



Availability of Unclaimed Property Funds for Housing

The Unclaimed Property Trust Fund (UPTF) holds money and other property that has been turned over the Treasurer to keep until the owner claims it.

Revenue and claims paid during the past 10 years are as follows:

Year	Revenue	Payments	Net revenue after claims paid
2008	\$ 65,256,232	-\$22,814,000	\$42,442,232
2009	\$ 56,526,108	-\$24,714,000	\$31,812,108
2010	\$ 56,233,687	-\$24,321,000	\$31,912,687
2011	\$ 55,053,483	-\$22,061,000	\$32,992,483
2012	\$ 65,107,876	-\$28,128,000	\$36,979,876
2013	\$ 74,558,294	-\$21,390,000	\$53,168,294
2014	\$ 72,713,976	-\$26,484,000	\$46,229,976
2015	\$ 70,959,211	-\$29,842,000	\$41,117,211
2016	\$ 82,557,425	-\$26,834,000	\$55,723,425
2017	\$ 89,753,804	-\$21,509,000	\$68,244,804
Revenue	\$ 688,720,096	Claims Paid -\$248,097,000	Revenue net of Claims \$440,623,096

Current data from the Treasurer's office is as follows:

UNCLAIMED PROPERTY TRUST FUND (\$ MILLIONS)							
	FY13-14 Actual	FY14-15 Actual	FY15-16 Actual	FY16-17 Actual	FY17-18 Actual	FY18-19 Est	
Beginning net assets	\$124.5	\$168.0	\$189.0	\$170.7	\$238.8	\$292.1	
Net revenue (after claims paid)	\$46.2	\$41.1	\$55.7	\$68.3	\$84.5	\$61.6	
Interest/Misc. income	\$1.5	\$2.0	\$1.9	\$2.3	\$4.7	\$5.0	
GROSS REVENUE	\$47.7	\$43.1	\$57.6	\$70.6	\$89.2	\$66.6	
UP operating expenses	-\$2.6	-\$2.5	-\$2.6	-\$2.5	-\$3.5	-\$2.3	
Transfers from CoverColorado	\$15.0	n/a	n/a	n/a	n/a	n/a	
Transfer to Health Benefit Exchange	-\$15.0	n/a	n/a	n/a	n/a	n/a	
Transfer to Adult Dental Fund (SB13-	-\$1.6	-\$19.6	-\$30.5	\$0.0	-\$32.4	-\$17.4	
Transfer to Adult Dental Fund (HB16-	n/a	n/a	-\$34.8	n/a	n/a	n/a	
Transfer to General Fund (HB16-140)	n/a	n/a	-\$8.0	n/a	n/a	n/a	
TOTAL EXPENSE	-\$4.2	-\$22.1	-\$75.9	-\$2.5	-\$35.9	-\$19.7	
End Total Fund Balance	\$168.0	\$189.0	\$170.7	\$238.8	\$292.1	\$339.0	
REQUIRED RESE	<u>-\$106.5</u>	<u>-\$109.9</u>	<u>-\$115.6</u>	<u>-\$125.0</u>	<u>-\$141.9</u>	<u>-\$156.1</u>	
Available Fund Balance	\$61.5	\$79.1	\$55.1	\$113.8	\$150.2	\$182.9	

The fund maintains a reserve to assure there will always be sufficient funds to pay claims. The Required Reserve for FY2018-19 is \$156,100,000. This is the amount that would be required to

pay all claims for the next 20 years. **In FY2018-19 the fund is projected to have \$183,000,000 more than is needed to pay expenses and protect the reserve.** ⁱ

HB19-xxxx proposes using the lesser of \$40,000,000 per year or 50% of the “Available Fund Balance.” In years when TABOR revenues exceed the revenue cap, transfers would be suspended.

In 2018, the JBC analyst projected fund deposits, claims paid and expenses by applying historic rates of increase.

JBC Analyst Projected Fund balances
5-year period

Year	Projected Revenue	Projected Claim Payout	Adult Dental Expenses	Fund Operating Expenses	Interest & Misc. Income	Fund Balance
2018			\$33,000,000	\$2,400,000	\$1,996,434	\$238,830,000
2019	\$94,270,510	\$24,810,000	\$33,660,000	\$2,448,000	\$2,134,188	\$274,316,698
2020	\$99,162,103	\$25,554,300	\$34,333,200	\$2,496,960	\$2,281,447	\$313,375,787
2021	\$104,459,697	\$26,320,929	\$35,019,864	\$2,546,899	\$2,438,867	\$356,386,659
2022	\$110,196,993	\$27,110,557	\$35,720,261	\$2,597,837	\$2,607,149	\$403,762,145
2023	\$116,410,483	\$27,923,874	\$36,434,667	\$2,649,794	\$2,787,042	\$455,951,336

The chart below shows the effect on the Fund Balance of withdrawing housing funds, which demonstrates that appropriating those funds would not threaten the Required Reserve.

Year	Projected Revenue	Projected Claim Payout	Adult Dental Expenses	Fund Operating Expenses	Interest & Misc. Income	Fund Balance*	Housing Funds	Fund Balance after Housing Funds
2018			\$33,000,000	\$2,400,000	\$1,996,434	\$238,830,000		
2019	\$94,270,510	\$24,810,000	\$33,660,000	\$2,448,000	\$2,134,188	\$274,316,698	(\$30,000,000)	\$244,316,698
2020	\$99,162,103	\$25,554,300	\$34,333,200	\$2,496,960	\$2,281,447	\$283,375,787	(\$30,000,000)	\$253,375,787
2021	\$104,459,697	\$26,320,929	\$35,019,864	\$2,546,899	\$2,438,867	\$296,386,659	(\$30,000,000)	\$266,386,659
2022	\$110,196,993	\$27,110,557	\$35,720,261	\$2,597,837	\$2,607,149	\$313,762,145	(\$20,000,000)	\$293,762,145
2023	\$116,410,483	\$27,923,874	\$36,434,667	\$2,649,794	\$2,787,042	\$325,951,336	(\$20,000,000)	\$305,951,336

*Fund Balance reduced by cumulative amount of Housing Funds appropriation

ⁱ Data shows that approximately 38% of the funds deposited in any year will be paid in claims over the next 20 years. Twenty years after funds are initially deposited, it is statistically unlikely the remaining 68% of funds will be claimed. Of the \$89,753,804 deposited in 2017, the Controller projects that \$29,417,008 will be paid between 2017 and 2037. The remaining \$60,336,796 will likely never be claimed. Hence, the balance in the fund will continue to grow.