

Financial Statements
December 31, 2023

**Office of the District Attorney
Eighteenth Judicial District**

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INDEPENDENT AUDITORS' REPORT

District Attorney
Office of the District Attorney, Eighteenth Judicial District
Centennial, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Office of the District Attorney, Eighteenth Judicial District, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Office of the District Attorney, Eighteenth 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 and each major fund of the Office of the District Attorney, Eighteenth Judicial District, as of December 31, 2023, and the respective changes in financial position, and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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, Eighteenth 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, Eighteenth 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.

Auditors' 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 auditors' 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 GAAS and *Government 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.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, 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 Office of the District Attorney, Eighteenth 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 Office of the District Attorney, Eighteenth 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of the Office's Proportionate Share of the Net Pension Liability, Schedule of the Office Contributions Participation in PERA Pension Plan, Schedule of the Office's Proportionate Share of the Net OPEB Liability, and Schedule of the Office Contributions Participation in PERA OPEB plan as listed in the table of contents be presented to supplement the basic financial statements. Such information 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office of the District Attorney, Eighteenth Judicial District's basic financial statements. The Schedule of General Operating Intergovernmental Revenue and Expenditures, the Schedule of Special Program Expenditures, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

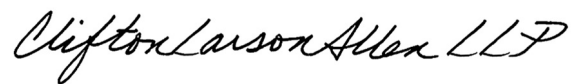
We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Office of the District Attorney, Eighteenth Judicial District's basic financial statements for the year ended December 31, 2022, which are not presented with the accompanying financial statements, and have issued our report thereon dated June 27, 2023, which contained unmodified opinions on the respective financial statements of the governmental activities and each major fund. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office of the District Attorney, Eighteenth Judicial District's basic financial statements as a whole. The supplementary information listed in the table of contents for the year ended December 31, 2022 is presented for additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 financial statements.

The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 supplementary information is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

District Attorney
Office of the District Attorney, Eighteenth Judicial District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 3, 2024, on our consideration of the Office of the District Attorney, Eighteenth Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office of the District Attorney, Eighteenth Judicial District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Office of the District Attorney, Eighteenth Judicial District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Broomfield, Colorado
July 3, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Office of the District Attorney
Eighteenth Judicial District
Management's Discussion and Analysis
December 31, 2023**

Management of the Office of the District Attorney, Eighteenth Judicial District (Office), offers readers of these financial statements this overview and analysis of the financial activities for the year ended December 31, 2023.

Financial Highlights

The primary functions of the Office are criminal prosecution and diversion. These programs are funded on a cost reimbursement basis wherein the Office incurs expenditures and is reimbursed by the funding sources. Annual revenues from these programs equal their respective expenditures, thus there is no creation of, or change in, fund balance. In the governmental funds, two programs report restricted fund balance. At year-end, the Office's governmental funds report a combined ending fund balance of \$3,513,168, an increase of \$470,066 from the prior year. The balance consists of \$233,861 nonspendable fund balance to cover prepaid expenses, \$1,701,833 assigned for future self-insurance claims and the 23rd transition, \$117,877 restricted for forfeitures, \$65,613 restricted for grants, and \$1,393,984 restricted for crime victim compensation. There are no unassigned fund balances.

Overview of the Financial Statements

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

Government-wide financial statements

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

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

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

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

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

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

**Office of the District Attorney
Eighteenth Judicial District
Management's Discussion and Analysis
(Continued)
December 31, 2023**

Fund financial statements

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

Governmental funds

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

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

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

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

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

Notes to the financial statements

The Notes to the Financial Statements provide additional information essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 7 through 33 of this report.

Required supplementary information

In addition to the basic financial statements and accompanying notes, this report includes required supplementary information concerning the net pension liability historical activity and payroll and contribution information as it relates to the District Attorney's participation in the plan and can be found on pages 34 of this report.

Supplementary information

In addition to the basic financial statements and accompanying notes, this report includes supplementary information with additional information on our county budget and can be found on pages 38-39 of this report.

In May of 2020, the GASB issued Statement No. 96, "Subscription-based Information Technology Arrangements" (SBITA). The statement requires recognition of software assets and liabilities for arrangements lasting longer than twelve months and to recognize as outflows of resources based on provisions of the software arrangement. It establishes that a SBITA results in a right-to-use subscription asset. Under the statement, a lessee is required to recognize a software liability and an intangible right-to-use software asset, and a deferred outflow of resources. Effective January 1, 2023, the District implemented the provisions of GASB Statement No. 96. This amendment did not have an impact on beginning net position.

**Office of the District Attorney
Eighteenth Judicial District
Management's Discussion and Analysis
(Continued)
December 31, 2023**

Government-wide Financial Analysis

The primary functions of the Office are criminal prosecution and juvenile diversion. Each of these functions is funded on a cost reimbursement basis wherein the Office incurs the expenditures and is reimbursed by the various funding sources. All annual activity relates to lease and subscription activity. The net position increased by \$20,049, as a result of related activity.

Governmental activities

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

The following table presents information from the Statement of Net Position derived from the basic financial statements of the Office of the District Attorney – Eighteenth Judicial District as of December 31, 2023 and 2022.

	Governmental activities	
	2023	2022
Assets		
Current and other assets	\$ 4,275,850	\$ 4,093,003
Capital assets	1,188,493	855,268
Total assets	5,464,343	4,948,270
Deferred Outflows	119,664	89,177
Liabilities		
Other liabilities	762,682	1,566,073
Long-term liabilities	3,412,168	2,013,001
Total liabilities	4,174,850	3,579,074
Deferred Inflows	78,909	193,174
Net Position		
Net investment in Capital Assets	341,427	403,533
Restricted	1,577,474	1,678,574
Unrestricted	(588,653)	(771,908)
Total net position	\$ 1,330,248	\$ 1,310,199

**Office of the District Attorney
Eighteenth Judicial District
Management's Discussion and Analysis
(Continued)
December 31, 2023**

As taken from the Statement of Activities in the basic financial statements, the following depicts the changes in net position for the years ended December 31, 2023 and 2022.

	Changes in Net Position	
	2023	2022
Revenues		
Program revenues		
Intergovernmental revenues	\$ 31,315,694	\$ 29,188,320
Operating grants and contributions	2,966,849	1,891,432
General Revenues		
Sale of capital assets	114,786	16,400
Restricted investment earnings	12,999	3,374
Total revenues	<u>34,410,328</u>	<u>31,099,526</u>
Expenses		
Criminal prosecution	29,718,280	26,991,125
Crime victim compensation payments	2,004,666	1,882,777
Special programs	2,493,053	1,542,042
Forfeitures	17,206	42,575
Other	157,074	123,102
Total expenses	<u>34,390,279</u>	<u>30,581,621</u>
Increase in net position	20,049	517,905
Net position - beginning	<u>1,310,199</u>	<u>792,294</u>
Net position - ending	<u>\$ 1,330,248</u>	<u>\$ 1,310,199</u>

Business-type activities

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

Proprietary funds

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

Governmental funds

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

At year-end, the Office's governmental funds reported combined ending fund balances of \$3,513,168, an increase of \$470,066 from the prior year. The Office's health self-insurance fund continues to see claims under funding expectations creating additional reserves for future periods and with the upcoming division of the 18th in multiple DA's offices the counties requested transition costs be covered by 2023 savings. This reserve is assigned for 2024 anticipated transition costs. There are no unassigned fund balances in the governmental funds.

