

Joint Budget Committee



Staff Figure Setting FY 2025-26

Department of Treasury

JBC Working Document - Subject to Change

Staff Recommendation Does Not Represent Committee Decision

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How to Use this Document: The Department Overview contains a table summarizing the staff recommended changes. Brief explanations of each change follow the table. Each division description includes a similar table but does not repeat the brief explanations. Sections following the Department Overview and the division summary tables provide more details.

To find decision items, look at the Decision Items Affecting Multiple Divisions or the most relevant division. This applies to decision items requested by the department and recommended by the staff.

Department Overview

The State Treasurer is one of five independently elected constitutional officers of the state. The Department of the Treasury consists of three sections in the Long Bill: Administration, Unclaimed Property Program, and Special Purpose unit.

Administration

The Administration Division manages daily accounting, cash flow, debt, and investments for the state. It makes sure cash accounts contain enough funds to meet the state's daily cash needs. The Division also invests funds received by state agencies. Investment officers manage five investment portfolios. Income earned on state investments adds to the state's revenues from taxes and fees. The Division's debt manager helps manage, issue, or make payment on certain state debt.

Unclaimed Property Division

The Unclaimed Property Division takes custody of dormant or abandoned property and returns it to the owners or heirs. The value of intangible property, excluding securities, is held in the Unclaimed Property Trust Fund (UPTF). The value of securities is held in the Unclaimed Property Tourism Promotion Trust Fund (UPTPTF). Funds from the UPTF support the administration of the Unclaimed Property Program.

The UPTPTF is managed separately from the four remaining investment accounts. Statute¹ requires twenty-five percent of earned interest on this fund go to the Colorado State Fair Authority Cash Fund. Sixty-five percent must go to the Agriculture Management Fund. Ten percent must go to the Colorado Travel and Tourism Promotion Fund.

Special Purpose Division

The Department receives pass-through funding for programs in the Special Purpose Division. It does not directly administer most of the programs but disburses the funds to the authorized recipients. Funding is estimated for reimbursements to counties for the Homestead and the Business Personal Property Tax Exemptions. Funding for payments to counties and cities from the Highway User Tax Fund is also included. Finally, the Division receives the state payment to the Colorado Public Employees Retirement Association (PERA) for the unfunded liability. Other programs have historically been added to this division as needed.

¹ Section 38-13-116.7, C.R.S.,

Summary of Staff Recommendations

Department of the Treasury						
Item	Total Funds	General Funds	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$952,481,612	\$466,724,057	\$403,938,602	\$81,818,953	\$0	61.5
Other Legislation	108,971	108,971	\$0	\$0	\$0	0.5
SB 25-110 (Supplemental)	77,554	14,010	63,544	0	0	0.0
Total	\$952,668,137	\$466,847,038	\$404,002,146	\$81,818,953	\$0	62.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$952,668,137	\$466,847,038	\$404,002,146	\$81,818,953	\$0	62.0
R1 Administration staff	0	0	0	0	0	0.0
R2 UP division staff	0	0	0	0	0	0.0
R3 SecureSavings compliance	0	0	0	0	0	0.0
R4 Admin Div tech and related	72,300	43,050	29,250	0	0	0.0
R5 UP Div tech and related	270,027	0	270,027	0	0	0.0
R6 CoreLogic contract	2,459,187	2,459,187	0	0	0	0.0
R7 CO Household financial recovery prog	0	0	0	0	0	0.0
BA1 Leave reporting & admin tracking	12,000	7,560	4,440	0	0	0.0
BA2 TA December OSPB Forecast	5,831,134	5,831,134	0	0	0	0.0
BA3 Network and cabling upgrades	30,000	18,000	12,000	0	0	0.0
SI General Fund relief option	-300,000	-300,000	0	0	0	0.0
Centrally appropriated items	549,556	357,516	192,040	0	0	0.0
Technical adjustments	-10,367,616	-12,017,711	1,650,095	0	0	0.0
Annualize prior year budget actions	-2,503,217	-2,055,741	-43,348	-404,128	0	0.0
Annualize prior year legislation	-77,554	-1,141,883	-63,544	1,127,873	0	0.0
Total	\$948,643,954	\$460,048,150	\$406,053,106	\$82,542,698	\$0	62.0
Increase/-Decrease from FY 2025-26	-\$4,024,183	-\$6,798,888	\$2,050,960	\$723,745	\$0	0.0
Percentage Change	-0.4%	-1.5%	0.5%	0.9%	0.0%	0.0
FY 2025-26 Executive Request	\$951,843,753	\$462,087,941	\$406,808,986	\$82,946,826	\$0	76.5
Staff Rec. Above/-Below Request	-\$3,199,799	-\$2,039,791	-\$755,880	-\$404,128	\$0	-14.5

Description of Incremental Changes

R1 Administration staff: Staff does not recommend approval of this request at this time. The request includes \$752,100 General Fund in FY 2025-26 and \$672,655 General Fund in FY 2026-27 and ongoing for the Administration Division. Funding would support 5.5 FTE spread across multiple units including accounting, cash management, SecureSavings, debt management, and department administration. The request also includes funding for salary increases in two units, recognition and retention awards, and training and travel expenses.

R2 Unclaimed Property (UP) division staff: Staff does not recommend approval of this request at this time. The request includes \$374,380 cash funds from the Unclaimed Property Trust Fund in FY 2025-26 and \$358,014 cash funds in FY 2026-27 and ongoing for the Unclaimed Property Division. Funding would support the hiring of 3.0 FTE including two administrative positions and an audit position. Additionally, the request includes funds for anticipated promotions, employee recognition, salary adjustments, and team building and development within the Division. Appropriations from the Unclaimed Property Trust Fund impact TABOR calculations, effectively driving out available General Fund.

R3 SecureSavings compliance: Staff recommends postponement of compliance enforcement for the SecureSavings program, and therefore does not recommend approval of this request at this time. The Department of Treasury requests \$738,857 General Fund in FY 2025-26 and \$544,667 General Fund in FY 2026-27 and ongoing to support 6.0 FTE in FY 2025-26 and 5.0 FTE in FY 2026-27 and ongoing. Funding would reside in the Department of the Treasury to be passed through to the Department of Labor and Employment for the requested FTE. In partnership with Treasury, the new positions at CDLE would carry out compliance enforcement efforts related to the SecureSavings program.

R4 Administration Division technology and related expenses: Staff recommends \$74,300 total funds in FY 2025-26, including \$44,050 General Fund and \$30,250 cash funds from the Unclaimed Property Trust Fund, to support cybersecurity penetration testing, legislative tracking, IT asset maintenance, and partial funding for travel, training, and professional development for staff.

R5 Unclaimed Property Division technology and related expenses: Staff recommends \$286,454 cash funds from the Unclaimed Property Trust Fund in FY 2025-26 to support the KAPS contract, partial funding for printing and postage costs, auction mailings, IT asset maintenance, and half of the requested LexisNexis licenses to support activities in the Unclaimed Property Division.

R6 CoreLogic contract for the deferred property tax program: Staff recommends postponement of a recommendation on this decision item until after the Joint Technology Committee considers the request. The request includes \$2,459,187 General Fund in FY 2025-26 and \$2,631,330 General Fund in FY 2026-27 to support the CoreLogic contract renewal and enhancement. This represents a \$251,841 increase over the current CoreLogic contract amount. CoreLogic is the third party administrator responsible for the creation and management of the expanded deferred property tax program infrastructure.

R7 CO Household financial recovery pilot program: Staff does not recommend approval of this request as the enacting legislation anticipated operating costs to be covered by the continuously appropriated Colorado Household Financial Recovery Pilot Program Fund. The request includes \$200,000 General Fund for administration of the Colorado Household Financial

Recovery (CHFR) Program. The program offers access to financial and banking services to eligible individuals or households to support long-term financial stability.

BA1 Admin Leave Reporting and Tracking: The recommendation includes \$12,000 total funds, including \$7,560 General Fund and \$4,440 cash funds from the Unclaimed Property Trust Fund, to provide funding for a temporary leave reporting and tracking system until the Ultimate Kronos Group (UKG) system can be implemented.

BA2 TA December OSPB Forecast: The recommendation includes \$5.8 million General Fund in FY 2025-26 to reflect OSPB revenue forecast projections for reimbursements to counties for the Homestead Exemption and Business Personal Property Tax Exemption programs.

BA3 Network and cabling upgrades: Staff recommends \$30,000 total funds, including \$18,000 General Fund and \$12,000 cash funds from the Unclaimed Property Trust Fund to address network and cabling upgrades for the Department. These upgrades are critical for Departmental network security.

SI General Fund relief option: Staff recommends a decrease of \$300,000 General Fund for funding for the Property Tax Reimbursement for Property Destroyed by Natural Cause as a General Fund relief option.

Major Differences from the Request

Staff recommendations differ from requested amounts in the following ways:

- Recommendations do not include funding for the Department’s staffing requests in R1 and R2 at this time. The Department has added approximately 30.0 FTE in the past 6 years, almost doubling its FTE count. Staff believes a pause in growth would not be overly detrimental to Departmental functions.
- Recommendations include only partial funding for its R4 and R5 prioritized requests related to technology for the Department.
- Recommendations postpone implementation of the SecureSavings compliance enforcement.

Decision Items Impacting Multiple Divisions

→ R1/R2 Admin. Division and Unclaimed Property Division Staff

Request

The Department requests \$1.1 million total funds in FY 2025-26, including \$752,100 General Fund and \$374,880 cash funds from the Unclaimed Property Trust Fund, to support 8.5 new FTE as well as salary adjustments and promotions, spot awards, and travel and training for current

staff in the Administration and Unclaimed Property Divisions. This would annualize to \$1.0 million total funds in FY 2026-27, including \$672,655 General Fund and \$358,014 cash funds from the Unclaimed Property Trust Fund.

Recommendation

Staff recommends denial of both requests at this time. The General Assembly has added almost 30 new FTE to the Department in the past 6 years. Staff recognizes that the requested additional FTE would continue to alleviate workload imbalances caused by years of hiring stagnation. However, staff believes pausing the growth will not significantly harm the Department’s operations in the immediate term. Should the JBC choose to provide some funds for new staff, staff recommends prioritizing the accountant position and salary adjustments in the Administration Division, and the administrative position and staff reclassification within the Unclaimed Property Division. Though the Unclaimed Property Division request is funded entirely with cash funds from the Unclaimed Property Trust Fund, appropriations from the UPTF impact TABOR calculations and effectively reduce the amount of General Fund available for expenditure. This is particularly difficult during years when the State is in a TABOR refund posture as we are anticipated to be again in FY 2025-26. Should the March forecast change the projected refund disposition of the State, staff will bring a comeback to discuss the portions of the requested funding.

Analysis

Background

Prior to FY 2019-20, the Department of Treasury remained steady at approximately 32 FTE for all divisions for more than a decade. Beginning in FY 2020-21, the General Assembly began providing funding to support additional FTE to mitigate acute workload challenges. The chart below demonstrates the growth in FTE in both the Administration and the Unclaimed Property (UP) divisions.

Department of Treasury - FTE Growth							
Division	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26*
Administration Division	17.4	22.4	24.8	31.0	34.0	38.0	43.5
UP Division	15.5	15.5	17.0	20.0	22.0	24.0	27.0
Total FTE	32.9	37.9	41.8	51.0	56.0	62.0	70.5

*Requested

Appendix B reflects the current organizational structure for the Department of Treasury as provided by the Department. Below are the positions added to the Department each fiscal year beginning FY 2020-21, including FTE added in bills and supplemental appropriations.

