

# 2009

## 2009 Annual Report to the Kansas Legislature



Submitted by: The Honorable Kansas  
State Treasurer Dennis McKinney  
900 SW Jackson, Suite 201  
Topeka, KS 66612

[www.kansasstatetreasurer.com](http://www.kansasstatetreasurer.com)



## Message from Kansas State Treasurer Dennis McKinney



**Dennis McKinney**  
Kansas State Treasurer

Dear Governor Parkinson, members of the Kansas Legislature and fellow Kansans,

It is a great pleasure to present to you the 2009 Annual Report for the Kansas State Treasurer's Office. The office has seen many accomplishments in the last year and we look forward to continuing our successes in the years to come. In this report you will find summaries of the functions of our office and a brief review of each department's activities during the 2009 fiscal year.

Both our Unclaimed Property division and our Bonds Services division have seen record breaking years in 2009. In addition, the Learning Quest 529 Education Savings Program has been recognized as the top-performer over the last year. As well, our office has started financial literacy initiatives aimed at helping Kansans who want to educate their children about making responsible financial decisions.

The information in this report highlights the important services the Treasurer's Office is providing to the people of Kansas. I am extremely pleased with the progress that we have made in 2009 and look forward to sharing with you our 2009 Annual Report for the Kansas State Treasurer's Office.

*Ad astra per aspera.*

A handwritten signature in blue ink that reads "Dennis McKinney".

Dennis McKinney  
Kansas State Treasurer

## *2009 State Treasurer's Office Annual Report: Learning Quest Submitted by: Scott Gates, Director*

### LEARNING QUEST

Our marketing message shifted slightly to remind investors that 529 plans can be used at community colleges, technical colleges, and trade schools, as well as traditional four year universities. New television ads focus viewers on imagining the possibilities created for their child by investing in their future.

Even in the tumultuous financial markets of 2008 and 2009, assets under management in the Program, which includes Learning Quest, Learning Quest Advisor, and the Schwab 529 Plan, declined slightly less than 8% to \$1.867 billion on June 30, 2009. This compares to an industry average decrease of 11%. The number of accounts increased by 8% to 128,591. Dollars contributed to the program decreased by 46% to \$210.04 Million. These figures demonstrate that we have continued to reach more investors with the message to save for their students' future, but they simply have fewer assets to invest in this difficult economy.

Over 65% of our assets are enrolled in the age-based portfolios that automatically become more conservative over time as the beneficiary approaches eighteen years of age. Another 22% are in blended portfolios that balance mutual funds containing equities with bond funds, money market funds or both. These allocation strategies helped moderate risk and protect investors from the harsh markets in the fourth quarter of 2008 and the first quarter of 2009.

The Program continues to attract significant investments from outside the state, which helps lower costs for Kansans. This also demonstrates how the plans remain

competitive with other states' plans. When compared to other states' 529 plans, Kansas rose to 16th from 17<sup>th</sup> place in assets under management as a state with less than 1% of the nation's population. Currently, the Schwab 529 Plan ranks sixth among 76 college savings plans in average account balances, and Learning Quest ranks tenth.

The 2009 Legislature made the Kansas Investments Developing Scholars Matching Grant Program a permanent part of the Learning Quest 529 Plan. Funding was made available for 1200 matching grants of up to \$600 each for a total of \$720,000.

In 2006, the Kansas Legislature asked the State Treasurer to track accounts with contributions less than one year before a withdrawal to determine if taxpayers were taking advantage of the tax deduction for an extremely short term investment. In Fiscal Year 2009, \$1,635,455 that could have been eligible for a tax deduction was contributed by Kansas residents within one year before making a withdrawal. This represents 2.02% of the \$80.85 million contributed by Kansans in Fiscal Year 2009. The 630 purchases made within one year prior to a withdrawal are .675 % of the 93,270 purchases made by Kansans in Fiscal Year 2009. These statistics were consistent with prior years and were not considered significant.

## 2009 State Treasurer's Office Annual Report: Learning Quest Submitted by: Scott Gates, Director

### KANSAS INVESTMENTS DEVELOPING SCHOLARS PROGRAM – LEARNING QUEST



Fiscal Year 2009 was the third year for the K.I.D.S Matching Grant Program in which investors with a household income below 200% of the federal poverty level receive a matching contribution of up to \$600 from the state based on their contributions to their Learning Quest accounts in calendar year 2008. In January of 2009, the state contributed \$266,295.76 based on contributions in calendar year 2008 by 501 participants to accounts for 560 beneficiaries. The average household income for participants was \$34,582 and the average contribution for each participant was \$535.81.

