

# **COLORADO**

# **DEPARTMENT OF THE TREASURY**

**State Treasurer Dave Young**  
**Performance Plan FY 24/25**



# ABOUT THE TREASURY

## MISSION STATEMENT

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

## VISION STATEMENT

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

# COLORADO REVISED STATUTES

### General

§ 24-22-101, C.R.S., *et seq*;  
§ 24-36-101, C.R.S., *et seq*.

### State Funds and Accounts

§ 24-22-107, C.R.S., *et seq*;  
§ 24-75-101, C.R.S., *et seq*.

### Accounting

§ 24-36-101, C.R.S., *et seq*.

### Banking

§ 24-36-101, C.R.S., *et seq*.

### Investments

§ 24-36-101, C.R.S., *et seq*.

### CLIMBER

§ 24-36-201, C.R.S., *et seq*.

### Debt Management

§ 24-36-121, C.R.S., *et seq*.

### Household Financial Recovery Pilot Program

§ 24-36-301, C.R.S., *et seq*.

### SecureSavings

§ 24-54.3-101, C.R.S., *et seq*.

### Unclaimed Property

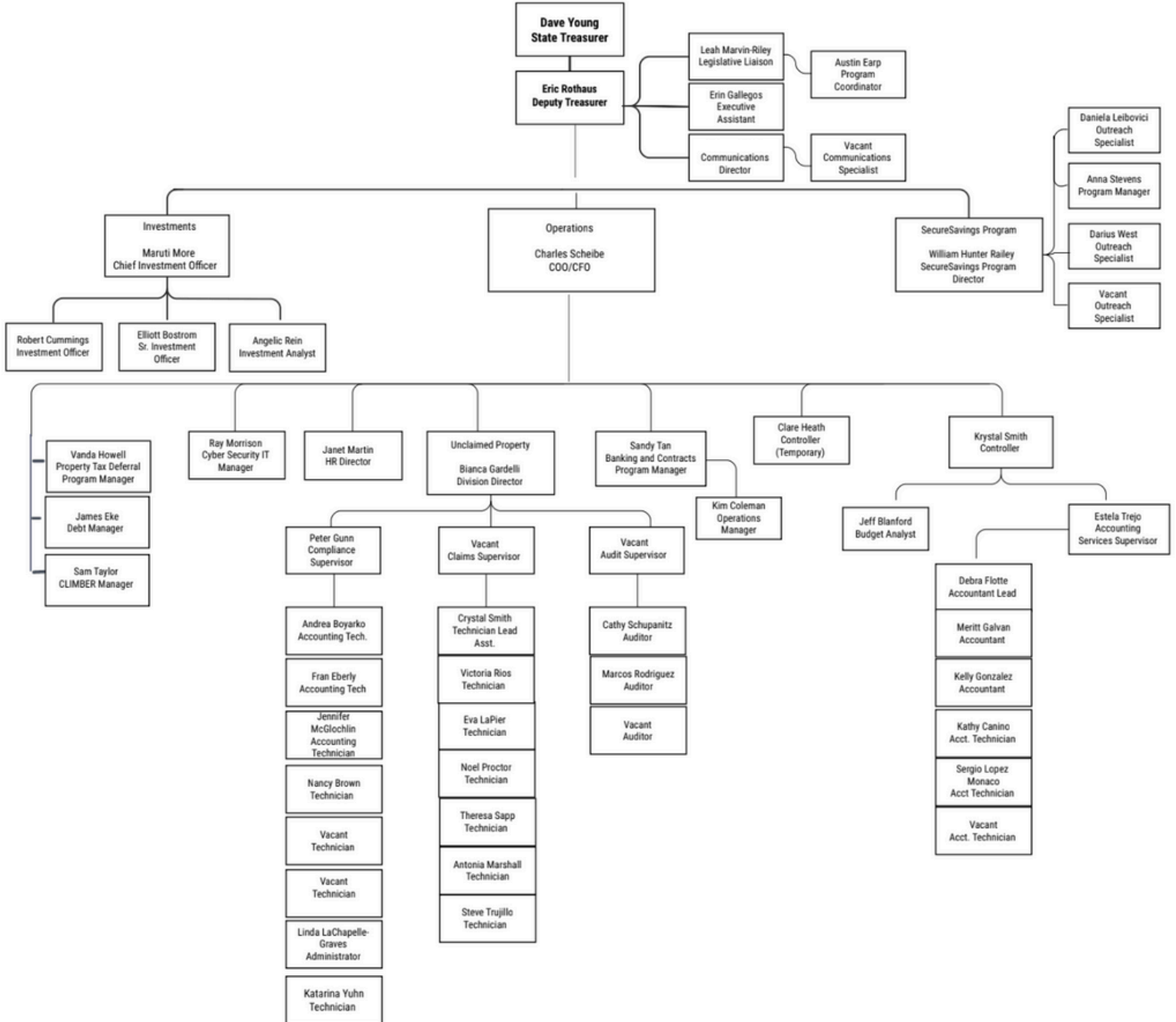
§ 38-13-101, C.R.S., *et seq*.

