

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

Annual Financial Report

December 31, 2023

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
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INDEPENDENT AUDITOR'S REPORT

To the Office of the District Attorney
Fifteenth Judicial District
Lamar, CO 81052

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Office of the District Attorney, Fifteenth Judicial District, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Office of the District Attorney, Fifteenth Judicial District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Office of the District Attorney, Fifteenth Judicial District, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Office of the District Attorney, Fifteenth Judicial District, 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 opinions.

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 Office of the District Attorney, Fifteenth Judicial District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 generally accepted auditing standards 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.

1In performing an audit in accordance with generally accepted auditing standards, we:

Certified Public Accountants

- 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 Office of the District Attorney, Fifteenth Judicial District'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 Office of the District Attorney, Fifteenth Judicial District'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

Management has omitted the management discussion and analysis that accounting principles generally accepted in the United state of America required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is no affected by the missing information.

Accounting principles generally accepted in the United States of America require that schedule of employee pension contributions and schedule of the district's proportionate share of net pension liability 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 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.

Blair and Associates, P.C.

Cedaredge, Colorado

July 25, 2024

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
Statement of Net Position
December 31, 2023

	Governmental Activities
ASSETS:	
Cash and equivalents	\$ 334,560
Grants receivable	46,580
Total Assets	381,140
DEFERRED OUTFLOWS OF RESOURCES:	
Pension deferrals	130,757
OPEB deferrals	4,709
Total Deferred Outflows of Resources	135,466
LIABILITIES AND NET POSITION:	
Liabilities:	
Accounts payable	2,295
Accrued liabilities	1,801
Compensated absences	62,222
Net pension liability	607,197
Net OPEB liability	19,965
Total Liabilities	693,480
DEFERRED INFLOWS OF RESOURCES:	
Pension deferrals	8,141
OPEB deferrals	7,032
Total Deferred Inflows of Resources	15,173
Net investment in capital assets	-
Unrestricted	(192,047)
Total Net Position (Deficit)	\$ (192,047)

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
Statement of Activities
For the Year Ended December 31, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Change in Net Position
Governmental Activities:				Governmental Activities
General	\$ 794,111	\$ 665,482	\$ 7,010	\$ (121,619)
Victims Assistance & Law Enforcement	17,500	-	21,885	4,385
Victims Assistance	10,037	-	13,871	3,834
Victims Compensation	9,471	-	7,111	(2,360)
Trust	1,161	-	1,177	16
Victims of Crime Act (VOCA)	43,316	-	43,316	-
Diversion Program	33,900	-	45,069	11,169
Total Governmental Activities	\$ 909,496	\$ 665,482	\$ 139,439	
				Change in Net Position (104,575)
				Net Position-Beginning of Year (87,472)
				\$ (192,047)

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
Governmental Funds-Balance Sheet
December 31, 2023

ASSETS:		
Cash and equivalents		\$ 334,560
Grant receivable		46,580
Total Assets		<u>\$ 381,140</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable		\$ 2,295
Accrued liabilities		1,801
Total Liabilities		<u>4,096</u>
Fund Balances:		
Unassigned		<u>377,044</u>
Total Fund Balances		<u>377,044</u>
Total Liabilities and Fund Balances		<u>\$ 381,140</u>

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

Net Position Governmental Funds	\$ 377,044
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the fund	-
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences	(62,222)
Net Pension Obligations	(607,197)
Net OPEB Obligations	(19,965)
Deferred outflows and inflows of resources related to pensions are applicable to	
Deferred outflows of resources related to pensions	130,757
Deferred outflows of resources related to OPEB	4,709
Deferred inflows of resources related to pensions	(8,141)
Deferred inflows of resources related to OPEB	(7,032)
Net Position of Governments Activities	<u>\$ (192,047)</u>

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
 Governmental Funds-Statement of Revenue, Expenditures, and Changes in Fund Balances
 For the Year Ended December 31, 2023

REVENUES:

Intergovernmental:

Counties	\$ 480,017
State	324,904
Total Revenues	804,921

EXPENDITURES:

Operating:

