Denver Health and Hospital Authority

Independent Auditor's Report and Financial Statements

December 31, 2024 and 2023

Denver Health and Hospital Authority
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December 31, 2024 and 2023

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Independent Auditor's Report

Board of Directors
Denver Health and Hospital Authority
Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities, the aggregate discretely presented component units, and the fiduciary activities of Denver Health and Hospital Authority (the Authority), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units and the fiduciary activities of the Authority as of December 31, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Authority, 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 opinions. The financial statements of Denver Health Medical Plan, Inc., DHHA OMC QALICB, Inc. and Denver Health and Hospitals Foundation, which are included as discretely presented component units, and Canadian Consumer Product and Pharmaceutical Safety, Inc. and 550 Acoma Inc., which are included as blended component units, were not audited in accordance with *Government Auditing Standards*.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 the Authority'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.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not 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 GAAS, 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 audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The consolidating statements of net position information, consolidating revenue and expense information, and the budget to actual information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, consolidating statements of net position information, consolidating revenue and expense information, and the budget to actual information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Denver, Colorado
April 4, 2025

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The following discussion and analysis provides management's view of the financial position and results of operations for the Authority as of and for the year ended December 31, 2024 and 2023, with comparative information presented for year 2022. This analysis should be read in conjunction with the Authority's financial statements and notes to the financial statements.

2024 Highlights

Through revenue improvements and improved cost efficiencies and after accounting for one-time impacts, including a $10 million Kaiser gift in the prior year, the Authority improved its operating performance modestly over 2023 results. In 2024, the Authority, to meet the needs of its patients, continued to utilize contract clinical labor at higher rates than historically observed prior to the COVID-19 pandemic, although utilization was significantly lower than 2023. As inflationary and other financial pressures increased, the Authority responded to labor and other cost challenges with innovative strategies and a long-term strategic plan, including significant investments in people, technology, and equipment. Operating expenses per adjusted discharge (case mix index (CMI) adjusted) decreased 6.8% compared to 2023. In addition, the Authority focused on multiple revenue-generating initiatives including optimizing commercial insurance contracts, re-energizing up front patient co-pay collections and implementing a revenue integrity program to optimize billing. On November 5, 2024 the City and County of Denver passed the 0.34% sales tax measure to support the Authority's operational costs. The tax measure is estimated to bring in $65 million in 2025 and grow annually through inflation and population growth. The stock and bond markets maintained a positive position in 2024 compared to 2023, resulting in an increase in fair value of investments of $5.8 million.

In 2001, the Authority closed the Denver Employee Retirement Plan (DERP) to new participants. Starting in 2022, the City and County of Denver passed an ordinance that requires the proportionate shares for the Denver Health and Hospital Authority (DHHA) and the non-DHHA employers in aggregate to be determined based on their relative shares of the Unfunded Actuarial Liability (UAL) from the prior actuarial valuation. This resulted in a $28.7 million non-cash expense in 2024 and $25.1 million non-cash expense in 2023. The Authority entered into a Tolling Agreement with the City and County of Denver related to DERP, limiting the future cash exposure. The chart below illustrates income without DERP expense.

	Changes in Net Position With and Without Non-Cash Pension		
	2024	**2023**	**2022**
Net Revenue (including FEMA/Donations)	$ 1,474,966,625	$ 1,401,124,879	$ 1,289,849,088
Operating Expenses (excluding non-cash Pension)	(1,454,037,453)	(1,375,799,299)	(1,316,739,274)
Interest Expense	(14,707,266)	(14,526,899)	(14,599,301)
Management Income	6,221,906	10,798,681	(41,489,487)
Non-Cash Pension	(28,662,646)	(25,113,200)	9,250,872
Operating Loss including Interest Expense and FEMA/Donations	(22,440,740)	(14,314,519)	(32,238,615)
Non-Operating Gain (Loss)	25,753,685	22,220,231	(26,424,470)
Contributions Restricted for Capital Assets	2,579,361	2,899,596	1,485,231
Increase (Decrease) in Net Position	**$ 5,892,306**	**$ 10,805,308**	**$ (57,177,854)**

The following table summarizes key metrics:33

Volume Metrics	2024 Actual	2023 Actual	Variance 2023/2024 I/(D)	%	2022 Actual	Variance 2022/2024 I/(D)	%
Admissions	27,120	22,235	4,885	21.97%	21,374	5,746	26.88%
Discharges	22,990	21,419	1,571	7.33%	20,182	2,808	13.91%
Adjusted Discharges	64,494	50,159	14,335	28.58%	44,796	19,698	43.97%
Patient Days	126,458	127,404	(946)	(0.74%)	129,678	(3,220)	(2.48%)
ADC	345.5	349.1	(3.6)	(1.03%)	355.3	(10)	(2.75%)
Discharged ALOS	6.0	5.9	0.1	1.71%	6.1	(0.1)	(1.62%)
ED Visits	99,742	91,231	8,511	9.33%	84,794	14,948	17.63%
Outpatient Clinic Visits	879,942	840,127	39,815	4.74%	802,205	77,737	9.69%
IP Surgeries	5,335	5,169	166	3.21%	4,784	551	11.52%
OP Surgeries	10,347	10,551	(204)	(1.93%)	9,225	1,122	12.16%
Total Surgeries	15,682	15,720	(38)	(0.24%)	14,009	1,673	11.94%
Deliveries	4,277	3,829	448	11.70%	3,482	795	22.83%
ACUTE Census Days	8,894	9,100	(206)	(2.26%)	8,153	741	9.09%

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements, which consist of business-type activities, discretely presented component units and fiduciary fund statements, and notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements. The business-type activities of the Authority include the following basic financial statements:

The *statement of net position* presents information on the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these items as net position. Over time, increases or decreases in net position may indicate whether the financial position of the Authority is improving or deteriorating.

The *statement of revenues, expenses and changes in net position* presents both the operating revenues and expenses and nonoperating revenues and expenses along with other changes in net position for the year. This statement is an indication of the success of the Authority's operations over the past year.

The *statement of cash flows* presents the change in cash and cash equivalents for the year resulting from operating activities, capital and related financing activities and investing activities. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the year.

Financial Analysis and Results of Operations

Changes to net position over time may serve as a useful indicator of the Authority's financial position. At December 31, 2024, the Authority's total net position increased by approximately $5.9 million from 2023, or 1.0%. The following table summarizes total assets, deferred outflows of resources, total liabilities, deferred inflows of resources and net position at December 31.

	Net Position		
	2024	**2023**	**2022**
Current and noncurrent assets	$ 660,920,645	$ 613,478,887	$ 557,351,884
Capital assets, net	619,993,356	628,909,686	662,931,031
Total assets	1,280,914,001	1,242,388,573	1,220,282,915
Deferred outflows of resources	62,713,983	77,980,860	22,080,734
Total assets and deferred outflows of resources	$ 1,343,627,984	$ 1,320,369,433	$ 1,242,363,649
Current liabilities	$ 205,037,636	$ 190,793,823	$ 196,362,079
Other long-term liabilities	182,622,935	163,100,381	71,112,697
Long-term debt, leases, and subscriptions	325,136,825	338,181,542	347,452,753
Total liabilities	712,797,396	692,075,746	614,927,529
Deferred inflows of resources	9,601,576	12,956,981	22,904,724
Net investment in capital assets	294,434,208	295,683,888	300,641,126
Unrestricted	326,794,804	319,652,818	303,890,270
Total net position	621,229,012	615,336,706	604,531,396
Total liabilities, deferred inflows of resources and net position	$ 1,343,627,984	$ 1,320,369,433	$ 1,242,363,649

Current and Noncurrent Assets

Current and noncurrent assets increased by approximately $47.4 million, or 7.7%, compared to 2023. Cash and cash equivalents and long-term investments increased approximately $53.5 million compared to 2023 due to improved performance in operations and the bond and stock markets. Patient receivables and other receivables increased $5.8 million.

Capital, Leased, and Subscription Assets

Capital, leased, and subscription assets, net of accumulated depreciation and amortization, decreased approximately $8.9 million over the prior year. Significant changes include:

- Buildings and improvement capitalized $0.9 million mainly driven renovations of our Westwood Family Health Center.
- Equipment and software new capital totaled approximately $7.6 million driven by replacements for fetal monitor system, patient monitors, operating room video processing system, radiology ultrasound system and stretchers.
- Increase in construction in progress was driven by the new hybrid operating room and nuclear medicine construction.

Depreciation and amortization expense for the year was approximately $73.9 million. Listed below is a summary of capital assets, net of accumulated depreciation and amortization at December 31, 2024 and 2023:

	December 31,	
	2024	**2023**
Land	$ 43,119,902	$ 43,119,902
Buildings and improvements	440,792,342	464,551,348
Equipment and software	68,137,598	71,976,942
Leased assets	18,810,811	19,357,259
Subscription assets	33,275,046	21,288,358
Construction in process	15,857,657	8,615,877
Total	$ 619,993,356	$ 628,909,686

Current Liabilities

Current liabilities increased by approximately $14.2 million driven by increases in the current portion of leases and subscriptions, accounts payables, accrued salaries, wages and benefits, accrued compensated absences and unearned revenues, partially offset by a decrease in the current maturities of bonds payable.

Other Liabilities

Net pension liability represents the actuarially estimated cost of the Authority's pension plan, the Denver Employees Retirement Plan (DERP) and the replacement benefits agreement (RBA). The net liability is the amount owed for the pension benefit above the currently invested assets. This liability increased approximately $18.7 million, or 12.5%, mainly driven by underfunding the Unfunded Actuarial Liability (UAL) per Tolling Agreement with the City and County of Denver related to DERP.

Long-Term Debt

Long-term debt as of December 31, 2024, net of current portion and excluding deferred loss on bond refunding, is approximately $325.1 million compared to $338.1 million and $347.5 million for 2023 and 2022, respectively. The decrease of $13.0 million is primarily due to principal payments of $12.1 million and bond premiums of $1.3 million.

Below is a listing of the Authority's outstanding long-term debt, net of current portion at December 31, 2024, 2023 and 2022:

	2024	2023	2022
2014 Revenue Bonds	$ 69,477,030	$ 71,338,317	$ 72,884,604
2017A Revenue Bonds	64,947,900	70,394,392	75,605,884
2019A and B Bonds	111,639,348	115,130,245	121,541,142
2022 Revenue Bond	9,805,046	11,285,046	4,657,166
550 Acoma Inc. notes payable	36,223,537	37,127,851	37,992,165
Other notes payable	1,200,000	1,335,181	1,700,181
Lease liability	15,546,734	17,514,741	21,170,179
Subscription liability	16,297,230	14,055,769	11,901,432
	$ 325,136,825	$ 338,181,542	$ 347,452,753

Other notes payable includes a Community Development Block Grant (CDBG) loan of $1.2 million between the Authority and the City and County of Denver.

The Authority issued Healthcare Revenue Bonds, Series 2022 primarily to provide funds to finance certain energy efficiency improvements. The bonds were issued as a draw down bond with a stated aggregate principal amount not to exceed $12.9 million bearing interest at a rate of 3.33%, with principal payments beginning in 2024 through 2031. During 2024, 2023 and 2022, the Authority had drawn $12.7 million.

The Authority's 2019A, 2019B, 2017A, 2014A, and 2014B bond series ratings are BBB by Standard and Poor's and by Fitch for December 31, 2024 and 2023.

Revenue and Expenses

The following table compares 2024, 2023 and 2022 revenues and expenses and shows the resulting changes in net position:

	Changes in Net Position		
	2024	**2023**	**2022**
Operating revenues			
Net patient service revenue	$ 1,062,515,284	$ 969,866,999	$901,027,279
Capitation earned net of reinsurance	-	1,366,220	2,502,535
Medicaid disproportionate share and other safety net reimbursement	164,575,118	163,097,427	148,120,716
City and County of Denver payment for patient care services	30,777,300	32,577,300	29,700,000
Federal, state and other grants	102,817,683	122,658,114	99,509,389
City and County of Denver purchased services	34,760,173	30,887,402	30,007,576
Poison and drug center contracts	19,675,467	20,369,961	20,478,071
Other operating revenue	61,747,885	57,017,528	52,414,502
Total operating revenues	1,476,868,910	1,397,840,951	1,283,760,068
Operating expenses			
Salaries and benefits	917,570,314	848,333,192	773,970,366
Contracted services and nonmedical supplies	251,175,081	263,584,496	265,572,549
Medical supplies and pharmaceuticals	240,069,673	217,406,805	194,269,667
Depreciation and amortization	73,885,031	71,588,006	73,675,820
Total operating expenses	1,482,700,099	1,400,912,499	1,307,488,402
Operating loss	(5,831,189)	(3,071,548)	(23,728,334)
Nonoperating revenues (expenses)			
Increase (decrease) in equity in joint venture	(23,214)	64,056	(62,454)
Net nonoperating grant revenue (refunds), including FEMA	(1,902,285)	3,283,928	6,089,020
Distribution from discretely presented component unit	3,500,000	-	-
Interest income	14,185,110	11,961,401	10,197,601
Interest expense	(14,707,266)	(14,526,899)	(14,599,301)
Net increase (decrease) in fair value of investments	5,837,831	9,363,579	(36,563,351)
Gain on disposition of capital assets	2,253,958	831,197	3,734
Total nonoperating revenues (expenses)	9,144,134	10,977,262	(34,934,751)
Income (loss) before capital contributions	3,312,945	7,905,714	(58,663,085)
Contributions restricted for capital assets	2,579,361	2,899,596	1,485,231
Increase (decrease) in net position	5,892,306	10,805,310	(57,177,854)
Net position, at beginning of year	615,336,706	604,531,396	661,709,250
Net position, at end of year	$ 621,229,012	$ 615,336,706	$ 604,531,396

Gross Patient Service Revenue

Gross patient service revenue increased approximately $323.6 million, or 9.1%, for the year ended December 31, 2024, compared with the year ended December 31, 2023, as shown in the following table:

	Gross Patient Revenue		Dollar	Percentage
	2024	2023	Change	Change
Inpatient revenue	$ 1,377,629,691	$ 1,259,334,731	$ 118,294,960	9.4%
Outpatient revenue	2,243,105,166	2,046,506,585	196,598,581	9.6%
Physician billing	431,393,917	392,083,928	39,309,989	10.0%
Ambulance	125,467,467	121,045,551	4,421,916	3.7%
Total	4,177,596,241	3,818,970,795	358,625,446	9.4%
Charges forgone for charity care	(305,424,443)	(270,427,470)	(34,996,973)	12.9%
Total gross patient revenue	$ 3,872,171,798	$ 3,548,543,325	$ 323,628,473	9.1%

The inpatient gross revenue increased notably in the areas of Surgery, Emergency Medicine, OBGYN, Pediatrics and ancillary services driven by a combination of volume and price changes. Total deliveries were 11.7% higher than prior year.

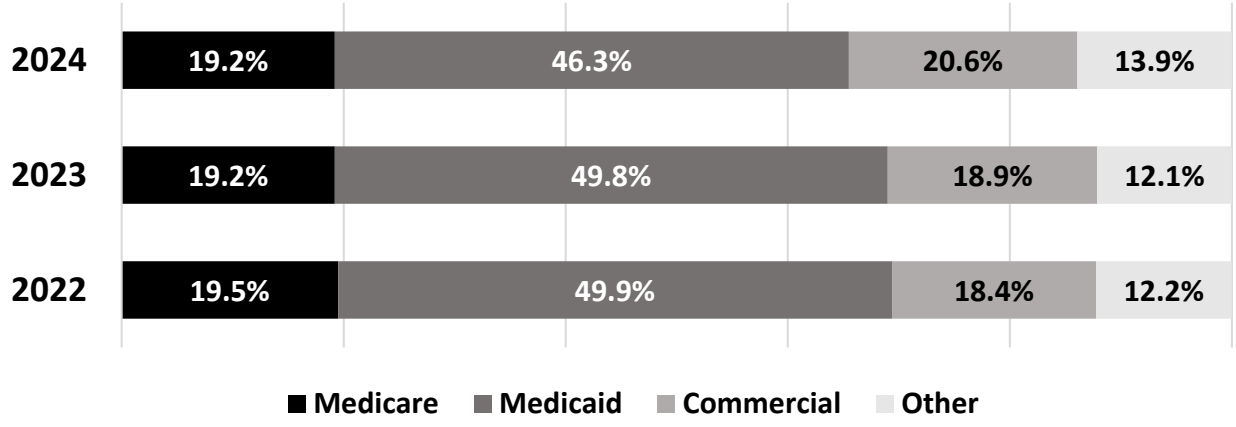
The outpatient gross revenue increased in the areas of Emergency Medicine, Retail Pharmacy, Radiology, Lab, Medicine, and Ambulatory Care Services (ACS). Total outpatient clinic visits increased 4.7% over prior year and prescriptions increased 2.4% over prior year.

The physician revenue increased in the areas of Ambulatory Care Services (ACS), Radiology, Emergency Medicine, Surgery, and OBGYN.

Ambulance revenue increased 3.7% primarily due to transport volume 4.3% higher than prior year, driven by increased number of ambulances and improved staffing.

Payor Mix

Below is the Authority's payor mix as a percent of gross charges in 2024 versus 2023 and 2022.



Indigent Care, Charity Care and Community Service

The Authority, as part of its mission, provides healthcare services to the City's residents, regardless of ability to pay. Many of the Authority's patients are unable to obtain benefits from insurance companies or do not have personal resources to cover costs. The financial burden, however, is in part offset by various federal, state, local and private programs in which such patients are enrolled. Foregone charges for charity care provided by the Authority were approximately $305.4 million and $270.4 million, for the years ended December 31, 2024 and 2023, respectively.

Records are maintained to identify and monitor the level of charity care the Authority provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy. This policy directly relates to that of the state Colorado Indigent Care Program (CICP) and an internal charity program which provides a sliding fee scale based on the patient's percentage of Federal Poverty Level (FPL). The level of uncompensated care provided during the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Contractual adjustments	$ 2,598,411,036	$ 2,441,072,923
Provision for bad debts	211,245,478	137,603,403
Charity care	305,424,443	270,427,470
Uncompensated care	$ 3,115,080,957	$ 2,849,103,796

Net Patient Service Revenue

For the year ended December 31, 2024, net patient service revenue and capitation revenue increased from 2023 by approximately $91.3 million, or 9.4%. Realization rate (net patient service revenue including capitation divided by gross patient revenue), was the same compared to 2023. This was a result of increased focus on collection and contract negotiations. Annually, the Authority reviews and updates the charge description master (CDM) to align with private insurance contracts.

For the year ended December 31, 2023, net patient service revenue and capitation revenue increased from 2022 by approximately $67.8 million, or 7.6%. There was a 0.6% reduction in the overall realization rate (net patient service revenue including capitation divided by gross patient revenue). The reduction in the overall realization rate was driven by an increase in the CDM. Additionally, with the ending of the public health emergency in May of 2023, Medicaid redeterminations resumed, resulting in the loss of Medicaid coverage for many of the Authority's patients.

Medicaid Disproportionate Share Hospital (DSH) and Other Safety Net Reimbursement

In 2024, Medicaid disproportionate share (DSH) revenue and other safety net reimbursement increased approximately $1.5 million, or 0.9%, compared to 2023.

DSH revenue, and another supplemental payment source, Upper Payment Limit (UPL) are paid to the Authority through the Colorado Healthcare Affordability and Sustainability Provider Fee program (CHASE). Hospitals pay the fee to the state, and the fee revenue is matched with federal funding related to the DSH and UPL sources. Calculations of fees and payments in the CHASE program are based on prior year data.

The Authority had an increase in CHASE revenue of $4.1 million compared to 2023. In 2023, the Authority reevaluated its open Hospital Specific DSH Cap (HSDC) reserve and decreased its reserve by $1.8 million. This reserve is for the audits of the HSDC calculations under which the DSH payment cannot exceed the cost of uninsured care plus Medicaid shortfall or surplus. There were no HSDC reserve adjustments in 2024.

The Authority received $5 million of state general fund revenue in 2024 compared to $6 million in 2023. There was also a decrease in physician certification revenue of $2.1 million compared to 2023 primarily because of prior year settlements received in 2023. Additional changes in the Medicaid DSH and other safety net reimbursement line included a decrease of $0.1 million in primary care funds, a $0.3 million increase in ambulance UPL revenue and a $0.3 million increase in outstationing revenue.

Medicaid DSH and other safety net reimbursement for 2024 and 2023 are as follows:

	2024	2023	Increase/ Decrease	Increase/ Decrease Percentage Change
Medicaid Disproportionate Share revenue	$ 92,534,721	$ 46,638,214	$ 45,896,507	98.4%
Supplemental Medicaid base rate revenue	30,703,899	76,841,099	(46,137,200)	-60.0%
Supplemental Medicaid outpatient hospital revenue	7,794,311	6,504,448	1,289,863	19.8%
Hospital quality incentive payment	10,285,734	7,252,685	3,033,049	41.8%
Ambulance upper payment limit revenue	2,471,626	2,128,067	343,559	16.1%
Outstationing revenue	-	(300,083)	300,083	-100.0%
Primary care funds	10,011,287	10,116,179	(104,892)	-1.0%
Physician certification revenue	5,773,540	7,916,818	(2,143,278)	-27.1%
State general fund revenue	5,000,000	6,000,000	(1,000,000)	-16.7%
Medicaid DSH and Other Safety Net Revenue	$ 164,575,118	$ 163,097,427	$ 1,477,691	0.9%

City and County of Denver Payment for Patient Care Services

For the years ended December 31, 2024, 2023 and 2022, as part of the Operating Agreement between the Authority and the City (Note 1 to the basic financial statements), the City paid approximately $30.7 million, $32.6 million and $29.7 million, respectively, to the Authority to cover a portion of the cost of treating the medically indigent.

Grant Revenue

In 2024, federal, state and other grant revenue decreased by approximately $19.8 million, or 16.2%. This decrease was a result of not seeing ARPA and Kaiser grants seen in 2023.

In 2023, federal, state and other grant revenue increased by approximately $23.1 million, or 23%. This increase is primarily due to additional spending on APRA funds awarded in previous years, as well as four large grants totaling $16.1 million, including $10.0 million from Kaiser. The remaining increase is comprised of smaller grant awards.

In 2022, federal, state and other grant revenue increased by approximately $12.0 million, or 14%, primarily due to eight relatively large grants received in 2022. There was also $0.9 million in COVID related grants for vaccine purchases and $3.0 million in new CO Access funding. The remaining increase is comprised of smaller grant awards.

City and County of Denver Purchased Services

As part of the Operating Agreement between the Authority and the City (Note 1 to the basic financial statements), the Authority under a purchased services agreement receives payments from the City to provide services, including, but not limited to: medical care for the city inmates, public health, and operation of Denver Community Addictions Rehabilitation and Evaluation Services (C.A.R.E.S.), which is a 100-bed nonmedical withdrawal management center. Payment for costs of providing these services totaled approximately $34.7 million in 2024, which is approximately $3.9 million, or 12.5%, higher than 2023. Payment for costs of providing these services totaled approximately $30.8 million in 2023, which is approximately $0.9 million, or 2.9%, higher than 2022. For both years, payments were primarily based on reimbursement of direct cost (less payments received from other parties), which is driven by volumes in Denver C.A.R.E.S. and the health care provided at Denver County Jail and Downtown Detention Center.

Poison and Drug Center Contracts

The Rocky Mountain Drug Safety (RMDS) is a certified regional poison center, recognized by the American Association of Poison Control Centers and serves as a regional drug information center. The RMDS includes RADARS® System, which collects, compiles, analyzes and maintains certain de-identified health care and other information in proprietary databases containing data from several signal detection system networks. The program provides expert analysis and interpretation of data and includes a Scientific Advisory Board. Subscribing organizations are provided with timely geographic-specific surveillance and monitoring reports to detect and characterize prescription drug abuse, misuse, and diversion. Typical organizations using such information include the pharmaceutical industry, regulatory agencies, policymakers, and medical/public health officials to aid in understanding trends in the misuse and diversion of prescription drugs in the United States. Poison and Drug Center contract revenue for 2024 was approximately $19.7 million, a 3.4% decrease from the prior year. Poison and Drug Center contract revenue for 2023 was approximately $20.4 million, a 0.5% decrease from the prior year.

Other Operating Revenue

For 2024, other operating revenue (excluding Poison and Drug Center contracts revenue) increased by $4.7 million, or 8.3%, compared to 2023. Increases in 340B contract pharmacy and other miscellaneous revenue were partially offset by lower RAE revenue.

For 2023, other operating revenue (excluding Poison and Drug Center contracts revenue) increased by $4.6 million, or 8.8%, compared to 2022. Increases in 340B contract pharmacy revenue were partially offset by decreases in bed contracts from Health and Human Services.

Operating Expenses

Year ended December 31, 2024 compared with year ended December 31, 2023

Operating expenses increased approximately $81.8 million, or 5.8%, for the year ended December 31, 2024, compared with the prior year.

- Salary and benefit expense increased approximately $69.2 million, or 8.2%, from 2023. Normal annual wage increases, continued reliance on overtime and premium pay due to staff vacancies, and increased inpatient and outpatient volumes contributed to the overall salary and benefits increase. The Authority also invested in staff compensation outside of typical wage increases to help reduce contract labor (by 45% throughout the year) and improve retention. Non-cash pension expense was $28.7 million in 2024, an increase in expense of $3.5 million from 2023.

- Contracted services and nonmedical supplies decreased approximately $12.4 million, or 4.7%, from 2023, driven by a concerted effort to decrease reliance on contract labor.

- Medical supplies and pharmaceuticals increased approximately $22.6 million, or 10.4%, from 2023. This increase is related to inflation, higher surgeries, prescriptions, and inpatient and outpatient pharmaceutical usage. The Authority participates in the Federal Health Services and Resources Administration 340B program which results in significant pharmaceutical savings for patients treated in the Federally Qualified Health Centers (FQHC) and other Hospital outpatient sites.

- Depreciation and amortization expense increased $2.3 million, or 3.2%, from 2023.

Nonoperating Revenues (Expenses)

Nonoperating revenues and expenses consist primarily of income from the Authority's cash, short- and long-term investments, interest expense, the change in the fair value of investments, the decrease in equity investment in joint venture, grant revenue for FEMA, and the gain or loss on disposal of capital assets.

Net nonoperating revenue in 2024 was approximately $9.1 million, compared to net nonoperating expense of $11.0 million in 2023. The largest driver for the change was a net decrease in fair value of investments of $3.5 million compared to prior year returns. FEMA revenue recognized in 2024 was also $5.2 million less than 2023 due to changes in expectations of what FEMA will reimburse.

Net nonoperating revenue in 2023 was approximately $11.0 million, compared to net nonoperating expense of $34.9 million in 2022. The largest driver for the change was net increase in fair value of investments of $46.0 million. The bond and stock market historically performed well in 2023. FEMA revenue recognized in 2023 was also $2.8 million less than 2022.

FEMA revenue was calculated based on eligible expenses as outlined in the Authority's FEMA grant application in response to the COVID-19 pandemic.

Capital Contributions

Capital contributions in 2024 totaled $2.6 million, compared to $2.9 million in 2023, and were received primarily from the City.

Capital contributions in 2023 totaled $2.9 million, compared to $1.5 million in 2022, and were received primarily from the City.

Budgetary Highlights

For the year ended December 31, 2024, the Authority's total income before contributions was $3.3 million, $8.4 million lower than budget due to higher operating costs, offset by favorable volumes leading to increased net revenues, and favorable gains in the fair value of investments.

	2024 Actual	2024 Budget	Dollar Change	Percentage Change
Total gross patient revenue	$ 4,177,596,241	$ 4,142,968,620	$ 34,627,621	0.84%
Total operating revenue	1,476,868,910	1,438,977,605	37,891,305	2.63%
Salaries and benefits	917,570,314	898,352,228	19,218,086	2.14%
Contract labor	58,096,891	53,586,604	4,510,287	8.42%
Supplies and pharmaceuticals	390,476,166	370,709,180	19,766,986	5.33%
Other operating expenses	116,556,728	104,931,142	11,625,586	11.08%
Total operating expenses	1,482,700,099	1,427,579,154	55,120,945	3.86%
Total nonoperating revenue (expenses)	9,144,134	308,399	8,835,735	2865.03%
Income before capital contributions	3,312,945	11,706,850	(8,393,905)	-71.70%

Economic Factors and Next Year's Budget

The Authority's budget for 2025 reflects the organization's focus on operational efficiency, cost savings, and revenue optimization. The Executive Staff and Physician Department Chairs, and the Authority Board, have determined the highest priority areas for the organization to target improvement in financial and clinical performance. There are specific budgetary and operational performance goals and metrics for each.

The Authority's 2025 budget targets a $43.2 million operating revenue increase compared to 2024. This increase is driven by initiatives targeted at improving patient care service volumes, access to care, and revenue cycle initiatives. Total operating expenses are budgeted to increase $89.3 million driven primarily by labor expense and supply cost increases. On November 5, 2024, the City and County of Denver passed the 0.34% sales tax measure, ballot measure 2Q, to support the Authority's operational costs. The tax measure is estimated to bring in $65 million in 2025.

Salary and benefit costs are budgeted to increase 9.4% over the 2024 actual personnel cost. This is driven primarily by merit and market increases to address the challenging labor market and to retain employees in addition to staffing increases to meet the demand of projected volumes. Contract labor is budgeted to decrease 15.7% with the expectation of filling open positions to help control the cost of human capital. In 2025, 66.5% of the Authority's budgeted cost is personnel-related and drives most of the overall increase in budgeted expense. The Authority has implemented budget controls around labor productivity and hiring, and goals for growth initiatives.

Requests for Information

This financial report is designed to provide a general overview of the Authority's financial results for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Chief Financial Officer, 601 Broadway, MC 0278, Denver, CO 80203.