Over the first three years of the program, 1111 participants have received a total of \$582,239.75 in matching grants for their contributions. 397 participants were approved for one year, 321 for two years and 34 for all three years. Matching contributions have been made to accounts for 862 beneficiaries. K.I.D.S. participants have also made significant contributions in addition to the amount that is eligible for the state's match. In calendar year 2006, 60% of the accounts for K.I.D.S. beneficiaries had contributions greater than their \$600 matching grant for total of \$51,114. In calendar year 2007, 42% of the accounts for K.I.D.S beneficiaries received total contributions of \$200,146 more than their match, and in calendar year 2008, 34%

of the accounts for K.I.D.S. beneficiaries received total contributions of \$169,215 more than their match. The three year total of \$420,475 shows that this program has been a powerful incentive to encourage working families to save for their children's future beyond the level of the matching contribution provided by the state.



# 2009 State Treasurer's Office Annual Report: Administration

## INFORMATION TECHNOLOGY

The State Treasurer Office's IT Department is still on track to retire our DOS or 16-bit legacy code and reach our goal of all production systems being Internet/Intranet based. The application that was scheduled for rewrite this year was canceled due to the functionality being included in the new enterprise-wide financial management system –SMART. After SMART goes live we will review our systems to determine the programs that still need to be rewritten and create a new schedule.

The State Treasurer's Office has continued to be heavily involved in the Sunflower Project. This project will improve efficiency, transparency and customer service for the State of Kansas. The implementation of the new financial management system will integrate the State's workforce, business processes and technology investment. The Treasurer's Office will have roles in the new SMART system both as a central entity responsible for the redemption of checks and accepting agency deposits as well as being a general user. A significant amount of time continues to be spent analyzing and documenting the current process as well as helping to analyze and design custom modules in the new system to ensure that all statutes and best accounting processes are met for the Treasurer's role as a central entity. We have identified four systems that need extensive changes to accommodate the more than 20 interface files necessary for integration into SMART.

The Legislative Division of Post Audit periodically conducts compliance and control audits of agency information systems. This year's audit focused on how selected state agencies control network passwords and keep their PC and server operating systems up-to-date. The State Treasurer's Office was one of the five agencies chosen by Legislative Post Audit to participate in the testing. We provided a copy of our master password file which they took to their site. They ran software against the file to see if the passwords could be cracked. We also allowed scans to be run behind our firewall to determine software versions on all PCs and servers. The audit revealed that the Treasurer's Office does a good job of keeping its systems secure and there were only minor suggestions about how we could further improve our security. We fully implemented the suggestions and felt like it was a worthwhile experience and excellent learning tool.

There were several other changes this year to some of our major applications. There were extensive modifications to the Unclaimed Property system to

allow the transition of our securities dealer from United Missouri Bank to Affiliated Computer Services, Inc. Modifications were made to our Vault System to allow for the new Energy Efficiency Loan Program which upgrades energy efficiency of existing homes and small businesses. This is a cooperative effort between Kansas Corporation Commission (KCC) and State Treasurer which allows KCC to manage the disbursement and tracking of the Federal Stimulus Funds using an application already in use at the Treasurer's Office. This code needed to be added very quickly prior to an early July 2009 start date.

We are also now providing ongoing support of KDRS, the debt recovery system for the State of Kansas. This is another cooperative effort with the Department of Administration.

We have continued our 4-year hardware rotation for all desktop systems and 3-year rotation of all mission critical servers replacing 10 desktops and 3 servers. We have moved two departments to the MS Vista operating system and will move each department as we replace desktops. We have continued to move servers to Windows Server 2008 with each replacement taking care to ensure that the software that needs to run on these operating systems is compliant.

## KANSAS AGRICULTURAL PRODUCTION LOAN PROGRAM

The Agricultural Production Loan Deposit Program, created by the 2000 Legislature, has been a successful program over the span of nearly nine years in cooperation with Kansas banks. The Legislature authorized the State Treasurer to administer this program as a method to assist agricultural borrowers with high debt-to-asset ratios whose lenders might not have sufficient cash to fund additional loans. Each borrower is limited to one loan at a time, but can move in and out of the program as needed – paying off one loan as crops are sold, then requesting another loan when purchasing seed for the next season's crops.

Lenders that want to participate in the program are required to sign participation agreements with the State Treasurer's Office and Pooled Money Investment Board (PMIB). Each borrower must certify that they meet the legal criteria and will use the proceeds of the loan as intended by the program and their lender must certify as to the borrower's eligibility. Most lenders and borrowers find this to be a very simple process.

