

**Grand River
Hospital District
d/b/a Grand River
Health**

**Independent Auditor's
Report and Financial
Statements**

December 31, 2022 and 2021



Grand River Hospital District
d/b/a Grand River Health
December 31, 2022 and 2021

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Independent Auditor's Report

Board of Directors
Grand River Hospital District
d/b/a Grand River Health
Rifle, Colorado

Opinion

We have audited the financial statements of Grand River Hospital District d/b/a Grand River Health (District) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District'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 financial position of the District, as of December 31, 2022, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

Prior Year Audited by Other Auditors

The 2021 financial statements were audited by other auditors, and their report thereon, dated April 20, 2022, expressed an unmodified opinion.

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 District's ability to continue as a going concern within one year after the date that these financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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 District'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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The statement of budgeted and actual revenues and expenses (supplemental information) 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The supplementary information for the year ended December 31, 2021, was audited by other auditors whose report dated April 20, 2022, expressed an unmodified opinion on such information in relation to the basic financial statements for the year ended December 31, 2021, taken as a whole.

FORVIS,LLP

Wichita, Kansas
April 25, 2023

Grand River Hospital District
d/b/a Grand River Health
Balance Sheets
December 31, 2022 and 2021

Assets

	2022	2021
Current Assets		
Cash and cash equivalents	\$ 9,423,978	\$ 4,906,456
Investments	44,053,123	44,044,689
Patient accounts receivable, net of allowance; 2022 - \$9,537,263; 2021 - \$6,957,047	9,368,551	8,631,427
Estimated amounts due from third-party payers	521,000	3,475,298
Property tax levy receivable	21,454,178	14,952,613
Property taxes receivable	113,469	63,431
Other receivables	665,089	602,487
Inventories	2,974,172	2,758,471
Prepaid expenses	878,328	466,192
Total current assets	89,451,888	79,901,064
Noncurrent Cash and Investments		
Cash and cash equivalents restricted for Memorial Trust Fund	383,523	1,432,141
Cash and cash equivalents restricted for bond repayment	512,260	2,632,483
Investments restricted by bond for capital purchases	3,680,476	4,166,904
	4,576,259	8,231,528
Capital Assets, Net	148,828,968	156,270,389
Other Assets		
Equity interests in joint ventures	1,812,766	1,240,151
Total assets	\$ 244,669,881	\$ 245,643,132

Liabilities, Deferred Inflows of Resources and Net Position

	<u>2022</u>	<u>2021</u>
Current Liabilities		
Current maturities of long-term debt	\$ 4,358,485	\$ 4,188,484
Accounts payable	2,878,818	2,314,225
Accrued compensation and related liabilities	6,453,399	7,248,867
Capital accounts payable	735,166	352,919
Accrued interest payable	334,532	362,074
Estimated amounts due to third-party payers	1,624,202	-
Total current liabilities	<u>16,384,602</u>	<u>14,466,569</u>
Long-term Debt	<u>85,093,787</u>	<u>89,452,272</u>
Total liabilities	<u>101,478,389</u>	<u>103,918,841</u>
Deferred Inflows of Resources		
Deferred property tax levy	<u>21,454,178</u>	<u>14,952,613</u>
Net Position		
Net investment in capital assets	61,987,474	66,081,544
Restricted - expendable for		
Memorial Trust Fund	383,523	1,432,141
Bond repayment	512,260	2,632,483
Unrestricted	<u>58,854,057</u>	<u>56,625,510</u>
Total net position	<u>121,737,314</u>	<u>126,771,678</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 244,669,881</u>	<u>\$ 245,643,132</u>

Grand River Hospital District
d/b/a Grand River Health
Statements of Revenues, Expenses and Changes in Net Position
Years Ended December 31, 2022 and 2021

	2022	2021
Operating Revenues		
Net patient service revenue	\$ 85,217,410	\$ 79,515,440
Other	4,090,327	2,599,701
Total operating revenues	89,307,737	82,115,141
Operating Expenses		
Salaries and wages	47,803,094	44,961,673
Employee benefits	14,524,166	12,078,996
Professional fees and other purchased services	8,093,567	4,905,299
Supplies	12,362,793	12,553,962
Depreciation	10,662,176	10,069,907
Utilities	1,767,728	1,418,514
Repairs and maintenance	7,347,838	7,548,665
Provider fees	1,764,475	1,834,128
Other	3,511,713	3,801,707
Total operating expenses	107,837,550	99,172,851
Operating Loss	(18,529,813)	(17,057,710)
Nonoperating Revenues (Expenses)		
Taxation for operations	7,826,697	9,222,503
Taxation for bond principal and interest	8,302,588	8,616,687
Tax collection expense	(287,810)	(349,696)
Investment income	602,580	443,982
Contributions	255,671	448,325
Interest expense	(3,352,612)	(3,541,403)
Provider Relief Funds (CARES Act) and other COVID-19 funding	148,335	3,541,455
Total nonoperating revenues	13,495,449	18,381,853
Change in Net Position	(5,034,364)	1,324,143
Net Position, Beginning of Year	126,771,678	125,447,535
Net Position, End of Year	\$ 121,737,314	\$ 126,771,678

Grand River Hospital District
d/b/a Grand River Health
Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows From Operating Activities		
Receipts from and on behalf of patients	\$ 89,058,786	\$ 81,542,486
Payments to suppliers	(34,938,900)	(30,923,328)
Payments to employees	(63,122,728)	(55,272,842)
Other receipts (payments), net	4,027,725	2,201,757
Net cash used in operating activities	(4,975,117)	(2,451,927)
Cash Flows From Noncapital Financing Activities		
Taxation for operations	7,776,659	10,105,681
Payments for tax collection	(287,810)	(349,696)
Noncapital contributions	255,671	448,325
Provider Relief Funds (<i>CARES Act</i>) and other COVID-19 funding	148,335	3,075,211
Net cash provided by noncapital financing activities	7,892,855	13,279,521
Cash Flows From Capital and Related Financing Activities		
Purchases of capital assets	(2,838,508)	(21,583,253)
Taxation for bond principal and interest	8,302,588	8,616,687
Principal payments on long-term debt	(3,385,000)	(3,225,000)
Interest payments on long-term debt	(4,156,096)	(4,344,888)
Net cash used in capital and related financing activities	(2,077,016)	(20,536,454)
Cash Flows From Investing Activities		
Purchase of investments	-	(23,700,000)
Proceeds from sale of investments	800,000	36,080,500
Investment income	316,959	77,954
Purchase of equity interests in joint ventures	(609,000)	-
Net cash provided by investing activities	507,959	12,458,454
Increase in Cash and Cash Equivalents	1,348,681	2,749,594
Cash and Cash Equivalents, Beginning of Year	8,971,080	6,221,486
Cash and Cash Equivalents, End of Year	\$ 10,319,761	\$ 8,971,080

Grand River Hospital District
d/b/a Grand River Health
Statements of Cash Flows (Continued)
Years Ended December 31, 2022 and 2021

