Office of the District Attorney

Sixteenth Judicial District

Financial Statements

December 31, 2016

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Office of the District Attorney – Sixteenth Judicial District
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December 31, 2016

Independent Auditor's Report

The Governing Body
16th Judicial District

We have audited the accompanying financial statements of the governmental activities and each major fund of 16th Judicial District (the District) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of The District as of December 31, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 27 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not a required part of, 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 the omission of this information.

rfarmer, llc

August 8, 2017

16th Judicial District
Statement of Net Position
December 31, 2016

	Governmental Activities	Total
ASSETS		
Cash and Equivalents	$ 441,286	$ 441,286
Equipment and Furniture	64,627	64,627
Less: Accumulated Depreciation	(44,566)	(44,566)
Total Capital Assets	20,061	20,061
Total Current and Capital Assets	567,025	567,025
DEFERRED OUTFLOWS OF RESOURCES		
Pension Plan	27,784	27,784
Total Assets	594,809	594,809
LIABILITIES		
Accounts payable and accrued expenses	20,224	20,224
Long-term liabilities		
Due within one year		
Compensated Absences	9,594	9,594
Due in more than one year		
Net Pension Liability	838,137	838,137
Compensated absences	38,376	38,376
Total liabilities	906,331	906,331
DEFERRED INFLOWS OF RESOURCES		
Pension Differences	2,580	2,580
NET POSITION		
Net investment in capital assets	20,061	20,061
Unrestricted	(334,163)	(334,163)
Total net position	$ (314,102)	$ (314,102)

The accompanying notes to financial statements
are an integral part of these statements.

16th Judicial District
Statement of Activities
For the Year Ended December 31, 2016

		Program Revenue			Net (Expense) Revenue and Changes in Net Assets — Primary Government	
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Total**
Primary government						
Governmental Activities						
Public Safety	$ 1,801,267	$ 387,510	$ 1,108,996	$ -	$ (304,761)	$ (304,761)
Total governmental activities	1,801,267	387,510	1,108,996	-	(304,761)	(304,761)
Total primary government	$ 1,801,267	$ 387,510	$ 1,108,996	$ -	(304,761)	(304,761)
Change in net position					(304,761)	(304,761)
Net position - beginning					(9,341)	(9,341)
Net position - ending					$ (314,102)	$ (314,102)

The accompanying notes to financial statements are an integral part of these statements.

16th Judicial District
Balance Sheet
Governmental Funds
December 31, 2016

	General	Governmental
ASSETS		
Cash and cash equivalents	$ 441,286	$ 441,286
Other receivables	105,678	105,678
Total assets	546,964	546,964
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	20,224	20,224
Total liabilities	20,224	20,224
Fund balances:		
Unassigned	526,740	526,740
Total fund balances	526,740	526,740
Total liabilities and fund balances	$ 546,964	$ 546,964

The accompanying notes to financial statements
are an integral part of these statements.

16th Judicial District
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2016

Total fund balance, governmental funds	$	526,740
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets and deferred outflows used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		47,845
Some liabilities, (such as Notes Payable, Long-term Compensated Absences, Bonds Payable, and Deferred Inflows), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		(47,970)
Net Pension Liability		(838,137)
Pension Difference		(2,580)
Net Assets of Governmental Activities in the Statement of Net Position	$	(314,102)

The accompanying notes to financial statements
are an integral part of these statements.

16th Judicial District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	General	Total Governmental Funds
REVENUES		
State reimbursement for wages/benefits	$ 124,025	$ 124,025
Restitution	150	150
County Funding	654,360	654,360
Intergovernmental/Grants:		
VAWA Grant	38,312	38,312
VALE Grant	55,241	55,241
VOCA Grants	35,128	35,128
Adult Diversion Grants	101,167	101,167
Fellowship Grant	43,618	43,618
Charges for services/DOC Billings	387,510	387,510
Miscellaneous	56,996	56,996
Total revenues	1,496,507	1,496,507
EXPENDITURES		
Current:		
Personnel Costs	931,231	931,231
Fringe Benefits	241,506	241,506
Travel, Meetings, and Dues	30,204	30,204
Occupancy Costs and Office Supplies	90,901	90,901
Miscellaneous	125,761	125,761
Telephone	8,491	8,491
Capital Outlay	5,735	5,735
Total Expenditures	1,433,829	1,433,829
Excess (deficiency) of revenues over expenditures	62,678	62,678
Net change in fund balances	62,678	62,678
Fund balances - beginning	464,062	464,062
Fund balances - ending	$ 526,740	$ 526,740

The accompanying notes to financial statements
are an integral part of these statements.