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Denver Health and Hospital Authority
Statements of Net Position
December 31, 2024 and 2023

	2024	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	$ 80,896,918	$ 36,021,054
Patient accounts receivable, net of estimated uncollectibles of approximately $84,900,000 and $88,200,000 in 2024 and 2023, respectively	131,386,700	126,495,200
Due from other governmental entities	30,651,306	42,015,253
Due from City and County of Denver	9,183,595	10,033,686
Other receivables	21,673,649	20,720,970
Interest receivable	1,701,440	1,875,925
Due from other funds and investment in discretely presented component units	5,999,227	7,600,738
Inventories	22,221,301	22,390,235
Prepaid expenses and other assets	17,429,360	21,311,381
Total Current Assets	321,143,496	288,464,442
Noncurrent Assets		
Notes receivable	14,957,348	14,957,348
Estimated third-party payor settlements receivable	364,465	1,893,030
Equity interest in joint venture	627,800	651,014
Restricted investments	21,228,915	19,971,136
Capital, leased, and subscription assets, net of accumulated depreciation and amortization	619,993,356	628,909,686
Long-term investments	286,550,482	277,899,018
Other long-term assets	16,048,139	9,642,899
Total Noncurrent Assets	959,770,505	953,924,131
Total Assets	1,280,914,001	1,242,388,573
Deferred Outflows of Resources		
Deferred outflows of resources related to pension benefits	49,466,867	62,420,086
Deferred outflows of resources related to other postemployment benefits	2,755,091	3,708,982
Loss on refunding of debt	10,492,025	11,851,792
Total Deferred Outflows of Resources	62,713,983	77,980,860
Total Assets and Deferred Outflows of Resources	$ 1,343,627,984	$ 1,320,369,433

	2024	2023
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current Liabilities		
Current maturities of bonds payable	$ 11,110,000	$ 13,435,000
Current maturities of leases and subscriptions	18,340,543	11,174,901
Current maturities of notes payable	940,181	1,130,000
Medical malpractice liability	8,895,981	8,654,659
Accounts payable and accrued expenses	41,790,523	40,712,071
Accrued salaries, wages and employee benefits	50,176,482	47,556,645
Accrued compensated absences	40,019,019	38,365,012
Unearned revenue	33,764,907	29,765,535
Total Current Liabilities	205,037,636	190,793,823
Long-Term Liabilities		
Long-term portion of liability for estimated third-party settlements	6,512,712	5,714,390
Long-term portion of compensated absences	353,093	116,076
Bonds payable, less current maturities	255,869,324	268,148,000
Lease and subscription liability, less current maturities	31,843,964	31,570,510
Notes payable, less current maturities	37,423,537	38,463,032
Net pension liability	168,257,946	149,528,010
Postemployment benefits	7,499,184	7,741,905
Total Long-Term Liabilities	507,759,760	501,281,923
Total Liabilities	712,797,396	692,075,746
Deferred Inflows of Resources		
Deferred inflows of resources related to pension benefits	2,439,601	5,775,229
Deferred inflows of resources related to other postemployment benefits	890,509	819,082
Deferred inflows of resources related to leases	6,271,466	6,362,670
Total Deferred Inflows of Resources	9,601,576	12,956,981
Total Liabilities and Deferred Inflows of Resources	722,398,972	705,032,727
Net Position		
Net investment in capital assets	294,434,208	295,683,888
Unrestricted	326,794,804	319,652,818
Total Net Position	621,229,012	615,336,706
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 1,343,627,984	$ 1,320,369,433

Denver Health Medical Plan, Inc.
(A Component Unit of Denver Health and Hospital Authority)
Balance Sheets
December 31, 2024 and 2023

	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 637,658	$ 13,241,509
Premiums receivable, net of allowance	1,265,786	9,897,248
Reinsurance recoverable	24,108,319	2,567,432
Interest receivable	191,411	584,444
Premiums and other receivables	26,830,609	43,053,743
Contract receivables	14,406,332	4,075,625
Prepaid expenses	1,669,007	1,913,774
Total Current Assets	69,109,122	75,333,775
Noncurrent Assets		
Restricted investments	1,231,815	1,169,691
Intangible assets	550,003	277,647
Unrestricted investments	18,159,055	55,815,586
Total Noncurrent Assets	19,940,873	57,262,924
Total Assets	$ 89,049,995	$ 132,596,699
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	$ 6,546,575	$ 3,909,364
Due to Denver Health and Hospital Authority	1,086,603	9,450,797
Medical loss ratio payable and other unearned premiums	32,253,401	26,473,161
Liability for amounts held under uninsured plans	1,344,051	1,005,752
Accrued claims and loss adjustment expenses	48,874,125	46,757,932
Total Current Liabilities	90,104,755	87,597,006
Notes Payable to Denver Health and Hospital Authority	8,500,000	-
Total Liabilities	98,604,755	87,597,006
Net Assets (Deficit)		
Net assets (deficit) without donor restriction	(9,554,760)	44,999,693
Total Net Assets (Deficit)	(9,554,760)	44,999,693
Total Liabilities and Net Assets	$ 89,049,995	$ 132,596,699

DHHA OMC QALICB, Inc.
(A Component Unit of Denver Health and Hospital Authority)
Balance Sheets
December 31, 2024 and 2023

	2024	2023
ASSETS		
Current Assets		
Restricted cash and cash equivalents	$ 2,908,981	$ 2,114,172
Total Current Assets	2,908,981	2,114,172
Noncurrent Assets		
Equipment	23,093,561	23,093,561
Construction in progress	1,512,620	-
Accumulated depreciation	(11,302,901)	(8,469,102)
Net property and equipment	13,303,280	14,624,459
Total Noncurrent Assets	13,303,280	14,624,459
Total Assets	$ 16,212,261	$ 16,738,631
LIABILITIES AND NET ASSETS (DEFICIT)		
Current Liabilities		
Due to Denver Health and Hospital Authority	$ 4,609	$ -
Total Current Liabilities	4,609	-
Long-Term Liabilities		
Notes payable, long-term	19,022,782	18,943,548
Total Liabilities	19,027,391	18,943,548
Net Assets (Deficit)		
Without donor restrictions	(2,815,130)	(2,204,917)
Total Net Assets (Deficit)	(2,815,130)	(2,204,917)
Total Liabilities and Net Assets (Deficit)	$ 16,212,261	$ 16,738,631

The Denver Health and Hospitals Foundation
(A Component Unit of Denver Health and Hospital Authority)
Statements of Financial Position
December 31, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 6,790,608	$ 9,456,597
Contributions and grants receivable, net	4,759,598	4,185,451
Inventory	182,670	182,670
Prepaid expenses and other assets	51,074	135,702
Short-term Investments	13,202,139	9,705,333
Beneficial interest in assets held by third party	12,040,173	13,414,769
Total Assets	$ 37,026,262	$ 37,080,522
LIABILITIES		
Amounts due to Denver Health and Hospital Authority	$ 2,283,957	$ 1,093,051
Deferred revenue	-	235,103
Total Liabilities	2,283,957	1,328,154
NET ASSETS		
Without donor restrictions	1,218,931	3,683,720
With donor restrictions	33,523,374	32,068,648
Total Net Assets	34,742,305	35,752,368
Total Liabilities and Net Assets	$ 37,026,262	$ 37,080,522

Denver Health and Hospital Authority
Statements of Revenues, Expenses and Changes in Net Position
Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenues		
Net patient service revenue	$ 1,062,515,284	$ 969,866,999
Capitation earned net of reinsurance expense	-	1,366,220
Medicaid disproportionate share and other safety net reimbursement	164,575,118	163,097,427
City and County of Denver payment for patient care services	30,777,300	32,577,300
Federal, state and other grants	102,817,683	122,658,114
City and County of Denver purchased services	34,760,173	30,887,402
Poison and drug center contracts	19,675,467	20,369,961
Other operating revenue	61,747,885	57,017,528
Total Operating Revenues	1,476,868,910	1,397,840,951
Operating Expenses		
Salaries and benefits	917,570,314	848,333,192
Contracted services and nonmedical supplies	251,175,081	263,584,496
Medical supplies and pharmaceuticals	240,069,673	217,406,805
Depreciation and amortization	73,885,031	71,588,006
Total Operating Expenses	1,482,700,099	1,400,912,499
Operating Loss	(5,831,189)	(3,071,548)
Nonoperating Revenues (Expenses)		
Increase (decrease) in equity in joint venture	(23,214)	64,056
Net nonoperating grant revenue (refunds), including FEMA	(1,902,285)	3,283,928
Distribution from discretely presented component unit	3,500,000	-
Interest income	14,185,110	11,961,401
Interest expense	(14,707,266)	(14,526,899)
Net increase in fair value of investments	5,837,831	9,363,579
Gain on disposition of capital assets	2,253,958	831,197
Total Nonoperating Revenues (Expenses)	9,144,134	10,977,262
Income Before Capital Contributions	3,312,945	7,905,714
Contributions Restricted for Capital Assets	2,579,361	2,899,596
Increase in Net Position	5,892,306	10,805,310
Total Net Position, Beginning of Year	615,336,706	604,531,396
Total Net Position, End of Year	$ 621,229,012	$ 615,336,706

Denver Health Medical Plan, Inc.
(A Component Unit of Denver Health and Hospital Authority)
Statements of Operations and Changes in Net Assets
Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenues		
Premiums earned, net of reinsurance	$ 433,705,262	$ 437,469,610
Administrative service revenue, including $32.4 million and $22.5 million in claims processed in 2024 and 2023	6,943,747	6,518,712
Total Operating Revenues	440,649,009	443,988,322
Operating Expenses		
Leased employee services from Denver Health and Hospital Authority	19,188,028	17,505,442
Rent and other administrative expenses paid to Denver Health and Hospital Authority	2,704,132	2,555,242
Contracted services and nonmedical supplies	47,250,410	32,643,323
Medical claims and capitation paid to Denver Health and Hospital Authority	817,365	20,847,836
Medical and pharmacy claims incurred	427,373,782	362,254,323
Total Operating Expenses	497,333,717	435,806,166
Operating Income (Loss)	(56,684,708)	8,182,156
Nonoperating Revenues (Expenses)		
Investment income	747,584	2,891,804
Net decrease in fair value of investments	1,382,671	622,605
Distribution to Denver Health and Hospital Authority	-	(3,500,000)
Other	-	(177,613)
Total Nonoperating Revenues (Expenses)	2,130,255	(163,204)
Net Increase (Decrease) in Net Assets	(54,554,453)	8,018,952
Total Net Assets, Beginning of Year	44,999,693	36,980,741
Total Net Assets (Deficit), End of Year	$ (9,554,760)	$ 44,999,693

DHHA OMC QALICB, Inc.
(A Component Unit of Denver Health and Hospital Authority)
Statements of Operations and Changes in Net Assets (Deficit)
Years Ended December 31, 2024 and 2023

	2024	2023
Revenues, Gains and Other Support Without Donor Restrictions		
Equipment rental from Denver Health and Hospital Authority	$ 2,657,718	$ 2,393,883
Interest income	56,908	4,891
Total Revenues, Gains and Other Support Without Donor Restrictions	2,714,626	2,398,774
Operating Expenses		
Other operating expenses	219,993	218,387
Depreciation expense	2,833,799	2,588,357
Interest expense, including amortization of loan costs of $79,234 and $79,231, respectively	271,047	271,044
Total Operating Expenses	3,324,839	3,077,788
Operating Loss	(610,213)	(679,014)
Change in Net Deficit Without Donor Restrictions	(610,213)	(679,014)
Net Deficit Without Donor Restrictions, Beginning of Year	(2,204,917)	(1,525,903)
Net Deficit Without Donor Restrictions, End of Year	$ (2,815,130)	$ (2,204,917)

The Denver Health and Hospitals Foundation
(A Component Unit of Denver Health and Hospital Authority)
Statement of Activities
Year Ended December 31, 2024

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support			
Contributions and grants	$ 1,686,284	$ 11,246,258	$ 12,932,542
Special events revenue	685,650	-	685,650
Change in beneficial interest in assets held by third party	-	1,192,418	1,192,418
Net investment return	813,932	-	813,932
Contributed nonfinancial assets	2,246,191	328,087	2,574,278
Net assets released from restrictions	11,312,037	(11,312,037)	-
Total Revenues, Gains, and Other Support	16,744,094	1,454,726	18,198,820
Expenses and Losses			
Program activities	16,427,921	-	16,427,921
Supporting services			
Management and general	2,142,425	-	2,142,425
Fundraising	638,537	-	638,537
Total Expenses and Losses	19,208,883	-	19,208,883
Change in Net Assets	(2,464,789)	1,454,726	(1,010,063)
Net Assets, Beginning of Year	3,683,720	32,068,648	35,752,368
Net Assets, End of Year	$ 1,218,931	$ 33,523,374	$ 34,742,305

The Denver Health and Hospitals Foundation
(A Component Unit of Denver Health and Hospital Authority)
Statement of Activities
Year Ended December 31, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support			
Contributions and grants	$ 23,876	$ 23,109,773	$ 23,133,649
Contribution for forgiveness of note payable	887,036	112,964	1,000,000
Change in beneficial interest in assets held by third party	-	1,762,208	1,762,208
Net investment return	836,313	-	836,313
Contributed nonfinancial assets	2,725,208	48,108	2,773,316
Net assets released from restrictions	19,638,612	(19,638,612)	-
Total Revenues, Gains, and Other Support	24,111,045	5,394,441	29,505,486
Expenses and Losses			
Program activities	17,924,747	-	17,924,747
Supporting services			
Management and general	1,963,803	-	1,963,803
Fundraising	1,293,437	-	1,293,437
Total Expenses and Losses	21,181,987	-	21,181,987
Change in Net Assets	2,929,058	5,394,441	8,323,499
Net Assets, Beginning of Year	754,662	26,674,207	27,428,869
Net Assets, End of Year	$ 3,683,720	$ 32,068,648	$ 35,752,368

Denver Health and Hospital Authority
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Collections from patient services	$ 1,056,905,295	$ 936,890,102
Medicaid disproportionate share reimbursement and upper payment limit reimbursement	168,221,455	166,843,317
City and County of Denver payment for hospital services	31,627,391	28,242,634
Collections from poison and drug center contracts	19,480,112	19,686,760
Collections from federal, state and other grants	115,666,030	128,325,269
City and County of Denver purchased services	36,351,139	31,086,805
Other operating receipts	61,012,830	46,760,519
Payments for salaries and benefits	(883,929,329)	(812,124,169)
Payments to suppliers	(492,991,606)	(495,045,815)
Net Cash Provided by Operating Activities	112,343,317	50,665,422
Cash Flows from Capital and Related Financing Activities		
Purchases of capital assets	(35,831,639)	(27,318,100)
Receipt of capital contributions	2,579,361	2,899,596
Distribution from discretely presented component unit	3,500,000	-
Repayments of bonds payable, leases, subscriptions and other long-term debt	(35,758,135)	(28,749,648)
Principal and interest payment received on lease receivable	424,999	-
Proceeds from the issuance of bonds	-	8,062,880
Proceeds from the sale of capital assets	2,253,958	831,197
Cash paid for interest	(14,924,180)	(14,746,182)
Net Cash Used in Capital and Related Financing Activities	(77,755,636)	(59,020,257)
Cash Flows from Investing Activities		
Proceeds from sale and maturities of investments	105,102,761	127,468,885
Purchases of investments	(96,761,859)	(130,002,938)
Interest income	1,947,281	1,050,808
Net Cash Provided by (Used in) Investing Activities	10,288,183	(1,483,245)
Net Increase (Decrease) in Cash and Cash Equivalents	44,875,864	(9,838,080)
Cash and Cash Equivalents, Beginning of Year	36,021,054	45,859,134
Cash and Cash Equivalents, End of Year	$ 80,896,918	$ 36,021,054

	2024	2023
Reconciliation of Cash and Cash Equivalents to the Statements of Net Position		
Cash and cash equivalents	$ 80,896,918	$ 36,021,054
Total Cash and Cash Equivalents	$ 80,896,918	$ 36,021,054
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities		
Operating loss	$ (5,831,189)	$ (3,071,548)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation and amortization	73,885,031	71,588,006
Provision for bad debts	211,245,478	137,603,403
Changes in assets, liabilities, deferred outflows and deferred inflows of resources		
Receivables, net	(205,176,390)	(173,179,505)
Inventories	168,934	(3,487,140)
Prepaid expenses and other assets	(2,523,219)	(2,718,364)
Estimated third-party payor settlements	2,326,887	1,190,160
Accounts payable and accrued expenses	4,972,476	2,797,386
Net pension and other postemployment benefits liability	18,724,232	92,770,262
Deferred inflows and outflows - pension and other postemployment benefits	10,551,705	(67,207,636)
Unearned revenue	3,999,372	(5,619,602)
Total Adjustments	118,174,506	53,736,970
Net Cash Provided by Operating Activities	$ 112,343,317	$ 50,665,422
Noncash Investing, Capital and Financing Activities		
Capital asset acquisitions included in accounts payable	$ 1,529,513	$ 2,150,655
Lease obligations incurred for lease assets	$ 5,563,565	$ 440,879
Subscription liabilities incurred for subscription assets	$ 23,068,663	$ 9,270,009

Denver Health and Hospital Authority
Statements of Fiduciary Net Position
Fiduciary Funds
December 31, 2024 and 2023

	Pension and Other Employee Benefit Trust Funds	
	2024	**2023**
ASSETS		
Investments, at fair value	$ 1,812,341,559	$ 1,555,945,840
Participant loans	23,543,219	21,670,013
Total Assets	$ 1,835,884,778	$ 1,577,615,853
NET POSITION		
Restricted for		
Pensions (401(a) Plan)	$ 1,347,900,563	$ 1,175,528,510
Postemployment benefits other than pensions (457(b) Plan)	487,984,215	402,087,343
Total Net Position	$ 1,835,884,778	$ 1,577,615,853

Denver Health and Hospital Authority
Statements of Changes in Fiduciary Net Position
Fiduciary Funds
Years Ended December 31, 2024 and 2023

	Pension and Other Employee Benefit Trust Funds	
	2024	**2023**
Additions		
Contributions		
Participant	$ 98,590,468	$ 93,168,134
Employer	59,407,289	54,134,529
Rollover	12,844,056	10,273,702
Total contributions	170,841,813	157,576,365
Investment earnings		
Net increase in fair value of investments	180,732,807	231,138,542
Interest, dividends and other	36,023,148	17,173,912
Total investment earnings	216,755,955	248,312,454
Total Additions	387,597,768	405,888,819
Reductions		
Benefits paid to participants	128,274,387	107,093,337
Administrative expense	1,054,456	1,178,489
Total Reductions	129,328,843	108,271,826
Net Increase in Fiduciary Net Position	258,268,925	297,616,993
Net Position, Beginning of Year	1,577,615,853	1,279,998,860
Net Position, End of Year	$ 1,835,884,778	$ 1,577,615,853

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Note 1. Nature of Operations and Summary of Significant Accounting Policies

Organization

The Denver Health and Hospital Authority (the Authority) was created in 1994 by the State of Colorado (the State) as a political subdivision of the state pursuant to Article 29 of Title 25, Colorado Revised Statutes, as amended (the Act). As contemplated in the Act, on January 1, 1997, substantially all of the programs, services, and facilities of the City and County of Denver's (the City) Department of Health and Hospitals Enterprise Fund were transferred to the Authority pursuant to the Transfer Agreement between the Authority and the City.

Definition of Reporting Entity

The Authority follows Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which activities, organizations, and functions are included within the financial reporting entity. GASB pronouncements set forth the financial accountability of an organization's elected governing body as the basic criterion for including a possible component organization in the primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The Authority is financially accountable for Rocky Mountain Drug Safety Inc., Canadian Consumer Product and Pharmaceutical Safety Inc., and 550 Acoma Inc., each a blended component unit. Denver Health Medical Plan, Inc.; The Denver Health and Hospitals Foundation; and DHHA OMC QALICB, Inc. are presented as discretely presented component units in the Authority's financial statements. Additionally, the Authority's 401(a) and 457(b) plans are considered fiduciary component units and are reported in accordance with GASB 84. The Authority is not a component unit of any other primary governmental entity.

The Authority

The Authority is a fully integrated healthcare delivery system, which employs a single physician group and operates four divisions: the Denver Health Medical Center, the City Fund, the Rocky Mountain Drug Safety, Inc. (RMDS), and what is referred to by the Authority as the Restricted Fund.

The Denver Health Medical Center is an acute care hospital licensed for 555 total beds, including 101 intensive care beds, that provides inpatient medical and mental health services, an ambulatory care center, emergency medical services including Level 1 Trauma, 14 federally qualified community health centers in Denver that provide outpatient services, as well as a federally qualified Women's Mobile Clinic. The Authority also operates 19 school-based clinics in Denver that provide outpatient services to students.

The City Fund programs charge for their services and receive grant funding for the remaining expenses to run the programs. Expenses are billed to the City in accordance with an operating agreement between the Authority and the City, which is amended each year. Operations included in the City Fund are the Public Health Department, which provides public health informatics and administration. Public Health Clinics are also Public Health functions provided to the City in the operating agreement but are funded from revenues and fees collected. Also included in the City Fund is prisoner care at the Denver Justice Center and Denver County Jail and Denver C.A.R.E.S., which is a 100-bed non-medical withdrawal management center.

The RMDS is a certified regional poison center as recognized by the American Association of Poison Control Centers and serves as a regional drug information center. It also provides poison and drug information services to medical professionals and consumers in other states through contractual agreements.

The Restricted Fund consists primarily of grants the Authority has been awarded that are used as directed by the grantor. The grants are awarded from multiple sources including federal, state, and industry agencies. Annually, the Authority also conducts a single audit under Uniform Guidance to comply with federally awarded grant requirements.

Rocky Mountain Drug Safety Inc. and Canadian Consumer Product and Pharmaceutical Safety Inc.

In September 2015, the Authority created a Colorado nonprofit corporation Rocky Mountain Drug Safety Inc. (RMDS), of which it is the sole member. Three Authority employees comprise the Board of Directors. The purpose of RMDS is to be the sole member of a Canadian nonprofit corporation Canadian Consumer Product and Pharmaceutical Safety Inc. (CCPPS). The CCPPS Board of Directors is comprised of two Authority employees and one independent director. CCPPS will perform collection and analysis of drug and pharmaceutical data, to enhance treatment, prevention and mitigation of drug abuse and adverse drug events. CCPPS is presented as a blended component of the Authority. All significant balances and transactions between CCPPS and the Authority have been eliminated in the basic financial statements.

550 Acoma Inc.

550 Acoma Inc. (550 Acoma) is a Colorado nonprofit organization formed by the Authority in September 2018 to construct a parking garage on the hospital campus, in the City and County of Denver, Colorado. The Authority created 550 Acoma for the sole purpose of financing construction through a public issuance of a note payable. 550 Acoma is exempt from taxes under Section 501(c)(3) of the Internal Revenue Code.

The construction project was a parking garage for Authority employees. The cost of the garage was approximately $38,000,000 and was completed in July of 2020. The Authority will pay 550 Acoma rent to cover the interest and principal payments for the life of the debt. The land occupied by the parking garage is leased to 550 Acoma by the Authority. The Authority is the sole member of 550 Acoma. The 550 Acoma Board of Directors consists of three Authority employees. 550 Acoma is presented as a blended component unit because it provides services entirely to the Authority and exclusion of 550 Acoma's financial statements would cause the Authority's financial statements to be misleading. All significant balances and transactions between 550 Acoma and the Authority have been eliminated in the basic financial statements.

Denver Health Medical Plan, Inc.

Denver Health Medical Plan, Inc. (the Plan) is a Colorado nonprofit organization formed by the Authority in 1997 as a health maintenance organization to provide comprehensive healthcare services on a prepaid basis to its members. The Plan is governed by a nine-member Board of Directors, which is appointed by the Authority. The majority of the Plan's Board of Directors consists of board members and executive staff of the Authority. The Plan's members consist of current and former employees of the Authority and their dependents, the City, the Denver Employee Retirement Plan, Child Health Plan Plus participants, Medicare Choice (dual eligibles) and Medicare Select Low Income Plan. In 2014, the Plan began offering individual commercial coverage through Connect for Health Colorado, the Colorado insurance marketplace developed as a result of the Affordable Care Act.

The Authority is able to impose its will on the Plan and is financially accountable for the Plan. Accordingly, the Plan is presented as a discretely presented component unit.

Financial statements for the Plan, prepared on a statutory basis of accounting, can be obtained from the Authority at 303.602.2002, or by writing to the Denver Health and Hospital Authority, Division of Finance, MC 1925, 601 Broadway, Denver, Colorado 80203.

DHHA OMC QALICB, Inc.

DHHA OMC QALICB Inc. (OMC Inc.), a discretely presented component unit of the Authority, was formed in January 2020 to purchase equipment primarily used in the outpatient medical center. The members of OMC Inc. are the Authority and Denver Community Health Service Inc., (DCHS) a Colorado nonprofit corporation. The Board of Directors of OMC Inc. consists of one member who is an Authority employee, and two members who are DCHS Board Directors. Two Authority employees and one DCHS Board Director act as non-voting officers of OMC Inc.

In January of 2020, the Authority invested $14.9 million with an equity investor in the form of a note receivable. The equity investor contributed $6.9 million and the total of $21.8 million was loaned to three Community Development Entities (CDEs). OMC Inc. received the proceeds of six note payables to these CDEs related to New Market Tax Credit (NMTC) financing. The proceeds of this financing were used to acquire medical equipment to be used primarily in the new outpatient medical center on the Authority's main campus.

Financial statements for OMC, Inc., can be obtained from the Authority at 303.602.6105, or by writing to the Denver Health and Hospital Authority, Division of Finance, MC 1925, 601 Broadway, Denver, Colorado 80203.

Denver Health and Hospitals Foundation

The Denver Health and Hospitals Foundation (the Foundation) is a nonprofit charity formed for the benefit of the Authority. The Foundation's mission is to support the Authority in its mission to provide quality patient care. Significant areas of support include, but are not limited to, maternal and child health, community health, volunteer functions, trauma prevention and care, among others. Fund-raising efforts for the benefit of the Authority are undertaken by the Foundation, and the Authority is entitled to and has the ability to access resources held by the Foundation to fund its programs. Starting in 2024, the Authority evaluated the Foundation's operations to be significant to the Authority's operations as a whole and reported the Foundation as a discretely presented component unit.

The Authority provides certain accounting and administrative functions for the Foundation at no cost. During 2024 and 2023, the Foundation paid the Authority approximately $12,133,000 and $16,778,000, respectively, in pass through grants and donations.

Financial statements for the Foundation, can be obtained from the Authority at 303.602.7067, or by writing to the Denver Health and Hospital Authority, Division of Finance, MC 1925, 601 Broadway, Denver, Colorado 80203.

Fresenius Joint Venture

In February 2019, the Authority entered into a Limited Liability Company agreement with Fresenius Medical Care – Sloan's Lake. The Authority made a capital contribution of approximately $713,000 for 30% ownership or "units" in this joint venture. There are two members in this venture – the Authority and Fresenius Medical Care Venture, LLC. This contribution is reflected in the statements of net position as equity interest in joint venture. The change in the value of the Authority's share of net equity is recorded as nonoperating income.

Relationship with the City and County of Denver

The Act states that the City shall have no control over the operations of the Authority. Principal agreements between the Authority and the City dated January 1, 1997 include the Operating Agreement and the Personnel Services Agreement. The Operating Agreement is amended annually.

The Operating Agreement provides for and defines the services the Authority will provide to the City and be provided by the City to the Authority as well as the basis for determining compensation for such services. The agreement was entered into in order to ensure the citizens of the City would have access to quality preventative, acute, and chronic healthcare regardless of their ability to pay. The Authority and the City intend to continue to be collaborative and supportive in carrying out the objectives through annual City payments to the Authority.

The Personnel Services Agreement provides for the lease of City employees to the Authority and the Authority's payment obligations with respect to such employees.

For the years ended December 31, 2024 and 2023, the Authority recognized revenue from the City for Authority services of approximately $30,777,000 and $32,577,000, respectively, as compensation for costs incurred for treatment of medically indigent Denver residents.

The City purchased services revenue includes amounts relating to support services and expenses incurred by the Authority for other City agencies. These costs are reimbursed by the City and amounted to approximately $34,760,000 and $30,887,000 in 2024 and 2023, respectively. Revenue is recognized as services are provided. As of December 31, 2024, the City has an outstanding commitment to provide funding to the Authority not to exceed $9,100,000 for debt financed clinic construction within the city limits of Denver, Colorado.

Basis of Presentation

The Authority prepares its financial statements in conformity with applicable pronouncements of GASB. The discretely presented component unit financial statements are presented in accordance with Financial Accounting Standards Board (FASB) pronouncements, which is a different reporting model than the Authority.

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 of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Authority considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2024 and 2023, cash equivalents consisted primarily of operational depository accounts, checking accounts and repurchase agreements.

Investments, Restricted and Board-Designated Investments

Investments consist of U.S. treasuries and government obligations, asset-backed securities, corporate notes and bonds, mutual funds, and certificates of deposit. Investments are carried at fair value, which is based upon quoted market prices, except the bond reserve funds invested in guaranteed investment contracts, which are carried at cost. Money market accounts, local government investment pools, and investments whose maturities at the time of acquisition are one year or less are classified as short-term investments. All other investments are classified as long-term.

Restricted investments include assets held in investment accounts restricted for future debt service as specified in the related bond agreement.

Board-designated investments include assets held in investment accounts set aside by the Board of Directors for future capital projects, over which the board retains control and at its discretion subsequently use for other purposes.

Interest, dividends, and realized and unrealized gains and losses, based on the specific-identification method, are included in nonoperating revenue and expenses when earned or realized.

Patient Accounts Receivable

The Authority reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients and others. The Authority provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions.

