

COLORADO STATE TREASURY

BUDGET REQUEST

FISCAL YEAR 2007-08

COLORADO STATE TREASURY FY 2007-08 Budget Request

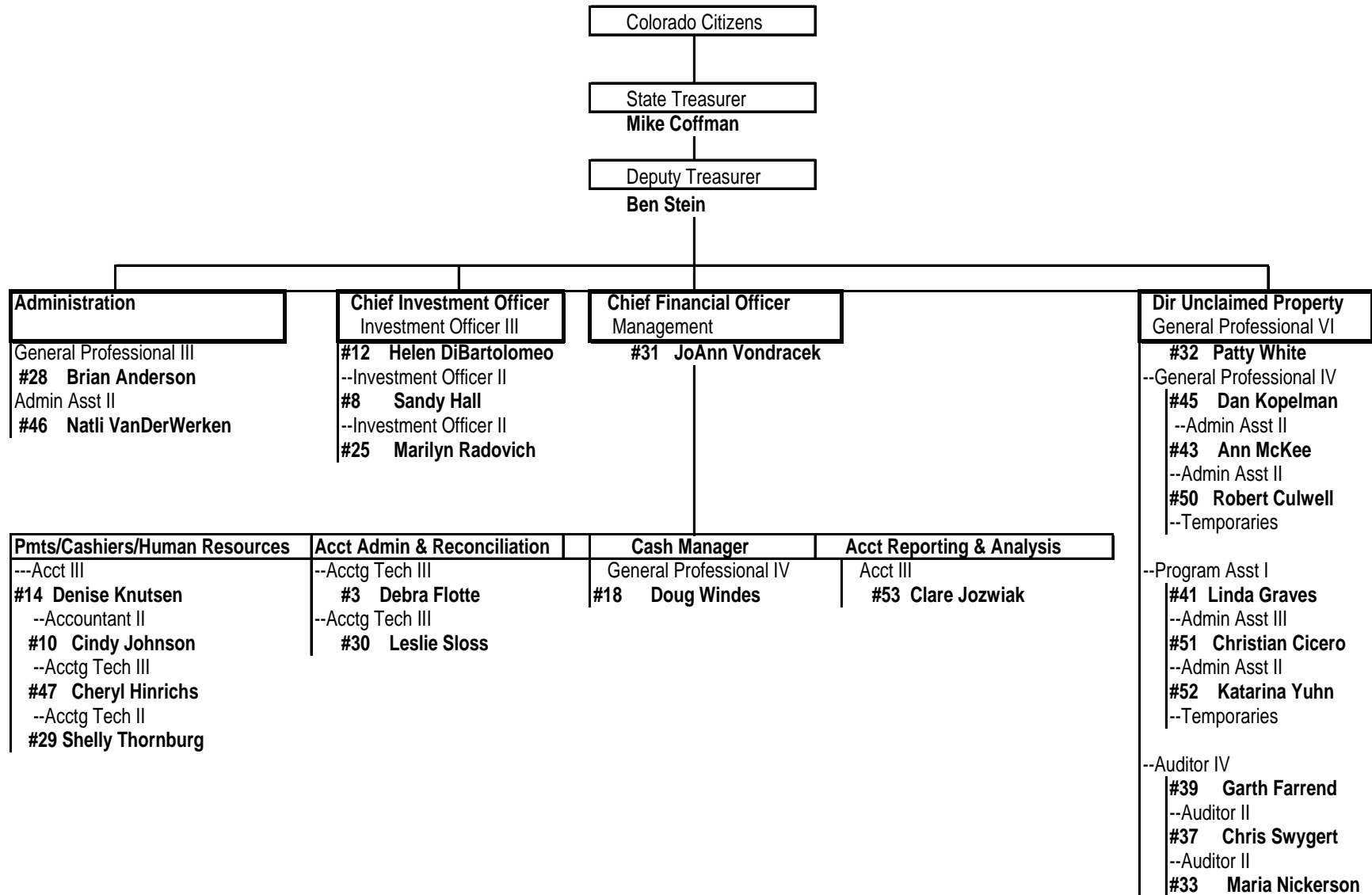
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DEPARTMENT OVERVIEW

Colorado State Treasury – Organizational Chart



Colorado State Treasury Mission and Vision Statements

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 taxes 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 Colorado 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.

Colorado State Treasury Strategic Plan

The Treasury Department is organized in three distinct sections: **Administration, Unclaimed Property, and Special Purpose.**

Administration

The State Treasurer and his staff serve the citizens of Colorado by providing banking and investment services for all funds deposited with the state treasury. As funds are deposited, all cash is immediately invested in statutorily authorized investments. Simultaneously, the Treasury ensures that sufficient funds are maintained in cash accounts to meet the State's daily cash needs. The income earned on its investments augments the State's revenues from taxes and fees and significantly decreases the tax burden on Colorado's citizens.

Accounting

The accounting section receipts for, records, and reconciles all the cash that flows into and out of the state's accounts on a daily basis. The accounting section also manages the disbursement of flow-through funds such as Minerals Management funds, miscellaneous federal funds, and the Highway User's Tax apportionment. Within the Treasury, the accounting staff has significant additional responsibilities. These include:

- Calculation and allocation of monthly investment earnings to funds eligible to earn interest
- The maintenance and reconciliation of the database of Treasury's investments
- Receipting, accounting, and distributing the payments the state received under the Master Tobacco Settlement Agreement and the Tobacco Tax moneys collected under Amendment 35
- Preparing and managing cash flow estimates for the disclosures required for Treasury's annual Tax and Revenue Anticipation Notes. This includes calculating the state's monthly cash flows, and providing disclosure documents and information to the national rating agencies.
- Managing the Elderly Property Tax Deferral Program
- Calculating and disbursing payments for the Senior Citizen Property Tax Exemption Program
- Issuing cash flow notes on behalf of those school districts participating in the Treasury's interest free school loan program. The administration of this program includes ongoing monitoring of actual vs. projected cash flow information.
- Administering the school bond payment guarantee program
- Administering the Charter School Intercept and Moral Obligation Credit Enhancement Program
- Accounting for the investment of custodial funds from State issued Certificates of Participation deposited with the Treasury

Finally, the Accounting section handles the department's administrative functions such as budgeting, personnel, payroll, accounts payable, purchasing, records retention, and information technology (IT). Since the Treasury does not have a dedicated IT staff member, it is in the process of negotiating an agreement with the Department of Personnel and Administration (DPA) to provide it with desktop support. This transition will occur during FY 2006-07 if negotiation proves successful.

In FY 2005-06 the Treasury rebid its contract for an application service provider for its investment accounting database. The contract was awarded to JPMorgan Chase effective September 1, 2005 and made an expansion of the existing banking services contract the State has with JPMorgan Chase. After running concurrent applications for three months, the switch over from the former provider was completed at the end of December 2005.

The accounting section also provides cashier services for the state. The cashiers are responsible for daily tracking of all cash receipts, monitoring all the deposits made by other agencies in the state's bank accounts, updating the state's bank balances throughout the day, and initiating electronic transfers from the State to recipients of state and fiduciary funds.

The Treasury is now scanning all cash receipt, payment voucher, journal voucher, and other miscellaneous documents; and in doing so has considerably decreased the amount of paper stored. The Department continues to identify additional high volume items for electronic storage. A key factor that may impact the expanded use of scanned documents is whether or not the Department will need to identify and procure appropriate software to allow for the indexing and rapid recall of documents when they are needed. At a future date, depending on the availability of such software and the types of documents deemed appropriate for electronic storage, the Treasury may need additional resources to purchase such software. During August 2006, the accounting section ran a trial on optically scanning the hundreds of checks encoded and deposited by the cashiers section in the bank each day. Scanning would allow for the electronic transmission of deposits ending the daily couriering of paper ones to the bank. Unfortunately, the scanner was unable to consistently read the checks, and the deposit process was too slow, so the effort was ended pending access to improved technology.

Cash Management

Treasury's Cash Manager manages the State's banking service agreements. The State currently maintains banking contracts with three primary banks; one includes lockbox services where taxpayers' payments and the associated paperwork are processed, another the State's operating account and safekeeping services, and the third covers transactional accounts in remote areas of the State from which deposits are regularly swept to the main operating account.

On-going banking efforts include ensuring effective bank services for State agencies, closing unused or redundant bank accounts, and opening new accounts or cash management services for State agencies.

In addition, the Cash Manager prepares request-for-proposals (RFPs) and negotiates and finalizes the contracts for banking services, for alternative forms of payment such as credit cards and electronic checks, for professional advisors assisting in the Treasury's annual note issuances, and for other items bid out by the Treasury in a given year. In the past year, the Cash Manager completed RFPs and contracts for the following:

1. Investment accounting and safekeeping services for the State's investment portfolio;
2. Financial advisor and legal counsel for both the General Fund and Education Loan Program Tax and Revenue Anticipation Notes;
3. Credit card services as detailed below.

Upon completion of a competitive RFP and bidding process, the Treasury signed a new master credit card services contract in July 2006 with Bank of America Merchant Services. The contract covers "over-the-counter" and telephone based transactions. The Cash Manager is now in the process of assisting State agencies in transitioning from the old vendors to the new one. Bank of America was selected by the Treasury in a process coordinated with the Statewide Internet Portal Authority for web-based transactions. As a result, the Authority and the Treasury now have separate contracts with the same vendor with a common duration. This allows the authority and the Treasury to combine their transaction volume and obtain the best overall terms for the State and its citizens.

The Treasury's current banking services contracts expire in December 2007. The process of preparing the new RFP for banking services is, accordingly, well underway with the objective of distributing the RFP to banks by the end of the first quarter of calendar year 2007. In addition to requesting lock box, cash management and safekeeping services, the proposal will seek debit card services for electronic disbursements. Security enhancements are also being evaluated for possible inclusion. This entire process is subject to the state's procurement code and has a time line for evaluation and selection by mid calendar year 2007, leaving the balance of the year to complete contract terms and have contracts completed by the time the existing ones expire.

The Cash Manager is also the State's administrator for the Cash Management Improvement Act (CMIA) with the Federal Government. The CMIA regulates the transfer of federal grant funds among federal and State agencies. CMIA regulations require State agencies to request reimbursement from federal agencies for grant disbursements on a schedule that minimizes bank balances, avoids negative balances, and eliminates interest earnings. Treasury enters into an agreement with the Federal Management Service (FMS) of the United States Treasury that presents the schedules State agencies must follow to match the disbursement of their grant funds with federal reimbursements. Excess or deficit interest earnings, if any, are calculated each year and paid to the entity with the liability.

The Cash Manager manages the CMIA on behalf of State agencies and is the primary contact for the FMS. Pursuant to federal regulations he identifies grants to be included in the agreement (those in excess of \$27 million) and calculates State disbursement patterns that are the basis of the reimbursement schedules. He negotiates the annual agreement and prepares the annual report of excess or deficit interest earnings.

Investments

The Investment section manages several distinct investment portfolios with the primary objectives, in order of importance of, legality, safety, liquidity and yield.

The Treasurer's Pooled Funds (TPOOL/TCASH) provides state agencies with the liquidity of a money market fund while normally generating a significantly higher yield than a typical money market fund. Most state funds, including the General Fund, are held in TPOOL/TCASH. TPOOL/TCASH can do both these things because their significant size allows for more varied investments and the use of longer-term maturities.

Ongoing statutory changes oblige many enterprises to remit their tax remittances to the Department of Revenue electronically. With electronic remittance, funds are processed more quickly providing the investment officers with more accurate and timely cash balance information. This improved information allows the investment division to better invest the money on deposit with the Treasury while still maintaining sufficient liquidity to meet the state's obligations.

The Public School Fund (PSPF) is a constitutionally mandated permanent trust. The principal of the fund is made up of money earned from the sale of lands and mineral royalties held in the school land trust and overseen by the State Land Board. Both the principal and interest on this fund are exempt from the requirements of section 20 article X of the state constitution. A unique feature of this fund is that the General Assembly must make up any capital losses it may suffer from the General Fund. To minimize the likelihood of such an event, the portfolio is structured to preserve principal and, only then, to maximize income. Beginning in FY 2003-04 the amount of money used from this fund for the School Finance Act was capped at \$19 million annually with any additional earnings reinvested in the fund. The Interim School Finance Committee presented SB 06-007 to the General Assembly last session. Had this bill passed it would have substantially altered the management of this fund as well as the amount annually available for appropriation. Most significantly, efforts continue to identify ways to enhance the capacity of the PSPF to meet its constitutional charge to support K-12 education in Colorado.

The Major Medical Insurance Fund (MMIF) is a special fund within the Department of Labor and Employment. The investment portfolio is comprised of money in excess of current needs that is held to meet the future medical and indemnity expenses of claimants. Investments in this fund of approximately \$205 million were liquidated and transferred to the General Fund during FY 2002-03. Since the surcharge on workers compensation premiums which funds this program remains in place the Treasury has worked with the Department of Labor and Employment to begin investing the new money now flowing into this fund in longer-term securities matched to its existing liabilities. \$40 million of the MMIF is also designated as a component fo the State's "TABOR" Reserve. As of September 30, 2006 this fund had a cash balance of \$18 million, and the par value of its investments was \$56 million. To date, this fiscal year, the Governor has transferred \$4.74 million from this fund to pay expenses related to the Mato Vega, Mauricio Canyon, and Tyndall Fires within Colorado due to its designation as the TABOR reserve.

Although the Treasury is not maintaining the entire \$40 million in cash, it is keeping far more of the balances of the MMIF in cash to meet TABOR reserve than is optimal for the management of the fund and meet its very long time horizon and maximize its earning potential.

The Tobacco Settlement Trust Fund (TSTF) previously received a portion of settlement payments to the state; however with the passage of HB 04-1421, the balance of the fund was transferred to the General Fund. Beginning in FY 2005-06, the roughly \$20 million dollars that the original legislation had designated to go to the TSTF each year is transferred directly to the General Fund and appropriated. Consequently, this fund no longer has any investable balances and will not for the foreseeable future.

The Colorado Prepaid Tuition Fund (CPTF) was established to provide families with an opportunity to pay now for future college education expenses. The investment goal of the fund is to achieve a rate of return that allows CollegeInvest, the manager of the program, to ensure that it has sufficient funds on hand to meet the college related expenses of those students upon whose behalf it has entered into these prepaid tuition contracts. In February 2003 the Colorado Prepaid Tuition program was closed to new contracts and it is currently in a run-off position. Although the funds remain in the custody of the Treasurer, effective July 1 2004, HB 04-1350 gave the board of CollegeInvest sole authority to make investment decisions for the remaining funds. CollegeInvest, at the Treasury's urging, established a policy to defease the CPTF's liabilities through the purchase of a laddered portfolio of fixed income investments. The Treasury assisted CollegeInvest's investment advisor in the execution of this strategy. The defeasance investment program was completed February 11, 2005 and it is currently meeting the remaining obligations of the prepaid tuition program.

The Colorado State Education Fund (CSEF) was established with the passage of Amendment 23 to the State's constitution in 2000. The amendment requires the diversion of a specified percentage of state income tax revenues collected on income earned on or after December 28, 2000 to the newly created Fund. Moneys may be appropriated only for specified education-related programs. The Treasury's accounting section uses the data provided by Legislative Council to establish a cash flow projection for this fund. Operating within this projection, the Treasury seeks to maximize the Fund's earnings. Initially this resulted in the development of a unique portfolio of fixed income securities. However, due to the large annual appropriations out of the fund over the past few years and changes to the timing of disbursements from the fund, the primary use of the model is to determine if and when any of the remaining long term securities need to be liquidated early in order to maintain sufficient liquidity to meet the fund's commitments. Consequently the Treasury is not presently making any new long term investments for this fund. Although the deposits in the fund for FY 2005-06 outpaced disbursements, the Treasury continues to manage the fund with the expectation of continued liquidation of its few remaining long term positions in the next few years. Since the bulk of the disbursements made from this fund are made to support payments made under the School Finance Act, the cash flows from this fund can periodically have an impact upon those made from TPOOL/TCASH as well.

The Unclaimed Property Tourism Promotion Trust Fund (UPTF) was established by SB 04-256. The fund consists of all proceeds collected through the sale of securities in the custody of the State Treasurer as the administrator of Unclaimed Property. The principal of this fund will only be expended to pay claims and the interest earned from the deposit and investment of the moneys is credited to the Colorado Travel and Tourism Promotion Fund. See additional information regarding this fund in the Unclaimed Property section on page 11.

The Treasury is also currently evaluating other large funds in the Treasury Pool that may benefit from separate and distinct investment in order to maximize interest earnings to that fund. These include Higher Education and the State Highway Fund. Critical to such an investment changes is the active assistance of the department owning the fund in developing cashflow models and other information on the uses of the fund. Specifically, last year the Department of Transportation decided not to pursue an alternative investment strategy for the State Highway Fund. Currently a draft proposal for Higher Education is in circulation to trustees at several institutions of higher education for their consideration, comments, and input.

For each of the portfolios it manages, the Department, in addition to constitutional and statutory guidance, has developed a written investment policy explicitly stating the appropriate goals, investment standards, level of liquidity, degree of credit risk, duration or average life, and other performance measures. The Treasurer has also established an investment advisory committee incorporating private sector investment professionals, and a representative of each of the agencies for which the fund is managed to assist him in developing these policies.