16th Judicial District
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2016

Net change in fund balances - total governmental funds:	$	62,678
different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.		
This is the amount by which capital outlays of $5,735 was less than depreciation of $12,351 in the current period.		(6,616)
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Change in compensated Absences		(8,612)
Net difference between pension and actual expense contributions		(352,211)
Change in net assets of governmental activities:	$	(304,761)

The accompanying notes to financial statements
are an integral part of these statements.

Office of the District Attorney - Sixteenth Judicial District
Notes to Financial Statements
December 31, 2016

Note 1 Summary of Significant Accounting Policies:

This summary of the Office of the District Attorney – Sixteenth Judicial District's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accounting systems and classifications of accounts included in this report conform to standards of the Governmental Accounting Standards Board, published in *Governmental Accounting and Financial Reporting Standards*. Accounting treatment and financial statements also incorporate current recommendations of the State and Local Governmental Accounting Committee of the American Institute of Certified Public Accountants, included in the industry audit guide *Audits of State and Local Governmental Units*.

The following is a summary of the significant policies:

Financial Reporting Entity:

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The reporting entity's financial statements should present the fund types and account groups of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The nucleus of a financial reporting entity usually is a primary government. However, a governmental organization other than a primary government (such as a component unit, joint venture, jointly governed organization or any other stand-alone government) serves as the nucleus for its own reporting entity when it issues separate financial statements.

The Office of the District Attorney has examined other entities and there are no other entities that should be included as defined in numbers 2 and 3 above.

Nature of Operations:

The Office of the District Attorney provides legal services for the 16th Judicial District comprised of the Colorado counties of Bent, Crowley and Otero.

Fund Accounting:

The accounts of the Office of the District Attorney are organized on the basis of funds and account groups, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

General Fund:

This fund accounts for the financial resources of the Office of the District Attorney, which are not accounted for in any other fund. Principal sources of revenue are from counties located within boundaries of the District and state support. Primary expenditures are for personnel and general administration expenses.

Basis of Accounting:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income and gross receipts are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Budgets and Budgetary Accounting:

The Office of the District Attorney follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to October 15, the District Attorney submits to each of the participating Counties a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted by the Counties to obtain taxpayer comments.

Prior to December 22, the budget is legally enacted through passage of a resolution by the participating Counties.

Revisions that alter the total expenditures of any fund generally must be approved by the participating Counties.

Appropriations lapse at year-end. Any open purchase items must be re-appropriated in the following year and expenditures may not legally exceed appropriations at the fund level.

The General Fund overspent its budget which may be a violation of Colorado Revised Statutes.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Encumbrance accounting is not used.

Fixed Assets and Long-Term Liabilities:

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

All fixed assets are valued at historical cost or estimated historical costs if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

Accrued Compensated Absences:

In accordance with the provisions of the Governmental Accounting Standards Board Statements, vested or accumulated vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the fund that will pay it.

Interfund Transactions:

Transactions between funds that would be treated as revenues, expenditures or expenses if they involved organizations external to the Office of the District Attorney – Sixteenth Judicial District are accounted for as revenues, expenditures or expenses in the funds involved. Transactions, which constitute reimbursement of a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

Measurement Focus, Basis of Accounting and Financial Statement Presentation:

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures or expenses are recognized in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

Long-term Economic Focus and Accrual Basis
The governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

Current Financial Focus and Modified Accrual Basis
The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are

generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Financial Statement Presentation
Amounts reported as program revenues include (1) charges to customers and applicants for goods, services or privileges, (2) operating grants and contributions and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Receivables
Receivables are reported net of an allowance for uncollectible accounts. Due to the type of receivables, the allowance account is zero.

Capital Assets
Capital assets and equipment are reported in the applicable governmental activity columns in the government-wide financial statements. Capital assets are defined by the District Attorney as assets with an initial cost of $500 or more and an estimated useful life in excess of one year for all assets other than equipment. Equipment costing $500 or more with an estimated useful life of greater than one year is capitalized by the District Attorney. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The District Attorney does not have any infrastructure.

The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets constructed in the business-type activities. There was not any interest capitalized or expensed during the year.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Equipment	3 to 10

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Equity:

The District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." In the fund financial statements the following classifications describe the relative strength of spending constraints.

