

COLORADO DEPARTMENT OF THE TREASURY



PERFORMANCE PLAN 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.

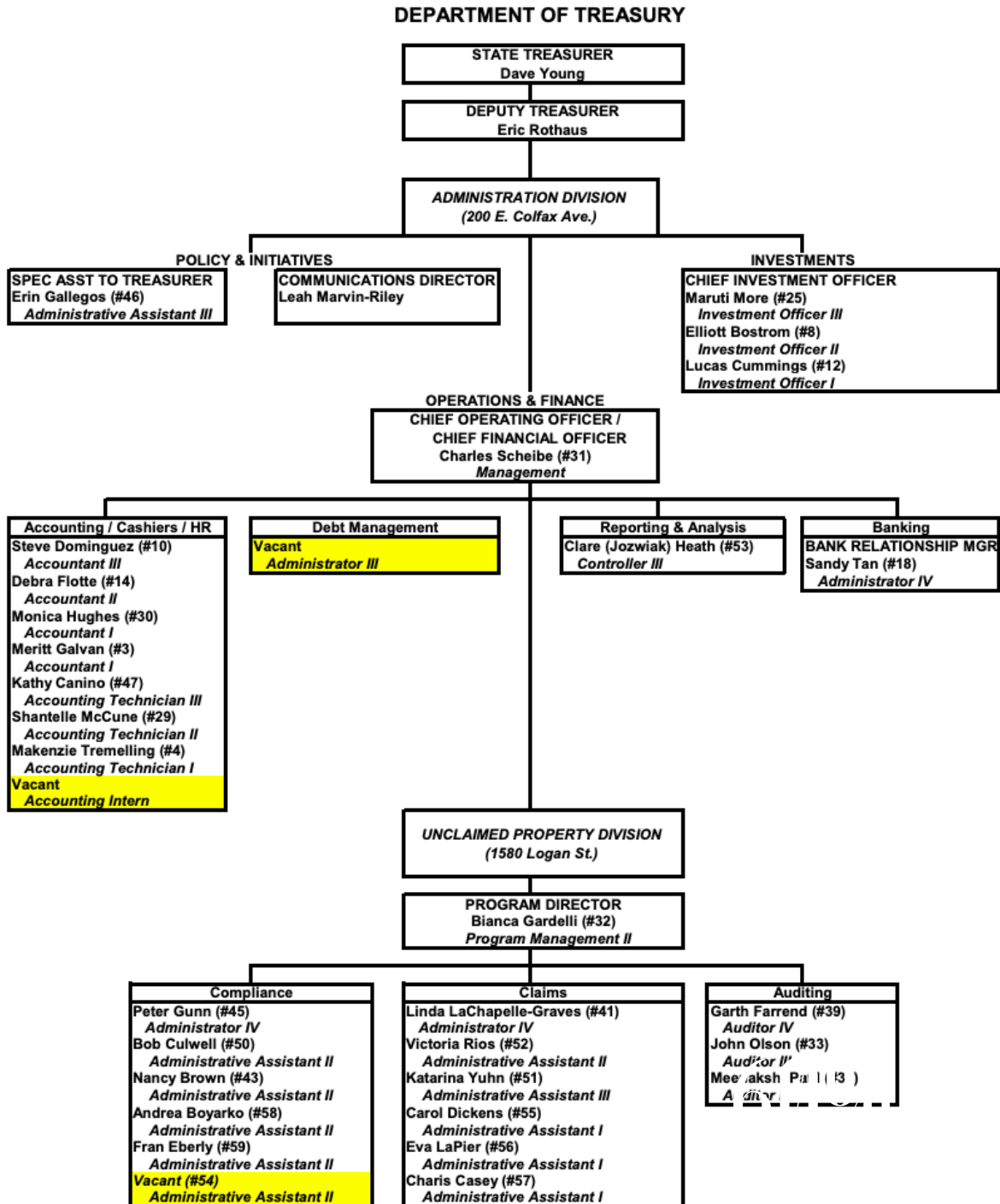
State Funds and Accounts: C.R.S. 24-75-101, et seq.

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

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



DEPARTMENT STRUCTURE



PERFORMANCE GOALS

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- 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 exceeding \$10 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.



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).



REGULATORY AGENDA

Unlike many other departments, the Treasury Department has a minimum number of rules. Currently only two are registered with the Secretary of State.

RUUPA, passed in 2019 requires that the department promulgate rules. We will also be reviewing our two current rules, one related to general oversight of the Unclaimed Property Division and one related to state public financing. The Department will promulgate rules regarding the following:

- Contract Auditors
- Holder Compliance
- Setting Finder Fees
- State Public Finance Policy

The Department has already begun and are coordinating the process with the guidance of the AG, the SOS and DORA.



LEGISLATIVE AGENDA

The Treasury is currently implementing two laws passed in the 2020 legislative session.

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.



100%

Treasury-supported
legislation passed in
2019 and 2020

