

**OFFICE OF THE DISTRICT ATTORNEY,  
FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO**

---

ANNUAL FINANCIAL REPORT  
AND  
SUPPLEMENTAL INFORMATION  
WITH  
INDEPENDENT AUDITOR'S REPORT

---

DECEMBER 31, 2020

**OFFICE OF THE DISTRICT ATTORNEY,  
FIFTEENTH JUDICIAL DISTRICT**

**CONTENTS**

<b>Independent Auditor's Report</b> .....	i-ii
<b>Basic Financial Statements:</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Position.....	1
Statement of Activities .....	2
<b>Fund Financial Statements:</b>	
Governmental Funds - Balance Sheet.....	3
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances.....	4
Statement of Fiduciary Net Position .....	5
Statement of Changes in Fiduciary Net Position .....	6
<b>Notes to Financial Statements</b> .....	7
<b>Required Supplementary Information:</b>	
Schedule of Employer Pension Contributions .....	28
Schedule of the District's Proportionate Share of Net Pension Liability.....	28



6025 SOUTH QUEBEC STREET, SUITE 260  
CENTENNIAL, COLORADO 80111  
303-792-3020 (o) | 303-232-7237 (f)  
WWW.WCRCPA.COM

---

## **INDEPENDENT AUDITOR'S REPORT**

Office of the District Attorney  
Fifteenth Judicial District  
Lamar, Colorado

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Office of the District Attorney, Fifteenth Judicial District (the District) as of and for the year ended December 31, 2020, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Fifteenth Judicial 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 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 of America. 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 the 15th Judicial District, as of December 31,

2020, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

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

Accounting principles generally accepted in the United States of America require that the Schedule of Employer Pension Contributions and Schedule of the District's Proportionate Share of Net Pension Liability as listed in the table of contents 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.

*Watson Coon Ryan, LLC*

CENTENNIAL, COLORADO

July 26, 2021

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
 Lamar, Colorado  
 Statement of Net Position  
 December 31, 2020

	Governmental Activities
<b>ASSETS:</b>	
Cash and equivalents	\$ 287,382
Grants receivable	25,866
Capital assets, net	567
<b>Total assets</b>	<b>313,815</b>
<b>Deferred outflows of resources:</b>	
Deferred outflows related to pensions	34,830
<b>Total deferred outflows of resources</b>	<b>34,830</b>
<b>LIABILITIES AND NET POSITION:</b>	
<b>Liabilities:</b>	
Accounts payable	4,114
Accrued liabilities	5,822
Compensated absences	72,512
Net pension liability	376,070
<b>Total liabilities</b>	<b>458,518</b>
<b>Deferred inflows of resources:</b>	
Deferred inflows related to pensions	76,971
<b>Total deferred inflows of resources</b>	<b>76,971</b>
Net investment in capital assets	567
Unrestricted	(187,411)
<b>Total net position (deficit)</b>	<b>(186,844)</b>

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
Lamar, Colorado  
Statement of Activities  
For the Year Ended December 31, 2020

<u>Functions/Programs</u>	Program Revenues			Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Revenue and
				Changes in Net Position
				Governmental Activities
Governmental activities:				
General	\$ 568,281	\$ 665,884	\$ 375	\$ 97,978
Victims Assistance and Law Enforcements	18,169	--	18,174	5
Victims Assistance	14,875	--	17,764	2,889
Victims Compensation	9,719	--	7,710	(2,009)
Trust	1,940	--	1,940	--
Victims of Crime Act (VOCA)	37,169	--	37,169	--
Diversion Program	35,446	--	25,440	(10,006)
Total governmental activities	<u>\$ 685,599</u>	<u>\$ 665,884</u>	<u>\$ 108,572</u>	88,857
			Change in Net Position	88,857
			Net Position - Beginning of Year	(275,701)
			<b>Net position - End of Year</b>	<u><u>\$ (186,844)</u></u>

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
 Lamar, Colorado  
 Governmental Funds - Balance Sheet  
 December 31, 2020

