



JOINT BUDGET COMMITTEE STAFF FY 2022-23 BUDGET BRIEFING SUMMARY

Colorado General Assembly
Joint Budget Committee

Department of the Treasury

The State Treasurer is one of five independently elected constitutional officers of the state. The Department of the Treasury consists of three sections: Administration, Unclaimed Property Program, and Special Purpose. The Department's FY 2021-22 appropriation represents approximately 2.3 percent of statewide operating appropriations and 2.8 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF THE TREASURY					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
FY 2021-22 APPROPRIATION:					
SB 21-205 (Long Bill)	841,188,651	343,996,903	422,198,881	74,992,867	41.4
Other Legislation	222,062	222,062	0	0	0.4
TOTAL	\$841,410,713	\$344,218,965	\$422,198,881	\$74,992,867	41.8
FY 2022-23 REQUESTED APPROPRIATION:					
FY 2021-22 Appropriation	\$841,410,713	\$344,218,965	\$422,198,881	\$74,992,867	41.8
R1 Department staffing	803,398	323,960	479,438	0	7.0
R2 Staff salary adjustments	173,811	122,433	51,378	0	0.0
R3 Departmental technology	517,067	451,256	65,811	0	0.0
R4 CBB feasibility reports	60,000	60,000	0	0	0.0
R5 Financial audit cost	16,000	16,000	0	0	0.0
R6 Secure Savings Program	870,991	870,991	0	0	0.0
R7 UP leased space decrease	(62,146)	0	(62,146)	0	0.0
Technical adjustments	98,352,933	98,961,281	(615,004)	6,656	0.0
Centrally appropriated line items	178,517	131,346	47,171	0	0.0
Annualize prior year funding	61,644	42,360	19,284	0	0.0
Non-prioritized decision items	6,784	4,377	2,407	0	0.0
Annualize prior year legislation	(191,607)	(196,365)	4,758	0	0.0
TOTAL	\$942,198,105	\$445,006,604	\$422,191,978	\$74,999,523	48.8
INCREASE/(DECREASE)	\$100,787,392	\$100,787,639	(\$6,903)	\$6,656	7.0
Percentage Change	12.0%	29.3%	(0.0%)	0.0%	16.7%

R1 DEPARTMENT STAFFING: The Department is requesting an increase of \$803,398 total funds including \$323,960 General Fund and \$479,438 cash funds from the Unclaimed Property Trust Fund and 7.0 FTE for FY 2022-23 to increase staffing levels within the Department. Of the FTE requested, 4.0 will be department-wide and supported by General Fund while 3.0 will be for the Unclaimed Property Division and supported by the Unclaimed Property Trust Fund.

R2 STAFF SALARY ADJUSTMENTS: The Department is requesting an increase of \$173,811 total funds including \$122,433 General Fund and \$51,378 cash funds from the Unclaimed Property Cash Fund for FY 2022-23 to enact targeted salary increases to align employee compensation with market rates.

R3 DEPARTMENTAL TECHNOLOGY: The Department is requesting an increase of \$517,067 total funds including \$451,256 General Fund and \$65,811 cash funds from the Unclaimed Property Cash Fund for FY 2022-23 to purchase technology updates to assist with management of the State’s investment portfolio.

RECOMMENDATION: In consultation with JBC staff for Information Technology Projects and Joint Technology Committee (JTC) staff, staff recommends that the Committee refer this request to the Joint Technology Committee (JTC), pursuant to Joint Rule 45(b). **JBC staff for Information Technology Projects will present this recommendation in a single document for Committee action at a later date.**

R4 CBB FEASIBILITY REPORTS: The Department is requesting an increase of \$60,000 General Fund for FY 2022-23 to hire an actuarial firm to determine the best options for the implementation of S.B. 18-247 (Local Government Medical Benefits in Work-related Death).

R5 FINANCIAL AUDIT COST: The Department is requesting an increase of \$16,000 General Fund for FY 2022-23 to pay for the annual cost of audit work done by the State Auditor related to non-General Fund activities. The State Auditor relies on this funding for staff to complete the audits in a timely fashion.

R6 SECURE SAVINGS PROGRAM: The Department is requesting an increase of \$870,991 General Fund for FY 2022-23 to continue the implementation of the Secure Savings Program, with the hope of implementing a pilot program in October 2022.

R7 UNCLAIMED PROPERTY LEASED SPACE: The Department is requesting a decrease of \$62,146 cash funds for FY 2022-23 from the Unclaimed Property Trust Fund to remove the leased space appropriation from that division. The division is currently working remotely, and has no plans to return to any office, so the Department no longer needs the appropriation.

