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STATE OF COLORADO  
DEPARTMENT OF THE TREASURY

GAIL S. SCHOETTLER  
STATE TREASURER

December 1, 1994



GREGORY DIAMOND  
DEPUTY TREASURER

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, 1994.

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, in a low interest rate environment, an overall rate of return on pooled investments of 3.82% in FY 94.

The Unclaimed Property program continues to benefit the citizens of Colorado. The law allows for a portion of the collections from insurance companies to be designated annually to recompense the industrial bank depositors until they are completely paid. As of June 30, 1994, a total of \$6.18 million has been returned to these account holders. Additionally, with the further expansion of the law in FY 94 to include business associations, \$2.5 million has been transferred to help finance Colorado's Uninsurable Health Insurance Plan.

In FY 94, Treasury's Unclaimed Property employees processed over 55,000 inquiries and 12,000 claims concerning unclaimed property. Over 8,000 safety deposit boxes are currently on file in our office. To date, the program has transferred over \$26 million to the General Fund for investment and appropriation.

As the State's cash manager, Treasury continues to act as a resource for implementation and improvement of cash management procedures and practices statewide. Treasury's automated investment monitoring system allows us to manage the State's cash with greater precision.

The Department of Treasury's FY 94 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,

Gail Schoettler

**COLORADO STATE TREASURY  
STATEMENT OF FINANCIAL CONDITION**

AS OF 06/30/94

ACCOUNT TITLE	BALANCE
=====	
<b>CASH ITEMS</b>	<b>0.00</b>
NORWEST BANK INVESTMENT ACCOUNT	869.28
NORWEST BANK UNEMPLOYMENT CLEARING	124,454.24
NORWEST BANK UNEMPLOYMENT BENEFITS	859,204.75
NORWEST BANK OPERATING ACCOUNT	(23,297,030.42)
<b>INVESTMENTS</b>	<b>1,553,640,233.84</b>
REPURCHASE AGREEMENTS	41,487,000.00
REVERSE REPURCHASE AGREEMENTS	(9,687,000.00)
AGENCY CMO'S	85,361,202.79
COMMERCIAL PAPER	175,792,551.78
US TREASURY NOTES	595,038,146.90
ACCRUED INTEREST PURCHASED	144,030.82
BANKERS ACCEPTANCE	58,950,892.46
US TREASURY BILLS	263,549,086.80
FEDERAL AGENCIES	40,000,000.00
ASSET-BACKED SECURITIES	255,192,169.29
MUNICIPALS	0.00
BANK NOTES	20,003,854.00
CORPORATES	10,908,299.00
CERTIFICATES OF DEPOSIT	16,900,000.00
<b>TOTAL INVESTMENTS</b>	<b>1,553,640,233.84</b>
AMORTIZED PREMIUM OR DISCOUNT	(1,611,268.23)
<b>TOTAL ASSETS</b>	<b>1,529,716,463.46</b>

## 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 \$2,339,542 and the bank balance was \$1,385,275. 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 \$16,900,000. 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 either 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	\$957,591	\$943,637
Federal Agency Obligations	69,000	69,900
Bankers' Acceptances	59,236	59,190
Bank Notes	19,998	19,948
Commercial Paper	175,809	175,794
Corporate Bonds	17,648	17,602
Municipal Bonds	255	255
SBA Notes	2,161	2,241
Mortgages	128,006	125,062
Asset-Backed Securities	291,399	288,247
Repurchase Agreements	41,487	41,487
Reverse Repurchase Agreements	(9,687)	(9,687)
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Total Investments	\$1,752,903	\$1,733,676

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

	In Thousands	
	Carrying Amount	Market Value
U.S. Government Securities	\$ 97,378	\$ 94,518
Federal Agency Obligations	29,000	30,606
Corporate Bonds	7,000	7,095
Municipal Bonds	255	255
SBA Notes	2,161	2,242
Mortgages	42,996	41,506
Asset-Backed Securities	39,128	38,998
	-----	-----
Total Investments	<b>\$217,918</b>	<b>\$215,220</b>

The total interest earned on the state investment pool was **\$60 million**.

Distribution of investment pool earnings was as follows:

General Fund	\$19,000,000
State agency accounts per statute	31,900,000
Payment of Note Interest	9,100,000
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Total interest earnings	<b>\$60,000,000</b>

The Public School Fund earned interest of **\$15.6 million**.

#### **NOTE ISSUANCE**

During FY 94, Treasury issued \$350 million in short-term tax anticipation notes with a blended interest rate of 3.08%. Proceeds of the sales were deposited in the General Fund to be used to meet ordinary disbursements of the State. Earnings totaling **\$2 million** were recorded for the General Fund from these transactions.

#### **SAFEKEEPING**

Surety bonds, performance bonds and other surety agreements totaling **\$579 million** are held in the Treasury for various state agencies and are not included in these financial statements.