	2022	2021
Reconciliation of Cash and Cash Equivalents to the Balance Sheets		
Cash and cash equivalents	\$ 9,423,978	\$ 4,906,456
Cash and cash equivalents restricted for Memorial Trust Fund	383,523	1,432,141
Cash and cash equivalents restricted for bond repayment	512,260	2,632,483
Total cash and cash equivalents	\$ 10,319,761	\$ 8,971,080
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	\$ (18,529,813)	\$ (17,057,710)
Depreciation	10,662,176	10,069,907
Provision for uncollectible accounts	6,168,633	4,753,805
Change in operating assets and liabilities		
Patient accounts receivable	(6,905,757)	(4,245,294)
Other receivables	(62,602)	(397,944)
Inventories	(215,701)	220,679
Prepaid expenses	(412,136)	247,823
Accounts payable	537,051	670,445
Accrued compensation and related liabilities	(795,468)	1,767,827
Estimated amounts due from and to third-party payers	4,578,500	1,518,535
Net cash used in operating activities	\$ (4,975,117)	\$ (2,451,927)
Noncash Investing, Capital and Financing Activities		
Capital asset acquisitions included in current liabilities	\$ 735,166	\$ 352,919
Amortization of bond premiums	\$ 803,484	\$ 803,485
Change in equity interests in joint ventures	\$ (36,385)	\$ 125,666
Noncash investment income	\$ 322,006	\$ 240,362

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

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

Nature of Operations and Reporting Entity

Grand River Hospital District d/b/a Grand River Health (the District), a political subdivision of the State of Colorado, owns and operates Grand River Medical Center (Hospital), a 25-bed acute care facility that is designated by Medicare as a critical access hospital (CAH) located in Rifle, Colorado. The District also operates E. Dene Moore Memorial Home (Nursing Home), Grand River Primary Care and Grand River Health Clinic West. The District is governed by a Board of Directors consisting of seven members elected by the residents of the District. The District is not a component unit of another governmental entity.

Grand River Hospital District Memorial Trust Fund (Trust Fund) is a legally separate, tax-exempt component unit of the District. The Trust Fund was established for the purpose of receiving and holding bequests and gifts to be distributed to the Hospital and the Nursing Home. The Trust Fund's restricted resources are distributed to the Hospital or the Nursing Home, as required, to comply with purposes specified by donors. The Trust Fund's unrestricted resources are distributed to the Hospital or the Nursing Home in amounts and for purposes determined by the Trustees. The Trustees consist of the members of the District's Board of Directors. The Trust Fund is presented as a blended component unit of the District since it is financially integrated with the District and its trustees are appointed from the District's Board. The assets, liabilities, revenues, and expenses are included in the District's financial statements. Separate financial statements of the Trust Fund are not available.

Basis of Accounting and Presentation

The financial statements of the District have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows and outflows of resources from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated or voluntary nonexchange transactions (principally federal and state grants and county appropriations) are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions and program-specific, government-mandated or voluntary nonexchange transactions. Government-mandated or voluntary nonexchange transactions that are not program specific such as county appropriations, property taxes, investment income and interest on capital assets-related debt are included in nonoperating revenues and expenses. The District first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net positions are available.

The District's government-wide financial statements (balance sheets and statements of revenues, expenses and changes in net position and statements of cash flows) are comprised of an enterprise fund and a blended component unit that uses proprietary fund reporting. The District utilizes the proprietary fund method of accounting whereby revenue and expenses are recognized on the accrual basis using the economic resources measurement focus.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

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, liabilities and deferred inflows and outflows 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 Equivalents

The District considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2022 and 2021, cash equivalents consisted primarily of money market accounts with financial institutions.

Patient Accounts Receivable

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

Inventories

Supply inventories are stated at cost. Costs are determined using the first-in, first-out (FIFO) method. Inventories consist of pharmaceutical, medical-surgical, and other supplies used in the operations of the District.

Investments, Equity Interests and Investment Income

Investments in U.S. Treasury, agency and instrumentality obligations with a remaining maturity of one year or less at time of acquisition and in nonnegotiable certificates of deposit are carried at amortized cost. The equity interests in joint ventures are reported using the equity method of accounting. All other investments are carried at fair value. Fair value is determined using quoted market prices.

Investment income includes dividend and interest income, realized gains and losses on investments carried at other than fair value and the net change for the year in the fair value of investments carried at fair value.

Noncurrent cash and investments include funds restricted for use by the Trust Fund, bond funds and investments restricted for capital acquisitions and funds restricted for debt service of bonds payable.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or acquisition value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset. It is the District's policy to capitalize property and equipment over \$5,000 and having a useful life of at least two years; lesser amounts are expensed. The following estimated useful lives are being used by the District:

Land improvements	5 – 15 years
Buildings	5 – 40 years
Fixed equipment	5 – 40 years
Moveable equipment	2 – 20 years

Capital Asset Impairment

The Hospital evaluates capital assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital asset has occurred. If a capital asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected, accumulated depreciation is increased by the amount of the impairment loss. No asset impairment was recognized during the years ended December 31, 2022 and 2021.

Bond Premium

Bond premiums are being amortized over the life of the related debt using the effective interest method. The unamortized bond premiums are included as an addition to bonds payable and are reflected as both current and long-term in the balance sheets. The amortization of the bond premiums is recorded as a reduction to interest expense.

Compensated Absences

District policies permit most employees to accumulate vacation and benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits are earned whether the employee is expected to realize the benefit as time off or in cash. Compensated absence liabilities are computed using the regular pay rates in effect at the balance sheet date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Risk Management

The District is exposed to various risks of loss from torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; professional liability; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than employee health claims. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

The District is self-insured for a portion of its exposure to risk of loss from employee health claims. Annual estimated provisions are accrued for the self-insured portion of employee health claims and include an estimate of the ultimate costs for both reported claims and claims incurred but not yet reported.

Deferred Inflows of Resources

The District reports acquisition of net position that is applicable to a future reporting period as deferred inflows of resources in a separate section of its balance sheets.

Net Position

Net position of the Hospital is classified in three components on its balance sheets.

- Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. The funds remaining from the 2018 bond issuance to be used towards the ongoing capital project are also included as a component of net investment of capital assets as they will convert to capital assets and are being reduced by the outstanding balance of the bond issuance.
- Restricted expendable net position is made up of noncapital assets that must be used for a particular purpose, as specified by creditors, grantors or donors external to the District.
- Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

Net Patient Service Revenue

The District has agreements with third-party payers that provide for payments to the District 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 bad debts expense. 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.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Charity Care

The District provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy. Net patient service revenue is reported net of charity care. Charges excluded from revenue under the District's charity care policy were \$2,283,065 and \$2,675,070 for 2022 and 2021, respectively.

Other Operating Revenues

Other operating revenues are revenues generated from ongoing operations (*i.e.*, exchange transactions) that do not meet the definition of patient service revenues.

Restricted Resources

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

Provider Relief Funds (CARES Act)

On March 27, 2020, the *CARES Act* was signed into law as part of the government's response to the spread of the SARS-CoV-2 virus and the incidence of COVID-19. The *CARES Act* contained provisions for certain healthcare providers to receive Provider Relief Funds (PRF) from the U.S. Department of Health and Human Services (HHS). The distributions from the Provider Relief Funds are not subject to repayment, provided the District is able to attest to and comply with the terms and conditions of the funding, including demonstrating that the distributions received have been used for qualifying expenses or lost revenue attributable to COVID-19, as defined by HHS. The District is accounting for such payments as voluntary nonexchange transactions. Payments are recognized as revenue once the applicable terms and conditions required to retain the funds have been met and are classified as nonoperating revenue in the accompanying statements of revenues, expenses and changes in net position. The unrecognized amount, if any, of Provider Relief Fund distributions is recorded as unearned revenue in the accompanying balance sheets.

