CITY COUNCIL EXECUTIVE COMMITTEE MEETING
CITY COUNCIL CHAMBERS, THIRD FLOOR, CITY HALL,
#1 CITY HALL PLACE, PUEBLO, COLORADO 81003.

MONDAY, AUGUST 21, 2023
5:30 PM

Individuals Requiring Special Accommodations Should Notify the City's ADA Coordinator at (719) 553-2295 by Noon on the Friday Preceding the Meeting.

Executive Committee meetings are special meetings of the City Council and are informal Council meetings for the purpose of receiving information and discussion among Council Members; no official action is taken at such meetings. The public is invited to attend, but public comment is generally not received unless otherwise noted.

Agenda

CALL TO ORDER

PRESENTATIONS

A. CITY UPDATE 5:30 p.m.
Laura Solano, Chief of Staff
5 minute presentation

B. CITY OF PUEBLO AUDIT REPORT 5:35 p.m.
Matthew Marino - Partner (RubinBrown)
Max Haberkorn - Partner (RubinBrown)
15 minute presentation

C. ARPA UPDATE: COLORADO LEGAL SERVICES 6:00 p.m.
Gail Rodosevich - Pro Bono Coordinator - Pueblo
15 minute presentation

D. FARO CAMERA - PUEBLO POLICE DEPARTMENT 6:25 p.m.
Sergeant Stephen Jesik
15 minute presentation

E. TEAM UP TO CLEAN UP UPDATE 6:50 p.m.
Andrew Hayes, Public Works Director
Steven Meier, Director of Parks and Recreation
15 minute presentation

ADJOURNMENT

City of Pueblo, Colorado

DECEMBER 31, 2022

ViewPoints

Auditor Communications

Auditor Communications

Honorable Mayor and Members of the City Council
City of Pueblo, Colorado

We have audited the financial statements of City of Pueblo, Colorado (the City), as of and for the year ended December 31, 2022, and have issued our report thereon dated August 3, 2023. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 17, 2023. Professional standards also require that we communicate to you the following information related to our audit.

This information is intended solely for the information and use of the Mayor and Members of the City Council and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

August 3, 2023

Auditor Communications

AUDITORS' RESPONSIBILITY UNDER U.S. GENERALLY ACCEPTED AUDITING STANDARDS, *GOVERNMENT AUDITING STANDARDS* AND TITLE 2 *U.S. CODE OF FEDERAL REGULATIONS* PART 200, *UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS* (THE UNIFORM GUIDANCE)

Our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with our assistance are fairly presented, in all material respects, in conformity with generally accepted accounting principles and the City complied, in all material respects, with the applicable compliance requirements of its major federal programs. Our audit of the financial statements does not relieve you or management of responsibility for the accuracy of the financial statements.

REPORTS ISSUED BY RUBINBROWN

- Unmodified opinions on the financial statements of the various reporting units for the City for the year ended December 31, 2022
- A report on the City's internal control over financial reporting and compliance and other matters based upon an audit of the financial statements in accordance with *Government Auditing Standards*
- Unmodified opinion on the City's compliance for its major federal programs, report on internal control over compliance and report on the schedule of expenditures of federal awards in accordance with the Office of Management and Budget's Uniform Guidance
- ViewPoints, including required communications and other information

Auditor Communications

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES

POLICIES

Management is responsible for the selection and use of appropriate accounting policies.

Significant accounting policies are described in Note 1 to the financial statements.

No existing policies were changed, and no new accounting policies were adopted, other than the below:

- Government Accounting Standards Board (GASB) Statement No. 87, *Leases,* was implemented during the year.

No transactions entered into during the year lacked authoritative guidance or consensus.

No transactions were recorded out of the period they occurred.

No instances where a significant accounting practice acceptable under the applicable financial reporting framework isn't appropriate

No significant unusual transactions noted

DISCLOSURES

The disclosures to the financial statements are neutral, consistent and clear. Certain financial statement disclosures are particularly sensitive because of their significance to the users of the financial statements. The most sensitive disclosures affecting the financial statements are:

- The disclosure of the fair value of investments in Note III, A
- Pensions in Note III, G
- Leases - Note III, B & I
- Other Post-Employment Benefits (OPEB) in Note III, H
- Risk Management IV, A
- Commitments and Contingencies in Note IV, C

Auditor Communications

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES *(CONTINUED)*

ACCOUNTING ESTIMATES

Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of depreciation is based upon estimated useful lives of capital assets.
- Management's estimate of the liability for claims incurred but not reported (IBNR) is based upon IBNR reports received from actuaries contracted by the City.

