



ANNUAL
REPORT
2023



LETTER FROM THE EXECUTIVE DIRECTOR

Dear Member:

We're pleased to present CIRSA's Basic Financial Statements for the years ended December 31, 2022 and 2023.

For CIRSA and its members, 2023 was an unprecedented year. Indeed, the past few years can be summed up as unprecedented.

2023 hail and wind activity certainly fits the description. Last year, CIRSA members experienced roughly 3 times more hail/wind damage than in the previous 4 years combined. We're still totaling up the bill as members continue to repair and rebuild, but we expect 2023 wind/hail losses will be in the \$18 million range. Colorado is vying with Texas to be the most costly hail claim state in the nation.

Law enforcement liability claims also fit the bill as reaching unprecedented levels year over year for the past several years. Police agencies across the nation and throughout Colorado, including CIRSA members, are continually breaking records for settlements and verdicts. In conversations with prospective reinsurers, they have characterized Colorado as being on a par with California for the worst law enforcement liability environment in the U.S., largely due to the perception of adverse legislative changes over the past few years as well as the settlements and verdicts that have made the news.

These unprecedented conditions have certainly manifested themselves in CIRSA's financial condition, as you will see in the pages that follow. Our net position reflects the heavy claims activity in wind/hail claims and law enforcement liability.

Obviously, the upward trend in property/casualty costs, and the downward trend in our net position, must be addressed. But our influence over the weather, and over essential services like law enforcement, is limited--although we'll continue to do all we can. So our attention is primarily on the financial side. Members know that we've been developing rating changes to more accurately and fairly allocate member contributions. 2024 was the first year we implemented those changes. For 2025 and going forward, we're also putting in place a new deductible structure for a greater sharing of the costs of wind/hail, law enforcement, and other coverage and claims costs that have been most impacted by these recent, unprecedented trends.

Going forward, the CIRSA Board of Directors is also heavily focused on ensuring we're doing all we can to maintain and augment a solid net position while also seeking ways to lower the cost of coverage, ensure costs are fairly allocated, and recognize member initiatives that are reducing liability and claims. Bold thinking and action are called for. We appreciate the opportunity to serve you as we go through these unprecedented times together.

Sincerely,



Tami A. Tanoue,
Executive Director



2023

BOARD OF DIRECTORS



Martee Erichson
Board Chairperson
Westminster



Greg Caton
Vice Chairperson
Grand Junction



Houssin Hourieh
Secretary/Treasurer
Lamar



Shane Hale
Board Member
Windsor



Sara Ott
Board Member
Aspen



Michael Penny
Board Member
Castle Pines



Jason Damweber
Board Member
Estes Park

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SERVING THOSE THAT SERVE COLORADO COMMUNITIES

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.

OUR VISION

A Colorado filled with rich and diverse communities in which people can live well together with the freedom to pursue their personal and professional dreams.

IN THE NAME OF:

