CITY & COUNTY OF DENVER | MUNICIPAL AIRPORT SYSTEM

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

PREPARED BY THE FINANCE DIVISION

DEPARTMENT OF AVIATION

AN ENTERPRISE FUND OF THE CITY & COUNTY OF DENVER

COLORADO

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2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT
INTRODUCTORY SECTION (UNAUDITED)

Letter of Transmittal

June 21, 2024

Mayor of the City and County of Denver, Michael Johnston
Denver City Council President, Jamie Torres
Denver Auditor, Timothy O'Brien
Citizens of Denver

We are pleased to present the Annual Comprehensive Financial Report of the Municipal Airport System for the fiscal years ended December 31, 2023, and 2022. This report was prepared by the Airport's Finance Division in collaboration with other Airport personnel. These financial statements were audited by Moss Adams 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. 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 2023, DEN was the third busiest airport in the United States and the six busiest in the world, serving 77.8 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 the E-470 toll highway. DEN has six runways—four oriented north-south and two oriented east-west. Five runways are 12,000 feet long and 150 feet wide. The sixth runway is 16,000 feet long and 200 feet wide, providing unrestricted global access for any airline and the ability to accommodate fully loaded jumbo jets, including the Airbus A-380.

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 approximately 16,000 public parking spaces in the garages and approximately 9,250 spaces in the surface parking lots. Spaces are also provided for employee parking. Additional passenger services include car rental facilities and ground transportation. In 2015, the 519-room Westin hotel and conference center was opened to the public and is connected to the terminal via a public plaza. In 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 total of 148 full-service contact gates and nine ground loading positions, which include seven located at the commuter facility.

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 10 Fortune 500 companies. The Wall Street Journal and Moody's Analytics place the Denver metro area in 25th place on their annual ranking of America's hottest job markets.

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 3.3% as of December 2023.

Vision 100

DEN has developed a new strategic plan (Vision 100). Vision 100 will enable DEN to prepare for and reach 100 million annual passengers. The strategic plan will serve as a blueprint to align decision-marking and enable accountability so together we can thoughtfully prepare to serve 100 million passengers in the next eight to 10 years. This plan will guide the organization's work over the next three to five years as part of the first phase of reaching Vision 100. The mission is to provide excellence in service and support. DEN's strategic plan is centered around four pillars of Vision 100 and under each pillar are strategic objectives.

Along with the four pillars are four guiding principles, which will be incorporated into the execution of each pillar and are just as critical to our success.

2023-2027 CIP

To welcome and prepare for the 100 million passengers under Vision 100, DEN developed a 2023-2027 Capital Improvement Program (CIP) to Grow Our Infrastructure and Maintain What We Have. The 2023-2027 CIP is estimated to have a total value of $2.9 billion, of which $2.1 billion is estimated for infrastructure and Jeppesen Terminal (Great Hall Completion Phase) construction and $815.0 million for asset rehabilitation.

The final phase for construction within the Jeppesen Terminal is known as the Great Hall Completion Phase. The completion phase consists of a full buildout of improvements to the Jeppesen Terminal and includes a new security checkpoint with enhanced technology, relocation of certain existing checkpoints, the addition of new screening lanes, new modern and spacious ticketing spaces, new concession area, renovations to restrooms, flooring, lighting, elevators, escalators, and other critical infrastructure, and added leisure spaces for travelers. The Great Hall Completion Phase includes the development of a new Center of Equity and Excellence in Aviation (CEEA). The CEEA is designed to engage, educate, empower, motivate, and provide opportunities for under-represented students and young people who are interested and passionate about careers in aviation. CEEA includes finding worldwide aviation best practices and disseminating through the aviation industry, adapting new technology systems or studying new technology as a means to improve the aviation industry, providing aviation research, and providing training and guidance for DEN employees, including introduction of an aviation Career Pathway to all employees at DEN. Total development for the Great Hall Completion Phase is estimated to cost approximately $1.3 billion with 80% of funding included in the 2023-2027 CIP.

In March 2024, DEN expanded the 2023-2027 CIP to extend the projection timeframe through 2035 with an increase in overall estimated value of approximately $9.9 billion. The new expanded and extended CIP provides both vertical and horizontal infrastructure projects that add capacity at DEN to accommodate the projected passenger growth as well as maintain and modernize existing facilities. Some of the expansion projects include additional gates on Concourse C west, expansion of the Automated Guideway Transit System (AGTS), a consolidated rental car facility along with common transportation system, and north terminal expansion.

Federal Stimulus

In March 2020, the United States responded to the economic impact of COVID-19 by executing the Coronavirus Aid, 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. These funds have been expended. 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 and the remaining amount of $48.6 million was deposited into an irrevocable escrow to pay debt service for its outstanding bonds. In March 2021, additional Federal stimulus funds were available under the American Rescue Plan Act (ARPA). DEN received two awards totaling $233.0 million of which $28.8 million is to provide rent relief to concessionaires and the remaining amount of $204.3 million was deposited into an irrevocable escrow to pay debt service for DEN’s outstanding bonds. DEN has used all of the funds placed into the irrevocable escrow accounts, except for approximately $59.7 million remaining from the ARPA funds.

Rent Relief

Due to COVID-19 Pandemic (COVID-19), DEN experienced a significant passenger traffic decrease in 2020. 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. In 2021, qualified airlines received rent payment deferrals of 25% on facility rental and landing fees of about $92.8 million. The airlines started paying on these deferrals in 2022 and will repay them within five years, which includes interest. At the end of 2023, only about $8.5 million of the deferrals remains outstanding. For qualified airlines, they may be eligible to receive an additional 25% of the annual revenue share through 2026.

Federal Infrastructure Bill

On November 13, 2021, the Unites States executed the $1.0 trillion Bipartisan Infrastructure Bill (BIL). BIL allocated $25.0 billion to airports, which includes $15.0 billion for Airport Infrastructure Grant (AIG), $5.0 billion for Airport Terminal Program (ATP), and $5.0 billion for Federal Aviation Administration (FAA) infrastructure assets. Funding under BIL will be over a five-year period. The Airport Infrastructure Program formula-based funding is allocated based on passenger traffic. DEN anticipates receiving approximately $300.0 million of this type of funding over five years to fund qualified infrastructure projects. DEN has already been allocated approximately $118.0 million in AIG funding and has been awarded $48.5 million from the AIG available funding. The ATP portion is issued at the FAA's discretion. DEN has applied for approximately $200.0 million in ATP funded qualified projects. DEN has already been awarded approximately $97.1 million in ATP funding for the 2022 and 2023 ATP. In February 2024, the Airport was approved for 2024 ATP funding in the amount of $26.6 million.

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. As reported by the Department of Transportation's Bureau of Transportation Statistics (BTS), total passenger traffic at DEN was up 12.3% in 2023 from 2022, in line with an average 12.3% increase nationally. In 2023, 77.8 million passengers traveled through DEN, with approximately 57.2% originating or concluding their air journeys at DEN and 42.8% connecting to flights beyond DEN. Originating and destination traffic (O&D) increased by 9.2% in 2023 from 2022 and connecting traffic increased by 16.8% during the same period. As shown in the table below, as of December 31, 2023, 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, 2023

Major/National	Regional/Commuter
Alaska Airlines	American Eagle
Allegiant Air	Denver Air Connection
American Airlines	Delta Connection
Delta Air Lines	Southern Airways Express
Frontier Airlines	United Express
JetBlue Airways	
Southwest Airlines	
Spirit Airlines	
Sun Country Airlines	
United Airlines	**Foreign Flag**
	Aeromexico
	Air Canada
	Air France
	British Airways
	Cayman Airways
	Copa Airlines
	Edelweiss
	Icelandair
	Lufthansa German Airlines
	Volaris
	Westjet

Airline Use and 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, that extends through February 28, 2035. Frontier Airlines and the City executed a new Use and Lease agreement providing for terms of 10 years from the operational date, expected to be late summer, early fall 2024, of the new Concourse A east Ground Loading Facility (GLF). In February 2024, Delta Air Lines now operates under a Use and Lease agreement that extends through February 28, 2035. All other signatory airlines operate under one-year Use and Lease agreements which expire on December 31, 2024, with options for two one-year extensions through December 31, 2026.

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 and 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. Under the COVID-19 Rent Relief policy, the Airport will credit up to 25% of the annual $40.0 million (Airline Revenue Credit) through 2026. In 2023, the Airport provided the airlines with $50.0 million net revenue credit and has estimated to deposit $261.6 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, 2014 through 2023 is reflected in the table below:

Net Revenue Available for Sharing
($ in thousands)

Year	Total	Airport Share
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	54,220	25,844
2021	204,542	164,542
2022	260,018	210,018
2023*	311,597	261,597

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 and remained relatively flat as a result of continued enplanement growth, the effective management of airline costs, use of Stimulus Funds to pay debt service, as well as changes in leased space. For 2020, the effect of COVID-19 directly impacted the airlines' operations which drove up the CPE for 2020.

Traditionally, the landing fee has been impacted by changes in landed weight and impacted by both airfield expenses and debt service requirements including use of Stimulus Funds to pay debt service. For 2020, the effect of COVID-19 directly impacted the airlines operations which drove up the landing fee for 2020.

United Group

United Group (United) includes the operations of United Airlines, as well as regional affiliate airlines operating under the United Express brand. United is one of the world's largest airlines and is the principal air carrier operating at the Airport. United operates a major connecting hub at the Airport under a Use and Lease Agreement with the City that expires in 2035. In November 2020, the Airport opened four new gates on the west end of Concourse B, all leased by United. In November 2022, the Airport opened 12 new gates at the west end of Concourse A and 10 new gates at the east end of Concourse B and has transitioned all leased gates to United. As of December 31, 2023, United occupies 80 full-service contact gates on Concourses A and B, two ground loading positions on Concourses B, and has agreed to lease a total of 90 combined full-service contact gates and ground loading positions on Concourse B. At the Airport, United accounted for 46.8% of total passengers for the year ended December 31, 2023.

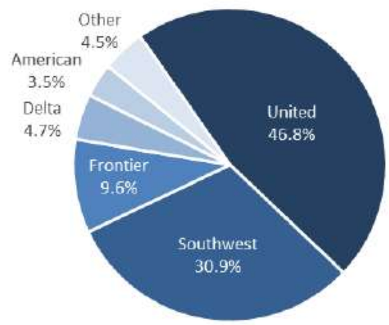
Southwest Airlines

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

Frontier Airlines

Frontier Airlines (Frontier) maintains the third largest market share at the Airport, which is Frontier's largest station in their system. Frontier is an ultra-low-cost carrier. As of December 31, 2023, Frontier leases nine full-service contact gates on Concourse A. Frontier accounted for 9.6% of total passengers for the year ended December 31, 2023. In May 2022, a new Use and Lease agreement was entered into with Frontier. Under the Use and Lease agreement, Frontier will lease a total of 14 ground load positions along with new hold-rooms and modifications to existing hold-rooms on Concourse A, collectively known as the New GLF. Upon completion of the New GLF, the Use and Lease agreements terms will be for 10 years. In March 2024, Frontier began operating at two of the 14 ground load positions in the New GLF. The remaining 12 ground load positions are expected to be completed in the fall of 2024.

Airline Market Share
2023 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, 2023, and 2022, cash and investments totaled $3.5 billion and $3.9 billion, respectively. Current investment vehicles include U.S. treasury securities, U.S. agency securities, corporate bonds, structured products, multinational fixed income, municipal bonds, commercial paper, local government investment pools, and money market funds. In 2023 and 2022, the City charged fees of $0.4 million and $0.5 million, respectively, to the Airport for performing the cash management function.

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 controls 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 Airport Council International-North America (ACI-NA) Environmental Achievement Award in the Environmental Management Category for the Low-Carbon, Cost-Effective, Reliable, and Resilient energy projects and Colorado Airport of the Year by the Colorado Division of Aeronotics in 2023. DEN also passed the 2023 FAA Part 139 Inspection with no discrepancies.

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 Annual Comprehensive Financial Report for each of the fiscal years ended: (a) December 31, 2022, and (b) December 31, 2021. This was the fourth year that the Airport received this prestigious award. To be awarded the prestigious 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,

Phillip A. Washington
Chief Executive Officer

Mike Nakornkhet
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Denver International Airport
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO

City and County of Denver – City Officials

Mayor

Michael Johnston

City Council

Jamie Torres, President

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

Auditor

Timothy M. O'Brien

Clerk and Recorder

Paul D. López

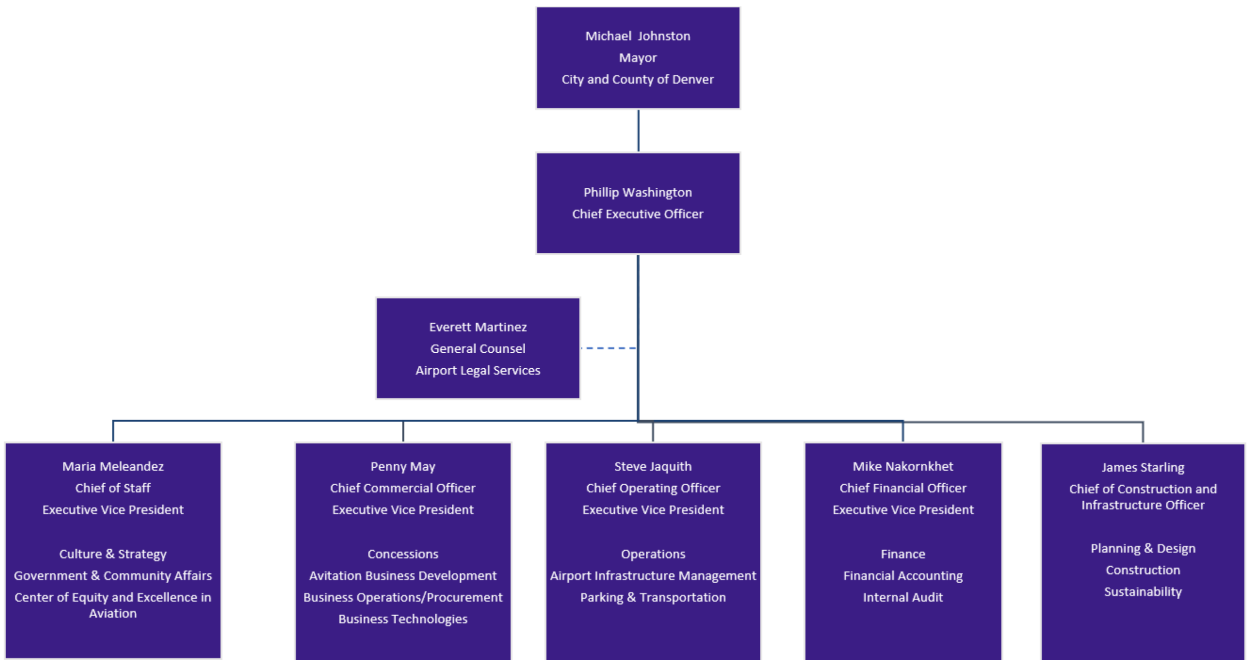
Cabinet Officials

Nicole Doheny	Chief Financial Officer
Anne-Marie Braga	Executive Director of the Department of Human Services
Kerry Tipper, Esq.	City Attorney
Jill Jennings-Golich	Interim Executive Director of the Department of Community Planning and Development
Amy Ford	Executive Director of the Department of Transportation and Infrastructure
Phillip Washington	Chief Executive Officer of the Department of Aviation
Jolon Clark	Executive Director of the Department of Parks and Recreation
Robert M. McDonald	Executive Director of the Department of Public Health and Environment
Armando Saldate	Executive Director of the Department of Safety
Al Gardner	Executive Director of the Department of General Services
Molly Duplechian	Executive Director of the Department of Excise and Licenses

Department of Aviation

Mike Nakornkhet	Executive Vice President/Chief Financial Officer
Maria Meleandez	Executive Vice President/Chief of Staff
Steve Jaquith	Executive Vice President/Chief Operating Officer
James Starling	Executive Vice President/Chief Construction and Infrastructure Officer
Penny May	Executive Vice President/Chief Commercial Officer
Everett B. Martinez, Esq.	General Counsel

Denver International Airport
Organizational Chart
as of December 31, 2023



Report of Independent Auditors

The Audit Committee
City and County of Denver
Denver, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the City and County of Denver, Colorado Municipal Airport System (Airport), an enterprise fund of the City and County of Denver, Colorado (City), which comprise the statements of net position as of December 31, 2023 and 2022, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the net position of the City and County of Denver, Colorado Municipal Airport System as of December 31, 2023 and 2022, and the respective changes in net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Airport and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Financial Reporting Entity

As discussed in Note 1, the financial statements present only the Airport and do not purport to, and do not, present fairly the net position of the City and County of Denver, Colorado, as of December 31, 2023 and 2022, the changes in its net position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Airport adopted the provisions of GASB Statement No.96, *Subscription-Based Information Technology Arrangements*, effective January 1, 2022. The financial statements have been retroactively restated in accordance with the requirements of the new accounting standard. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Airport's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of Airport proportionate share – net pension liability, schedule of Airport contributions – net pension liability, schedule of Airport proportionate share – net OPEB liability, schedule of Airport employer contributions – net OPEB liability, and schedule of Airport proportionate share – Implicit Rate Subsidy (collectively the required supplementary information) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section on pages 2-14, Other Information Section on pages 121-124, and Statistical Section on pages 126-148, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Moss Adams LLP

Denver, Colorado
June 21, 2024

2023 ANNUAL COMPREHENSIVE 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 years ended December 31, 2023, 2022 and 2021. 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 $1,022.1 million, an increase of $91.9 million, or 9.9%, for the year ended December 31, 2023, as compared to the same period in 2022. Airline revenue totaled $459.6 million, an increase of $60.2 million, or 15.1%. The overall increase was due to increases in facility rentals and landing fee revenue. Non-airline revenue totaled $562.5 million, an increase of $31.7 million, or 6.0%, primarily due an increase in overall passengers. Non-airline revenue represented 55.0% of total operating revenue.

Operating expenses, exclusive of depreciation and amortization, totaled $578.7 million for the year ended December 31, 2023, representing an increase of $39.7 million, or 7.4%, as compared to the year ended December 31, 2022. The increase compared to prior year was primarily driven by a $45.5 million, or 18.7%, increase in contractual services, and a $24.1 million, or 13.0%, increase in personnel costs, partially offset by a $32.1 million, or 68.1%, decrease in repair and maintenance projects.

COVID-19 Pandemic

General Description

The outbreak of COVID-19 had a significant adverse impact on global air traffic and air travel demand. In March 2020, the World Health Organization declared COVID-19 as a pandemic and the United States government-imposed travel restrictions on domestic and international air travel. Various government agencies in the United States and other countries also warned against travel and large group events, and many issued periodic stay-at-home orders and voluntary and involuntary self-quarantining measures curtailing non-essential travel.

As of the date of this financial report, the City is no longer operating under any declared states of emergency regarding the COVID-19 pandemic. The City's declaration of public health emergency related to COVID-19 expired as of March 1, 2023. The State's emergency disaster declaration ended with the expiration of the Colorado COVID-19 Disaster Recovery order on or about May 5, 2023. The Federal government's public health emergency ended on May 11, 2023, following Congress passing a resolution to end the COVID-19 national emergency in December 2022. Effective on May 12, 2023, non-citizen non-immigrant air passengers no longer need to show proof of being fully vaccinated with an accepted COVID-19 vaccine to board a flight to the United States.

Airport Operations

The Airport continued to see an increase in passenger traffic and airport operations, with a 12.3% increase in total passengers and a 7.5% increase in total aircraft operations, respectively, for the year ended December 31, 2023, as compared to the same period in 2022. As of December 31, 2023, the Airport had 148 gates and two ground loading positions leased and operated by signatory airlines, and eight gates and seven commuter position available on a per-use basis. For the years ended December 31, 2023 and 2022, originating and destination (O&D) passenger traffic as a percentage of overall traffic was 57.2% and 58.8%, respectively. Connecting traffic as a percentage of overall traffic also increased from 41.2% for the year ended December 31, 2022 to 42.8% for the year ended December 31, 2023. For the year ended December 31, 2023, international passengers increased 21.5%, amounting to 5.2% of total passengers in 2023 and 4.8% of total passengers in 2022. Total cargo, in tons, decreased 5.8% during 2023 compared to the same period in 2022.

As of December 31, 2023, the Airport continued passenger traffic recovery and all concessions were open to serve customers. Pikes Peak, West Economy and all garage parking are currently in operation. East Economy lot was under construction through mid-November 2023 and was fully operational as of year-end. The Mt. Elbert shuttle lot was decommissioned and is now the new Landside Employee Lot. On May 26, 2023, the Airport converted the prior Landside Employee Lot into a public parking lot called Longs Peak, which is the overflow shuttle parking for Pikes Peak.

Stimulus Funds

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 was eligible to receive a total of $269.1 million in CARES Act Funding (CARES Act Funds). The Airport determined to use the CARES Act Funds as a reimbursement of debt service payments. During 2020, the Airport received $262.7 million in CARES Act Funds with the remaining amount, $6.4 million, received in early 2021. On September 8, 2020, the City, for and on behalf of the Airport, executed a CARES Act Irrevocably Committed Escrow Agreement (CARES Act Irrevocable Escrow) to restrict all the reimbursed CARES Act Funds for application to future senior and/or subordinate debt service payments and deposited the full reimbursed CARES Act Funds into the CARES Act Irrevocable Escrow. Approximately $130.0 million and $139.1 million of the CARES Act Irrevocable Escrow were used for senior and/or subordinate debt service payments during 2020 and 2021, respectively. As of December 31, 2021, all of the CARES Act Irrevocable Escrow was expended.

CRRSA Act

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

On March 25, 2021, the City for and on behalf of the Airport, executed an ACRGP grant with the FAA and was eligible to receive a total of $48.6 million (ACRGP Grant). The Airport decided to use the ACRGP Grant funds as a reimbursement of debt service payments and has been reimbursed the full amount. As of December 31, 2021, the full $48.6 million was reimbursed by the FAA and recognized as non-operating revenue. On October 1, 2021, the City, for and on behalf of the Airport, executed the CRRSA Act Irrevocably Committed Escrow Agreement (CRRSA Act Irrevocable Escrow) to restrict all of the reimbursed ACRGP Grant funds (i.e. $48.6 million) for application to future senior and/or subordinate debt service payments and deposited the full amount of the reimbursed ACRGP Grant into the CRRSA Act Irrevocable Escrow. As of December 31, 2022, all of the CRRSA Act Irrevocable Escrow was expended.

On March 31, 2021, the City, for and on behalf of the Airport, executed an ACRGP Concessions Relief Addendum with the FAA and was eligible to receive a total of $7.2 million (ACRGP Concession Grant). The ACRGP Concessions Grant may be used to provide credit relief to eligible concessions based on criteria established by the FAA. A portion of these funds, up to two percent, may be used to reimburse the Airport for administrative costs. In April 2021, the Airport granted $7.1 million in credit relief to eligible concessions under this ACRGP Concession Grant.

ARPA

On March 11, 2021, the United States executed the American Rescue Plan Act of 2021 (ARPA), which included $8.0 billion in funds to be awarded as economic assistance to eligible U.S. airports to prevent, prepare for, and respond to COVID-19. Under ARPA, primary commercial service airports share nearly $6.5 billion in a similar way to how airports currently receive Airport Improvement Program (AIP) entitlement funds. Also, shared funds are available for airports to provide relief from rent and minimum annual guarantees to eligible airport concessions. The Airport received an award totaling $204.3 million of general grant funding, as well as an additional $28.8 million reserved for concessionaire relief (together known as ARPA Funds). In 2024, the Airport issued in the form of rent credits to eligible concessionaires the $28.8 million ARPA concessionaire relief. The Airport received $28.8 million in 2024, but reflected in the financial statements in 2023. The ARPA general grant funding may be used to fund costs related to operations, personnel, cleaning, sanitation, janitorial services, combating spread of pathogens at the Airport, and debt service payments, including reimbursement of debt service payments. Airport management decided to use the $204.3 million in the general grant funding of ARPA Funds as a reimbursement of debt service payments. As of December 31, 2021, the Airport had been reimbursed $195.2 million and recognized as non-operating revenue in 2021. In July 2022, the Airport received the remaining $9.1 million. On April 22, 2022, the City, for and on behalf of the Airport, executed ARPA Act Irrevocably Committed Escrow Agreement (ARPA Act Irrevocable Escrow) to restrict all the reimbursed general grant funding under ARPA Funds solely for future application to senior and/or subordinate debt service payments and deposited the full amount of the general grant funding under the ARPA Funds into the ARPA Act Irrevocable Escrow. Approximately $101.2 million and $50.3 million of the ARPA Act Irrevocable Escrow was utilized for debt service payments in 2023 and 2022, respectively. As of December 31, 2023, approximately $59.7 million in ARPA Act Irrevocable Escrow remained available for future debt service and remaining amount is expected to be fully utilized in 2024.