### Property Tax Deferral Program

§ 39-3.5-101, C.R.S., *et seq*.



# DEPARTMENT STRUCTURE



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# PERFORMANCE EVALUATION AND PROGRESS TO GOALS


## ACCOUNTING UNIT

The mission of the Accounting Unit is to serve as the custodian of the State’s general ledger and related accounting transactions; to provide timely, comprehensive, and accurate financial reports and analysis, and to maintain an effective system of internal controls to safeguard State assets and ensure financial data integrity.

The Accounting Unit is committed to fulfilling our mission in an ethical, courteous, cost effective, and efficient manner. We strive for continuous process improvement by maximizing the use of our technology resources, continuing education, and collaboration. State agencies, with limited exceptions, are required by state statute to deposit all revenues with the Colorado Department of the Treasury. The Treasury accepts all deposits from state agencies and makes payments to state agencies as required to fulfill the agency’s mission. The unit also provides information on cash receipts and disbursements to individual agencies and works closely with the State's banking services provider to ensure that the State's cash flows are reconciled to the penny on a daily basis.

**Performance Goal: Maintain a reliable and functional accounting team.**

### Performance Indicators:

- Explore updates to the organizational chart that could improve efficiency, maximize skills, and reduce burn out. 

## BUDGETING UNIT

The Budgeting Unit’s mission is to aid in formulating and implementing the Treasury’s budget, providing guidance and recommendations to ensure sound policy and budget decisions.

## CONTRACTING UNIT

The Contracting Unit’s mission is to ensure that contracts and purchasing is legally compliant. The unit assists other Treasury staff with drafting, preparing, and evaluating contract proposals, while ensuring compliance with federal and state requirements.



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## CLIMBER PROGRAM

The mission of the Colorado Loans to Increase Mainstreet Business Economic Recovery (CLIMBER) Loan Fund is to provide up to \$250 million in working capital to Colorado small businesses, promoting small businesses recovery, saving jobs, and helping support the Colorado economy.

The program is designed to catalyze loans that are unlikely to otherwise happen. Below-market interest rates and favorable terms enable the program to be a secure recovery option for small businesses. Special consideration is given to small businesses that are underserved and in rural areas; are in low- to moderate-income areas; and are in distressed and underserved areas. CLIMBER is a partnership between the State of Colorado, including the Colorado Department of the Treasury and the Office of Economic Development and International Trade (OEDIT), the Colorado Housing and Finance Authority (CHFA), and CLIMBER’s private investors.

**Performance Goal: Keep CLIMBER operational beyond 2024 as a regular state program, in partnership with OEDIT.**

### Performance Indicators:

- Identify continued sources of funding. 
- Identify continued banking support. 
- Modify legislation or adopt a new policy to continue strengthening the Colorado small business environment. 

## DEBT MANAGEMENT UNIT

The mission of the Debt Management Unit is to centralize and manage the State’s public finance needs at the lowest and most efficient cost to taxpayers over time, subject to global financial conditions, through the design and implementation of public debt management. This management offers financial service expertise to other State agencies while reducing overall risk exposure and maintaining the State’s credit rating.






The State utilizes public financing in the form of notes, certificates of participation, or other securities (obligations) to undertake large capital projects that otherwise could not be done - e.g., building schools or repairing roads and infrastructure. The State then makes regular payments for the asset over the term of the financing, which includes the principal amount, plus interest cost. Although the State pays interest, financed capital projects can be cost-effective if expenses associated with waiting to build, such as loss of opportunity, increased operating expenses from facility demands, or anticipated increased construction costs exceed the interest rate. In addition, financed capital assets can promote tax burden equity as the asset is being paid for over the period during which the benefits of the asset are being enjoyed, and not all-at-once by taxpayers in any given year.



