

BASIC FINANCIAL STATEMENTS



Statement of Net Assets

December 31, 2007 (dollars in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash on hand	\$ 4,456	\$ -	\$ 4,456	\$ 54
Cash and cash equivalents	442,398	160,778	603,176	52,329
Investments	-	302,979	302,979	210,759
Receivables (net of allowances):				
Taxes	300,772	-	300,772	7,414
Special assessments	956	-	956	-
Notes	80,571	-	80,571	-
Accounts	33,839	51,467	85,306	29,687
Accrued interest	2,711	5,830	8,541	61
Other	-	-	-	38,673
Due from other governments	48,853	-	48,853	-
Internal balances	23,625	(23,625)	-	-
Inventories	2,107	6,793	8,900	7,176
Prepaid items and other assets	575	427	1,002	6,404
Restricted assets:				
Cash and cash equivalents	57,423	333,494	390,917	10,087
Investments	-	759,381	759,381	123,462
Accrued interest	-	1,092	1,092	-
Other receivables	-	18,361	18,361	-
Prepaid items	-	3,108	3,108	-
Net assets held by third party	-	-	-	200,780
Capital assets:				
Land and construction in progress	348,010	561,324	909,334	340,109
Buildings, improvements, infrastructure, collections, and equipment, net of accumulated depreciation	1,858,521	3,399,042	5,257,563	1,594,557
Long-term receivables (net of allowances)	25,916	-	25,916	24,135
Bond issue cost and other assets (net of accumulated amortization)	3,850	60,142	63,992	21,104
Assets held for disposition	6,327	14,094	20,421	-
Total Assets	3,240,910	5,654,687	8,895,597	2,666,791
Liabilities				
Vouchers payable	62,405	38,287	100,692	28,450
Accrued liabilities	28,387	45,147	73,534	24,120
Deferred revenue	247,122	37,533	284,655	10,299
Advances	3,840	7,212	11,052	859
Due to taxing unit	480	-	480	-
Due to other governments	-	-	-	2,768
Liabilities payable from restricted assets	-	84,841	84,841	-
Noncurrent liabilities:				
Due within one year	112,179	120,141	232,320	41,445
Due in more than one year	1,226,795	3,938,069	5,164,864	1,147,764
Total Liabilities	1,681,208	4,271,230	5,952,438	1,255,705
Net Assets				
Invested in capital assets, net of related debt	1,170,496	317,488	1,487,984	1,156,289
Restricted for:				
Capital projects	146,735	21,189	167,924	84,785
Emergency use	31,240	-	31,240	210
Debt service	80,008	657,498	737,506	29,575
Donor restrictions:				
Expendable	9,347	-	9,347	112,742
Nonexpendable	3,387	-	3,387	103,913
Other purposes	3,442	-	3,442	-
Unrestricted	115,047	387,282	502,329	(76,428)
Total Net Assets	\$ 1,559,702	\$ 1,383,457	\$ 2,943,159	\$ 1,411,086

See accompanying notes to basic financial statements.

Statement of Activities

For the Year Ended December 31, 2007 (dollars in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General government	\$ 262,209	\$ 51,541	\$ 18,578	\$ 25
Public safety	475,728	64,802	29,266	-
Public works	79,496	39,439	32,333	9,207
Human services	132,535	1,407	82,879	-
Health	45,345	707	7,333	-
Parks and recreation	63,778	4,803	1,341	8,839
Cultural activities	89,967	16,238	2,912	7,880
Community development	47,098	23,202	26,151	65
Economic opportunity	26,280	14,889	10,787	-
Interest on long-term debt	54,592	-	-	-
Total Governmental Activities	1,277,028	217,028	211,580	26,016
Business-type Activities:				
Wastewater management	76,298	75,750	-	9,906
Denver airport system	679,022	530,151	97,515	2,426
Environmental services	12,319	8,616	-	-
Golf course	6,570	8,157	-	-
Total Business-type Activities	774,209	622,674	97,515	12,332
Total Primary Government	\$ 2,051,237	\$ 839,702	\$ 309,095	\$ 38,348
Component Units	\$ 433,618	\$ 306,353	\$ 64,741	\$ -

General revenues:

Taxes:

Facilities development admissions
Lodgers
Motor vehicle ownership fee
Occupational privilege
Property
Sales
Public service
Specific ownership
Telephone

Investment and interest income
Convention center revenue
Other revenues

Transfers

Total General Revenues and Transfers

Change in net assets

Net assets - January 1, as previously reported

Restatement for correction of error

Net assets - January 1, as restated

Net assets - December 31

See accompanying notes to basic financial statements.