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# 2009 State Treasurer's Office Annual Report: Administration

## AGRICULTURAL PRODUCTION LOAN DEPOSIT PROGRAM (cont)

<b>FY 2009</b>	
<b>Agricultural Production Loan Deposit Program</b>	
<b>GENERAL INFORMATION</b>	
Approved Banks.....	59
Participating Banks.....	40
Participating Farm Credit System Offices.....	6
CD Interest Rate 7/01/09.....	0.5%
Maximum Loan Rate 7/01/09.....	4/5%
<b>FY 2009 INFORMATION</b>	
Loans Funded in FY 2009.....	167
Loans Paid Off During FY 2009.....	140
Number of Outstanding Loans as of 6/30/09.....	422
Outstanding Loan Balances as of 6/30/09.....	\$52.9 million
<b>LIFE OF THE PROGRAM INFORMATION</b>	
Borrowers Assisted Life of Program.....	1404
Number of Loans Funded .....	\$189.8 million

The Legislature limited the funds available for these loans to \$55 million. To stretch these dollars, as loans payoff or principal payments are received, the Treasurer's office makes the dollars available to fund new loans. Since July 2000, almost \$190 million in loans have been funded and 167 loans were funded in FY 2009. Individual loans are limited to a maximum amount of \$250,000 with the average loan amount is just over \$100,000. Most loans are much shorter in term than the eight years allowed by law. In fact, 140 loans were paid off during the fiscal year.

The lower than market rate authorized by the statute is calculated by PMIB staff each day and is displayed on their webpage. Banks are allowed a four percent spread between the rate they pay on the certificates of deposit and the interest rate on the corresponding loans as a means to help offset their liability for any potential losses due to the credit worthiness of their borrowers.

The state does not stand to lose any principal or interest on these loans. The rates change on existing loans every six months: July 1 and January 1. All interest payments are collected June 30 and December 31 and are credited to the state general fund. Since July 2000, the program has earned 8.194 million in interest. The interest rate as of July 1, 2009 was 0.5 percent, down from 1.82 percent in July 2008. The 2009 Legislature passed HB 2331 placing a minimum of 0.5 percent on Certificates of Deposits (CDS). As of the end of FY 2009, there were 422 outstanding loans with balances of \$52.9 million.

## KANSAS HOUSING LOAN DEPOSIT PROGRAM

The Kansas Housing Loan Deposit Program was implemented July 1, 2008. The 2008 Legislature passed SB 387 creating the Kansas Housing Loan Deposit Program. \$30 million was designated for specific disaster areas \$30 million was for any location in the state. The program was modeled after the Agricultural Production Loan Program. Money would be placed with requesting banks for the purpose of building a home. The interest rate would be calculated by PMIB staff each day and displayed on their website. A minimum CD interest rate of 0.5 percent was established by the 2009 legislature with the passage of HB 2331.

The State Treasurer's Office was directed to administer the program. The rules and regulations require that the home value not exceed 350% of the median family income as reported by the most recent census and is updated on the Treasurer's website. As of the end of FY 2009, there were 5 outstanding loans with balances of \$609,532. Currently we are working with homebuilders, lenders, realtors, and others to identify changes needed to make the program more usable. Improving usage of this program is critical to help create jobs in the current Kansas economy.

# 2009 State Treasurer's Office Annual Report: Administration

## FINANCIAL LITERACY

As we have watched the pain and turmoil caused by the financial meltdown last year, it is easy to see why finances and understanding finances is so vital to Kansans. Through various existing efforts and through new initiatives that we have launched this year the Treasurer's Office has worked very hard to provide Kansans as many tools as possible to guide them to making responsible financial decisions.

A variety of financial literacy efforts are offered to Kansans of all ages through the State Treasurer's Office. These initiatives have become a great resource for Kansas teachers, students, and families.

Save@School, Money\$mart Financial Management Camp, and the ABC's of Credit Card Finance are great educational programs that involve partnerships between the State Treasurer's Office and financial institutions across Kansas, especially credit unions. Students learn basic financial skills and receive information on credit cards, budgeting, saving and goal setting.

In May 2009 the State of Kansas passed into law SB 41 which requires the state board of education to authorize and assist in the implementation of programs on teaching personal financial literacy. The goal of this new law is to equip students with the knowledge and skills needed to become self-supporting and enabling students to make critical decisions regarding personal finances. The State Treasurer's Office worked closely with the Department on Education, legislators, and other interested parties to make this happen.