The Office maintains two special revenue funds. The forfeitures fund is used to account for funds received pursuant to court orders directing the owner to forfeit property seized in connection with criminal activities. These funds may be

**Office of the District Attorney
Eighteenth Judicial District
Management's Discussion and Analysis
(Continued)
December 31, 2023**

used only for purposes allowed under Colorado law and when authorized by the Eighteenth Judicial District Forfeitures Board. At year-end, the forfeitures fund reported a restricted fund balance of \$117,877, an increase of \$5,127 from 2022.

The Crime Victim Compensation fund is a legally separate entity organized under Colorado Revised Statutes for the purpose of providing financial remedies to certain crime victims and is included as part of the primary government because of the Office's oversight responsibilities. This fund is included as a special revenue fund and reported a restricted fund balance of \$1,393,984 at year-end. This represents a decrease of \$2,522 from the prior year.

General Fund Budgetary Highlights

The biggest changes in the 2023 budget were the spending of \$900,000 in ARPA funding to address the backlog in cases created by the pandemic and the active application and awarding of other grants including a State opiate grant which expended \$189,953. The Office also continues to see the budget effects of implementing GASB 87 and 96 in implementing accounting requirements for these types of transactions.

The total budget for criminal prosecution revenue was \$31,905,654. Of this amount, \$32,113,991 was collected during 2023. The most significant difference from the budget was the collection/spending of ARPA funds and request of federal funds under victim compensation.

The total 2023 general fund budgeted expenditures, including \$2,550,000 for various operating grant programs, were \$32,312,688 which was underspent by \$4,631. The major budgetary difference for operating grants was the spending of ARPA related funds.

Capital Asset and Debt Administration

Capital assets

The Office's net investment in capital assets for its governmental activities as of December 31, 2023 was \$1,188,493 net of accumulated depreciation and amortization. This investment in capital assets consists of furniture, office equipment, computers, software subscriptions and vehicles used in the routine operation of the Office. With the implementation of GASB 87 and GASB 96 the Office added the right to use leased assets of \$873,379 net of accumulated amortization.

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

	Capital Assets, net of depreciation	
	2023	2022
Furniture, and office equipment and vehicles	<u>\$ 1,188,493</u>	<u>\$ 855,268</u>

Additional information on capital assets can be found in note III on page 14 of this report.

Economic Factors and 2024 Budget Information

The Office is subject to the economic factors of its four funding counties. For the most part the two largest counties work together to determine the items approved in our requested budget. Both counties are growing and allowed 3-5% increases in spending in the recent past. Our economic conditions and growth are consistent with the counties. In early 2020, the region experienced an outbreak of COVID 19 that has greatly affected the operations of the counties and the associated revenue sources slowed by the isolation orders placed on the State of Colorado. The American Recovery Plan Act funds has assisted this recovery, and the Office has received the commitment of \$2,287,498 in these and county funds to address the backlog of court cases caused by the pandemic. The four county governments in the District have appropriated these funds. The Office prepares its operating budget concurrently with the funding sources to ensure they have sufficient

**Office of the District Attorney
Eighteenth Judicial District
Management's Discussion and Analysis
(Continued)
December 31, 2023**

funds to cover their share of the Office's budget. The 2024 budget will increase by \$1.6M to cover the transition into two District Attorney's Office in 2025.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

Office of the District Attorney
Eighteenth Judicial District
Statement of Net Position
December 31, 2023

	Primary Government Governmental Activities
ASSETS	
Cash and investments	\$ 3,234,879
Due from other governments - current portion	
State of Colorado	266,939
Federal	476,179
County	8,650
Other	55,342
Prepaid items	233,861
Capital assets (net of accumulated depreciation and amortization)	
Furniture, equipment, vehicles, right-to-use lease assets and SBITA's	1,188,493
Total assets	<u>5,464,343</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension deferrals	115,870
OPEB deferrals	3,794
Total deferred outflows of resources	<u>119,664</u>
LIABILITIES	
Accounts payable	189,460
Due to counties - District revenue	
Arapahoe County	124,461
Douglas County	70,108
Elbert County	5,149
Lincoln County	1,076
Accrued liabilities	
Claims Payable	144,592
Other	95,077
Unearned general revenue	
Douglas County	80,793
Unearned grant revenue	
VALE - Administration	48,615
Juvenile diversion grant	1,178
Other	2,173
Noncurrent liabilities	
Due within one year	1,067,083
Due in more than one year	1,776,514
Net pension liability	550,628
Net OPEB liability	17,943
Total liabilities	<u>4,174,850</u>
DEFERRED INFLOWS OF RESOURCES	
Pension deferrals	71,361
OPEB deferrals	7,548
Total deferred inflows of resources	<u>78,909</u>
NET POSITION	
Net investment in capital assets	341,427
Restricted for:	
Grants	65,613
Crime victim compensation	1,393,984
Forfeitures	117,877
Unrestricted	(588,653)
Total net position	<u><u>\$ 1,330,248</u></u>

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

**Office of the District Attorney
Eighteenth Judicial District
Statement of Activities
For the Year Ended December 31, 2023**

Functions/Programs	Expenses	Program Revenues		Net Revenue and Changes in Net Position
		Charges for Services	Operating	Governmental Activities
			Grants and Contributions	
Governmental activities				
Criminal prosecution	\$ 29,718,280	\$ 29,694,471	\$ -	\$ (23,809)
Crime victim compensation payments	2,004,666	1,621,223	525,000	141,557
Special programs	2,493,053	-	2,419,520	(73,533)
Forfeitures	17,206	-	22,329	5,123
Other	157,074	-	-	(157,074)
Total governmental activities	<u>\$ 34,390,279</u>	<u>\$ 31,315,694</u>	<u>\$ 2,966,849</u>	<u>(107,736)</u>
		General revenues		
		Gain on sale of capital assets		114,786
		Interest income		<u>12,999</u>
		Total general revenues and transfers		<u>127,785</u>
		Change in net position		20,049
		Net position - Beginning		<u>1,310,199</u>
		Net position - Ending		<u>\$ 1,330,248</u>

