

Department of the Treasury
FY 2026-27 Joint Budget
Committee Hearing Agenda

Friday, November 21, 2025

1:30 pm - 2:30 pm

1:30 – 1:40 Introductions and Opening Comments

Presenter: Dave Young, Colorado State Treasurer

1:40 – 2:00 Decision Item Questions

Main Presenters:

- Dave Young, Colorado State Treasurer

Supporting Presenters:

- Nikolas Weltin, Department of the Treasury Budget Analyst II

Topics:

- Quantification of Workload/FTE Increases: Page 4, Question 2 in the packet, Slides 7, 10, and 11
- Transaction Fee Numbers detail: Page 5, Question 3 in the packet, Slide 9

2:00 – 2:20 Unclaimed Property Program

Main Presenters:

- Dave Young, Colorado State Treasurer

Supporting Presenters:

- Nikolas Weltin, Department of the Treasury Budget Analyst II

Topics:

- Liquid balance to securities/intangible property ratio: Page 7, Question 6 in the packet, Slide 13
- Numerical breakdown of expenses: Pages 7 & 8, Question 7 in the packet, Slide 15
- Management of fund and litigation risk: Page 9, Question 8 in the packet, Slide 16

2:20 – 2:30 Budget Reduction Options

Main Presenters:

- Dave Young, Colorado State Treasurer

Supporting Presenters:

- Nikolas Weltin, Department of the Treasury Budget Analyst II

Topics:

- Homestead Exemption: Page 6, Question 4 in the packet, Slide 18
- Investment Consolidation: Page 6 & 7, Questions 5 in the packet, Slide 19

Department of the Treasury
FY 2026-27 Joint Budget
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Common question For Department Hearings (Written-only Response)

1. Please provide a breakdown of your department's total advertising budget for the current and prior fiscal year. Specifically:

a. What is the total amount budgeted and expended on advertising and media placement type?

The Unclaimed Property Division is budgeted approximately \$200,000 annually on advertising, marketing, and outreach. Per §38-13-801, CRS, all administrative expenditure is cash-funded through the Unclaimed Property Trust Fund; marketing is considered an administrative expenditure. The Colorado SecureSavings program has a General Fund-appropriated allocation of up to \$200,000 for marketing, advertising, outreach, and direct mailings. CoreLogic, the third-party vendor that administered the Property Tax Deferral Program, spent approximately \$45,000 on marketing and advertising last fiscal year. All advertising funding for the Property Tax Program has been eliminated in the current fiscal year. Further detail is provided in the table below.

b. How are those advertising dollars allocated across different media types (e.g., television (national/local/cable), radio (terrestrial vs streaming), SEM, digital (display, YouTube), connected TV, social media, print, outdoor, etc.)?

The Department leads omni-channel campaigns designed to raise awareness of, build trust in, and drive participation among Treasury programs. These advertising programs are essential to the ongoing success of Treasury programs and have yielded strong results in recent years. Last fiscal year, Treasury advertising garnered nearly 9 million impressions, more than covering the entire population of Colorado. New marketing strategies

deployed in FY 26 are projected to achieve better conversions at a lower cost per thousand.

Tactics include traditional television and radio advertising, social media advertising, and digital advertising. Most spending goes toward digital and social media advertising, which yields the best cost efficiency and offers precise psychographic and location targeting. Radio and television advertising is primarily purchased through the Colorado Broadcasters Association, ensuring statewide broadcast reach for the lowest possible advertising rates.

Here is a breakdown of paid advertising spending per medium:

Medium	FY 25 Spend	FY 26 Projected Spend
<i>Radio</i>	<i>\$40,000</i>	<i>\$20,000</i>
<i>Television</i>	<i>\$40,000</i>	<i>\$26,000</i>
<i>Sponsored Content</i>	<i>\$11,500</i>	<i>\$10,000</i>
<i>Digital/Programmatic/SEO</i>	<i>\$50,000</i>	<i>\$47,812.50</i>
<i>Social Media</i>	<i>\$50,000</i>	<i>\$47,812.50</i>
Total	\$191,500	\$151,625

Both Unclaimed Property and Colorado SecureSavings leverage marketing dollars for outreach events, which enable staff to connect with Coloradans directly. Colorado SecureSavings also uses their marketing and outreach budget to mail compliance letters to qualifying businesses, which comprises a significant portion of their annual spend.