SERVICE

We advance a greater good: community

FREEDOM

We instill confidence & security

PARTNERSHIP

We foster collegiality

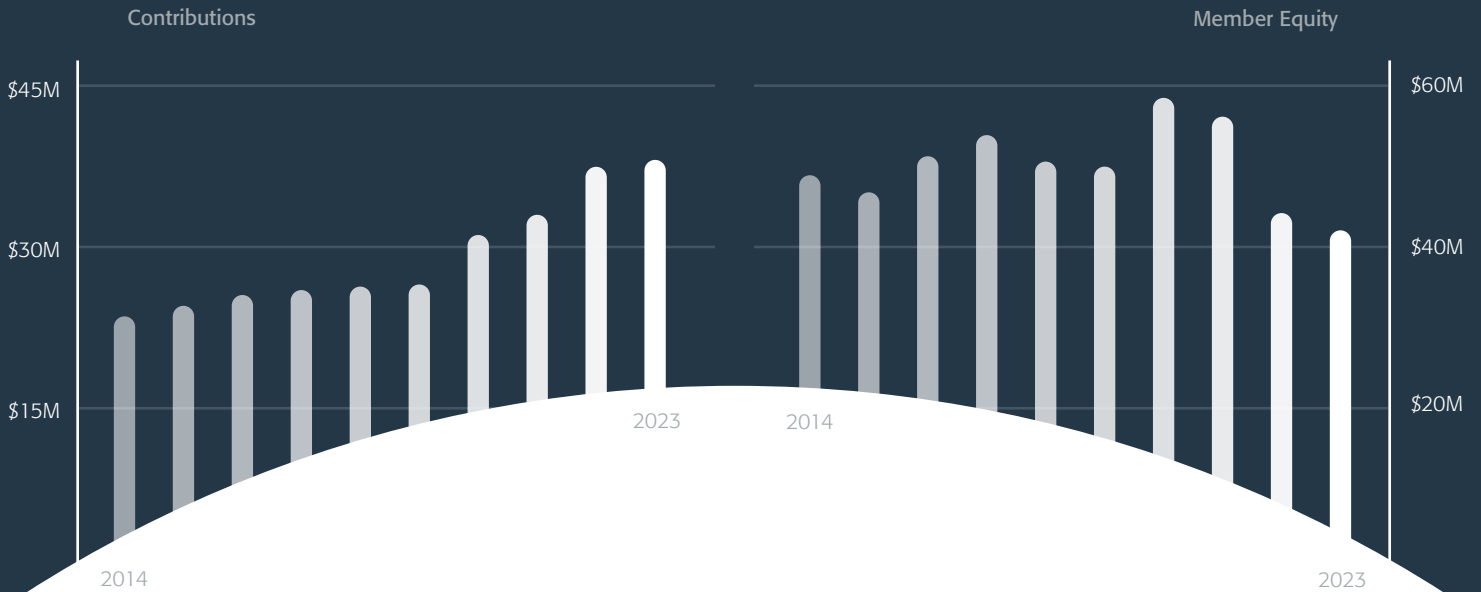
TRANSPARENCY

We do the right thing

COMPASSION

We stay loyal & committed

CONTRIBUTIONS & MEMBER EQUITY

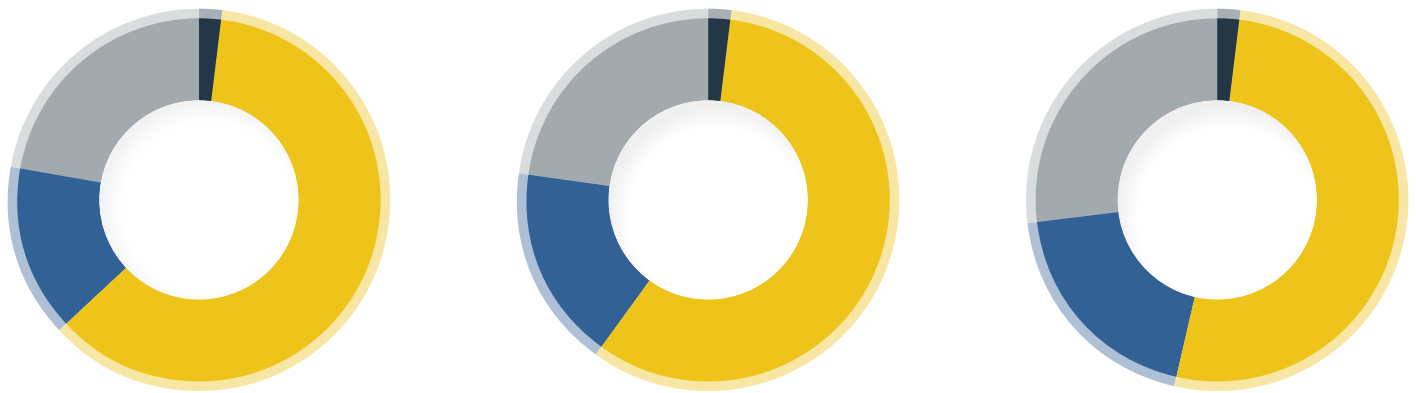


Each member has an individual member equity account. The sum-total of all member equity accounts equals the pools' total resources or working capital.

As of December 31, 2023, total member equity was **\$34,156,815**.

Net contributions were **\$2.9M or 7.24% higher in 2023** than 2022 due to an increase in rates.

TOTAL EXPENSES



● Membership Benefits ● Claims ● Administration ● Excess Insurance

2023
\$68,603,285

2022
\$56,326,466

2021
\$45,307,770

Total expenses **increased from \$56,326,466** in 2022 **to \$68,603,285** in 2023.

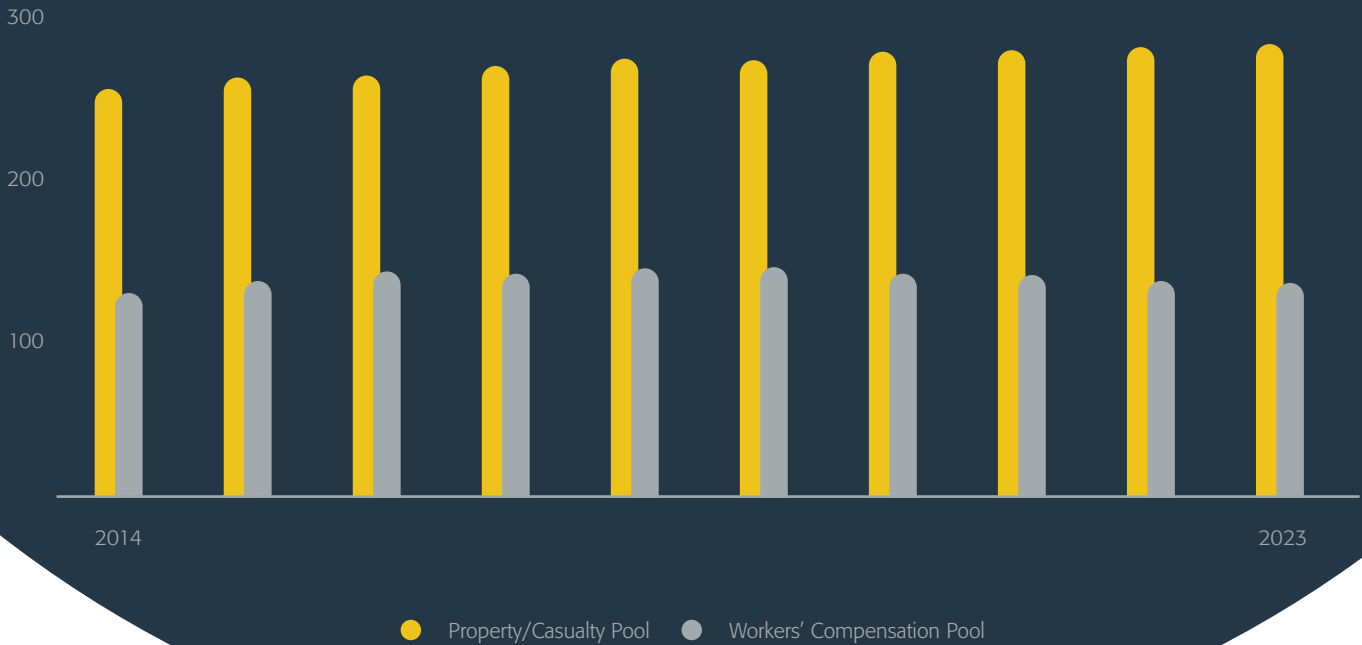
↑ **\$12,276,819**

Property/Casualty and Workers' Compensation claims **increased from \$32,645,160** in 2022 **to \$42,037,378** in 2023.

