



FINANCIAL STATEMENTS

Year Ended December 31, 2021



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Independent Auditors' Report

Board of Directors
Juvenile Assessment Center
Jefferson County, Colorado

Opinions

We have audited the accompanying balance sheet/statement of net position, and the statement of revenues, expenditures and changes in fund balance/statement of activities of the governmental activities and the major fund and the budgetary comparison statement of Jefferson County Juvenile Assessment Center (the Center) as of and for the year ended December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the governmental actives and each major fund of Jefferson County Juvenile Assessment Center as of December 31, 2021, and the changes in its financial position and the budgetary comparison for the year then ended, accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States require that management discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Anderson & Whitney, P.C.

April 8, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the Juvenile Assessment Center (Center) for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of Center's financial performance.

FINANCIAL HIGHLIGHTS

- * Center's assets exceeded liabilities by \$379,506 at December 31, 2021.
- * The General Fund balance was \$369,844 as of December 31, 2021. Of this amount, \$210,000 is committed for contingencies.
- * The December 31, 2021 General Fund balance is \$16,069 more than the previous year. The total fund balance is 35% of 2021 General Fund operating expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position (on page 7) and the Statement of Activities (on page 8) provide information about the activities of Center as a whole and present a longer-term view of Center's finances. For governmental activities, these statements also explain how these services were financed in the short term, as well as what remains for future spending.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11 through 15 of this report.

Center adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund on pages 9 and 10 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2021, assets exceeded liabilities by \$379,506.

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

December 31	2021	2020
Assets:		
Current and other assets	\$ 439,668	\$ 422,781
Capital assets	9,662	14,714
Total Assets	449,330	437,495
Liabilities:		
Current liabilities	69,824	69,006
Total Liabilities	69,824	69,006
Net Position:		
Investment in capital assets	9,662	14,714
Unrestricted	369,844	353,775
Total Net Position	\$ 379,506	\$ 368,489

A significant portion of Center’s net position represents unrestricted net position of \$369,844 which may be used to meet Center’s ongoing obligations to citizens and participating governments.

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

The following table indicates the changes in net position:

Years Ended December 31	2021	2020
Revenues:		
Intergovernmental contributions	\$ 664,647	\$ 664,647
Senate Bill 94 grant	301,355	248,757
Truancy/Diversion project	67,954	61,986
Miscellaneous	50,602	19,574
Total Revenues	1,084,558	994,964
Expenses:		
Salaries and benefits	899,198	810,012
Administration	94,597	83,105
Program	34,424	19,490
Other	40,270	38,749
Depreciation	5,052	7,991
Total Expenses	1,073,541	959,347
Increase in Net Position	\$ 11,017	\$ 35,617

Governmental Activities. Governmental activities increased Center’s net position by \$11,017 in 2021. Key elements of this increase are as follows:

Total revenues increased by 9% due to increased grants, offset by increased expenses of 12%.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

Year Ended December 31, 2021	Final Budget	Actual
Beginning Fund Balance	\$ 353,775	\$ 353,775
Revenue	1,080,509	1,084,558
Expenditures	(1,090,398)	(1,068,489)
Ending Fund Balance	\$ 343,886	\$369,844

CAPITAL ASSET ADMINISTRATION

Capital Assets. Center's investment in capital assets for its governmental type activities as of December 31, 2021, totals \$9,662 (net of accumulated depreciation). This investment includes primarily equipment.

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

OTHER MATTERS

The following factors are expected to have a significant effect on Center's financial position and results of operations and were taken into account in developing the 2022 budget:

- * Intergovernmental contributions are expected to increase by 3% in 2022.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Center's finances for all those with an interest in Center's finances. Questions concerning any of the information provided or for additional financial information should be addressed to Trestle Programs, Inc., 1624 Market Street, Suite 226, PMB 85026, Denver, Colorado 80202.

JUVENILE ASSESSMENT CENTER

GENERAL FUND BALANCE SHEET/STATEMENT OF NET POSITION

December 31, 2021	General Fund	Adjustments (Note 8)	Statement of Net Position
ASSETS			
Cash	\$ 317,700	\$ -	\$ 317,700
Assessments Receivable	97,157	-	97,157
Prepaid Items	24,811	-	24,811
Capital Assets	-	9,662	9,662
TOTAL ASSETS	\$ 439,668	\$ 9,662	\$ 449,330
LIABILITIES			
Accounts Payable	\$ 30,343	\$ -	\$ 30,343
Compensated Absences	20,443	-	20,443
Accrued Payroll Liabilities	1,325	-	1,325
Accrued Payables	17,713	-	17,713
Total Liabilities	69,824	-	69,824
FUND BALANCE/NET POSITION			
Fund Balance:			
Committed for contingencies	210,000	(210,000)	-
Unassigned	159,844	(159,844)	-
Total Fund Balance	369,844	(369,844)	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 439,668		
Net Position:			
Investment in capital assets		9,662	9,662
Unrestricted		369,844	369,844
TOTAL NET POSITION		\$ 379,506	\$ 379,506

See Accompanying Notes to Financial Statements.

JUVENILE ASSESSMENT CENTER

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

Year Ended December 31, 2021	General Fund	Adjustments (Note 9)	Statement of Activities
Revenue:			
Intergovernmental contributions	\$ 664,647	\$ -	\$ 664,647
Senate Bill 94 grant	217,008	-	217,008
DCJ grant	84,347	-	84,347
Investment earnings	125	-	125
Truancy/Diversion project	67,954	-	67,954
Miscellaneous	50,477	-	50,477
Total Revenue	1,084,558	-	1,084,558
Expenditures:			
Current Operating:			
Salaries and wages	728,879	-	728,879
Benefits	113,686	-	113,686
Payroll taxes	56,633	-	56,633
Program	34,424	-	34,424
Other	40,270	-	40,270
Professional services	94,597	-	94,597
Depreciation	-	5,052	5,052
Total Expenditures	1,068,489	5,052	1,073,541
Change in Fund Balance/Net Position	16,069	(5,052)	11,017
Fund Balance/Net Position, Beginning of Year	353,775	14,714	368,489
Fund Balance/Net Position, End of Year	\$ 369,844	\$ 9,662	\$ 379,506

See Accompanying Notes to Financial Statements.