Inventories

Inventories consist principally of medical and surgical supplies, pharmaceuticals, and food products and are stated at the lower of cost or market, with cost determined on an average-cost basis.

Capital Assets

Capital assets are recorded at cost at the date of acquisition or, fair value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. The Authority uses the estimated useful lives recommended by the American Hospital Association. Useful lives for building and improvements are 15 to 40 years and equipment and software are 3 to 20 years. The Authority's capitalization threshold for capital purchases is $5,000, $10,000 for leases, and $100,000 for subscription assets.

Leased Assets

Leased assets are initially recorded at the initial measurement of the lease payable, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Leased assets are amortized using the straight-line method over the shorter of the lease term or the useful life of the underlying asset.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at and certain payments made before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Capital, Leased, and Subscription Asset Impairment

The Authority evaluates capital, leased, and subscription assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital, leased, and subscription asset has occurred. If a capital, leased, or subscription asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected, capital, leased, or subscription asset historical cost and related accumulated depreciation or amortization are decreased proportionately such that the net decrease equals the impairment loss.

No asset impairment was recognized during the years ended December 31, 2024 and 2023.

Compensated Absences

The Authority policies permit most employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. A liability is accrued for compensated absences as the benefits are earned if the leave is more likely than not to be used for time off or settled in cash.

Compensated absence liabilities are computed using the regular pay, in effect at the balance sheets date plus an additional amount for salary-related payments such as social security and Medicare taxes computed using rates in effect at that date. The estimated compensated absences liability expected to be paid more than one year after the balance sheets date is included in other long-term liabilities.

The Authority has recorded a long-term liability for supplemental sick leave benefits for certain employees that were eligible for this benefit as of January 1, 1997, at the time the Department of Health and Hospital's Enterprise Fund was transferred to the Authority.

During the current year, the Authority implemented GASB Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The Authority was already recording compensated absences in accordance with this statement and as such, the implementation of this standard did not result in any changes in how the Authority records the compensated absence liability.

Unearned Revenue

Unearned revenue consists primarily of advance payments received for the Disproportionate Share Hospital (DSH) Program and Upper Payment Limit (UPL) Programs, from the Plan for Medicaid Choice Fee for Service related, as well as RMDS contract revenue received in advance of performing contract services.

Accrued Claims

Claim liabilities are based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claim liabilities are recomputed using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claim liabilities are charged or credited to expense in the periods in which they are made.

Cost-Sharing Defined Benefit Pension Plan

The Authority participates in a cost-sharing multiple-employer defined benefit pension plan, Denver Employees Retirement Plan (DERP). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of DERP and additions to/deductions 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. Starting in 2022, the proportionate shares for the DHHA and the non-DHHA employers in aggregate are determined based on their relative shares of the Unfunded Actuarial Liability (UAL) from the prior actuarial valuation.

Cost-Sharing Defined Benefit Other Postemployment Benefit Plan

The Authority participates in a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan, the OPEB DERP Plan. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB DERP Plan and additions to/deductions from the OPEB DERP Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB DERP Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Starting in 2022, the proportionate shares for the DHHA and the non-DHHA employers in aggregate are determined based on their relative shares of the Unfunded Actuarial Liability (UAL) from the prior actuarial valuation.

Deferred Outflows of Resources and Deferred Inflows of Resources

The Authority reports in a separate section of its statements of net position, the consumption of net position that is applicable to a future reporting period as deferred outflows of resources and reports the acquisition of net position that is applicable to a future reporting period as deferred inflows of resources.

The Authority reports deferred outflows of resources for pension benefits, other postemployment benefits, acquisitions, and loss on refunding of debt. The Authority reports deferred inflows of resources for pension benefits, other postemployment benefits and leases.

Deferred Loss on Refunding – The cost of debt refunding is deferred and amortized using the straight-line method over the remaining life of the old debt or the life of the new debt, whichever is shorter, and reported as deferred outflows of resources on the Authority's statements of net position.

Net Position

The Authority's net position is classified as follows:

Net Investment in Capital Assets – consists of capital, leased, and subscription assets net of accumulated depreciation and amortization and reduced by the outstanding balances of borrowings, lease, and subscription liabilities used to finance the purchase, use, construction or improvement of those assets. Any significant unspent

related debt proceeds and the corresponding portion of the debt would be included in either restricted or unrestricted net position.

Unrestricted – consists of the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

When the Authority has both restricted and unrestricted resources available to finance a particular program, it is the Authority's policy to use restricted resources before unrestricted resources.

Revenues and Expenses

The Authority's statements of revenues, expenses and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing healthcare services and include patient service and other revenue. Nonoperating revenues include interest income and unrealized gains/losses on investments, change in equity in joint venture, grant revenue, and gain (loss) on disposition of capital assets. Nonoperating expenses include interest expense on outstanding debt. Operating expenses are all expenses incurred to provide healthcare services, excluding financing costs.

Net Patient Service Revenue

The Authority has agreements with third-party payers that provide for payments to the Authority at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments and a provision for uncollectible accounts. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known.

Capitation Earned

Capitation revenue was earned based on the month in which members are entitled to healthcare services. Excess of loss reinsurance expense is deducted from gross capitation revenue.

Federal, State and Other Grants

Grants and contracts consist primarily of contractual agreements with governments and private entities for the Authority to conduct research and education and to provide healthcare services. These agreements represent exchange transactions between the Authority and the grantors and, accordingly, are included in operating activities. Revenue is recognized under these agreements as related expenses are incurred or upon achieving milestones depending on respective grant covenants.

Poison and Drug Safety Contracts

Poison and Drug Safety contract revenue is derived primarily from contractual agreements with public and private entities for the provision of a medical call center and other consultative services. Revenue is recognized based on the performance of contract deliverables or as related (cost-reimbursable) expenses are incurred.

Income Taxes

The income generated by the Authority, as an instrumentality of the state, is excluded from federal income taxes under Section 115 of the Internal Revenue Code (the Code). However, taxes will be assessed on income derived from business activities not substantially related to the Authority's, CCPPS, or 550 Acoma's Inc. exempt function (unrelated business income).

COVID-19 Pandemic Funding

FEMA Funding

During the year ended December 31, 2020, the Authority was awarded $25.3 million and received approximately $11.5 million from FEMA, in a joint application with the City and County of Denver for FEMA funding to support Denver Health's COVID-19 emergency response. Payments are recognized as contribution revenue once the applicable terms and conditions required to retain the funds have been met. Based on an analysis of the compliance and reporting requirements of FEMA, the Authority recognized approximately $3.3 million during December 31, 2023; however during December 31, 2024 further evaluation identified a potential refund required of approximately $4.9 million and the Authority adjusted receivable balances and accrued liabilities accordingly. The 2024 and 2023 activity are reported as net nonoperating grant revenue (refunds), including FEMA in the statements of revenues, expenses and changes in net position.

Reclassifications

Certain reclassifications have been made to the 2023 financial statements to conform to the 2024 presentation. The reclassifications had no effect on the changes in financial position.

Revision

A revision in Note 21 and the consolidating schedule – statement of net position presented as supplementary information at June 30, 2023 was made in the amount of approximately $29,871,000 to Denver Health Medical Center and approximately ($12,972,000) to 550 Acoma Inc. to properly report the net investment in capital assets. The aggregate change was approximately $16,899,000 to increase net investment in capital assets and decrease the unrestricted components of net position on the statements of financial position. The revision did not have any impact on the change in net position or total net position.

Note 2. Net Patient Service Revenue

The Authority has agreements with third-party payors that provide for payments to the Authority at amounts different from its established rates. A summary of the payment arrangements with major third-party payors is as follows:

Medicare. Inpatient acute care services and rehabilitation services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Hospital outpatient services are reimbursed on a prospective payment system. Outpatient services and procedures that are clinically comparable and use similar resources are grouped into Ambulatory Payment Classifications. Federally Qualified Healthcare (FQHC) services rendered to Medicare program beneficiaries are paid under a prospective payment system (PPS). Medicare payment, including patient coinsurance, is paid based on the lesser of the Authorities' actual charge or the applicable PPS rate. The Authority is also reimbursed for certain capital and medical education costs and allowable bad debts at a tentative rate with final settlement determined after submission of annual cost reports by the Authority and audits thereof by the Medicare Administrative Contractor. The Authority's classification of patients under the Medicare program and the appropriateness of the admissions are subject to an independent audit by a peer review organization under contract with the Authority. The Authority's Medicare cost reports have been audited by the Medicare Administrative Contractor through December 31, 2020.

Medicaid. Inpatient services rendered to Medicaid program beneficiaries are reimbursed under a prospectively determined system similar to Medicare. Outpatient services rendered are paid prospectively under the Enhanced Ambulatory Patient Grouping (EAPG) System, a patient classification system that is based on clinical, diagnostic, and other factors. Federally Qualified Healthcare (FQHC) services rendered to Medicaid program beneficiaries are paid at the higher of prospective payment system (PPS) rates or alternative payment rates, which are calculated based on an inflated cost per visit. The Authority's Medicaid cost reports have been audited by the Colorado Department of Health Care Policy and Financing through the year ended

December 31, 2016. Denver Health Medicaid Choice (DH Medicaid Choice) members were reimbursed under the same Medicaid reimbursement systems for inpatient, outpatient and FQHC services beginning July 1, 2022.

Other Payors. The Authority has also entered into payment agreements with commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Authority under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined rates per day or visit.

Indigent Care, Charity Care and Community Service. The Authority, as part of its mission, provides healthcare services to city residents, regardless of ability to pay. Many of the Authority's patients are unable to obtain benefits from insurance companies or do not have personal resources to cover costs. The financial burden, however, is in part offset by various federal, state, local, and private programs in which such patients are enrolled. The costs of charity care provided under the Authority's charity care policy was approximately $94,365,000 and $86,847,000 for the years ended December 31, 2024 and 2023, respectively, based on cost to charge ratios.

Records are maintained to identify and monitor the level of charity care the Authority provides based on cost to charge ratios. These records include the amount of charges foregone for services and supplies furnished under its charity care policy. This policy directly relates to that of the Colorado Disproportionate Share Hospital Program (DSH Program).

Gross patient service revenue and the level of uncompensated care provided, based on the Authority's established rates, during the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Gross charges, including charges forgone for charity	$ 4,177,596,241	$ 3,818,970,795
Charges forgone for charity care	(305,424,443)	(270,427,470)
Gross patient service revenue	3,872,171,798	3,548,543,325
Contractual adjustments	(2,598,411,036)	(2,441,072,923)
Provision for bad debts	(211,245,478)	(137,603,403)
Net patient service revenue	$ 1,062,515,284	$ 969,866,999
Uncompensated care		
Contractual adjustments	$ 2,598,411,036	$ 2,441,072,923
Provision for bad debts	211,245,478	137,603,403
Charity care	305,424,443	270,427,470
	$ 3,115,080,957	$ 2,849,103,796

The Authority receives partial reimbursement for uncompensated care from the DSH Program, provider fee payments and the City. The Authority estimates the level of uncompensated care by payor classification based on established rates.

Note 3. Disproportionate Share Hospital (DSH) Program and Upper Payment Limit (UPL) Programs

The Authority participates in the DSH Program. The Authority qualifies as a DSH as it serves a high proportion of medically indigent and uninsured patients. The DSH Program was created in 1991 through an amendment to the Colorado State Medicaid Program and was approved by the Centers for Medicare and Medicaid (CMS).

Under the DSH Program, the state utilizes a provider fee as the local match for federal funding. The state pays the Authority two months in advance at the end of the year. This results in unearned revenue included in the statements of net position. The state has paid the Authority approximately $23,233,000 and $21,914,000 in advance for the years ended December 31, 2024 and 2023, respectively. The payments received through the DSH Program are based on the cost of uncompensated charity care. Laws and regulations governing the DSH programs are complex and subject to interpretation and change. The Authority has ongoing communications with the state regarding annual settlements. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

In addition, the Authority receives UPL reimbursements, which is designed to increase the Medicaid reimbursement rate up to the Authority's Medicaid cost not to exceed the Medicare reimbursement rate.

The provider fee serves as the state match for federal DSH and UPL funds which are drawn by the state and paid to the Authority using the provider fee methodology developed as part of the Colorado Healthcare Affordability Act. The Authority recognizes revenue to align with the current state fiscal year that the award relates to. The revenue is based off of the initial award amount communicated and adjusted when it's approved by the state of Colorado. The Authority recognizes revenue in the year in which notification of the award amount has been received and ratably over the state fiscal year. The Authority recorded safety net reimbursements (net of provider fee expense paid) totaling approximately $121,900,000 and $121,200,000 for the years ended December 31, 2024 and 2023, respectively. The Authority records as expense the corresponding provider fee assessment due the state and the Colorado Hospital Association.

The Colorado Healthcare Affordability Act, designated as House Bill 1293 (HB 1293), was passed during 2009 implementing a fee on hospitals to generate matching funds to the state from federal sources. Implementation of this act occurred during April of 2010. HB 1293 was superseded by Senate Bill 17-267 which repealed the Hospital Provider Fee and created the Colorado Healthcare Accountability and Sustainability Enterprise (CHASE). The Authority also received $5,000,000 in 2024 in state general fund revenue for the use of other medical services from State Bills 23-138 and 23-214. The resulting safety net revenue and expense for 2024 and 2023 had the following effect on the financial statements:

	2024	2023
Medicaid Disproportionate Share revenue	$ 92,534,721	$ 46,638,214
Supplemental Medicaid base rate revenue	30,703,899	76,841,099
Supplemental Medicaid outpatient hospital revenue	7,794,311	6,504,448
Hospital quality incentive payment	10,285,734	7,252,685
Total hospital provider fee revenue	141,318,665	137,236,446
Provider fee expense (included in contracted services and non-medical supplies)	(42,671,101)	(41,942,010)
Total net hospital provider fee	$ 98,647,564	$ 95,294,436

	2024	2023
Total hospital provider fee revenue	$ 141,318,665	$ 137,236,446
Ambulance Upper Payment Limit revenue	2,471,626	2,128,067
Outstationing revenue	-	(300,083)
Primary care funds	10,011,287	10,116,179
Physician certification revenue	5,773,540	7,916,818
State general fund revenue	5,000,000	6,000,000
Total other safety net	23,256,453	25,860,981
Total safety net revenue	$ 164,575,118	$ 163,097,427

At December 31, 2024 and 2023, the Authority had a prepaid for provider fee expense which is recorded on the statements of net position in the amounts of approximately $7,622,000 and $7,361,000, respectively.

Note 4. Investments and Restricted Investments (Excluding Fiduciary Funds)

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Authority's deposit policy for custodial credit risk requires compliance with the provisions of state law.

Colorado Statutes require that the Authority use eligible depositories for all cash deposits, as defined by the Public Deposit Protection Act (PDPA). Under PDPA, the depository is required to pledge eligible collateral having a market value at all times equal to at least 102% of the aggregate public deposits held by the depository not insured by the Federal Deposit Insurance Corporation (FDIC).

The Authority uses eligible depositories for all its deposits and investments. Remaining cash balances are swept daily to a Class I money market account or AAAm rated local government investment pool. Any cash balances in other bank accounts are negligible and covered by FDIC insurance.

Cash, cash equivalents and investments at December 31, 2024 and 2023 are as follows:

	2024	2023
Cash and cash equivalents	$ 80,896,918	$ 36,021,054
Long-term and board-designated investments		
Mortgage-backed securities	16,970,082	15,901,123
U.S. government agency notes	4,711,357	1,798,687
Corporate bonds	127,494,092	134,678,233
Corporate asset-backed bonds	4,107,291	4,903,497
Municipal bonds	24,343,865	12,473,518
U.S. government treasury bills	6,655,922	8,897,188
Mutual funds		
Global equity fund	10,338,063	11,471,640
Commodity and commodity futures fund	5,226,940	3,829,194
Debt fund	45,497,970	44,604,980
Domestic equity fund	25,906,967	22,248,405
International equity fund	2,275,018	2,683,422
Alternative funds	13,022,915	14,409,131
Total long-term investments and board-designated investments	286,550,482	277,899,018
Total cash, cash equivalents and investments, excluding restricted investments	$ 367,447,400	$ 313,920,072

Restricted investments at December 31, 2024 and 2023 are as follows:

	2024	2023
Bond proceeds restricted as provided in bond agreements		
Cash equivalents	$ 8,428,315	$ 7,170,536
Guaranteed investment contract	12,800,600	12,800,600
	$ 21,228,915	$ 19,971,136

Credit Risk

The Authority's investment policy applies the prudent person standard and is applied in the context of managing an overall portfolio. Investment responsibilities shall be undertaken "with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use."

The Authority's investments are restricted to the following Standard & Poor's (S&P) or equivalent investment quality ratings or higher.

Straight-debt securities – BBB- and up to 10% of the portfolio may be rated below investment grade

Asset-backed securities – A-

Money market mutual funds – AAA

Local government investment pools – AAAm-G or AAAm

U.S. treasuries and U.S. government agencies – AA+

The Authority or its managers may purchase bonds of state governments, local governments, or corporations. New purchases will primarily be rated at a minimum Baa3/BBB- by any of the rating agencies, however, up to 10% of the combined portfolio may be rated below investment grade.

The following is a summary of the Authority's investments at December 31, 2024 and 2023 with average credit ratings based on S&P ratings or equivalent:

	2024		2023	
	Investments	S & P Rating	Investments	S & P Rating
Cash and cash equivalents				
Cash and cash equivalents	$ (1,189,075)	N/A	$ (2,336,426)	N/A
Demand deposit account	50,834,063	A-	30,531,188	A-
Class I or government money market fund	31,251,930	AAA	7,826,292	AAA
Total cash and cash equivalents	80,896,918		36,021,054	
Long-term and board designated investments				
Mortgage-backed securities	153,250	AAA	725,678	AAA
Mortgage-backed securities	13,435,751	AA+	11,370,902	AA+
Mortgage-backed securities	3,381,082	N/A	3,804,543	N/A
U.S. government agency notes	4,711,357	AA+	1,798,687	AA+
Corporate bonds	1,315,456	AAA	1,522,048	AAA
Corporate bonds	1,981,435	AA	2,005,297	AA
Corporate bonds	9,887,145	AA-	6,706,491	AA-
Corporate bonds	5,536,534	A+	6,358,985	A+
Corporate bonds	15,463,364	A	12,943,063	A
Corporate bonds	26,065,608	A-	19,428,837	A-
Corporate bonds	37,507,834	BBB+	58,554,399	BBB+
Corporate bonds	23,001,599	BBB	19,646,231	BBB
Corporate bonds	5,121,678	BBB-	4,593,676	BBB-
Corporate bonds	521,250	BB+	531,000	BB+
Corporate bonds	1,092,188	N/A	2,388,209	N/A
Corporate asset backed bonds	561,539	AAA	331,033	AAA
Corporate asset backed bonds	548,695	A	1,575,146	A
Corporate asset backed bonds	961,253	A-	910,788	A-
Corporate asset backed bonds	447,868	BBB	449,294	BBB
Corporate asset backed bonds	1,587,936	N/A	1,637,236	N/A
Municipal bonds	494,490	AA+	485,145	AA+
Municipal bonds	7,835,345	AA	4,290,180	AA
Municipal bonds	3,638,761	AA-	2,173,005	AA-
Municipal bonds	943,620	A+	924,920	A+
Municipal bonds	-	A	2,391,954	A
Municipal bonds	9,454,245	BBB+	1,832,120	BBB+
Municipal bonds	1,977,404	N/A	376,194	N/A
U.S. government treasury bills	6,655,922	AA+	8,897,185	AA+
Open End Mutual Funds	102,267,873	N/A	99,246,772	N/A
Total long-term and board-designated investments	286,550,482		277,899,018	
Total cash, cash equivalents and investments, excluding restricted investments	$ 367,447,400		$ 313,920,072	

The following is a summary of the Authority's restricted investments at December 31, 2024 and 2023 with average credit ratings based on S&P ratings or equivalent:

	2024		2023	
	Investments	S & P Rating	Investments	S & P Rating
Bond proceeds restricted as provided in bond agreements				
Cash equivalents	$ 8,428,315	AAA	$ 7,170,536	AAA
Guaranteed investment contract	12,800,600	A	12,800,600	N/A
	$ 21,228,915		$ 19,971,136	

Interest Rate Risk

The Authority's investment policy manages exposure to market value losses arising from rising interest rates in several ways. The duration of total assets must be less than six years. As of December 31, 2024, approximately $21,077,000, or 5.74%, of total long-term investments were in these types of securities. As of December 31, 2023, approximately $20,805,000, or 6.63%, of total long-term investments were in corporate asset-backed bonds and government mortgage-backed securities. The following is a summary of the duration, average weighted maturity of the portfolio, and average weighted effective maturity as of December 31, 2024 and 2023:

Portfolio Component	Par Value	Duration	Average Weighted Maturity (Years)	Average Weighted Effective Maturity (Years)
December 31, 2024				
Working capital account	$ 183,221,363	1.98	3.59	3.32
Focused alpha bond fund	15,734,784	3.89	9.75	7.65
Commerce intermediate	71,410,560	6.13	13.13	11.04
Other reserve account	407,212	0.74	0.76	0.76
Medical malpractice reserve account	6,206,574	1.10	1.87	1.85
Total components	$ 276,980,493	3.06	6.01	5.28

Portfolio Component	Par Value	Duration	Average Weighted Maturity (Years)	Average Weighted Effective Maturity (Years)
December 31, 2023				
Working capital account	$ 142,939,217	2.54	4.62	4.23
Focused alpha bond fund	7,587,389	1.03	2.66	1.09
Commerce intermediate	73,425,419	6.01	12.15	9.71
Other reserve account	389,827	1.55	1.64	1.64
Medical malpractice reserve account	5,993,382	1.93	2.91	2.89
Total components	$ 230,335,234	3.66	7.00	5.96

Concentration of Credit Risk

The Authority's investment policy requires diversification of the portfolio to limit credit risk and states as follows:

Diversification: The investments shall be diversified by:

i) Limiting investments to avoid over concentration in securities from a specific issuer or business.

ii) Limiting investments in securities that have higher credit risks.

iii) Investing in securities with varying maturities.

iv) Continuously investing a portion of the portfolio in readily available funds, such as money market accounts, repurchase agreements, local government investment pools, and bank account sweep programs, to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

v) No single financial institution will hold more than 5% of the Authority's portfolio value, excluding U.S. government or U.S. government agency securities. As of December 31, 2024, the Authority owned $12.2 million (3.31% of the portfolio) of Jeffries Financial Group Inc. bonds, $10.8 million (2.93% of the portfolio) of Citigroup Inc. bonds, $7.6 million (2.07% of the portfolio) of New Hampshire Business Finance Authority bonds, $7.3 million (1.99% of the portfolio) of Goldman Sachs Group, Inc. bonds, and $5.3 million (1.44% of the portfolio) of Bank of America Corporation bonds.

vi) The following maximum limits, by investment type, are established for the Authority's total investments portfolio, including cash and cash equivalents. The investment policy statement limits outlined below take into consideration the Plan investments. It is the intent of the Authority to invest in the following investment categories. The percentage stated is a "not to exceed" limitation. Investments are not required in every investment type. For example, it is permitted to own 80% in agency securities and 20% in repurchase agreements and own no other securities.

Investment Type	Maximum Percentage of Portfolio
Repurchase agreements	25%
Collateralized certificates of deposit	25%
U.S. Treasury notes and bills	100%
U.S. government agency securities	90%
U.S. government CMOs	20%
Bankers acceptances	10%
Commercial paper	50%
Money market funds/Local Govt Invest Pools	30%
State and local government bonds	50%
Corporate bonds	75%
Commercial asset-backed securities	25%
Plus Sector Funds	5%
Long Term Growth Portfolio (Mutual Funds)	33%

vii) Additional investments established for bond proceeds include the above investment contracts, and flexible repurchase agreements (Flex Repos), which can be up to 100% of bond proceeds.

In the event that an allocation percentage is exceeded, such event is disclosed to the Finance Committee of the Board of Directors and corrected as soon as possible. The portfolio was in compliance with the allocation percentages as of December 31, 2024 and 2023.

Note 5. Disclosures About Fair Value of Assets and Liabilities (Excluding Fiduciary Funds)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying financial statements, long-term investments and board-designated investments, measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2024 and 2023:

		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2024				
Long-term Investments				
Mortgage-backed securities	$ 16,970,082	$ -	$ 16,970,082	$ -
U.S. government agency notes	4,711,357	-	4,711,357	-
Corporate Bonds	127,494,092	-	127,494,092	-
Corporate asset-backed bonds	4,107,291	-	4,107,291	-
Municipal Bonds	24,343,865	-	24,343,865	-
U.S. government treasury bills	6,655,922	6,655,922	-	-
Mutual funds				
Global Equity Fund	10,338,063	10,338,063	-	-
Commodity and commodity futures fund	5,226,940	5,226,940	-	-
Debt fund	45,497,970	45,497,970	-	-
Domestic equity fund	25,906,967	25,906,967	-	-
International equity fund	2,275,018	2,275,018	-	-
Alternative funds	13,022,915	13,022,915	-	-
	$ 286,550,482	$ 108,923,795	$ 177,626,687	$ -

	Fair Value	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements Using: Significant Other Observable Inputs (Level 2)	Fair Value Measurements Using: Significant Unobservable Inputs (Level 3)
December 31, 2023				
Long-term Investments				
Mortgage-backed securities	$ 15,901,123	$ -	$ 15,901,123	$ -
U.S. government agency notes	1,798,687	-	1,798,687	-
Corporate Bonds	134,678,234	-	134,678,234	-
Corporate asset-backed bonds	4,903,497	-	4,903,497	-
Municipal Bonds	12,473,518	-	12,473,518	-
U.S. government treasury bills	8,897,188	8,897,188	-	-
Mutual funds				
Global Equity Fund	11,471,640	11,471,640	-	-
Commodity and commodity futures fund	3,829,194	3,829,194	-	-
Debt fund	44,604,980	44,604,980	-	-
Domestic equity fund	22,248,405	22,248,405	-	-
International equity fund	2,683,422	2,683,422	-	-
Alternative funds	14,409,131	14,409,131	-	-
	$ 277,899,019	$ 108,143,960	$ 169,755,059	$ -

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Authority does not carry any Level 3 investments.

Note 6. Capital, Leased, and Subscription Assets

Capital, leased, and subscription assets, by major category, at December 31, 2024 and 2023 are as follows.

December 31, 2024	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets, not being depreciated					
Land	$ 43,119,902	$ -	$ -	$ -	$ 43,119,902
Construction in progress	8,615,875	26,370,386	(19,128,604)	-	15,857,657
Total capital assets, not being depreciated	51,735,777	26,370,386	(19,128,604)	-	58,977,559
Capital assets, being depreciated					
Buildings and improvements	911,488,864	930,284	5,444,800	(13,455,447)	904,408,501
Equipment and software	331,095,093	7,639,482	13,683,804	(48,131,077)	304,287,302
Total capital assets, being depreciated	1,242,583,957	8,569,766	19,128,604	(61,586,524)	1,208,695,803
Less accumulated depreciation					
Buildings and improvements	446,937,516	30,134,090	-	(13,455,447)	463,616,159
Equipment and software	259,118,150	23,570,369	-	(46,538,815)	236,149,704
Total accumulated depreciation	706,055,666	53,704,459	-	(59,994,262)	699,765,863
Total capital assets, being depreciated, net	536,528,291	(45,134,693)	19,128,604	(1,592,262)	508,929,940
Leased asset - building	29,613,403	4,477,072	(17,852,793)	(1,562,337)	14,675,345
Leased asset - equipment	3,375,628	4,198,611	17,852,793	(1,183,065)	24,243,967
Less accumulated amortization					
Leased asset - building	11,618,419	5,067,744	(7,167,611)	(1,562,337)	7,956,215
Leased asset - equipment	2,013,352	3,628,707	7,167,611	(657,384)	12,152,286
Right to use leased assets, net	19,357,260	(20,768)	-	(525,681)	18,810,811
Subscription asset - software	39,136,834	23,290,510	-	(8,308,028)	54,119,316
Less accumulated amortization - software	17,848,476	11,303,822	-	(8,308,028)	20,844,270
Right to use subscription assets, net	21,288,358	11,986,688	-	-	33,275,046
Capital, leased, and subscription assets, net	$ 628,909,686	$ (6,798,387)	$ -	$ (2,117,943)	$ 619,993,356

December 31, 2023	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets, not being depreciated					
Land	$ 43,383,777	$ -	$ -	$ (263,875)	$ 43,119,902
Construction in progress	15,771,531	24,171,681	(31,327,337)	-	8,615,875
Total capital assets, not being depreciated	59,155,308	24,171,681	(31,327,337)	(263,875)	51,735,777
Capital assets, being depreciated					
Buildings and improvements	900,470,168	(91,744)	11,414,001	(303,561)	911,488,864
Equipment and software	307,847,964	3,728,658	19,913,336	(394,865)	331,095,093
Total capital assets, being depreciated	1,208,318,132	3,636,914	31,327,337	(698,426)	1,242,583,957
Less accumulated depreciation					
Buildings and improvements	414,984,612	31,952,904	-	-	446,937,516
Equipment and software	235,577,414	23,540,736	-	-	259,118,150
Total accumulated depreciation	650,562,026	55,493,640	-	-	706,055,666
Total capital assets, being depreciated, net	557,756,106	(51,856,726)	31,327,337	(698,426)	536,528,291
Leased asset - building	29,576,047	440,879	-	(403,523)	29,613,403
Leased asset - equipment	3,893,622	-	-	(517,994)	3,375,628
Less accumulated amortization					
Leased asset - building	8,045,234	3,976,708	-	(403,523)	11,618,419
Leased asset - equipment	1,694,873	836,473	-	(517,994)	2,013,352
Right to use leased assets, net	23,729,562	(4,372,302)	-	-	19,357,260
Subscription asset - software	30,759,551	9,270,009	-	(892,726)	39,136,834
Less accumulated amortization - software	8,469,496	10,271,706	-	(892,726)	17,848,476
Right to use subscription assets, net	22,290,055	(1,001,697)	-	-	21,288,358
Capital, leased, and subscription assets, net	$ 662,931,031	$ (33,059,044)	$ -	$ (962,301)	$ 628,909,686

Note 7. Concentrations of Credit Risk – Patient Accounts Receivable and Due from Other Governmental Entities

The Authority grants credit without collateral to its patients, most of whom are residents of the City and, except for the patient self-pay category, are generally insured under third-party payor agreements. Expected credit losses are provided for in the allowance for estimated uncollectibles. Net patient accounts receivable by payor category at December 31, 2024 and 2023 are as follows:

	2024	2023
Medicare	$ 27,698,644	$ 26,154,974
Medicaid	42,768,787	40,822,450
Commercial insurance carriers	52,648,388	46,390,180
Patient self-pay	8,270,881	13,127,596
Total	$ 131,386,700	$ 126,495,200

At December 31, 2024 and 2023, due from other governmental entities are as follows:

	2024	2023
Federal and State Grants	$ 17,749,401	$ 26,351,054
Safety Net and other programs		
Physician certification	5,500,002	5,199,997
Primary care funds	2,582,766	4,194,925
Medicaid Graduate Medical Examination	1,753,312	1,328,178
Ambulance UPL	1,800,000	1,247,000
HCP Enrollment Services Contract	1,265,826	1,248,833
Medicare OPPS 340B Remedy	-	2,445,216
Total Safety Net and other programs	12,901,906	15,664,149
Total	$ 30,651,307	$ 42,015,203

Receivables from the Medicare and Medicaid programs represent a concentrated credit risk for the Authority. Management does not believe that there is a significant risk of loss associated with these programs. Management believes various other payors, subject to differing economic conditions, do not represent significant concentrated credit risks to the Authority.