↑ **\$9,392,218**

Excess insurance expenses **increased by \$2,319,788**, membership benefits **increased by \$190,834** and administration **increased by \$373,979**.

MEMBERSHIP GROWTH



286 members participated in CIRSA in 2023.



The Property/Casualty pool was established in 1982 with 18 members. In 2023, membership **increased to 283 members.**



The Workers' Compensation pool was established in 1988 with 38 members. Membership is currently at **134 members.**

2023

CIRSA MEMBERSHIP

Town of Aguilar
Town of Akron
City of Alamosa
Town of Antonito
Arkansas River Power Authority
City of Aspen
Aspen/Pitkin County Housing Authority
Town of Avon
Town of Basalt
Town of Bayfield
Town of Bennett
Town of Berthoud
Town of Bethune
City of Black Hawk
Town of Blanca
Town of Blue River
Town of Boone
Town of Bow Mar
Town of Breckenridge
City of Brighton
Town of Brookside
City/County of Broomfield
City of Brush!
Brush Rural Fire Protection District
Town of Buena Vista
City of Burlington
Town of Calhan
Town of Campo
City of Cañon City
Town of Carbondale
City of Castle Pines
Town of Castle Rock
Town of Cedaredge
City of Centennial
Town of Center
City of Central City
Chaffee Housing Authority
City of Cherry Hills Village
Town of Cheyenne Wells
Church Ditch Water Authority
Town of Coal Creek

Town of Cokedale
Town of Collbran
Colorado Information Sharing Consortium
Colorado Rangers Law Enforcement Shared Reserve
City of Commerce City
City of Cortez
City of Craig
Town of Crawford
City of Creede, a Town
Town of Crested Butte
Town of Crestone
City of Cripple Creek
Town of Crowley
City of Dacono
Town of De Beque
Town of Deer Trail
City of Delta
Town of Dillon
Town of Dinosaur
Town of Dolores
City of Durango
Town of Eagle
Town of Eaton
Eaton Housing Authority
Town of Eckley
City of Edgewater
Town of Elizabeth
Town of Empire
City of Englewood
Englewood Housing Authority
Town of Erie
Town of Estes Park
Estes Park Housing Authority
City of Evans
Town of Fairplay
City of Federal Heights
Town of Firestone
Flatiron Improvement District
Town of Fleming
City of Florence

Foothills Animal Shelter
City of Fort Lupton
City of Fort Morgan
City of Fountain
Town of Fowler
Town of Foxfield
Town of Fraser
Town of Frederick
Town of Frisco
City of Fruita
Town of Garden City
Garfield Clean Energy Collaborative
Garfield County Emergency Communications Authority
Town of Genoa
Town of Georgetown
Town of Gilcrest
City of Glendale
City of Glenwood Springs
City of Golden
Town of Granada
Town of Granby
City of Grand Junction
Town of Grand Lake
Great Western Trail Authority
Town of Green Mountain Falls
City of Greenwood Village
Town of Grover
City of Gunnison
Gunnison Valley Transportation Authority
Gunnison/Hinsdale Combined Emergency Telephone Service Authority
Town of Gypsum
Town of Hartman
Town of Haswell
Town of Haxtun
Town of Hayden
Town of Hillrose
Historic Arkansas Riverwalk of Pueblo Authority
Town of Holly

City of Holyoke
Holyoke Housing Authority
Town of Hooper
Town of Hot Sulphur Springs
Town of Hotchkiss
Housing Authority of the City of Brighton
Housing Authority of the City of Pueblo
Town of Hudson
Hudson Housing Authority - Prairie View Apartments
Town of Hugo
City of Idaho Springs
Town of Ignacio
Town of Iliff
Town of Jamestown
Jefferson Parkway Public Highway Authority
Town of Johnstown
Town of Julesburg
Town of Keenesburg
Town of Kersey
Town of Kim
Town of Kiowa
Town of Kit Carson
Town of Kremmling
Town of La Jara
City of La Junta
Town of La Veta
City of Lafayette
Town of Lake City
Town of Lakeside
City of Lamar
Lamar Housing Authority
Larimer Emergency Telephone Authority
Town of Larkspur
City of Las Animas
Las Animas County E911 Authority
Town of LaSalle
City of Leadville
Town of Limon

2023

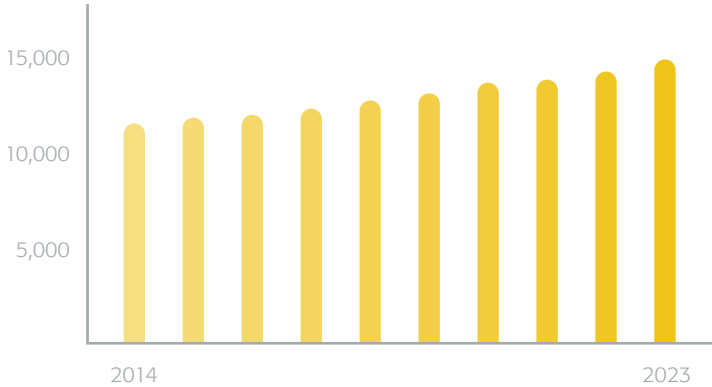
CIRSA MEMBERSHIP

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 Víctor
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
Town of Yampa
Yampa Valley Housing Authority
City of Yuma