ACCOUNTING ESTIMATES *(CONTINUED)*

- Management's estimate of the net pension assets, liabilities and OPEB obligations (and their related deferred outflows and inflows) in continuing compliance with GASB Statements No. 68 and No. 75.
- Management's estimate of lease receivables, deferred inflows, right-to-use assets and lease liabilities is based on the City's estimated incremental borrowing rate, expected increases and changes in leases over their terms and the expectation of whether or not the City or its counterparty exercises an extension or termination option.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Auditor Communications

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. The attached schedule included in Appendix A summarizes an uncorrected misstatement, including disclosures, of the financial statements. The uncorrected misstatements in the aggregate, if posted, would have decreased the change in fund balance of the Golf Course Enterprise Fund and the change in Business-Type Activities net position by $3,014. Management has determined this uncorrected misstatement is not material to the financial statements taken as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. No such entries were identified during the audit.

Auditor Communications

OTHER REQUIRED COMMUNICATIONS

- No circumstances affected the form and content of our independent auditors’ report.
- No significant matters resulted in consultation outside our engagement team.
- No significant difficulties in dealing with management in performing or completing our audit
- No disagreements with management related to financial accounting, reporting or auditing matters
- Management didn’t consult with other independent accountants.
- No other audit findings or issues
- Management representation letter attached in Appendix B

Auditor Communications

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

COMMENTS

In accordance with *Government Auditing Standards,* we have also issued our report on our consideration of the City'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.

No material weaknesses in internal control over financial reporting or compliance findings were identified as a result of these procedures.

Auditor Communications

SINGLE AUDIT

During the year ended December 31, 2022, the City expended greater than $750,000 of federal awards. Accordingly, we performed a single audit pursuant to the audit requirements of the Uniform Guidance.

COMMENTS

The federal programs selected as a major program during the single audit were:

- COVID-19: Airport Improvement Program (ALN 21.106)
- COVID-19: Coronavirus State and Local Fiscal Recovery Funds (ALN 21.027)
- COVID-19: Federal Transit Cluster (ALN 20.507)

We identified no reportable control deficiencies or compliance findings during the completion of the single audit.

Financial Reporting Changes

Foresights: GASB Pronouncements

UPCOMING EFFECTIVE DATES OF CERTAIN AUTHORITATIVE GUIDANCE:

- Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)* (Dec. 31, 2023)
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* (Dec. 31, 2023)
- Statement No. 99, *Omnibus 2022* (Dec. 31, 2022/2023/2024)
    - Updates and clarification related to derivative instruments, leases, public private partnerships, availability payment arrangements, SBITAs, LIBOR replacement, Supplemental Nutrition Assistance Program accounting, nonmonetary transactions, pledge of future revenue and management's discussion and analysis

Appendix A
Passed Journal Entry Report

Client: ***33063.0000 - City of Pueblo***
Engagement: ***2022 AUD - City of Pueblo***
Period Ending: ***12/31/2022***
Trial Balance: ***Government Fund Trial Balance***
Workpaper: ***3012 - Proposed Journal Entries Report***
Fund Level: ***All***
Index: ***All***

Account	Description	W/P Ref	Debit	Credit
Proposed Journal Entries				
Proposed Journal Entries JE # 8		**9501**		
Lease differences golf fund				
501-00-0000-00-11910	Lease Receivable		2,986.00	
501-00-0000-00-46350	Lease Revenue		3,014.00	
501-00-0000-00-29100	Deferred Inflows			6,000.00
Total			**6,000.00**	**6,000.00**
	Total Proposed Journal Entries		**6,000.00**	**6,000.00**
	Total All Journal Entries		**6,000.00**	**6,000.00**

Appendix B
Management Representation Letter

One City Hall Place
Pueblo, CO 81003

Phone (719) 553-2625
Fax (719) 553-2695

Department of Finance

August 3, 2023

RubinBrown LLP
1900 16th Street
Suite 1700
Denver, CO 80202

This representation letter is provided in connection with your audit of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pueblo, Colorado (the City) as of December 31, 2022 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the City in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

We understand we are responsible for management decisions and functions, for designating a qualified employee to oversee any nonattest services you provide, for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, 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.

