

Healthier Colorado  
The Fund for a Healthier Colorado  
Healthy Air and Water Colorado Action  
Open Answer LLC  
Healthier Colorado Small Donor Committee  
Healthier Colorado Political Committee

Combined Financial Statements and Supplemental Information  
With Independent Auditor's Report

Year Ended December 31, 2023



**HEALTHIER™**  
**COLORADO**

**WIPFLI**

## **Independent Auditor's Report**

To the Board of Directors  
Healthier Colorado  
The Fund for a Healthier Colorado  
Healthy Air and Water Colorado Action  
Open Answer LLC  
Healthier Colorado Small Donor Committee  
Healthier Colorado Political Committee  
Denver, Colorado

### ***Opinion***

We have audited the accompanying combined financial statements of Healthier Colorado, The Fund for a Healthier Colorado, Healthy Air and Water Colorado Action, Open Answer LLC, Healthier Colorado Small Donor Committee, and Healthier Colorado Political Committee (jointly referred to as the "Organization"), a nonprofit organization, which comprise the combined statement of financial position as of December 31, 2023, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements referred to above present fairly, in all material respects, the combined financial position of Healthier Colorado, The Fund for a Healthier Colorado, Healthy Air and Water Colorado Action, Open Answer LLC, Healthier Colorado Small Donor Committee, and Healthier Colorado Political Committee as of December 31, 2023, and the combined changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

### ***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 Combined Financial Statements section of our report. We are required to be independent of Healthier Colorado, The Fund for a Healthier Colorado, Healthy Air and Water Colorado Action, Open Answer LLC, Healthier Colorado Small Donor Committee, and Healthier Colorado Political Committee 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.

### ***Responsibilities of Management for the Combined Financial Statements***

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date the combined financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Combined Financial Statements***

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined 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 combined 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 Organization'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

### ***Supplemental Information***

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying consolidating statements presented on pages 28 through 31 are presented for the purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Wipfli LLP*

Wipfli LLP

Denver, Colorado

August 26, 2024

HEALTHIER COLORADO  
THE FUND FOR A HEALTHIER COLORADO  
HEALTHY AIR AND WATER COLORADO ACTION  
OPEN ANSWER LLC  
HEALTHIER COLORADO SMALL DONOR COMMITTEE  
HEALTHIER COLORADO POLITICAL COMMITTEE

Combined Statement of Financial Position  
December 31, 2023

ASSETS

	Healthier Colorado	The Fund For A Healthier Colorado	Healthy Air and Water Colorado Action	Open Answer LLC	Healthier Colorado Small Donor Committee	Healthier Colorado Political Committee	Eliminations	Combined Total
<b>Assets</b>								
Cash and cash equivalents	\$ 779	\$ 154,940	\$ 10,771	\$ 10,309	\$ 52,408	\$ 255	\$ -	\$ 229,462
Investments in marketable securities	5,393,341	-	-	-	-	-	-	5,393,341
Investment in LP	3,624,722	-	-	-	-	-	-	3,624,722
Grants and contributions receivable, net	7,000	99,176	-	-	-	-	-	106,176
Accounts receivable, net of credit losses	-	55,927	-	101,260	-	-	-	157,187
Related party - receivables	961,678	1,052,743	239,015	-	-	-	(2,253,436)	-
Prepaid expenses	-	6,310	-	-	-	-	-	6,310
Lease deposit	13,193	111,109	-	-	-	-	(13,193)	111,109
Property and equipment, net	-	2,241,898	-	-	-	-	-	2,241,898
Right of use asset - operating	-	4,718,479	-	-	-	-	-	4,718,479
<b>Total Assets</b>	<u>\$ 10,000,713</u>	<u>\$ 8,440,582</u>	<u>\$ 249,786</u>	<u>\$ 111,569</u>	<u>\$ 52,408</u>	<u>\$ 255</u>	<u>\$ (2,266,629)</u>	<u>\$ 16,588,684</u>

LIABILITIES AND NET ASSETS

<b>Liabilities</b>								
Accounts payable	\$ 87,154	\$ 2,967	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,121
Accrued payroll liabilities	92,945	-	-	-	-	-	-	92,945
Tenant deposits	-	120,715	-	-	-	-	(13,193)	107,522
Related party - payables	1,247,911	386,434	18,035	601,011	-	45	(2,253,436)	-
Lease liability	-	6,779,089	-	-	-	-	-	6,779,089
<b>Total Liabilities</b>	<u>1,428,010</u>	<u>7,289,205</u>	<u>18,035</u>	<u>601,011</u>	<u>-</u>	<u>45</u>	<u>(2,266,629)</u>	<u>7,069,677</u>
<b>Net Assets</b>								
Without donor restrictions	(445,360)	(25,113)	165,415	(489,442)	52,408	210	-	(741,882)
With donor restrictions	9,018,063	1,176,490	66,336	-	-	-	-	10,260,889
<b>Total Net Assets</b>	<u>8,572,703</u>	<u>1,151,377</u>	<u>231,751</u>	<u>(489,442)</u>	<u>52,408</u>	<u>210</u>	<u>-</u>	<u>9,519,007</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 10,000,713</u>	<u>\$ 8,440,582</u>	<u>\$ 249,786</u>	<u>\$ 111,569</u>	<u>\$ 52,408</u>	<u>\$ 255</u>	<u>\$ (2,266,629)</u>	<u>\$ 16,588,684</u>

The accompanying notes are an integral part of the combined financial statements.