Net (Expense) Revenue and
Changes in Net Assets

Primary Government				Component Units
Governmental Activities	Business-type Activities	Total		
\$ (192,065)	\$ -	\$ (192,065)	\$ -	-
(381,660)	-	(381,660)	-	-
1,483	-	1,483	-	-
(48,249)	-	(48,249)	-	-
(37,305)	-	(37,305)	-	-
(48,795)	-	(48,795)	-	-
(62,937)	-	(62,937)	-	-
2,320	-	2,320	-	-
(604)	-	(604)	-	-
(54,592)	-	(54,592)	-	-
(822,404)	-	(822,404)	-	-
-	9,358	9,358	-	-
-	(48,930)	(48,930)	-	-
-	(3,703)	(3,703)	-	-
-	1,587	1,587	-	-
-	(41,688)	(41,688)	-	-
(822,404)	(41,688)	(864,092)	-	-
				(62,524)
10,092	-	10,092	-	-
49,651	-	49,651	-	-
16,963	-	16,963	-	-
42,751	-	42,751	-	-
227,188	-	227,188	2,334	-
455,436	-	455,436	-	-
20,578	-	20,578	-	-
1,434	-	1,434	83,949	-
9,918	-	9,918	-	-
39,990	87,885	127,875	20,769	-
13,930	-	13,930	-	-
26,379	33	26,412	36,879	-
2,261	(2,261)	-	-	-
916,571	85,657	1,002,228	143,931	-
94,167	43,969	138,136	81,407	-
1,465,535	1,201,635	2,667,170	1,329,679	-
-	137,853	137,853	-	-
-	1,339,488	-	-	-
\$ 1,559,702	\$ 1,383,457	\$ 2,943,159	\$ 1,411,086	-

Balance Sheet - Governmental Funds

December 31, 2007 (dollars in thousands)

	General	Human Services	Bond Projects	Other Governmental Funds	Total Governmental Funds
Assets					
Cash on hand	\$ 2	\$ 398	\$ -	\$ 4,056	\$ 4,456
Cash and cash equivalents	94,691	11,040	143,059	171,337	420,127
Receivables (net of allowances of \$71,799)					
Taxes	113,616	46,336	-	140,820	300,772
Special assessments	-	-	-	956	956
Notes	25	-	-	80,546	80,571
Accounts	14,292	18,951	-	26,004	59,247
Accrued interest	1,111	-	634	878	2,623
Interfund receivable	30,977	56	-	4,311	35,344
Due from other governments	289	4,728	-	43,836	48,853
Prepaid items and other assets	-	-	-	575	575
Restricted assets:					
Cash and cash equivalents	40,817	2,044	-	14,548	57,409
Assets held for disposition	-	-	-	6,327	6,327
Total Assets	<u>\$ 295,820</u>	<u>\$ 83,553</u>	<u>\$ 143,693</u>	<u>\$ 494,194</u>	<u>\$ 1,017,260</u>
Liabilities and Fund Balances					
Liabilities:					
Vouchers payable	\$ 13,576	\$ 8,271	\$ 10,017	\$ 29,645	\$ 61,509
Accrued liabilities	12,168	1,354	-	748	14,270
Due to taxing units	2	134	-	344	480
Interfund payable	2,774	5,693	395	4,641	13,503
Deferred revenue	71,706	46,702	-	154,764	273,172
Advances	3	406	-	3,431	3,840
Total Liabilities	<u>100,229</u>	<u>62,560</u>	<u>10,412</u>	<u>193,573</u>	<u>366,774</u>
Fund Balances:					
Reserved for:					
Notes receivable	-	-	-	80,546	80,546
Prepaid items and other assets	-	-	-	575	575
Assets held for disposition	-	-	-	6,327	6,327
Emergency use	20,101	2,000	-	9,139	31,240
Construction	-	-	-	15	15
Debt service:					
Long-term debt	20,716	44	-	39,842	60,602
Interest	-	-	-	19,450	19,450
Unreserved:					
Designated for subsequent years' expenditures, reported in:					
Capital projects funds	-	-	121,634	58,926	180,560
Undesignated, reported in:					
General Fund	154,774	-	-	-	154,774
Special revenue funds	-	18,949	-	77,190	96,139
Capital projects funds	-	-	11,647	5,224	16,871
Permanent fund	-	-	-	3,387	3,387
Total Fund Balances	<u>195,591</u>	<u>20,993</u>	<u>133,281</u>	<u>300,621</u>	<u>650,486</u>
Total Liabilities and Fund Balances	<u>\$ 295,820</u>	<u>\$ 83,553</u>	<u>\$ 143,693</u>	<u>\$ 494,194</u>	<u>\$ 1,017,260</u>

