

ANNUAL
REPORT

2021



SAFERTOGETHER

LETTER FROM THE EXECUTIVE DIRECTOR

Dear Member:

We're pleased to present CIRSA's Basic Financial Statements for the year ended December 31, 2020 and 2021.

The past few years have brought a series of new challenges, unforeseen events, and upset plans. These new challenges have affected all of us, but especially local governments. The worldwide pandemic continued to evolve. The known risks of mountain wildfires took an especially tragic turn as we saw urban wildfires tear through parts of Boulder County. Many key municipal functions and services – governance, election administration, and of course, law enforcement, to name a few – became the topic of public debate, scrutiny, and criticism as never before.

But you, our members, continued to persevere, and we thank you for persevering. Although not always acknowledged or appreciated, or sometimes even noticed, the things that municipal government does are a key part of why our state is a great place in which to live, work, and play. We are honored to continue to support you as your risk management partner.

Reinsurance costs continued to be high. Property reinsurers continue to be nervous about the risks of wind, hail, and flood in Colorado. Wildfire risks are also uppermost among their concerns. These factors contributed to a continuing "hard market" for property reinsurance. Conditions in the cyber coverage market were even worse, with massive premium increases and cutbacks in coverage.

On the liability side, the cost of law enforcement liability claims continues to be a key factor in the cost of liability reinsurance. We've heard about non-CIRSA members experiencing the nonrenewal of their law enforcement liability insurance, substantially lower coverage limits, or skyrocketing premiums. Thanks to the benefits of pooling, CIRSA members continued to have much greater stability in coverages, coverage limits, and costs than their non-pool neighbors.

We're certainly devoting more resources to help you tackle these big challenges. Although we can't influence climactic conditions or the threat of major property losses, our Claims Department has been identifying ways to help you plan for the possibility of such losses. In the cyber area, our IT Department has budgeted nearly a quarter million dollars, over this year and last year, for your participation in KnowB4 to help you and your employees guard against cyber events. And law enforcement has been a major focus of our Risk Control Department, with over \$788,000 allocated towards four law enforcement initiatives: SIGMA Tactical Health & Wellness, CORDICO Mental Health & Wellness App, Dr. Brower Psychology Services, and the continuation of Lexipol's Police One Online Academy. And we want you to tell us: what else can we do to be of help?

Looking ahead, will the "curse" of "living in interesting times" finally lift? Will there finally be a "normal," or at least a "new normal"? We don't know. But we do know that we'll continue to be your resource as you serve your communities and citizens in good times and hard times. We truly are Safer Together. Thank you for your continued support of CIRSA. Please reach out to me or any member of the CIRSA team to share your thoughts or to let us know how we can be of help.

Sincerely,



Tami A Tanoue, Executive Director



BOARD OF DIRECTORS



Martee Erichson
Board Chairperson



Suzanne Leclercq
Vice-Chairperson



Houssin Hourieh
Secretary/Treasurer



Greg Caton
Board Member



Shane Hale
Board Member



Sara Ott
Board Member



Jason Slowinski
Board Member

2021

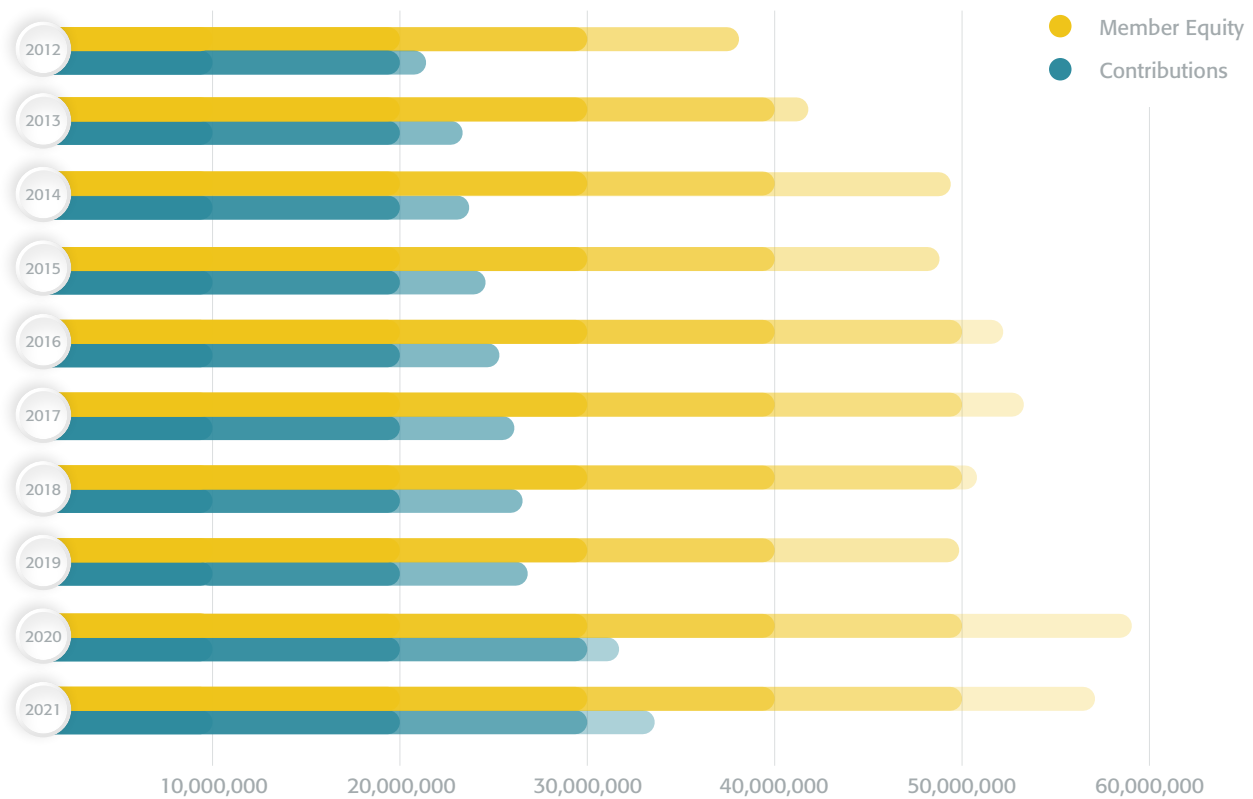
CONTENTS

Contributions & Member Equity	5
Total Expenses	6
Membership Growth	7
CIRSA Membership List	8
Auto Liability	10
Auto Physical Damage	11
General Liability	12
Errors & Omissions Liability	13
Police Liability	14
Property	15
Workers' Compensation	16
Financials	17
CIRSA Staff List	19

OUR MISSION

To provide Colorado municipalities with the knowledge, guidance, and resources they need to effectively manage risk and create the conditions for their communities and citizens to thrive.