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

**Office of the District Attorney
Eighteenth Judicial District
Balance Sheet
Governmental Funds
December 31, 2023**

	General	Forfeitures	Crime Victim Compensation	Total Governmental Funds
ASSETS				
Cash and investments	\$ 1,752,315	\$ 117,877	\$ 1,364,687	\$ 3,234,879
Due from other funds				-
Due from other governments				
Federal	476,179	-	-	476,179
State of Colorado	229,407	-	37,532	266,939
Counties	8,650	-	-	8,650
Other	55,342	-	-	55,342
Prepaid items	233,861	-	-	233,861
Total assets	<u>\$ 2,755,754</u>	<u>\$ 117,877</u>	<u>\$ 1,402,219</u>	<u>\$ 4,275,850</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 181,225	\$ -	\$ 8,235	\$ 189,460
Due to counties - District revenue				
Arapahoe County	124,461	-	-	124,461
Douglas County	70,108	-	-	70,108
Elbert County	5,149	-	-	5,149
Lincoln County	1,076	-	-	1,076
Accrued liabilities				
Claims Payable	144,592	-	-	144,592
Other	95,077	-	-	95,077
Unearned general revenue				
Douglas County	80,793	-	-	80,793
Unearned grant revenue				
VALE - Administration	48,615	-	-	48,615
Juvenile diversion grant	1,178	-	-	1,178
Other	2,173	-	-	2,173
Total liabilities	<u>754,447</u>	<u>-</u>	<u>8,235</u>	<u>762,682</u>
Fund balances				
Nonspendable Fund Balance	233,861	-	-	233,861
Restricted for				
Crime victim compensation	-	-	1,393,984	1,393,984
Forfeitures	-	117,877	-	117,877
Grants	65,613	-	-	65,613
Assigned Fund Balance - Self Insurance Plan	1,203,797	-	-	1,203,797
Assigned Fund Balance - 23rd Transition	498,036	-	-	498,036
Total fund balances	<u>2,001,307</u>	<u>117,877</u>	<u>1,393,984</u>	<u>3,513,168</u>
Total liabilities and fund balances	<u>\$ 2,755,754</u>	<u>\$ 117,877</u>	<u>\$ 1,402,219</u>	<u>\$ 4,275,850</u>

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,188,493
Long-term liabilities, are not due and payable in the current period and, therefore are not reported in the funds.	
Compensated absences	(1,996,531)
Net pension obligation	(550,628)
Net OPEB obligation	(17,943)
Leases	(470,204)
Subscription arrangements	(376,862)
Deferred outflows and inflows of resources related to pensions are applicable to	
Deferred outflows of resources related to pensions	115,870
Deferred outflows of resources related to OPEB	3,794
Deferred inflows of resources related to pensions	(71,361)
Deferred inflows of resources related to OPEB	(7,548)
Net position of governmental activities	<u>\$ 1,330,248</u>

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

**Office of the District Attorney
Eighteenth Judicial District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023**

	General	Forfeitures	Crime Victim Compensation	Total Governmental Funds
REVENUES				
Criminal prosecution	\$ 29,694,471	\$ -	\$ -	\$ 29,694,471
Victim assistance funds				
State of Colorado - fines and fees	-	317	760,154	760,471
State of Colorado - restitution	-	-	861,069	861,069
Federal grants	1,251,703	22,012	525,000	1,798,715
Special programs	1,167,817	-	-	1,167,817
Investment earnings	-	4	12,995	12,999
Total revenues	<u>32,113,991</u>	<u>22,333</u>	<u>2,159,218</u>	<u>34,295,542</u>
EXPENDITURES				
Current				
Criminal prosecution	29,347,625	-	-	29,347,625
Crime victim compensation payments	-	-	2,004,666	2,004,666
Special programs	2,493,053	-	-	2,493,053
Forfeitures	-	17,206	-	17,206
Other	-	-	157,074	157,074
Capital outlay				
Criminal prosecution	30,172	-	-	30,172
Debt Service				
Principal	368,942	-	-	368,942
Interest and fiscal charges	42,724	-	-	42,724
Total expenditures	<u>32,282,516</u>	<u>17,206</u>	<u>2,161,740</u>	<u>34,461,462</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(168,525)</u>	<u>5,127</u>	<u>(2,522)</u>	<u>(165,919)</u>
OTHER FINANCING SOURCES				
Lease and SBITA issuance	635,986	-	-	635,986
Total other financing sources and uses	<u>635,986</u>	<u>-</u>	<u>-</u>	<u>635,986</u>
Net Change in Fund Balances	467,461	5,127	(2,522)	470,066
Fund balances -beginning	1,533,846	112,750	1,396,506	3,043,102
Fund balances -ending	<u>\$ 2,001,307</u>	<u>\$ 117,877</u>	<u>\$ 1,393,984</u>	<u>\$ 3,513,168</u>

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

**Office of the District Attorney
Eighteenth Judicial District
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2023**

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

Net change in fund balances - total governmental funds (page 4)	\$ 470,066
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 was less than capital outlay in the current period.	204,663
The issuance of long-term debt (Capital leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has an effect on net assets.	
Lease and subscription issuance	(635,986)
Principal payments	368,942
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences - CY	(1,996,531)
Compensated absences - PY	1,581,237
Pension expense	23,205
OPEB expense	4,453
	\$ 20,049

Change in net position of governmental activities (page 2)

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

**Office of the District Attorney
Eighteenth Judicial District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Criminal prosecution	\$ 29,355,654	\$ 29,355,654	\$ 29,694,471	\$ 338,817
Special programs	2,006,830	2,550,000	2,419,520	(130,480)
Total revenues	<u>31,362,484</u>	<u>31,905,654</u>	<u>32,113,991</u>	<u>208,337</u>
EXPENDITURES				
Current				
Criminal prosecution	29,355,654	29,355,654	29,347,625	8,029
Special programs	2,006,830	2,550,000	2,493,053	56,947
Capital outlay				
Criminal prosecution	-	-	30,172	(30,172)
Debt Service				
Principal	-	368,942	368,942	-
Interest and fiscal charges	-	42,724	42,724	-
Total expenditures	<u>31,362,484</u>	<u>32,317,320</u>	<u>32,282,516</u>	<u>34,804</u>
Excess of revenues over expenditures - Budgetary basis	<u>\$ -</u>	<u>\$ (411,666)</u>	<u>(168,525)</u>	<u>\$ 243,141</u>
OTHER FINANCING SOURCES				
Lease issuance			<u>635,986</u>	
Net change in fund balances			<u>635,986</u>	
Fund balances - beginning of year			<u>1,533,846</u>	
Fund balances - end of year			<u>\$ 2,001,307</u>	

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

NOTES TO FINANCIAL STATEMENTS

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements
December 31, 2023**

I. Summary of Significant Accounting Policies

Financial Reporting Entity

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

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

Blended component unit

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

Government-wide and fund financial statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Office and its component unit. Interfund activity, except as noted below, has been removed from these statements.

