,575	19,997	17,313	12,449	10,594	9,669	-	-	-	-
Other sales and charges	6,952	4,219	8,850	14,839	9,440	10,357	18,209	20,247	18,407	18,383
Total non-airline revenues	229,265	481,321	450,314	416,774	393,272	346,153	327,876	309,837	285,916	273,855
Total operating revenues	$ 591,810	$ 867,793	$ 808,360	$ 768,925	$ 742,529	$ 687,536	$ 711,491	$ 661,637	$ 624,673	$ 602,769

(1) Hotel was opened in November 2015
(2) Ground transportation revenue were not significant and included in other sales and charges before 2015

Source: Airport annual financial reports and management records

(6) Market Share of Air Carriers/Enplaned Passengers by Airline

Years Ended 2011 - 2020

Purpose: This schedule provides information on enplaned passengers by air carrier for the last ten years of the Airport's operations.

	2020 (1)			2019			2018			2017			2016		
Airline	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease
United	7,107,248	42.1%	-54.0%	15,436,452	44.7%	10.0%	14,027,769	43.5%	8.1%	12,976,883	42.3%	6.0%	12,246,077	42.0%	7.2%
Southwest	5,113,869	30.3%	-46.0%	9,467,075	27.4%	0.9%	9,386,197	29.1%	2.7%	9,137,172	29.7%	6.7%	8,565,381	29.4%	8.0%
Frontier	2,354,879	14.0%	-43.6%	4,176,993	12.1%	13.0%	3,696,254	11.5%	5.6%	3,501,127	11.4%	-1.9%	3,567,393	12.2%	6.2%
American	875,460	5.2%	-46.4%	1,632,621	4.7%	0.8%	1,619,744	5.0%	-3.8%	1,682,943	5.5%	2.4%	1,644,265	5.6%	0.1%
Delta	697,259	4.1%	-62.0%	1,837,221	5.3%	6.3%	1,728,487	5.4%	5.7%	1,635,708	5.3%	9.8%	1,490,271	5.1%	11.7%
Other	725,128	4.3%	-63.1%	1,962,592	5.8%	9.0%	1,800,766	5.5%	1.2%	1,780,178	5.8%	9.4%	1,626,817	5.7%	22.1%
Total Enplanements	16,873,843	100.0%	-51.1%	34,512,954	100.0%	7.0%	32,259,217	100.0%	5.0%	30,714,011	100.0%	5.4%	29,140,204	100.0%	7.9%

	2015			2014			2013			2012			2011		
Airline	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease
United	11,420,973	42.3%	5.2%	10,860,408	40.6%	1.9%	10,659,186	40.6%	-0.9%	10,760,076	40.5%	-4.8%	11,305,874	42.7%	-6.4%
Southwest	7,929,104	29.3%	12.2%	7,064,833	26.4%	5.1%	6,721,126	25.6%	6.7%	6,301,166	23.7%	9.5%	5,756,081	21.8%	17.3%
Frontier	3,360,127	12.4%	-31.9%	4,932,132	18.4%	-1.6%	5,014,710	19.1%	-13.9%	5,825,717	21.9%	-0.6%	5,858,631	22.1%	5.2%
American	1,642,461	6.1%	6.8%	1,537,392	5.8%	4.1%	1,476,796	5.6%	0.2%	1,473,351	5.5%	7.4%	1,372,443	5.2%	3.8%
Delta	1,333,693	4.9%	13.0%	1,179,878	4.4%	-1.8%	1,200,920	4.6%	-1.2%	1,215,718	4.6%	-1.3%	1,231,122	4.7%	-2.9%
Other	1,332,571	4.9%	14.7%	1,162,041	4.4%	-4.2%	1,212,569	4.5%	18.8%	1,020,963	3.8%	9.6%	931,614	3.5%	6.7%
Total Enplanements	27,018,929	100.0%	1.1%	26,736,684	100.0%	1.7%	26,285,307	100.0%	-1.2%	26,596,991	100.0%	0.5%	26,455,765	100.0%	1.7%

(1) In March 2020, the COVID-19 pandemic impacted overall passenger traffic and airline activity.

Source: Airport annual financial reports and management records

(7) Historical Passenger Facility Charge Revenues

Years Ended 2011 - 2020
($ in thousands)

Purpose: This schedule provides information on passenger facility charge revenues for the last ten years of the Airport's operations.