Income Taxes

As a political subdivision of the State of Colorado, the District is exempt from income taxes under Section 115 of the Internal Revenue Code and a similar provision of state law.

Revisions

Certain immaterial revisions have been made to the 2021 financial statements for the presentation of 340B revenue to be included in Other Operating Revenue and for the current portion of bond premiums to be shown as a component of current maturities of long-term debt instead of a component of long-term debt. These revisions did not have an impact on total operating revenues or the change in net position for 2021.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Note 2: Deposits and Investments

Deposits

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 District does not have a deposit policy for custodial credit risk.

The *Colorado Public Deposit Protection Act* requires financial institutions to collateralize any uninsured public deposits. Any excess of deposits over the FDIC limit that are not insured are covered by collateral pledged by the financial institution in accordance with the *Colorado Public Deposit Protection Act*.

At December 31, 2022 and 2021, \$500,000 and \$524,624 of the District's bank balances of \$12,255,733 and \$6,655,816 were insured by FDIC coverage, respectively. The remainder of the District's bank balances of \$11,755,733 and \$6,131,192, respectively, were protected by the *Colorado Public Deposit Protection Act* noted above.

Investments

Colorado State statutes authorize the District to invest in U.S. Treasury bills, obligations of any other U.S. agencies, obligations of the World Bank, general obligation bonds of any state or any of their subdivisions, revenue bonds of any state or any of their subdivisions, banker's acceptance notes, commercial paper, corporate securities, repurchase agreements, money market funds, and guaranteed investment contracts. All investments must be held by the District, in their name, or in the custody of a third-party on behalf of the local government.

The District invests in money market mutual funds, commercial paper, corporate bonds, and United States Treasury notes. All funds are pooled, and a designated custodian provides safekeeping and depository service in connection with direct investment and withdrawal functions. Management believes there is no significant custodial, interest rate, or foreign currency risk exposure.

At December 31, 2022 and 2021, the District had the following investments and maturities:

	December 31, 2022	
	Fair	Maturities
	Value	in Years
		Less
		than 1
		than 1
Commercial paper	\$ 18,731,358	\$ 18,731,358
U.S. Treasury obligations	5,021,871	5,021,871
U.S. agencies obligations	18,599,237	18,599,237
International agencies obligations	5,078,209	5,078,209
Money market mutual funds	302,924	302,924
	\$ 47,733,599	\$ 47,733,599

Grand River Hospital District
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Notes to Financial Statements
December 31, 2022 and 2021

	December 31, 2021	
	Fair Value	Maturities in Years Less than 1
Commercial paper	\$ 33,780,157	\$ 33,780,157
Money market mutual funds	14,431,436	14,431,436
	\$ 48,211,593	\$ 48,211,593

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates could adversely affect an investment's fair value.

Concentration of Credit Risk

Defined as the inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by a lack of diversification (investments acquired from single issuer). The District does not have a policy limiting the amount it may invest in any one issuer or multiple issuers.

Summary of Carrying Values

The carrying values of deposits and investments shown above are included in the balance sheets as follows:

	2022	2021
Carrying value		
Deposits	\$ 10,319,761	\$ 8,971,080
Investments	47,733,599	48,211,593
	\$ 58,053,360	\$ 57,182,673
Included in the following balance sheet captions		
Cash and cash equivalents	\$ 9,423,978	\$ 4,906,456
Short-term investments	44,053,123	44,044,689
Cash and cash equivalents restricted		
for Memorial Trust Fund	383,523	1,432,141
for bond repayment	512,260	2,632,483
Investments restricted		
for capital purchases	3,680,476	4,166,904
	\$ 58,053,360	\$ 57,182,673

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Note 3: Patient Accounts Receivable

The District grants credit without collateral to its patients, most of whom are insured under third-party payer agreements. Patient accounts receivable, net consists of the following at December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Medicare	\$ 3,773,955	\$ 3,280,752
Medicaid	1,887,945	1,302,920
Other third-party payers	4,817,461	4,730,240
Patients	<u>8,426,453</u>	<u>6,274,562</u>
	18,905,814	15,588,474
Less allowance for uncollectible accounts	<u>9,537,263</u>	<u>6,957,047</u>
	<u>\$ 9,368,551</u>	<u>\$ 8,631,427</u>

Note 4: Equity interest in Joint Ventures

The District holds an equity interest in Healthcare Management, LLC (LLC). The District owns approximately 12 percent of the LLC. The value of the District's equity interest in the LLC was \$858,193 and \$988,250 as of December 31, 2022 and 2021, respectively.

The District holds an equity interest in CareFlight of the Rockies, LLC (CareFlight). The District owns approximately 4 percent of CareFlight. The value of the District's equity interest in the LLC was \$345,573 and \$251,901 as of December 31, 2022 and 2021, respectively.

The District holds an equity interest in the Cardiac Catheterization Laboratories Program (Service Line) at St. Mary's Hospital & Medical Center. The District owns approximately 2 percent of the Service Line. The value of the District's equity interest in the joint venture was \$609,000 and \$0 as of December 31, 2022 and 2021, respectively.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Note 6: Long-term Debt

The following is a summary of long-term obligation transactions for the District for the years ended December 31:

		2022					
		Beginning			Ending	Amounts	Long-term
		Balance	Additions	Deductions	Balance	Due Within	Portion
						One Year	
General Obligation Bonds							
Series 2018	\$	80,785,000	-	\$ (3,385,000)	\$77,400,000	\$ 3,555,000	\$73,845,000
Unamortized premium							
on Series 2018 bonds		12,855,756	-	(803,484)	12,052,272	803,485	11,248,787
	\$	<u>93,640,756</u>	<u>\$ -</u>	<u>\$ (4,188,484)</u>	<u>\$89,452,272</u>	<u>\$ 4,358,485</u>	<u>\$85,093,787</u>
		2021					
		Beginning			Ending	Amounts	Long-term
		Balance	Additions	Deductions	Balance	Due Within	Portion
						One Year	
General Obligation Bonds							
Series 2018	\$	84,010,000	-	\$ (3,225,000)	\$80,785,000	\$ 3,385,000	\$77,400,000
Unamortized premium							
on Series 2018 bonds		13,659,241	-	(803,485)	12,855,756	803,484	12,052,272
	\$	<u>97,669,241</u>	<u>\$ -</u>	<u>\$ (4,028,485)</u>	<u>\$93,640,756</u>	<u>\$ 4,188,484</u>	<u>\$89,452,272</u>

General Obligation Refunding Bonds – Series 2018

The General Obligation Bonds, Series 2018 (Series 2018 bonds) in the original amount of \$89,400,000 are secured by the District's full faith and credit. The bonds mature annually at amounts ranging from \$3,555,000 in 2023 to \$7,195,000 in 2037, with semiannual interest payments at rates ranging from 5 percent to 5.25 percent.

The Bonds are general obligations of the District and are secured by an irrevocable pledge of the District to levy and collect taxes each year sufficient to pay the bond principal and interest payments when due. The District's Board approved the Bonds and a special levy to pay the principal and interest. Tax receipts limited for bond redemption and interest are used to pay the principal and interest each year.

**Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021**

Debt Service Requirements

Debt service requirements on long-term debt as of December 31, 2022, are as follows:

Year Ending December 31,	Series 2018 Bonds	
	Principal	Interest
2023	\$ 3,555,000	\$ 3,999,575
2024	3,735,000	3,821,075
2025	3,920,000	3,633,554
2026	4,115,000	3,436,742
2027	4,320,000	3,230,138
2028-2032	25,200,000	12,539,626
2033-2037	32,555,000	5,160,073
	<u>\$ 77,400,000</u>	<u>\$ 35,820,783</u>

Note 7: Professional Liability Claims

The District purchases professional liability insurance under a claims-made policy on a fixed premium basis. Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of professional liability claim costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. Based upon the District's claims experience, no such accrual has been made. It is reasonably possible that this estimate could change materially in the near term.

The malpractice insurance provides \$1,000,000 per claim with an additional aggregate limit of \$3,000,000. The policy has a \$100,000 deductible per claim. Further, the District is subject to the provisions of the *Colorado Government Immunity Act* which provides a limitation on the liability of the District.

Note 8: Employee Health Claims

The District partially self-insures the cost of employee health care benefits as it purchases annual stop-loss insurance coverage for all claims in excess of \$150,000 for the years ended December 31, 2022 and 2021, respectively, per individual participant and aggregate stop-loss at predetermined amounts annually. Accrued compensation and related liabilities on the balance sheet include an accrual for claims which have been incurred but not reported. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, frequency of claims and other economic and social factors.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Activity in the District’s accrued employee health claims liability during 2022 and 2021 is summarized as follows:

	2022	2021
Balance, beginning of year	\$ 819,405	\$ 1,187,671
Current year claims incurred and changes in estimates for claims incurred in prior years	7,382,546	4,538,955
Claims and expenses paid	(7,207,322)	(4,907,221)
Balance, end of year	\$ 994,629	\$ 819,405

Note 9: Net Patient Service Revenue

The District has agreements with third-party payers that provide for payments to the District at amounts different from its established rates. These payment arrangements include:

Medicare. The District is licensed as a CAH. Under this reimbursement system, inpatient acute care and swing-bed services rendered to Medicare program beneficiaries are paid under cost reimbursement methodologies. Outpatient services related to Medicare beneficiaries are paid based on a combination of fee schedules and cost reimbursement methodologies. The District is reimbursed for certain services at tentative rates with final settlement determined after submission of an annual cost report by the District and audit thereof by the Medicare administrative contractor. Nonrural health clinic physician services are reimbursed on a fee schedule. The District is reimbursed for skilled nursing facility services under a prospective payment system.

Medicaid. Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology for certain services and at prospectively determined rates for all other services. The District is reimbursed for cost-reimbursable items at tentative rates with final settlement determined after submission of annual cost reports by the District and audits thereof by the Medicaid administrative contractor. Physician services are reimbursed on a fee schedule.

Other. The District has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the District under these agreements is primarily discounts from established charges and prospectively determined daily rates.

Approximately 63% and 57% of net patient service revenue is from participation in the Medicare and state-sponsored Medicaid programs for the years ended December 31, 2022 and 2021, respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

Under the *Colorado Health Care Affordability Act (Act)*, the District pays provider fees to the state of Colorado. The provider fees are based on inpatient days and outpatient charges. The District also receives various supplemental payments from the state of Colorado under this Act.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

The District received approximately \$6,509,000 and \$6,537,000 from supplemental Medicaid payments and the Colorado Indigent Care Program for the years ended December 31, 2022 and 2021, respectively, to subsidize the cost of caring for charity care patients and to cover the gap where cost of caring for Medicaid patients exceeds Medicaid payments.

Note 10: Charity Care

The District provides charity care to patients who are financially unable to pay for the healthcare services they receive. The District's policy is not to pursue collection of amounts determined to qualify as charity care. Accordingly, the District does not report these amounts in net operating revenues or in the allowance for uncollectible accounts. The District determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries and wages, benefits, supplies, and other operating expenses, based on data from the Medicare cost report.

The costs of charity care provided under the District's charity care policy were approximately \$1,486,000 and \$1,750,000 for 2022 and 2021, respectively. The cost of charity care is estimated by applying the ratio of cost to gross charges from the 2022 and 2021 interim Medicare cost reports, respectively, to the gross uncompensated charges.

Note 11: 340B Drug Pricing Program

The District participates in the 340B Drug Pricing Program (340B Program) enabling the District to receive discounted prices from drug manufacturers on outpatient pharmaceutical purchases. The District recorded revenues related to the 340B Program of \$3,166,070 and \$1,463,799 for the years ending December 31, 2022 and 2021, respectively, which is included in other operating revenue in the accompanying statement of revenues and expenses and changes in net position. The District recorded expenses related to the 340B Program of \$1,372,143 and \$571,982 for the years ending December 31, 2022 and 2021, respectively, which is included in supplies and other in the accompanying statements of revenues and expenses and changes in net position. The 340B Program is overseen by the Health Resources and Services Administration (HRSA) Office of Pharmacy Affairs (OPA). HRSA is currently conducting routine audits of these programs at health care organizations and increasing its compliance monitoring processes. Laws and regulations governing the 340B Program are complex and subject to interpretation and change. As a result, it is reasonably possible that material changes to financial statement amounts related to the 340B Program could occur in the near term.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Note 12: Property Taxes

The Garfield County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Taxes are levied annually in December on property values assessed as of the same date. Assessed values are established by the County Assessor at fair market value. A revaluation of all property is required every two years. Ad valorem tax revenue is recognized in the period assessed to the extent such taxes are collected and available for use. The District received approximately 15 and 18 percent of its financial support in 2022 and 2021 from ad valorem taxes, respectively.

Taxes are due in either two equal installments on February 28 and June 16, or in one installment on April 30. Collections are distributed monthly to the District by the County Treasurer. The District is permitted by law to levy up to \$5.597 per \$1,000 of assessed valuation for general District purposes. Colorado State Law, C.R.S. 39-5-121 and 39-5-128, limits the rate. The District may also levy taxes at a lower rate. Further amounts of tax need to be authorized by the vote of the people. The District has a fixed mill tax rate of \$5.597 per \$1,000, which will not be amended with population growth. For 2022, the District's total assessed valuation was \$2,075,444,120, for a total regular levy of \$11,605,203. For 2021, the District's total assessed valuation was \$1,294,189,940, for a total regular levy of \$7,232,717.

The District has a bond levy rate of \$4.750 and \$5.974 per \$1,000 for 2022 and 2021, respectively. For 2022, the District's total assessed valuation was \$2,075,444,120, for a total bond levy of \$9,848,975. For 2021, the District's total assessed valuation was \$1,294,189,940, for a total bond levy of \$7,719,895. This bond levy, approved by the voters in the November 2017 election, will be used to pay the principal and interest on the Bonds. Collections on this levy began in 2018.

Property taxes are recorded as receivables when levied. Since state law allows for the sale of property for failure to pay taxes, no estimate of uncollectible taxes is made.

Deferred inflows of resources are recorded when the taxes are levied and recognized as tax revenues in the following fiscal year.