**HEALTHIER COLORADO  
THE FUND FOR A HEALTHIER COLORADO  
HEALTHY AIR AND WATER COLORADO ACTION  
OPEN ANSWER LLC  
HEALTHIER COLORADO SMALL DONOR COMMITTEE  
HEALTHIER COLORADO POLITICAL COMMITTEE**

**Combined Statement of Activities  
Year Ended December 31, 2023**

	Healthier Colorado	The Fund For A Healthier Colorado	Healthy Air and Water Colorado Action	Open Answer LLC	Healthier Colorado Small Donor Committee	Healthier Colorado Political Committee	Eliminations	Combined Total
<b>Change in Net Assets Without Donor Restrictions:</b>								
Support and Revenues								
Contributions and grants	\$ 422,328	\$ 632,176	\$ 127,000	\$ -	\$ 38,627	\$ -	\$ -	\$ 1,220,131
Contract revenue	18,155	93,099	-	809,568	-	-	-	920,822
Net assets released from restrictions	1,355,000	162,439	6,000	-	-	-	-	1,523,439
Total Support and Revenues	1,795,483	887,714	133,000	809,568	38,627	-	-	3,664,392
Expenses								
Program Services								
Public policy and advocacy	874,346	569,540	20,276	920,241	-	-	(9,281)	2,375,122
Fiscal sponsorship - Chronic Care Colorado	-	145,265	-	-	-	-	-	145,265
Building management services	-	613,459	-	-	-	-	-	613,459
Total Program Services	874,346	1,328,264	20,276	920,241	-	-	(9,281)	3,133,846
Supporting Services								
Management and general	1,312,767	109,726	-	124,867	-	365	(140,109)	1,407,616
Fundraising	79,866	231	281	15,700	-	-	-	96,078
Total Supporting Services	1,392,633	109,957	281	140,567	-	365	(140,109)	1,503,694
Total Expenses	2,266,979	1,438,221	20,557	1,060,808	-	365	(149,390)	4,637,540
Change in Net Assets Without Donor Restrictions Before Other Activity	(471,496)	(550,507)	112,443	(251,240)	38,627	(365)	149,390	(973,148)
<b>Other Activity</b>								
Sublease income (expense), net of \$718,677 of sublease expense	-	406,381	-	-	-	-	(149,390)	256,991
Total Other Activity	-	406,381	-	-	-	-	(149,390)	256,991
<b>Change in Net Assets</b>	(471,496)	(144,126)	112,443	(251,240)	38,627	(365)	-	(716,157)
<b>Change in Net Assets With Donor Restrictions:</b>								
Support and Revenues								
Contributions and grants	-	619,176	45,000	-	-	-	-	664,176
Equity in income of LP investment	313,886	-	-	-	-	-	-	313,886
Investment income, net	826,028	-	-	-	-	-	-	826,028
Net assets released from restrictions	(1,355,000)	(162,439)	(6,000)	-	-	-	-	(1,523,439)
Change in Net Assets With Donor Restrictions	(215,086)	456,737	39,000	-	-	-	-	280,651
<b>Change in Net Assets</b>	(686,582)	312,611	151,443	(251,240)	38,627	(365)	-	(435,506)
Net Assets, Beginning of Year	9,259,285	838,766	80,308	(238,202)	13,781	575	-	9,954,513
Net Assets, End of Year	\$ 8,572,703	\$ 1,151,377	\$ 231,751	\$ (489,442)	\$ 52,408	\$ 210	\$ -	\$ 9,519,007

The accompanying notes are an integral part of the combined financial statements.

HEALTHIER COLORADO  
THE FUND FOR A HEALTHIER COLORADO  
HEALTHY AIR AND WATER COLORADO ACTION  
OPEN ANSWER LLC  
HEALTHIER COLORADO SMALL DONOR COMMITTEE  
HEALTHIER COLORADO POLITICAL COMMITTEE  
Combined Statement of Functional Expenses  
Year Ended December 31, 2023

	Program Services					Supporting Services										Combined Total		
						Management and General				Fundraising								
	Healthier Colorado	The Fund For A Healthier Colorado	Healthy Air and Water Colorado Action	Open Answer LLC	Total Program	Healthier Colorado	The Fund For A Healthier Colorado	Open Answer LLC	Healthier Colorado Political Committee	Total Management and General	Healthier Colorado	The Fund For A Healthier Colorado	Healthy Air and Water Colorado Action	Open Answer LLC	Total Fundraising		Eliminations	
Salaries	\$ 294,358	\$ 400,544	\$ 901	\$ 756,606	\$ 1,452,409	\$ 575,336	\$ 22,392	\$ 38,813	\$ -	\$ 636,541	\$ 30,518	\$ 90	\$ 65	\$ 13,308	\$ 43,981	\$ -	\$ 2,132,931	
Employee benefits	20,984	20,312	42	30,695	72,033	94,738	2,489	2,453	-	99,680	2,353	5	5	1,079	3,442	-	175,155	
Payroll taxes	19,797	28,326	65	65,088	113,276	56,293	1,995	2,960	-	61,248	2,158	8	5	1,002	3,173	-	177,697	
Total payroll related costs	335,139	449,182	1,008	852,389	1,637,718	726,367	26,876	44,226	-	797,469	35,029	103	75	15,389	50,596	-	2,485,783	
Advertising	70,056	11,186	-	1,400	82,642	3,775	900	-	-	4,675	1,192	-	-	-	1,192	-	88,509	
Bad debt	-	-	-	-	-	1,201	59,940	72,025	-	133,166	-	-	-	-	-	-	-	133,166
Contributions to campaigns and candidates	23,000	-	-	-	23,000	-	-	-	-	-	-	-	-	-	-	-	-	23,000
Depreciation	-	326,243	-	-	326,243	-	-	-	-	-	-	-	-	-	-	-	-	326,243
Dues and subscriptions	8,354	12,756	20	1,664	22,794	33,141	419	-	-	33,560	-	-	-	-	-	-	-	56,354
Equipment and software	-	7,000	178	-	7,178	38,552	521	497	-	39,570	3,094	-	-	-	3,094	-	49,842	
Office expenses	4,257	7,630	4	102	11,993	9,381	1,058	-	365	10,804	467	-	-	-	467	-	23,264	
Printing	10,628	-	-	298	10,926	160	-	-	-	160	-	-	-	15	15	-	11,101	
Professional services	80,052	300,284	10,000	15,000	405,336	240,502	7,209	-	-	247,711	5,800	-	-	-	5,800	-	658,847	
Program and other costs	323,348	132,900	4,412	4,257	464,917	72,090	10,423	74	-	82,587	32,195	-	-	71	32,266	-	579,770	
Rent and occupancy	-	-	-	9,281	9,281	140,109	-	1,101	-	141,210	-	-	-	-	-	-	1,101	
Supplies	-	9,528	222	1,821	11,571	12,169	77	-	-	12,246	1,250	-	206	-	1,456	-	25,273	
Telephone and internet	507	13,214	-	5,650	19,371	585	3,765	5,735	-	10,085	-	-	-	-	-	-	29,456	
Travel, conferences, and meetings	19,005	56,781	4,432	28,379	108,597	34,735	98	1,209	-	36,042	839	128	-	225	1,192	-	145,831	
Total Expenses	\$ 874,346	\$ 1,326,704	\$ 20,276	\$ 920,241	\$ 3,141,567	\$ 1,312,767	\$ 111,286	\$ 124,867	\$ 365	\$ 1,549,285	\$ 79,866	\$ 231	\$ 281	\$ 15,700	\$ 96,078	\$ (149,390)	\$ 4,637,540	