Fiscal Year		PFC Revenue
2011		103,210
2012		105,472
2013		103,032
2014		103,959
2015		106,007
2016		114,230
2017		118,333
2018		123,907
2019		132,484
2020	(1)	64,922

(1) In March 2020, the COVID-19 pandemic impacted overall passenger traffic and airline activity.

Source: Airport annual financial reports and management records

(8) Outstanding Debt Principal by Type

Years Ended 2011 - 2020
($ in thousands)

Purpose: This schedule provides information on outstanding bond debt principal net of unamortized premiums and discounts for the last ten years of the Airport's operations.

			Direct Placement (1)				
Fiscal Year	Senior Bonds	Subordinate Bonds	Senior Bonds	Subordinate Bonds	Defeasances	Unamortized Net Premiums	Outstanding Debt
2011	3,676,831	-	-	-	101,864	70,010	3,848,705
2012	3,811,909	-	-	-	85,511	167,602	4,065,022
2013	3,678,195	719,915	-	-	43,285	172,681	4,614,076
2014	3,521,835	719,915	-	-	43,275	153,214	4,438,239
2015	3,161,650	910,760	-	-	40,080	128,879	4,241,369
2016	2,955,860	894,955	-	-	40,080	144,853	4,035,748
2017	2,755,415	1,170,085	-	-	40,080	161,983	4,127,563
2018	2,606,895	3,358,540	-	-	40,080	409,278	6,414,793
2019	1,850,030	3,196,475	376,555	294,280	40,080	413,874	6,171,294
2020	1,824,230	3,176,130	262,155	250,925	40,080	376,825	5,930,345

(1) Implementation of GASB 88, Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placement

Source: Airport annual financial reports and management records

(9) Debt Service Coverage under the Bond Ordinance

Years Ended 2011 - 2020
($ in thousands)

Purpose: This schedule provides information on compliance with rate maintenance covenant as defined in the 1984 Airport System General Bond Ordinance for the last ten years of the Airport's operations.

	2020	2019 (2)	2018	2017	2016	2015	2014	2013	2012	2011	2010
Gross revenues	$ 748,264	$1,102,851	$ 945,206	$ 895,963	$ 863,126	$ 808,781	$ 803,620	$ 743,101	$713,279	$702,157	$668,885
Operation and maintenance expenses	407,365	478,305	445,801	425,005	417,140	381,445	355,769	349,987	318,394	312,278	302,881
Net revenues	340,899	624,546	499,405	470,958	445,986	427,336	447,851	393,114	394,885	389,879	366,004
Other available funds	39,848	68,365	43,901	47,090	51,574	56,908	54,834	50,409	51,685	57,528	57,449
Total amount available for debt service requirements	380,747	692,911	543,306	518,048	497,560	484,244	502,685	443,523	446,570	447,407	423,453
Senior bonds:											
Debt service requirements	$ 159,392	$ 273,460	$ 175,605	$ 188,360	$ 206,295	$ 201,279	$ 219,334	$ 202,758	$209,520	$197,421	$197,349
Debt service coverage	239%	253%	309%	275%	241%	241%	229%	219%	213%	227%	215%
All Bonds:											
Debt service requirements	$ 252,387	$ 376,265	$ 276,949	$ 282,251	$ 294,914	$ 262,516	$ 268,422	$ 242,816	$247,563	$235,356	$235,244
Debt service coverage (1)	151%	184%	196%	184%	169%	184%	187%	183%	180%	190%	180%

(1) The Airport's governing bond ordinances require that the Airport'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 and subordinate bonds, and junior liens.

(2) Beginning in Fiscal Year 2019 and thereafter, all 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 gives written notice to the Treasurer to stop including all or a portion of PFCs in Gross Revenues.

Source: Airport annual financial reports and management records

(10) City and County of Denver Demographics and Economic Statistics

Years Ended 2011 - 2020

Purpose: This schedule provides information on certain City and County of Denver demographic and economic statistics for the last ten years.

Fiscal Year	Population	Personal Income ($ in millions)	Per Capita Personal Income	Unemployment Rate
2011	619,968	33,811	54,537	9.20%
2012	634,265	35,721	56,318	8.20%
2013	649,495	36,999	56,967	7.00%
2014	663,862	41,743	62,880	4.30%
2015	682,545	46,617	68,299	3.70%
2016	693,060	46,612	67,256	3.00%
2017	693,292	47,289	69,862	3.00%
2018	716,492	57,211	79,849	3.00%
2019	727,211	61,348	81,405	2.50%
2020	749,103	n/a	n/a	6.90%

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

(11) City and County of Denver Principal Employers

Years Ended 2011 - 2020

Purpose: This schedule provides information on the principal employers for the current year and the year nine years prior.

