



FINANCIAL STATEMENTS

Year Ended December 31, 2020



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Independent Auditors' Report

Board of Directors
Juvenile Assessment Center
Jefferson County, Colorado

We have audited the accompanying balance sheet/statement of net position, and the statement of revenues, expenditures and changes in fund balance/statement of activities of the governmental activities and the major fund and the budgetary comparison statement of Jefferson County Juvenile Assessment Center as of and for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Jefferson County Juvenile Assessment Center as of December 31, 2020, and the changes in its financial position and the budgetary comparison for the year then ended, in conformity with accounting principles generally accepted in the United States.

Other Matter

Accounting principles generally accepted in the United States require that management discussion and analysis 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, 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 evidence sufficient to express an opinion or provide any assurance.

Anderson & Whitney, P.C.

May 13, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the Juvenile Assessment Center (JAC) for the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of JAC's financial performance.

FINANCIAL HIGHLIGHTS

- * JAC's assets exceeded liabilities by \$368,489 at December 31, 2020.
- * The General Fund balance was \$353,775 as of December 31, 2020. Of this amount, \$210,000 is committed for contingencies.
- * The December 31, 2020 General Fund balance is \$39,867 more than the previous year. The total fund balance is 37% of 2020 General Fund operating expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position (on page 6) and the Statement of Activities (on page 7) provide information about the activities of JAC as a whole and present a longer-term view of JAC's finances. For governmental activities, these statements also explain how these services were financed in the short term, as well as what remains for future spending.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10 through 14 of this report.

JAC adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund on pages 8 and 9 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2020, assets exceeded liabilities by \$368,489.

The following table provides a summary of JAC's net position:

December 31	2020	2019
Assets:		
Current and other assets	\$ 422,781	\$ 373,550
Capital assets	14,714	18,964
Total Assets	437,495	392,514
Liabilities:		
Current liabilities	69,006	59,642
Total Liabilities	69,006	59,642
Net Position:		
Investment in capital assets	14,714	18,964
Unrestricted	353,775	313,908
Total Net Position	\$ 368,489	\$ 332,872

A significant portion of JAC’s net position represents unrestricted net position of \$143,775 which may be used to meet JAC’s ongoing obligations to citizens and participating governments.

Another significant portion of JAC’s net position reflects its investment in capital assets. These assets include primarily software and equipment. These capital assets are used to provide services to participating governments; consequently, they are not available for future spending.

The following table indicates the changes in net position:

Years Ended December 31	2020	2019
Revenues:		
Intergovernmental contributions	\$ 664,647	\$ 664,647
Senate Bill 94 grant	248,757	205,150
Truancy/Diversion project	61,986	31,581
Miscellaneous	19,574	4,690
Total Revenues	994,964	906,068
Expenses:		
Salaries and benefits	810,012	774,405
Administration	83,105	76,446
Program	19,490	30,645
Other	38,749	36,367
Depreciation	7,991	8,996
Total Expenses	959,347	926,859
Increase (Decrease) in Net Position	\$ 35,617	\$ (20,791)

Governmental Activities. Governmental activities increased JAC’s net position by \$35,617 in 2020. Key elements of this increase are as follows:

Total revenues increased by 10% due to increased grants and IGA contributions, offset by increased expenses of 4%.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Center’s budget is prepared according to Colorado statutes.

Year Ended December 31, 2020	Budget	Actual
Beginning Fund Balance	\$ 313,908	\$ 313,908
Revenue	1,008,302	994,964
Expenditures	(982,148)	(955,097)
Ending Fund Balance	\$340,062	\$ 353,775

CAPITAL ASSET ADMINISTRATION

Capital Assets. JAC's investment in capital assets for its governmental type activities as of December 31, 2020, totals \$14,714 (net of accumulated depreciation). This investment includes primarily equipment.

JAC implemented the straight-line depreciation method under GASB 34 for its capital assets. Additional information on JAC's capital assets can be found in Note 2 of this report.

OTHER MATTERS

The following factors are expected to have a significant effect on JAC's financial position and results of operations and were taken into account in developing the 2021 budget:

- * Intergovernmental contributions are expected to remain the same in 2021.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of JAC's finances for all those with an interest in JAC's finances. Questions concerning any of the information provided or for additional financial information should be addressed to Trestle Programs, Inc., 1750 25th Avenue, Suite 305, Greeley, Colorado 80634.