The accompanying notes are an integral part of the combined financial statements.

**HEALTHIER COLORADO  
THE FUND FOR A HEALTHIER COLORADO  
HEALTHY AIR AND WATER COLORADO ACTION  
OPEN ANSWER LLC  
HEALTHIER COLORADO SMALL DONOR COMMITTEE  
HEALTHIER COLORADO POLITICAL COMMITTEE**

**Combined Statement of Cash Flows  
Year Ended December 31, 2023**

	Healthier Colorado	The Fund For A Healthier Colorado	Healthy Air and Water Colorado Action	Open Answer LLC	Healthier Colorado Small Donor Committee	Healthier Colorado Political Committee	Eliminations	Combined Total
<b>Cash Flows From Operating Activities</b>								
Change in net assets	\$ (686,582)	\$ 312,611	\$ 151,443	\$ (251,240)	\$ 38,627	\$ (365)	\$ -	\$ (435,506)
Adjustments to reconcile change in net assets to net cash flows from operating activities:								
Investment income, net	(826,028)	-	-	-	-	-	-	(826,028)
Equity income of LP investment	(313,886)	-	-	-	-	-	-	(313,886)
Depreciation	-	326,243	-	-	-	-	-	326,243
Noncash lease expense	-	554,341	-	-	-	-	-	554,341
Changes in operating assets and liabilities:								
Grants and contributions receivable	(7,000)	(99,176)	-	-	-	-	-	(106,176)
Accounts receivable	2,335	(16,361)	-	(101,260)	-	-	-	(115,286)
Related party - receivables	(413,367)	(626,281)	(174,002)	935	-	-	1,212,715	-
Prepaid expenses	-	(6,310)	-	-	-	-	-	(6,310)
Lease deposit	-	-	-	-	-	-	-	-
Accounts payable	(13,531)	(5,812)	-	-	-	-	-	(19,343)
Accrued payroll liabilities	(29,781)	-	-	-	-	-	-	(29,781)
Tenant deposits	-	(9,177)	-	-	-	-	-	(9,177)
Related party - payables	701,271	136,202	18,035	357,162	-	45	(1,212,715)	-
Operating lease liability	-	(719,856)	-	-	-	-	-	(719,856)
Net cash flows from operating activities	<u>(1,586,569)</u>	<u>(153,576)</u>	<u>(4,524)</u>	<u>5,597</u>	<u>38,627</u>	<u>(320)</u>	<u>-</u>	<u>(1,700,765)</u>
<b>Cash Flows From Investing Activities</b>								
Escrow deposit refund	200,000	-	-	-	-	-	-	200,000
Sale of investments	1,355,000	-	-	-	-	-	-	1,355,000
Net cash flows from investing activities	<u>1,555,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,555,000</u>
Net Change in Cash and Cash Equivalents	(31,569)	(153,576)	(4,524)	5,597	38,627	(320)	-	(145,765)
Cash and Cash Equivalents, Beginning of Year	32,348	308,516	15,295	4,712	13,781	575	-	375,227
Cash and Cash Equivalents, End of Year	<u>\$ 779</u>	<u>\$ 154,940</u>	<u>\$ 10,771</u>	<u>\$ 10,309</u>	<u>\$ 52,408</u>	<u>\$ 255</u>	<u>\$ -</u>	<u>\$ 229,462</u>

The accompanying notes are an integral part of the combined financial statements.

**Healthier Colorado**  
**The Fund For A Healthier Colorado**  
**Healthy Air and Water Colorado Action**  
**Open Answer LLC**  
**Healthier Colorado Small Donor Committee**  
**Healthier Colorado Political Committee**  
Notes to Combined Financial Statements

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**Note 1: Organization and Summary of Significant Accounting Policies**

**Organization**

The combined financial statements include the activity of Healthier Colorado (HC), The Fund for a Healthier Colorado (TFHC), Healthy Air and Water Colorado Action (HAWCA), Open Answer LLC (OA), Healthier Colorado Small Donor Committee (SDC), and Healthier Colorado Political Committee (PC) (jointly referred to as the "Organization"), all of which are under common control. Healthier Colorado serves as the sole voting member of TFHC, HAWCA, OA, SDC, and PC.

Healthier Colorado is a nonpartisan, nonprofit 501(c)(4) organization dedicated to raising the voices of Coloradans in the public policy process to improve the health of our State's residents. We believe that every Coloradan should have a fair chance at living a healthy life. The people of Colorado are our constituency, and Healthier Colorado aims to make meaningful improvements throughout our State's diverse communities.

The Fund for a Healthier Colorado is a nonpartisan, non-profit 501(c)(3) organization that seeks to advance policy that improves the health of our state's residents. We believe that every Coloradan should have a fair chance at living a healthy life. We engage Coloradans to create a path forward to this goal and educate our state's decision makers about action needed to improve our health. Subsequent to year end, The Fund for a Healthier Colorado changed its legal operating name to "The Archer Group".

