Financial Statements
December 31, 2020

Office of the District Attorney
Eighteenth Judicial District

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT

District Attorney
Office of the District Attorney Eighteenth Judicial District
Centennial, 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 Eighteenth Judicial District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

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 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.

Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' 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 Office of the District Attorney Eighteenth Judicial District as of December 31, 2020, the respective changes in financial position, and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of the Office's Proportionate Share of the Net Pension Liability, Schedule of the Office Contributions Participation in PERA Pension Plan, Schedule of the Office's Proportionate Share of the Net OPEB Liability, and Schedule of the Office Contributions Participation in PERA OPEB plan 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office of the District Attorney Eighteenth Judicial District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The 2020 supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Office of the District Attorney, Eighteenth Judicial District's basic financial statements for the year ended December 31, 2019, which are not presented with the accompanying financial statements, and have issued our report thereon dated May 25, 2021, which contained unmodified opinions on the respective financial statements of the governmental activities and each major fund. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office of the District Attorney, Eighteenth Judicial District's basic financial statements as a whole. The supplementary information listed in the table of contents for the year ended December 31, 2019 is presented for additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 supplementary information is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2021, on our consideration of the Office of the District Attorney Eighteenth Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office of the District Attorney, Eighteenth Judicial District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Office of the District Attorney Eighteenth Judicial District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
May 25, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Office of the District Attorney
Eighteenth Judicial District
Management's Discussion and Analysis
December 31, 2020

Management of the Office of the District Attorney, Eighteenth Judicial District (Office), offers readers of these financial statements this overview and analysis of the financial activities for the year ended December 31, 2020.

Financial Highlights
The primary functions of the Office are criminal prosecution and juvenile diversion. These programs are funded on a cost reimbursement basis wherein the Office incurs expenditures and is reimbursed by the funding sources. Annual revenues from these programs equal their respective expenditures, thus there is no creation of, or change in, fund balance. In the governmental funds, two programs report restricted fund balance. At year-end, the Office's governmental funds report a combined ending fund balance of $1,719,857, an increase of $867,944 from the prior year. The balance consists of $220,899 nonspendable fund balance to cover prepaid expenses, $549,701 assigned for future self-insurance claims, $43,003 restricted for forfeitures, $169,318 restricted for grants, and $736,949 restricted for crime victim compensation. There are no unassigned fund balances.

Overview of the Financial Statements
The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains required supplementary information and supplementary information in addition to the financial statements.

Government-wide financial statements
The government-wide financial statements are designed to provide readers with a broad overview of the Office's finances in a manner similar to a private sector business.

The Statement of Net Position presents the Office's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as net position. Over time, trend analysis relating to the increases and decreases in net position may serve as a useful indicator of whether the financial position of the Office is improving or deteriorating.

The Statement of Activities shows how net position changed during the most recent fiscal year. Changes in net position are reported in the year that the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will result in cash inflows and outflows in future fiscal years (e.g., longer term amounts due from other governments and compensated absence balances).

The government-wide financial statements are designed to distinguish functions of the Office that are principally supported by intergovernmental revenues and operating grants (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Office has no business-type activities.

The government-wide financial statements include the Office and the Crime Victim Compensation Fund (CVC fund). The CVC fund is a legally separate entity organized under Colorado Revised Statutes for the purpose of providing financial remedies to certain crime victims. The CVC fund has been included as a part of the primary government because of the Office's oversight responsibilities. The District Attorney appoints the three-member Crime Victim Compensation board. The board is primarily responsible for the authorization of payments. The District Attorney and the Office's legal and administrative staff assist the board in the performance of its duties and are responsible for monitoring the performance of activities in accordance with applicable laws.

The government-wide financial statements can be found on pages 1 and 2 of this report.

Fund financial statements
A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Office, like other state and local governmental entities, uses fund accounting to ensure and demonstrate compliance with related legal requirements. The funds of most governmental entities can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The Office has no proprietary funds because it does not operate enterprise or internal service fund activities, and has no fiduciary funds.

Governmental funds
Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating near-term financing needs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it can be useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact, if any, of near term financing decisions. The governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Office maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for each fund because they each are considered major funds. The Office does not maintain a debt service fund or a capital projects fund.

The Office adopts an annual budget for its general fund. A budgetary comparison statement has been included for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 3 through 6 of this report.

Notes to the financial statements
The Notes to the Financial Statements provide additional information essential to the 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 7 through 29 of this report.

Required supplementary information
In addition to the basic financial statements and accompanying notes, this report includes required supplementary information concerning the net pension liability historical activity and payroll and contribution information as it relates to the District Attorney's participation in the plan and can be found on pages 30-33 of this report.

Supplementary information
In addition to the basic financial statements and accompanying notes, this report includes supplementary information with additional information on our county budget and can be found on pages 34-35 of this report.

Government-wide Financial Analysis
The primary functions of the Office are criminal prosecution and juvenile diversion. Each of these functions is funded on a cost reimbursement basis wherein the Office incurs the expenditures and is reimbursed by the various funding sources. All annual activity relates to compensated absences, net pension liability activity and capital assets. The net position increased by $608,396 as a result of related activity.

Governmental activities
The primary functions of the Office are supported by intergovernmental revenues and operating grants. As noted earlier, each of these primary programs are funded on a cost reimbursement basis.

The following table presents information from the Statement of Net Position derived from the basic financial statements of the Office of the District Attorney – Eighteenth Judicial District as of December 31, 2020 and 2019.

	Governmental activities	
	2020	2019
Assets		
Current and other assets	$ 2,562,822	$ 2,147,204
Capital assets	420,685	510,809
Total assets	2,983,507	2,658,013
Deferred Outflows	66,519	160,744
Liabilities		
Other liabilities	842,965	1,478,419
Long-term liabilities	2,551,379	2,133,219
Total liabilities	3,394,344	3,611,638
Deferred Inflows	275,982	435,815
Net Position		
Investment in Capital Assets	420,685	510,809
Restricted	949,270	601,457
Unrestricted	(1,990,255)	(2,340,962)
Total net position	$ (620,300)	$ (1,228,696)

As taken from the Statement of Activities in the basic financial statements, the following depicts the changes in net position for the years ended December 31, 2020 and 2019.
.

	Changes in Net Position	
	2020	2019
Revenues		
Program revenues		
Intergovernmental revenues	$ 26,514,008	$ 25,474,181
Operating grants and contributions	2,050,657	1,949,086
Sale of capital assets	-	33,171
Restricted investment earnings	1,238	4,744
Total revenues	28,565,903	27,461,182
Expenses		
Criminal prosecution	24,656,017	24,083,473
Crime victim compensation payments	1,703,748	1,715,267
Special programs	1,481,990	1,470,087
Forfeitures	-	239,348
Other	115,752	174,322
Total expenses	27,957,507	27,682,497
Decrease in net position	608,396	(221,315)
Net position - beginning	(1,228,696)	(1,007,381)
Net position - ending	$ (620,300)	$ (1,228,696)

Business-type activities
The primary functions of the Office are supported by intergovernmental revenues and operating grants (governmental activities). Therefore, there are no functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Proprietary funds
There are no proprietary funds in this report, because the Office does not operate enterprise or internal service funds.

Governmental funds
The focus of the Office's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in evaluating near-term financing needs.

At year-end, the Office's governmental funds reported combined ending fund balances of $1,719,857, an increase of $867,944 from the prior year. There are no unassigned fund balances in the governmental funds.