COVID-19 Relief Policies

2021 Rent Relief Policy

Issued in November 2020 and effective in January 2021, the Airport implemented relief policies (2021 COVID-19 Relief Policies) for revenue contracts providing payment deferrals and certain fee waivers. For the signatory airlines, participants were required to maintain payment compliance through the policy term and were required to pay 75% of their fixed and variable rate billings as outlined in the Use and Lease Agreements for 2021. The remaining 25% of these billings must be paid over the next five years in equal annual installments starting in 2022 and any outstanding balance is charged interest at the U.S. Treasury Note rate set at 1.63% as of February 1, 2022. As of December 31, 2021, 15 signatory airlines were under the 2021 COVID-19 Relief Policy. As of December 31, 2023, and December 31, 2022, approximately $8.5 million and $13.6 million, respectively, of deferred payments balance remained outstanding. Also, under the 2021 COVID-19 Rent Relief Policy, the Airport will credit up to 25% of the annual $40.0 million (Airline Revenue Credit) through 2026. Under the Use and Lease Agreement, the Airport shares with the signatory airlines 50% of Net Revenues (as defined by the bond ordinance) remaining at the end of each year. The Airline Revenue Credit, up to $40.0 million, is credited in the following year to the airline rates and charges. For the concessionaires, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2021 and were charged only for the contractual percentage of the concessionaires' gross sales. For rental car companies, the minimum annual guarantees, contractually due on a monthly basis, were waived for the year 2021 and were charged the contractual percentage of their gross sales. Rental car companies were provided a three-month payment deferral of the ground and facility billings for January, February, and March 2021. Deferred ground and facility payments were due by December 31, 2021 and were collected.

Bankruptcy Filings

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. On December 22, 2022, the court approved Aeromexico's plan of reorganization, which went into effect on March 17, 2023.

Other Matters

Infrastructure Investment and Jobs Act

On November 5, 2021, Congress passed H.R.3684 – Infrastructure Investment and Jobs Act and on November 13, 2021, the President executed the $1.0 trillion Bipartisan Infrastructure Bill (BIL). Under BIL, airports were allocated $25.0 billion over the next five years. The allocation was split into three components: $15.0 billion for Airport Infrastructure Grant (AIG) Program, $5.0 billion for Airport Terminal Program (ATP), and $5.0 billion for FAA infrastructure assets. The AIG is formula-based funding allocated based on passenger traffic. The ATP portion is discretionarily awarded by the FAA. The Airport submitted applications for available ATP funding for Federal fiscal years 2022, 2023 and 2024. Under the ATP, the Airport has been awarded a total of approximately $97.1 million cover both Federal fiscal years 2022 and 2023. In February 2024, the Airport was approved for 2024 ATP funding in the amount of $26.6 million. The ATP funds are for baggage handling system modernization. The Airport was also awarded $178.6 million under the AIG for the Federal fiscal years 2022 through 2024.

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.

On January 1, 2021, the Airport adopted Governmental Accounting Standard Board Statement (GASB) No. 87, *Leases* (GASB 87), and as a result, restated the December 31, 2021 Statement of Net Position and Statement of Cash Flows. The Statement of Revenue, Expenses and Changes in Net Position did not require restatement as of December 31, 2021, because the amounts were not significant.

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

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.

GASB allows the Airport to present comparative financial statements but requires that the Airport's Management Discussion and Analysis (MD&A) addresses 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., 2023, 2022 and 2021).

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, 2023, 2022, and 2021 ($ in thousands):

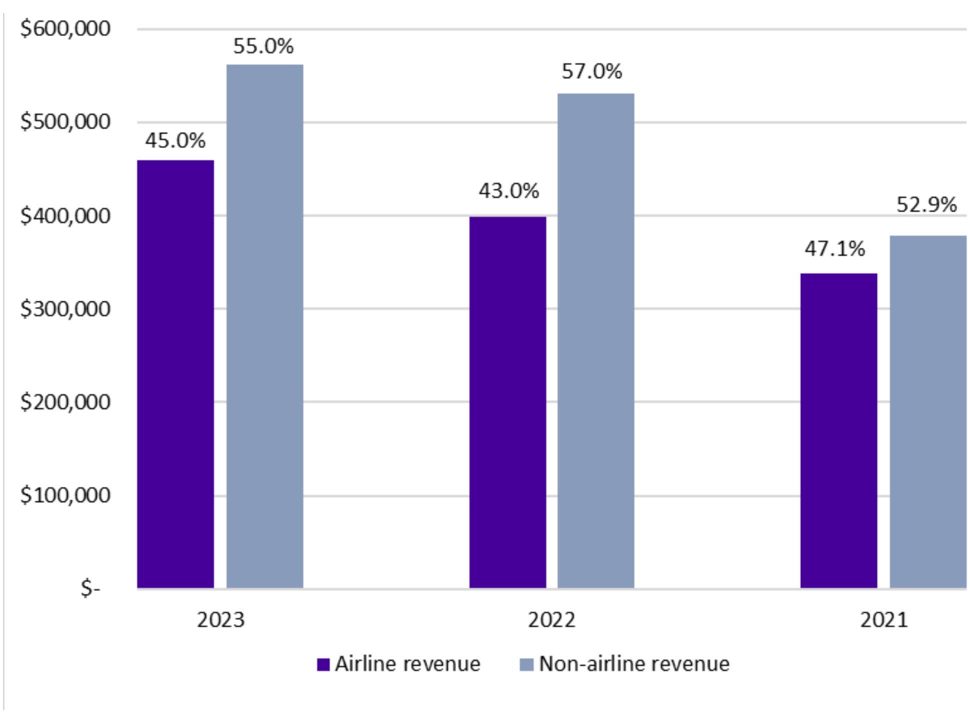
	2023	As restated 2022	As restated 2021	2023 / 2022 $ change	2023 / 2022 % change
Operating revenue	$ 1,022,065	$ 930,184	$ 716,396	$ 91,881	9.9%
Less: operating expenses	578,714	539,041	461,413	39,673	7.4%
Operating income before depreciation and amortization	443,351	391,143	254,983	52,208	13.3%
Less: depreciation and amortization	329,287	278,451	226,852	50,836	18.3%
Operating income	114,064	112,692	28,131	1,372	1.2%
Add: nonoperating revenues	515,112	58,709	349,157	456,403	777.4%
Less: nonoperating expenses	325,744	274,380	237,274	51,364	18.7%
Add: capital grants and contributions	91,141	74,107	24,814	17,034	23.0%
Increase (decrease) in net position	394,573	(28,872)	164,828	423,445	(1,466.6%)
Net position, beginning of year	1,543,144	1,572,016	1,407,188	(28,872)	(1.8%)
Net position, end of period	$ 1,937,717	$ 1,543,144	$ 1,572,016	394,573	25.6%

Summary of Operating Revenues

The following is a summary of operating revenues for the years ended December 31, 2023, 2022, and 2021 ($ in thousands):

	2023	As restated 2022	As restated 2021	2023 / 2022 $ change	2023 / 2022 % change
Operating revenue:					
Airline revenue					
Facility rentals	$ 283,395	$ 249,586	$ 187,007	$ 33,809	13.5%
Landing fees	176,199	149,791	150,575	26,408	17.6%
Total airline revenue	459,594	399,377	337,582	60,217	15.1%
Non-airline revenue					
Parking	229,473	206,468	147,809	23,005	11.1%
Concession	93,406	103,189	69,120	(9,783)	(9.5%)
Car rental	95,270	88,326	75,703	6,944	7.9%
Hotel	73,696	65,078	43,674	8,618	13.2%
Aviation fuel tax	37,855	38,238	21,626	(383)	(1.0%)
Ground transportation	24,593	19,722	13,848	4,871	24.7%
Other sales and charges	8,178	9,786	7,034	(1,608)	(16.4%)
Total non-airline revenue	562,471	530,807	378,814	31,664	6.0%
Total operating revenue	$ 1,022,065	$ 930,184	$ 716,396	$ 91,881	9.9%

Total Operating Revenues
for the years ended December 31, 2023, 2022, and 2021
(% of total)



2023/2022

The Airport's activities changed as described below for the year ended December 31, 2023, as compared to 2022:

	2023	2022	Percentage change
Passengers (in thousands)	77,838	69,286	12.3%
Enplanements (in thousands)	38,898	34,643	12.3%
Landed weight (in millions lbs)	44,196	39,171	12.8%
Aircraft operations (in thousands)[1]	662	616	7.5%
Cargo (in thousand tons)	341	362	(5.8%)

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

Total airline revenues at the Airport were $459.6 million, an increase of $60.2 million, or 15.1%, for the year ended December 31, 2023, as compared to the same period in 2022.

Facility rental revenue increased by $33.8 million, or 13.5%, primarily due to an increase in terminal complex rental costs, as well as additional rentable space resulting from gate expansions.

Landing fee revenue increased by $26.4 million, or 17.6%, primarily due to an increase in the landing fee rate and an increase in landed weight resulted from increased operations.

Total non-airline revenues at the Airport were $562.5 million, an increase of $31.7 million, or 6.0%, for the year ended December 31, 2023, as compared to the same period in 2022. The increase was primarily due to the increase passenger traffic.

Parking revenue increased by $23.0 million, or 11.1%, primarily due to a 9.0% increase in transaction volume, along with the reopening of one of the remote parking lots, driven by the increase in O&D passenger traffic. The increase in parking revenue was also driven by an increase in parking rates for select parking lots effective July 15, 2022.

Concession revenue decreased by $9.8 million, or 9.5%, primarily due to the ARPA concession relief of $28.8 million which was issued in the form of rent credits to eligible concessionaires in 2023. The decrease was offset by an increase in the monthly gross revenue reported by concessionaires of approximately 17.4%, driven by the 12.3% increase in enplaned passengers and the opening of several new concession concepts.

Car rental revenue increased by $6.9 million, or 7.9%, due to an increase in reported total gross monthly revenues by the car rental companies, driven by the 9.2% increase in O&D passenger traffic. Additionally, transaction volume and percentage of revenue shared with the Airport by the car sharing operation increased over the same period in 2022.

Hotel revenue increased by $8.6 million, or 13.2%, primarily due to an increase in hotel guest room occupancy from 81.4% to 84.6%. The average daily rate for the period also increased by 8.8%, which resulted in an overall increase in total rooms revenue of 13.0%. Hotel food and beverage revenue increased 13.7%, primarily due to an increase in large group banquet events, coupled with increased restaurant traffic as result of higher room occupancy.

Aviation fuel tax revenue decreased by $0.4 million, or 1.0%, due to a decrease in fuel prices, partially offset by 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% in sales tax collections.

Ground transportation revenue increased by $4.9 million, or 24.7%, primarily due to a 21.4% increase in transportation network company (TNC) trips along with a rate increase compared to the same period in 2022. The Airport provides a 10% discount on the fees or rates for each motor vehicle operating at the Airport that is powered by alternative fuels. This is available to all ground transportation companies. Additionally, off-site parking revenue increased $0.8 million, or approximately 15.0%.

Other sales and charges revenue decreased by $1.6 million, or 16.4%, due to changes in various operational revenue sources.

2022/2021

The Airport's activities changed as described below for the year ended December 31, 2022, as compared to 2021:

	2022	2021	Percentage change
Passengers (in thousands)	69,286	58,829	17.8%
Enplanements (in thousands)	34,643	29,418	17.8%
Landed weight (in millions lbs)	39,171	35,614	10.0%
Aircraft operations (in thousands)(1)	616	594	3.7%
Cargo (in thousand tons)	362	337	7.4%

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

Total airline revenues at the Airport were $399.4 million, an increase of $61.8 million, or 18.3%, for the year ended December 31, 2022, as compared to the same period in 2021.

Facility rental revenue increased by $62.6 million, or 33.5%, primarily due to an increase in terminal complex rental costs coupled with an increase in available leased space with the completion of the concourse expansion program in 2022. The increase is partially offset by an increase in the estimated airline revenue credit for fiscal year 2022.

Landing fee revenue decreased by $0.8 million, or 0.5%, primarily due to a reduction in the landing fee rate for 2022 compared to 2021. The decrease was partially offset by a 10.0% increase in landed weight.

Total non-airline revenues at the Airport were $530.8 million, an increase of $152.0 million, or 40.1%, for the year ended December 31, 2022, as compared to the year ended December 31, 2021. The increase was primarily due to the increase passenger traffic.

Parking revenue increased by $58.7 million, or 39.7%, primarily due to a 35.7% increase in transaction volume, along with the reopening of one of the remote parking lots, which resulted from increased O&D passenger traffic. The increase in parking revenue was also driven by an increase in parking rates for select parking lots effective July 15, 2022.

Car rental revenue increased by $12.6 million, or 16.7%, primarily due to an increase in reported total gross monthly revenues by the car rental companies, driven by the 17.9% increase in O&D passenger traffic. Additionally, ground and facility rental rates increased in 2022 and car sharing operation volume increased over the same period in 2021. Also contributing to these increases were $2.7 million in ACRGP Concessions Grant credits issued in 2021 to qualifying car rental companies. No additional rent relief credits were issued in 2022.

Concession revenue increased by $34.1 million, or 49.3%, primarily due to an increase in the monthly gross revenue reported by concessionaires of approximately 29.3%, driven by the 17.8% increase in enplaned passengers. In addition, the COVID-19 Relief Policy for 2021 expired at the end of 2021, which resulted in reinstatement of the minimum annual guarantees. Also, in 2021, $4.3 million in ACRGP Concessions Grant credits were issued to qualifying concessionaires. No additional rent relief credits were issued in 2022.

Hotel revenue increased by $21.4 million, or 49.0%, primarily due to an increase in hotel guest room occupancy from 71.1% to 81.4%. The average daily rate for the period also increased by 24.1%, which resulted in an overall increase in total rooms revenue of 42.1%. Hotel food and beverage revenue increased 89.5%, primarily due to the return of large group banquet events, coupled with increased restaurant traffic as result of higher room occupancy.

Aviation fuel tax revenue increased by $16.6 million, or 76.8%, due to an increase in fuel prices and an increase of 17.1% in gallons sold driven by increased airline operations and larger aircraft. 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% in sales tax collections.

Ground transportation revenue increased by $5.9 million, or 42.4%, primarily due to a 49.7% increase in transportation network company (TNC) trips compared to the same period in 2021. Additionally, off-site parking revenue increased $1.1 million, or approximately 26.1%.

Other sales and charges revenue increased by $2.8 million, or 39.1%, due to changes in various operational revenue sources.

Airport as a Lessor

GASB 87 was adopted by the Airport as of January 1, 2021. This statement requires that fixed in substance payments established in leasing agreements with customers, with contracted rates spanning greater than one year, must be valued over the life of the lease. The Airport, as a lessor, recognizes lease revenue from certain Concessions, Rental Car and other agreements meeting the GASB 87 criteria. Revenue from airlines Use and Lease Agreements, airline operating permits and some related airline support agreements, subject to FAA and other governmental regulations, are considered regulated leases. Regulated leases are exempt from the lessor accounting treatment under GASB 87, and the revenue earned from these agreements are accounted for as non-lease revenues. In addition, revenues earned from agreements, based on variable rates and short-term arrangements, are considered non-lease revenue.

Gross billings to customers, or tenants, include fixed in substance charges and variable charges, such as percentage rents which are based on activity. Generally, the fixed in substance charges are defined as a “not to go below” MAGs amounts due to the Airport from these tenants, primarily Concessions and Rental Car Companies, under their respective agreements. Fixed in substance charges are also based on a stated rate, including fixed escalation clauses, applied to square footage or other measurement, primarily associated with other agreements meeting the GASB 87 criteria. During 2021 under the COVID-19 policies, the Airport waived the MAGs for concessions and rental car agreements and revenues for these tenants were based on percentage rents. The fixed rents billed to other lease agreements tenants were not significant during 2021. Accordingly, the Airport did not restate the Statement of Revenues, Expenses, and Changes in Net Position for GASB 87 for the year ended December 31, 2021. The net effect of 2021 was included in the Statement of Revenues, Expenses, and Changes in Net Position for year ended December 31, 2022.

Revenue in 2023 and 2022 from tenants with agreements that met the criteria as leases under GASB 87, was comprised of lease and non-lease revenue. The following table highlights the components of total revenue as of December 31, 2023 and provides a comparison to total revenue as of December 31, 2022.

	2022	2023						
	Total revenue	Total billings	ARPA grant credits	Payments received from GASB 87 leases	Total non-lease revenue	GASB 87 lease revenue	GASB 87 regulated lease revenue	Total revenue
Concessions	$ 103,189	$ 124,865	$ (28,779)	$ (41,871)	$ 54,215	$ 39,045	$ 146	$ 93,406
Car rentals	88,326	98,413	-	(51,970)	46,443	48,827	-	95,270
Airline support rents [1]	513	684	-	(684)	-	308	317	625
Solar facilities, wireless telecommunications and farms rent [2]	2,296	2,305	-	(2,059)	246	1,994	-	2,240
Total inflows for lessor agreements	$ 194,324	$ 226,267	$ (28,779)	$ (96,584)	$ 100,904	$ 90,174	$ 463	$ 191,541

[1] Included in facility rents
[2] Included in other sales and charges

The following table highlights the components of total revenue as of December 31, 2022 and provides a comparison to total revenue as of December 31, 2021.

	2021	2022					
	Total revenue	Total billings	Payments received from GASB 87 leases	Total non-lease revenue	GASB 87 lease revenue	GASB 87 regulated lease revenue	Total revenue
Concessions	$ 69,120	$ 105,530	$ (39,892)	$ 65,638	$ 37,428	$ 123	$ 103,189
Car rentals	73,703	91,469	(51,970)	39,499	48,827	-	88,326
Airline support rents [1]	508	524	(524)	-	91	422	513
Solar facilities, wireless telecommunications and farms rent [2]	2,084	2,262	(2,080)	182	2,114	-	2,296
Total inflows for lessor agreements	$ 145,415	$ 199,785	$ (94,466)	$ 105,319	$ 88,460	$ 545	$ 194,324

[1] Included in facility rents
[2] Included in other sales and charges

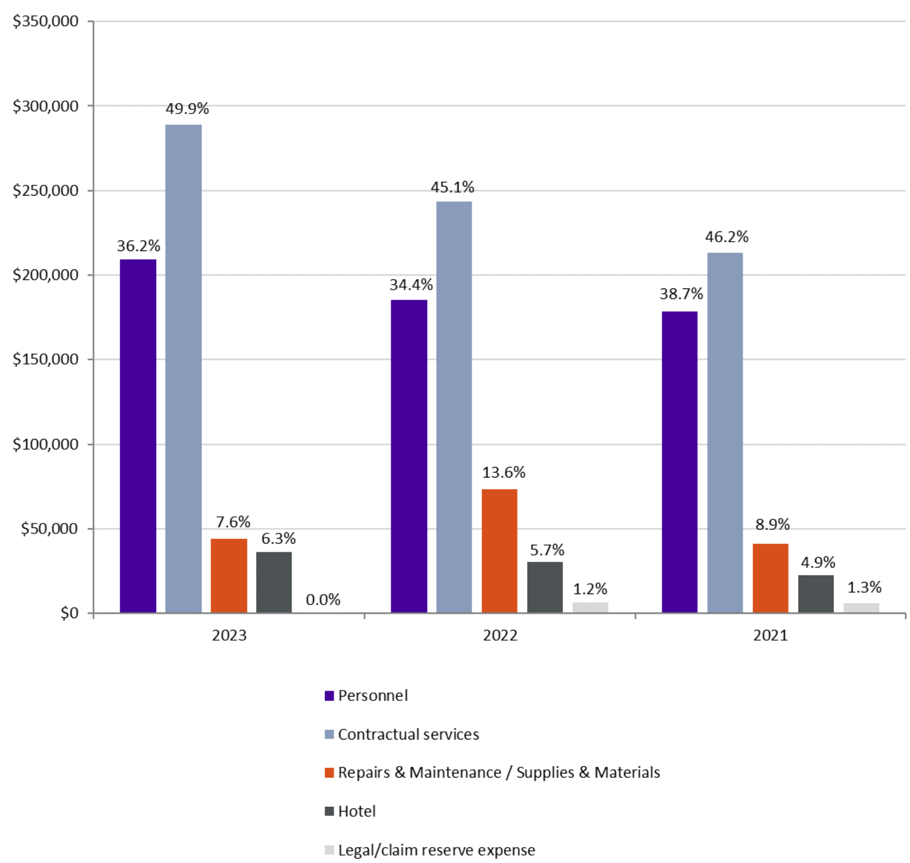
Summary of Operating Expenses

The following is a summary of operating expenses before depreciation and amortization for the years ended December 31, 2023, 2022, and 2021 ($ in thousands):

	2023	As restated 2022	As restated 2021	2023 / 2022 $ change	2023 / 2022 % change
Personnel	$ 209,346	$ 185,289	$ 178,530	$ 24,057	13.0%
Contractual services	288,835	243,326	213,225	45,509	18.7%
Repair and maintenance projects	15,004	47,095	22,372	(32,091)	(68.1%)
Maintenance, supplies, and materials	29,145	26,388	18,867	2,757	10.4%
Hotel	36,384	30,523	22,458	5,861	19.2%
Legal/claim reserve expense	-	6,420	5,961	(6,420)	(100.0%)
Total operating expenses	$ 578,714	$ 539,041	$ 461,413	$ 39,673	7.4%

Operating Expenses before Depreciation and Amortization

for the years ended December 31, 2023, 2022 and 2021
(% of total)



2023/2022

Operating expenses, exclusive of depreciation and amortization, were $578.7 million for the year ended December 31, 2023, an increase of $39.7 million, or 7.4%, as compared to the same period in 2022. The overall increase related to the use of contractual services and personnel costs to support continued passenger growth and an increase in hotel operating costs, partially offset by a decrease in repair and maintenance project costs.

> Personnel costs increased $24.1 million, or 13.0%, primarily due to an average 4.0% merit increase effective January 1, 2023, coupled with pay adjustments and a 7.7% decrease in the position vacancy rate. Offsetting this increase was $3.2 million decrease to pensions and post-employment benefits other than pensions. For additional information, see notes 16 and 17 to the financial statements.
>
> Contractual services increased by $45.5 million, or 18.7%, primarily due to increases in services associated with continued passenger growth and the full year of operating the new gates associated with the gate expansion projects on all three concourses. The increase was primarily due to self-baggage, janitorial, security, parking, and facility operations contracts.
>
> Repair and maintenance expenses decreased by $32.1 million, or 68.1%, primarily due to fewer non-capitalizable project expenditures incurred during 2023. Also contributing to the decrease was the cost associated with the retirement of the oil and gas assets.
>
> Maintenance, supplies, and materials increased $2.8 million, or 10.4%, primarily due to needs associated with continued passenger growth, expanded Airport facilities, and overall price increases.
>
> Hotel expenses increased by $5.9 million, or 19.2%, due to increased operating activities required to service higher occupancy and additional food and beverage business. Hotel guest room occupancy increased from 81.4% to 84.6% and food and beverage revenue increased 13.7%, indicating an increase in personnel required to service hotel rooms and food and beverage patrons.
>
> Legal/ claim reserve expense decreased by $6.4 million, or 100.0%. For additional information, see notes 22 (b) and (c) to the financial statements.

2022/2021

Operating expenses, exclusive of depreciation and amortization, were $539.0 million for the year ended December 31, 2022, an increase of $77.6 million, or 16.8%, as compared to the same period in 2021. In 2020, 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 which carried forward into 2021. Starting in mid to late 2021, the Airport lifted the hiring freeze, increased the use of contractual services and purchased additional supplies to support continued passenger growth.

> Personnel costs increased $6.8 million, or 3.8%, primarily due to a 3.0% merit increase effective January 1, 2022, coupled with a 1.0% increase in employer contributions to the Denver Employees' Retirement Plan (DERP). Offsetting this increase was $10.3 million decrease to pension expense associated with GASB 68 and GASB 75. For additional information, see notes 16 and 17 to the financial statements.

Contractual services increased by $30.1 million, or 14.1%, primarily due to increases in services associated with continued passenger growth. Some of the operating services levels reduced during 2020 were carried forwarded into 2021.

Repair and maintenance expenses increased by $24.7 million, or 110.5%, due to cost associated with retirement of the oil field assets along with more non-capitalizable project expenditures identified during the year.

Maintenance, supplies, and materials increased $7.5 million, or 39.9%, primarily due to continued passenger growth resulting in increased janitorial supplies, as well as increases in fuel prices. Additionally, there was an increase in use of snow removal chemicals and materials due to a heavier snow season.

Hotel expenses increased by $8.1 million, or 35.9%, due to increased operating activities required to service higher occupancy and additional food and beverage business. Hotel guest room occupancy increased from 71.1% to 81.4% and food and beverage revenue increased 89.5%, indicating an increase in personnel required to service hotel rooms and food and beverage patrons.

Legal/ claim reserve expense increased by $0.5 million, or 7.7%. For additional information, see notes 22 (b) and (c) to the financial statements.

Airport as a Lessee

The Airport classifies leases as those agreements in which the Airport controls the right to use a tangible asset over a period of time. At the commencement of these agreements, the Airport recognizes a lease liability and an intangible right-to-use lease asset based on the net present value of the future expected lease payments. This right-to-use asset is amortized over the life of the lease or useful life of the asset whichever is shorter. With the adoption of GASB 87, the Airport analyzed the impact to 2021 operating expense and determined that the overall impact to Net Position was not significant. Accordingly, the Airport did not restate the Statement of Revenues, Expenses, and Changes in Net Position for GASB 87 for the year ended December 31, 2021. The net effect of 2021 was included in the Statement of Revenues, Expenses, and Changes in Net Position for the year ended December 31, 2022.