Note 8. Long-Term Debt and Other Long-Term Liabilities

2017 and 2019 Revenue Bonds

In August 2017, the Authority issued $93,435,000 of Healthcare Revenue Bonds Series 2017A bearing interest from 4.0% to 5.0%. The net proceeds of the bonds were used by the Authority to purchase and cancel $104,700,000 of the Authority's Healthcare Revenue Bonds, 2007A Bonds, and to pay the costs of issuance. This purchase and cancel included $2,741,000 of principal payments related to the 2007A Bonds. Principal payments on the 2017A Bonds began in 2018 and continue through 2038 in amounts ranging from $3,550,000 to $12,305,000. For the

years ended 2024 and 2023 principal payments were made of $4,760,000 and $4,530,000, respectively. Interest is payable semiannually and payments were approximately $3,223,000 and $3,449,000 for the years ended December 31, 2024 and 2023, respectively.

The 2017 defeasance resulted in a difference between the reacquisition price and the carrying value ($101,959,000) of the defeased debt of $167,000, which was expensed. The difference between the present value of the old debt service on the debt refunded in 2017 and the new debt service resulted in an economic gain of approximately $10,300,000.

In September 2019, the Authority refunded the Series 2007B Bonds (including termination of the related swap agreement), 2009A Bonds, and 2015 COP with the net proceeds of the Series 2019A and 2019B Bonds. The 2019A Healthcare Revenue Bonds Series was issued for $83,280,000 with a premium of $14,525,798 and the 2019B privately placed series for $48,995,000. The 2019A Bonds bear interest of 4.00% to 5.00% and the 2019B Bonds bear interest of 1.99%. The net proceeds were used by the Authority to purchase and cancel the above mentioned debt and provide funding of $24,000,000 for construction projects on campus.

The advanced refunding resulted in a difference between the reacquisition prices and the net carrying amount of the old debt of approximately $14,132,000. This difference is reported in the accompanying financial statements as a deferred outflow of resources and is amortized through December 2033. The Authority completed the refinancing to restructure its overall debt portfolio to create a lower maximum annual debt service beginning in 2023 and to reduce its overall principal and interest payments. The difference between the present value of the old debt service and the new debt service resulted in an economic gain of approximately $4,800,000. Principal payments on the 2019A Bonds will begin in 2030 and continue through 2040 in amounts ranging from $190,000 to $12,885,000. During 2024 and 2023, the Authority made interest payments of approximately $3,671,000. Principal payments on the 2019B Bonds began in 2020 and will continue through 2029 in amounts ranging from $2,810,000 to $7,645,000. Principal payments were approximately $5,730,000 and $5,925,000 for the years ended December 31, 2024 and 2023, respectively. Interest is payable semiannually and payments were approximately $518,000 and $635,000 for the years ended December 31, 2024 and 2023, respectively. At December 31, 2024 and 2023, the unamortized net deferred loss, which includes the 2007 deferred loss and 2009 deferred gain noted above, was approximately $10,492,000 and $11,852,000, respectively.

2014 Revenue Bonds

In May 2014, the Authority issued $67,870,000 of Healthcare Revenue Bonds Series 2014A. These bonds had a net premium of approximately $1,146,000 which will be amortized over the life of the debt. The net proceeds of the bonds were used to renovate the Authority's inpatient care areas and improve and construct facilities at the main healthcare campus in accordance with master facilities planning. The 2014A Bonds bear interest rates from 4.00% to 5.25%, with principal payments beginning in 2027 through 2045 ranging from $2,000,000 to $5,470,000. During 2024 and 2023, the Authority made interest payments of approximately $3,334,000.

In May 2014, the Authority issued $16,945,000 of Healthcare Revenue Bonds Taxable Services 2014B Bonds. The net proceeds of the bonds were used by the Authority to make a loan to an investment fund created by a tax credit investor. The investor used the proceeds of the loan, and also contributed $7,300,000, in order to facilitate the financing of the construction of an outpatient and urgent care clinic in Southwest Denver. The 2014B Bonds bear interest from 1.70% to 5.15%, with principal payments beginning in 2016 and continuing through 2026 in amounts ranging from $845,000 to $2,255,000. For the years ended 2024 and 2023, principal payments were made of $1,510,000 and $1,455,000, respectively. During 2024 and 2023, the Authority made interest payments of approximately $209,000 and $276,000, respectively.

2022 Revenue Bonds

In June 2022, the Authority issued Healthcare Revenue Bonds, Series 2022 (the Bonds) in order to provide funds to finance certain energy efficiency improvement and upgrades to the Authority's facilities and pay certain costs associated with the bond issuance. The Bonds were issued as a draw down bond with at stated aggregate principal amount not to exceed $12,900,000 and principal amount due thereon to be only such amount as has been drawn down by the Authority. The Bonds bear interest at a rate of 3.33% with principal payments beginning in 2024 through

2031 ranging from $1,435,000 to $1,745,000. During 2024 and 2023, the Authority had drawn approximately $0 and $8,063,000, respectively, and made interest payments of approximately $439,000 and $228,000, respectively. For the year ended 2024, principal payments were made of $1,432,000.

Notes from Direct Borrowings and Direct Placements

The Authority's outstanding notes from direct borrowings and direct placements as of December 31, 2024 and 2023 include series 2017A bonds, Series 2019B bonds, Series 2022 bonds and other long-term debt totaling approximately $96,085,000 and $108,010,000, respectively. These items contain provisions that in an event of default, outstanding amounts become immediately due if the Authority is unable to make payment and the Authority had pledged its revenue as part of its master trust indenture agreement. No other assets are assigned as collateral.

Debt Covenants

Per the Master Trust Indentures, the Authority's long-term debt service coverage ratio, calculated at the end of each fiscal year, cannot be less than 1.15 for the 2014, 2017 and 2019 Bonds. The Authority believes it is in compliance with these requirements.

Other Long-Term Debt

In September 2007, the Authority entered into an agreement with the City to enable its acquisition of property for use in the construction and operation of a clinic providing healthcare services. The amount of the loan is $1,200,000 due in one payment on January 1, 2026 and does not bear interest.

On February 8, 2008, the Authority signed a promissory note with the City's Office of Economic Development, as the borrower of $4,300,000, advanced by the City, pursuant to a Loan Agreement between the Authority and the City dated December 18, 2007, in which the City received funds from the Housing and Urban Development (HUD) in connection with the Northeast Park Hill Urban Redevelopment Plan. Interest is paid quarterly at a variable interest rate on the unpaid principal balance on the first day of January, April, July and October. Beginning July 1, 2009, and on each July 1 thereafter, the Authority will make, in addition to quarterly payments of interest, payments of principal sufficient to repay amounts due under the Section 108 note. The entire unpaid balance of the principal and accrued interest will be due and payable on or before July 1, 2025. As of December 31, 2021 and 2020, the Authority has received $4,070,181 from the City under this loan. During 2024 and 2023, the Authority paid $365,000 and $345,000, respectively, in principal payments to HUD. Interest and HUD fees paid on this loan for 2024 and 2023 totaled approximately $16,800 and $44,400, respectively. During 2024 and 2023, $193,000 and $356,000, respectively, was reimbursed as a capital contribution by the City.

In September 2018, the Authority received a $5,000,000 loan. The loan proceeds were used to renovate the Eastside clinic. The loan bears interest of 3.0% with monthly principal payments beginning December 1, 2018 through November 1, 2024 ranging from $64,000 to $90,000. During 2023, the Authority made principal payments of approximately $977,000. During 2023, the Authority made interest payments of approximately $16,000. This loan has been paid in full as of December 31, 2023.

In September 2018, the Authority created a Colorado nonprofit corporation, 550 Acoma Inc. in order to obtain financing for a parking garage adjacent to the Authority's main campus. 550 Acoma Inc. issued $37,815,000 in a public offering. This financing was issued as a certificate of participation (COP). These COPs had a net premium of $3,012,526 which will be amortized over the life of the debt. The COPs bear interest from 4.00% to 5.00% with principal payments beginning December 1, 2020 through December 1, 2048 ranging from $320,000 to $2,350,000. During 2024 and 2023, the Authority made interest payments of approximately $1,703,000 and $1,740,000, respectively.

Lease and Subscription Liability

Refer to Note 10 for GASB 87 and GASB 96.

Year-End Debt Balances

Long-term debt (including lease and subscription liability) at December 31 consisted of the following:

	December 31, 2024	December 31, 2023
Revenue Bonds, Series 2014, due in increasing annual installments beginning 2016 through 2025 (net of unamortized bond premium of $762,030 and $798,317 at December 31, 2024 and 2023, respectively)	$ 71,302,030	$ 72,848,317
Revenue Bonds, Series 2017A, due in increasing annual installments beginning 2018 through 2036 (net of unamortized bond premium of $5,417,901 and $5,869,392 as of December 31, 2024 and 2023, respectively).	69,942,900	75,154,392
Revenue Bonds, Series 2019A and Series 2019B, due in increasing annual installments beginning 2020 through 2040 (net of unamortized bond premium of $10,894,348 and $11,575,245 as of December 31, 2024 and 2023, respectively)	114,449,348	120,860,245
Revenue Bonds, Series 2022, due in increasing installments beginning 2024 through 2031	11,285,046	12,720,046
550 Acoma Inc. notes payable, net of unamortized bond premium of $2,383,537 and $2,482,851 as of December 31, 2024 and 2023, respectively)	37,028,537	37,892,851
Other long-term debt	1,335,181	1,700,181
Subscription liability	28,526,861	21,171,442
Lease liability	21,657,646	21,573,969
Total current and long-term debt	355,527,549	363,921,443
Less current portion	(30,390,724)	(25,739,901)
Total long-term debt	$ 325,136,825	$ 338,181,542

Changes in Long-Term Debt and Other Long-Term Liabilities

Changes in long-term debt and other long-term liabilities for the years ended December 31 are as follows:

December 31, 2024	Date of Issuance	Beginning Balance	Additions and Premium Amortization	Principal Payments or Reductions	Ending Balance	Due Within One Year
Series 2014A and B, net of premium	May 2014	$ 72,848,317	$ (36,287)	$ (1,510,000)	$ 71,302,030	$ 1,825,000
Series 2017A, net of premium	August 2017	75,154,392	(451,492)	(4,760,000)	69,942,900	4,995,000
Series 2019A and B, net of premium	September 2019	120,860,245	(680,897)	(5,730,000)	114,449,348	2,810,000
Series 2022	June 2022	12,720,046	-	(1,435,000)	11,285,046	1,480,000
550 Acoma Inc. notes payable, net of premium	September 2019	37,892,851	(99,314)	(765,000)	37,028,537	805,000
Other long-term debt	Various	1,700,181	-	(365,000)	1,335,181	135,181
Lease liability	Various	21,573,969	8,675,683	(8,592,006)	21,657,646	6,110,912
Subscription liability	Various	21,171,442	23,068,664	(15,713,245)	28,526,861	12,229,631
Compensated absences liability		38,481,088	1,891,024	-	40,372,112	40,019,019
Postemployment benefits		7,741,905	-	(242,721)	7,499,184	-
Total		$ 410,144,436	$ 32,367,381	$ (39,112,972)	$ 403,398,845	$ 70,409,743

December 31, 2023	Date of Issuance	Beginning Balance	Additions and Premium Amortization	Principal Payments or Reductions	Ending Balance	Due Within One Year
Series 2014A and B, net of premium	May 2014	$ 74,339,604	$ (36,287)	$ (1,455,000)	$ 72,848,317	$ 1,510,000
Series 2017A, net of premium	August 2017	80,135,884	(451,492)	(4,530,000)	75,154,392	4,760,000
Series 2019A and B, net of premium	September 2019	127,466,142	(680,897)	(5,925,000)	120,860,245	5,730,000
Series 2022	June 2022	4,657,166	8,062,880	-	12,720,046	1,435,000
550 Acoma Inc. notes payable, net of premium	September 2019	38,722,165	(99,314)	(730,000)	37,892,851	765,000
Other long-term debt	Various	3,021,937	-	(1,321,756)	1,700,181	365,000
Lease liability	Various	25,367,098	440,879	(4,234,008)	21,573,969	4,059,228
Subscription liability	Various	22,455,317	9,270,009	(10,553,884)	21,171,442	7,115,673
Compensated absences liability		41,039,615	-	(2,558,527)	38,481,088	38,365,012
Postemployment benefits		3,337,059	4,404,846	-	7,741,905	-
Total		$ 420,541,987	$ 20,910,624	$ (31,308,175)	$ 410,144,436	$ 64,104,913

Debt Service Requirements

Annual debt service requirements to maturity for the healthcare revenue bonds and other long-term debt are as follows at December 31:

	Total Debt		Direct Borrowing and Placement	
Year Ending December 31,	Principal	Interest	Principal	Interest
2025	$ 12,050,181	$ 10,900,537	$ 9,285,000	$ 3,760,008
2026	13,605,000	10,453,883	10,720,000	3,404,916
2027	12,880,000	10,018,523	9,995,000	3,013,073
2028	13,395,000	9,552,597	10,385,000	2,627,147
2029	13,925,000	9,066,545	10,785,000	2,224,295
2030-2034	72,775,045	37,218,160	20,775,046	8,567,235
2035-2039	86,885,000	20,938,763	24,140,000	1,457,800
2040-2044	46,150,000	5,831,813	-	-
2045-2048	14,220,000	287,175	-	-
Total long-term debt payments	285,885,226	$ 114,267,996	$ 96,085,046	$ 25,054,474
Unamortized premium on 2014A Bonds, 2017A Bonds, 2019A Bonds and 550 Acoma notes payable	19,457,816			
Total carrying amount of long-term debt	$ 305,343,042			

Note 9. Managed Care Initiatives

DH Medicaid Choice

Effective May 1, 2004, the Authority entered into a prepaid provider contract with State of Colorado HCPF, to provide healthcare to Medicaid members enrolled in the state's Primary Care Provider (PCP) program, and formerly capitated with the Authority through Rocky Mountain Health Maintenance Organization (HMO). This program is known as Denver Health Medicaid Choice (DHMC) and started in 2004. This program is a prepaid provider contract, not an HMO. Effective September 1, 2018, the responsibility of the DHMC contract shifted from the Authority to the Plan. As of December 31, 2024 and 2023, there was no liability recorded for unpaid claims and claim adjustment expenses, respectively.

Denver Health Medical Plan, Inc. – Discretely Presented Component Unit

The Plan is a Colorado HMO whose enrollment includes, Exchange, Medicare, Medicaid and Child Health Plan Plus (CHP+) participants. In 2006, the Plan became licensed as a Special Needs Medicare Advantage Prescription Drug Plan provided to residents of Denver County, Colorado. On September 1, 2018, the DH Medicaid Choice Plan was moved to the Plan. At December 31, 2024 and 2023, there were 75,169 and 104,931 members enrolled in the Plan, respectively. Approximately 11% and 9% of Plan enrollment originated through the Authority employee enrollment in 2024 and 2023, respectively. The Plan is presented as a discretely presented component unit. There have been no eliminations of 2024 and 2023 financial transactions between the Plan and the Authority on either the Authority's statements of net position or the Authority's statements of revenues, expenses and changes in net position.

The Plan recognizes premiums from subscribing groups as revenue in the period to which healthcare coverage relates. For the years ended December 31, 2024 and 2023, salaries and benefits include administrative fees from the Authority of approximately $6,909,000 and $6,405,000. Excess risk insurance is maintained by the Plan for inpatient claims in excess of $275,000 for Medicaid and CHP+, $450,000 for Medicare and $1,000,000 for exchange in 2024. In 2023, the thresholds were $250,000 for Medicaid and CHP+, $450,000 for Medicare, and $1,000,000 for exchange.

A significant portion of healthcare services are provided by the Authority, for which the Authority is reimbursed on a capitated or fee-for-service basis, depending on the healthcare network chosen by the member. For the years ended December 31, 2024 and 2023, respectively, the Plan incurred capitation expense to the Authority totaling approximately $817,000 and $20,848,000, and fee-for-service claims of approximately $195,783,000 and $164,478,000.

At December 31, 2024 and 2023, the Plan has an original capital contribution from the Authority of $500,000, which was restricted and invested in a long-term investment held jointly by the Plan and the Colorado Division of Insurance. This contribution is included in the Authority's receivable from the Plan, which when combined with other amounts due, totals approximately $1,832,000 and $3,454,000 as of December 31, 2024 and 2023, respectively. The Plan has no employees and is managed by employees leased from the Authority. In addition, the Plan pays the Authority certain other administrative expenses. The amounts paid by the Plan to the Authority for management services and other expenses totaled approximately $27,179,000 for 2024 and $26,035,000 for 2023.

The Plan establishes liabilities for both reported and unreported medical and Authority expenses, which includes estimates of both future payments of claims and related claim adjustment expenses. Changes in the aggregate liability during the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Unpaid claims and claim adjustment expenses, net of reinsurance, beginning of year	$ 46,757,932	$ 45,172,956
Incurred claims and claim adjustment expenses, net of reinsurance recoveries		
Provision for insured events of the current year	429,024,307	386,838,830
Decrease in provision for insured events of prior years	(833,160)	(3,736,671)
Total incurred claims and claim adjustment expenses, net of reinsurance recoveries	428,191,147	383,102,159
Payments, net of reinsurance recoveries		
Claims and claim adjustment expenses attributable to insured events of the current year	378,836,168	343,389,933
Claims and claim adjustment expenses attributable to insured events of prior year	47,238,786	38,127,250
Total payments, net of reinsurance recoveries	426,074,954	381,517,183
Unpaid claims and claim adjustment expenses, net of reinsurance, end of year	$ 48,874,125	$ 46,757,932

Note 10. Leases and Subscriptions

Lessee – Liability

The Authority leases equipment and office space, the terms of which expire in various years through 2039. The leases were measured based upon the discount rate at lease commencement. Variable payments based upon the use of the underlying asset are not included in the lease liability because they are not fixed in substance.

The following is a schedule by year of payments under the leases as of December 31, 2024:

Year Ending December 31,	Principal	Interest	Total
2025	$ 6,110,912	$ 529,310	$ 6,640,222
2026	5,318,800	377,180	5,695,980
2027	5,734,830	242,773	5,977,603
2028	1,984,336	100,437	2,084,773
2029	253,438	70,906	324,344
2030 - 2034	1,085,289	249,914	1,335,203
2035 - 2039	1,170,041	81,056	1,251,097
	$ 21,657,646	$ 1,651,576	$ 23,309,222

Lessor – Lease Receivable

A lease is a contract that conveys control of the right to use another entity's nonfinancial asset in the contract for a period of time in an exchange or exchange-like transaction. Nonfinancial assets include buildings and a cell tower. Lease receivables result from lessor contracts measured at the present value of the lease payments expected to be received during the lease term. The Authority has recognized lease receivable for seven building leases and one cell tower with varying lease dates ending from 2030 to 2050. Lease receivables amount to $6,770,549 and $6,883,821 for December 31, 2024 and 2023, respectively, and are recorded within other long-term assets in the accompanying financial statements. Total lease revenue received for December 31, 2024 and 2023 was $519,213 and $446,818, respectively. Total interest revenue received for December 31, 2024 and 2023 was $215,510 and $209,949, respectively. During the years ended December 31, 2024 and 2023, the Authority recognized $0 and $60,400, respectively, of rental income for variable payments not previously included in the measurement of the lease receivable.

Subscription Liability

The Authority has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through 2032. Variable payments of certain subscriptions are based upon the Consumer Price Index (Index). The subscriptions were measured based upon the Index at commencement of the SBITA term. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance.

The following is a schedule by year of payments under the SBITAs as of December 31, 2024:

Year Ending December 31,	Principal	Interest	Total
2025	$ 12,229,632	$ 904,664	$ 13,134,296
2026	9,643,824	484,530	10,128,354
2027	3,976,744	180,024	4,156,768
2028	2,399,799	77,223	2,477,022
2029	152,459	6,123	158,582
2030 - 2032	124,403	6,136	130,539
	$ 28,526,861	$ 1,658,700	$ 30,185,561

Note 11. Pension Plan

The Authority participates in two pension plans: DERP and DERP RBA (see Note 12). A summary of the pension items as of and for the years ended December 31, 2024 and 2023 are as follows:

Year Ended December 31, 2024	DERP	DERP RBA	Total
Pension liability	$ 162,608,534	$ 5,649,412	$ 168,257,946
Deferred outflows of resources	48,266,808	1,200,059	49,466,867
Deferred inflows of resources	324,995	2,114,606	2,439,601
Expense	34,304,314	204,457	34,508,771

Year Ended December 31, 2023	DERP	DERP RBA	Total
Pension liability	$ 143,762,075	$ 5,765,935	$ 149,528,010
Deferred outflows of resources	60,669,682	1,750,404	62,420,086
Deferred inflows of resources	3,303,600	2,471,629	5,775,229
Expense	30,608,412	223,881	30,832,293

DERP Plan Description

Certain employees of the Authority as well as other nonuniformed employees of the City and certain related agencies, including employees leased to the Authority, participate in DERP. DERP is a cost-sharing multiple-employer defined benefit pension plan established by the City to provide pension benefits for its employees. DERP is no longer available to Authority employees hired January 1, 2001 or later. As a result, the Authority established an Enhanced Defined Contribution Plan. Authority employees hired prior to January 1, 2001 have the option to elect to drop their DERP participation and join the Enhanced Defined Contribution Plan, which is described in Note 15. Sections 18.401 through 18.430.7 of the City's Revised Municipal Code establish the plan and provide complete information on DERP. DERP issues a publicly available financial report that includes financial statements and required supplementary information. That report is available by either contacting DERP at 777 Pearl Street, Denver, Colorado 80203 or on the Internet at www.derp.org.

Benefits Provided

DERP provides retirement benefits plus death and disability benefits for its members and their beneficiaries. Participants who retire at or after age 65 or age 55 if the sum of age plus credited service is 75 or more (rule of 75) are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to as much as 2% of their final average salary, for each year of credited service. Final average salary is the average salary based on the employee's highest salary in a 36-consecutive month period of credited service. Employees with five years of credited service may retire at or after age 55 and receive a reduced retirement benefit. Benefit and contribution provisions are determined annually by an independent actuary, recommended by DERP's board, and enacted into ordinance by the Denver City Council.

Contributions

During 2024, combined employer and employees' contributions to DERP were 26.4% (17.95% employer and 8.45% employees) of applicable salaries, of which 25.41% was for pension benefits and 0.99% was for health benefits. During 2023, combined employer and employees' contributions to DERP were 26.4% (17.95% employer and 8.45% employees) of applicable salaries, of which 25.33% was for pension benefits and 1.07% was for health benefits.

Effective January 1, 2001 and until October 1, 2003, active members of DERP who were eligible for a normal or rule of 75 retirement could choose to enter the Deferred Retirement Option Plan (DROP) for a maximum of four years. While participating in DROP, the member continues to work for the employer, earning a regular salary. The member's monthly retirement benefits are deposited into a DROP account maintained by DERP. The balance in a member's DROP account earns interest at a rate equal to the actuarial assumed rate of return. Sections 18-422 through 18-429 of the Revised Municipal Code of the City and County of Denver should be referred to for more complete information on DROP. Upon retirement, members have access to the funds accumulated during their participation in DROP.

Employer-Made Contributions Based on the Legally Required Rates

Total annual employee and employer contributions to DERP by the Authority in 2024 and 2023 were approximately $8,099,000 covering both pension and OPEB (Note 13). This represents 1.09% in 2024 and 1.15% in 2023 of the Authority's total payroll of all employees. Authority contributions (employer only) to DERP for the years ended December 31, 2024 and 2023 were approximately $6,278,000 and $5,974,000, respectively. Allocation ratio between Pension and DERP for 2024 and 2023 approximates 96:4. The Authority's total payroll for all employees was approximately $751,326,000 and $703,615,000 for 2024 and 2023, respectively.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024 and 2023, the Authority reported a liability of approximately $162,609,000 and $143,762,000, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023 and 2022 and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of January 1, 2023 and 2022, respectively, rolled forward to December 31, 2023 and 2022, respectively. Starting in 2022, the proportionate shares for the DHHA and the non-DHHA employers in aggregate are determined based on their relative shares of the Unfunded Actuarial Liability (UAL) from the prior actuarial valuation. The proportionate shares for each participating Non-DHHA employer are then determined based on the ratio of each participating employer's actual contribution to the Plan during the measurement year to the sum of the actual contributions for all participating Non-DHHA employers, multiplied by the total Non-DHHA proportionate share. At December 31, 2023, the Authority's proportion was 9.07%, which was an increase of 0.77% from its proportion measured as of December 31, 2022. At December 31, 2022, the Authority's proportion was 8.30%, which was an increase of 4.45% from its proportion measured as of December 31, 2021.

For the years ended December 31, 2024 and 2023, the Authority recognized pension expense of approximately $34,304,000 and $30,608,000, respectively. At December 31, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Year Ended December 31, 2024	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,077,688	$ 324,995
Changes of assumptions	2,732,011	-
Net difference between projected and actual earnings on pension plan investments	10,931,151	-
Changes in proportion and differences between the Authority's contributions and the proportionate share of contributions	22,492,371	-
Authority's contributions made subsequent to the measurement date	6,033,587	-
Total	$ 48,266,808	$ 324,995

Year Ended December 31, 2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 725,078	$ 594,611
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	14,396,573	-
Changes in proportion and differences between the Authority's contributions and the proportionate share of contributions	39,819,021	2,708,989
Authority's contributions made subsequent to the measurement date	5,729,010	-
Total	$ 60,669,682	$ 3,303,600

At December 31, 2024 and 2023, the Authority reported approximately $6,034,000 and $5,729,000, respectively, as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the years ending December 31, 2025 and 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2024, related to pensions will be recognized in pension expense (contra-expense) as follows:

Year Ended December 31,	
2025	$ 27,714,572
2026	8,378,484
2027	6,771,111
2028	(955,941)
	$ 41,908,226

Actuarial Assumptions

The total pension liability in the January 1, 2023 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2023	
Inflation	2.50%	
Salary Increases	3.00%	Average, including inflation
Investment Rate of Return	7.00%	Net of pension plan investment expense, including inflation

The total pension liability in the January 1, 2022 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2022	
Inflation	2.50%	
Salary Increases	3.00%	Average, including inflation
Investment Rate of Return	7.25%	Net of pension plan investment expense, including inflation

Mortality rates used in the January 1, 2023 valuation were based on the Sex Distinct RP-2014 Healthy Annuitant Mortality Table with a 110% multiplier applied to males and a 105% multiplier applied to females, generational projection using scale MP-2021.

Mortality rates used in the January 1, 2022 valuation were based on the RP-2014 Combined Mortality Table for Males and Females projected with the Ultimate MP Scale with a multiplier of 110% male and 105% female. The disabled mortality tables were based on the RP-2014 Disabled Life Mortality Table for Males and Females projected with the Ultimate MP Scale.

The actuarial assumptions used in the January 1, 2023 valuations were performed based on the economic and demographic assumptions and methods that were recommended in the Actuarial Experience Study performed by Cheiron as of December 31, 2022. These assumptions, except for the discount rate, were adopted by the Retirement Board at its May 19, 2023 Board meeting.

The actuarial assumptions used in the December 31, 2022 valuations were based on the results of an actuarial experience study 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	**44.00%**	
U.S. Equity		
U.S. Large Cap	18.00%	7.80%
U.S. Small Cap	4.00%	8.70%
International Equity		
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		
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%
MLPs	**3.00%**	7.80%
Alternatives	**12.50%**	
Private Equity	9.00%	9.70%
Natural Resources	3.50%	9.80%
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 7.25% for the years ended December 31, 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those 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.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The Authority's proportionate share of the net pension liability at December 31, 2024 has been calculated using a discount rate of 7.00%. The following presents the Authority's proportionate share of the net pension liability calculated using a discount rate 1% higher and 1% lower than the current rate.