FY 2020-21 (5.0 new FTE)

SB20-200

SecureSavings Program Director (1.0)

SecureSavings Marketing Support (2.0)

SecureSavings Program Support (2.0)

FY 2021-22 (3.9 new FTE)

Junior Investment Officer (1.0)

Policy Director/Legislative Liaison (1.0)

UP Claims and Tangible Assets (1.5)

Financial Empowerment Policy Analyst (0.4)

FY 2022-23 (9.2 new FTE)

HR Director (1.0)
 Admin. Operations Manager (1.0)
 IT Professional (1.0)
 CLIMBER Program Support (1.0)
 Deferred Property Tax Program Mgr (1.0)
 UP Claims Representative (1.0)
 UP Auditor (1.0)
 UP Accountant (1.0)
 Small Business Recov. Loan Prog. (0.6)
 CO HFR Program (0.6)

FY 2024-25 (6.0 new FTE)

Accountant (1.0)
 HR Specialist (1.5)
 Exec. Admin Assistant (1.0)
 UP Deputy Director (1.0)
 UP Fraud Analyst (1.0)
 SB24-233 Prop. Tax (0.5)

FY 2023-24 (5.0 new FTE)

Budget Analyst (1.0)
 Marking and Comms Specialist (1.0)
 UP Claims Representative (1.0)
 UP Claims Manager (1.0)
 DPT Program Analyst (1.0)

FY 2025-26 Requested (8.5 new FTE)

Chief Operating Officer (1.0)
 Cash Mgmt. Operations Mgr (1.0)
 SecureSavings Enforcement (1.0)
 General Accountant (2.0)
 Debt Management Support (1.5)
 UP Administrator (2.0)
 Auditor (1.0)
Reclassify Tech II to Admin III salary increase

In 2021, the Department underwent an organizational assessment which highlighted the staffing and structural needs of the agency. In it, the reviewer emphasized that a full-time HR Director be added, that a full-time Deputy Controller/Operations Manager be added, a full-time CLIMBER support position be added, and that the Department take steps to acquire certain technology to automate several processes and fully support its investment staff.

It appears that most of the immediate recommendations have been implemented at this time. However, the report recommended that the new HR Director review all compensation and staffing needs for the Department, and that it continue to build its workforce to meet its workload demands, increase retention, and decrease burnout.

The Department has also requested salary adjustments, travel and training, and merit pay with its staffing requests. Historically, the Department has not maintained vacancy savings but rather allows the funds to revert. Therefore, the Department does not have excess capacity to provide additional opportunities for professional development and merit pay for its staff independent of additional appropriations. However, as the Department has grown and may continue to grow in the future, this disposition may also change.

R1 Administration Staffing

For its Administration Division, the Department is requesting funding to support an additional 5.5 FTE, salary increases for four positions, and spot (merit) awards for current staff. Broadly speaking, the Department’s request for additional staff in the Administration Division aim to relieve workload and capacity issues as well as address structural leadership challenges across multiple units. The table below outlines each component of the request.

R1 Administration Staffing - Treasury Request		
Item/Position	Requested \$ FY 2025-26	Requested FTE FY 2025-26
Accounting II	216,452	2.0
Chief Operating Officer	208,358	1.0
Admin III Cash Mgmt.	114,407	1.0
Analyst I - Debt Management	36,938	0.5
Analyst I - SecureSavings	89,683	1.0
Spot Awards	42,000	0.0
Salary Adjustments	44,262	0.0
Total	752,100	5.5

By funding category	FY 2025-26	FY 2026-27
Personal services	611,966	547,557
Operating expenses	16,410	0
Centrally appropriated costs	123,724	125,098
Total	752,100	672,655
FTE	5.5	5.5

The request includes the following:

Accounting staff (2.0 FTE): Funding to support two General Accounting II FTE to support the Department. These FTE would alleviate increased workload related to the bi-weekly payroll schedule integration, cashier support for increased transaction volume, support for technical reconciliations related to investments, and to help build redundancy within the accounting unit.

According to the Department, State Fiscal Rule 9.3 grants all agency employees to move from a monthly to a bi-weekly payroll cycle. The Department anticipates this will double the volume of payroll initiations which is a manual process. One accountant would specifically support this process as well as provide redundancy in the accounting team. The other would be primarily responsible for cashier support, investment data reconciliation, and also add back-up to the accounting team.

Though the Department has added accountants to the team in the past few years, it still indicates a “dire need” of adding the experience and cross-functionality to its staff to address workload imbalances.

Chief Operating Officer (1.0 FTE): Funding to separate the role of the Chief Operating Officer/Chief Financial Officer into two distinct positions. This would allow the department to relieve the CFO of non-finance duties, divisions, and programs. Additionally, the Department believes this would afford better leadership to some of the Department’s growing divisions and provide greater leadership capacity to manage day-to-day operations.

Admin III Cash Management (1.0 FTE): Funding to support one FTE in the Cash Management unit to serve as an operations manager. This position would help meet demands placed on the Department for state-contracted banks, contracting, vendor relationships, and state banking

services. This role would also ensure compliance with state and federal regulations and ease workflow bottlenecks in cash management.

Analyst I – Debt Management and SecureSavings (1.5 FTE): Funding to support one and a half Analyst I positions, 0.5 FTE in the Debt Management division and 1.0 FTE in the SecureSavings Program. The first would allow the division to expand the State’s financing capabilities and to support ETRANs issuance, compile annual statements and letters on payments to the State. This position would serve as a liaison to evaluate sources of income by funding and tax type.

The other 1.0 FTE would support the SecureSavings compliance enforcement efforts. SecureSavings program aims to launch enforcement and compliance efforts in partnership with CDLE beginning in FY 26 (this is exclusive of the Department’s request in R3). This position would support data collection and analysis for enrollment, compliance, and strategic development. The dataset for compliance confirmation is robust, and the verification of compliance is anticipated to outstrip the current workload capacity for existing SecureSavings program support within the Department.

Salary adjustments and spot awards: The Department is requesting funding to support salary adjustments for its acting Cash Management Operations Manager as well as three individuals in the SecureSavings program. The Department seen an increase in contract and procurement management in the cash management unit, adding to the acting manager’s duties relating to maintaining and managing access, managing state-contracted banks and related accounts, and managing vendor relationships. The Department would like to increase the base salary to compensate for the increased workload.

The State of Colorado is a national leader in the area of retirement savings, particularly with its launch of the SecureSavings program. As these staff are highly specialized, the Department requests to align compensation for three individuals in this program, making the compensation more competitive with market rates.

R2 Unclaimed Property Division Staffing

The Department requests funding to support 3.0 FTE, funding to reclassify an existing role to an Administrator III position, and funding for salary increases as well as employee recognition awards. This request supports the Unclaimed Property Division which continues to accelerate its claims processing timelines and increase in claims volume. Broadly, each of these FTE will help to defray workload increases in the Unclaimed Property Division. The table below outlines the components of the Department’s R2 request.

R2 Unclaimed Property Staffing - Treasury Request		
Item/Position	Requested \$ FY 2025-26	Requested FTE FY 2025-26
Administrator II	186,783	2.0
Administrator III Reclassification	27,196	0.0
Auditor I	93,393	1.0
Salary Adjustments	59,008	0.0
Spot Awards	8,000	0.0

R2 Unclaimed Property Staffing - Treasury Request		
Item/Position	Requested \$ FY 2025-26	Requested FTE FY 2025-26
Total	374,380	3.0

By funding category	FY 2025-26	FY 2026-27
Personal services	301,084	291,485
Operating expenses	8,705	0
Centrally appropriated costs	64,591	66,529
Total	374,380	358,014
FTE	3.0	3.0

The request includes the following:

Administrator III reclassification: Funding to reclassify a Technician II position to an Administrator III to support proactive disbursement in the Unclaimed Property Division. The Technician III position is currently vacant; the Department believes this re-purposing of the vacancy, and promoting someone from within, will be strategically more efficient for the mission of the division.

Administrator II (2.0 FTE): Funding to support two Administrator II positions to focus primarily on supporting the increase of proactive payments and in-person events for the division. They will also assist with local government outreach. This increase in staff is anticipated to increase customer service response to more than three days a week.

Auditor I (1.0 FTE): Funding to support one FTE to support desk audits and to assist smaller holders with reporting. This position would also be utilized to assist with claims review and support projected claims growth. This role would conduct business audits, assess fees and penalties, and conduct outreach to companies that may be claims holders.

Salary adjustments and spot awards: Funding for competency based salary adjustments, spot awards, funding to promote an accounting technician II employee, and funding to support team building and development events.

Fund source: This request is funded entirely with cash funds from the Unclaimed Property Trust Fund (UPTF), the balance for which is anticipated to be \$821.4 million at the end of FY 2024-25. The UPTF balance remains outside of the State’s TABOR district until it is appropriated, at which point it is then included in the State’s TABOR limit calculation.

Recommendation

Staff does not recommend approval of either request given the State’s current budget disposition. Staff acknowledges that the previous stagnation of the Department exacerbated the acute need for additional FTE; however, having added almost 30.0 FTE in the past 6 years, staff believes a pause in growth will not significantly inhibit the Department’s ability to execute its mission.

Though the Unclaimed Property request is for cash funds only, staff is conscious of the fact that the appropriation of this fund further drives out General Fund for TABOR calculations. This is particularly challenging when the State is in a TABOR refund posture as we are anticipated to be again in FY 2025-26.

Should the Committee choose to provide funding support to any of the items in these two requests, staff recommends the Committee prioritize the following components:

- Funding to support 1.0 Accounting II FTE for the Admin Division - \$108,225 General Fund
- Half of the requested salary adjustments for the Admin Division - \$22,131 General Fund
- Funding to support 1.0 Auditor I - \$93,392 UPTF
- Half of the requested salary adjustments and spot awards for the Unclaimed Property Division - \$29,504 UPTF

Total projected costs for these prioritized items are shown in the tables below.

R1 Administration Staffing - JBC Staff Priority Options by Line Item				
Line Item	Requested FY 2025-26	Recommended FY 2025-26	Difference from Request	FY 2026-27 and Ongoing
Personal services	611,966	92,903	-519,063	75,000
Operating expenses	16,410	2,735	-13,675	0
Centrally appropriated costs	123,724	34,718	-89,006	34,718
Total	752,100	130,356	-621,744	109,718
<i>FTE</i>	<i>5.5</i>	<i>1.0</i>	<i>-4.5</i>	<i>1.0</i>

The fund source for the Administration Staffing – JBC Staff Priority Options is General Fund.

R2 Unclaimed Property Staffing - JBC Staff Options				
Item	Requested FY 2025-26	Recommended FY 2025-26	Difference from Request	FY 2026-27 and Ongoing
Personal services	299,919	92,504	-207,415	92,504
Operating expenses	65,756	2,735	-63,021	0
Centrally appropriated costs	123,724	32,853	-90,872	32,853
Total	489,399	128,092	-361,308	125,357
<i>FTE</i>	<i>3.0</i>	<i>1.0</i>	<i>-2.0</i>	<i>1.0</i>

The fund source for the Unclaimed Property Division Staffing – JBC Staff Priority Options is cash funds from the Unclaimed Property Trust Fund.

Staff prioritization recommendations stem from a consideration of the growth in transactions and responsibilities within the Administration Division and the Unclaimed Property Division. Staff believes these strategic incremental enhancements will continue to further the Department’s quest to more effectively distribute workload among its employees as well as reward, and hopefully retain, existing staff without inordinately added to the structural budget challenges the State is facing.

→ R4/R5 Admin. & UP Divisions technology & related expenses

Request

The Department requests \$315,700 General Fund and \$443,802 cash funds from the Unclaimed Property Trust Fund in FY 2025-26 to support software applications and technology-related costs in the Debt Management, Investment, Policy, and Unclaimed Property Division units. This request would annualize to \$305,600 General Fund and \$482,202 cash funds from the Unclaimed Property Trust Fund in FY 2026-27.

Recommendation

Staff recommends \$44,050 General Fund and \$316,704 cash funds from the Unclaimed Property Trust Fund in FY 2025-26 to address certain technology needs and related expenses in the Administration and Unclaimed Property Divisions. Should the March forecast change the projected refund disposition of the State, staff will bring a comeback to further discuss the portions of the requested funding.

Analysis

Background

Over the past six years, the Department has requested and received approximately \$805,148 total funds to support specific initiatives within the Unclaimed Property division and at least \$582,065 to support specific initiatives across the Department. In those totals, staff has attempted to isolate only the previous technology requests more similar to the requested amounts in R4 and R5. Therefore, these totals exclude technology that was funded as an essential element of new programs initiated through legislation or program-specific requests, and any increases related to payments to OIT for general services. It may also not capture certain operating expenses related to new staff added overtime.

Technology enhancements have increased both the efficiency and effectiveness of all functions of the Department and are, in some cases, critical components to the Department's ability to function. Therefore, staff has attempted to determine which increases are enhancements and which are critical to the continued functioning of the Department.

R4 Administration Division Technology and Related Expenses

For its Administration Division, the Department is requesting funding to support software applications to support debt management, investment, policy tracking, and human resources; cybersecurity testing; travel, training, and professional development; technology asset refreshment; and a Financial Wellness vendor contract to dovetail services for the SecureSavings and First-Step program. The table below shows the cost of each component of the request.

