

Dear Members and Friends:

This has been an extraordinary year for COLTAF. Reflecting the Federal Reserve's unprecedented run-up in interest rates, beginning in March 2022, together with Colorado's rate comparability rule, which entitles COLTAF accounts to the best rates for which they qualify at participating banks, COLTAF's revenue this year increased over six-fold. This, in turn, allowed COLTAF to increase significantly the size of its grants – and not a moment too soon.

We've all seen the headlines. Poverty increased sharply last year, particularly among children, as the cost of living rose and federal programs that provided pandemic-related aid to families ended. Housing costs remain high, and evictions are climbing across the state. The number of people needing food and utility assistance and facing debt collection is growing, as working families continue to struggle to make ends meet.

Civil legal aid alone can't solve all the problems of poverty, but expert legal assistance at a critical time in one's life can make a difference, and COLTAF's grantees make that available every day throughout the state. Whether it's a family threatened with eviction or a senior saddled with staggering medical debt, COLTAF's grantees are providing help and hope to vulnerable Coloradans facing the potentially life-changing legal problems that accompany acute financial distress.

Of course, despite this year's dramatic increase in revenue — and indeed, because of it — not all of the increase was available for grants. Because of the recognized and historic variability of COLTAF's only regular revenue stream, the interest earned on lawyers' pooled trust accounts, COLTAF has a well-conceived reserve policy. That policy requires COLTAF to systematically replenish the reserve when interest rates are high and revenue exceeds a five-year average, to ensure that there will be funds available to supplement current income for grants when rates fall again, as they inevitably will. COLTAF's reserve was critical following the 2008 financial crisis, and again following the pandemic, to mitigate at least to some degree the impact of very low rates and decreased revenue on COLTAF's grantees and, more importantly, those who turn to them for help.

COLTAF's Leadership Banks have also been critical to COLTAF's success this year. 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. They are consistently the first banks to respond to rate increases, and over the last 17 months, without complaint or resistance, they have increased the rates paid on their COLTAF accounts a total of 11 times.

If you bank at one of COLTAF's Leadership Banks, please join COLTAF in thanking them for their commitment to equal justice. If your bank is not on the list, urge them to join the leadership ranks. Make sure your bank knows that the rate they pay on their COLTAF accounts makes a difference to the legal community, and helps to meet a critical community need.

Thank you for your participation in and support of the COLTAF program. Through your participation and support, you help make essential legal services available to those most in need throughout Colorado.

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	First Southwest Bank	RG Bank
Air Academy 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
Ent Credit Union	Pikes Peak National Bank	

- 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](http://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 National Bank of Colorado	Solera National Bank
Bank of America	High Plains Bank	The Northern Trust Company
Citywide Banks	JPMorgan Chase Bank	Transact Bank
Collegiate Peaks Bank	Key Bank	Verus Bank of Commerce
First American State Bank	Pinnacle Bank	
First Colorado National Bank	Points West Community Bank	

List current as of December 1, 2023

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](http://www.coltaf.org)

# 2023 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 \$55 million to support Colorado's civil legal delivery system and other justice-related programs around the state.

## Legal Services Program Grant

\$5.4 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 \$37,500 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 84 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

\$326,600 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 eleventh consecutive year made a grant to COLTAF to supplement the funds available for pro bono grants.

• <b>Alpine Legal Services</b> (serving Pitkin, Garfield & Eagle counties)	\$20,000
• <b>CLS of Boulder</b> (serving Boulder County)	\$5,000
• <b>Larimer County Bar Association</b> (serving Larimer County)	\$18,000
• <b>The Justice Center</b> (serving El Paso and Teller counties)	\$50,000
• <b>Metro Volunteer Lawyers</b> (serving Adams, Arapahoe, Broomfield, Denver, Douglas, Elbert & Jefferson counties)	\$75,000
• <b>NW Colorado Legal Services</b> (serving Clear Creek, Eagle, Grand, Gunnison, Jackson, Lake, Moffat, Rio Blanco, Routt, Summit, Pitkin & Garfield counties)	\$25,000
• <b>Pro Bono Project of Mesa County</b> (serving Mesa County)	\$20,000
• <b>CLS Pueblo County Pro Bono Project</b> (serving Baca, Bent, Cheyenne, Crowley, Huerfano, Kiowa, Las Animas, Otero, Prowers & Pueblo counties)	\$30,000
• <b>San Luis Valley Bar Association Pro Bono Project</b> (serving the San Luis Valley)	\$9,500
• <b>Volunteer Attorney Program</b> (serving Archuleta, La Plata & San Juan counties and Southern Ute and Ute Mountain Ute Reservations)	\$8,100
• <b>Uncompahgre Volunteer Legal Aid</b> (serving Montrose, Ouray & San Miguel counties)	\$45,000
• <b>Weld County Legal Services</b> (serving Weld County)	\$21,000

## Discretionary Grants

\$65,000 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.

## FINANCIAL STATEMENTS\*

### Statement of Financial Position June 30, 2023

	Without Donor Restriction	With Donor Restriction
<b>ASSETS</b>		
Current Assets		
Cash	\$ 6,841,501	\$ 224
Interest receivable	1,335,998	0
Investments, current maturities	1,386,106	531,997
Prepaid expenses	9,265	0
<b>Total current assets</b>	<b>9,572,870</b>	<b>532,221</b>
Property and Equipment, at cost	0	0
Other Assets		
Investments	4,515,787	1,068,230
<b>Total Assets</b>	<b>\$ 14,088,657</b>	<b>\$ 1,600,451</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Grant commitments	\$ 4,891,600	\$ 0
Accrued expenses	7,836	0
Unclaimed funds	878,821	0
<b>Total current liabilities</b>	<b>5,778,257</b>	<b>0</b>
Net Assets		
Net assets	1,243,180	1,600,451
Board designated reserve	7,067,220	0
	<b>8,310,400</b>	<b>1,600,451</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 14,088,657</b>	<b>\$ 1,600,451</b>

### Statement of Activities and Changes in Net Assets June 30, 2023

	Without Donor Restriction	With Donor Restriction
Revenue		
Trust account income	\$ 11,064,903	\$ 0
Interest and investment income	262,590	0
Contributions	27,794	50,000
Released from restriction	50,000	(50,000)
<b>Total Revenue</b>	<b>11,405,287</b>	<b>0</b>
Expenses		
Grants	5,891,600	0
Operating expenses	245,554	0
<b>Total Expense</b>	<b>6,137,154</b>	<b>0</b>
Change in Net Assets	5,268,133	0
Net Assets, beginning	3,042,267	1,600,451
<b>Net Assets, ending</b>	<b>\$ 8,310,400</b>	<b>\$ 1,600,451</b>

\* This financial information is extracted from COLTAF's books and records. An audit was performed by GC<sup>2</sup> Professional Services PC, and the audited financial statements are available upon request.

## BOARD OF DIRECTORS 2022-2023

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**Kelly Bossley, Associate Director**

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**Maria Rentzios, Administrative Assistant**