---

<b>ASSETS</b>		
Cash and equivalents	\$	287,382
Grants Receivable		25,866
<b>Total assets</b>		<b>313,248</b>

---

**LIABILITIES AND FUND BALANCES**

<b>Liabilities</b>		
Accounts payable		4,112
Accrued Liabilities		5,822
<b>Total liabilities</b>		<b>9,934</b>

---

<b>Fund balances</b>		
Unassigned		303,312
<b>Total fund balances</b>		<b>303,312</b>

---

<b>Total liabilities and fund balances</b>		<b>313,248</b>
--	--	----------------

---

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the fund.	567
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds	
Compensated Absences	(72,512)
Net Pension obligation	(376,070)
Deferred outflows and inflows of resources related to pensions are applicable to	
Deferred outflows of resources related to pensions	34,830
Deferred inflows of resources related to pensions	(76,971)
Net position of governmental activities	<u>\$ (186,844)</u>

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
Lamar, Colorado  
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2020

<b>Revenues:</b>		
Intergovernmental:		
Counties	\$	535,713
State		238,683
Interest income		60
<b>Total revenues</b>		<b>774,456</b>
<b>Expenditures:</b>		
Operating:		
Dues and subscriptions		4,898
Fringe benefits		82,023
Insurance		1,450
Mileage and travel		2,833
Office rent		16,500
Postage and printing		1,992
Professional services		14,068
Repair and maintenance		3,127
Salaries		537,480
Supplies		20,763
Telephone		8,068
Witnesses		5,062
PERA Pension Expense		26,845
Restitution and Collection		1,936
Miscellaneous		8,911
<b>Total expenditures</b>		<b>735,956</b>
<b>Excess of revenues over expenditures</b>		<b>38,500</b>
<b>Fund balances - beginning</b>		<b>264,812</b>
<b>Fund balances - end of the year</b>	\$	<b>303,312</b>

Change in net position reported for governmental activities in the Statement of Activities is different because:

Net changes in fund balance	\$	38,500
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.	\$	(7,559)
Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds:		
Compensated Absences		(4,239)
Pension Expense		62,155
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b>88,857</b>

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

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT**  
**Lamar, Colorado**  
**Statement of Fiduciary Net Position**  
**December 31, 2020**

	<b>Custodial Funds</b>	
<b>ASSETS:</b>		
Cash and equivalents	\$	1,940
<b>Total assets</b>	\$	<b>1,940</b>
<b>NET POSITION</b>		
Restricted for individuals	\$	1,940
<b>Total Net Position</b>	\$	<b>1,940</b>

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDIC  
Lamar, Colorado  
Statement of Changes in Fiduciary Net Position  
For the Year Ended December 31, 2020

	Custodial Restitution Fund	
<b>Additions</b>		
Cash deposits	\$	1,940
Total additions	\$	1,940
<b>Deductions</b>		
Restitution paid out	\$	2,530
Change in net position	\$	(590)
Total net position, January 1		2,530
Total net position, December 31		1,940

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

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

---

**1. Summary of significant accounting policies**

The Office of the District Attorney, Fifteenth Judicial District, Lamar, Colorado, operates under Colorado Revised Statutes providing judicial and public safety services for Baca, Cheyenne, Kiowa and Prowers counties.

The accounting policies of the Office of the District Attorney, Fifteenth Judicial District, Lamar, Colorado (the District) conform to accounting principles generally accepted in the United States of America as applicable to governments (US GAAP). The following is a summary of the more significant policies consistently applied in the preparation of the financial statements.

**Reporting entity**

The District was organized on March 11, 1945. The District Attorney is an elected official empowered to adopt an administrative expenditure budget for the general fund (subject to the approval of the County Commissioners of the four counties) and to expend revenues. The four counties pay all of the administrative costs of the Office; salaries are paid jointly by the four counties and the State of Colorado. Certain retirement benefits provided by Kiowa and Prowers Counties to its employees are made available to the employees of the District. Contributions to the administrative costs budgeted by the counties for the year ending December 31, 2020 is as follows: Prowers County 64%, Baca County 20%, Cheyenne County 10%, and Kiowa County 6%. The accounts of the activities of the District are excluded from the financial statements of the four counties because they are autonomous functions with separate governing principles and separate funding.

