

SECOND AMENDATORY AGREEMENT

THIS SECOND AMENDATORY AGREEMENT is made and entered into by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the "City"), and **BKD, LLP**, a Missouri limited liability partnership, authorized to do business in Colorado doing business at 111 S. Tejon Street Suite 800 Colorado Springs, CO 80903 (the "Contractor").

WITNESSETH:

WHEREAS, the City and the Contractor previously entered into an Agreement dated November 17, 2016 as amended by an Amendatory Agreement on October 19, 2017 (collectively the "Agreement") relating to audit of the basic financial statements of the City; and

WHEREAS, the City and the Contractor desire to add additional work and pay corresponding additional fees for that work;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and obligations herein set forth, the parties agree as follows:

1. The amended Scope of Work is attached hereto and incorporated herein as **Exhibit A-2** and all references to "Exhibit A and Exhibit A-1" are hereby amended to read "**Exhibits A, A-1, and A-2 as applicable.**"

2. The amended Fees Detail is attached hereto and incorporated herein as **Exhibit B-2** and all references to "Exhibit B and Exhibit B-1" are hereby amended to read "**Exhibits B, B-1, and B-2, as applicable.**"

3. Section 3 of the Agreement, entitled "**TERM**," is deleted in its entirety and replaced with the following:

3. **TERM:**

a. **Initial Term:** The Agreement will commence on the date of the City's signature (the "Effective Date") of this Agreement and will expire on December 31, 2017 (the "Initial Term").

b. **Optional Renewal Terms:** The parties shall have option to renew the Agreement after the expiration of the Initial Term for up to four (4) additional one-year terms (each an "Optional Renewal") upon Notice of the Denver Auditor, and subject to (i) appropriation of sufficient amounts for the subsequent year by City Council, and (ii) an executed amendment to this Agreement. The first Optional

Renewal Term shall be from January 1, 2018 to December 31, 2018; the second Optional Renewal Term shall be from January 1, 2019 to December 31, 2019; the third Optional Renewal Term shall be from January 1, 2020 to December 31, 2020; and the fourth Optional Renewal Term shall be from January 1, 2021 to December 31, 2021. Each Optional Renewal Term shall be referred to herein as a “Renewal Term”.

c. **Renewal Procedures; Non-Renewal.** The option to renew for an Optional Renewal Term shall be exercised upon amendment to this Agreement and if necessary to the Scope of Work and the City making such appropriation and encumbrance for the next fiscal year. Payments authorized pursuant to the amended Maximum Contract Amount (defined below) shall be payable at the rates shown on **Exhibits B, B-1, and B-2, as applicable** and only if funds are appropriated by the City Council and for which an encumbrance has been made in each year for the ensuing fiscal year. If such sufficient appropriation and encumbrance is not made for a future fiscal year, during which such Renewal Term occurs, then the City shall be deemed to have failed to exercise its option to renew this Agreement for a subsequent Renewal Term, whereupon this Agreement will expire and terminate on the expiration date of the then current Initial Term or Renewal Term. It is expressly understood and agreed that if the City exercises its option to renew this Agreement for a Renewal Term, the City’s obligation to make payments to the Contractor shall only extend to monies appropriated and encumbered for the purposes and amounts covered by this Agreement.

4. Subsection (a) of Section 4 of the Agreement, entitled “**Fee,**” is deleted in its entirety and replaced with the following:

a. **Fee:** The Contractor’s sole compensation for its services rendered and costs incurred under the Agreement is Seven Hundred Ninety One Thousand Eight Hundred Dollars (\$791,800.00) for 2016 audit of the Comprehensive Annual Financial Reports and two additional audits on the single audit upon completion of all services and production by the Contractor of periodic invoices acceptable to the City; Eight Hundred Seventy Four Thousand Two Hundred Dollars (\$874,200.00) to be paid for the 2017 audit of the Comprehensive Annual Financial Reports and two additional audits on the single audit upon completion of all services and production by the Contractor of an invoice acceptable to the City; Eight Hundred Ninety Five Thousand Dollars (\$895,000.00) to be paid for the 2018 audit of the Comprehensive Annual Financial Reports and two additional audits on the single audit upon completion of all services and production by the Contractor of an invoice acceptable to the City; and One Million Eight Hundred Fifty-Three Thousand One Hundred Dollars (\$1,853,100.00) to be paid for the 2019 to 2020 audit of the Comprehensive Annual Financial Reports and two additional audits on the single audit upon completion of all services and production by the Contractor of an invoice acceptable to the City. Amounts billed may not exceed the rates set forth in **Exhibits B, B-1, and B-2, as applicable.**