We confirm that, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit:

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2) We acknowledge our responsibility 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.
3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4) Significant assumptions used by us in making accounting estimates are reasonable.
5) All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
6) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

7) The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
8) The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
9) With regard to items reported at fair value:
    a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
    b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
    c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
    d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
10) All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
11) All funds and activities are properly classified.
12) All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
13) All net position components and fund balance classifications have been properly reported.
14) All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
15) All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
16) All interfund and intra-entity transactions and balances have been properly classified and reported.
17) Special items and extraordinary items have been properly classified and reported.
18) Deposit and investment risks have been properly and fully disclosed.
19) Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
20) All required supplementary information is measured and presented within the prescribed guidelines.
21) Nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.
22) With regard to pensions and OPEB:
    a. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
    b. We are unable to determine the possibility of a withdrawal liability from any of the plans of which we are a sponsor and are not currently contemplating withdrawing from any of those plans.
    c. Increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation, or disclosed as a subsequent event.

23) With respect to the required supplementary information accompanying the financial statements:
    a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
    b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
    c. The methods of measurement or presentation have not changed from those used in the prior period.
    d. We believe the significant assumptions or interpretations underlying the measurement or presentation of required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances
24) We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.

Information Provided

25) We have provided you with:
    a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
    b. Additional information that you have requested from us for the purpose of the audit; and
    c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
26) All transactions have been recorded in the accounting records and are reflected in the financial statements.
27) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
28) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
    a. Management;
    b. Employees who have significant roles in internal control; or
    c. Others where the fraud could have a material effect on the financial statements.
29) We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
30) We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
31) We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
32) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
33) We have a process to track the status of audit findings and recommendations.
34) We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
35) We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
36) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
37) We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
38) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.

39) The entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
40) We have disclosed to you all guarantees, whether written or oral, under which the entity is contingently liable.
41) We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
42) There are no violations or possible violations or laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
43) There are no other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB 62.
44) The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
45) We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
46) We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB-62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
47) We have provided you with:
    a. A written acknowledgement of all the documents that we expect to issue that will be included in the annual report and the planned timing and method of issuance of that annual report;
    b. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditors' report.
48) The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
49) We have provided to you our views on the status of prior year reported audit findings, as well as status of planned corrective actions.
50) We have elected to utilize the $10 million lost revenue standard allowance for the State and Local Fiscal Relief Fund (SLFRF) and have expended the amounts on allowable government services.
51) All assumptions and determinations made by the City in relation to the implementation of GASB Statement No. 87, *Leases*, are consistent and reasonable within the requirements of the standard, especially those assumptions related to the City's estimated incremental borrowing rate, and any elections related to the length or period of those leases.

In regards to supplementary information:

52) We acknowledge our responsibility for presenting the combining and individual fund financial statements and schedules, the Local Highway Finance Report and the Schedule of Passenger Facility Charges Collected and Expended in accordance with U.S. GAAP, and we believe such supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of such information has not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
53) When the information outlined in item 53 is not presented with the audited financial statements, management will make the audited financial statements ready available to the intended users of such information no later than the date of issuance by the entity of the supplementary information and the auditors' report thereon

Single Audit

54) With respect to federal awards, we represent the following to you:

a. We are responsible for understanding and complying with, and have complied with, the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards (SEFA) in accordance with the Uniform Guidance.
c. We believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance.
d. We acknowledge our responsibility for presenting the SEFA in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
e. We are responsible for including the auditors' report on the SEFA in any document that contains the schedule and that indicates that the auditor has reported on such information.
f. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
g. When the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date of issuance by the entity of the SEFA and the auditors' report thereon.
h. We have, in accordance with the Uniform Guidance, identified in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.
i. We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
j. We have made available to you all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.
k. We have received no requests from a federal agency to audit one or more specific programs as a major program.
l. We have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal awards, including the results of other audits or program reviews, or stated that there was no such noncompliance. We also know of no instances of noncompliance with direct and material compliance requirements occurring subsequent to period covered by the auditors' report.
m. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
o. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
p. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

q. We have monitored subrecipients, as necessary, to determine if they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
r. We have issued management decisions for audit findings that relate to federal awards we make to subrecipients and such management decisions are issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipients have taken the appropriate and timely action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient from the pass-through entity.
s. We have considered the results of subrecipients' audits and have made any necessary adjustments to our own books and records.
t. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance, as applicable.
u. We have charged costs to federal awards in accordance with applicable cost principles.
v. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
w. The reporting package does not contain personally identifiable information.
x. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
y. We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgment of the auditor's role in the preparation of this information.
z. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

In addition:

aa. We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major federal program; and we have complied with these direct and material compliance requirements
bb. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provide reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award that could have a material effect on our federal programs. Also, no changes have been made in the internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditors' report.
cc. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form and we are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

DocuSigned by:

Ms. Laura Solano

920779DC5B3841F

Laura Solano, Chief of Staff

DocuSigned by:

CAF4752363A94D6

Alexandria Romero, Director of Finance

Summary of Uncorrected Misstatements

Description	Assets	Liabilities	Fund Balance/ Net Position	Revenues	Expenses	Net Income	Impact On Future Year Net Income
	Increase (Decrease) On Financial Statement Captions If the Following Uncorrected Entries Had Been Recorded						
Golf Course Enterprise Fund & Business-Type Activities							
	$ 2,986	$ 6,000	$ (3,014)	$ (3,014)	$ —	$ (3,014)	Yes

Description Of Omitted Disclosures Including Amounts
None noted

Client: ***33063.0000 - City of Pueblo***
Engagement: ***2022 AUD - City of Pueblo***
Period Ending: ***12/31/2022***
Trial Balance: ***Government Fund Trial Balance***
Workpaper: ***3011 - Reclassifying Journal Entries Report***
Fund Level: ***All***
Index: ***All***

Account	Description	W/P Ref	Debit	Credit
Reclassifying Journal Entries				
Reclassifying Journal Entries JE # 3		**ACFR**		
To reclass the Advances to Other Funds.				
101-00-0000-00-13001	Advance To/From Other Funds		1,789,977.00	
401-00-0000-00-13001	Advance To/From Other Funds		747,000.00	
502-00-0000-00-20800	Current Liabilities / Due To O		1,789,977.00	
507-00-0000-00-20800	Current Liabilities / Due To O		747,000.00	
101-00-0000-00-13000	Interfund Receivables / Due Fr			1,789,977.00
401-00-0000-00-13000	Interfund Receivables / Due Fr			747,000.00
502-00-0000-00-13001	Advance To/From Other Funds			1,789,977.00
507-00-0000-00-13001	Advance To/From Other Funds			747,000.00
Total			**5,073,954.00**	**5,073,954.00**
	Total Reclassifying Journal Entries		**5,073,954.00**	**5,073,954.00**
	Total All Journal Entries		**5,073,954.00**	**5,073,954.00**

Client: ***33063.0000 - City of Pueblo***
Engagement: ***2022 AUD - City of Pueblo***
Period Ending: ***12/31/2022***
Trial Balance: ***Government Fund Trial Balance***
Workpaper: ***3010 - Adjusting Journal Entry Report***
Fund Level: ***All***
Index: ***All***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1		**3030**		
PBC Entries for entries made after receipt of initial TB				
250-90-9000-90-49252	Tfr from Housing Rehab & Loans		4,756.00	
260-11-1110-10-53001	Professional Services		1.00	
507-00-0000-00-16500	Fixed Assets / Machinery & Equ		27,500.00	
507-00-0000-00-56790	Non-Expenditure Paymts / Depre		3,929.00	
507-65-6510-00-54301	Repair & Maintenance		5,000.00	
252-90-9000-90-59250	To Comm Dev Block Grant			4,756.00
260-00-0000-00-37200	Equity / Retained Earnings			1.00
507-00-0000-00-16590	Machinery & Equipment / Accumu			3,929.00
507-00-0000-00-47312	Motor Sports Facility Rental			32,500.00
Total			**41,186.00**	**41,186.00**
Adjusting Journal Entries JE # 4		**3030.1**		
PBC ED Fund Lease Entry				
413-00-0000-00-10531	Lease Interest Receivable		9,392.00	
413-00-0000-00-11910	Lease Receivable		3,045,503.00	
413-00-0000-00-11910	Lease Receivable		116,827.00	
413-00-0000-00-46310	City Property Rental		137,800.00	
413-00-0000-00-46330	Solar		115,900.00	
413-00-0000-00-10531	Lease Interest Receivable			264.00
413-00-0000-00-29100	Deferred Inflows			3,054,895.00
413-00-0000-00-29100	Deferred Inflows			19,597.00
413-00-0000-00-46150	Lease Interest Revenue			36,573.00
413-00-0000-00-46350	Lease Revenue			314,093.00
Total			**3,425,422.00**	**3,425,422.00**
Adjusting Journal Entries JE # 5		**3030.1**		
PBC Golf Fund Lease Receivable				
501-00-0000-00-10531	Lease Interest Receivable		52.00	
501-00-0000-00-10531	Lease Interest Receivable		119.00	
501-00-0000-00-11910	Lease Receivable		164,080.00	
501-00-0000-00-29100	Deferred Inflows		44,473.00	
501-00-0000-00-47116	Golf/ Concessions		31,500.00	
501-00-0000-00-11910	Lease Receivable			31,061.00
501-00-0000-00-29100	Deferred Inflows			164,132.00
501-00-0000-00-46150	Lease Interest Revenue			558.00
501-00-0000-00-46350	Lease Revenue			44,473.00
Total			**240,224.00**	**240,224.00**
Adjusting Journal Entries JE # 6		**3030.1**		
PBC Honor Farm Lease Entry				
507-00-0000-00-10531	Lease Interest Receivable		1,621.00	
507-00-0000-00-11910	Lease Receivable		302,212.00	
507-00-0000-00-29100	Deferred Inflows		78,645.00	
507-00-0000-00-38000	Fund Balance - GAAP Entries		27,500.00	
507-00-0000-00-46330	Solar		37,320.00	
507-00-0000-00-47312	Motor Sports Facility Rental		15,000.00	
507-00-0000-00-47312	Motor Sports Facility Rental		25,000.00	
507-00-0000-00-10531	Lease Interest Receivable			397.00
507-00-0000-00-11910	Lease Receivable			74,303.00
507-00-0000-00-29100	Deferred Inflows			303,833.00
507-00-0000-00-46150	Lease Interest Revenue			2,620.00
507-00-0000-00-46350	Lease Revenue			78,645.00
507-65-6510-00-57020	Machinery & Equipment > 2500			27,500.00
Total			**487,298.00**	**487,298.00**
Adjusting Journal Entries JE # 7		**3030.1**		
PBC General Fund Lease Entry				
101-00-0000-00-10531	Lease Interest Receivable		795.00	
101-00-0000-00-11910	Lease Receivable		303,781.00	
101-00-0000-00-29100	Deferred Inflows		60,953.00	
101-00-0000-00-46310	Gen Gov / City Property Rental		2,000.00	
101-00-0000-00-46320	Gen Gov / Ground Rental		55,557.00	
101-00-0000-00-10531	Lease Interest Receivable			119.00
101-00-0000-00-11910	Lease Receivable			53,555.00
101-00-0000-00-29100	Deferred Inflows			304,576.00
101-00-0000-00-46150	Lease Interest Revenue			3,883.00
101-00-0000-00-46350	Lease Revenue			60,953.00
Total			**423,086.00**	**423,086.00**