CONTRIBUTIONS & MEMBER EQUITY



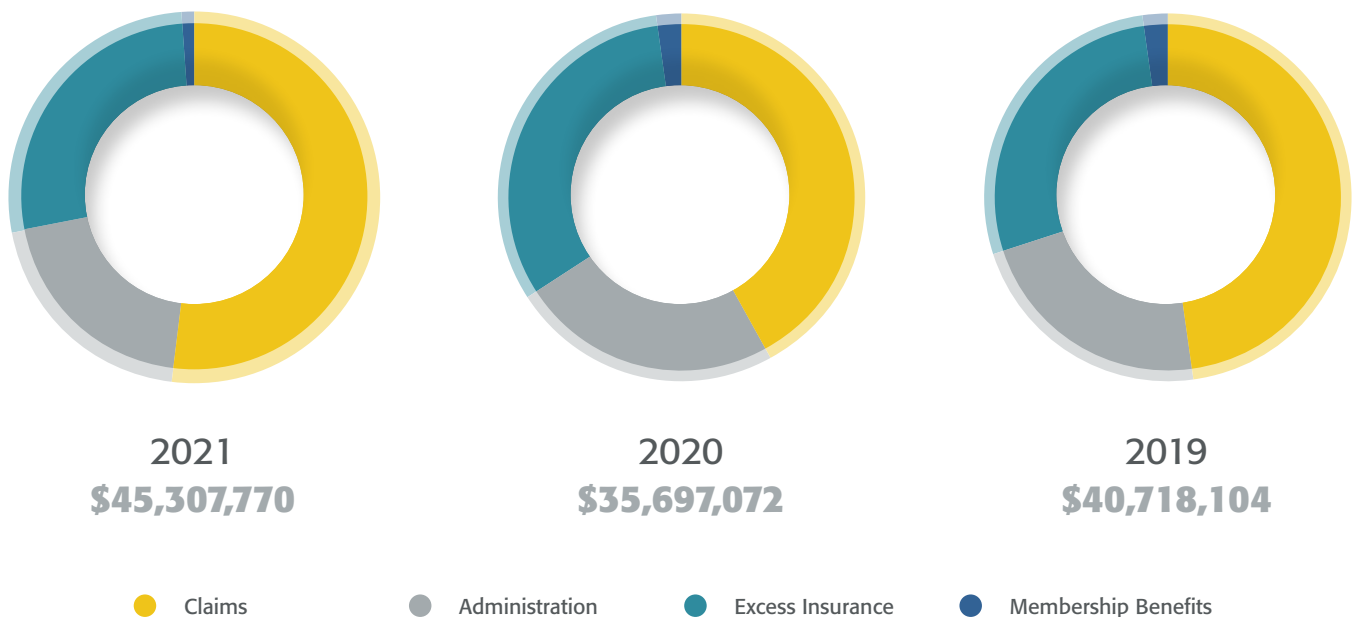
Each member has an individual member equity account. The sum-total of all member equity accounts equals the pools' total resources or working capital.

As of December 31, 2021,
total member equity was **\$56,119,130**.

Net contributions were **\$1.9M** or **6.1%** higher in 2021 than 2020 due to the increase in rates and addition of two new members.

TOTAL EXPENSES

Over the Past 3 Years

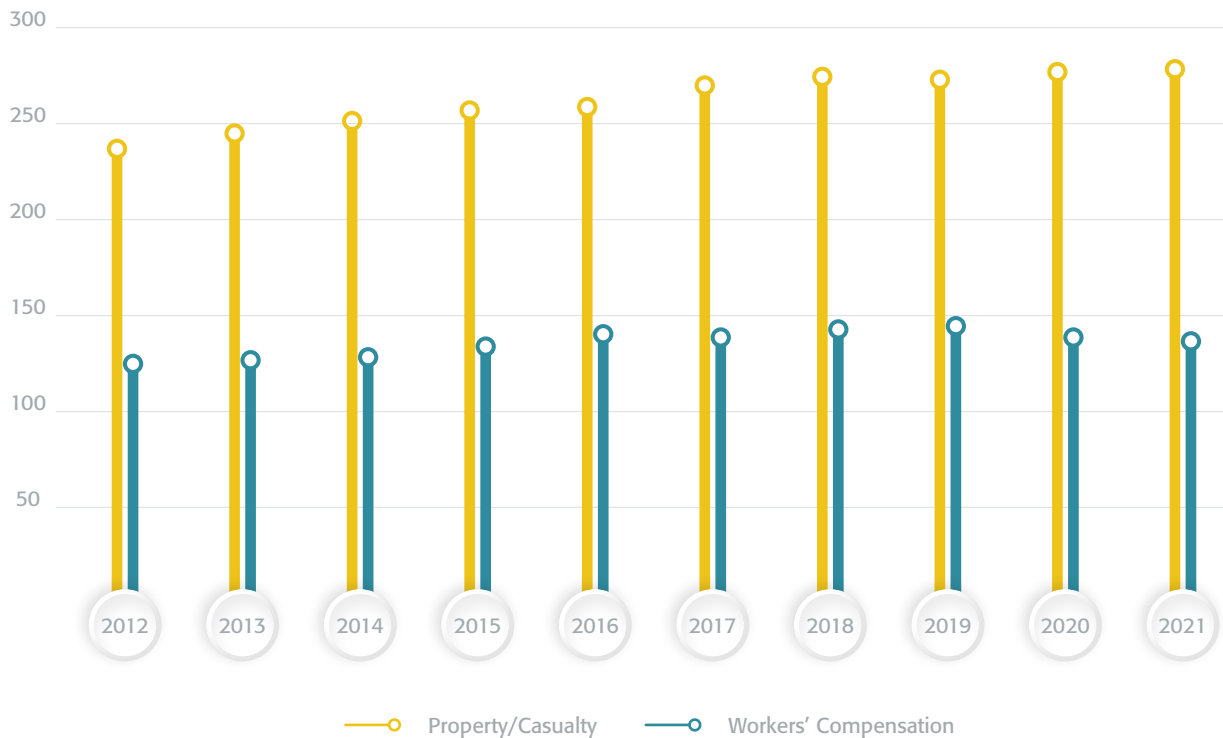


Total expenses in 2021 increased by **\$9,610,698**.