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) fees and charges to citizens and other governmental entities that receive or directly benefit from services provided by a given function or program and 2) grants, contributions and other revenues that are restricted to use in the operational or capital requirements of a specific function or program. Other revenues not directly related to a particular function or program, if any, are reported separately as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The Office has no fiduciary funds. Additionally, because the Office does not operate enterprise or internal service funds, there are no proprietary funds included in this report.

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Measurement focus, basis of accounting and financial statement presentation

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

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

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

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

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

The Office reports the following major governmental funds:

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

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

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

Investments

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

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Receivables and payables

The current portion of receivables reported as due from other governments consists primarily of amounts due from the State of Colorado and federal government, as cost reimbursements to the Office for various operating expenditures incurred during December 2023. No allowances for uncollectible amounts have been made because these receivables are primarily due under state statutes, agreements, and existing grant awards and are expected to be fully collected.

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

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

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

Capital assets

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

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

<u>Asset Type</u>	<u>Years</u>
Furniture and fixtures	10
Vehicles	7
Equipment	3-5
Computer hardware and software	3-4
Leasehold Improvements	3-5

Subscription-based Information Technology Arrangements (SBITAs) assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying Information Technology (IT) assets.

Compensated absences

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

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Deferred outflows of resources and deferred inflows of resources

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

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

Fund Balances

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

Fund balances of governmental funds can be classified as follows:

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or it is legally or contractually required to be maintained intact. At December 31, 2023, the Office has \$233,861 in non-spendable funds related to prepaid expenses.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation. At December 31, 2023, fund balances of the Crime Victim Compensation Fund and the Forfeitures Fund are considered restricted under various provisions of Colorado Revised Statutes. Various grants funds are also restricted.

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District Attorney prior to the end of the fiscal year. The constraint may be removed or changed only through formal action of the District Attorney. At December 31, 2023, the Office has no committed funds.

Assigned fund balance – The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the District Attorney or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund. At December 31, 2023, the Office has \$1,203,797 in assigned funds for self-insurance plan reserves and \$498,036 for the transition in establishing the 23rd's District Attorney's office.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria. At December 31, 2023, the Office has no unassigned funds.

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

Net Position

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

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Crime Victim Compensation and Forfeiture activities are restricted at December 31, 2023 in accordance with Colorado Revised Statutes. The balance of net position is reported as unrestricted.

Pensions

Office of the District Attorney, 18th Judicial participates in the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

Postemployment Benefits Other Than Pensions (OPEB)

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

Leases

The Office determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Lease assets represent the Office's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the Office's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the Office will exercise that option.

The Office has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

Significant lease terms are disclosed in Note III.

The Office accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the Office treats the components as a single lease unit.

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Estimates

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

Adoption of New Accounting Standards

In May of 2020, the GASB issued Statement No. 96, "Subscription-based Information Technology Arrangements" (SBITA). The statement requires recognition of software assets and liabilities for arrangements lasting longer than twelve months and to recognize as outflows of resources based on provisions of the software arrangement. It establishes that a SBITA results in a right-to-use subscription asset. Under the statement, a lessee is required to recognize a software liability and an intangible right-to-use software asset, and a deferred outflow of resources. Effective January 1, 2023, the District implemented the provisions of GASB Statement No. 96. This amendment did not have an impact on beginning net position.

II. Reconciliation of Government-wide and Fund Financial Statements

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

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The \$1,188,493 balance represents the capital assets of the Office, net of accumulated depreciation.

Long-term liabilities, such as compensated absences, net pension liabilities, leases payable and subscription arrangements, are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities, in the amount of \$3,412,168, a net pension obligation of \$ 550,628, and an OPEB obligation of \$17,943, will ultimately become due from the four county governments as a cost reimbursement to the Office when expenditures are incurred. Deferred activities related to the pension and OPEB obligations totaled \$40,755.

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

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

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

Governmental funds report capital outlay as an expenditure. However, in the statement of activities the cost of capital assets is allocated over the estimated useful life and reported as depreciation expense. This is the amount by which depreciation expense was less than capital outlay in the current period. The detail of the \$204,664 difference is:

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Lease and SBITA issuance	\$ 635,986
Capital outlay	30,172
Depreciation expense	(576,280)
Gain on sale of leased assets	<u>114,786</u>
Adjustment decreasing net change in fund balance - total government funds to equal change in net position – governmental activities	<u><u>\$ 204,664</u></u>

Budgets

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

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

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

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

III. Detailed Notes on All Funds

Cash Deposits

At December 31, 2023, the Office's cash deposits had a carrying value of \$3,224,315 and a corresponding bank balance of \$3,566,518, of which \$500,000 is federally insured and \$3,066,518 is covered by PDPA as more fully described below.

Deposits are exposed to custodial credit risk (the risk that, in the event of the failure of a depository financial institution, the government would not be able to recover deposits or would not be able to recover collateral securities that are in the possession of an outside party), if they are not covered by depository insurance and are collateralized with securities held by the pledging financial institution, except for deposits collateralized by certain types of collateral pools including a single financial institution collateral pool where the fair value of the pool is equal to or exceeds all uninsured public deposits held by the financial institution (e.g. deposits insured by the Public Deposit Protection Act (PDPA)). Accordingly, none of the Office's deposits at December 31, 2023 are deemed to be exposed to custodial credit risk.

Investments

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

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

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The Office categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs. At December 31, 2023 the Office did not have any investments that meet the definition to be in the hierarchy.

As of December 31, 2023, the Office invested \$10,564 in the Colorado Local Government Liquid Asset Trust (ColoTrust). This Trust is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a 2a-7-like money market fund and each share is equal in value to \$1.00. ColoTrust is rated AAAM by Standard & Poor's Corporation. A designated custodial bank serves as custodian for the Trust's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as depository in connection with direct investment and withdrawals. The custodian's internal records segregate investments owned by the Trust. The fund is being measured at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Receivables / Unearned Revenue

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

Unearned grant revenues of \$51,966 represent grant funds received before expenditures have been incurred. These amounts represent the unexpended cash balances at year-end for various grants.

Capital assets

Capital asset activity of the Office, and its component unit, for the year ended December 31, 2023 was:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Depreciable capital assets				
Furniture, equipment and vehicles	\$ 1,489,537	\$ 30,172	\$ -	\$ 1,519,709
Right-to-use lease assets and SBITAs	1,353,396	750,428	(307,385)	1,796,439
Less accumulated				
Furniture, equipment and vehicles	(1,130,492)	(123,784)	-	(1,254,276)
Right-to-use lease assets and SBITAs	(715,552)	(452,496)	294,669	(873,379)
Net depreciable capital assets	<u>\$ 996,889</u>	<u>\$ 204,320</u>	<u>\$ (12,716)</u>	<u>\$ 1,188,493</u>

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

Certain reclassifications have been made to beginning balances to conform with the implementation of GASB 96. SBITA's have been reclassified as right to use assets in the beginning balance and are considered to have no net impact on the financial statement presentation.