Nonoperating Revenues and Expenses, Capital Grants and Capital Contributions

The following is a summary of net non-operating revenues for the years ended December 31, 2023, 2022, and 2021 ($ in thousands):

	2023	As restated 2022	As restated 2021	2023 / 2022 $ change	2023 / 2022 % change
Nonoperating revenues (expenses):					
Passenger facility charges	$ 145,612	$ 132,709	$ 113,500	$ 12,903	9.7%
Customer facility charges	48,299	17,389	15,585	30,910	177.8%
Investment income (loss)	190,573	(117,330)	(34,937)	307,903	262.4%
Lease interest income	9,370	10,243	-	(873)	(8.5%)
Interest expense	(318,052)	(257,542)	(221,738)	(60,510)	23.5%
Stimulus funds - grants	28,779	939	250,880	27,840	2,964.9%
Legal/claim reserve recovery	86,895	-	-	86,895	100.0%
Other income (expenses), net	(2,108)	(2,079)	(11,407)	(29)	1.4%
Total net nonoperating revenues (expenses)	$ 189,368	$ (215,671)	$ 111,883	$ 405,039	(187.8%)

2023/2022

Total nonoperating revenues increased by $456.4 million for the year ended December 31, 2023, as compared to the same period in 2022. The increase is primarily attributable to the net unrealized gain (loss) on investments to reflect current market conditions, as well as higher investment earnings during the period. Also, the Stimulus Funds increase was due to the ARPA concessionaire relief in the amount of $28.8 million, which was effective 2023. Additionally, contributing to the increase in total nonoperating revenues were the increases in Passenger Facility Charges (PFC) and Customer Facility Charges (CFC). PFC revenue increased 9.7%, primarily due to a 12.3% increase in enplaned passengers. CFC revenue increased 177.8%, primarily due to CFC rate increase from $2.15 per transaction day to $6.00 per transaction day, coupled with an increase in transaction days. The increased CFC rate was effective February 1, 2023.

On January 29, 2024, the Colorado Supreme Court dismissed Adams County complaint (Class II violations for 2014, 2015, and 2016) and, by doing so, vacated the lower courts' rulings, including all monetary damages awards. Because of the dismissal, the outstanding 2017-2019 notice of violations penalties, including accrued interest, were no longer an obligation to the Airport. Accordingly, the associated reversal of $86.9 million claim litigation reserve is reflected as non-operating revenues for 2023. See notes 22(b) and 23(c) to the financial statements for more information.

Lease interest income under GASB 87 was $9.4 million for the year ended December 31, 2023, as compared to $10.2 million for the year ended December 31, 2022. Lease interest income is the current year amortization of the discounted portion of the lease receivable.

Total nonoperating expenses increased $51.4 million, or 18.7%, for the year ended December 31, 2023, as compared to the same period in 2022. This is primarily due to an increase in interest expense associated with an overall increase in the Airport's debt portfolio.

In 2023 and 2022, capital grants totaled $91.1 million and $74.1 million, respectively. These grants include FAA Airport Improvement Program (AIP) funds used for airfield improvement projects and certain equipment replacement.

2022/2021

Total nonoperating revenues decreased by $290.4 million, or 83.2%, during the year ended December 31, 2022, as compared to the same period in 2021. The decrease was primarily due to the reduction in Stimulus Funds earned in 2022 compared to 2021. The decrease is also attributable to the investment loss due to changes in fair value of investments. Offsetting these decreases were increases in Passenger Facility Charges (PFC) and Customer Facility Charges (CFC). PFC revenue increased 16.9%, primarily due to a 17.8% increase in enplaned passengers. CFC revenue increased 11.6%, due to a 11.8% increase in the number of car rental transaction days, resulting from a 17.9% increase in O&D passenger traffic.

Lease interest income under GASB 87 was $10.2 million for the year ended December 31, 2022. Lease interest income is the current year amortization of the discounted portion of the lease receivable. The Airport did not restate the year ended December 31, 2021 Statement of Revenues, Expenses, and Net Position for GASB 87, as the lease revenue and interest income amounts were not significant.

Total nonoperating expenses increased $37.1 million, or 15.6%, for the year ended December 31, 2022, as compared to the same period in 2021. This is primarily due to an increase in interest expense associated with an overall increase in the Airport's debt portfolio.

In 2022 and 2021, capital grants totaled $74.1 million and $24.8 million, respectively. These grants are FAA Airport Improvement Program (AIP) funds used for airfield improvement projects and certain equipment replacement.

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, 2023, 2022, and 2021 ($ in thousands):

	2023	As restated[3] 2022	As restated[2] 2021	2023 / 2022 $ change	2023 / 2022 % change
Assets:					
Current assets, unrestricted[1]	$ 637,933	$ 610,722	$ 522,841	$ 27,211	4.5%
Current assets, restricted	588,534	1,089,105	463,443	(500,571)	(46.0%)
Noncurrent investments, unrestricted	1,089,554	807,089	954,429	282,465	35.0%
Noncurrent investments, restricted	1,535,703	1,665,584	982,175	(129,881)	(7.8%)
Long-term receivables	42,504	46,754	107,651	(4,250)	(9.1%)
Long-term lease receivable	324,456	399,542	107,058	(75,086)	(18.8%)
Capital assets, net	6,589,361	6,075,233	5,572,702	514,128	8.5%
Bond insurance costs, net	-	-	91	-	0.0%
Interest rate swaps	-	-	2,916	-	0.0%
Total assets	10,808,045	10,694,029	8,713,306	114,016	1.1%
Deferred outflows of resources	75,201	67,705	91,570	7,496	11.1%
Liabilities:					
Current liabilities, unrestricted	350,378	235,466	301,645	114,912	48.8%
Current liabilities, restricted	463,079	425,403	1,051,154	37,676	8.9%
Bonds payable, noncurrent	7,409,834	7,748,121	5,418,728	(338,287)	(4.4%)
Interest rate payable swaps, noncurrent	-	-	9,902	-	0.0%
Notes payable, noncurrent	2,775	282	-	2,493	884.0%
Lease liability, noncurrent	39,395	2,269	200	37,126	1,636.2%
Subscription liability, noncurrent	9,314	13,189	-	(3,875)	(29.4%)
Compensated absences payable, noncurrent	13,472	10,084	9,617	3,388	33.6%
Net pension liability	203,494	166,159	187,776	37,335	22.5%
Net OPEB liability	21,649	21,946	23,470	(297)	(1.4%)
Claim litigation reserves	-	86,895	80,474	(86,895)	(100.0%)
Total liabilities	8,513,390	8,709,814	7,082,966	(196,424)	(2.3%)
Deferred inflows of resources	432,139	508,776	149,894	(76,637)	(15.1%)
Net position (deficit)					
Net investment in capital assets (deficit)	(63,949)	(152,522)	(136,825)	88,573	(58.1%)
Restricted	411,833	481,380	385,941	(69,547)	(14.4%)
Unrestricted	1,589,833	1,214,286	1,322,900	375,547	30.9%
Total net position	$ 1,937,717	$ 1,543,144	$ 1,572,016	$ 394,573	25.6%

[1] Accounts receivable net of allowance for doubtful accounts of $3,188, $3,252, and $2,763, respectively.

[2] The fiscal year 2021 financial statements have been restated for the adoption of GASB 87 effective January 1, 2021.

[3] The fiscal year 2022 financial statements have been restated for the adoption of GASB 96 effective January 1, 2022.

The following table shows the effect of the restatement of the December 31, 2022 Statement of Net Position due to the implementation of GASB 96:

	Statement of Net Position As of December 31, 2022		
	Prior to GASB 96	Post GASB 96	Effect of Change
Total current assets	$ 1,699,827	$ 1,699,827	$ -
Total non-current restricted assets	2,111,880	2,111,880	-
Net pension and OPEB Assets	-	-	-
Other non-current unrestricted assets	807,089	807,089	-
Capital assets, net	6,058,777	6,075,233	16,456
Total assets	$ 10,677,573	$ 10,694,029	$ 16,456
Deferred outflows - debt refundings	$ 35,592	$ 35,592	$ -
Deferred outflows - pension plans	25,625	25,625	-
Deferred outflows - OPEB plans	6,488	6,488	-
Total deferred outflows of resources	$ 67,705	$ 67,705	$ -
Current liabilities	$ 656,378	$ 660,869	$ 4,491
Non-current liabilities	8,035,756	8,048,945	13,189
Total liabilities	$ 8,692,134	$ 8,709,814	$ 17,680
Deferred inflows - debt refundings	$ 14,252	$ 14,252	$ -
Deferred inflows - leases	459,477	459,477	-
Deferred inflows - pension plans	31,518	31,518	-
Deferred inflows - OPEB plans	3,529	3,529	-
Total deferred inflows of resources	$ 508,776	$ 508,776	$ -
Net position	$ 1,544,368	$ 1,543,144	$ (1,224)

2023/2022

Total assets were $10.8 billion as of December 31, 2023, an increase of $114.0 million, or 1.1%, compared to December 31, 2022. There was an increase in net capital assets of $514.1 million, or 8.5%, primarily due to additions to construction in progress. There was also an increase in grants receivable of $79.8 million, or 220.4%, and an increase in current lease receivable of $24.4 million, or 37.6% related to GASB 87. Offsetting these increases was a net decrease in total cash and investments of $431.6 million, or 10.9%, due to the spending associated with the airport capital program. There was also a decrease of $75.1 million, or 18.8%, in long-term lease receivable related to GASB 87.

Total deferred outflows of resources increased by $7.5 million, or 11.1% primarily due to GASB 68 changes in assumptions and other inputs. This increase was offset by the amortization of deferred losses on bond refundings.

Total liabilities were $8.5 billion as of December 31, 2023, a decrease of $196.4 million, or 2.3%, compared to December 31, 2022. There was a reduction of $301.8 million, or 4.0%, in bonds payable, both current and noncurrent, due to scheduled bond principal payments and bond refundings. There was also a decrease in claim and litigation reserves of $86.9 million, or 100.0%, due to the dismissal of the noise compliant litigation by the Colorado Supreme Court (see notes 22(b) and 22(c) to the financial statements for more information). Offsetting those decreases were a $46.4 million, or 38.0%, increase in vouchers payable, both restricted and unrestricted, a $44.9 million increase in GASB 87 lease liability, both current and noncurrent, a $37.3 million, or 22.5%, increase in net pension liability based on actuarial valuations, a $26.0 million, or 76.8%, increase in advanced rent primarily due to the issuance of the $28.8 million rent credit to eligible concessionaires effective December 31, 2023, and a $17.8 million, or 16.7%, increase in retainage payable due to expenditures associated with the airport capital program.

Total deferred inflows of resources decreased by $76.6 million, or 15.1%, primarily due to recognition of lease revenue under GASB 87. See note 18 to the financial statements for more information on leases. Also contributing to the decrease are the net difference between projected and actual earnings on investments related to pension and OPEB and amortization of deferred gain on bond refundings. The decrease in total deferred inflows was offset by the deferred gain on bond refundings associated with the issuance of Series 2023 A and Series 2023B Bonds.

As of December 31, 2023, total net position is $1.9 billion, of which 21.3% is restricted for future debt service and capital construction. The total net position restricted for future debt service is $399.3 million. This includes bond reserve account, bonds accounts, and the ARPA Act Irrevocable Escrow account, which in total represent $685.3 million for debt service. On April 22, 2022, the City, for and on behalf of the Airport, executed ARPA Act Irrevocable Escrow. On April 29, 2022, the City, for and on behalf of the Airport, deposited the full $204.3 million into the ARPA Act Irrevocable Escrow. As of December 31, 2023 and 2022, the remaining balance in the ARPA Act Irrevocable Escrow is $59.7 and $154.0 million, respectively. The net position restricted for capital projects represents $12.5 million.

As of December 31, 2023, the remaining net position consist of unrestricted balance of $1.6 billion and a net deficit investment in capital assets of ($63.9) 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.

2022/2021

Total assets were $10.7 billion as of December 31, 2022, an increase of $2.0 billion, or 22.7%, compared to December 31, 2021. Cash and investments increased $1.2 billion, or 44.3%, primarily due to proceeds from the issuance of Airport System Revenue Series 2022A, 2022B, 2022C, and 2022D Bonds. Net capital assets increased $502.5 million, or 9.0%, increase, primarily due to capitalization of constructed asset related to the 2018-2022 Capital Program and additions to construction in progress related to the 2018-2022 and Vision 100 2023-2027 Capital Programs. Also contributing to the increase was the implementation of GASB 87, which resulted in a $48.2 million or 291.1% increase in current lease receivable and a $292.5 million, or 273.2% increase to long-term lease receivable. See note 18 for more information on leases. Offsetting this increase was a decrease of $60.9 million, or 56.6%, in long-term other receivables, due to collections from carriers of the COVID-19 deferred payment of invoices, and a decrease of $20.6 million, or 73.1%, in other receivables due to receipt of insurance proceeds on the Concourse B East water damage insurance claim.

Total deferred outflows of resources decreased by $23.9 million, or 26.1% primarily due to the amortization of deferred losses on bond refundings and the change in fair value and the termination of derivative instruments.

Total liabilities were $8.7 billion as of December 31, 2022, an increase of $1.6 billion, or 23.0%, compared to December 31, 2021. The increase in total liabilities was mainly attributed to an increase of $1.5 billion, or 25.5%, in bonds payable and an increase of $133.8 million, or 39.9%, in net unamortized premium due to the issuance of Airport System Revenue Series 2022A, 2022B, 2022C, and 2022D Bonds. Also contributing to the increase in total liabilities was an increase of $14.6 million, or 58.9%, in accrued interest and matured coupons based on interest payment due dates, and an increase of $13.5 million, or 14.5%, in retainage payable due to expenditures associated with the 2018-2022 Capital Program, and a $10.0 million, or 25.0% increase in revenue credit payable due to the 2021 Rent Relief Policy with qualified airlines. Offsetting these increases was a decrease of $17.4 million, or 12.5% in vouchers payable, both restricted and unrestricted, primarily due to payment of outstanding capital project payables, a decrease of $43.0 million, or 92.0%, in other liabilities due to issuance of airline annual credits, a decrease of $21.6 million, or 11.5% in net pension liability based on actuarial valuations, and a decrease of $11.6 million, or 32.3%, in amounts due to other city agencies attributable to the timing of payments for city services. Also, contributing to the decrease was the reduction in derivative instruments of $9.9 million, or 100%, which was due to change in fair value and terminations.

Total deferred inflows of resources increased by $358.9 million, or 239.4%, primarily due to recognition of lease revenue under GASB 87. See note 18 to the financial statements for more information on leases. Also contributing to the increase are changes in proportionate shares related to pension and OPEB, as well as deferred gains related to the issuance of Airport System Revenue Series 2022C and 2022D Bonds. The increase was offset by the amortization of deferred gain on bond refundings.

As of December 31, 2022, total net position is $1.5 billion, of which 31.2% is restricted for future debt service and capital construction. The total net position restricted for future debt service is $463.9 million. This includes bond reserve account, bonds accounts, and the ARPA Act Irrevocable Escrow accounts, which in total represent $154.0 million restricted for debt service. On April 22, 2022, the City, for and on behalf of the Airport, executed ARPA Act Irrevocable Escrow. On April 29, 2022, the City, for and on behalf of the Airport, deposited the full $204.3 million into the ARPA Act Irrevocable Escrow. The net position restricted for capital projects represent $17.4 million.

As of December 31, 2022, the remaining net position consist of unrestricted balance of $1.2 billion and a net deficit investment in capital assets of ($152.5) 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.

Long-Term Debt

As of December 31, 2023, the Airport had approximately $7.2 billion in outstanding senior and subordinate bonded debt, bearing fixed and variable interest rates. Total annual debt service for 2023 was approximately $618.3 million. Funds from the ARPA Act Irrevocable Escrow assisted in funding for 2023 debt service. The Airport used approximately $101.2 million of the remaining ARPA Act Irrevocable Escrow funds for 2023 debt service. Estimated annual debt service for 2024 will be approximately $627.7 million.

As of December 31, 2023, the Airport's senior lien debt was rated by Standard & Poor's (S&P) at AA- with stable outlook, by Moody's at Aa3 with stable outlook, and by Fitch at AA- with positive outlook. As of December 31, 2023, the Airport's subordinate lien debt is rated by S&P at A+ with stable outlook, by Moody's at A1 with stable outlook, and by Fitch at A+ with positive outlook. On June 17, 2022, Moody's upgraded the Airport's senior and subordinate lien debt ratings from A1 to Aa3 and A2 to A1, respectively, with a stable outlook. On October 26, 2022, S&P upgraded the Airport's senior and subordinate lien bond ratings from A+ to AA- and A to A+, respectively, with a stable outlook. On October 26, 2023, S&P affirmed ratings for the Airport's senior and subordinate lien debt, with stable outlook. On October 24, 2023, Moody's affirmed ratings for the Airport's senior and subordinate lien debt, with stable outlook. On October 26, 2023, Fitch affirmed ratings for the Airport's senior and subordinate lien debt and updated rating outlook to positive from 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, 2023 and 2022 were 217% and 199% of total debt service, respectively.

On November 22, 2023, the City, for and on behalf of the Airport, issued the Airport System Subordinate Revenue Bonds Series 2023A (Non-AMT) Bonds (Series 2023A) and Airport System Revenue Subordinate Bonds Series 2023B (AMT) Bonds (Series 2023B) for $316.1 million and $270.8 million, respectively. The proceeds from the Series 2023A and Series 2023B Bonds, coupled with Airport other available Airport funds, were used to refund and redeem all outstanding Airport System Subordinate Revenue Bonds, Series 2013A and Series 2013B, make necessary deposits to the Series 2023A and Series 2023B Subordinate Bond Reserve Subaccount, and to pay the costs of issuing the Series 2023A and Series 2023B Bonds. The Series 2023A and Series 2023B Bonds bear interest at various fixed rates, staggered maturities through November 15, 2043 and are subject to redemption prior to maturity. The refunding transactions yielded a net present value savings of $46.1 million.

On April 1, 2023, the City on behalf of the Airport amended and restated credit facility and reimbursement agreements for Series 2002C Credit Facility Bonds, and for Series 2021A-B Credit Facility Bonds with Banc of America Preferred Funding Corporation (Banc of America) to extend the terms through April 28, 2028 and the floating rate index changed to Secured Overnight Financing Rate (SOFR) effective on the Closing Date. The Series 2002C and 2021A-B Closing Date is April 28, 2023 and April 26, 2023, respectively.

On April 1, 2023, the City on behalf of the Airport amended and restated credit facility and reimbursement agreement with Bank of America N.A. for Series 2009C and 2008B Credit Facility Bonds. Bank of America N.A. to extend the terms through April 28, 2028 and July 1, 2028, respectively, and the floating rate index changed to SOFR effective on the Closing Date. The Series 2009C and 2008B Closing Date is April 28, 2023 and July 1, 2023, respectively.

On December 16, 2022, the Airport fully terminated the 2005 and 2006B Swap Agreements with JP Morgan Chase Bank, N.A. There was no cost to the Airport for the termination and it yielded a de minimis net cash inflow.

On November 15, 2022, the City, for and on behalf of the Airport, issued the Airport System Revenue Bonds Series 2022C (Non-AMT) Bonds (Series 2022C) and Airport System Revenue Bonds Series 2022D (AMT) Bonds (Series 2022D) for $349.2 million and $817.8 million, respectively. The proceeds from the Series 2022C and 2022D Bonds, coupled with Airport bond funds were used to provide project funds to pay a portion of the Vision 100 2023-2027 Capital Program, refund and redeem all or a portion of the outstanding principal amounts of $93.4 million, $70.2 million, $113.0 million, and $85.8 million of the Airport System Revenues Bonds Series 2007G1-G2, Series 2012A, Series 2012B, and Series 2019D, respectively, pay the costs of terminating a 2006A Swap Agreement with GKB Financial Services Corp. and a 2008A Swap Agreement with Royal Bank of Canada, make necessary deposits to the Bond Reserve Fund, make deposits to the Capitalized Interest Subaccount for the Series 2022C and Series 2022D Bonds, and pay the costs of issuance of the Series 2022C and Series 2022D Bonds. The Series 2022C and Series 2022D Bonds bear interest at various fixed rates, staggered maturities through November 15, 2053 and are subject to redemption prior to maturity.

On July 19, 2022, the City, for and on behalf of the Airport, issued Airport System Revenue Bonds Series 2022A (AMT) Bonds (Series 2022A) and Airport System Revenue Bonds Series 2022B (non-AMT) Bonds (Series 2022B) in the aggregate principal amounts of $1.5 billion and $175.6 million, respectively. The proceeds of the Series 2022A and Series 2022B Bonds were used to redeem and pay the 2021 Interim Note, to fully fund the Airport's 2018 – 2022 Capital Program, to make deposits to the Bond Reserve Fund and Capitalized Interest Subaccount, and to pay costs of issuance for Series 2022A and Series 2022B Bonds. Both series were issued at premium, bear interest at various fixed interest rates, and are subject to redemption prior to maturity.

On December 17, 2021, the City, for and on behalf of the Airport, issued private activity Airport System Subordinate Revenue Bonds, Series 2021C (Series 2021C Bonds) and issued a Note Purchase Agreement (2021 Interim Note) in the amounts of $26.2 million and $700.0 million, respectively. The proceeds from the issuance of the 2021 Interim Note were used to assist in funding the 2018-2022 Capital Program and to pay for issuance cost. The maturity date of the 2021 Interim Note was June 30, 2022. On June 10, 2022, the 2021 Interim Note maturity was extended to August 31, 2022. The 2021 Interim Note bore interest at a variable rate with payment due at maturity. The 2021 Interim Note was fully redeemed and paid in full by the Series 2022A and Series 2022B bond proceeds. The Series 2021C Bonds were issued at a fixed interest rate for the purposes of current refunding Series 2011A Bonds maturing on November 15, 2021. The Series 2021C Bonds matured on November 15, 2022.

On July 14, 2021, the City, for and on behalf of the Airport, entered into a Bond Purchase and Exchange Agreements with Banc of America Preferred Funding Corporation for the Series 1992F-G for the Series 2021A-B, respectively. With the execution of this Bond Purchase and Exchange Agreement there were no longer any outstanding Airport System Revenue Bonds issued prior to August 1, 2000. This adjusted the calculation of the Minimum Bond Reserve as defined within the General Bond Ordinance and reduced the Minimum Bond Reserve amount as it applies to the senior lien airport system revenue bonds. The City, for and on behalf of the Airport, filed a Voluntary Notice (see https://emma.msrb.org/P21480842-P21148170-P21561857.pdf).

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

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

Capital Assets

As of December 31, 2023, and December 31, 2022, the Airport had $6.6 billion and $6.1 billion, respectively, in total capital assets, net of accumulated depreciation. The net accumulated depreciation is approximately $4.4 billion in 2023 and $4.2 billion in 2022. For additional information about the Airport's capital assets, see note 6 to the financial statements.

2018-2022 Capital Program

The 2018-2022 Capital Program has been fully funded, and the majority of the 2018-2022 Capital Program has been completed. There are two projects within the 2018-2022 Capital Program currently under construction – the second phase of the Great Hall Project, and the expansion and addition to the Concourse A (East) ground loading facility (New GLF). The Great Hall project is primarily 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 along with additional Automated Guideway Transit System (AGTS) train sets and related car replacement. In October 2021, the Great Hall Project completed construction of the initial phase, which consisted generally of renovations to the central Great Hall area for new airline ticketing operations, self-bag drop-units, renovated restrooms and new commercial spaces. The second phase of the Great Hall project generally consists of a new security checkpoint, a widened balance for more capacity and space at the new checkpoint, a new triple escalator from the security checkpoint to the train platform and installation of a new escalator on the west curbside. The second phase of the Great Hall Project was substantially complete in December 2023 and operational in February 2024. The New GLF is being expanded to include five additional ground loading positions for a total of 14 ground loading positions along with the new holdrooms and modifications to existing holdrooms. The New GLF will be subject to lease by Frontier under its new Use and Lease Agreement.

Vision 100 - 2023-2027 CIP

The Airport developed a capital improvement program for the years 2023-2027 (Vision 100 - 2023-2027 Capital Program). The projects included in the Vision 100 – 2023-2027 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 Vision 100 – 2023-2027 Capital Program. The Airport is evaluating a significant expansion of the scope of the Vision 100 – 2023-2027 Capital Program to accommodate the faster passenger growth. The expansion in scope would correspondingly increase the cost and extend the timing of completion of the capital program.

The Vision 100 - 2023-2027 Capital Program identifies capital projects with a total cost of approximately $2.9 billion in the following areas of the Airport:

	in billions
Jeppesen Terminal	$ 1.6
Airside	0.6
Concourse Projects	0.5
Landside	0.2
TOTAL	**$ 2.9**

Jeppesen Terminal:

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

Airside:

Major projects include rehabilitation and construction of certain runways, taxiways, and apron areas as part of the Airport's pavement management system; improvements to airfield drainage, deicing modernization and expansion, safety areas, and airfield service roads; rehabilitation and installation of lighting; certain safety area upgrades and airfield planning studies.

Concourse:

Major projects include the remodeling of the public restrooms throughout the concourses, the conveyance replacement and passenger loading bridge programs, and replacement of AGTS cars.

Landside:

Major projects include reconstruction, realignment, and widening of various sections of Peña Boulevard both east and west bound and associated roadways as well as the replacement of deteriorating concrete. In addition, this includes rehabilitation of all six surface parking lot locations. Also included is the plug and abandonment of all the existing oil and gas drilling wells and tank batteries and removal of all flowlines.

In addition, projects under Landside include the development of an approximately 30-acre mixed-use district which may include hospitality, retail and office space under the Airport's real estate program, as well as complete replacement of the physical access control system used to restrict access throughout the Airport. This real estate development plan contemplates certain infrastructure and utility construction within Airport boundary lines as well as surrounding real estate development.

In March 2024, DEN expanded the 2023-2027 CIP to extend the projection timeframe through 2035 with an increase in overall estimated value of approximately $9.9 billion. The new expanded and extended CIP provides both vertical and horizontal infrastructure projects that add capacity at DEN to accommodate the projected passenger growth as well as maintain and modernize existing facilities. Some of the expansion projects include additional gates on Concourse C west, expansion of the Automated Guideway Transit System (AGTS), a consolidated rental car facility along with common transportation system, and north terminal expansion.