R4 - Admin Technology and Related Expenses	
Item/Position	Requested \$ FY 2025-26
Debtbook software	70,000
BloombergPORT	150,000
Cybersecurity testing	50,000
Financial Wellness vendor	45,000
Legislative Tracking subscription	3,500
Employers Council subscription	2,000
IT asset maintenance	5,000
Travel & training	17,600
Professional development	10,000
Total	353,100

<i>By line item</i>	<i>FY 2025-26</i>
<i>Admin - Operating Expenses</i>	<i>315,350</i>
<i>UP - Operating Expenses</i>	<i>32,750</i>
<i>Admin - IT Asset Maintenance</i>	<i>5,000</i>
<i>Total</i>	<i>353,100</i>

Debtbook software: This software offers scenario analyses to determine short-term and long-term risk, automates the accounting on interest earned directly into CORE, addresses analysis and calculations required by the higher education intercept statutes, and allows Treasury staff to view and report debt financing through a streamlined access interface. The initial request is for General Fund for this item, but the long-term goal would be to use the state public financing cash fund to offset a portion of the General Fund costs.

Currently, each Department with an ongoing Certificate of Participating is not required to report this financing to the Treasurer’s Office. This tool would allow the Treasury to aggregate that information into one accessible tool, and each impacted Department would have access via unique login credentials to report their financing data. This would allow better transparency and reporting for the State Legislature.

Staff is not recommending funding for this software at this time as it is not mission-critical but rather an enhancement to the debt management functions. However, staff *strongly* believes this would be a beneficial enhancement that would provide better oversight of State financing and would highly encourage approval of the request should the State’s financial disposition change.

Bloomberg PORT: This software allows scenario manipulation for investors to anticipate the most beneficial outcomes of investment concentration and to stress test current investments. Additionally, it offers automated reporting, dynamic benchmark views, and additional features to enhance transparency and visibility of the team’s investment performance. Staff is not recommending funding for this software at this time as it is not mission-critical but rather an enhancement to the debt management functions.

Legislative tracking software: This is a software used by many other state departments and agencies which is linked to the General Assembly website and provides automatic updates to the Department. Currently, the Department has one FTE dedicated to legislative tracking. As the number of bills increase, it's critical that the Department remain aware of possible changes and recommended legislation in a way that will allow them to weigh in on the potential impacts in a timely manner. Staff believes this to be a prudent investment to ensure that the State's Treasury is thoroughly informed and adequately prepared to advise legislators.

Employers Council subscription: This subscription provides training, consultancy, and guidance on laws and policies to HR staff. According to the Department, this subscription was historically offered to all divisions and departments but is currently only available to DPA. The Department only recently added dedicated HR staff, and the number of employees have grown significantly. Staff is not recommending funding for this item but rather believes it may be accounted for in the training appropriation.

Cybersecurity penetration testing: This funding supports a contract vendor to conduct penetration testing and analysis on all of the Department's IT system. The first round of testing was completed in FY 23 and yielded a positive result. It let to the Department honing in on specific protections to prevent data breaches. The next levels of testing are being conducted in the current fiscal year. At the minimum, annual cybersecurity testing is best practice, allowing the Department to remain up-to-date on necessary protections. Staff recommends approval of this component of the request due to the high risk posed to the State should the Department become the victim of a data breach.

Travel, training, professional development, and IT asset management: As has been discussed, the Department has grown swiftly and significantly over the past six years relative to its size. This request would allow the Department to offer more training opportunities to its staff as well as replace at least 11 laptops cross the division which have exceeded the warranty timeline. Staff is only recommending partial funding for this portion of these components. Because staff is not recommending additional FTE but recognizes the needs to retain skilled and talented staff, the recommendation approves part of the travel, training and professional development and all of the asset management request.

Financial Wellness: Funding for a Financial Wellness program would offer financial guidance and services for participants in the CO SecureSavings and First-Step programs. The SecureSavings program is a retirement savings program created to support workers whose employers do not offer a workplace retirement plan, self-employed individuals, and others who may want the portability the state's plan offers without having to go to private providers. The Colorado First Step program provides colleges savings accounts to Colorado residents. Staff does not recommend funding for this portion of the request as it involves the implementation of what amounts to a new program for the State.

Staff notes that the Office of Financial Empowerment (OFE) was created by the legislature several years ago and has developed a partnership with financial coaches to provide financial literacy to citizens across the State. The Department of Treasury has a seat on the OFE Board. Staff would like the Department to explore whether greater collaboration on this issue with the OFE would be both strategic and beneficial to its participants.

R5 Unclaimed Property Division Technology and Related Expenses

The Department requests funding to support two primary technology applications, KAPS and Lexis/Nexis; increased postage, printing, and shipping costs to accommodate the increased volume in claims paid; and new tools to increase efficiencies within the Unclaimed Property Division. It is also requesting funding for IT asset refresh, training, and travel for division employees. The table below details the cost of each component of the Department’s request.

R5 - UP Technology and Related Expenses Request	
Item	Requested \$ FY 2025-26
KAPS contract	192,000
Proactive check mailings	101,400
Printing costs	52,800
Postage costs	27,910
Amazon Connect phone system	11,738
LexisNexis licenses	7,920
Travel & training	7,500
IT asset maintenance	5,000
Auction mailings	4,784
Total	411,052

By Line Item	FY 2025-26
<i>UP -Operating Expenses</i>	406,052
<i>IT Asset Maintenance</i>	5,000
Total	411,052

KAPs contract: The KAPS system is utilized by the UP Division for record keeping, reporting, and for claimants to create and file claims. The Department has utilized KAPS for eight years and, as a result, has seen a significant increase in claims volume. The KAPS contract is based on the level of service provided, so the more claims processed, the more expensive the contract. In FY 24, the Division returned \$61.9 million to over 73,900 claimants. This represents an 14% increase in the total amount returned to claimants, and a 27.4% increase in the total number of claimants served. The Department anticipates claims processing volume to continue increasing in the future as it continues to find greater efficiencies in returning property to owners. Staff recommends approval of this request as it reflexed a fixed cost of returning claims.

Shipping, printing, and postage: As claims processing and return volumes increase, so do the costs associated with returning items. In addition to normal claims returns, the division anticipates an auction initiative to auction items in the vault which is currently nearing capacity. Staff recommends approval of portions of this request as they are costs fixed to the successful increase in returned claims.

Proactive check mailings: For the past two years, the Department has tested proactive check mailings to owner. For claims that are simple and are below a certain dollar amount, the claims process is completed without the claimant filing a claim. The division anticipates that this could

add an additional 30,000 checks per year when compared to FY 22 which was the last year the division received an increase in meeting these costs. KAPS charges \$1 per inquiry with an estimated \$0.69 per mailed check, which results in an increased cost of \$50,700. Proactive mailings are optional, not mandatory, and approximately 20-30% of the checks are returned. This is particularly acute for proactive mailings on older claims. Therefore, while this supports the overall mission of returning property to owners, proactive check mailings are not required and could potentially lead to loss. Therefore, staff is not recommending approval of this portion of the request.

Amazon Connect phone system: The Department requests funding to upgrade the UP Division phone system to one which allows call monitoring. This system would assist with training and improvements in customer service within the division. Staff is not recommending funding of this portion of this request at this time as it is an enhancement to the program and not a critical component of its function.

LexisNexis licenses: The division utilizes LexisNexis to research and verify claims which helps to expedite claims return and identify fraudulent claims. As the division has grown, usage of the program has increased to expedite claim verification. The division is requesting funding to add six licenses at a cost of \$110 per month. Staff is recommending three licenses instead of six for this portion of the request. This will provide incremental increases towards meeting the growth in the division and phase in the increased licenses.

Travel, training, and IT asset maintenance: As has been discussed, the Department has grown swiftly and significantly over the past six years relative to its size. This request would allow the Department to offer more training opportunities to its staff as well as replace certain computer assets which have exceeded the 3-year warranty timeline. Staff is only recommending full funding for the IT asset maintenance/refresh as it is a critical component of its functions, and only a portion of the request for travel and training in an effort to retain staff but limit ongoing costs.

Recommendation

Staff has attempted to identify the elements of the request most critical to the Department’s many functions. Again, while the request for R5 Unclaimed Property Division Technology and Related Expenses is entirely cash-funded, the UPTF balance resides outside of the State’s TABOR district. Therefore, any appropriation of the fund will drive out available General Fund. This is particularly challenging when the state is in a TABOR refund situation, as we currently are expected to be in FY 2025-26. Below is a table outlining the components of staff recommendations for the R4 and R5 requests.

R4/R5 Admin. and UP Division Technology - JBC Staff Recommendation						
R#	Item	Requested FY 2025-26	Recommended FY 2025-26	Difference from Request	FY 2026-27 and Ongoing	Fund Source
R4	Cybersecurity testing	50,000	50,000	0	50,000	GF/CF
R4	Travel and training	17,600	8,800	-8,800	8,800	GF
R4	IT asset maintenance	5,000	5,000	0	5,000	GF
R4	Professional development	10,000	5,000	-5,000	5,000	GF/CF

R4/R5 Admin. and UP Division Technology - JBC Staff Recommendation						
R#	Item	Requested FY 2025-26	Recommended FY 2025-26	Difference from Request	FY 2026-27 and Ongoing	Fund Source
R4	Legislative tracking subscription	3,500	3,500	0	3,500	GF/CF
R4	Employers Council suscription	2,000	0	-2,000	2,000	GF/CF
R4	Debtbook software	70,000	0	-70,000	0	GF
R4	BloombergPORT	150,000	0	-150,000	0	GF
R4	Financial wellness provider	45,000	0	-45,000	0	GF
Subtotal R4		353,100	72,300	-280,800	74,300	GF/CF
R5	KAPS contract	192,000	192,000	0	230,400	CF
R5	Printing costs	52,800	39,600	-13,200	39,600	CF
R5	Postage costs	27,910	20,933	-6,978	20,933	CF
R5	IT asset maintenance	5,000	5,000	0	5,000	CF
R5	Auction mailings	4,784	4,784	0	4,784	CF
R5	Lexis/Nexis	7,920	3,960	-3,960	3,960	CF
R5	Travel and training	7,500	3,750	-3,750	3,750	CF
R5	Amazon Connect	11,738	0	-11,738	0	CF
R5	Proactive check mailings	101,400	0	-101,400	0	CF
<i>Subtotal</i>		<i>411,052</i>	<i>270,027</i>	<i>-141,026</i>	<i>308,427</i>	<i>CF</i>
Grand Total		764,152	342,327	-421,826	382,727	CF/GF

<i>Recommendation By Line Item</i>	<i>FY 2025-26</i>	<i>General Fund</i>	<i>Cash Funds</i>
<i>Admin - Operating Expenses</i>	<i>38,050</i>	<i>38,050</i>	
<i>UP Operating Expenses</i>	<i>294,277</i>	<i>0</i>	<i>294,277</i>
<i>Admin - IT Asset Maintenance</i>	<i>10,000</i>	<i>5,000</i>	<i>5,000</i>
<i>Total</i>	<i>342,327</i>	<i>43,050</i>	<i>299,277</i>

→ BA1 Admin Leave Reporting and Tracking

Request

The Department requests \$12,000 total funds, including \$7,560 General Fund and \$4,440 cash funds from the Unclaimed Property Trust Fund, to continue funding for a third party to provide an updated leave reporting and tracking system. This request stems in part from delays in the launch of Ultimate Kronos Group (UKG) for the Department. UKG has been adopted across state departments and agencies, but the Treasury was notified that this system has been

delayed for its use until September. This request would fill the gap until the new system is fully online.

Recommendation

Staff recommends approval of the request.

Analysis

In FY 2024-25, the Department received additional funding to support the implementation of the Kronos Timekeeping system. This software would allow the Treasury to come into compliance with state requirements regarding tracking and timekeeping and was selected due to its widespread adoption among departments.

According to the Department, its deployment has been delayed for use until September. In the interim, it has relied on a third-party contract to develop the tracking system necessary to comply with State requirements until the Kronos system could be launched. Unfortunately, the contract with this vendor was not scaled beyond the end of this fiscal year because the launch of the UKG system was anticipated to be implemented by that time.