The District Attorney appears on behalf of the state and the counties of his district in all indictments, actions, and proceedings, which may be pending in the judicial district.

The four participating counties account for a District Attorney's administrative fund is not included in the financial statements of the District.

As required by US GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the Governmental Accounting Standards Board (GASB) pronouncements, which provides guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization.

**Basis of Presentation**

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District.

Both of the government-wide financial statements are designed to distinguish functions of the District that are principally supported by intergovernmental revenues and grants.

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

---

The Statement of Activities demonstrates the degree to which the direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) fees or charges to citizens and other governmental entities that receive or directly benefit from services provided by a given function or program, and 2) grants, contributions and other revenues that are restricted to use in the operational or capital requirements of a specific function or program. The District has no general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

**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 the related cash flow.

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 the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District 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.

The District reports the following funds:

**Governmental Fund Types:**

**Governmental funds** – are used to account for the District’s general government activities.

**General fund** – is the general operating fund of the District. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

**Fiduciary Funds:**

**Custodial funds** – are custodial in nature and do not present results of operations or have a measurement focus. Custodial funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets the District Attorney’s Office holds on behalf of others as their agent.

**Assets, liabilities, fund balance, and net position:**

**Cash and equivalents**

The District considers cash on hand and demand deposits to be cash equivalents.

**Capital assets**

The capital assets of the District consist of equipment and a vehicle used in the routine operation of the District. Durable items with a useful life more than two years and a value greater than \$5,000 are capitalized. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets’ lives, or whose cost is less than \$5,000, are not capitalized.

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

---

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

<u>Asset Type:</u>	<u>Years</u>
Equipment	5
Vehicles	7

### Compensated Absences

Accumulated personal time off (PTO) leave is reported as a liability for all leave related to past employee service for which payment to the employee is considered probable. The leave liability includes any non-vested leave earned by employees which is considered likely to vest.

A liability for grandfathered sick leave benefits is accrued only if it is probable that the employee will be compensated for the benefits through cash payments upon termination or retirement. Under modified accrual accounting, expenditures and liabilities related to compensated absences will be recognized in governmental funds only when they mature (when due). The sick leave liability is estimated based on the County's past experience in making termination payments for sick leave and its termination payment policy (termination payment method).

Accumulated personal time off leave and termination payments for sick leave that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay the benefit. A liability for these amounts is reported in governmental funds only if they have matured, as a result of employee resignations and retirements. All accumulated personal time off leave and termination payments for sick leave are accrued when incurred in the government-wide financial statements.

### Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. The only long term obligation of the District relates to compensated absences.

### Fund balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

*Nonspendable*, such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).

*Restricted fund balance* is restricted for specific purposes based on constraints externally imposed by creditors, grantors, contributors, laws, or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a resolution approved by the City Council.

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT**  
**LAMAR, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

---

*Assigned fund balance* classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.

*Unassigned fund balance* is the residual classification and includes all spendable amounts not contained in the other classifications.

For the classification of Governmental Fund balances, the District considers and expenditure to be made from the most restrictive first when more than one classification is available.

### **Net Position**

Net Position represents the difference between assets and liabilities. The District can report three categories of net position, as follows:

*Net investment in capital assets* - consists of net capital assets, reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.

*Restricted net position* - net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities related to restricted assets. There were no restricted net position balances at 12/31/20.

*Unrestricted net position* - consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net positions are available, the District will use the most restrictive net position first.