See accompanying notes to basic financial statements.

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Assets

December 31, 2007 (dollars in thousands)

Amounts reported for governmental activities in the statement of net assets (*see page 29*) are different because:

Total fund balance-governmental funds (<i>see page 32</i>)	\$ 650,486
Capital assets used in governmental activities, excluding internal service funds of \$4,102, are not financial resources, and therefore, are not reported in the funds.	2,202,429
Accrued interest payable not included in the funds.	(13,921)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	26,050
Bond issue costs, net of accumulated amortization.	3,850
Internal service funds are used by management to charge the cost of these funds to their primary users-governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	(4,219)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds (this excludes internal service liabilities of \$34,001).	(1,304,973)
Net assets of governmental activities (<i>see page 29</i>)	<u>\$ 1,559,702</u>

See accompanying notes to basic financial statements.

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

For the Year Ended December 31, 2007 (dollars in thousands)

	General	Human Services	Bond Projects	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes:					
Facilities development admission	\$ -	\$ -	\$ -	\$ 10,092	\$ 10,092
Lodgers	13,483	-	-	36,168	49,651
Motor vehicle ownership fee	16,963	-	-	-	16,963
Occupational privilege	21,376	-	-	21,375	42,751
Public service	18,478	2,100	-	-	20,578
Property	79,232	42,497	-	105,459	227,188
Sales	418,177	-	-	37,259	455,436
Specific ownership	-	-	-	64	64
Telephone	3,231	-	-	6,687	9,918
Special assessments	-	-	-	1,370	1,370
Licenses and permits	28,094	-	-	1,289	29,383
Intergovernmental revenues	32,861	82,644	-	95,846	211,351
Charges for services	107,519	1,406	-	47,639	156,564
Investment and interest income	18,717	23	8,888	12,362	39,990
Fines and forfeitures	34,253	-	-	2,760	37,013
Contributions	3	235	-	8,430	8,668
Other revenue	11,162	1,718	10	27,486	40,376
Total Revenues	803,549	130,623	8,898	414,286	1,357,356
Expenditures					
Current:					
General government	156,040	-	5	80,649	236,694
Public safety	400,469	-	-	70,509	470,978
Public works	84,310	-	42	11,961	96,313
Human services	-	129,451	-	-	129,451
Health	41,783	-	-	6,911	48,694
Parks and recreation	47,003	-	190	12,598	59,791
Cultural activities	31,386	-	260	41,328	72,974
Community development	17,499	-	-	36,378	53,877
Economic opportunity	-	-	-	26,122	26,122
Principal retirement	571	2,791	-	78,323	81,685
Interest	2,737	1,989	-	48,661	53,387
Bond issue costs	-	-	421	-	421
Capital outlay	-	-	56,905	38,916	95,821
Total Expenditures	781,798	134,231	57,823	452,356	1,426,208
Excess (Deficiency) of revenues over expenditures	21,751	(3,608)	(48,925)	(38,070)	(68,852)
Other Financing Sources (Uses)					
Sale of capital assets	13	-	-	5,711	5,724
General obligation bonds issued	-	-	8,861	-	8,861
Insurance recoveries	1	5	-	5	11
Transfers in	32,333	-	-	53,013	85,346
Transfers out	(44,163)	(32)	-	(38,890)	(83,085)
Total Other Financing Sources (Uses)	(11,816)	(27)	8,861	19,839	16,857
Net change in fund balances	9,935	(3,635)	(40,064)	(18,231)	(51,995)
Fund balances - January 1	185,656	24,628	173,345	318,852	702,481
Fund Balances - December 31	\$ 195,591	\$ 20,993	\$ 133,281	\$ 300,621	\$ 650,486

