Dear Members and Friends:

The last seven years have been particularly difficult ones for COLTAF and, more importantly, for those vulnerable Coloradans who rely on Colorado's civil legal aid delivery system for help. Because the interest earned on lawyers' trust accounts is COLTAF's only regular source of revenue, this extended period of near-zero rates has had a devastating impact on the resources available for grants to service providers. The COLTAF Board wisely built a reasonable reserve when interest rates were higher for just such times as these, but it was built with a more typical interest rate cycle in mind, and thus was ultimately stretched much thinner than initially anticipated and is now entirely gone.

Many experts are still predicting an increase in the Fed Funds benchmark interest rate by the end of this year, the first in more than nine years. Once the Fed makes its initial move, however, the rate and size of future increases, as well as how quickly those increases will be reflected in short term deposit rates, remains uncertain.

For the time being, therefore, COLTAF is still waiting - waiting, but not idle. The Board and staff have worked hard in recent years to position COLTAF to take full advantage of rate increases once they occur; to identify and tap other appropriate sources of revenue without inappropriately competing with our grantees; and to maximize the resources currently available for the legal aid delivery system. COLTAF has not been alone in these efforts. We have received tremendous support from the Colorado Bar Association (CBA), the Colorado Access to Justice Commission (ATJC), and the 19 banks that, despite ongoing margin compression, continue to demonstrate their leadership as COLTAF's Prime Partners by paying a weighted average of 50 basis points or more on their COLTAF deposits.

The "rate comparability" amendments to Colorado Rule of Professional Conduct 1.15, approved by the Colorado Supreme Court in June of 2014, have been fully implemented, thus positioning COLTAF to benefit more quickly and consistently when interest rates start to rise. During the 2015 Colorado legislative session, with the support of both the CBA and the ATJC, a law was passed to exempt funds held in COLTAF accounts from Colorado's Unclaimed Property Act. This new law represents the successful first step in a two-step process to capture unclaimed funds in COLTAF accounts to support the legal aid delivery system. The second step, proposed amendments to Rule of Professional Conduct 1.15 directing lawyers to remit those funds to COLTAF, is under review by the Supreme Court's Standing Committee on the Rules of Professional Conduct. Also under review, this time by the Court's Civil Rules Committee, is a proposal to require that a portion of any class action residual be used to support the civil legal aid delivery system.

So, what can you do to help while we're waiting for rates to go up? If you bank at one of COLTAF's Prime Partners, please join us in thanking them. If your bank is not among those listed on the next page, call them. Encourage them to become part of this unique and innovative partnership between the legal community and the banking community to provide access to civil justice and pathways out of poverty for those Coloradans who have yet to fully participate in our economic recovery.

Susan P. Klopman, Esq.  Diana M. Poole, Esq.
COLTAF Board President  COLTAF Executive Director
Thank you to COLTAF’s Prime Partners for helping the legal community maximize resources for Colorado’s civil legal aid delivery system.

5 Star Bank                    First Southwest Bank
ANB Bank                      First State Bank of Colorado
Berkley Bank                  FRB Private Business Bank
Cache Bank & Trust            MidFirst Bank
Centennial Bank               Northstar Bank
Collegiate Peaks Bank         Pine River Valley Bank
Colorado East Bank & Trust (Pueblo) Solera National Bank
Compass Bank                  UMB Bank
First American State Bank     Vectra Bank
First Commercial Bank

COLTAF’s Prime Partners go above and beyond the eligibility requirements of Colorado Rule of Professional Conduct 1.15E by paying a net interest rate on all COLTAF deposits of at least 75% of the Federal Funds Target Rate (as published in the Wall Street Journal on the first day of the month), or 0.50%, whichever is higher. To learn more about COLTAF’s Prime Partner Program and/or to download a Prime Partner Enrollment Form, visit www.coltaf.org and click on “Information for Banks”.

A special thank you to the Colorado Bar Association and the Denver Bar Association for the rent abatement that COLTAF and the Legal Aid Foundation have enjoyed since September of 2012, preserving an average of $18,700/year to help meet the civil legal needs of low income Coloradans.

A special thank you to the Colorado Bar Foundation for another generous grant this year - the third such grant COLTAF has received - to supplement the funds that it would otherwise have had available for grants to pro bono program grantees.

A special thank you to local bar associations across the state and to bar members who have stepped up to provide extra support for their local pro bono programs during this extended period of very low interest rates.

COLTAF is the non-profit 501(c)(3) organization that receives the interest earned on lawyers’ pooled trust accounts pursuant to Rule 1.15 of the Colorado Rules of Professional Conduct. With these funds, COLTAF makes grants to support the civil legal aid delivery system and access to justice for low-income and other vulnerable Coloradans.

For more information visit: www.coltaf.org.
As vividly illustrated below, the extended period of near zero interest rates has had a devastating impact on the resources available for Colorado’s civil legal aid delivery system.

![Graph showing COLTAF Revenue, All COLTAF Grants, CLS Grant, and Reserve Balance over time from 2004 to 2016.]

### 2015 LEGAL SERVICES PROGRAM GRANT

$487,000 was distributed to Colorado Legal Services (CLS), Colorado’s statewide staffed legal aid program. CLS provides services to those living at or below 125% of the federal poverty guidelines, which is currently $30,313 for a family of four. CLS operates as a legal emergency room, giving priority to the poor and elderly in greatest social and economic need, and focusing on legal issues that have an impact on basic needs, including at least minimally-adequate income, food, shelter, utilities, necessary medical care, and freedom from domestic violence and abuse. CLS currently has 50 lawyers statewide to serve almost 900,000 income-eligible Coloradans. By comparison, there are 488 public defenders statewide to serve the indigent in serious criminal matters.