### **Estimates**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **Fair value of financial instruments**

The financial instruments of the District include cash and cash equivalents, and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2020 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of net assets. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

### **Pensions**

The District participates in the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

---

**Recent GASB Pronouncements Implemented**

Effective January 1, 2020 The District implemented the provisions of GASB Statement No. 84, Fiduciary Activities. This statement changes the definition of fiduciary activities, providing more refined guidance on how to determine if an activity is fiduciary in nature and therefore should be reported as such. The statement defines types of fiduciary funds, eliminating agency funds and replacing them with Custodial Funds. Under this guidance, all fiduciary funds will now report a net position and a statement of changes in net position. Implementation of this guidance did not result in any reclassifications between funds, or restatement of prior year balances.

**Subsequent events**

Subsequent events were evaluated by management through the date of the auditor’s independent report, which is the date the financial statements were available to be issued.

**2. Stewardship, Compliance and accountability**

**Budgetary information**

The District does not appropriate funds. Budgets are submitted to the four counties for approval of operating expenditures. Fund basis operating statements do not include yearly depreciation expense.

**3. Detailed notes concerning the funds**

**Cash and cash equivalents – custodial credit risk**

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. 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 equal to 102% of the aggregate uninsured deposits.

As of December 31, 2020, all of the District’s deposits were insured by the Federal Deposit Insurance Corporation.

**Capital assets**

The changes in capital assets being depreciated for the year ended December 31, 2020 were as follows:

GOVERNMENTAL ACTIVITIES	BALANCE JANUARY 1, 2020	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2020
EQUIPMENT	\$ 71,790	\$ --	\$ (22,163)	\$ 49,627
VEHICLES	21,305	--	--	21,305
LESS: ACCUMULATED DEPRECIATION	(84,970)	(7,558)	22,163	(70,365)
TOTAL CAPITAL ASSETS, NET	<u>\$ 8,125</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 567</u>

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
 LAMAR, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020

4. Long – Term Obligations

During the year ended December 31, 2020, the following changes occurred in the County’s long-term obligations:

GOVERNMENTAL ACTIVITIES	BALANCE JANUARY 1, 2020	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2020
COMPENSATED ABSENCES	\$ 68,272	\$ 4,240	\$ --	72,512

5. Retirement Systems

*Plan Description*

The District participates in the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension fund administered by PERA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Eligible employees of the District are provided with pensions through the SDTF. Plan benefits are specified in Title 24, Article 51 of the 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. PERA issues a publicly available comprehensive annual financial report that can be obtained at [www.copera.org/investments/pera-financial-reports](http://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 Trust Fund serves as a defined benefit retirement plan where retirees receive a monthly benefit for their lifetime, and generally, an annual increase (AI) 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, as of December 31, 2019, is one-twelfth of the average of the highest annual salaries that are associated with three periods (five periods, under certain circumstances) 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

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT**  
**LAMAR, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

---

named beneficiary, and for which the benefit amount is appropriately adjusted.

In addition to retirement benefits, the Trust Fund 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 and Nonemployer Allocations and Schedule of Collective Pension Amounts (the Schedules) present amounts that are elements of the financial statements of the Trust Fund 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 Trust Fund 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.

Preparation of the Schedule of Employer and Nonemployer Allocations requires PERA to rely on information received from the Colorado Office of the State Controller (OSC). The OSC has provided PERA direction with regards to which PERA-affiliated employers are included in the State of Colorado's Financial Reporting Entity and the portion of the direct distribution payment recognized in the Trust Fund that is considered an employer contribution and the portion that is considered a nonemployer contribution. Additionally, the OSC provided PERA with the allocation method used to assign a portion of the direct distribution payment recognized as an employer contribution to the PERA-affiliated employers included in the State of Colorado's Financial Reporting Entity and the remaining portion of the direct distribution payment recognized as a nonemployer contribution. See Notes 5 and 6 for additional information.

The Schedule of Collective Pension Amounts represents collective amounts for the Trust Fund. This schedule excludes employer-specific deferral amounts that may need to be recognized to comply with GASB Statement No. 68 Accounting and Financial Reporting for Pensions. Specifically, this schedule excludes deferral amounts arising from the changes in employer proportion, differences between employer contributions and proportionate share of contributions, and employer contributions subsequent to the measurement date as defined in paragraphs 54, 55 and 57 of GASB Statement No. 68.