See accompanying notes to basic financial statements.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2007 (dollars in thousands)

Amounts reported for governmental activities in the statement of activities (see pages 30 and 31) are different because:

Net change in fund balances - total governmental funds (see page 34)	\$ (51,995)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period:	
Capital outlay, including sale of assets	163,643
Depreciation expense	(109,953)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:	
Change in revenues in fund statements previously recognized in Statement of Activities	(5,932)
Donations of capital assets	17,610
The issuance of long-term debt and other obligations (e.g., bonds, certificates of participation, and capital leases) provides current financial resource to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on change in net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These differences in the treatment of long-term debt and related items consist of:	
General obligation bonds issued	(8,861)
Principal retirement on bonds	68,265
Issuance costs, premium, discounts and deferred gain (loss) on refunding	4,425
Capital lease principal payments	13,420
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Compensated absences (excluding internal service)	(6,392)
Accrued interest payable	(1,205)
Legal liability	980
Note payable	2,044
Line of credit payable	4,474
Internal service funds are used by management to charge their cost to individual funds. The net expense of certain activities of internal service funds is reported within governmental activities.	3,644
Change in net assets of governmental activities (see page 31)	\$ 94,167

See accompanying notes to basic financial statements.

Statement of Net Assets - Proprietary Funds

December 31, 2007 (dollars in thousands)

	Business-type Activities	
	Wastewater Management	Denver Airport System
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,834	\$ 133,419
Investments	45,991	135,544
Receivables (net of allowance for uncollectibles of \$1,651):		
Accounts	10,753	39,225
Accrued interest	453	5,248
Interfund receivable	791	415
Inventories		6,658
Prepaid items and other assets	320	107
Restricted assets:		
Cash and cash equivalents	-	331,500
Investments	-	217,789
Accrued interest receivable	-	1,076
Other receivables	-	17,772
Prepaid items	-	3,108
Total Current Assets	65,142	891,861
Noncurrent assets:		
Investments - unrestricted	-	121,443
Investments - restricted	-	541,593
Capital assets:		
Land and construction in progress	86,069	466,016
Buildings and improvements	14,207	1,972,606
Improvements other than buildings	555,257	2,014,224
Machinery and equipment	13,087	603,385
Accumulated depreciation	(197,030)	(1,583,993)
Net capital assets	471,590	4,135,274
Bond issue costs and other assets, net	294	59,633
Assets held for disposition	-	14,094
Total Noncurrent Assets	471,884	4,209,001
Total Assets	\$ 537,026	\$ 5,100,862

See accompanying notes to basic financial statements.

- Enterprise Funds			Governmental
Other	Total		Activities -
Enterprise	Enterprise		Internal Service
Funds	Funds		Funds
\$ 20,525	\$ 160,778	\$ 22,271	
	181,535	-	
1,489	51,467	508	
129	5,830	88	
	1,206	3,193	
135	6,793	2,107	
	427	-	
1,994	333,494	14	
	217,789	-	
16	1,092	-	
589	18,361	-	
	3,108	-	
24,877	981,880	28,181	
-	121,443	-	
-	541,593	-	
9,239	561,324	-	
9,128	1,995,941	4,107	
8,693	2,578,174	82	
4,200	620,672	8,162	
(14,722)	(1,795,745)	(8,249)	
16,538	4,623,402	4,102	
215	60,142	-	
	14,094	-	
16,753	4,697,638	4,102	
\$ 41,630	\$ 5,679,518	\$ 32,283	

continued

Statement of Net Assets - Proprietary Funds, continued

December 31, 2007 (dollars in thousands)

