

Dear Members and Friends:

These days, it seems like it's always something. Just as the pandemic seemed to be loosening its grip on the country, inflation hit a 40-year high, and there is still little relief in sight on the inflation front. Inflation intensifies the problem of poverty. For low-income families already living on tight budgets, paying more for basic necessities like food, rent, and gasoline can be devastating. These are the Coloradans who turn to the civil legal aid delivery system for help in avoiding and mitigating the potentially life-changing problems that accompany acute financial distress.

Fortunately, despite near-zero interest rates for most of the fiscal year, COLTAF was able to maintain grants levels for all its existing grantees because of its grant stabilization reserve. This is a reserve that is replenished when interest rates are higher so it is available to supplement current revenue for grants when rates are low.

And that's not the only good news. Inflation, as damaging as it can be, has a silver lining for COLTAF, and more importantly, for those who rely on COLTAF-funded programs for help. Inflation means higher interest rates, which, in turn, results in increased revenue for COLTAF, and a greater ability to respond to growing legal needs. Already, the Federal Reserve has raised its target rate six times since March, and more increases are likely. Of course, how quickly and how generously all COLTAF's participating banks respond to the Fed's increases by increasing their own short-term deposit rates remains to be seen, but as they do, the Colorado Supreme Court's rate comparability rule requires that the rates paid on COLTAF accounts follow suit.

The banks that are quickest to respond to increases in the fed funds rate are COLTAF's Leadership Banks. These important partners, listed on the next page, have demonstrated their commitment to helping maximize resources for civil legal aid by voluntarily agreeing to pay rates on their COLTAF accounts that are indexed to the fed funds rate. If your bank is on the list, please join COLTAF in thanking the bank for its commitment to equal justice. If your bank is not on the list, urge them to join the leadership ranks, or perhaps consider moving your COLTAF account to a Leadership Bank.

There is another bright spot as well. Pursuant to Colorado Rule of Professional Conduct 1.15B(k), lawyers and law firms continue to remit to COLTAF unclaimed COLTAF funds, i.e. funds in their COLTAF accounts whose owners cannot be identified or, if identified, cannot be located, after reasonable efforts to do so. By working with an actuary this year, COLTAF took the first steps necessary to determine to what extent it can begin to safely use some of these funds to support the civil legal aid delivery system.

Thank you for your participation in and support of the COLTAF program, especially now, as inflation continues to seriously impact low-income families. Civil legal aid alone can't solve the problem of poverty, but it can help. For low-income people in crisis, the most powerful and effective response often includes legal assistance. COLTAF, with your participation and support, helps make essential services available to those in need across our state.

Chuong M. Le
Board President

Diana M. Poole
Executive Director

WHERE YOU BANK MATTERS

Colorado Rule of Professional Conduct 1.15B(d) requires lawyers to maintain their COLTAF accounts in financial institutions that are approved by the Office of Attorney Regulation Counsel. To be an Approved Institution, a bank must pay on its COLTAF accounts the highest rate of interest or dividends paid on its comparable non-COLTAF accounts.

Prime Partners

COLTAF's Prime Partners go above and beyond this rate comparability requirement by paying a net yield on COLTAF deposits of at least 75 percent of the Federal Funds Target Rate, or a minimum of 0.50 percent, whichever is greater. Thank you to COLTAF's Prime Partners!

5Star Bank	Ent Credit Union	Pikes Peak National Bank
Air Academy	First Southwest Bank	RG Bank
Federal Credit Union	Flatirons Bank	Timberline Bank
Bank of Estes Park	InBank	UMB Bank
Berkley Bank	Integrity Bank & Trust	United Fidelity Bank
Bridge Bank	Mountain Valley Bank	Vectra Bank
(Western Alliance)	Pacific Western Bank	Wells Fargo

- If your bank is a Prime Partner, please join COLTAF in thanking the bank for its important contribution to the integrity of our civil justice system.
- If you're considering a change in your banking relationship, please consider one of COLTAF's Prime Partners as a way to honor your own commitment to equal justice.
- If your bank is not a Prime Partner, please encourage the bank to consider the Prime Partner Program. To learn more about the Program and/or to download a Prime Partner Enrollment Form, visit coltaf.org.

Benchmark Banks

COLTAF would also like to recognize its Benchmark Banks for saving COLTAF and themselves valuable administrative resources by paying COLTAF's Benchmark Rate (the greater of 60 percent of the Federal Funds Target Rate or 0.35 percent), and thereby automatically satisfying the rate comparability requirement without a time-consuming compliance review.

Adams Bank & Trust	First Colorado National Bank	Points West Community Bank
Bank of America	High Plains Bank	Solera National Bank
Citywide Banks	Key Bank	Transact Bank
First American State Bank	Pinnacle Bank	Verus Bank of Commerce

COLTAF is the non-profit 501(c) (3) organization that receives the interest earned on lawyers' pooled trust accounts pursuant to Rule 1.15B 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

2022 COLTAF GRANT AWARDS

COLTAF was established by the Colorado Supreme Court in response to dramatic cuts in federal funding for civil legal aid. Since 1982, COLTAF has made grants in the total amount of over \$50 million to support Colorado's civil legal delivery system and other justice-related programs around the state.