Adjusting Journal Entries JE # 9		**3030.2**		
Correct pension and OPEB deferred outflows				
501-00-0000-00-19200	Deferred Outflow-Pension		70.00	
501-00-0000-00-19300	Deferred Outflow - OPEB		160.00	
502-00-0000-00-19200	Deferred Outflow-Pension		81.00	
502-00-0000-00-19300	Deferred Outflow - OPEB		185.00	
520-00-0000-00-19200	Deferred Outflow-Pension		69.00	
520-00-0000-00-19300	Deferred Outflow - OPEB		159.00	
525-00-0000-00-19200	Deferred Outflow-Pension		6,299.00	
525-00-0000-00-19300	Deferred Outflow - OPEB		14,478.00	
535-00-0000-00-19200	Deferred Outflow-Pension		1,682.00	
535-00-0000-00-19300	Deferred Outflow - OPEB		3,865.00	
540-00-0000-00-19200	Deferred Outflow-Pension		1,233.00	
540-00-0000-00-19300	Deferred Outflow - OPEB		2,838.00	
550PT-19200	Deferred Outflow-Pension		3,669.00	
550PT-19300	Deferred Outflow-OPEB		8,429.00	
602-00-0000-00-19200	Deferred Outflow-Pension		1,083.00	
602-00-0000-00-19300	Deferred Outflow - OPEB		2,487.00	
501-00-0000-00-29200	Deferred Inflow-Pension			70.00
501-00-0000-00-29300	Deferred Inflow - OPEB			160.00
502-00-0000-00-29200	Deferred Inflow-Pension			81.00
502-00-0000-00-29300	Deferred Inflow - OPEB			185.00
520-00-0000-00-29200	Deferred Inflow-Pension			69.00
520-00-0000-00-29300	Deferred Inflow - OPEB			159.00
525-00-0000-00-29200	Deferred Inflow-Pension			6,299.00
525-00-0000-00-29300	Deferred Inflow - OPEB			14,478.00
535-00-0000-00-29200	Deferred Inflow-Pension			1,682.00
535-00-0000-00-29300	Deferred Inflow - OPEB			3,865.00
540-00-0000-00-29200	Deferred Inflow-Pension			1,233.00
540-00-0000-00-29300	Deferred Inflow - OPEB			2,838.00
550PT-29200	Deferred Inflows-Pension			3,669.00
550PT-29300	Deferred Inflows-OPEB			8,429.00
602-00-0000-00-29200	Deferred Inflow-Pension			1,083.00
602-00-0000-00-29300	Deferred Inflow - OPEB			2,487.00
Total			**46,787.00**	**46,787.00**
	Total Adjusting Journal Entries		**4,664,003.00**	**4,664,003.00**
	Total All Journal Entries		**4,664,003.00**	**4,664,003.00**