Dues and subscriptions	602
Fringe benefits	129,140
Insurance	945
Mileage and travel	5,928
Office rent	16,500
Postage and printing	1,933
Professional services	9,718
Repairs and maintenance	11,340
Salaries	547,553
Supplies	12,627
Telephone	8,278
Witnesses	12,458
Miscellaneous	22,240
Total Expenditures	779,262

Excess of revenues over expenditures	25,659
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Fund Balance-Beginning of Year	351,385
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Fund Balance-End of Year	\$ 377,044
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Changes in net position reported for governmental activities in the Statement of Activities is different because:

Net change in fund balance	\$ 25,659
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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. -

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds:

Compensated absences	4,407
Pension Expense	(128,838)
OPEB Expense	(5,803)
Changed in Net Position of Governmental Activities	\$ (104,575)

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
Statement of Fiduciary Net Position
December 31, 2023

	<u>Custodial Funds</u>
ASSETS	
Cash and equivalents	\$ 2,545
Total Assets	<u>\$ 2,545</u>
LIABILITIES	
Accounts Payable and Other Liabilities	\$ 2,545
NET POSITION	
Restricted for individuals	<u>-</u>
Total Net Position	<u>\$ -</u>

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
Statement of Fiduciary Net Position
December 31, 2023

	<u>Custodial Restitution Fund</u>
Additions:	
Cash deposits	\$ 1,161
Total Additions	<u>1,161</u>
Deductions:	
Restitution paid out	<u>1,161</u>
Total Deductions	<u>1,161</u>
Change in Net Position	-
Total Net Position- Beginning of Year	-
Total Net Position-End of Year	<u><u>\$ -</u></u>

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

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
Notes to the Financials
December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies

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

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

Reporting Entity

The District was organized on March 11, 1945. The district Attorney is an elected official empowered to adopt an administrative expenditure budget for the general fund (subject to the approval of the County Commissioners of the four counties) and to expend revenues. The four counties pay all the administrative costs of the District; salaries are paid jointly by the four counties and the State of Colorado. Certain retirement benefits provided by Kiowa and Prowers Counties to its employees are made available to the employees of the District. Contributions to the administrative costs budgeted by the counties for the year ending December 31, 2023, are as follows: Prowers County 64%, Baca 19%, Cheyenne 9%, and Kiowa County 8%. The accounts of the activities of the District are excluded from the financial statements of the four counties because they are autonomous functions with separate governing principles and separate funding.

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

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

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

The District is not financially accountable for any other organization.

Basis of Presentation

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

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
Notes to the Financials
December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies -Continued

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

The Statement of Activities demonstrates the degree to which the direct expenses are those that are clearly identifiable with a specific function or program.

Program revenues include 1) fees or charges to citizens and other governmental entities that receive or directly benefit from services provided by a given function or program.

And 2) grants, contributions and other revenues that are restricted to use in the operational or capital requirements of a specific function or program. The District has no general revenues.

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

Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

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

The District reports the following funds:

Governmental Fund Types:

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

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

Fiduciary Funds:

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

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
Notes to the Financials
December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies -Continued

Assets, Liabilities, Fund Balance, and Net Position:

Cash and equivalents.

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

Capital assets.

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

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

Equipment	5 years
Vehicles	7 years

Compensated Absences

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

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

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

Long-Term Obligations

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

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
Notes to the Financials
December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies -Continued

Fund Balance

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

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

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

Committed Fund Balance classification includes amounts that can be used only for the specific purpose determined by a resolution approved by the County Commissioners.

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

Unassigned Fund Balance is the residual classification and includes all spendable amounts not contained in the other classification.

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

Net Position

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

Net Investment in Capital Assets – consists of net capital assets, reduced by outstanding balances of any related debt obligation attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities related to restricted assets. There were no restricted net position balances on December 31, 2023.

Unrestricted Net Position – consists of all other net positions that do not meet the definition of the above two components and is available for general use by the District.