This is not a tool the Department can develop internally due to the advanced technical expertise required. Therefore, an external vendor, Computer Excellence, will complete the work to ensure the system remains functional until the UKG system can be launched.

If this item is not funded, the Department will not be able to accurately and timely track employee leave and work hours which is required by state statute and personnel rules. This is an essential function of the Department as it pertains to personnel management and reporting. Therefore, staff recommends approval of this request. The table below shows the line items impacted and fund sources to support this request.

BA1 Admin. Leave Reporting and Tracking – JBC Staff Recommendation					
Recommendation by Line Item	Requested FY 2025-26	Recommended FY 2025-26	Difference from Request	FY 2026-27 and Ongoing	Fund Source
Admin. - Operating Expenses	\$7,560	\$7,560	\$0	\$0	GF
UP - Operating Expenses	4,440	4,440	0	0	CF
Total	\$12,000	\$12,000	\$0	\$0	GF/CF

(1) Administration

The Administration Division is responsible for the operation and oversight of the Department of the Treasury. The Division performs three primary functions: accounting, cash management, and investment services.

Administration					
Item	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2024-25 Appropriation					
HB 24-1430 (Long Bill)	\$9,057,405	\$7,082,587	\$1,974,818	\$0	37.5
Other Legislation	\$108,971	\$108,971	\$0	\$0	0.5
SB 25-110 (Supplemental)	\$30,124	\$14,010	\$16,114	\$0	0.0
Total FY 2024-25	\$9,196,500	\$7,205,568	\$1,990,932	\$0	38.0
FY 2025-26 Recommended Appropriation					
FY 2024-25 Appropriation	\$9,196,500	\$7,205,568	\$1,990,932	\$0	38.0
BA1 Leave reporting & admin tracking	7,560	7,560	0	0	0.0
BA3 Network and cabling upgrades	30,000	18,000	12,000	0	0.0
R1 Administration staff	0	0	0	0	0.0
R2 UP division staff	0	0	0	0	0.0
R3 SecureSavings compliance	0	0	0	0	0.0
R4 Admin Div tech and related	43,050	43,050	0	0	0.0
R5 UP Div tech and related	5,000	0	5,000	0	0.0
R6 CoreLogic contract	2,459,187	2,459,187	0	0	0.0
Centrally appropriated items	549,556	357,516	192,040	0	0.0
Annualize prior year budget actions	-2,259,869	-2,259,869	0	0	0.0
Annualize prior year legislation	-30,124	-14,010	-16,114	0	0.0
Total FY 2025-26	\$10,000,860	\$7,817,002	\$2,183,858	\$0	38.0
Increase/-Decrease From FY 2024-25	\$804,360	\$611,434	\$192,926	\$0	0.0
Percentage Change	8.7%	8.5%	9.7%	0.0%	0.0%
FY 2025-26 Executive Request	\$12,242,510	\$9,760,921	\$2,481,589	\$0	49.5
Staff Rec. Above/-Below Request	-\$2,241,650	-\$1,943,919	-\$297,731	\$0	-11.5

Decision Items

→ R3 SecureSavings Compliance

Request

On behalf of the Department of Labor and Employment (CDLE), the Department of Treasury requests funding to support 6.0 FTE in FY 2025-26 and 5.0 FTE in FY 2026-27 and ongoing. Total costs for this request, which were not included in Treasury totals, amount to \$738,857 General Fund in FY 2025-26 and \$544,667 General Fund in FY 2026-27 and ongoing. In a partnership

between CDLE and the Department, the new positions would carry out enforcement efforts related to the SecureSavings program. Funding for the positions would be appropriated to the Department of the Treasury.

Recommendation

Staff recommends denial of the request and that the Departments delay compliance enforcement for the SecureSavings Program.

Analysis

Background

Colorado state legislators attempted to establish a Colorado Secure Savings Plan in the 2016, 2017, and 2018 legislative sessions before passing legislation to create the Colorado Secure Savings Board and appropriating funds to conduct a study of the feasibility of the plan.

S.B. 19-173 (Colorado Secure Savings Plan Board)

This bill created the Colorado Secure Savings Board in the Office of the State Treasurer to study to feasibility of creating a retirement savings plan for private sector employees. The study included four market and financial analyses regarding the feasibility of an automatic enrollment payroll deduction, a small business marketplace plan, greater financial education for Colorado residents, and the current and future cost to state and local government of the lack of retirement savings among Coloradoans. The board consists of the State Treasurer or the Treasurer's designee and 8 trustees who are appointed by the Governor. The Department received an appropriation of \$800,000 to conduct the four analyses.

S.B. 20-200 (Implementation of Colorado Secure Savings Program)

The Secure Savings Board recommended that Colorado should adopt a state-facilitated, privately administered auto individual retirement account program as well as a statewide, coordinated approach to financial education to raise the level of financial knowledge among state residents.

S.B. 20-200 directed the renamed Colorado Secure Savings Program Board to implement the Colorado Secure Savings Program, granting it the power and duty to establish, implement, and maintain the program as well as adopt rules regarding its administration. The board is required to do the following:

- develop an investment policy statement and oversee fund investments;
- collect fees to defray the costs of administering the program;
- create a grant program to incentivize compliance with the program and defray the costs of small businesses with 5 to 25 employees;
- seek and accept gifts, grants, and donations;
- make and enter into contracts with financial institutions, advisers, and third-party program administrators, as well as research, technical, and other services;

- establish intergovernmental agreements with state agencies including the Department of Labor and Employment (CDLE), the Department of Revenue (DOR), and the Secretary of State (SOS), as necessary;
- set penalties for employers that do not comply with the requirements of the program and work with CDLE to enforce compliance with the program;
- evaluate the need for and procedures, if necessary, for the program, program administration, and board members to have private insurance;
- develop and implement an outreach plan to gain input and disseminate information regarding the program and retirement savings generally;
- assess the feasibility of multi-state or regional agreements to administer the program through shared administrative resources and enter into those agreements if determined beneficial; and
- include financial education as a part of program implementation.

The bill also created the Colorado Secure Savings Program Fund in the State Treasury which consists of appropriations from the General Assembly, transfers from other governmental entities, fee and penalty revenue, and any funding received by the State Treasurer for the program. This fund is continuously appropriated to the board. It also requires the board to submit an annual report to the Governor and the General Assembly by April 1st each year.

To implement the provisions of the bill, the Department was appropriated \$1.1 million based on the assumption that the Department would require an additional 5.0 FTE. The bill appropriated General Fund but indicated that in out-years, fee revenue would cover these costs. There is no timeline indicated for its self-sufficiency.

Program Overview and Performance

Businesses that have been in operation for two or more years and have five or more employees must either sponsor a qualified private retirement plan or register for the Colorado Secure Savings Program (CSSP) and facilitate payroll contributions on behalf of participating employees. Employers with fewer than 5 employees or who have been in business for less than 2 years may apply for an exemption. Asset based fees are charged to cover administrative costs of servicing accounts while other costs are still borne by General Fund in the Department of the Treasury.

According to the [CSSP Annual Report 2024](https://treasury.colorado.gov/sites/treasury/files/CSSP%20Annual%20Report%202024%20%281%29.pdf)², the program launched enrollment in January 2023. Since then, the program has enrolled 14,332 employers and 51,814 savers with over \$48.0 million saved, and another 26,000 employers have verified that they already offer a retirement program. Additionally, the program created a multi-state partnership of state-facilitated retirement programs, the only one in the United States, with Maine and Delaware both participating.

² <https://treasury.colorado.gov/sites/treasury/files/CSSP%20Annual%20Report%202024%20%281%29.pdf>

Request

The Department, in partnership with the Colorado Department of Labor and Employment, have begun developing a compliance framework which will require an initial, and potentially multi-year, appropriation from the State.

The enacting legislation grants powers to the Board to develop and implement the rules and enforcement for the program. including setting penalties for employers that do not comply with the requirements. Section 24-54.3-107(1)(i), C.R.S. stipulates that the board shall adopt rules that establish minimal fines for employer noncompliance up to one hundred dollars for each employee per year, not to exceed \$5,000 total in a calendar year. The statute further stipulates that the enforcement of fines “shall not commence until at least one year after the program is established or one year after an employer is schedule to enter the program, whichever is later.” To delay implementation of compliance would not require a change in statute because there is not a required timeline for enforcement to begin.

The Department is requesting funding for SecureSavings program enforcement efforts. In partnership with the Department of Labor and Employment, the request includes funding to support 6.0 FTE in FY 2026 and 5.0 in FY 2026-27 and ongoing. The details and costs of the request are outlined in the table below.

R3 Colorado Secure Savings Compliance Enforcement		
Item/Position	FY 2025-26	FY 2026-27
Program Management II	\$95,888	\$95,888
Analyst V	91,312	91,312
Compliance Investigator II	71,552	71,552
Program Assistant II (2.0)	117,728	117,728
Policy Advisor V	91,312	0
PERA/FICA	61,094	49,168
Centrally Appropriated	163,561	115,344
Operating Expenses	46,410	3,675
Total	\$738,857	\$544,667
<i>FTE</i>	<i>6.0</i>	<i>5.0</i>

Program Management II (1.0 FTE): This position would serve as the unit manager working with the CO SecureSavings Program Treasurer’s Office on policy making and interpretation.

Analyst V (1.0 FTE): The Department provided little information on the role and purpose of this requested FTE.

Compliance Investigator II (1.0 FTE): This position would serve as the lead program investigator and would interact with and respond to public inquiries.

Program Assistant II (2.0 FTE): These positions would process investigation notices, send and receive documents, and record employer responses to notices.

Policy Advisor V (1.0 FTE): This position would assist with the implementation of rules and help set policies regarding investigation and enforcement.

Centrally Appropriated: Included in the typical request for centrally appropriated items is funding to support a suite of annual licenses for 6 seats estimated at \$19,807 ongoing. This

includes licenses for Salesforce, Conga, Email, Google Voice, Adobe Pro, Grammarly, LexisNexis Advance, and LexisNexis Accurint.

Recommendation

Staff does not recommend approval of this request and recommends the Departments delay implementation of compliance enforcement for the SecureSavings program. Statute does not require enforcement to begin on a certain date, it only restricts how soon enforcement may begin. Additionally, revenue earned through fee collection will impact TABOR calculations and drive out General Fund. Staff notes that the actual amount of the request was not included in either the Department of Labor and Enforcement or the Department of Treasury's request and therefore was not accounted for in budget balancing efforts.

Staff also recommends the Departments collaborate to develop a plan that would phase in the compliance enforcement request over time to further limit the amount of General Fund requested to implement this function of the program. Additionally, staff recommends the Departments investigate whether administrative fees may be utilized to cover a portion of the cost. Eventually, the Department anticipates funding the compliance enforcement through penalty revenue.

There are concerns about delayed implementation of compliance enforcement. The Department worries that postponing enforcement would compromise the program's ability to leverage revenue to fund future expenditures and costs, would increase the cost of enforcement later as the program grows, and that risk of noncompliance would increase and negatively impact the program's effectiveness as well as future cash flow.

A portion of the Department's R1 Administration staff request includes funding to support 1.0 FTE related to the SecureSavings compliance enforcement initiative. The R1 request was also not approved.

→ R6 CoreLogic contract for the deferred property tax program

Request

The Department requests \$2,459,187 General Fund in FY 2025-26 and \$2,631,330 General Fund in FY 2026-27 to support the CoreLogic contract renewal and enhancement. This represents a \$251,841 increase over the current CoreLogic contract amount. CoreLogic is the third party administrator responsible for the creation and management of the expanded deferred property tax program.

Recommendation

This request has been referred to the Joint Technology Committee for consideration. Staff recommends delaying discussion of this decision item until the JTC makes its recommendation. Staff will bring a comeback with both the analysis and recommendation for this item after that time.

→ BA3 – Network and cabling upgrades

Request

The Department requests \$30,000 total funds, including \$18,000 General Fund and \$12,000 cash funds from the Unclaimed Property Trust Fund, to complete necessary network and cabling upgrades for the Department.

Recommendation

Staff recommends approval of the request.

Analysis

Since December 2024, the Department has been working with the Governor’s Office of Information Technology (OIT) to address cabling and network refreshment to maintain network security and compliance across the Department. The current vendor, Cisco, will no longer support the network and devices beyond October 31, 2025. The Department of the Treasury is the last agency in the State to receive the necessary upgrades. Without this upgrade, the Department is vulnerable to security threats and operational risk.