- c. How much of that spending is directed to Colorado-based or local media outlets?
How is the media currently purchased?

All spending is directed to Colorado media markets and zip codes. The Treasury contracts with a vendor on the State Pricing Agreement to place social media and digital ad buys and with the Colorado Broadcasters' Association to place radio and television spots. One-off contracts with 9News and Fox 31 are purchased and managed by the communications team. The Treasury further drives down costs by negotiating government rates for marketing packages.

d. What performance metrics or evaluation tools does the department use to measure the effectiveness of these advertising campaigns? What are the goals of the campaigns, and what key performance indicators are measured for success?

1) The advertising campaigns seek to drive program participation: increasing claims made through the Great Colorado Payback and enrolling eligible businesses and self-employed workers in the Colorado SecureSavings Program. Educational landing pages, sponsored content, and testimonial messaging help build trust in the programs and move Coloradans from consideration to conversion. The Treasury monitors campaigns on a biweekly basis and constantly optimizes digital strategy with dynamic A/B testing. Key metrics include:

A) Impressions - How many times an ad was shown

B) Reach - How many unique viewers saw an advertisement

C) Clicks - How many visitors clicked on a digital or social media advertisement

D) Click through rate - Number of clicks divided by impressions

E) Conversion - The number of people who clicked an ad and then took a significant action (e.g., someone clicked on a Great Colorado Payback digital ad and later visited the online claim database)

F) Conversion Rate - The number of conversions divided by impressions

2) The Treasury monitors website traffic via Google Analytics to gauge performance of advertisements. Organic searches of programmatic keywords provide the best approximation for television and radio conversions. Digital campaigns also employ "retargeting," deliberately showing advertisements to viewers who previously engaged with content and failed to convert. With the help of its digital marketing vendor, the Treasury has enhanced its ability to track user journeys and address bottlenecks on the fly.

e. If any portion of advertising is managed through third-party vendors (or 'partners';) or media buying firms, please provide any available data or reporting from those companies on campaign performance and spending. How often do the departments discuss media placements with these vendors?

1) [Reports are available here](#). These reports are produced biweekly or monthly, depending on the vendor. The Treasury has standing meetings with vendors to discuss results and optimize future performance.

f. Monthly or quarterly reporting - how is reporting delivered?

1) *Marketing vendors deliver reporting via dashboard reports during in-person meetings, in which Treasury staff can ask questions and receive context.*

Decision Items Questions

R1 Admin Division Staffing and Software

2. [Rep. Brown]: Please put a finer point, or a quantification on workload increases which drove the large increase in FTE in the Administrative Division.

The Department operated with a staffing model that realized no FTE growth for over a decade, even as responsibilities, transaction volumes, and programs steadily expanded. Beginning in FY 2021-22, the State Treasurer addressed a long-overdue effort to right-size the Department's staffing for core operations. This initiative addressed consistent operational bottlenecks, scaled resources to a growing capacity, and addressed staffing shortfalls in key functional areas in accounting, investments, and administrative functions.

In an effort to address these shortfalls, the JBC has authorized an aggregate increase to the Department's Administration Division of nearly 21.0 FTE since FY 2021-22. However, over 40% of the incremental FTE added, or 8.5 positions, were created to implement new legislative programs authorized by the General Assembly. This includes the Colorado Secure Savings Program, the CLIMBER Program (which recently transitioned to OEDIT in FY 2024-25), and the Deferred Property Tax Program. These positions were program driven and not specifically caused by administrative workload constraints.

The remaining FTE have addressed critical workload needs within the Department's core operations. Many of these requests reflect standard functions found across all state agencies, but had not previously existed within the Treasury due to years of staffing needs not being addressed. Positions such as a dedicated department HR Director, Budget Analyst, and an Operations Manager created positions that were previously split across individual staff. Other positions such as HR and Accounting support, as well as 1.0 Investment Officer, were approved to provide sufficient back-up,

cross-coverage, and to keep pace with increasing workload and meet standard operational requirements in those functions. Other positions, such as an IT/Cybersecurity position, were requested in partnership with OIT, and addressed critical statewide security requirements. These requests established sufficient separation of duties and allowed the Department to meet its increasingly complex responsibilities.