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Long-term liabilities

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

	2023 Beginning Balance	Additions	Reductions	2023 Ending Balance	Current
Leases	\$ 451,735	\$ 307,514	\$ (289,045)	\$ 470,204	\$ 326,900
Subscription Arrangements	141,622	328,472	(93,232)	376,862	376,862
Compensated Absences	1,581,237	1,849,044	1,433,750	1,996,531	363,321
Total	<u>\$ 2,174,594</u>	<u>\$ 2,485,030</u>	<u>\$ 1,051,473</u>	<u>\$ 2,843,597</u>	<u>\$ 1,067,083</u>

Leases

A summary of the Office's lease terms and interest rates is as follows:

Vehicles:

Leases with options to purchase vehicle. Annual installments totaling \$126,116
plus interest at rates ranging from 3.3504% to 6.9804%, due dates ranging monthly from 1/1/2023 - 1/1/2027.

Computers:

Leases with options to purchase equipment. Annual installments totaling \$179,909
plus interest at rates ranging from 3.62% to 3.76%, due dates ranging once yearly from 2/1/2023-2/1/2024.

Aurora Location:

Building and office space leases. Annual installments totaling \$39,720
plus interest at rate of 3.40%, due dates ranging monthly from 1/1/2023-6/30/2025.

Envelope Machine:

Leases with options to purchase equipment. Annual installments totaling \$22,942
plus interest at rates of 4.70%, due dates ranging monthly from 1/1/2023-12/1/2024

Mail Machines:

Lease equipment. Annual installments totaling \$2,723
plus interest at rate of 4.70%, due dates ranging monthly from 1/1/2023- 4/1/2023.

FRP Location:

Building and office space leases. Annual installments totaling \$80,325
plus interest at rate of 3.40%, due dates ranging monthly from 1/1/2023-12/31/2024

Total Lease Payments remaining \$451,735

Total future minimum lease payments under lease agreements are as follows:

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	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 326,900	\$ 19,740	\$ 346,640
2025	74,914	13,653	88,567
2026	60,569	2,827	63,396
2027	7,821		7,821
Totals	<u>\$ 470,204</u>	<u>\$ 36,219</u>	<u>\$ 498,604</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

Equipment	\$ 869,479
Computers	285,779
Office Space	171,085
Less: accumulated amortization	<u>(780,147)</u>
	<u>\$ 546,196</u>

SBITA Liability

The Office has entered into subscription based-information technology arrangements (SBITAs) which are software agreements.

Software subscriptions include Axon Justice an evidence management software, CARES a mandatory crime reporting system and a multi-year Microsoft agreement. The SBITA agreements expire at various dates through 2024.

As of December 31, 2023, these agreements have a net present value of \$376,862. SBITA assets and the related accumulated amortization totaled \$470,096 and \$93,232 respectively.

IV. Defined Benefit Pension Plan

Plan description. Eligible employees of the Office of the District Attorney, 18th Judicial are provided with pensions through the State Division Trust Fund (SDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. The Office is responsible for contributing twenty percent of the employer contributions to PERA based on the rate for the state division set forth in C.R.S § 24-51-401. Since the Office is legally required to make the contributions to PERA for the District Attorney of the 18th Judicial District, the requirements of GASB 68 exist. Under the auspices of GASB 68, it requires the Office to record in its financial statements a proportionate share of PERA's collective net pension liability, pension expense, and deferred inflows and outflows related to the District Attorney for the 18th Judicial District. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

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

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit

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

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

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2019 for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, an annual increase of 1.00 percent unless adjusted by the automatic adjustment provision (AAP) pursuant C.R.S. § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 will receive the lesser of an annual increase of 1.00 percent or the average Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SDTF. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

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

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

	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employer contribution rate	11.40%	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)
Amount apportioned to the SDTF	10.38%	10.38%
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%

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Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.17%	0.17%
Total employer contribution rate to the SDTF	20.55%	20.55%

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

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

	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employer contribution rate	14.10%	14.10%
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	13.08%	13.08%
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	0.17%	0.17%
Total employer contribution rate to the SDTF	23.25%	23.25%

**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, 18th Judicial is statutorily committed to pay the contributions to the SDTF. Employer contributions recognized by the SDTF from Office of the District Attorney, 18th Judicial were \$46,569 for the year ended December 31, 2023.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million (actual dollars) direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SDTF based on the proportionate amount of annual payroll of the SDTF to the total annual payroll of the SDTF, School Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. In addition to the \$225 million (actual dollars) direct distribution due July 1, 2022, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of \$380 million (actual dollars), upon enactment. The July 1, 2023, payment is reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, payment will not be reduced due to PERA's negative investment return in 2022. Senate Bill (SB) 23-056, enacted June 2, 2023, requires the State to make an additional direct distribution of approximately \$14.5 million (actual dollars), for a total of approximately \$49.5 million (actual dollars) to be contributed on July 1, 2023.

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

The net pension liability for the SDTF was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the total pension liability to December 31, 2022. The Office of the District Attorney, 18th Judicial proportion of the net pension liability was based on the Office of the District Attorney, 18th Judicial contributions to the SDTF for the calendar year 2022 relative to the total contributions of participating employers and the State as a nonemployer contributing entity for participating employers of the SDTF that are outside of the State's financial reporting entity.

At December 31, 2023, the Office of the District Attorney, 18th Judicial reported a liability of \$550,628 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the Office of the District Attorney, 18th Judicial as its proportionate share of the net pension liability, the related support from the State as a non-employer contributing entity, and the total portion of the net pension liability that was associated with Office of the District Attorney, 18th Judicial were as follows:

Office of the District Attorney, 18 th Judicial's proportionate share of the net pension liability	\$550,628
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Office of the District Attorney, 18 th Judicial	<u>\$ 5,526</u>
Total	<u>\$556,154</u>

At December 31, 2023, the Office of the District Attorney, 18th Judicial proportion was .00501%, which was an decrease of .0008% from its proportion of .00585% measured as of December 31, 2022.

For the year ended December 31, 2023, the Office of the District Attorney, 18th Judicial recognized pension expense of \$15,603. At December 31, 2023, the Office of the District Attorney, 18th Judicial reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 7,308
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	69,301	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	64,053
Contributions subsequent to the measurement date	<u>46,569</u>	<u>-</u>
Total	\$115,870	\$ 71,361

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\$46,569 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended	
2024	\$(57,337)
2025	(11,244)
2026	25,562
2027	<u>40,959</u>
Total	<u>\$ (2,060)</u>

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 percent
Real wage growth	.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.30 – 10.90 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount Rate	7.25 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	1.00 percent compounded annually
PERA Benefit Structure hired after 12/31/06	Financed by the Annual Increase Reserve

¹ 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 mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than State Troopers 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:

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.