December 31, 2024	1% Decrease	Current Discount Rate	1% Increase
Authorities proportionate share of the net pension liability	$ 205,845,129	$ 162,608,534	$ 126,311,415

The Authority's proportionate share of the net pension liability at December 31, 2023 has been calculated using a discount rate of 7.25%. The following presents the Authority's proportionate share of the net pension liability calculated using a discount rate 1% higher and 1% lower than the current rate.

December 31, 2023	1% Decrease	Current Discount Rate	1% Increase
Authorities proportionate share of the net pension liability	$ 180,816,232	$ 143,762,075	$ 112,671,756

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued DERP financial report.

Note 12. DERP RBA Pension Liability

Plan Description

A Qualified Replacement Benefit Arrangement (RBA) was established for DERP members to receive benefits in excess of certain IRS benefit payment limits. The RBA was established in 2006 but was not administratively enacted until 2020. Eligibility for the RBA occurs when the calculated benefit payments at the time of retirement exceeds the maximum benefit payable under the pension plan. The difference between calculated benefit payments and maximum benefit payable under the pension is paid from the RBA.

Prior to 2020 this plan was not administered by DERP in accordance with the plan documents. Thus 2020 is the first year the Authority is recording the liability and making contributions.

In 2024 and 2023 there are a total of six and nine inactive employees, respectively, currently receiving benefit payments.

Contributions

During 2024 and 2023, the Authority contributed approximately $128,000 and $167,000, respectively, based on amounts determined by the board to be necessary to pay benefits and reasonable and necessary expenses.

For contributions related to prior years, the Authority is working with DERP to fund.

Employer-Made Contributions Based on the Legally Required Rates

Total annual employer contributions to DERP by the Authority in 2024 and 2023 were approximately $128,000 and $167,000, respectively. This represents 0.02% in 2024 and 0.02% in 2023 of the Authority's total payroll of all employees.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024 and 2023, the Authority reported a liability of approximately $5,649,000 and $5,766,000, respectively. The net pension liability was measured as of December 31, 2023 and 2022 and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of January 1, 2023 and 2022, respectively, rolled forward to December 31, 2023 and 2022.

For the years ended December 31, 2024 and 2023, the Authority recognized pension expense of approximately $204,000 and $224,000, respectively. At December 31, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Year Ended December 31, 2024	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes between expected and actual experience	$ 751,733	$ 1,668,175
Assumption changes	320,668	446,431
Authority's contributions subsequent to the measurement date	127,658	-
Total	$ 1,200,059	$ 2,114,606

Year Ended December 31, 2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes between expected and actual experience	$ 1,239,253	$ 1,830,370
Assumption changes	343,657	641,259
Authority's contributions subsequent to the measurement date	167,494	-
Total	$ 1,750,404	$ 2,471,629

At December 31, 2024 and 2023, the Authority reported approximately $128,000 and $167,000, respectively, as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the years ending December 31, 2025 and 2024, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2024, related to pensions will be recognized in pension expense (contra-expense) as follows:

Year Ended December 31,	
2025	$ 11,255
2026	(371,758)
2027	(644,054)
2028	(37,648)
	$ (1,042,205)

Actuarial Assumptions

The total pension liability in the January 1, 2023 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2023	
Inflation	2.50%	
Salary Increases	3.00%	Average, including inflation
Investment Rate of Return	7.00%	Net of pension plan investment expense, including inflation

The total pension liability in the January 1, 2022 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2022	
Inflation	2.50%	
Salary Increases	3.00%	Average, including inflation
Investment Rate of Return	7.25%	Net of pension plan investment expense, including inflation

Mortality rates used in the January 1, 2023 valuation were based on the Sex Distinct RP-2014 Healthy Annuitant Mortality Table with a 110% multiplier applied to males and a 105% multiplier applied to females, generational projection using scale MP-2021.

Mortality rates used in the January 1, 2022 valuation were based on the RP-2014 Combined Mortality Table for Males and Females projected with the Ultimate MP Scale with a multiplier of 110% male and 105% female. The disabled mortality tables were based on the RP-2014 Disabled Life Mortality Table for Males and Females projected with the Ultimate MP Scale.

The actuarial assumptions used in the January 1, 2023 valuations were performed based on the economic and demographic assumptions and methods that were recommended in the Actuarial Experience Study performed by Cheiron as of December 31, 2022. These assumptions, except for the discount rate, were adopted by the Retirement Board at its May 19, 2023 Board meeting.

The actuarial assumptions used in the December 31, 2022 valuations were based on the results of an actuarial experience study 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	**44.00%**	
U.S. Equity		
U.S. Large Cap	18.00%	7.80%
U.S. Small Cap	4.00%	8.70%
International Equity		
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		
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%
MLPs	**3.00%**	7.80%
Alternatives	**12.50%**	
Private Equity	9.00%	9.70%
Natural Resources	3.50%	9.80%
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 3.26% and 3.72%, respectively, for the years ended December 31, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those 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.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The Authority's proportionate share of the net pension liability at December 31, 2024 has been calculated using a discount rate of 3.26%. The following presents the Authority's proportionate share of the net pension liability calculated using a discount rate 1% higher and 1% lower than the current rate.

December 31, 2024	1% Decrease	Current Discount Rate	1% Increase
Total RBA Pension Liability	$ 6,070,572	$ 5,649,412	$ 5,265,402

The Authority's proportionate share of the net pension liability at December 31, 2023 has been calculated using a discount rate of 3.72%. The following presents the Authority's proportionate share of the net pension liability calculated using a discount rate 1% higher and 1% lower than the current rate.

December 31, 2023	1% Decrease	Current Discount Rate	1% Increase
Total RBA Pension Liability	$ 6,200,385	$ 5,765,935	$ 5,369,248

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued DERP financial report.

Note 13. Postemployment Benefits Other Than Pensions

The Authority participates in a defined benefit other postemployment benefits plan: OPEB benefits under DERP.

A summary of the OPEB items as of and for the years ended December 31, 2024 and 2023 are as follows:

December 31, 2024	DERP
OPEB liability	$ 7,499,184
Deferred outflows of resources	2,755,091
Deferred inflows of resources	890,509
Expense	1,026,718

December 31, 2023	DERP
OPEB liability	$ 7,741,905
Deferred outflows of resources	3,708,982
Deferred inflows of resources	819,082
Expense	1,169,831

OPEB Benefits Under DERP

Plan Description

Certain employees of the Authority as well as other nonuniformed employees of the City and certain related agencies, including employees leased to the Authority, participate in DERP. DERP is a cost-sharing multiple-employer defined benefit pension plan established by the City to provide pension benefits for its employees. These benefits include health benefits and are considered an OPEB benefit. DERP is no longer available to Authority employees hired January 1, 2001 or later. Authority employees hired prior to January 1, 2001 have the option to elect to drop their DERP participation and join the Enhanced Defined Contribution Plan, which is described in Note 15. Sections 18.401 through 18.430.7 of the City's Revised Municipal Code establish the plan and provide complete information on DERP. DERP issues a publicly available financial report that includes financial statements and required supplementary information. That report is available by either contacting DERP at 777 Pearl Street, Denver, Colorado 80203 or on the Internet at www.derp.org.

Benefits Provided

The health benefits' account was established by City Ordinance in 1991 to provide, beginning January 1, 1992, postemployment healthcare benefits in the form of a premium supplement to retired members, their spouses and dependents, spouses and dependents of deceased active and retired members, and members of the Plan awaiting approval of retirement applications. During 2024 and 2023, the monthly health insurance premium supplement was $12.50 per year of service for retired participants under the age of 65, and $6.25 per year of service for retirees aged 65 and older. The health insurance premium supplement can be applied to the payment of medical, dental, and/or vision insurance premiums. The benefit recipient pays any remaining portion of the premiums.

Before consideration of the premium supplement or premiums paid by the employer, the premiums charged to retirees are the same as charged to active employees for the same coverage. This results in an implicit rate subsidy, which is considered another postemployment benefit (OPEB).

Employer-made Contributions Based on the Legally Required Rates

Total annual contributions to DERP by the Authority for postemployment healthcare benefits were approximately $244,000 and $245,000 for 2024 and 2023, respectively. This represents 0.03% of the Authority's total payroll for 2024 and 2023.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2024 and 2023, the Authority reported a liability of approximately $7,499,000 and $7,742,000, respectively, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2023 and 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023 and 2022, rolled forward to December 31, 2023 and 2022, respectively. Starting in 2022, the proportionate shares for the DHHA and the non-DHHA employers in aggregate are determined based on their relative shares of the Unfunded Actuarial Liability (UAL) from the prior actuarial valuation. The proportionate shares for each participating Non-DHHA employer are then determined based on the ratio of each participating employer's actual contribution to the Plan during the measurement year to the sum of the actual contributions for all participating Non-DHHA employers, multiplied by the total Non-DHHA proportionate share. At December 31, 2023, the Authority's proportion was 9.07%, which was an increase of 0.66% from its proportion measured as of December 31, 2022. At December 31, 2022, the Authority's proportion was 8.41%, which was an increase of 4.51% from its proportion measured as of December 31, 2021.

For the years ended December 31, 2024 and 2023, the Authority recognized OPEB expense of approximately $1,027,000 and $1,170,000, respectively. At December 31, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Year Ended December 31, 2024	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 576,335
Changes of assumptions	-	209,794
Net difference between projected and actual earnings on OPEB plan investments	367,095	-
Changes in proportion and differences between the Authority's contributions and the proportionate share of contributions	2,143,875	104,380
Authority's contributions made subsequent to the measurement date	244,121	-
Total	$ 2,755,091	$ 890,509

Year Ended December 31, 2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 517,445
Changes of assumptions	81,591	-
Net difference between projected and actual earnings on OPEB plan investments	466,455	-
Changes in proportion and differences between the Authority's contributions and the proportionate share of contributions	2,915,501	301,637
Authority's contributions made subsequent to the measurement date	245,435	-
Total	$ 3,708,982	$ 819,082

At December 31, 2024 and 2023, the Authority reported approximately $244,000 and $245,000, respectively, as deferred outflows of resources related to the DERP OPEB resulting from Authority contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the years ending December 31, 2025 and 2024, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2024, related to the DERP OPEB will be recognized in expense as follows:

Year Ended December 31,	
2025	$ 678,401
2026	841,393
2027	126,918
2028	(26,251)
	$ 1,620,461

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued DERP financial report.

Actuarial Assumptions

The total OPEB liability in the January 1, 2023 and 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

		2023
Inflation	2.50%	
Salary Increases	3.00%	Plus merit component based on years of service
Investment Rate of Return	7.00%	Net of OPEB plan investment expense, including inflation
Experience Study		Conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017

		2022
Inflation	2.50%	
Salary Increases	3.00%	Plus merit component based on years of service
Investment Rate of Return	7.25%	Net of OPEB plan investment expense, including inflation
Experience Study		Conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017

Mortality rates used in the January 1, 2023 valuation were based on the Sex Distinct RP-2014 Healthy Annuitant Mortality Table with a 110% multiplier applied to males and a 105% multiplier applied to females, generational projection using scale MP-2021.

Mortality rates used in the January 1, 2022 valuation were based on the RP-2014 Combined Mortality Table for Males and Females projected with the Ultimate MP Scale with a multiplier of 110% male and 105% female. The disabled mortality tables were based on the RP-2014 Disabled Life Mortality Table for Males and Females projected with the Ultimate MP Scale.

The long-term expected rate of return on OPEB 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	**44.00%**	
U.S. equity		
U.S. Large Cap	18.00%	7.80%
U.S. Small Cap	4.00%	8.70%
International Equity		
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		
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%**	

Discount Rate

The discount rate used to measure the total net OPEB liability was 7.00% and 7.25% for the years ended December 31, 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those 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 Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The Authority's proportionate share of the net OPEB liability at December 31, 2024 has been calculated using a discount rate of 7.00%. The following presents the Authority's proportionate share of the net OPEB liability calculated using a discount rate 1% higher and 1% lower than the current rate.

December 31, 2024	1% Decrease	Current Discount Rate	1% Increase
Authorities proportionate share of the net OPEB liability	$ 8,922,174	$ 7,499,184	$ 6,288,206

The Authority's proportionate share of the net OPEB liability at December 31, 2023 has been calculated using a discount rate of 7.25%. The following presents the Authority's proportionate share of the net OPEB liability calculated using a discount rate 1% higher and 1% lower than the current rate.

December 31, 2023	1% Decrease	Current Discount Rate	1% Increase
Authorities proportionate share of the net OPEB liability	$ 9,136,986	$ 7,741,905	$ 6,559,003

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

Note 14. Deferred Compensation Plan

The Authority offers their employees deferred compensation plans created in accordance with Code Section 457. The plans are available to all Authority employees and permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees or their beneficiaries until termination, retirement, death, or approval for hardship cases. Employee contributions in 2024, 2023 and 2022 were approximately $54,370,000, $49,562,000 and $43,473,000, respectively.

The Authority's plan is administered and operated by the Authority through a Board Retirement Plan Committee. An agreement was established between the Authority and a third party to invest the plan assets and for assistance in administering the plan.

Under the provisions of GASB 84, the Authority has determined that its 457(b) plan meets the criteria for inclusion in its financial statements as an other fiduciary activity because, among other required characteristics, it controls the assets of the plan and it is the trustee of the plan's assets.

Note 15. Defined Contribution Plan and Enhanced Defined Contribution Plan

The Denver Health and Hospital Authority 401(a) Defined Contribution Plan (Defined Contribution Plan) was established to extend benefits to employees in lieu of those benefits provided by the Social Security Act, as allowed by Colorado Revised Statutes Section 24-54-101. The plan was created in accordance with Code Sections 401 and 501. Benefits are not available to employees or their beneficiaries until retirement or death. Employees are required to contribute 6.2% of base compensation to the Defined Contribution Plan. The Authority has elected to contribute 3% of base compensation as a matching contribution. The contributions are not to exceed the maximum permissible amounts of the social security tax.

Because employees hired subsequent to January 1, 2001 are not eligible to participate in DERP, the Enhanced Defined Contribution Plan was established as a benefit to these Authority employees. Authority employees hired prior to January 1, 2001 may exercise an option to drop DERP participation and join the Enhanced Defined Contribution Plan.

Through August 23, 2015, the Authority elected to contribute 6.0% of eligible compensation up to the maximum compensation allowable by the Internal Revenue Service as an enhanced additional contribution. Effective August 23, 2015, the Authority amended the Enhanced Defined Contribution Plan to change the 6.0% enhanced contribution as follows:

- For employees hired after August 23, 2015, to contribute a 3.0% enhanced contribution that is subject to a three year vesting period.
- To contribute up to an additional 3.5% enhanced contribution, also subject to a three year vesting period, that is matched 100% to the percent of eligible wages the employee voluntarily defers and contributes to the Authority's 457 Deferred Compensation Plan.
- Employees hired on or before August 23, 2015 continue to be immediately vested in all employee and employer contributed balances.

Total annual contributions to the Defined Contribution Plan and the Enhanced Defined Contribution Plan by the Authority in 2024, 2023 and 2022 were approximately $62,583,000, $58,310,000 and $54,327,000, respectively. Employee contributions in 2024, 2023 and 2022 were approximately $45,302,000, $42,532,000 and $39,909,000, respectively.

An agreement was established between the Authority and a third party to invest plan assets and to assist in administering the plans.

Under the provisions of GASB 84, the Authority has determined that its 401(a) plan meets the criteria for inclusion in its financial statements as an other fiduciary activity because, among other required characteristics, it controls the assets of the plan and it is the trustee of the plan's assets.

Note 16. Supplemental Executive Retirement Plan

In 2014, the Authority created a Supplemental Executive Retirement Plan (SERP Plan) for the purpose of providing deferred compensation for a select group of executive managers. The SERP Plan is an unfunded, non-qualified deferred compensation arrangement under Section 457(f) of the Internal Revenue Code. The effective date of the SERP Plan was January 1, 2014. Participants become vested to the contribution three calendar years after the contribution, or the year in which they turn 65 years of age, whichever is sooner. Distributions are made annually in February of each year to vested participants. Executive managers participating in DERP are not eligible to be included in the SERP Plan.

Note 17. Risk Management

The Authority is exposed to various risks and losses related to torts, theft, damage or destruction of assets, errors and omissions, natural disasters, property damage, workers' compensation, auto liability and unemployment.

The Authority is covered under the limits of the Colorado Governmental Immunity Act. As of January 1, 2023, in tort litigation covered by the Colorado Governmental Immunity Act, injury to one person in any single occurrence is limited to the amount of $424,000, and for injury to two or more persons in a single occurrence, the limitation is $1,195,000 with the stated limitation that no person may recover in excess of $424,000. With respect to malpractice liability, the Authority carries excess healthcare professional and general liability coverage with limits of $1,000,000 per occurrence and $3,000,000 in the aggregate with a self-insured retention amount of $250,000. In addition, the Authority carries an umbrella policy with limits of $5,000,000 per occurrence and $5,000,000 in the aggregate.

The estimated amount of medical malpractice and other liability was approximately $8,646,000 and $8,405,000 for the years ended December 31, 2024 and 2023, respectively. The Authority relied upon an actuarial estimate of the medical malpractice to record IBNR losses and loss adjustment expenses. A discount rate of 3.0% was applied to the actuarially determined liability as of December 31, 2024 and 2023.

Changes in the reported liability for the years ended December 31, 2024 and 2023 are as follows:

	Beginning Balance	Provision and Changes in Estimates	Claims Paid/ Refunded	Ending Balance
2023	$ 7,954,603	$ 1,002,788	$ (552,732)	$ 8,404,659
2024	$ 8,404,659	$ 1,971,755	$ (1,730,433)	$ 8,645,981

The Authority carries a separate healthcare professional and general liability policy to cover the Authority's healthcare services provided in the City's jail medical facilities. This policy provides coverage in the amount of $1,000,000 per occurrence and $3,000,000 in the aggregate with a self-insured retention of $250,000.

For other types of risk, the Authority generally carries commercial policies with deductibles ranging from $25,000 to $600,000 and limits of $1,000,000 to $20,000,000. Property coverage is limited to $750,000,000 and flood losses to $100,000,000.

On January 1, 2002, the Authority was issued a "self-insurance permit" by the Colorado Department of Labor and Employment, Division of Workers' Compensation, which allows the Authority to be its own insurance carrier for workers' compensation risk. The Authority carries an excess workers' compensation insurance policy with a self-insured retention limit of $600,000. At December 31, 2024 and 2023, the estimated amount of workers' compensation liability was approximately $2,568,000 and $4,649,000, respectively. This liability is based on actuarial estimates of the workers' compensation to record IBNR losses and loss adjustment expenses. Changes in the reported liability for the years ended December 31, 2024 and 2023 are as follows:

	Beginning Balance	Provision and Changes in Estimates	Claims Paid/ Refunded	Ending Balance
2023	$ 4,483,358	$ 2,036,043	$ (1,870,117)	$ 4,649,284
2024	$ 4,649,284	$ (1,558,261)	$ (523,110)	$ 2,567,913

There were no significant reductions in insurance coverage from the prior year. There have been no claim settlements in excess of insurance coverage in the last three years. In the opinion of the Authority's legal counsel and management, resolution of actions relating to the Authority will not have a material effect on the Authority's financial position or results of operations.

Employee Health Claims

On January 1, 2023, the Authority became self-insured for health claims of participating employees and dependents up to an annual aggregate amount of $600,000. Commercial stop-loss insurance coverage is purchased for claims in excess of the aggregate annual amount. Processing of the employee health claims is administered by DHMP.

A provision is accrued for self-insured employee health claims including both claims reported and claims incurred but not yet reported. The accrual is estimated based on consideration of prior claims experience, recently settled claims, frequency of claims and other economic and social factors. It is reasonably possible that the Authority's estimate could change by a material amount in the near term.

Note 18. Contingencies

Cost Report

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures. Such audits could lead to reimbursement to the grantor agencies. The Authority has recorded all known and estimable liabilities related to such issues. Management believes unrecorded disallowances, if any, will not be significant.

Taxpayer Bill of Rights

The Authority believes it is exempt from the provisions of Article X, Section 20 of the Colorado Constitution Taxpayer Bill of Rights (TABOR) because the Authority is not a “district” within the meaning of Section 2(b) of TABOR. In addition, the Authority believes it is exempt from TABOR because the Authority meets the definition of an “enterprise,” as defined by Section 2(d) of TABOR.

Litigation

In the normal course of operations, the Authority is at times involved in litigation related to claims made under insurance contracts, employee liability, and general liability. In the opinion of management, all known material liabilities have been recorded, and the resolution of these matters is not expected to have a material effect on the Authority’s financial position, results of operations, or liquidity.

Investments

The Authority invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statements of net position.

Note 19. Commitments

The Authority entered into multiple construction contracts to remodel existing buildings and to construct new buildings during 2024 and prior. Under these contracts, the Authority has committed to pay contractors approximately $23,900,000 in future periods.

Note 20. Fiduciary Funds

The Authority has two plans making up the Fiduciary Funds. One is the Deferred Compensation Plan created under Code Section 457 (see Note 14). The second is the Defined Contribution Plan and Enhanced Defined Contribution Plan created in accordance with section 401 (see Note 15). The combining fiduciary net position as of December 31, 2024 and 2023 are as follows:

	December 31, 2024		
	401(a)	**457(b)**	**Total**
ASSETS			
Investments, at fair value	$ 1,331,130,357	$ 481,211,202	$ 1,812,341,559
Participant loans	16,770,206	6,773,013	23,543,219
Total Assets	1,347,900,563	487,984,215	1,835,884,778
Plan Net Position	$ 1,347,900,563	$ 487,984,215	$ 1,835,884,778

	December 31, 2023		
	401(a)	**457(b)**	**Total**
ASSETS			
Investments, at fair value	$ 1,158,841,671	$ 397,104,169	$ 1,555,945,840
Participant loans	16,686,839	4,983,174	21,670,013
Total Assets	1,175,528,510	402,087,343	1,577,615,853
Plan Net Position	$ 1,175,528,510	$ 402,087,343	$ 1,577,615,853

The combining statements of changes in fiduciary net position for years ended December 31, 2024 and 2023 are as follows:

	Year Ended December 31, 2024		
	401(a)	**457(b)**	**Total**
Additions			
Contributions			
Participant	$ 50,408,905	$ 48,181,563	$ 98,590,468
Employer	59,407,289	-	59,407,289
Rollover	2,911,543	9,932,513	12,844,056
Total contributions	112,727,737	58,114,076	170,841,813
Investment earnings			
Net increase in fair value of investments	134,037,697	46,695,110	180,732,807
Interest, dividends and other	20,799,483	15,223,665	36,023,148
Total investment earnings	154,837,180	61,918,775	216,755,955
Total Additions	267,564,917	120,032,851	387,597,768
Reductions			
Benefits paid to participants	94,235,753	34,038,634	128,274,387
Administrative income	957,111	97,345	1,054,456
Total Reductions	95,192,864	34,135,979	129,328,843
Net Increase in Fiduciary Net Position	172,372,053	85,896,872	258,268,925
Net Position, Beginning of Year	1,175,528,510	402,087,343	1,577,615,853
Net Position, End of Year	$ 1,347,900,563	$ 487,984,215	$ 1,835,884,778

	Year Ended December 31, 2023		
	401(a)	457(b)	Total
Additions			
Contributions			
Participant	$ 47,089,983	$ 46,078,151	$ 93,168,134
Employer	54,134,529	-	54,134,529
Rollover	2,092,698	8,181,004	10,273,702
Total contributions	103,317,210	54,259,155	157,576,365
Investment earnings			
Net increase in fair value of investments	173,281,454	57,857,088	231,138,542
Interest, dividends and other	10,830,352	6,343,560	17,173,912
Total investment earnings	184,111,806	64,200,648	248,312,454
Total Additions	287,429,016	118,459,803	405,888,819
Reductions			
Benefits paid to participants	75,647,521	31,445,816	107,093,337
Administrative income	1,044,367	134,122	1,178,489
Total Reductions	76,691,888	31,579,938	108,271,826
Net Increase in Fiduciary Net Position	210,737,128	86,879,865	297,616,993
Net Position, Beginning of Year	964,791,382	315,207,478	1,279,998,860
Net Position, End of Year	$ 1,175,528,510	$ 402,087,343	$ 1,577,615,853

Investments

The Plans may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. agencies and instrumentalities and in bank repurchase agreements. It may also invest to a limited extent in corporate bonds and equity securities.

At December 31, 2024 and 2023, the Plans had the following investments and maturities:

	December 31, 2024				
Investment Type	Fair Value	Less than 1 year	1 - 5 years	6 - 10 years	10 + years
Fixed Income Mutual Funds					
Fidelity Spartan U.S. Bond Index	$ 25,457,665	$ 916,476	$ 9,663,731	$ 10,305,261	$ 4,572,197
MetWest Total Return	27,472,425	(1,323,690)	9,809,189	12,178,735	6,808,191
Gilliard Stable	19,197,947	2,893,446	12,082,439	4,217,372	4,690
Money market mutual funds	27,839,884	27,839,884	-	-	-
Other	13,841,452	13,841,452	-	-	-
		$ 44,167,568	$ 31,555,359	$ 26,701,368	$ 11,385,078
Real estate funds	7,101,621				
Target date portfolios	1,181,560,524				
Mutual funds	509,870,041				
	$ 1,812,341,559				

	December 31, 2023				
Investment Type	Fair Value	Less than 1 year	1 - 5 years	6 - 10 years	10 + years
Fixed Income Mutual Funds					
Fidelity Spartan U.S. Bond Index	$ 29,756,407	$ 800,447	$ 10,980,114	$ 12,467,935	$ 5,507,911
MetWest Total Return	21,031,798	(1,812,941)	7,619,820	10,644,193	4,580,726
Gilliard Stable	18,934,834	2,961,118	11,454,214	4,513,821	5,681
Money market mutual funds	28,624,071	28,624,071	-	-	-
Other	10,447,814	10,447,814	-	-	-
		$ 41,020,509	$ 30,054,148	$ 27,625,949	$ 10,094,318
Real estate funds	6,953,491				
Target date portfolios	1,026,218,948				
Mutual funds	413,978,477				
	$ 1,555,945,840				

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Plans investment policy limits duration of total assets to be less than six years. As of December 31, 2024, approximately $38,086,000, or 2.10%, of total assets were in U.S. Treasury obligations, corporate bonds and other types with maturity dates six years or longer. As of December 31, 2023, approximately $37,720,000, or 2.42%, of total assets were in U.S. Treasury obligations, corporate bonds and other types with maturity dates six years or longer. The money market mutual funds are presented as an investment with a maturity of less than one year because the average maturity of the funds is less than one year.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Plans investment policy applies the prudent person standard and is applied in the context of managing an overall portfolio. Each participant is responsible for determining the risks and commensurate returns of his or her portfolio. The Plans fixed income investments were rated based on the average quality of the fixed income investments as noted below:

	December 31, 2024						
	MetWest Total Return		Wells Fargo Stable Return		Fidelity Spartan U.S. Bond Index		Total Investments
AAA	73.94%	20,312,173	69.86%	$ 13,411,382	73.21%	$ 18,637,553	$ 52,361,108
AA	5.06%	1,389,378	4.75%	910,990	4.26%	1,084,496	3,384,864
A	7.27%	1,997,577	11.06%	2,122,807	11.70%	2,978,546	7,098,930
BBB	11.11%	3,051,718	9.30%	1,785,671	10.74%	2,734,153	7,571,542
BB / B	4.10%	1,127,280	0.01%	1,556	0.00%	-	1,128,836
Below B	5.53%	1,518,915	0.02%	3,072	0.00%	-	1,521,987
Cash and other	-7.01%	(1,924,616)	5.01%	962,469	0.09%	22,917	(939,230)
Total	100.00%	$ 27,472,425	100.00%	$ 19,197,947	100.00%	$ 25,457,665	$ 72,128,037

	December 31, 2023						
	MetWest Total Return		Wells Fargo Stable Return		Fidelity Spartan U.S. Bond Index		Total Investments
AAA	71.90%	$ 15,123,966	66.73%	$ 12,635,594	71.39%	$ 21,243,099	$ 49,002,659
AA	5.73%	1,205,122	5.63%	1,066,063	4.75%	1,413,429	3,684,614
A	11.51%	2,420,760	13.39%	2,535,450	12.24%	3,642,184	8,598,394
BBB	13.25%	2,786,713	10.20%	1,931,411	10.81%	3,216,668	7,934,792
BB / B	4.31%	906,470	0.06%	11,361	0.00%	-	917,831
Below B	4.26%	895,955	0.00%	-	0.01%	2,976	898,931
Cash and other	-10.96%	(2,307,188)	3.99%	754,955	0.80%	238,051	(1,314,182)
Total	100.00%	$ 21,031,798	100.00%	$ 18,934,834	100.00%	$ 29,756,407	$ 69,723,039

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the Plans deposits are fully insured by FDIC insurance or collateralized with securities held by the Plan or the Plans agent in the Plans name. Therefore the Plan is not exposed to custodial credit risk.

Concentration of Credit Risk

The Plans investment options are all mutual funds; thus, no concentration risk exists at December 31, 2024 and 2023.

Foreign Currency Risk

This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Plans diversified selection of mutual funds encourages the investment advisors to employ diversification, asset allocation, and quality strategies to minimize risks. Each participant is responsible for determining the risks and commensurate returns of his or her portfolio.

The Plans exposure to foreign currency risk is limited to four mutual funds that invest in international equities for a total of approximately $74,387,000, or 4.05%, of total assets at December 31, 2024 and $65,111,000, or 4.13%, of total assets at December 31, 2023.