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, 2023, a total of $2.7 billion has been remitted to the Airport (including interest earned), of which $143.2 million has been expended on approved projects during 2023. $2.6 billion has been used to pay debt service on the Airport's general airport revenue bonds, and $33.7 million is unexpended. The Airport's prior 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 October 1, 2030. The decision is to fund already approved capital projects. On August 5, 2021, the FAA issued an Acknowledgement Letter regarding the City's application on notice of intent to impose PFC collections at the Airport. As a result of the Acknowledgement Letter, the PFC rate will remain the same, at $4.50, but authorized maximum PFC collection total increased by $136.7 million to $3.6 billion. The collection will begin on October 1, 2030, and will complete on October 1, 2031.

Customer Facility Charges (CFCs)

Effective January 1, 2014, the Airport imposed a CFC of $2.15 per rental car transaction day. The CFC is imposed pursuant to the provisions of Chapter 5 and Sections 5-15 and 5-16 of the 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.

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

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

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.

2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT
FINANCIAL STATEMENTS

Statements of Net Position

December 31, 2023 and 2022 ($ in thousands)

	2023	As restated 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 19,346	$ 29,490
Investments	322,353	398,706
Accounts receivable,		
net of allowance of $3,188 and $3,252, respectively	51,836	48,699
Lease receivable	89,079	64,717
Grants receivable	116,004	36,201
Customer facility charges receivable	5,356	3,705
Accrued interest receivable	10,751	6,361
Other receivables	10,022	7,603
Inventories	10,780	9,648
Prepaid expenses and other	2,406	5,592
Total current unrestricted assets	637,933	610,722
Restricted assets:		
Cash and cash equivalents	91,955	221,232
Investments	454,350	822,806
Accrued interest receivable	12,541	11,854
Prepaid expenses and other	12,485	17,443
Passenger facility charges receivable	17,203	15,770
Total current restricted assets	588,534	1,089,105
Total current assets	1,226,467	1,699,827
Noncurrent assets:		
Investments - unrestricted	1,089,554	807,089
Lease receivable	324,456	399,542
Long-term receivables, net of current portion in other receivables	42,504	46,754
Capital assets (non-depreciable):		
Art	7,376	7,376
Capacity rights	12,400	12,400
Construction in progress	720,945	553,596
Land, land rights and air rights	295,766	295,766
Capital assets (depreciable):		
Buildings and Improvements	8,409,706	8,047,817
Machinery and equipment	1,505,773	1,312,512
Right-of-use asset	73,768	31,727
Less: accumulated depreciation and amortization	4,436,373	4,185,961
Total capital assets	6,589,361	6,075,233
Investments - restricted	1,535,703	1,665,584
Total noncurrent assets	9,581,578	8,994,202
Total assets	10,808,045	10,694,029
Deferred outflows of resources	75,201	67,705
Total assets and deferred outflows	$ 10,883,246	$ 10,761,734

See accompanying notes to financial statements

Statements of Net Position

December 31, 2023 and 2022 ($ in thousands)

	2023	As restated 2022
Liabilities		
Current liabilities:		
Unrestricted:		
Vouchers payable	$ 158,189	$ 116,718
Due to other city agencies	26,612	24,280
Compensated absences payable	2,068	2,385
Other liabilities	40,815	3,725
Lease liability	7,799	195
Subscription liability	5,006	4,284
Revenue credit payable	50,000	50,000
Advance rent	59,889	33,879
Total current unrestricted liabilities	350,378	235,466
Restricted:		
Vouchers payable	10,502	5,544
Retainages payable	124,205	106,432
Accrued interest and matured coupons	37,352	39,492
Note payable	155	133
Other liabilities	7,495	13,247
Revenue bonds	283,370	260,555
Total current restricted liabilities	463,079	425,403
Total current liabilities	813,457	660,869
Noncurrent liabilities:		
Bonds payable:		
Revenue bonds, net of current portion	6,954,110	7,278,770
Plus: net unamortized premiums	455,724	469,351
Total bonds payable, noncurrent	7,409,834	7,748,121
Lease liability	39,395	2,269
Subscription liability	9,314	13,189
Note payable	2,775	282
Compensated absences payable	13,472	10,084
Net pension liability	203,494	166,159
Net OPEB liability	21,649	21,946
Claim litigation reserves	-	86,895
Total noncurrent liabilities	7,699,933	8,048,945
Total liabilities	8,513,390	8,709,814
Deferred inflows of resources	432,139	508,776
Net Position		
Net deficit in capital assets	(63,949)	(152,522)
Restricted for:		
Capital projects	12,486	17,443
Debt service	399,347	463,937
Unrestricted	1,589,833	1,214,286
Total net position	1,937,717	1,543,144
Total liabilities, deferred inflows and net position	$ 10,883,246	$ 10,761,734

See accompanying notes to financial statements

Statements of Revenues, Expenses, and Changes in Net Position

Years Ended December 31, 2023 and 2022 ($ in thousands)

	2023	As restated 2022
Operating revenues:		
Facility rentals	$ 283,395	$ 249,586
Parking	229,473	206,468
Landing fees	176,199	149,791
Concession	93,406	103,189
Car rental	95,270	88,326
Hotel	73,696	65,078
Aviation fuel tax	37,855	38,238
Ground transportation	24,593	19,722
Other sales and charges	8,178	9,786
Total operating revenues	1,022,065	930,184
Operating expenses:		
Personnel	209,346	185,289
Contractual services	288,835	243,326
Repair and maintenance projects	15,004	47,095
Maintenance, supplies and materials	29,145	26,388
Hotel	36,384	30,523
Legal/claim reserve expense	-	6,420
Total operating expenses	578,714	539,041
Operating income, before depreciation and amortization	443,351	391,143
Less: Depreciation and amortization	329,287	278,451
Operating income	114,064	112,692
Nonoperating revenues (expenses):		
Passenger facility charges	145,612	132,709
Customer facility charges	48,299	17,389
Investment income (loss)	190,573	(117,330)
Lease interest income	9,370	10,243
Interest expense	(318,052)	(257,542)
Stimulus funds - grants	28,779	939
Legal/claim reserve recovery	86,895	-
Other revenues (expenses), net	(2,108)	(2,079)
Total net nonoperating revenues (expenses)	189,368	(215,671)
Change in net position before capital grants and contributions	303,432	(102,979)
Capital grants and contributions	91,141	74,107
Change in net position	394,573	(28,872)
Net position, beginning of year	1,543,144	1,572,016
Net position, end of period	$ 1,937,717	$ 1,543,144

See accompanying notes to financial statements

Statements of Cash Flows

Years Ended December 31, 2023 and 2022 ($ in thousands)

	2023	Restated 2022
Cash flows from operating activities:		
Receipts from customers	$ 1,083,580	$ 967,748
Payments to suppliers	(343,028)	(309,902)
Interfund activity payments to other funds	(21,296)	(19,809)
Payments to employees	(211,718)	(204,416)
Net cash provided by operating activities	507,538	433,621
Cash flows from capital and related financing activities:		
Proceeds from issuance of debt	627,404	3,001,943
Proceeds from issuance of notes payable	3,261	-
Principal paid on notes payable	(746)	(11)
Principal paid on revenue bonds	(260,555)	(225,470)
Principal paid on interim note	-	(700,000)
Payments to escrow for current refunding of debt	(628,206)	(351,690)
Principal paid on lease and subscription liabilities	(8,329)	(3,579)
Interest paid on revenue bonds	(356,404)	(266,854)
Other bond costs	(2,054)	(13,448)
Interest on leases, subscriptions, and notes payable	(1,087)	(342)
Capital grant receipts	40,117	69,204
Interest portion of lease proceeds	9,370	10,243
Passenger facility charges	144,179	131,106
Customer facility charges	46,649	15,223
Purchases of capital assets	(739,525)	(790,812)
Proceeds from sale of capital assets	1,921	1,035
Net insurance claim - capital asset	-	33,000
Net cash (used) provided by financing activities	(1,124,005)	909,548
Cash flows from investing activities:		
Purchases of investments	(1,091,137)	(1,960,108)
Proceeds from sales and maturities of investments	1,444,381	639,387
Net swap termination receipts (payments)	-	(666)
Interest and dividends on investments and cash equivalents	123,802	57,494
Net cash provided (used) in investing activities	477,046	(1,263,893)
Net (decrease) increase in cash and cash equivalents	(139,421)	79,276
Cash and cash equivalents, beginning of year	250,722	171,446
Cash and cash equivalents, end of period	$ 111,301	$ 250,722

(continued)

Statements of Cash Flows

Years Ended December 31, 2023 and 2022 ($ in thousands)

	2023	Restated 2022
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$ 114,064	$ 112,692
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	329,287	278,451
Changes in assets and liabilities:		
Receivables, net of allowance	1,580	70,763
Lease receivable	50,724	(340,654)
Due from other city agencies	-	807
Inventories	(1,132)	(466)
Prepaid expenses and other	3,186	(1,162)
Deferred outflows - pension	(17,119)	7,755
Vouchers and other payables	7,760	11,170
Deferred rent	26,010	(1,487)
Due to other city agencies	2,332	(11,599)
Compensated absences	3,071	597
Net pension liability	37,335	(21,617)
Net OPEB liability	(297)	(1,525)
Deferred inflows - pension	(25,686)	12,811
Deferred inflows - lease	(54,147)	335,872
Claim litigation reserve	-	6,420
Other operating liabilities	30,570	(25,207)
Net cash provided by operating activities	$ 507,538	$ 433,621

	2023	Restated 2022
Noncash capital and related financing and investing activities:		
Unrealized gain (loss) on investments	$ 61,019	$ (189,459)
Change in fair value of the interest rate swaps	-	5,545
Amortization of bond premiums, deferred losses on bond refundings, and prepaid bond insurance	41,376	34,060
Capital assets in vouchers payable and retainage payable	234,255	79,592
Net loss on disposal of capital assets	(5,924)	(9,897)
Capital assets related to notes payable	-	425
Notes payable	-	(425)
Right-to-use assets related to leases and subscriptions	49,905	19,908
Leases and subscriptions liabilities	(49,905)	(19,908)
Change in claim litigation reserve	86,895	-

See accompanying notes to financial statements

2023 ANNUAL COMPREHENSIVE 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 or DEN) 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.

The Airport 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, 2023 and 2022. The Airport's investments are maintained in pools at the City and include U.S. treasury securities, U.S. agency securities, corporate bonds, multinational fixed income, structured products, commercial paper, local government investment pools, municipal bonds, and money market funds. The City's 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 average 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.

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
Furniture and Furnishings	3 - 5 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 and vacation 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) Leases

Lease receivables and lease liabilities are measured at the present value of lease payments expected to be received or paid during the lease term using the Airport's incremental borrowing rate based on General Airport Revenue Bond issuances, unless explicitly stated in the agreement. These rates are used as they best reflect the borrowing rates of the Airport, and rates that would be charged to tenants during the lease terms. Variable payments that are based on future performance of the lessee or usage of the underlying assets are not included in the measurement of the lease receivables or lease liabilities. The Airport monitors changes in lease terms and circumstances and remeasures lease receivables and lease liabilities if certain changes occur that are expected to significantly affect the carrying amount of the Lease Receivable or Lease Liability.

(k) Subscription-based Information Technology Arrangements (SBITAs)

SBITAs are measured at the present value of payments expected to be paid during the agreement term using the Airport's incremental borrowing rate based on General Airport Revenue Bond issuances, unless explicitly stated in the agreement. These rates are used as they best reflect the borrowing rates of the Airport, and rates that would be paid under software agreement terms. Variable payments that are based on future usage of the underlying assets are not included in the measurement of the subscription liabilities. The Airport monitors changes in agreement terms and circumstances and remeasures subscription liabilities if certain changes occur that are expected to significantly affect the carrying amount of the liability.

(l) Net Position

2023

As of December 31, 2023, total net position is $1.9 billion, of which 21.3% is restricted for future debt service and capital construction. The total net position restricted for future debt service is $399.3 million. This includes bond reserve account, bonds accounts, and the ARPA Act Irrevocable Escrow account, which in total represents $685.3 million for debt service. On April 22, 2022, the City, for and on behalf of the Airport, executed ARPA Act Irrevocable Escrow. On April 29, 2022, the City, for and on behalf of the Airport, deposited the full $204.3 million into the ARPA Act Irrevocable Escrow. As of December 31, 2023 and 2022, the remaining balance in the ARPA Act Irrevocable Escrow is $59.7 and $154.0 million, respectively. The net position restricted for capital projects represents $12.5 million.

As of December 31, 2023, the remaining net position consist of unrestricted balance of $1.6 billion and a deficit net investment in capital assets of ($63.9) 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.

2022

The Airport's assets and deferred outflows exceeded liabilities and deferred inflows by $1.5 billion as of December 31, 2022, a $28.9 million, or 1.8%, decrease in net position from December 31, 2021.

As of December 31, 2022, total net position is $1.5 billion, of which 31.2% is restricted for future debt service and capital construction. The total net position restricted for future debt service is $463.9 million. This includes the bond reserve account, bonds accounts, and the remaining portion of ARPA Act Irrevocable Escrow accounts, which represents $154.0 million for debt service. On April 22, 2022, the City, for and on behalf of the Airport, executed ARPA Act Irrevocable Escrow. On April 29, 2022, the City, for and on behalf of the Airport, deposited the full $204.3 million into the ARPA Act Irrevocable Escrow. The net position restricted for capital projects represents $17.4 million.

As of December 31, 2022, the remaining net position consists of unrestricted balance of $1.2 billion and a deficit net investment in capital assets of ($152.5) 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.

(m) 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.

(n) 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.

(o) 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 Charges (CFCs), interest expense, and investment income.

(p) 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.

(q) 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 the net revenue up to $40.0 million (as defined by the bond ordinance) remaining at the end of the year (Airline Revenue Credit) are to be credited in the following year to the airline rates and charges. Under the 2021 COVID-19 Relief Policy, the Airport will credit up to additional 25% of the annual $40.0 million cap through 2026. The estimated annual Airline Revenue Credit for 2023 and 2022 is $50.0 million and $50.0 million, respectively. As of December 31, 2023, and December 31, 2022, the Airline Revenue Credit liability balance is $50.0 million and $50.0 million, respectively, and is reported in the statements of net position as a revenue credit payable.

(r) 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.

(s) Reclassifications

Certain reclassifications have been made to the 2022 financial statements to conform to the 2023 financial statement presentation. These reclassifications had no effect on the change in total net position.

(t) Restatement of Net Position

The Airport adopted Governmental Accounting Standard Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, (GASB 96) effective January 1, 2022. Total effect of the implementation on the fiscal year 2022 Statement of Net Position is summarized below ($ in thousands):

	Statement of Net Position As of December 31, 2022		
	Prior to GASB 96	Post GASB 96	Effect of change
Statement of Net Position			
Right-of-use assets - lease and SBITA	$ 11,007	$ 31,727	$ 20,720
Accumulated depreciation and amortization	(4,181,697)	(4,185,961)	(4,264)
Other liabilites - current	(3,518)	(3,725)	(207)
Subscription liability - current	-	(4,284)	(4,284)
Subscription liability - noncurrent	-	(13,189)	(13,189)
Net deficit in capital assets	(168,978)	(152,522)	16,456
Unrestricted net position	1,231,966	1,214,286	(17,680)
Net position	1,544,368	1,543,144	(1,224)
Statement of Revenues, Expenses and Changes in Net Position			
Contractual services	246,839	243,326	(3,513)
Depreciation and amortization	274,187	278,451	4,264
Interest expense	(257,069)	(257,542)	473
Change in net position	(27,648)	(28,872)	(1,224)

(3) New Accounting Standards

Effective GASB statements impacting the Airport.

Issued in May 2020, GASB Statement No. 96, *SBITAs* (GASB 96) establishes standards of accounting and financial reporting for SBITAs by a government end user. GASB 96 defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding subscription liability. GASB 96 also provides the capitalization criteria for outlays other than subscription payments, including SBITA implementation costs as well as note disclosure requirements for SBITAs. The Airport implemented this standard effective January 1, 2022 with impact on 2022 financial statements as described in note 2(t).

Future GASB Statements:

Issued in June 2022, GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100) establishes standards of accounting and financial reporting for (a) each type of accounting changes and (b) the correction of an error in previously issued financial statements (error correction). GASB 100 requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. Requirements of GASB 100 for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. GASB 100 also requires that the aggregate amounts of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statement. Implementation of this statement is effective for fiscal years beginning after June 15, 2023. Earlier application is encouraged. Management is currently evaluating impact of this standard.

Issued in June 2022, GASB Statement No. 101, *Compensated Absences* (GASB 101) establishes standards of accounting and financial reporting for (a) compensated absences and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits (OPEB). GASB 101 requires that liabilities for compensated absences by recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. Under GASB 101, a liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB 101 requires that a liability for certain types of compensated absences – including parental leave, military leave, and jury duty leave – not be recognized until the leave commences. GASB 101 also requires that a liability for specific types of compensated absences not be recognized until the leave is used. Implementation of this statement is effective for fiscal years beginning after December 15, 2023. Earlier application is encouraged. Management is currently evaluating impact of this standard.

Issued in January 2024, GASB Statement No. 102, *Guidance in Disclosures of Certain Risks* (GASB 102) requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations and constraints. GASB 102 defines a concentration as a lack of diversity related to an aspect of a significant inflow or outflow of resources. GASB 102 also defines a constraint as a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority—such as a voter-approved property tax cap or a state-imposed debt limit. Concentrations and constraints may limit a government's ability to acquire resources or control spending. GASB 102 generally requires a government to disclose information about a concentration or constraint if all of the following criteria are met: (a) the concentration or constraint is *known* to the government prior to issuing the financial statements; (b) the concentration or constraint makes the government vulnerable to the risk of a substantial impact; (c) an event or events associated with the concentration or constraint that could cause a substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The disclosures should include a description of the concentration or constraint, each event associated with the concentration or constraint that could cause a substantial impact if the event has occurred or has begun to occur prior to the issuance of the financial statements, and actions taken by the government to mitigate the risk prior to the issuance of the financial statements. GASB 102 is effective for fiscal years beginning after June 15, 2024, and all reporting period thereafter. Earlier application is encouraged. Management is currently evaluating impact of this standard.

Issued in April 2024, GASB Statement No. 103, *Financial Reporting Model Improvements* (GASB 103). GASB 103 continues the requirements that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. GASB 103 also requires to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows. GASB 103 requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses. GASB 103 also requires proprietary fund statement of revenues, expenses, and changes in fund net position that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. GASB 103 also requires governments o present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI. GASB 103 is effective for fiscal year beginning after June 15, 2025, and all reporting dates thereafter. Early application is encouraged. Management is currently evaluating impact of this standard.

(4) Cash and Cash Equivalents

(a) Deposits

As a department of 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, 2023, the amount of the Airport's collateralized deposits was $10.2 million. At December 31, 2022, the amount of the Airport's deposits was $17.8 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 City Chief Financial Officer (City 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 City 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, 2023 and 2022, respectively, the Airport's cash, cash equivalents, and investment balances were as follows ($ in thousands):

	December 31, 2023	December 31, 2022
Cash and cash equivalents (including cash on hand)	$ 111,301	$ 250,722
Certificate of deposit	-	27,136
Municipal securities	128,129	125,332
Commercial paper	48,751	98,373
Corporate bonds	525,897	509,919
Multinational fixed income	275,496	248,757
Structured products	376,014	287,223
U.S. treasury securities	975,245	1,278,566
U.S. agency securities	1,072,428	1,118,879
	$ 3,513,261	$ 3,944,907

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 Statement No. 72, *Fair Value Measurmeent and Applications* (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. On December 16, 2022, the Airport terminated the remaining outstanding derivative instruments.

At December 31, 2023, 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	$ 48,751	-	$ 48,751	-
Corporate bonds	525,897	-	525,897	-
Multinational fixed income	275,496	-	275,496	-
Municipal bonds	128,129	-	128,129	-
Structured products	376,014	-	376,014	-
U.S. agency securities	1,072,428	-	1,072,428	-
U.S. treasury securities	975,245	-	975,245	-
Total investments	3,401,960	-	3,401,960	-

At December 31, 2022, the Airport has the following recurring fair value measurements ($ in thousands):

	Fair value measurements			
Asset	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Certificates of deposit	$ 27,136	-	$ 27,136	-
Commercial paper	98,373	-	98,373	-
Corporate bonds	509,919	-	509,919	-
Multinational fixed income	248,757	-	248,757	-
Municipal bonds	125,332	-	125,332	-
Structured products	287,223	-	287,223	-
U.S. agency securities	1,118,879	-	1,118,879	-
U.S. treasury securities	1,278,566	-	1,278,566	-
Total investments	3,694,185	-	3,694,185	-

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, 2023, the Airport has balances of $12.3 million and $26.4 million in CSAFE and Colotrust, respectively, included in cash and cash equivalents. As of December 31, 2022, the Airport has balances of $37.7 million and $38.6 million in CSAFE and Colotrust, respectively. CSAFE measures all of its investments at $1 net asset per share or amortized cost. 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, 2023 and 2022, is as follows ($ in thousands):

	December 31, 2023	**December 31, 2022**
Unrestricted cash and cash equivalents	$ 20,001	$ 29,490
Unrestricted investments	1,461,655	1,205,795
Restricted cash equivalents	91,300	221,232
Restricted investments	1,940,305	2,488,390
	$ 3,513,261	$ 3,944,907

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 City CFO by limiting their maximum maturity of investments.

At December 31, 2023, 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	$ 48,751	$ 48,751	$ -	$ -	$ -
Municipal securities	128,129	22,173	64,917	41,039	-
U.S. treasury securities	975,245	247,494	473,591	254,160	-
U.S. agency securities	1,072,428	264,831	651,908	155,689	-
Corporate bonds	525,897	121,014	346,950	57,933	-
Multinational fixed income	275,496	59,078	161,102	55,316	-
Structured products	376,014	13,362	254,766	103,958	3,928
Total	$ 3,401,960	$ 776,703	$ 1,953,234	$ 668,095	$ 3,928

At December 31, 2022, 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	$ 98,373	$ 98,373	$ -	$ -	$ -
Certificates of deposit	27,136	27,136	-	-	-
Municipal securities	125,332	21,557	72,639	31,136	-
U.S. treasury securities	1,278,566	605,223	434,050	239,293	-
U.S. agency securities	1,118,879	312,293	627,929	176,804	1,853
Corporate bonds	509,919	77,872	393,127	38,920	-
Multinational fixed income	248,757	49,560	173,513	25,684	-
Structured products	287,223	29,498	172,588	82,830	2,307
Total	$ 3,694,185	$ 1,221,512	$ 1,873,846	$ 594,667	$ 4,160

As of December 31, 2023, the Airport portfolio included callable corporate bond and U. S. Agency securities with a fair value of $281.4 million and $47.5 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, 2023, 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, 2023, the Airport's investments complied with the City's Policy. More than 5.0% of Airport investments in U.S. Agency securities are in individual issuers: Federal Home Loan Bank 12.40% and Federal Farm Credit Bank 12.60%.

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, 2023, 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 fair 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, 2023, all investments complied with this policy.

(5) Accounts and Long-Term Other Receivables

(a) Allowance for Doubtful Accounts

Management of the Airport reviews accounts receivable periodically and an allowance for doubtful accounts has been established based upon management's assessment of the probability of collection. As of December 31, 2023 and 2022, an allowance of $3.2 million and $3.3 million, respectively, was established.

(b) Long-Term Other Receivables

2021 COVID-19 Rent Relief

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 for 2021 were required to pay 75% of their fixed and variable rate billings as defined in the Use and Lease Agreements. The remaining 25% of these billings must be paid over the next five years in equal annual installments starting in 2022 with each installment due by September 30th. The outstanding payment deferrals will be charged the U.S. Treasury Note rate is based on the 5-year Daily Treasury Par Yield Curve rate effective on February 1, 2022, which was 1.63%. This rate is fixed over the repayment term. As of December 31, 2022, some of the airlines paid in full the total outstanding deferred balances. The remaining outstanding receivables, as of December 31, 2023 are as follows ($ in thousands):

		Amount
Year:		
2024		1,998
2025		2,745
2026		3,752
Total	$	8,495
Less current portion		(1,998)
Long-term receivables	$	6,497

The equal annual installments due for 2024-2026 are included in long-term other receivables, net of current portion in other receivables on the Statement of Net Position.

Other Receivable (Loan)

Included in long-term receivable is approximately $4.8 million notes receivable related to solar panel installation and approximately $27.0 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, including compounded interest, is included in the table below, and will be repaid from ad valorem taxes. Total loan payments are capped at $41.6 million. As of December 31, 2023, the projected future principal and interest collections from the districts are as follows ($ in thousands):

		Amount
Year:		
2024	$	194
2025		323
2026		350
2027		403
2028		686
2029-2033		5,816
2034-2038		8,000
2039-2043		8,865
2044-2048		9,788
2049-2051		6,241
Total	$	40,666

The installments due for 2024-2051 are included in long-term other receivables, net of current portion on the Statement of Net Position.