Note 13: Future Lease Commitments

The District leases various facility spaces and equipment under noncancelable leases expiring through 2027. Future minimum lease payments under these leases at December 31, 2022, are:

2023	\$ 444,447
2024	416,890
2025	289,850
2026	77,804
2027	<u>53,066</u>
Future minimum lease payments	<u><u>\$ 1,282,057</u></u>

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Note 14: Disclosures About Fair Value of Assets

Fair value is the price that would be received to sell an asset 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
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets; 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
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying financial statements 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, 2022 and 2021:

	Fair Value Measurements Using			
	Total 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, 2022				
Commercial paper	\$ 18,731,358	\$ -	\$ 18,731,358	\$ -
U.S. Treasury obligations	5,021,871	-	5,021,871	-
U.S. agencies obligations	18,599,237	-	18,599,237	-
International agencies obligations	5,078,209	-	5,078,209	-
Money market mutual funds	302,924	302,924	-	-
	<u>\$ 47,733,599</u>	<u>\$ 302,924</u>	<u>\$ 47,430,675</u>	<u>\$ -</u>

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

	Fair Value Measurements Using			
	Total 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, 2021				
Commercial paper	\$ 33,780,157	\$ -	\$ 33,780,157	\$ -
Money market mutual funds	14,431,436	14,431,436	-	-
	<u>\$ 48,211,593</u>	<u>\$ 14,431,436</u>	<u>\$ 33,780,157</u>	<u>\$ -</u>

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 15: Pension Plans

Defined Contribution Plan

The District provides pension benefits through the Grand River Hospital District Employer Retirement Plan (the 401a Plan), a defined contribution plan, under section 401(a) of the Internal Revenue Code. The plan is administered by the District. In a defined contribution plan, benefits depend solely on amounts contributed by the District to the plan plus investment earnings. After one year of service, the District will match 3 percent of salary for full-time and part-time employees who have contributed to the 457 Plan. Total employer contributions to the 401a Plan during 2022 and 2021 were \$1,315,011 and \$1,227,850, respectively.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The District participates in the Grand River Hospital District 457 Deferred Compensation Plan, a 457 retirement plan (the 457 Plan) administered by One America Financial Partners, Inc. All full-time and part-time employees are eligible to participate in the 457 Plan through pre-tax payroll deductions. All monies are sent to the 457 account that has been set up for the employee each pay period and are vested immediately. The 457 Plan is available for all District employees and permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees or their heirs until termination, retirement, death, or unforeseen emergency. Total employee contributions to the 457 Plan during 2022 and 2021 were \$2,595,255 and \$2,455,114, respectively.

Note 16: Contingencies

Professional Liability Claims

Estimates related to the accrual for professional liability claims are described in *Notes 1 and 7*.

Employee Health Claims

Estimates related to the accrual for employee health claims are described in *Notes 1 and 8*.

General Litigation

In the normal course of business, the District is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by the District's self-insurance program (discussed elsewhere in these notes) or by commercial insurance; for example, allegations regarding employment practices or performance of contracts. The District evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of the amount of ultimate expected loss, if any, for each. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Note 17: Condensed Combining Information

The following tables include condensed combining balance sheet information for the District and its component unit as of December 31, 2022 and 2021:

	2022			
	Grand River Hospital District	Grand River Hospital District Memorial Trust Fund	Eliminations	Total
Assets				
Current assets	\$ 89,068,365	\$ 383,523	\$ -	\$ 89,451,888
Noncurrent cash and investments	4,576,259	-	-	4,576,259
Capital assets, net	148,828,968	-	-	148,828,968
Other assets	1,812,766	-	-	1,812,766
Total assets	<u>\$ 244,286,358</u>	<u>\$ 383,523</u>	<u>\$ -</u>	<u>\$ 244,669,881</u>
Liabilities, Deferred Inflows of Resources and Net Position				
Current liabilities	\$ 16,384,602	\$ -	\$ -	\$ 16,384,602
Long-term debt	85,093,787	-	-	85,093,787
Total liabilities	<u>101,478,389</u>	<u>-</u>	<u>-</u>	<u>101,478,389</u>
Deferred inflows of resources	<u>21,454,178</u>	<u>-</u>	<u>-</u>	<u>21,454,178</u>
Net position	<u>121,353,791</u>	<u>383,523</u>	<u>-</u>	<u>121,737,314</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 244,286,358</u>	<u>\$ 383,523</u>	<u>\$ -</u>	<u>\$ 244,669,881</u>

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

	2021			
	Grand River Hospital District	Grand River Hospital District Memorial Trust Fund	Eliminations	Total
Assets				
Current assets	\$ 79,517,635	\$ 1,365,885	\$ (982,456)	\$ 79,901,064
Noncurrent cash and investments	8,231,528	-	-	8,231,528
Capital assets, net	156,270,389	-	-	156,270,389
Other assets	1,240,151	-	-	1,240,151
	\$ 245,259,703	\$ 1,365,885	\$ (982,456)	\$ 245,643,132
Liabilities, Deferred Inflows of Resources and Net Position				
Current liabilities	\$ 14,466,569	\$ 982,456	\$ (982,456)	\$ 14,466,569
Long-term debt	89,452,272	-	-	89,452,272
	103,918,841	982,456	(982,456)	103,918,841
Total liabilities				
Deferred inflows of resources	14,952,613	-	-	14,952,613
	126,388,249	383,429	-	126,771,678
Net position				
	\$ 245,259,703	\$ 1,365,885	\$ (982,456)	\$ 245,643,132
Total liabilities, deferred inflows of resources and net position				

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

The following tables include condensed combining statements of revenues, expenses and changes in net position information for the District and its component unit for the years ended December 31, 2022 and 2021:

	2022			
	Grand River Hospital District	Grand River Hospital District Memorial Trust Fund	Eliminations	Total
Operating revenues	\$ 89,307,737	\$ -	\$ -	\$ 89,307,737
Operating expenses	107,837,550	-	-	107,837,550
Operating income (loss)	(18,529,813)	-	-	(18,529,813)
Nonoperating revenues	13,495,355	94	-	13,495,449
Change in net position	(5,034,458)	94	-	(5,034,364)
Net position, beginning of year	126,388,249	383,429	-	126,771,678
Net position, end of year	\$ 121,353,791	\$ 383,523	\$ -	\$ 121,737,314

	2021			
	Grand River Hospital District	Grand River Hospital District Memorial Trust Fund	Eliminations	Total
Operating revenues	\$ 82,115,141	\$ -	\$ -	\$ 82,115,141
Operating expenses	99,172,851	306,526	(306,526)	99,172,851
Operating income (loss)	(17,057,710)	(306,526)	306,526	(17,057,710)
Nonoperating revenues	18,382,041	306,338	(306,526)	18,381,853
Change in net position	1,324,331	(188)	-	1,324,143
Net position, beginning of year	125,063,918	383,617	-	125,447,535
Net position, end of year	\$ 126,388,249	\$ 383,429	\$ -	\$ 126,771,678

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

The following tables include condensed combining statements of cash flows information for the District and its component units for the years ended December 31, 2022 and 2021:

	2022			
	Grand River Hospital District	Grand River Hospital District Memorial Trust Fund	Eliminations	Total
Net cash provided by (used in):				
Operating activities	\$ (4,975,117)	\$ -	\$ -	\$ (4,975,117)
Noncapital financing activities	7,892,855	-	-	7,892,855
Capital and related financing activities	(2,077,016)	-	-	(2,077,016)
Investing activities	507,865	(982,362)	982,456	507,959
Increase (decrease) in cash and cash equivalents	1,348,587	(982,362)	982,456	1,348,681
Cash and cash equivalents, beginning of year	8,587,651	1,365,885	(982,456)	8,971,080
Cash and cash equivalents, end of year	\$ 9,936,238	\$ 383,523	\$ -	\$ 10,319,761

	2021			
	Grand River Hospital District	Grand River Hospital District Memorial Trust Fund	Eliminations	Total
Net cash provided by (used in):				
Operating activities	\$ (2,451,927)	\$ -	\$ -	\$ (2,451,927)
Noncapital financing activities	13,279,840	306,019	(306,338)	13,279,521
Capital and related financing activities	(20,536,454)	-	-	(20,536,454)
Investing activities	12,458,323	131	-	12,458,454
Increase (decrease) in cash and cash equivalents	2,749,782	306,150	(306,338)	2,749,594
Cash and cash equivalents, beginning of year	5,837,869	1,059,735	(676,118)	6,221,486
Cash and cash equivalents, end of year	\$ 8,587,651	\$ 1,365,885	\$ (982,456)	\$ 8,971,080

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Note 18: COVID-19 Pandemic & CARES Act Funding

On March 22, 2020, the World Health Organization designated the SARS-CoV-2 virus and the incidence of COVID-19 (COVID-19) as a global pandemic. Patient volumes and the related revenues were significantly affected by COVID-19 as various policies were implemented by federal, state, and local governments in response to the pandemic that led many people to remain at home and forced the closure of or limitations on certain businesses, as well as suspended elective procedures by health care facilities.