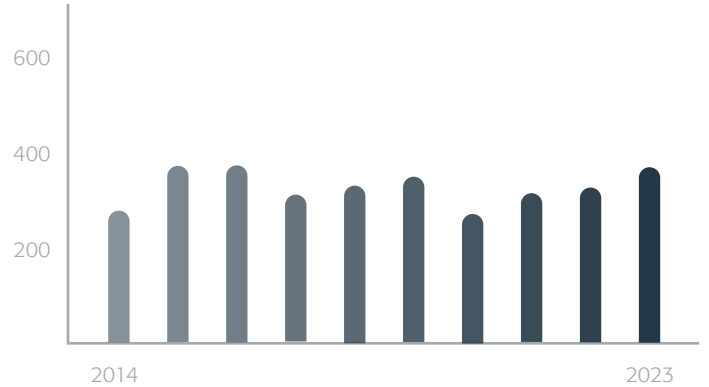
AUTO LIABILITY

MEMBERS' INSURED VEHICLES

Number of Insured Vehicles



Number of Claims



In 2023, the total number of insured vehicles **increased to 14,832.**

↑ **629**

The total number of claims **increased from 327 in 2022 to 370 in 2023.**

↑ **43**

The average cost per claim **increased to \$5,108 in 2023.**

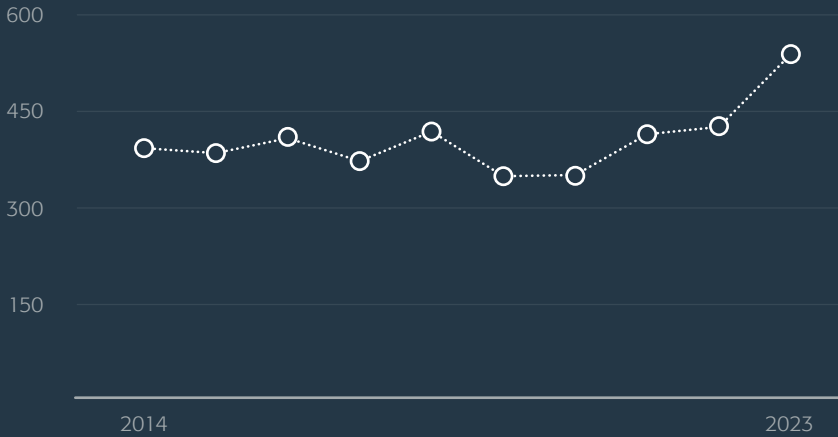
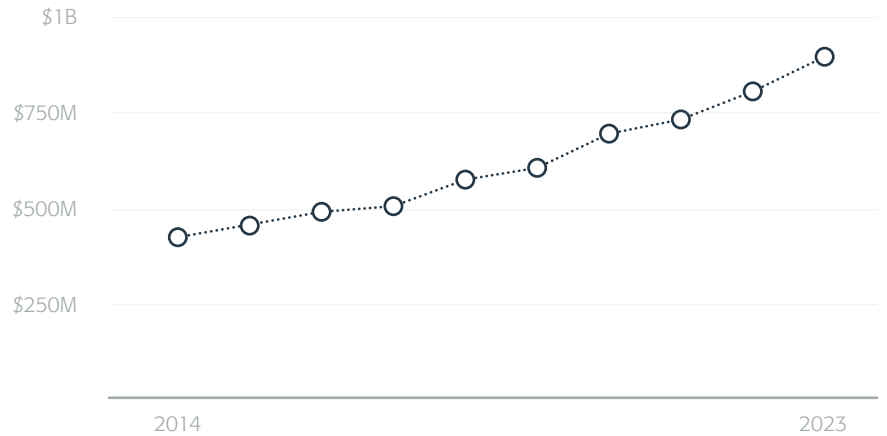
↑ **\$538**

AUTO PHYSICAL DAMAGE

MEMBERS' INSURED VEHICLE VALUES

↑ **\$93M**

Total value of insured vehicles **increased to \$885M** in 2023.

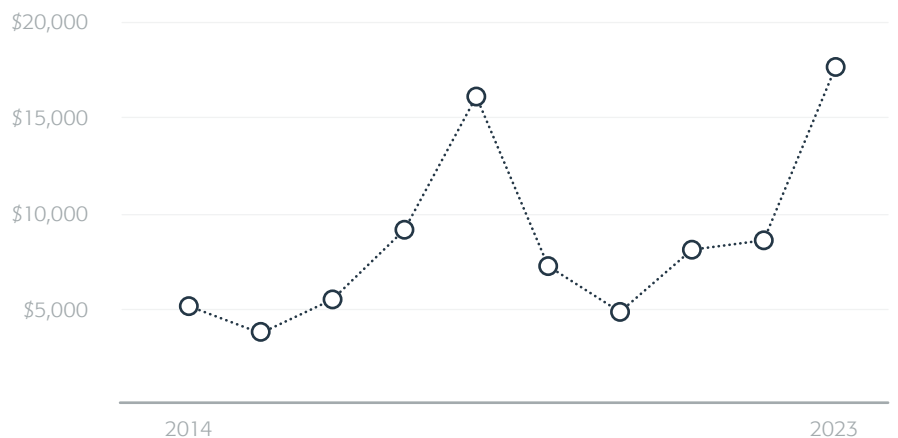


↑ **108**

The total number of claims **increased to 537** in 2023.