**Actuarial Valuation Date**

The collective total pension liability is based upon the December 31, 2019, actuarial valuation, and generally accepted actuarial techniques were applied to roll forward the collective total pension liability to December 31, 2020. 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.

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT**  
**LAMAR, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

---

**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 table:

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Jan-June</b>	<b>Jun-Dec</b>	<b>Jan-Dec</b>
Employer contribution rate	10.40%	10.90%	10.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1) (f)	(1.02%)	(1.02%)	(1.02%)
Amount apportioned to the SDTF	9.38%	9.88%	9.38%
Amortization equalization disbursement (AED) as specified in C.R.S. § 24-51-411	5.00%	5.00%	5.00%
Supplemental amortization equalization disbursement (SAED) as specified in C.R.S. § 24-51-411	5.00%	5.00%	5.00%
Total employer contribution rate to the SDTF	19.38%	19.88%	19.38%

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

Employer contributions are recognized by the SDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SDTF. Employer contributions recognized by the SDTF from the District were \$25,519 and \$25,031 for the years ended December 31, 2020 and December 31, 2019.

***Direct Distribution***

Pursuant to C.R.S. § 24-51-414, PERA is to receive an annual direct distribution from the State of Colorado in the amount of \$225 million (in actual dollars). Beginning in 2018, the distribution will occur each July 1 until there are no unfunded actuarial accrued liabilities in the trust fund of any division that receives such distribution. PERA shall allocate the distribution to the trust funds as it would an employer contribution in a manner that is proportionate to the annual payroll of each division except there shall be no allocation to the Local Government Division.

**HB 20-1379:** *Suspend Direct Distribution to PERA Public Employees Retirement Association for 2020-21 Fiscal Year*, passed during the 2020 legislative session and signed by Governor Polis on June 29, 2020, suspends the July 1, 2020, \$225 million (in actual dollars) direct distribution allocated to the State, School, Judicial, and DPS Divisions, as required under Senate Bill 18-200.

Governmental accounting standards require the net pension liabilities for financial reporting purposes be measured using the plan provisions in effect as of the pension plan's year end.

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
 LAMAR, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020

---

**Collective Net Pension Liability**

The districts proportionate share of the components of the collective net pension liability of the Trust Fund at December 31, 2020, were as follows:

Total pension liability	\$1,085,006
Plan fiduciary net position	<u>708,936</u>
<b>Net pension liability</b>	<b><u>\$376,070</u></b>

Plan fiduciary net position (FNP) as a percentage of the total pension liability is 65.34%

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

As of December 31, 2020 and 2019, the District reported a liability of \$376,070 and \$ 353,940, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019 and 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019 and 2018. Standard update procedures were used to roll forward the total pension liability to December 31, 2020. The District's proportion of the net pension liability was based on the District's contributions to the SDTF for the calendar year 2020 and 2019 relative to the total contributions of participating employers to the SDTF. At December 31, 2020 and 2019, the District's proportion was .0039% percent and .0036% percent, respectively, which was an increase of .0003%.

For the years ended December 31, 2020 and 2019, the District recognized pension expense (benefit) of \$(62,155) and \$(114,302), respectively. The table below details the sources of the District's deferred outflows of resources and deferred inflows of resources related to pensions at December 31, 2020.

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference between expected and actual experience	\$ 9,294	\$ -
Changes in assumption or other inputs	25,536	-
Net difference between projected and actual earnings on pension plan investments	-	76,971
Total	<u>34,830</u>	<u>76,971</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as of the years ended December 31 are detailed below.