3. [Rep. Sirota]: Where does the transaction fee number come from?

The transaction fee appropriation is found in §24-36-120, CRS, and is based on a calculation established by allocating personal services funding splits to align with transaction counts for eligible interest-earning cash funds. The fees were introduced in FY 2002-03. In that first year, the Department calculated its personal services appropriation using prior-year transaction volume and using a weighted average between the number of interest-earning transactions and non-interest earning transactions to determine the first year's appropriation split. After FY 2002-03, the Department estimated these funding splits based on prior year transaction fees, which is reflected in each Long Bill going forward.

a. Why does the department collect the number it currently collects?

The \$887,488 collected currently results from a decision item submitted and approved during the FY 2011-12 budget cycle. The Department submitted a decision item to request an increase in its transaction fee funded appropriation for personal services, which was intentionally set above transaction fee revenue earned in previous years. Historically, the Department relied on supplementals to true up its funding mix each year, as fee revenue continued to outpace the amount appropriated in the Long Bill. By requesting a higher, forecasted amount, the Department aimed to minimize the need for future supplementals. The General Assembly approved this as a permanent change so the ongoing need to request a supplemental appropriation is limited, or in some cases eliminated.

b. Why is it only appropriated a percentage of the total transaction fees?

Only a portion of the total transaction fee revenue is appropriated because the Department has not submitted a decision item to adjust the funding mix since the permanent change was approved in FY 2011-12. Total transaction fee revenue has exceeded \$1 million each fiscal year since FY 2014-15, with exception to FY 2015-16; however, the appropriation has remained at \$887,488. As transaction fee revenue continues to increase, the Department

would like to formally request to update the appropriation in line with a larger share of transaction fee revenue, as the Department has seen a significant increase in transaction fee revenue from departments and agencies.

Budget Reduction Options

4. *[Sen. Amabile:]* If they eliminated the Homestead Exemption for a year, what would be the average financial impact per property owner?

The Department received the Homestead Exemption data from all 64 counties from DOLA, which administers the qualification and payment of the Homestead Exemption. For the 2024 tax year, the average exemption amount for seniors was \$556.93, with 294,090 individuals qualifying for the exemption. For veterans, the average exemption amount was \$604.20, with 15,511 individuals qualifying.

- a. *[JBC Analyst:]* Is the demographic information (including average income/property value) of homestead exemption recipients available in a Treasury Department database?

The demographic data for Homestead Exemption recipients is not owned by the Treasury. DOLA provides the Treasury's Accounting unit with exemption totals for each county every year. Treasury uses this information to disburse exemption payments to each county. Any detailed demographic data is collected and administered by DOLA and can be received directly from that State Agency.

5. *[Rep. Taggart:]* We have two groups investing significant state money: PERA and Treasury.

- a. Is there redundancy between both groups?

No. The Colorado Constitution sets clear guidelines to ensure Treasury investments prioritize prudence and care; preserve principal; maximize interest yield; and maintain safety and liquidity. Our statutory mission is deliberately distinct from that of PERA, which is a special purpose authority. Treasury invests with a focus on meeting the General Assembly's annual appropriations, requiring a much shorter time horizon for investments. PERA's focus is different, investing on a longer time horizon, allowing it to take on greater risk, as it has a longer period of time to address volatile markets. It's essential that the Treasury maintain discretion over state investments to protect the people's money—especially in times of economic volatility.

- b. Could there be a way to decrease costs by combining, or contracting investment services between the two?

The Investment Unit is a four-member team that oversees investments of \$16 billion in state funds. Last fiscal year, the unit earned \$676 million in income, surpassing benchmarks for all three portfolios. Moving state investing to PERA would present constitutional issues—and potentially cost the state far more to procure their services.