- *Non-spendable fund balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory and prepaid amounts) or is legally or contractually required to be maintained intact.

- *Restricted fund balance* – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

- *Committed fund balance* – The portion of fund balance constrained for specific purposes according to the limitations imposed by the District's highest level of decision making authority, the District Attorney, or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

- *Assigned fund balance* – The portion of fund balance set aside for planned or intended purposes but is neither restricted nor committed. The intended use may be expressed by the District Attorney or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

- *Unassigned fund balance* – The residual portion of fund balance that does not meet any of the above criteria. The District will only report a positive unassigned fund balance in the General Fund.

When both restricted and unrestricted fund balance are available for use, it is the District's policy to use restricted amounts first. Unrestricted fund balance will be used in the following order: committed, assigned and unassigned.

Note 2 Insurance and Risk Management:

The District is exposed to various risks of loss related to property and casualty losses as well as those related to injuries of employees while on the job. The District Attorney's Office participates with Otero County for liability and health insurance.

Otero County joined together with the other Counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), and the County Worker's Compensation Pool (CWCP), public entity risk pools currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP and CWCP for its property and casualty insurance coverage and workers' compensation insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Otero County also handles health and life insurance claims for its employees. Premiums are charged to cover medical claims with reinsurance provided by commercial carriers for individual claims in excess of $40,000 annually. Currently the County is only making the District Attorney's Office responsible for the premiums charged.

Note 3 Cash and Investments:

Cash includes amounts in checking and money market accounts. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories, with eligibility determined by the state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102 percent of the aggregate uninsured deposits.

At year end, the carrying value of the deposits was $451,286 with the total amount covered by FDIC and by the bank pledging their investments under the Public Depository Protection Act.

Note 4 Changes in Capital Assets:

A summary of changes in Capital Assets is as follows:

	Balance 1-Jan-16	Additions	Deletions	Balance 31-Dec-16
Equipment	$ 58,892	$ 5,735	$ -	$ 64,627
Less Accumulated Depreciation	(32,215)	(12,351)	-	(44,566)
Total Capital Assets net	$ 26,677	$ (6,616)	$ -	$ 20,061

Note 5 Changes in Long-Term Debt:

The summary of activity in long-term debt for the current year is shown below:

	Balance 1-Jan-16	Additions	Deletions	Balance 31-Dec-16	Due in one year
Compensated Absences	$ 39,358	$ 8,612	$ -	$ 47,970	$ 9,594

Vacation is earned depending upon the number of years employed. No more than 60 days of vacation can be carried into the next benefit year.

Note 6 Pension Plans and Post-Employment Health Care Benefits:

Plan Description

The State Division Trust Fund (SDTF) is a cost-sharing multiple-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67 and is administered by the Colorado Public Employees' Retirement Association

(PERA). PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Brief Description of Benefits

Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the Federal Internal Revenue Code. Colorado state law provisions may be amended from time to time by the Colorado General Assembly.

The SDTF serves as a defined benefit retirement plan where retirees receive a monthly benefit for their lifetime, and generally, an annual increase each year, as eligible. Members of affiliated employers are eligible to receive a lifetime monthly retirement benefit when certain age and service credit requirements are met. These eligibilities vary by the membership date and consider credited service at key dates. The benefits are based upon a defined or fixed multiplier, age, years of credited service, and highest average salary (HAS). For most employees, HAS is one-twelfth of the average of the highest annual salaries that are associated with three periods of 12 consecutive months under PERA-covered employment. The basic retirement benefit equals 2.5% x HAS x Years of Service. If a member reaches early retirement eligibility and wishes to begin benefit payments prior to achieving the full retirement requirements, then the monthly amount is reduced to consider the early receipt of monthly payments. Alternatively, if greater, a lifetime benefit is available that is calculated by annuitizing the member's account. At benefit commencement, the member can choose from different payment options, some of which can continue after the retiree's death to a named beneficiary, and for which the benefit amount is appropriately adjusted.

In addition to retirement benefits, the SDTF provides refund opportunities with matching employer dollars, if eligible, when leaving covered employment, and disability retirement and survivor benefits for those meeting certain criteria.

Basis of Presentation

The Schedule of Employer Allocations and Schedule of Collective Pension Amounts (the Schedules) present amounts that are elements of the financial statements of the SDTF or its participating employers. Accordingly, they do not purport to be a complete presentation of the fiduciary net position or changes in fiduciary net position of the SDTF or its participating employers. The Schedules are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Such preparation requires management of PERA to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ.