FUTURE AMORTIZATION OF DEFERRED OUTFLOWS AND DEFERRED INFLOWS	
2021	\$(2,636)
2022	(1,274)
2023	(26,169)
2024	(12,063)
TOTAL	<b>\$(42,142)</b>

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
 LAMAR, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020

**Reconciliation of Collective Deferred Outflows of Resources**

The following presents the District'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:

<u>Reconciliation of Deferrals</u>	<u>Difference Between Expected and Actual Experience</u>	<u>Changes of Assumptions or Other Inputs</u>	<u>Difference Between Projected and Actual Investment Earnings</u>
Beginning Deferral amounts as of prior measurement date, December 31, 2019	\$14,375	\$-	\$37,695
Deferral amounts added as of measurement date, December 31, 2020	7,757	40,646	-
Total of amortization amounts recognized in pension expense during measurement period, 2020	(12,838)	(15,110)	(12,735)
<b>Outstanding deferral amounts as of measurement date, December 31, 2020</b>	<b>\$9,294</b>	<b>\$25,536</b>	<b>\$24,960</b>

Note: Negative amortization amounts increase the collective pension expense.

**Amortization Schedules of Collective Deferred Outflows of Resources**

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

**Difference Between Expected and Actual Experience**

<u>For the Plan Year</u>	<u>Deferral Amounts Added</u>	<u>Amortization Period</u>
2018	13	2.90 years
2019	16	2.75 years
2020	8	2.69 years

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
 LAMAR, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020

For the Plan Year	Amortization of the 2018 Deferral	Amortization of the 201 Deferral	Amortization of the 2020 Deferral	Total for Current and Future Plan Years*
2018	\$5	\$-	\$-	N/A
2019	5	6	-	N/A
2020	4	6	3	\$13
2021	-	4	3	7
2022	-	-	2	2
<b>Total</b>	<b>\$14</b>	<b>\$16</b>	<b>\$8</b>	<b>\$22</b>

\*Total amortization recognized for prior plan years may contain deferred outflows that are fully amortized and not presented in the above schedule. See prior year reports for this information.

Note: Positive amortization amounts increase the collective pension expense.

*Change in Assumptions of Other Inputs*

For the Plan Year	Deferral Amounts Added	Amortization Period
2020	\$41	2.69 years

For the Plan Year	Amortization of the 2020 Deferral	Total for Current and Future Plan Years
2020	\$15	\$15
2021	15	15
2022	10	10
<b>Total</b>	<b>\$40</b>	<b>\$40</b>

Note: Positive amortization amounts increase the collective pension expense.

*Difference Between Projected and Actual Investment Earnings*

For the Plan Year	Deferral Amounts Added	Amortization Period
2016	\$1	5.00 years
2017	-	-
2018	62	5.00 years
2019	-	-
2020	-	-

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

For the Plan Year	Amortization of the 2016 Deferral	Amortization of the 2017 Deferral	Amortization of the 2018 Deferral	Amortization of the 2019 Deferral	Amortization of the 2020 Deferral	Total for Current and Future Plan Years*
2016	\$-	\$-	\$-	\$-	\$-	N/A
2017	-	-	-	-	-	N/A
2018	-	-	-	-	-	N/A
2019	-	-	12	-	-	N/A
2020	-	-	12	-	-	12
2021	-	-	12	-	-	12
2022	-	-	12	-	-	12
<b>Total</b>	<b>\$-</b>	<b>\$-</b>	<b>\$62</b>	<b>\$-</b>	<b>\$-</b>	<b>\$36</b>

\*Total amortization recognized for prior plan years may contain deferred outflows that are fully amortized and not presented in the above schedule. See prior year reports for this information.

Note: Positive amortization amounts increase the collective pension expense.

**Reconciliation of Collective Deferred Inflows of Resources**

The following presents the District'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	Difference Between Expected and Actual Experience	Changes of Assumptions or Other Inputs	Difference Between Projected and Actual Investment Earnings
Beginning deferral amounts as of prior measurement date, December 31, 2019	\$-	\$110,356	\$79,147
Deferral amounts added as of measurement date, December 31, 2020	-	-	60,313
Total of amortization amounts recognized in pension expense during measurement period, 2020	-	(110,356)	(37,530)
<b>Outstanding deferral amounts as of measurement date, December 31, 2020</b>	<b>\$-</b>	<b>\$-</b>	<b>\$101,931</b>

Note: Negative amortization amounts decrease the collective pension expense.