The Office maintains two special revenue funds. The forfeitures fund is used to account for funds received pursuant to court orders directing the owner to forfeit property seized in connection with criminal activities. These funds may be used only for purposes allowed under Colorado law and when authorized by the Eighteenth Judicial District Forfeitures Board. At year-end, the forfeitures fund reported a restricted fund balance of $43,003, an increase of $6,716 from 2019.

The Crime Victim Compensation fund is a legally separate entity organized under Colorado Revised Statutes for the purpose of providing financial remedies to certain crime victims and is included as part of the primary government because of the Office's oversight responsibilities. This fund is included as a special revenue fund and reported a restricted fund balance of $736,949 at year-end. This represents an increase of $171,777 from the prior year.

General Fund Budgetary Highlights
As a result of the pandemic the Office requested CARES funding from Arapahoe and Douglas counties to allow them to update the cubicles within the office to meet the requirements of social distancing. We were also able to replace desktop setups with laptop computers to allow remote working for a majority of the organization. This $186,891 in funding was the major difference between budgeted and actual revenue for special program operations.

The total budget for criminal prosecution was $25,410,042. Of this amount, $24,396,467 was spent during 2020. The most significant saving was associated with the pandemic limiting office and vehicle expenses and the implementation of the medical self-insurance plan.

The total 2020 general fund budgeted expenditures, including $1,968,718 for various operating grant programs, were $26,365,185 which was underspent by $700,224. This difference is reserved for self-insurance claims in future years, 2021 expenditures approved by our counties and to cover prepaid expenses recorded in 2020.

Capital Asset and Debt Administration

Capital assets
The Office's investment in capital assets for its governmental activities as of December 31, 2020 was $420,685 net of accumulated depreciation. This investment in capital assets consists of furniture, equipment, computers and vehicles used in the routine operation of the Office.

The capital outlay threshold is $5,000. Durable items with a useful life greater than two years and a cost greater than $5,000 are capitalized. All other items are treated as an operating expense in the year of purchase.

	Capital Assets, net of depreciation	
	2020	2019
Furniture, equipment and vehicles	$ 420,685	$ 510,809

Additional information on capital assets can be found in note III on page 15 of this report.

Long-term debt
The Office has no statutory authority to issue or otherwise incur debt. For accounting purposes a 3-year lease for computer equipment is recorded as a capital lease and payments of were made $49,098. The Office plans to use annual budgeted funds to pay the annual lease payments of the agreement.

Economic Factors and 2021 Budget Information
The Office is subject to the economic factors of its four funding counties. For the most part the two largest counties work together to determine the items approved in our requested budget. Both counties are growing and has allowed 3-5% increases in spending in the recent past. Our economic conditions and growth are consistent with the counties. In early 2020, the region experienced an outbreak of COVID 19 that has greatly affected the operations of the counties and the associated revenue sources slowed by the isolation orders placed on the State of Colorado. The four county governments in the District have appropriated these funds. The Office prepares its operating budget concurrently with the funding sources to ensure they have sufficient funds to cover their share of the Office's budget.

Requests for Information

Questions concerning the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Office of the District Attorney, Eighteenth Judicial District, 6450 South Revere Parkway, Centennial, Colorado, 80111.

BASIC FINANCIAL STATEMENTS

Office of the District Attorney
Eighteenth Judicial District
Statement of Net Position
December 31, 2020

		Primary Government Governmental Activities
ASSETS		
Cash and investments	$	1,701,219
Due from other governments - current portion		
State of Colorado		345,026
Federal		94,844
Other		200,834
Prepaid items		220,899
Capital assets (net of accumulated depreciation)		
Furniture, equipment and vehicles		420,685
Total assets		2,983,507
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals		62,076
OPEB deferrals		4,443
Total deferred outflows of resources		66,519
LIABILITIES		
Accounts payable		85,657
Due to counties - District revenue		
Arapahoe County		109,140
Douglas County		57,574
Elbert County		4,401
Lincoln County		813
Accrued liabilities		
Unemployment insurance liability		16,212
Other		335,460
Unearned general revenue		
Arapahoe County		42,527
Douglas County		37,233
Elbert County		1,735
Lincoln County		348
Unearned grant revenue		
VALE - Administration		51,920
Victim Compensation - Administration		66,594
Juvenile diversion grant		1,178
Juvenile diversion - State of Colorado		30,000
Other		2,173
Noncurrent liabilities		
Due within one year		142,025
Due in more than one year		1,822,747
Net pension liability		560,981
Net OPEB liability		25,626
Total liabilities		3,394,344
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals		269,972
OPEB deferrals		6,010
Total deferred inflows of resources		275,982
NET POSITION		
Investment in capital assets		420,685
Restricted for:		
Grants		169,318
Crime victim compensation		736,949
Forfeitures		43,003
Unrestricted		(1,990,255)
Total net position	$	(620,300)

The notes to the financial statements are an integral part of this statement.

Office of the District Attorney
Eighteenth Judicial District
Statement of Activities
For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net Revenue and Changes in Net Position: Governmental Activities
Governmental activities				
Criminal prosecution	$ 24,656,017	$ 25,110,158	$ -	$ 454,141
Crime victim compensation payments	1,703,748	1,403,850	586,191	286,293
Special programs	1,481,990	-	1,457,750	(24,240)
Forfeitures	-	-	6,716	6,716
Other	115,752	-	-	(115,752)
Total governmental activities	$ 27,957,507	$ 26,514,008	$ 2,050,657	607,158

General revenues	
Interest income	1,238
Total general revenues and transfers	1,238
Change in net position	608,396
Net position - Beginning	(1,228,696)
Net position - Ending	$ (620,300)

The notes to the financial statements are an integral part of this statement.

Office of the District Attorney
Eighteenth Judicial District
Balance Sheet
Governmental Funds
December 31, 2020

	General	Forfeitures	Crime Victim Compensation	Total Governmental Funds
ASSETS				
Cash and investments	$ 1,342,323	$ 43,003	$ 315,893	$ 1,701,219
Due from other funds	-	-	386,191	386,191
Due from other governments				
Federal	94,844	-	-	94,844
State of Colorado	300,892	-	44,134	345,026
Other	200,834	-	-	200,834
Prepaid items	220,899	-	-	220,899
Total assets	$ 2,159,792	$ 43,003	$ 746,218	$ 2,949,013
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 76,388	$ -	$ 9,269	$ 85,657
Due to other funds	386,191	-	-	386,191
Due to counties - District revenue				
Arapahoe County	109,140	-	-	109,140
Douglas County	57,574	-	-	57,574
Elbert County	4,401	-	-	4,401
Lincoln County	813	-	-	813
Accrued liabilities				
Unemployment insurance liability	16,212	-	-	16,212
Other	335,460			335,460
Unearned general revenue				
Arapahoe County	42,527	-	-	42,527
Douglas County	37,233	-	-	37,233
Elbert County	1,735	-	-	1,735
Lincoln County	348	-	-	348
Unearned grant revenue				
VALE - Administration	51,920	-	-	51,920
Victim Compensation - Administration	66,594	-	-	66,594
Juvenile diversion grant	1,178	-	-	1,178
Juvenile diversion - State of Colorado	30,000	-	-	30,000
Other	2,173	-	-	2,173
Total liabilities	1,219,887	-	9,269	1,229,156
Fund balances				
Nonspendable Fund Balance	220,899			220,899
Restricted for				
Crime victim compensation	-	-	736,949	736,949
Forfeitures	-	43,003	-	43,003
Grants	169,315			169,315
Assigned Fund Balance - Self Insurance Plan	549,701			549,701
Total fund balances	719,016	43,003	736,949	1,498,968
Total liabilities and fund balances	$ 1,938,903	$ 43,003	$ 746,218	2,728,124

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 funds.	420,685
Long-term liabilities, are not due and payable in the current period and, therefore are not reported in the funds.	
Compensated absences	(1,964,772)
Net pension obligation	(560,981)
Net OPEB obligation	(25,626)
Deferred outflows and inflows of resources related to pensions are applicable to	
Deferred outflows of resources related to pensions	62,076
Deferred outflows of resources related to OPEB	4,443
Deferred inflows of resources related to pensions	(269,972)
Deferred inflows of resources related to OPEB	(6,010)
Net position of governmental activities	$ (841,189)

The notes to the financial statements are an integral part of this statement.