Healthier Colorado Small Donor Committee is a political committee formed pursuant to the Colorado Constitution, Act. XXVIII, Section 2(14)(a), with the purpose of directly supporting candidates who have a demonstrated commitment to health issues.

Healthier Colorado Political Committee is a political committee formed pursuant to Colorado Constitution, Act. XXVIII, Section 2(12)(a), with the purpose of directly supporting candidates who have a demonstrated commitment to health issues.

Healthier Colorado Issue Committee, formed in September 2018, is a nonpartisan, nonprofit 501(c)(4) organization dedicated to raising the voices of Coloradans in the local public policy process to improve the health of local communities around the state. The organization is dedicated to the belief that Coloradans should be empowered to effect change in their own communities and Healthier Colorado Issue Committee exists to ensure that people have the tools they need to affect change in their own backyards. There has been no significant activity in this entity since its inception.

**Healthier Colorado**  
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Notes to Combined Financial Statements

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Organization** (Continued)

On January 31, 2020, articles of incorporation were filed with the Colorado Secretary of State to form Healthy Air and Water Action. HAWCA is a nonpartisan, non-profit 501(c)(4) organization that advocates for public policy that focuses exclusively on the growing public health threats posed by climate change.

On March 3, 2020, the Board of Directors of The Fund for a Healthier Colorado filed articles of organization to form Colorado's Health Capitol LLC (LLC). The LLC was formed to serve as the named lessee on a master lease to establish "Colorado's Health Capitol," which will be a new physical office environment located at 303 E. 17<sup>th</sup> Avenue in Denver, Colorado, that will be home to Healthier Colorado and other allied non-profit organizations. This LLC will also be the entity through which payments are received and expenses are paid in relation to Colorado's Health Capitol.

On May 28, 2021, articles of incorporation were filed with the Colorado Secretary of State to form Open Answer LLC. OA is a nonpartisan, non-profit 501(c)(4) organization for providing canvassing services.

**Principles of Combination**

The accompanying combined financial statements include the accounts of Healthier Colorado, The Fund for a Healthier Colorado, Healthy Air and Water Colorado Action, Open Answer LLC, Healthier Colorado Small Donor Committee and Healthier Colorado Political Committee. All significant intercompany balances and transactions have been eliminated.

**Basis of Accounting**

The accompanying combined financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

**Use of Estimates in Preparation of Combined Financial Statements**

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the results of reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**Healthier Colorado**  
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**Healthier Colorado Political Committee**  
Notes to Combined Financial Statements

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Net Assets**

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net assets without donor restrictions* - Net assets available for use in general operations and not subject to donor restrictions.

*Net assets with donor restrictions* - Net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other explicit donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. If a restriction is satisfied in the year of contribution, the contribution is recorded as revenue without donor restrictions. The Organization has a similar policy related to its investment income. The Organization had no donor funds held in perpetuity as of December 31, 2023.

**Functional Allocation of Expenses**

The costs of providing the various programs and supporting services have been summarized on a functional basis in the combined statement of activities. The combined statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and fringes are allocated based on estimations of time and effort. Indirect costs such as occupancy and office related expenses have been allocated based upon that program or functions total salary cost percentage.

**Income Taxes**

Healthier Colorado, Healthy Air and Water Action, Open Answer LLC, and The Fund for a Healthier Colorado have received favorable determination letters from the Internal Revenue Service stating that they are exempt from federal income taxes under the provisions of Section 501(a) of the Internal Revenue Code (IRC), as organizations described in Section 501(c)(4) and 501(c)(3), respectively, except for income pertaining to unrelated business income. Healthier Colorado Small Donor Committee and Healthier Colorado Political Committee are political action committees exempt from federal income taxes under Section 527 of the IRC.

**Healthier Colorado**  
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Notes to Combined Financial Statements

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Income Taxes** (Continued)

The Financial Accounting Standards Board (FASB) issued guidance that requires tax effects from uncertain tax positions to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. Management has determined there are no material uncertain tax positions that require recognition in the combined financial statements and, as such, no provision for income taxes is reflected.

**Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents, and contributions receivable. The Organization places its cash and cash equivalents with high credit quality financial institutions. The Organization has never experienced any losses related to these balances and does not believe it is exposed to any significant credit risk related to cash and cash equivalents.

Credit risk with respect to receivables is limited due to the number and creditworthiness of the entities from which the amounts are due.

The Organization receives substantially all of its revenues from public support. A significant reduction in the level of such support, if it were to occur, may have an adverse effect on the Organization's programs and activities.

**Cash and Cash Equivalents**

For purposes of the combined statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Investments in Marketable Securities**

Investments are recorded at fair values as determined in an active market. Realized and unrealized gains and losses are included in the accompanying combined statement of activities. Investment fees are netted with returns.

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Investments in LP**

The Organization owns a 13.7% interest in a limited partnership hedge fund. The investments in the hedge fund are valued at fair value based on the applicable percentage of the underlying net asset value (NAV) as of December 31, 2023. The hedge fund values securities and other financial instruments at fair value. The estimated fair values of certain investments and other securities for which prices are not readily available, are determined by the sponsors of the hedge fund, and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. As of December 31, 2023, this investment can be redeemed with no restrictions or redemption notice and has no unfunded commitments.

**Grants and Contributions Receivable**

Contributions receivable are unconditional promises to give in future periods. The Organization uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' experience and management's analysis of specific account balances. Management has determined that all amounts were collectible as of December 31, 2023.

**Accounts Receivable**

Accounts receivable are uncollateralized amounts due primarily from contract agreements and tenants.

Accounts receivable are collateralized customer obligations due on normal trade terms requiring payment within 30 days from the invoice date. Collections of accounts receivable are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoices.