A critical aspect of the implementation of these policies and the daily functioning of the investment section is the use of an online data and analytical system (Bloomberg). The Bloomberg System assists the investment managers in identifying and analyzing specific investments for either purchase or sale. Absent access to the Bloomberg System and subscriptions to credit services and an electronic trading system, the Investment section's capacity to meet its constitutional, statutory and policy objectives would be severely limited.

The investment section also oversees a securities lending program. Securities lending allows Treasury to earn incremental income over and above the coupon income on the bonds held in the portfolio by entering into contracts with providers to loan securities to qualified borrowers at an agreed upon fee. In FY 2005-06 Treasury received over \$2 million in additional income from this agreement.

The State's Time Deposit Program places monies in eligible public depositories on a weekly basis. The Certificate of Deposit (CD) rates are set by the program administrator, and the collateralization of the deposits is administrated by the Public Deposit Protection Act (PDPA) section of the Division of Banking. The Treasury issues a 3-month, 6-month and 1-year CD each week. Additionally, the Treasury issues a 2-year CD linked to the Small Business Administration's MainStreet Loan program. Depositories requesting the 2-year CD must use the funds for making small business loans. Participation in the Time Deposit Program is predominantly by community banks on the eastern plains and western slope.

Unclaimed Property

The Unclaimed Property program was established in 1987 by HB 87-1376 to locate owners of dormant or abandoned property and return their property to them. The law was expanded subsequently to include all types of companies and business entities, except racetracks, and, with the passage of SB 04-108, to exempt gaming award points and gaming chips or tokens issued or sold by a licensed gaming establishment. The law also covers public institutions, including courts, municipalities, most governmental subdivisions/agencies, public corporations or authorities, non-profit entities, hospitals, utilities, estates, trusts, or any other legal or commercial entity. Through the use of multiple communications means, around 6,500 Colorado businesses and reporting services are notified annually that instructions and reporting forms are available on the Treasury's website for download. Continued improvements to the website and email service have increased the use of electronic communications between the division and both claimants and holders. The use of electronic communications has reduced the time it takes a business to prepare and submit its report as well as the amount of manual data entry performed by the Division. The number of companies reporting unclaimed property has increased steadily since FY 2003-04, with approximately 6,000 companies now reporting unclaimed property annually. Electronic submission has not only decreased data entry requirements it has also simplified the overall reporting process and greatly improved the accuracy of the data submitted. As a result the Unclaimed Property Division intends to require the electronic submission of all holder reports starting next year. To support this effort the division intends to establish on its website a secure page on which entities with small numbers of property to report can directly input their data. The project to create this capability is underway in conjunction with the Statewide Internet Portal Authority and will also allow holders to electronically remit funds.

The Unclaimed Property Division also includes a small audit section that is charged with ensuring holder compliance with the reporting requirement. All of these factors have contributed to more than a 20% increase each year in holder reporting since FY 2003-04.

Since the program's inception the Treasury has returned more than \$100 million to citizens. Colorado businesses typically identify millions of dollars worth of unclaimed property during the reporting process. In many cases these businesses directly contact the property holders and return the money directly to them rather than transferring it to the Treasury. Due to these dual efforts, nearly half a million owners or their heirs have received unclaimed property since the program began.

In FY 2005-06, the Unclaimed Property section returned nearly \$14 million to rightful owners or their heirs. During the first 4 months of FY 2005-06, the division handled a significantly higher than normal volume of inquiries and claims. This is, largely, due to the fact that the Treasurer and the division aggressively publicize the program to ensure that citizens learn of its existence and check to see if property is being held on their behalf. Last year the division greatly expanded its efforts to directly contact potential unclaimed property claimants. Using new approaches to data gathering, the division was able to mail more than 44,000 letters to owners for whom it was able to identify a valid address informing them that it is holding funds in their names. This project had a better than 60% success rate, resulting in increased inquiries and claims. The division is continuing this effort and anticipates mailing to approximately 20,000 potential property holders this year. The continued improvement of the website and email service has substantially decreased the claim processing time by

providing the ability to receive a direct answer to questions on a claim and not have to wait a week for mail responses. This division has now further built upon its past success with electronic communication with claimants by implementing a new service in conjunction with the Statewide Internet Portal Authority. This service allows citizens to search the unclaimed property database and to directly download a claim form to complete and submit. This application dramatically pares down the time it takes from the date a potential claimant starts the process to payment. The success of all these efforts is a constant increase in citizen inquiries and claims. During the current fiscal year the Treasury anticipates trying several new approaches to complement its traditional annual publication. These include promotional booths at sporting events of statewide interest such as the CSU v Air Force football game, and radio advertising coordinated with the annual publication of the list of names.

SB 04-256 requires the Treasurer to sell unclaimed securities of Colorado citizens held by a third party. Treasury conducted a complex competitive RFI and RFP process to select a vendor to act as the custodian and as the selling broker for these securities during FY 2004-05. Upon the completion of this process the Treasury began the liquidation process and deposited money into the Trust Fund. More than \$45 million from the first sale of securities were deposited into the newly created Unclaimed Property Tourism Promotion Trust Fund in June 2005. Additional funds totaling approximately \$8 million were deposited into the Unclaimed Property Tourism Promotion Trust Fund when a second sale was completed in September 2005. With the new contract in place, future liquidations will occur in the first quarter of each fiscal year. The Department's Investment Section manages the Unclaimed Property Tourism Promotion Trust Fund as a separate account.

HB 06-1384 has established a new distribution pattern for the interest earned on the fund. For the next few years, interest earned on the fund is distributed to the Colorado Travel and Tourism Promotion Fund and then transferred to the State Fair Authority to repay the loans it has received from the State Treasury and its outstanding debt on the Events Center. A further \$550,000 is transferred to the Fair Authority to subsidize operating losses on an ongoing basis. Any interest earnings remaining after these obligations for the Fair are met will go toward tourism promotion.

Substantial increases in property remittances to the Unclaimed Property program as well as the addition of unclaimed income tax refunds pushed the Program's existing database software to its storage capacity limit. Effective in October 2005, the program transitioned to the upgraded software authorized for procurement in the FY 2005-06 budget. This new computer and database management system will alleviate the operating problems the division had encountered. The new system will also provide more security and data integrity.

With the completion of the conversion to the new database management software, the division was able to implement the provisions of HB 05-1044. This bill directs the Treasury to review all approved claims that exceed \$600.00 for possible interception to satisfy specified outstanding fees, fines or child support obligations. The division is now routinely checking claims against a list submitted by the Judicial Department and working with the Revenue and Human Services Departments on the formatting and submission of their lists.

Throughout the year, the Unclaimed Property Division also receives and processes unclaimed safe deposit boxes. In FY 2005-06 the total number of safe deposit items reported was 5,615. Other FY 2005-06 statistics: 1,750 items inventoried, 192 items returned, and 114 items sold at auction for a total of \$20,578.

During August 2006, the division relocated from the Chancery Building at 1120 Lincoln Street to 1580 Logan. Initially, compared to FY 2005-06, this move into space with a superior operating configuration saves the State approximately \$2,600 per month in rental expense.

A long standing problem the Unclaimed Property Division has encountered is a lack of physical storage space. Virtually all of the division's documentation must be permanently retained. Consequently, storage space and holder document retrieval are both major problems. Scanning future documentation when combined with the electronic submission of holder reports has the potential to save substantially on storage and to materially enhance productivity if an electronic storage system with an appropriate indexing and search capability is utilized. Now that the transition to the new server and database management system and the move to 1580 Logan are complete, the next major effort to improve operational efficiency and productivity is to commence large scale scanning of documents for electronic storage, retrieval and on screen processing of claims.

Special Purpose

The special purpose programs include the Elderly Property Tax Program, the Senior Citizen Property Tax Exemption Program, Cover Colorado, Highway Users Tax Funds, the Fire and Police Pension Fund, and Education Loan/Charter School programs.

Elderly and Military Personnel Property Tax Deferral (County Costs)

This program provides loans to pay the property taxes for qualified Colorado citizens who make application. HB 02-1241, effective July 1, 2002, changed the funding of this program from a General Fund appropriation to an investment as a loan to the taxpayer. Liens are placed on the property and interest compounds annually. The interest rate floats with the 10 year Treasury note, changing each year in February. The current rate is set at 4.50%. There are no controls over the number of applications the Department may receive and limited eligibility requirements. As of June 30, 2006, Treasury has 420 participants in the program. Historically, participation in the program is directly related to interest rates and changes in property tax levies. With the resumption of the Senior Citizen Property Tax Exemption program participation in this program may decrease.

SB 05-232 revised C.R.S. 39-3.5-103 changing some of the eligibility requirements. Most significantly it alters and simplifies the rules surrounding the subordination of mortgages. Also it allows the spouse of a military participant to continue existing tax deferrals if the military participant dies.

The Treasury uses an Access database to manage this program. Additionally, Treasury uses an annual self-verification process to monitor existing participants thus ensuring their continued eligibility for the program. Also, in conjunction with Central Collections, the Department aggressively pursues delinquent accounts.

Senior Citizen Property Tax Exemption

Created by the passage of Referendum A, which was approved by the voters in November of 2000, and HB 01-1224, this program originally exempted one-half of the first \$200,000 of a home's value from property taxation for citizens over the age of 65 who have lived in their current homes for at least 10 years. It also applies to surviving spouses of qualified taxpayers. The first payment to counties was made in April of 2003. The Treasury, in conjunction with the Department of Local Affairs has developed and maintains an extensive database for the program to ensure that distributions are correctly calculated and disbursed. Presuming that this program resumes, the Departments will continue efforts to modify and improve the program's administration as it gains additional experience in reviewing and processing the submissions by the counties. In particular, the statutory framework of the program appears to have only limited safeguards against fraudulent or improper claims. These limits on verification of continued eligibility make the potential for the disbursement of improperly or fraudulently-requested payments a significant concern that may merit further evaluation over time.

Language in Referendum A gave the legislature the authority to lower the amount of assessed residential property that may be exempted from taxes. Due to the State budget shortfall, SB 03-265 was enacted to decrease this amount to zero for tax years after January 1, 2003 but before January 1, 2006. Consequently no payments to seniors were made for FY 2003-04 through FY 2005-06. This same bill reinstated the exemption to one-half of the first \$200,000 beginning with FY 2006-07. The estimate for payments to counties for FY 2006-07 is \$64.6 million.

CoverColorado

This is a non-profit organization providing individual, major-medical health insurance to eligible Colorado residents who are denied access to health insurance due to preexisting chronic medical conditions. SB 04-211 altered the funding mechanism for this program to reduce the special assessment paid by health insurance carriers. CoverColorado is now subsidized entirely from the principal and interest in the Unclaimed Property Trust Fund. The amount of the annual subsidy is based upon a statutorily required actuarial analysis. The amount available for transfer to CoverColorado is determined after reserving an amount for future claims through the Unclaimed Property Division and for the operations of that program. This transfer helps ensure the continued operations of CoverColorado. The support provided to CoverColorado by the Unclaimed Property Trust Fund is currently projected to delay the due date for assessments against the health insurance carriers until April 2012.

Highway User Tax Funds

The annual calculation, allocation and distribution of Highway User Tax Funds to Colorado counties and municipalities, and the Department of Transportation are responsibilities of the Treasury. Estimates for future HUTF disbursements are based on historical increases as well as information from the Legislative Council Office.

Fire and Police Pension

Although previously suspended, current law reinstated the annual payment to FPPA to subsidize the unfunded liability in its "Old Hire" pension plans in FY 2005-06. Treasury will continue to request necessary funds on behalf of FPPA annually until the "Old Hire" pension plan's unfunded liability is extinguished or FY 2011-12, or the statutory framework is altered.

Charter School Intercept and Moral Obligation Program

C.R.S. 22-30.5-406 allows a charter school entitled to receive moneys from the state to request that the state treasurer make direct payments of principal and interest on capital construction bonds on its behalf. The Treasury withholds the moneys needed to make these payments from the monthly equalization payments of the district in which the charter school is located. The Treasurer will only perform an intercept for a charter school that receives sufficient state equalization money to cover the entire annual amount of the principal and interest payments. This program enhances the charter school's ability to obtain favorable financing terms on its bonds. As of June 30, 2006, Treasury has 24 participants in the intercept program.

In addition to this intercept program the Treasury oversees a complementary program: the "Moral Obligation Program." This program enhances the credit of a "qualified charter school." A qualified charter school is one that has obtained an investment grade credit rating on a "stand alone" basis. The enhancement enables these qualified schools to obtain even more favorable financing terms on their capital construction bonds. The program is funded from a separate source of moneys from which the Treasury would make bond payments in the case of a default by a charter school. C.R.S. 22-30.5-407 created the state charter school interest savings account within the state charter school debt reserve fund. Each qualified charter school allowed into this program annually pays ten basis points of the principal amount of bonds outstanding into this fund. At September 30, 2006, the fund had a balance of \$486,844. In the event that a default occurs that exhausts the balance in the fund, as well as the \$1 million appropriated in FY 2002-03 from the State Education Fund, the statute directs the Governor to notify the General Assembly so that it may consider whether or not to appropriate funds to pay off the bonds. This last element is the "moral obligation" aspect of the program. Failure by the state to make such an appropriation would probably have a substantial negative effect on the state's credit and almost certainly interfere with its ability to issue certificates of participation. As of August 30, 2005, the outstanding par value of the bonds issued by charter schools under this program reached the programs \$200 million statutory cap. With the passage of SB 06-119 the statutory cap was increased by an additional \$200 million to a total of \$400 million.

Short-term Note Issuance

In July 2006 the Treasury issued \$650 million in tax and revenue anticipation notes. The notes mature in June 2007. Due to the highly irregular flows of revenues in to the state, this financing provides funds to meet the state's liquidity need in months when the state's general fund experiences a deficit. Interest on the notes and their costs of issuance are paid from investment earnings and premium.

The Treasury also issued \$145 million in notes on behalf of the State of Colorado Education Loan Program to fund cash flow shortages in school districts. An additional issuance of approximately \$325 million for this program will occur in December. The repayment of these notes is from the property tax collections of the participating local school districts. The costs associated with this program are detailed in footnote #121.

Key Administration Accomplishments and Critical Performance Measures

To accelerate receipt of all funds coming into the Treasury Department

Measure 1.1.1 Continued to train other agency personnel on alternative cash concentration procedures such as the use of Internet based bank transfers to quickly and efficiently move money to State's main bank account.

Measure 1.1.2 Continue to research and evaluate potential means to electronically transmit bank deposits seeking ones that meet the appropriate standards of accuracy, ease of use, and cost effectiveness deposits.

Measure 1.1.3 Successful adherence to the CMIA agreement by State agencies balanced with FMS reimbursement of State implementation costs resulted in FMS payments to the State of \$1,696 in FY 2005-06 and \$1,663 in FY 2004-05.

To conservatively and safely invest the portfolios to preserve principal and consistently provide income

Measure 1.2.1 Earned \$243 million in interest income for all funds managed.

Measure 1.2.2 No investments in default or nonpaying status.

Measure 1.2.3 Developed and implemented a process for cost effective ongoing liquidation of securities held for Unclaimed Property Program.

Measure 1.2.4 Consider appropriate funds for separate management. Draft and circulate potential investment strategies for them as appropriate.

To disburse funds on deposit at Treasury more efficiently

Measure 1.3.1 Expanded Internet based electronic disbursement program to additional state agencies.

Measure 1.3.2 Electronically produced approximately 16,000 Unclaimed Property vouchers.

Measure 1.3.3 Continued working with local governments to accept electronic payments in lieu of warrants. Electronically produced approximately 4,000 HUTF payments.

Measure 1.3.4 With relocation of the Unclaimed Property Division to its new location identify procedural steps to accelerate warrant processing.

Measure 1.3.5 Maintained a timely process related to the applications for the elderly property tax deferral program and the associated disbursements to the county treasurers.

Measure 1.3.6 Maintained a timely process related to intercepting bond payment funds from charter schools participating in the Charter Intercept Program and forwarding same to their chosen bank.

To ensure success of new programs and efficiently maintain existing responsibilities

Measure 1.4.1 Successfully completed debt issuances on behalf of school districts to meet their cash flow needs, while minimizing the program's cost to the state's General Fund.

Measure 1.4.2 Ensured that all outstanding loans to school districts were timely repaid.

Measure 1.4.3 Refined procedures for charter school intercept program, with the Dept of Education and school districts, to include "institute charter schools" as described in Section 22-30.5-502(6),CRS.

Measure 1.4.4 Maintained a timely process to transfer funds to CoverColorado from Unclaimed Property as required.

Measure 1.4.5 Maintained a timely process, with the assistance of the Department of Revenue, to transfer tobacco taxes collected under Amendment 35 to various State agencies.

Measure 1.4.6 Implemented the requirements of HB 06-1398 holding sales tax receipts before distribution to the Highway Users Tax Fund to ensure adequate revenues to the General Fund.

Measure 1.4.7 Continued to maintain a database to monitor the general obligation bonds issued by school districts under the School District Intercept Program, C.R.S. 22-41-110.

To improve cash management and ensure adequate liquidity through better forecasting

Measure 1.5.1 Continued to refine cash flow forecasting methodology.

Measure 1.5.2 Continued to meet with OSPB, Dept of Revenue and Legislative Council to ensure accurate cash flow information for legislature and debt rating agencies.