Office of the District Attorney
Eighteenth Judicial District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General	Forfeitures	Crime Victim Compensation	Total Governmental Funds
REVENUES				
Criminal prosecution	$ 25,110,158	$ -	$ -	$ 25,110,158
Victim assistance funds				
State of Colorado - fines and fees	-	6,716	721,730	728,446
State of Colorado - restitution	-	-	682,120	682,120
Federal grants	551,130	-	586,191	1,137,321
Special programs	906,620	-	-	906,620
Investment earnings	-	-	1,238	1,238
Total revenues	26,567,908	6,716	1,991,279	28,565,903
EXPENDITURES				
Current				
Criminal prosecution	24,244,791	-	-	24,244,791
Crime victim compensation payments	-	-	1,703,748	1,703,748
Special programs	1,481,990	-	-	1,481,990
Forfeitures	-	-	-	-
Other	-	-	115,752	115,752
Capital outlay				
Criminal prosecution	102,578	-	-	102,578
Debt service				
Principal	49,098	-	-	49,098
Total expenditures	25,878,457	-	1,819,500	27,697,957
Excess (deficency) of revenues over (under) expenditures	689,451	6,716	171,779	867,946
Net Change in Fund Balances	689,451	6,716	171,779	867,946
Fund balances -beginning	250,454	36,287	565,170	851,911
Fund balances -ending	$ 939,905	$ 43,003	$ 736,949	$ 1,719,857

The notes to the financial statements are an integral part of this statement

Office of the District Attorney
Eighteenth Judicial District
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2020

Amounts reported for governmental activities in the statement of activities (page 2) are different because:

Net change in fund balances - total governmental funds (page 4)	$	867,946
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.		(90,124)
The issuance of long-term debt (Capital leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has an effect on net assets.		
Principal payments		49,098
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 governmental funds.		
Accrued interest-PY		2,189
Compensated absences - CY		(1,964,772)
Compensated absences - PY		1,572,150
Pension expense		173,945
OPEB expense		(2,036)
	$	608,396
Change in net position of governmental activities (page 2)		

:ments are an integral part of this statement.

Office of the District Attorney
Eighteenth Judicial District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2020

	Budgeted Amounts			
	Original	**Final**	**Actual Amounts**	**Variance with Final Budget - Positive (Negative)**
REVENUES				
Criminal prosecution	$ 25,438,610	$ 25,438,610	$ 25,110,158	$ (328,452)
Special programs	1,655,367	1,655,367	1,457,750	(197,617)
Total revenues	27,093,977	27,093,977	26,567,908	(526,069)
EXPENDITURES				
Current				
Criminal prosecution	25,410,042	25,307,042	24,293,889	1,013,153
Special programs	1,655,367	1,655,367	1,481,990	173,377
Capital outlay				
Criminal prosecution	-	103,000	102,578	422
Total expenditures	27,065,409	27,065,409	25,878,457	1,186,952
Excess of revenues over expenditures - Budgetary basis	$ 28,568	$ 28,568	689,451	$ 660,883
Reconciliation from Budgetary basis to GAAP Basis:				
Net change in fund balances			689,451	
Fund balances - beginning of year			250,454	
Fund balances - end of year			$ 939,905	

The notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

Financial Reporting Entity

The Office of the District Attorney, Eighteenth Judicial District (Office) was created in 1964 by Colorado Revised Statutes. The Office is responsible for prosecuting all criminal actions within the Eighteenth Judicial District of the State of Colorado which is comprised of Arapahoe, Douglas, Elbert and Lincoln counties. The District Attorney is an elected official who has decision-making authority, primary accountability for financial matters, and ability to control the operations of the Office. The accompanying financial statements present the financial position of the Office and its component unit, the Crime Victims Compensation Fund, an entity for which the Office is considered to be financially accountable. Although legally separate entities, blended component units are in substance a part of the Office's operations.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Blended component unit

The Crime Victim Compensation Fund was organized under Colorado Revised Statutes for the purpose of providing financial remedies to certain crime victims. Although a legally separate entity, the fund has been included because of the Office's oversight responsibilities. The District Attorney appoints the three-member board. This board is primarily responsible for the authorization of crime victim compensation payments. The District Attorney and his legal and administrative staff assist the board in the performance of its duties and are responsible for monitoring the performance of activities in accordance with applicable laws. The Crime Victim Compensation Fund is reported as a major special revenue fund.

Government-wide and fund financial statements

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 Office and its component unit. Interfund activity, except as noted below, has been removed from these statements.

Both of the government-wide financial statements are designed to distinguish functions of the Office that are principally supported by intergovernmental revenues and operating grants (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The primary governmental activities of the Office include criminal prosecution and juvenile diversion. The Office has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) fees and 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. Other revenues not directly related to a particular function or program, if any, are reported separately as 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. The Office has no fiduciary funds. Additionally, because the Office does not operate enterprise or internal service funds, there are no proprietary funds included in this report.

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The capital assets reported in the government-wide financial statements were acquired with funds provided by the four county governments, various operating grants, and forfeiture funds. Capital assets acquired by victim compensation, grants, and forfeitures have been donated to the criminal prosecution function in the general fund for exclusive use in criminal prosecution activities and all subsequent expenses related to these assets are allocated to the four county governments.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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 Office considers revenues to be available if they are collectible within sixty days after the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

All revenues are susceptible to accrual. Unearned revenue represents grant funds received but not recognized until expended and funds advanced from the four county governments that will be returned in the subsequent year if not spent.

Under the modified accrual basis of accounting, as used in the governmental fund financial statements, acquisition costs of capital assets are recorded as expenditures at the time of purchase and depreciation is not recognized on these capital assets.

The Office reports the following major governmental funds:

The General Fund is the primary operating fund. It accounts for all financial resources of the Office, except those that must be accounted for in another fund.

The Forfeitures Fund, a special revenue fund, is used to account for funds received by the Office pursuant to court orders directing that the owner forfeit property seized in connection with criminal activities. These funds may only be used for purposes allowed under Colorado law and when authorized by the Eighteenth Judicial District Forfeitures Board.

The Crime Victim Compensation Fund, a special revenue fund, was established under Colorado law for the purpose of providing remedies to crime victims that suffer economic loss as a result of crime. The three-member board is appointed by the District Attorney. This board is primarily responsible for the authorization of crime victim compensation payments.

Investments

Investments are measured at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application.* Colotrust is measured at net asset value.

Receivables and payables

The current portion of receivables reported as due from other governments consists primarily of amounts due from the State of Colorado and federal government, as cost reimbursements to the Office for various operating expenditures incurred during December 2020. No allowances for uncollectible amounts have been made because these receivables are primarily due under state statutes, agreements, and existing grant awards and are expected to be fully collected.