COLORADO LEGAL SERVICES

IN PARTNERSHIP WITH THE

PUEBLO COUNTY DEPARTMENT OF HUMAN SERVICES

AND IN COLLABORATION WITH THE

ATJ COMMITTEE 10TH JD
10TH JUDICIAL DISTRICT COURT
PUEBLO COUNTY BAR ASSOCIATION

Access to Justice 2023

Increasing Access to Justice in an effort to leverage and maximize limited resources

Brief Overview

How we developed and implemented
the Pueblo Eviction Diversion Program

Statistics to date

EVICTION

Homeless Shelter/street

Job and future home instability

Reduced earnings

Physical & mental health

Children's educational attainment

EVICTION WHAT WE KNOW

The effects of eviction are both immediate and long lasting

In many cases they become a *defining factor* for an individual or a family because of their impact on future success

Both short term and long-term *negative* impact to the community

Collaboration for a system change

- Fragmented system to deliver eviction prevention services efficiently
- Stabilize families and neighborhoods
- Financial incentive for Landlords to retain tenants and tenants to retain safe affordable housing
- Target and deliver homeless prevention services to the most in need

Opportunity for Funding

- American Rescue Plan Act (ARPA) grant $300,000 for three years
    - Fund full time eviction diversion housing attorney
- Eviction Legal Defense Fund (ELDF)

EVICTION DIVERSION HOUSING STABILITY PUEBLO MODEL

Vision/Mission - Enhance the integration of community systems to prevent evictions and homelessness

- Modeled after a nationally recognized community collaboration of public and private agencies, tenants and landlords to prevent evictions for low- and moderate-income families

Partnership

- Colorado Legal Services
- Pueblo County Department of Human Services
- City of Pueblo

Collaboration

- 10^{th} JD
- ATJ Committee 10^{th} JD
- Pueblo County Bar Association (PCBA)

AGREEMENT WITH COURT to be Onsite

- Insert with Summons
- Division Clerk sends docket in advance
- Room next to FED Courtroom
- Printer and supplies
- Sign

COLORADO LEGAL SERVICES EVICTION DIVERSION PROGRAM

LEGAL ASSISTANCE *and*

EMERGENCY RENTAL ASSISTANCE

May Be Available

FOR MORE INFORMATION CALL

719-501-3002

Colorado Legal Services does not charge any fees if you qualify for services

Colorado Legal Services is located in the Midtown Shopping Center
1000 West 6th Street, Suite I
Pueblo, CO 81003
719-545-6708

PROGRAM STAFFING

- Two full time eviction defense attorneys
  - CLS Program Coordinator
  - CLS Rental assistance paralegal
  - DHS funded navigator
  - One PAI attorney
  - Pro bono mediators both onsite and virtual

DIVERSION PROGRAMS IS A WRAPAROUND SERVICE COORDINATING MULTIPLE STREAMS OF HELP INCLUDING :

- **Rental assistance** to make the tenant and landlord whole again, to make up for rent owed;
- **Legal representation** to ensure that the law is being followed and people's rights are being upheld — including the masking of eviction records;
- **Mediation services** to help broker a settlement agreement, payment plan, and forward steps for the landlord and tenant;
- **Other financial and social services** to help stabilize the tenant's situation, get more financial resources, connect to housing resources, help support the children involved, and get health resources as needed

HOLISTIC SETS OF SERVICES

Prevent

- Prevent eviction and reduce homelessness.

Improve

- Improve eviction prevention service delivery.

Resolve

- Resolve cases before a judgment of eviction (Writ of Restitution) is entered.

Reduce

- Reduce the processing time and errors in applications for Emergency Rental Assistance, thus shortening delays in receiving Emergency Rental Assistance.

Coordinate

- Coordinate early access to additional public benefits and appropriate community social services.

PUEBLO COUNTY EVICTION DIVERSION PROGRAM

Piloted March 8, 2022

ON SITE SERVICE COURT ROOM 304

EVICTION DOCKETS

MONDAY@ 8:30

Thursday @ 8:30

"Easy access and onsite presence enhance eviction programs by providing immediate support, seamless communication, and personalized assistance."