- c. How has the \$500 million move from Treasury to PERA (SB 25-310) had an effect on workload for the Treasury?

This has not changed or reduced the workload in Treasury. The one time transfer required coordination between the Treasury investment team and PERA. \$500 million is a small portion of the \$16 billion dollar TPool (less than 3%).

Unclaimed Property Program

6. *[Sens. Amabile and Sirota]*: What is the ratio of liquid balance to securities to tangible property?

UPTF primarily consists of liquid assets, which includes cash available for payments to claimants and represents 98.5% of the 16.5 million total properties held in the Fund. Securities make up roughly 1.4% of all claimable items, where tangible items make up less than 0.1% of claimable items and is not valued in the overall fund balance.

Because tangible property is not valued until converted to cash or sold, it does not contribute to the Fund's reported balance. Overall, the Fund is primarily liquid, with a small portion held in securities and an immaterial portion in tangible assets available to claim by their rightful owners.

7. *[Rep. Brown]* What is the numerical breakdown of "expenses" to the UPTF each year
- a. i.e. administrative costs, GF transfers, ongoing transfers (Adult Dental etc.), and other legislative transfers

The Department tracks all expenses from UPTF each year. Administrative costs include Personal Services and POTS, Operating Expenditures, Contract Auditor Services, and Promotion and Correspondence. The administrative costs are core costs required to administer the Program.

Additionally, UPTF has been used to support statutory transfers for the purpose of augmenting state revenue in the General Fund. These three transfers occurred on the following years:

- **FY 2015-16:** HB16-1409 - UP Fund Transfer for State Programs
- **FY 2019-20:** SB19-261 - UPTF Transfer
- **FY 2020-21:** HB20-1381 - Cash Fund Transfers to the General Fund

UPTF also supports ongoing annual transfers to the Adult Dental Fund, owned by the Department of Health Care Policy and Financing. These transfers stem from HB16-1409 and SB13-242, which dictate a recurring amount each year from UPTF.

Below is a table summarizing the above expenses for the last 10 years, along with estimates for FY 2025-26. All figures are in \$USD Millions:

Fiscal Year	Adult Dental	GF Transfers	UP Program Costs
FY 16	\$65.27M	\$8.00M	\$2.57M
FY 17	\$0.00	\$0.00	\$2.46
FY 18	\$32.43	\$0.00	\$2.55
FY 19	\$16.34	\$0.00	\$2.46
FY 20	\$16.03	\$30.00	\$2.36
FY 21	\$22.22	\$43.00	\$3.23
FY 22	\$21.76	\$0.00	\$2.95
FY 23	\$26.51	\$0.00	\$3.46
FY 24	\$37.01	\$0.00	\$4.03
FY 25	\$65.62	\$0.00	\$4.86
FY 26	\$73.96	\$25.00	\$5.74
Grand Totals	\$377.15	\$106.00	\$36.67

8. [Sen. Amabile]: Talk about options for management of the fund.
- a. Legal ramifications of historic legislative interaction with the fund, and further litigation risks.

The State Treasurer, as administrator of the Unclaimed Property Trust Fund, is charged with safeguarding the trust, and ensuring that the funds within the trust are delivered to claimants. The property is held “in custody for the benefit of the owner and is not owned by the State.” §38-13-803, CRS. Legislative action, as described above, has on certain limited occasions redirected the Fund’s usage. Doing so creates a continued risk to both the Fund and the State of requiring the General Fund to make up the difference of what is owed to claimants. States nationwide are seeing a significant increase in litigation related to Unclaimed Property programs despite a wide variety in program structure. We recommend consulting with the Attorney General’s Office or the Office of Legislative Legal Services for legal guidance regarding current and future litigation risks.

- b. A potential time limit in the fund.