The Office applies the criteria set forth in GASB Statement No. 34. The Office reports long-term liabilities and capital assets (net of accumulated depreciation) in the government-wide financial statements.

Compensated absences represent earned but unused employee paid time off that will ultimately become due from the four county governments as cost reimbursement to the Office when the expenditures are incurred.

The net capital assets reported in the government-wide financial statements were acquired with funds provided by the four county governments, various operating grants and forfeiture funds. It is currently the policy of the Office that miscellaneous revenues generated by the Office, including any proceeds from the sale of capital assets, are distributed back to the four county governments.

Capital assets

Capital assets of the Office consist primarily of furniture, equipment, computers and vehicles used in the operation of the Office. All capital assets are capitalized at cost, or estimated acquisition cost if actual cost is not available. The capital outlay threshold of the Office is $5,000. Durable items with a useful life greater than two years and a cost greater than $5,000 are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

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

Asset Type	Years
Furniture and fixtures	10
Vehicles	7
Equipment	3-5
Computer hardware and software	3-4

Compensated absences

Office employees earn and accumulate paid time off (PTO). Unused PTO and accrued compensatory time is recorded as a liability when earned. Additionally, an extended illness bank (EIB) is established on behalf of all employees. Employees accrue 6 hours per month into an EIB account up to a maximum of 300 hours. Employees may use EIB hours for time off in conjunction with a long-term medical absence. EIB does not vest to employees and thus no liability is recorded for these balances. The liability for compensated absences is reported in the government-wide financial statements. A liability would be reported in the various governmental funds if it were due and payable as of December 31.

Deferred outflows of resources and deferred inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Balances

The Office reports fund balances in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* that provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

Fund balances of governmental funds can be classified as follows:

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or it is legally or contractually required to be maintained intact. At December 31, 2020, the Office has $220,899 in non-spendable funds related to prepaid expenses.

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. At December 31, 2020, fund balances of the Crime Victim Compensation Fund and the Forfeitures Fund are considered restricted under various provisions of Colorado Revised Statutes.

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District Attorney prior to the end of the fiscal year. The constraint may be removed or changed only through formal action of the District Attorney. At December 31, 2020, the Office has no committed funds.

Assigned fund balance – The portion of fund balance set aside for planned or intended purposes. 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. At December 31, 2020, the Office has $549,701 in assigned funds for self-insurance plan reserves.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria. At December 31, 2020, the Office has no unassigned funds.

If both restricted and unrestricted amounts of fund balance are available for use when expenditure is made, it is the Office's policy to use restricted amounts first. Unrestricted fund balance, if available, would be used in the following order: committed, assigned, and then unassigned.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. The net position component "net investment in capital assets, consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of any borrowings used for the acquisition of those assets. Net position in the Government-wide Statement of Net Position is reported as restricted as when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws and regulations of other governments. Net position related to Crime Victim Compensation and Forfeiture activities are restricted at December 31, 2020 in accordance with Colorado Revised Statutes. The balance of net position is reported as unrestricted.

Pensions

Office of the District Attorney, 18^{th} Judicial 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.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to eliminate with a High Probability the Unfunded Liability of the Plan within the Next Thirty Years.* The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of December 31, 2020.

The Office provides a defined contribution 401(k) employee retirement plan and therefore has no funding obligations for pension benefits. An outside trustee holds the plan assets. Contributions are deposited monthly with the plan trustee.

<u>Postemployment Benefits Other Than Pensions (OPEB)</u>

The Office participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

<u>Estimates</u>

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

II. <u>Reconciliation of Government-wide and Fund Financial Statements</u>

A. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The three elements of that reconciliation are as follows:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The $420,685 balance represents the capital assets of the Office, net of accumulated depreciation.

Long-term liabilities, such as compensated absences, net pension liabilities, capital leases payable, are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities, in the amount of $1,964,772, a net pension obligation of $560,981, and an OPEB obligation of $25,626, will ultimately become due from the four county governments as a cost reimbursement to the Office when expenditures are incurred. Deferred activities related to the pension and OPEB obligations totaled $(209,463).

Other long-term assets are not available to pay current period expenditures and therefore are not reported in the funds. This amount represents the noncurrent portion of receivables reported as due from other governments. Long-term receivables reflect the effect of compensated absence liabilities ultimately due from the four county governments, less net capital assets.

B. **Explanation of certain differences between the governmental funds statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities**

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The following are the three elements of that reconciliation.

Governmental funds report capital outlay as an expenditure. However, in the statement of activities the cost of capital assets is allocated over the estimated useful life and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period. The detail of the $90,124 difference is:

Capital outlay	$ 102,578
Depreciation expense	(192,702)
Adjustment decreasing net change in fund balance - total government funds to equal change in net position – governmental activities	$ (90,124)

Budgets

Annually, the Office adopts budgets on a basis consistent with US GAAP. Budgets are appropriated in total for each of the primary programs by the District Attorney and by the applicable intergovernmental funding sources. Annual appropriations lapse at year-end.

The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is the program level. Any revisions to the original budget require the approval of the District Attorney and the applicable intergovernmental funding sources.

There is no budget data for the forfeitures and crime victim compensation funds because these funds are not subject to the budgetary requirements of Colorado law.

Neither the Office nor its component unit uses encumbrance accounting. All expenditures are recorded when incurred. There is no method to reserve future appropriations.

III. Detailed Notes on All Funds

Cash Deposits

At December 31, 2020, the Office's cash deposits had a carrying value of $1,700,217 and a corresponding bank balance of $2,024,516, of which $500,000 is federally insured and $1,564,516 is covered by PDPA as more fully described below.

Deposits are exposed to custodial credit risk (the risk that, in the event of the failure of a depository financial institution, the government would not be able to recover deposits or would not be able to recover collateral securities that are in the possession of an outside party), if they are not covered by depositary insurance and are collateralized with securities held by the pledging financial institution, except for deposits collateralized by certain types of collateral pools including a single financial institution collateral pool where the fair value of the pool is equal to or exceeds all uninsured public deposits held by the financial institution (e.g. deposits insured by the Public Deposit Protection Act (PDPA)). Accordingly, none of the Office's deposits at December 31, 2020 are deemed to be exposed to custodial credit risk.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The Office categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs. At December 31, 2020 the Office did not have any investments that meet the definition to be in the hierarchy.

As of December 31, 2020, the Office invested $1,002 in the Colorado Local Government Liquid Asset Trust (ColoTrust). This Trust is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a 2a-7-like money market fund and each share is equal in value to $1.00. ColoTrust is rated AAAm by Standard & Poor's Corporation. A designated custodial bank serves as custodian for the Trust's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as depository in connection with direct investment and withdrawals. The custodian's internal records segregate investments owned by the Trust. The fund is being measured at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Receivables / Unearned Revenue

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also record unearned revenue recognition in connection with resources that have been received, but not earned. At year-end, the Office reported unearned grant revenues in the governmental funds.

Unearned grant revenues of $151,865 represent grant funds received before expenditures have been incurred. These amounts represent the unexpended cash balances at year-end for various grants.