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

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
Notes to the Financials
December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies -Continued

Estimates

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

Fair Value of Financial Instruments

The financial instruments of the District include cash and cash equivalents, and accounts payable. The district estimates that the fair value of all financial instruments on December 31, 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of net assets. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Pensions

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

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 made changes to certain benefit provisions. Most of these changes were in effect as of December 31, 2023.

Defined Benefit Other Post Employment Benefit Plan (OPEB)

The district 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 (FNP) and additions to/deductions from the FNP 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.

Subsequent Events

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

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

NOTE 2 - Budgetary Information

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

NOTE 3 - Cash and cash Equivalents-Custodial Credit Risk

The Colorado Public Deposit Protection Act, (PDPA) requires all units of local governments to deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be equal to 102% of the aggregate uninsured deposits.

As of December 31, 2023. The Federal Deposit Insurance Corporation insured all District deposits.

NOTE 4 - Capital Assets

The changes in capital assets being depreciated for the year ended December 31, 2023, were as follows:

Governmental Activities	Balance January 1, 2023	Additions	Deletions	Balance December 31, 2023
Equipment	\$49,627	\$ -	\$ -	\$ 49,627
Vehicles	21,305	-	-	21,305
Less Accumulated depreciation	<u>(70,932)</u>	<u>-</u>	<u>-</u>	<u>(70,932)</u>
Total Capital Assts, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 5 - Long-Term Obligations

During the year ended December 31, 2023, the following changes occurred in the District's long-term obligations:

	<u>January 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2023</u>
Compensated Absences	<u>\$ 66,213</u>	<u>\$ 415</u>	<u>\$ -</u>	<u>\$ 66,628</u>

NOTE 6 - Defined Benefit Pension Plan

General Information about the Pension Plan

Plan description. Eligible employees of the Office of the District Attorney, Fifteenth Judicial District are provided with pensions through the State Division Trust Fund (SDTF)—a cost-sharing multiple-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) No. 67 and is administered by Public Employees' Retirement Association of Colorado (PERA).

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
Notes to the Financials
December 31, 2023

NOTE 6 - Defined Benefit Pension Plan-Continued

General Information about the Pension Plan

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

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

The Trust fund serves as a defined benefit retirement plan where retirees receive a monthly benefit for their lifetime, and generally, an annual increase each year, as eligible. Members of affiliated employers are eligible to receive a lifetime monthly retirement benefit when certain are and service credit requirements are met. These eligibilities vary by the membership date and consider credited services at key dates. The benefits are based upon a defined or fixed multiplier, age, years of credited service, and highest average salary (HAS). For most employees, HAS, as of December 31, 2022, is one-twelfth of the average of the highest annual salaries that are associated with three periods (five periods, under certain circumstances) of 12 consecutive months under PERA-covered employment. The basic retirement benefit equals $2.5\% \times HAS \times \text{Years of Service}$. If a member reaches early retirement eligibility and wishes to begin benefit payments prior to achieving the full retirement requirements, then the monthly amount is reduced to consider the early receipt of monthly payments. Alternately, if greater, a lifetime benefit is available that is calculated by annuitizing the member's account. At benefit commencement, the member can choose from different payment options, some of which can continue after the retiree's death to a named beneficiary, and for which the benefit amount is appropriately adjusted.

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

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

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

Note 6 – Defined Benefit Pension Plan (continued)

Employer Contributions. Employers are required to contribute to the Trust Fund at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. Employer contribution requirements, as a percentage of salary, are summarized in the table below:

	January 1, 2022, Through <u>June 30, 2022</u>	July 1, 2022, Through <u>December 31, 2022</u>
Employer contribution rate	10.90%	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	9.88%	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%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.10%	0.10%
Total employer contribution rate to the SDTF	19.98%	19.98%

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

Employer contributions are recognized by the SDTF in the period in which the compensation becomes payable to the member and the Office of the District Attorney is statutorily committed to pay the contributions to the SDTF. Employer contributions recognized by the SDTF from Office of the District Attorney, Fifteenth Judicial District were \$29,829 for the year ended December 31, 2023

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
Notes to the Financials
December 31, 2023

Note 6 – Defined Benefit Pension Plan (continued)

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

HB 22-1029, enacted June 7, 2022, required a restorative payment for the suspended 2020 direct distribution due to HB 20-1379. Upon enactment of HB 22-1029, the State treasurer issued a warrant to PERA in the amount of \$380 million with reductions, as applicable, to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024. The 2022 allocation to the Judicial Division was \$3,576,000.

