

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**SUPPLEMENTAL REQUESTS FOR FY 2014-15**

**DEPARTMENT OF THE TREASURY**

**JBC Working Document - Subject to Change  
Staff Recommendation Does Not Represent Committee Decision**

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## DEPARTMENT OF TREASURY

### Department Overview

The Department of the Treasury is responsible for the following duties: (1) acts as the state's banker and investment officer, providing investment, accounting, and cash management services and preparing related reports; (2) administers the Unclaimed Property Program and transfers moneys from the Unclaimed Property Trust Fund to the Adult Dental Fund; (3) disburses Senior Citizen and Disabled Veteran Property Tax Exemption payments to local governments; (4) provides short-term interest-free financing to school districts by issuing tax and revenue anticipation notes and making loans from the General Fund; (5) assists charter schools with long-term financing by making direct bond payments; (6) distributes Highway Users Tax Fund (HUTF) revenues to counties and municipalities; (7) distributes federal "mineral leasing funds" received for the state's share of sales, bonuses, royalties, and rentals of public lands within Colorado; and (8) pursuant to S.B. 12-150, manages certain state public financing transactions. The Department's FY 2014-15 appropriation represents 1.9 percent of statewide operating appropriations and 1.4 percent of statewide General Fund appropriations.

### Summary: FY 2014-15 Appropriation and Recommendation

Department of the Treasury: Recommended Changes for FY 2014-15						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2014-15 Appropriation</b>						
HB 14-1336 (Long Bill)	\$436,549,308	\$119,404,248	\$317,145,060	\$0	\$0	31.9
Other Legislation (HB 14-1001)	<u>2,221,828</u>	<u>2,221,828</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2014-15 Appropriation</b>	<b>\$438,771,136</b>	<b>\$121,626,076</b>	<b>\$317,145,060</b>	<b>\$0</b>	<b>\$0</b>	<b>31.9</b>
<b>Recommended Changes</b>						
Current FY 2014-15 Appropriation	\$438,771,136	121,626,076	\$317,145,060	\$0	\$0	31.9
S1 Funding mix change	0	(58,380)	58,380	0	0	0.0
S2 Retirement payout	12,304	12,304	0	0	0	0.0
NPS Capitol Complex leased space adjustment	0	0	0	0	0	0.0
Staff Initiated – CORE common policy true-up	<u>(36,384)</u>	<u>(16,373)</u>	<u>(20,011)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Recommended FY 2014-15 Appropriation</b>	<b>\$438,747,056</b>	<b>\$121,563,627</b>	<b>\$317,183,429</b>	<b>\$0</b>	<b>\$0</b>	<b>31.9</b>
<b>Recommended Increase/(Decrease)</b>	<b>(\$24,080)</b>	<b>(\$62,449)</b>	<b>\$38,369</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(0.0%)	(0.1%)	0.0%	0.0%	0.0%	0.0%
<b>FY 2014-15 Executive Request</b>	<b>\$438,789,134</b>	<b>\$121,585,694</b>	<b>\$317,203,440</b>	<b>\$0</b>	<b>\$0</b>	<b>31.9</b>
Request Above/(Below) Recommendation	\$42,078	\$22,067	\$20,011	\$0	\$0	0.0

## Request/Recommendation Descriptions

**S1 Funding mix change:** The request includes a decrease of \$58,380 General Fund and an increase of \$58,380 cash funds for FY 2014-15 for cash management transactions fees. Staff recommends approval of this request.

**S2 Retirement Payout:** The request includes an increase of \$12,304 General Fund to cover the payout cost of accrued sick and annual leave resulting from the retirement of one of the Department's investment officers.

**NP1 Capitol Complex leased space:** This non-prioritized request includes an increase of \$5,694 General Fund for FY 2014-15 to account for the common policy leased space adjustment. The table reflects the Committee's January 8<sup>th</sup> decision.

**Staff-initiated CORE common policy true-up:** This non-prioritized recommendation includes a decrease of \$36,384 total funds, including \$16,373 General Fund, for FY 2014-15 to true-up current appropriations as determined by the transaction counts in COFRS from a recently completed fiscal year. This adjustment reflects the Committee's January 8<sup>th</sup> decision.

## Prioritized Supplemental Requests

### SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #1 FUNDING MIX CHANGE

	Request	Recommendation
<b>Total</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
FTE	0.0	0.0
General Fund	(58,380)	(58,380)
Cash Funds	58,380	58,380

<b>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?</b> [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	<b>YES</b>
JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.	

**Department Request:** The Department requests a funding adjustment in the personal services line item in Administration that will reduce General Fund by \$58,380 with a corresponding increase in cash funds for FY 2014-15.

**Staff Recommendation:** Staff recommends that the Committee approve the funding adjustment.

**Staff Analysis:** The supplemental budget request reduces General Fund by \$58,380 with a corresponding increase in cash funds from Cash Management Transaction Fees. The Department has realized more than the anticipated revenue from cash management transaction fees to be used to fund the Department's Administration division.

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## **SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #2 RETIREMENT PAYOUT**

	<b>Request</b>	<b>Recommendation</b>
<b>Total</b>	<b><u>\$12,304</u></b>	<b><u>\$12,304</u></b>
FTE	0.0	0.0
General Fund	12,304	12,304

<b>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?</b> [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	<b>YES</b>
JBC staff and the Department agree that this request is the result of an unforeseen contingency.	

**Department Request:** The Department requests \$12,304 General Fund for FY 2014-15 to cover the payout cost of accrued sick and annual leave resulting from the retirement of one of the Department's investment officers.

**Staff Recommendation:** Though this request was submitted to Staff on January 13, 2015; Staff believes it meets criteria for review and recommends that the Committee approve the request.