5. Subsection d (1) of Section 4 of the Agreement entitled “**Maximum Contract Amount**,” is deleted in its entirety and replaced with the following:

d. (1) Notwithstanding any other provision of the Agreement, the City’s maximum payment obligation, if all Renewal Terms are approved, will not exceed Four Million Four Hundred Sixty-Three Thousand Nine Hundred Seventy Dollars (\$4,463,970.00) (the “Maximum Contract Amount”). The City is not obligated to execute an Agreement or any amendments for any further services, including any services performed by Contractor beyond that specifically described in **Exhibits A, A-1 and A-2**, as applicable. Any services performed beyond those in Exhibit A are performed at Contractor’s risk and without authorization under the Agreement.

5. Except as herein amended, the Agreement is affirmed and ratified in each and every particular.

Remainder of page left intentionally blank.

Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By _____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

By _____

By _____

By _____



Contract Control Number: AUDIT-201629144-02

Contractor Name: BKD LLP

By: Christopher J. Telli

Name: Christopher J. Telli
(please print)

Title: Partner
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)



EXHIBIT A-2

SCOPE OF WORK

ENGAGEMENT OBJECTIVES AND SCOPE

We will audit the basic financial statements of **CITY AND COUNTY OF DENVER** as of and for the years ending December 31, 2019, and December 31, 2020, and the related notes to the financial statements.

Our audit will be conducted with the objectives of:

- ✓ Expressing an opinion on the financial statements
- ✓ Issuing a report on your compliance based on the audit of your financial statements.
- ✓ Issuing a report on your internal control over financial reporting based on the audit of your financial statements.
- ✓ Expressing an opinion on your compliance, in all material respects, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that are applicable to each of your major federal award programs.
- ✓ Issuing a report on your internal control over compliance based on the audit of your compliance with the types of compliance requirements that are applicable to each of your major federal award programs.
- ✓ Issuing a report on your schedule of expenditures of federal awards.

We will also audit the stand-alone basic financial statements of the Airport System Enterprise Fund of the City and County of Denver (the Airport) as of and for the year ended December 31, 2019, and December 31, 2020, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

The objectives of our audit of the Airport are:

- ✓ Expression of opinions on the conformity of your financial statements, in all material respects, with accounting principles generally accepted in the United States of America
- ✓ Issuance of a report on your compliance based on the audit of your financial statements
- ✓ Issuance of a report on your internal control over financial reporting based on the audit of your financial statements
- ✓ Issuance of a report on compliance with requirements applicable to the Passenger Facility Charge program for the year ended December 31, 2019 and December 31, 2020

- ✓ Issuance of a report on internal control over compliance with requirements applicable to the Passenger Facility Charge program for the year ended December 31, 2019 and December 31, 2020
- ✓ Issuance a report on your schedule of Passenger Facility Charges revenues and expenditures for the year ended December 31, 2019 and December 31, 2020

We will also express an opinion on whether the accompanying combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

OUR RESPONSIBILITIES

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards require that we plan and perform:

- ✓ The audit of the financial statements to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by fraud or error. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- ✓ The audit of compliance with the types of compliance requirements described in the *OMB Compliance Supplement* applicable to each major federal award program to obtain reasonable rather than absolute assurance about whether noncompliance having a direct and material effect on a major federal award program occurred.
- ✓ The audit of compliance with the types of compliance requirements described in the Federal Aviation Administration guidelines applicable to Passenger Facility Charges to obtain reasonable rather than absolute assurance about whether noncompliance having a direct and material effect on the Passenger Facility Charge program occurred

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance having a direct and material effect may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

Likewise, our audits of compliance with the types of compliance requirements applicable to each major federal award program and of compliance with the types of compliance requirements applicable to the Passenger Facility Charge program are designed to detect noncompliance having direct and material effect on a major program or the Airport System's Passenger Facility Charge

program. Consequently, our audits will not necessarily detect noncompliance having an indirect and material or an immaterial effect on any federal award program or the Airport System' Passenger Facility Charge program.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Also, in the future, procedures could become inadequate because of changes in conditions or deterioration in design or operation. Two or more people may also circumvent controls, or management may override the system.