According to the Department, the quote for the project is \$28,537, and the total amount requested is an estimate to ensure the request will cover any pricing increases which may be realized when the work begins. Funding for the request was intended to be included in statewide supplemental requests for Real Time Billing but was unintentionally left out.

Given the critical nature of this request to the security of the Department of Treasury’s systems, staff recommends approval of the request.

Line Item Detail

Personal Services

This line item provides funding for employees' salaries and wages, as well as the associated state contribution to the Public Employees’ Retirement Association and the state share of federal Medicare taxes. This line item also provides funding for certain professional and temporary services.

Statutory authority: Section 24-50-101, C.R.S., et seq.

Request: The Department requests \$4,898,859 total funds including \$3,693,732 General Fund and \$1,205,127 cash funds from the Unclaimed Property Trust Fund and 43.5 FTE. The request reflects an increase related to R1 Administration staffing.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items unrelated to the Department’s prioritized request. Staff requests permission to adjust this line item in accordance with any decisions the

Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$4,745,899	\$3,639,541	\$1,106,358	\$0	\$0	37.5
Other Legislation	\$31,661	\$31,661	\$0	\$0	\$0	0.5
Total FY 2024-25	\$4,777,560	\$3,671,202	\$1,106,358	\$0	\$0	38.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$4,777,560	\$3,671,202	\$1,106,358	\$0	\$0	38.0
Centrally appropriated items	256,549	157,780	98,769	0	0	0.0
R1 Administration staff	0	0	0	0	0	0.0
Annualize prior year budget actions	-747,216	-747,216	0	0	0	0.0
Total FY 2025-26	\$4,286,893	\$3,081,766	\$1,205,127	\$0	\$0	38.0
Increase/-Decrease from FY 2025-26	-\$490,667	-\$589,436	\$98,769	\$0	\$0	0.0
Percentage Change	-10.3%	-16.1%	8.9%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$4,898,859	\$3,693,732	\$1,205,127	\$0	\$0	43.5
Staff Rec. Above/-Below Request	-\$611,966	-\$611,966	\$0	\$0	\$0	-5.5

Health, Life, and Dental

This line item provides funding for the employer's share of the cost of group benefit plans providing health, life, and dental insurance for state employees.

Statutory authority: Sections 24-50-603 (9) and 24-50-611, C.R.S.

Request: The Department requests \$943,188 total funds including \$575,196 General Fund and \$367,992 cash funds from the Unclaimed Property Trust Fund. The request reflects an increase related to R1 Administration staffing and R2 Unclaimed Property Division staffing.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items unrelated to the Department’s prioritized requests. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Health, Life, and Dental						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$648,766	\$390,878	\$257,888	\$0	\$0	0.0
Total FY 2024-25	\$648,766	\$390,878	\$257,888	\$0	\$0	0.0

Administration, Health, Life, and Dental						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$648,766	\$390,878	\$257,888	\$0	\$0	0.0
Centrally appropriated items	185,826	114,050	71,776	0	0	0.0
R1 Administration staff	0	0	0	0	0	0.0
R2 UP division staff	0	0	0	0	0	0.0
Total FY 2025-26	\$834,592	\$504,928	\$329,664	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$185,826	\$114,050	\$71,776	\$0	\$0	0.0
Percentage Change	28.6%	29.2%	27.8%	n/a	n/a	n/a
FY 2025-26 Executive Request						
Staff Rec. Above/-Below Request	-\$108,596	-\$70,268	-\$38,328	\$0	\$0	0.0

Short-Term Disability

This line item provides funding for the employer's share of state employees short-term disability insurance premiums.

Statutory authority: Sections 24-51-701 and 24-50-104 (1)(a)(II), C.R.S.

Request: The Department requests \$4,800 total funds including \$3,155 General Fund and \$1,645 cash funds from the Unclaimed Property Trust Fund. The request reflects an increase related to R1 Administration staffing and R2 Unclaimed Property Division staffing.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items unrelated to the Department’s prioritized requests. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Short-term Disability						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$7,476	\$4,772	\$2,704	\$0	\$0	0.0
Total FY 2024-25	\$7,476	\$4,772	\$2,704	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$7,476	\$4,772	\$2,704	\$0	\$0	0.0
R1 Administration staff	0	0	0	0	0	0.0
R2 UP division staff	0	0	0	0	0	0.0
Centrally appropriated items	-3,822	-2,374	-1,448	0	0	0.0
Total FY 2025-26	\$3,654	\$2,398	\$1,256	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$3,822	-\$2,374	-\$1,448	\$0	\$0	0.0

Administration, Short-term Disability						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	-51.1%	-49.7%	-53.6%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$4,800	\$3,155	\$1,645	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$1,146	-\$757	-\$389	\$0	\$0	0.0

Unfunded Liability Amortization Equalization Disbursement Payments

This line item provides funding for amortization and supplemental amortization payments to increase the funded status of the Public Employees’ Retirement Association (PERA).

Statutory authority: Section 24-51-411, C.R.S.

Request: The Department requests \$598,299 total funds including \$393,008 General Fund and \$205,291 cash funds from the Unclaimed Property Trust Fund. The request reflects an increase related to R1 Administration staffing and R2 Unclaimed Property Division staffing.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items unrelated to the Department’s prioritized requests. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Unfunded Liability Amortization Equalization Disbursement Payments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$436,900	\$284,242	\$152,658	\$0	\$0	0.0
Total FY 2024-25	\$436,900	\$284,242	\$152,658	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$436,900	\$284,242	\$152,658	\$0	\$0	0.0
Centrally appropriated items	85,095	58,336	26,759	0	0	0.0
R1 Administration staff	0	0	0	0	0	0.0
R2 UP division staff	0	0	0	0	0	0.0
Total FY 2025-26	\$521,995	\$342,578	\$179,417	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$85,095	\$58,336	\$26,759	\$0	\$0	0.0
Percentage Change	19.5%	20.5%	17.5%	n/a	n/a	n/a
FY 2025-26 Executive Request						
FY 2025-26 Executive Request	\$598,299	\$393,008	\$205,291	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$76,304	-\$50,430	-\$25,874	\$0	\$0	0.0

PERA Direct Distribution

This line item is included as a common policy allocation payment for the state portion of the PERA Direct Distribution created in Section 24-51-414, C.R.S., enacted in S.B. 18-200.

Statutory authority: Section 24-51-414 (2), C.R.S.

Request: The Department requests \$87,776 total funds including \$57,606 General Fund and \$30,170 cash funds from the Unclaimed Property Trust Fund. The request reflects an increase related to R1 Administration staffing and R2 Unclaimed Property Division staffing.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items unrelated to the Department’s prioritized requests. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, PERA Direct Distribution						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$75,527	\$49,137	\$26,390	\$0	\$0	0.0
Total FY 2024-25	\$75,527	\$49,137	\$26,390	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$75,527	\$49,137	\$26,390	\$0	\$0	0.0
Centrally appropriated items	12,249	8,469	3,780	0	0	0.0
Total FY 2025-26	\$87,776	\$57,606	\$30,170	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$12,249	\$8,469	\$3,780	\$0	\$0	0.0
Percentage Change	16.2%	17.2%	14.3%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$87,776	\$57,606	\$30,170	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Step Pay

This line item provides detail on the amount of funding appropriated to each department as a result of the step pay plan. The step pay plan took effect in FY 2024-25 and is a result of negotiations between the State of Colorado and Colorado Workers for Innovative and New Solutions (COWINS).

Statutory authority: None.

Request: The Department requests \$40,364 total funds including \$38,777 General Fund and \$1,587 cash funds from the Unclaimed Property Trust Fund.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Step Pay						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$102,735	\$57,369	\$45,366	\$0	\$0	0.0
Total FY 2024-25	\$102,735	\$57,369	\$45,366	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$102,735	\$57,369	\$45,366	\$0	\$0	0.0
Centrally appropriated items	-62,371	-18,592	-43,779	0	0	0.0
Total FY 2025-26	\$40,364	\$38,777	\$1,587	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$62,371	-\$18,592	-\$43,779	\$0	\$0	0.0
Percentage Change	-60.7%	-32.4%	-96.5%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$40,364	\$38,777	\$1,587	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Salary Survey

This line item provides funding to pay for annual increases for salary survey. Salary survey increases may include across-the-board increases, movement to minimum related to salary range adjustments, and specified classification increases.

Statutory authority: Section 24-50-104, C.R.S.

Request: The Department requests \$142,960 total funds including \$93,523 General Fund and \$49,437 cash funds from the Unclaimed Property Trust Fund.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Salary Survey						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$153,814	\$100,411	\$53,403	\$0	\$0	0.0
Total FY 2024-25	\$153,814	\$100,411	\$53,403	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$153,814	\$100,411	\$53,403	\$0	\$0	0.0
Centrally appropriated items	-10,854	-6,888	-3,966	0	0	0.0
Total FY 2025-26	\$142,960	\$93,523	\$49,437	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$10,854	-\$6,888	-\$3,966	\$0	\$0	0.0

Administration, Salary Survey						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	-7.1%	-6.9%	-7.4%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$142,960	\$93,523	\$49,437	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Paid Family and Medical Leave Insurance

This line item provides funding for the Department's share of the paid family and medical leave insurance. Colorado Proposition 118, Paid Family Medical Leave Initiative, was approved by voters in November 2020 and created a paid family and medical leave insurance program for all Colorado employees administered by the Colorado Department of Labor and Employment. This requires employers and employees in Colorado to pay a payroll premium (0.90 percent with a minimum of half paid by the employer) to finance paid family and medical leave insurance benefits beginning January 1, 2023. It finances up to 12 weeks of paid family and medical leave to eligible employees beginning January 1, 2024.

Statutory authority: Section C.R.S. 8-13.3-501 et seq.

Request: The Department requests \$26,924 total funds including \$17,685 General Fund and \$9,239 cash funds from the Unclaimed Property Trust Fund.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Paid Family and Medical Leave Insurance						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$22,256	\$14,221	\$8,035	\$0	\$0	0.0
Total FY 2024-25	\$22,256	\$14,221	\$8,035	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$22,256	\$14,221	\$8,035	\$0	\$0	0.0
Centrally appropriated items	1,234	1,195	39	0	0	0.0
R1 Administration staff	0	0	0	0	0	0.0
R2 UP division staff	0	0	0	0	0	0.0
Total FY 2025-26	\$23,490	\$15,416	\$8,074	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$1,234	\$1,195	\$39	\$0	\$0	0.0
Percentage Change	5.5%	8.4%	0.5%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$26,924	\$17,685	\$9,239	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$3,434	-\$2,269	-\$1,165	\$0	\$0	0.0

Worker’s Compensation and Payment to Risk Management and Property Funds

This line item provides funding for the Department's share of the statewide costs for worker’s compensation and risk management and property programs.

Statutory authority: Sections 24-30-1510.7, 24-30-1510, and 24-30-1510.5, C.R.S.

Request: The Department requests \$26,924 General Fund for this request.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Workers' Compensation and Payment to Risk Management and Property Funds						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$35,707	\$35,707	\$0	\$0	\$0	0.0
SB 25-110 (Supplemental)	\$0	\$0	\$0	\$0	\$0	0.0
Total FY 2024-25	\$35,707	\$35,707	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$35,707	\$35,707	\$0	\$0	\$0	0.0
Centrally appropriated items	-358	-358	0	0	0	0.0
Total FY 2025-26	\$35,349	\$35,349	\$0	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$358	-\$358	\$0	\$0	\$0	0.0
Percentage Change	-1.0%	-1.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$26,925	\$26,925	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$8,424	\$8,424	\$0	\$0	\$0	0.0

Operating Expenses

This line item provides funding for supplies and materials for the Administration Division, as well as for certain services that are not covered by other line items such as capital outlay, utilities, custodial services, equipment rental, storage, dues and subscriptions, and printing.

Statutory authority: Section 24-36-101, C.R.S., *et seq.*

Request: The Department requests \$3,550,748 General Fund for the Administration Division Operating Expenses. The request reflects an increase related to R6 CoreLogic (pending a recommendation from the Joint Technology Committee, R4 Administration Division (Admin. Div.) technology and related expenses, BA1 Leave reporting & admin tracking, and R1 Administration staffing.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items, the annualization of prior year budget actions, and R6, R4, and BA1 prioritized requests.

