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COLORADO
TREASURER'S
ANNUAL REPORT
FISCAL YEAR
1990 -

GAIL SCHOETTLER
State Treasurer

STATE OF COLORADO
DEPARTMENT OF THE TREASURY

GAIL S. SCHOETTLER
STATE TREASURER



NANCY COLEMAN
DEPUTY TREASURER

February 8, 1991

Dear Governor Romer,

I respectfully submit to you my Annual Report representing the financial condition of the Colorado State Treasury for the fiscal year ending June 30, 1990.

The Department of Treasury continues to help meet the economic needs of Colorado's citizens and businesses through prudent investment practices and wise cash management strategies. We are pleased to announce an overall rate of return on pooled investments of 8.6% in FY 90.

The Unclaimed Property program continues to benefit Colorado through the return of money and assets to its citizens. Treasury employees processed over 52,000 inquiries in FY 90. To date, the program has returned \$25 million to Colorado citizens and \$15 million has been made available for General Fund purposes. Information on 140,000 unclaimed bank accounts or safe deposit boxes are currently on file with our office.

Through legislative action, the State Treasurer became the State's cash manager in FY 90. We intend to act as a resource for implementation and improvement of cash management procedures and practices statewide.

In FY 90 the Treasurer's Office became one of the initial participants in the implementation of the State of Colorado's new accounting system, COFRS. The Treasury continues to automate internally with the acquisition of a new investment monitoring system which will be in place in FY 91.

The Department of Treasury's FY 90 accomplishments as highlighted reflect not only the intent of the office, but also the talents of a professional staff fully committed to public service to Colorado and its citizens.

Sincerely,

A handwritten signature in cursive script that reads "Gail Schoettler".

Gail Schoettler

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 \$11,864,000 and the bank balance was \$3,190,000. The full balance is collateralized in compliance with the Public Deposit Protection Act.

Certificates of deposit at banks and savings and loans throughout the state totaled \$70,300,000. The amounts not covered by federal insurance are always fully collateralized.

Investments

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

	In Thousands	
	Carrying Amount	Market Value
U.S. Government Securities	\$312,943	\$371,323
Federal Agency Obligations	236,816	274,628
Bankers' Acceptances	34,076	34,794
Commercial Paper	174,707	175,203
Corporate Bonds	19,881	20,030
Municipal Bonds	1,525	1,539
SBA Notes	15,516	14,949
Mortgages	66,700	66,499
Asset-Backed Securities	26,914	27,024
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Total Investments	\$890,078	\$985,989

Of the above listed investments the following are part of the Public School Income Fund:

	In Thousands	
	Carrying Amount	Market Value
U.S. Government Securities	\$ 49,026	\$ 51,206
Federal Agency Obligations	36,452	41,595
Corporate Bonds	19,881	20,030
Municipal Bonds	1,525	1,539
SBA Notes	15,516	14,949
Mortgages	66,700	65,499
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Total Investments	\$189,100	\$194,818

The total interest earned on the state investment pool was \$73.1 million.

Interest earned for the Public School Fund was \$15 million.

Distribution of investment pool earnings was as follows:

General Fund	\$12,000,000
State agency accounts per statute	49,200,000
Note holder interest payments	8,200,000
General fund earnings from note sale	3,700,000

Total interest earnings	\$73,100,000

NOTE ISSUANCE

On July 13, 1989, the state issued \$145 million in General Fund Tax and Revenue Anticipation Notes, with an interest rate of 6.25%. The proceeds of the sale were deposited in the General Fund to be used to meet ordinary disbursements of the state. Earnings totaling \$3.7 million were recorded for the general fund from these transactions.

SAFEKEEPING

Surety bonds, performance bonds and other surety agreements totaling \$412 million are held in the Treasury for various state agencies and are not included in these financial statements.

OTHER DISTRIBUTIONS

During fiscal year 1989 the Treasury paid the property taxes for 484 elderly citizens. The amount paid was \$557,000.

Highway Users Tax Fund distributions for the year were:

o State Highway Department	\$245,674,000
o Other State Agencies	72,835,000
o Colorado Cities and Towns	52,885,000
o Colorado Counties	86,710,000

Federal Mineral Lease distributions were as follows:

o Colorado Department of Education	\$21,728,000
o Colorado Water Conservation	3,747,000
o Colorado Mineral Impact Fund	6,436,000
o Colorado Counties	3,426,000
o Colorado School Districts	1,403,000
o Colorado Cities and Towns	744,000