(6) Capital Assets

Changes in capital assets for the years ended December 31, 2023 and 2022 were as follows ($ in thousands):

	2023				
	January 1, 2023 (As restated)	Additions	Transfers and reclassifications	Reductions	December 31, 2023
Non depreciable capital assets					
Art	$ 7,376	$ -	$ -	$ -	$ 7,376
Capacity rights	12,400	-	-	-	12,400
Construction in progress	553,596	795,209	(626,826)	(1,034)	720,945
Land, land rights, and air rights	295,766	-	-	-	295,766
Total non depreciable capital assets	869,138	795,209	(626,826)	(1,034)	1,036,487
Depreciable capital assets					
Buildings and improvements	6,536,900	395	289,437	(17,088)	6,809,644
Machinery and equipment	1,312,512	3,757	214,829	(25,325)	1,505,773
Infrastructure and land improvements	1,479,756	-	121,550	(32,393)	1,568,913
Intangibles	31,161	-	1,010	(1,022)	31,149
Right-to-use assets					
Lease assets	11,007	49,432	-	(8,624)	51,815
Subscription assets	20,720	1,580	-	(347)	21,953
Total depreciable capital assets	9,392,056	55,164	626,826	(84,799)	9,989,247
Less accumulated depreciation and amortization					
Buildings and improvements	(2,538,037)	(195,398)	-	15,332	(2,718,103)
Machinery and equipment	(835,398)	(70,104)	-	25,199	(880,303)
Infrastructure and land improvements	(771,027)	(52,043)	-	28,351	(794,719)
Intangibles	(30,942)	(1,166)	-	1,022	(31,086)
Right-to-use assets					
Lease assets	(6,293)	(6,020)	-	8,624	(3,689)
Subscription assets	(4,264)	(4,556)	-	347	(8,473)
Total accumulated depreciation and amortization	(4,185,961)	(329,287)	-	78,875	(4,436,373)
Total depreciable capital assets, net	5,206,095	(274,123)	626,826	(5,924)	5,552,874
Total capital assets	$ 6,075,233	$ 521,086	$ -	$ (6,958)	$ 6,589,361

	2022				
	January 1, 2022 (As restated)	Additions	Transfers and reclassifications	Reductions	December 31, 2022 (As restated)
Non depreciable capital assets					
Art	$ 7,376	$ -	$ -	$ -	$ 7,376
Capacity rights	12,400	-	-	-	12,400
Construction in progress	1,747,240	773,923	(1,956,410)	(11,157)	553,596
Land, land rights, and air rights	295,766	-	-	-	295,766
Total non depreciable capital assets	2,062,782	773,923	(1,956,410)	(11,157)	869,138
Depreciable capital assets					
Buildings and improvements	4,865,468	-	1,672,205	(773)	6,536,900
Machinery and equipment	1,154,318	1,878	209,234	(52,918)	1,312,512
Infrastructure and land improvements	1,412,265	-	74,824	(7,333)	1,479,756
Intangibles	32,238	-	154	(1,231)	31,161
Right-to-use assets					
Lease assets	5,487	5,520	-	-	11,007
Subscription assets	18,581	2,139	-	-	20,720
Total depreciable capital assets	7,488,357	9,537	1,956,417	(62,255)	9,392,056
Less accumulated depreciation and amortization					
Buildings and improvements	(2,370,432)	(168,214)	-	609	(2,538,037)
Machinery and equipment	(834,678)	(49,164)	(7)	48,451	(835,398)
Infrastructure and land improvements	(723,455)	(49,634)	-	2,062	(771,027)
Right-to-use assets					
Intangibles	(31,291)	(882)	-	1,231	(30,942)
Lease assets	-	(6,293)	-	-	(6,293)
Subscription assets	-	(4,264)	-	-	(4,264)
Total accumulated depreciation and amortization	(3,959,856)	(278,451)	(7)	52,353	(4,185,961)
Total depreciable capital assets, net	3,528,501	(268,914)	1,956,410	(9,902)	5,206,095
Total capital assets	$ 5,591,283	$ 505,009	$ -	$ (21,059)	$ 6,075,233

(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 and 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, 2023 and 2022 was $2.7 million and $2.7 million, respectively. The Airport has accrued $5.2 million and $5.2 million of insurance recoveries in accounts receivable at December 31, 2023 and 2022. The Airport received no insurance recovery payments for 2023 and 2022.

(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 2023 and 2022 totaled $74.2 million and $67.8 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 $26.6 million and $24.3 million at December 31, 2023 and 2022, respectively.

(9) Bonds Payable

Changes in long-term debt for the years ended December 31, 2023 and 2022 were as follows ($ in thousands):

	2023					
	January 1, 2023	Additions	Refunded debt	Retirements	December 31, 2023	Amounts due within one year
Senior lien bonds	$ 4,132,940	$ -	$ -	$ (175,715)	$ 3,957,225	$ 164,920
Subordinate lien bonds	3,119,760	586,835	(628,125)	(47,030)	3,031,440	50,745
Direct Placement						
Senior lien bonds	110,755	-	-	(5,790)	104,965	9,800
Subordinate lien bonds	175,870	-	-	(32,020)	143,850	57,905
Total Airport System revenue bonds	7,539,325	586,835	(628,125)	(260,555)	7,237,480	283,370
Plus unamortized net premiums	469,351	40,569	(4,456)	(49,740)	455,724	-
Total bond debt	$ 8,008,676	$ 627,404	$ (632,581)	$ (310,295)	$ 7,693,204	$ 283,370
Less current portion					(283,370)	
Noncurrent portion					$ 7,409,834	

	2022					
	January 1, 2022	Additions	Refunded debt	Retirements	December 31, 2022	Amounts due within one year
Senior lien bonds	$ 1,695,365	$ 2,808,120	$ (266,375)	$ (104,170)	$ 4,132,940	$ 175,715
Subordinate lien bonds	3,155,980	-	-	(36,220)	3,119,760	47,030
Direct Placement						
Senior lien bonds	227,155	-	(85,600)	(30,800)	110,755	5,790
Subordinate lien bonds	930,150	-	-	(754,280)	175,870	32,020
Total Airport System revenue bonds	6,008,650	2,808,120	(351,975)	(925,470)	7,539,325	260,555
Plus unamortized net premiums	335,548	193,823	(15,151)	(44,869)	469,351	-
Total bond debt	$ 6,344,198	$ 3,001,943	$ (367,126)	$ (970,339)	$ 8,008,676	$ 260,555
Less current portion					(260,555)	
Noncurrent portion					$ 7,748,121	

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 and variable rate bonds are issued in weekly mode.

The maturity dates, interest rates, and principal amounts outstanding as of December 31, 2023 and 2022 are as follows ($ in thousands):

Bond	Maturity	Interest rate	Amount outstanding December 31, 2023	Amount outstanding December 31, 2022
Senior lien bonds				
Series 2009B	November 15, 2036 to 2039	6.41%	$ 65,290	$ 65,290
Series 2012A	November 15, 2031 to 2043	4.00-4.25%	25,970	32,380
Series 2012B	November 15, 2024, 2031, and 2038 to 2043	4.00-5.00%	150,315	157,045
Series 2012C	November 15, 2026	3.59%	30,285	30,285
Series 2016A	November 15, 2024 to 2025, and 2031 to 2032	5.00%	126,545	207,020
Series 2017A	November 15, 2024, and 2026 to 2030	5.00%	144,130	158,805
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 2020A-1	November 15, 2024, 2026, 2029, and 2032	5.00%	29,225	42,390
Series 2020A-2	November 15, 2024 to 2025	5.00%	18,095	36,640
Series 2020B-1	November 15, 2024 to 2025	5.00%	17,055	18,930
Series 2020B-2	November 15, 2025	5.00%	24,060	24,060
Series 2020C	November 15, 2024 to 2037	1.115 - 2.867%	387,340	410,690
Series 2022A	November 15, 2024 to 2053	4.00 - 5.50%	1,465,560	1,465,560
Series 2022B	November 15, 2026 to 2053	5.00 - 5.25%	175,570	175,570
Series 2022C	November 15, 2024 to 2053	5.00 - 5.25%	338,690	349,180
Series 2022D	November 15, 2024 to 2053	5.00 - 5.75%	817,810	817,810
Subordinate lien bonds				
Series 2013A	November 15, 2023 to 2043	4.00-5.50%	-	290,380
Series 2013B	November 15, 2023 to 2043	5.00-5.25%	-	350,100
Series 2018A	December 1, 2024 to 2048	3.75-5.25%	2,261,540	2,295,930
Series 2018B	December 1, 2024 to 2048	3.50-5.00%	183,065	183,350
Series 2023A	November 15, 2024 to 2043	5.00%	316,050	-
Series 2023B	November 15, 2024 to 2043	5.00 - 5.50%	270,785	-
Direct Placement				
Senior lien bonds				
Series 2002C	November 15, 2024, and 2026 to 2031	4.91%*	13,510	13,800
Series 2008B	November 15, 2024 to 2031	4.92%*	24,100	29,600
Series 2009C	November 15, 2026 to 2031	4.91%*	45,255	45,255
Series 2021A-B	November 15, 2024 to 2031	4.91%*	22,100	22,100
Subordinate lien bonds				
Series 2015A	November 15, 2024 to 2025	2.20%	67,520	99,540
Series 2019A	November 15, 2024 and 2030	1.37%	76,330	76,330
Total revenue bonds			7,237,480	7,539,325
Less current portion			(283,370)	(260,555)
Net unamortized premiums			455,724	469,351
Total bonds payable noncurrent			$ 7,409,834	$ 7,748,121

* Variable rates are as of December 31, 2023

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) Bond and Note Issuances

On November 22, 2023, the City, for and on behalf of the Airport, issued the Airport System Subordinate Revenue Bonds Series 2023A (Non-AMT) Bonds (Series 2023A) and Airport System Revenue Subordinate Bonds Series 2023B (AMT) Bonds (Series 2023B) for $316.1 million and $270.8 million, respectively. The proceeds from the Series 2023A and Series 2023B Bonds, coupled with Airport other available Airport funds, were used to refund and redeem all outstanding Airport System Subordinate Revenue Bonds, Series 2013A and Series 2013B on a subordinate lien basis, make necessary deposits to the Series 2023A and Series 2023B Subordinate Bond Reserve Subaccount, and to pay the costs of issuing the Series 2023A and Series 2023B Bonds. The Series 2023A and Series 2023B Bonds bear interest at various fixed rates, staggered maturities through November 15, 2043 and are subject to redemption prior to maturity. The refunding transactions yielded a net present value savings of $46.1 million and a net gain for accounting purposes of $4.5 million, which is included in deferred inflows of resources.

On November 15, 2022, the City, for and on behalf of the Airport, issued the Airport System Revenue Bonds Series 2022C (Non-AMT) Bonds (Series 2022C) and Airport System Revenue Bonds Series 2022D (AMT) Bonds (Series 2022D) for $349.2 million and $817.8 million, respectively. The proceeds from the Series 2022C and 2022D Bonds, coupled with Airport bond funds were used to provide project funds to pay a portion of the Vision 100 2023-2027 Capital Program, refund and redeem all or a portion of outstanding principal amounts of $93.4 million, $70.2 million, $113.0 million, and $85.8 million of the Airport System Revenues Bonds Series 2007G1-G2, Series 2012A, Series 2012B, and Series 2019D, respectively, pay the costs of terminating a 2006A Swap Agreement with GKB Financial Services Corp. and a 2008A Swap Agreement with Royal Bank of Canada, make necessary deposits to the Bond Reserve Fund, make deposits to the Capitalized Interest Subaccount for the Series 2022C and Series 2022D Bonds, and pay the costs of issuance of the Series 2022C and Series 2022D Bonds. The Series 2022C and Series 2022D Bonds bear interest at various fixed rates, staggered maturities through November 15, 2053 and are subject to redemption prior to maturity. The refunding transactions yielded a net present value savings of $8.1 million and a net gain for accounting purposes of $11.0 million, which is included in deferred inflows of resources.

On July 19, 2022, the Airport issued senior lien Airport System Revenue Bonds Series 2022A (AMT) (Series 2022A) and Airport System Revenue Bonds Series 2022B (non-AMT) (Series 2022B) in the aggregate principal amounts of $1.5 billion and $175.6 million, respectively. The proceeds of the Series 2022A and Series 2022B Bonds were used to redeem and pay the 2021 Interim Note, to fully fund the Airport's 2018-2022 Capital Program, to make deposits to the Bond Reserve Fund and Capitalized Interest Subaccount, and to pay costs of issuance for Series 2022A and Series 2022B Bonds. Both series were issued at premium, bear interest at various fixed rates, and are subject to redemption prior to maturity.

(b) 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, 2023, and December 31, 2022, $637.6 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, 2023 are as follows ($ in thousands):

	Senior lien bonds		Subordinate lien bonds		Seninor lien bonds		Subordinate lien bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Year:										
2024	$ 164,920	$ 188,903	$ 50,745	$ 147,271	$ 9,800	$ 5,584	$ 57,905	$ 2,545	$ 283,370	$ 344,303
2025	193,410	181,379	44,720	145,312	9,775	5,063	60,025	1,451	307,930	333,205
2026	184,705	171,145	106,045	143,076	13,310	4,543	4,830	477	308,890	319,241
2027	187,235	163,201	111,360	137,773	13,630	3,835	5,030	388	317,255	305,197
2028	203,095	155,593	116,925	132,205	13,965	3,110	5,225	296	339,210	291,204
2029-2033	930,040	649,134	615,710	572,482	44,485	4,778	10,835	301	1,601,070	1,226,695
2034-2038	599,035	471,634	665,160	415,081	-	-	-	-	1,264,195	886,715
2039-2043	675,700	305,788	673,980	252,064	-	-	-	-	1,349,680	557,852
2044-2048	417,635	160,129	646,795	95,138	-	-	-	-	1,064,430	255,267
2049-2053	401,450	59,250	-	-	-	-	-	-	401,450	59,250
Total	$ 3,957,225	$ 2,506,156	$ 3,031,440	$ 2,040,402	$ 104,965	$ 26,913	$ 143,850	$ 5,458	$ 7,237,480	$ 4,578,929

(b) Notes Payable

The Airport entered into a $0.4 million financing agreement with Green Industrial Development Group, LLC on June 10, 2022, to finance office furniture purchases, at a rate of 7.0% based on a 30/360 calculation for 2022. Principal and interest payments are due monthly in the amount of $13.1 thousand. The note matures on November 1, 2025. The Airport has pledged no security against the note. This note was paid in full in 2023.

The Airport signed a $3.3 million financing agreement with Inland Technologies International, LTD on February 25, 2022, to finance Airport-owned improvements associated with the Aircraft Deicing System Modernization project. The note commenced when the assets entered service in 2023, at a rate of 6.0%. Principal and interest payments are due yearly in the amount of $0.3 million. The note matures on November 1, 2036. The Airport has pledged no security against the note.

The payment schedule relating to note requirements as of December 31, 2023 is as follows ($ in thousands):

	Principal	Interest
Year:		
2024	$ 155	$ 176
2025	165	167
2026	174	157
2027	185	146
2028	196	135
2029-2036	2,055	592
Total	$ 2,930	$ 1,373

Changes in notes payable for the year ended December 31, 2023 were as follows ($ in thousands):

	Balance January 1, 2023	Additions	Retirements	Balance December 31, 2023	Amounts due within one year
Notes payable	$ 415	$ 3,261	$ (746)	$ 2,930	$ 155
Less current portion				(155)	
Noncurrent portion				$ 2,775	

Changes in notes payable for the year ended December 31, 2022 were as follows ($ in thousands):

	Balance January 1, 2022	Additions	Retirements	Balance December 31, 2022	Amounts due within one year
Note payable	$ -	$ 425	$ (10)	$ 415	$ 133
Less current portion				(133)	
Noncurrent portion				$ 282	

(11) Direct Placement and Direct Loans

As of December 31, 2023, and 2022, the Airport held directly placed debt as detailed below:

Series:	**2008B**	**2009C**	**1992F(2)**	**1992G(2)**
Par Outstanding at 12/31/2023 (000)	$ 24,100	$ 45,255	$ -	$ -
Par Outstanding at 12/31/2022 (000)	$ 29,600	$ 45,255	$ -	$ -
Lien	Senior	Senior	Senior	Senior
Bond Maturity Date	11/15/2031	11/15/2031	11/15/2031	11/15/2031
Facilty and Reimbursement Agreement As of 12/31/2023	Credit	Credit	Credit	Credit
Financial Institution:	Bank of America, N.A.	Bank of America, N.A.	Banc of America Preferred Funding Corporation	Banc of America Preferred Funding Corporation
Terms:				
Execution Date	7/1/2020	4/28/2017	10/24/2014	10/24/2014
Initial Expiration Date	7/1/2023	4/28/2020	9/25/2017	9/25/2017
Amended Expiration Date	7/1/2028	4/28/2023	9/25/2020	9/25/2020
2nd Amended Expiration Date	n/a	4/28/2028	4/28/2023	4/28/2023
3rd Amended Expiration Date	n/a	n/a	n/a	n/a
Index Rate				
12/31/2023	SOFR Index Rate	SOFR Index Rate	n/a	n/a
12/31/2022	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate	SIFMA Index Rate
Applicable Factor	80.0%	80.0%	70.0%	70.0%
Applicable Spread as of 12/31/2023 (1)	0.52%	0.52%	n/a	n/a
Applicable Spread as of 12/31/2022 (1)	0.37%	0.37%	0.37%	0.37%
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 12/31/2023	Aa3	Aa3	n/a	n/a
Moody's Rating as of 12/31/2022	Aa3	Aa3	n/a	n/a
S&P Rating as of 12/31/2023	AA-	AA-	n/a	n/a
S&P Rating as of 12/31/2022	AA-	AA-	n/a	n/a
Fitch Rating as of 12/31/2023	AA-	AA-	n/a	n/a
Fitch Rating as of 12/31/2022	AA-	AA-	n/a	n/a

(1) See Applicable Spread table
(2) These bond series were refunded with the 2021A and 2021B series
(3) These bond series were refunded with the 2022C series

Series:	2002C	2007G1(3)	2007G2(3)	2021A
Par Outstanding at 12/31/2023 (000)	$ 13,510	$ -	$ -	$ 12,100
Par Outstanding at 12/31/2022 (000)	$ 13,800	$ -	$ -	$ 12,100
Lien	Senior	Senior	Senior	Senior
Bond Maturity Date	11/15/2031	11/15/2031	11/15/2031	11/15/2031
Facilty and Reimbursement Agreement As of 12/31/2023	Credit	Credit	Credit	Credit
Financial Institution:	Banc of America Preferred Funding Corporation	BMO Harris Investment Corp.	BMO Harris Investment Corp.	Banc of America Preferred Funding Corporation
Terms:				
Execution Date	9/25/2014	11/1/2014	11/1/2014	7/1/2021
Initial Expiration Date	9/25/2017	12/1/2023	12/1/2023	4/26/2023
Amended Expiration Date	9/25/2020	n/a	n/a	4/28/2028
2nd Amended Expiration Date	4/28/2023	n/a	n/a	n/a
3rd Amended Expiration Date	4/28/2028	n/a	n/a	n/a
Index Rate				
12/31/2023	SOFR Index Rate	n/a	n/a	SOFR Index Rate
12/31/2022	SIFMA Index Rate	1-month LIBOR Rate	1-month LIBOR Rate	SIFMA Index Rate
Applicable Factor	80.0%	70.0%	70.0%	80.0%
Applicable Spread as of 12/31/2023 (1)	0.52%	n/a	n/a	0.52%
Applicable Spread as of 12/31/2022 (1)	0.37%	0.90%	0.90%	0.37%
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 12/31/2023	Aa3	n/a	n/a	Aa3
Moody's Rating as of 12/31/2022	Aa3	n/a	n/a	Aa3
S&P Rating as of 12/31/2023	AA-	n/a	n/a	AA-
S&P Rating as of 12/31/2022	AA-	n/a	n/a	AA-
Fitch Rating as of 12/31/2023	AA-	n/a	n/a	AA-
Fitch Rating as of 12/31/2022	AA-	n/a	n/a	AA-

(1) See Applicable Spread table
(2) These bond series were refunded with the 2021A and 2021B series
(3) These bond series were refunded with the 2022C series

Series:	2021B	2015A	2019A	2021C	2021 Interim Note
Par Outstanding at 12/31/2023 (000)	$ 10,000	$ 67,520	$ 76,330	$ -	$ -
Par Outstanding at 12/31/2022 (000)	$ 10,000	$ 99,540	$ 76,330	$ -	$ -
Lien	Senior	Subordinate	Subordinate	Subordinate	Subordinate
Bond Maturity Date	11/15/2031	11/15/2025	11/15/2030	11/15/2022	6/30/2022
Facilty and Reimbursement Agreement As of 12/31/2023	Credit	Credit	Credit	Bond Purchase Agreement	Note Purchase Agreement
Financial Institution:	Banc of America Preferred Funding Corporation	Bank of America, N.A.	State Street Public Lending Corporation	Bank of America, N.A.	Bank of America, N.A.
Terms:					
Execution Date	7/1/2021	11/20/2015	8/27/2019	12/17/2021	12/17/2021
Initial Expiration Date	4/26/2023	11/15/2025	11/15/2025	11/15/2022	6/30/2022
Amended Expiration Date	4/28/2028	n/a	n/a	n/a	n/a
2nd Amended Expiration Date	n/a	n/a	n/a	n/a	n/a
3rd Amended Expiration Date	n/a	n/a	n/a	n/a	n/a
Index Rate					
12/31/2023	SOFR Index Rate	Fixed Rate	Fixed Rate	n/a	n/a
12/31/2022	SIFMA Index Rate	Fixed Rate	Fixed Rate	Fixed Rate	SIFMA Index Rate
Applicable Factor	80.0%	n/a	n/a	n/a	n/a
Applicable Spread as of 12/31/2023 (1)	0.52%	n/a	n/a	n/a	n/a
Applicable Spread as of 12/31/2022 (1)	0.37%	n/a	n/a	n/a	0.11%
Increase in Applicable Spread Due To Credit:					
Rating Downgrade	Yes(1)	n/a	n/a	n/a	n/a
Margin Rate Factor	n/a	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	n/a
Moody's Rating as of 12/31/2023	Aa3	n/a	n/a	n/a	n/a
Moody's Rating as of 12/31/2022	Aa3	n/a	n/a	n/a	n/a
S&P Rating as of 12/31/2023	AA-	n/a	n/a	n/a	n/a
S&P Rating as of 12/31/2022	AA-	n/a	n/a	n/a	n/a
Fitch Rating as of 12/31/2023	AA-	n/a	n/a	n/a	n/a
Fitch Rating as of 12/31/2022	AA-	n/a	n/a	n/a	n/a

(1) See Applicable Spread table
(2) These bond series were refunded with the 2021A and 2021B series
(3) These bond series were refunded with the 2022C series

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 expired 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 April 1, 2023, the City, for and on behalf of the Airport, amended and restated credit facility and reimbursement agreement with Bank of America N.A. for the Series 2008B Credit Facility Bonds to extend the expiration date to July 1, 2028, and to change the floating rate index to Secured Overnight Financing Rate (SOFR) effective on the Closing Date, July 1, 2023.

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 April 1, 2023, the City, for and on behalf of the Airport, amended the agreement to extend the expiration date to April 28, 2028 and the floating rate index changed to SOFR effective on the Closing Date, April 28, 2023.

On October 24, 2014, the Airport entered into Credit Agreements with Banc 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 changed 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 July 14, 2021, the City, for and on behalf of the Airport, entered into a Bond Purchase and Exchange Agreements and a Credit Facility and Reimbursement Agreement with Banc of America Preferred Funding Corporation for the Series 1992F-G for the Series 2021A-B, respectively.

On September 25, 2014, the Airport entered into Credit Agreements with Banc 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 changed 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 April 1, 2023, the City, for and on behalf of the Airport, amended the agreement to extend the expiration date to April 28, 2028, and the floating rate index changed to SOFR effective on the Closing Date, April 28, 2023.

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 was set to expires on December 1, 2023. On November 15, 2022, the City, for and on behalf of the Airport, issued the Airport System Revenue Bonds Series 2022C (Non-AMT) Bonds (Series 2022C) and Airport System Revenue Bonds Series 2022D (AMT) Bonds (Series 2022D) for $349.2 million and $817.8 million, respectively. A portion of proceeds from the Series 2022C and 2022D Bonds, were used to fully redeem the 2007G1 and 2007G2 outstanding principal amounts.

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) matured on November 15, 2020.

On July 14, 2021, the City, for and on behalf of the Airport, entered into a Bond Purchase and Exchange Agreements with Banc of America Preferred Funding Corporation for the Series 1992F-G for the Series 2021A-B, respectively. With the execution of this Bond Purchase and Exchange Agreement there were no longer any outstanding Airport System Revenue Bonds issued prior to August 1, 2000. On April 1, 2023, the City, for and on behalf of the Airport, amended the agreement to extend the expiration date to April 28, 2028, and the floating rate index changed to SOFR effective on the Closing Date, April 26, 2023.

On December 17, 2021, the City, for and on behalf of the Airport, issued private activity Airport System Subordinate Revenue Bonds, Series 2021C (Series 2021C Bonds) and issued a Note Purchase Agreement (2021 Interim Note) in the amounts of $26.2 million and $700.0 million, respectively. The proceeds from the issuance of the 2021 Interim Note were to assist in funding the 2018-2022 Capital Program and were used to pay for issuance cost. The maturity date of the 2021 Interim Note was June 30, 2022. On June 10, 2022, the 2021 Interim Note maturity was extended to August 31, 2022. The 2021 Interim Note bore interest at a variable rate with payment due at maturity. The 2021 Interim Note was fully redeemed and paid in full by the Series 2022A and Series 2022B bond proceeds. The Series 2021C Bonds were issued at a fixed interest rate for the purposes of current refunding Series 2011A Bonds maturing on November 15, 2021. The Series 2021C Bonds matured on November 15, 2022.