The Schedule of Collective Pension Amounts represents collective amounts for the SDTF. This schedule excludes employer-specific deferral amounts that may need to be recognized to comply with GASB Statement No.68.

Employer Contributions

Employers are required to contribute to the SDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. Employer contribution requirements, as a percentage of salary, are summarized on the following tables:

January 1st through December 31st	2016[1]
Employer contribution rate	10.15%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the SDTF	9.1%
Amortization equalization disbursement (AED) as specified in C.R.S. § 24-51-411	4.60%
Supplemental amortization equalization disbursement (SAED) as specified in C.R.S. § 24-51-411	4.50%
Total Employer contribution rate to the SDTF	18.23%

[1] Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42)

Employer Allocation Percentages

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* requires participating employers in the SDTF to recognize their proportionate share of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense in their financial statements. The Schedule of Employer Allocations is prepared to provide employers with their calculated proportion. The proportions presented in this schedule are based on employer contributions as a percentage of total employer contributions during the measurement period or reporting months January 1, 2016 through December 31, 2016. This schedule reports contributions and allocations for each reporting agency affiliated with PERA in the SDTF. Employer contributions are recognized in the period in which the compensation becomes payable to the member and the employer is statutorily committed to pay the contributions to the SDTF. Contributions are reduced by the allocation to the Health Care Trust Fund for all reporting agencies; and if applicable, for refunds of contributions or transfers resulting from a member's PERAChoice election. Also, contributions have been annualized for employers who did not participate in the SDTF for the twelve-month period.

As reported in the SDTF's Statement of Changes in Fiduciary Net Position in the December 31, 2016 PERA CAFR, employer contributions were $23,809 compared to the total employer contributions of $23,699 on the Schedule of Employer Allocations.

Actuarial Valuation Date

The collective total pension liability is based upon the December 31, 2015 actuarial valuation. An expected total pension liability is determined as of December 31, 2016 using standard roll-forward techniques. The roll forward calculation includes actual benefits, refunds and disability premiums paid for the plan year, interest on the total pension liability, the annual normal cost (also called service cost), changes of benefit terms, differences between expected and actual experience at the end of year, and changes of assumptions or other inputs.

Collective Net Pension Liability

The components of the collective net pension liability of the SDTF at December 31, 2016 were as follows:

Total pension liability	$ 1,459,899
Plan fiduciary net position	(621,762)
Net pension liability	$ 838,137

Actuarial Assumptions

The December 31, 2015 actuarial valuation used the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.80%
Real wage growth	1.10%
Wage inflation	3.90%
Salary increases, including wage inflation	3.90 – 9.57%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.50%
Discount rate	7.50%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00%
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumptions were adopted by PERA's Board on November 18, 2016 and were effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016.

Actuarial cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50 – 9.17%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	5.26%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00%
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

Mortality rates used in the December 31, 2015 valuation were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year and Females set back 2 years. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

As of November 18, 2016, adoption of the long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	**Target Allocation**	**10 Year Expected Geometric Real Rate of Return**
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity - Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Discount Rate

The discount rate used to measure the total pension liability was 5.26 percent. The projection of cash flows used to determine the discount rate applied the actuarial method and assumptions shown in the Actuarial Assumptions section above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated economic and demographic actuarial assumptions adopted by PERA's Board on November 18, 2016.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reached 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the GASB Statement No. 67 projection test indicates the SDTF's fiduciary net position was projected to be depleted in 2039 and, as a result, the municipal bond index rate was used in the determination of the discount rate. The long-term expected rate of return of 7.25 percent on pension plan investments was applied to periods through 2039 and the municipal bond index rate, the December average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Board of Governors of the Federal Reserve System, was applied to periods on and after 2039 to develop the discount rate. For the measurement date, the municipal bond index rate was 3.86 percent, resulting in a discount rate of 5.26 percent.