The District's pandemic response plan has multiple facets and continues to evolve as the pandemic unfolds. The District has taken precautionary steps to enhance its operational and financial flexibility and react to the risks the COVID-19 pandemic presents to its business.

The extent of the COVID-19 pandemic's adverse effect on the District's operating results and financial condition has been and will continue to be driven by many factors, most of which are beyond the District's control and ability to forecast.

Because of these and other uncertainties, the District cannot estimate the length or severity of the effect of the pandemic on the District's business. Decreases in cash flows and result of operations may have an effect on debt covenant compliance and on the inputs and assumptions used in significant accounting estimates, including estimated bad debts and contractual adjustments related to uninsured and other patient accounts.

Provider Relief Fund and Other COVID-19 Funding

During the years ended December 31, 2022 and 2021, the District received approximately \$148,000 and \$3,075,000, respectively, of distributions from the CARES Act Provider Relief Fund and American Rescue Plan Rural Distribution and various other COVID-19 funding primarily through the Coronavirus Small Rural Hospital Improvement Program (SHIP) grant. These distributions are not subject to repayment, provided the District is able to attest to and comply with the terms and conditions of the funding, including demonstrating that the distributions received have been used for qualifying expenses or lost revenue attributable to COVID-19, as defined by HHS.

The District accounts for such payments as voluntary nonexchange transactions. Payments are recognized as revenue once the applicable terms and conditions to retain the funds have been met. Based on an analysis of the compliance and reporting requirements of the Provider Relief Fund and the effect of the pandemic on the District's operating revenues and expenses through December 31, 2022 and 2021, the District recognized \$148,335 and \$3,541,455, respectively, related to the Provider Relief Fund. These payments are recorded as Provider Relief Funds (CARES Act) and other COVID-19 funding, classified as nonoperating revenues in the accompanying statements of revenues, expenses and changes in net position.

The District will continue to monitor compliance with the terms and conditions of the Provider Relief Fund and the effect of the pandemic on the District's revenues and expenses. The terms and conditions governing the Provider Relief Fund are complex and subject to interpretation and change. If the District is unable to attest to or comply with current or future terms and conditions, its ability to retain some or all of the distributions received may be affected. Additionally, the amounts recorded in the financial statements compared to the District's Provider Relief Fund reporting could differ. Provider Relief Fund payments are subject to government oversight, including potential audits.

Grand River Hospital District
d/b/a Grand River Health
Notes to Financial Statements
December 31, 2022 and 2021

Note 19: Future Change in Accounting Principle

Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA) provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Supplementary Information

Grand River Hospital District
d/b/a Grand River Health
Statement of Budgeted and Actual Revenues and Expenses
Year Ended December 31, 2022

	Budgeted Amount Original	Actual	Favorable (Unfavorable) Variance
Operating Revenues			
Net patient service revenue	\$ 90,392,889	\$ 85,217,410	\$ (5,175,479)
Other	781,100	4,090,327	3,309,227
Total operating revenues	<u>91,173,989</u>	<u>89,307,737</u>	<u>(1,866,252)</u>
Operating Expenses	<u>106,283,833</u>	<u>107,837,550</u>	<u>(1,553,717)</u>
Operating Loss	<u>(15,109,844)</u>	<u>(18,529,813)</u>	<u>(3,419,969)</u>
Nonoperating Revenues (Expenses)			
Taxes	14,952,612	15,841,475	888,863
Investment income	840,100	602,580	(237,520)
Contributions and grants	70,000	255,671	185,671
Interest expense	(4,440,000)	(3,352,612)	1,087,388
Other	250,000	148,335	(101,665)
Total nonoperating revenues	<u>11,672,712</u>	<u>13,495,449</u>	<u>1,822,737</u>
Change in Net Position	<u>\$ (3,437,132)</u>	<u>\$ (5,034,364)</u>	<u>\$ (1,597,232)</u>

Notes to Schedule:

Annual budgets are adopted as required by Colorado statutes. Formal budgetary integration is employed as a management control device during the year. Budgets are adopted on a basis that is consistent with generally accepted accounting principles.

Budgets are adopted by resolution in total. There were no supplemental budgets adopted during 2022.

TAB 2

Representation of:
Grand River Hospital District d/b/a Grand River Health
501 Airport Road
Rifle, Colorado 81650

Provided to:
FORVIS, LLP
Certified Public Accountants
1551 North Waterfront Parkway, Suite 300
Wichita, Kansas 67206

The undersigned ("We") are providing this letter in connection with FORVIS' audit of our financial statements as of and for the year ended December 31, 2022.

Our representations are current and effective as of the date of FORVIS' report: April 25, 2023.

Our engagement with FORVIS is based on our contract for services dated: January 3, 2023.

Our Responsibility & Consideration of Material Matters

We confirm that we are responsible for the fair presentation of the financial statements subject to FORVIS' report in conformity with accounting principles generally accepted in the United States of America.

We are also responsible for adopting sound accounting policies; establishing and maintaining effective internal control over financial reporting, operations, and compliance; and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

Confirmation of Matters Specific to the Subject Matter of FORVIS' Report

We confirm, to the best of our knowledge and belief, the following:

Broad Matters

1. We have fulfilled our responsibilities, as set out in the terms of our contract, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America except that the supplementary information as required by the Governmental Accounting Standards Board (GASB), consisting of management's discussion and analysis, has not been prepared.
2. We acknowledge our responsibility for the design, implementation, and maintenance of:
 - a. Internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
 - b. Internal control to prevent and detect fraud.

3. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. All minutes of directors' meetings held through the date of this letter or summaries of actions of recent meetings for which minutes have not yet been prepared. All unsigned copies of minutes provided to you are copies of our original minutes approved by the board, if applicable, and maintained as part of our records.
 - e. All significant contracts and grants.
4. We have responded fully and truthfully to all your inquiries.

Government Auditing Standards

5. We acknowledge that we are responsible for compliance with applicable laws, regulations, and provisions of contracts and grant agreements.
6. We have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.
7. We have identified and disclosed to you any violations or possible violations of laws, regulations, including those pertaining to adopting, approving, and amending budgets, and provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.
8. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts, or violations of provisions of contracts or grant agreements that you or other auditors report.
9. We have a process to track the status of audit findings and recommendations.
10. We have identified to you any previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of your audit and the corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements, or other studies.