Property/Casualty and Workers' Compensation claims for 2021 were **\$8,502,139** more than 2020.

Excess insurance expenses increased by **\$478,341**,
Membership Benefits increased by **\$146,796**,
Administration increased by **\$483,422** in 2021.

MEMBERSHIP GROWTH



282 members participated in both pools in 2021.

The Property/Casualty pool was established in 1982 with 18 members. In 2021, membership **increased to 279 members**.

The Workers' Compensation pool was established in 1988 with 38 members. Membership is currently at **139 members**.

2022 CIRSA MEMBERSHIP

Town of Aguilar	Colorado Information	City of Florence	Town of Hayden
Town of Akron	Sharing Consortium	Foothills Animal Shelter	Town of Hillrose
Town of Antonito	Colorado Rangers Law	City of Fort Lupton	Historic Arkansas Riverwalk
Arkansas River Power	Enforcement Shared	City of Fort Morgan	of Pueblo Authority
City of Aspen	Reserve	City of Fountain	Town of Holly
Aspen/Pitkin County	City of Commerce City	Town of Fowler	City of Holyoke
Housing Authority	City of Cortez	Town of Foxfield	Holyoke Housing Authority
Town of Avon	City of Craig	Town of Fraser	Town of Hooper
Town of Basalt	Town of Crawford	Town of Frederick	Town of Hot Sulphur
Town of Bayfield	City of Creede, a Town	Town of Frisco	Springs
Town of Bennett	Town of Crested Butte	City of Fruita	Town of Hotchkiss
Town of Berthoud	Town of Crestone	Town of Garden City	Housing Authority of the
Town of Bethune	City of Cripple Creek	Garfield Clean Energy	City of Brighton
City of Black Hawk	Town of Crowley	Collaborative	Housing Authority of the
Town of Blanca	City of Dacono	Garfield County	City of Pueblo
Town of Blue River	Town of De Beque	Emergency	Town of Hudson
Town of Boone	Town of Deer Trail	Communications Authority	Hudson Housing Authority
Town of Bow Mar	City of Delta	Town of Genoa	- Prairie View Apartments
Town of Breckenridge	Town of Dillon	Town of Georgetown	Town of Hugo
City of Brighton	Town of Dinosaur	Town of Gilcrest	City of Idaho Springs
Town of Brookside	Town of Dolores	City of Glendale	Town of Ignacio
City/County of Broomfield	City of Durango	City of Glenwood Springs	Town of Iliff
City of Brush!	Town of Eagle	City of Golden	Town of Jamestown
Brush Rural Fire Protection	Town of Eaton	Town of Granada	Jefferson Parkway Public
Town of Buena Vista	Eaton Housing Authority	City of Grand Junction	Highway Authority
City of Burlington	Town of Eckley	Town of Grand Lake	Town of Johnstown
Town of Calhan	City of Edgewater	Great Western Trail	Town of Julesburg
Town of Campo	Town of Elizabeth	Authority	Town of Keenesburg
City of Cañon City	Town of Empire	Town of Green Mountain	Town of Kersey
Town of Carbondale	City of Englewood	Falls	Town of Kim
City of Castle Pines	Englewood Housing	City of Greenwood Village	Town of Kiowa
Town of Castle Rock	Authority	Town of Grover	Town of Kit Carson
Town of Cedaredge	Town of Erie	City of Gunnison	Town of Kremmling
City of Centennial	Town of Estes Park	Gunnison Valley	Town of La Jara
Town of Center	Estes Park Housing	Transportation Authority	City of La Junta
City of Central City	Authority	Gunnison/Hinsdale	Town of La Veta
City of Cherry Hills Village	City of Evans	Combined Emergency	City of Lafayette
Town of Cheyenne Wells	Town of Fairplay	Telephone Service	Town of Lake City
Church Ditch Water	City of Federal Heights	Authority	Town of Lakeside
Authority	Town of Firestone	Town of Gypsum	City of Lamar
Town of Coal Creek	FlatIron Improvement	Town of Hartman	Lamar Housing Authority
Town of Cokedale	District	Town of Haswell	Larimer Emergency
Town of Collbran	Town of Fleming	Town of Haxtun	Telephone Authority

2022 CIRSA MEMBERSHIP

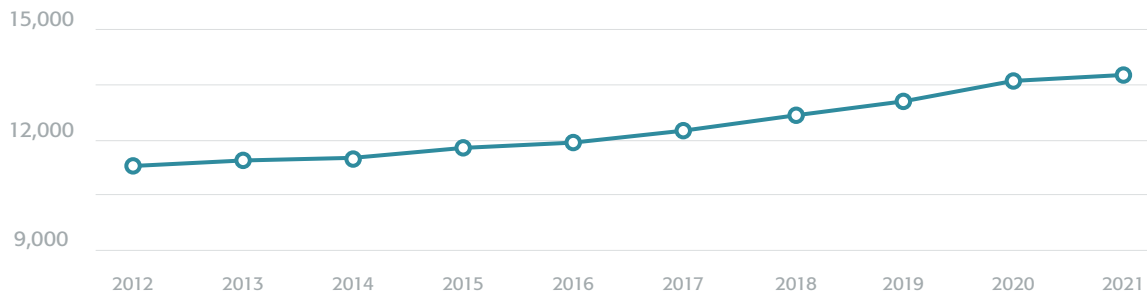
Town of Larkspur
City of Las Animas
Las Animas County E911
Authority
Town of LaSalle
City of Leadville
Town of Limon
City of Littleton
Town of Lochbuie
Town of Log Lane Village
City of Lone Tree
City of Loveland
Town of Lyons
Town of Mancos
City of Manitou Springs
Town of Marble
Town of Mead
Town of Meeker
Town of Merino
Town of Milliken
Town of Minturn
Town of Moffat
Moffat County Local
Marketing District
City of Monte Vista
Town of Montezuma
City of Montrose
Town of Monument
Town of Morrison
Mountain Express
Transportation System
Town of Mountain View
Town of Mountain Village
Town of Mt. Crested Butte
Mustang Water Authority
Town of Naturita
Town of Nederland
Town of New Castle
North Front Range MPO
North Metro Task Force
North Park Fire Rescue
Authority
City of Northglenn