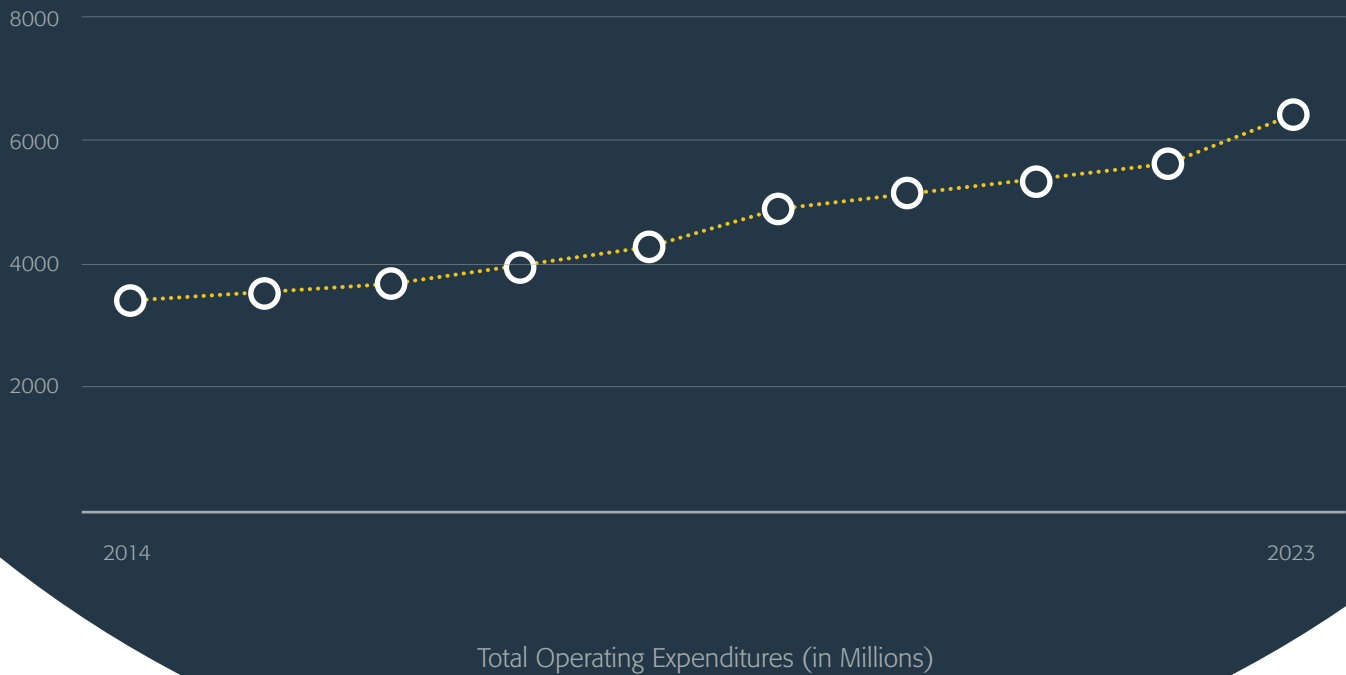
↑ **\$8,998**

The average cost per claim **increased to \$17,556** in 2023.



GENERAL LIABILITY

MEMBER OPERATING EXPENDITURES



Total member operating expenditures **increased to \$6.3 billion.**

↑ **\$772M**

The total number of claims **increased from 547 in 2022 to 583 in 2023.**

↑ **36**

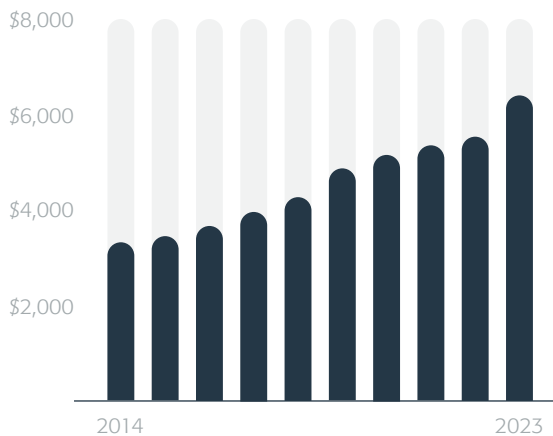
The average cost per claim **increased from \$2,217 in 2022 to \$3,034 in 2023.**

↑ **\$817**

ERRORS AND OMISSIONS

MEMBER OPERATING EXPENDITURES

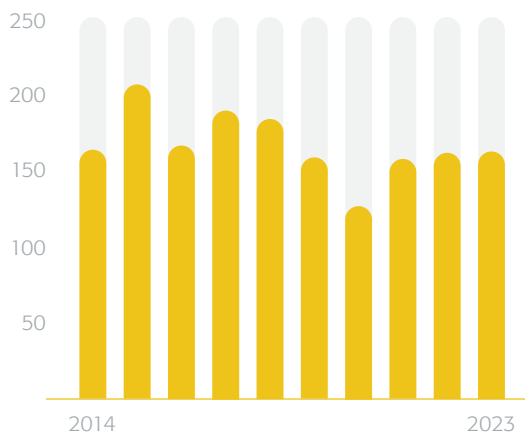
Operating Expenditures (in Millions)