JUVENILE ASSESSMENT CENTER

GENERAL FUND BALANCE SHEET/STATEMENT OF NET POSITION

December 31, 2020	General Fund	Adjustments (Note 8)	Statement of Net Position
ASSETS			
Cash	\$ 334,653	\$ -	\$ 334,653
Assessments Receivable	58,439	-	58,439
Prepaid Items	29,689	-	29,689
Capital Assets	-	14,714	14,714
TOTAL ASSETS	\$ 422,781	\$ 14,714	\$ 437,495
LIABILITIES			
Accounts Payable	\$ 29,100	\$ -	\$ 29,100
Compensated Absences	22,450	-	22,450
Accrued Payroll Liabilities	1,051	-	1,051
Other Liabilities	16,405	-	16,405
Total Liabilities	69,006	-	69,006
FUND BALANCE/NET POSITION			
Fund Balance:			
Committed for contingencies	210,000	(210,000)	-
Unassigned	143,775	(143,775)	-
Total Fund Balance	353,775	(353,775)	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 422,781		
Net Position:			
Investment in capital assets		14,714	14,714
Unrestricted		353,775	353,775
TOTAL NET POSITION		\$ 368,489	\$ 368,489

See Accompanying Notes to Financial Statements.

JUVENILE ASSESSMENT CENTER

STATEMENT OF GENERAL FUND REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES

Year Ended December 31, 2020	General Fund	Adjustments (Note 9)	Statement of Activities
Revenue:			
Intergovernmental contributions	\$ 664,647	\$ -	\$ 664,647
Senate Bill 94 grant	248,757	-	248,757
Investment earnings	407	-	407
Truancy/Diversion Project	61,986	-	61,986
Miscellaneous	19,167	-	19,167
Total Revenue	994,964	-	994,964
Expenditures:			
Current Operating:			
Salaries and wages	654,446	-	654,446
Benefits	108,657	-	108,657
Payroll taxes	46,909	-	46,909
Program	23,231	(3,741)	19,490
Other	38,749	-	38,749
Professional services	83,105	-	83,105
Depreciation	-	7,991	7,991
Total Expenditures	955,097	4,250	959,347
Change in Fund Balance/Net Position	39,867	(4,250)	35,617
Fund Balance/Net Position, Beginning of Year	313,908	18,964	332,872
Fund Balance/Net Position, End of Year	\$ 353,775	\$ 14,714	\$ 368,489

See Accompanying Notes to Financial Statements.

JUVENILE ASSESSMENT CENTER

BUDGETARY COMPARISON STATEMENT

Year Ended December 31, 2020	Actual	Original and Final Budget	Variance from Budget
Revenue:			
Intergovernmental contributions	\$ 664,647	\$ 664,647	\$ -
Truancy/diversion project	61,986	63,500	(1,514)
Senate Bill 94 grant	248,757	260,988	(12,231)
Investment earnings	407	-	407
Miscellaneous	19,167	19,167	-
Total Revenue	994,964	1,008,302	(13,338)
Expenditures:			
Salary and wages:			
Salaries	623,010	638,061	15,051
Overtime	8,935	15,500	6,565
Per diem staff	22,501	18,000	(4,501)
Total salary and wages	654,446	671,561	17,115
Benefits:			
Health insurance	86,092	66,734	(19,358)
Dental insurance	5,754	5,510	(244)
Life/disability insurance	2,910	2,722	(188)
Workers compensation	2,213	1,780	(433)
Retirement	11,688	10,208	(1,480)
Total benefits	108,657	86,954	(21,703)
Payroll Taxes:			
FICA	45,668	51,374	5,706
SUTA and FUTA	1,241	247	(994)
Total payroll taxes	46,909	51,621	4,712
Total Personnel	810,012	810,136	124
Professional Services:			
Fiscal management	74,905	74,905	-
Audit/legal services	8,200	9,300	1,100
Total Professional Services	83,105	84,205	1,100
Program:			
Transition services	-	250	250
Operating supplies	3,741	15,255	11,514
Copies and printing	886	1,080	194
Client management software	7,152	10,962	3,810
Cleaning and janitorial	1,717	2,288	571
Telephones	9,155	11,996	2,841
Mileage	580	3,460	2,880
Total Program	23,231	45,291	22,060

Continued on next page.

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BUDGETARY COMPARISON STATEMENT - Continued

Year Ended December 31, 2020	Actual	Original and Final Budget	Variance from Budget
Other			
Insurance	\$ 7,902	\$ 7,097	\$ (805)
Meetings	711	3,600	2,889
Staff development	3,472	14,665	11,193
Miscellaneous operating costs	2,784	2,680	(104)
Fees and subscriptions	4,762	4,477	(285)
Operating supplies	12,381	-	(12,381)
IT maintenance	6,737	9,997	3,260
Total Other	38,749	42,516	3,767
Total Expenditures	955,097	982,148	27,051
Revenue Over (Under) Expenditures	39,867	26,154	13,713
Fund Balance, January 1, 2020	313,908	313,908	-
Fund Balance, December 31, 2020	\$ 353,775	\$ 340,062	\$ 13,713

See Accompanying Notes to Financial Statements.

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the Juvenile Assessment Center (the Center) conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the Center's financial statements.

