

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



SUPPLEMENTAL REQUESTS FOR FY 2013-14

DEPARTMENT OF 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 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) transfers moneys to the State Education Fund; (7) distributes Highway Users Tax Fund (HUTF) revenues to counties and municipalities; and (8) distributes federal "mineral leasing funds" received for the State's share of sales, bonuses, royalties, and rentals of public lands within Colorado. The Department's FY 2013-14 appropriation represents 1.9 percent of statewide operating appropriations and 1.3 percent of statewide General Fund appropriations.

Summary: FY 2013-14 Appropriation and Recommendation

Department of the Treasury: Recommended Changes for FY 2013-14						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
SB 13-230 (Long Bill)	\$495,535,754	\$131,492,404	\$364,043,350	\$0	\$0	31.9
Other legislation	<u>(61,832,773)</u>	<u>(25,321,079)</u>	<u>(36,511,694)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
Current FY 2013-14 Appropriation	\$433,702,981	\$106,171,325	\$327,531,656	\$0	\$0	31.9
Recommended Changes						
Current FY 2013-14 Appropriation	\$433,702,981	\$106,171,325	\$327,531,656	\$0	\$0	31.9
S1 Investment Tools	6,567	6,567	0	0	0	0.0
S2 Funding Mix Change	<u>0</u>	<u>(119,768)</u>	<u>119,768</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
Recommended FY 2013-14 Appropriation	\$433,709,548	\$106,058,124	\$327,651,424	\$0	\$0	31.9
Recommended Increase/(Decrease)	\$6,567	(\$113,201)	\$119,768	\$0	\$0	0.0
Percentage Change	0.0%	(0.1%)	0.0%	0.0%	0.0%	0.0%
FY 2013-14 Executive Request	\$433,709,548	\$106,058,124	\$327,651,424	\$0	\$0	31.9
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

Request/Recommendation Descriptions

S1 Investment Tools: The request includes \$6,567 General Fund to cover the increased cost of investment tools. Staff recommends approval of this request.

S2 Funding Mix Change: The request includes a decrease of \$119,768 General Fund and an increase of \$119,768 Cash Funds for cash management transactions fees. Staff recommends approval of this request.

Prioritized Supplemental Requests

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #1 INVESTMENT TOOLS

	Request	Recommendation
Total	<u>\$6,567</u>	<u>\$6,567</u>
FTE	0.0	0.0
General Fund	6,567	6,567

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [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.]	YES
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 \$6,567 General Fund to cover the increased cost of investment tools used by the three investment officers.

Staff Recommendation: Staff recommends that the Committee approve the funding request.

Staff Analysis: The supplemental budget request increases General Fund by \$6,567 to mitigate the following: biannual price increases in the Bloomberg and BondEdge investment tools used by the Department's investment officers; and the decrease in the percentage of the investment tool costs applicable to Treasury's debt issuances from 18 to 15 percent. Through the use of these tools, the Department's investment section generates millions of dollars in revenue for the state by providing opportunities to maximize those investments within the constraints of legality, safety, liquidity, and yield. If not funded, the number of investment terminals will be reduced from three to two, resulting in limited access to investment information and a decrease in the amount of revenue generated through investments.

**SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #2
FUNDING MIX CHANGE**

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
FTE	0.0	0.0
General Fund	(119,768)	(119,768)
Cash Funds	119,768	119,768

<p>Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [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.]</p>	YES
<p>JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.</p>	

Department Request: The Department requests a funding adjustment in personal services in Administration that will reduce General Fund by \$119,768 with a corresponding increase in cash funds for FY 2013-14.

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

Staff Analysis: The supplemental budget request reduces General Fund by \$119,768 with a corresponding increase in cash funds from Cash Management Transaction Fees. The Department has realized more than anticipated revenue from cash management transaction fees to be used to fund Administration.

JBC Staff Supplemental Recommendations - FY 2013-14
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
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DEPARTMENT OF THE TREASURY
Walker Stapleton, State Treasurer

S1 Investment Tools

(1) ADMINISTRATION

Personal Services	<u>1,265,330</u>	<u>1,294,244</u>	<u>6,567</u>	<u>6,567</u>	<u>1,300,811</u>
FTE	14.4	16.4	0.0	0.0	16.4
General Fund	293,863	341,288	6,567	6,567	347,855
Cash Funds	971,467	952,956	0	0	952,956
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Total for S1 Investment Tools	1,265,330	1,294,244	6,567	6,567	1,300,811
<i>FTE</i>	<u>14.4</u>	<u>16.4</u>	<u>0.0</u>	<u>0.0</u>	<u>16.4</u>
General Fund	293,863	341,288	6,567	6,567	347,855
Cash Funds	971,467	952,956	0	0	952,956
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Supplemental Recommendations - FY 2013-14
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	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2013-14 Requested Change	FY 2013-14 Rec'd Change	FY 2013-14 Total W/ Rec'd Change
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S2 Funding Mix Change

(1) ADMINISTRATION

Personal Services	1,265,330	1,294,244	0	0	1,294,244
FTE	14.4	16.4	0.0	0.0	16.4
General Fund	293,863	341,288	(119,768)	(119,768)	221,520
Cash Funds	971,467	952,956	119,768	119,768	1,072,724
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

Total for S2 Funding Mix Change	1,265,330	1,294,244	0	0	1,294,244
<i>FTE</i>	<u>14.4</u>	<u>16.4</u>	<u>0.0</u>	<u>0.0</u>	<u>16.4</u>
General Fund	293,863	341,288	(119,768)	(119,768)	221,520
Cash Funds	971,467	952,956	119,768	119,768	1,072,724
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

Totals Excluding Pending Items					
TREASURY					
TOTALS for ALL Departmental line items	592,525,044	433,702,981	6,567	6,567	433,709,548
<i>FTE</i>	<u>28.2</u>	<u>31.9</u>	<u>0.0</u>	<u>0.0</u>	<u>31.9</u>
General Fund	103,397,081	106,171,325	(113,201)	(113,201)	106,058,124
General Fund Exempt	142,409,339	0	0	0	0
Cash Funds	346,718,624	327,531,656	119,768	119,768	327,651,424
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0