**Staff Analysis:** The supplemental budget request increases General Fund by \$12,304 to cover the retirement payout for one of the Department's investment officers. On January 12<sup>th</sup>, the staff member submitted her letter of retirement effective February 1, 2015; this retirement was not anticipated by the Treasurer. According to the Department, because it has a relatively small personal services budget, it is unable to absorb the cost of this payout combined with the additional costs associated with the hiring of a new Deputy Treasurer and the utilization of temporary staff to address workload backlogs associated with the implementation of CORE. Calculations for the request are provided in the following table:

*JBC Staff Supplemental Recommendations: FY 2014-15*  
*Staff Working Document – Does Not Represent Committee Decision*

Investment Officer II Payout							
	Accrued Annual Leave	Accrued Sick Leave	Salary				
@ 12/31/14	168.52	197.51	\$ 8,472	PER MO			
1/6/2015	(8.00)		12				
1/31/2015	14.00	6.66	\$101,664	ANNUALLY			
			2,080				
@ 2/1/2015	174.52	204.17	\$ 48,877	HOURLY			
		25%					
<b>Total Hrs</b>	<b>174.52</b>	<b>51.04</b>	<b>225.56</b>	<b>\$ 48,877</b>	<b>\$11,025</b>		
					<b>\$ 1,119</b>	<b>10.15%</b>	<b>PERA</b>
					<b>\$ 160</b>	<b>1.45%</b>	<b>MEDICARE</b>
<b>TOTAL COST</b>				<b>\$12,304</b>			

## Statewide Common Policy Supplemental Requests

These requests are not prioritized and are not analyzed in this section. The JBC acted on these items when making decisions regarding common policies.

Department's Portion of Statewide Supplemental Request	Total	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Capitol Complex leased space adjustment	\$5,694	\$5,694	\$0	\$0	\$0	0.0
<b>Department's Total Statewide Common Policy Supplemental Requests</b>	\$5,694	\$5,694	\$0	\$0	\$0	0.0

**Staff Recommendation:** At present, staff does not believe there is a reason to deviate from common policy approved by the Committee on January 8, 2015 and will include the following adjustments in the Department's supplemental bill for FY 2014-15. Staff asks permission to make additional adjustments to these non-prioritized items if further Committee decisions are made.

Department's Portion of Statewide Supplemental Request (Approved by JBC on January 8, 2015)	Total	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Capitol Complex leased space adjustment	\$0	\$0	\$0	\$0	\$0	0.0
CORE common policy true-up	(36,384)	(16,373)	(20,011)	0	0	0.0
<b>Department's Total Statewide Common Policy Supplemental Requests</b>	(\$36,384)	(\$16,373)	(\$20,011)	\$0	\$0	0.0

***JBC Staff Supplemental Recommendations - FY 2014-15***  
***Staff Working Document - Does Not Represent Committee Decision***

**Appendix A: Number Pages**

	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Appropriation</b>	<b>FY 2014-15 Requested Change</b>	<b>FY 2014-15 Rec'd Change</b>	<b>FY 2014-15 Total W/ Rec'd Change</b>
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**DEPARTMENT OF THE TREASURY**  
**Walker Stapleton, State Treasurer**

**S1 Funding mix change**

**(1) ADMINISTRATION**

Personal Services	<u>1,259,638</u>	<u>1,337,464</u>	<u>0</u>	<u>0</u>	<u>1,337,464</u>
FTE	14.6	16.4	0.0	0.0	16.4
General Fund	186,914	384,508	(58,380)	(58,380)	326,128
Cash Funds	1,072,724	952,956	58,380	58,380	1,011,336
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

<b>Total for S1 Funding mix change</b>	<u>1,259,638</u>	<u>1,337,464</u>	<u>0</u>	<u>0</u>	<u>1,337,464</u>
<b>FTE</b>	<u>14.6</u>	<u>16.4</u>	<u>0.0</u>	<u>0.0</u>	<u>16.4</u>
General Fund	186,914	384,508	(58,380)	(58,380)	326,128
Cash Funds	1,072,724	952,956	58,380	58,380	1,011,336
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**JBC Staff Supplemental Recommendations - FY 2014-15**  
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	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Appropriation</b>	<b>FY 2014-15 Requested Change</b>	<b>FY 2014-15 Rec'd Change</b>	<b>FY 2014-15 Total W/ Rec'd Change</b>
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**S2 Retirement payout**

**(1) ADMINISTRATION**

Personal Services	<u>1,259,638</u>	<u>1,337,464</u>	<u>12,304</u>	<u>12,304</u>	<u>1,349,768</u>
FTE	14.6	16.4	0.0	0.0	16.4
General Fund	186,914	384,508	12,304	12,304	396,812
Cash Funds	1,072,724	952,956	0	0	952,956
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

<b>Total for Retirement payout</b>	1,259,638	1,337,464	12,304	12,304	1,349,768
<i>FTE</i>	<u>14.6</u>	<u>16.4</u>	<u>0.0</u>	<u>0.0</u>	<u>16.4</u>
General Fund	186,914	384,508	12,304	12,304	396,812
Cash Funds	1,072,724	952,956	0	0	952,956
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

<b>Totals Excluding Pending Items</b>					
<b>TREASURY</b>					
<b>TOTALS for ALL Departmental line items</b>	435,076,209	438,771,136	12,304	12,304	438,783,440
<i>FTE</i>	<u>28.8</u>	<u>31.9</u>	<u>0.0</u>	<u>0.0</u>	<u>31.9</u>
General Fund	110,559,269	121,626,076	(46,076)	(46,076)	121,580,000
General Fund Exempt	0	0	0	0	0
Cash Funds	324,516,940	317,145,060	58,380	58,380	317,203,440
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0