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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 projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2021, valuations were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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

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 ¹	6.00%	4.70%
Total	100.00%	

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- 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 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce

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the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. 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 nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled \$225 million (actual dollars) direct distribution, a warrant to PERA in the amount of \$380 million (actual dollars). The July 1, 2023, direct distribution is reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from \$225 million (actual dollars) due to PERA's negative investment return in 2022.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the Office of the District Attorney, 18th Judicial proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25)
Proportionate share of the net pension liability	\$696,850	\$550,628	\$417,454

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

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Defined Contribution Pension Plans

Voluntary Investment Program

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

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

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

Plan description The Office sponsors and administers a 401(k) Plan, a single employer defined contribution retirement plan that covers all of its full-time and part-time regular employees. Originally established in 1980, the plan was converted to a 401(k) on January 1, 1985. The Retirement Board, as trustee, administers the plan and has the authority to amend plan provisions. Vanguard is the plan custodian. At December 31, 2023 the plan had 402 participants.

Funding policy The Office contributes 6% of each participant's eligible salary and each participating employee contributes at least 4% of eligible salary. The Office contributes 7% or 8%, respectively of each participant's eligible salary if they contribute a matching 7% or 8%. Each participant may contribute up to 75% of their total eligible salary per year; however, contributions greater than 8% are not matched. The contributions and matching funds are invested at the direction of the participant. Employer contributions vest on a pro-rata basis upon years of service, with 100% vesting at four years. Employee contributions vest immediately. All vested funds are available to the participant or their beneficiary upon retirement, termination, disability, or death. The Office's pension expense to the plan for the years ended December 31, 2023, 2022 and 2021 were \$1,233,486 \$1,217,017 and \$1,517,471, respectively, and were equal to the required contributions for each year. The office included \$105,413 in forfeitures in pension expense for the year ended December 31, 2023.

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V. Postemployment Benefits Other Than Pensions

General Information about the OPEB Plan

Plan Description

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

Benefits Provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four divisions (State Division, School Division, Local Government Division and Judicial Division Trust Funds), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

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

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

PERA Benefit Structure

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

For 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.

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Contributions

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Office is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Office were \$2,348 for the year ended December 31, 2023.

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

At December 31, 2023, the Office reported a liability of \$17,943 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2022. The Office's proportion of the net OPEB liability was based on the Office's contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF. At December 31, 2023, the Office's proportion was .00219%, which was a decrease of .000007% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Office recognized OPEB expense of \$4,453. At December 31, 2023, the Office reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 2	\$ 4,339
Changes of Assumptions or other Inputs	288	1,980
Net difference between projected and actual earnings on pension plan investments	1,096	
Changes in proportion and differences between contributions recognized and proportionate share of contributions	60	1,229
Contributions subsequent to the measurement date	<u>2,348</u>	<u>-</u>
Total	<u>\$ 3,794</u>	<u>\$7,548</u>

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\$2,348 reported as deferred outflows of resources related to OPEB resulting from Office contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended	
2024	\$(2,153)
2025	(2,025)
2026	(947)
2027	(255)
2028	(589)
Thereafter	(133)
Total	<u>\$(6,102)</u>

Actuarial assumptions

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 percent
Real wage growth	.70 percent
Wage inflation	3.0 percent
Salary increases, including wage inflation	3.4-11% percent
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	6.50% in 2022 gradually decreasing to 4.50% in 2030
Medicare Part A premiums	3.75% in 2022, gradually increasing to 4.50% in 2030

The TOL for the HCTF, 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 (TriCounty 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 capita health care costs are developed by plan option; 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 not eligible for premium-free Medicare Part A for the PERA benefit structure.

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual 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%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,704	\$1,450	\$583	\$496	\$1,923	\$1,634
70	\$1,976	\$1,561	\$676	\$534	\$2,229	\$1,761
75	\$2,128	\$1,681	\$728	\$575	\$2,401	\$1,896

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,514	\$5,542	\$4,227	\$3,596	\$6,752	\$5,739
70	\$7,553	\$5,966	\$4,901	\$3,872	\$7,826	\$6,185
75	\$8,134	\$6,425	\$5,278	\$4,169	\$8,433	\$6,657

The 2022 Medicare Part A premium is \$499 (actual dollars) per month.

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

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

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

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

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

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

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (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.

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

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

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

- Per capita 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.
- 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 Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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%	

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate ¹	5.25%	6.25%	7.25%
Ultimate PERACare Medicare 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	3.50%	4.50%	5.50%
Net OPEB Liability	\$17,435	\$17,943	\$18,495

Discount Rate

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, 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 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF 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 HCTF'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 TOL. 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.

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

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

The following presents the Office's proportionate share of the net OPEB liability, as well as what the Office's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current discount rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$20,801	\$17,943	\$15,498

OPEB plan fiduciary net position

Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at

www.copera.org/investments/pera-financial-reports.

VI. Other Information

Risk management

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

Self-Insurance Plans

In 2017, the Office established a self-insurance dental plan. The Office's accounting department administers the plan, however the office utilizes a third-party consultant to assist in administering the plan. Dental claims, as well as administrative costs are paid directly out of the general fund, which is funded by contributions made by the Office and its employees. All claims are reviewed and approved for payment by Delta Dental, in accordance with their administrative services agreement with the Office. The plan is fully self-insured with the Office assuming all liability risks. The estimated claims liability at December 31, 2023 was determined by the Office and includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. The following table displays the change in the balances of the claims liabilities:

Dental	2023	2022
Unpaid Claims, January 1	\$ 4,643	\$ 8,658
Incurred Claims (including IBNR)	140,965	116,102
Claims Payments	<u>139,384</u>	<u>120,117</u>
Unpaid Claims, December 31,	<u>\$ 6,224</u>	<u>\$ 4,643</u>

In 2020, the Office established a self-insurance medical plan. UMR administers the plan through a contractual agreement. Medical claims, as well as administrative costs are paid directly out of the general fund, which is funded by contributions made by the Office and its employees. All claims are reviewed and approved for payment by UMR, in accordance with their administrative services agreement with the Office. The plan includes coinsurance with stop loss limits of \$65,000 per participant. The plan also has an agreement stop loss deductible of \$75,000 for all claims on this policy. The estimated claims liability at December 31, 2023 was determined by the Office and includes estimated costs of known claims and estimates of incurred but not reported (IBNR) claims. The following table displays the change in the balances of the claims liabilities:

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Medical	2023	2022
Unpaid Claims, January 1	\$ 160,967	\$ 205,380
Incurred Claims (including IBNR)	2,449,481	2,341,257
Claims Payments	<u>2,472,080</u>	<u>2,385,670</u>
Unpaid Claims, December 31,	<u>\$ 138,368</u>	<u>\$ 160,967</u>

Contingent liabilities

Various suits and claims are pending against the Office at December 31, 2023. Although the outcome of such suits and claims cannot be predicted with certainty, management of the Office believes that adequate insurance coverage exists and the final resolution of these matters will not materially affect the basic financial statements of the Office.