Beginning January 1, 2023, the carrying amount of accounts receivable is reduced by an allowance that reflects management's best estimate of the current expected credit losses. The estimate of the allowance for credit losses is based on an analysis of historical loss experience, current receivables aging, and management's assessment of current conditions and expected changes during a reasonable and supportable forecast period. The Organization uses an aging method to estimate allowances for credit losses. Management assesses collectability by pooling receivables with similar risk characteristics and evaluates receivables individually when specific customer balances no longer share those risk characteristics.

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Accounts Receivable** (Continued)

At December 31, 2023, the allowance for credit losses was \$108,690 (\$68,000 for Open Answer and \$40,690 for The Fund for a Healthier Colorado).

**Property and Equipment**

The Organization capitalizes the cost of all purchased property and equipment expenditures in excess of \$1,000 and useful life greater than 1 year. Contributed property and equipment is recorded at fair value at the date of donation. Assets are depreciated using the straight-line method over the estimated 7 year useful life of the respective asset. Leasehold improvements are depreciated over the remaining life of the lease.

Maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed when incurred.

**Long-Lived Assets**

The Organization reviews its long-lived assets periodically to determine potential impairment by comparing the carrying value of those assets with the estimated future undiscounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future undiscounted cash flows be less than the carrying value, the Organization would recognize an impairment loss at that time. No impairment loss was recognized during the year ended December 31, 2023.

**Lease Deposit**

The lease deposit consists of the security deposit on the leased property. The Organization moved into the leased property effective March 1, 2021.

**Tenant Deposits**

Tenant deposits consist of security deposits for rented space. Tenant deposits will be returned to the tenant once they are no longer in the space or it will be applied to any unpaid rent.

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Contributions and Grants**

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statement of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

Grant Awards That Are Contributions - Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as refundable grant advances.

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Contributions and Grants** (Continued)

Grant Awards That Are Exchange Transactions - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability. The Organization received no grant awards considered to be exchange transactions for the year ended December 31, 2023.

**Donated Materials and Services**

The Organization records the value of donated materials or services when there is an objective basis available to measure their value. The Organization recognized the estimated fair value of contributed services that meet the following criteria:

- The services rendered either create or enhance nonfinancial assets.
- The services received require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution.

A substantial number of volunteers have donated significant amounts of time to the Organization, which do not meet the criteria above. The Organization did not receive any donated materials or services that meet the requirements for recognition.

**Contract Revenue**

Contract revenue is billed and due monthly. Revenues are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing the services. Revenue is recognized at the time that the performance obligations are satisfied which occurs as the services are performed over time.

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Contract Revenue** (Continued)

The contract agreements contain one performance obligation under a variable fee component, which is satisfied over time on a monthly basis. The transaction price for the variable fees is based on the approved rate in the agreement for the services performed during the month. Amounts are billed monthly for monthly services provided, with a December 31<sup>st</sup> cutoff of services provided, and payments being received 30 days from the invoice date. The Organization rarely has unsatisfied or partially unsatisfied performance obligations at year end as all monthly contracted services have been completed at the end of the year. There are no warranties, financing options, rebates, discounts, refunds, or concessions for additional consideration under Topic 606.

The key factor affecting the amount, timing, and uncertainty of the Organization's revenue is its concentration of revenue attributed to contributions and grants. Management does not believe that the Organization is exposed to any significant risk related to its concentration of revenues.

The Organization does not have any contract liabilities and does not have any contract-related assets outside of receivables. Contract assets consist of billed receivables, which is revenue that has been earned, and totaled \$41,901 and \$157,187 at January 1, 2023 and December 31, 2023, respectively.

**ASC 842 Lease Accounting**

The Organization is a lessee of a noncancelable operating lease. If the contract provides the Organization the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use ("ROU") assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**ASC 842 Lease Accounting** (Continued)

The Organization has elected to use a risk-free rate for a term similar to the underlying lease as the discount rate if the implicit rate in the lease contract is not readily determinable.

The ROU asset for operating leases is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. For operating leases with lease payments that fluctuate over the lease term, the total lease costs are recognized on a straight-line basis over the lease term.

For all underlying classes of assets, the Organization has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The Organization recognizes short-term lease cost on a straight-line basis over the lease term.

The Organization made an accounting policy election for building space leases to not separate the lease components of a contract and its associated non-lease components such as common area maintenance.

**New Accounting Pronouncement**

Accounting Standards Update (ASU) No. 2016-13, *Measurement of Credit Losses on Financial Instruments*, requires the Organization to present financial assets measured at amortized cost (including trade receivables) at the net amount expected to be collected over their remaining contractual lives. Estimated credit losses are based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts.

The Organization adopted ASU No. 2016-13 on January 1, 2023. The net impact to net assets would have been immaterial, thus no adjustment was made to net assets. Results for the year ended December 31, 2023, are presented under Accounting Standards Codification (ASC) 326. See Accounts Receivable for changes to accounting policies related to this new accounting pronouncement.

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**Note 1: Organization and Summary of Significant Accounting Policies** (Continued)

**Subsequent Events**

Management is required to evaluate, through the date the combined financial statements are issued or available to be issued, events or transactions that may require recognition or disclosure in the combined financial statements, and to disclose the date through which subsequent events were evaluated. The Organization's combined financial statements were available to be issued on August 26, 2024, and this is the date through which subsequent events were evaluated.

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**Note 2: Liquidity and Availability**

Combined financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the combined statement of financial position date, comprise the following at December 31, 2023:

<i>December 31,</i>	2023
Cash and cash equivalents	\$ 229,462
Investments in marketable securities	5,393,341
Investments in LP	3,624,722
Grants and contribution receivable	106,176
Accounts receivable, net of credit losses	157,187
<b>Total combined financial assets</b>	<b>9,510,888</b>
Less amounts not available for general expenditure within one year due to:	
Restricted contributions included in investments	(9,018,063)
Restricted program contributions included in net assets	(1,242,826)
<b>Total restricted</b>	<b>(10,260,889)</b>
<b>Total combined financial assets available for general expenditure</b>	<b>\$ (750,001)</b>

The Organization receives a substantial amount of its support and revenues from investment income. Because investment income is unpredictable, combined financial assets may not be available for general expenditure within one year. In addition, because donor restrictions require funds be used in a particular manner or in future periods, the Organization must maintain resources to meet those donor imposed responsibilities.