Administration, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$2,192,234	\$2,192,234	\$0	\$0	\$0	0.0
Other Legislation	\$77,310	\$77,310	\$0	\$0	\$0	0.0
SB 25-110 (Supplemental)	\$0	\$0	\$0	\$0	\$0	0.0
Total FY 2024-25	\$2,269,544	\$2,269,544	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$2,269,544	\$2,269,544	\$0	\$0	\$0	0.0
R6 CoreLogic contract	2,459,187	2,459,187	0	0	0	0.0
R4 Admin Div tech and related	38,050	38,050	0	0	0	0.0
BA1 Leave reporting & admin track	7,560	7,560	0	0	0	0.0
R1 Administration staff	0	0	0	0	0	0.0
Annualize prior year budget actions	-1,512,653	-1,512,653	0	0	0	0.0
Total FY 2025-26	\$3,261,688	\$3,261,688	\$0	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$992,144	\$992,144	\$0	\$0	\$0	0.0
Percentage Change	43.7%	43.7%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$3,550,748	\$3,550,748	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$289,060	-\$289,060	\$0	\$0	\$0	0.0

Information Technology Asset Maintenance

This line item provides funding to replace information technology equipment consistent with standard replacement cycles (e.g., four years for desktop and laptop computers, and five years for printers).

Statutory authority: Section 24-37.5-103, C.R.S.

Request: The Department requests \$28,000 total funds, including \$14,000 General Fund and \$14,000 cash funds from the Unclaimed Property Trust Fund to support Information Technology Asset Management. The request reflects an increase related to R4 Administration Division technology and related expenses (Admin Div tech and related), and R5 Unclaimed Property Division technology and related expenses (UP Div tech and related).

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items as well as the R4 and R5 prioritized requests.

Administration, Information Technology Asset Maintenance						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$18,000	\$9,000	\$9,000	\$0	\$0	0.0
Total FY 2024-25	\$18,000	\$9,000	\$9,000	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$18,000	\$9,000	\$9,000	\$0	\$0	0.0
R4 Admin Div tech and related	5,000	5,000	0	0	0	0.0
R5 UP Div tech and related	5,000	0	5,000	0	0	0.0
Total FY 2025-26	\$28,000	\$14,000	\$14,000	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$10,000	\$5,000	\$5,000	\$0	\$0	0.0
Percentage Change	55.6%	55.6%	55.6%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$28,000	\$14,000	\$14,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Legal Services

This line item provides funding for the Department to purchase legal services from the Department of Law.

Statutory authority: Pursuant to Section 24-31-101 (1)(a), C.R.S., and defined in Section 24-75-112 (1)(i), C.R.S.

Request: The Department requests \$152,159 total funds, including \$47,393 General Fund and \$104,766 cash funds from the Unclaimed Property Trust Fund, for this request.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Legal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$122,197	\$38,060	\$84,137	\$0	\$0	0.0
Total FY 2024-25	\$122,197	\$38,060	\$84,137	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$122,197	\$38,060	\$84,137	\$0	\$0	0.0
Centrally appropriated items	29,962	9,333	20,629	0	0	0.0
Total FY 2025-26	\$152,159	\$47,393	\$104,766	\$0	\$0	0.0

Administration, Legal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Increase/-Decrease from FY 2025-26	\$29,962	\$9,333	\$20,629	\$0	\$0	0.0
Percentage Change	24.5%	24.5%	24.5%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$152,159	\$47,393	\$104,766	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Capitol Complex Leased Space

This line item is used to pay the Department of Personnel for the costs of maintaining state buildings that are part of the capitol complex.

Statutory authority: Section 24-30-1104 (4) and Part 1 of Article 82 of Title 24, C.R.S.

Request: The Department requests \$66,021 total funds, including \$39,367 General Fund and \$26,654 cash funds from the Unclaimed Property Trust Fund, for this request.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Capitol Complex Leased Space						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$62,530	\$37,285	\$25,245	\$0	\$0	0.0
Total FY 2024-25	\$62,530	\$37,285	\$25,245	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$62,530	\$37,285	\$25,245	\$0	\$0	0.0
Centrally appropriated items	7,489	4,465	3,024	0	0	0.0
Total FY 2025-26	\$70,019	\$41,750	\$28,269	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$7,489	\$4,465	\$3,024	\$0	\$0	0.0
Percentage Change	12.0%	12.0%	12.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$66,021	\$39,367	\$26,654	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$3,998	\$2,383	\$1,615	\$0	\$0	0.0

Payments to OIT

This line item represents payments to the Governor’s Office of Information Technology for information technology services.

Statutory authority: Section 24-37.5-103, C.R.S.

Request: The Department requests \$333,936 total funds, including \$200,362 General Fund and \$133,574 cash funds from the Unclaimed Property Trust Fund, for this request. This reflects an increase related to BA3 Network and cabling upgrades.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items, the annualization of prior year legislation, and the BA3 Network and cabling upgrades prioritized request. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, Payments to OIT						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$235,606	\$141,364	\$94,242	\$0	\$0	0.0
SB 25-110 (Supplemental)	\$30,124	\$14,010	\$16,114	\$0	\$0	0.0
Total FY 2024-25	\$265,730	\$155,374	\$110,356	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$265,730	\$155,374	\$110,356	\$0	\$0	0.0
Centrally appropriated items	68,330	40,998	27,332	0	0	0.0
BA3 Network and cabling upgrades	30,000	18,000	12,000	0	0	0.0
Annualize prior year legislation	-30,124	-14,010	-16,114	0	0	0.0
Total FY 2025-26	\$333,936	\$200,362	\$133,574	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$68,206	\$44,988	\$23,218	\$0	\$0	0.0
Percentage Change	25.7%	29.0%	21.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$333,936	\$200,362	\$133,574	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

CORE Operations

This line item provides funds for the Department’s share of the operational costs of Colorado Operations Resource Engine (CORE), the statewide accounting system.

Statutory authority: Section 24-30-209, C.R.S.

Request: The Department requests \$590,194 total funds, including \$265,587 General Fund and \$324,607 cash funds from the Unclaimed Property Trust Fund, for this request.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for centrally appropriated items. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions that affect this line item, but are not addressed in this document.

Administration, CORE Operations						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$185,258	\$83,366	\$101,892	\$0	\$0	0.0
Total FY 2024-25	\$185,258	\$83,366	\$101,892	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$185,258	\$83,366	\$101,892	\$0	\$0	0.0
Centrally appropriated items	-19,773	-8,898	-10,875	0	0	0.0
Total FY 2025-26	\$165,485	\$74,468	\$91,017	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$19,773	-\$8,898	-\$10,875	\$0	\$0	0.0
Percentage Change	-10.7%	-10.7%	-10.7%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$590,194	\$265,587	\$324,607	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$424,709	-\$191,119	-\$233,590	\$0	\$0	0.0

Charter School Facilities Financing Services

The Treasurer has several duties associated with charter school facility financing. A charter school may request that the Treasurer make direct payments of principal and interest on bonds issued on behalf of the school for the purpose of enhancing the ability of the school to obtain favorable financing terms pursuant to Section 22-30.5-406, C.R.S. The Treasurer is authorized to withhold, from the amount paid to the chartering district for the state share of the district's total program funding, the amount of any direct payments made on behalf of the charter school plus any administrative costs associated with making such payments. Any administrative costs withheld are deposited into the Charter School Financing Administrative Cash Fund. Money in this fund is continuously appropriated.

Under the provisions of H.B. 03-1021, the Colorado Educational and Cultural Facilities Authority may issue bonds on behalf of qualified charter schools. Participating charter schools are required to annually pay \$1 per \$1,000 of the principal amount of the bonds outstanding to the State Treasurer for deposit in the State Charter School Interest Savings Account (within the State Charter School Debt Reserve). The Treasurer is authorized to charge participating schools a fee to defray related direct and indirect costs. Such funds are also to be deposited in the State Charter School Interest Savings Account within the State Charter School Debt Reserve Fund pursuant to Section 22-30.5-407 (3), C.R.S. Money in the State Charter School Debt Reserve Fund, including fees collected from schools, is continuously appropriated to the State Treasurer.

Statutory authority: Sections 22-30.5-407 (4)(a) and (a.5), C.R.S.

Request: The Department requests \$7,500 General Fund.

Recommendation: Staff recommends approval of the request.

Discretionary Fund

Five elected state officials receive an annual appropriation for expenditures in pursuance of official business as each elected official sees fit. Subject to annual appropriation by the General Assembly, the Treasurer is to receive \$5,000 from the General Fund annually for this purpose.

Statutory authority: Section 24-9-105, C.R.S.

Request: The Department requests \$5,000 General Fund.

Recommendation: Staff recommends approval of the request.

Colorado SecureSavings Program

This line item provides funding to support the administration of the Colorado SecureSavings program. If approved, this funding will pass through the Department of the Treasury to the Department of Labor and Enforcement to support compliance enforcement efforts.

Statutory authority: Section 24-54.3-101, et. seq., C.R.S.

Request: The Department requests \$738,857 General Fund and 6.0 FTE related to the R3 SecureSavings compliance prioritized request.

Recommendation: Staff does not recommend approval of the request.

(2) Unclaimed Property Program

The Department administers the state's unclaimed property program, as set forth in Article 13 of Title 38, C.R.S. (The "Unclaimed Property Act"). Under this program, the state takes possession of dormant or abandoned properties from a wide range of business and public institutions and tries to return the properties to their rightful owners. Generally, property is subject to the custody of the state as unclaimed property if the last-known address of the property owner (or the person entitled to the property) is in Colorado.

Unclaimed Property Program				
Item	Total Funds	General Fund	Cash Funds	FTE
FY 2024-25 Appropriation				
HB 24-1430 (Long Bill)	\$4,248,622	\$0	\$4,248,622	24.0
SB 25-110 (Supplemental)	\$47,430	\$0	\$47,430	0.0
Total FY 2024-25	\$4,296,052	\$0	\$4,296,052	24.0
FY 2025-26 Recommended Appropriation				
FY 2024-25 Appropriation	\$4,296,052	\$0	\$4,296,052	24.0
BA1 Leave reporting & admin tracking	4,440	0	4,440	0.0
R2 UP division staff	0	0	0	0.0
R4 Admin Div tech and related	29,250	0	29,250	0.0
R5 UP Div tech and related	265,027	0	265,027	0.0
Annualize prior year budget actions	-43,348	0	-43,348	0.0
Annualize prior year legislation	-47,430	0	-47,430	0.0
Total FY 2025-26	\$4,503,991		\$4,503,991	24.0
Increase/-Decrease From FY 2024-25	\$207,939	\$0	\$207,939	0.0
Percentage Change	4.8%	0.0%	4.8%	0.0%
FY 2025-26 Executive Request	\$4,962,140	\$0	\$4,962,140	27.0
Staff Rec. Above/-Below Request	-\$458,149		-\$458,149	-3.0

Decision Items

R5 Unclaimed Property Technology and Related Expenses request was previously discussed with the R4 Administration Division Technology and Related Expenses request.

Line Item Detail

Personal Services

This line item provides funding for employees' salaries and wages, as well as the associated state contribution to the Public Employees Retirement Association and the state share of federal Medicare contributions. This line item also provides funding for certain professional and temporary services.

Statutory authority: Section 24-50-101 *et seq.*, C.R.S.

Request: The Department requests \$2,200,361 cash funds from the Unclaimed Property Trust Fund and 3.0 FTE. The request reflects an increase related to R2 Unclaimed Property Division staffing (UP division staff).

Recommendation: The staff recommendation is provided in the table below and does not reflect changes related to the Department’s prioritized request.

Unclaimed Property Program, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$1,900,442	\$0	\$1,900,442	\$0	\$0	24.0
Total FY 2024-25	\$1,900,442	\$0	\$1,900,442	\$0	\$0	24.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,900,442	\$0	\$1,900,442	\$0	\$0	24.0
R2 UP division staff	0	0	0	0	0	0.0
Total FY 2025-26	\$1,900,442	\$0	\$1,900,442	\$0	\$0	24.0
Increase/-Decrease from FY 2025-26	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$2,200,361	\$0	\$2,200,361	\$0	\$0	27.0
Staff Rec. Above/-Below Request	-\$299,919	\$0	-\$299,919	\$0	\$0	-3.0

Operating Expenses

This line item provides funding for supplies and materials, as well as capital outlay, utilities, custodial services, equipment rental, storage, dues and subscriptions, postage, and printing.