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

Tax, spending and debt limitations

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

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

Intergovernmental revenue

As previously noted, the Office is entitled to receive revenue from each of the four county governments that comprise the Eighteenth Judicial District as reimbursement of necessary operating expenses. Each of the county governments provides funding in proportion to its respective population as a percentage of the total population in the District. The percentages used for 2023, based on the population estimate prepared before May 1 of each year by the Division of Planning in the Colorado Department of Local Affairs, pursuant to Title 24, Article 32, Part 2 of the CRS, are as follows:

Arapahoe County	61.97%
Douglas County	34.93%
Elbert County	2.56%
Lincoln County	<u>0.54%</u>
Total	<u>100.00%</u>

**Office of the District Attorney
Eighteenth Judicial District
Notes to the Financial Statements (Continued)
December 31, 2023**

Grants and programs

Victim Compensation Administration

Victim Assistance and Law Enforcement (VALE) Administration

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

REQUIRED SUPPLEMENTARY INFORMATION

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

	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014	12/31/2013
Office's proportion of collective net pension liability	0.50140000%	0.00585233%	0.006404957%	0.00575173%	0.00580608%	0.00664599%	0.00579150%	0.00561178%	0.00534060%	0.00506175%
Office's proportionate share of the collective pension liability	\$ 550,628	\$ 431,683	\$ 607,497	\$ 558,136	\$ 660,737	\$ 1,330,394	\$ 1,063,790	\$ 590,979	\$ 502,367	\$ 450,899
State's proportionate share of the net pension liability associated with the Office **	\$ 5,526	\$ 2,017		\$ 2,845	\$ 3,637					
Total	\$ 556,154	\$ 431,683	\$ 607,497	\$ 560,981	\$ 664,374	\$ 1,330,394	\$ 1,063,790	\$ 590,979	\$ 502,367	\$ 450,899
Office's covered - payroll	\$ 223,000	\$ 216,000	\$ 210,000	\$ 205,000	\$ 200,000	\$ 195,000	\$ 165,000	\$ 156,000	\$ 143,000	\$ 135,000
Office's proportionate share of the net pension liability as a percentage of its covered - payroll	247%	200%	289%	272%	330%	682.25%	644.72%	378.83%	351.31%	334.00%
Plan fiduciary net position as a percentage of the total pension liability	60.60%	73.05%	65.34%	62.24%	55.11%	43.20%	42.60%	56.11%	59.84%	61.08%

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

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

	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Statutorily required contributions	\$ 46,569	\$ 45,413	\$ 43,193	\$ 41,223	\$ 39,473	\$ 38,165	\$ 37,211	\$ 30,080	\$ 27,035	\$ 23,626
Contributions in relation to the statutorily required contributions	\$ 46,569	\$ 45,413	\$ 43,193	\$ 41,223	\$ 39,473	\$ 38,165	\$ 37,211	\$ 30,080	\$ 27,035	\$ 23,626
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office's covered - payroll	\$ 230,000	\$ 223,000	\$ 216,000	\$ 210,000	\$ 205,000	\$ 200,000	\$ 195,000	\$ 165,000	\$ 156,000	\$ 143,801
Contributions as a percentage of covered - payroll	20.25%	20.36%	19.93%	19.63%	19.26%	19.13%	19.13%	18.23%	17.33%	16.43%

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

	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Office's proportion of collective net OPEB liability	0.219760%	0.0022636%	0.00227089%	0.00227991%	0.00236472%	0.00240913%	0.20896665%
Office's proportionate share of the collective OPEB liability	\$ 17,943	\$ 19,519	\$ 21,579	\$ 17,943	\$ 32,173	\$ 31,216	\$ 27,093
Office's covered payroll	\$ 230,000	\$ 223,000	\$ 210,000	\$ 205,000	\$ 200,000	\$ 195,000	\$ 165,000
Office's proportionate share of the net OPEB liability as a percentage of its covered payroll	7.80%	8.75%	10.28%	8.75%	16.09%	16.01%	16.42%
Plan fiduciary net position as a percentage of the total OPEB liability	38.60%	39.40%	24.49%	24.49%	17.03%	17.53%	16.72%

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

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

	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Statutorily required contributions	\$ 2,348	\$ 2,210	\$ 2,142	\$ 2,124	\$ 2,091	\$ 2,135	\$ 1,989	\$ 1,683	\$ 1,591	\$ 1,467
Contributions in relation to the statutorily required contributions	\$ 2,348	\$ 2,210	\$ 2,142	\$ 2,124	\$ 2,091	\$ 2,135	\$ 1,989	\$ 1,683	\$ 1,591	\$ 1,467
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office's covered payroll	230,000	223,000	216,000	210,000	205,000	200,000	195,000	165,000	156,000	143,801
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

SUPPLEMENTARY INFORMATION

**Office of the District Attorney
Eighteenth Judicial District
General Fund
Schedule of General Operating Intergovernmental Revenues and Expenditures - Budget and Actual
For the Year Ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)**

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Criminal Prosecution					
Arapahoe County	\$ 17,866,321	\$ 17,866,321	\$ 17,866,321	\$ -	\$ 16,755,965
Douglas County	10,065,718	10,065,718	10,522,462	456,744	9,522,375
Elbert County	730,508	730,508	721,541	(8,967)	665,871
Lincoln County	160,291	160,291	160,291	1	144,502
State of Colorado	532,816	532,816	423,856	(108,961)	321,005
Total general operating revenues	<u>\$ 29,355,654</u>	<u>\$ 29,355,654</u>	<u>\$ 29,694,471</u>	<u>\$ 338,817</u>	<u>\$ 27,409,718</u>
EXPENDITURES					
Criminal Prosecution					
Arapahoe County					
Salaries	\$ 12,778,529	\$ 12,778,529	\$ 12,572,573	\$ 205,956	\$ 11,816,586
Payroll taxes and employee benefits	3,640,965	3,640,965	3,363,688	277,278	3,250,413
Operating expenditures	1,446,827	1,446,827	1,569,031	(122,204)	1,557,337
Total	<u>17,866,321</u>	<u>17,866,321</u>	<u>17,505,292</u>	<u>361,030</u>	<u>16,624,336</u>
Douglas County					
Salaries	\$ 7,199,520	\$ 7,199,520	\$ 7,486,862	\$ (287,342)	\$ 6,750,597
Payroll taxes and employee benefits	2,051,044	2,051,044	1,952,550	98,494	1,846,898
Operating expenditures	815,153	815,153	879,962	(64,809)	852,418
Total	<u>10,065,717</u>	<u>10,065,717</u>	<u>10,319,374</u>	<u>(253,657)</u>	<u>9,449,913</u>
Elbert County					
Salaries	\$ 527,800	\$ 527,800	\$ 521,376	\$ 6,424	\$ 469,286
Payroll taxes and employee benefits	142,949	142,949	136,411	6,538	128,953
Operating expenditures	59,759	59,759	64,479	(4,720)	62,447
Total	<u>730,508</u>	<u>730,508</u>	<u>722,266</u>	<u>8,242</u>	<u>660,686</u>
Lincoln County					
Salaries	\$ 111,333	\$ 111,333	\$ 109,811	\$ 1,522	\$ 101,765
Payroll taxes and employee benefits	36,354	36,354	29,068	7,286	27,963
Operating expenditures	12,605	12,605	13,637	(1,031)	13,644
Total	<u>160,292</u>	<u>160,292</u>	<u>152,516</u>	<u>7,777</u>	<u>143,372</u>
State of Colorado					
Salaries	\$ 104,000	\$ 104,000	\$ 122,300	\$ (18,300)	\$ 104,500
Payroll taxes and employee benefits	23,816	23,816	23,816	-	23,030
Mandated Costs	405,000	405,000	277,740	127,260	193,475
Total	<u>532,816</u>	<u>532,816</u>	<u>423,856</u>	<u>108,960</u>	<u>321,005</u>
Lease Expenditures			635,986	\$ (635,986)	\$ 174,449
Total general operating expenditures	<u>\$ 29,355,654</u>	<u>\$ 29,355,654</u>	<u>29,759,290</u>	<u>\$ 232,352</u>	<u>\$ 27,373,761</u>

