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STATE OF COLORADO  
DEPARTMENT OF THE TREASURY



GAIL S. SCHOETTLE  
STATE TREASURER



NANCY COLEMAN  
DEPUTY TREASURER

June 20, 1988

The Honorable Roy Romer  
Office of the Governor  
136 State Capitol  
Denver, Colorado 80203

Dear Governor Romer:

I am enclosing the State Treasurer's annual report on the condition of the Treasury for the fiscal year ending June 30, 1987. Rather than attaching pages of financial statements, I have summarized and highlighted our key financial results. I believe this format will be more useful and informative.

Sincerely,



Gail Schoettler

/clv

Enclosure

ANNUAL REPORT  
June 30, 1987

**POOLED ACCOUNTS AND INVESTMENTS**

The Treasury maintains a cash and investment pool that is available for use by all funds and agencies within the state.

**Deposits**

At year end, the book balance of the Treasury operating account was \$22,806,000 and the bank balance was \$14,423,000. The full balance is insured and/or collateralized in compliance with the Public Deposit Protection Act.

Certificates of deposit at banks and savings and loans throughout the state totaled \$174,700,000. The amounts not covered by federal insurance were fully collateralized.

**Investments**

The State Treasurer is allowed by statute to invest state funds in certain low risk instruments. These investments are all insured or registered or the securities are held by the Treasury or its agent in the state's name.

	Treasury Pool In Thousands	
	Carrying Amount	Market Value
U.S. Government Securities	\$ 36,051	\$ 35,168
Federal Agency Obligations	128,537	128,729
Bankers' Acceptances	96,192	97,407
Repurchase Agreements	50,000	50,000
Commercial Paper	73,894	74,541
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Total Investments	\$384,674	\$385,845

Total interest earned on the state investment pool was \$69.4 million.

Distribution of interest earnings was as follows:

General fund	\$ 2,000,000
State agency accounts per statute	32,000,000
Note holder interest payments	27,000,000
General fund earnings from note sale	8,000,000
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Total interest earnings	\$ 69,000,000

## NOTE ISSUANCE

On July 1, 1986, the state issued \$410 million in General Fund Tax and Revenue Anticipation Notes, with an interest rate of 4.9%. The proceeds of the sale were deposited in the general fund to be used to meet ordinary disbursements of the state. Net interest earnings totaling \$8.4 million were recorded for the general fund from this sale.

## PUBLIC SCHOOL PERMANENT FUND

	In Thousands	
	Carrying Amount	Market Value
U. S. Government Securities	\$ 42,489	\$ 43,593
Federal Agency Obligations	3,750	3,575
Corporate Bonds	705	687
SBA Notes	15,080	14,932
Mortgages	6,945	6,147
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Total Investments	\$ 68,969	\$ 68,934

Total interest earned on the public school permanent fund was 9.5 million.

## SAFEKEEPING

Surety bonds, performance bonds and other surety agreements totaling \$314 million are held in the Treasury for various state agencies.

## OTHER DISTRIBUTIONS

During fiscal year 1987 the Treasury paid property taxes for 296 eligible senior citizens in accordance with the Deferred Property Tax program. The amount paid was \$301,000. Collections made from citizens totaled \$93,000.

Highway Users Tax Fund distributions for the year were:

o State Highway Department	\$209,567,000
o Other State Agencies	66,048,000
o Colorado Cities and Towns	54,345,000
o Colorado Counties	91,797,000

Federal Mineral Lease distributions were as follows:

o Colorado Department of Education	\$ 17,729,000
o Colorado Water Conservation	3,475,000
o Colorado Mineral Impact Fund	7,164,000
o Colorado Counties	3,460,000
o Colorado School Districts	1,650,000
o Colorado Cities and Towns	1,234,000