Some of these Bonds maybe 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/P11665303-P11282486-P11711423.pdf	Amended and Restated Credit Facility and Reimbursement Agreement
2009C	https://emma.msrb.org/P11665303-P11282486-P11711423.pdf	Amended and Restated Credit Facility and Reimbursement Agreement
2002C	https://emma.msrb.org/P11665303-P11282486-P11711423.pdf	Second Amended and Restated Credit Facility and Reimbursement Agreement
2019A	https://emma.msrb.org/ER1380040.pdf	Credit Facility and Reimbursement Agreement
2021A	https://emma.msrb.org/P11665303-P11282486-P11711423.pdf	Amended and Restated Credit Facility and Reimbursement Agreement
2021B	https://emma.msrb.org/P11665303-P11282486-P11711423.pdf	Amended and Restated Credit Facility and Reimbursement Agreement
2021C	https://emma.msrb.org/P21533161-P11197861-P11616050.pdf	Bond Purchase Agreement
2021 Interim Note	https://emma.msrb.org/P21533161-P11197861-P11616050.pdf	Note Purchase Agreement

For some bond series, the Reimbursement Agreements or Note Purchase 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, 2023 and 2022:

Similar Event of Defaults as of December 31, 2023:

Senior Lien				Subordinate Lien		Subordinate Lien	
Similar Event of Defaults		Similar Event of Defaults		Similar Event of Defaults		Similar Event of Defaults	
Sections with Credit Agreement	Series	Sections with Credit Agreement	Series	Sections with Credit Agreement	Series	Note Purchase Agreement	Note
Section 5.10	2008B(1)	Section 6.10	2021A(1)	Section 5.7	2015A(2)	Section 6.10	2021 Interim Note (Loan)
Section 5.11	1992F(1)	Section 6.12	2021B(1)	Section 5.8	2019A(1)	Section 6.12	2021C
Section 5.13	1992G(1)	Section 6.14(b)		Section 5.10(b)	2019B(1)	Section 6.14(b)	
Section 5.15(b)	2002C(1)	Section 6.16		Section 6.1(a)		Section 6.16	
Section 5.17	2009C(1)	Section 7.1(a)		Section 6.1(b)		Section 7.1(a)	
Section 5.22		Section 7.1(b)		Section 6.1(e)		Section 7.1(b)	
Section 5.25							
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, 2022:

Senior Lien				Subordinate Lien		Subordinate Lien	
Similar Event of Defaults		Similar Event of Defaults		Similar Event of Defaults		Similar Event of Defaults	
Sections with Credit Agreement	Series	Sections with Credit Agreement	Series	Sections with Credit Agreement	Series	Note Purchase Agreement	Note
Section 5.10	2008B(1)	Section 6.10	2021A(1)	Section 5.7	2015A(2)	Section 6.10	2021 Interim Note (Loan)
Section 5.11	1992F(1)	Section 6.12	2021B(1)	Section 5.8	2019A(1)	Section 6.12	2021C
Section 5.13	1992G(1)	Section 6.14(b)		Section 5.10(b)	2019B(1)	Section 6.14(b)	
Section 5.15(b)	2002C(1)	Section 6.16		Section 6.1(a)		Section 6.16	
Section 5.17	2009C(1)	Section 7.1(a)		Section 6.1(b)		Section 7.1(a)	
Section 5.22		Section 7.1(b)		Section 6.1(e)		Section 7.1(b)	
Section 5.25							
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.

As of December 31, 2023, and 2022, the Airport has not defaulted on any of the events of defaults.

Applicable spread:

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

Applicable spread upon credit ratings downgrade as of December 31, 2023:

Credit Facility Bond Series	Moody's	S&P	Fitch	Applicable Spread
2008B, 2009C, 2002C,	A2 or higher	A or higher	A or higher	52 basic points (0.52%)
2021A and 2021B	A3	A-	A-	62 basic points (0.52%)
	Baa1	BBB+	BBB+	72 basic points (0.52%)
	Baa2 or below	BBB or below	BBB or below	Default Rate

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, 2002C, 2021A and 2021B.

For the Series 2008B, 2009C, 2002C, 2021A, and 2021B, 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. On April 1, 2023, the City, for and on behalf of the Airport, amended the agreement for the Series 2008B, 2009C, 2002C, 2021A, and 2021B Bonds.

For Series 2007G1 and 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. On November 15, 2022, the City, for and on behalf of the Airport, issued the Airport System Revenue Bonds Series 2022C (Non-AMT) Bonds (Series 2022C) and Airport System Revenue Bonds Series 2022D (AMT) Bonds (Series 2022D) for $349.2 million and $817.8 million, respectively. A portion of proceeds from the Series 2022C and 2022D Bonds, were used to fully redeem the 2007G1 and 2007G2 outstanding principal amounts.

Through maturity, the 2021 Interim Note had a fixed Applicable Spread rate of 0.11%. The 2021 Interim Note was fully redeemed and paid in full by the Series 2022A and Series 2022B bond proceeds.

Applicable spread upon credit ratings downgrade as of December 31, 2022:

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. Although not posted to EMMA, the Applicable Spread upon Credit Ratings for Series 2021A and 2021B is the same as Series 2008B, 2009C, 1992F, 1992G, and 2002C.

For the Series 2008B, 2009C, 1992F, 1992G, 2002C, 2021A, and 2021B, 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. On April 1, 2023, the City, for and on behalf of the Airport, amended the agreement for the Series 2008B, 2009C, 2002C, 2021A, and 2021B Bonds.

For Series 2007G1 and 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. On November 15, 2022, the City, for and on behalf of the Airport, issued the Airport System Revenue Bonds Series 2022C (Non-AMT) Bonds (Series 2022C) and Airport System Revenue Bonds Series 2022D (AMT) Bonds (Series 2022D) for $349.2 million and $817.8 million, respectively. A portion of proceeds from the Series 2022C and 2022D Bonds, were used to fully redeem the 2007G1 and 2007G2 outstanding principal amounts.

Through maturity, the 2021 Interim Note had a fixed Applicable Spread rate of 0.11%. The 2021 Interim Note was fully redeemed and paid in full by the Series 2022A and Series 2022B bond proceeds.

(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. Also, the Airport is required to maintain Minimum Bond Reserves for both senior and subordinate lien bonds. On July 14, 2021, the City, for and on behalf of the Airport, entered into a Bond Purchase and Exchange Agreements with Banc of America Preferred Funding Corporation for the Series 1992F-G for the Series 2021A-B, respectively. With the execution of this Bond Purchase and Exchange Agreement there were no longer any outstanding Airport System Revenue Bonds issued prior to August 1, 2000. This adjusted the calculation of the Minimum Bond Reserve as defined within the General Bond Ordinance and reduced the Minimum Bond Reserve amount as it applies to the senior lien system revenue bonds. The City, for and on behalf of the Airport, filed a Voluntary Notice on EMMA (see https://emma.msrb.org/P21480842-P21148170-P21561857.pdf). The Airport is in compliance with the bond covenants listed in the bond ordinance.

(13) 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, 2023 and 2022, Special Facility Revenue Bonds outstanding totaled to $250.6 million.

(14) Compensated Absences

Employees may accumulate earned but unused benefits up to specified maximum. The changes in compensated absences for 2023 and 2022 are as follows ($ in thousands):

	Balance January 1, 2023	Additions	Retirements	Balance December 31, 2023	Amounts due within one year
Compensated absences payable	$ 12,469	$ 12,081	$ (9,010)	$ 15,540	$ 2,068
Less current				(2,068)	
Noncurrent portion				$ 13,472	

	Balance January 1, 2022	Additions	Retirements	Balance December 31, 2022	Amounts due within one year
Compensated absences payable	$ 11,872	$ 9,272	$ (8,675)	$ 12,469	$ 2,385
Less current				(2,385)	
Noncurrent portion				$ 10,084	

(15) Deferred Outflow and Inflow of Resources

Deferred outflows of resources represent a consumption of net assets by the Airport that applies to future periods. Deferred inflows of resources represent an acquisition of net assets by the Airport that applies to future periods. 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, leases, 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, 2023	December 31, 2022
Deferred loss on refunding of debt	$ 25,969	$ 35,592
GASB 68 pension deferred outflow	42,470	25,625
GASB 75 deferred outflow		
DERP OPEB	1,842	1,513
DERP implicit rate	4,920	4,975
Total deferred outflows	$ 75,201	$ 67,705
Deferred gain on refunding of debt	$ 17,447	$ 14,252
GASB 68 pension deferred inflow	5,728	31,518
GASB 75 deferred inflow		
DERP OPEB	1,565	2,208
DERP implicit rate	2,069	1,321
GASB 87 deferred lease	405,330	459,477
Total deferred inflows	$ 432,139	$ 508,776

(16) 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.

Members hired on or after July 1, 2011 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 annual comprehensive financial report that can be obtained at https://www.derp.org/.

Funding Policy – For the measurement period of 2022 and 2021, the City contributed 16.75% and 15.75%, respectively, of covered payroll and employees made a pre-tax contribution of 8.85% and 9.25%, 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, 2023 and 2022, were $144.4 million and $125.2 million, respectively, which equaled the required contributions. The Airport's share of the total contributions was $19.6 million and $16.7 million for the years ended December 31, 2023 and 2022 respectively.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At December 31, 2023, the Airport reported a liability of $203.5 million for its proportionate share of the net pension liability related to DERP. The net pension liabilities were measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 the ratio of the Airport's actual contribution to DERP during the measurement period as a portion of the City's total proportionate share.

At December 31, 2022, the Airport reported a liability of $166.2 million for its proportionate share of the net pension liability related to DERP. The net pension liability was measured as of December 31, 2021 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. 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.

As of the measurement date at December 31, 2022, the Airport's proportion was 11.74856%, which was a decrease of 0.49% from its proportion measured as of December 31, 2021. At December 31, 2021, the Airport's proportion was 12.23856%, which was an increase of 0.17495% from its proportion measured as of December 31, 2020.

The components of the Airport's net pension liability related to DERP as of December 31, 2023 and 2022, respectively, are presented below ($ in thousands):

	2023	2022
Total pension liability	$ 476,682	$ 492,322
Plan fiduciary net position	(273,188)	(326,163)
Net pension liability	$ 203,494	$ 166,159

The change in net pension liability for the year ended December 31, 2023 was ($ in thousands):

Beginning balance	Additions	Reductions	Ending balance
$ 166,159	$ 71,630	$ (34,295)	$ 203,494

The change in net pension liability for the year ended December 31, 2022 was ($ in thousands):

Beginning balance	Additions	Reductions	Ending balance
$ 187,776	$ 47,181	$ (68,798)	$ 166,159

For the years ended December 31, 2023 and 2022, pension expense recognized by the Airport was $14.3 million and $14.4 million, respectively. At December 31, 2023, the Airport reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources ($ in thousands):

Sources:	**Deferred outflows of resources**	**Deferred inflows of resources**
Difference between expected and actual experience	$ 1,026	$ 842
Changes of assumptions or other inputs	20,378	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,435	4,886
Contributions subsequent to the measurement date	19,631	-
Total	$ 42,470	$ 5,728

At December 31, 2022, 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	$ 2,944	$ -
Changes of assumptions or other inputs	3,932	-
Net difference between projected and actual earnings on pension plan investments	-	23,767
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,060	7,751
Contributions subsequent to the measurement date	16,689	-
Total	$ 25,625	$ 31,518

At December 31, 2023 and 2022, the Airport reported $19.6 million and $16.7 million, respectively, as deferred outflows of resources related to pensions resulting from Airport contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the following year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as presented below ($ in thousands):

Year:	Deferred outflows/(inflows) of resources
2024	$ 637
2025	1,758
2026	4,711
2027	10,006
2028	-
Thereafter	-
Total	$ 17,112

The total pension liability in the December 31, 2022 and 2021 actuarial valuations were determined using the actuarial assumptions as follows:

2022	DERP
Investment rate of return	7.25%
Salary increases	3.00% to 7.00%
Inflation	2.50%

2021	DERP
Investment rate of return	7.25%
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.

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, 2022 and 2021 these best estimates are summarized in the following table:

2022		
Asset class	**Target allocation**	**Long-term expected real rate of return**
US equity	**22.00%**	
Large cap	18.00%	7.80%
Small cap	4.00%	8.70%
International equity	**22.00%**	
Developed markets	14.00%	10.10%
Emerging markets	8.00%	10.30%
Fixed income	**23.50%**	
Core fixed income	15.00%	4.80%
Private debt	4.00%	8.50%
Distress debt	2.50%	10.80%
Emerging market debt	2.00%	6.40%
Real estate	**10.00%**	4.30%
Absolute return	**7.00%**	5.40%
Infrastructure	**3.00%**	7.80%
Alternatives	**12.50%**	
Private equity	9.00%	9.70%
Natural resources	3.50%	9.80%
Total	**100.00%**	

2021

Asset class	Target allocation	Long-term expected real rate of return
US equity	**22.00%**	
Large cap	18.00%	7.10%
Small cap	4.00%	7.60%
International equity	**22.00%**	
Developed markets	14.00%	7.80%
Emerging markets	8.00%	8.80%
Fixed income	**25.50%**	
Core fixed income	17.00%	2.10%
Private debt	4.00%	6.10%
Distress debt	2.50%	6.70%
Emerging market debt	2.00%	4.30%
Real estate	**10.00%**	7.00%
Absolute return	**5.00%**	4.30%
Infrastructure	**3.00%**	6.40%
Alternatives	**12.50%**	
Private equity	9.00%	9.10%
Natural resources	3.50%	7.70%
Total	**100.00%**	

Discount Rate - A single discount rate of 7.25% was used to measure the total pension liability at December 31, 2022 and 2021. This single discount rate was based on the expected rate of return on pension plan investments of 7.25%. 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 7.25%, 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):

2023	1 % decrease 6.25%	Current discount rate 7.25%	1% increase 8.25%
Proportionate share of net pension liability	$ 255,943	$ 203,494	$ 159,486

2022	1 % decrease 6.25%	Current discount rate 7.25%	1% increase 8.25%
Proportionate share of net pension liability	$ 220,225	$ 166,159	$ 120,816

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/.

(17) 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:

	2023	2022
DERP OPEB plan net OPEB liability	$ 10,805	$ 10,516
DERP implicit rate subsidy OPEB plan total OPEB liability	10,844	11,430
Total/Net OPEB liability	$ 21,649	$ 21,946

(a) DERP OPEB Plan

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 annual comprehensive 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.

Members hired on or after July 1, 2011 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 2021 and 2020, 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 – For the measurement period of 2022 and 2021, the Airport was required to contribute at a rate of 1.25% and 1.30% 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, 2023 and 2022, contributions to the DERP OPEB plan were $1.0 and $0.8 million, respectively.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - At December 31, 2023, the Airport reported a liability of $10.8 million for its proportionate share of the net OPEB liability, excluding implicit rate subsidiary liability. The net OPEB liability for DERP was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2022. The Airport's proportion of the net OPEB liability was based on the ratio of the Airport's actual contribution to DERP during the measurement period as a portion of the City's total proportionate share.

At December 31, 2022, the Airport reported a liability of $10.5 million for its proportionate share of the net OPEB liability, excluding implicit rate subsidiary liability. The net OPEB liability for DERP was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2021. The Airport's proportion of the net OPEB liability was based on contributions to DERP for the calendar year 2021 relative to the total contributions of participating employers to the DERP.

At December 31, 2022, the Airport's proportion was 11.73472% percent for OPEB, which was a decrease of 0.50004% from its proportion measured as of December 31, 2021. At December 31, 2021, the Airport's proportion was 12.23476% percent for OPEB, which was an increase of 0.15448% from its proportion measured as of December 31, 2020.

The components of the Airport's proportionate share of the net OPEB liability, excluding implicit rate subsidiary liability, related to DERP as of December 31, 2023 and 2022 are presented below ($ in thousands):

OPEB plan		**2023**		**2022**
Total OPEB liability	$	19,483	$	20,880
Plan fiduciary net position		(8,678)		(10,364)
Net OPEB liability	$	10,805	$	10,516

For the year ended December 31, 2023 and 2022, the Airport recognized OPEB expense for the DERP plan of ($0.7) million and ($0.5) million, respectively.

A summary of the Airport's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2023, is presented below ($ in thousands):

Sources	Deferred outflows of resources	Deferred inflows of resources
OPEB plan:		
Difference between expected and actual experience	$ -	$ 722
Changes of assumptions or other inputs	114	-
Net difference between projected and actual earnings on OPEB plan investments	651	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	100	843
Contributions subsequent to the measurement date	977	-
Total	$ 1,842	$ 1,565

A summary of the Airport's deferred outflows of resources and deferred inflows of resources related to OPEB as of December 31, 2022, is presented below ($ in thousands):

Sources	Deferred outflows of resources	Deferred inflows of resources
OPEB plan:		
Difference between expected and actual experience	$ 7	$ 502
Changes of assumptions or other inputs	323	-
Net difference between projected and actual earnings on OPEB plan investments	-	747
Changes in proportion and differences between contributions recognized and proportionate share of contributions	354	959
Contributions subsequent to the measurement date	829	-
Total	$ 1,513	$ 2,208

At December 31, 2023 and 2022, the Airport reported $1.0 million and $0.8 million, respectively, as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the following year.

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 outflows/(inflows) of resources
OPEB plan:	
2024	$ (707)
2025	(188)
2026	(123)
2027	319
2028	-
Thereafter	-
	$ (699)

The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented below:

OPEB plan	DERP
Valuation date	January 1, 2022
Measurement date	December 31, 2022
Experience study	Conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017
Actuarial method	Entry age method.
Long-term investment rate of return	7.25%
Discount rate	7.25%
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, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs presented below:

OPEB plan	DERP
Valuation date	January 1, 2021
Measurement date	December 31, 2021
Experience study	Conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017
Actuarial method	Entry age method.
Long-term investment rate of return	7.25%
Discount rate	7.25%
Projected salary increases	3.00%
Inflation	2.50%
Mortality	Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized below as of December 31, 2022 and 2021:

2022

Asset class	Target allocation	Long-term expected real rate of return
US equity	**22.00%**	
Large cap	18.00%	7.80%
Small cap	4.00%	8.70%
International equity	**22.00%**	
Developed markets	14.00%	10.10%
Emerging markets	8.00%	10.30%
Fixed income	**23.50%**	
Core fixed income	15.00%	4.80%
Private debt	4.00%	8.50%
Distress debt	2.50%	10.80%
Emerging market debt	2.00%	6.40%
Real estate	**10.00%**	4.30%
Absolute return	**7.00%**	5.40%
Infrastructure	**3.00%**	7.80%
Alternatives	**12.50%**	
Private equity	9.00%	9.70%
Natural resources	3.50%	9.80%
Total	**100.00%**	

2021

Asset class	Target allocation	Long-term expected real rate of return
US equity	**22.00%**	
Large cap	18.00%	7.10%
Small cap	4.00%	7.60%
International equity	**22.00%**	
Developed markets	14.00%	7.80%
Emerging markets	8.00%	8.80%
Fixed income	**25.50%**	
Core fixed income	17.00%	2.10%
Private debt	4.00%	6.10%
Distress debt	2.50%	6.70%
Emerging market debt	2.00%	4.30%
Real estate	**10.00%**	7.00%
Absolute return	**5.00%**	4.30%
Infrastructure	**3.00%**	6.40%
Alternatives	**12.50%**	
Private equity	9.00%	9.10%
Natural resources	3.50%	7.70%
Total	**100.00%**	

Discount Rate – At December 31, 2023 and 2022, a single discount rate of 7.25% 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 7.25%. 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, excluding implicit rate subsidiary liability, as of December 31, 2023 and 2022 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):

2023	**1% decrease**	**Current discount rate**	**1% increase**
DERP OPEB plan			
Discount rate	6.25%	7.25%	8.25%
Proportionate share of net liability	$ 12,752	$ 10,805	$ 9,154

2022	**1% decrease**	**Current discount rate**	**1% increase**
DERP OPEB plan			
Discount rate	6.25%	7.25%	8.25%
Proportionate share of net liability	$ 12,604	$ 10,516	$ 8,746

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 annual comprehensive financial report which can be obtained at https://www.derp.org/.

(b) DERP Implicit Rate Subsidy OPEB Plan

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, 2023 and 2022, benefit payments were $0.8 million and $0.8 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 HDHP 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 HDHP plan when they retire and begin their pension benefits.

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

Spouse Coverage

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

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

The table below reflects the number of employees covered by benefit terms at December 31, 2022 (the date of the latest actuarial valuation) and December 31, 2021:

	2022	2021
Inactive employees currently receiving benefit payments	933	1,086
Inactive employees entitled to but not yet receiving benefit payments	449	264
Active employees	8,810	8,586
Total	10,192	9,936

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, 2023 and 2022 are as follows ($ in thousands):

Implicit rate subsidy	2023	2022
Total OPEB liability	$ 10,844	$ 11,430

For the year ended December 31, 2023 the Airport recognized OPEB expense of $0.2 million for the implicit rate subsidy. A summary of the Airport's deferred outflows of resources and deferred inflow of resources related to OPEB as of December 31, 2023 is presented below ($ in thousands):

Sources	Deferred outflows of resources	Deferred inflows of resources
Implicit rate subsidy:		
Difference between expected and actual experience	$ 394	$ 529
Changes of assumptions - future economic or demographic factors	1,727	955
Changes in proportion	1,965	585
Benefit payments subsequent to the measurement date	834	-
Total	$ 4,920	$ 2,069

For the year ended December 31, 2022, the Airport recognized OPEB expense of $0.3 million for the implicit rate subsidy. A summary of the Airport's deferred outflows of resources and deferred inflow of resources related to OPEB as of December 31, 2022 is presented below ($ in thousands):

Sources	Deferred outflows of resources	Deferred inflows of resources
Implicit rate subsidy:		
Difference between expected and actual experience	$ 42	$ 614
Changes of assumptions - future economic or demographic factors	2,037	-
Changes in proportion	2,103	707
Benefit payments subsequent to the measurement date	793	-
Total	$ 4,975	$ 1,321

As of December 31, 2023 and 2022, the $0.8 million and $0.8 million, respectively, reported as deferred outflows of resources related to the implicit rate subsidy, resulting from benefit payments subsequent to the measurement date, will be recognized as a reduction of the total implicit rate subsidy OPEB liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of recourses and deferred inflows of resources related to OPEB for the implicit rate subsidy will be recognized as presented below ($ in thousands):

Year	Deferred outflows/(inflows) of resources
Implicit rate subsidy:	
2024	$ 402
2025	402
2026	417
2027	418
2028	370
Thereafter	9
	$ 2,018

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

Implicit rate subsidy	DERP
Valuation date	December 31, 2022
Measurement date	December 31, 2022
Actuarial method	Entry age normal
Asset valuation method	Market value of assets
Discount rate	3.72% as of December 31, 2022 2.06% as of December 31, 2021
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 2022 actuarial valuation projected with MW Scale 2022
Healthcare cost trend rates	7.0% in 2024, fluctuating down to 3.9% by 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 based on the 2018 experience study of the Denver Employees Retirement Plan (DERP) using data from the five-year period ending December 31, 2017

The implicit rate subsidy liability in the December 31, 2021 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, 2020
Measurement date	December 31, 2021
Actuarial method	Entry age normal
Asset valuation method	Market value of assets
Discount rate	2.06% as of December 31, 2021 2.12% as of December 31, 2020
Participants valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Projected salary increases	3.00% per year
Inflation	2.50%
Mortality	DERP 2021 actuarial valuation projected with MW Scale 2022
Healthcare cost trend rates	5.8% in 2023, fluctuating down to 3.9% by 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 the 2021 experience study of the California Public Employees Retirement System using data from 1997 to 2019, except for a different basis used to project future 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 3.72% and 2.06% discount were used to measure the implicit rate liability as, of December 31, 2022 and 2021, 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, 2023 and 2022 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):

2023	1% decrease	Current discount rate	1% increase
Implicit rate subsidy:			
Discount rate	2.72%	3.72%	4.72%
Proportionate share of total liability	$ 11,713	$ 10,844	$ 10,061

2022	1% decrease	Current discount rate	1% increase
Implicit rate subsidy:			
Discount rate	1.06%	2.06%	3.06%
Proportionate share of total liability	$ 12,454	$ 11,430	$ 10,515

Sensitivity of the total implicit rate subsidy OPEB liability to changes in the healthcare cost trend rates as of December 31, 2023 and 2022 presented below ($ in thousands):

2023			
Change in healthcare cost trend rates:	**1% decrease**	**Current trend rate**	**1% increase**
Total OPEB liability	$ 9,970	$ 10,844	$ 11,852

2022			
Change in healthcare cost trend rates:	**1% decrease**	**Current trend rate**	**1% increase**
Total OPEB liability	$ 10,379	$ 11,430	$ 12,662

(18) Leases

(a) Lessor Arrangements

The Airport is a lessor for certain land, buildings and other capital assets. In accordance with GASB 87, the Airport recognizes lease receivables and deferred inflow of resources at commencement of the lease term for agreements that cover more than 12 months, with exceptions for certain regulated leases and short-term leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings such as the U.S. Department of Transportation and the Federal Aviation Administration. Short-term leases are certain leases that, at commencement of the lease term, have a maximum possible term under the lease contract of 12 months or less.

Regulated Leases

Regulated leases comprise certain agreements with airline and airline support tenants that govern the use of airport gates, aprons, airline ticket counters, ticketing and check-in stations, baggage claim facilities, Automated Guideway Transit System (AGTS) and other aeronautical uses. These agreements, including the Airline Use and Lease Agreements (ULAs) are subject to the U.S. Department of Transportation and the Federal Aviation Administration regulations and oversight, that set limits on lease rates and require fair, consistent, and equitable terms to tenants. The Airport operates under ULAs with signatory carriers and permits for non-signatory airlines. These agreements define the responsibilities of the Airport, and the airlines, and establish a cost-recovery structure to operate airfield and a compensatory method for terminal facilities through a system of rates and charges to the airlines. These rates and charges include landing fees, terminal rents, gate and apron fees, AGTS fees and federal inspection service fees. These fees are set annually based on calculations for residual and compensatory methods and communicated to the airlines and associated tenants through the publication under Airport Rules and Regulations Rule 120 (Part 120). The signatory carriers are responsible for cost recovery, through the rates and charges, plus debt service coverage for these facilities until the termination date of the ULA. The ULAs are regulated leases as defined in GASB 87. The Airport recognizes lease payments related to regulated leases as inflows of resources (revenues) based on the payment provisions of these agreements.