Measure 1.5.3 Cost effectively issued Tax Revenue Anticipation Notes to aid in cash flow management sizing issuance to minimize interest expense.

To improve banking services

Measure 1.6.1 Implemented cost-effective and improved credit card services by means of competitive RFP process and contract negotiations.

Measure 1.6.2 Continue to evaluate banking services for improved reporting, cash management, and earnings on funds on deposit.

Measure 1.6.3 Through a competitive RFP process, combined safekeeping and investment accounting services.

To better inform public of Treasury's Services

Measure 1.7.1 Made improvements to the Treasury Web site to provide citizens with better access to Treasury information.

Measure 1.7.2 Expanded the payment information for local governments and state agencies on the Web site.

Measure 1.7.3 Implemented online claim form for unclaimed property and expanded division's presence on the world wide web.

To provide technical assistance to local governments

Measure 1.8.1 Continue to instruct local government finance officials on State master credit card agreement at their conferences.

Measure 1.8.2 Continue to provide cash management services to local governments as requested.

Key Unclaimed Property Accomplishments and Critical Performance Measures

To educate citizens and businesses about unclaimed property and the related responsibilities for compliance

Measure 1.1.1 Held 6 seminars and other outreach programs in Colorado Springs, Greeley, Boulder and the Denver metro area.

Measure 1.1.2 New companies reporting increased by 10%.

Measure 1.1.3 Expanded efforts to identify and contact potential unclaimed property holders to inform them of requirements to report and the processes for doing so.

To reduce the administrative burden on holders

Measure 1.2.1 All forms and reporting instructions available on the Internet at the Treasury website

Measure 1.2.2 Increased the number of holders responding electronically by 20%

Measure 1.2.3 Encourage holders to pay through electronic wire transfer

To increase payment of claims and reduce turn around time

Measure 1.3.1 Processed approximately 16,000 claims totaling almost \$14 million.

Measure 1.3.2 Increased number of claims paid within 30 days by 15% and those paid within 60 days by nearly 30%.

To increase holder compliance with the unclaimed property law

Measure 1.4.1 10% increase in holder reporting.

Measure 1.4.2 Participated in 32 hours of specialized unclaimed property auditor training.

Measure 1.4.3 Recovered more than \$2 million through audit process.

To increase productivity and customer satisfaction through the use of all forms of contact -- phones, mail, e-mail and the Internet

Measure 1.5.1 Responded to more than 60,000 inquiries in FY 2005-06.

To communicate existence of Program more effectively to potential owners

Measure 1.6.1 Pursued an aggressive earned media program throughout the year to highlight the program.

Measure 1.6.2 Pursued a highly successful letter campaign specifically targeted to 40,000 individuals on the Unclaimed Property list.

Measure 1.6.3 Pursued an aggressive outreach program to educate and locate owners by attending various meetings, sports events and other activities.

Measure 1.6.4 Reinstated annual publication of unclaimed property holder names significantly increasing submission of inquiries and claims by citizens.

To meet additional statutory requirements

Measure 1.6.4 Pursuant to HB 05-1044 implemented unclaimed property intercept program to capture unclaimed property owed to meet outstanding governmental debts.

Strategic Plan Summary

The Treasury continues its efforts to increase the dollars available for state use through a variety of means. The most significant of these is the investment income earned through the prompt deposit and investment of state money in properly researched and appropriate investments. Others include an effective audit program to ensure compliance with the Unclaimed Property Program, and an aggressive push for automation to increase productivity. The Treasury requests, then, the continued funding of its existing positions and programs.

The Department's Personal Services FY 2007-08 budget request represents full funding for existing positions, and adequate funding for temporary assistance in the Unclaimed Property division.

In conclusion, the Department's unique characteristics, which include its small size, low turnover, and heavy reliance upon temporary employees to fill gaps when vacancies do occur or to meet the seasonal workflows of Unclaimed Property, cause budget reductions to have a disproportionately severe impact on the Department's day-to-day ability to function.

COLORADO STATE TREASURY
BUDGET SUMMARY
Schedule 2.A

Item	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
TOTAL ADMINISTRATION	2,148,351	16.0	1,465,975	15.6	1,568,003	16.0	1,552,308	15.8	1,617,964	16.0
General Fund	743,845		699,493		756,848		752,137		792,506	
General Fund Exempt	0		0		0		0		0	
Cash Fund	1,404,506		766,482		811,155		800,171		825,458	
Cash Fund Exempt	0		0		0		0		0	
TOTAL UNCLAIMED PROPERTY	894,740	9.0	1,759,195	8.3	1,773,451	10.0	1,788,892	9.4	1,779,146	10.0
General Fund	0		0		0		0		0	
General Fund Exempt	0		0		0		0		0	
Cash Fund	894,740		1,759,195		1,773,451		1,788,892		1,779,146	
Cash Fund Exempt	0		0		0		0		0	
TOTAL SPECIAL PURPOSE	258,165,610		296,862,691		364,610,241		361,626,018		382,049,549	
General Fund	0		25,321,079		64,600,000		64,600,000		65,300,000	
General Fund Exempt	0		0		34,774,141		34,774,141		34,774,141	
Cash Fund	0		0		0		0		0	
Cash Fund Exempt	258,165,610		271,541,612		265,236,100		262,251,877		281,975,408	
TOTAL FIRE & POLICE PENSION FUNDS	0		0		0		0		0	
General Fund	0		0		0		0		0	
General Fund Exempt	0		0		0		0		0	
Cash Fund	0		0		0		0		0	
Cash Fund Exempt	0		0		0		0		0	
GRAND TOTAL	261,208,701	25.0	300,087,861	23.9	367,951,695	26.0	364,967,218	25.2	385,446,659	26.0
General Fund	743,845	16.0	26,020,572	15.6	65,356,848	16.0	65,352,137	15.8	66,092,506	16.0
General Fund Exempt	0	0.0	0	0.0	34,774,141	0.0	34,774,141	0.0	34,774,141	0.0
Cash Fund	2,299,246	9.0	2,525,677	8.3	2,584,606	10.0	2,589,063	9.4	2,604,604	10.0
Cash Fund Exempt	258,165,610	0.0	271,541,612	0.0	265,236,100	0.0	262,251,877	0.0	281,975,408	0.0

Schedule 2.B Index from Line Items to Programs

Department: Fiscal Year:		Treasury 2007-08 Request			
Long Bill Line Item Group	Long Bill Line Item	Brief Long Bill Line Item Description	Specific State Statutory Citation (if applicable)	Cross-Reference to Program Crosswalk	
				Associated Program(s)	Page Number
Administration	Personal Services	Salaries, benefits and other related costs for employees as well as contractual costs and tuition payments per long bill head note		Administration	36
	Health, Life, Dental	State share of health, life and dental insurance		Administration	37
	Short-Term Disability	State share of short-term disability insurance.		Administration	37
	Amortization Equalization Disbursement	Additional employer contribution to the PERA Trust Fund to amortize the unfunded liability		Administration	37
	Salary Survey	Funding for annual salary increases per Department of Personnel percentages		Administration	38
	Anniversary Increases/Performance Based Pay	Funding for performance base pay awards.		Administration	38
	Operating Expenses	General non-employee costs including ongoing expenses and capital outlay		Administration	38

Special Purpose	Information Technology Asset Maintenance	Annual costs to upgrade and replace computers, printers and other information technology within Department		Administration	39
	Legal Services	Fees paid to Attorney General's office for counsel and representation		Administration	40
	Purchase of Services-GGCC/Data Center Svcs	Fees for use of general computer center including access, equipment usage and storage costs		Administration	40
	Risk Management	Payment to Dept of Personnel for liability insurance (does not include statutorily required fidelity bond coverage for employees)		Administration	40
	Capitol Complex Leased Space	Payment to Dept of Personnel for space in Capitol (4,379 sq ft)		Administration	40
	Third Party Auditor	Payments to Contractual Unclaimed Property Auditors APPROPRIATION MOVED TO UNCLAIMED PROPERTY SECTION BEGINNING FY 2005-06		Administration	41
	Charter School Facilities Financing Services	Continuously appropriated moneys for the costs of administering the Charter School Intercept Program		Administration	41
	Discretionary Fund	Statutorily authorized fund for additional costs of elected official.		Administration	41
	Senior Property Tax Exemption	Constitutionally mandated payment of property tax for elderly. NOT APPROPRIATED FOR FY 2003-04 THROUGH FY 2005-06. Re-established in FY 2006-07	C.R.S. 39-3-201	Special Purpose	42

**Unclaimed
Property**

CoverColorado	Amount available for CoverColorado from the fund balance in the Unclaimed Property Trust Fund available after payment of current claims, estimate for future claims and operating expenses of the program.	C.R.S. 38-13-116.5	Special Purpose	42
Fire & Police Pension - Old Hire Plans	Continuously appropriated by permanent statute. Provided for purposes of complying with Article X, Section 20 of constitution - Estimates from FPPA	C.R.S. 31-30.5-307	Special Purpose	42
HUTF-County Payments	Estimate of HUTF payment to counties provided for purposes of complying with Article X, Section 20 of constitution	C.R.S. 43-4-207	Special Purpose	42
HUTF-Municipality Payments	Estimate of HUTF payment to cities provided for purposes of complying with Article X, Section 20 of constitution	C.R.S. 43-4-208	Special Purpose	43
Personal Services	Salaries, benefits and other related costs for employees as well as contractual costs and tuition payments per long bill head note		Unclaimed Property	44
Operating Expenses	General non-employee costs including ongoing expenses and capital outlay		Unclaimed Property	44
Promotion and Correspondence	Costs associated with notifying owners of lost and forgotten assets held in trust by the State, formerly listed under "Operating Expenses"		Unclaimed Property	46

Fire and Police Pension Assn	Leased Space	Payment to Logan Tower Partnership for space at 1580 Logan (3,466 sq ft).		Unclaimed Property	46
	Contract Auditor Services	Payments to Contractual Unclaimed Property Auditors		Unclaimed Property	46
	Volunteer Firefighter Retirement Plans	Continuously appropriated by permanent statute. Provided for purposes of complying with Article X, Section 20 of constitution - SUBMITTED AS PART OF DEPT OF LOCAL AFFAIR'S BUDGET BEGINNING FY 2005-06	C.R.S. 31-30-1112	Fire and Police Pension	47
	Volunteer Death and Disability	Continuously appropriated by permanent statute. Provided for purposes of complying with Article X, Section 20 of constitution - SUBMITTED AS PART OF DEPT OF LOCAL AFFAIRS'S BUDGET BEGINNING FY 2005-06		Fire and Police Pension	47

Schedule 5. B							
Summary Table for Salary Survey and Performance Based Pay Increases							
Department: State Treasury							
	Line Item	Total Funds	GF	HUTF	CF	CFE	FF
Actual FY 2004-05							
Administration	Salary Survey	22,712	12,037		10,675		
Administration	Anniversary Allocation	8,843	4,687		4,156		
Division Subtotal		31,555	16,724		14,831		
Unclaimed Property	Salary Survey/Anniversary	7,997			7,997		
Unclaimed Property	Anniversary Allocation	6,748			6,748		
Division Subtotal		14,745			14,745		
Department Total Actual FY 2004-05		46,300	16,724		29,576		
Actual FY 2005-06							
Administration	Salary Survey	36,265	36,265				
Administration	Performance Based Pay	0	0				
Division Subtotal		36,265	36,265				
Unclaimed Property	Salary Survey/Anniversary	9,039			9,039		
Unclaimed Property	Performance Based Pay	0			0		
Division Subtotal		9,039			9,039		
Department Total Actual FY 2005-06		45,304	36,265		9,039		
Estimate FY 2006-07							
Administration	Salary Survey	25,946	25,946				
Administration	Performance Based Pay	0	0				
Division Subtotal		25,946	25,946				
Unclaimed Property	Salary Survey	15,695			15,695		
Unclaimed Property	Performance Based Pay	0			0		
Division Subtotal		15,695			15,695		
Department Total Estimate FY 2006-07		41,641	25,946		15,695		
Request FY 2007-08							
Administration	Salary Survey	36,065	36,065				
Administration	Performance Based Pay	8,592	8,592				
Division Subtotal		44,657	44,657				
Unclaimed Property	Salary Survey	19,003			19,003		
Unclaimed Property	Performance Based Pay	4,859			4,859		
Division Subtotal		23,862			23,862		
Department Total Request FY 2007-08		68,519	44,657		23,862		

**Schedule 5.C
Summary Table for Health, Life, Dental**

Department: State Treasury

	Line Item	Total Funds	GF	HUTF	CF	CFE	FF
Actual FY 2004-05							
Administration	Health, Life Dental	43,075	22,830		20,245		
Unclaimed Property	Health, Life Dental	16,752			16,752		
Department Total Actual FY 2004-05		59,827	22,830		36,997		
Actual FY 2005-06							
Administration	Health, Life Dental	52,243	52,243				
Unclaimed Property	Health, Life Dental	23,202			23,202		
Department Total Actual FY 2005-06		75,445	52,243		23,202		
Estimate FY 2006-07							
Administration	Health, Life Dental	77,904	77,904				
Unclaimed Property	Health, Life Dental	36,216			36,216		
Department Total Estimate FY 2006-07		114,120	77,904		36,216		
Request FY 2007-08							
Administration	Health, Life Dental	82,212	82,212				
Unclaimed Property	Health, Life Dental	40,070			40,070		
Department Total Request FY 2007-08		122,282	82,212		40,070		

**Schedule 11.A
AIR Account**

	Actual FY 2004-05	Actual FY 2005-06	Estimate FY 2006-07	Request FY 2007-08	Projected FY 2008-09
Beginning Balance	1,749,648	2,431,078	3,368,013	3,088,455	2,365,113
Exempt Revenue	340,037	444,501	311,315	287,528	293,650
Non-Exempt Revenue	7,330,028	7,500,697	6,983,422	6,449,831	6,587,158
Total Expenditures	6,988,635	7,008,263	7,574,295	7,460,701	7,631,247
Ending Balance	2,431,078	3,368,013	3,088,455	2,365,113	1,614,674
Reserves	681,430	936,935	(279,558)	(723,342)	(750,439)
Increase/Decrease					

Fee Levels

	Actual FY 2004-05	Actual FY 2005-06	Estimate FY 2006-07	Request FY 2007-08	Projected FY 2008-09
1. \$. 50	2,116,603	2,166,702	2,217,987	2,270,486	2,324,227
2. \$1.50 Fee	4,037,873	4,110,360	3,580,567	3,027,939	3,088,497
3. Inspection Stations	373,797	363,940	307,979	256,979	262,119
4. Diesel Fees	801,755	859,695	876,889	894,427	912,315

Cash Fund Reserve Balance

	FY 2003-04	FY 2004-05	FY 2005-06
Uncommitted Fee Reserve Balance (total reserve balance minus exempt assets and previously appropriated funds; calculated based on % of revenue from fees)	1,696,714	2,318,256	3,179,587
Target/Alternative Fee Reserve Balance (amount set in statute or 16.5% of total expenses)	1,108,335	1,153,125	1,156,363
Excess Uncommitted Fee Reserve Balance			2,023,224

Statutory Deadline for Complying with the Target/Alternative Reserve Balance

Cash Fund Narrative Information

Purpose/Background of Fund	Created in 1986, revenues in this fund are used to support the costs of motor vehicle emissions activities. Excess revenues have been used to fund other environmental pollution control programs.
Fee Sources	Fees are set in statute and are collected at the time of vehicle registration
Non-Fee Sources	Non-fee sources are fines collected and interest earned. These are expected to continue and most recently equaled approximately 4.5% of revenues
Long Bill Groups Supported by Fund	Treasury transfers moneys to the Depts of Public Health and Environment and Revenue
Statutory or Other Restriction on Use of Fund	Treasury acts as a pass-through of moneys collected by the Dept of Revenue. Moneys are transferred up to the amount of appropriation to the two departments.
Revenue Drivers	Revenues collected are dependent on cars registered each year. Revenue estimates current and future years are based on the Dept of Public Health and Environment and OSPB's estimated growth in the current and future fiscal years.
Expenditure Drivers	Expenditures are based on appropriations made.
Assessment of Potential for Compliance	Changes in fees are dependent on legislative action.
Action	<input type="checkbox"/> Already in Compliance <input type="checkbox"/> Statute Change ¹ <input checked="" type="checkbox"/> Planned Fee Reduction ¹ <input type="checkbox"/> Planned One-time Expenditure(s) ¹ <input checked="" type="checkbox"/> Planned Ongoing Expenditure(s) ¹ <input type="checkbox"/> Waiver ²