Disclosures About Fair Value of Assets and Liabilities

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2024 and 2023:

		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2024				
Investments - Mutual Funds				
Fixed Income	$ 72,128,037	$ 72,128,037	$ -	$ -
Money Market	27,839,884	27,839,884	-	-
Equity and Target Date Portfolio	1,712,373,638	1,712,373,638	-	-
Total investments	$ 1,812,341,559	$ 1,812,341,559	$ -	$ -

		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2023				
Investments - Mutual Funds				
Fixed Income	$ 69,723,039	$ 69,723,039	$ -	$ -
Money Market	28,624,071	28,624,071	-	-
Equity and Target Date Portfolio	1,457,598,730	1,457,598,730	-	-
Total investments	$ 1,555,945,840	$ 1,555,945,840	$ -	$ -

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Note 21. Condensed Combining Financial Information

The following tables include condensed combining statements of net position information for the Authority and its blended component units as of December 31, 2024 and 2023.

	December 31, 2024			
	Total Authority	CCPPS	550 Acoma Inc.	Total
Condensed Statement of Net Position				
Current assets	$ 319,300,686	$ (1,075,043)	$ 2,917,853	$ 321,143,496
Noncurrent Assets				
Capital, leased, and subscription assets, net of accumulated depreciation and amortization	596,234,917	-	23,758,439	619,993,356
Other long-term assets	339,772,993	-	4,156	339,777,149
Total Noncurrent Assets	936,007,910	-	23,762,595	959,770,505
Total Assets	1,255,308,596	(1,075,043)	26,680,448	1,280,914,001
Deferred Outflows of Resources	62,713,983	-	-	62,713,983
Total Assets and Deferred Outflows of Resources	$ 1,318,022,579	$ (1,075,043)	$ 26,680,448	$ 1,343,627,984
Liabilities				
Current liabilities	$ 204,198,579	$ (104,681)	$ 943,738	$ 205,037,636
Long-term liabilities	471,536,223	-	36,223,537	507,759,760
Total Liabilities	675,734,802	(104,681)	37,167,275	712,797,396
Deferred Inflows of Resources	9,601,576	-	-	9,601,576
Total Liabilities and Deferred Inflows of Resources	685,336,378	(104,681)	37,167,275	722,398,972
Net Position				
Net investment in capital assets	307,704,306	-	(13,270,098)	294,434,208
Unrestricted	324,981,895	(970,362)	2,783,271	326,794,804
Total Net Position	632,686,201	(970,362)	(10,486,827)	621,229,012
Total Liabilities and Net Position	$ 1,318,022,579	$ (1,075,043)	$ 26,680,448	$ 1,343,627,984

	December 31, 2023			
	Total Authority	CCPPS	550 Acoma Inc.	Total
Condensed Statement of Net Position				
Current assets	$ 286,723,219	$ (1,153,953)	$ 2,895,176	$ 288,464,442
Noncurrent Assets				
Capital, leased, and subscription assets, net of accumulated depreciation and amortization	603,989,067	-	24,920,619	628,909,686
Other long-term assets	325,013,835	-	610	325,014,445
Total Noncurrent Assets	929,002,902	-	24,921,229	953,924,131
Total Assets	1,215,726,121	(1,153,953)	27,816,405	1,242,388,573
Deferred Outflows of Resources	77,980,860	-	-	77,980,860
Total Assets and Deferred Outflows of Resources	$ 1,293,706,981	$ (1,153,953)	$ 27,816,405	$ 1,320,369,433
Liabilities				
Current liabilities	$ 190,018,796	$ (131,897)	$ 906,924	$ 190,793,823
Long-term liabilities	464,154,072	-	37,127,851	501,281,923
Total Liabilities	654,172,868	(131,897)	38,034,775	692,075,746
Deferred Inflows of Resources	12,956,981	-	-	12,956,981
Total Liabilities and Deferred Inflows of Resources	667,129,849	(131,897)	38,034,775	705,032,727
Net Position				
Net investment in capital assets	308,656,120	-	(12,972,232)	295,683,888
Unrestricted	317,921,012	(1,022,056)	2,753,862	319,652,818
Total Net Position	626,577,132	(1,022,056)	(10,218,370)	615,336,706
Total Liabilities and Net Position	$ 1,293,706,981	$ (1,153,953)	$ 27,816,405	$ 1,320,369,433

The following tables include condensed combining statements of revenues, expenses and changes in net position information for the Authority and its blended component units for the years ended December 31, 2024 and 2023.

	Year Ended December 31, 2024			
	Total Authority	CCPPS	550 Acoma Inc.	Total
Operating Revenues				
Net patient service revenue	$ 1,062,515,284	$ -	$ -	$ 1,062,515,284
Medicaid disproportionate share and other safety net reimbursement	164,575,118	-	-	164,575,118
City and County of Denver payment for patient care services	30,777,300	-	-	30,777,300
Federal, state and other grants	102,817,683	-	-	102,817,683
City and County of Denver purchased services	34,760,173	-	-	34,760,173
Poison and drug center contracts	19,675,467	-	-	19,675,467
Other operating revenue	61,288,403	459,482	-	61,747,885
Total Operating Revenues	1,476,409,428	459,482	-	1,476,868,910
Operating Expenses				
Salaries and benefits	917,570,314	-	-	917,570,314
Contracted services and nonmedical supplies	253,235,392	407,788	(2,468,099)	251,175,081
Medical supplies and pharmaceuticals	240,069,673	-	-	240,069,673
Depreciation and amortization	72,722,851	-	1,162,180	73,885,031
Total Operating Expenses	1,483,598,230	407,788	(1,305,919)	1,482,700,099
Operating Income (Loss)	(7,188,802)	51,694	1,305,919	(5,831,189)
Nonoperating Revenues (Expenses)				
Increase in equity in joint venture	(23,214)	-	-	(23,214)
Nonoperating grant revenue (FEMA)	(1,902,285)	-	-	(1,902,285)
Distribution from discretely presented component unit	3,500,000	-	-	3,500,000
Interest income	14,158,888	-	26,222	14,185,110
Interest expense	(13,106,668)	-	(1,600,598)	(14,707,266)
Net increase in fair value of investments	5,837,831	-	-	5,837,831
Gain on disposition of capital assets	2,253,958	-	-	2,253,958
Total Nonoperating Revenues (Expenses)	10,718,510	-	(1,574,376)	9,144,134
Income (Loss) Before Capital Contributions	3,529,708	51,694	(268,457)	3,312,945
Contributions Restricted for Capital Assets	2,579,361	-	-	2,579,361
Increase (Decrease) in Net Position	6,109,069	51,694	(268,457)	5,892,306
Total Net Position, Beginning of Year	626,577,132	(1,022,056)	(10,218,370)	615,336,706
Total Net Position, End of Year	$ 632,686,201	$ (970,362)	$ (10,486,827)	$ 621,229,012

	Year Ended December 31, 2023			
	Total Authority	CCPPS	550 Acoma Inc.	Total
Operating Revenues				
Net patient service revenue	$ 969,866,999	$ -	$ -	$ 969,866,999
Capitation earned net of reinsurance expense	1,366,220	-	-	1,366,220
Medicaid disproportionate share and other safety net reimbursement	163,097,427	-	-	163,097,427
City and County of Denver payment for patient care services	32,577,300	-	-	32,577,300
Federal, state and other grants	122,658,114	-	-	122,658,114
City and County of Denver purchased services	30,887,402	-	-	30,887,402
Poison and drug center contracts	20,369,961	-	-	20,369,961
Other operating revenue	56,734,592	282,936	-	57,017,528
Total Operating Revenues	1,397,558,015	282,936	-	1,397,840,951
Operating Expenses				
Salaries and benefits	848,333,192	-	-	848,333,192
Contracted services and nonmedical supplies	265,915,351	138,745	(2,469,600)	263,584,496
Medical supplies and pharmaceuticals	217,406,805	-	-	217,406,805
Depreciation and amortization	70,425,826	-	1,162,180	71,588,006
Total Operating Expenses	1,402,081,174	138,745	(1,307,420)	1,400,912,499
Operating Income (Loss)	(4,523,159)	144,191	1,307,420	(3,071,548)
Nonoperating Revenues (Expenses)				
Increase in equity in joint venture	64,056	-	-	64,056
Nonoperating grant revenue (FEMA)	3,283,928	-	-	3,283,928
Interest income	11,934,888	-	26,513	11,961,401
Interest expense	(12,889,655)	-	(1,637,244)	(14,526,899)
Net increase in fair value of investments	9,363,579	-	-	9,363,579
Gain on disposition of capital assets	831,197	-	-	831,197
Total Nonoperating Revenues (Expenses)	12,587,993	-	(1,610,731)	10,977,262
Income (Loss) Before Capital Contributions	8,064,834	144,191	(303,311)	7,905,714
Contributions Restricted for Capital Assets	2,899,596	-	-	2,899,596
Increase (Decrease) in Net Position	10,964,430	144,191	(303,311)	10,805,310
Total Net Position, Beginning of Year	615,612,702	(1,166,247)	(9,915,059)	604,531,396
Total Net Position, End of Year	$ 626,577,132	$ (1,022,056)	$ (10,218,370)	$ 615,336,706

The following tables include condensed combining statements of cash flows information for the Authority and its blended component units for the years ended December 31, 2024 and 2023.

	Year Ended December 31, 2024			
	Total Authority	CCPPS	550 Acoma Inc.	Total
Condensed Statement of Cash Flows				
Net cash provided by (used in) operating activities	$ 112,470,975	$ (127,658)	$ -	$ 112,343,317
Net cash used in capital and related financing activities	(77,755,636)	-	-	(77,755,636)
Net cash provided by investing activities	10,288,183	-	-	10,288,183
Net Increase (Decrease) in Cash and Cash Equivalents	45,003,522	(127,658)	-	44,875,864
Cash and Cash Equivalents, Beginning of Year	35,614,890	406,164	-	36,021,054
Cash and Cash Equivalents, End of Year	$ 80,618,412	$ 278,506	$ -	$ 80,896,918

	Year Ended December 31, 2023			
	Total Authority	CCPPS	550 Acoma Inc.	Total
Condensed Statement of Cash Flows				
Net cash used in operating activities	$ 50,615,926	$ 49,496	$ -	$ 50,665,422
Net cash used in capital and related financing activities	(59,020,257)	-	-	(59,020,257)
Net cash provided by investing activities	(1,483,245)	-	-	(1,483,245)
Net Increase (Decrease) in Cash and Cash Equivalents	(9,887,576)	49,496	-	(9,838,080)
Cash and Cash Equivalents, Beginning of Year	45,502,466	356,668	-	45,859,134
Cash and Cash Equivalents, End of Year	$ 35,614,890	$ 406,164	$ -	$ 36,021,054

Note 22. Subsequent Events

Subsequent events have been evaluated through April 4, 2025, which is the date the financial statements were available to be issued.

Denver Health and Hospital Authority issued a loan to Denver Health Medical Plan in January 2025 for $12.5 million and in March 2025 for $15.2 million with variable payment schedules.

On November 5, 2024, ballot measure 2Q passed in the City and County of Denver which implements a 0.34% sales tax starting January 1, 2025. The estimated sales tax revenue is projected to be $70 million annually.

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Required Supplementary Information

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Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability – DERP
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's proportion of the net pension liability	9.07%	8.30%	3.85%	4.41%	4.94%	7.67%	9.00%	9.84%	10.17%	10.79%
Authority's proportionate share of the net pension liability	$ 162,608,534	$ 143,762,075	$ 52,303,284	$ 68,575,108	$ 71,839,623	$ 115,717,505	$ 105,588,100	$ 120,035,324	$ 119,914,669	$ 94,527,507
Authority's covered payroll	$ 25,650,483	$ 22,767,248	$ 23,106,406	$ 23,713,746	$ 29,664,541	$ 31,969,649	$ 34,303,697	$ 38,910,745	$ 40,906,565	$ 42,015,157
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	633.94%	631.44%	226.36%	289.18%	242.17%	361.96%	307.80%	308.49%	293.14%	224.98%
Plan fiduciary net position as a percentage of the total pension liability	58.11%	57.31%	66.25%	60.32%	60.82%	57.76%	65.49%	62.26%	62.26%	70.12%

Note: Information presented in this schedule has been determined as of the Authority's measurement date (December 31 immediately preceding the Authority's most recent fiscal year-end) of the collective net pension liability in accordance with GASB 68.

The discount rate used was 7.00% for 2023, 7.25% for 2022 through 2020, 7.50% for 2019 through 2017, 7.75% for 2016 and 2015, and 8.00% for 2014.

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's Pension Contributions – DERP
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 6,033,587	$ 5,729,010	$ 3,971,698	$ 4,275,913	$ 4,663,901	$ 4,318,106	$ 6,392,749	$ 6,482,903	$ 6,778,008	$ 6,471,773
Contributions in relation to the contractually required contribution	$ 6,033,587	$ 5,729,010	$ 3,971,698	$ 4,275,913	$ 4,701,940	$ 4,318,106	$ 6,392,749	$ 6,482,903	$ 6,778,008	$ 6,471,773
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ (38,039)	$ -	$ -	$ -	$ -	$ -
Authority's covered-employee payroll	$ 21,540,046	$ 25,650,483	$ 22,767,248	$ 23,106,406	$ 23,713,746	$ 29,664,541	$ 31,969,649	$ 34,303,697	$ 38,910,745	$ 40,906,565
Contributions as a percentage of covered-employee payroll	15.32%	22.33%	17.44%	18.51%	19.83%	14.56%	20.00%	18.90%	17.42%	15.82%

Note: Information presented in this schedule has been determined as of the Authority's most recent fiscal year-end (December 31, 2024) in accordance with GASB 68.

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's Pension Contributions – DERP
Last Ten Fiscal Years

Funding Valuation Date	January 1, 2023	January 1, 2022
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the following calendar (fiscal) year.	Actuarially determined contribution rates are calculate as of December 31 of each year and are applicable for the follow calendar (fiscal) year.
Methods and Assumptions		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	UAL amortized over a closed 20- year period	UAL amortized over a closed 20-year period
Remaining Amortization Period	20 years	20
Asset Valuation Method	Market Value of asset less unrecognized investment gains or losses from the prior five years	Market Value of asset less unrecognized investment gains or losses from the prior five years
Inflation	2.50%	2.50%
Salary Increase	3.00% plus merit component based on years of service.	3.00% plus merit component based on years of service.
Investment Rate of Return	7.00%	7.25%
Retirement Age	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2023 valuation pursuant to an experience study of the period 2018-2022.	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2018 valuation pursuant to an experience study of the period 2013-2017.
Mortality	Sex Distinct RP-2014 Healthy Annuitant Mortality Table with a 110% multiplier applied to males and a 105% multiplier applied to females, and generational projection using scale MP-2021.	RP-2014 Combined Mortality Table (gener-specific) projected with the Ultimate rates from the MP-2014 Scale (changed in 2018 from RP-2000 Combined Mortality
Other information		
Notes	There were no benefit changes during the year. Discount Rate was lowered from 7.25% to 7.00% The latest experience study was conducted in 2023 covering the 5-year period of January 1, 2018 to December 31, 2022. At that time, the recommended mortality table was expected to produce a margin of 10% on the retired male mortality experience and 5% on the retired female experience.	There were no benefit changes during the year. Discount Rate kept constant at 7.25% The latest experience study was conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017. At that time, the recommended mortality table was expected to produce a margin of 10% on the retired male mortality experience and 5% on the retired female experience [Denver Employees Retirement Plan 2018 Actuarial Experience Study for the period ended December 31, 2017 Page 15]

Funding Valuation Date	January 1, 2021	January 1, 2020
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.
Methods and Assumptions		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	UAL amortized over a closed 20- year period	UAL amortized over a closed 20- year period
Remaining Amortization Period	20 years	20 years
Asset Valuation Method	Market Value of asset less unrecognized investment gains or losses from the prior five years	Market Value of asset less unrecognized investment gains or losses from the prior five years
Inflation	2.50%	2.50%
Salary Increase	3.00% plus merit component based on years of service.	3.00% plus merit component based on years of service.
Investment Rate of Return	7.25%	7.25%
Retirement Age	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2018 valuation pursuant to an experience study of the period 2013-2017.	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2018 valuation pursuant to an experience study of the period 2013-2017.
Mortality	RP-2014 Combined Mortality Table (gener-specific) projected with the Ultimate MP Scale with a multiplicate of 110% male and 105% female.	RP-2014 Combined Mortality Table (gener-specific) projected with the Ultimate MP Scale with a multiplicate of 110% male and 105% female.
Other information		
Notes	There were no benefit changes during the year. The latest experience study was conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017. At that time, the recommended mortality table was expected to product a margin of 10% on the retired male mortality experience and 5% on the retired female experience [Denver Employees Retirement Plan 2018 Actuarial Experience Study for the year ended December 31, 2017 see Page 15].	There were no benefit changes during the year. Discount Rate was lowered from 7.5% to 7.25% The latest experience study was conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017. At that time, the recommended mortality table was expected to product a margin of 10% on the retired male mortality experience and 5% on the retired female experience [Denver Employees Retirement Plan 2018 Actuarial Experience Study for the year ended December 31, 2017 see Page 15].

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's Pension Contributions – DERP
Last Ten Fiscal Years

Funding Valuation Date	January 1, 2019	January 1, 2018
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.
Methods and Assumptions		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	UAL amortized over a closed 20- year period	Level Percentage of Payroll, Annually Established 30-Year Close Basis
Remaining Amortization Period	20 years	Approximately 27 years
Asset Valuation Method	Market Value of asset less unrecognized investment gains or losses from the prior five years	Smoothed market
Inflation	2.50%	2.50%
Salary Increase	3.00% plus merit component based on years of service.	3.00% to 7.25%
Investment Rate of Return	7.50%	7.50%
Retirement Age	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2018 valuation pursuant to an experience study of the period 2013-2017.	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2013 valuation pursuant to an experience study of the period 2008-2012.
Mortality	RP-2014 Combined Mortality Table (gener-specific) projected with the Ultimate MP Scale with a multiplicate of 110% male and 105% female.	RP-2000 Combined Mortality Table Projected Via Scale AA to 2020. With Multiplies Specific to General and Payment Status of Employee.
Other information		
Notes	There were no benefit changes during the year. As of October 1, 2017, the valuation interest rate was lowered from 7.75% to 7.50%. The latest experience study was conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017. At that time, the recommended mortality table was expected to product a margin of 10% on the retired male mortality experience and 5% on the retired female experience [Denver Employees Retirement Plan 2018 Actuarial Experience Study for the year ended December 31, 2017 see Page 15].	There were no benefit changes during the year. As of October 1, 2017, the valuation interest rate was lowered from 7.75% to 7.50%. The latest experience study was conducted in 2018 covering the 5-year period of January 1, 2013 to December 31, 2017. At that time, the recommended mortality table was expected to product a margin of 10% on the retired male mortality experience and 5% on the retired female experience [Denver Employees Retirement Plan 2018 Actuarial Experience Study for the year ended December 31, 2017 see Page 15].

Funding Valuation Date	January 1, 2017	January 1, 2016
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.
Methods and Assumptions		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Annually Established 30-Year Close Basis	Level Percentage of Payroll, Annually Established 30-Year Close Basis
Remaining Amortization Period	Approximately 27 years	Approximately 27 years
Asset Valuation Method	Smoothed market	Smoothed market
Inflation	2.50%	2.50%
Salary Increase	3.00% to 7.25%	3.25% to 7.25%
Investment Rate of Return	7.50%	7.75%
Retirement Age	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2013 valuation pursuant to an experience study of the period 2008-2012.	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2013 valuation pursuant to an experience study of the period 2008-2012.
Mortality	RP-2000 Combined Mortality Table Projected Via Scale AA to 2020. With Multiplies Specific to General and Payment Status of Employee.	RP-2000 Combined Mortality Table Projected Via Scale AA to 2020. With Multiplies Specific to General and Payment Status of Employee.
Other information		
Notes	There were no benefit changes during the year. As of October 1, 2017, the valuation interest rate was lowered from 7.75% to 7.50%. The latest experience study was conducted in 2013 covering the 5-year period of January 1, 2008 to December 31, 2012. At that time, the recommended mortality table was expected to product a margin of 8% on the retired male mortality experience and 7% on the retired female experience [Denver Employees Retirement Plan 2013 Actuarial Experience Study for the year ended December 31, 2012 Page 24, 25].	There were no benefit changes during the year. As of October 1, 2015, the valuation interest rate was lowered from 8.00% to 7.75%. The latest experience study was conducted in 2013 covering the 5-year period of January 1, 2008 to December 31, 2012. At that time, the recommended mortality table was expected to product a margin of 8% on the retired male mortality experience and 7% on the retired female experience [Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ended December 31, 2012 Page 24, 25].

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's Pension Contributions – DERP
Last Ten Fiscal Years

Funding Valuation Date	January 1, 2015	January 1, 2014
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.
Methods and Assumptions		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Annually Established 30-Year Close Basis	Level Percentage of Payroll, Annually Established 30-Year Close Basis
Remaining Amortization Period	Approximately 28 years	Approximately 29 years
Asset Valuation Method	Smoothed market	Smoothed market
Inflation	2.75%	2.75%
Salary Increase	3.25% to 7.25%	3.25% to 7.25%
Investment Rate of Return	7.75%	8.00%
Retirement Age	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2013 valuation pursuant to an experience study of the period 2008-2012.	Experience-based table of rate that are specific to the type of eligibility condition last updated for the 2013 valuation pursuant to an experience study of the period 2008-2012.
Mortality	RP-2000 Combined Mortality Table Projected Via Scale AA to 2020. With Multiplies Specific to General and Payment Status of Employee.	RP-2000 Combined Mortality Table Projected Via Scale AA to 2020. With Multiplies Specific to General and Payment Status of Employee.
Other information		
Notes	There were no benefit changes during the year. As of October, 1, 2015, the valuation interest rate was lowered from 8% to 7.75%. The latest experience study was conducted in 2013 covering the 5-year period of January 1, 2008 to December 31, 2012. At that time, the recommended mortality table was expected to product a margin of 8% on the retired male mortality experience and 7% on the retired female experience [Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ended December 31, 2012 Page 24, 25].	There were no benefit changes during the year. The latest experience study was conducted in 2013 covering the 5-year period of January 1, 2008 to December 31, 2012. At that time, the recommended mortality table was expected to product a margin of 8% on the retired male mortality experience and 7% on the retired female experience [Denver Employees Retirement Plan 2013 Actuarial Experience Study for the period ended December 31, 2012 Page 24, 25].

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net OPEB Liability – DERP
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017
Authority's proportion of the net OPEB liability	9.07%	8.41%	3.88%	4.30%	4.62%	5.70%	6.33%
Authority's proportionate share of the net OPEB liability	$ 7,499,184	$ 7,741,905	$ 3,337,059	$ 4,147,787	$ 4,540,571	$ 5,959,778	$ 5,816,322
Authority's covered payroll	$ 25,650,483	$ 22,767,248	$ 23,106,406	$ 23,713,746	$ 29,664,541	$ 31,969,649	$ 34,303,697
Authority's proportionate share of the net OPEB liability as a percentage of its covered payroll	29.24%	34.00%	14.44%	17.49%	15.31%	18.64%	16.95%
Plan fiduciary net position as a percentage of the total OPEB liability	48.41%	44.54%	49.63%	43.59%	42.16%	39.18%	45.98%

This schedule is presented as of the measurement date for the fiscal year.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available. Information presented in this schedule has been determined as of the Authority's most recent fiscal year-end (December 31 immediately preceding the Authority's most recent fiscal year-end) in accordance with GASB 75.

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's OPEB Contributions – DERP
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	$ 244,121	$ 245,435	$ 199,990	$ 222,557	$ 293,191	$ 234,744	$ 289,933
Contributions in relation to the statutorily required contribution	$ 244,121	$ 245,435	$ 199,990	$ 222,557	$ 255,563	$ 234,744	$ 289,933
Contribution deficiency	$ -	$ -	$ -	$ -	$ 37,628	$ -	$ -
Authority's covered payroll	$ 21,540,046	$ 25,650,483	$ 22,767,248	$ 23,106,406	$ 23,713,746	$ 29,664,541	$ 31,969,649
Contributions as a percentage of covered payroll	1.13%	0.96%	0.88%	0.96%	1.08%	0.79%	0.91%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available. Information presented in this schedule has been determined as of the Authority's most recent fiscal year-end (December 31, 2024) in accordance with GASB 75.

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's OPEB Contributions – DERP
Last Ten Fiscal Years

Funding Valuation Date	January 1, 2023	January 1, 2022
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the following calendar (fiscal) year.	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the following calendar (fiscal) year.
Methods and Assumptions		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Asset Valuation Method	The market value of assets less any unrecognized investment gains or losses from the prior five years (with 20% of each year's gains/losses recognized annually).	The market value of assets less any unrecognized investment gains or losses from the prior five years (with 20% of each year's gains/losses recognized annually). In the initial year, only the unrecognized loss from the prior year (2018) is reflected. In prior years, the asset valuation method was a smoothed market value.
Amortization Method	As of the 2019 actuarial valuation, the UAL as of January 1, 2019 is amortized over a closed 20-year period as a level percentage of payroll, with future changes in the UAL amortized over a new closed 20-year layers. In prior years, the ADC was determined using fixed 30-year layers.	As of the 2019 actuarial valuation, the UAL as of January 1, 2019 is amortized over a closed 20-year period as a level percentage of payroll, with future changes in the UAL amortized over a new closed 20-year layers. In prior years, the ADC was determined using fixed 30-year layers.
Investment Rate of Return	7.00%	7.25%
Amortization Growth Rate	3.00%	3.00%
Inflation	2.50%	2.50%
Salary Increase	3.00% plus merit component based on years of service.	3.00% plus merit component based on years of service.
Mortality	Sex Distinct RP-2014 Healthy Annuitant Mortality Table with a 110% multiplier applied to males and a 105% multiplier applied to females, and generational projection using scale MP-2021.	Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale (changed in 2018 from RP-2000 Combined Mortality Projected with Scale AA to 2020).

Funding Valuation Date	January 1, 2021	January 1, 2020
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.
Methods and Assumptions		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Asset Valuation Method	The market value of assets less any unrecognized investment gains or losses from the prior five years (with 20% of each year's gains/losses recognized annually). In the initial year, only the unrecognized loss from the prior year (2018) is reflected. In prior years, the asset valuation method was a smoothed market value.	The market value of assets less any unrecognized investment gains or losses from the prior five years (with 20% of each year's gains/losses recognized annually). In the initial year, only the unrecognized loss from the prior year (2018) is reflected. In prior years, the asset valuation method was a smoothed market value.
Amortization Method	As of the 2019 actuarial valuation, the UAL as of January 1, 2019 is amortized over a closed 20-year period as a level percentage of payroll, with future changes in the UAL amortized over a new closed 20-year layers. In prior years, the ADC was determined using fixed 30-year layers.	As of the 2019 actuarial valuation, the UAL as of January 1, 2019 is amortized over a closed 20-year period as a level percentage of payroll, with future changes in the UAL amortized over a new closed 20-year layers. In prior years, the ADC was determined using fixed 30-year layers.
Investment Rate of Return	7.25%	7.25%
Amortization Growth Rate	3.00%	3.00%
Inflation	2.50%	2.50%
Salary Increase	3.00% plus merit component based on years of service.	3.00% plus merit component based on years of service.
Mortality	Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale (changed in 2018 from RP-2000 Combined Mortality Projected with Scale AA to 2020).	Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale (changed in 2018 from RP-2000 Combined Mortality Projected with Scale AA to 2020).

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of the Authority's OPEB Contributions – DERP
Last Ten Fiscal Years

Funding Valuation Date	January 1, 2019	January 1, 2018
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.
Methods and Assumptions		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Asset Valuation Method	In the 2019 actuarial valuation, the asset valuation method was changed to the market value of assets less any unrecognized investment gains or losses from the prior five years (with 20% of each year's gains/losses recognized annually). In the initial year, only the unrecognized loss from the prior year (2018) is reflected. In prior years, the asset valuation method was a smoothed market value.	Smoothed market value
Amortization Method	As of the 2019 actuarial valuation, the UAL as of January 1, 2019 is amortized over a closed 20-year period as a level percentage of payroll, with future changes in the UAL amortized over a new closed 20-year layers. In prior years, the ADC was determined using fixed 30-year layers.	Fixed 30-Year closed periods as of January 1, 2013; level percentage of payroll
Investment Rate of Return	7.50%	7.50%
Amortization Growth Rate	3.00%	3.00%
Inflation	2.50%	2.50%
Salary Increase	3.00% plus merit component based on years of service.	3.00% plus merit component based on years of service.
Mortality	Adjusted RP-2014 Mortality Tables, with generational projections using Ultimate MP Scale (changed in 2018 from RP-2000 Combined Mortality Projected with Scale AA to 2020.	RP-2014 Combined Mortality Table (gender specific) projected with the Ultimate MP Scale with a multiplier of 110% male and 105% female.