Northwest Colorado
Council of Governments
Northwest Parkway Public
Highway Authority
Town of Norwood
Town of Nucla
Town of Nunn
Town of Oak Creek
Town of Olathe
Old Dillon Reservoir Water
Authority
Town of Olney Springs
Town of Ophir
Town of Orchard City
Town of Ordway
Town of Otis
City of Ouray
Town of Pagosa Springs
Town of Palisade
Town of Palmer Lake
Town of Paoli
Town of Paonia
Town of Parachute
Town of Peetz
Town of Pitkin
Town of Platteville
Town of Poncha Springs
City of Pueblo
Pueblo Department
of Public Health and
Environment
Pueblo Regional Building
Department
Pueblo Urban Renewal
Authority
Town of Ramah
Town of Rangely
Town of Raymer
Town of Red Cliff
Regional Housing Alliance
of La Plata County
Town of Rico
Town of Ridgway

City of Rifle
Roaring Fork
Transportation Authority
Town of Rockvale
City of Rocky Ford
Town of Romeo
Town of Rye
Town of Saguache
City of Salida
Town of San Luis
San Miguel Authority for
Regional Transportation
Town of Sanford
Town of Sawpit
Town of Sedgwick
Town of Severance
City of Sheridan
Town of Silt
Town of Silver Cliff
Town of Silver Plume
Town of Silverthorne
Town of Silverton
Town of Simla
Town of Snowmass Village
Town of South Fork
South Routt Library District
Southwest Colorado
Council of Governments
Town of Springfield
Town of Starkville
City of Steamboat Springs
City of Sterling
Town of Stratton
Town of Sugar City
Summit County
Telecommunications
Consortium
Town of Swink
Town of Telluride
City of Thornton
Town of Timnath
City of Trinidad
Town of Vail

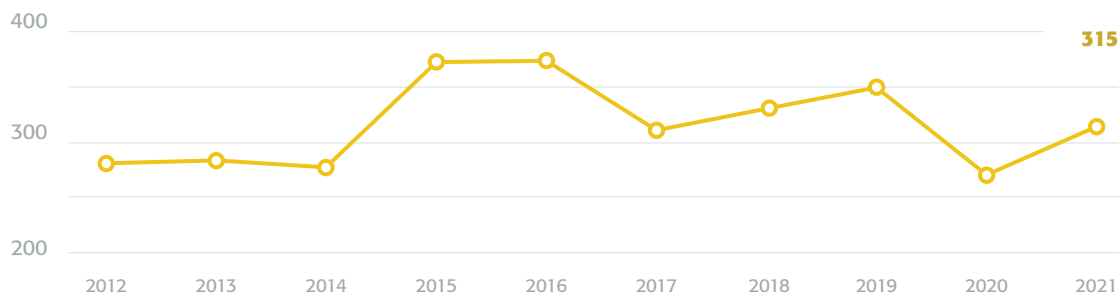
City of Victor
Town of Vilas
Town of Vona
Town of Walden
City of Walsenburg
Town of Walsh
Town of Ward
Town of Wellington
Town of Westcliffe
Western Colorado
Regional Dispatch Center
City of Westminster
City of Wheat Ridge
Town of Wiggins
Town of Williamsburg
Town of Windsor
Windsor Housing Authority
Town of Winter Park
Woman Creek Reservoir
Authority
City of Woodland Park
City of Wray
Yampa Valley Housing
Authority
City of Yuma