When considering a time limit, the Joint Budget Committee must weigh significant risks and modest benefits. The vast majority of property received is less than ten years old. Introducing a time limit, whether 20 or 30 years, would generate limited dollars for the General Fund—particularly because UPTF transfers are subject to the TABOR cap. Further, the legislature is projected to have transferred more than \$1 billion from the UPTF over the next five years, including \$662 million already taken from the General Fund transfers, \$377 million for Adult Dental benefit transfers, and \$90 million per SB25-290 between FY 26 through FY 30. This represents nearly 50% of the current fund balance, which is held as a liability owed to its rightful property owners. As stated previously, the Treasury cannot speculate on potential legal action stemming from new time limits. We encourage the General Assembly to work with us to find alternative solutions that do not expose the State to unnecessary legal and fiscal risk.

NOV. 21, 2025

FY 26-27 Budget Request

Presentation to the Joint Budget Committee



Dave Young
STATE TREASURER

Agenda

- **Introductions and Opening Comments**
- **Decision Item Questions**
- **Unclaimed Property Program**
- **Proposal Discussion**



JOINT BUDGET COMMITTEE HEARING

Introduction and Opening Comments



What we do

Securing Colorado's Future

The Colorado State Treasury is the constitutional custodian of the public's funds. The Treasury must manage and account for tax dollars from the time they are received until the time they are disbursed. Treasury staff is committed to safeguarding and managing the people's monies with the same diligence and care as they do their own.



KEY FUNCTIONS

- Provide banking and cash management services for state funds
- Manage state investment portfolios
- Administer public programs that support Coloradans' financial wellbeing



Programs and Services



The Great Colorado Payback

is responsible for reuniting Coloradans with their lost or forgotten assets. We maintain a list of over 15 million names of individuals as well as businesses for whom property is owed.



Colorado Secure Savings

gives businesses a convenient way to help employees save for their future. Once enrolled, employees can contribute to a Roth Individual Retirement Account and access tools to help them reach their financial goals.



Debt Management

coordinates and oversees state borrowing, helping structure financial obligations for state agencies, state entities, and K-12 schools while reducing risk exposure and maintaining the state's credit rating.



Key Achievements | FY 24-25

\$80M

Returned to rightful owners through 86,000 claims with the Great Colorado Payback.

\$165M+

In retirement assets saved by 90,000+ workers enrolled in Colorado SecureSavings.

\$16B

Investment portfolio directed by the Treasury.

\$677M

Income earned for all funds managed in FY25.

\$1.3B

Secured in strategic capital financing and cash flow support.



Growing Workload Demands

197,546

CORE transactions approved by the Accounting Team of 10 staffers.

20% ↗

Increase in transaction volume since FY 23.

\$81B

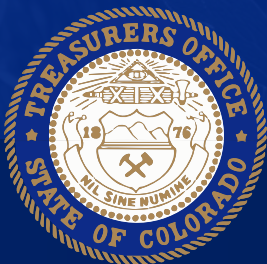
Total electronic deposits managed by the accounting team in FY 25.

190% ↗

Increase in Great Colorado Payback claims paid in FY 25 vs. FY 19.

68% ↗

Rise in funds reported to Unclaimed Property from FY23.



JOINT BUDGET COMMITTEE HEARING

Decision Item Questions



Modernizing Transaction Fees

Current Structure

- Fees are calculated annually based on Admin GF appropriation and prior-year transaction volume.
- Fees generated \$1.08M in revenue across 761K transactions in FY 24-25.
- Transaction fees make up \$887,488 of Treasury's administration Personal Services appropriation.
- UPTF accounts for 20% of fee revenue.

FY 26-27 Proposal

- We request an incremental \$310,632 to fund 2.0 FTE and operating needs.
- The GF impact would be offset by reducing \$310,632 from our Personal Services GF appropriation and increasing funding from Transaction fees by an equivalent amount.
- The proposal keeps Treasury's GF appropriation neutral without new or increased fees to agencies.

Long Term Solution

The JBC may consider modernizing the transaction fee formula to reflect adjustments for volume and inflation in a sustainable and scalable model.



FY 26-27 Budget Requests

Request	Treasury Division	Expenditure	Cash Funding	Treasury Transaction Fees	Request Total
R-01	Administrative	Staffing and Operating	\$0	\$310,632	\$310,632
R-02	Unclaimed Property	Staffing	\$331,626	\$0	\$331,626
R-03	Unclaimed Property	Operating	\$306,600	\$0	\$306,600
Totals	N/A	N/A	\$638,226	\$310,632	\$948,858



Anticipated Impacts

Approving these requests will enable the Treasury to keep up with rising demands and continue to modernize operations, ensuring efficiency, compliance, and service excellence.