**OTHER DISTRIBUTIONS**

In FY 94, Treasury paid property taxes amounting to \$494,976 for 393 citizens through the Elderly Property Tax program.

Highway Users Tax Fund distributions for the year were:

o State Transportation Department	\$297,900,000
o Other State Agencies	81,249,000
o Colorado Cities and Towns	63,760,000
o Colorado Counties	100,600,000

Federal Mineral Lease distributions were as follows:

o Colorado Department of Education	\$21,208,000
o Colorado Water Conservation	3,708,000
o Colorado Mineral Impact Fund	6,579,000
o Colorado Counties	3,279,000
o Colorado School Districts	1,350,000
o Colorado Cities and Towns	771,000

COLORADO STATE TREASURERS OFFICE  
 COUNTY INVENTORY REPORT  
 06/30/94

COUNTY-----	INSTITUTION-----	AMOUNT	PERCENT
	BESTBANK THORNTON	300,000.00	
ADAMS COUNTY	TOTAL:	300,000.00	1.304%
	CHARTER BANK & TRUST-ENGLEWOOD	300,000.00	
	VECTRA BK OF DENVER-ENGLEWOOD	100,000.00	
ARAPAHOE COUNTY	TOTAL:	400,000.00	1.739%
	MCCLAVE STATE BANK-MCCLAVE	300,000.00	
BENT COUNTY	TOTAL:	300,000.00	1.304%
	BOULDER VALLEY & T-BOULDER BANK OF LOUISVILLE	1,000,000.00 300,000.00	
BOULDER COUNTY	TOTAL:	1,300,000.00	5.652%
	BANK OF DENVER-DENVER	4,300,000.00	
	COLONIAL NB-DENVER	900,000.00	
	GUARANTY BANK & TRUST CO.-DEN.	300,000.00	
	SOUTHWEST STATE BANK-DENVER	500,000.00	
	COLORADO SAV. BANK, A F.S.B.	300,000.00	
DENVER COUNTY	TOTAL:	6,300,000.00	27.391%
	ALPINE BANK-EAGLE	500,000.00	
EAGLE COUNTY	TOTAL:	500,000.00	2.174%
	CHEYENNE MOUNTAIN BK-COLO SPGS	300,000.00	
EL PASO COUNTY	TOTAL:	300,000.00	1.304%
	ALPINE B&T-GLENWOOD SPRINGS	300,000.00	
GARFIELD COUNTY	TOTAL:	800,000.00	3.478%
	GUNNISON SAV & LOAN-GUNNISON	1,400,000.00	
GUNNISON COUNTY	TOTAL:	1,400,000.00	5.987%
	FIRST NB-LAKE CITY	300,000.00	

COLORADO STATE TREASURERS OFFICE  
 COUNTY INVENTORY REPORT  
 06/30/94

COUNTY-----	INSTITUTION----->	AMOUNT	PERCENT
HINSDALE COUNTY	TOTAL:	300,000.00	1.304%
	FIRST NB-FLAGLER	2,500,000.00	
KIT CARSON COUNTY	TOTAL:	2,500,000.00	10.870%
	PINE RIVER VALLEY BK-BAYFIELD	200,000.00	
LA PLATA COUNTY	TOTAL:	200,000.00	0.870%
	FIRST SECURITY BANK-CRAIG	1,300,000.00	
MOFFAT COUNTY	TOTAL:	1,300,000.00	5.652%
	FIRST MOUNTAIN SB-MONTROSE	300,000.00	
	OLATHE STATE BANK-OLATHE	300,000.00	
MONTROSE COUNTY	TOTAL:	600,000.00	2.609%
	FIRST STATE BANK-WIGGINS	300,000.00	
MORGAN COUNTY	TOTAL:	300,000.00	1.304%
	ALPINE BANK-ASPEN	1,500,000.00	
PITKIN COUNTY	TOTAL:	1,500,000.00	6.522%
	COLD CNTY 1ST ST BK STMBT SPGS	500,000.00	
ROUTT COUNTY	TOTAL:	500,000.00	2.174%
	THE BANK OF NORWOOD-NORWOOD	500,000.00	
	BANK OF TELLURIDE-TELLURIDE	900,000.00	
	FIRST NATIONAL - TELLURIDE	300,000.00	
SAN MIGUEL COUNTY	TOTAL:	1,800,000.00	7.826%
	BANK OF GREELEY	300,000.00	
	INDEPENDENT BANK OF KERSEY	800,000.00	
	INDEPENDENT BANK - FLATTEVILLE	300,000.00	
WELD COUNTY	TOTAL:	1,400,000.00	6.087%

COLORADO STATE TREASURERS OFFICE  
COUNTY INVENTORY REPORT  
06/30/94

COUNTY----->	INSTITUTION----->	AMOUNT	PERCENT
	FIRST PIONEER NB-WRAY	1,000,000.00	
YUMA COUNTY	TOTAL:	1,000,000.00	4.3434
	TOTAL DEPOSITS:	25,000,000.00	