AUTO LIABILITY



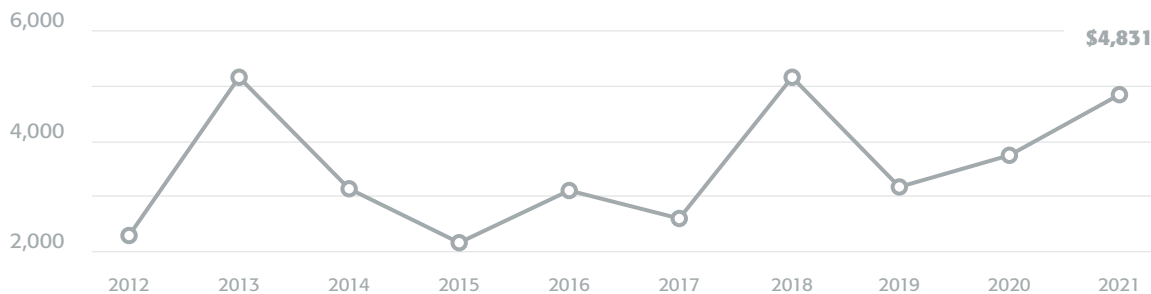
**Increased
to 13,779**

**Total number of
insured vehicles**



**Increase
of 44**

**Total number
of claims**



**\$1,073
increase**

**Average cost
per claim**

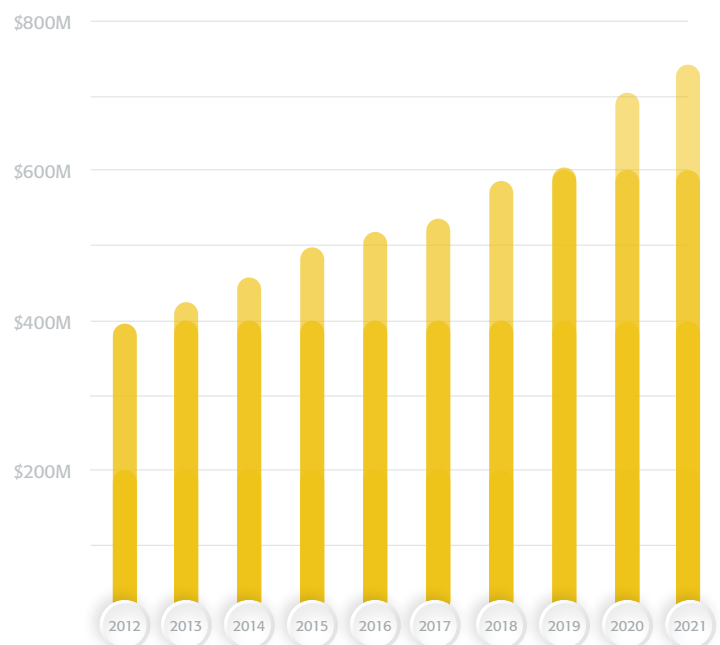
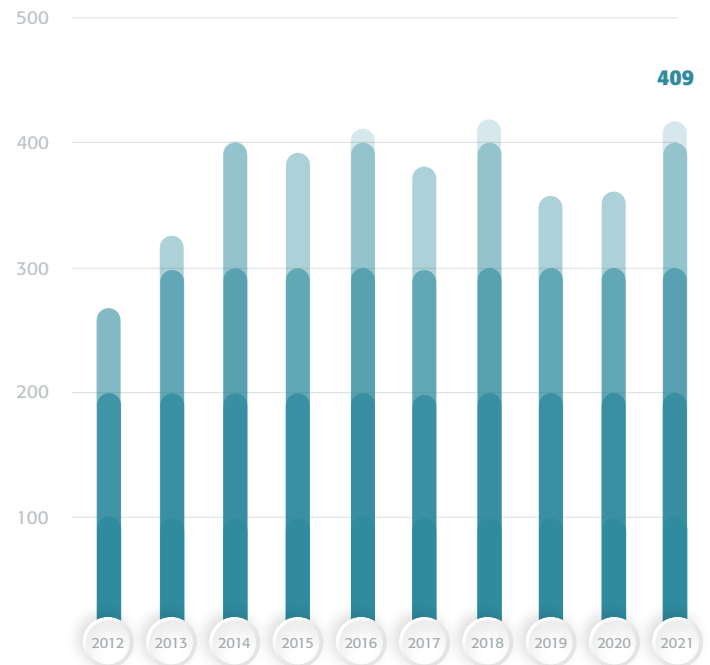
AUTO PHYSICAL DAMAGE

Since
2012
the average cost per claim
has **increased to \$8,183.**

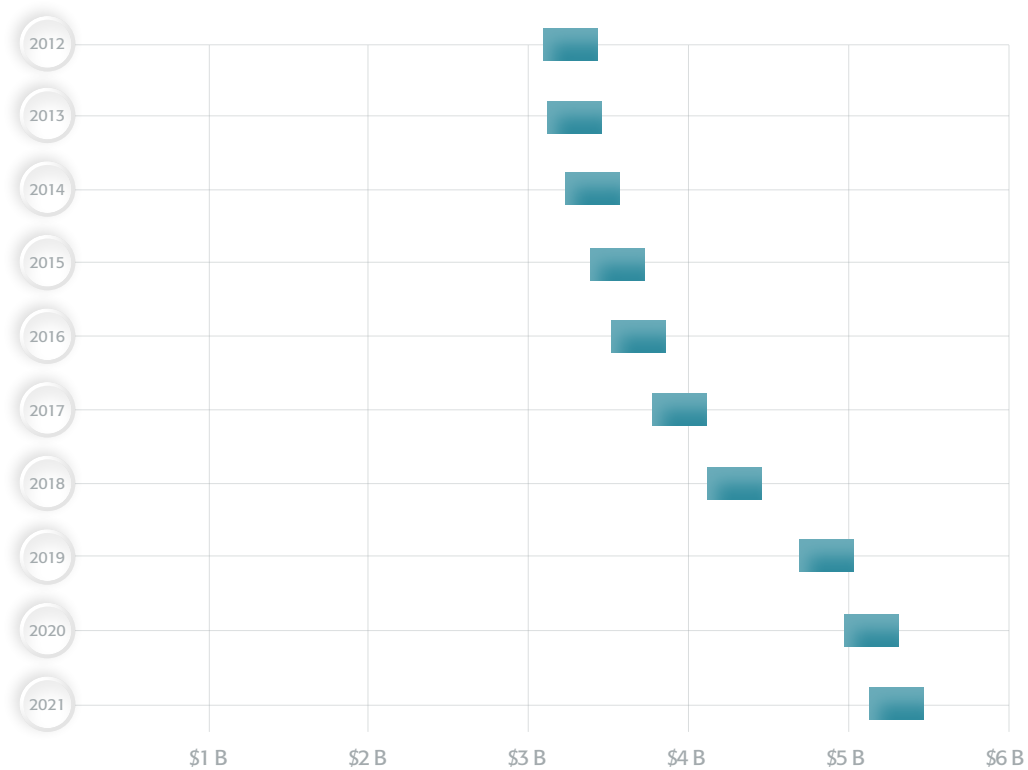


The total number of claims
has **increased by 58.**

— • —
The total insured values have
increased to \$738,000,000.



GENERAL LIABILITY



Total member operating expenditures has **increased to approximately \$5.3 billion.**

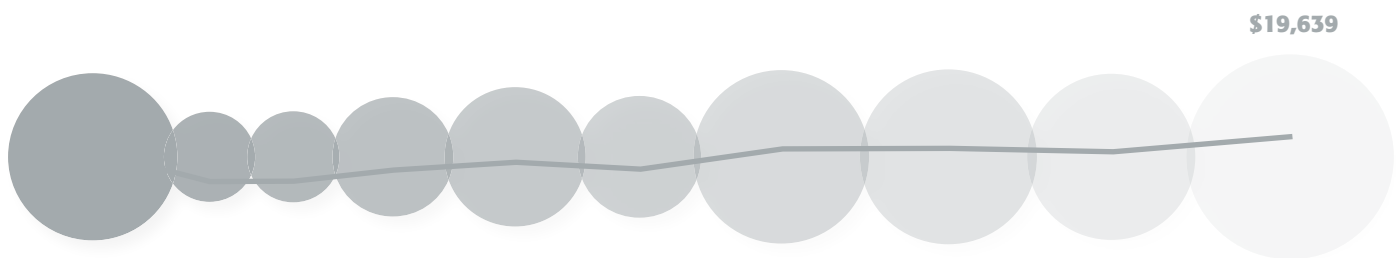
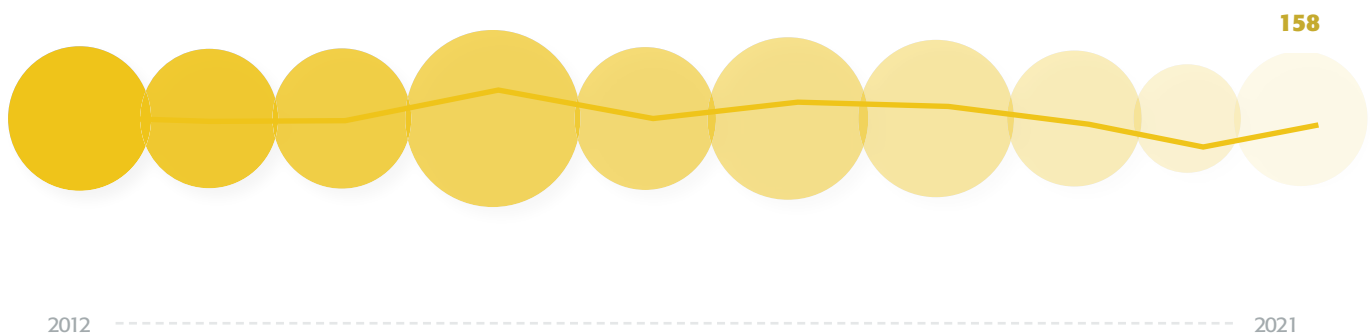