We are available to perform additional procedures with regard to fraud detection and prevention at your request, subject to completion of our normal engagement acceptance procedures. The actual terms and fees of such an engagement would be documented in a manner consistent with the Agreement.

Chris Telli is responsible for supervising the engagement and authorizing the signing of the report or reports. Engagement staffing levels consistent with the 2016 proposal will be provided and any substantive change in staffing will be discussed and approved with the City as part of the engagement.

We will issue a written report upon completion of our audit of CITY AND COUNTY OF DENVER's financial statements. Our report will be addressed to the Audit Committee of the CITY AND COUNTY OF DENVER. You are responsible to distribute our reports to other officials who have legal oversight authority or those responsible for acting on audit findings and recommendations, and to others authorized to receive such reports. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis of matter or other matter paragraph(s), or withdraw from the engagement. If we discover conditions that may prohibit us from issuing a standard report, we will notify you as well. In such circumstances, further arrangements may be necessary to continue our engagement.

We will also express an opinion on whether the accompanying combining and individual fund financial statements and schedules (supplementary information) are fairly stated, in all material respects, in relation to the financial statements as a whole.

YOUR RESPONSIBILITIES

Our audit will be conducted on the basis that management and, where appropriate, those charged with governance acknowledge and understand that they have responsibility:

- a. for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;

- b. 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;
- c. for identifying and ensuring compliance with the laws, regulations, contracts and grants applicable to your activities (including your federal award programs); and
- d. to provide us with
 - i. access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
 - ii. additional information that we may request from management for the purpose of the audit; and
 - iii. unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, where appropriate, those charged with governance, written confirmation acknowledging certain responsibilities outlined in this engagement letter and confirming:

- The availability of this information
- Certain representations made during the audits for all periods presented
- The effects of any uncorrected misstatements, if any, resulting from errors or fraud aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole

The results of our tests of compliance and internal control over financial reporting performed in connection with our audit of the financial statements may not fully meet the reasonable needs of report users. Management is responsible for obtaining audits, examinations, agreed-upon procedures or other engagements that satisfy relevant legal, regulatory or contractual requirements or fully meet other reasonable user needs.

With regard to supplementary information:

- Management is responsible for its preparation in accordance with applicable criteria
- Management will provide certain written representations regarding the supplementary information at the conclusion of our engagement
- Management will include our report on this supplementary information in any document that contains this supplementary information and indicates we have reported on the supplementary information

- Management will make the supplementary information readily available to intended users if it is not presented with the audited financial statements

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

We will report to you, in writing, the following matters:

The auditor's responsibility under auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and U.S. Office of Management and Budget (OMB) replace Title 2 U.S. Code of Federal Regulations (CFR) *Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

- ✓ An overview of the planned scope and timing of the audits
- ✓ Significant findings from the audits
- ✓ Other matters required to be communicated in accordance with AU-C Section 260: *The Auditor's Communication with Those Charged with Governance*, AU-C Section 265: *Communicating Internal Control Related Matters Identified in an Audit* and AU-C Section 935: *Compliance Audits*

ENGAGEMENT FEES

Our fees for the 2019 Audit for the year ended December 31, 2019 and the 2020 Audit for the year ended December 31, 2020 will be as agreed upon in the Agreement as shown in Exhibit B.

OTHER ENGAGEMENT MATTERS AND LIMITATIONS

BKD is not acting as your municipal advisor under Section 15B of the *Securities Exchange Act of 1934*, as amended. As such, BKD is not recommending any action to you and does not owe you a fiduciary duty with respect to any information or communications regarding municipal financial products or the issuance of municipal securities. You should discuss such information or communications with any and all internal or external advisors and experts you deem appropriate before acting on any such information or material provided by BKD.

We may from time to time utilize third-party service providers, *e.g.*, domestic software processors or legal counsel, or disclose confidential information about you to third-party service providers in serving your account. We remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of confidential information. In the event we are unable to secure an appropriate confidentiality agreement, confidential information will not be shared with the third-party service provider.