Misappropriation, Misstatements, & Fraud

11. We have informed you of all current risks of a material amount that are not adequately prevented or detected by our procedures with respect to:
 - a. Misappropriation of assets.
 - b. Misrepresented or misstated assets, liabilities, deferred inflows of resources, or net position.
12. We have no knowledge of fraud or suspected fraud affecting the entity involving:
 - a. Management or employees who have significant roles in internal control over financial reporting, or
 - b. Others when the fraud could have a material effect on the financial statements.
13. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, customers, analysts, regulators, citizens, suppliers, or others.
14. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and disclosed to you any such risk identified.

Ongoing Operations

15. We acknowledge the current economic volatility presents difficult circumstances and challenges for our industry. Entities are potentially facing declines in the fair values of investments and other assets, declines in the volume of business, contributions, constraints on liquidity, difficulty obtaining financing. We understand the values of the assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments to asset values and allowances for patient accounts receivable that could negatively impact the entity's ability to meet debt covenants or maintain sufficient liquidity.

We acknowledge that you have no responsibility for future changes caused by the current economic environment and the resulting impact on the entity's financial statements. Further, management and governance are solely responsible for all aspects of managing the entity, including questioning the quality and valuation of investments and other assets, reviewing allowances for uncollectible amounts and evaluating capital needs and liquidity plans.

Related Parties

16. We have disclosed to you the identity of all of the entity's related parties and all the related-party relationships of which we are aware.

In addition, we have disclosed to you all related-party transactions and amounts receivable from or payable to related parties of which we are aware, including any modifications during the year that were made to related-party transaction agreements which existed prior to the beginning of the year under audit, as well as new related-party transaction agreements that were executed during the year under audit.

Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

17. We understand that the term related party refers to:

- Affiliates.
- Entities for which investments are accounted for by the equity method.
- Trusts for the benefits of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management.
- Principal owners and members of their immediate families.
- Management and members of their immediate families.
- Any other party with which the entity may deal if one party can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Another party is also a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with, the entity.

Litigation, Laws, Rulings, & Regulations

18. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.
19. We have no knowledge of communications, other than those specifically disclosed, from regulatory agencies, governmental representatives, employees, or others concerning investigations or allegations of noncompliance with laws and regulations, deficiencies in financial reporting practices, or other matters that could have a material adverse effect on the financial statements.
20. We have disclosed to you all known instances of violations or noncompliance or possible violations or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements or as a basis for recording a loss contingency.
21. We have no reason to believe the entity owes any penalties or payments under the Employer Shared Responsibility Provisions of the *Patient Protection and Affordable Care Act* nor have we received any correspondence from the IRS or other agencies indicating such payments may be due.
22. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.

Nonattest Services

23. You have provided nonattest services, including the following, during the period of this engagement:
- Preparing a draft of the financial statements and related notes and supplementary information.
 - Preparation of the Medicare cost report.
 - Preparation of the Medicaid (Colorado MED-13) cost report
 - Assistance with evaluating the adoption and implementation of Governmental Accounting Standards Board (GASB) Statement No. 87, Leases, and related completion of LeaseVision
24. With respect to these services:
- a. We have designated a qualified management-level individual to be responsible and accountable for overseeing the nonattest services.
 - b. We have established and monitored the performance of the nonattest services to ensure they meet our objectives.
 - c. We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.
 - d. We have evaluated the adequacy of the services performed and any findings that resulted.
 - e. Established and maintained internal controls, including monitoring ongoing activities.
 - f. We have received the deliverables from you and have stored these deliverables in information systems controlled by us. We have taken responsibility for maintaining internal control over these deliverables.

Financial Statements & Reports

25. We have reviewed and approved a draft of the financial statements and related notes referred to above, which you prepared in connection with your audit of our financial statements. We acknowledge that we are responsible for the fair presentation of the financial statements and related notes.
26. The entity has revised the 2021 financial statements to conform with accounting principles generally accepted in the United States of America in relation to an immaterial revision to include 340B revenue in other operating revenue and to report the current amortization of bond premium as a current liability. These revisions had no effect on the change in net position. Management has provided you with all relevant information regarding the revisions. We are not aware of any other known matters that required correction in the financial statements.
27. The entity has elected to pass recording the purchase of a Stryker Mako Robot in the 2022 and 2021 financial statements. We deem the activity related to the financed equipment purchase agreement to be immaterial to both the Balance Sheet and Statements of Revenues, Expenses and Changes in Net Position and the omission of this transaction from the financial statements will not be misleading to readers of our financial statements.

28. We do not issue an annual report, nor do we have plans to issue an annual report at this time.

Transactions, Records, & Adjustments

29. All transactions have been recorded in the accounting records and are reflected in the financial statements.
30. We have everything we need to keep our books and records.
31. We have disclosed any significant unusual transactions the entity has entered into during the period, including the nature, terms, and business purpose of those transactions.
32. We believe the effects of the uncorrected financial statement misstatements and omitted disclosures summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Healthcare Matters

33. We have provided you with all peer review organizations, administrative contractor, and third-party payer reports and information.
34. We have informed you of all pending or completed investigations by regulatory authorities of which we are aware. There are no known circumstances that could jeopardize the entity's participation in the Medicare or other governmental healthcare programs.
35. Adequate provisions and allowances have been accrued for any material losses from Medicare/Medicaid and other third-party payer contractual, audit, or other adjustments.
36. With respect to the entity's possible exposure to past or future medical malpractice assertions:
- a. We have disclosed to you all incidents known to us that could possibly give rise to an assertion of malpractice.
 - b. All known incidents have been reported to the appropriate medical malpractice insurer and are appropriately considered in our malpractice liability accrual.
 - c. There is no known lapse in coverage, including any lapse subsequent to the fiscal year-end, that would result in any known incidents being uninsured.
 - d. Management does not expect any claims to exceed malpractice insurance limits.
 - e. We believe our accruals for malpractice claims are sufficient for all known and probable potential claims.
37. Billings to third-party payers comply in all material respects with applicable coding guidelines, laws, and regulations. Billings reflect only charges for goods and services that were medically necessary; properly approved by regulatory bodies, if required; and properly rendered.
38. With regard to cost reports filed with Medicare, Medicaid, or other third parties:
- a. All required reports have been properly filed.
 - b. Management is responsible for the accuracy and propriety of those reports.

- c. All costs reflected on such reports are appropriate and allowable under applicable reimbursement rules and regulations and are patient-related and properly allocated to applicable payers.
 - d. The reimbursement methodologies and principles employed are in accordance with applicable rules and regulations.
 - e. All items required to be disclosed, including disputed costs that are being claimed to establish a basis for a subsequent appeal, have been fully disclosed in the cost report.
 - f. Recorded third-party settlements include differences between filed (and to be filed) cost reports and calculated settlements, which are necessary based upon historical experience or new or ambiguous regulations that may be subject to differing interpretations. While management believes the entity is entitled to all the amounts claimed on the cost reports, management also believes the amounts of these differences are appropriate.
39. With respect to the entity's possible exposure to past or future workers' compensation assertions:
- a. We have disclosed to you all incidents known to us that could possibly give rise to workers' compensation assertion.
 - b. All known incidents have been reported to the appropriate workers' compensation insurer.
 - c. There is no known lapse in coverage, including any lapse subsequent to the fiscal year-end, that would result in any known incidents being uninsured.
 - d. Management does not expect any claims to exceed workers' compensation insurance limits.
40. There are no instances of noncompliance with laws or regulations with respect to Medicare and Medicaid antifraud and abuse statutes, in any jurisdiction, whose effects we believe should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, other than those disclosed or accrued in the financial statements. This is including, but not limited to, the Anti-Kickback Statute of the *Medicare and Medicaid Patient and Program Protection Act of 1987*, limitations on certain physician referrals (the Stark law), and the *False Claims Act*.
41. With regards to the payments received from the Provider Relief Fund established by the *CARES Act*, we represent the following:
- a. To the extent revenue has been recognized, we believe we have met the eligibility requirements as outlined in the U.S. Department of Health and Human Services' (HHS) terms and conditions for the Provider Relief Fund.
 - b. We believe the method we have utilized to recognize revenue associated with the Provider Relief Fund is consistent with acceptable methods outlined in HHS' terms and conditions and other guidance available as of December 31, 2022.
 - c. Consistent with the terms and conditions established by HHS and other guidance available as of December 31, 2022, Provider Relief Fund payments were not used to reimburse expenses or losses that have been reimbursed or are obligated to be reimbursed by other sources, including payments from insurance and/or patients and amounts received from federal, state, or local governments.