As part of the Organization's liquidity management, it has a policy to structure its combined financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments. In the event of financial distress or an immediate liquidity need resulting from events outside of the ordinary, the Organization could seek approval from its funders to liquidate investments held to service donor imposed requirements. As of December 31, 2023, the Organization had a deficit balance in the combined financial assets available for general expenditure due to timing. The Organization does not feel that it is at risk, or exposed to any significant risks, based on its liquidity policy.

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**Note 3: Investments in Marketable Securities**

At December 31, 2023, investments in marketable securities were comprised of the following:

<i>December 31,</i>	<i>2023</i>
Cash, money market funds, and bank deposits	\$ 7,799
Fixed income funds	3,673,369
Equity securities	488,210
Exchange-traded funds	1,128,963
Mutual funds	95,000
Total investments	\$ 5,393,341

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the combined financial statements.

The Organization is allowed to trade on margin through its investment account. The margin account is secured with the investments held in the account. The balance outstanding on the margin account totaled \$0 at December 31, 2023.

Investment and interest income related to the above investments consists of the following:

<i>Year Ended December 31,</i>	<i>2023</i>
Interest and dividends	\$ 577,641
Realized and unrealized gains on investments, net	267,717
Investment fees	(19,330)
Total investment income, net	\$ 826,028

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**Note 4: Property and Equipment**

Property and equipment consist of the following as of December 31, 2023:

Leasehold improvements	\$	2,694,764
Furniture		443,377
		3,138,141
Less: Tenant Improvement Allowance		896,243
Property and equipment, net	\$	2,241,898

**Note 5: Net Assets with Donor Restriction**

Net assets with donor restrictions consisted of the following as of December 31, 2023:

	Healthier Colorado	The Fund For a Healthier Colorado	Healthy Air and Water Colorado Action	Total
<u>Subject to expenditure for specified purpose:</u>				
Colorado Health Foundation funding	\$ 15,000,000	\$ -	\$ -	\$ 15,000,000
Net releases from the Colorado Health Foundation funding	(5,981,937)	-	-	(5,981,937)
Criminal justice reform	-	50,000	-	50,000
Dental therapy	-	232,129	-	232,129
Vaccines	-	67,574	-	67,574
Mental health	-	299,038	-	299,038
Public health programs	-	527,749	66,336	594,085
<b>Total Nets Assets With Donor Restrictions</b>	<b>\$ 9,018,063</b>	<b>\$ 1,176,490</b>	<b>\$ 66,336</b>	<b>\$ 10,260,889</b>

Net assets totaling \$1,355,000, \$162,439, and \$6,000 were released from net assets with donor restrictions for the year ending December 31, 2023, for Healthier Colorado, The Fund for a Healthier Colorado and Healthy Air and Water Colorado Action, respectively, as a result of the Organization incurring expenditures satisfying the related restricted purposes or from the passage of time.

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**Note 6: Fair Value Measurements**

The Organization utilizes three levels of inputs to measure fair value (the fair value hierarchy) in accordance with financial accounting standards. The level of an asset or liability within the fair value hierarchy is based on the lowest level of input significant to the fair value measurement of that asset or liability. In general, the Organization determines fair values as follows:

Level 1 – Inputs utilizing quoted market prices in active markets.

Level 2 – Inputs utilizing market information that is observable, such as quoted market prices for similar items, broker/dealer quotes, or models using market interest rates or yield curves.

Level 3 – Valued using unobservable inputs.

In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. There were no changes in the valuation techniques used during the year.

Following is a description of the valuation methodologies used for assets measured at fair value:

Fixed income funds - valued using quotes from pricing vendors based on recent trading activity and other observable market data.

Equity securities - valued based on the market value of the underlying assets which are based on quoted market prices.

Exchange-traded funds - valued using quotes from pricing vendors based on recent trading activity and other observable market data.

Investment funds valued using NAV or its equivalent as reported by investment managers and have trading activity and the ability to redeem at NAV on or near the reporting date, are evaluated outside of the fair value hierarchy.

The carrying amount reported in the combined statement of financial position for cash and cash equivalents, receivables, accounts payable, and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

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**Note 6: Fair Value Measurements** (Continued)

The following table summarizes the Organization’s assets measured at fair value on a recurring basis by the above fair value hierarchy levels as of December 31, 2023:

	Level 1	Level 2	Level 3	Carried at NAV	Total
Cash, money market funds, and bank deposits	\$ 7,799	\$ -	\$ -	\$ -	\$ 7,799
Fixed income funds	-	3,673,369	-	-	3,673,369
Equity securities	488,210	-	-	-	488,210
Exchange-traded funds	1,128,963	-	-	-	1,128,963
Mutual funds	95,000	-	-	-	95,000
Investment in LP	-	-	-	3,624,722	3,624,722
<b>Total</b>	<b>\$ 1,719,972</b>	<b>\$ 3,673,369</b>	<b>\$ -</b>	<b>\$ 3,624,722</b>	<b>\$ 9,018,063</b>

**Note 7: Retirement Plan**

The Organization provides retirement benefits to its employees through a 401(k) plan covering eligible employees. All employees are eligible to participate in the plan after 1,000 hours of service and the Organization contributes 4% of the eligible employee's salary. Employees are 100% vested upon eligibility. During the year ended December 31, 2023, the Organization contributed approximately \$67,700 to the plan.

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**Note 8: Master Lease Agreement - Shared Space**

In April 2020, the Organization entered into a master lease agreement for office space under an operating lease agreement. The lease became effective March 1, 2021, the date of occupancy, and expires in November 2031. The Master Lease Agreement included six months of “free” rent and annual rent increases. Monthly payments under this lease range from approximately \$67,800 to \$82,669. The Organization subleases space to other entities in order to bring together in one building organizations whose missions include health policy to increase collaboration, efficiency, and statewide impact.