The number of claims has **remained relatively flat at 465.**



The average cost per claim has **remained flat at \$2,909.**

ERRORS & OMISSIONS LIABILITY



Total member operating expenditures has **increased to approximately \$5.3 billion.**

_____ ● _____

The number of claims **increased by 31.**

_____ ● _____

The average cost per claim has **increased to \$19,639.**

POLICE LIABILITY

In 2021

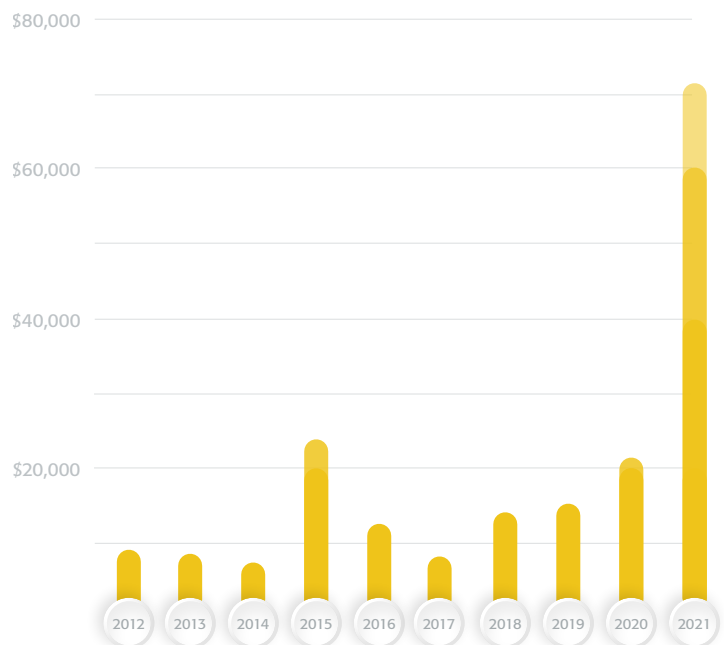
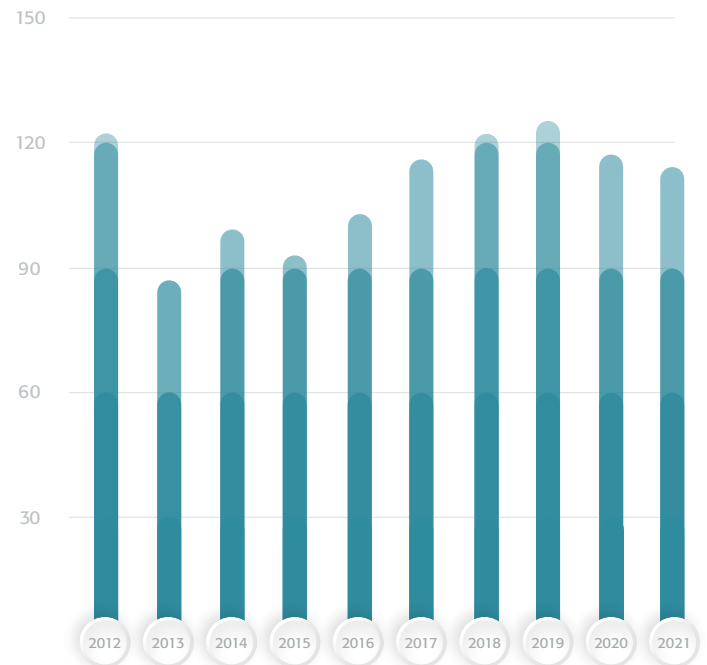
the total number of insured police officers **decreased to 3,911.**



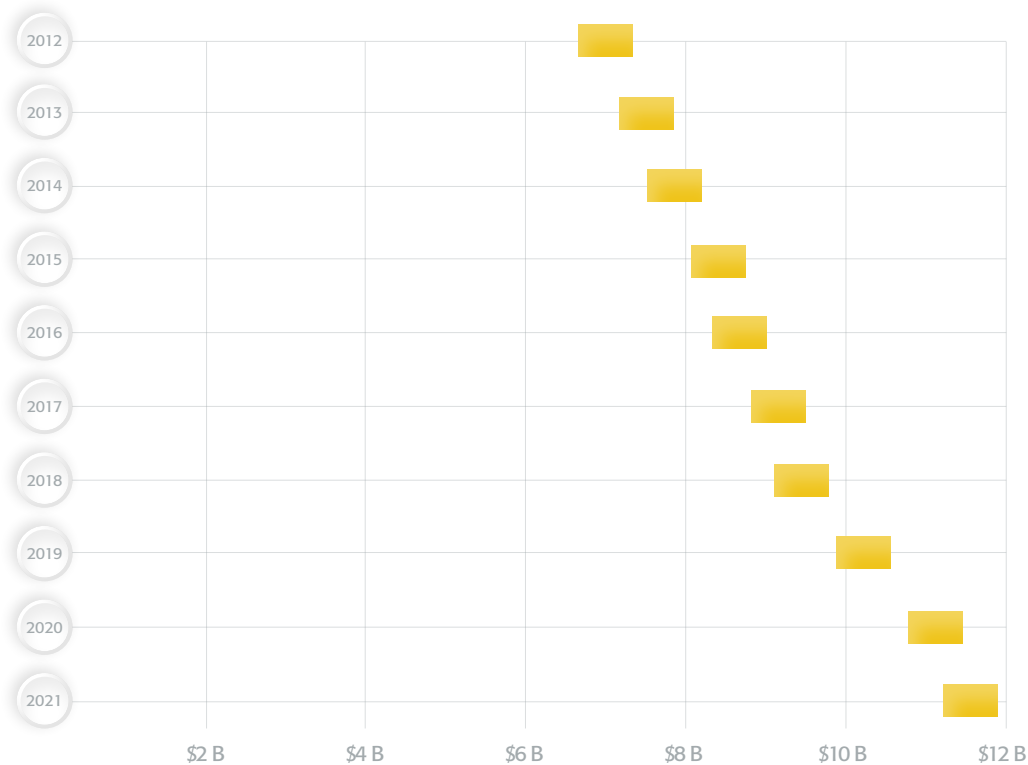
The total number of claims has **decreased from 117 in 2020 to 114 in 2021.**