1. If plan is needed to meet compliance deadline, attach Form 11.B.

2. If pursuing a waiver, attach Form 11.C.

**Schedule 11.B
Compliance Plan for: AIR Account**

C.R.S. Citation	42-3-304															
Action	Revenue reduction plus expenditure increase															
Plan Description	<p>The Basic Air Programs in Ft. Collins, Greeley and Colorado Springs are ending on December 31, 2006. The result of these programs being abolished is that the Air Account will receive over \$1 million less in revenues each year (only half that in FY 2006-07 because it is implemented mid year). This decrease in revenues coupled with an anticipated increase in expenditures will result in a significant reduction in the Air Account's fund balance.</p> <p>The following figures demonstrate that trend.</p> <table border="0"> <thead> <tr> <th></th> <th align="center">Revenues Actual/estimates</th> <th align="center">Expenditures Actual/estimates*</th> </tr> </thead> <tbody> <tr> <td>FY05-06</td> <td align="right">\$7,924,072</td> <td align="right">\$6,997,814</td> </tr> <tr> <td>FY06-07</td> <td align="right">\$6,983,422</td> <td align="right">\$7,244,998</td> </tr> <tr> <td>FY07-08</td> <td align="right">\$6,449,831</td> <td align="right">\$7,267,952</td> </tr> <tr> <td>FY08-09</td> <td align="right">\$6,587,158</td> <td align="right">\$7,473,124</td> </tr> </tbody> </table> <p>* The expenditure figures are based on actual expenditures for CDPHE in FY 2005-06 and on Budget Request numbers for all other years. Estimates were used for all years for the amount of money spent by the Department of Revenue out of the Air Account. Revenue was appropriated \$1,233,474 out of the Air Account in FY 2005-06. That same figure is used as an estimate for their expenditures for all other years.</p> <p>Based on these estimates, you can see that the fund balance in the Air Account will decrease by \$1,965,663 by the end of FY 2008-09.</p>		Revenues Actual/estimates	Expenditures Actual/estimates*	FY05-06	\$7,924,072	\$6,997,814	FY06-07	\$6,983,422	\$7,244,998	FY07-08	\$6,449,831	\$7,267,952	FY08-09	\$6,587,158	\$7,473,124
	Revenues Actual/estimates	Expenditures Actual/estimates*														
FY05-06	\$7,924,072	\$6,997,814														
FY06-07	\$6,983,422	\$7,244,998														
FY07-08	\$6,449,831	\$7,267,952														
FY08-09	\$6,587,158	\$7,473,124														
Assumptions and Calculations	See above															

**COLORADO STATE TREASURY
PROGRAM CROSSWALK
Administration Section**

Program Title: Administration
Change Request(s): None

Estimated Total Funding:

Line Item		FY 2006-07 Appropriation		FY 2007-08 Request	
		Dollars	FTE	Dollars	FTE
Personal Services	GF	462,200	16	457,177	16
	CF	717,747		723,667	
Group Health & Life	GF	77,904		82,212	
	CF	36,216		40,070	
Short-Term Disability	GF	1,182		1,436	
	CF	550		693	
Amortization Equalization Disbursement	GF	7,407		13,255	
	CF	3,653		6,398	
Salary Survey	GF	24,737		36,065	
	CF	16,904		19,003	
Performance Based Pay	GF	0		8,592	
	CF	0		4,859	
Operating Expense	GF	107,765		107,765	
	CF	0		0	
IT Asset Management Plan	GF	967		6,284	
	CF	11,601		6,284	
Legal Services	GF	19,484		19,484	
	CF	19,484		19,484	
Data Center Services	GF	829		3,084	
	CF	0		0	
Risk Management	GF	1,567		1,984	
	CF	0		0	
Capitol Complex Leased Space	GF	47,806		50,169	
	CF	0		0	
Charter School Facilities Financing Services	GF	0		0	
	CF	5,000		5,000	
Treasurer's Discretionary	GF	5,000		5,000	
	CF	0		0	
Total	GF	756,848		792,506	
	CF	811,155		825,458	
		1,568,003		1,617,965	

Federal/State Statutory and Other Authority:

Created in constitution with cash management authority in C.R.S. 24-22-107.

Program Description

Administration of the State Treasury includes banking and investment services for all state agencies as well as operating, personal services, distribution of pots and information technology asset management. The Accounting section also distributes HUTF and Minerals Management moneys as well as other federal pass throughs to cities, counties and state agencies. This section also distributes Tobacco program moneys and investment interest earnings to state agencies. The section is also responsible for the interest free school loan program and the charter school financing program.

**COLORADO STATE TREASURY
PROGRAM CROSSWALK
Unclaimed Property**

Summary Section

Program Title: Unclaimed Property
Change Request(s): None

Estimated Total Funding: 100% Cash Funded

Line Item	FY 2006-07 Appropriation		FY 2007-08 Request	
	Dollars	FTE	Dollars	FTE
Personnel Services	649,947	9.5	665,642	10.0
Operating Expense	116,417		116,417	
Promotion & Correspondence	150,296		150,296	
Leased Space	56,791		46,791	
Contract Auditor Services	800,000		800,000	
Total	1,773,451		1,779,146	

Federal/State Statutory and Other Authority:
 C.R.S. 38-13-101

Program Description

The program was established to locate owners of dormant or abandoned property and and return this property to them.

**COLORADO STATE TREASURY
PROGRAM CROSSWALK
Special Programs**

Summary Section

Program Title: Special Programs
Change Request(s): None

Estimated Total Funding:

Line Item	FY 2006-07 Appropriation		FY 2007-08 Total Request	
	Dollars	FTE	Dollars	FTE
Special Purpose (2)				
Senior Property Tax Exemption	GF	64,600,000	0	65,300,000
CoverColorado	Cash Exempt	12,300,000		17,323,278
Fire & Police Pension - Old Hires	GFE	34,774,141		34,774,141
HUTF Counties	Cash Exempt	152,762,000		160,890,162
HUTF Municipalities	Cash Exempt	100,174,100		103,761,968
	GF	64,600,000		65,300,000
	GFE	34,774,141		34,774,141
	Cash Exempt	265,236,100		281,975,408
Total		364,610,241		382,049,549

Federal/State Statutory and Other Authority:

C.R.S 39-3-201
 C.R.S. 38-13-116.5
 C.R.S 43-4-207 & 208

Program Description

These lines represent payments to counties for the Senior Property Tax Exemption, funding for CoverColorado from the Unclaimed Property Trust Fund, funding for FPPA for their pension funds and monthly distributions of the Highway Users Tax Fund.

COLORADO STATE TREASURY
FY 2007-08 Budget Request

CALCULATIONS AND ASSUMPTIONS FOR LINE ITEMS

LEGAL SERVICES:

	Total Hours Used	Ongoing Usage
FY 2003-04	1,053.50 ¹	461
FY 2004-05	1,189.50 ²	300
FY 2005-06	575.50	576
Average 3 years	939.50	445 ³
FY 07 hrs		445
Common Policy Combined Rate:		
	67.77	67.77
Est FY 07:		30,189

Est hours FY 07:	575	use FY 07 appropriated hours
Est FY 07 X rate	38,968	The Treasury expects to use at least 445 hours of legal services for ongoing needs in FY 07.
Request:	38,968	

1. Includes extraordinary cases involving 593 hours
2. Includes extraordinary cases involving 889 hours
3. Average ongoing usage.

**COLORADO STATE TREASURY
FY 2007-08 Budget Request**

CALCULATIONS AND ASSUMPTIONS FOR LINE ITEMS

HIGHWAY USERS TAX - COUNTIES AND CITIES

Fiscal Year	Total Revenue	% Increase	Paid to Counties	% Increase	City % of Total	% Increase	Paid to Cities	% Increase	City % of Total	% Increase
02	739,703,912		152,674,376		20.64%		100,398,268		13.57%	
		-0.499%		-1.571%		-1.078%		-0.378%		0.122%
03	736,012,068		150,275,510		20.42%		100,019,066		13.59%	
		2.926%		2.360%		-0.550%		1.647%		-1.242%
04	757,545,890		153,822,038		20.31%		101,666,670		13.42%	
		0.834%		1.404%		0.565%		0.509%		-0.321%
05	763,860,847		155,980,977		20.42%		102,184,633		13.38%	
		3.085%		2.438%		-0.628%		2.290%		-0.771%
06	787,427,989		159,784,050		20.29%		104,524,983		13.27%	
	AVG INCREASE 02-06	1.6%				-0.4%		1.0%		-0.55%
					20.41%				13.45%	
			Est City %:		19.99%		Est City %:		12.89%	

Estimated Revenues & Payouts:

	FY 06 Actual Pymts	Est Incr over FY 06	Estimated FY 07 Pymts	
Estimated FY 07 Pymts	159,784,050	1.6%	162,318,832	
	104,524,983	1.6%	106,183,146	
Legislative Council	159,784,050	1.1%	161,541,675	Estimate
	104,524,983	1.1%	105,674,758	(Using Leg Council)
	Total Rev FY 08	Est Incr over FY 06	Est County/City Pymt	
Treasury Estimate	812,411,186	3.2%	162,421,546	
			104,749,595	
Legislative Council	804,751,405	2.2%	160,890,162	Request:
			103,761,968	(Using Leg Council)
				160,890,162 Counties
				103,761,968 Cities

**COLORADO STATE TREASURY
FY 2007-08 REQUEST**

	<u>Total</u>	<u>FTE</u>	<u>GF</u>	<u>GFE</u>	<u>CF</u>	<u>CFE</u>
FY 2006-07 Long Bill	367,951,695	26.0	65,356,848	34,774,141	2,584,606	265,236,100
Change in \$ from Appropriation To Request	17,494,964	0.0	735,658	0	19,998	16,739,308
FY 2007-08 Request	385,446,659	26.0	66,092,506	34,774,141	2,604,604	281,975,408
Percentage Change	4.8%	0.0%	1.1%	0.0%	0.8%	6.3%

Components of Change Between Appropriation and Request:

(1) ADMINISTRATION

FY 06-07 Appropriation

Personal Services	1,179,947	16.0	462,200		717,747	
Group Health & Life	114,120		77,904		36,216	
Short-Term Disability	1,732		1,182		550	
Amortization Equalization Distribution	11,060		7,407		3,653	
Salary Survey	41,641		24,737		16,904	
Operating	107,765		107,765		0	
IT Asset Management	12,568		967		11,601	
Legal Services	38,968		19,484		19,484	
GGCC/Data Center Services	829		829		0	
Risk Management	1,567		1,567		0	
Leased Space	47,806		47,806		0	
Charter School Facilities Financing Services	5,000		0		5,000	
Discretionary Fund	5,000		5,000		0	
	1,568,003	16.0	756,848	0	811,155	0

Change in Estimated Transaction Fees

	0	(5,920)	5,920
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Change in Salary Survey Allocation

	0	1,209	(1,209)
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One-time PS Appropriation in FY 07

	(25,049)	(25,049)	0
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POTS

HLD	8,162	4,308	3,854
S-T Disability	397	254	143
AED	8,593	5,848	2,745
Salary Survey	55,068	36,065	19,003
Performance-based Pay	13,451	8,592	4,859
	85,671	55,067	30,604

Change to Common Policy Allocations

GGCC/Data Center Services	2,255	2,255	0
Risk Mgmt	417	417	0
Capitol Complex Leased Space	2,363	2,363	0
	5,035	5,035	0

Shift from Admin. To UP

Salary Survey	(15,695)	0	(15,695)
IT Asset Mgmt	0	5,317	(5,317)
	(15,695)	5,317	(21,012)

FY 07-08 Request

Personal Services	1,180,844	457,177	723,667
Group Health & Life	122,282	82,212	40,070
Short-Term Disability	2,129	1,436	693
Amortization Equalization Distribution	19,653	13,255	6,398
Salary Survey	55,068	36,065	19,003
Performance-based Pay	13,451	8,592	4,859
Operating	107,765	107,765	0
IT Asset Management	12,568	6,284	6,284
Legal Services	38,968	19,484	19,484

**COLORADO STATE TREASURY
FY 2007-08 REQUEST**

	<u>Total</u>	<u>FTE</u>	<u>GF</u>	<u>GFE</u>	<u>CF</u>	<u>CFE</u>
GCC/Data Center Services	3,084		3,084		0	
Rish Management	1,984		1,984		0	
Leased Space	50,169		50,169		0	
Charter School Facilities Financing Services	5,000		0		5,000	
Discretionary Fund	5,000		5,000		0	
	1,617,965	16.0	792,507	0	825,458	0

(2) SPECIAL PURPOSE

FY 06-07 Appropriation

Senior Citizen Property Tax Exemption	64,600,000		64,600,000			
CoverColorado	12,300,000					12,300,000
Fire & Police Assn-Old Hire Plans	34,774,141			34,774,141		
HUTF-County Pymts	152,762,000					152,762,000
HUTF-Municipality Pymts	100,174,100					100,174,100
	364,610,241		64,600,000	34,774,141	0	265,236,100

Changes

Senior Citizen Property Tax Exemption Reinstated	700,000		700,000			
CoverColorado	5,023,278					5,023,278
HUTF-County Pymts Estimation	8,128,162					8,128,162
HUTF-Municipality Pymts Estimation	3,587,868					3,587,868
	17,439,308		700,000			16,739,308

FY 07-08 Request

Senior Citizen Property Tax Exemption	65,300,000		65,300,000			
CoverColorado	17,323,278					17,323,278
Fire & Police Assn-Old Hire Plans	34,774,141			34,774,141		
HUTF-County Pymts	160,890,162					160,890,162
HUTF-Municipality Pymts	103,761,968					103,761,968
	382,049,549		65,300,000	34,774,141	0	281,975,408

(3) UNCLAIMED PROPERTY

FY 06-07 Appropriation

Personal Services	649,947	10.0			649,947	
Operating	116,417				116,417	
Promotion and Correspondence	150,296				150,296	
Leased Space	56,791				56,791	
Contract Auditor Services	800,000				800,000	
	1,773,451	10.0	0	0	1,773,451	0

Shift from Admin. To UP

Salary Survey	15,695				15,695	
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One-time FY 07 Appropriation

Leased Space	(10,000)				(10,000)	
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FY 07-08 Request

Personal Services	665,642				665,642	
Operating	116,417				116,417	
Promotion and Correspondence	150,296				150,296	
Leased Space	46,791				46,791	
Contract Auditor Services	800,000				800,000	
	1,779,146	10.0	0	0	1,779,146	0

Total Change

	17,494,964	0.0	735,658	0	19,998	16,739,308
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**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
(1) ADMINISTRATION										
PERSONAL SERVICES -ADMINISTRATION										
<u>Position Detail</u>										
State Treasurer	67,462	1.0	68,500	1.0			68,500	1.0	68,500	1.0
Deputy State Treasurer	88,128	1.0	90,768	1.0			91,512	1.0	90,000	1.0
Investment Officer III	96,480	1.0	99,372	1.0			101,364	1.0	101,364	1.0
Investment Officer II	170,136	2.0	175,248	2.0			178,752	2.0	178,752	2.0
Controller III	103,320	1.0	103,428	1.0			0	0.0	0	0.0
Management	0	0.0	0	0.0			103,794	1.0	102,000	1.0
General Professional IV	68,808	1.0	70,872	1.0			72,780	1.0	72,780	1.0
Accounting Tech III	126,036	3.0	129,816	3.0			125,359	3.0	126,408	3.0
Accounting Tech II	25,704	1.0	21,421	0.8			23,314	0.9	25,000	1.0
General Professional III	41,800	1.0	37,586	0.8			43,951	0.9	51,360	1.0
Admin Assistant II	31,590	1.0	33,328	1.0			34,836	1.0	34,920	1.0
Accountant III	140,554	2.0	143,061	2.0			148,584	2.0	148,584	2.0
Accountant II	0	0.0	0	0.0			60,192	1.0	60,192	1.0
Accountant I	52,092	1.0	53,652	1.0			0	0.0	0	0.0
Subtotal	1,012,110	16.0	1,027,052	15.6			1,052,938	15.8	1,059,860	16.0
<u>Other Personal Services</u>										
Pera & Other Retirement Plans	97,743		101,213				106,873		107,576	
Medicare	10,830		11,158				12,543		13,408	
Disability Insurance	0		0							
Termination Leave Payments	541		0				21,340			
Hourly non classified	740		1,000				12,199			
Professional Fees	2,020		21,945							
Paydate Shift	5,470		808							
Sub total	117,344		136,124				152,955		120,984	
Total Personal Services-Administration	1,129,454	16.0	1,163,176	15.6	1,179,947	16.0	1,205,893	15.8	1,180,844	16.0
General Funds	598,610		445,429		462,200		482,226		457,177	
Cash Funds	530,843		717,747		717,747		723,667		723,667	
<u>Difference</u>							0		(0)	
<u>Calc. of Pers Services Approp</u>										
Previous Year Long Bill									1,154,898	
Salary Survey									25,946	
Performance Based Pay									0	
FY 08 Appropriation Calculation									1,180,844	16.0
<u>Reconciliation of Funds</u>										
Long Bill Appropriation	1,097,979	16.0	1,127,412	16.0			1,179,947	16.0		
Special/Supplemental Bills:										
Authorization Subtotal	1,097,979	16.0	1,127,412	16.0			1,179,947	16.0		