As of the prior measurement date, the GASB Statement No. 67 projection test indicated the SDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments of 7.50 percent was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use a municipal bond index rate and the discount rate was 7.50 percent.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the SDTF's collective net pension liability calculated using the discount rate of 5.26 percent as of the measurement date, as well as if it were calculated using a discount rate that is 1 percentage point lower (4.26 percent) or 1 percentage point higher (6.26 percent):

	Sensitivity of the Net Pension Liability		
Discount rate	4.20%	5.26%	6.26%
Net pension liability	$1,038,085	$838,137	$673,865

Reconciliation of Collective Deferred Outflows of Resources

The following presents the SDTF's collective deferral reconciliation showing the beginning deferrals, adding the current year collective deferrals and adjusting for the current year amortization of deferrals to arrive at the ending collective deferral amounts:

	Deferred Outflows of Resources		
Reconciliation Of Deferrals	**Differences Between Expected and Actual Experience**	**Changes of Assumptions Or Other Inputs**	**Net Difference Between Projected and Actual Investment Earnings**
Beginning deferral amounts as of prior measurement date, December 31, 2015	$ 6,997	$ -	$ 36,207
Deferral amounts added as of measurement date, December 31, 2016	8,071	333,695[1]	1,470
Total of amortization amounts recognized in pension expense during measurement period, 2016[2]	(6,737)	(120,467)	(9,892)
Outstanding deferral amounts as of measurement date, December 31, 2016	$ 8,331	$ 213,227	$ 27,784

[1] Approximately $11,916 is attributable to changes in demographic assumptions, such as the application of updated active member, post-retirement, and disability retirement mortality and the recalibration of other decremental assumptions and $22,848 in attributable to the change in the assumed long-term rate of investment return from 7.50 percent to 7.25 percent, as adopted by the Board on November 18, 2016, including the changes is assumed rates of price and wage inflation. Recognizing that the changes in the demographic and economic assumptions also affected the determination of the discount rate, approximately $298,929 is attributable to the use of the resulting 5.26 percent blended discount rate, determined in accordance with GASB 67.

[2] Negative amounts increase the collective pension expense.

Amortization of Collective Deferred Outflows of Resources

The following presents the SDTF's collective deferral amortization showing the deferrals added each plan year, the amortization period and the amount of the amortization for each plan year:

Deferred Outflows of Resources

Difference Between Expected and Actual Experience

For the Plan Year	Deferral Amounts Added	Amortization Period
2014	$ -	-
2015	10,821	2.83 years
2016	8,071	2.77 years

For the Plan Year	Amortization of The 2014 Deferral[1]	Amortization of The 2015 Deferral[1]	Amortization of The 2016 Deferral[1]	Total Amortization for the Plan Year
2014	$ -	$ -	$ -	$ -
2015	-	3,823	-	3,823
2016	-	3,823	2,913	6,737
2017	-	3,173	2,913	6,087
2018	-	-	2,243	2,243
Total	$ -	$ 10,821	$ 8,071	$ 18,892

[1] Positive amounts increase the collective pension expense.

Deferred Outflows of Resources

Changes in Assumptions or Other Inputs

For the Plan Year	Deferral Amounts Added	Amortization Period
2014	$ -	-
2015	-	-
2016	333,695	2.77 years

For the Plan Year	Amortization of The 2014 Deferral[1]	Amortization of The 2015 Deferral[1]	Amortization of The 2016 Deferral[1]	Total Amortization for the Plan Year
2014	$ -	$ -	$ -	$ -
2015	-	-	-	-
2016	-	-	120,467	120,467
2017	-	-	120,467	120,467
2018	-	-	92,760	92,760
Total	$ -	$ -	$ 333,695	$ 333,695

[1] Positive amounts increase the collective pension expense.

Deferred Outflows of Resources

Net Difference Between Projected and Actual Investment Earnings

For the Plan Year	Deferral Amounts Added	Amortization Period
2014	$ 10,939	5.00 years
2015	37,054	5.00 years
2016	1,470	5.00 years

For the Plan Year	Amortization of The 2014 Deferral[1]	Amortization of The 2015 Deferral[1]	Amortization of The 2016 Deferral[1]	Total Amortization for the Plan Year
2014	$ 2,187	$ -	$ -	$ 2,187
2015	2,187	7,410	-	9,597
2016	2,187	7,410	294	9,891
2017	2,187	7,410	294	9,891
2018	2,187	7,410	294	9,891
2019	-	7,410	294	7,704
2020	-	-	294	294
Total	$ 10,939	$ 37,054	$ 1,470	$ 49,455

[1] Positive amounts increase the collective pension expense.