↑ **\$772M**

In 2023, total member operating expenditures **increased to \$6.3 billion.**

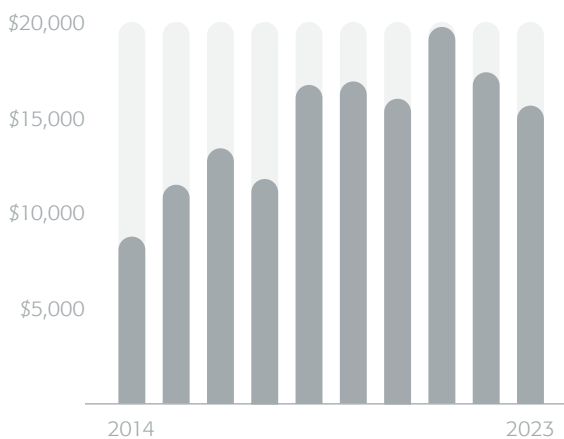
Number of Claims



↑ **1**

The number of claims **increased from 162 in 2022 to 163 in 2023.**

Average Cost per Claim



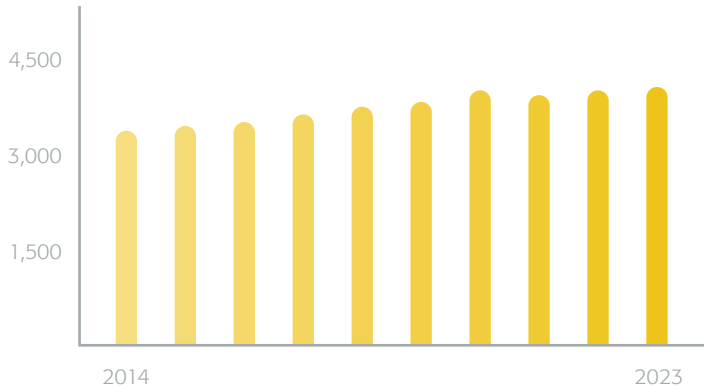
↓ **\$1,759**

The average cost per claim **decreased to \$15,501 in 2023.**

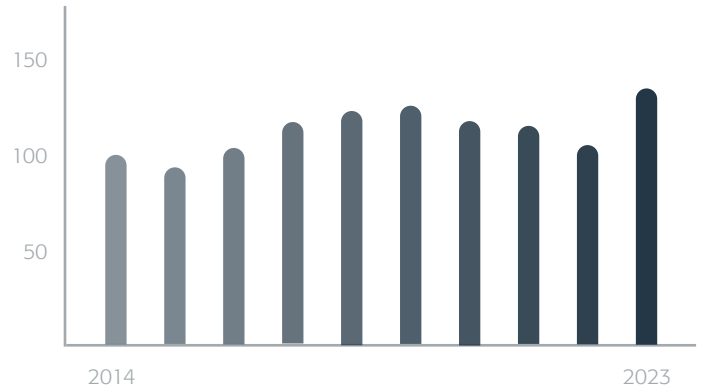
POLICE PROFESSIONAL LIABILITY

INSURED POLICE OFFICERS

Number of Police Officers



Number of Claims



In 2023, the total number of insured police officers **increased to 4,040**.

↑ **55**

The total number of claims **increased from 104** in 2022 **to 134** in 2023.

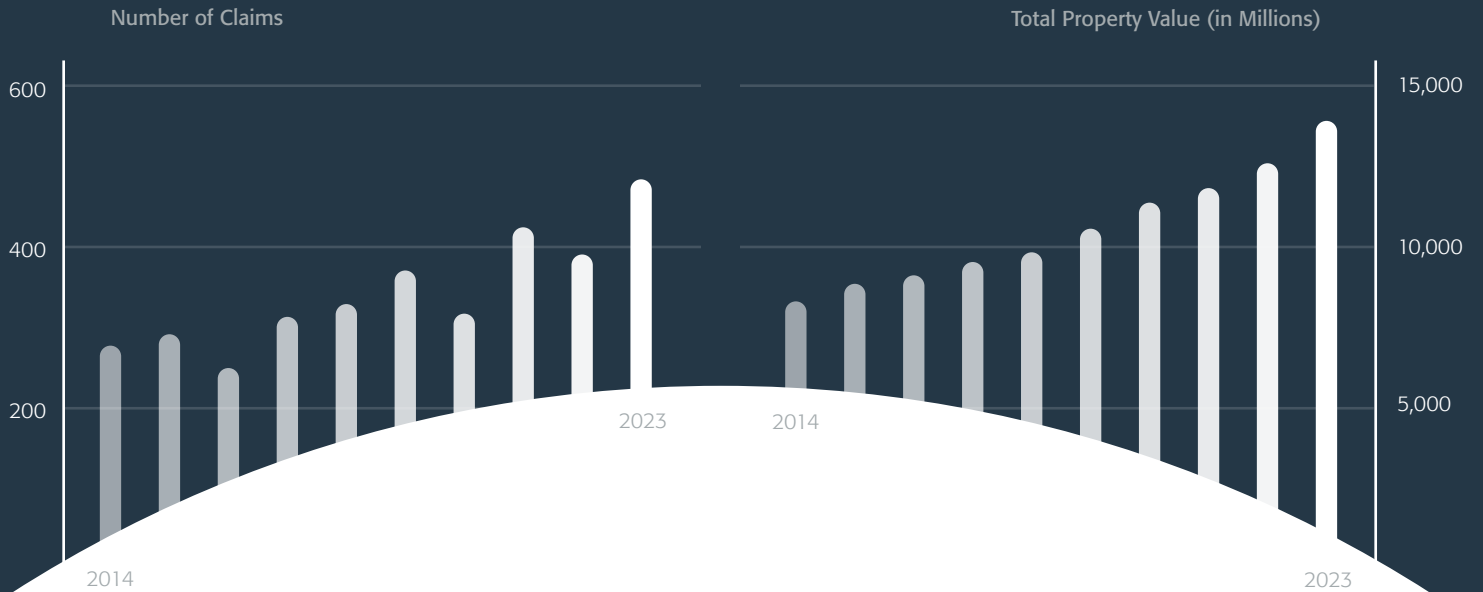
↑ **30**

The average cost per claim **decreased from \$60,230** in 2022 **to \$51,157** in 2023.

↓ **\$9,073**

PROPERTY

MEMBERS' INSURED PROPERTY VALUES



The total number of claims **increased from 399** in 2022 **to 494** in 2023.

↑ **95**

In 2023, total insured property values **increased to over \$13.7 billion.**

↑ **\$1.39B**

The average cost per claim **increased from \$16,136** in 2022 **to \$33,066** in 2023.