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
Allocated Pots										
Salary Survey	22,712		36,265				25,946			
Performance Based Pay	8,843		0				0			
Reversion	(80)		(501)							
TOTAL PERSONAL SVCS-ADMINISTRATION	1,129,454	16.0	1,163,176	15.6			1,205,893	15.8		
GROUP HEALTH & LIFE										
SPS Dental Insurance 1510	4,455		4,393							
SPS Health Insurance 1511	47,516		63,075							
SPS Life Insurance 1512	886		1,277							
CN Dental Insurance 1610	406		299							
CN Health Insurance 1611	6,484		6,284							
CN Life Insurance 1612	80		117							
Total Group Health & Life	59,827		75,445		114,120		114,120		122,282	
General Fund	22,830		52,243		77,904		77,904		82,212	
Cash Funds	36,997		23,202		36,216		36,216		40,070	
Reconciliation of Funds										
Long Bill Appropriation	65,512		84,261							
Special/Supplemental Bills:										
Reversion	(5,685)		(8,816)							
TOTAL GROUP HEALTH & LIFE	59,827		75,445							
SHORT-TERM DISABILITY										
SPS disability 1513	1,922		1,881							
CN disability 1613	233		234							
Total Short Term Disability	2,155		2,115		1,732		1,732		2,129	
General fund	1,142		1,480		1,182		1,182		1,436	
Cash funds	1,013		635		550		550		693	
Reconciliation of Funds										
Long Bill Appropriation	2,230		2,175							
Special/Supplemental Bills:										
Reversion	(75)		(60)							
TOTAL SHORT-TERM DISABILITY	2,155		2,115							
AMORTIZATION EQUALIZATION DISBURSEMENT (AED)										
Total Available	0		3,083		11,060		11,060		19,653	
General Fund	0		2,158		7,407		7,407		13,255	
Cash Funds	0		925		3,653		3,653		6,398	

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
SALARY SURVEY										
Total Available	30,709		45,304		41,641		41,641		55,068	
General Fund	12,037		36,265		24,737		25,946		36,065	
Cash Funds	18,672		9,039		16,904		15,695		19,003	
PERFORMANCE BASED PAY AWARDS										
Total Available	15,591		0		0		0		13,451	
General Fund	4,687		0		0		0		8,592	
Cash Funds	10,904		0		0		0		4,859	
TOTAL AED, SALARY SURVEY AND PERFORMANCE BASED PA	46,300		48,387							
Reconciliation of Funds										
Long Bill Appropriation AED	0		3,083							
Long Bill Appropriation Salary Survey	30,709		45,304							
Long Bill Appropriation Performance Based Pay	15,591		0							
Special/Supplemental Bills:										
Salary Survey Allocation										
Performance Based Pay										
Reversion										
TOTAL AED, SALARY SURVEY AND PERFORMANCE BASED PA	46,300		48,387							
OPERATING EXPENSE - ADMINISTRATION										
Personnel Svcs - Professional	1920	9,215	2,650				1,165		1,165	
Equipment Maintenance	2230	2,051	2,010				2,506		2,506	
Software maintenance/Upgrade	2232	38,963	10,283				7,800		7,800	
Rental/Lease Motor Pool Vehicle	2251	0	0				126		126	
Equipment Rental	2253	19,960	0				49,269		49,269	
IT Equipment Rental	2260	10,374	43,537				0		0	
Travel In-state	2510	450	770				564		564	
IS Pers Vehicle Reimbursement	2513	1,682	1,790				1,905		1,905	
Travel Out-of-state	2530	0	1,146				0		0	
OS Common Carrier Fares	2531	0	1,149				0		0	
Advertising	2610	0	0				200		200	
Comm Svcs from Div of Telecom	2630	15,256	14,364				15,450		15,450	
Communications from outside sources	2631	730	351				850		850	
Other ADP Billings-Purchase Services	2641	2,100	0				400		400	
Insurance, other than emp bene	2660	0	3,384				2,965		2,965	
Printing & Reproduction	2680	4,330	2,787				3,331		3,331	
Other Purchased Services	2820	1,493	4,022				495		495	
Office Moving Purch Svc	2830	170	40				200		200	
Other Supplies & Materials	3110	0	5,219				0		0	
ADP Supplies & Service	3115	1,492	1,221				1,226		1,226	
Purchase/Lease of Software	3116	0	50				396		396	
Books & Subscriptions	3120	3,476	9,127				5,323		5,323	
Office Supplies	3121	3,157	5,457				4,606		4,606	
Postage	3123	4,576	5,187				5,166		5,166	

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
Printing/Copy Supplies	3124	68	660				48		48	
Repair & Maintenance Supplies	3126	395	0				0		0	
Noncapitalized IT - PCs	3140	271	0				0		0	
Noncapitalized IT - Servers	3141	2,195	0				0		0	
Noncapitalized IT - Other	3143	0	563				0		0	
Other Operating Expenses	4100	1,325	1,190				1,399		1,399	
Dues & Memberships	4140	1,635	2,830				1,875		1,875	
Registration Fees	4220	770	1,806				500		500	
Total Operating Expense-Administration	126,134		121,593		107,765		107,765		107,765	
General Fund	66,851		121,593		107,765		107,765		107,765	
Cash Funds	59,283		0		0		0		0	
Reconciliation of Funds										
Long Bill Appropriation	116,731		135,642							
Special/Supplemental Bills:										
SB 05-129	9,455									
HB 06-1234			(14,000)							
Overexpend./(Reversion)	(52)		(49)							
TOTAL OPERATING EXPENSE ADMINISTRATION	126,134		121,593							
INFORMATION TECHNOLOGY										
ASSET MANAGEMENT										
Data Processing Supplies	3115	1,541	0							
Noncapitalized IT - PCs	3140	4,251	8,473							
Noncapitalized IT - Other	3143	0	4,095							
Total Information Technology Asset Management	5,792		12,568		12,568		12,568		12,568	
General Fund	3,070		7,765		967		967		6,284	
Cash Funds	2,722		4,803		11,601		11,601		6,284	
Reconciliation of Funds										
Long Bill Appropriation	5,792		12,568							
Special/Supplemental Bills:										
Overexpend./(Reversion)										
TOTAL INFORMATION TECHNOLOGY ASSET MANAGEMENT	5,792		12,568							

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08		
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	
LEGAL SERVICES			70,133		35,342		38,968		38,968		38,968
General Fund	2690		22,667		16,962		19,484		19,484		19,484
Cash Funds			47,466		18,380		19,484		19,484		19,484
Reconciliation of Funds											
Long Bill Appropriation			20,318		21,268						
Special/Supplemental Bills:											
SB 05-129			49,815								
HB 06-1234					15,234						
Appropriation Transfer											
Overexpend./(Reversion)					(1,160)						
TOTAL LEGAL SERVICES			70,133		35,342						
PURCHASE SERVICES - GGCC/DATA CENTER SVCS			1,216		852		829		829		3,084
General Fund	2640		644		852		829		829		3,084
Cash Funds			572		0		0		0		0
Reconciliation of Funds											
Long Bill Appropriation			3,800		1,166						
Special/Supplemental Bills:											
SB 05-129			(2,584)								
HB 06-1234					(314)						
Overexpend./(Reversion)			0		0						
TOTAL GGCC/DATA CENTER SERVICES			1,216		852						
RISK MANAGEMENT			838		1,288		1,567		1,567		1,984
General Fund	2660		444		1,288		1,567		1,567		1,984
Cash Funds			394		0		0		0		0
Reconciliation of Funds											
Long Bill Appropriation			1,042		2,221						
Special/Supplemental Bills:											
SB 05-129			(204)								
HB 06-1234					(933)						
Overexpend./(Reversion)			0		0						
TOTAL RISK MANAGEMENT			838		1,288						
CAPITOL COMPLEX LEASED SPACE			47,133		46,263		47,806		47,806		50,169
General Fund	2255		24,980		46,263		47,806		47,806		50,169
Cash Funds			22,153		0		0		0		0
Reconciliation of Funds											
Long Bill Appropriation			37,631		46,755						
Special/Supplemental Bills:											
SB 05-129			9,502								
HB 06-1234					(492)						
Overexpend./(Reversion)											
TOTAL CAPITOL COMPLEX LEASED SPACE			47,133		46,263						

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
THIRD PARTY AUDITOR CONTRACT SERVICES	697,429									
General Fund	0									
Cash Funds	697,429									
<u>Reconciliation of Funds</u>										
Long Bill Appropriation	600,000									
Special/Supplemental Bills: SB 05-129	97,429									
Overexpend./(Reversion)										
<u>TOTAL THIRD PARTY AUDITOR CONTRACT SERVICES</u>	697,429									
CHARTER SCHOOL FACILITIES FINANCING SERVICES	3,325		790		5,000		5,000		5,000	
General Fund	0		0		0		0		0	
Cash Funds	3,325		790		5,000		5,000		5,000	
<u>Reconciliation of Funds</u>										
Long Bill Appropriation	5,000		5,000							
Special/Supplemental Bills:										
Overexpend./(Reversion)	(1,675)		(4,210)							
<u>TOTAL CHARTER SCHOOL FACILITIES FINANCING SERVICES</u>	3,325		790							
TREASURER'S DISCRETIONARY FUND	4,915		3,460		5,000		5,000		5,000	
General fund	2,605	4100	3,460		5,000		5,000		5,000	
Cash Fund	2,310		0		0		0		0	
<u>Reconciliation of Funds</u>										
Long Bill Appropriation	5,000		5,000							
Overexpend./(Reversion)	(85)		(1,540)							
<u>TOTAL TREASURER'S DISCRETIONARY FUND</u>	4,915		3,460							
TOTAL- (1) ADMINISTRATION	2,148,351	16.0	1,465,975	15.6	1,568,003	16.0	1,552,308	15.8	1,617,965	16.0
General Fund	743,845		699,493		756,848		752,137		792,506	
Cash Fund	1,404,506		766,482		811,155		800,171		825,458	
Cash Funds Exempt	0		0		0		0		0	

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
(2) SPECIAL PURPOSE										
SENIOR CITIZEN PROPERTY TAX EXEMPTION	0		0		64,600,000		64,600,000		65,300,000	
General Fund	0		0		64,600,000		64,600,000		65,300,000	
Cash Fund	0		0		0		0		0	
Cash Funds Exempt	0		0		0		0		0	
Reconciliation of Funds										
Long Bill Appropriation										
Special/Supplemental Bills:										
Overexpend./.(Reversion)										
TOTAL SENIOR CITIZEN PROPERTY TAX EXEMPTION	0		0							
COVER COLORADO	0		7,232,579		12,300,000		9,315,777		17,323,278	
General Fund	0		0		0		0		0	
Cash Fund	0		0		0		0		0	
Cash Funds Exempt	0		7,232,579		12,300,000		9,315,777		17,323,278	
Reconciliation of Funds										
Long Bill Appropriation					16,500,000					
Special/Supplemental Bills:										
Overexpend./.(Reversion)					(9,267,421)					
TOTAL COVER COLORADO	0		7,232,579							
FIRE & POLICE ASSN-OLD HIRE PLANS	0		25,321,079		34,774,141		34,774,141		34,774,141	
General Fund	0	5570	25,321,079		0		0		0	
General Fund-Exempt	0		0		34,774,141		34,774,141		34,774,141	
Cash Funds	0		0		0		0		0	
Cash Funds Exempt	0		0		0		0		0	
Reconciliation of Funds										
Long Bill Appropriation					25,321,079					
Special/Supplemental Bills:										
Total Fire & Police Assn-Old Hire Plans	0		25,321,079							
HUTF-COUNTY PAYMENTS	155,980,977		159,784,050		152,762,000		152,762,000		160,890,162	
General Funds	0		0		0		0		0	
Cash Funds	0		0		0		0		0	
Cash Funds Exempt	155,980,977	5520	159,784,050		152,762,000		152,762,000		160,890,162	
Reconciliation of Funds										
Long Bill Appropriation	157,940,000		158,882,623							
Supplementals										
Additional Spending Authority			901,427							
Reversions	(1,959,023)									
Total HUTF-County Payments	155,980,977		159,784,050							

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
HUTF-MUNICIPALITY PAYMENTS	102,184,633		104,524,983		100,174,100		100,174,100		103,761,968	
General Funds	0		0		0		0		0	
Cash Funds	0		0		0		0		0	
Cash Funds Exempt	5510		104,524,983		100,174,100		100,174,100		103,761,968	
Reconciliation of Funds										
Long Bill Appropriation	103,687,000		104,232,809							
Supplementals										
Additional Spending Authority			292,174							
Reversions	(1,502,367)									
Total HUTF-Municipality Payments	102,184,633		104,524,983							
TOTAL - (2) SPECIAL PURPOSE	258,165,610		296,862,691		364,610,241		361,626,018		382,049,549	
General Fund	0		25,321,079		64,600,000		64,600,000		65,300,000	
General Fund-Exempt	0		0		34,774,141		34,774,141		34,774,141	
Cash Fund	0		0		0		0		0	
Cash Funds Exempt	258,165,610		271,541,612		265,236,100		262,251,877		281,975,408	

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
(3) UNCLAIMED PROPERTY										
PERSONAL SERVICES-UNCLAIMED PROPERTY										
Position Detail										
General Professional VI	88,884	1.0	91,548	1.0			94,020	1.0	94,020	1.0
General Professional IV	64,788	1.0	66,732	1.0			68,532	1.0	68,532	1.0
Program Assistant I	38,659	0.9	30,634	0.7			44,038	1.0	45,852	1.0
Admin Assistant II	54,803	2.1	68,536	2.4			76,764	2.6	88,728	3.0
Admin Assistant III	29,736	1.0	30,624	1.0			32,544	1.0	32,544	1.0
Auditor IV	72,648	1.0	74,832	1.0			76,332	1.0	76,332	1.0
Auditor II	100,136	2.0	59,974	1.2			92,907	1.8	105,264	2.0
Subtotal	449,654	9.0	422,880	8.3			485,137	9.4	511,272	10.0
Other Personal Services										
Pera	43,859		41,393				49,241		51,894	
Medicare	6,266		5,913				7,034		7,413	
Disability Insurance	0		0							
Termination Leave Payments	0		2,747							
Professional Fees	4,860		25,000							
Hourly non classified	118,805		146,663				124,229		95,062	
Sub Total	173,790		221,716				180,505		154,370	
Total Personal Services-Unclaimed Property	623,444	9.0	644,596	8.3	649,947	10.0	665,642	9.4	665,642	10.0
General Fund	0		0		0		0		0	
Cash Funds	623,444		644,596		649,947		665,642		665,642	
Difference							0		0	
Personal Services Detail Total	623,444		644,596		649,947				665,642	10.0
Calc. of Pers Services Approp										
Previous Year Long Bill									649,947	
Salary Survey									15,695	
Performance Based Pay									0	
Subtotal									665,642	
FY 08 Appropriation Calculation									665,642	10.0
Reconciliation of Funds										
Long Bill Appropriation	608,719	9.5	622,217	9.5			649,947	10.0		
Special/Supplemental Bills:										
HB 05-1044			13,391	0.5						
Overexpend./(Reversion)	(20)		(51)							
Authorization Subtotal	608,699	9.5	635,557	10.0			649,947	10.0		
Allocated Pots										
Sal Survey Allocation	7,997		9,039				15,695			
Performance Based Pay Allocation	6,748		0				0			
TOTAL PERS SVCS-UNCLAIMED PROPERTY	623,444	9.0	644,596	8.3			665,642			

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
OPERATING-UNCLAIMED PROPERTY										
Professional Svcs	1,920	10,140	2,000				0		0	
Equipment Maintenance	2230	106	1,392				0		0	
Rental of Buildings	2255	1,448	1,662				0		0	
Travel-in State	2510	0	324				783		783	
IS Pers Vehicle Reimbursement	2513	372	1,353				574		574	
Travel-Out of State	2530	539	772				1,587		1,587	
OS Common Carriers	2531	780	1,007				1,562		1,562	
OS Personal Travel Per Diem	2532	0	138				0		0	
Advertising & Publicity	2610	97,783	129,116				0		0	
Telephone	2630	13,222	28,758				12,413		12,413	
Communications Services - Outside Sources	2631	3,178	1,188				1,824		1,824	
Other ADP Billing	2641	15,200	3,800				26,274		26,274	
Printing & Reproduction	2680	6,461	13,326				11,743		11,743	
Legal Services	2690	8,312	0				0		0	
Freight	2810	83	0				0		0	
Other Purchased Services	2820	0	0				99		99	
Office Moving-Pur Services	2830	0	0				225		225	
Storage-Pur Serv	2831	0	14				0		0	
Data Processing Supplies & Services	3115	2,004	3,457				1,311		1,311	
Purchase/Lease of Software	3116	1,242	998				145		145	
Library Books,Periodicals and Subs	3120	83	260				547		547	
Office Supplies	3121	4,014	6,617				2,286		2,286	
Postage	3123	28,447	40,974				53,488		53,488	
Printing/Copy Supplies	3124	402	(913)				35		35	
Repair & Maintenance Supplies	3126	0	0				533		533	
Other Operating Expenses	4100	212	89				488		488	
Dues and Memberships	4140	475	0				250		250	
Registration Fees	4220	2,100	325				250		250	
Total operating U. P.		196,603	236,657				116,417		116,417	
Total Operating - Unclaimed Property		196,603	236,657			116,417	116,417		116,417	
General Funds		0	0			0	0		0	
Cash Funds		196,603	236,657			116,417	116,417		116,417	
Reconciliation of Funds										
Long Bill Appropriation		196,617	234,767							
Special/Supplemental Bills:										
HB 05-1044			1,895							
Reversions		(14)	(5)							
TOTAL OPERATING UNCLAIMED PROPERTY		196,603	236,657							