Principle Employer	2020 Employees	2020 Rank	2020 Percent of Total City Employment	2011 Employees	2011 Rank	2011 Percent of Total City Employment
Denver Public School District #1	14,957	1	3.4%	13,051	1	2.7%
City and County of Denver	14,675	2	3.3%	11,695	2	2.5%
State of Colorado Central Payroll	13,201	3	3.0%	9,879	3	2.1%
Denver Health & Hospital Authority	7,000	4	1.6%	7,396	4	1.6%
United Airlines, Inc	7,000	5	1.6%	6,744	6	1.5%
Southwest Airlines	4,450	6	1.0%			
University of Denver	3,770	7	0.8%	4,241	8	0.9%
University of Colorado Central	3,085	8	0.7%	3,435	10	0.7%
Frontier Airlines	3,070	9	0.7%			
CHC Payroll Agent, Inc. (HCA Health One)	3,000	10	0.7%			
Deloitte Consulting LLP				7,314	5	1.6%
USDA National Finance Center				3,904	9	0.8%
Total	74,208		16.8%	67,659		14.4%

Source: City and County of Denver - December 31, 2020 Comprehensive Annual Financial Report

(12) Passengers and Operating Statistics

Years Ended 2011 - 2020

Purpose: This schedule provides passenger statistics, information on aircraft operations, landed weight and enplaned cargo for the last ten years of the Airport's operations.

		Enplaned Passengers		Aircraft Operations		Landed Weight (million lbs.)		Enplaned Cargo (in tons)	
Fiscal Year		Number	Increase/ Decrease	Number	Increase/ Decrease	Number	Increase/ Decrease	Number	Increase/ Decrease
2011		26,455,765	1.7%	634,680	(0.1%)	32,512	(2.3%)	121,245	0.3%
2012		26,596,991	0.5%	618,257	(2.6%)	31,889	(1.9%)	113,867	(6.1%)
2013		26,285,307	(1.2%)	586,860	(5.1%)	30,603	(4.0%)	111,386	(2.2%)
2014		26,736,684	1.7%	575,161	(2.0%)	30,351	(0.8%)	114,729	3.0%
2015		27,018,929	1.1%	547,648	(4.8%)	30,055	(1.0%)	119,332	4.0%
2016		29,140,204	7.9%	572,520	4.5%	32,421	7.9%	114,705	(3.9%)
2017		30,714,011	5.4%	582,486	1.7%	33,884	4.5%	119,424	4.1%
2018		32,259,217	5.0%	603,403	3.6%	35,216	3.9%	129,131	8.1%
2019		34,512,954	7.0%	640,098	6.1%	37,668	7.0%	142,819	10.6%
2020	(1)	16,873,843	(51.1%)	442,571	(30.9%)	26,146	(30.6%)	146,644	2.7%

(1) In March 2020, the COVID-19 pandemic impacted overall passenger traffic and airline activity.

Source: Airport annual financial reports and management records

(13) Enplaned Passengers by Major Airline Category

Years Ended 2011 - 2020

Purpose: This schedule provides information on the enplaned passengers by major airline category for the last ten years of the Airport's operations.

Fiscal Year		Major/International Number	Major/International Percent of Total	Regional/Commuter Number	Regional/Commuter Percent of Total	Charter/Miscellaneous Number	Charter/Miscellaneous Percent of Total	Total Number	Total Increase/ Decrease
2011		21,709,430	82.1%	4,439,841	16.8%	306,494	1.1%	26,455,765	1.7%
2012		21,984,133	82.7%	4,323,837	16.3%	289,021	1.0%	26,596,991	0.5%
2013		21,618,114	82.2%	4,436,819	16.9%	230,374	0.9%	26,285,307	(1.2%)
2014	(1)	21,962,984	82.1%	4,767,207	17.8%	6,493	minimal	26,736,684	1.7%
2015		22,713,090	84.1%	4,296,830	15.9%	9,009	minimal	27,018,929	1.1%
2016		24,979,910	85.7%	4,155,887	14.3%	4,407	minimal	29,140,204	7.9%
2017		26,758,785	87.1%	3,953,656	12.9%	1,570	minimal	30,714,011	5.4%
2018		27,951,205	86.6%	4,306,957	13.4%	1,055	minimal	32,259,217	5.0%
2019		29,909,994	86.7%	4,601,264	13.3%	1,696	minimal	34,512,954	7.0%
2020	(2)	14,595,597	86.5%	2,277,837	13.5%	409	minimal	16,873,843	(51.1%)

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

(2) In March 2020, the COVID-19 pandemic impacted overall passenger traffic and airline activity.