We will, at our discretion or upon your request, deliver financial or other confidential

information to you electronically via email or other mechanism. You recognize and accept the risk involved, particularly in email delivery as the Internet is not necessarily a secure medium of communication as messages can be intercepted and read by those determined to do so.

You agree you will not modify these documents for internal use or for distribution to third parties. You also understand that we may on occasion send you documents marked as draft and understand that those are for your review purpose only, should not be distributed in any way and should be destroyed as soon as possible.

BKD, LLP shall not mandate nor require that the City and County of Denver involve **BKD, LLP's** when the City and County of Denver includes its audited financial statements and **BKD, LLP's** audit report in a City and County of Denver bond offering document. The City and County of Denver's offering document should include the following language, "**BKD, LLP**, the City's independent external auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. **BKD, LLP** also has not performed any procedures related to this official statement."

Any offering document issued by the City and County of Denver with which we are not involved will clearly indicate that we are not involved by including a disclosure such as, "**BKD, LLP**, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. **BKD, LLP**, also has not performed any procedures relating to this offering document."

You agree to notify us if you desire to place these financial statements or our report thereon along with other information, such as a report by management or those charged with governance on operations, financial summaries or highlights, financial ratios, etc., on an electronic site. You recognize that we have no responsibility as auditors to review information contained in electronic sites. The City affirmatively notifies **BKD** that it places the reports on the City's Denvergov.org website and that bond offering documents are placed on websites in connection with the bond offering.

Any time you intend to reference our firm name in any manner in any published materials, including on an electronic site, you agree to provide us with draft materials for our review and approval before publishing or posting such information.

BKD is a registered limited liability partnership under Missouri law. Under applicable professional standards, partners of **BKD, LLP** have the same responsibilities as do partners in a general accounting and consulting partnership with respect to conformance by themselves and other professionals in **BKD** with their professional and ethical obligations. However, unlike the partners in a general partnership, the partners in a registered limited liability partnership do not have individual civil liability, directly or indirectly, including by way of indemnification, contribution, assessment or otherwise, for any debts, obligations or liabilities of or chargeable to the registered limited liability partnership or each other, whether arising in tort, contract or otherwise.

In accordance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, we have attached hereto a copy of our latest peer review report for the year ended May 31, 2017 dated October 6, 2017.

HIPAA BUSINESS ASSOCIATE AGREEMENT

We agree not to use or disclose Protected Health Information of your employees (hereinafter referred to as "PHI") obtained or produced in any form of media during the course of our work in a manner prohibited by HIPAA, as amended. We may use or disclose PHI for purposes of (a) performing our engagement, (b) management and administration of BKD, or (c) carrying out legal responsibilities of BKD. We will not further disclose information except as permitted or required by this contract or as required by law. When using or disclosing PHI in relation to this engagement, we will limit disclosures as required by HIPAA. We will not use PHI in any marketing activities in a manner that would violate HIPAA. We represent to you that we have implemented what we consider to be appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of your PHI as required for us as a business associate to comply with HIPAA.

With respect to your PHI, we will report to you any breach (as defined in 45 CFR 164.402), material security incident or use or disclosure not authorized by this agreement and, to the extent practical, assist you in mitigating any harmful effects caused by breaches, material security incidents or unauthorized uses or disclosures of which we become aware. To assist you in fulfilling your responsibility to notify impacted individuals and others of a breach involving unsecured PHI (as required under 45 CFR 164.400 et seq.), in this report we will identify to you, to the extent reasonably possible:

1. Each individual whose unsecured PHI was subject to the breach.
2. Any other available information you are required to include in your notification to such individual(s) or others under 45 CFR 164.404(c).

We agree that any material violation of these confidentiality provisions by us entitles you to terminate this engagement. Similarly, if we become aware of a violation of HIPAA by you that cannot be or is not timely cured, we may be obligated to terminate this engagement.

BKD agrees to:

1. Upon their request, make available to the Secretary of Health and Human Services (HHS) our internal practices and books and records relating to the use and disclosure of PHI for purposes of determining your compliance with the Security and Privacy Rule, subject to any applicable legal privileges.
2. Make available information necessary for you to make an accounting of disclosures of PHI about an individual.