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
PROMOTION AND CORRESPONDENCE	0		0		150,296		150,296		150,296	
General Funds	0		0		0		0		0	
Cash Funds	0		0		150,296		150,296		150,296	
<u>Reconciliation of Funds</u>										
Long Bill Appropriation										
Reversions										
<u>TOTAL PROMOTION AND CORRESPONDENCE</u>	0		0							
LEASED SPACE-UNCLAIMED PROPERTY	74,693		77,942		56,791		56,537		46,791	
General Funds	0	2255	0		0		0		0	
Cash Funds	74,693		77,942		56,791		56,537		46,791	
<u>Reconciliation of Funds</u>										
Long Bill Appropriation	74,693		77,942							
Reversions	0		0							
<u>TOTAL LEASED SPACE-UNCLAIMED PROPERTY</u>	74,693		77,942							
CONTRACT AUDITOR SERVICES	0		800,000		800,000		800,000		800,000	
General Fund	0		0		0		0		0	
Cash Funds	0		800,000		800,000		800,000		800,000	
<u>Reconciliation of Funds</u>										
Long Bill Appropriation			800,000							
Special/Supplemental Bills:										
Overexpend./(Reversion)										
<u>TOTAL CONTRACT AUDITOR SERVICES</u>	0		800,000							
TOTAL - (3) UNCLAIMED PROPERTY	894,740	9.0	1,759,195	8.3	1,773,451	10.0	1,788,892	9.4	1,779,146	10.0
General Funds	0		0		0		0		0	
Cash Funds	894,740		1,759,195		1,773,451		1,788,892		1,779,146	
Cash Funds Exempt	0		0		0		0		0	

**COLORADO STATE TREASURY
SCHEDULE 3
PROGRAM DETAIL**

ITEM	Actual FY 2004-05		Actual FY 2005-06		Approp FY 2006-07		Estimate FY 2006-07		Request FY 2007-08		
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	
(4) FIRE AND POLICE PENSION											
VOLUNTEER FIREFIGHTERS RETIREMENT											
General Funds	5570	0		0							
Cash Funds		0		0							
Reconciliation of Funds											
Long Bill Appropriation		3,760,894									
Special/Supplemental Bills:											
SB 05-129		(3,760,894)									
Total Volunteer Firefighters Retirement		0		0							
VOLUNTEER DEATH & DISABILITY											
General Funds	5570	0		0							
Cash Funds		0		0							
Reconciliation of Funds											
Long Bill Appropriation		30,000									
Supplementals											
SB 05-129		(30,000)									
Reversions											
Total Volunteer Death & Disability		0		0							
TOTAL- (4) FIRE & POLICE PENSION		0		0		0		0		0	
General Funds		0		0		0		0		0	
Cash Funds		0		0		0		0		0	
TOTAL PROGRAM - TREASURY											
Total Funds		261,208,701	25.0	300,087,861	23.9	367,951,695	26.0	364,967,218	25.2	385,446,659	26.0
General Funds		743,845	16.0	26,020,572	15.6	65,356,848	16.0	65,352,137	15.8	66,092,506	16.0
General Funds Exempt		0	0.0	0	0.0	34,774,141	0.0	34,774,141	0.0	34,774,141	0.0
Cash Funds		2,299,246	9.0	2,525,677	8.3	2,584,606	10.0	2,589,063	9.4	2,604,604	10.0
Cash Funds Exempt		258,165,610	0.0	271,541,612	0.0	265,236,100	0.0	262,251,877	0.0	281,975,408	0.0

COLORADO STATE TREASURY
SOURCE OF FUNDING
Schedule 4

Source of Revenue	Fund Number	Actual FY 2004-05	Actual FY 2005-06	Approp. FY 2006-07	Estimate FY 2006-07	Request FY 2007-08
Schedule 3 Total		261,208,701	300,087,861	367,951,695	364,967,218	385,446,659
GF		743,845	26,020,572	65,356,848	65,352,137	66,092,506
GFE		0	0	34,774,141	34,774,141	34,774,141
CF		2,299,246	2,525,677	2,584,606	2,589,063	2,604,604
CFE		258,165,610	271,541,612	265,236,100	262,251,877	281,975,408
FF		0	0	0	0	0
Fund Lists						
Cash Funds (List each)						
Cash Mgmt Transaction Fees	100	657,675	717,747	717,747	723,667	723,667
Unclaimed Property Trust Fund	827	1,638,246	1,807,140	1,861,859	1,860,396	1,875,937
Charter School Financing Admin. Cash Fund	17F	3,325	790	5,000	5,000	5,000
Cash Funds Exempt (List each)						
HUTF	405	258,165,610	264,309,033	252,936,100	252,936,100	264,652,130
CoverColorado	827	0	7,232,579	12,300,000	9,315,777	17,323,278
Federal Funds (List each)						

COLORADO STATE TREASURY – INFORMATION TECHNOLOGY

ARS
IT Architecture Review Scorecard FY06-07

1. Department:	Treasury - Unclaimed Property Division			
2. Scope: (select one)	Agency	Project	Procurement	Other (specify below):
	X			
3. Target Name:				

4. Summary				
	Number Compliant	Total Possible	Percentage Compliant	Comments
Network	8	11	73%	Please note that many of these items are not applicable to small departments.
Datacenter	6	7	86%	
Web Access	1	2	50%	For example, Treasury depends on the Computer Center for email and web access.
Email	3	3	100%	
Identity Mgt	0	1	0%	
Database	1	4	25%	
Application	5	5	100%	
Security	6	8	75%	
Overall	30	41	73%	

5. Data Worksheet							
Network (7.1)	Yes	No	N/A	Email (7.4)	Yes	No	N/A
IP Network	X			SMTP			X
IP Address Alloc	X			POP /IMAP			X
Local Net Unroutable	X			MIME			X
Routing			X	Identity Mgmt. (7.5)	Yes	No	N/A
DNS	X			LDAP		X	
Reverse Proxy			X	Database (7.6)	Yes	No	N/A
DHCP	x			ODBC / JDBC		X	
VPN	x			SQL	x		
Firewall	x			RDBMS	X		
Wireless Access		X		RDBMS Admin Security	X		
Network Admin Security	X			Application (7.7)	Yes	No	N/A
Datacenter (7.2)	Yes	No	N/A	n-Tier			X
Services			X	Tool SW Dev			X
Environmentals			X	OOA / OOD			X
Network Access			X	UML			X
Physical Security			X	Config. Mgmt			X
Network Security			X	Security (7.8)	Yes	No	N/A
Backup			X	Encryption	X		
Bus. Continuance		X		IDS	X		
Web Access (7.3)	Yes	No	N/A	Anti-Virus	X		
HTML	X			Wireless		X	
XML		X		DMZ			X
				Auth / Auth / Acc.	X		
				Sys. Admin Security	X		
				SSL	X		

IT Sch2000
IT System Profiles Summary
FY06-07

This schedule is intended to provide an overview of the department's inventory of communication and information technology systems. It summarizes the profiles – including some business and technical characteristics – for each individual system.

Name	Architecture						Role		Services		Other systems			
	User Interface	Database	Application Language	Computing Platform	Network	Facility	Critical	Mission Essential	Disaster Recovery	ID Mgmt/ Directory	Pmt	D	S	E
A	B	C	D	E	F	G	H	I	J	K	L	M		
Bloomberg	Web Browse	Other Unknown	Other Unknown	Other Unknown	Internet	Outsourced	N	Y	Other Unknown	Enterprise	N			Y
Unclaimed Property System	Windows	SQL Svr	Other Unknown	Wintel	LAN	Agency DC	N	Y	Data backup	Resident	N			

IT Staffing Requirements Summary: Quantity - Estimate Year

FY06-07

This schedule is intended to provide a summary of the department's total IT human capital - all IT-related state employees and contractors - by quantity as allocated across the department's inventory of individual projects and systems.

														Total Department FTE:	
A	B							C							D
IT Activities	IT <u>Employees</u> FY06-07							IT <u>Contractors</u> FY06-07							Totals
	Project Mgmt	Programmer - DBA & AD	Network	Analyst	Help desk/ support	Other	Sub-totals	Project Mgmt	Programmer - DBA & AD	Network	Analyst	Help desk/ support	Other	Sub-totals	
I. Projects (new systems or enhancements to existing systems)															
							0.0							0.0	0.0
NONE							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
							0.0							0.0	0.0
Sub-totals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

IT Sch4000
FY05-06

IT Asset Inventory Summary

This schedule is intended to provide a high-level, comprehensive overview of the department's IT assets and their associated costs including those for replacement, recurring maintenance, as well as administration and support.

IT Asset Category	IT Asset Sub Category	Quantity of Units	Deployment/Replacement			Ownership	Category TOTAL (F+G)	Forecast Expenses
			Total Current Value (replacement cost)	Average Lifecycle	Annual Amortized Cost (D/E)	Annual Maintenance Costs		
A	B	C	D	E	F	G	H	I
Facilities	X	# computer rooms w/ A/C: # Fire Suppression: # Security:			\$0		\$0	
IT Hardware - Workstations	X	Total # of workstations: 34	\$27,510	4	\$6,878	\$0	\$6,878	\$0
	Heavy (PC/Laptop)	# of PCs: 29 # of Laptops: 5	\$27,510	4	\$6,878		\$6,878	
	Thin (PDA/cell phone/pager)	# of PDAs: # cell phones: # pagers: # of other (describe):		3	\$0		\$0	
IT Hardware - Servers	X	Total # of server boxes: 2	\$8,240	4	\$2,060		\$2,060	
	Application Functions	# of servers that perform application functions:	X					
	Database Functions	# of servers that perform DB functions:						
	Web Functions	# of servers that perform web functions:						

IT Asset Category	IT Asset Sub Category	Quantity of Units	Deployment/Replacement			Ownership	Category TOTAL (F+G)	Forecast Expenses						
			Total Current Value (replacement cost)	Average Lifecycle	Annual Amortized Cost (D/E)	Annual Maintenance Costs								
A	B	C	D	E	F	G	H	I						
IT Hardware - Printers	 	Total # of printers: 12	\$18,000	5	\$3,600		\$3,600							
IT Hardware - Networks	 	Total # of network devices:		5	\$0		\$0							
	Connectivity	# of hubs/switches:	 											
	Security	# of Firewalls												
# of IDS Devices # of Routers														
IT Hardware - Other Components	 	# of scanners: 2 # of plotters: # of other (describe)	\$2,000	5	\$400		\$400							
Software	 	Total # of software licenses/purchases	\$12,290	3	\$4,097		\$4,097							
	GIS	Total # of GIS licenses:	 											
Totals									\$68,040	26	\$17,034	\$0	\$17,034	\$0
IT Base Budget:														
Program Base Budget:														
Other:			\$17,034		\$0	\$0	\$17,034	\$0						

If the amounts on this last line are > 0, provide explanation in the IT Sch4010

IT Sch4010
IT Asset Mgmt Plan Framework FY06-07

This schedule is intended to describe the department's objectives, policies, and resources focused on supporting the decisions necessary to manage all IT assets throughout their entire lifecycle.

Department: Treasury

1. Plan Description
Replace oldest system components based on established lifecycles.

2. Deployment/Replacement
Processes: Track inventory including description, cost, purchase date, and subsequent replacement date.
Tools: ACCESS database

3. Staffing (help desk support)
Processes:
Tools:

4. Ownership (administration and maintenance)
Processes: Staff makes suggestions based on operational needs, and Deputy Treasurer approves or disapproves.
Tools:

5. Architecture		Primary Component description	
User	HW: desktops	Treasury has no plans to change the current architecture as described on Schedule 4000.	
	SW: interface		
Applications	Other		
	database		
	directory		
	e-mail		
	productivity		
	Security		anti-spyware
			anti-virus
			central event log analysis
		patch mgmt	
		vulnerability mgmt	
Data			

5. Architecture	Primary Component description
Computing / Servers	
Network	
Facilities	

6. Standards	Lifecycle	Source
Facilities		
Network	5	OIT guidelines adapted for the department
Printers	5	
Scanners	5	
Servers	4	
Software	applications	3
	database	3
	directory	3
	e-mail	3
	OS	3
	productivity	3
Workstations - heavy	desktops	4
	laptops	4
Workstations - thin	3	

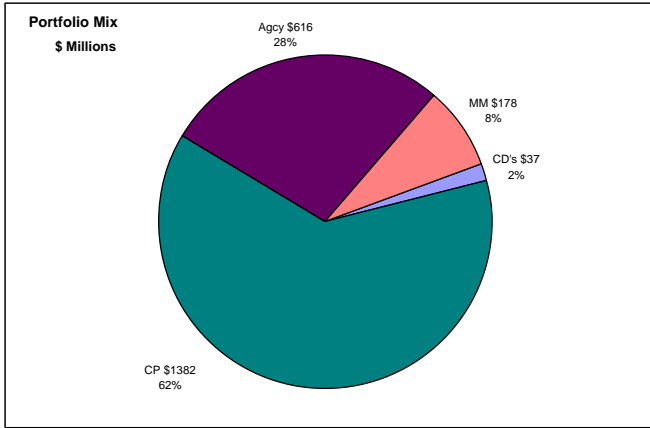
Comments:

APPENDIX

Footnote Responses

#119 – State Treasury Investment Reports as of 9/30/06

Colorado Treasury Cash
(0 - 1 year maturities)
September 30, 2006



Portfolio Value

Market Value \$2,212.8 Million
Book Value \$2,212.8 Million

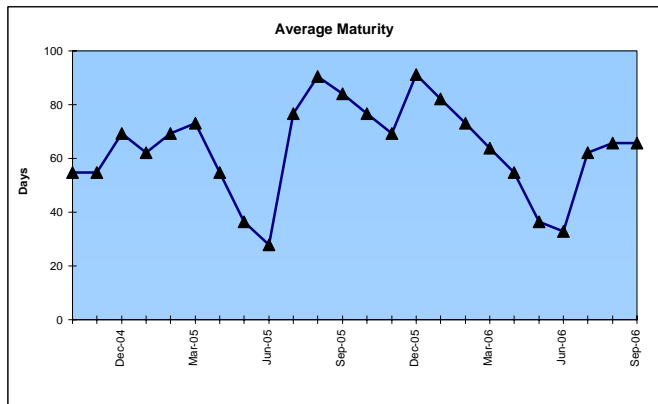
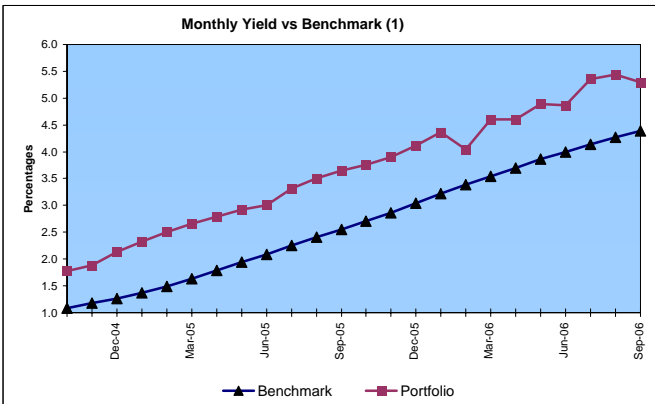
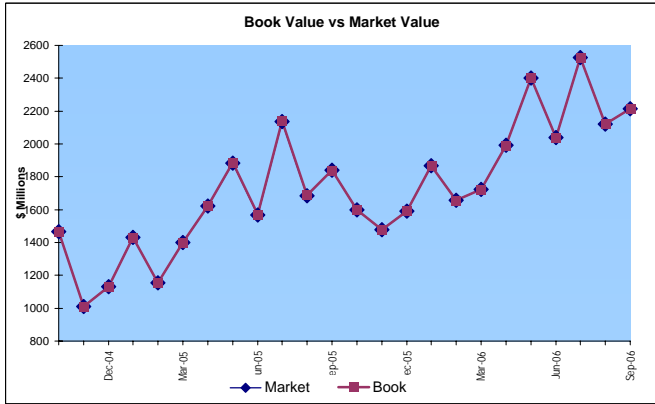
Yield and Average Maturity

Portfolio Book Yield 5.4%
Portfolio Average Maturity 66 Days

Portfolio Quality

	AAA	AA	A	Other	Portfolio Percent
Commercial Paper	17.6%	16.5%	36.2%	29.7% *	62.5%
Federal Agencies	100.0%				27.8%
Certificates of Deposit				100.0%	1.7%
Money Market Funds				100.0%	8.0%
Total Portfolio	38.8%	10.3%	22.5%	28.3%	100.0%

* The senior debt of the issuers are Ba1 & B1, but the asset backed commercial paper programs are rated A1+ , P1.