In addition to leases with airlines, the Airport has determined that operators functioning within the airport providing services directly to the airlines for the movement of passengers, baggage, mail and cargo and others are also covered under the regulated lease exception. These other regulated leases are also excluded from the calculation of the lease receivable and the deferred inflows of resources.

The Airport considers all airline fees as variable because they are based on future usage of airfield and terminal facilities. The Airport also considers airline support and other agreements, based on annually determined rates as published in Part 120, to be variable.

As of December 31, 2023 and 2022, the Airport recorded approximately \$206.7 and \$120.6 million in revenue related to regulated leases, respectively. Due to the variable nature of the annual rates associated with regulated leases and revenues from the airlines from year to year, expected future minimum payments are indeterminable.

Certain airport assets are subject to preferential or exclusive use by the airlines under these regulated leases. As of December 31, 2023, the airlines exclusive, in square footage, within the Jeppesen Terminal and all concourses totals approximately 0.1 million and 0.5 million respectively, and combined preferential space on all concourses totals approximately 0.4 million. Also included in the exclusively used space is the cargo facilities, hangars and related grounds which totaled approximately 10.9 million square feet.

In addition, the following table shows the allocation of airline gates to preferential and non-preferential use as of December 31, 2023:

Gate type	Number of gates
Preferential:	
Full service contact gates	140
Ground load positions	2
	142
Non-preferential gates:	
Full service contact gates	8
Commuter ground load positions	7
	15

Non-regulated Leases

The Airport leases portions of its terminal, concourses and landside facilities to concessions, passenger user clubs, rental car companies and other tenants under non-cancelable operating leases. Lease terms vary from 1 to 30 years. Leases with concession service providers and rental car companies generally include minimum annual lease amounts paid monthly and variable payments based on the concession and rental car company provider's monthly volume of business. Lease receivable calculations include fixed in substance "not to go below" Minimum Annual Guarantee (MAG) payments, but the variable payments based on monthly volume of business are excluded. Other variable payments excluded from the calculation of the lease receivables and deferred inflows, include reimbursable costs and other variable fees based on performance. During 2021 concessions and rental car agreements MAG provisions were waived in accordance with the 2021 COVID-19 Rent Relief policies and the Airport only required variable payments based on the tenants' monthly volume of business for 2021. These leases were not included in the measurement of the lease receivables and deferred inflows until those fixed in substance component of the MAG payments were re-instated in 2022.

Leases for other tenants such as solar facilities companies, farms and the passenger user clubs are based on stated rental rates in those contracts over the term of the agreements. These leases are included in the calculation of lease receivables and deferred lease inflows.

The Airport has lease agreements with certain non-aeronautical tenants that are based on rates per square footage, set annually based on calculations of cost recovery methods and published in the *Application of Rates by Airport Location* document. These leases fall under the criteria for GASB 87, however the calculation of the lease receivables and deferred inflows is not determinable because the future payments are based on a variable calculation of the applicable rates. These leases are excluded from the calculation of lease receivables and deferred inflows.

Revenue from other service providers include, but are not limited to a hotel and Transportation Network Companies (TNCs) such as ride shares, and other ground transportations, (i.e. taxis and tour buses, etc.). Each of these agreements have a component within them that require payments from the service provider based on a future activity level and does not include a fixed in substance component. All payments for these providers tied to an activity level have been excluded from the measurement of the lease receivables and deferred inflows.

The expected future lease payments that are included in the measurement of the lease receivable as of December 31, 2023, are as follows (in thousands):

Year	Principal reduction of lease receivable	Interest income	Total lease payments
2024	$ 89,079	$ 8,813	$ 97,892
2025	83,140	6,867	90,007
2026	78,936	5,025	83,961
2027	75,668	3,259	78,927
2028	20,224	2,091	22,315
2029-2033	58,245	4,474	62,719
2034-2038	7,042	503	7,545
2039-2043	621	102	723
2044-2048	580	31	611
Total	$ 413,535	$ 31,165	$ 444,700

During the year ended December 31, 2023, the Airport recognized the following inflows related to its lessor agreements (in thousands):

	Amortization of lease deferred inflows	Inflows related to regulated leases	Inflows related to short-term leases and variable lease payments	Total revenue
Concessions	$ 39,045	$ 146	$ 54,215	$ 93,406
Car rentals	48,827	-	46,443	95,270
Airline support revenue [1]	308	317	-	625
Solar facilities and farms rent [2]	1,994	-	246	2,240
Total inflows for lessor agreements	$ 90,174	$ 463	$ 100,904	$ 191,541

[1] Included in facility rents
[2] Included in other sales and charges

During the year ended December 31, 2022, the Airport recognized the following inflows related to its lessor agreements (in thousands):

	Amortization of lease deferred inflows	Inflows related to regulated leases	Inflows related to short-term leases and variable lease payments	Total revenue
Concessions	$ 37,428	$ 123	$ 65,638	$ 103,189
Car rentals	48,827	-	39,499	88,326
Airline support revenue [1]	91	422	-	513
Solar facilities, wireless telecommunications and farms rent [2]	2,114	-	182	2,296
Total inflows for lessor agreements	$ 88,460	$ 545	$ 105,319	$ 194,324

[1] Included in facility rents
[2] Included in other sales and charges

(b) Lessee Arrangements

The Airport classifies leases as those agreements in which the Airport controls the right to use a tangible asset over a period of time. At the commencement of these agreements, the Airport recognizes a lease liability and an intangible right-of-use lease asset based on the present value of the future expected lease payments. This right-of-use asset is amortized over the life of the lease or useful life of the asset whichever is shorter. For those leases that are less than one year the lease payments are recognized as lease expense in the current period.

The Airport leases certain assets from various third parties. The assets leased can be classified into two general categories: office space and general operating equipment. The terms and conditions for these leases vary by the type of underlying asset. Payments are fixed monthly or annually, and variable payments are not included in the measurement of the lease liability.

When available, the Airport uses the agreed upon rate expressly stated in the lease contract. If no rate is stated, the Airport uses the incremental borrowing rate associated with the Airport General Revenue Bonds issuance. The discount rate ranges from 2.13% to 4.98%, based on the terms of the lease.

Leased right-of-use assets, lease liability, and accumulated amortization by category of underlying assets consist of the following as of December 31, 2023 ($ in thousands):

	Right-of-use asset, net of accumulated amortization	Lease liability
Leased space (office)	$ 3,212	$ 3,437
Leased equipment	44,914	43,757
Total leased assets	$ 48,126	$ 47,194

Leased right-of-use assets, lease liability, and accumulated amortization by category of underlying assets consist of the following as of December 31, 2022 ($ in thousands):

	Right-of-use asset, net of accumulated amortization	Lease liability
Leased space (office)	$ 2,473	$ 2,464
Leased equipment	2,241	-
Total leased assets	$ 4,714	$ 2,464

Principal and interest requirements to maturity for leases in effect on December 31, 2023, are as follows ($ in thousands):

	Total leased assets		
	Principal	Interest	Total
2024	$ 7,799	$ 2,231	$ 10,030
2025	7,831	1,879	9,710
2026	8,405	1,469	9,874
2027	8,846	1,038	9,884
2028	6,205	605	6,810
2029-2033	4,235	1,819	6,054
2034-2037	3,873	709	4,582
Total	$ 47,194	$ 9,750	$ 56,944

The Airport also has lease and rental payments that are expensed during the reporting period and are not included in the lease liability. These leases are for equipment or materials for which the quantity leased varies on a monthly or daily basis. The leases primarily include copiers, document finishers, postal machines, and other supplies used in routine operations. During the year ended December 31, 2023 and 2022, the Airport recognized the outflows of $0.4 million and $0.6 million, respectively, as a result of variable items that were properly excluded from the initial measurement of the lease liability.

Changes in lease liability for the years ended December 31, 2023 and 2022 were as follows ($ in thousands):

	2023				
	Balance January 1, 2023	Additions	Payments	Balance December 31, 2023	Amounts due within one year
Lease liability	$ 2,464	$ 48,281	$ (3,551)	$ 47,194	$ 7,799
Less current portion				(7,799)	
Noncurrent portion				$ 39,395	

	2022				
	Balance January 1, 2022	Additions	Payments	Balance December 31, 2022	Amounts due within one year
Lease liability	$ 3,609	$ 2,210	$ (3,355)	$ 2,464	$ 195
Less current portion				(195)	
Noncurrent portion				$ 2,269	

(19) SBITAs

Nature of Operations

The Airport utilizes contracts to purchase and lease software, including products installed or accessed on servers, employee workstations, mobile devices, notebooks, and other hardware. These products include core software used throughout the Airport for normal operation including IBM Maximo, Adobe, CloudFlare, ADB Safegate, Palo Alto, and AWS Cloud-Airlines, as well as those that are used in specialized areas of operations including Salesforce, Amadeus, ServiceNow, and baggage handling software. The Airport is required to purchase licenses for these products to obtain the latest functionality, security updates, and maintenance services.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The Airport evaluates software contracts and identifies SBITAs in accordance with GASB 96. The present value of SBITAs is calculated based on the incremental borrowing rate discussed below or the rate defined in the contract itself and aggregated on a portfolio basis. The Airport has adopted the following policies in accordance with the adoption of GASB 96.

Classification and Term

For purposes of determining applicability, software agreements are evaluated by the Airport in accordance with GASB 96 to determine whether the arrangement meets the definition of a SBITA. Short-term subscriptions are arrangements that do not exceed 12 months and do not contain an extension option that is reasonably certain to be executed. The Airport recognizes short-term subscription payments as an outflow of resources based on the payment requirements stated within the agreement.

At the time of the commencement of the SBITA, the term will include extension periods that are deemed to be reasonably certain to be executed given renewal information currently available. For non-contract SBITAs where it is reasonably certain that the Airport will renew the subscription, a three-year extension period is used to establish the right-of-use asset and corresponding liability.

Discount Rate

When available, the Airport uses the agreed upon rate expressly stated in the contract. If no rate is stated, the Airport uses the incremental borrowing rate associated with the Airport General Revenue Bonds issuance that correspond to the SBITA commencement date to calculate the right-of-use subscription assets and corresponding liability.

Date Range	Rate
01/01/2021 - 07/18/2022	2.13%
07/19/2022 - 11/14/2022	4.19%
11/15/2022 - 11/21/2023	4.98%
11/22/2023 - 12/31/2023	4.25%

Variable Payments

Variable payments based on the future performance of the agreement or usage of the underlying asset are not included in the measurement of SBITAs. For fiscal years ended December 31, 2023 and 2022, all agreements recorded under GASB 96 are based on fixed payments and do not have variable payment components.

Remeasurement

For the year ended December 31, 2023 and 2022, the Airport did not have to remeasure any SBITA liabilities due to early termination of the contract, reduction in monthly payment, or a change in borrowing rate.

Right-of-use subscription assets consist of the following ($ in thousands):

	2023	As restated 2022
Right-of-use subscription assets	$ 21,953	$ 20,720
Accumulated amortization	(8,473)	(4,264)
Total amortized assets	$ 13,480	$ 16,456

For the years ended December 31, 2023, and December 31, 2022, the Airport recognized $4.6 million and $4.3 million of amortization expense, respectively, and $0.6 million and $0.5 million of interest expense, respectively.

Principal and interest payments to be made under these SBITAs for each of the next three years ($ in thousands):

	Principal	Interest	Total
Year:			
2024	$ 5,006	$ 386	$ 5,392
2025	5,043	245	5,288
2026	4,271	104	4,375
Total	$ 14,320	$ 735	$ 15,055

Changes in subscription liability for the years ended December 31, 2023 and 2022 were as follows ($ in thousands):

2023	Balance January 1, 2023	Additions	Payments	Balance December 31, 2023	Amounts due within one year
Subscription liability	$ 17,473	$ 1,580	$ (4,733)	$ 14,320	$ 5,006
Less current portion				(5,006)	
Noncurrent portion				$ 9,314	

2022	Balance January 1, 2022	Additions	Payments	Balance December 31, 2022	Amounts due within one year
Subscription liability	$ -	$ 20,018	$ (2,545)	$ 17,473	$ 4,284
Less current portion				(4,284)	
Noncurrent portion				$ 13,189	

(20) 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.

(21) Asset Retirement Obligations

On June 6, 2022, the City, for and on behalf of the Airport, executed a contract to plug and abandon all oil wells on the Airport property and decommission associated tank batteries. The execution of the contract triggered mitigation requirements under the state of Colorado, and the recognition of a liability and deferred outflow of resources under GASB Statement No. 83, *Certain Asset Retirement Obligations* (GASB 83). On August 12, 2023, the Airport completed plug and abandonment work on the final oil well and the project was completed.

As of December 31, 2023 and 2022, asset retirement obligation liability was $0.0 million and $6.0 million, respectively. The liability is calculated based on percentage of project completion and average cost per unit completed as of December 31, 2023 and 2022. The liability is included in other liabilities – restricted. Oil field assets were disposed, effective June 30, 2022, and an associated loss on disposal was recognized on the ACFR Statement of Revenues, Expenses, and Changes in Net Position as of December 31, 2022. As required under GASB 83, the deferred outflows of resources associated with the asset retirement obligation should be amortized over the entire estimated useful life of the capital asset. Since the oil field assets were disposed in 2022, the deferred outflow of resources, $9.9 million, was recognized as repairs and maintenance in 2022.

Asset Retirement Obligations Liability

Asset	Obligating event	Timeframe required for decommissioning	January 1, 2023	Additions	Payments	December 31, 2023
Oil wells and tank batteries	Signed decommissioning contract	June 6, 2022 - August 31, 2023	$ 5,967	$ -	$ (5,967)	$ -
Total assets retirement obligation liability			**$ 5,967**	**$ -**	**$ (5,967)**	**$ -**

(22) Commitments and Contingencies

(a) Commitments

As of December 31, 2023, the Airport had remaining construction project contract capacity totaling $2.6 billion, of which $0.6 billion has been encumbered but not yet incurred, with the remaining $2.0 billion expected to be committed and incurred to complete current approved capital projects.

(b) Noise Violation

The City and Adams County entered into an Intergovernmental Agreement on a New Airport, dated April 21, 1988 (the IGA). The IGA establishes maximum levels of noise caused by aircraft using the Airport that should not be exceeded on an average annual basis at various grid points surrounding the Airport. Liquidated damages may be payable to Adams County when these maximums are exceeded.

The Airport has not received any notices for any penalties for 2022, 2021 and 2020. On August 27, 2020, the City received notices of violations for 2017-2019.

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

See note 22(c) for information about the Court ruling regarding the noise violation litigation.

(c) 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 (the Court), which was amended on July 20, 2018 to include the City of Aurora and the City of Brighton as plaintiffs (as amended, the Complaint). The Complaint sought, among other things, a declaration from the Court that the City is in breach of the 1988 Adams County Intergovernmental Agreement (the IGA) as a result of the City's continued use of noise modeling system known as ARTSMAP, which the plaintiffs alleged is not sufficient to measure compliance with certain noise standards (the Noise Standards) agreed to under the IGA. The Complaint also alleged between 93 and 108 Class II violations of Noise Standards in 2014 through 2016 that remained uncured in the succeeding calendar year and sought (i) a mandatory Court order requiring the City to implement reasonable, non-discriminatory rules and regulations concerning Airport operations to achieve and maintain compliance with the Noise Standards and (ii) if the Court does not make such order, an award of liquidated damages of $500,000 for each Class II violation that occurred during 2014, 2015 and 2016 that remained uncured in the succeeding calendar year. On June 19, 2020, the Court issued a ruling (the Ruling) (i) finding, among other things, that the use of ARTSMAP system does not comply with the IGA and (ii) awarding plaintiffs liquidated damages in the amount of $500,000 for each of the 67 uncured Class II violations for 2014, 2015, and 2016 for a total amount of $33.5 million plus interest. On September 1, 2020, the Court ruled on the method of calculating interest for each violation.

On October 16, 2020, the City filed a notice of appeal with the Colorado Court of Appeals (the Appellate Court) appealing the Ruling. On March 3, 2022, the Court issued a decision affirming the Appellate Court Ruling and the method of calculating interest. On April 12, 2022, the City filed a petition for certiorari with the Colorado State Supreme Court and asked the court to clarify certain rulings of the lower courts, including the method of calculating interest and accrual of cause of action related to breach of contract. On October 24, 2022, the Colorado Supreme Court granted the petition only on the issue of whether the Appellate Court erred when it determined that a cause of action does not accrue for breach of contract until the extent of damages is fully ascertainable. The City's opening brief was filed January 23, 2023, Adams County's Response Brief was filed March 27, 2023, and the City filed a Reply Brief on May 8, 2023. The Colorado Supreme Court held oral arguments on September 20, 2023.

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

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

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

(d) Oilfield Closure Program (Oilfield Plug and Abandonment Remediation)

In 2022, the Airport commenced work to plug and abandon all oil wells on the Airport property and decommission associated tank batteries (see note 21). As a part of the abandonment and decommissioning process, the soil surrounding the well and battery sites was tested for contamination. If contaminants were present, the site was mitigated as a part of the existing plug and abandonment contract. At the end of the previous contract, eight sites remained active with the Colorado Energy & Carbon Management Commission and will require additional mitigation under a separate contract. The extent of contamination is currently unknown and is therefore not estimable under GASB Statement No. 49, *Accounting and Financial Reporting for Pollution remediation Obligations* (GASB 49). As such, the Statement of Net Position do not include a liability under GASB 49.

The Airport is currently soliciting requests for proposals to mitigate any issues at these eight sites, and once a contractor is selected, additional testing will be completed to determine the scope of contamination, as well as an estimated cost to compete the work. Once scope and cost are determined, the Airport will assess the applicability of GASB 49 to determine if a liability needs to be reflected on the Airport's Statement of Net Position.

(e) United Use and Lease Agreement

The United ULA 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 2022. 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.

(23) Insurance

The Airport 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 Airport has purchased commercial insurance for various risks.

Employees of the City and County of Denver (including all airport 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.

The Airport utilizes Rolling Owner Controlled Insurance Programs (ROCIP) for selected Capital Improvement Projects. Overall ROCIP program experience has generated cost savings to the Airport.

(24) 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 year ended December 31, 2023 and 2022, the United Airlines group represented approximately 52.0% and 46.7% of the Airport's airline operating revenue, respectively. Southwest Airlines represented 26.8% and 25.3% 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.

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 80 full-service contact gates on Concourse A and Concourse B and two ground loading positions. In addition, United together with its United Express commuter affiliates, accounted for 46.9% and 46.4% of enplaned passengers at the Airport in 2023 and 2022, respectively.

(25) Subsequent Events

In February 2024, the City, on behalf and for the Airport, executed a new Use and Lease Agreement with Delta Air Lines. Delta Air Lines now operates under a Use and Lease agreement that extends through February 28, 2035.

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

2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
DEN proportionate share of the net pension liability	11.748560%	12.238560%	12.063610%	13.736040%	12.725930%	11.994930%	12.618330%	13.400670%	13.13003%
DEN proportionate share of the net pension liability	$ 203,494	$ 166,159	$ 187,776	$ 199,878	$ 191,995	$ 140,679	$ 153,869	$ 158,033	$ 115,000
DEN covered payroll	$ 100,419	$ 92,442	$ 94,052	$ 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	202.64%	179.74%	199.65%	205.50%	208.39%	158.76%	180.58%	186.80%	151.51%
Plan fiduciary net position as a percentage of the total pension liability	57.31%	66.25%	60.32%	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: For the year ended December 31, 2023, the Airport’s proportion of the net pension liability was based on the ratio of the Airport’s actual contribution to DERP during the measurement period as a portion of the City’s total proportionate share. For the year ended December 31, 2021, the discount rate used to measure the total pension liability changed to 7.25% from 7.50% at December 31, 2019. For the year ended December 31, 2019, the discount rate used to measure the total pension liability changed to 7.50% from 7.75% at December 31, 2017. For the year ended December 31, 2017, the discount rate used to measure the total pension liability changed to 7.75% from 8.00% at December 31, 2015.

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 19,631	$ 16,689	$ 13,778	$ 13,133	$ 11,937	$ 10,873	$ 9,513	$ 9,176	$ 9,109
Contributions in relation to the contractually required contribution	19,631	16,689	13,778	13,133	11,937	10,873	9,513	9,176	9,109
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
DEN covered payroll	$ 113,629	$ 100,419	$ 92,442	$ 94,052	$ 97,266	$ 92,132	$ 88,612	$ 85,209	$ 84,601
Contributions as a percentage of covered payroll	17.28%	16.62%	14.90%	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.

Changes in assumptions: For the year ended December 31, 2023, the Airport's proportion of the net pension liability was based on the ratio of the Airport's actual contribution to DERP during the measurement period as a portion of the City's total proportionate share. For the year ended December 31, 2021, the discount rate used to measure the total pension liability changed to 7.25% from 7.50% at December 31, 2019. For the year ended December 31, 2019, the discount rate used to measure the total pension liability changed to 7.50% from 7.75% at December 31, 2017. For the year ended December 31, 2017, the discount rate used to measure the total pension liability changed to 7.75% from 8.00% at December 31, 2015.

There were no benefit changes for 2023. As of October 1, 2017, the valuation interest was lowered from 8% to 7.75%. The latest experience study was conducted in 2020 covering the 5-year period of January 1, 2016 to December 31, 2020. 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 2014 Actuarial Experience Study for the period ending December 31, 2013, page 24).

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

OPEB	2023	2022	2021	2020	2019	2018
DEN proportion of the net liability	11.734720%	12.234760%	12.080280%	13.782320%	12.997740%	12.346330%
DEN proportionate share of the net liability	$ 10,805	$ 10,516	$ 11,725	$ 13,555	$ 13,594	$ 10,855
DEN covered payroll	$ 100,419	$ 92,442	$ 94,052	$ 97,266	$ 92,132	$ 88,612
DEN proportionate share of the net liability as a percentage of its covered payroll	10.76%	11.38%	12.47%	13.94%	14.75%	12.25%
Plan fiduciary net position as a percentage of the total liability	44.54%	49.63%	43.59%	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.

Changes in assumptions: For the year ended December 31, 2023, the Airport's proportion of the net pension liability was based on the ratio of the Airport's actual contribution to DERP during the measurement period as a portion of the City's total proportionate share. For the year ended December 31, 2021, the discount rate used to measure the total pension liability changed to 7.25% from 7.50% at December 31, 2019. For the year ended December 31, 2019, the discount rate used to measure the total pension liability changed to 7.50% from 7.75% at December 31, 2017. For the year ended December 31, 2017, the discount rate used to measure the total pension liability changed to 7.75% from 8.00% at December 31, 2015.

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

OPEB	2023	2022	2021	2020	2019	2018
Actuarially required contribution	$ 795	$ 830	$ 830	$ 701	$ 644	$ 539
Contributions in relation to the actuarially required contribution	977	829	725	726	697	674
Contribution deficiency (excess)	(182)	1	105	(25)	(53)	(135)
DEN covered payroll	$ 113,629	$ 100,419	$ 92,442	$ 94,052	$ 97,266	$ 92,132
Contributions as a percentage of covered payroll	0.9%	0.8%	0.8%	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 changes in benefits during the year.

Changes in assumptions: For the year ended December 31, 2023, the Airport's proportion of the net pension liability was based on the ratio of the Airport's actual contribution to DERP during the measurement period as a portion of the City's total proportionate share. For the year ended December 31, 2021 the discount rate used to measure the total pension liability changed to 7.25% from 7.50%.

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

Implicit rate subsidy	2023	2022	2021	2020	2019	2018
DEN proportion of the total liability	12.825521%	12.547710%	12.706530%	9.227772%	9.687901%	9.788102%
DEN proportionate share of the total liability	$ 10,844	$ 11,430	$ 11,745	$ 8,061	$ 7,721	$ 7,693
DEN covered-employee payroll	$ 100,419	$ 92,442	$ 94,052	$ 97,266	$ 92,132	$ 88,612
DEN proportionate share of the total liability as a percentage of its covered-employee payroll	10.80%	12.36%	12.49%	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.

For the December 31, 2021, OPEB Liability, Demographic actuarial assumptions were based on the 2018 experience study of the DERP using data from the five-year period ending December 31, 2017. The implicit subsidy valuation uses these same demographic assumptions, as published in the DERP January 2021 pension valuation, except for a different basis used to project future mortality improvement. For years ended December 31, 2020 and prior, the latest experience study was conducted in 2013 covering the 5-year period of January 1, 2008 to December 31, 2012. At the time, the recommended mortality table was expected to produce a margin of 8% on the retired male mortality experience and 7% on the retired female experience (Source: Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ending December 31, 2012, page 24). No assets are accumulated in a trust to pay related benefits.

Changes in assumptions: The discount rate used to measure the total OPEB liability was 3.56%, 4.11%, 2.74%, 2.12%, 2.06%, and 3.72% for the years ended December 31, 2017, 2018, 2019, 2020, 2021, and 2022, respectively.