Strengthened oversight

Strengthens Treasury oversight of banking operations, compliance, and fraud prevention.



More money returned

Expands Unclaimed Property staff to pay out 10,000+ more claims than last year and significantly increase overall output beyond current projections.



Increased capacity

Increases staff capacity to manage rising transaction and compliance demands, while providing essential statewide services.



Modernized operations

Invests in modern tools to improve efficiency and ensure service excellence.



JOINT BUDGET COMMITTEE HEARING

Unclaimed Property Program



Sustained Growth, Record Results

Workload Indicators	FY 22-23	FY 23-24	FY 24-25
Number of Claims Paid	58,100	73,900	86,000
Cash Amount of Claims Paid	\$54.31 million	\$61.92 million	\$79.88 million
Funds Received from Holders	\$217.6 million	\$322.6 million	\$366.4 million
Number of Holder Reports Received	14,163	13,651	15,101
Security Sales	\$11 million	\$11.5 million	\$58.7 million
Safe Deposit Box Inventory	6,196	2,802	3,304



Programmatic Improvements

- **Upcoming rulemaking** will consider definitions of alternative properties, allowable documentation, and use of e-signatures.
- **Returning Funds to State Agencies, Cities, Towns and School Districts:** Updates to RUUPA (HB 25-1224) allowed the Department to proactively return unclaimed property to local governments and school districts. The Department already had authority to proactively return properties to State entities, returning **more than \$2 million** to agencies and institutions of higher education in FY 24-25.
- **Future Integrations:** We are exploring a My Colorado app integration and ability to send EFT deposits.



Breakdown of UPTF Expenses

Fiscal Year	Adult Dental	GF Transfers	UP Program Costs
FY 16	\$65.27M	\$8.00M	\$2.57M
FY 17	\$0.00	\$0.00	\$2.46
FY 18	\$32.43	\$0.00	\$2.55
FY 19	\$16.34	\$0.00	\$2.46
FY 20	\$16.03	\$30.00	\$2.36
FY 21	\$22.22	\$43.00	\$3.23
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FY 25	\$65.62	\$0.00	\$4.86
FY 26	\$73.96	\$25.00	\$5.74
Grand Totals	\$377.15	\$106.00	\$36.67



Policy Considerations

Introducing a time limit would generate limited funds for the General Fund—particularly because UPTF transfers are subject to the TABOR cap. Altering the program also carries considerable risks:



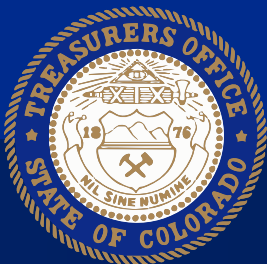
Legal Risks

States nationwide are seeing **increased litigation related to Unclaimed Property programs** despite a wide variety in program structure.



Fiscal Risks

At the current rate, the Legislature will have transferred more than \$1 billion from the UPTF by 2030. This represents a **nearly 50% liability on the current fund balance**.



JOINT BUDGET COMMITTEE HEARING

Proposal Discussion



Homestead Exemption

The Homestead Exemption supports senior citizens, disabled veterans, and their surviving spouses, **exempting up to 50% of the first \$200,000 of a residence's value**. The state reimburses local governments for this revenue loss. DOLA manages the program's qualification and payments; the Treasury works with DOLA to ensure accurate distributions and calculations.

294,090

Senior Participants

\$556.93

Average Exemption in
Tax Year 2024

15,511

Veteran Participants

\$604.20

Average Exemption in
Tax Year 2024



Investing for Colorado

Treasury Pool (TPOOL)

TPOOL maximizes state investment opportunities. Most state funds, including the General Fund, are held in TPOOL.

\$640M

in interest earned in FY 24-25

5.7%

return performance

Unclaimed Property Tourism Promotion Trust Fund

UPTPTF invests proceeds from unclaimed property security sales with interest earnings supporting agriculture, tourism, and the State Fair.