————— ● —————

The average cost per claim **increased to \$71,326 in 2021.**



PROPERTY



In 2021, total insured property values has **increased to over \$11.5 billion.**

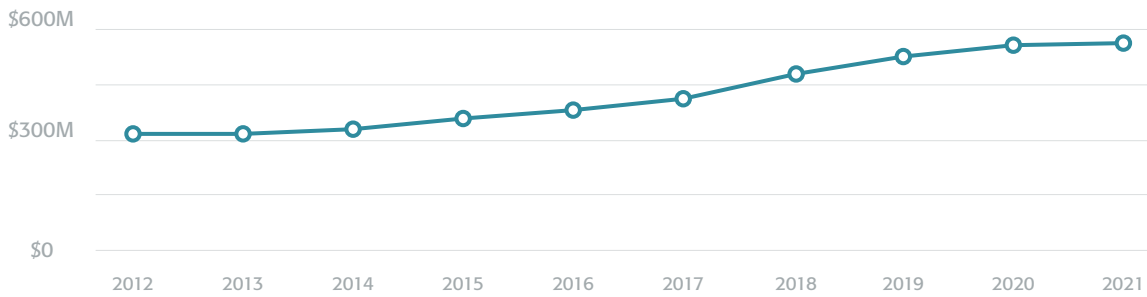


The number of claims filed has **increased from 323** in 2020 to **432** in 2021.



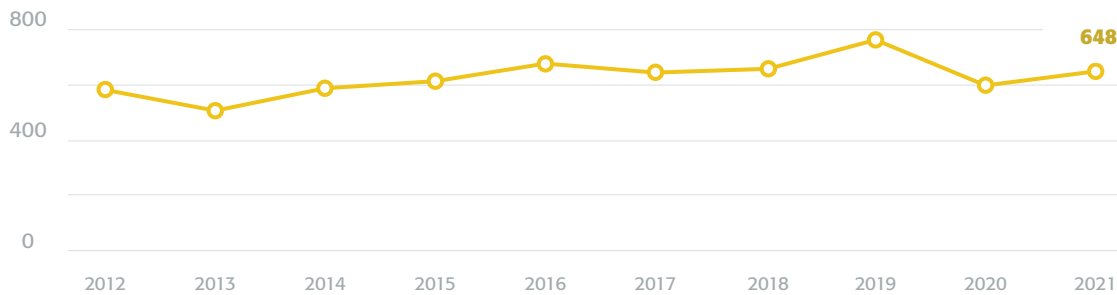
The average cost per claim has **decreased to \$10,550 in 2021.**

WORKERS' COMPENSATION



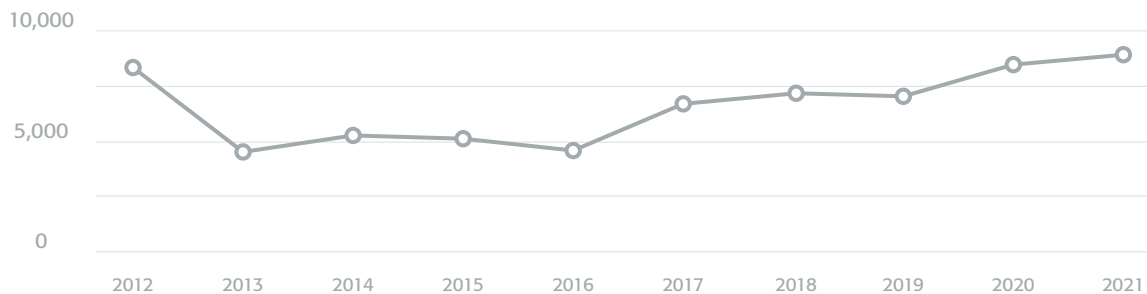
**Increased
to over
\$561 M**

Total covered
payroll in 2021



**Increase
of 52**

Total number of
claims in 2021



**Increased
to \$8,929**

Average cost
per claim

FINANCIAL STATEMENTS OF NET POSITION

ASSETS

Current assets:

Investments in debt securities, at fair value (amortized cost of \$9,472,134 and \$14,772,349 at December 31, 2021 and 2020, respectively)

Cash and cash equivalents

Accrued investment income

Receivable from members

Excess insurance receivable, net

Prepaid expenses

Other assets

Total current assets

Noncurrent assets:

Investments in debt securities, at fair value (amortized cost of \$62,016,347 and \$48,733,283 at December 31, 2021 and 2020, respectively)

Deposit with NLC Mutual Insurance Company

Deposit with Government Entities Mutual Inc.