Statutory authority: 38-13-801 (2)(a), C.R.S.

Request: The Department requests \$1,756,779 cash funds from the Unclaimed Property Trust Fund. The request reflects increases related to R5 Unclaimed Property Division technology and related expenses (UP Div tech and related), R4 Administration Division technology and related expenses (Admin Div tech and related), BA1 Leave reporting and admin tracking, R2 Unclaimed Division staffing (UP division staff), as well as annualizations related to prior year legislation and budget actions.

Recommendation: The staff recommendation is provided in the table below and provides adjustments for the annualization of prior year budget actions, and the R2, R4, R5, and BA1 prioritized requests.

Unclaimed Property Program, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$1,348,180	\$0	\$1,348,180	\$0	\$0	0.0
SB 25-110 (Supplemental)	\$47,430	\$0	\$47,430	\$0	\$0	0.0
Total FY 2024-25	\$1,395,610	\$0	\$1,395,610	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,395,610	\$0	\$1,395,610	\$0	\$0	0.0
R5 UP Div tech and related	265,027	0	265,027	0	0	0.0
R4 Admin Div tech and related	29,250	0	29,250	0	0	0.0
BA1 Leave reporting & admin track	4,440	0	4,440	0	0	0.0
R2 UP division staff	0	0	0	0	0	0.0
Annualize prior year legislation	-47,430	0	-47,430	0	0	0.0
Annualize prior year budget actions	-43,348	0	-43,348	0	0	0.0
Total FY 2025-26	\$1,603,549	\$0	\$1,603,549	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$207,939	\$0	\$207,939	\$0	\$0	0.0
Percentage Change	14.9%	n/a	14.9%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$1,761,779	\$0	\$1,761,779	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$158,230	\$0	-\$158,230	\$0	\$0	0.0

Promotion and Correspondence

The Department's promotional efforts are designed to notify owners of lost and forgotten assets held in trust by the state.

Statutory authority: Section 38-13-501, 38-13-503 C.R.S.

Request: The Department requests \$200,000 cash funds from Unclaimed Property Trust Fund.

Recommendation: Staff recommends approval of the request.

Contract Auditor Services

The Treasury Department contracts with auditing firms that examine the records of businesses located in other states to find unclaimed property belonging to Colorado citizens. The costs associated with these services are paid on a contingency fee basis, with the state paying from 10.25 percent to 12.0 percent of the value of any Colorado property identified. Moneys in the Unclaimed Property Trust Fund are continuously appropriated for the payment of services to contract auditors.

Statutory authority: Section 38-13-801 (2)(b), C.R.S.

Request: The Department requests \$800,000 cash funds from revenues deposited to the Unclaimed Property Trust Fund for audit contract services.

Recommendation: Staff recommends approval of the request.

(3) Special Purpose

This section of the Long Bill reflects disbursements the Treasurer is required to make, including the following: 1) reimbursements to local governments for property tax revenues foregone due to the senior citizen and disabled veteran property tax exemption; 2) allocations of Highway Users Tax Fund (HUTF) revenues to local governments; 3) reimbursements of certain property taxes owed or paid for real and business personal property destroyed in a natural disaster; and 4) the annual base rent payments due on the State’s Higher Education Capital Construction Lease Purchase Financing Program Certificates of Participation. The General Fund appropriations for the senior citizen and disabled veteran property tax exemption are not subject to the statutory restrictions on General Fund appropriations.

Special Purpose						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$939,175,585	\$459,641,470	\$397,715,162	\$81,818,953	\$0	0.0
SB 25-110 (Supplemental)	0	0	0	0	0	0.0
Total FY 2024-25	\$939,175,585	\$459,641,470	\$397,715,162	\$81,818,953	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$939,175,585	\$459,641,470	\$397,715,162	\$81,818,953	\$0	0.0
BA2 TA December OSPB Forecast	5,831,134	5,831,134	0	0	0	0.0
R7 CO Household fin. recovery prog	0	0	0	0	0	0.0
SI General Fund relief option	-300,000	-300,000	0	0	0	0.0
Technical adjustments	-10,367,616	-12,017,711	1,650,095	0	0	0.0
Annualize prior year budget actions	-200,000	204,128	0	-404,128	0	0.0
Annualize prior year legislation	0	-1,127,873	0	1,127,873	0	0.0
Total FY 2025-26	\$934,139,103	\$452,231,148	\$399,365,257	\$82,542,698	\$0	0.0
Increase/-Decrease From FY 2024-25	-\$5,036,482	-\$7,410,322	\$1,650,095	\$723,745	\$0	0.0
Percentage Change	-0.5%	-1.6%	0.4%	0.9%	n/a	n/a
FY 2025-26 Executive Request	\$934,639,103	\$452,327,020	\$399,365,257	\$82,946,826	\$0	0.0
Staff Rec. Above/-Below Request	-\$500,000	-\$95,872	\$0	-\$404,128	n/a	n/a

Decision Items

→ R7 CO Household financial recovery pilot program

Request

The Department requests \$200,000 General Fund to support the administration of the Colorado Household Financial Recovery (CHFR) Program. Impact Development Fund is the third party

vendor that administers the CHFR Program’s funds. The program offers access to financial and banking services to eligible individuals or households to support long-term financial stability.

Recommendation

Staff recommends denial of the request and that the Department renegotiate its contract with the vendor to include administrative costs in the original appropriation as set by the implementing legislation. Though the program is not anticipated to require further appropriation, staff also recommends the inclusion of a Request for Information to investigate whether the program should have a sunset date, and if so, what the timeline for that sunset should be.

Analysis

Background

H.B. 22-1359 (Colorado Household Financial Recovery Program) created a pilot program to provide loan support to certain individuals and household affected by the COVID-10 pandemic. The program was permitted to establish a loan loss reserve to offset the risk of making loans, to make payments to lenders to buy down interest rates, or to provide lending capital. The maximum loan amount is capped in the bill at \$5,000.

The bill appropriated \$5.2 million General Fund to the Colorado Household Financial Recovery Pilot Program Fund which is continuously appropriated to the State Treasurer to implement the program. Statute further stipulates that up to four percent of the money appropriated to the fund may be utilized to pay direct and indirect costs incurred to implement or administer the program.

Program Overview and Participation

The Colorado Household Financial Recovery (CHFR) program assists unbanked and underbanked households with debt consolidation and repayment. It also provides low-cost financing with an amortization schedule that is calculated specifically for affordability.

Loans are made to individuals to pay or consolidate medical credit or collections, vehicle debt and repair, childcare or other family care expenses, payday loans, and utility expenses or collections. The fixed interest rate is not to exceed 5.0 percent with no fees or minimum credit. The goal is to help unbanked and underbanked individuals to build credit, eliminate debt, and become better acquainted with financial institutions.

Since it launched, the program has received 8 applications, funded 6, denied 1, and is in the process of reviewing another. It has awarded over \$13,000 with an average loan amount of \$2,177.44. The average interest on the loan is \$286.55. Six debt consolidations were completed, and the individuals receiving assistance were at an average of 39.21% of the Area Medium Income.

Request and Recommendation

The Department is requesting \$200,000 to support the operating costs of the third-party vendor, and that the funding be continuously appropriated for this purpose. There was some confusion as to the original intent of the legislation and the funding to support the vendor's cost of administering the program.

Operating costs for the program are capped at \$200,000 annually, which the bill accommodated in its one-time appropriation to the Colorado Household Financial Recovery Pilot Program Fund. This is the cost of the vendor services to administer the program. The CHFR Pilot Program Fund is continuously appropriated to the Department per statute, and the intent of the legislation was for the program to be self-sufficient with the one-time appropriation of \$5.2 million. JBC staff did not account for this in the annualization for the appropriation in FY 2023-24, leaving \$200,000 General Fund in the Long Bill for the Department to support operating costs.

The Department indicates that it can amend the contract with the vendor to include these operating costs within existing funding for the program and that the program should not require additional appropriation in the future. Therefore, staff recommends denial of the request.

→ SI General Fund relief option

Request

The Department did not offer any options for General Fund relief in its budget request for FY 2025-26.

Recommendation

Staff recommends a decrease of \$300,000 General Fund for the Property Tax Reimbursement for Property Destroyed by Natural Cause.

Analysis

Description: This budget option would cut funding for the Reimbursement for Property Destroyed by Natural Cause by 30.0 percent. For the past two fiscal years, the Department has reverted approximately 90.0 percent of this appropriation each year. The amount appropriated for this program is not based on projected expenditures but rather by the amount the Legislature chooses to make available for this purpose.

Additional Background: Initial appropriations for this program in FY 2015-16 totaled just over \$2.2 million. This was reduced in FY 2020-21 to \$725,000 in response to budget constraints. In FY 2021-22, the Legislature appropriated \$4.7 million including supplemental funds in response to the devastation caused by the Marshall Fire. Since FY 2022-23, appropriations have been level at \$1.0 million each year.

Key Considerations: Reductions to this program could prove problematic in the face of a future natural disaster; however, the legislature has historically provided supplemental funding when

needed. Cuts to this program would not result in an immediate negative impact to constituents. Furthermore, there are programs in other Departments such as Local Affairs that may also assist similarly-situated constituents but in different ways.

Line Item Detail

Senior Citizen and Disabled Veteran Property Tax Exemption

This line item provides funding to reimburse local governments for property taxes foregone as a result of the Senior Citizen and Disabled Veteran Property Tax Exemption. Current law grants a property tax exemption to qualifying senior citizens and disabled veterans equal to 50.0 percent of the first \$200,000 of residential property value. The Constitution authorizes the General Assembly to raise or lower the maximum amount of actual value that is exempt from taxation. The State Treasurer is required to reimburse local governments for the resulting lost property tax revenues.

Statutory authority: Authorized in Section 3.5 of Article X of the State Constitution and implemented in Sections 39-3-201 through 208, C.R.S.

Request: The Department requests \$169,108,739 General Fund. The request reflects technical adjustments related to the September and December OSPB revenue forecasts.

Recommendation: Staff recommendations are included in the table below. Staff requests permission to make changes to the line item to reflect the March 2025 OSPB forecast.

Special Purpose, Senior Citizen and Disabled Veteran Property Tax Exemption						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$175,301,704	\$175,301,704	\$0	\$0	\$0	0.0
SB 25-110 (Supplemental)	\$0	\$0	\$0	\$0	\$0	0.0
Total FY 2024-25	\$175,301,704	\$175,301,704	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$175,301,704	\$175,301,704	\$0	\$0	\$0	0.0
BA2 TA December OSPB Forecast	6,080,221	6,080,221	0	0	0	0.0
Technical adjustments	-12,273,186	-12,273,186	0	0	0	0.0
Total FY 2025-26	\$169,108,739	\$169,108,739	\$0	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$6,192,965	-\$6,192,965	\$0	\$0	\$0	0.0
Percentage Change	-3.5%	-3.5%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$169,108,739	\$169,108,739	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Household Financial Recovery Program

This line item provides funding to administer the Household Financial Recovery Program. This includes contracting an administrator, awarding outreach grants to nonprofit organizations, establishing the loan loss reserve, making payments to lenders, and issuing loans. The General Assembly initially transferred \$5.2 million to the Colorado Household Financial Recovery Pilot Program Fund for grants and program administration. This cash fund is continuously appropriated.

Statutory authority: Section 24-36-302, C.R.S.

Request: The Department requests \$200,000 General Fund. This reflects an increase related to the R7 Colorado Household Financial Recovery Program.

Recommendation: Staff recommends denial of the request.

Special Purpose, Household Financial Recovery Program						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$200,000	\$200,000	\$0	\$0	\$0	0.0
Total FY 2024-25	\$200,000	\$200,000	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$200,000	\$200,000	\$0	\$0	\$0	0.0
R7 CO Household financial recovery prog	0	0	0	0	0	0.0
Annualize prior year budget actions	-200,000	-200,000	0	0	0	0.0
Total FY 2025-26	\$0	\$0	\$0	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$200,000	-\$200,000	\$0	\$0	\$0	0.0
Percentage Change	-100.0%	-100.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$200,000	\$200,000	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$200,000	-\$200,000	\$0	\$0	\$0	0.0

Business Personal Property Tax Exemption

This line item provides an estimate of the amount needed to reimburse local governments for lost revenue as a result of the Business Personal Property Tax Exemption. The program was expanded through H.B. 21-1312 in FY 2021-22 from a threshold of \$7,900 to \$50,000 of business personal property on which businesses are exempt from paying tax.