\$7.4M

in interest earned in FY 24-25

6.3%

return performance

Public School Permanent Fund

The PSPF is a constitutionally protected trust for Colorado's public school students, invested in partnership with the Public School Fund Investment Board. *Metrics below capture Treasury-managed outcomes only.*

\$29.3M

in interest earned in FY 24-25

6.3%

return performance



Questions or comments?



Dave Young

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COLORADO DEPARTMENT OF THE TREASURY

Colorado State Capitol
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November 21, 2025

Questions about the Public School Permanent Fund from the
Joint Budget Committee to Department of the Treasury

Please provide additional information on Permanent Fund earnings and investments.

Earnings and investment details can be found in board documents housed on the Treasurer's website. The [Permanent Fund Annual Financial Report](#) was sent to JBC Committee members on November 3, 2025 and is included in this document. [Board Packets with investment data are also available on the website.](#) The following data came from the board packet from the September 2025 Board Meeting.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of June 30, 2025, with the distribution as of March 31, 2025. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	June 30, 2025				March 31, 2025	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Total Equity (1)	\$698,613,611	38.37%	\$20,417,471	\$75,092,564	\$603,103,576	35.16%
Domestic Equity	\$418,592,131	22.99%	\$17,325,973	\$40,905,718	\$360,360,439	21.01%
iShares Core S&P Total US Market ETF	418,592,131	22.99%	17,325,973	40,905,718	360,360,439	21.01%
International Equity	\$277,288,135	15.23%	\$5,990,988	\$30,113,717	\$241,183,430	14.06%
iShares MSCI Emerging ETF	81,257,568	4.46%	2,199,982	8,821,028	70,236,558	4.09%
iShares MSCI Canada ETF	22,200,163	1.22%	719,897	2,652,910	18,827,356	1.10%
iShares Core MSCI EAFE ETF	173,830,404	9.55%	3,071,109	18,639,778	152,119,516	8.87%
Equity Cash	2,733,346	0.15%	(2,899,491)	4,073,129	1,559,707	0.09%
Total Fixed Income	\$869,443,607	47.75%	\$(7,779,652)	\$11,585,855	\$865,637,404	50.46%
Market Duration	\$751,759,141	41.29%	\$(7,882,729)	\$9,668,374	\$749,973,496	43.72%
Colorado Treasurer's Portfolio	751,759,141	41.29%	(7,882,729)	9,668,374	749,973,496	43.72%
Short Duration	\$117,684,466	6.46%	\$103,078	\$1,917,481	\$115,663,908	6.74%
Janus Henderson (2)	117,684,466	6.46%	103,078	1,917,481	115,663,908	6.74%
High Income Strategies	\$153,028,125	8.41%	\$234,293	\$3,854,600	\$148,939,231	8.68%
High Yield Fixed Income	\$130,157,919	7.15%	\$181,508	\$3,341,977	\$126,634,435	7.38%
Mackay Shield US High Yield (3)	130,157,919	7.15%	181,508	3,341,977	126,634,435	7.38%
Preferred Securities	\$22,870,205	1.26%	\$52,785	\$512,624	\$22,304,796	1.30%
Principal Preferred Securities (3)	22,870,205	1.26%	52,785	512,624	22,304,796	1.30%
Cash Available For Investing	\$99,551,547	5.47%	\$745,658	\$992,157	\$97,813,733	5.70%
Total Fund	\$1,820,636,890	100.0%	\$13,617,770	\$91,525,176	\$1,715,493,944	100.0%

What was the percentage return on the fund for FY 2024-25?

Return on the fund in 2024/2025 was 11.37%.

How much of that was disbursed to the Department of Education programs, including BEST? Are there other earnings, e.g., capital gains, that are retained and reinvested in the fund?

In 2024/2025, \$42M was transferred from the PSPF to BEST. \$11M was transferred to the State Education Fund.

\$128M of State Land Board Revenue was transferred to BEST.

See the annual report below for more details.

Provide additional information on the fund, including balance, revenue, disbursements, and performance in recent years.