	Business-type Activities	
	Wastewater Management	Denver Airport System
Liabilities		
Current liabilities:		
Vouchers payable	\$ 1,564	\$ 32,441
Revenue bonds payable	1,180	-
Accrued liabilities	665	44,839
Interfund payable	5,677	18,241
Capital lease obligations	-	-
Compensated absences	539	1,914
Deferred revenue	13,665	-
Claims reserve	-	-
Construction payable	7,212	-
Unearned revenue	-	23,822
Current liabilities (payable from restricted assets):		
Vouchers payable	-	24,755
Retainages payable	-	24,436
Notes payable	-	12,139
Accrued interest and other liabilities	-	21,517
Other accrued liabilities	-	13,708
Revenue bonds payable	-	103,830
Total Current Liabilities	30,502	321,642
Noncurrent liabilities		
Notes payable	-	49,532
Revenue bonds payable	24,323	4,095,020
Deferred loss on refunding	-	(303,121)
Unamortized premium (discounts)	-	58,422
Capital lease obligations	-	-
Other accrued liabilities	1,732	5,377
Claims reserve	-	-
Total Noncurrent Liabilities	26,055	3,905,230
Total Liabilities	56,557	4,226,872
Net Assets		
Invested in capital assets, net of related debt	439,169	(131,740)
Restricted for:		
Capital projects	-	18,773
Debt service	-	657,498
Unrestricted	41,300	329,459
Total Net Assets (Deficit)	\$ 480,469	\$ 873,990

Adjustment to reflect consolidation of internal service fund activities
related to enterprise funds

Net assets of business-type activities

See accompanying notes to basic financial statements.

- Enterprise Funds			Governmental Activities - Internal Service Funds
Other Enterprise Funds	Total Enterprise Funds		
\$ 2,282	\$ 36,287	\$	896
370	1,550		-
75	45,579		211
1,283	25,201		1,039
-	-		151
169	2,622		244
45	13,710		-
-	-		11,690
-	7,212		-
-	23,822		-
1,994	26,749		-
-	24,436		-
-	12,139		-
-	21,517		-
-	13,708		-
-	103,830		-
6,218	358,362		14,231
-	49,532		-
6,110	4,125,453		-
-	(303,121)		-
59	58,481		-
-	-		317
615	7,724		778
-	-		20,806
6,784	3,938,069		21,901
13,002	4,296,431		36,132
10,058	317,487		3,634
-	18,773		-
-	657,498		-
18,570	389,329		(7,483)
\$ 28,628	1,383,087	\$	(3,849)
	370		
	\$ 1,383,457		

Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds

For the Year Ended December 31, 2007 (dollars in thousands)

	Business-type Activities	
	Wastewater Management	Denver Airport System
Operating Revenues		
Charges for services	\$ 75,750	\$ 518,229
Other revenue	-	11,922
Total Operating Revenues	75,750	530,151
Operating Expenses		
Personnel services	18,924	104,321
Contractual services	15,382	165,044
Supplies and materials	1,919	21,408
Depreciation and amortization	11,197	159,309
Metropolitan Wastewater Reclamation District	28,777	-
Claims payments	-	-
Change in claims reserve	-	-
Other operating expenses	-	-
Total Operating Expenses	76,199	450,082
Operating income (loss)	(449)	80,069
Nonoperating Revenues (Expenses)		
Investment and interest income	4,240	82,249
Passenger facility charges	-	97,191
Disposition of assets	33	-
Grants	-	324
Interest expense	5	(220,064)
Passenger facility charge	-	(8,827)
Total Nonoperating Revenues (Expenses)	4,278	(49,127)
Income before contributions and transfers	3,829	30,942
Capital grants and contributions	9,906	2,426
Transfers out	(11)	-
Change in net assets	13,724	33,368
Net assets - January 1, as previously reported	466,745	702,769
Restatement for correction of error	-	137,853
Net assets - January 1, as restated	-	840,622
Net Assets (Deficit) - December 31	\$ 480,469	\$ 873,990
Change in net assets of enterprise funds		
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds		
Change in net assets of business-type activities		

See accompanying notes to basic financial statements.