Purpose: This schedule provides information on the percentage of enplaned passengers by domestic and international airlines.

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Domestic	96.8%	96.7%	96.3%	95.8%	95.9%	96.1%	95.8%	95.4%	95.4%	97.3%
International	3.2%	3.3%	3.7%	4.2%	4.1%	3.9%	4.2%	4.6%	4.6%	2.7%

Source: Airport annual financial reports and management records

(14) Aircraft Operations

Years Ended 2011 - 2020

Purpose: This schedule provides information on aircraft operations for the last ten years of the Airport's operations.

		Air Carrier		Commuter		Taxi/General Aviation/ Military		Total
Fiscal Year		Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	Number
2011		452,223	71.3%	178,742	28.2%	3,715	0.5%	634,680
2012		443,389	71.7%	170,809	27.6%	4,059	0.7%	618,257
2013		420,073	71.6%	162,719	27.7%	4,068	0.7%	586,860
2014		422,178	73.4%	148,436	25.8%	4,547	0.8%	575,161
2015		424,930	77.6%	118,147	21.6%	4,571	0.8%	547,648
2016		445,019	77.7%	122,982	21.5%	4,519	0.8%	572,520
2017		461,992	79.3%	116,305	20.0%	4,189	0.7%	582,486
2018		462,276	76.6%	137,027	22.7%	4,100	0.7%	603,403
2019		487,725	76.2%	148,223	23.2%	4,150	0.6%	640,098
2020	(1)	343,922	77.7%	96,217	21.7%	2,432	0.6%	442,571

(1) In March 2020, the COVID-19 pandemic impacted overall passenger traffic and airline activity.

Source: Airport annual financial reports and management records

(15) Landed Weight

Years Ended 2011 - 2020
(in million lbs.)

Purpose: This schedule provides information on landed weight for the last ten years of the Airport's operations.

		Passenger		Cargo/Other		Total
Fiscal Year		Number	Percent of Total	Number	Percent of Total	Number
2011		31,305	96.3%	1,207	3.7%	32,512
2012		30,685	96.2%	1,204	3.8%	31,889
2013		29,343	95.9%	1,260	4.1%	30,603
2014		29,036	95.7%	1,315	4.3%	30,351
2015		28,692	95.5%	1,363	4.5%	30,055
2016		30,996	95.6%	1,425	4.4%	32,421
2017		32,492	95.9%	1,392	4.1%	33,884
2018		33,725	95.8%	1,491	4.2%	35,216
2019		36,020	95.6%	1,648	4.4%	37,668
2020	(1)	24,328	93.0%	1,818	7.0%	26,146

(1) In March 2020, the COVID-19 pandemic impacted overall passenger traffic and airline activity.

Source: Airport management records

(16) Enplaned Cargo Operations

Years Ended 2011 - 2020
(in tons)

Purpose: This schedule provides information on cargo operations for the last ten years of the Airport's operations.

	Freight and Express		Air Mail		Total
Fiscal Year	Number	Percent of Total	Number	Percent of Total	Number
2011	111,939	92.3%	9,306	7.7%	121,245
2012	105,180	92.4%	8,687	7.6%	113,867
2013	104,477	93.8%	6,909	6.2%	111,386
2014	106,766	93.1%	7,963	6.9%	114,729
2015	107,447	90.0%	11,885	10.0%	119,332
2016	103,688	90.4%	11,017	9.6%	114,705
2017	105,749	88.5%	13,675	11.5%	119,424
2018	117,377	90.9%	11,754	9.1%	129,131
2019	134,861	94.4%	7,958	5.6%	142,819
2020	137,414	93.7%	9,230	6.3%	146,644

Source: Airport annual financial reports and management records

(17) Career Service Employees

Years Ended 2011 - 2020

Purpose: This schedule provides information on the number of career service employees eligible for paid time off for the last ten years of the Airport's operations as of December 31.