Funding Valuation Date	January 1, 2017
Notes	Actuarially determined contribution rates are calculated as of December 31 of each year and are applicable for the follow calendar (fiscal) year.
Methods and Assumptions	
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Smoothed market value
Amortization Method	Fixed 30-Year closed periods as of January 1, 2013; level percentage of payroll
Investment Rate of Return	7.50%
Amortization Growth Rate	3.00%
Inflation	2.50%
Salary Increase	3.00% plus merit component based on years of service.
Mortality	RP-2000 Combined Healthy Mortality Projected with Scale AA to 2020

Denver Health and Hospital Authority
Schedules of Required Supplementary Information
Schedule of Changes in the Authority's Qualified Replacement Benefit Plan and Related Ratios – DERP RBA
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018 *
Total Pension Liability						
Service cost	$ 27,308	$ 40,964	$ 53,350	$ 48,281	$ 24,466	$ 35,474
Interest	211,909	180,030	159,449	173,792	240,039	219,101
Differences between expected and actual experience	(369,246)	(2,287,962)	1,321,090	1,040,488	91,211	-
Changes of assumptions or other inputs	181,002	(744,051)	40,375	330,597	561,579	(276,108)
Benefit payments	(167,494)	(282,356)	(417,029)	(416,924)	(463,231)	(512,312)
Net Change in Total Pension Liability	(116,521)	(3,093,375)	1,157,235	1,176,234	454,064	(533,845)
Authority's Total Pension Liability - Beginning	5,765,935	8,859,310	7,702,075	6,525,841	6,071,777	6,605,622
Authority's Total Pension Liability - Ending	$ 5,649,414	$ 5,765,935	$ 8,859,310	$ 7,702,075	$ 6,525,841	$ 6,071,777
Covered Payroll	$ 20,771,750	$ 22,071,135	$ 25,200,000	$ 33,055,269	$ 38,231,689	$ 57,501,912
Authority's Total Pension Liability as a Percentage of Covered Payroll	27.2%	26.1%	35.20%	23.30%	17.07%	10.56%

This schedule is presented as of the measurement date for the fiscal year.

The discount rate was changed from 4.10% for 2018, to 2.74% for 2019, to 2.12% for 2020, to 2.06% for 2021, to 3.72% for 2022, to 3.26% for 2023.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available. Information presented in this schedule has been determined as of the Authority's most recent fiscal year-end (December 31 immediately preceding the Authority's most recent fiscal year-end) in accordance with GASB 73.

* 2018 information is for informational purposes only. Prior to December 31, 2020, this plan was not administered in accordance with plan documents, therefore the Authority recorded the liability and contribution in the current year.

Supplementary Information

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Denver Health and Hospital Authority
Consolidating Schedule – Statement of Net Position Information
December 31, 2024

	The Authority							
	Denver Health Medical Center	City Fund	RMDS	Restricted Fund	Total Authority	CCPPS	550 Acoma Inc.	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
Current Assets								
Cash and cash equivalents	$ 80,618,412	$ -	$ -	$ -	$ 80,618,412	$ 278,506	$ -	$ 80,896,918
Patient accounts receivable, net	131,386,700	-	-	-	131,386,700	-	-	131,386,700
Due from other governmental entities	12,901,905	-	-	17,749,401	30,651,306	-	-	30,651,306
Due from City and County of Denver	6,989,232	2,184,350	10,013	-	9,183,595	-	-	9,183,595
Other receivables	5,217,831	74,259	3,068,870	13,050,522	21,411,482	262,167	-	21,673,649
Interest receivable	1,701,440	-	-	-	1,701,440	-	-	1,701,440
Due from (to) other funds and investment in discretely presented component units	(12,749,589)	2,435,974	27,049,083	(12,038,378)	4,697,090	(1,615,716)	2,917,853	5,999,227
Inventories	22,221,301	-	-	-	22,221,301	-	-	22,221,301
Prepaid expenses and other assets	16,553,585	-	845,553	30,222	17,429,360	-	-	17,429,360
Total Current Assets	264,840,817	4,694,583	30,973,519	18,791,767	319,300,686	(1,075,043)	2,917,853	321,143,496
Noncurrent Assets								
Notes receivable	14,957,348	-	-	-	14,957,348	-	-	14,957,348
Estimated third-party payor settlements receivable	364,465	-	-	-	364,465	-	-	364,465
Equity interest in joint venture	627,800	-	-	-	627,800	-	-	627,800
Restricted investments	21,224,759	-	-	-	21,224,759	-	4,156	21,228,915
Capital, leased, and subscription assets, net of accumulated depreciation and amortization	595,686,926	576,381	-	(28,390)	596,234,917	-	23,758,439	619,993,356
Long-term investments	286,550,482	-	-	-	286,550,482	-	-	286,550,482
Other long-term assets	16,048,139	-	-	-	16,048,139	-	-	16,048,139
Total Noncurrent Assets	935,459,919	576,381	-	(28,390)	936,007,910	-	23,762,595	959,770,505
Total Assets	1,200,300,736	5,270,964	30,973,519	18,763,377	1,255,308,596	(1,075,043)	26,680,448	1,280,914,001
Deferred Outflows of Resources								
Deferred outflows of resources related to pension benefits	49,466,867	-	-	-	49,466,867	-	-	49,466,867
Deferred outflows of resources related to other postemployment benefits	2,755,091	-	-	-	2,755,091	-	-	2,755,091
Loss on refunding of debt	10,492,025	-	-	-	10,492,025	-	-	10,492,025
Total Deferred Outflows of Resources	62,713,983	-	-	-	62,713,983	-	-	62,713,983
Total Assets and Deferred Outflows of Resources	$ 1,263,014,719	$ 5,270,964	$ 30,973,519	$ 18,763,377	$ 1,318,022,579	$ (1,075,043)	$ 26,680,448	$ 1,343,627,984

Denver Health and Hospital Authority
Consolidating Schedule – Statement of Net Position Information
December 31, 2024

(Continued)

	The Authority							
	Denver Health Medical Center	City Fund	RMDS	Restricted Fund	Total Authority	CCPPS	550 Acoma Inc.	Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND NET POSITION								
Current Liabilities								
Current maturities of bonds payable	$ 11,110,000	$ -	$ -	$ -	$ 11,110,000	$ -	$ -	$ 11,110,000
Current maturities of leases and subscriptions	18,340,543	-	-	-	18,340,543	-	-	18,340,543
Current maturities of notes payable	135,181	-	-	-	135,181	-	805,000	940,181
Medical malpractice liability	8,895,981	-	-	-	8,895,981	-	-	8,895,981
Accounts payable and accrued expenses	40,499,130	751,000	488,576	17,760	41,756,466	(104,681)	138,738	41,790,523
Accrued salaries, wages and employee benefits	50,176,482	-	-	-	50,176,482	-	-	50,176,482
Accrued compensated absences	40,019,019	-	-	-	40,019,019	-	-	40,019,019
Unearned revenue	24,752,062	-	115,375	8,897,470	33,764,907	-	-	33,764,907
Total Current Liabilities	193,928,398	751,000	603,951	8,915,230	204,198,579	(104,681)	943,738	205,037,636
Long-Term Liabilities								
Long-term portion of liability for estimated third-party settlements	6,512,712	-	-	-	6,512,712	-	-	6,512,712
Long-term portion of compensated absences	353,093	-	-	-	353,093	-	-	353,093
Bonds payable, less current maturities	255,869,324	-	-	-	255,869,324	-	-	255,869,324
Lease and subscriptions liability, less current maturities	31,843,964	-	-	-	31,843,964	-	-	31,843,964
Notes payable, less current maturities	1,200,000	-	-	-	1,200,000	-	36,223,537	37,423,537
Net pension liability	168,257,946	-	-	-	168,257,946	-	-	168,257,946
Postemployment benefits	7,499,184	-	-	-	7,499,184	-	-	7,499,184
Total Long-Term Liabilities	471,536,223	-	-	-	471,536,223	-	36,223,537	507,759,760
Total Liabilities	665,464,621	751,000	603,951	8,915,230	675,734,802	(104,681)	37,167,275	712,797,396
Deferred Inflows of Resources								
Deferred inflows of resources related to pension benefits	2,439,601	-	-	-	2,439,601	-	-	2,439,601
Deferred inflows of resources related to other postemployment benefits	890,509	-	-	-	890,509	-	-	890,509
Deferred inflows of resources related to leases	6,271,466	-	-	-	6,271,466	-	-	6,271,466
Total Deferred Inflows of Resources	9,601,576	-	-	-	9,601,576	-	-	9,601,576
Total Liabilities and Deferred Inflows of Resources	675,066,197	751,000	603,951	8,915,230	685,336,378	(104,681)	37,167,275	722,398,972
Net Position								
Net investment in capital assets	307,156,315	576,381	-	(28,390)	307,704,306	-	(13,270,098)	294,434,208
Unrestricted	280,792,207	3,943,583	30,369,568	9,876,537	324,981,895	(970,362)	2,783,271	326,794,804
Total Net Position	587,948,522	4,519,964	30,369,568	9,848,147	632,686,201	(970,362)	(10,486,827)	621,229,012
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 1,263,014,719	$ 5,270,964	$ 30,973,519	$ 18,763,377	$ 1,318,022,579	$ (1,075,043)	$ 26,680,448	$ 1,343,627,984

Denver Health and Hospital Authority
Consolidating Schedule – Statement of Net Position Information
December 31, 2023

	The Authority							
	Denver Health Medical Center	City Fund	RMDS	Restricted Fund	Total Authority	CCPPS	550 Acoma Inc.	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
Current Assets								
Cash and cash equivalents	$ 35,614,890	$ -	$ -	$ -	$ 35,614,890	$ 406,164	$ -	$ 36,021,054
Patient accounts receivable, net	126,495,200	-	-	-	126,495,200	-	-	126,495,200
Due from other governmental entities	15,664,199	-	-	26,351,054	42,015,253	-	-	42,015,253
Due from City and County of Denver	6,923,563	3,102,048	8,075	-	10,033,686	-	-	10,033,686
Other receivables	4,466,707	115,671	2,266,219	13,816,774	20,665,371	55,599	-	20,720,970
Interest receivable	1,875,925	-	-	-	1,875,925	-	-	1,875,925
Due from (to) investment in discretely presented component units	1,831,558	940,664	28,115,521	(24,566,465)	6,321,278	(1,615,716)	2,895,176	7,600,738
Inventories	22,390,235	-	-	-	22,390,235	-	-	22,390,235
Prepaid expenses and other assets	20,410,440	-	829,496	71,445	21,311,381	-	-	21,311,381
Total Current Assets	235,672,717	4,158,383	31,219,311	15,672,808	286,723,219	(1,153,953)	2,895,176	288,464,442
Noncurrent Assets								
Notes receivable	14,957,348	-	-	-	14,957,348	-	-	14,957,348
Estimated third-party payor settlements receivable	1,893,030	-	-	-	1,893,030	-	-	1,893,030
Equity interest in joint venture	651,014	-	-	-	651,014	-	-	651,014
Restricted investments	19,970,526	-	-	-	19,970,526	-	610	19,971,136
Capital, leased, and subscription assets, net of accumulated depreciation and amortization	603,813,611	203,846	-	(28,390)	603,989,067	-	24,920,619	628,909,686
Long-term investments	277,899,018	-	-	-	277,899,018	-	-	277,899,018
Other long-term assets	8,437,072	1,205,827	-	-	9,642,899	-	-	9,642,899
Total Noncurrent Assets	927,621,619	1,409,673	-	(28,390)	929,002,902	-	24,921,229	953,924,131
Total Assets	1,163,294,336	5,568,056	31,219,311	15,644,418	1,215,726,121	(1,153,953)	27,816,405	1,242,388,573
Deferred Outflows of Resources								
Deferred outflows of resources related to pension benefits	62,420,086	-	-	-	62,420,086	-	-	62,420,086
Deferred outflows of resources related to other postemployment benefits	3,708,982	-	-	-	3,708,982	-	-	3,708,982
Loss on refunding of debt	11,851,792	-	-	-	11,851,792	-	-	11,851,792
Total Deferred Outflows of Resources	77,980,860	-	-	-	77,980,860	-	-	77,980,860
Total Assets and Deferred Outflows of Resources	$ 1,241,275,196	$ 5,568,056	$ 31,219,311	$ 15,644,418	$ 1,293,706,981	$ (1,153,953)	$ 27,816,405	$ 1,320,369,433

Denver Health and Hospital Authority
Consolidating Schedule – Statement of Net Position Information
December 31, 2023

(Continued)

	The Authority							
	Denver Health Medical Center	City Fund	RMDS	Restricted Fund	Total Authority	CCPPS	550 Acoma Inc.	Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND NET POSITION								
Current Liabilities								
Current maturities of bonds payable	$ 13,435,000	$ -	$ -	$ -	$ 13,435,000	$ -	$ -	$ 13,435,000
Current maturities of leases	11,174,901	-	-	-	11,174,901	-	-	11,174,901
Current maturities of notes payable	365,000	-	-	-	365,000	-	765,000	1,130,000
Medical malpractice liability	8,654,659	-	-	-	8,654,659	-	-	8,654,659
Accounts payable and accrued expenses	39,516,968	-	1,167,317	17,759	40,702,044	(131,897)	141,924	40,712,071
Accrued salaries, wages and employee benefits	47,556,645	-	-	-	47,556,645	-	-	47,556,645
Accrued compensated absences	38,365,012	-	-	-	38,365,012	-	-	38,365,012
Unearned revenue	23,944,022	-	310,730	5,510,783	29,765,535	-	-	29,765,535
Total Current Liabilities	183,012,207	-	1,478,047	5,528,542	190,018,796	(131,897)	906,924	190,793,823
Long-Term Liabilities								
Long-term portion of liability for estimated third-party settlements	5,714,390	-	-	-	5,714,390	-	-	5,714,390
Long-term portion of compensated absences	116,076	-	-	-	116,076	-	-	116,076
Bonds payable, less current maturities	268,148,000	-	-	-	268,148,000	-	-	268,148,000
Lease liability, less current maturities	31,570,510	-	-	-	31,570,510	-	-	31,570,510
Notes payable, less current maturities	1,335,181	-	-	-	1,335,181	-	37,127,851	38,463,032
Net pension liability	149,528,010	-	-	-	149,528,010	-	-	149,528,010
Postemployment benefits	7,741,905	-	-	-	7,741,905	-	-	7,741,905
Total Long-Term Liabilities	464,154,072	-	-	-	464,154,072	-	37,127,851	501,281,923
Total Liabilities	647,166,279	-	1,478,047	5,528,542	654,172,868	(131,897)	38,034,775	692,075,746
Deferred Inflows of Resources								
Deferred inflows of resources related to pension benefits	5,775,229	-	-	-	5,775,229	-	-	5,775,229
Deferred inflows of resources related to other postemployment benefits	819,082	-	-	-	819,082	-	-	819,082
Deferred inflow of resources related to leases	6,362,670	-	-	-	6,362,670	-	-	6,362,670
Total Deferred Inflows of Resources	12,956,981	-	-	-	12,956,981	-	-	12,956,981
Total Liabilities and Deferred Inflows of Resources	660,123,260	-	1,478,047	5,528,542	667,129,849	(131,897)	38,034,775	705,032,727
Net Position								
Net investment in capital assets	308,480,664	203,846	-	(28,390)	308,656,120	-	(12,972,232)	295,683,888
Unrestricted	272,671,272	5,364,210	29,741,264	10,144,266	317,921,012	(1,022,056)	2,753,862	319,652,818
Total Net Position	581,151,936	5,568,056	29,741,264	10,115,876	626,577,132	(1,022,056)	(10,218,370)	615,336,706
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 1,241,275,196	$ 5,568,056	$ 31,219,311	$ 15,644,418	$ 1,293,706,981	$ (1,153,953)	$ 27,816,405	$ 1,320,369,433

Denver Health and Hospital Authority
Consolidating Schedule – Revenue and Expenses Information
Year Ended December 31, 2024

	The Authority							
	Denver Health Medical Center	City Fund	RMDS	Restricted Fund	Total Authority	CCPPS	550 Acoma Inc.	Total
Operating Revenues								
Net patient service revenue	$ 1,053,777,876	$ 8,712,391	$ 25,017	$ -	$ 1,062,515,284	$ -	$ -	$ 1,062,515,284
Medicaid disproportionate share and other safety net reimbursement	164,575,118	-	-	-	164,575,118	-	-	164,575,118
City and County of Denver payment for patient care services	30,777,300	-	-	-	30,777,300	-	-	30,777,300
Federal, state and other grants	-	-	-	102,817,683	102,817,683	-	-	102,817,683
City and County of Denver purchased services	8,388,585	26,263,060	108,528	-	34,760,173	-	-	34,760,173
Poison and drug center contracts	-	-	19,675,467	-	19,675,467	-	-	19,675,467
Other operating revenue	59,124,421	2,060,563	-	103,419	61,288,403	459,482	-	61,747,885
Total Operating Revenues	1,316,643,300	37,036,014	19,809,012	102,921,102	1,476,409,428	459,482	-	1,476,868,910
Operating Expenses								
Salaries and benefits	795,985,601	31,729,403	11,908,415	77,946,895	917,570,314	-	-	917,570,314
Contracted services and nonmedical supplies	221,569,035	4,641,103	7,270,397	19,754,857	253,235,392	407,788	(2,468,099)	251,175,081
Medical supplies and pharmaceuticals	236,284,377	2,264,376	3,571	1,517,349	240,069,673	-	-	240,069,673
Depreciation and amortization	72,552,956	169,895	-	-	72,722,851	-	1,162,180	73,885,031
Total Operating Expenses	1,326,391,969	38,804,777	19,182,383	99,219,101	1,483,598,230	407,788	(1,305,919)	1,482,700,099
Operating Income (Loss)	(9,748,669)	(1,768,763)	626,629	3,702,001	(7,188,802)	51,694	1,305,919	(5,831,189)
Nonoperating Revenues (Expenses)								
Decrease in equity in joint venture	(23,214)	-	-	-	(23,214)	-	-	(23,214)
Net nonoperating grant revenue (refunds), including FEMA	3,019,169	-	-	(4,921,454)	(1,902,285)	-	-	(1,902,285)
Interdepartmental transfers	(410,968)	-	1,675	409,293	-	-	-	-
Distribution from discretely presented component unit	3,500,000	-	-	-	3,500,000	-	-	3,500,000
Grant funded capital expenditures	(542,431)	-	-	542,431	-	-	-	-
Interest income	14,158,888	-	-	-	14,158,888	-	26,222	14,185,110
Interest expense	(13,106,668)	-	-	-	(13,106,668)	-	(1,600,598)	(14,707,266)
Net increase in fair value of investments	5,837,831	-	-	-	5,837,831	-	-	5,837,831
Gain on disposition of capital assets	2,253,958	-	-	-	2,253,958	-	-	2,253,958
Total Nonoperating Revenues (Expenses)	14,686,565	-	1,675	(3,969,730)	10,718,510	-	(1,574,376)	9,144,134
Income (Loss) Before Capital Contributions	4,937,896	(1,768,763)	628,304	(267,729)	3,529,708	51,694	(268,457)	3,312,945
Contributions Restricted for Capital Assets	1,858,690	720,671	-	-	2,579,361	-	-	2,579,361
Increase (Decrease) in Net Position	$ 6,796,586	$ (1,048,092)	$ 628,304	$ (267,729)	$ 6,109,069	$ 51,694	$ (268,457)	$ 5,892,306

Denver Health and Hospital Authority
Consolidating Schedule – Revenue and Expenses Information
Year Ended December 31, 2023

	The Authority							
	Denver Health Medical Center	City Fund	RMDS	Restricted Fund	Total Authority	CCPPS	550 Acoma Inc.	Total
Operating Revenues								
Net patient service revenue	$ 975,984,972	$ 3,563,755	$ 318,272	$ (10,000,000)	$ 969,866,999	$ -	$ -	$ 969,866,999
Capitation earned net of reinsurance expense	1,366,220	-	-	-	1,366,220	-	-	1,366,220
Medicaid disproportionate share and other safety net reimbursement	163,097,427	-	-	-	163,097,427	-	-	163,097,427
City and County of Denver payment for patient care services	32,577,300	-	-	-	32,577,300	-	-	32,577,300
Federal, state and other grants	46,452	-	-	122,611,662	122,658,114	-	-	122,658,114
City and County of Denver purchased services	10,251,596	20,538,906	96,900	-	30,887,402	-	-	30,887,402
Poison and drug center contracts	-	-	20,369,961	-	20,369,961	-	-	20,369,961
Other operating revenue	53,703,615	3,010,110	-	20,867	56,734,592	282,936	-	57,017,528
Total Operating Revenues	1,237,027,582	27,112,771	20,785,133	112,632,529	1,397,558,015	282,936	-	1,397,840,951
Operating Expenses								
Salaries and benefits	735,163,675	20,272,897	12,294,433	80,602,187	848,333,192	-	-	848,333,192
Contracted services and nonmedical supplies	227,604,543	2,857,450	7,714,082	27,739,276	265,915,351	138,745	(2,469,600)	263,584,496
Medical supplies and pharmaceuticals	214,048,566	760,658	139	2,597,442	217,406,805	-	-	217,406,805
Depreciation and amortization	70,300,608	125,218	-	-	70,425,826	-	1,162,180	71,588,006
Total Operating Expenses	1,247,117,392	24,016,223	20,008,654	110,938,905	1,402,081,174	138,745	(1,307,420)	1,400,912,499
Operating Income (Loss)	(10,089,810)	3,096,548	776,479	1,693,624	(4,523,159)	144,191	1,307,420	(3,071,548)
Nonoperating Revenues (Expenses)								
Increase in equity in joint venture	64,056	-	-	-	64,056	-	-	64,056
Nonoperating grant revenue (FEMA)	488,248	-	-	2,795,680	3,283,928	-	-	3,283,928
Interdepartmental transfers	(520,747)	-	2,327	518,420	-	-	-	-
Grant funded capital expenditures	1,624,896	-	-	(1,624,896)	-	-	-	-
Interest income	11,934,888	-	-	-	11,934,888	-	26,513	11,961,401
Interest expense	(12,889,655)	-	-	-	(12,889,655)	-	(1,637,244)	(14,526,899)
Net increase in fair value of investments	9,363,579	-	-	-	9,363,579	-	-	9,363,579
Gain on disposition of capital assets	831,197	-	-	-	831,197	-	-	831,197
Total Nonoperating Revenues (Expenses)	10,896,462	-	2,327	1,689,204	12,587,993	-	(1,610,731)	10,977,262
Income (Loss) Before Capital Contributions	806,652	3,096,548	778,806	3,382,828	8,064,834	144,191	(303,311)	7,905,714
Contributions Restricted for Capital Assets	2,498,486	401,110	-	-	2,899,596	-	-	2,899,596
Increase (Decrease) in Net Position	$ 3,305,138	$ 3,497,658	$ 778,806	$ 3,382,828	$ 10,964,430	$ 144,191	$ (303,311)	$ 10,805,310

Denver Health and Hospital Authority
Supplementary Budget to Actual Information
Year Ended December 31, 2024

	Actual	Budget	Variance-Favorable (Unfavorable)
Operating Revenues			
Net patient service revenue	$ 1,062,515,284	$ 1,028,967,687	$ 33,547,597
Medicaid disproportionate share and other safety net reimbursement	164,575,118	167,393,120	(2,818,002)
City and County of Denver payment for patient care services	30,777,300	30,777,300	-
Federal, state and other grants	102,817,683	93,177,875	9,639,808
City and County of Denver purchased services	34,760,173	39,861,489	(5,101,316)
Poison and drug center contracts	19,675,467	20,091,648	(416,181)
Other operating revenue	61,747,885	58,708,486	3,039,399
Total Operating Revenues	1,476,868,910	1,438,977,605	37,891,305
Operating Expenses			
Salaries and benefits	917,570,314	898,352,228	(19,218,086)
Contracted services and nonmedical supplies	251,175,081	241,064,064	(10,111,017)
Medical supplies and pharmaceuticals	240,069,673	228,702,114	(11,367,559)
Depreciation and amortization	73,885,031	59,460,748	(14,424,283)
Total Operating Expenses	1,482,700,099	1,427,579,154	(55,120,945)
Operating Income (Loss)	(5,831,189)	11,398,451	(17,229,640)
Nonoperating Revenues (Expenses)			
Increase in equity in joint venture	(23,214)	-	(23,214)
Net nonoperating grant revenue (refunds), including FEMA	(1,902,285)	-	(1,902,285)
Interest income	14,185,110	13,194,008	991,102
Interest expense	(14,707,266)	(12,885,609)	(1,821,657)
Total Nonoperating Revenues (Expenses)	1,052,345	308,399	743,946
Reconciliation to Income Before Capital Contributions			
Add			
Net increase in fair value of investments	5,837,831	-	5,837,831
Gain on disposition of capital assets	2,253,958	-	2,253,958
Total Reconciling Items	8,091,789	-	8,091,789
Income Before Capital Contributions	$ 3,312,945	$ 11,706,850	$ (8,393,905)

Denver Health and Hospital Authority

Single Audit Report

December 31, 2024

Denver Health and Hospital Authority
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December 31, 2024

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Denver Health and Hospital Authority
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Identifying Number, If Applicable	Federal Assistance Listing Number	Total Federal Expenditures	Passed-through To Subrecipients
Department of Agriculture					
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	State of Colorado Department of Public Health and Environment	2021*2569 Option Letter #2, 2022*2344 Option Letter #3, 2023*2220 2024*2461 Option Letter #2, 2025*0237, 2024*2362 Option Letter #1 FHLA 202400009300, 2025*0271 Option Letter #2	10.557	$ 17,233,961	$ -
Total Department of Agriculture				17,233,961	-
Department of Justice					
Crime Victim Assistance	State of Colorado Department of Public Safety	2022-VA-23-279-02, 2022-VA-23-235-02, 2020-VA-21-511-02	16.575	775,529	557,207
Crime Victim Assistance	University of Colorado Denver	FY23.812.001	16.575	104,270	-
Total - Crime Victim Assistance				879,799	557,207
Crime Victim Assistance/Discretionary Grants	N/A	N/A	16.582	121,540	83,895
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	Rose Andom Center	2022OVW	16.590	45,708	-
Congressionally Recommended Awards	City & County of Denver Sheriff Department	SHERF-202371581-00	16.753	515,583	-
Congressionally Recommended Awards	City & County of Denver Department of Public Health and Environment	ENVHL-202473610-00	16.753	170,000	-
Total - Congressionally Recommended Awards				685,583	-
Total Department of Justice				1,732,630	641,102
Department of Labor					
WIOA Cluster					
WIOA Adult Program	State of Colorado Department of Labor and Employment	KAAA 2023*3996(6853)	17.258	145,067	56,411
Total Department of Labor and WIOA Cluster				145,067	56,411
Department of The Treasury					
COVID-19 Coronavirus Relief Fund	City & County of Denver Department of Public Health and Environment	ENVHL-202056318-00, ENVHL-202473965-00	21.019	58,028	-
COVID-19 Coronavirus Relief Fund	State of Colorado Department of Public Health and Environment	PO FHJA 202100003433	21.019	(21,193)	-
Total - COVID-19 Coronavirus Relief Fund				36,835	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	City & County of Denver Department of Public Health and Environment	ENVHL-202472982-00	21.027	74,068	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	State of Colorado Department of Health Care Policy and Financing	G24-186006, G24-187368	21.027	161,915	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	State of Colorado Department of Human Services	24 IBEH 183030, 24 IBEH 184788, 25 IBEH 189706 25 IBEH 191989, 25 IBEH 192277	21.027	1,406,154	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	State of Colorado Department of Public Health and Environment	2023*0274 Amendment #1, PO FHCA 202300004453, 2024*0783, 2024*0786 2024*0787, 2024*0788, 2024*0789, 2024*3486	21.027	2,710,181	70,949
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	State of Colorado Department of Public Safety	ARPA24-DHHA	21.027	300,000	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Signal Behavioral Health Network	HRFCF 23-24, Signal 24-25	21.027	56,537	-
Total - COVID-19 Coronavirus State and Local Fiscal Recovery Funds				4,708,855	70,949
Total Department of The Treasury				4,745,690	70,949

The accompanying notes are an integral part of this schedule.

Denver Health and Hospital Authority
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Identifying Number, If Applicable	Federal Assistance Listing Number	Total Federal Expenditures	Passed-through To Subrecipients
Department of Homeland Security					
COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)	City & County of Denver	FINAN-202054689-00	97.036	506,972	-
Total Department of Homeland Security				506,972	-
Department of Health and Human Services					
Public Health Emergency Preparedness	State of Colorado Department of Public Health and Environment	2020*0589 Amendment #1, 2024*0120 Amendment #4, 2025*0247	93.069	170,743	-
Maternal and Child Health Federal Consolidated Programs	N/A	N/A	93.110	1,301,108	996,309
Maternal and Child Health Federal Consolidated Programs	Colorado Perinatal Care Quality Collaborative	2023	93.110	6,165	-
Maternal and Child Health Federal Consolidated Programs	State of Colorado Department of Public Health and Environment	2025*0416	93.110	32,290	-
Total - Maternal and Child Health Federal Consolidated Programs				1,339,563	996,309
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	State of Colorado Department of Public Health and Environment	2020*0124 Option Letter #1, 2021*2956 Amendment #2, 2023*0941 Option Letter #1 2023*3341, 2024*1094	93.116	112,940	-
Preventive Medicine Residency	University of Colorado Denver	FY21.1009.002_AMD1	93.117	73	-
Injury Prevention and Control Research and State and Community Based Programs	State of Colorado Department of Public Health and Environment	2024*3883, 2024*3883 Option Letter #1, 2025*0410	93.136	78,184	-
COVID-19 Health Program for Toxic Substances and Disease Registry	American Academy of Pediatrics	100276	93.161	120,062	58,710
Health Program for Toxic Substances and Disease Registry	American Academy of Pediatrics	771120_DHHA, 1012032_DHHA, 100810, 101019, 101481, 06665-AR74331	93.161	203,103	48,901
Total - Health Program for Toxic Substances and Disease Registry				323,165	107,611
Graduate Psychology Education	N/A	N/A	93.191	380,826	-
Graduate Psychology Education	University of Denver	SC37922-01 P0181491, SC37922-01-05 P0181491	93.191	26,824	-
Total - Graduate Psychology Education				407,650	-
Family Planning Services	State of Colorado Department of Public Health and Environment	19 FHLA 113529, 19 FHLA 127686, 2021*0270 Amendment #1 2021*0270 Option Letter #6, 2021*0270 Option Letter #7, 2021*0270 Option Letter #10 2021*0271 OS#7, 2021*0271 Option Letter #9	93.217	926,781	-
Health Center Program Cluster					
COVID-19 Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	N/A	N/A	93.224	3,520,878	-
Health Center Program **(C**ommunity Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	N/A	N/A	93.224	14,081,298	-
Total - Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)				17,602,176	-
COVID-19 Grants for New and Expanded Services under the Health Center Program	N/A	N/A	93.527	509,837	33,309
Grants for New and Expanded Services under the Health Center Program	N/A	N/A	93.527	1,898,287	14,595
Grants for New and Expanded Services under the Health Center Program	National Association of Community Health Centers	330-02	93.527	15,712	-
Total - Grants for New and Expanded Services under the Health Center Program				2,423,836	47,904
Total Health Center Program Cluster				20,026,012	47,904
Substance Abuse and Mental Health Services Projects of Regional and National Significance	N/A	N/A	93.243	754,565	-

The accompanying notes are an integral part of this schedule.