Actuarial Valuation Date. The collective total pension liability is based upon the December 31, 2021, actuarial valuation, and generally accepted actuarial techniques were applied to roll forward the collective total pension liability to December 31, 2022. The roll forward calculation includes actual benefits, refunds, and disability premiums paid for the plan year, interest on the total pension liability, and annual normal cost (also called service costs), changes of benefit terms, differences between expected and actual experience at the end of year, and changes of assumptions or other inputs.

Collective Net Pension Liability. The components of the collective net pension liability of the Trust Fund on December 31, 2022, were as follows:

Total pension liability	\$ 1,542,309
Plan fiduciary net position	<u>935,112</u>
Net pension liability	<u>\$ 607,197</u>

Plan fiduciary net position (FNP) as a percentage of the total pension liability is 60.63%.

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

Note 6 – Defined Benefit Pension Plan (continued)

Actuarial Assumptions. The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.30%–10.90%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07. and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06.	Financed by the AIR

Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The actuarial assumptions used in the December 31, 2021, valuations were based on the 2020 experience analysis, dated October 28, 2020, for the period d January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA’s Board on November 20, 2020.

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

Pre-retirement mortality assumptions for members were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

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

Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019

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

Males: 97% of the rates for all ages, with generational projection using scale MP-2019.

Females: 105% of the rates for all ages, with generational projection using scale MP-2019.

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
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Note 6– Defined Benefit Pension Plan (continued)
Actuarial Assumptions-continued

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

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and assets/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 7.25%. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2021, and the financial status of the Trust Fund as of the prior measurement date (December 31, 2021). In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200, required adjustments resulting from the 2018 and 2020 AAP assessment. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
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 December 31, 2023

Note 6– Defined Benefit Pension Plan (continued)
Discount Rate-continued

- 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, required adjustments resulting from the 2018 and 2020 AAP assessment, Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% 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, as a non-employer contributing entity, will provide an annual direct distribution of \$225 million, commencing July 1, 2018. That is proportioned between the State, School, Judicial, and DPS Divisions Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all division Trust Funds are fully funded.
- HB 22-1029, effective upon enactment in 2022, required the State Treasurer to issue, in addition to the regularly scheduled \$225 million direct distribution, a warrant to PERA in the amount of \$380 million with reduction to future direct distributions. The July 1, 2023, direct distribution will be reduced by \$190 million to \$35 million. The July 1, 2024, direct distribution will not be reduced from \$255 million due to a negative investment return in 2022.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate. The following Trust Fund’s collective net pension liability using the discount rate of 7.25%, as of the measurement date, as well if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease <u>(6.25%)</u>	Current Discount <u>Rate (7.25%)</u>	1% Increase <u>(8.25%)</u>
Proportionate share of the net pension	\$776,231	\$607,197	\$465,008

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
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 December 31, 2023

Note 6– Defined Benefit Pension Plan (continued)

On December 31, 2022, the Office of the District Attorney, Fifteenth Judicial District proportion was .005585 percent, which was an increase of .001541 from its proportion measured as of December 31, 2021.

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

	Deferred Outflows of Resources		
	Difference Between Expected and Actual Experience	Changes of Assumptins or Other Inputs	Difference Between Projected and Actual Investment Earnings
Beginning deferral amounts as of prior measurement date, December 31, 2021	\$ 2,802	\$ 14,685	\$ 17,578
Deferral amounts added as of measurement date, December 31, 2022	-	-	228,123
Total of amortization amounts recognized in pension expense during measurement period, 2022	(2,802)	(14,685)	(63,202)
Outstanding deferral amounts as of measurement date, December 31, 2022	\$ -	\$ -	\$ 182,498