<u>- Enterprise Funds</u>			<u>Governmental</u>
<u>Other</u>	<u>Total</u>		<u>Activities -</u>
<u>Enterprise</u>	<u>Enterprise</u>		<u>Internal Service</u>
<u>Funds</u>	<u>Funds</u>		<u>Funds</u>
\$ 15,899	\$ 609,878	\$	46,316
874	12,796		488
<u>16,773</u>	<u>622,674</u>		<u>46,804</u>
6,416	129,661		9,031
9,362	189,788		493
807	24,134		16,370
678	171,184		828
-	28,777		-
-	-		8,648
-	-		1,238
1,285	1,285		6,857
<u>18,548</u>	<u>544,829</u>		<u>43,465</u>
(1,775)	77,845		3,339
1,396	87,885		689
-	97,191		-
-	33		(2)
-	324		-
(312)	(220,371)		(12)
-	(8,827)		-
<u>1,084</u>	<u>(43,765)</u>		<u>675</u>
(691)	34,080		-
-	12,332		-
<u>(2,250)</u>	<u>(2,261)</u>		<u>-</u>
(2,941)	44,151		4,014
31,569	1,201,083		(7,863)
-	137,853		-
-	1,338,936		-
<u>\$ 28,628</u>	<u>\$ 1,383,087</u>	<u>\$</u>	<u>(3,849)</u>
	\$ 44,151		
	(182)		
	<u>\$ 43,969</u>		

Statement of Cash Flows - Proprietary Funds

For the Year Ended December 31, 2007 (dollars in thousands)

	Business-type Activities	
	Wastewater Management	Denver Airport System
Cash Flows From Operating Activities		
Receipts from customers	\$ 77,607	\$ 524,011
Payments to suppliers	(32,286)	(172,191)
Payments to employees	(18,649)	(103,726)
Other receipts (payments)	-	-
Interfund activity	(10,437)	(13,418)
Sale of salvage	-	-
Claims paid	-	-
Other payments	-	-
Net Cash Provided by Operating Activities	16,235	234,676
Cash Flows From Noncapital Financing Activities		
Transfers out	(11)	-
Operating grants	-	383
Net Cash Provided (Used) By Noncapital Financing Activities	(11)	383
Cash Flows From Capital and Related Financing Activities		
Proceeds from capital debt	-	480,150
Bond issue costs	-	(2,498)
Principal payments	(1,135)	(172,149)
Passenger facility charges	-	98,242
Payments on capital assets acquired through construction payables	(13,466)	(39,670)
Acquisition and construction of capital assets	(57,369)	(133,132)
Sale of capital assets	33	503
Interest paid	(1,323)	(199,416)
Contributions and advances	6,257	8,260
Payments to escrow for current refunding of debt	-	(12,307)
Net Cash Provided (Used) by Capital and Related Financing Activities	(67,003)	27,983
Cash Flows From Investing Activities		
Purchases of investments	(11,923)	(7,397,239)
Proceeds from sale of investments	65,971	7,216,181
Sale of assets held for disposition; payments to maintain assets held	-	(24,474)
Insurance proceeds from Stapelton remediation	-	30,248
Interest received	3,565	66,324
Net Cash Provided (Used) by Investing Activities	57,613	(108,960)
Net increase (decrease) in cash and cash equivalents	6,834	154,082
Cash and cash equivalents - January 1	-	310,837
Cash and Cash Equivalents - December 31	\$ 6,834	\$ 464,919
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities		
Operating income (loss)	\$ (449)	\$ 80,069
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	11,197	159,309
Miscellaneous revenue	-	6,750
Accounts receivable, net of allowance	1,669	(12,336)
Interfund receivable	(225)	-
Inventories	-	(1,121)
Prepaid items	-	580
Vouchers payable	155	1,269
Unearned revenue	413	16,609
Accrued and other liabilities	(336)	(17,507)
Interfund payable	3,811	1,054
Claims reserve	-	-
Net Cash Provided by Operating Activities	\$ 16,235	\$ 234,676
Noncash Activities		
Assets acquired through capital contributions	\$ 3,650	\$ -
Unrealized gain (loss) on investments	650	18,732
Capital assets acquired through accounts payable	7,212	36,720
Amortization of bond premiums, deferred losses on bond refundings and bond costs	-	17,920