Eviction attorney onsite at court during eviction hearings, providing advice and representing tenants

Mediators can facilitate agreement to prevents entry of court Judgment-helping to preserve tenant credit

DSS technician onsite at court for state emergency relief processing and service linkages

RENTAL ASSISTANCE

- Colorado Emergency Rental Assistance Program (ERAP)
- Community Service Block Grant (CSBG)
- Community Development Block Grant (CDBG)

  In progress HOME ARP (HUD) city of Pueblo

2023

32% increase in evictions filed in Colorado

MEASURED OUTCOMES

Number of clients screened and eligible for services.

Type of legal services provided to clients.

Client satisfaction surveys.

Number of clients referred to DHS.

Number and types of social services provided to clients

Number of households who avoid a judgment of eviction (Writ of Restitution).

Total amount of emergency rental assistance provided

Demographics of clients served

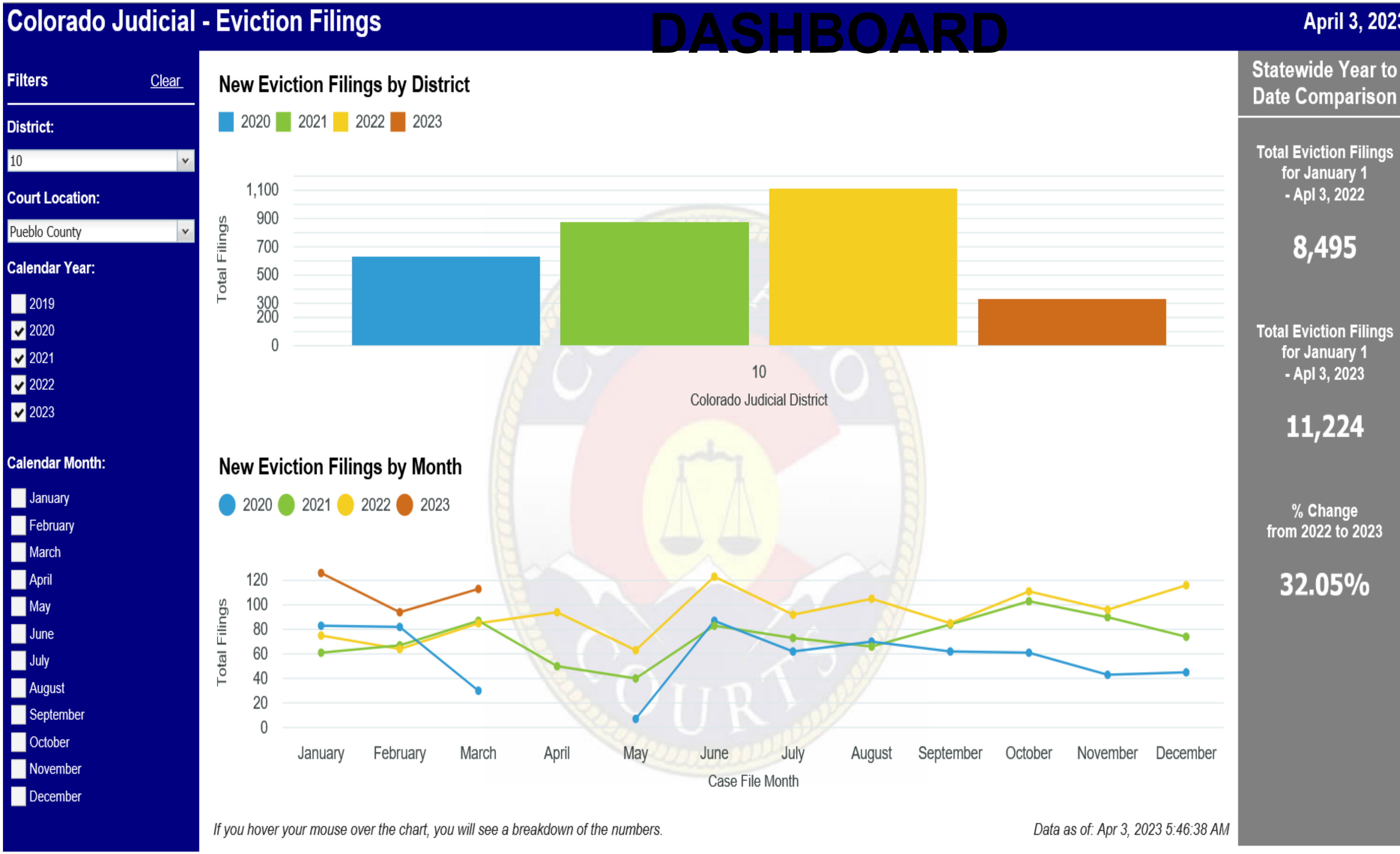
Number of outreach and legal information and education programs provided to tenants, landlords and community providers and the number of attendees and their satisfaction with programs.