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
 LAMAR, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020

---

*Amortization Schedules of Collective Deferred Inflows of Resources*

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

*Change in Assumptions of Other Inputs*

For the Plan Year	Deferral Amounts Added	Amortization Period
2018	\$356	2.90 years
2019	-	-
-	-	-

For the Plan Year	Amortization of the 2018 Deferral	Amortization of the 2019 Deferral	Amortization of the 2020 Deferral	Total for Current and Future Plan Years*
2018	\$123	\$-	\$-	N/A
2019	123	-	-	N/A
2020	110	-	-	\$110
<b>Total</b>	<b>\$356</b>	<b>\$-</b>	<b>\$-</b>	<b>\$110</b>

\*Total amortization recognized for prior plan years may contain deferred inflows that are fully amortized and not presented in the above schedule. See prior year reports for this information.

Note: Positive amortization amounts increase the collective pension expense.

*Difference Between Projected and Actual Investment Earnings*

For the Plan Year	Deferral Amounts Added	Amortization Period
2017	\$57	5.00 years
2018	-	-
2019	71	5.00 years
2020	60	5.00 years

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

For the Plan Year	Amortization of the 2017 Deferral	Amortization of the 2018 Deferral	Amortization of the 2019 Deferral	Amortization of the 2020 Deferral	Total for Current and Future Plan Years*
2017	\$11	\$-	\$-	\$-	N/A
2018	11	-	-	-	N/A
2019	11	-	14	-	N/A
2020	11	-	14	12	\$38
2021	11	-	14	12	38
2022	-	-	14	12	26
2023	-	-	14	12	26
2024				12	12
<b>Total</b>	<b>\$55</b>	<b>\$-</b>	<b>\$70</b>	<b>\$60</b>	<b>\$140</b>

\*Total amortization recognized for prior plan years may contain deferred outflows that are fully amortized and not presented in the above schedule. See prior year reports for this information.

Note: Positive amortization amounts increase the collective pension expense.

**Actuarial Assumptions**

The December 31, 2019 actuarial valuation used the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.30 – 10.90 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	1.25 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by PERA’s Board during the November 18, 2016, Board meeting.

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience. Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT**  
**LAMAR, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

---

actual experience. Pre-retirement mortality assumptions for Members were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019. Post-retirement non-disabled mortality assumptions for Members were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
 LAMAR, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2020

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives <sup>1</sup>	6.00%	4.70%
<b>Total</b>	<b>100.00%</b>	

<sup>1</sup> The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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 7.25 percent. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2019, and the financial status of the Trust Fund as of the prior measurement date (December 31, 2019). In addition, the following methods and assumptions were used in the projection of cash flows:

- 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 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. 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 for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point, the AED and SAED will each drop .50 percent 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.
- As specified in law, the State of Colorado, as a nonemployer contributing entity, provides an annual direct distribution of \$225 million (actual dollars), which commenced July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

---

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, 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. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the Trust Fund's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

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

The following presents the SDTF's net pension liability calculated using the discount rate of 7.25 percent as of the measurement date, as well as if it were calculated using a discount rate that is 1-percentage point lower (6.25 percent) or 1-percentage point higher (8.25 percent):

Sensitivity of the Net Pension Liability			
Discount rate	1% decrease	Current Discount	1% increase
	6.25%	7.25%	8.25%
Net pension liability	\$497,551	\$376,070	\$274,069

***Pension Expense***

PENSION EXPENSE FOR THE YEAR ENDED DECEMBER 31, 2020

Service cost at end of year	\$14,104
Interest on the total pension liability	72,398
Current-period benefit changes	-
Expensed portion of current-period differences between expected and actual experience in the total pension liability	2,844
Expensed portion of current-period changes of assumptions or other inputs	15,110
Active member contributions	(12,957)
Projected earnings on plan investments	(44,873)