<u>- Enterprise Funds</u>		<u>Governmental</u>	
<u>Other</u>	<u>Total</u>	<u>Activities -</u>	
<u>Enterprise</u>	<u>Enterprise</u>	<u>Internal Service</u>	
<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	
\$ 16,316	\$ 617,934	\$ 43,790	
(6,493)	(210,970)	(23,158)	
(6,374)	(128,749)	(9,030)	
-	-	426	
-	(23,855)	-	
-	-	56	
-	-	(8,648)	
(1,125)	(1,125)	-	
2,324	253,235	3,436	
(2,250)	(2,261)	-	
-	383	-	
(2,250)	(1,878)	-	
-	480,150	-	
25	(2,473)	-	
(360)	(173,644)	(143)	
-	98,242	-	
-	(53,136)	-	
(6,649)	(197,150)	(1,211)	
-	536	(2)	
(312)	(201,051)	(12)	
-	14,517	-	
-	(12,307)	-	
(7,296)	(46,316)	(1,368)	
-	(7,409,162)	-	
-	7,282,152	-	
-	(24,474)	-	
-	30,248	-	
1,384	71,273	675	
1,384	(49,963)	675	
(5,838)	155,078	2,743	
28,357	339,194	19,542	
\$ 22,519	\$ 494,272	\$ 22,285	
\$ (1,775)	\$ 77,845	\$ 3,339	
678	171,184	828	
-	6,750	-	
(503)	(11,170)	(379)	
-	(225)	361	
12	(1,109)	(201)	
-	580	-	
3,808	5,232	(874)	
46	17,068	-	
43	(17,800)	1	
15	4,880	(877)	
-	-	1,238	
\$ 2,324	\$ 253,235	\$ 3,436	
\$ -	\$ 3,650	\$ -	
-	19,382	-	
-	43,932	-	
-	17,920	-	

Statement of Fiduciary Net Assets - Fiduciary Funds

December 31, 2007 (dollars in thousands)

	Pension and Other Employee Benefit Trust Funds	Private-Purpose Trust Funds	Agency Funds
Assets			
Cash on hand	\$ -	\$ 782	\$ 4,028
Cash and cash equivalents	40,536	573	12,960
Securities lending collateral	279,711	-	-
Receivables (net of allowance for uncollectibles of \$5,987):			
Taxes	-	-	485,093
Accounts	812	-	26
Accrued interest	6,477	-	-
Investments, at fair value:			
U.S. Government obligations	158,693	-	-
Domestic stocks and bonds	1,245,363	-	-
International stocks	364,619	-	-
Annuity	428,056	-	-
Mutual funds	49,751	-	-
Real estate	238,387	-	-
Other	100,656	-	-
Total investments	2,585,525	-	-
Capital assets, net of accumulated depreciation	1,044	-	-
Total Assets	2,914,105	1,355	502,107
Liabilities			
Vouchers payable	7,879	316	326
Securities lending obligation	279,711	-	-
Other accrued liabilities	-	-	4,213
Due to taxing units	-	782	497,568
Total Liabilities	287,590	1,098	502,107
Net Assets			
Held in trust for pension benefits and other purposes	\$ 2,626,515	\$ 257	\$ -

See accompanying notes to basic financial statements.

Statement of Changes in Fiduciary Net Assets - Fiduciary Funds

For the Year Ended December 31, 2007 (dollars in thousands)

	Pension and Other Employee Benefit Trust Funds	Private-Purpose Trust Funds
Additions		
Contributions:		
City and County of Denver	\$ 38,862	\$ -
Denver Health and Hospital Authority	6,598	-
Plan members	47,287	-
Total contributions	92,747	-
Investment income:		
Net appreciation in fair value of investments	156,156	-
Interest and dividends	101,988	-
Total investment income	258,144	-
Less investment expense	(9,453)	-
Net income from investments	248,691	-
Securities lending income	14,404	-
Securities lending expenses:		
Borrower rebates	(12,899)	-
Agent fees	(376)	-
Net income from securities lending	1,129	-
Total net investment income	249,820	-
Other additions	-	36
Total Additions	342,567	36
Deductions		
Benefits	146,538	-
Refunds of contributions	410	-
Administrative expenses	2,604	-
Total Deductions	149,552	-
Change in net assets	193,015	36
Net assets-January 1	2,433,500	221
Net assets-December 31	\$ 2,626,515	\$ 257

See accompanying notes to basic financial statements.