Participation by local partners and pro bono attorneys

TRIAGE PRIORITY TENANTS

DOMESTI C VIOLENCE	PUBLIC HOUSING	SECTION 8 VOUCHER S
SENIORS	FAMILIES	SINGLE ADULTS

COLORADO JUDICIAL STATE DASHBOARD



WHERE ARE WE TODAY

IN 2022

1109 evictions filed in Pueblo County

Eviction Diversion handled 518 or 47.5%

$518,000 in rental assistance

1st Quarter

2023 Pueblo County

333 evictions filed

Eviction Diversion Program opened 100 cases

Rental Assistance
$80,000 *ERAP* *$8,000 *CSBG

2nd Quarter

2023 Pueblo County

Evictions filed

Colorado State Dashboard not updated

Eviction Diversion Program opened 112 cases

Rental Assistance $99,684 *ERAP*
$18,700 *CSBG

To Date

2022-2023 Pueblo County

Evictions filed

Approximate = 1612

*** Co State Dashboard pending**

Eviction Diversion Program opened

730 cases

45% of FED cases filed Pueblo County

Rental Assistance

$838,678.00

Pueblo is the groundbreaker as the first county in Colorado to establish a coordinated eviction diversion and housing stability model

- This program was one of 4 in ***Colorado mentioned in the US Treasury Report***

What we have learned

- Onsite and easily accessible
- Outreach to landlords and lord attorneys
- Mediation works and we would like to do more
- Stakeholder meetings
- Successful mediation and stipulations must have <u>rental assistance</u>
- Wrap around services are key to housing stability
- Direct and dedicated phone line

Key Point

Must have a direct number

Key Point ATTORNEYS ONSITE KEEP PEOPLE IN HOMES

- Legal representation in eviction cases is important because it:
- Helps tenants understand their rights.
- Makes sure the eviction process is fair and follows the law.
- Fights against unfair evictions.
- Talks with landlords to find solutions.
- Shows proof to support the tenant's case.
- Reduces the bad effects of eviction.
- Explains complicated lease terms.
- Protects families, elderly, and disabled people.
- Keeps people in their homes when possible.
- Gives access to legal help.
- Makes sure landlords follow the rules.
- Knows the laws well.
- Supports tenants and their needs.
- In short, legal representation ensures fairness, protects tenants, and keeps housing stable

Key Point RENTAL ASSISTANCE COMBAT HOMELESSNES

Rental assistance directly addresses housing affordability to combat homelessness.

Preventing Evictions:

- Timely rental aid prevents evictions, maintaining stable homes.

Housing Stability:

- Stable housing through rental assistance preserves community connections.

Emergency Aid:

- Rental assistance serves as a safety net during crises, averting homelessness.

Reducing Shelter Demand:

- Aid cuts demand for shelters, focusing resources on acute needs.

Cost-Effectiveness:

- Rental assistance saves costs compared to managing homeless consequences.

Stabilizing Families:

- Stable homes empower families for jobs, education, and well-being.

Collaboration:

- Programs collaborate for holistic support, boosting long-term stability.

Addressing Root Causes:

- Rental assistance complements strategies against income inequality and housing scarcity.

Conclusion:

- Rental assistance, coupled with other tactics, strengthens lives and communities.

Key Point

OUTREACH

Community outreach is important for the success of any program because it builds connections, gathers valuable insights, and ensures active participation from the people it aims to serve.


Gail Rodosevich Program Coordinator
Margaret Herdeck ARPA Attorney
STARFISH BRIGADE
Di Graski Pro Bono Attorney
Kim Mayo ELDF Attorney
Heather Seter Rental Paralegal
Carmen Sandoval DH
Navigator

"IT IS HARD TO ARGUE THAT HOUSING IS NOT A FUNDAMENTAL HUMAN NEED. DECENT, AFFORDABLE HOUSING SHOULD BE A BASIC RIGHT FOR EVERYBODY IN THIS COUNTRY. THE REASON IS SIMPLE: WITHOUT STABLE SHELTER, EVERYTHING ELSE FALLS APART."

— **MATTHEW DESMOND, EVICTED: POVERTY AND PROFIT IN THE AMERICAN CITY**