Capital assets

Capital asset activity of the Office, and its component unit, for the year ended December 31, 2020 was:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Depreciable capital assets				
Furniture, equipment and vehicles	$ 2,072,641	$ 102,578	$ -	$ 2,175,219
Less accumulated depreciation				
Furniture, equipment and vehicles	(1,561,832)	(192,702)	-	(1,754,534)
Net depreciable capital assets	$ 510,809	$ (90,124)	$ -	$ 420,685

Depreciation expense was charged to the criminal prosecution function of the Office because the depreciable assets are used primarily in that function.

Long-term liabilities

As previously noted, the Office permits employees to accumulate PTO for future use. All accrued but unused PTO is recorded as a liability when earned. The accrued liability for compensated absences is reported in the government-wide financial statements. A summary of the change in the liability follows:

	2020 Beginning Balance	Additions	Reductions	2020 Ending Balance	Current
Capital Lease - Storage	$ 49,098	$ -	$ (49,098)	$ -	$ -
Compensated Absences	1,572,150	1,503,400	(1,110,778)	1,964,772	142,025
Total	$ 1,621,248	$ 1,503,400	$ (1,159,876)	$ 1,964,772	$ 142,025

Leases

Operating Leases

The Office leases office equipment and space under month-to-month operating leases. The total lease expense for the year ended December 31, 2020 was $222,238. This amount includes $160,954 for criminal prosecution, $58,130 for Juvenile Diversion, and $3,154 for special programs.

In 2020, the Office leased 21 vehicles on varies 48-month leases future minimum lease payments are as follows:

2021	$ 89,662
2022	89,662
2023	42,627
Total	$221,951

IV. Defined Benefit Pension Plan

Plan description. Eligible *e*mployees of the Office of the District Attorney, 18th Judicial are provided with pensions through the State Division Trust Fund (SDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. 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. The Office is responsible for contributing twenty percent of the employer contributions to PERA based on the rate for the state division set forth in C.R.S § 24-51-401. Since the Office is legally required to make the contributions to PERA for the District Attorney of the 18th Judicial District, the requirements of GASB 68 exist. Under the auspices of GASB 68, it requires the Office to record in its financial statements a proportionate share of PERA's collective net pension liability, pension expense, and deferred inflows and outflows related to the District Attorney for the 18th Judicial District. 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.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2019 for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant C.R.S. § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 will receive the lesser of an annual increase of 1.5 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SDTF. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. State Troopers whose disability is caused by an on-the-job injury are immediately eligible to apply for disability benefits and do not have to meet the five years of service credit requirement. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions. Eligible employees and the Office for the District Attorney, 18th Judicial 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*. and C.R.S. § 24-51-413. Eligible employees with the exception of State Troopers are required to contribute 8 percent of their PERA-includable salary. The employee contribution requirements are summarized in the table below:

	July 1, 2019 Through June 30, 2020	July 1, 2020 Through December 31, 2020
Employee contribution (all employees except State Troopers)	8.75%	10.00%

Contribution rates for the SDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

The employer contribution requirements for all employees except State Troopers are summarized in the table below:

	July 1, 2019 Through June 30, 2020	July 1, 2020 Through December 31, 2020
Employer contribution rate	10.15%	10.90%
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)%
Amount apportioned to the SDTF	9.38%	9.88%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	5.00%	5.00%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.00%	5.00%
Total employer contribution rate to the SDTF	**19.38%**	**19.88%**

Contribution rates for the SDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

As specified in C.R.S. § 24-51-413, the State is required to contribute $225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SDTF based on the proportionate amount of annual payroll of the SDTF to the total annual payroll of the SDTF, School Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. A portion of the direct distribution allocated to the SDTF is considered a nonemployer contribution for financial reporting purposes.

Subsequent to the SDTF's December 31, 2019, measurement date, HB 20-1379 *Suspend Direct Distribution to PERA Public Employees Retirement Association for 2020-21 Fiscal Year*, was passed into law during the 2020 legislative session and signed by Governor Polis on June 29, 2020. This bill suspends the July 1, 2020, $225 million direct distribution allocated to the State, School, Judicial, and DPS Divisions, as required under Senate Bill 18-200.

Employer contributions are recognized by the SDTF in the period in which the compensation becomes payable to the member and the Office of the District Attorney, 18th Judicial is statutorily committed to pay the contributions to the

SDTF. Employer contributions recognized by the SDTF from Office of the District Attorney, 18th Judicial were $41,223 for the year ended December 31, 2020.

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

At December 31, 2020, the Office of the District Attorney, 18th Judicial reported a liability of $558,136 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll forward the total pension liability to December 31, 2019. The Office of the District Attorney, 18th Judicial proportion of the net pension liability was based Office of the District Attorney, 18th Judicial contributions to the SDTF for the calendar year 2019 relative to the total contributions of participating employers to the SDTF.

The amount recognized by the Office of the District Attorney, 18th Judicial as its proportionate share of the net pension liability, the related support from the State as a non-employer contributing entity, and the total portion of the net pension liability that was associated with Office of the District Attorney, 18th Judicial were as follows:

Office of the District Attorney, 18th Judicial's proportionate share of the net pension liability	$558,136
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Office of the District Attorney, 18th Judicial	$ 2,845
Total	$560,981

At December 31, 2020, the Office of the District Attorney, 18th Judicial proportion was .00575 percent, which was an decrease of .000055% from its proportion of .00580% measured as of December 31, 2018.

For the year ended December 31, 2020, the Office of the District Attorney, 18th Judicial recognized pension expense of $173,945. At December 31, 2020, the Office of the District Attorney, 18th Judicial reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 20,853	$ -
Changes of assumptions or other inputs	-	160,085
Net difference between projected and actual earnings on pension plan investments	-	60,133
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	49,754
Contributions subsequent to the measurement date	41,223	-
Total	$ 62,076	$269,972

$41,223 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended	
2021	($211,501)
2022	(14,794)
2023	(2,360)
2024	(20,464)
Total	($249,119)

Actuarial assumptions. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 9.17 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 compounded annually
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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.

The actuarial assumptions used in the December 31, 2018, valuations 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 the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the SDTF, 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 by the investment consultant 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 percentage and then adding expected inflation.

As of the most recent adoption of the current 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%	.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%.

Discount Rate: The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. 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 3.50%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including scheduled increases in SB 18-200 and the additional 0.50 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. 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 and the additional 0.50 percent, resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. 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 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect 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 will provide an annual direct distribution of $225 million (actual dollars), commencing 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.

- 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. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

- The projected benefit payments reflect the lowered AI cap, from 1.50 percent to 1.25 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.

- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the SDTF's fiduciary net position 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 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 Office of the District Attorney, 18th Judicial proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be 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) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25)
Proportionate share of the net pension liability	$718,198	$558,136	$422,831

Pension plan fiduciary net position. Detailed information about the SDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Defined Contribution Pension Plans

Voluntary Investment Program

Plan Description - Employees of Office of the District Attorney that are also members of the SDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available CAFR which includes additional information on the Voluntary Investment Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. No employees of the office participate in this plan.

Office of the District Attorney, 18th Judicial District Retirement Plan (401(k) Plan)

Plan description The Office sponsors and administers a 401(k) Plan, a single employer defined contribution retirement plan that covers all of its full-time and part-time regular employees. Originally established in 1980, the plan was converted to a 401(k) on January 1, 1985. The Retirement Board, as trustee, administers the plan and has the authority to amend plan provisions. Vanguard is the plan custodian. At December 31, 2020 the plan had 393 participants.