2023 ANNUAL COMPREHENSIVE 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, 2023 ($ IN THOUSANDS)

Gross revenues:	
Facility rentals	$ 332,436
Concession income	124,865
Parking income	229,473
Car rental income	98,414
Landing fees	176,460
Aviation fuel tax	37,855
Ground transportation	24,593
Other sales and charges	8,243
Customer facility fee revenue	48,299
Interest income	79,910
Designated passenger facility charges	144,179
Hotel	73,696
Miscellaneous income	2,100
Total gross revenues	**$ 1,380,523**
Operation and maintenance (O&M) expenses:	
Personnel services	$ 214,097
Contractual services	299,584
Maintenance, supplies, and materials	28,852
Hotel	36,384
Total O&M expenses	**$ 578,917**
Net revenues	$ 801,606
Other available funds	43,680
Net revenues plus other available funds	**$ 845,286**
Debt service coverage - senior bonds:	
Debt Service Requirements - senior bonds	$ 255,739
Less: Application of escrow proceeds	(81,019)
Net debt service requirements - senior bonds	**$ 174,720**
Debt service coverage - senior bonds	**484%**
Debt service coverage - all bonds:	
Debt service requirements - subordinate bonds	$ 235,473
Less: Application of Escrow Proceeds	(20,147)
Net debt service requirements - senior bonds	174,721
Net debt service requirements - all bonds	**$ 390,047**
Debt service coverage - all bonds	**217%**

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

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, 2023

(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 Account Balance at 12/31/2023**
Series 2002C	01/01/24	$ 57	$ 57
Series 2008B	01/01/24	101	101
Series 2009B	05/15/24	2,094	523
Series 2009C	01/01/24	190	190
Series 2012A	05/15/24	538	135
Series 2012B	05/15/24	3,139	785
Series 2012C	05/15/24	544	136
Series 2015A	05/15/24	749	187
Series 2016A	05/15/24	3,164	791
Series 2017A	05/15/24	3,528	882
Series 2017B	05/15/24	532	133
Series 2018A	06/01/24	54,690	9,114
Series 2018B	06/01/24	4,378	730
Series 2019A	05/15/24	523	131
Series 2019C	05/15/24	3,000	750
Series 2020A-1	05/15/24	731	183
Series 2020A-2	05/15/24	452	113
Series 2020B-1	05/15/24	426	107
Series 2020B-2	05/15/24	602	150
Series 2020C	05/15/24	4,225	1,056
Series 2021A-B	01/01/24	93	93
Series 2022A	05/15/24	36,454	9,114
Series 2022B	05/15/24	4,453	1,113
Series 2022C	05/15/24	8,545	2,136
Series 2022D	05/15/24	22,023	5,506
Series 2023A	05/15/24	7,594	1,668
Series 2023B	05/15/24	6,685	1,468
			$ 37,352

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, 2023

(b) 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 12/31/2023
Series 2008B	11/15/24	$ 5,800	$ 725
Series 2012B	11/15/24	7,360	920
Series 2015A	11/15/24	35,305	4,413
Series 2016A	11/15/24	30,825	3,852
Series 2017A	11/15/24	14,745	1,843
Series 2018A	12/01/24	35,165	2,930
Series 2018B	12/01/24	300	25
Series 2019A	11/15/24	22,600	2,825
Series 2020A-1	11/15/24	5,110	639
Series 2020A-2	11/15/24	5,935	742
Series 2020B-1	11/15/24	8,275	1,034
Series 2020C	11/15/24	14,725	1,841
Series 2021A-B	11/15/24	4,000	500
Series 2022A	11/15/24	10,670	1,334
Series 2022C	11/15/24	9,645	1,206
Series 2022D	11/15/24	57,630	7,204
Series 2023A	11/15/24	9,350	1,003
Series 2023B	11/15/24	5,930	636
			$ 33,672

(c) 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, 2023

(d) 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, 2023, the redemption account had a balance of $28.7 million for the sixth runway and baggage system.

(e) 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, 2023	$	100,444
Aggregate required bond account balance		100,444
Overfunded	$	-

(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, 2023 is $545.8 million. The minimum Bond Reserve Account requirement for both Senior and Subordinate Lien Bonds is $519.5 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).

2022 Operation and Maintenance expenses	$	497,403
Minimum operations and maintenance reserve requirement for 2023	$	82,901
Operation and maintenance reserve account balance at December 31, 2023		116,611
Overfunded	$	33,710

2023 ANNUAL COMPREHENSIVE 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 Annual Comprehensive 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:

(1) Summary of Net Position

(2) Summary of Changes in Net Position

(3) Summary of Operating Expenses

(4) Summary of Nonoperating Income and Expenses

REVENUE CAPACITY

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

(5) Summary of Operating Revenues

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

(7) Historical Passenger Facility Charge Revenues

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:

(8) Outstanding Debt Principal by Type

(9) Debt Service Coverage under the Bond Ordinance

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:

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

(11) City and County of Denver Principal Employers

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:

(12) Passenger and Operating Statistics

(13) Enplaned Passengers by Major Airline Category

(14) Aircraft Operations

(15) Landed Weight

(16) Enplaned Cargo Operations

(17) Career Service Employees

(18) Nature, Volume and Usage of Capital Assets

(19) Summary of Insurance Coverage

(1) Summary of Net Position

Years Ended 2014 - 2024
($ 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.

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net investment (deficit) in capital assets	$ (63,949)	$ (152,522)	$ (136,825)	$ (104,547)	$ (157,375)	$ (29,619)	$ 78,760	$ (141,151)	$ (626,147)	$ (730,285)
Restricted for capital projects	12,486	17,443	14,692	18,622	13,835	11,264	2,708	10,153	32,479	23,119
Restricted for debt service	399,347	463,937	371,249	636,410	476,888	495,973	484,893	456,744	636,529	642,318
Unrestricted net position	1,589,833	1,214,286	1,322,900	856,703	918,297	691,347	457,312	508,395	682,592	764,259
Total net position	$ 1,937,717	$ 1,543,144	$ 1,572,016	$ 1,407,188	$ 1,251,645	$ 1,168,965	$ 1,023,673	$ 834,141	$ 725,453	$ 699,411

Source: Airport annual financial reports and management records

(2) Summary of Changes in Net Position

Years Ended 2014 - 2023
($ 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.

	2023	2022 (5)	2021 (4)	2020	2019	2018 (2)	2017	2016	2015 (1)	2014
Operating revenues	$1,022,065	$930,184	$716,396	$591,810	$867,793	$808,360	$768,925	$742,529	$687,536	$711,491
Operating expenses excluding depreciation	578,714	539,041	461,413	475,900	584,472	474,314	453,532	469,810	436,803	413,563
Income before depreciation/ amortization	443,351	391,143	254,983	115,910	283,321	334,046	315,393	272,719	250,733	297,928
Depreciation and amortization	329,287	278,451	226,852	210,513	203,321	193,009	183,351	179,692	163,714	183,560
Operating income	114,064	112,692	28,131	(94,603)	80,000	141,037	132,042	93,027	87,019	114,368
Nonoperating revenues (expenses)	189,368	(215,671)	111,883	216,373	53,172	(3,787)	1,611	12,108	9,106	(9,013)
Income before capital contributions	303,432	(102,979)	140,014	121,770	133,172	137,250	133,653	105,135	96,125	105,355
Capital contributions/grants/transfers	91,141	74,107	24,814	33,773	15,301	26,730	55,879	3,553	20,483	20,533
Change in net position before special item	394,573	(28,872)	164,828	155,543	148,473	163,980	189,532	108,688	116,608	125,888
Special item (3)	-	-	-	-	(65,793)	-	-	-	-	-
Change in net position	$ 394,573	$ (28,872)	$164,828	$155,543	$ 82,680	$163,980	$189,532	$108,688	$116,608	$125,888

(1) Restated for GASB 68, *Accounting and Financial Reporting for Pension*
(2) Restated for GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*
(3) 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.
(4) Adopted GASB 87, *Leases.* For the year ended December 31, 2021, Statement of Revenues, Expenses, and Changes in Net Position was not restated since the impact was not significant.
(5) Restated for GASB 96, *Subscription-Based Information Technology Arrangements*

Source: Airport annual financial reports and management records

(3) Summary of Operating Expenses

Years Ended 2014 - 2023
($ in thousands)

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

	2023	2022 (5)	2021 (4)	2020	2019	2018 (3)	2017	2016	2015 (2)	2014
Personnel	$209,346	$185,289	$178,530	$198,582	$194,317	$173,979	$171,151	$165,114	$148,518	$134,699
Contractual services	288,835	243,326	213,225	193,606	241,264	227,918	216,501	212,699	197,459	194,712
Repair and maintenance projects	15,004	47,095	22,372	29,229	32,296	19,423	14,071	37,514	55,358	57,049
Maintenance, supplies and materia	29,145	26,388	18,867	19,092	28,649	24,378	24,452	27,547	32,911	27,103
Hotel (1)	36,384	30,523	22,458	17,378	31,446	28,616	27,357	26,936	2,557	-
Legal/claim reserve expense	-	6,420	5,961	18,013	56,500	-	-	-	-	-
Total operating expenses	$578,714	$539,041	$461,413	$475,900	$584,472	$474,314	$453,532	$469,810	$436,803	$413,563

(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*
(4) Adopted GASB 87, *Leases.* For the year ended December 31, 2021, Statement of Revenues, Expenses, and Changes in Net Position was not restated since the impact was not significant.
(5) Restated for GASB 96, *Subscription-Based Information Technology Arrangements*

Source: Airport annual financial reports and management records

(4) Summary of Nonoperating Income and Expenses

Years Ended 2014 - 2023
($ 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.

	2023	2022 (4)	2021 (3)	2020	2019	2018	2017	2016	2015	2014
Passenger facility charges	$ 145,612	$ 132,709	$ 113,500	$ 64,922	$ 132,484	$ 123,907	$ 118,333	$ 114,230	$ 106,007	$ 103,959
Customer facility charges (1)	48,299	17,389	15,585	10,621	21,525	20,019	19,492	19,884	18,598	17,215
Investment income	190,573	(117,330)	(34,937)	150,043	171,096	73,802	46,779	39,274	40,648	44,030
Interest expense	(318,052)	(257,542)	(221,738)	(247,293)	(270,394)	(214,799)	(188,152)	(156,481)	(169,413)	(176,177)
Grants (2)	-	-	-	-	-	-	873	686	622	516
Stimulus funds - grants	28,779	939	250,880	269,074	-	-	-	-	-	-
Legal/claim reserve recovery (5)	86,895									
Lease interest income	9,370	10,243	-	-	-	-	-	-	-	-
Other revenues (expenses)	(2,108)	(2,079)	(11,407)	(30,994)	(1,539)	(6,716)	4,286	(5,485)	12,644	1,444
Total nonoperating revenues (expenses)	$ 189,368	$ (215,671)	$ 111,883	$ 216,373	$ 53,172	$ (3,787)	$ 1,611	$ 12,108	$ 9,106	$ (9,013)

(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.
(3) Adopted GASB 87, *Leases*. For the year ended December 31, 2021, Statement of Revenues, Expenses, and Changes in Net Position was not restated since the impact was not significant.
(4) Restated for GASB 96, *Subscription-Based Information Technology Arrangements*
(5) Reversal of the total liability for claim litigation reserves and noise violations.

Source: Airport annual financial reports and management records

(5) Summary of Operating Revenues

Years Ended 2014 - 2023
($ in thousands)

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

	2023	2022 (4)	2021 (3)	2020	2019	2018	2017	2016	2015	2014
Airline revenues:										
Facility rentals	$ 283,395	$ 249,586	$ 187,007	$ 226,837	$ 210,836	$196,065	$180,443	$198,407	$194,004	$235,774
Landing fees	176,199	149,791	150,575	135,708	175,636	161,981	171,708	150,850	147,379	147,841
Total airline revenues	459,594	399,377	337,582	362,545	386,472	358,046	352,151	349,257	341,383	383,615
Non-airline revenues:										
Parking	229,473	206,468	147,809	88,259	203,502	189,890	176,006	176,949	178,478	167,851
Concession	93,406	103,189	69,120	45,216	85,703	83,297	68,269	67,408	59,677	55,863
Car rental	95,270	88,326	75,703	45,993	80,348	72,621	71,806	66,727	65,309	59,655
Hotel (1)	73,696	65,078	43,674	24,481	62,088	53,304	47,412	43,262	3,205	-
Aviation fuel tax	37,855	38,238	21,626	9,789	25,464	25,039	25,993	18,892	19,458	26,298
Ground transportation (2)	24,593	19,722	13,848	8,575	19,997	17,313	12,449	10,594	9,669	-
Other sales and charges	8,178	9,786	7,034	6,952	4,219	8,850	14,839	9,440	10,357	18,209
Total non-airline revenues	562,471	530,807	378,814	229,265	481,321	450,314	416,774	393,272	346,153	327,876
Total operating revenues	$ 1,022,065	$ 930,184	$ 716,396	$ 591,810	$ 867,793	$808,360	$768,925	$742,529	$687,536	$711,491

(1) Hotel was opened in November 2015
(2) Ground transportation revenue were not significant and included in other sales and charges before 2015
(3) Adopted GASB 87, *Leases*. For the year ended December 31, 2021, Statement of Revenues, Expenses, and Changes in Net Position was not restated since the impact was not significant.
(4) Adopted GASB 96, *Subscription-Based Information Technology Arrangements*

Source: Airport annual financial reports and management records

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

Years Ended 2014 - 2023

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

	2023			2022			2021			2020 (1)			2019		
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	18,228,487	46.9%	13.5%	16,067,373	46.4%	24.4%	12,914,667	43.9%	81.7%	7,107,248	42.1%	-54.0%	15,436,452	44.7%	10.0%
Southwest	12,005,496	30.9%	13.2%	10,607,776	30.6%	13.9%	9,316,922	31.7%	82.2%	5,113,869	30.3%	-46.0%	9,467,075	27.4%	0.9%
Frontier	3,758,990	9.7%	10.6%	3,397,299	9.8%	5.3%	3,225,934	11.0%	37.0%	2,354,879	14.0%	-43.6%	4,176,993	12.1%	13.0%
American	1,346,986	3.5%	2.1%	1,318,658	3.8%	-8.8%	1,446,247	4.9%	65.2%	875,460	5.2%	-46.4%	1,632,621	4.7%	0.8%
Delta	1,839,110	4.7%	9.0%	1,686,700	4.9%	24.6%	1,353,532	4.6%	94.1%	697,259	4.1%	-62.0%	1,837,221	5.3%	6.3%
Other	1,719,398	4.3%	9.9%	1,565,052	4.5%	34.9%	1,160,580	3.9%	60.1%	725,128	4.3%	-63.1%	1,962,592	5.8%	9.0%
Total Enplanements	38,898,467	100.0%	12.3%	34,642,858	100.0%	17.8%	29,417,882	100.0%	74.3%	16,873,843	100.0%	-51.1%	34,512,954	100.0%	7.0%

	2018			2017			2016			2015			2014		
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	14,027,769	43.5%	8.1%	12,976,883	42.3%	6.0%	12,246,077	42.0%	7.2%	11,420,973	42.3%	5.2%	10,860,408	40.6%	1.9%
Southwest	9,386,197	29.1%	2.7%	9,137,172	29.7%	6.7%	8,565,381	29.4%	8.0%	7,929,104	29.3%	12.2%	7,064,833	26.4%	5.1%
Frontier	3,696,254	11.5%	5.6%	3,501,127	11.4%	-1.9%	3,567,393	12.2%	6.2%	3,360,127	12.4%	-31.9%	4,932,132	18.4%	-1.6%
American	1,619,744	5.0%	-3.8%	1,682,943	5.5%	2.4%	1,644,265	5.6%	0.1%	1,642,461	6.1%	6.8%	1,537,392	5.8%	4.1%
Delta	1,728,487	5.4%	5.7%	1,635,708	5.3%	9.8%	1,490,271	5.1%	11.7%	1,333,693	4.9%	13.0%	1,179,878	4.4%	-1.8%
Other	1,800,766	5.5%	1.2%	1,780,178	5.8%	9.4%	1,626,817	5.7%	22.1%	1,332,571	4.9%	14.7%	1,162,041	4.4%	-4.2%
Total Enplanements	32,259,217	100.0%	5.0%	30,714,011	100.0%	5.4%	29,140,204	100.0%	7.9%	27,018,929	100.0%	1.1%	26,736,684	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 2014 - 2023
($ 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
2014		103,959
2015		106,007
2016		114,230
2017		118,333
2018		123,907
2019		132,484
2020	(1)	64,922
2021		113,500
2022		132,709
2023		145,612

(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 by Type

Years Ended 2014 - 2023
($ in thousands)

Purpose: This schedule provides information on outstanding bond debt principal net of unamortized premiums and discounts, notes payable and capital leases, lease liability, and subscription liability 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	Notes Payable and Capital Leases	Lease Liability (2)	Subscription Liability (3)	Outstanding Debt
2014	3,521,835	719,915	-	-	43,275	153,214	20,987	-	-	4,459,226
2015	3,161,650	910,760	-	-	40,080	128,879	17,077	-	-	4,258,446
2016	2,955,860	894,955	-	-	40,080	144,853	14,745	-	-	4,050,493
2017	2,755,415	1,170,085	-	-	40,080	161,983	11,193	-	-	4,138,756
2018	2,606,895	3,358,540	-	-	40,080	409,278	7,600	-	-	6,422,393
2019	1,850,030	3,196,475	376,555	294,280	40,080	413,874	4,427	-	-	6,175,721
2020	1,824,230	3,176,130	262,155	250,925	40,080	376,825	2,235	-	-	5,932,580
2021	1,695,365	3,155,980	227,155	930,150	-	335,548	-	3,608	-	6,347,806
2022	4,132,940	3,119,760	110,755	175,870	-	469,351	415	2,464	17,473	8,029,028
2023	3,957,225	3,031,440	104,965	143,850	-	455,724	2,930	47,194	14,320	7,757,648

(1) Implementation of GASB 88, Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placemen
(2) Implementation of GASB 87, Leases
(3) Implementation of GASB 96, Subscription-Based Information Technology Arrangements

Source: Airport annual financial reports and management records

(9) Debt Service Coverage under the Bond Ordinance

Years Ended 2014 - 2023
($ 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.

	2023	2022	2021	2020	2019 (2)	2018	2017	2016	2015	2014
Gross revenues	$1,380,523	$1,182,524	$ 929,450	$ 748,264	$1,102,851	$ 945,206	$ 895,963	$ 863,126	$ 808,781	$ 803,620
Operation and maintenance expenses	578,917	497,403	424,042	407,365	478,305	445,801	425,005	417,140	381,445	355,769
Net revenues	801,606	685,121	505,408	340,899	624,546	499,405	470,958	445,986	427,336	447,851
Other available funds	43,680	35,613	35,051	39,848	68,365	43,901	47,090	51,574	56,908	54,834
Total amount available for debt service requirements	845,286	720,734	540,459	380,747	692,911	543,306	518,048	497,560	484,244	502,685
Senior bonds:										
Debt service requirements	$ 174,720	$ 142,452	$ 140,205	$ 159,392	$ 273,460	$ 175,605	$ 188,360	$ 206,295	$ 201,279	$ 219,334
Debt service coverage	484%	506%	385%	239%	253%	309%	275%	241%	241%	229%
All Bonds:										
Debt service requirements	$ 390,047	$ 361,349	$ 256,990	$ 252,387	$ 376,265	$ 276,949	$ 282,251	$ 294,914	$ 262,516	$ 268,422
Debt service coverage (1)	217%	199%	210%	151%	184%	196%	184%	169%	184%	187%

(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 2014 - 2023

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
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	738,200	51,543	69,822	6.90%
2021	749,103	37,936	50,642	4.20%
2022	729,239	n/a	56,381	2.80%
2023	737,990	n/a	n/a	3.30%

Source: City and County of Denver 2023 Annual Comprehensive Financial Report

(11) City and County of Denver Principal Employers

Years Ended 2014 - 2023

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

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

Source: City and County of Denver - December 31, 2023 Annual Comprehensive Financial Report

(12) Passengers and Operating Statistics

Years Ended 2014 - 2023

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
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%
2021		29,417,882	74.3%	593,916	34.2%	35,614	36.2%	141,482	(3.5%)
2022		34,642,858	17.8%	615,733	3.7%	39,171	10.0%	156,891	10.9%
2023		38,898,467	12.3%	662,010	7.5%	44,196	12.8%	145,906	(7.0%)

(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 2014 - 2023

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
2014	(1)	21,963,271	82.1%	4,767,207	17.8%	6,206	minimal	26,736,684	1.7%
2015		22,713,508	84.1%	4,296,830	15.9%	8,591	minimal	27,018,929	1.1%
2016		24,997,592	85.8%	4,138,502	14.2%	4,110	minimal	29,140,204	7.9%
2017		26,791,295	87.2%	3,921,476	12.8%	1,240	minimal	30,714,011	5.4%
2018		28,005,353	86.8%	4,252,809	13.2%	1,055	minimal	32,259,217	5.0%
2019		29,964,000	86.8%	4,547,258	13.2%	1,696	minimal	34,512,954	7.0%
2020	(2)	14,608,277	86.6%	2,265,159	13.4%	407	minimal	16,873,843	(51.1%)
2021		25,580,039	87.0%	3,837,432	13.0%	411	minimal	29,417,882	74.3%
2022		31,157,186	89.9%	3,485,519	10.1%	153	minimal	34,642,858	17.8%
2023		35,679,385	91.7%	3,218,796	8.3%	286	minimal	38,898,467	12.3%

(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.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Domestic	95.8%	95.9%	96.1%	95.8%	95.4%	95.4%	97.3%	96.8%	95.3%	94.8%
International	4.2%	4.1%	3.9%	4.2%	4.6%	4.6%	2.7%	3.2%	4.7%	5.2%

Source: Airport annual financial reports and management records

(14) Aircraft Operations

Years Ended 2014 - 2023

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

Fiscal Year		Air Carrier Number	Air Carrier Percent of Total	Commuter Number	Commuter Percent of Total	Taxi/General Aviation/ Military Number	Taxi/General Aviation/ Military Percent of Total	Total Number
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
2021		471,690	79.4%	119,015	20.0%	3,211	0.6%	593,916
2022		510,345	82.9%	101,753	16.5%	3,635	0.6%	615,733
2023		579,760	87.6%	78,812	11.9%	3,438	0.5%	662,010

(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 2014 - 2023
(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
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
2021		33,741	94.7%	1,873	5.3%	35,614
2022		37,364	95.4%	1,807	4.6%	39,171
2023		42,597	96.4%	1,599	3.6%	44,196

(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 2014 - 2023
(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
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
2021	128,531	90.8%	12,951	9.2%	141,482
2022	145,923	93.0%	10,968	7.0%	156,891
2023	140,159	96.1%	5,747	3.9%	145,906

Source: Airport annual financial reports and management records

(17) Career Service Employees

Years Ended 2014 - 2023

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	Increase/ Decrease
2014	1,097	6.0%
2015	1,125	2.6%
2016	1,190	5.8%
2017	1,151	-3.3%
2018	1,104	-4.1%
2019	1,133	2.6%
2020	1,042	-8.0%
2021	969	-7.0%
2022	1,052	8.6%
2023	1,182	12.4%
Average Annual Increase (Decrease)	1.5%	

Source: City and County of Denver Annual Certified Financial Report

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

Year Ended 2023

Purpose: This schedule provides information on the nature, volume, and usage of the Airport's capital assets for the year ended 2023.

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	214 direct destinations including 27 international destinations in 15 countries
Flight operations	662,010
Annual passengers	3rd busiest airport in the United States serving 77.8 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 148 full-service gates and nine ground loading positions.

(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 system facilities, including federal explosive detection systems installed “in-line” for the screening of checked baggage, passenger drop off/pick up, ground transportation, concessions and other general passenger support services. Renovations and reconfiguration of Jeppesen Terminal include improvements to the security screening area, curbside space, and commercial concessions.
	Concourse A: Encompasses app. 1.36 million square feet and 40 full-service contact gates, of which eight gates are configured for international flights and 13 gates are configured for both international and domestic flights.
	Concourse B: Encompasses app. 2.1 million square feet and 63 full-service gates and two ground loading positions.
	Concourse C: Encompasses app. 1.4 million square feet and 45 full-service gates and seven ground loading positions dedicated to the commuter airline operations.
	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 Jeppesen Terminal and Concourse 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 51,882 parking spaces: Garage parking: 15,907 Economy parking: 9,249 Shuttle parking: 12,344 Pena station parking: 800 Employee parking: 13,582
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, Airport Van Rental, Go-Car, Green Motion, Kyte, NuCar, Routes and York. The following companies provide car sharing service at the airport: Turo and ZipCar.

Source: Airport management records

(19) Summary of Insurance Coverage

Year Ended 2023

Purpose: This schedule provides information on insurance coverage in place as of year ended 2023.

Policy Type	Insurer	Policy Number	Expiration Date	Coverage (1)
Airport Owner's Liability	AIG (lead) (2)	AP-086448700-14 (primary)	5/1/2024	$ 500,000,000
	AIG	AX 015436827-04 (excess)		
Cyber Liability	Homeland	720000089-0002 (primary)	5/1/2024	$ 10,000,000
	Coalition	C-4MLJ-050621-CEPMM-2023 (excess)		
Environmental Liability	Aspen	ERAG93E19	5/1/2024	$ 10,000,000
Professional Liability (CDL)	Landmark	LHR803131	5/1/2024	$ 1,000,000
Property (3)	FM Global	1098622 (primary)	5/1/2024	$ 2,500,000,000
	AXA XL	XL PRP 2313925 23 (excess)		
Property Terrorism (3)	Lloyds of London	B0509BOWTN2350557	5/1/2024	$ 750,000,000

(1) The general policy limits, not reflective of applicable sub-limits, aggregates or other terms and conditions
(2) Quota share placement with additional policies with various insurers
(3) Shared across the City and County of Denver

Source: Airport management records