## DEBT MANAGEMENT UNIT

**Performance Goal: Examination of the debt management rule processes and procedures; amend statutes and State rules as required to meet current market mechanisms; cost effectiveness on new issuances and optimization of the current debt portfolio analyzing potential refunding or refinancing savings.**

### Performance Indicators:

- Explore legislation to amend current statutes 
- Continue to build out the centralized database with historical financing documents 
- Review all State debt and see if there is any arbitrage savings 
- Coordinate financings with appropriate State agencies and actions for each group (ETRANs) 
- Identify other agency COPs consolidating into a centralized database for clarity and compliance 

## INVESTMENT UNIT

The Investment Unit is responsible for managing all investments in the Colorado Department of the Treasury, which includes operating and trust funds with total assets around \$20 billion. In managing the Treasury operating fund (TPOOL), the Unclaimed Property Tourism Promotion Trust Fund (UPTPTF), and a portion of the Public School Permanent Bond Fund (PSPF), the unit earns and distributes steady cash flows from interest income and realized capital gains by neutralizing realized gains and losses.

The Investment Unit’s mission is to provide investment programs that are safe, prudent, and appropriate for the public purpose of each fund, with rates of return consistently above performance benchmarks over time. The Colorado Department of the Treasury’s investment policy stresses, in order of importance, safety, liquidity, and return as the key goals for all of the taxpayers' funds entrusted to the Colorado State Treasurer. To meet these goals, and in compliance with state constitutional requirements, all funds under the Treasury’s management are in fixed-income portfolios.



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## PROPERTY TAX DEFERRAL PROGRAM






The mission of the Colorado Property Tax Deferral Program is to provide loan assistance to Coloradans with the payment of real property taxes.

The program particularly benefits homeowners who either live on a fixed income or would otherwise struggle to afford living in their homes. For years, the program has aided senior citizens and active military personnel. In 2023, program participation was broadened, opening it to additional homeowners impacted by increases in property tax.

The Property Tax Deferral (PTD) Program is administered through the Colorado Department of the Treasury, and in cooperation with all Colorado County Treasurer’s offices. In previous years counties carried more of the administrative burden.

**Performance Goal: Based upon the successes and lessons learned in the initial rollout of the past 2 years, continue to collaborate, develop and create an more efficient, user-friendly operating program.**

### Performance Indicators:

- Develop new outreach and marketing strategies to those who are in need of property tax deferral given recent property tax increases. 
- Update and streamline the current online website portal user application process, as well as the manual paper application process for those without computer access. 
- Implement a cost effective electronic recording system for the PTD Program, to maximize efficiency at the State level and minimize recording and re-recording problems and timelines at the county level. 
- Work on statutory amendments to update how recording fees are currently interpreted, handled, and charged between the Treasury and Colorado county clerks and recorders. 
- Consider additional internal staff support to help with the internal administrative and accounting support functions of the DPT Program with anticipated increases in the volume of applicants for the coming years. 



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## SECURESAVINGS PROGRAM

The mission of the Colorado SecureSavings Program (CSSP) is to increase retirement savings in Colorado to ensure a dignified and sustainable retirement for everyone.

CSSP alleviates the retirement savings crisis in Colorado by providing over 930,000 workers with access to a State-facilitated, work-based, retirement savings option. Analysis from the Colorado SecureSavings Plan Board, which predates the Colorado SecureSavings Program Board, estimated that over 40% of workers attached to a firm with five or more employees, who had been in business for two or more years, and did not have access to a workplace retirement plan. The enacted legislation requires all employers meeting those minimum qualifications to either enroll in CSSP at no cost, or provide a private retirement plan to their employees.

**Performance Goal: Build the Colorado SecureSavings Program into one of the most successful retirement systems in the United States.**

### Performance Indicators:

- Regular tracking of the number of enrollees in funded accounts. 
- Outreach for additional state partnerships. 
- Marketing and Outreach Strategy implementation. 
- Direct engagement with 1099 and self-employed populations. 
- Enforcement with Colorado Department of Labor and Employment (CDLE). 










## UNCLAIMED PROPERTY - THE GREAT COLORADO PAYBACK

The mission of Unclaimed Property is to reunite owners or heirs with their unclaimed or abandoned property.

Unclaimed Property laws began in the United States as a consumer protection program and have evolved to protect not only property owners, but also their heirs and estates. Unclaimed property is tangible or intangible property that has had no activity for a specific period of time. It includes, but is not limited to, abandoned financial assets such as stocks and dividends, mutual funds, checking and savings accounts, unpaid wages, securities, life insurance payouts, uncashed checks that are without activity for a certain period of time, as well as the contents of safe deposit boxes for which the rent has been past due for at least five years. It does not include real estate or vehicles.

