

JOINT BUDGET COMMITTEE



SUPPLEMENTAL BUDGET REQUESTS FY 2016-17

DEPARTMENT OF THE TREASURY

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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DEPARTMENT OF THE TREASURY

DEPARTMENT OVERVIEW

The State Treasurer is one of five independently elected constitutional officers of the state. The Department of the Treasury is responsible for the following primary duties: (1) acts as the State's banker and investment officer, providing investment, accounting, and cash management services and preparing related reports; (2) administers the Unclaimed Property Program; (3) disburses Senior Citizen and Disabled Veteran Property Tax Exemption payments to local governments; (4) provides short-term interest-free financing to school districts by issuing tax and revenue anticipation notes and making loans from the General Fund; (5) assists charter schools with long-term financing by making direct bond payments; (6) distributes Highway Users Tax Fund (HUTF) revenues to counties and municipalities; (7) distributes federal mineral leasing funds received for the State's share of sales, bonuses, royalties, and rentals of public lands within Colorado; (8) manages certain state public financing transactions; and (9) reimburses certain property taxes owed or paid for real and business personal property destroyed in a natural disaster. The Department's funding for FY 2016-17 consists of 28.2 percent General Fund, 68.4 percent cash funds, and 3.4 percent reappropriated funds.

SUMMARY: FY 2016-17 APPROPRIATION AND RECOMMENDATION

DEPARTMENT OF THE TREASURY: RECOMMENDED CHANGES FOR FY 2016-17					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
FY 2016-17 APPROPRIATION					
HB 16-1405 (Long Bill)	\$518,036,107	\$146,008,257	\$354,252,675	\$17,775,175	32.9
CURRENT FY 2016-17 APPROPRIATION	\$518,036,107	\$146,008,257	\$354,252,675	\$17,775,175	32.9
RECOMMENDED CHANGES					
Current FY 2016-17 Appropriation	\$518,036,107	146,008,257	\$354,252,675	\$17,775,175	32.9
S1 Investment tools	0	0	0	0	0.0
RECOMMENDED FY 2016-17 APPROPRIATION	\$518,036,107	\$146,008,257	\$354,252,675	\$17,775,175	32.9
RECOMMENDED INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2016-17 EXECUTIVE REQUEST					
Request Above/(Below) Recommendation	\$7,673	\$7,673	\$0	\$0	0.0

REQUEST/RECOMMENDATION DESCRIPTIONS

S1 INVESTMENT TOOLS: The request includes an increase of \$7,673 General Fund for a subscription upgrade for the Standard and Poor's credit service.

PRIORITIZED SUPPLEMENTAL REQUESTS

S1 INVESTMENT TOOLS

	REQUEST	RECOMMENDATION
TOTAL	\$7,673	\$0
FTE	0.0	0.0
General Fund	7,673	0
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **NO**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

DEPARTMENT REQUEST: The Department requests an increase of \$7,673 General Fund to expand its current Standard & Poor's (S&P) credit services subscription, and to add a new subscription through existing Bloomberg terminals beginning April 1, 2017.

STAFF RECOMMENDATION: Staff recommends that the Committee deny the Department's request because it does not meet supplemental criteria.

STAFF ANALYSIS: The Department of the Treasury currently subscribes to the abbreviated S&P Corporate credit research service, Credit Wire, at an annual cost of \$13,932. It also receives Trade Reporting and Compliance Engine Service's trading volume and executed bond prices data provided by the Financial Industry Regulatory Authority on Bloomberg at no direct cost. The increase in funds will allow the Department to subscribe to S&P's full comprehensive corporate credit service and a research product called Structured Finance in the fourth quarter of FY 2016-17. Access to these services will provide the investment officers with more complete reporting on corporate and structured finance credit research, additional access to reports on structured products, and access to real time trade volume and bond price reporting. While JBC Staff is supportive of the FY 2017-18 budget amendment associated with this supplemental request, the supplemental request itself is not as a result of an emergency or act of God, a technical error in calculating the original appropriation, data that was not available when the original appropriation was made, or an unforeseen contingency. Therefore this request does not meet supplemental criteria.

JBC Staff Supplemental Recommendations - FY 2016-17
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2016-17 Requested Change	FY 2016-17 Rec'd Change	FY 2016-17 Total w/Rec'd Change
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DEPARTMENT OF THE TREASURY
Walker Stapleton, State Treasurer

S1 Investment tools

(1) ADMINISTRATION

Operating Expenses	<u>140,469</u>	<u>162,444</u>	<u>7,673</u>	<u>0</u>	<u>162,444</u>
General Fund	140,469	162,444	7,673	0	162,444
Total for S1 Investment tools	140,469	162,444	7,673	0	162,444
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	140,469	162,444	7,673	0	162,444

Totals Excluding Pending Items					
TREASURY					
TOTALS for ALL Departmental line items	489,975,812	518,036,107	7,673	0	518,036,107
<i>FTE</i>	<u>28.6</u>	<u>32.9</u>	<u>0.0</u>	<u>0.0</u>	<u>32.9</u>
General Fund	133,887,679	146,008,257	7,673	0	146,008,257
Cash Funds	356,088,133	354,252,675	0	0	354,252,675
Reappropriated Funds	0	17,775,175	0	0	17,775,175