### 2015 ADVOCACY GRANT

$40,000 was distributed to the Colorado Center on Law and Policy (CCLP), which engages in multi-forum advocacy for the benefit of low-income Coloradans. CCLP conducts research and independent legal and policy analysis, working to foster greater economic security for low-income individuals and families and to increase access to affordable, quality health care.

### 2015 PRO BONO PROGRAM GRANTS

<table>
<thead>
<tr>
<th>Organization</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpine Legal Services (serving Pitkin, Garfield &amp; Eagle counties)</td>
<td>$8,550</td>
</tr>
<tr>
<td>Boulder County Legal Services (serving Boulder County)</td>
<td>$4,000</td>
</tr>
<tr>
<td>Larimer County Bar Association Pro Bono Program (serving Larimer County)</td>
<td>$7,950</td>
</tr>
<tr>
<td>Pro Bono Project of Mesa County (serving Mesa County)</td>
<td>$5,000</td>
</tr>
<tr>
<td>Metro Volunteer Lawyers (serving Adams, Arapahoe, Broomfield, Denver, Douglas, Elbert &amp; Jefferson counties)</td>
<td>$8,550</td>
</tr>
<tr>
<td>NW Colorado Legal Services Project (serving Clear Creek, Eagle, Grand, Gunnison, Jackson, Lake, Moffat, Rio Blanco, Routt, Summit, Pitkin &amp; Garfield counties)</td>
<td>$6,550</td>
</tr>
<tr>
<td>Pikes Peak Pro Bono Project (serving El Paso &amp; Teller counties)</td>
<td>$10,650</td>
</tr>
<tr>
<td>Pueblo County and Southeast Colorado Pro Bono Project (serving Baca, Bent, Cheyenne, Crowley, Huerfano, Kiowa, Las Animas, Otero, Prowers and Pueblo counties)</td>
<td>$11,600</td>
</tr>
<tr>
<td>San Luis Valley Bar Association Pro Bono Project (serving the San Luis Valley)</td>
<td>$8,320</td>
</tr>
<tr>
<td>Southwest Bar Volunteer Legal Aid (serving Archuleta, La Plata &amp; San Juan counties and Southern Ute and Ute Mountain Ute Reservations)</td>
<td>$5,985</td>
</tr>
<tr>
<td>Uncompahgre Volunteer Legal Aid (serving Montrose, Ouray &amp; San Miguel counties)</td>
<td>$9,870</td>
</tr>
<tr>
<td>Weld County Legal Services (serving Weld County)</td>
<td>$10,975</td>
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</table>
## Financial Statements*

### Statements of Financial Position
**June 30, 2015 and 2014**

<table>
<thead>
<tr>
<th>Assets</th>
<th>2014</th>
<th>2015</th>
<th>Total Revenue</th>
<th>Expenses</th>
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</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td></td>
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<td>$967,570</td>
<td>$1,296,123</td>
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<tr>
<td>Cash</td>
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<td>Interest receivable</td>
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<tr>
<td>Prepaid expense</td>
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<tr>
<td>Total Current Assets</td>
<td>750,369</td>
<td>666,677</td>
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<tr>
<td>Property and Equipment, at cost</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>7,371</td>
<td>7,371</td>
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<tr>
<td>Accumulated depreciation</td>
<td>7,312</td>
<td>7,371</td>
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<tr>
<td>Total Property and Equipment</td>
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<tr>
<td>Other Assets</td>
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<tr>
<td>Investments</td>
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<tr>
<td>Total Other Assets</td>
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<td>462,007</td>
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<tr>
<td>Total Assets</td>
<td>$750,428</td>
<td>$1,128,684</td>
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<td></td>
</tr>
</tbody>
</table>

### Liabilities And Net Assets

| Net Assets                   | 2014     | 2015     | Change in Net Assets | Net Assets, ending |
|------------------------------|----------|----------|                      |                    |
| Grant commitments            | 534,970  | 440,000  | (436,152)            | $209,217           |
| Accrued expenses             | 6,241    | 6,155    |                       | $682,529           |
| Total Current Liabilities    | 541,211  | 446,155  |                       |                    |
| Net Assets, beginning        | $645,369 | $473,312 |
| Net Assets, ending           | $209,217 | $682,529 |

### Total Liabilities And Net Assets

$750,428 $1,128,684

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*This financial information is extracted from COLTAF’s books and records. An audit was performed by GC² Professional Services PC, and is available upon request.

## 2014-2015 COLTAF Board Of Directors

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**William A. Bianco, Esq., Secretary**
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Sole Practitioner, Colorado Springs

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Martinez Tenreiro & LaForett, Denver

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10th Judicial District Court, Pueblo

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**Mary A. Wells, Esq.**
Wells Anderson & Race, Denver

**Jonathan D. Asher, Esq.**
Colorado Legal Services, Denver

**Mark A. Schmidt**
Citywide Banks, Denver

**Christopher P. Beall, Esq.**
Levine Sullivan Koch & Schulz, Denver

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**Staff**

**Diana Poole, Esq.,** Executive Director

**Kelly Bossley, Esq.,** Associate Director

**Vicki Capek,** Administrator

**Debra Gallegos,** Administrative Assistant

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E-mail: coltaf@legalaidfoundation.org
Web site: www.coltaf.org

COLTAF shares staff with the Legal Aid Foundation of Colorado.