	Deferred Inflows of Resources		
	Difference Between Expected and Actual Experience	Changes of Assumptins or Other Inputs	Difference Between Projected and Actual Investment Earnings
Beginning deferral amounts as of prior measurement date, December 31, 2021	\$ 573	\$ -	\$ 159,314
Deferral amounts added as of measurement date, December 31, 2022	12,831	-	-
Total of amortization amounts recognized in pension expense during measurement period, 2022	(5,263)	-	(54,011)
Outstanding deferral amounts as of measurement date, December 31, 2022	\$ 8,141	\$ -	\$ 105,303

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
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Note 6 – Defined Benefit Pension Plan (continued)

Net Difference Between Collective Deferrals for Projected and Actual Investment Earnings

GASB Statement No. 68, paragraph 71b states collective deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and included as a net collective deferred outflow of resources related to pensions or a net collective deferred inflow of resources related to pensions.

Difference Between Projected and Actual Investment Earnings	
Outstanding Deferred Outflows of Resources as of measurement date, December 31, 2022	\$ 182,498
Outstanding Deferred Inflows of Resources as of measurement date, December 31, 2022	105,303
Current year contribution	53,562
Outstanding Net Deferred Outflow of Resources as of measurement date, December 31, 2022	\$ 130,757

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

For the Plan Year Ended December 31,	Deferred Outflows and Collective Deferred Inflows of Resources Recognized in Collective Pension Expense as Follows:
2023	\$ (13,528)
2024	8,484
2025	28,473
2026	45,625
2027	-
Thereafter	-

Average Expected Remaining Service Life

The following presents the Trust Funds average of the expected remaining service life of all members that are provided with benefits through the Trust Fund (active and inactive members) determined as of the beginning of the measurement period:

Determined at Beginning of Measurement Period	Average Expected Remaining Service Life
2022	2.61

OFFICE OF THE DISTRICT ATTORNEY
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Note 6 – Defined Benefit Pension Plan (continued)

Collective Pension Expense

	Collective Pension Expense For the Year Ended December 31, 2022	
Service cost at beginning of year	\$	22,447
Interest on the total pension liability		108,639
Current-period benefit changes		-
Expenses portion of current-period differences between expected and actual experience in the total pension liability		(4,916)
Expensed portion of current-period changes of assumptions or other inputs		-
Active member contributions		(22,128)
Projected earnings on plan investments		(79,736)
Expensed portion of current-period differences between projected and actual earnings on plan investments		45,625
Administrative expense		783
Other		501
Recognition of beginning collective deferred outflows of resources as pension expense		35,065
Recognition of beginning collective deferred inflows of resources as pension expense		(54,358)
Collective pension expense	\$	51,922

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FIFTEENTH JUDICIAL DISTRICT
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December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions

General Information about the OPEB Plan

Plan Description. Eligible employees of the Office of the District Attorney, Fifteenth Judicial District are provided with OPEB through the Health Care Trust Fund (HCTF)—a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74 and is administered by the Public Employee’s retirement Association of Colorado (PERA). PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Brief Description of Benefits. The Trust Fund 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, set forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary In order to carry out the purpose of the PERACare program, including the administration of the premium subsidies.

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 the 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.

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December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)

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 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 benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum subsidy, in each case, is for retirees 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 retiree 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 of the District Attorney, Fifteenth Judicial District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Office of the District Attorney, Fifteenth Judicial District were \$2,531 for the year ended December 31, 2023.

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
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 December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)

Employer Allocation Percentages. GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, requires participating employers in the Trust Fund to recognize their proportionate share of the collective net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense in their financial statements. The Schedule of Employer Allocations is prepared to provide employers with their calculated proportion. The proportion presented in this schedule are based on employer contributions as a percentage of total employer contributions during the measurement period or reporting months January 1, 2022, through December 31, 2022. This schedule reports contributions and allocations for each reporting agency affiliated with PERA in /the Trust Fund. Employer contributions are recognized in the period in which the compensation becomes payable to the member and the employer is statutorily committed to paying the contributions to the Trust Fund. Contributions are reduced, if applicable, for refunds of contributions. In the normal course of business, administrative errors can occur resulting in corrections to prior employer and member contribution remissions. Also, contributions have been annualized for reporting agencies who did not participate in the Trust Fund for the twelve-month period.