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

---

Expensed portion of current-period differences between projected and actual earnings on plan investments	(12,063)
Administrative expense	451
Other	(268)
Recognition of beginning collective deferred outflows of resources as pension expense	22,690
Recognition of beginning collective deferred inflows of resources as pension expense	(119,632)
	<hr/>
<b>PENSION EXPENSE/(BENEFIT)</b>	<b>\$(62,155)</b>

**Components of Schedule of Pension Amounts**

*Net Pension Liability*

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

*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 measurement period, 2020:

Determined at Beginning of Measurement Period 2020  
Average Remaining Service Life – 2.69

*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.

*Difference between Projected and Actual Investment Earnings on Pension Plan Investments*

The difference between the actual earnings on plan investments compared to the Trust Fund's expected rate of return 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 or other inputs, and the difference between projected and actual investment earnings on pension plan investments.

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT  
LAMAR, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

---

*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 or other inputs, and the 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.

**County Pension Plan**

Employees of the District are covered by a defined contribution plan (the Plan). Benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees are eligible to participate immediately during their first year of service. All of the four counties, Kiowa, Prowers, Baca and Cheyenne participate in the Plan based upon the respective salaries of the Plan members. The mandatory contribution rate to the Plan is 5% for the respective counties, and 5% for the employees. Employer matching contributions vest on a graduated scale based upon years of service, with 100% vesting occurring after four years. All employee contributions are immediately vested, including interest allocated to the member accounts.

The payroll for employees of the District covered by this Plan for the year ended December 31, 2020 was \$376,772 with a total payroll of \$506,772.

**Deferred Compensation Plan**

On September 18, 1995, the District offered its employees a deferred compensation plan created in accordance with Internal Revenue Code section 457. The Plan permits employees to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

At September 30, 1998, as a result of legislative changes, all amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to these amounts, property, or rights are held in trust for the exclusive benefits of participants and their beneficiaries. Prior to these legislative changes, these amounts were solely the property of the rights of the District subject only to the claims of the District Attorney's Office general creditors. As a result, at September 30, 1998, the deferred compensation investments are no longer reported in the District's financial statements.

**5. Other information**

**TABOR**

In November of 1992 Colorado voters approved Amendment 1 to the State Constitution. The amendment is commonly known as the Taxpayer's Bill of Rights or the TABOR Amendment. The amendment applies to all units of local government and limits taxes, spending, revenue, and multi-year debt (excepting bond refundings to lower interest rates and adding employees to pension plans). The amendment does not apply to units that are defined as "Enterprises". The District does not qualify as an "Enterprise".

**Risk management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three years.

**REQUIRED SUPPLEMENTARY INFORMATION**

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT**  
**Lamar, Colorado**  
**Schedule of Employer Pension Contributions**  
**For the Year Ended December 31, 2020**

---

Year Ended December 31,	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2015	22,529	22,529	130,000	17.33%
2016	23,699	23,699	130,000	18.23%
2017	24,869	24,869	130,000	19.13%
2018	24,869	24,869	130,000	19.13%
2019	25,031	25,031	130,000	19.25%
2020	25,519	25,519	130,000	19.63%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

**OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT**  
**Lamar, Colorado**  
**Schedule of the District's Proportionate Share of Net Pension Liability**  
**For the Year Ended December 31, 2020**

---

Year Ended December 31,	Cumulative Proportion of Net Pension Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net Pension Liability
2015	0.47%	492,482	130,000	378.83%	78.24%
2016	0.46%	838,138	130,000	644.72%	74.18%
2017	0.44%	886,929	130,000	682.25%	76.05%
2018	0.38%	429,479	130,000	330.37%	81.47%
2019	0.37%	353,940	130,000	272.26%	60.68%
2020	0.40%	376,070	130,000	289.28%	53.05%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.