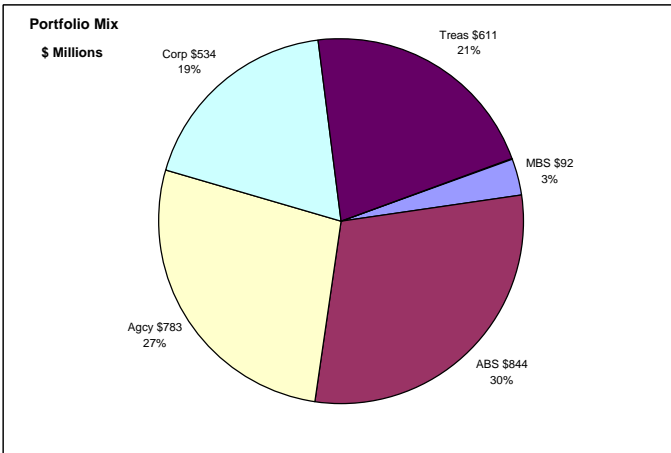
	\$ Millions			
	Average Portfolio	Interest Income	Book Yield	Performance Benchmarks (2)
FY '07 YTD	2,310.6	31.0	5.4%	4.4%
Last 12 months	2,001.4	93.7	4.7%	4.4%
FY '06	1,911.2	79.9	4.2%	4.0%
FY '05	1,595.8	34.9	2.2%	2.1%
FY '04	1,326.8	14.1	1.1%	0.9%
FY '03	820.6	14.2	1.7%	1.3%
FY '02	637.6	17.1	2.7%	2.5%
Avg FY '02-'06	1,258.4	32.0	2.4%	2.2%

(1)12 month moving average of the 30 day Treasury bill
(2)12 month moving average of the 30 day Treasury bill at end of period

Colorado Treasury Pool

(1 - 5 year maturities)

September 30, 2006



Portfolio Value

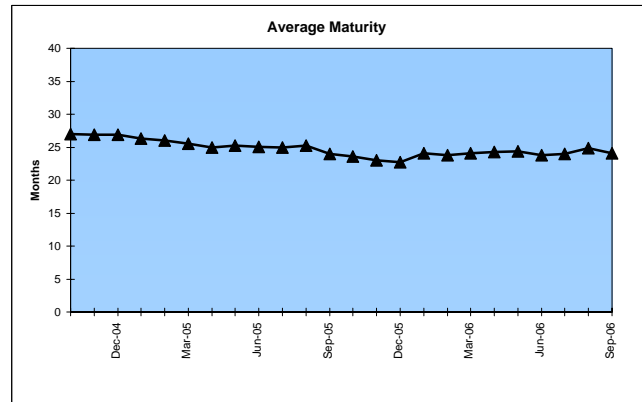
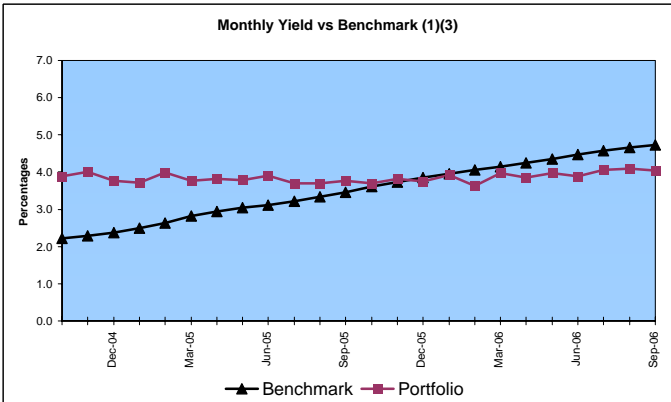
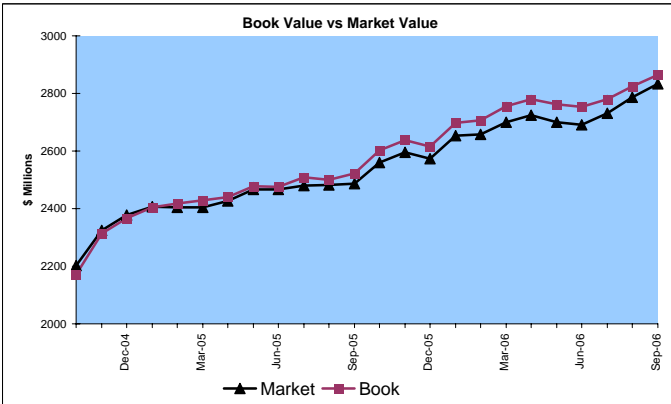
Market Value \$2,832.7 Million
Book Value \$2,863.7 Million

Yield and Average Maturity

Portfolio Book Yield 4.1%
Portfolio Average Maturity 24.1 Months

Portfolio Quality

	AAA	AA	A	BBB	Portfolio Percent
Asset Backed	100.0%				29.5%
Corporates	8.9%	44.0%	46.5%	0.6%	18.7%
Mortgage Securities	100.0%				3.2%
Treasuries	100.0%				21.3%
Federal Agencies	100.0%				27.3%
Total Portfolio	83.0%	8.2%	8.7%	0.1%	100.0%



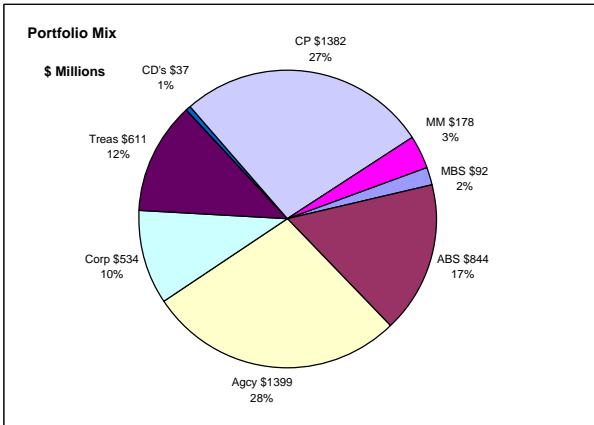
	\$ Millions		Book Yield	Performance Benchmarks (2)
	Average Portfolio	Interest Income		
FY '07 YTD	2,803.7	29.0	4.1%	4.7%
Last 12 months	2,713.0	107.5	3.9%	4.7%
FY '06	2,639.7	102.6	3.8%	4.5%
FY '05	2,267.9	90.9	4.0%	3.1%
FY '04	1,516.7	77.5	5.1%	1.9%
FY '03	1,899.0	109.9 ³	5.8%	1.8%
FY '02	2,520.5	159.2	6.3%	3.2%
Avg FY '02-'06	2,168.8	108.0	5.0%	2.9%

(1)12 month moving average of the constant maturity yield on the 2 year Treasury note

(2)12 month moving average of the constant maturity yield on the 2 year Treasury note at end of period

(3) Net of \$40.8 million in extraordinary gains on the sale of investments at the end of FY 2002-03.

Colorado Treasury Pool Combined September 30, 2006



Portfolio Value

Market Value \$5,045.5 Million
Book Value \$5,076.5 Million

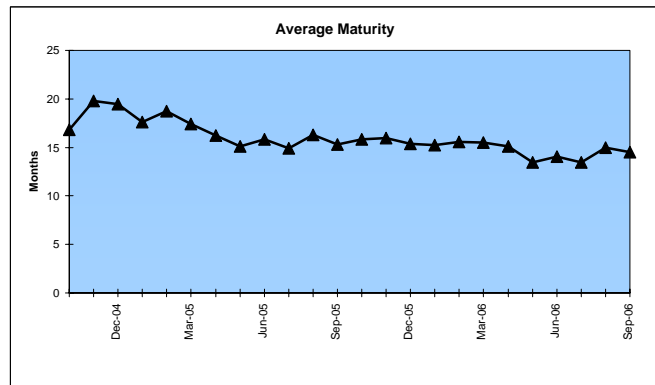
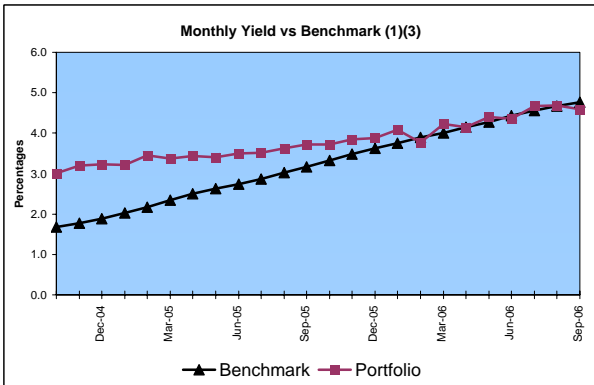
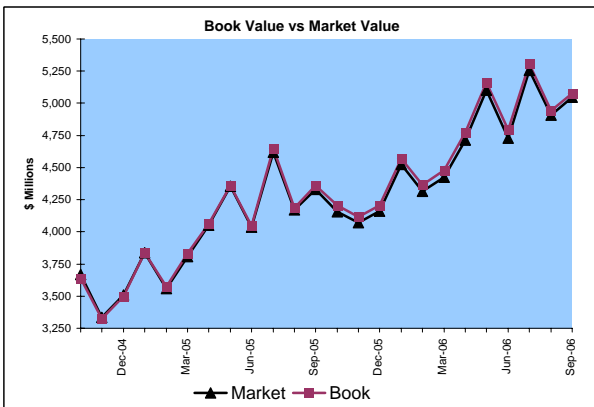
Yield and Average Maturity

Portfolio Book Yield 4.6%
Portfolio Average Maturity 14.5 Months

Portfolio Quality

	AAA	AA	A	BBB	Other	Portfolio Percent
Asset Backed	100.0%					16.6%
Corporates	8.9%	44.0%	46.5%	0.6%		10.5%
Mortgage Securities	100.0%					1.8%
Bankers' Acceptance					29.7% *	27.2%
Commercial Paper	17.6%	16.5%	36.2%			12.1%
Treasuries	100.0%					27.6%
Federal Agencies	100.0%					0.7%
Certificates of Deposit					100.0%	3.5%
Money Market Funds					100.0%	3.5%
Total Portfolio	63.8%	9.1%	14.7%	0.1%	12.3%	100.0%

* The senior debt of the issuers are Ba1 & B1, but the asset backed commercial paper programs are rated A1+ , P1.



	\$ Millions		Book Yield	Performance Benchmarks (2)
	Average Portfolio	Interest Income		
FY '07 YTD	5,114.3	59.9	4.6%	4.8%
Last 12 months	4,714.4	201.3	4.3%	4.8%
FY '06	4,550.8	182.4	4.0%	4.4%
FY '05	3,863.7	125.8	3.3%	2.7%
FY '04	2,843.5	91.6	3.2%	1.4%
FY '03	2,719.6	124.1 ³	4.6%	1.5%
FY '02	3,158.1	176.3	5.6%	2.6%
Avg FY '02-'06	3,427.1	140.0	4.1%	2.5%

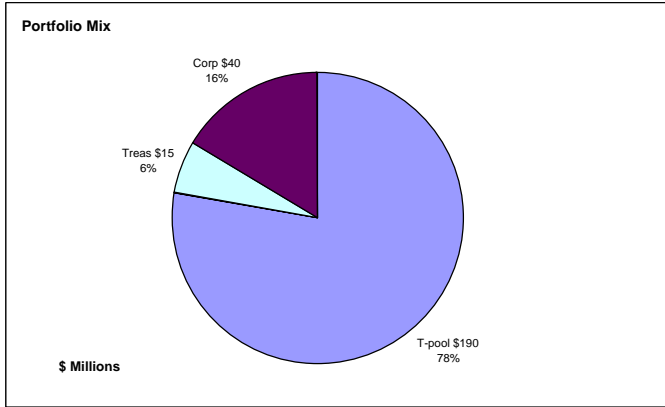
(1) 12 month moving average of the constant maturity yield on the 1 year Treasury note

(2) 12 month moving average of the constant maturity yield on the 1 year Treasury note at end of period

(3) Net of \$40.8 million in extraordinary gains on the sale of investments at the end of FY 2002-03.

Colorado State Education Fund

September 30, 2006



Portfolio Value

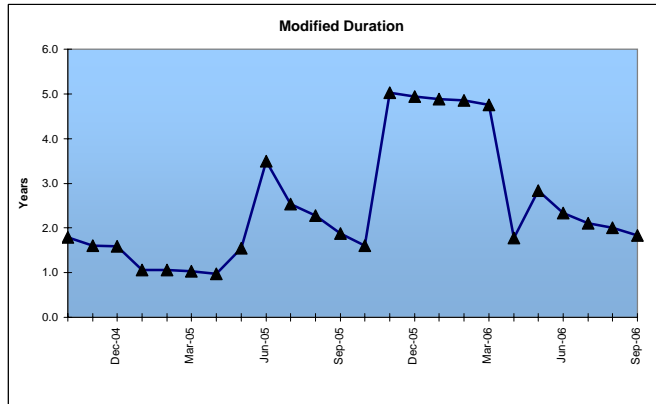
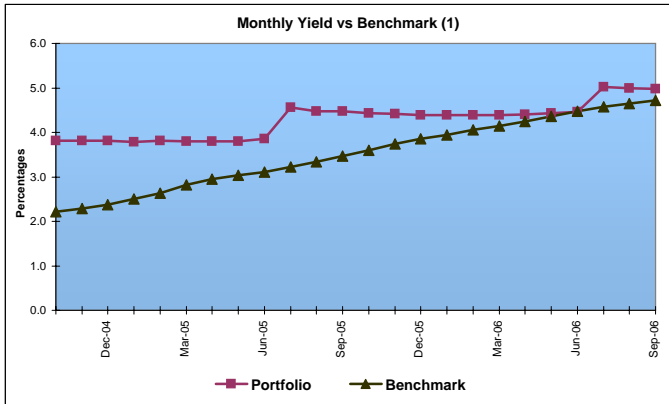
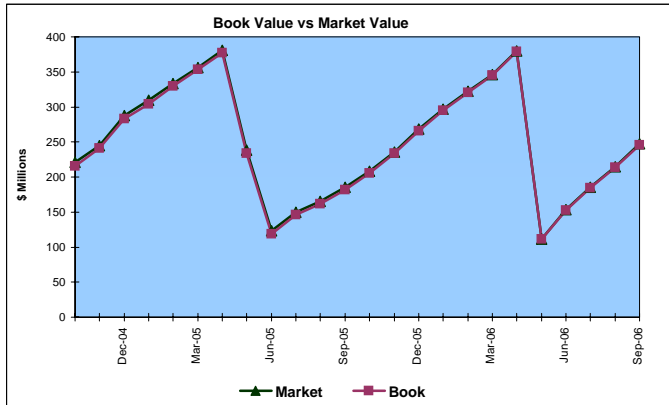
Market Value \$247.2 Million
Book Value \$245.4 Million

Yield and Average Maturity

Portfolio Book Yield 5.0%
Portfolio Average Duration 1.8 Yrs

Portfolio Quality

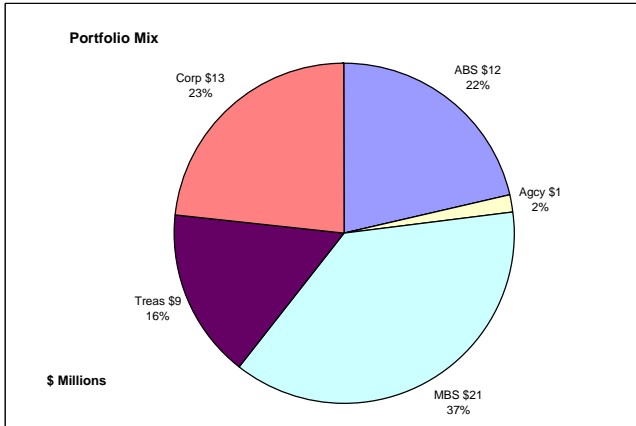
	AAA	AA	A	BBB	Portfolio Percent
Asset Backed Corporates	12.5%	50.3%	37.2%		16.3%
Mortgage Securities					
Treasuries	100.0%				6.0%
Federal Agencies					
T-Pool	83.0%	8.2%	8.7%	0.1%	77.7%
Total Portfolio	72.5%	14.6%	12.8%	0.1%	100.0%



	\$ Millions		Book Yield	Performance Benchmarks (2)
	Average Portfolio	Interest Income		
FY '07 YTD	181.9	2.3	5.0%	4.7%
Last 12 months	220.1	10.0	4.6%	4.7%
FY '06	209.3	9.3	4.5%	4.5%
FY '05	234.9	9.1	3.9%	3.1%
FY '04	168.4	8.4 ⁴	5.0%	4.3%
FY '03	374.8	20.9 ³	5.6%	3.9%
Avg FY '03-'06	246.9	11.9	4.7%	4.0%
FY '02	284.4	16.3	5.7%	5.0% First Investments 8/01

- (1) Latest 12 month average of the constant maturity yield on the 10 year Treasury note through 6/30/03.
* Effective July 2003, changed to latest 12 month average of the constant maturity yield on the 2 year Treasury note due to a legislative decision to change the long-term cash flows of the State Education Fund.
- (2) Latest 12 month average of the constant maturity yield on the 10 year Treasury note at end of period through 6/30/03.
* Effective July 2003, changed to latest 12 month average of the constant maturity yield on the 2 year Treasury note due to a legislative decision to change the long-term cash flows of the State Education Fund.
- (3) Net of \$15.6 million in extraordinary gains on sale of investments in June 2003.
- (4) Net of \$5.44 million in extraordinary gains on sale of investments in November 2003.