The lease agreement included provisions providing the Organization with a tenant improvement allowance of \$2,231,420. The allowance was used to subsidize the costs of designing and constructing improvements to the property. The Organization incurred construction costs covering the entire amount of the allowance. The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

The Master Lease Agreement includes a Letter of Credit Rider that specifies if at any time during the initial sixty-six months of the lease term the average tangible net worth and liquidity of Healthier Colorado is less than \$6,000,000 over any three consecutive calendar month period, then, commencing on the date ten business days after the expiration of such three calendar month period, Healthier Colorado shall deliver to landlord a Letter of Credit in an amount ranging from \$300,000 to \$1,500,000, depending on the period of noncompliance as set forth in the Letter of Credit Rider schedule.

Components of lease expense (income) were as follows for the year ended December 31, 2023:

Lease components:	
Operating lease cost	\$ 681,261
Short-term lease cost	37,416
Sublease (income)	(1,134,189)
<hr/>	
Total lease (income)	<u>\$ (415,512)</u>

As of December 31, 2023, the remaining operating lease term was 95 months with a weighted-average discount rate of 1.6%.

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**Note 8: Master Lease Agreement - Shared Space** (Continued)

Supplemental cash flow information related to the lease is as follows for the year ended December 31, 2023:

Cash paid for amounts included in the measurement of lease liability:  
Operating cash flows from operating lease \$ 835,622

Maturities of lease liabilities are as follows as of December 31, 2023:

	<b>Operating Leases</b>
2024	\$ 852,335
2025	869,381
2026	886,769
2027	904,504
2028	922,594
Thereafter	2,797,309
Total lease payments	7,232,892
Less imputed interest	(453,803)
Total	\$ 6,779,089

Sublease tenants were allowed to occupy the building effective March 1, 2021, and recruitment of sublease tenants is ongoing. There are approximately 36 sublease tenants with lease terms ranging from one to ten years and monthly payments ranging from \$350 to \$16,695. The Organization recognized sublease income of \$1,134,189 for the year ended December 31, 2023.

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**Note 8: Master Lease Agreement - Shared Space** (Continued)

Future expected sublease collections are approximately as follows as of December 31, 2023:

	Sublease Collections
2024	\$ 1,002,300
2025	793,400
2026	398,800
2027	382,700
2028	347,200
Thereafter	1,104,600
Total	\$ 4,029,000

**Note 9: Fiscal Sponsorships**

In 2017, The Fund for a Healthier Colorado entered into a fiscal sponsorship agreement with Chronic Care Collaborative (CCC). Under the terms of the agreement TFHC agreed to act as the fiscal agent for CCC. The fiscal sponsorship agreement is subject to annual review and will terminate upon written notice by either party.

**Supplemental Information**  
**(See Independent Auditor's Report)**

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**THE FUND FOR A HEALTHIER COLORADO  
COLORADO'S HEALTH CAPITOL LLC**

**Consolidating Statement of Financial Position  
December 31, 2023**

**ASSETS**

	<b>The Fund For A Healthier Colorado</b>	<b>Colorado's Health Capitol LLC</b>	<b>Eliminations</b>	<b>Consolidated Total</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 24,785	\$ 130,155	\$ -	\$ 154,940
Grants and contributions receivable, net	99,176	-	-	99,176
Accounts receivable, net of credit losses	24,225	31,702	-	55,927
Related party - receivables	1,776,251	30,614	(754,122)	1,052,743
Prepaid expenses	-	6,310	-	6,310
Lease deposit	525	111,109	(525)	111,109
Property and equipment, net	-	2,241,898	-	2,241,898
Right of use asset - operating	-	4,718,479	-	4,718,479
<b>Total Assets</b>	<b>\$ 1,924,962</b>	<b>\$ 7,270,267</b>	<b>\$ (754,647)</b>	<b>\$ 8,440,582</b>

**LIABILITIES AND NET ASSETS**

<b>Liabilities</b>				
Accounts payable	\$ 2,967	\$ -	\$ -	\$ 2,967
Tenant deposits	-	121,240	(525)	120,715
Related party - payables	29,752	1,110,804	(754,122)	386,434
Lease liability	-	6,779,089	-	6,779,089
<b>Total Liabilities</b>	<b>32,719</b>	<b>8,011,133</b>	<b>(754,647)</b>	<b>7,289,205</b>
<b>Net Assets</b>				
Without donor restrictions	715,753	(740,866)	-	(25,113)
With donor restrictions	1,176,490	-	-	1,176,490
<b>Total Net Assets</b>	<b>1,892,243</b>	<b>(740,866)</b>	<b>-</b>	<b>1,151,377</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,924,962</b>	<b>\$ 7,270,267</b>	<b>\$ (754,647)</b>	<b>\$ 8,440,582</b>

See independent auditor's report.