Funding policy The Office contributes 6% of each participant's eligible salary and each participating employee contributes at least 4% of eligible salary. The Office contributes 7% or 8%, respectively of each participant's eligible salary if they contribute a matching 7% or 8%. Each participant may contribute up to 75% of their total eligible salary per year; however, contributions greater than 8% are not matched. The contributions and matching funds are invested at the direction of the participant. Employer contributions vest on a pro-rata basis upon years of service, with 100% vesting at four years. Employee contributions vest immediately. All vested funds are available to the participant or their beneficiary upon retirement, termination, disability, or death. The Office's pension expense to the plan for the years ended December 31, 2020, 2019 and 2018 were $1,217,017, $1,167,237, and $1,145,268, respectively, and were equal to the required contributions for each year. The office included $40,402 in forfeitures in pension expense for the year ended December 31, 2020.

V. Postemployment Benefits Other Than Pensions

General Information about the OPEB Plan

Plan Description

Eligible employees of the Office are provided with OPEB through the Health Care Trust Fund (HCTF) - a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (PERA). The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four divisions (State

Division, School Division, Local Government Division and Judicial Division Trust Funds), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Eligibility to enroll in PERACare is voluntary and includes, among others, benefit recipients and their eligible dependents, as well as certain surviving spouses, divorced spouses and guardians. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure
The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum $230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions
Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Office is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Office were $2,124 for the year ended December 31, 2020.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2020, the Office reported a liability of $25,626 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2020. The Office's proportion of the net OPEB liability was based on the Office's contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF. At December 31, 2020, the Office's proportion was .0023%, which was an increase of .001% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2020, the Office recognized OPEB expense of $(2,036). At December 31, 2020, the Office reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 85	$ 4,306
Changes of Assumptions or other Inputs	213	-
Net difference between projected and actual earnings on pension plan investments	-	428
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,054	1,276
Contributions subsequent to the measurement date	2,124	-
Total	$ 4,476	$6,010

$2,124 reported as deferred outflows of resources related to OPEB resulting from Office contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended	
2021	$(513)
2022	(513)
2023	(389)
2024	(1,157)
2025	(1,026)
Thereafter	(60)
Total	$(3,658)

Actuarial assumptions
The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.60 percent in 2019,
Medicare Part A premiums	gradually rising to 4.50 percent in 2029

Medicare Part A premiums	3.50 percent in 2019, gradually increasing to 4.50 percent in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2018, valuations 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 the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age sixty–five or older and who are not eligible for premium–free Medicare Part A, the following monthly costs/premiums are assumed for 2019 for the PERA Benefit Structure:

Medicare Plan	**Cost for Members Without Medicare Part A**	**Premiums for Members Without Medicare Part A**
Medicare Advantage/Self-Insured Prescription	$601	$240
Kaiser Permanente Medicare Advantage HMO	605	237

The 2019 Medicare Part A premium is $437 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	**Cost for Members Without Medicare Part A**
Medicare Advantage/Self-Insured Prescription	$562
Kaiser Permanente Medicare Advantage HMO	$571

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2018, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2019	5.60%	3.50%
2020	8.60%	3.50%
2021	7.30%	3.50%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	3.75%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on 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 for the State and Local Government Divisions were based on 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.

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 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 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2019 plan year.
- The morbidity assumptions were updated to reflect the assumed standard aging factors.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four of five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, 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 by the investment consultant 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 percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset 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**	**30 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.

Sensitivity of the Office's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the Office's proportionate share of the net OPEB liability, as well as what the Office's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	4.60%	5.60%	6.60%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$25,017	$25,626	$26,330

Discount Rate

The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2019, measurement date.
- 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 percent.
- 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.
- 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.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of the Office's proportionate share of the net OPEB liability to changes in the discount rate

The following presents the Office's proportionate share of the net OPEB liability, as well as what the Office's proportionate share of the net OPEB liability would be 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) than the current discount rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$28,976	$25,626	$22,762

OPEB plan fiduciary net position
Detailed information about the HCTF plan's fiduciary net position is available in the separately issued comprehensive annual financial report issued by PERA. That report can be obtained at www.copera.org/investments/pera-financial-reports.

VI. Other Information

Risk management

The Office is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; and natural disasters. The Office carries insurance coverage for worker's compensation, automobile damage and liability, professional liability, and property losses. Management believes that the insurance coverage is sufficient to indemnify against all reasonably identifiable risks and that any uninsured losses and/or insurance deductibles will not have a material adverse effect on the financial condition of the Office. Settled claims have not exceeded this coverage in any of the past three fiscal years.

Self-Insurance Plans

In 2017, the office established a self-insurance dental plan. The Office's accounting department administers the plan, however the office utilizes a third-party consultant to assist in administering the plan. Dental claims, as well as administrative costs are paid directly out of the general fund, which is funded by contributions made by the Office and its employees. All claims are reviewed and approved for payment by Delta Dental, in accordance with their administrative services agreement with the Office. The plan is fully self-insured with the Office assuming all liability risks. The estimated claims liability at December 31, 2020 was determined by the Office and includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. The following table displays the change in the balances of the claims liabilities:

Dental	2020	2019
Unpaid Claims, January 1	$ 6,772	$ 4,600
Incurred Claims (including IBNR)	123,361	113,008
Claims Payments	121,201	110,836
Unpaid Claims, December 31,	$ 8,932	$ 6,772

In 2020, the office established a self-insurance medical plan. UMR administers the plan through a contractual agreement. Medical claims, as well as administrative costs are paid directly out of the general fund, which is funded by contributions made by the Office and its employees. All claims are reviewed and approved for payment by UMR, in accordance with their administrative services agreement with the Office. The plan includes coinsurance with stop loss limits of $65,000 per participant. The plan also has an agreement stop loss deductible of $175,000 for all claims on this policy. The estimated claims liability at December 31, 2020 was determined by the Office and includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. The following table displays the change in the balances of the claims liabilities:

Medical	2020
Unpaid Claims, January 1	$ -
Incurred Claims (including IBNR)	2,234,375
Claims Payments	1,946,075
Unpaid Claims, December 31,	$ 288,300

Contingent liabilities

Various suits and claims are pending against the Office at December 31, 2020. Although the outcome of such suits and claims cannot be predicted with certainty, management of the Office believes that adequate insurance coverage exists and the final resolution of these matters will not materially affect the basic financial statements of the Office.

Amounts received or receivable from grantor agencies are subject to audit and adjustment. Any disallowed expenditures, including any amounts already received, may constitute a liability of the Office. Amounts that may be disallowed by a grantor cannot be determined, however management believes that the Office is, and has been, in full compliance with the financial requirements of its various grants and does not anticipate any such adjustments. If there are any future adjustments, the Office expects any such amounts to be immaterial.

Tax, spending and debt limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (TABOR) that limits the revenue raising and spending abilities of state and local governments. This amendment places stated limits on year-to-year increases in revenues and fiscal year spending. Fiscal year spending, as defined, excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards and fund balances.

Title 20, Article 1, Part 3 of the CRS, as amended, provides that the District Attorney shall be entitled to collect from each of the respective counties in the judicial district, the necessary operating expenses of the District Attorney for the transaction of official business. Annually, the Office submits budgetary appropriation requests to each of the four county governments. Each county then appropriates its respective expenses to the Office. The only sources of funds available to the Office are funds received from each county and from various grants. Management believes that the revenue and spending limitations of TABOR are not applicable to the Office because the annual appropriations of each county have previously been subjected to the provisions of TABOR at the county level and the various government grants received by the Office are excluded from TABOR.