TECHNICAL ADJUSTMENTS: The request includes an increase of \$98.3 million total funds including \$98.9 million General Fund for FY 2022-23 for technical adjustments. These adjustments include changes to expected reimbursements to counties and municipalities for the Homestead Exemption and distributions from the Highway Users Tax Fund as projected in the September revenue forecast from the Office of State Planning and Budgeting. There is also an adjustment to the amount received from the Department of Higher Education for lease-purchase payments, and finally an adjustment related to the Certificates of Participation (COPs) issued as a result of S.B. 17-267. The following table outlines these adjustments.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB17-267 COP adjustment	\$75,000,000	\$87,000,000	(\$12,000,000)	\$0	\$0	0.0
OSPB september forecast adjustment	23,346,277	11,961,281	11,384,996	0	0	0.0
Lease purchase adjustment	6,656	0	0	6,656	0	0.0
TOTAL	\$98,352,933	\$98,961,281	(\$615,004)	\$6,656	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes an increase of \$178,517 total funds including \$131,346 General Fund and \$47,171 cash funds for FY 2022-23 for adjustments to centrally appropriated line items as outlined in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
CORE adjustment	\$59,340	\$26,703	\$32,637	\$0	\$0	0.0
Health, life, and dental	34,260	39,705	(5,445)	0	0	0.0
Payments to OIT	28,158	35,976	(7,818)	0	0	0.0
Salary survey	16,149	12,590	3,559	0	0	0.0
Workers' compensation	12,802	12,802	0	0	0	0.0
AED	12,464	11,045	1,419	0	0	0.0
SAED	12,464	11,045	1,419	0	0	0.0
Legal services	3,473	6,275	(2,802)	0	0	0.0
PERA Direct Distribution	1,248	2,433	(1,185)	0	0	0.0
Short-term disability	396	350	46	0	0	0.0
Capitol Complex leased space	(2,237)	(27,578)	25,341	0	0	0.0
TOTAL	\$178,517	\$131,346	\$47,171	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR FUNDING: The request includes an increase of \$61,644 total funds including \$42,360 General Fund and \$19,284 cash funds for annualizations to prior year funding decisions. The changes are outlined in the following table.

ANNUALIZE PRIOR YEAR FUNDING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year salary survey	\$74,044	\$45,560	\$28,484	\$0	\$0	0.0
Annualize FY 21-22 department personnel costs	(6,400)	(3,200)	(3,200)	0	0	0.0
Annualize FY 21-22 UP tech upgrades	(6,000)	0	(6,000)	0	0	0.0
TOTAL	\$61,644	\$42,360	\$19,284	\$0	\$0	0.0

NON-PRIORITIZED DECISION ITEMS: The request includes an increase of \$6,784 total funds including \$4,377 General Fund and \$2,407 cash funds for FY 2022-23 for requests made by other departments but which impact this Department. The changes are outlined in the following table.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid family leave	\$6,174	\$3,981	\$2,193	\$0	\$0	0.0
OIT Budget package	427	213	214	0	0	0.0
DPA CSEAP resources	183	183	0	0	0	0.0
TOTAL	\$6,784	\$4,377	\$2,407	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a decrease of \$191,607 total funds including a decrease of \$196,365 General Fund and an increase of \$4,758 cash funds for FY 2022-23 to annualize legislative actions taken in prior legislative sessions. The changes are outlined in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB18-200 PERA unfunded liability	\$13,393	\$8,635	\$4,758	\$0	\$0	0.0
HB21-1134 CO housing & finance authority	(205,000)	(205,000)	0	0	0	0.0
TOTAL	(\$191,607)	(\$196,365)	\$4,758	\$0	\$0	0.0

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

S.B. 17-267 COLLATERALIZATION LEASE PURCHASE PAYMENTS: This issue brief contains a description of efforts undertaken in the legislative interim by JBC Staff, the Department of the Treasury, the Department of Transportation, the State Controller's Office, the Attorney General, and the Trustee of the Certificates of Participation (COPs) issued as a result of Senate Bill 17-267 to ensure that adequate funding is available to satisfy the obligation of the State to repay COPs issued in 2018, 2020, and 2021.

FOR MORE INFORMATION

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TO READ THE ENTIRE BRIEFING: Go to <http://leg.colorado.gov/content/budget/budget-documents> to use the budget document search tool. Select this department's name under *Department/Topic*, "Briefing" under *Type*, and select a *Start date* and *End date* to show documents released in November and December of 2021.