**THE FUND FOR A HEALTHIER COLORADO  
COLORADO'S HEALTH CAPITOL LLC**

**Consolidating Statement of Activities  
Year Ended December 31, 2023**

	<b>The Fund For A Healthier Colorado</b>	<b>Colorado's Health Capitol LLC</b>	<b>Eliminations</b>	<b>Consolidated Total</b>
<b>Change in Net Assets Without Donor Restrictions:</b>				
Support and Revenues				
Contributions and grants	\$ 632,176	\$ -	\$ -	\$ 632,176
Contract revenue	93,099	-	-	93,099
Net assets released from restrictions	161,312	1,127	-	162,439
Total Support and Revenues	<u>886,587</u>	<u>1,127</u>	<u>-</u>	<u>887,714</u>
Expenses				
Program Services				
Public policy and advocacy	569,540	-	-	569,540
Fiscal sponsorship - Chronic Care Colorado	147,428	-	(2,163)	145,265
Building management services	-	613,459	-	613,459
Total Program Services	<u>716,968</u>	<u>613,459</u>	<u>(2,163)</u>	<u>1,328,264</u>
Supporting Services				
Management and general	116,694	-	(6,968)	109,726
Fundraising	231	-	-	231
Total Supporting Services	<u>116,925</u>	<u>-</u>	<u>(6,968)</u>	<u>109,957</u>
Total Expenses	<u>833,893</u>	<u>613,459</u>	<u>(9,131)</u>	<u>1,438,221</u>
Change in Net Assets Without Donor Restrictions Before Other Activity	52,694	(612,332)	9,131	(550,507)
<b>Other Activity</b>				
Sublease income, net of \$718,677 of sublease expense	-	415,512	(9,131)	406,381
Total Other Activity	<u>-</u>	<u>415,512</u>	<u>(9,131)</u>	<u>406,381</u>
<b>Change in Net Assets</b>	<u>52,694</u>	<u>(196,820)</u>	<u>-</u>	<u>(144,126)</u>
<b>Change in Net Assets With Donor Restrictions:</b>				
Support and Revenues				
Contributions and grants	619,176	-	-	619,176
Net assets released from restrictions	(161,312)	(1,127)	-	(162,439)
Total Support and Revenues	<u>457,864</u>	<u>(1,127)</u>	<u>-</u>	<u>456,737</u>
Change in Net Assets With Donor Restrictions	<u>457,864</u>	<u>(1,127)</u>	<u>-</u>	<u>456,737</u>
<b>Change in Net Assets</b>	510,558	(197,947)	-	312,611
Net Assets, Beginning of Year	<u>1,381,685</u>	<u>(542,919)</u>	<u>-</u>	<u>838,766</u>
Net Assets, End of Year	<u>\$ 1,892,243</u>	<u>\$ (740,866)</u>	<u>\$ -</u>	<u>\$ 1,151,377</u>

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**THE FUND FOR A HEALTHIER COLORADO  
FISCAL SPONSORSHIP - CHRONIC CARE COLLABORATIVE  
FISCAL SPONSORSHIP - BLUE RISING  
COLORADO'S HEALTH CAPITOL LLC**

**Consolidating Statement of Functional Expenses  
Year Ended December 31, 2023**

	<u>Program Services</u>				<u>Supporting Services</u>				
	<u>The Fund For A Healthier Colorado</u>	<u>Fiscal Sponsorship - Chronic Care Collaborative</u>	<u>Colorado's Health Capitol LLC</u>	<u>Total Program</u>	<u>Management and General</u>		<u>Fundraising</u>	<u>Total Supporting Services</u>	<u>Eliminations</u>
<u>The Fund For A Healthier Colorado</u>					<u>The Fund For A Healthier Colorado</u>				
Salaries	\$ 326,282	\$ -	\$ 74,262	\$ 400,544	\$ 22,392	\$ 90	\$ 22,482	\$ -	\$ 423,026
Employee benefits	15,012	-	5,300	20,312	2,489	5	2,494	-	22,806
Payroll taxes	22,226	-	6,100	28,326	1,995	8	2,003	-	30,329
Total payroll related costs	363,520	-	85,662	449,182	26,876	103	26,979	-	476,161
Advertising	11,186	-	-	11,186	900	-	900	-	12,086
Bad debt	-	-	-	-	59,940	-	59,940	-	59,940
Depreciation	-	-	326,243	326,243	-	-	-	-	326,243
Dues and subscriptions	2,715	6,060	3,981	12,756	419	-	419	-	13,175
Equipment and software	951	-	6,049	7,000	521	-	521	-	7,521
Office expenses	546	212	6,872	7,630	1,058	-	1,058	-	8,688
Professional services	57,050	121,196	122,038	300,284	7,209	-	7,209	-	307,493
Program and other costs	103,836	14,589	14,475	132,900	10,423	-	10,423	-	143,323
Rent and occupancy	1,560	2,163	-	3,723	5,408	-	5,408	(9,131)	-
Supplies	379	1,100	8,049	9,528	77	-	77	-	9,605
Telephone and internet	233	1,450	11,531	13,214	3,765	-	3,765	-	16,979
Travel, conferences, and meetings	27,564	658	28,559	56,781	98	128	226	-	57,007
Total Expenses	\$ 569,540	\$ 147,428	\$ 613,459	\$ 1,330,427	\$ 116,694	\$ 231	\$ 116,925	\$ (9,131)	\$ 1,438,221

See independent auditor's report.

**THE FUND FOR A HEALTHIER COLORADO  
COLORADO'S HEALTH CAPITOL LLC**

**Consolidating Statement of Cash Flows  
Year Ended December 31, 2023**

	<b>The Fund For A Healthier Colorado</b>	<b>Colorado's Health Capitol LLC</b>	<b>Eliminations</b>	<b>Consolidated Total</b>
<b>Cash Flows From Operating Activities</b>				
Change in net assets	\$ 510,558	\$ (197,947)	\$ -	\$ 312,611
Adjustments to reconcile change in net assets to net cash flows from operating activities:				
Depreciation	-	326,243	-	326,243
Noncash lease expense	-	554,341	-	554,341
Changes in operating assets and liabilities:				
Grants and contributions receivable	(99,176)	-	-	(99,176)
Accounts receivable, net of credit losses	(8,654)	(7,707)	-	(16,361)
Related party - receivables	(597,171)	(29,110)	-	(626,281)
Prepaid expenses	-	(6,310)	-	(6,310)
Accounts payable	371	(6,183)	-	(5,812)
Tenant deposits	-	(9,177)	-	(9,177)
Related party - payables	360	135,842	-	136,202
Operating lease liability	-	(719,856)	-	(719,856)
Net cash flows from operating activities	(193,712)	40,136	-	(153,576)
Net Change in Cash and Cash Equivalents	(193,712)	40,136	-	(153,576)
Cash and Cash Equivalents, Beginning of Year	218,497	90,019	-	308,516
Cash and Cash Equivalents, End of Year	<u>\$ 24,785</u>	<u>\$ 130,155</u>	<u>\$ -</u>	<u>\$ 154,940</u>

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