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Substance Abuse and Mental Health Services Projects of Regional and National Significance	City & County of Denver Department of Public Health and Environment	ENVHL-202161317-00, ENVHL-202370768-02, ENVHL-202475616-03 ENVHL-20216	93.243	23,153	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	State of Colorado Department of Public Health and Environment	2020*0760 Option Letter #4, 2024*3407, 2024*3407 Option Letter 1	93.243	21,363	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	University of Colorado Denver	FY24.1268.001, FY25.1268.001_AMD1	93.243	16,611	-
Total - Substance Abuse and Mental Health Services Projects of Regional and National Significance				815,692	-
Poison Center Support and Enhancement Grant	N/A	N/A	93.253	657,390	-
COVID-19 Immunization Cooperative Agreements	State of Colorado Department of Public Health and Environment	PO FHCA 202400006132	93.268	166,455	-
Immunization Cooperative Agreements	State of Colorado Department of Public Health and Environment	15 FHHA 74622, 2022*3179 Amendment #6, 2024*0023 2024*4036, 2025*0016 Amendment 2	93.268	563,964	-
Total - Immunization Cooperative Agreements				730,419	-
Viral Hepatitis Prevention and Control	State of Colorado Department of Public Health and Environment	2024*2382, 2024*3989	93.270	239,106	-
Racial and Ethnic Approaches to Community Health	The Foundation For Sustainable Urban Communities	None Provided	93.304	209,603	-
Emerging Infections Programs	Minnesota Department of Health	193115 Amendment 2	93.317	159,919	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	City & County of Denver Department of Public Health and Environment	ENVHL-202056318-00	93.323	4,053	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	State of Colorado Department of Public Health and Environment	2021*2221 OPTION LETTER #1, 2022*2444, 2024*2299 AMD #3 2024*2337 Amendment #2, 2025*0382, 2025*0739 Amendment # 4	93.323	401,247	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	University of Colorado Denver	FY24.641.001, FY24.1214.001_AMD1, FY25.1214.001_AMD2	93.323	13,748	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	University of Washington	UWSC15252	93.323	72,614	-
Total - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				491,662	-
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	City & County of Denver Department of Public Health and Environment	ENVHL-202160257-00	93.391	(546)	-
The Innovative Cardiovascular Health Program	State of Colorado Department of Public Health and Environment	19 FHLA 127218, 2019*3286 Option Letter #1	93.435	(903)	-
Well-Integrated Screening And Evaluation For Women Across The Nation (WiseWoman)	State of Colorado Department of Public Health and Environment	CT FHLA 201900003456, 2019*3456 Amendment #2, 2024*2825 2024*2825 Option Letter #1	93.436	9,803	-
Congressional Directives	N/A	N/A	93.493	913,829	-
Public Health Training Centers Program	Trailhead Institute	HRSA021523_2	93.516	22,291	-
Grants for Capital Development in Health Centers	N/A	N/A	93.526	407,522	-
Teaching Health Center Graduate Medical Education Payment	N/A	N/A	93.530	317,195	-
MaryLee Allen Promoting Safe and Stable Families Program	State of Colorado Department of Public Health and Environment	FHHA 16-83592, 17 FHHA 92410, 2025*0911 AMD 4	93.556	3,788	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	State of Colorado Department of Human Services	19 IHGA 112341, 22 IHGA 170736, 24 IHGA 184542, 24 IHGA 188753	93.566	621,391	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	State of Colorado Department of Labor and Employment	9374, 9411	93.566	159,541	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	State of Colorado Department of Public Health and Environment	2024*2371 Amendment #3	93.566	13,976	-

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Total - Refugee and Entrant Assistance State/Replacement Designee Administered Programs				794,908	-
CCDF Cluster					
COVID-19 Child Care and Development Block Grant	State of Colorado Department of Human Services	17 IHIA 96670	93.575	756	-
Child Care and Development Block Grant	State of Colorado Department of Human Services	21 IHIA 149609, 24 QAAA 181717, GAE QAAA 2024*0056	93.575	238,777	-
Total - Child Care and Development Block Grant				239,533	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	State of Colorado Department of Early Childhood	PO QAAA 202500001553	93.596	3,969	-
Total CCDF Cluster				243,502	-
Head Start Cluster					
Head Start	City and County of Denver	MOEAI-202056350-02, MOEAI-202367559-00, MOEAI-202367749-00 MOEAI-202474508-00, MOEAI-202474509-00	93.600	760,459	-
Head Start	Clayton Family Futures	None Provided	93.600	13,519	-
Total - Head Start Cluster				773,978	-
Assistance for Torture Victims	International Rescue Committee	GHF44, GHH74, GHK44	93.604	12,186	-
Child Welfare Research Training or Demonstration	State of Colorado Department of Early Childhood	24 QAAA 185668, POGG1 QAAA 202500000332, CTGG1 QAAA 2025-2708	93.648	204,898	-
Maternal Opioid Misuse Model	State of Colorado Department of Health Care Policy and Financing	G23-177998	93.687	268,962	116,190
Certified Community Behavioral Health Clinic Expansion Grants	N/A	N/A	93.696	989,765	-
Mental and Behavioral Health Education and Training Grants	N/A	N/A	93.732	659,079	12,550
Surveillance for Diseases Among Immigrants and Refugees financed in part by Prevention and Public Health Funds (PPHF)	Minnesota Department of Health	118489 AMD1	93.755	20,186	-
Medicaid Cluster					
Grants to States for Medicaid	State of Colorado Department of Health Care Policy and Financing	23-172935, 23-172935OL1, 23-172935OL2	93.778	1,634,501	-
Total Medicaid Cluster				1,634,501	-
Opioid STR	State of Colorado Department of Public Health and Environment	2025*0219	93.788	111,278	-
Opioid STR	Signal Behavioral Health Network	Signal 23-24, Signal 24-25	93.788	468,710	-
Total - Opioid STR				579,988	-
Organized Approaches to Increase Colorectal Cancer Screening	State of Colorado Department of Public Health and Environment	18 FHLA 110267, 2018*1756	93.800	(3,255)	-
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	N/A	N/A	93.817	2,785,722	390,015
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	State of Colorado Department of Public Health and Environment	17-90980, 23 FAA 00014 TO 2024*2123	93.817	365,654	-
Total - Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities				3,151,376	390,015
National Ebola Training and Education Center (NETEC)	Emory University	A281289, A902704, A1071989	93.825	141,983	-
Capacity Building Assistance (CBA) for High-Impact HIV Prevention	N/A	N/A	93.834	669,245	49,903
Capacity Building Assistance (CBA) for High-Impact HIV Prevention	Cicatelli Associates, Inc.	CAI HIP	93.834	12,485	-

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Total - Capacity Building Assistance (CBA) for High-Impact HIV Prevention				681,730	49,903
Maternal, Infant and Early Childhood Home Visiting Grant	State of Colorado Department of Early Childhood	CTGG1 2025-2649 A3	93.870	276,144	-
Maternal, Infant and Early Childhood Home Visiting Grant	State of Colorado Department of Human Services	20 IHIA 140718, 24 QAAA 185248	93.870	405,738	-
Total - Maternal, Infant and Early Childhood Home Visiting Grant				681,882	-
Primary Care Training and Enhancement	N/A	N/A	93.884	66,260	-
National Bioterrorism Hospital Preparedness Program	Trailhead Institute	NCRHCC 001-2020, NCRHCC 001-2021	93.889	51,816	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	State of Colorado Department of Public Health and Environment	2023*2298 Amendment #1, 2023*2298 Option Letter 2	93.898	833,721	-
HIV Emergency Relief Project Grants	City & County of Denver Department of Public Health and Environment	ENVHL202054733-02/201843491-02, ENVHL-202159168-00, ENVHL-202262885-02 ENVHL-202370343-01, ENVHL-202472181-02	93.914	983,755	-
HIV Emergency Relief Project Grants	La Clinica Tepeyac	None Provided	93.914	6,419	-
HIV Emergency Relief Project Grants	The Colorado Nonprofit Development Center	None Provided	93.914	(2,639)	-
Total - HIV Emergency Relief Project Grants				987,535	-
HIV Care Formula Grants	Colorado Community Health Network	None Provided	93.917	6,706	-
HIV Care Formula Grants	State of Colorado Department of Public Health and Environment	2019*3675 Amendment #2	93.917	(2)	-
Total - HIV Care Formula Grants				6,704	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	N/A	N/A	93.918	726,141	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	Community Action Partnership of Western Nebraska	None provided	93.918	19,375	-
Total - Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease				745,516	-
Special Projects of National Significance	AIDS United	3031018-AU Amendment 3, 3031018-AU Amendment 5	93.928	178,814	61,437
HIV Prevention Activities Non-Governmental Organization Based	N/A	N/A	93.939	317,032	-
HIV Prevention Activities Health Department Based	State of Colorado Department of Public Health and Environment	2020*3051 OPTION LETTER #1, 2020*3051 Amd #5, 2020*3051 Amd #8 2020*3051 Amd #9, 2024*2738 Amendment #10, 2024*2809 Amendment 7	93.940	455,494	-
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	State of Colorado Department of Public Health and Environment	18 FHHA 107902, 2020*3013 Option Letter #1, 2022*2516 2022*2516 Amendment #1, 2023*3076 Option Letter #2	93.944	747,815	-
Block Grants for Community Mental Health Services	Signal Behavioral Health Network	Crisis System Provider 23-24	93.958	290,012	-
Block Grants for Prevention and Treatment of Substance Abuse	Signal Behavioral Health Network	Signal 20-21, Signal 22-23, Signal 23-24, Signal 24-25	93.959	2,752,559	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	City & County of Denver Department of Public Health and Environment	ENVHL-202368925-00	93.967	199,335	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	Trailhead Institute	NNPHI_INF_PHIDH_2023	93.967	75,939	-
Total - Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health				275,274	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	National Association of County and City Health Officials	2023-110807, 2024-103001	93.977	67,197	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	State of Colorado Department of Public Health and Environment	2020*3004 Amendment #4, 2024*2728 Option Letter #1, 2023*4044, 2025*0580	93.977	241,922	-
Total - Sexually Transmitted Diseases (STD) Prevention and Control Grants				309,119	-

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Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Identifying Number, If Applicable	Federal Assistance Listing Number	Total Federal Expenditures	Passed-through To Subrecipients
COVID-19 Sexually Transmitted Diseases (STD) Provider Education Grants	N/A	N/A	93.978	(119,300)	-
Sexually Transmitted Diseases (STD) Provider Education Grants	N/A	N/A	93.978	2,414,103	-
Total - Sexually Transmitted Diseases (STD) Provider Education Grants				2,294,803	-
Preventive Health and Health Services Block Grant	State of Colorado Department of Public Health and Environment	2021*2943 Amendment #1, 2021*2943 Option Letter #1, 2022*2510 PO FHLA 202400008148	93.991	782	-
Maternal and Child Health Services Block Grant to the States	State of Colorado Department of Public Health and Environment	19 FHLA 112033, 2019*2281 Amendment 3	93.994	(57)	-
Maternal and Child Health Services Block Grant to the States	City & County of Denver Department of Public Health and Environment	ENVHL-202265544-00, ENVHL-202477402-00	93.994	468,657	-
Total - Maternal and Child Health Services Block Grant to the States				468,600	-
Total Department of Health and Human Services				49,979,406	1,781,919
Research and Development Cluster					
Department of Defense (Research and Development Cluster)					
DOD Cost Reimbursable Contracts	Prytime Medical Devices, Inc.	MTEC-22-02-MPAI-011	12.RD	154,401	-
DOD Cost Reimbursable Contracts	University of Colorado Denver	FY24.1257.001, FY25.891.003	12.RD	226,921	-
Total - DOD Cost Reimbursable Contracts				381,322	-
Military Medical Research and Development	Johns Hopkins University	W81XWH-15-2-0074	12.420	(5,277)	-
Military Medical Research and Development	University of Colorado Denver	FY21.575.005_AMD2, FY24.902.003_AMD1, FY24.902.004_AMD3	12.420	44,004	-
Military Medical Research and Development	University of Pittsburgh	AWD00006474-3	12.420	35,589	-
Total - Military Medical Research and Development				74,316	-
Total Department of Defense (Research and Development Cluster)				455,638	-
National Science Foundation (Research and Development Cluster)					
Integrative Activities	N/A	N/A	47.083	17,973	-
Total National Science Foundation (Research and Development Cluster)				17,973	-
Department of Health and Human Services (Research and Development Cluster)					
USDHHS Cost Reimbursable Contracts	N/A	N/A	93.RD	2,079,833	53,223
Maternal and Child Health Federal Consolidated Programs	University of Colorado Denver	FY16.144.002 AMD1	93.110	3,446	-
Centers for Research and Demonstration for Health Promotion and Disease Prevention	University of Colorado Denver	FY21.291.008	93.135	(2,134)	-
Injury Prevention and Control Research and State and Community Based Programs	N/A	N/A	93.136	572,722	39,577
Injury Prevention and Control Research and State and Community Based Programs	University of Colorado Denver	FY19.693.001_AMD2, FY21.693.001_AMD4	93.136	1,071	-
Total - Injury Prevention and Control Research and State and Community Based Programs				573,793	39,577
Human Genome Research	Kaiser Permanente	OOS030229-DHHA	93.172	836	-
Human Genome Research	University of Washington	UWSC14750	93.172	268,911	-

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Total - Human Genome Research				269,747	-
Research Related to Deafness and Communication Disorders	University of Colorado Denver	FY23.966.007	93.173	41,854	-
Research on Healthcare Costs, Quality and Outcomes	N/A	N/A	93.226	393,742	73,363
Research on Healthcare Costs, Quality and Outcomes	Intermountain Healthcare	2024224	93.226	85,780	12,366
Research on Healthcare Costs, Quality and Outcomes	University of California - San Francisco	12411SC	93.226	1,431	-
Research on Healthcare Costs, Quality and Outcomes	University of Colorado Denver	FY25.1232.002	93.226	16,067	-
Total - Research on Healthcare Costs, Quality and Outcomes				497,020	85,729
National Center on Sleep Disorders Research	University of Colorado Denver	FY23.961.006, FY25.961.004_AMD3	93.233	111,165	-
Mental Health Research Grants	Research Foundation of CUNY	CM00004687-00, CM00004687-03 Amd 3, CM00004687-04	93.242	16,476	-
Mental Health Research Grants	University of Denver	SC38311-01-02 P0176783, SC38311-01-03 P0176783	93.242	57,740	-
Total - Mental Health Research Grants				74,216	-
Drug Use and Addiction Research Programs	N/A	N/A	93.279	(5,050)	64,076
Drug Use and Addiction Research Programs	Kaiser Permanente	RNG211136DHHA-01	93.279	6	-
Drug Use and Addiction Research Programs	University of Colorado Denver	FY23.1192.004_AMD1, FY23.1228.001, FY25.1192.003_AMD2	93.279	28,959	-
Total - Drug Use and Addiction Research Programs				23,915	64,076
Teenage Pregnancy Prevention Program	University of Colorado Denver	FY24.1228.001_AMD1	93.297	20,438	-
COVID-19 Minority Health and Health Disparities Research	Brigham and Women's Hospital	129338	93.307	46,981	-
Trans-NIH Research Support	Scripps Research Translational Institute	5-55163, Topol.DHHA.GR000248	93.310	464,989	-
COVID-19 Trans-NIH Research Support	University of Colorado Denver	FY22.1160.002	93.310	9,908	-
Trans-NIH Research Support	University of Colorado Denver	FY24.253.003	93.310	321,288	-
Total - Trans-NIH Research Support				796,185	-
Emerging Infections Programs	State of Colorado Department of Public Health and Environment	2024*3366	93.317	50,470	-
National Center for Advancing Translational Sciences	University of Colorado Denver	CE-JP-21-7, FY24.220.010	93.350	124,623	-
Nursing Research	University of Colorado Denver	FY19.961.003, FY21.1079.002	93.361	(6,372)	-
Nursing Research	University of North Carolina	5106246	93.361	(55)	-
Total - Nursing Research				(6,427)	-
Cancer Cause and Prevention Research	Dana Farber Cancer Institute	1413801	93.393	2,614	-
Cancer Treatment Research	Emmes Corporation	13748, 13765, 13992	93.395	116,561	-
Cancer Treatment Research	University of California - San Francisco	1568 G TA741	93.395	(56,236)	-
Total - Cancer Treatment Research				60,325	-
Cancer Control	Oregon Health & Science University	1014562_SWOG_DENVERHEALTH	93.399	6,187	-
Cardiovascular Diseases Research	N/A	N/A	93.837	863	-
Cardiovascular Diseases Research	Kaiser Permanente	RNG212010-DHHA-02, RNG212010-DHHA-03	93.837	62,123	-
Cardiovascular Diseases Research	Massachusetts General	FY2015, Fund# 242767	93.837	(11,938)	-
Cardiovascular Diseases Research	University of Alabama at Birmingham	000530812-SC007-A02, 000530812-SC007-A03	93.837	16,833	-
Cardiovascular Diseases Research	University of Buffalo	R1175013	93.837	(9,862)	-
Cardiovascular Diseases Research	University of Colorado Boulder	1554902	93.837	427	-

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Cardiovascular Diseases Research	University of Colorado Denver	FY21.647.001, FY22.647.002_AMD1, FY24.647.002_AMD3 FY24.948.006_AMD1, FY24.948.008_AMD7, FY24.1099.001_AMD1 FY24.1304.006, FY25.948.002, FY25.1180.003_AMD3	93.837	256,721	-
Cardiovascular Diseases Research	University of Denver	SC37874-02 P0178009	93.837	7,089	-
Cardiovascular Diseases Research	University of Utah	10068565-01-DHHA	93.837	6,560	-
Total - Cardiovascular Diseases Research				328,816	-
Lung Diseases Research	N/A	N/A	93.838	115,808	10,205
Lung Diseases Research	Duke University	WBSE 383001278 (SPS 282235)	93.838	13,321	-
Lung Diseases Research	University of Colorado Denver	FY22.342.006, FY22.575.002, FY23.220.002_AMD1, FY23.342.017 FY23.891.003, FY24.342.012_AMD1, FY24.781.001, FY25.342.007	93.838	609,444	-
Total - Lung Diseases Research				738,573	10,205
Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders	N/A	N/A	93.840	180,694	13,723
COVID-19 Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders	Vanderbilt University Medical Center	VUMC92068	93.840	86,089	-
Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders	University of Colorado Denver	FY22.904.007_AMD3	93.840	(2,057)	-
Total - Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders				264,726	13,723
Diabetes, Digestive, and Kidney Diseases Extramural Research	N/A	N/A	93.847	225,474	81,469
Diabetes, Digestive, and Kidney Diseases Extramural Research	Acetaminophen Toxicity Diagnostics	3SB1DK079387- DEN	93.847	3,510	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	Temple University	265300-DHHA	93.847	7,326	-
COVID-19 Diabetes, Digestive, and Kidney Diseases Extramural Researc	University of Colorado Denver	FY22.232.001, FY24.232.002_AMD2	93.847	27,301	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	University of Colorado Denver	FY24.950.002, FY25.601.002, FY25.950.003_AMD2	93.847	45,155	-
Total - Diabetes, Digestive, and Kidney Disease Extramural Research				308,766	81,469
Allergy and Infectious Diseases Research	N/A	N/A	93.855	338	-
Allergy and Infectious Diseases Research	Children's Hospital Philadelphia	GRT-00001924 PO 20389978	93.855	6,330	-
Allergy and Infectious Diseases Research	Institute for Clinical Research, Inc.	M03-DN-017-0704-2	93.855	3,251	-
Allergy and Infectious Diseases Research	University of California - Los Angeles	1560 B LB180	93.855	161,026	-
Allergy and Infectious Diseases Research	University of Minnesota	M03-DN-017-0704-2	93.855	10,784	-
Total - Allergy and Infectious Diseases Research				181,729	-
Biomedical Research and Research Training	N/A	N/A	93.859	374,792	-
Biomedical Research and Research Training	University of Colorado Denver	FY24.952.001_AMD4	93.859	29,037	-
Total - Biomedical Research and Research Training				403,829	-
Child Health and Human Development Extramural Research	N/A	N/A	93.865	293,939	-
Child Health and Human Development Extramural Research	Colorado State University	50421-04, G-50421-04	93.865	135,106	-
Child Health and Human Development Extramural Research	University of Alabama at Birmingham	000538651-SC007	93.865	14,850	-
Child Health and Human Development Extramural Research	University of Colorado Denver	FY25.874.002	93.865	8,586	-
Child Health and Human Development Extramural Research	University of Massachusetts Chan Medical School	SUB00000449	93.865	12,793	-
Total - Child Health and Human Development Extramural Research				465,274	-

The accompanying notes are an integral part of this schedule.

Denver Health and Hospital Authority
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Identifying Number, If Applicable	Federal Assistance Listing Number	Total Federal Expenditures	Passed-through To Subrecipients
Aging Research	University of Colorado Denver	FY22.932.002_AMD1, FY23.642.001, FY23.932.001_AMD2 FY24.622.001_AMD1, FY24.622.007_AMD2, FY24.642.001_AMD1 FY24.932.001_AMD3, FY22.932.002_AMD1	93.866	181,870	-
Medical Library Assistance	University of Denver	SC38224-01 PO173856	93.879	(1,004)	-
Assistance Programs for Chronic Disease Prevention and Control	University of Colorado Denver	None Provided	93.945	5,311	-
International Research and Research Training	University of Zimbabwe	None Provided	93.989	(982)	-
Total Department of Health and Human Services (Research and Development Cluster)				7,651,159	348,002
Total Research and Development Cluster				8,124,770	348,002
Total Federal Expenditures in 2024				$ 82,468,496	$ 2,898,383

The accompanying notes are an integral part of this schedule.

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Denver Health and Hospital Authority (the Authority) under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The Authority has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance as the Authority either uses its negotiated rate under its Hospital Rate Agreement or the indirect cost rate agreed upon through the grant agreement.

Note 4. Noncash Assistance

Food Instruments

The Authority received noncash assistance of $13,959,868 in the form of food instruments during the year ended December 31, 2024, which were passed through from the Colorado Department of Public Health and Environment and are reported as part of ALN 10.557. Distribution of the food instruments is reflected in the Schedule of Federal Expenditures.

Cost of Testing

The Authority also received noncash assistance of $22,595 for the cost of testing provided by the Colorado Department of Public Health and Environment and are reported as part of ALN 93.977.

The revenue and expenditures associated with the noncash assistance are not recognized in the Authority's financial statements.

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of Directors
Denver Health and Hospital Authority
Denver, Colorado

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the business-type activities, the aggregate discretely presented component units, and the fiduciary activities of Denver Health and Hospital Authority (the Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated April 4, 2025. The financial statements of Denver Health Medical Plan, Inc., DHHA OMC QALICB, Inc. and Denver Health and Hospitals Foundation, component units included in the financial statements of the aggregate discretely presented component units, and Canadian Consumer Product and Pharmaceutical Safety, Inc. and 550 Acoma Inc., blended component units included in the financial statements of the business-type activities, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Denver Health Medical Plan, Inc., DHHA OMC QALICB Inc., Denver Health and Hospitals Foundation, Canadian Consumer Product and Pharmaceutical Safety, Inc. and 550 Acoma Inc.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

Denver, Colorado
April 4, 2025

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Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Board of Directors
Denver Health and Hospital Authority
Denver, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Denver Health and Hospital Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2024. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance 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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response. The Authority is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The Authority's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities, the aggregate discretely presented component units, and the fiduciary activities of the Authority, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We have issued our report thereon dated April 4, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Forvis Mazars, LLP

Denver, Colorado
September 30, 2025

Denver Health and Hospital Authority
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

Section I – Summary of Auditor's Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. Internal control over financial reporting:

   Material weakness(es) identified? ☐ Yes ☒ No

   Significant deficiency(ies) identified? ☐ Yes ☒ None reported

3. Noncompliance considered material to the financial statements noted? ☐ Yes ☒ No

Federal Awards

4. Internal control over major federal awards programs:

   Material weakness(es) identified? ☐ Yes ☒ No

   Significant deficiency(ies) identified? ☒ Yes ☐ None reported

5. Type of auditor's report issued on compliance for major federal program(s):

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. The audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?

   ☒ Yes ☐ No

7. Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children
93.778	Medicaid Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
93.817	Hospital Preparedness Program (HPP) Ebola Preparedness Response Activities

8. Dollar threshold used to distinguish between type A and type B programs was: $2,474,055.

9. Auditee qualified as low risk auditee ☒ Yes ☐ No

Denver Health and Hospital Authority
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

Section II – Financial Statement Findings

Reference Number	Summary of Finding	Status

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding

2024-001 **Finding: Eligibility**

Federal Assistance Listing Number 10.557 WIC – Special Supplemental Nutrition Program for Women, Infants, and Children
Department of Agriculture
Pass-through Entity: State of Colorado Department of Public Health and Environment
FAIN: 253CO701W1003
Award Date: 10/1/2024

Criteria: According to 2 CFR Part 200.303 **–** The non-Federal entity must (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), (b) Comply with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal awards, (c) Evaluate and monitor the non-Federal entity's compliance with statutes, regulations and the terms and conditions of Federal awards.

As the funds are passed through the Colorado Department of Public Health and Environment, the Authority is required to utilize the State WIC eligibility system (COMPASS).

Condition: The Authority is responsible for determining client eligibility and entering data into the COMPASS system. Although the Medicaid ID number is required for individuals with adjunct eligibility, it is not a mandatory field in COMPASS. Therefore, eligibility can be processed without entering this number.

Testing revealed that the Authority did not consistently follow established controls requiring documentation of the state case ID for individuals deemed eligible based on participation in other state programs.

Cause: Since the Medicaid ID number is not a required field in COMPASS, eligibility determinations can be processed without it. The system lacks reporting capabilities to identify missing entries in this field. Additionally, due to a high caseload, the Authority does not have the capacity to conduct 100% case reviews for all clients served.

Effect: Although the individuals were correctly determined to be eligible for the WIC program, the Authority did not enter all required information into the COMPASS system.

Questioned Costs: None.

Context: We tested 25 clients for the WIC program for the year ended December 31, 2024 and noted four instances in which documentation of Medicaid ID number was not included within the COMPASS system. The total clients served by the Authority during the year was 25,906. A non-statistical sampling methodology was used to select the sample.

Reference Number	Finding

Identification as a Repeat Findings: Not applicable.

Recommendation: We recommend that the Authority expand existing case reviews to include five participant records per month per staff member. The results should be incorporated into annual performance evaluations. Additionally, we recommend enhanced training for all staff involved in eligibility determinations.

Views of Responsible Officials and Planned Corrective Actions: Agree. See separate report for planned corrective actions.

Status of Prior Year Audit Findings

FISCAL YEAR OF FINDING: December 31, 2023

AUDITOR FINDING: 2023-001

CLIENT PLANNED ACTION: The Authority re-implemented GASB 96 during 2024 to ensure the accuracy of the data for all effective years (2022, 2023 and 2024). GASB implementation leads partnered with appropriate departments to review and interpret contract language. Going forward, the Authority will review, understand and implement any new GASB standard much earlier in the year, prior to audit season.

STATUS: Implemented

CLIENT RESPONSIBLE PARTY: Justin Helsper, Controller

COMPLETION DATE: 12/31/2024

FISCAL YEAR OF FINDING: December 31, 2024

AUDITOR FINDING: 2024-001

The Authority is responsible for determining client eligibility and entering data into the State of Colorado's WIC COMPASS system. Although the Medicaid ID number is required for individuals with adjunct eligibility, it is not a mandatory field in COMPASS. Therefore, eligibility can be processed without entering this number.

Testing revealed that the Authority did not consistently follow established controls requiring documentation of the state case ID for individuals deemed eligible based on participation in other state programs.

Since the Medicaid ID number is not a required field in the COMPASS system, eligibility determinations can be processed without it. The system lacks reporting capabilities to identify missing entries in this field. Additionally, due to a high caseload, the Authority does not have the capacity to conduct 100% case reviews for all clients served.

It is recommended that the Authority expand existing case reviews to include five participant records per month per staff member. The results should be incorporated into annual performance evaluations. Additionally, we recommend enhanced training for all staff involved in eligibility determinations.

CLIENT PLANNED ACTION:

The Authority will implement the following corrective actions:

- Denver Health WIC leadership will perform random record reviews of 5 participant records per month per staff member to ensure compliance with Colorado WIC Policies, including accurate income and eligibility documentation.
- Include the results of the reviews, including adjunctive eligibility screen, from the 5 reviews per month in the annual employee performance evaluation and communicate the importance of documenting the Medicaid ID.
- All Denver Health WIC staff will complete a new training on income determination and documentation. This training will be released by the state WIC office by the end of October 2025 and all staff should complete this training by the end of December 2025. Completion of this training will be documented with an acknowledgment signed by the WIC staff and maintained by the Denver Health WIC Program Manager.

CLIENT RESPONSIBLE PARTY: Kate Bennett, WIC Program Manager

COMPLETION DATE: 12/31/2025