**Performance Goal: To return 120,000 claimants' funds representing \$120 million over the next two fiscal years.**

### Performance Indicators:

- Review all claims within the 90-day statute requirement, processing a monthly average of 85% (or greater) of calls that come into the division's claim hotline. 
- Deposit unclaimed property holder checks within two weeks of receipt. 
- Reconcile at least 70% of new holder reports within three months of receipt. 
- Send out documentation for 500 desk audits. 
- Authorize 100 third-party audits. 
- Manage and collaborate with contractors for successful reporting, maintenance, and return UP. 
- Increase funding for notifications. 
- Additional staff for processing increase in claims and inquiries. 
- 20 in-person outreach events. 



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## HUMAN RESOURCES UNIT

It is the mission of the human resources division to provide effective human resource management by developing and implementing policies, programs and services that contribute to the attainment of the department's strategic mission and employee goals by:



**Performance Goal: Ensuring a diverse workforce in a safe and discrimination- and harassment-free environment by maintaining compliance with employment laws and personnel rules, providing management and employee training, and developing policies and procedures.**

**Performance Indicators:**

- Establish employee resource groups, develop programs and internal processes to promote fairness, equality, and diversity of thought, which can lead to better decision-making, innovation, creativity, and overall organizational performance. A diverse and inclusive workforce can also enhance employee engagement, retention, and productivity, and help the Department attract and retain top talent from diverse backgrounds. 




**Performance Goal: Training, development and education to promote individual success and increase overall value to the organization.**

**Performance Indicators:**

- Establish a training program that is accessible and efficient, ex: LinkedIn Learning 
- Evaluate the effectiveness of the current training initiatives, and develop strategies to improve the quality of our training and development programs. 

**Performance Goal: Recruitment and retention of skilled and qualified employees**

**Performance Indicator:**

- Evaluate efficiency of current recruitment process and identify bottlenecks and make improvements 
- Inspiration and encouragement for a high level of employee morale through recognition, promoting employee engagement, effective communication and constant feedback. 
- Develop process and methodology to evaluate employee perceptions of the workplace and their level of engagement with their job and the organization. Establish survey to measure job satisfaction, leadership, communication, recognition, and other factors that impact employee engagement. 

# REGULATORY AGENDA

Unlike many other agencies, the Colorado Department of the Treasury has a minimum number of rules. Currently, rules registered with the Colorado Secretary of State provide guidance regarding public finance (8 CCR 1508-2), enforcement of the Revised Uniform Unclaimed Property Act (RUUPA) (8 CCR 1508-1), and direction for the Colorado SecureSavings Program (8 CCR 1508-3).

The Treasury is in the process of working with stakeholders to prepare for an update to the rules regarding public finance, anticipating a rules hearing in FY 24-25.

The Treasury will work with the Colorado Office of the Attorney General, the Colorado Department of Regulatory Affairs, and the Colorado Office of the Secretary of State, as well as stakeholders to successfully adopt and implement rules.



# LEGISLATIVE AGENDA

## Update from the 2024 legislative session:

### **SB24-233: Property Tax**

Starting in the 2025 tax year, the existing property tax deferral program will be adjusted to allow deferral of tax payments exceeding the average of the previous two years' taxes, without the current 4% cap.

### **HB24-1453 – Relocate Title 24 CLIMBER Act**

Relocates the CLIMBER Program to OEDIT and ensures the ongoing success and strong functioning of the program.

- Removed a requirement that each tranche of funding for loans be 90% invested before providing another tranche of funding.
- Allowed for gifts, grants, donations and federal funds to be accepted and used.
- Removed previous repeal dates.

### **HB24-1231 - State Funding for Higher Education Projects**

This bill directs the Treasury to issue certificates of participation (COPs) for four construction projects:

- College of Osteopathic Medicine at the University of Northern Colorado
- Health Institute Tower at Metropolitan State University of Denver
- Veterinary Health Education Complex at Colorado State University
- Renovation of the Valley Campus Main Building at Trinidad State College

## Looking forward to the 2025 Legislative Session:

The Treasury has been working with stakeholders to outline the details of a proposed new authority. Next session, Treasury hopes to work with Legislators to establish the Building Urgent Infrastructure and Leveraging Dollars (BUILD) Authority, which provides a framework to leverage capital not yet accessed by the state and offer innovative financing for critical infrastructure projects.