Information about balance and disbursements for the last three years are included in the annual report below.

Performance:

- 2024/2025 = 11.37%
- 2023/2024 = 9.09%
- 2022/2023 = 5.66%

CO PUBLIC SCHOOL PERMANENT FUND
FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025

Fund Activity	FY End June 30, 2025	FY End June 30, 2024	FY End June 30, 2023
Beginning Fund Value (Cash + Investments)	1,625,771,481	1,392,149,532	1,242,693,044
Transfers to PSPF:			
State Land Board Rents, Royalties, & NSE Funds	114,627,430	154,055,416	117,116,674
Escheats Fund	320,611	378,089	160,753
Realized Gains / (Losses)	4,017,051	86,655	941,995
Change in Unrealized Market Gain / (Loss)	100,808,753	79,101,789	31,237,066
Ending Fund Value	1,845,545,325	1,625,771,481	1,392,149,532

Income / Expense Summary	FY End June 30, 2025	FY End June 30, 2024	FY End June 30, 2023
Total Portfolio Earned Income	57,390,936	50,916,304	41,333,528
Total Expenses	(1,371,087)	(811,467)	(1,172,492)
Change in Income Receivable	(2,283,897)	(1,307,301)	(1,122,896)
CRS 22-41-105 Recoveries	(132,361)	(187,747)	(254,587)
Net Income Available for Distribution	53,603,591	48,609,790	38,783,553

Distribution and Transfer of State Funds by Statute	FY End June 30, 2025	FY End June 30, 2024	FY End June 30, 2023
Distribution of Funds Received from DNR:			
Forest Funds Paid & Payable to Counties	53,624	49,542	46,405
Net SLB Revenues & NSE Funds Transferred to PSPF Corpus	114,627,430.00	146,339,202	117,116,674
SLB Revenues Transferred to BEST	128,162,591.30	114,778,644	134,741,821
SLB Revenues Transferred to the Public School Fund	-	-	-
Total Funds Received from DNR	242,843,645	261,167,388	251,904,900

Distribution to CDE:			
SLB Revenues Transferred to BEST	128,162,591.30	114,778,644	134,741,821
SLB Revenues Transferred to the Public School Fund	-	-	-
PSPF Income Distribution to BEST**	42,603,591.27	20,000,000	17,783,552
PSPF Income Distribution to the Public School Fund	11,000,000.00	21,000,000	21,000,000
Total Transfers to CDE	181,766,183	155,778,644	173,525,373
**CRS 22-41-102(3)(i)(IV)- Over 41 million to BEST -public school capital construction assistance fund			

Distribution To PSPF WAAA:			
PSPF Income Distribution to the Public School Permanent Fund	-	7,649,743	-
Total Transfer to PSPF WAAA	-	7,649,743	-

Asset Allocation at June 30, 2025	Cost	Unrealized Gain / (Loss)	Market Value
Total Fixed Income	1,063,991,596	(69,444,378)	994,547,218
Total Equity	475,454,790	220,425,476	695,880,266
Cash & Cash Equivalents	23,148,292	-	23,148,292
Total Fund Value	1,562,594,678	150,981,098	1,713,575,776

Discuss the current investment strategy and how the investment strategy has changed.

In November of 2024, the PSPF Board voted to update the asset allocation to invest 50% of the fund in equities (through mutual funds) and 50% in bonds and fixed income. This is an eight-step process, with quarterly rebalancing of assets. There have been two rebalancing letters directing the portfolio managers to transfer assets so far; the next letter will be sent in December 2025.

When Callan was hired as the Board's Investment Consultant in 2016, the portfolio invested 80% in fixed income and bonds and 20% in cash. Callan recommended moving the portfolio towards more equity. While this balance was slowly shifting over time, the Board officially voted to make it 50/50 in 2024.

Is Permanent Fund interest subject to TABOR or exempt. It appears from various reports we receive that it is treated as exempt, but we're not entirely sure of the reason/related analysis. Is it possible that you have that information?

Revenues that are transferred to the Permanent Fund from the State Land Board and other sources are exempt from TABOR; the interest accrued on the Permanent Fund is exempt as well.