Statement of Net Assets - Component Units

December 31, 2007 (dollars in thousands)

	Denver Convention Center Hotel Authority	Denver Urban Renewal Authority	Water Board	Other Component Units	Total
Assets					
Cash on hand	\$ -	\$ -	\$ 54	\$ -	\$ 54
Cash and cash equivalents	3,648	2,803	36,489	9,389	52,329
Investments	-	1,664	195,858	13,237	210,759
Receivables:					
Taxes	-	-	-	7,414	7,414
Accounts	2,683	354	21,193	5,457	29,687
Accrued interest	-	61	-	-	61
Other	-	14,905	-	23,768	38,673
Inventories	-	-	6,192	984	7,176
Prepaid items and other assets	867	49	-	5,488	6,404
Restricted Assets:					
Cash and cash equivalents	-	6,023	-	4,064	10,087
Investments	63,909	59,553	-	-	123,462
Net assets held by third party	-	-	-	200,780	200,780
Capital Assets:					
Land and construction in progress	23,421	-	312,088	4,600	340,109
Buildings and improvements	228,454	-	209,195	39,733	477,382
Improvements other than buildings	-	-	1,499,287	-	1,499,287
Machinery and equipment	39,014	-	161,442	8,358	208,814
Accumulated depreciation	(22,782)	-	(534,410)	(33,734)	(590,926)
Net Capital Assets	268,107	-	1,647,602	18,957	1,934,666
Long-term receivables	-	-	23,659	476	24,135
Other assets	11,886	-	8,876	342	21,104
Total Assets	351,100	85,412	1,939,923	290,356	2,666,791
Liabilities					
Vouchers payable	5,902	-	17,572	4,976	28,450
Accrued liabilities	7,433	908	12,462	3,317	24,120
Deferred revenue	-	-	84	10,215	10,299
Advances	534	325	-	-	859
Due to other governments	-	2,768	-	-	2,768
Noncurrent liabilities:					
Due within one year	265	8,087	32,495	598	41,445
Due in more than one year	356,529	330,936	442,657	17,642	1,147,764
Total Liabilities	370,663	343,024	505,270	36,748	1,255,705
Net Assets					
Invested in capital assets, net of related debt	(90,159)	-	1,227,499	18,949	1,156,289
Restricted for:					
Capital projects	42,680	34,444	7,661	-	84,785
Emergency use	-	-	-	210	210
Debt service	29,575	-	-	-	29,575
Donor restrictions:					
Expendable	-	-	-	112,742	112,742
Nonexpendable	-	-	-	103,913	103,913
Unrestricted (deficit)	(1,659)	(292,056)	199,493	17,794	(76,428)
Total Net Assets (Deficit)	\$ (19,563)	\$ (257,612)	\$ 1,434,653	\$ 253,608	\$ 1,411,086

See accompanying notes to basic financial statements.

Statement of Activities - Component Units

For the Year Ended December 31, 2007 (dollars in thousands)

	Denver Convention Center Hotel Authority	Denver Urban Renewal Authority	Water Board	Other Component Units	Total
Expenses	\$ 86,084	\$ 72,819	\$ 185,812	\$ 88,903	\$ 433,618
Program Revenues					
Charges for services	79,990	2,472	196,642	27,249	306,353
Operating grants and contributions	-	350	38,934	25,457	64,741
Total Program Revenues	79,990	2,822	235,576	52,706	371,094
Net (expenses) revenues	(6,094)	(69,997)	49,764	(36,197)	(62,524)
General Revenues					
Taxes:					
Property	-	-	-	2,334	2,334
Specific ownership	-	54,714	-	29,235	83,949
Investment and interest income	3,305	3,969	12,201	1,294	20,769
Other revenues	6,614	3,517	3,037	23,711	36,879
Net General Revenues	9,919	62,200	15,238	56,574	143,931
Change in net assets	3,825	(7,797)	65,002	20,377	81,407
Net Assets (deficit) - January 1	(23,388)	(249,815)	1,369,651	233,231	1,329,679
Net Assets (Deficit) - December 31	\$ (19,563)	\$ (257,612)	\$ 1,434,653	\$ 253,608	\$ 1,411,086

See accompanying notes to basic financial statements.



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