JUVENILE ASSESSMENT CENTER

BUDGETARY COMPARISON STATEMENT

Year Ended December 31, 2021	Actual	Original Budget	Amended Budget	Variance from Budget
Revenue:				
Intergovernmental contributions	\$ 664,647	\$ 664,647	\$ 664,647	\$ -
Truancy/diversion project	67,954	69,775	70,865	(2,911)
Senate Bill 94 grant	217,008	208,300	208,300	8,708
DCJ grant	84,347	42,933	86,383	(2,036)
Investment earnings	125	-	-	125
Miscellaneous	50,477	-	50,314	163
Total Revenue	1,084,558	985,655	1,080,509	4,049
Expenditures:				
Salary and wages:				
Salaries	703,347	621,564	711,196	7,849
Overtime	13,091	15,500	10,000	(3,091)
Per diem staff	12,441	18,000	13,000	559
Total salary and wages	728,879	655,064	734,196	5,317
Benefits:				
Health insurance	87,469	88,086	95,914	8,445
Dental insurance	6,660	5,584	7,703	1,043
Life/disability insurance	3,527	2,463	3,225	(302)
Workers compensation	1,555	1,556	2,005	450
Retirement	14,475	12,178	15,499	1,024
Total benefits	113,686	109,867	124,346	10,660
Payroll Taxes:				
FICA	54,527	50,113	56,166	1,639
SUTA and FUTA	2,106	274	5,136	3,030
Total payroll taxes	56,633	50,387	61,302	4,669
Total Personnel	899,198	815,318	919,844	20,646
Professional Services:				
Fiscal management	86,117	78,852	86,117	-
Audit/legal services	8,480	7,500	7,500	(980)
Total Professional Services	94,597	86,352	93,617	(980)
Program:				
Copies and printing	774	1,458	1,500	726
Client management software	11,898	10,430	12,194	296
Cleaning and janitorial	2,409	2,388	2,153	(256)
Telephones	10,877	9,295	10,327	(550)
Operating supplies	7,844	18,383	14,528	6,684
Mileage	622	1,300	1,120	498
Total Program	34,424	43,254	41,822	7,398

Continued on next page.

JUVENILE ASSESSMENT CENTER

BUDGETARY COMPARISON STATEMENT - Continued

Year Ended December 31, 2021	Actual	Original Budget	Amended Budget	Variance from Budget
Other				
Insurance	\$ 8,923	\$ 7,097	\$ 7,099	\$ (1,824)
Meetings	200	2,400	2,400	2,200
Staff development	6,649	14,115	13,669	7,020
Miscellaneous operating costs	7,792	7,430	3,430	(4,362)
Fees and subscriptions	11,091	2,123	2,123	(8,968)
IT maintenance	5,615	6,960	6,394	779
Total Other	40,270	40,125	35,115	(5,155)
Total Expenditures	1,068,489	985,049	1,090,398	21,909
Revenue Over (Under) Expenditures	16,069	606	(9,889)	25,958
Fund Balance, January 1, 2021	353,775	353,775	353,775	-
Fund Balance, December 31, 2021	\$ 369,844	\$ 354,381	\$ 343,886	\$ 25,958

See Accompanying Notes to Financial Statements.

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

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

Reporting Entity:

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

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

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

Government-wide and Fund Financial Statements:

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

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

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

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

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

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

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

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

The Center reports the following major governmental fund:

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

Capital Assets:

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

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

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

Net Position:

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

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

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Budget:

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

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

Vacation and Sick Leave:

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

Salaries and Benefits:

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

Commitment of Fund Balance:

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

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Changes in Capital Assets:

Capital assets as of December 31, 2021 are as follows:

	Balance, 1/1/21	Additions	Deletions	Balance, 12/31/21
Database Software	\$ 75,098	\$ --	\$ --	\$ 75,098
Furniture and Equipment	92,917	--	(3,903)	89,015
Less Accumulated Depreciation	(153,301)	(5,052)	3,903	(154,450)
Total Capital Assets	\$ 14,714	\$ (5,052)	\$ --	\$ 9,662

NOTE 3 – Cash and Investments:

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

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

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

NOTE 4 – Contingencies:

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

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

NOTE 5 – In-Kind Contributions:

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

JUVENILE ASSESSMENT CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – Fiscal Agent Agreement:

The Center has a fiscal agent agreement with Trestle, Inc. to provide administrative services. The Center paid Trestle, Inc. approximately \$86,117 in 2021 for these services.

NOTE 7 – Retirement Plan:

The Center has established a simple retirement and savings plan. The plan allows eligible employees to defer a portion of their compensation. The Center is required to match up to 3% of the employee's contribution. Total expense recorded for the Center's match was \$14,475 and \$11,688 for 2021 and 2020, respectively. The plan is administered by C.B. Securities.

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

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

December 31, 2021	
Fund balance of General Fund	\$ 369,844
Capital assets used in governmental activities are not financial resources and therefore are not reported in the General Fund.	9,662
Total Net Position	\$ 379,506

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

Year Ended December 31, 2021	
Net change in fund balance – General Fund	\$16,069
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
The general fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current year.	(5,052)
Change in Net Position of Governmental Activities	\$11,017