Reporting Entity:

The Center was formed January 1, 2001, by an intergovernmental agreement among eleven governments and special districts located in Jefferson County, Colorado. It is governed by a board consisting of one member from the County and from each sponsor and law enforcement participant. Annual assessments to support the Center's operations are received from Jefferson County (56%), Jefferson County R-1 School District (14%) and various local law enforcement agencies (30%).

A new agreement was entered into on June 1, 2017 and shall be in full force until January 1, 2050, or until sooner terminated by a majority of the parties. Any party terminating its participation shall not be entitled to any reimbursement of its contributions.

The financial report of the Center includes all of the integral parts of the Center's operations. The Center has determined that it has no financial accountability for any other agency which would require it to be in the reporting entity.

Government-wide and Fund Financial Statements:

The Center reports as a special purpose government engaged in a single governmental program. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported primarily by intergovernmental revenues.

Separate financial statements are provided for the General Fund through a separate column.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Intergovernmental contributions are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued:

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Intergovernmental contributions and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Center.

The Center reports the following major governmental fund:

The *general fund* is the Center's primary operating fund. It accounts for all financial resources of the Center.

Capital Assets:

Capital assets consist primarily of software and equipment for the operations.

All capital assets are valued at historical cost or estimated cost, if actual historical cost is not available.

Acquisitions of capital assets are recorded as capital outlay expenditures within the governmental funds but are reclassified for the government-wide statements. Depreciation has been provided on capital assets using straight-line methods. The Center's capitalization level is \$1,000.

Net Position:

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Center or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments, if any.

The Center first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Budget:

An annual budget and appropriation resolution is adopted by the Board of Directors in accordance with the Local Government Budget Law. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States for all funds. The fund level of classification is the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year end.

The Board is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for each department must be approved by the Board through a supplemental appropriation resolution.

Vacation and Sick Leave:

Some employees receive annual leave which may accumulate to varying levels. Unused vacation is paid upon termination, up to 120 hours. Sick leave does not vest and is not paid out upon termination.

Salaries and Benefits:

Three of the staff at the Center are paid 50% by another organization administering Senate Bill 94 funds and 50% by the Juvenile Assessment Center. This is the estimated allocation of their job responsibilities.

Commitment of Fund Balance:

The intergovernmental agreement requires the Center to maintain an amount for contingencies not to exceed 10% of prior year expenditures. Thus, a portion of the General Fund balance is committed for this purpose. Restricted funds are considered to be spent first, if any, followed by committed and unassigned, for an expenditure for which any could be used.

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Changes in Capital Assets:

Capital assets as of December 31, 2020 are as follows:

	Balance, 1/1/20	Additions	Deletions	Balance, 12/31/20
Database Software	\$ 75,098	\$ --	\$ --	\$ 75,098
Furniture and Equipment	94,457	3,741	(5,281)	92,917
Less Accumulated Depreciation	(150,591)	(7,991)	5,281	(153,301)
Total Capital Assets	\$ 18,964	\$ (4,250)	\$ --	\$ 14,714

NOTE 3 – Cash and Investments:

The Center's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Center's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages, and deeds of trust.

State statutes authorize the Center to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school, authority, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

NOTE 4 – Contingencies:

The Center is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries; and natural disasters. The Center has commercial insurance through its fiscal agent for risks of loss in excess of deductible amounts. Insurance coverages have not been significantly reduced from prior years and settlements have not exceeded insurance coverage in the past three years.

In 1992, Colorado voters approved the Taxpayer's Bill of Rights (TABOR). The Center believes that it is exempt from TABOR since it does not have the authority to levy taxes.

NOTE 5 – In-Kind Contributions:

The Center's facilities are provided by Jefferson County. Also, the Jefferson County District Attorney provides a computer system and related support.

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – Fiscal Agent Agreement:

The Center has a fiscal agent agreement with Trestle, Inc. to provide administrative services. The Center paid Trestle, Inc. approximately \$74,905 in 2020 for these services.

NOTE 7 – Retirement Plan:

The Center has established a simple retirement and savings plan. The plan allows eligible employees to defer a portion of their compensation. The Center is required to match up to 3% of the employee's contribution. Total expense recorded for the Center's match was \$11,688 and \$7,408 for 2020 and 2019, respectively. The plan is administered by C.B. Securities.

NOTE 8 – Reconciliation Between General Fund Balance Sheet and the Statement of Net Position:

Amounts reported in the statement of net position are different because:

December 31, 2020	
Fund balance of General Fund	\$ 353,775
Capital assets used in governmental activities are not financial resources and therefore are not reported in the General Fund	14,714
Total Net Position	\$ 368,489

NOTE 9 – Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the General Fund to the Statement of Activities:

Year Ended December 31, 2020	
Net change in fund balance – General Fund	\$39,867
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
The general fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current year.	(4,250)
Change in Net Position of Governmental Activities	\$35,617