Intergovernmental revenue

As previously noted, the Office is entitled to receive revenue from each of the four county governments that comprise the Eighteenth Judicial District as reimbursement of necessary operating expenses. Each of the county governments provides funding in proportion to its respective population as a percentage of the total population in the District. The percentages used for 2020, based on the population estimate prepared before May 1 of each year by the Division of Planning in the Colorado Department of Local Affairs, pursuant to Title 24, Article 32, Part 2 of the CRS, are as follows:

Arapahoe County	63.48%
Douglas County	33.33%
Elbert County	2.54%
Lincoln County	0.56%
Total	100.00%

Grants and programs

Victim Compensation Administration
Victim Assistance and Law Enforcement (VALE) Administration

Under Colorado Revised Statutes, 10% of court costs assessed and deposited to the 18th Judicial District Victim Compensation Fund are allocated to the Office. Additionally, 10% of court costs assessed and deposited to the 18th Judicial District VALE Fund are also allocated to the Office. These funds are then used by the Office to provide administrative support to both the victim compensation board and the VALE board in evaluating victim claims for financial assistance and to administratively pursue restitution funds on behalf of crime victims. Revenues and expenditures of these programs are included in the general fund.

REQUIRED SUPPLEMENTARY INFORMATION

OFFICE OF THE DISTRICT ATTORNEY, 18TH JUDICIAL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEUDLE OF THE OFFICES'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PARTICIPATION IN PERA
LAST 10 FISCAL YEARS *

	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014	12/31/2013
Offices's proportion of collective net pension liability	0.00575173%	0.00580608%	0.00664599%	0.00579150%	0.00561178%	0.00534060%	0.00506175%
Office's proportionate share of the collective pension liability	$ 558,136	$ 660,737	$ 1,330,394	$ 1,063,790	$ 590,979	$ 502,367	$ 450,899
State's proportionate share of the net pension liability associated with the Office **	$ 2,845	$ 3,637					
Total	$ 560,981	$ 664,374	$ 1,330,394	$ 1,063,790	$ 590,979	$ 502,367	$ 450,899
Office's covered - payroll	$ 210,000	$ 205,000	$ 195,000	$ 165,000	$ 156,000	$ 143,000	$ 135,000
Office's proportionate share of the net pension liability as a percentage of its covered - payroll	266%	322%	682.25%	644.72%	378.83%	351.31%	334.00%
Plan fiduciary net position as a percentage of the total pension liability	62.24%	55.11%	43.20%	42.60%	56.11%	59.84%	61.08%

* The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which the information is available. Amounts presented were determined as of December 31 based on the measurement date of the Plan.

** Commencing July 2018 the State will make an annual contribution until the plan is fully funded.

OFFICE OF THE DISTRICT ATTORNEY, 18TH JUDICIAL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OFFICE CONTRIBUTIONS
PARTICIPATION IN PERA
LAST 10 FISCAL YEARS*

	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014	12/31/2013
Statutorily required contributions	$ 41,223	$ 39,473	$ 38,165	$ 37,211	$ 30,080	$ 27,035	$ 23,626	$ 20,238
Contributions in relation to the statutorily required contributions	$ 41,223	$ 39,473	$ 38,165	$ 37,211	$ 30,080	27,035	23,626	20,238
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office's covered - payroll	$ 210,000	$ 205,000	$ 200,000	$ 195,000	$ 165,000	$ 156,000	$ 143,801	$ 130,318
Contributions as a percentage of covered - payroll	19.63%	19.26%	19.13%	19.13%	18.23%	17.33%	16.43%	15.53%

* The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which the information is available.

OFFICE OF THE DISTRICT ATTORNEY, 18TH JUDICIAL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEUDLE OF THE OFFICE'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
PARTICIPATION IN PERA OPEB PLAN
LAST 10 FISCAL YEARS *

	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Office's proportion of collective net OPEB liability	0.00227991%	0.00236472%	0.00240913%	0.20896665%
Office's proportionate share of the collective OPEB liability	$ 25,626	$ 32,173	$ 31,216	$ 27,093
Office's covered payroll	$ 210,000	$ 205,000	$ 195,000	$ 165,000
Office's proportionate share of the net OPEB liability as a percentage of its covered payroll	12.20%	15.69%	16.01%	16.42%
Plan fiduciary net position as a percentage of the total OPEB liability	24.49%	17.03%	17.53%	16.72%

* The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which the information is available. Amounts presented were determined as of December 31 based on the measurement date of the Plan.

OFFICE OF THE DISTRICT ATTORNEY, 18TH JUDICIAL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OFFICE CONTRIBUTIONS
PARTICIPATION IN PERA OPEB PLAN
LAST 10 FISCAL YEARS*

	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014	12/31/2013
Statutorily required contributions	$ 2,124	$ 2,091	$ 2,135	$ 1,989	$ 1,683	$ 1,591	$ 1,467	$ 1,329
Contributions in relation to the statutorily required contributions	$ 2,124	$ 2,091	$ 2,135	$ 1,989	$ 1,683	$ 1,591	$ 1,467	$ 1,329
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office's covered payroll	$ 210,000	$ 205,000	$ 200,000	$ 195,000	$ 165,000	$ 156,000	$ 143,801	$ 130,318
Contributions as a percentage of covered payroll	1.01%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

* The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which the information is available.

SUPPLEMENTARY INFORMATION

Office of the District Attorney
Eighteenth Judicial District
General Fund
Schedule of General Operating Intergovernmental Revenues and Expenditures - Budget and Actual
For the Year Ended December 31, 2020
(With comparative totals for the year ended December 31, 2019)

	Budgeted Amounts		2020	Variance with Final Budget -	2019
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Criminal Prosecution					
Arapahoe County	$ 15,814,525	$ 15,814,525	$ 15,769,601	$ (44,924)	$ 14,919,408
Douglas County	8,325,794	8,325,794	8,302,144	(23,649)	7,784,145
Elbert County	637,763	637,763	635,932	(1,831)	592,703
Lincoln County	134,528	134,528	137,930	3,403	129,903
State of Colorado	497,432	497,432	264,551	(232,881)	522,024
Total general operating revenues	$ 25,410,042	$ 25,410,042	$ 25,110,158	$ (299,882)	$ 23,144,705
EXPENDITURES					
Criminal Prosecution					
Arapahoe County					
Salaries	$ 11,066,523	$ 11,066,523	$ 11,000,096	$ 66,427	$ 10,181,310
Payroll taxes and employee benefits	3,337,095	3,337,095	2,958,908	378,187	3,013,308
Operating expenditures	1,410,906	1,410,906	1,359,938	50,968	1,345,929
Total	15,814,524	15,814,524	15,318,942	495,582	14,540,547
Douglas County					
Salaries	$ 5,826,137	$ 5,826,137	$ 5,791,181	$ 34,956	$ 5,245,063
Payroll taxes and employee benefits	1,756,864	1,756,864	1,557,742	199,122	1,552,353
Operating expenditures	742,793	742,793	715,960	26,833	693,373
Total	8,325,794	8,325,794	8,064,883	260,911	7,490,789
Elbert County					
Salaries	$ 446,287	$ 446,287	$ 443,592	$ 2,695	$ 402,732
Payroll taxes and employee benefits	134,577	134,577	119,324	15,253	119,178
Operating expenditures	56,899	56,899	54,843	2,056	53,243
Total	637,763	637,763	617,759	20,004	575,153
Lincoln County					
Salaries	$ 94,139	$ 94,139	$ 93,592	$ 547	$ 89,147
Payroll taxes and employee benefits	28,387	28,387	25,173	3,214	26,398
Operating expenditures	12,002	12,002	11,567	435	11,784
Total	134,529	134,529	130,332	4,197	127,329
State of Colorado					
Salaries	$ 104,000	$ 104,000	$ 104,000	$ -	$ 104,000
Payroll taxes and employee benefits	22,232	22,232	22,232	-	20,961
Mandated Costs	371,200	371,200	138,319	232,881	265,935
Total	497,432	497,432	264,551	232,881	390,896
Total general operating expenditures	$ 25,410,042	$ 25,410,042	24,396,467	$ 1,013,576	$ 23,124,714