Fiscal Year	Total Employees
2011	983
2012	1,001
2013	1,035
2014	1,097
2015	1,125
2016	1,190
2017	1,151
2018	1,104
2019	1,133
2020	1,042
Average Annual Increase (Decrease)	0.8%

Source: Airport management records

(18) Nature, Volume, and Usage of Capital Assets

Year Ended 2020

Purpose: This schedule provides information on the nature, volume, and usage of the Airport's capital assets for the year ended 2020.

Airport Information:	
Official name	Denver International Airport
Airport code	DEN
Ownership/operator	City and County of Denver/Department of Aviation
Distance from downtown Denver	24 miles
Elevation	5,434 feet
Total airport area	33,800 acres (53 square miles)

Demand for Services:	
Airlines	26
Destinations served	185 direct destinations including 13 international destinations in 6 countries
Daily flight operations	442,571
Annual passengers	3rd busiest airport in the United States serving 33.7 million passengers

Major Capital Assets:	
Terminal Complex	The terminal complex has a landside terminal, three airside concourses, the airport office building, and the Hotel and Transit Center. Within these concourses, there are 115 full-service gates and 24 ground loading positions. The airport was designed to facilitate expansion to more than 250 full-service gates either through lengthening of the existing or the construction of two additional concourses. The airport is currently adding 39 gates across all three concourses.

(continued)

Major Capital Assets:	
Terminal Complex	Jeppesen Terminal: Encompasses app. 1.2 million square feet (exclusive of international customs facilities, terminal support area and mechanical/electrical spaces), and includes ticketing, baggage claims, screening facilities, and other support services. It is currently being renovated and reconfigured to improve the security screening area, curbside space, and commercial concessions.
	Concourse A: Encompasses app. 1.36 million square feet and 29 full-service contact gates, of which eight gates are configured for international flights, as well as facilities dedicated to commuter airline operations.
	Concourse B: Encompasses app. 2.1 million square feet and 57 full-service gates plus facilities dedicated for commuter airline operations.
	Concourse C: Encompasses app. 0.9 million square feet and 29 full-service gates.
	Hotel and Transit Center: It includes 519-room Westin Denver International Airport hotel, a 37,500 square feet conference center, an 82,000 square foot open-air plaza, and a train station to serve RTD's commuter rail service to downtown Denver.
Other facilities	Various other facilities include general aviation facilities, remote facilities for rental car companies, facilities constructed and used by cargo carriers, a U.S Postal Service sorting and distribution facility and other airport warehousing, offices and distribution facilities and related infrastructures.

(continued)

Major Capital Assets:	
Runways	There are 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. The airfield has substantial expansion capacity to accommodate up to 12 runways.
Transit system and walkways	The terminal and concourses are connected by an underground automated guideway transit system (AGTS) and elevated walkway connects the terminal with the Airport Office Building and Concourse A. A shuttle bus system is also available for the emergency transportation of passengers between the landside terminal and Concourses B and C.
Parking capacity	There are two multi-level parking garages adjacent to Jeppesen Terminal, as well as close-in and remote surface parking lots that provide a total of 47,626 parking spaces: Garage parking: 16,683 Economy parking: 9,249 Shuttle parking: 17,354 Pena station parking: 800 Employee parking: 8,445
Car rental facilities	Five onsite rental car companies provide services at the airport. They collectively represent eleven brands: Alamo, Avis, Budget, Dollar, Enterprise, Fox, Hertz, National, Payless, Sixt and Thrifty. Each company maintains its own customer service center, shuttle bus fleet and auto care facility. Off-site, or remote operators, also serve DEN passengers. Current brands authorized to operate from off-airport locations are Ace, Go-Car, and Economy. The following companies provide car sharing service at the airport: Avail, Turo, and ZipCar.

Source: Airport management records

(19) Summary of Insurance Coverage

Year Ended 2020

Purpose: This schedule provides information on insurance coverage in place as of year ended 2020.

Policy Number	Company	Item Covered	Expiration Date	Annual Premium	Coverage
AP-086448700-11	AIG	Airport Owner's Liability	5/1/2021	$ 587,906	$ 500,000,000
106510089 (primary)	Travelers	Cyber Liability	5/1/2021	$ 213,754	$ 20,000,000
B080146953P20 (excess)	Ptarmigan				
ERAG93E19	Aspen	Environmental Liability	5/1/2021	$ 105,266	$ 10,000,000
LHR782343	Landmark	Professional Liability (CDL)	5/1/2021	$ 2,575	$ 1,000,000
1064817 (primary)	FM Global	Property	5/1/2021	$ 3,032,062	$ 2,500,000,000
034250342 (excess)	AIG				

Source: Airport management records