Legal Services Program Grant

\$2 million was distributed to **Colorado Legal Services (CLS)**, Colorado's statewide staffed legal aid program. CLS provides services with few exceptions to those living at or below 125% of the federal poverty guidelines, which is currently \$34,688 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 78 lawyers statewide to serve over 700,000 income-eligible Coloradans. By comparison, there are 535 public defenders statewide to serve the indigent in serious criminal matters.

Administrative and Legislative Advocacy Grant

\$100,000 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.

Pro Bono Program Grants

\$209,600 was distributed to pro bono programs around the state, to support their work in developing and mobilizing pro bono resources to help meet the civil legal needs of low-income Coloradans. This total includes funds from the Colorado Bar Foundation, which for the tenth consecutive year made a grant to COLTAF to supplement the funds available for pro bono grants.

• Alpine Legal Services (serving Pitkin, Garfield & Eagle counties)	\$15,000
• CLS of Boulder (serving Boulder County)	\$5,000
• Larimer County Bar Association (serving Larimer County)	\$12,500
• Pro Bono Project of Mesa County (serving Mesa County)	\$9,500
• Metro Volunteer Lawyers (serving Adams, Arapahoe, Broomfield, Denver, Douglas, Elbert & Jefferson counties)	\$40,000
• NW Colorado Legal Services (serving Clear Creek, Eagle, Grand, Gunnison, Jackson, Lake, Moffat, Rio Blanco, Routt, Summit, Pitkin & Garfield counties)	\$15,000
• Pikes Peak Justice & Pro Bono Center (serving El Paso & Teller counties)	\$30,000
• CLS Pueblo County Pro Bono Project (serving Baca, Bent, Cheyenne, Crowley, Huerfano, Kiowa, Las Animas, Otero, Prowers & Pueblo counties)	\$17,000
• San Luis Valley Bar Association Pro Bono Project (serving the San Luis Valley)	\$9,500
• Volunteer Attorney Program (serving Archuleta, La Plata & San Juan counties and Southern Ute and Ute Mountain Ute Reservations)	\$8,100
• Uncompahgre Volunteer Legal Aid (serving Montrose, Ouray & San Miguel counties)	\$30,000
• Weld County Legal Services (serving Weld County)	\$18,000

Discretionary Grants

\$50,000 was distributed to the **Colorado Access to Justice Commission (ATJC)** for general operating expenses to ensure the ATJC's long-term effectiveness. The ATJC's mission is to develop, coordinate, and implement policy initiatives to expand access to and enhance the quality of justice in civil legal matters for persons who encounter barriers in gaining access to Colorado's civil justice system.

Special Grants

COLTAF continued to fulfill multi-year grant obligations from Bank of America settlement funds restricted to legal aid organizations for foreclosure prevention legal assistance or community redevelopment legal assistance.

FINANCIAL STATEMENTS*

Statement of Financial Position June 30, 2022

	Without Donor Restriction	With Donor Restriction
ASSETS		
Current Assets		
Cash	\$ 2,511,460	\$ 94,265
Interest receivable	190,657	0
Investments, current maturities	1,310,826	811,686
Prepaid expenses	14,650	0
Total current assets	4,027,593	905,951
Property and Equipment, at cost	0	0
Other Assets		
Investments	1,570,559	694,500
Total Assets	\$ 5,598,152	\$ 1,600,451
LIABILITIES AND NET ASSETS		
Current Liabilities		
Grant commitments	\$ 1,859,600	\$ 0
Accrued expenses	7,392	0
Unclaimed funds	688,893	0
Total current liabilities	2,555,885	0
Net Assets		
Net assets	241,049	1,600,451
Board designated reserve	2,801,218	0
	3,042,267	1,600,451
Total Liabilities and Net Assets	\$ 5,598,152	\$ 1,600,451

Statement of Activities and Changes in Net Assets June 30, 2022

	Without Donor Restriction	With Donor Restriction
Total Revenue		
Trust account income	\$ 1,775,650	\$ 0
Interest and investment income	48,466	0
Contributions	2,637	35,207
Released from restriction	35,207	(35,207)
	1,861,960	0
Expenses		
Grants	2,409,600	0
Operating expenses	230,990	0
Total Expense	2,640,590	0
Change in Net Assets	(778,630)	0
Net Assets, beginning	3,820,897	1,600,451
Net Assets, ending	\$ 3,042,267	\$ 1,600,451

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

BOARD OF DIRECTORS 2021-2022

Chuong M. Le, President
3i Law

David M. Johnson, Vice President
Johnson Kush PC

Erin M. Eiselein, Secretary
Brownstein Hyatt Farber Schreck LLP

David Schafer, Treasurer
FirstBank

Jonathan D. Asher
Colorado Legal Services

Ilene L. Bloom
Ilene Lin Bloom PC

Angela D. Boykins
2nd Judicial District

Clarissa Collier
Wheeler Trigg O'Donnell LLP

C. Adam Foster
Total Management, Inc.

Jeffrey M. Kane
Southwest Water and Property Law LLP

William J. Martinez
US District Court – Dist. Of Colorado

Trung Nguyen
Bank of the West

Sam Niebrugge
Davis Graham & Stubbs LLP

Elizabeth A. Och
Hogan Lovells US LLP

J. Steven Patrick
7th Judicial District

Madison Stinnett
UMB Bank

COLTAF STAFF 2021-2022

Diana Poole, Executive Director

Kelly Bossley, Associate Director

Mike Lee, Administrator

Maria Rentzios, Administrative Assistant