3. To the extent we maintain information that is part of a Designated Record Set, make available information necessary for you to respond to requests by individuals for access to PHI that is not in your possession but is considered part of a Designated Record Set.
4. Upon receipt of a written request from you, incorporate any amendments or corrections to PHI contained in our workpapers in accordance with the Security and Privacy Rule to the extent such PHI is considered part of a Designated Record Set.

For purposes of this agreement, the term "Security and Privacy Rule" refers to the final rules published to implement the Administrative Simplification provisions of the *Health Insurance Portability and Accountability Act of 1996*, specifically 45 CFR Parts 160 and 164. The terms "Protected Health Information" and "Designated Record Set" have the same meaning as defined in the Security and Privacy Rule.

At the conclusion or termination of this engagement, any PHI retained by us will be subject to the same safeguards as for active engagements.

We will obtain from any agents, including subcontractors, to whom we provide PHI received from you, or created or received by us on behalf of you, an agreement to the same restrictions and conditions that apply to us with respect to such PHI.

To the extent that any relevant provision of HIPAA is eliminated or held to be invalid by a court of competent jurisdiction, the corresponding portion of this agreement shall be deemed of no force and effect for any purpose. To the extent that any relevant provision of HIPAA is materially amended in a manner that changes the obligations of business associates or covered entities that are embodied in term(s) of this engagement, the Parties agree to negotiate in good faith appropriate amendment(s) to this engagement to give effect to such revised obligations. In addition, the terms of this engagement should be construed in light of any interpretation and/or guidance on HIPAA issued by HHS from time to time.



8550 United Plaza Blvd., Ste. 1001 - Baton Rouge, LA 70809
225-922-4600 Phone - 225-922-4611 Fax - pncpa.com

Postlethwaite & Netterville and Associates, L.L.C.

Report on the Firm's System of Quality Control

To the Partners of
BKD, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of BKD, LLP (the firm) applicable to engagements not subject to PCAOB inspection in effect for the year ended May 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under Single Audit Act; audits of employee benefit plans, audits performed under FDICIA, an audit of carrying broker-dealers, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As part of our peer review, we considered reviews by regulatory entities as communicated to the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of BKD, LLP applicable to engagements not subject to PCAOB inspection in effect for the year ended May 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. BKD, LLP has received a peer review rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana
October 6, 2017

EXHIBIT B-2

BUDGET

September 28, 2018

Independent Audit Committee

Mr. Timothy M. O'Brien, CPA
City Auditor
City and County of Denver
Wellington E. Webb Municipal Building
201 West Colfax Avenue
Denver, Colorado 80202

Auditor O'Brien and Independent Audit Committee

Thank you for allowing BKD to continue working with the City and County of Denver (the City). We greatly value our relationship and are excited about the opportunity to present fees for a two-year extension of our contract.

As you know, our current contract with the City and County of Denver concludes in September 2019 and includes the audit of the year ending December 31, 2018. As you requested, we are providing a summary of fees for the audits of the years ending December 31, 2019 and 2020. The single audit fees shown below are based on the audit of 10 major programs. As throughout our working relationship, we will bill only for the number of programs actually audited. Additional programs will be billed based on the average per program fees during the applicable year.

Audit Segment	2019	2020
CAFR	\$ 544,200	\$ 555,000
Single Audit	161,250	163,750
Denver Airport System & Passenger Facility Charges	212,000	216,900
Total	\$ 917,450	\$ 935,650

In addition, BKD would like to propose a reallocation of fees between the Citywide CAFR audit and the Airport for the audit period ending December 31, 2018. The original fee and proposed reallocation is shown in the table below.

Audit Segment	Original 2018	Revised 2018
CAFR	\$ 580,500	\$ 530,500
Single Audit	157,500	157,500
Denver Airport System & Passenger Facility Charges	157,000	207,000
Total	\$ 895,000	\$ 895,000

City and County of Denver
September 28, 2018
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The City and County of Denver is an important client and we place great value on continuing our working relationship. If you have any questions please do not hesitate to contact us at 303.861.4545 or at the email addresses below.

Sincerely,



Christopher Telli,
Partner
ctelli@bkd.com



Jodie Cates
Managing Director
jcates@bkd.com



Jeff Ronsse
Managing Partner
jronsse@bkd.com