As reported in the Trust Fund’s Statement of Changes in Fiduciary Net Position in the December 31, 2022, PERA ACFR, employer contributions were \$103,818,000 compared to the total employer contributions of \$103,506,000 on the Schedule of Employer Allocations. The difference is due to the annualization of contributions and other adjustments to better represent the long-term contribution effort of the employers in the Trust Fund.

Actuarial Valuation Date. The collective total OPEB liability is based upon the December 31, 2021, actuarial valuation, and generally accepted actuarial techniques were applied to roll forward the collective total OPEB liability to December 31, 2022. The roll forward calculation includes actual benefits, interest on the total OPEB liability, the annual normal cost (also called service cost), changes of benefit terms, differences between expected and actual experience at the end year, and changes of assumptions or other input.

Collective Net OPEB Liability. The components of the collective net OPEB liability of the Trust Fund on December 31, 2022, were as follows.

Total OPEB liability	\$	32,502
Plan fiduciary net position		12,537
Net OPEB liability	\$	19,965

Plan fiduciary net position (FNP) as a percentage of the total OPEB liability is 38.75%

Actuarial Assumptions. The December 31, 2021, valuation used the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 %
Real wage growth	0.70 %
Wage inflation	3.00 %
Salary increases, including wage inflation	2.80% - 5.30%.
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 %
Discount rate	7.25 %

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 December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)

Actuarial Assumptions-continued

Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 % 6.50% in 2022 Gradually decreasing to 4.50% in 2030
PERACare Medicare plans	3.75% in 2022, gradually increasing to 4.50% in 2029
Medicare Part A premiums	3.75% in 2022, gradually increasing to 4.50% in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00 percent.
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

The total OPEB liability for the Trust Fund, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R. S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capital health care costs are developed by plan options; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those eligible for premium-free Medicare Part A for the PERA benefit structure.

AGE-RELATED MORBIDITY ASSUMPTIONS		
Participant Age	Annual	Annual
	Increase (Male)	Increase (Female)
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%
78	1.5%	1.6%
79	1.5%	1.5%
80	1.4%	1.5%
81 and older	0.0%	0.0%

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
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Note 7 – Postemployment Benefits Other Than Pensions (continued)
Actuarial Assumptions-continued

Sample Age	MAPD PPO #1 With Medicare Part a Retiree/Spouse		MAPD PPO #1 without Medicare Part A Retiree/ Spouse	
	Male	Female	Male	Female
65	\$ 26	\$ 35	\$ 159	\$ 136
70	48	38	1,847	146
75	52	41	199	157

Sample Age	MAPD PPO #2 With Medicare Part a Retiree/Spouse		MAPD PPO #2 without Medicare Part A Retiree/ Spouse	
	Male	Female	Male	Female
65	\$ 14	\$ 12	\$ 103	\$ 88
70	17	13	120	95
75	18	14	129	102

Sample Age	MAPD HMO (Kaiser) Medicare Part a Retiree/Spouse		MAPD HMO (Kaiser) without Medicare Part A Retiree/ Spouse	
	Male	Female	Male	Female
65	\$ 47	\$ 40	\$ 165	\$ 140
70	55	43	191	151
75	6	46	206	163

The 2022 Medicare Part A premium is \$499 per month.

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 industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, 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.

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)
Actuarial Assumptions-continued

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, valuation for the State Division Judicial Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the December 31, 2021, valuation for the Trust Fund, but developed on a headcount-weighted basis. Affiliated employers of these Division Trust Funds participate in the Trust Fund.

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disable mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

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

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

Disabled mortality assumptions for members other than State Troopers, were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projections using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the Trust Fund:

- Per capital health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)
Actuarial Assumptions-continued

- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option# 2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then-current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the PERA Board’s actuary, as discussed above.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the total OPEB liability, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA’s Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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 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.