Capital assets, net

Total noncurrent assets

Total assets

	2021	2020
Investments in debt securities, at fair value (amortized cost of \$9,472,134 and \$14,772,349 at December 31, 2021 and 2020, respectively)	9,522,973	14,920,578
Cash and cash equivalents	17,427,292	19,199,258
Accrued investment income	225,167	240,308
Receivable from members	1,136,372	947,164
Excess insurance receivable, net	2,430,203	2,653,365
Prepaid expenses	448,089	1,160,333
Other assets	2,344	2,621
Total current assets	31,192,440	39,123,627
Investments in debt securities, at fair value (amortized cost of \$62,016,347 and \$48,733,283 at December 31, 2021 and 2020, respectively)	62,159,593	50,551,734
Deposit with NLC Mutual Insurance Company	697,901	697,901
Deposit with Government Entities Mutual Inc.	500,000	
Capital assets, net	3,616,814	3,800,468
Total noncurrent assets	66,974,308	55,050,103
Total assets	98,166,748	94,173,730

LIABILITIES AND NET POSITION

Current liabilities:

Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables

Accounts payable and accrued liabilities

Member credits payable

Special contribution plan deposits

Unearned member contributions

Total current liabilities

Noncurrent liabilities:

Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables

Total noncurrent liabilities

Total liabilities

Net position:

Invested in capital assets

Restricted

Unrestricted

Total net position

Total liabilities and net position

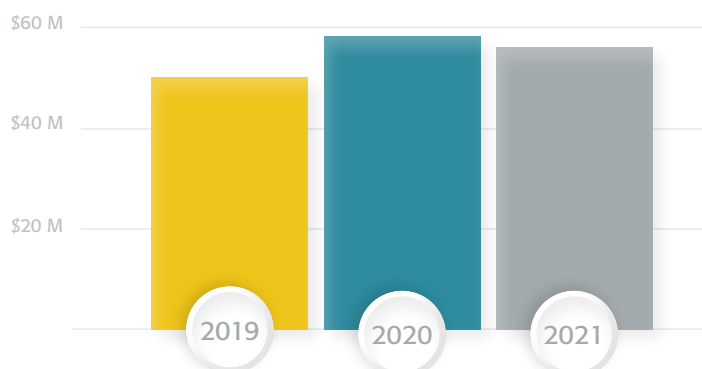
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	15,252,000	12,565,000
Accounts payable and accrued liabilities	641,923	453,449
Member credits payable	1,397,915	1,229,366
Special contribution plan deposits	25,000	25,000
Unearned member contributions	137,069	97,737
Total current liabilities	17,453,907	14,370,552
Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables	24,593,711	21,380,294
Total noncurrent liabilities	24,593,711	21,380,294
Total liabilities	42,047,618	35,750,846
Invested in capital assets	3,616,814	3,800,468
Restricted	510,234	527,625
Unrestricted	51,992,082	54,094,791
Total net position	56,119,130	58,422,884
Total liabilities and net position	98,166,748	94,173,730

FINANCIAL STATEMENTS OF REVENUE, EXPENSE, & CHANGES IN NET POSITION

	2021	2020
Operating Revenues:		
Member contributions earned (net of excess insurance and reinsurance premiums and brokerage commissions of \$12,084,011 and \$11,605,670 in 2021 and 2020, respectively)	32,934,344	31,048,151
Total operating revenues	32,934,344	31,048,151
Operating Expenses:		
Losses and Loss adjustment expenses	23,425,676	14,923,537
General and administrative	9,798,083	9,167,865
Total operating expenses	33,223,759	24,091,402
Operating (loss) income	(289,415)	6,956,749
Nonoperating Revenue:		
Net investment (loss) income	(876,122)	2,448,621
(Loss) Income before distributions	(1,165,537)	9,405,370
Distributions and credits to members and withdrawn members	(1,138,217)	(957,174)
(Decrease) Increase in net position	(2,303,754)	8,448,196
Net position, beginning of year	58,422,884	49,974,688
Net position, end of year	56,119,130	58,422,884

In 2021
CIRSA's net position has
decreased by \$2,303,754.

(Net Position Over the Past 3 Years)



2021 CIRSA STAFF

EXECUTIVE

Tami A. Tanoue, JD

Executive Director

Mary Beth Brown

Human Resources & Operations
Manager

Jo Moeller

Administrative Assistant

GENERAL COUNSEL

Samuel J. Light

RISK CONTROL

Greg Barlow, CSP, CIT

Loss Control Manager

**Jay Williamson, CSP, ARM, ALCM,
CHCM**

Loss Control Supervisor

Nicholas Paoli, CSP, ARM, CFPS

Loss Control Representative

Sarah Hiett, COSS

Loss Control Trainer/Representative

David Krajicek, CSP, CHMM

Loss Control Representative/Industrial
Hygienist

Martin Waln, GSP

Loss Control Representative (Grand
Junction Office)

Eileen Chavez, MEd

Training & Event Specialist

Michael Spector

Safety & Risk Management Trainer

Channa Chavez

Loss Control Coordinator

MEMBERSHIP SERVICES

Courtney Fagan, ARM

Strategy & Member Engagement
Manager

Alex Orford

Graphic Design & Production Specialist

CLAIMS

Mike Wagner, SCLA

Claims Manager

PROPERTY/CASUALTY

Dianne Dale Hall

PC Claims Supervisor

Bethany Ross

Liability Claims Specialist

Craig Stevens

Property Claims Specialist

Susan M. Eisenhoffer

Senior PC Claims Representative
(Montrose Office)

Nile D. Knez, CCLA

Senior PC Claims Representative

Bruce McKenney, SCLA, AIC

Senior PC Claims Representative

Francesca Pellerano, CPCU

Senior PC Claims Representative

Beverly Perry, CCLA/FCLA

PC Claims Representative

Linda Murphy

Administrative Assistant

WORKERS' COMPENSATION

Marla Myers

WC Claims Supervisor

Anthony Moore

Senior Multi-Line Claims
Representative

Lara E. Wilber

Senior PC Claims Representative

Amanda LeClair

Senior WC Examiner

Amanda Longacre, WCLA

WC Claims Examiner

TJ Benavides

Claims Representative Trainee

UNDERWRITING

Jill Padbury, CIC

Underwriting Manager

Jessica M. Cowlshaw, CIC

Senior Underwriting Representative

Debbie Coleman

Senior Underwriting Representative

Catherine A. Wegman

Underwriting Representative

Deanna Erickson

Underwriting Representative

Monique Ferguson

Administrative Assistant

FINANCE

Linda Black, CPA, FCPA

Chief Financial Officer

Troy Krumland

Senior Accountant

Luke Driscoll

Financial Analyst/Accountant

Layla Bussard

Senior Accounting Technician

Meghan Green

Financial Analyst

INFORMATION TECHNOLOGY

David Beacham

IT Manager

Trace Fieseler, ITIL

Risk Technology Officer

Erik Schriewer

Senior System Administrator