

Joint Budget Committee Staff FY 2025-26 Budget Briefing Summary

Treasury

The State Treasurer is one of five independently elected constitutional officers of the state. The Department of the Treasury consists of three sections: Administration, Unclaimed Property Program, and Special Purpose. The Department's FY 2024-25 appropriation represents approximately 2.2 percent of statewide operating appropriations and 3.0 percent of statewide General Fund appropriations.

Summary of Request

Department of the Treasury						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
Other Legislation	\$108,971	\$108,971	0	0	0	0.5
HB 24-1430 (Long Bill)	952,481,612	466,724,057	\$403,938,602	\$81,818,953	\$0	61.5
Total	\$952,590,583	\$466,833,028	\$403,938,602	\$81,818,953	\$0	62.0
FY 2025-26 Requested Appropriation						
FY 2024-25 Appropriation	\$952,590,583	\$466,833,028	\$403,938,602	\$81,818,953	\$0	62.0
R1 Administration staff	752,100	752,100	0	0	0	5.5
R2 UP division staff	374,380	0	374,380	0	0	3.0
R3 SecureSavings	0	0	0	0	0	0.0
R4 Admin Div tech and related	348,450	315,700	32,750	0	0	0.0
R5 UP Div tech and related	411,052	0	411,052	0	0	0.0
R6 CoreLogic contract	2,459,187	2,459,187	0	0	0	0.0
R7 CO Household fin. recovery	200,000	200,000	0	0	0	0.0
Centrally appropriated items	960,495	535,895	424,600	0	0	0.0
Technical adjustments	-10,367,616	-12,017,711	1,650,095	0	0	0.0
Prior year budget actions	-2,303,217	-2,259,869	-43,348	0	0	0.0
Prior year legislation	-200,000	-1,327,873	0	1,127,873	0	0.0
Total	\$945,225,414	\$455,490,457	\$406,788,131	\$82,946,826	\$0	70.5
Increase/-Decrease	-\$7,365,169	-\$11,342,571	\$2,849,529	\$1,127,873	\$0	8.5
Percentage Change	-0.8%	-2.4%	0.7%	1.4%	0.0%	0.1

R1 Administration staff¹: 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: The request includes \$374,380 Cash Funds 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 position and an audit position. Additionally, the request includes funds for anticipated promotions, employee recognition, salary adjustments, and team building and development within the Division.

R3 SecureSavings enforcement: 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 partnership with Treasury, the new positions at CDLE would carry out enforcement efforts related to the SecureSavings program. Funding for the positions would be appropriated to the Department of Labor and Employment.

R4 Administration Division technology and related expenses: The request includes \$315,700 General Fund and \$32,750 Cash Funds in FY 2025-26 and \$305,600 General Fund and \$32,750 Cash Funds in FY 2026-27 and ongoing for various technology and technology-related expenditures. Funding would support software applications in the Debt Management, Investment, and Policy units, as well as subscription services for Human Resources. Additionally, the request includes funding for cybersecurity testing, SecureSavings vendor services, and an incremental increase for IT asset maintenance.

R5 Unclaimed Property Division technology and related expenses: The request includes \$411,052 Cash Funds in FY 2025-26 and \$449,452 Cash Funds in FY 2026-27 and ongoing for the Unclaimed Property Division. Funding would support current technology applications, KAPS and Lexis/Nexis, and to increase funding for postage, printing, and shipping costs for returning property to owners. Additionally, funding is requested for a new fraud research tool, and updated phone system, and incremental funding for laptop replacement as well as division staff training and travel.

R6 CoreLogic contract for the deferred property tax program: 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

¹ The Department has indicated that its first two requests are of equal importance/priority.

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.

R7 CO Household financial recovery pilot program: The request includes \$200,000 General Fund to meet contract obligations for 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.

Centrally Appropriated Line Items: Changes to centrally appropriated line items included in the request are reflected in the chart below:

Centrally appropriated items						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
CORE adjustment	\$404,936	\$182,221	\$222,715	\$0	\$0	0.0
Salary survey	296,774	193,934	102,840	0	0	0.0
Health, life, and dental	181,173	110,247	70,926	0	0	0.0
Step Plan	143,099	96,146	46,953	0	0	0.0
AED and SAED adjustment	85,095	58,336	26,759	0	0	0.0
Payments to OIT	68,330	40,998	27,332	0	0	0.0
Leased space	29,962	9,333	20,629	0	0	0.0
PERA direct distribution	12,249	8,469	3,780	0	0	0.0
Capitol Complex leased space	3,491	2,082	1,409	0	0	0.0
Workers’ compensation	2,345	2,345	0	0	0	0.0
Paid Family & Medical Leave Insurance	1,234	1,195	39	0	0	0.0
Short-term disability	354	367	-13	0	0	0.0
Prior year salary survey	-153,814	-100,411	-53,403	0	0	0.0
FY 2024-25 Step Plan	-102,735	-57,369	-45,366	0	0	0.0
Risk management & property	-11,998	-11,998	0	0	0	0.0
Total	\$960,495	\$535,895	\$424,600	\$0	\$0	0.0

Technical Adjustments: Technical adjustments related to revenue forecast result in a decrease of \$12,017,711 General Fund offset by an increase of \$1,650,095 Highway Users Tax Cash Fund related to changes in the OSPB revenue forecast in September 2024.

Annualize Prior Year Budget Actions: Changes related to the annualization of prior year budget actions are reflected in the chart below:

Prior year budget actions						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY24-25 CoreLogic for deferred prop. tax prog	-\$2,207,346	-\$2,207,346	\$0	\$0	\$0	0.0
FY24-25 R3 Administration technology	-95,871	-52,523	-43,348	0	0	0.0
Total	-\$2,303,217	-\$2,259,869	-\$43,348	\$0	\$0	0.0

Annualize Prior Year Legislation: Changes related to the annualization of prior year legislative actions are reflected in the chart below:

Prior year legislation						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
SB18-200 PERA Unfunded Liability	\$0	-\$1,127,873	\$0	\$1,127,873	\$0	0.0
HB22-1359 CO Household financial recovery	-200,000	-200,000	0	0	0	0.0
Total	-\$200,000	-\$1,327,873	\$0	\$1,127,873	\$0	0.0

Issues Presented

This is a summary of the briefing issues presented to the Joint Budget Committee by their dedicated non-partisan staff.

Budget Reduction Options: The Department of the Treasury did not include proposals for General Fund relief in its request. However, the request includes reductions of General Fund pertaining to the Homestead exemption as adjusted by the OSPB September forecast which will change with future forecasts. The Department’s request includes an increase in General Fund for staffing and technology within the Department which offsets the reductions. This issue brief reviews JBC staff proposals for General Fund relief in this Department.

Informational Brief: State Financing: The State of Colorado continues to pay down Certificates of Participation which serve as the primary financing tool for capital projects across the state. Colorado first issued Certificates of Participation (COPs) to finance the construction of regional facilities for the developmentally disabled in 1979, issuing eight more between that time and 2002 and repaying most of them with statewide lottery proceeds. Since 2005, the State issued an additional 13 COPs. In FY 2024-25, the State appropriated approximately \$348.9 million for debt service on COP funded projects.

For More Information

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To read the entire briefing: Go to <http://leg.colorado.gov/content/budget/budget-documents> to use the budget document search tool. Select this department's name under *Department/Topic*, "Briefing" under *Type*, and select a *Start date* and *End date* to show documents released in November and December of 2024.