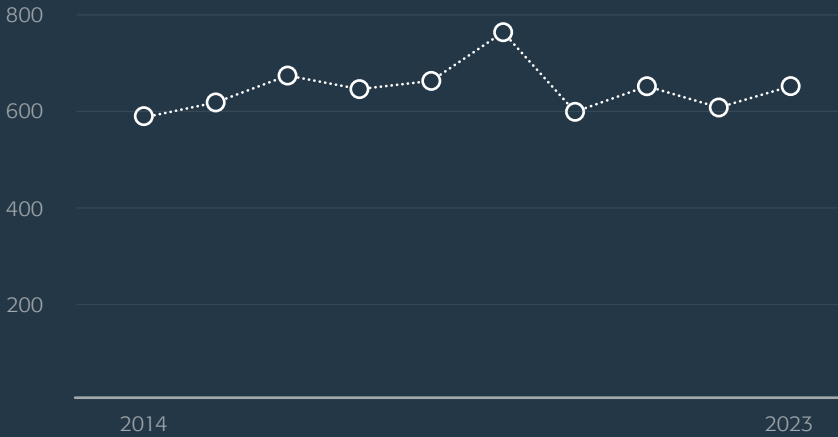
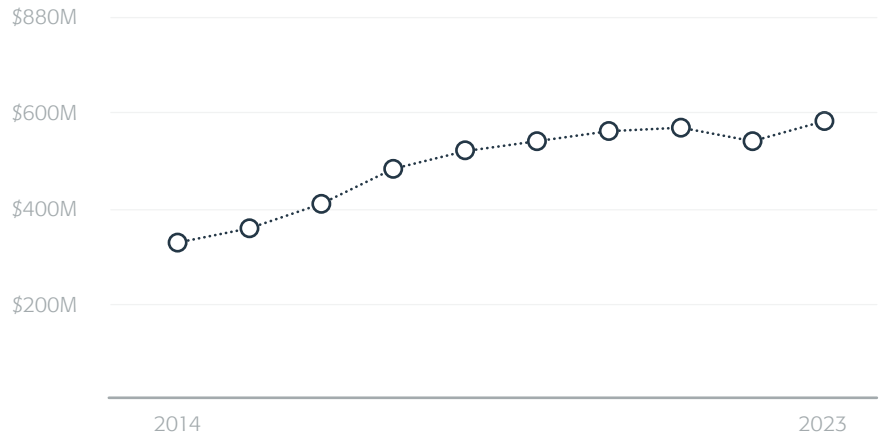
↑ **\$16,930**

WORKERS' COMPENSATION

MEMBERS' COVERED PAYROLL

↑ **\$43M**

Total covered payroll increased to **\$582M** in 2023.

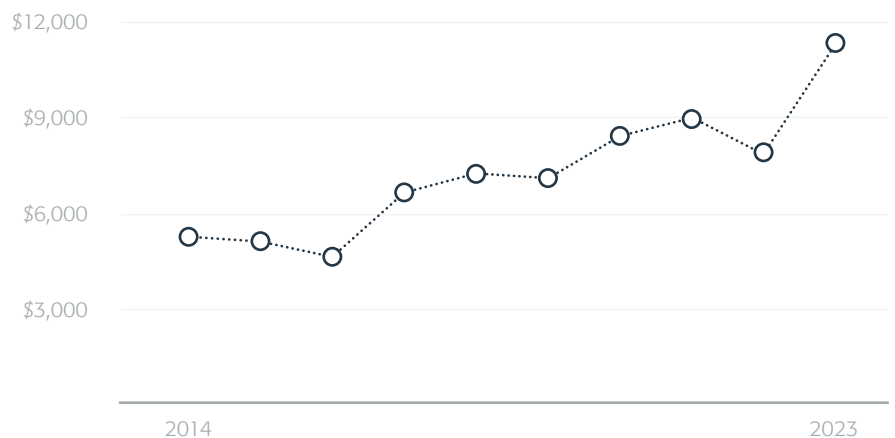


↑ **43**

The total number of claims increased to **644** in 2023.

↑ **\$3,392**

The average cost per claim increased to **\$11,309** in 2023.



FINANCIAL STATEMENTS OF NET POSITIONS

ASSETS

Current assets:

Investments in debt securities, at fair value (amortized cost of \$11,053,382 and \$12,697,651 at December 31, 2023 and 2022, 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 \$60,422,744 and \$57,877,005 at December 31, 2023 and 2022, respectively)

Deposit with NLC Mutual Insurance Company

Deposit with Government Entities Mutual Inc.

Capital assets, net

Total noncurrent assets

Total assets

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

| | 2023 | 2022 |
|---|-------------------|-------------------|
| Investments in debt securities, at fair value (amortized cost of \$11,053,382 and \$12,697,651 at December 31, 2023 and 2022, respectively) | 10,798,634 | 12,472,322 |
| Cash and cash equivalents | 19,667,210 | 17,626,401 |
| Accrued investment income | 370,880 | 262,236 |
| Receivable from members | 1,085,840 | 1,384,724 |
| Excess insurance receivable, net | 333,210 | 6,825,499 |
| Prepaid expenses | 775,995 | 883,169 |
| Other assets | 62,153 | 2,252 |
| Total current assets | 33,093,922 | 39,456,603 |
| Investments in debt securities, at fair value (amortized cost of \$60,422,744 and \$57,877,005 at December 31, 2023 and 2022, respectively) | 56,756,584 | 52,514,743 |
| Deposit with NLC Mutual Insurance Company | 1,072,425 | 1,072,425 |
| Deposit with Government Entities Mutual Inc. | 752,300 | 500,000 |
| Capital assets, net | 3,173,224 | 3,383,732 |
| Total noncurrent assets | 61,754,533 | 57,470,900 |
| Total assets | 94,848,455 | 96,927,503 |
| Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables | 28,650,216 | 21,585,669 |
| Accounts payable and accrued liabilities | 1,445,232 | 1,166,371 |
| Member credits payable | 1,059,871 | 1,318,392 |
| Special contribution plan deposits | 25,000 | 25,000 |
| Unearned member contributions | 76,237 | 843,846 |
| Total current liabilities | 31,256,556 | 24,939,278 |
| Reserves for unpaid losses and loss adjustment expenses, net of excess insurance recoverables | 29,435,084 | 27,789,423 |
| Total noncurrent liabilities | 29,435,084 | 27,789,423 |
| Total liabilities | 60,691,640 | 52,728,701 |
| Invested in capital assets | 3,173,224 | 3,383,732 |
| Restricted | 493,110 | 475,966 |
| Unrestricted | 30,490,481 | 40,339,104 |
| Total net position | 34,156,815 | 44,198,802 |
| Total liabilities and net position | 94,848,455 | 96,927,503 |