Reconciliation of Collective Deferred Inflows of Resources

The following presents the SDTF's collective deferral reconciliation showing the beginning deferrals, adding the current year collective deferrals and adjusting for the current year amortization of deferrals to arrive at the ending collective deferral amounts:

Reconciliation of Deferrals	Deferred Inflows of Resources: Differences Between Expected and Actual Experience	Deferred Inflows of Resources: Changes of Assumptions Or Other Inputs
Beginning deferral amounts as of prior measurement date, December 31, 2015	$ 14	$ 5,688
Deferral amounts added as of measurement date, December 31, 2016	-	-
Total of amortization amounts recognized in pension expense during measurement period, 2016[1]	(14)	(3,108)
Outstanding deferral amounts as of measurement date, December 31, 2016	$ -	$ 2,580

[1] Negative amounts decrease the collective pension expense.

Amortization Schedules of Collective Deferred Inflows of Resources

The following presents the SDTF's collective deferral amortization showing the deferrals added each plan year, the amortization period and the amount of the amortization for each plan year.

Amortization Schedules of Collective Deferred Inflows of Resources

The following presents the SDTF's collective deferral amortization showing the deferrals added each plan year, the amortization period and the amount of the amortization for each plan year.

Deferred Inflows of Resources

Difference Between Expected and Actual Experience

For the Plan Year	Deferral Amounts Added	Amortization Period
2014	$ 48	2.87 years
2015	-	-
2016	-	-

For the Plan Year	Amortization of The 2014 Deferral[1]	Amortization of The 2015 Deferral[1]	Amortization of The 2016 Deferral[1]	Total Amortization for the Plan Year[1]
2014	$ 17	$ -	$ -	$ 17
2015	17	-	-	17
2016	14	-	-	14
Total	$ 48	$ -	$ -	$ 48

[1] Positive amounts decrease the collective pension expense.

Deferred Inflows of Resources

Change in Assumptions or Other Inputs

For the Plan Year	Deferral Amounts Added	Amortization Period
2014	$ -	-
2015	8,796	2.83 years
2016	-	-

For the Plan Year	Amortization of The 2014 Deferral[1]	Amortization of The 2015 Deferral[1]	Amortization of The 2016 Deferral[1]	Total Amortization for the Plan Year[1]
2014	$ -	$ -	$ -	$ -
2015	-	3,108	-	3,108
2016	-	3,108	-	3,108
2017	-	2,500	-	2,500
Total	$ -	$ 8,796	$ -	$ 8,796

[1] Positive amounts decrease the collective pension expense.

Net Amount of Collective Deferred Inflows of Resources and Collective Deferred Outflows of Resources Recognized in the Collective Net Pension Expense in Subsequent Years

The following presents the SDTF's net amount of the collective deferred outflows of resources and collective deferred inflows of resources that will be recognized in the collective pension expense for each of the subsequent five years and in the aggregate thereafter:

For the Plan Year Ended December 31,	Amounts Reported as Collective Deferred Outflows and Collective Deferred Inflows of Resources Recognized in Collective Pension Expense as Follows:
2017	$ 133,868
2018	104,896
2019	7,704
2020	294
2021	-
Thereafter	-

Average Expected Remaining Service Life

The following presents the SDTF's average of the expected remaining service lives of all members that are provided with pensions through the pension plan (active and inactive members) determined as of the beginning of the measurement period:

Determined at Beginning of Measurement Period	Average Expected Remaining Service Life
2016	2.77

Collective Pension Expense

Collective pension expense for the year ended December 31, 2016 is as follows:

Service cost at end of year	$ 14,485
Interest on the total pension liability	79,459
Current-period benefit changes	-
Expensed portion of current-period differences between expected and actual experience in the total pension liability	2,913
Expensed portion of current-period changes of assumptions or other inputs	120,467
Active member contributions	(11,294)
Projected earnings on plan investments	(44,726)
Expensed portion of current-period differences between projected and actual earnings on plan investments	294
Administrative expense	514
Other	(259)
Recognition of beginning collective deferred outflows of resources as pension expense	13,422
Recognition of beginning collective deferred inflows of resources as pension expense	(3,123)
Collective pension expense	$ 172,154

Components of Schedule of Collective Pension Amounts

Net Pension Liability
The collective net pension liability is the total pension liability less the fiduciary net position for the SDTF.

Difference between Expected and Actual Experience
The difference between expected and actual experience with regard to economic and demographic factors is amortized over a closed period equal to the average of the expected remaining service life of active and inactive members. The first year of amortization is recognized as pension expense with the remaining years shown as either a deferred outflow of resources or deferred inflow of resources.