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

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

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)

Sensitivity of the Collective Net OPEB Liability to Changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare Part A trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	<u>3.50%</u>	<u>4.50%</u>	<u>5.50%</u>
Net OPEB Liability	\$19,400	\$19,965	\$20,580

Discount Rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2021, and the financial status of the Trust fund as of the prior measurement date (December 31, 2021). 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, 2022, 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 3.00%.
- 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.
- Estimated transfers of dollars into the Trust Fund representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the Trust Fund’s FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% 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. There was no change in the discount rate from the prior measurement date.

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)

Sensitivity of the Collective Net OPEB Liability to Changes in the Discount Rate. The following presents the proportionate share of the Trust Fund’s net OPEB liability calculated using the discount rate of 7.25% as of the measurement date, as well as what the 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%) or 1-percentage-point higher (8.25%) than the current rate:

	Sensitivity of the Net OPEB Liability		
	6.25%	7.25%	8.25%
Discount rate Net OPEB liability	\$ 23,145	\$ 19,965	\$ 17,245

Reconciliation of Collective Deferred outflows of Resources: The following presents the Trust Fund’s collective deferral reconciliation showing the beginning deferrals, adding the current year collective deferrals, and adjusting for the current year amortization of deferrals to arrive at the ending collective deferral amounts:

Deferred Outflows of Resources	Difference Between	Changes of	Difference Between
Reconciliation of Deferrals	Expected and	Assumptions or	Projected and Actual
	Actual Experience	Other Inputs	Investment Earnings
Beginning deferral amounts as of prior measurement date, December 31, 2021	\$ 32	\$ 437	\$ 147
Deferral amounts added as of measurement date, December 31, 2022	-	-	2,737
Total of amortization amounts recognized in OPEB expense during measurement period, 2022	(30)	(116)	(695)
Outstanding deferral amounts as of measurement date, December 31, 2022	\$ 3	\$ 321	\$ 2,190

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)

Reconciliation of collective Deferred Inflows of Resources. The following presents the Trust Fund’s collective deferral reconciliation showing the beginning deferrals, adding the current year collective deferrals, and adjusting for the current year amortization of deferrals to arrive at the ending collective deferral amounts.

Deferred Inflows of Resources	Difference Between	Changes of	Difference Between
Reconciliation of Deferrals	Expected and	Assumptions or	Projected and Actual
	Actual Experience	Other Input	Investment Earnings
Beginning deferral amounts as of prior measurement date, December 31, 2021	\$ 5,000	\$ 1,144	\$ 1,453
Deferral amounts added as of measurement date, December 31, 2022	1,464	1,597	-
Total of amortization amounts recognized in OPEB expense during measurement period. 2022	(1,636)	(537)	(482)
Outstanding deferral amounts as of measurement date, December 31, 2022	<u>\$ 4,828</u>	<u>\$ 2,204</u>	<u>\$ 970</u>

Net Difference Between Collective Deferrals for Projected and Actual Investment Earnings. GASB Statement No. 75, paragraph 86b states collective outflows of resources and deferred inflows of resources arising from differences between projected and actual OPEB plan investment earnings in different measurement periods should be aggregated and included as a net collective deferred outflow of resources related to OPEB or a net collective deferred inflow of resources relate to OPEB.

Difference Between Projected and Actual Investment Earnings

Outstanding Deferred Outflows of Resources as of measurement date, December 31, 2022	\$ 2,190
Outstanding deferred Inflows of Resources as of measurement date, December 31, 2022	970
Outstanding Net Deferred Outflows of Resources as of measurement date, December 31, 2022	<u>\$ 1,219</u>

OFFICE OF THE DISTRICT ATTORNEY
 FIFTEENTH JUDICIAL DISTRICT
 Notes to the Financials
 December 31, 2023

Note 7 – Postemployment Benefits Other Than Pensions (continued)

Net Amount of Collective Deferred Inflows of Resources and Collective Deferred Outflows of Resources Recognized in the Collective Net OPEB Expense in Subsequent Years. The following presents the Trust fund’s net amount of the collective deferred outflows of resources and deferred inflows of resources that will be recognized in the collective OPEB expense for each of the subsequent five years and in the aggregate thereafter.