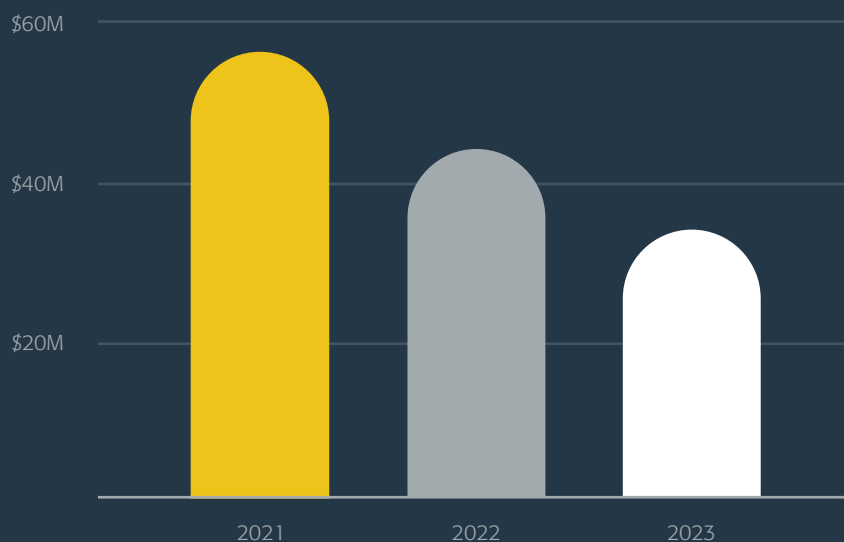
FINANCIAL STATEMENTS

OF REVENUE, EXPENSES & NET POSITION CHANGES

| | 2023 | 2022 |
|--|---------------------|---------------------|
| Operating Revenues: | | |
| Member contributions earned (net of excess insurance and reinsurance premiums and brokerage commissions of \$15,097,662 and \$12,777,874 in 2023 and 2022, respectively) | 40,263,260 | 37,349,697 |
| Total operating revenues | 40,263,260 | 37,349,697 |
| Operating Expenses: | | |
| Losses and Loss adjustment expenses | 42,037,378 | 32,645,160 |
| General and administrative | 11,468,245 | 10,903,432 |
| Total operating expenses | 53,505,623 | 43,548,592 |
| Operating loss | (13,242,363) | (6,198,895) |
| Nonoperating Revenue: | | |
| Net investment income (loss) | 3,979,421 | (4,663,120) |
| Loss before distributions | (9,262,942) | (10,862,015) |
| Distributions and credits to members and withdrawn members | (779,045) | (1,058,313) |
| Decrease in net position | (10,041,987) | (11,920,328) |
| Net position, beginning of year | 44,198,802 | 56,119,130 |
| Net position, end of year | 34,156,815 | 44,198,802 |

In 2023,
CIRSA's net position
decreased by **\$10,041,987.**

(Net Position Over the Past 3 Years)



CIRSA

STAFF LIST

EXECUTIVE

Tami A. Tanoue, JD

Executive Director

Mary Beth Brown

Human Resources & Operations
Manager

Chelsea Otto

HR Generalist

GENERAL COUNSEL

Samuel J. Light

Deputy Executive Director/General
Counsel

Nick Cotton-Baez

Associate General Counsel

RISK CONTROL

Greg Barlow, CSP, PSP, CIT

Risk Control Manager

Nicholas Paoli, CSP, ARM, CFPS

Risk Control Consultant

David Krajicek, CSP, CHMM

Risk Control Consultant/Industrial
Hygienist

Martin Waln, GSP

Risk Control Specialist

Eileen Chavez, MEd, CIT

Risk Control Training & Event Specialist

Kirstie Dineen

Risk Control Specialist

Brian Brown

Risk Control Trainer

Emeka Madu

Risk Control Specialist

Mark Dano

Risk Control Specialist

Jason Zotz

Risk Control Specialist

Channa Chavez

Risk Control Coordinator

CLAIMS

Mike Wagner, SCLA

Claims Manager

PROPERTY/CASUALTY

Dianne Dale Hall

PC Claims Supervisor

Bethany Ross

PC Claims Supervisor

Craig Stevens

Property Claims Specialist

Susan M. Eisenhoffer

Senior PC Claims Representative

Nile D. Knez, CCLA

Liability Claims Specialist

Bruce McKenney, SCLA, AIC

Senior PC Claims Representative

Francesca Pellerano, CPCU

Liability Claims Specialist

Beverly Perry, CCLA/FCLA

Senior PC Claims Representative

Ashley Dembitz

Senior PC Claims Representative

Heather Chessher

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

Ragn Johnson, SCLA

Senior WC Claims Adjuster

Amanda Longacre, WCLA

WC Claims Examiner

MEMBERSHIP SERVICES

Shannon Pursley

Membership Services Manager

Alex Orford

Senior Graphic Design & Production
Specialist

UNDERWRITING

Jill Padbury, CIC

Underwriting Manager

Jessica M. Cowlshaw, CIC

Senior Underwriting Representative

Debbie Coleman

Senior Underwriting Representative

Claire Montgomery

Underwriting Representative

Monique Ferguson

Underwriting Coordinator

FINANCE

Linda Black, CPA, FCPA

Assistant Director/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