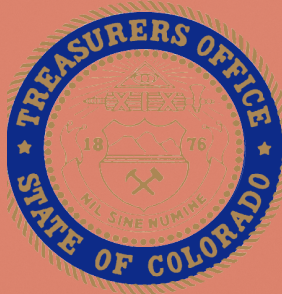


COLORADO DEPARTMENT OF THE TREASURY



PERFORMANCE REPORT November 2020



Colorado Treasurer Dave Young

ABOUT THE TREASURY

MISSION STATEMENT

The Colorado State Treasury is the constitutional custodian of the public's funds. It is the Treasury's duty to manage and account for the citizen's tax dollars from the time they are received until the time they are disbursed. The Treasury's staff is committed to safeguarding and managing the people's monies with the same diligence and care as they do their own.

The mission of the Unclaimed Property Section is to reunite all owners (or heirs) with their unclaimed or abandoned property.

VISION STATEMENT

The Colorado State Treasury staff will continually strive to better serve the citizens of Colorado. Central to this goal is the continued introduction and use of new technologies to provide improved access to services for both citizens and other Governmental agencies.



General: C.R.S. 24-22-101, et seq.

Banking, Investments: C.R.S. 24-36-101, et seq.

State Funds and Accounts: C.R.S. 24-75-101, et seq.

Unclaimed Property: C.R.S. 38-13-101, et seq.

Issuing Manager Authority: C.R.S. 24-36-121, et seq.



REGULATORY AGENDA

Ref #	Div	Anticipated Hearing or Adoption Date	Rule Number	Rule Title	New rule, revision, or repeal?	Statutory or other basis for adoption or change to rule	Purpose of Proposed Rule	Stakeholders
1	UP	June, 2021	New	Concerning Contract Auditor Services	New	§38-13-801(2)(c), CRS	Specify contract auditor requirements and ensure unclaimed property is adequately protected while in possession of a contract auditor	Claimants, Holders, Contract Auditors
2	UP	June, 2021	New	Concerning Holder Compliance	New	§38-13-1003(1), CRS	To govern procedures for an examination of records to determine compliance	Holders
3	UP	June, 2021	New	Concerning Finder Fees	New	§38-13-1302(3), CRS	To set rules governing maximum compensation in an agreement between a finder and an apparent owner	Holders, Claimants, Finders
4	UP	June, 2021	8 CCR 1508-1	Unclaimed Property	Review	§38-13-104, CRS	To provide guidance to the unclaimed property statutes	Holders, Claimants, Finders
5	Admin	Sept, 2021	8 CCR 1508-2	State Public Finance Policy	Review	§24-36-121, CRS	To provide guidance related to state public financing	State Agencies, Financial Advisors, Financial Community, Underwriters



PERFORMANCE GOALS



DEPARTMENT PERFORMANCE GOALS

- To conservatively and safely invest the portfolios to preserve principal and consistently provide income
- To improve cash management and ensure adequate liquidity through better forecasting
- To improve banking services
- To provide technical assistance to local governments
- To provide expertise, guidance, and skill managing debt issuances, and achieve the lowest interest rates possible on behalf of the State
- To continue and improve funding for the Building Excellent Schools Today program



INVESTMENT DIVISION PERFORMANCE GOALS

The Investment division is responsible for managing all investments in the State of Colorado Treasury, which includes operating and trust funds with total assets currently close to \$11 billion.

The mission of the Investment Division is to provide investment programs that are safe, prudent, and appropriate for the public purpose of each fund, with rates of return consistently at or above performance benchmarks over time. In managing the Treasury operating fund (TPOOL) and the Unclaimed Property Tourism Promotion Trust Fund (UPTPTF), earn and distribute steady cash flows from interest income and realized capital gains by neutralizing realized gains and losses. In managing a portion of the Public School Permanent Bond Fund (PSPF), provide steady cash flows as required, and maximize total return by neutralizing realized gains and losses.



Amongst a volatile economic climate in 2020, the Treasury Investment team has kept Colorado taxpayer dollars safe.





UNCLAIMED PROPERTY PERFORMANCE GOALS

- Review all claims within 90-day statute requirement. This includes approving, denying or responding to claimants requesting additional documentation within 90-days of receipt of documentation. Intake and process a monthly average of 80% (or greater) of calls that come in on the Division's claim hotline.
- Deposit unclaimed property holder payments within 2 weeks of receipt. November 1st is when the majority of reporting occurs. Holders should be identified and their reports credited within 2 weeks.
- Approximately 4,000 checks are received on or around November 1st. Reconcile 50% of new holder reports within 3 months of receipt.
- Send out documentation for 40 desk audits. (Not all will result in on-site audits).
- Complete the review of reporting for these holders to confirm proper reporting of unclaimed property.
- Authorize 40 third-party audits.
- Manage and partner with contractors for successful reporting of Unclaimed Property.
- Meet additional statutory requirements passed in SB19-088 (Revised Uniform Unclaimed Property Act).



- **The Unclaimed Property Division has eliminated all backlog and claims are reviewed within 90 days.**
- **In FY 2019-20, the Unclaimed Property Division returned approximately \$47.6 million to 23,391 claimants.**
- **Desk audit collections in FY 2019-20 totaled approximately \$352,000.**
- **The division also uses five outside auditing companies to conduct examinations of large national businesses.**
- **The division continues to leverage a new Unclaimed Property software program that has improved the tracking of claims and the information flow to and from the claimant and the Division.**
- **RUUPA requirements have been met**
- **More information can be found in the Treasury Department's 2021/22 Budget Request.**





LEGISLATIVE AGENDA

SB20-200 - The Colorado Secure Savings Program is a State-Facilitated Auto-Enrollment IRA Retirement Program. In partnership with private sector program administrators and investment managers, the Program will work with employers to provide employees access to a flexible, portable retirement account with contributions from their payroll. 40% of Coloradans do not have access to retirement savings at work. Not only does this retirement gap affect individuals and families, it also has a large impact on the state's budget. The combined budget and revenue impacts to the state due to insufficient retirement savings is an estimated cumulative fiscal impact of almost \$10 billion between 2021 and 2035. The state will save almost \$9 billion over the fifteen-year period as retirees build sufficient savings.

HB20-1413 - The CLIMBER Loan Fund Program, leveraging up to \$250M, will provide capital for loans for small businesses over the next two years and preserve thousands of at-risk jobs across the State. While federal resources have provided a much-needed lifeline for many Colorado businesses, the State anticipates that additional support will be necessary for small businesses that have less capacity and fewer borrowing opportunities to weather the long-term effects of the downturn than medium to large sized businesses. The CLIMBER Fund will provide capital for working capital loans averaging approximately \$100k to over 1,000 of the hardest-hit businesses that had a track record of success prior to the pandemic.



The Colorado Secure Savings Program Board and the CLIMBER Loan Fund Advisory Board are both chaired by Treasurer Young. Both programs are progressing, details can be found at www.colorado.gov/treasury.



KEY



COMPLETE



IN PROGRESS



INCOMPLETE

Additional Information:

www.colorado.gov/treasury