**Office of the District Attorney
Eighteenth Judicial District
General Fund
Schedule of Special Program Expenditures
For the Year Ended December 31, 2023**
(With comparative totals for the year ended December 31, 2022)

Victim Compensation and Other Grants	2023	2022
Victim Compensation - Administration		
Salaries	\$ 171,922	\$ 33,334
Payroll taxes and employee benefits	13,320	33,912
Operating expenditures	3,575	12,154
Total	<u>188,817</u>	<u>79,400</u>
V.A.L.E Grants		
Salaries	135,934	98,251
Payroll taxes and employee benefits	5,179	1,873
Total	<u>141,113</u>	<u>100,124</u>
V.A.L.E. - Administration		
Salaries	49,316	152,143
Payroll taxes and employee benefits	86,118	43,474
Operating expenditures		538
Total	<u>135,434</u>	<u>196,155</u>
VOCA Grant		
Salaries	255,999	255,230
Payroll taxes and employee benefits	47,132	43,248
Operating expenditures	36,877	53,849
Total	<u>340,008</u>	<u>352,327</u>
2023 Gray and Black Marijuana Grant		
Salaries	104,674	23,397
Payroll taxes and employee benefits	331	4,326
Operating expenditures	27,256	-
Total	<u>132,261</u>	<u>27,723</u>
Aurora Raven Grant		
Salaries	15,274	-
Payroll taxes and employee benefits	970	-
Total	<u>16,244</u>	<u>-</u>
Synthetic Opiate Poisoning Investigation		
Salaries	123,924	-
Payroll taxes and employee benefits	29,359	-
Operating expenditures	36,670	-
Total	<u>189,953</u>	<u>-</u>
Coronavirus State and Local Fiscal Recovery Funds		
Salaries	694,527	289,878
Payroll taxes and employee benefits	217,168	83,660
Total	<u>911,695</u>	<u>373,538</u>
Juvenile Diversion - State of Colorado Grant		
Salaries	317,803	270,052
Payroll taxes and employee benefits	-	17,745
Operating expenditures	149,897	124,978
Total	<u>467,700</u>	<u>412,775</u>
	<u>\$ 2,523,225</u>	<u>\$ 1,542,042</u>

SINGLE AUDIT INFORMATION



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

District Attorney
Office of the District Attorney, Eighteenth Judicial District
Centennial, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Office of the District Attorney, Eighteenth 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, Eighteenth Judicial District's basic financial statements, and have issued our report thereon dated July 3, 2024.

Report on Internal Control Over Financial Reporting

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

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

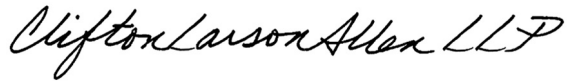
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of This Report

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

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Broomfield, Colorado
July 3, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

District Attorney
Office of the District Attorney, Eighteenth Judicial District
Centennial, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Office of the District Attorney, Eighteenth Judicial District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Office of the District Attorney, Eighteenth Judicial District's major federal programs for the year ended December 31, 2023. Office of the District Attorney, Eighteenth Judicial District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Office of the District Attorney, Eighteenth Judicial District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Office of the District Attorney, Eighteenth Judicial District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Office of the District Attorney, Eighteenth Judicial District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Office of the District Attorney, Eighteenth Judicial District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Office of the District Attorney, Eighteenth Judicial District's compliance based on our audit.

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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Office of the District Attorney, Eighteenth Judicial District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Office of the District Attorney, Eighteenth Judicial District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Office of the District Attorney, Eighteenth Judicial District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Office of the District Attorney, Eighteenth Judicial District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



CliftonLarsonAllen LLP

Broomfield, Colorado
July 3, 2024

**Office of the District Attorney
Eighteenth Judicial District**

Schedule of Expenditures of Federal Awards

For the Year end December 31, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Grantor's Number	Federal Expenditures
U.S. Department of Treasury			
Passed through Arapahoe County			
Coronavirus State and Local Fiscal Recovery Funds	21.027	9900017834	\$ 911,695
Total U.S. Department of Treasury			\$ 911,695
U.S Department of Justice			
Passed through Colorado Department of Public Safety:			
Crime Victims Assistance (VOCA)	16.575	22-VA-18-176	\$ 340,008
Passed through Colorado Department of Public Safety:			
Crime Victims Compensation (VOCA)	16.576	2020-VI-GX-0018	\$ 525,000
Department of Justice Equitable Sharing Fund	16.922		\$ 17,206
Total U.S. Department of Justice			\$ 882,214
Total expenditures of federal awards			\$ 1,793,909

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

Notes to the Schedule of Expenditures of Federal Awards

General

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

Basis of Presentation

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

Assistance Listing # 21.027 follows criteria determined by the Department of Treasury for allowability of costs.

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

The Office of the District Attorney, Eighteenth Judicial District has elected to use the 10% de minimus cost rate. \$74,345 of indirect costs were drawn in 2023.

ALN and Contract Numbers

Federal ALN numbers are published by the Office of Management and Budget and the General Services Administration.

**OFFICE OF THE DISTRICT ATTORNEY, EIGHTEENTH JUDICIAL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

ALN Number

21.027

Name of Federal Program or Cluster

Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ yes x no

OFFICE OF THE DISTRICT ATTORNEY, EIGHTEENTH JUDICIAL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

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

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