Statutory authority: Section 39-3-119.5, C.R.S.

Request: The Department requests \$17,775,007 General Fund. The request reflects technical adjustments related to the September and December OSPB revenue forecasts.

Recommendation: Staff recommendations are included in the table below. Staff requests permission to make changes to the line item to reflect the March 2025 OSPB forecast.

Special Purpose, Business Personal Property Tax Exemption						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$17,768,619	\$17,768,619	\$0	\$0	\$0	0.0
SB 25-110 (Supplemental)	\$0	\$0	\$0	\$0	\$0	0.0
Total FY 2024-25	\$17,768,619	\$17,768,619	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$17,768,619	\$17,768,619	\$0	\$0	\$0	0.0
Technical adjustments	255,475	255,475	0	0	0	0.0
BA2 TA December OSPB Forecast	-249,087	-249,087	0	0	0	0.0
Total FY 2025-26	\$17,775,007	\$17,775,007	\$0	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$6,388	\$6,388	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$17,775,007	\$17,775,007	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Highway Users Tax Fund – County Payments

This line item provides an estimate of the amount that will be distributed to counties from the Highway Users Tax Fund (HUTF). Counties are required to use such funds for the construction, engineering, reconstruction, maintenance, repair, equipment, improvement, and administration of the county highway systems and any other public highways.

Statutory authority: The State Treasurer shall allocate 26.0 percent and 22.0 percent of the revenues raised by gasoline and special fuel excise tax to county treasurers pursuant to Sections 43-4-205 (5)(b) and 43-4-205 (6)(b)(II), C.R.S., respectively. Such funds shall be allocated and expended pursuant to Section 43-4-207, C.R.S.

Request: The Department requests \$213,053,162 cash funds from the Highways Users Tax Fund. The request reflects technical adjustments related to the September OSPB revenue forecast.

Recommendation: Staff recommends approval of the request, with changes reflected in the table below. Staff requests permission to make adjustments to the line item related to the March OSPB revenue forecast.

Special Purpose, Highway Users Tax Fund - County Payments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$209,464,904	\$0	\$209,464,904	\$0	\$0	0.0
Total FY 2024-25	\$209,464,904	\$0	\$209,464,904	\$0	\$0	0.0

Special Purpose, Highway Users Tax Fund - County Payments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$209,464,904	\$0	\$209,464,904	\$0	\$0	0.0
Technical adjustments	3,588,258	0	3,588,258	0	0	0.0
Total FY 2025-26	\$213,053,162	\$0	\$213,053,162	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	\$3,588,258	\$0	\$3,588,258	\$0	\$0	0.0
Percentage Change	1.7%	n/a	1.7%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$213,053,162	\$0	\$213,053,162	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Highway Users Tax Fund – Municipality Payments

This line item provides an estimate of the amount that will be distributed to municipalities from the HUTF. Cities and incorporated towns are required to use such funds for the construction, engineering, reconstruction, maintenance, repair, equipment, improvement, and administration of the system of municipal streets or any other public highways located in the municipality.

Statutory authority: The State Treasurer shall allocate 9.0 percent and 18.0 percent of the revenues raised by gasoline and special fuel excise tax to county treasurers pursuant to Sections 43-4-205 (5)(c) and 43-4-205 (6)(b)(III), C.R.S., respectively. Such funds shall be allocated and expended pursuant to Section 43-4-208 (2), C.R.S. and 43-4-208 (2)(b) and (6)(a).

Request: The Department requests \$134,402,095 cash funds from the Highways Users Tax Fund. The request reflects technical adjustments related to the September OSPB revenue forecast.

Recommendation: Staff recommends approval of the request as shown in the table below. Staff requests permission to make adjustments to the line item related to the March OSPB revenue forecast.

Special Purpose, Highway Users Tax Fund - Municipality Payments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$136,340,258	\$0	\$136,340,258	\$0	\$0	0.0
Total FY 2024-25	\$136,340,258	\$0	\$136,340,258	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$136,340,258	\$0	\$136,340,258	\$0	\$0	0.0
Technical adjustments	-1,938,163	0	-1,938,163	0	0	0.0
Total FY 2025-26	\$134,402,095	\$0	\$134,402,095	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$1,938,163	\$0	-\$1,938,163	\$0	\$0	0.0

Special Purpose, Highway Users Tax Fund - Municipality Payments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	-1.4%	n/a	-1.4%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$134,402,095	\$0	\$134,402,095	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Property Tax Reimbursement for Property Destroyed by Natural Cause

This line item provides funding for the reimbursement of certain property taxes owed or paid for real property and business personal property that has been destroyed in a natural disaster or by another cause beyond the control of the property owner. This program is for property tax years commencing on or after January 1, 2013.

Statutory authority: Section 39-1-123, C.R.S.

Request: The Department requests \$1,000,000 General Fund, reflecting no change from the previous fiscal year.

Recommendation: Staff recommends a reduction of \$300,000 General Fund as a General Fund relief option as shown in the table below.

Special Purpose, Property Tax Reimbursement for Property Destroyed by Natural Cause						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
Total FY 2024-25	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
SI General Fund relief option	-300,000	-300,000	0	0	0	0.0
Total FY 2025-26	\$700,000	\$700,000	\$0	\$0	\$0	0.0
Increase/-Decrease from FY 2025-26	-\$300,000	-\$300,000	\$0	\$0	\$0	0.0
Percentage Change	-30.0%	-30.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$1,000,000	\$1,000,000	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$300,000	-\$300,000	\$0	\$0	\$0	0.0

Lease Purchase of Academic Facilities Pursuant Sec. 23-19.9-102, C.R.S.

This line item reflects the State’s share of the annual base rent payments due on the State of Colorado Higher Education Capital Construction Lease Purchase Financing Program Certificates of Participation. Pursuant to Section 23-19.9-102 (1)(b), C.R.S., the General Assembly may annually appropriate money in the Higher Education Federal Mineral Lease Revenues Fund to the Department of Higher Education for transfer to the State Treasurer and money transferred

to the Treasurer is continuously appropriated for the purpose of making payments related to capital construction projects.

Statutory authority: Section 23-19.9-102, C.R.S.

Request: The Department requests \$17,437,100 reappropriated funds from the Department of Higher Education.

Recommendation: Staff recommends approval of the request.

Lease Purchase of Academic Facilities Pursuant Sec. 24-82-803, C.R.S.

This line item reflects the State's share of annual base rent payments authorized in 2020 in S.B. 20-219 due on existing capital construction needs for state institutions of higher education that are continuations of previously funded projects. These projects include the Shepardson Building Renovation and Addition at Colorado State University, the Health Sciences Center at Fort Lewis College, and the Anschutz Health Sciences Building at the University of Colorado.

Statutory authority: Section 24-82-803, C.R.S.

Request: The Department requests \$4,753,000 reappropriated funds from the Department of Higher Education.

Recommendation: Staff recommends approval of the request.

Public School Fund Investment Board Pursuant Sec. 22-41-102.5, C.R.S.

This line item reflects the costs incurred by the Public School Fund Investment Board for administrative and investment expenses related to Public School Fund investments.

Statutory authority: Section 22-41-102.5, C.R.S.

Request: The Department requests \$1,760,000 cash funds from the Public School Fund interest.

Recommendation: Staff recommends approval of the request.

S.B. 17-267 Collateralization Lease Purchase Payments

This line item reflects the annual lease purchase payments due on the S.B. 17-267 state building collateralization certificates of participation.

Statutory authority: Section 24-82-1303 (2), C.R.S.

Request: The Department requests \$100,000,000 General Fund and \$50,000,000 cash funds from the Highway User Tax Fund.

Recommendation: Staff recommends approval of the request.

Direct Distribution for Unfunded Actuarial Accrued PERA Liability

This informational line item was added in S.B. 18-200 (Modifications to PERA to Eliminate Unfunded Liability) to reflect the \$225.0 million payment for the PERA unfunded liability.

Statutory authority: Section 24-51-414 (5), C.R.S.

Request: The Department requests \$164,243,274 General Fund and \$60,756,726 reappropriated funds from the Department of Personnel. This request reflects changes related to the prior year legislation.

Recommendation: Staff recommendation is shown in the chart below and includes a technical adjustment related to the reappropriated funds from the Department of Personnel per recommendations made in the PERA figure setting. Staff requests permission to make adjustments to this line item for decisions the Committee may make in relation to funding for the funds reappropriated from the Department of Personnel.

Special Purpose, Direct Distribution for Unfunded Actuarial Accrued PERA Liability						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$225,000,000	\$165,371,147	\$0	\$59,628,853	\$0	0.0
SB 25-110 (Supplemental)	\$0	\$0	\$0	\$0	\$0	0.0
Total FY 2024-25	\$225,000,000	\$165,371,147	\$0	\$59,628,853	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$225,000,000	\$165,371,147	\$0	\$59,628,853	\$0	0.0
Annualize prior year legislation	0	-1,127,873	0	1,127,873	0	0.0
Staff initiated technical adjustment	0	404,128	0	-404,128	0	0.0
Total FY 2025-26	\$225,000,000	\$164,647,402	\$0	\$60,352,598	\$0	0.0
Increase/-Decrease from FY 2025-26	\$0	-\$723,745	\$0	\$723,745	\$0	0.0
Percentage Change	0.0%	-0.4%	n/a	1.2%	n/a	n/a
FY 2025-26 Executive Request						
FY 2025-26 Executive Request	\$225,000,000	\$164,243,274	\$0	\$60,756,726	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$404,128	\$0	-\$404,128	\$404,128	0.0

Law Enforcement Officers’ & Firefighters’ Cont. Health Benefits Prog.

This line item provides funding to support the Law Enforcement Officers’ and Firefighters’ Continuation of Health Benefits Program.

Statutory authority: Title 29, Art 5, Pt. 5, C.R.S.

Request: The Department requests \$150,000 cash funds from the Law Enforcement Officers’ and Firefighters’ WRD Fund.

Recommendation: Staff recommends approval of the request.

Long Bill Footnotes

Staff recommends no footnotes for the Department of the Treasury.

Requests for Information

Staff recommends the following **new** requests for information.

- N Department of Agriculture; Department of Public Safety; Department of Higher Education, Judicial Department; Department of Transportation; Department of Personnel Administration – State agencies with existing certificates of participation, the payments for which are subject to annual State appropriations, are requested to report to the Department of the Treasurer the following information for the full duration of the projects financed through certificates of participation: the name and total amount of the project financed; whether and when it was refinanced/refunded; the original financing date of the project; the total outstanding debt for the project; future principal payment amounts for the amortization of the debt by date and fund source; future interest payment amounts for the amortization of the debt by date and fund source; and the call feature and call dates.

Comment: Staff recommends this RFI in lieu of financing for the Debtbook software to aggregate and provide better oversight of the State’s financed projects.

- N Department of Treasury, Special Purpose – The State Treasurer is requested to investigate whether the Colorado Household Financial Recovery (CHFR) Pilot Program should have a sunset date and the timeline for sunset should it be recommended. The report should also include information as to whether other State programs may overlap in purpose with the CHFR program.

Staff recommends **continuing** the following request for information.

- 1 Department of the Treasury, Administration – The State Treasurer is requested to submit an annual report to the Joint Budget Committee concerning the performance of the State's investments. The report should include comparisons to relevant benchmarks and a detailed discussion of the benchmarks. This report should be submitted on November 1 of each fiscal year.

Staff recommends **amending** the following request for information.

- 2 Department of the Treasury, Special Purpose – The State Treasurer is requested to submit an annual report to the Joint Budget Committee concerning the status of the State’s debt obligations for all certificates of participation ~~managed by the State Treasurer~~ for all Departments with existing certificates of participation, the payments for which are subject to annual State appropriation. The report should include the current state fiscal year payments, the upcoming state fiscal year obligations, schedules of each certificate of participation reported on, and historical and current interest rates that the State is paying on each certificate of participation. The report should be submitted on November 1 of each fiscal year.

Indirect Cost Assessment

The Department of the Treasury has one cash funded program that provides a portion of the funding to cover costs associated with the administration of the Department. Such funding is identified in the Long Bill as cash fund appropriations from the Unclaimed Property Trust Fund to each affected line item within the Administration division.