Office of the District Attorney
Eighteenth Judicial District
General Fund
Schedule of Special Program Expenditures
For the Year Ended December 31, 2020
(With comparative totals for the year ended December 31, 2019)

Victim Compensation and Other Grants	**2020**	**2019**
Victim Compensation - Administration		
Salaries	$ 9,803	$ 138,284
Payroll taxes and employee benefits	76,060	52,435
Operating expenditures	7,191	13,223
Total	93,054	203,942
Victim Compensation - Victim Compensation Assistant Grant		
Salaries	28,875	35,000
Total	28,875	35,000
V.A.L.E. Victim Rights Notification Grant		
Salaries	19,300	22,000
Total	19,300	22,000
V.A.L.E. - Administration		
Salaries	78,362	190,118
Payroll taxes and employee benefits	66,908	12,569
Operating expenditures	224	875
Total	145,494	203,562
V.A.L.E. Fast Track Grant		
Salaries	34,920	40,000
Total	34,920	40,000
VOCA Grant		
Salaries	261,117	108,284
Payroll taxes and employee benefits	51,240	23,154
Operating expenditures	51,882	14,808
Total	364,239	146,246
CARES		
Operating expenditures	186,891	71,500
Total	186,891	71,500
2020 Gray and Black Marijuana Grant		
Salaries	167,367	
Payroll taxes and employee benefits	55,980	
Operating expenditures	11,256	
Total	234,603	
Marijuana Impact Grant		
Salaries	18,930	80,000
Payroll taxes and employee benefits	1,408	
Operating expenditures	3,902	
Total	24,240	80,000
Juvenile Diversion - State of Colorado Grant		
Salaries	164,912	59,825
Operating expenditures	121,140	17,211
Total	286,052	77,036
Juvenile Diversion Counseling Program - Marijuna Treatment		
Salaries	34,728	69,457
Operating expenditures	29,594	31,675
Total	64,322	101,132
	$ 1,481,990	$ 980,418

SINGLE AUDIT INFORMATION

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

District Attorney
Eighteenth Judicial District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Office of the District Attorney, Eighteenth Judicial District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Office of the District Attorney, Eighteenth Judicial District's basic financial statements, and have issued our report thereon dated May 25, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office of the District Attorney, Eighteenth Judicial District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office of the District Attorney, Eighteenth Judicial District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office of the District Attorney, Eighteenth Judicial District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office of the District Attorney, Eighteenth Judicial District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
May 25, 2021

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

District Attorney
Eighteenth Judicial District

Report on Compliance for Each Major Federal Program

We have audited the Office of the District Attorney, Eighteenth Judicial District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Office of the District Attorney, Eighteenth Judicial District's major federal programs for the year ended December 31, 2020. The Office of the District Attorney, Eighteenth Judicial District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Office of the District Attorney, Eighteenth Judicial District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Office of the District Attorney, Eighteenth Judicial District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Office of the District Attorney, Eighteenth Judicial District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Office of the District Attorney, Eighteenth Judicial District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of the Office of the District Attorney, Eighteenth Judicial District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Office of the District Attorney, Eighteenth Judicial District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Office of the District Attorney, Eighteenth Judicial District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
May 25, 2021

Office of the District Attorney
Eighteenth Judicial District

Schedule of Expenditures of Federal Awards

For the Year end December 31, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
U.S. Department of Justice			
Passed through Colorado Department of Criminal Justice			
Antiterrorism Emergency Assistance Program (AEAP)	16.321	20-AE-ST05-18	$ 386,191
Passed through Colorado Department of Public Safety:			
Crime Victims Compensation (VOCA)	16.576	02-VC-18	200,000
Crime Victims Assistance (VOCA)	16.575	22-VA-18-176	311,451
		18 -V2-GX-0050	52,788
Total U.S. Department of Justice			950,430
U.S. Department of Treasury			
Passed through Arapahoe County, Colorado			
Coronavirus Relief Fund	21.019		145,049
Passed through Douglas County, Colorado			
Coronavirus Relief Fund	21.019		41,842
Total expenditures of federal awards			$ 1,137,321

See accompanying notes to the Schedule of Expenditures of Federal Awards.

Notes to the Schedule of Expenditures of Federal Awards

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial programs of the Office of the District Attorney, Eighteenth Judicial District. The Office of the District Attorney, Eighteenth Judicial District received its federal awards indirectly through pass-through entities. Federal financial assistance provided to a sub-recipient is treated as expenditure when it is paid to the sub-recipient. No federal financial assistance has been provided to a sub-recipient.

Basis of Presentation

The accompanying schedule of expenditures of federal awards is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CFDA 21.019 follows criteria determined by the Department of Treasury for allowability of costs.

Governmental fund types account for the Office of the District Attorney, Eighteenth Judicial District's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis – when they become a demand on current available financial resources. The Office of the District Attorney, Eighteenth Judicial District's summary of significant accounting policies is presented in Note 1 to the basic financial statements.

The Office of the District Attorney, Eighteenth Judicial District has elected to use the 10% de minimus cost rate. $59,538 of indirect costs were drawn in 2020.

CFDA and Contract Numbers

Federal CFDA numbers are from the Catalog of Federal Domestic Assistance published by the Office of Management and Budget and the General Services Administration.

Coronavirus Relief Funds

The Office received funds as a pass through from Arapahoe County and Douglas County. Arapahoe County met the population threshold and was a direct recipient from the Federal Government. Douglas County received funding from the State of Colorado.

Antiterrorism Emergency Assistance Program (AEAP)

Under this grant agreement the Office was able to recapture 2019 expenses related to the response immediately following the event. All expenditures recorded in the Schedule of Federal Awards relate to 2019 expenditures, reimbursed in 2020 under the agreement. $195,330 of 2019 costs were covered in the award with the remaining $190,861 covering 2020 expenditures.

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued:	Unmodified	
2. Internal control over financial reporting:		
• Material weakness(es) identified?	___ yes	x no
• Significant deficiency(ies) identified?	___ yes	x none reported
3. Noncompliance material to financial statements noted?	___ yes	x no

Federal Awards

1. Internal control over major federal programs:		
• Material weakness(es) identified?	___ yes	x no
• Significant deficiency(ies) identified?	___ yes	x none reported
2. Type of auditors' report issued on compliance for major federal programs:	Unmodified	
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ yes	x no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
16.321	Antiterrorism Emergency Assistance Program (AEAP)

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000	
Auditee qualified as low-risk auditee?	x yes	___ no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

May 7, 2021

Colorado Department of Public Safety

Office of the District Attorney, Eighteenth Judicial District respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2020.

Audit period: **January 01, 2020** - December 31, 2020

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

There were no federal award program audit findings in the prior year.

If the Colorado Department of Public Safety has questions regarding this schedule, please call Jeff Ulrich at 720-874-8539.