- d. We acknowledge that HHS may issue new guidance that could have a material impact on the amount of revenue recognized from the Provider Relief Fund as of December 31, 2022.
- e. We understand that amounts recognized on the Schedule of Expenditures of Federal Awards may differ from amounts recognized on the financial statements.

Governmental Accounting & Disclosure Matters

- 42. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 43. With regard to deposit and investment activities:
 - a. All deposit, repurchase and reverse repurchase agreements, and investment transactions have been made in accordance with legal and contractual requirements.
 - b. Investments are properly valued.
 - c. Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.
 - d. We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.
- 44. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 45. We have identified and evaluated all potential fiduciary activities. The financial statements include all fiduciary activities required by GASB Statement No. 84, *Fiduciary Activities*, as amended. We do not control the assets within the 401a defined contribution plan or the 457 plan as defined in GASB 84, *Fiduciary Activities*.
- 46. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 47. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 48. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance is available and have determined that net position is properly recognized under the policy.

Accounting & Disclosure

- 49. All transactions entered into by the entity are final. We are not aware of any unrecorded transactions, side agreements, or other arrangements (either written or oral) that are in place.

50. Except as reflected in the financial statements, there are no:
- a. Plans or intentions that may materially affect carrying values or classifications of assets, liabilities, deferred inflows of resources, or net position.
 - b. Material transactions omitted or improperly recorded in the financial records.
 - c. Material unasserted claims or assessments that are probable of assertion or other gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
 - d. Events occurring subsequent to the balance sheet date through the date of this letter, which is the date the financial statements were available to be issued, requiring adjustment or disclosure in the financial statements.
 - e. Agreements to purchase assets previously sold.
 - f. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, lines of credit, or similar arrangements.
 - g. Guarantees, whether written or oral, under which the entity is contingently liable.
 - h. Known or anticipated asset retirement obligations.
51. Except as disclosed in the financial statements, the entity has:
- a. Satisfactory title to all recorded assets, and those assets are not subject to any liens, pledges, or other encumbrances.
 - b. Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.

Revenue, Accounts Receivable, & Inventory

52. Adequate provisions and allowances have been accrued for any material losses from:
- a. Uncollectible receivables.
 - b. Excess or obsolete inventories.
 - c. Purchase commitments in excess of normal requirements or at prices in excess of prevailing market prices.

Estimates

53. We have identified all accounting estimates that could be material to the financial statements, and we confirm the appropriateness of the methods and the consistency in their application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in making the accounting estimates, including those measured at fair value reported in the financial statements.

54. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that "near term" means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations, which refer to volumes of business, revenues, available sources of supply, or markets existing at the date of the financial statements that would make the entity vulnerable to the risk of severe impact in the near term that have not been properly disclosed in the financial statements.

Fair Value

55. With respect to the fair value measurements of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto:
- a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated course of action.
 - b. The measurement methods and significant assumptions used in determining fair value are appropriate in the circumstances for financial statement measurement and disclosure purposes and have been consistently applied.
 - c. The significant assumptions appropriately reflect market participant assumptions.
 - d. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - e. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

Tax-Exempt Bonds

56. Tax-exempt bonds issued have retained their tax-exempt status.
57. We have notified you of any instances of noncompliance with applicable disclosure requirements of the SEC Rule 15c2-12 and applicable state laws.

New Accounting Standards

GASB Statement 87, Leases

58. In connection with the adoption of GASB Statement No. 87, *Leases* (GASB 87), we represent the following:
- a. We have identified a complete population of potential leases as of the implementation date.
 - b. We have reviewed all significant contracts to identify lease and nonlease components as of the earliest date of adoption. Allocation of contract prices between lease and nonlease components are based upon standalone prices or other reasonable factors.
 - c. Measurements of the lease assets and liabilities are based upon facts and circumstances that existed at the beginning of the period of implementation.
 - d. The estimates related to any options to extend or terminate the lease terms within the measurement of lease assets and liabilities agree to management's plans for the leases.

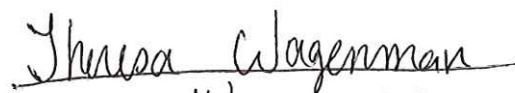
- e. The discount rates for each lease are based upon what would be obtained by the entity for similar loans as an incremental rate.
- f. The classification and accounting of related-party leases between entities, for which separate financial statements are issued, have been modified to recognize the substance of the transaction rather than only its legal form.
- g. We have adequate controls in place to prevent and/or detect errors in lease assets and liabilities on a recurring basis.
- h. The footnotes to the financial statements do not describe the adoption and additional disclosures required under the Statement of GASB 87 as we deem that, after performing the procedures noted above, the related activity is immaterial to both the Balance Sheet and Statements of Revenues, Expenses and Changes in Net Position and the omission of this transaction from the financial statements will not be misleading to readers of our financial statements.



Jim Coombs, Chief Executive Officer
jcoombs@grhd.org



Terry Collins, Chief Financial Officer
tcollins2@grhd.org



Theresa Wagenman
Controller
twagenman@grhd.org

Grand River Hospital District d/b/a Grand River Health
ATTACHMENT

This analysis and the attached "Schedule of Uncorrected Misstatements (Adjustments Passed)" reflect the effects on the financial statements if the uncorrected misstatements identified were corrected.

QUANTITATIVE ANALYSIS

	Before Misstatements	Misstatements	Subsequent to Misstatements	% Change
Current Assets	89,451,888	167,024	89,618,912	0.19%
Non-Current Assets	155,217,993	2,045,572	157,263,565	1.32%
Current Liabilities	(16,384,602)	(578,124)	(16,962,726)	3.53%
Non-Current Liabilities & Deferred Inflows	(106,547,965)	(1,543,653)	(108,091,618)	1.45%
Current Ratio	5.460		5.283	-3.24%
Total Assets	244,669,881	2,212,596	246,882,477	0.90%
Total Liabilities & Deferred Inflows	(122,932,567)	(2,121,777)	(125,054,344)	1.73%
Total Net Position	(121,737,314)	(90,819)	(121,828,133)	0.07%
Operating Revenues	(89,307,737)	(167,024)	(89,474,761)	0.19%
Operating Expenses	107,837,550	(215,552)	107,621,998	-0.20%
Nonoperating (Revenues) Exp	(13,495,449)	68,975	(13,426,474)	-0.51%
Change in Net Position	5,034,364	(313,601)	4,720,763	-6.23%