Colorado Major Medical Insurance Fund September 30, 2006



Portfolio Value

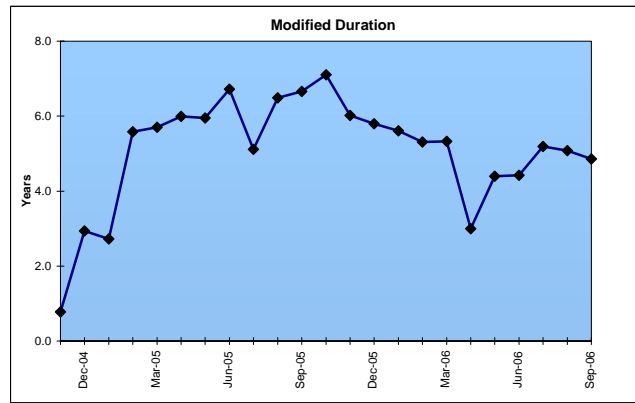
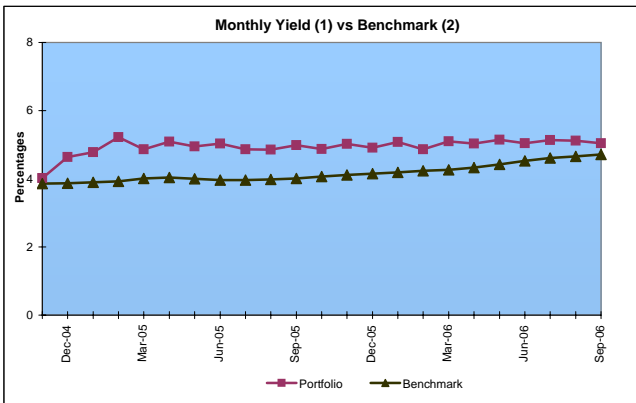
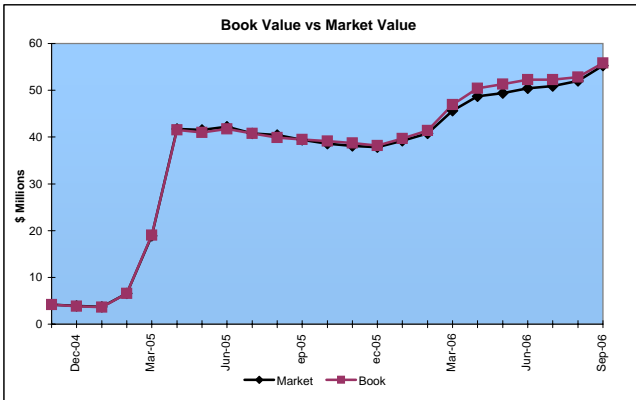
Market Value \$55.3 Million
Book Value \$55.8 Million

Yield and Duration

Portfolio Book Yield 4.9%
Portfolio Modified Duration 4.9 Yrs

Portfolio Quality

	AAA	AA	A	BBB	Portfolio Percent
Asset Backed	100.0%				21.5%
Corporates	11.5%	30.8%	57.7%		23.3%
Federal Agencies	100.0%				1.6%
Mortgage Securities	100.0%				37.5%
Treasuries	100.0%				16.1%
Total Portfolio	79.4%	7.2%	13.4%		100.0%

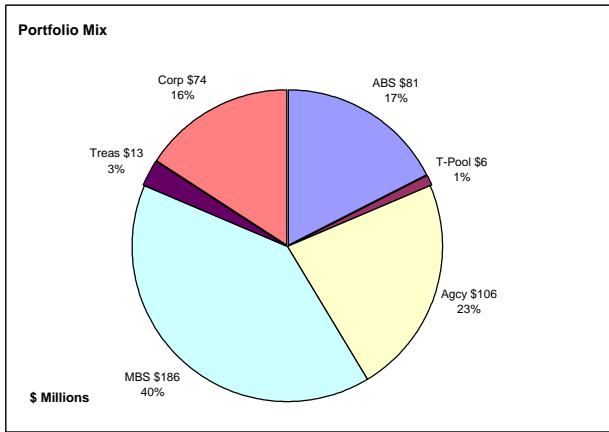


	\$ Millions		Book Yield	Performance Benchmarks (3)
	Average Portfolio	Interest Income		
FY '07 YTD	66.7	0.8	4.9%	4.7%
Last 12 months	56.0	2.7	4.8%	4.7%
FY '06	49.4	2.3	4.7%	4.5%
FY '05	16.3	0.5	5.0%	4.0% First Investments 11/04

- (1) Does not include State Treasury Pool balances in calculation.
- (2) 12 month moving average of the constant maturity yield on the 7 year Treasury note.
- (3) 12 month moving average of the constant maturity yield on the 7 year Treasury note at end of period.

Colorado Public School Permanent Fund

September 30, 2006



Portfolio Value

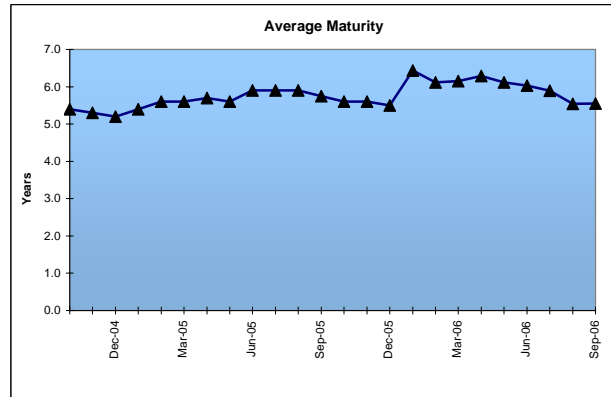
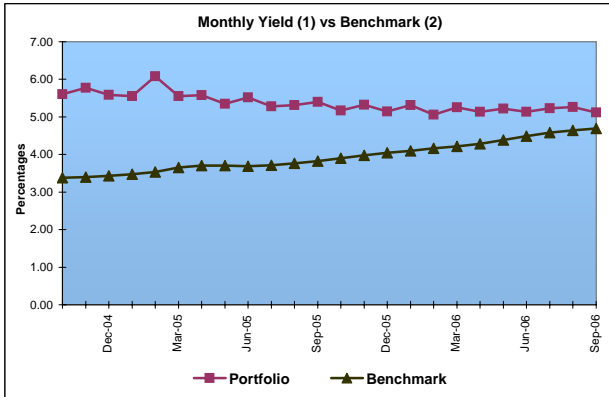
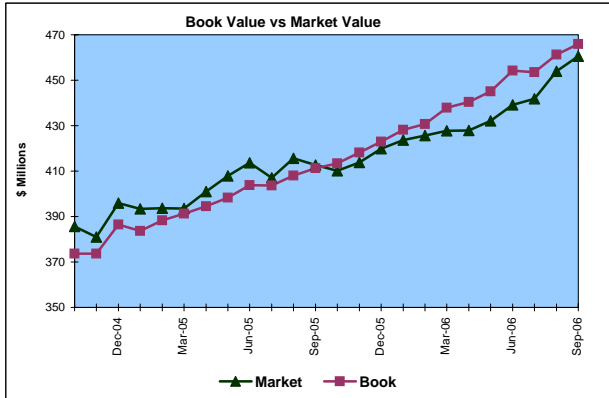
Market Value \$460.6 Million
 Book Value \$465.9 Million

Yield and Average Maturity

Portfolio Book Yield 5.2%
 Portfolio Average Maturity 5.6 Yrs

Portfolio Quality

	AAA	AA	A	BBB	Portfolio Percent
Asset Backed	100.0%				17.4%
Corporates	39.7%	34.5%	25.8%		15.8%
Mortgage Securities	100.0%				39.9%
Treasuries	100.0%				2.9%
Federal Agencies	100.0%				22.8%
T-Pool	83.0%	8.2%	8.7%	0.1%	1.2%
Total Portfolio	90.3%	5.5%	4.2%	0.0%	100.0%

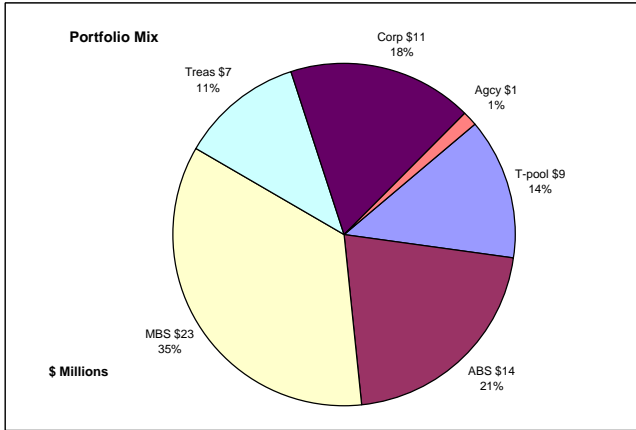


	\$ Millions			
	Average Portfolio	Interest Income	Book Yield	Performance Benchmarks (3)
FY '07 YTD	453.3	6.0	5.2%	4.7%
Last 12 months	431.7	22.7	5.3%	4.7%
FY '06	418.7	22.2	5.3%	4.5%
FY '05	376.9	21.4	5.7%	3.7%
FY '04	347.2	20.8	6.0%	3.3%
FY '03	331.9	21.4	6.5%	3.0%
FY '02	319.2	21.7	6.8%	4.5%
Three Year Average	380.9	21.5	5.7%	3.8%
Five Year Average	358.8	21.5	6.1%	3.8%

(1) Does not include State Treasury Pool balances in calculation.
 (2) Latest 12 month average of the constant maturity yield on the 5 year Treasury note.
 (3) Latest 12 month average of the constant maturity yield on the 5 year Treasury note at end of period.

Unclaimed Property Tourism Fund

September 30, 2006



Portfolio Value

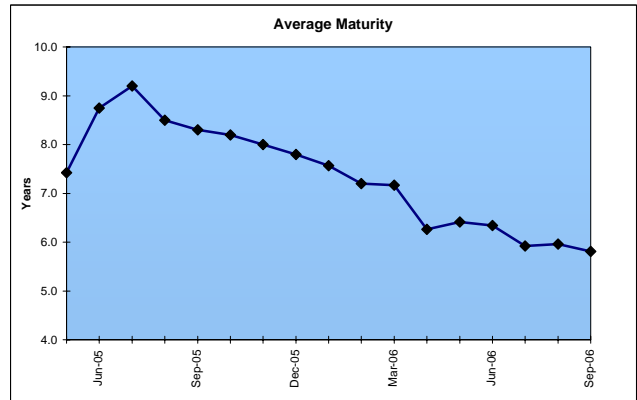
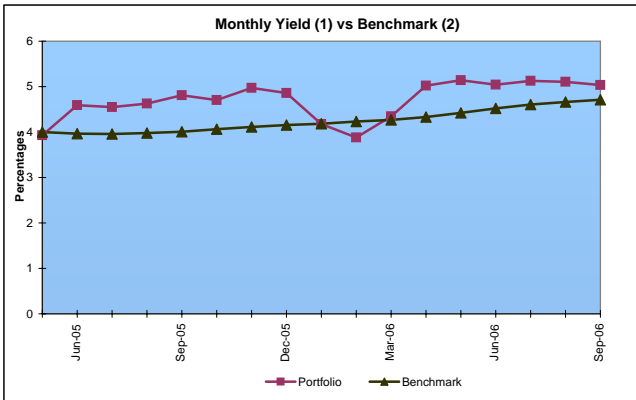
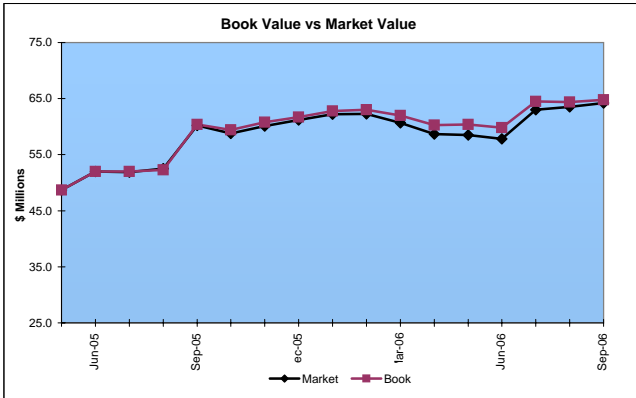
Market Value \$64.2 Million
Book Value \$64.8 Million

Yield and Average Maturity

Portfolio Book Yield 5.0%
Portfolio Average Maturity 5.8 Yrs

Portfolio Quality

	AAA	AA	A	BBB	Portfolio Percent
Asset Backed	100.0%				20.8%
Corporates	13.1%	21.7%	65.2%		17.8%
Federal Agencies	100.0%				1.4%
Mortgage Securities	100.0%				35.2%
Treasuries	100.0%				11.4%
T-Pool	83.0%	8.2%	8.7%	0.1%	13.4%
Total Portfolio	82.3%	5.0%	12.7%	0.0%	100.0%



	\$ Millions		Book Yield	Performance Benchmarks (3)
	Average Portfolio	Interest Income		
FY '07 YTD	64.0	0.8	5.0%	4.7%
Last 12 months	61.8	2.9	4.7%	4.7%
FY '06	59.1	2.6	4.5%	4.5%
FY '05	19.9	0.3	3.5%	4.0% First Investments 5/05

- (1) Does not include State Treasury Pool balances in calculation.
- (2) 12 month moving average of the constant maturity yield on the 7 year Treasury note.
- (3) 12 month moving average of the constant maturity yield on the 7 year Treasury note at end of period.

#120 – Bank Services Contract Expenditures for FY 2005-06 & 2006-07

Vendor	Services Provided	Actual FY 2005-06	Estimated FY 2006-07
CHASE BANK	Bank account services ¹	\$907,466	\$907,466
WELLS FARGO	Bank account services ¹	164,195	164,195
KEY BANK	Lockbox services ¹	399,270	399,270
KEY BANK	Securities safekeeping, through September 30, 2005 [*]	9,976	none
JPMORGAN	Securities safekeeping, beginning September 1, 2005 [*]	52,394	81,696
JPMORGAN	Investment management services, beginning September 1, 2005 ²	32,754	56,000
	TOTAL	\$1,566,055	\$1,608,627
* There was a one month overlap while transitioning from one vendor to the other.			

¹ At this time Treasury has no reason to believe that annual transaction volumes will differ significantly from FY 2005-06 to FY 2006-07; and per the banking service contracts, per-transaction fees are fixed until the contract renewal date. Therefore, the estimated costs for those items for FY 2006-07 are assumed to be the same as the actual costs for FY 2005-06.

² Prior to selecting JPMorgan as Treasury's vendor for investment management services, QED Information Systems, Inc. (QED) performed this service. QED was paid \$8,000 per quarter for its services, however, this cost was not recorded through a deduction from interest earnings. In the past, the cost for investment management services was recorded as a Treasury operating expense.

**#121 – School District TRAN Revenues & Expenditures
FY 2003-04 through 2006-07**

	Actual FY 2003-04	Actual FY 2004-05	Actual FY 2005-06	Actual / Estimate FY 2006-07
SERIES A Principal	\$195,000,000	\$225,000,000	\$225,000,000	\$145,000,000
<i>Net Interest Cost</i>	1.06%	1.72%	2.75%	3.84%
SERIES B Principal	\$200,000,000	\$295,000,000	\$190,000,000	(est.) \$325,000,000
<i>Net Interest Cost</i>	1.22%	2.12%	3.68%	(a)
Total Principal	\$395,000,000	\$520,000,000	\$415,000,000	\$470,000,000
Total Revenues:				
Premium	\$2,420,525	\$6,018,700	\$6,597,563	(b) \$1,011,766
Interest Earned	\$2,862,983	\$9,183,931	\$13,208,316	(c)
Total Expenditures:				
Issue Costs	(\$397,481)	(\$224,763)	(\$220,317)	(b) (\$162,332)
Interest Due	(\$6,251,389)	(\$14,283,750)	(\$17,744,792)	(b) (\$6,923,750)
General Fund Net (Loss) Gain	(\$1,365,362)	\$694,118	\$1,840,770	(c)

(a) The Net Interest Cost of the December issuance cannot be estimated due to the volatility of current interest rates.

(b) Figures shown relate to Series A Notes only.

(c) The Interest Earned, and therefore the net gain or loss, by these funds while they are held in Treasury's pooled cash cannot be estimated due to the following:

i) The volatility of current interest rates;

ii) The uncertainty of how much, and when, school districts will require loans from Series B; and

iii) The uncertainty of the timing of the loan repayments by each school district.

#122 – Unclaimed Property Promotion & Correspondence

Cost and Effectiveness

CRS 38-13-111 mandates the State Treasury maintain an electronic list of the names of unclaimed property owners, and to publicize that list. The objective is to encourage Coloradans and businesses to contact the program office and if their name appears on the unclaimed property list, to initiate a claim. The program currently holds more than \$300 million in lost or forgotten assets belonging to more than 650,000 owners. During the 2005-2006 fiscal year the department returned a record \$14,172,544 to 16,028 claimants.

Historically, Treasury has relied on the annual publication of names in a Sunday edition of *The Denver Post* as its primary promotional vehicle for the program. SB04-211 granted the Treasury additional flexibility in how it seeks out potential claimants and authorized increased resources for that effort. With the addition of these new funds, Treasury is employing a combination of the traditional publication with additional marketing tools to expand the breadth of Coloradans exposed to the program. Under the current promotional plan, these methods include:

- The annual publication of names in *The Sunday Denver Post*.
- A direct mail campaign that uses publicly available data sources to identify the complete last known addresses of unclaimed property owners and to proactively notify them of the lost or forgotten asset.
- A radio campaign in conjunction with annual publication.
- An onsite promotion effort at selected NCAA Division I football and basketball games within the state.

To measure the effectiveness of these promotional efforts, Treasury will employ a tracking program that compares the cost of the advertising method to the number of claims initiated. The objective is to determine the claims initiated per dollar of marketing spending. The claims initiated metric was chosen because it is the most effective measure of the number of people both contacting the program and finding property belonging to him or her.

The intent of the current fiscal year's promotional program and next year's program is to experiment with the marketing mix to build a quantitative measure of advertising effectiveness that provides additional data to drive future promotional spending to the most effective channels available.