For the Plan Year Ended December 31,	Amounts Reported as Collective Deferred Outflows and Collective Deferred Inflows of Resources Recognized in Collective OPEB Expense as Follows.
2023	\$ (1,989)
2024	(1,868)
2025	(867)
2026	(130)
2027	(517)
Thereafter	(118)

Average Expected Remaining Service Life. The following presents the Trust Fund’s average of the expected remaining service lives of all members that are provided with benefits through the Trust Fund, active and inactive, determined as of the beginning of the measurement period:

Determined at Beginning of Measurement Period	Average Expected Remaining Service Life
2022	6.24

Collective OPEB Expense

Collective OPEB Expense For the Year Ended December 31, 2022	
Service cost at beginning of year	\$ 385
Interest on the total OPEB liability	2,475
Current-period benefit changes	(1)
Expensed portion of current-period differences between expected and actual experience in the total OPEB liability	(235)
Expensed portion of current-period changes of assumptions or other inputs	(256)
Active member contributions (includes purchase of services transfers)	(160)
Projected earnings on plan investments	(1,014)
Expensed portion of current-period differences between projected and actual earnings on plan investments	547
Plan administrative expense	115
Other	(58)
Recognition for beginning collective deferred outflows of resources as OPEB expense	293
Recognition for beginning collective deferred inflows of resources as OPEB expense	(2,164)
Collective OPEB Expense	\$ (74)

OFFICE OF THE DISTRICT ATTORNEY
FIFTEENTH JUDICIAL DISTRICT
Notes to the Financials
December 31, 2023

Note 8 – County Pension Plan

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

The payroll for employees of the District covered by this Plan for the year ended December 31, 2023, was \$253,250 with a total payroll of \$543,145.

Note 9 – Deferred Compensation Plan

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

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

Note 10 – TABOR

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

Note 11 – Risk Management

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

REQUIRED SUPPLEMENTAL INFORMATION

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
 Lamar, Colorado
 Schedule of Employer Pension Contributions
 For the Year Ended December 31, 2023

Year Ended December 31,	Statutorily Required Contribution	Contribution Made	Covered Payroll	% of covered Payroll
2015	22,529	22,529	130,000	17.33%
2016	23,699	23,699	130,000	18.23%
2017	24,869	24,869	130,000	19.13%
2018	24,869	24,869	130,000	19.13%
2019	25,031	25,031	130,000	19.25%
2020	25,519	25,519	130,000	19.63%
2021	25,519	25,519	149,667	17.05%
2022	29,829	29,829	243,250	12.26%

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
 Lamar, Colorado
 Schedule of Employer OPEB Contributions
 For the Year Ended December 31, 2023

Year Ended December 31,	Statutorily Required Contribution	Contribution Made	Covered Payroll	% of covered Payroll
2021	1,326	1,326	149,667	0.89%
2022	1,527	1,527	243,250	0.63%

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
 Lamar, Colorado
 Schedule of the District's Proportionate Share of Net Pension Liability
 For the Year Ended December 31, 2022

Year Ended December 31,	Cumulative Proportion of Net Pension Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net Pension Liability
2015	0.47%	492,482	130,000	378.83%	78.24%
2016	0.46%	838,138	130,000	644.72%	74.18%
2017	0.44%	886,929	130,000	682.25%	76.05%
2018	0.38%	429,479	130,000	330.37%	81.47%
2019	0.37%	353,940	130,000	272.26%	60.68%
2020	0.40%	376,070	130,000	289.28%	53.05%
2021	0.40%	376,070	149,667	251.27%	53.05%
2022	0.40%	298,264	243,250	122.62%	73.05%

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

OFFICE OF THE DISTRICT ATTORNEY, FIFTEENTH JUDICIAL DISTRICT
 Lamar, Colorado
 Schedule of the District's Proportionate Share of Net OPEB Liability
 For the Year Ended December 31, 2022

Year Ended December 31,	Cumulative Proportion of Net Pension Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net Pension Liability
2021	0.40%	13,358	149,667	8.93%	32.78%
2022	0.40%	13,483	243,250	5.54%	39.40%

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