Changes of Assumptions or Other Inputs
The change in assumptions about future economic or demographic factors or other inputs is amortized over a closed period equal to the average of the expected remaining service life of active and inactive members. The first year of amortization is recognized as pension expense with the remaining years shown as either a deferred outflow of resources or deferred inflow of resources.

Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments
The difference between the actual earnings on plan investments compared to the SDTF's expected rate of return in effect during 2016 of 7.50 percent is amortized over a closed period of 5 years. The first year of amortization is recognized as pension expense with the remaining years shown as either a deferred outflow of resources or deferred inflow of resources.

Total Deferred Outflows of Resources Excluding Employer Specific Amounts
The total deferred outflows of resources resulting from the difference between expected and actual experience, the changes of assumptions of other inputs, and the net difference between projected and actual investment earnings on pension plan investments.

Total Deferred Inflows of Resources Excluding Employer Specific Amounts
The total deferred inflows of resources resulting from the difference between expected and actual experience, the changes of assumptions of other inputs, and the net difference between projected and actual investment earnings on pension plan investments.

Collective Pension Expense
Collective pension expense includes changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Note 7 Colorado County Officials and Employees Retirement Association:

The Office of the District Attorney full-time employees (other than the District Attorney) participate in the state-wide Colorado County Officials and Employees Retirement Association (Association), a multiple-employer public employee defined contribution retirement system.

Employer contributions to the Plan are 4% of compensation. Employee contributions must match employer contributions and are funded on a current basis. Employees may make additional voluntary contributions not to exceed 10% of compensation.

During 2016 the employees and employer each contributed $25,366.

Participants vest in employer contributions and in the earnings, losses and changes in fair market value of plan assets at a rate of 10% per year. Beginning July 1, 1987, member entities participating in the plan have the option to adopt a 20% per year vesting schedule. Participants are immediately vested 100% in their own contributions and earnings. In the event that an Association member withdraws from the Plan, all participant balances for that member shall become immediately vested 100%.

Net earnings or losses are allocated quarterly to Plan participants. The allocation is based on each participant's balance as of the beginning of that quarter. Participants receiving benefit payments upon retirement or termination are allocated earnings through the date of the distribution.

Note 8 Tax, Spending and Debt Limitations:

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The Office of the District Attorney - Sixteenth Judicial District does not believe it is subject to the provisions of the TABOR Amendment. However, the entity has made certain interpretations of the amendment's language in order to determine its compliance.

Note 9 Contingent Liabilities:

The Office of the District Attorney participates in various grant programs which are subject to final acceptance by those entities. Disallowance of costs on these programs could result in the return of program funds to the granting agency.

The Office of the District Attorney can be party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the District Attorney. In addition, the various Counties maintain insurance coverage for such occurrences.

Note 10 Leases:

The Office of the District Attorney has two operating leases for office equipment. The base monthly lease expense is $214.

Annual rental is:

Year	Amount
2017	$ 2,568
2018	2,568
2019	2,568
2020	2,568
2021	1,070

The District Attorney also leases office space at a cost of $400 and $3,794 per month.

Annual rental is:

Year	Amount
2017	$ 45,524
2018	3,794

16th Judicial District
Budget and Actual
General
For the year ended December 31, 2016

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
State reimbursement for wages/benefits	$ 123,088	$ 123,088	$ 124,025
Restitution	-	-	150
County Funding	654,360	654,360	654,360
Intergovernmental/Grants	212,333	212,333	273,466
Charges for services/DOC Billings	406,755	406,755	387,510
Miscellaneous	22,000	22,000	56,997
Total revenues	1,418,536	1,418,536	1,496,508
EXPENDITURES			
Current:			
Personnel Costs	909,875	909,875	931,231
Fringe Benefits	256,178	256,178	241,506
Travel, Meetings, and Dues	44,500	44,500	30,204
Occupancy Costs and Office Supplies	127,166	127,166	90,901
Miscellaneous	57,564	57,564	125,761
Telephone	15,000	15,000	8,491
Capital Outlay	8,000	8,000	5,735
Total Expenditures	1,418,283	1,418,283	1,433,829
Excess (deficiency) of revenues over expenditures	253	253	62,679
Net change in fund balances	253	253	62,679
Fund balances - beginning	-	-	464,062
Fund balances - ending	$ 253	$ 253	$ 526,741