The office's website offers online resources and opportunities. KidsZone provides homework helpers, facts on Kansas, educational games, and important links to other state and government websites. Tomorrow's Money provides easily-accessible information on personal finance concepts to give consumers confidence, motivation, knowledge and the skill building tools necessary to begin saving and investing. Tomorrow's Money is a tool for young people who may be new to money management or for people looking for tips on better savings and investment practices.



*"Bringing the Money\$mart Program to our seventh grade students provides many benefits. First, students LOVE to have college students come and present to them. Second, the program teaches skills and content that they need to know for their seventh grade Kansas State Assessments in mathematics (finance) and Social Studies (economics). Having a day to experience learning in a different structure is exciting as well as effective."*

*– LuAnne Vides, El Dorado Middle School Math/Science Teacher*

# 2009 State Treasurer's Office Annual Report: Bonds Services Submitted by: Carmen J. Klopping, Director

## **BOND SERVICES**

The Municipal Bond Services program is responsible for the registration of all municipal bonds issued in Kansas. In addition, this program provides registrar and paying agent services for the majority of all local municipal bond issues, as well as state issues, including bonds authorized by the Kansas Comprehensive Highway Program and by the Kansas Development Finance Authority.

As registrar and transfer agent for 95% of the outstanding municipal bond issues in Kansas, the State Treasurer maintains records on 31,979 bond holders to permit prompt and accurate processing of transactions, as well as timely payments of principal and interest to owners. In addition to the 2,226 bond and note issues in registered form which have been issued since 1983, this program also services 17 bearer-form issues.

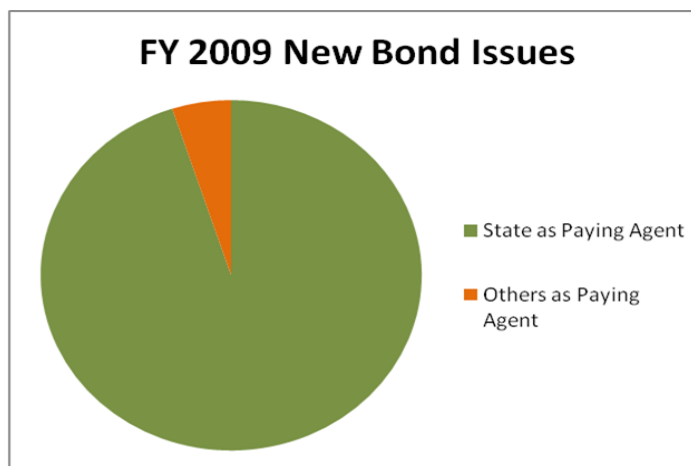
When the State Treasurer is named the fiscal agent, a fee is charged to the issuing municipality for the services provided. Under current law, KSA 10-506, KSA 10-603 and KSA 10-627, as amended July 1, 2000, amounts are received and deposited in the state treasury and credited to the Bond Services Fee Fund. The State Treasurer is authorized to charge and collect fees for the registration of bonds for which the State Treasurer is not the paying agent. These fees are also credited to the Bond Services Fee Fund and both are used to support the program. Total fees collected in FY 2009 were \$711,914 and credited to the bond services fee fund.

Principal and interest amounts are collected from the respective municipalities in advance of maturities to ensure timely payments. Payments for all issues serviced are approximately \$2.05 billion annually.

During the report year, 262 new issues were recorded and the State Treasurer was named paying agent on all but 13 of those bond issues. In addition, the State Treasurer was named Paying Agent on 60% of the 123 Temporary Note Issues. The total principal amount outstanding on bonds serviced as of June 30, 2009, was in excess of \$13.2 billion. Although not recorded as such, the interest earned on the bond monies between the time of receipt and subsequent payout has a positive impact on funds available for investment and, consequently, to the State General Fund.

The Bond department has established a level of performance which compares favorably with that of many other transfer and paying agents. The efficiency of the transfer and paying agent is believed to be an important factor influencing investor willingness to purchase a particular bond issue, and therefore is also believed to affect the rate of interest at which an issue can be sold.

During FY 2009, transfers were submitted timely 100% of the time.



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*2009 State Treasurer's Office Annual Report: Bonds Services  
Submitted by: Carmen J. Klopping, Director*

**BONDS SERVICES-(cont.)**

**FY 2009 & 2008  
MUNICIPAL BOND ACTIVITIES**

	<b><u>FY 2009</u></b>		<b><u>FY 2008</u></b>	
	Number	Amount	Number	Amount
<b><u>Bonds</u></b>				
New Issues				
Total Registered	262	\$2,201,629,049	215	\$1,786,690,550
State As Paying Agent	249	\$2,016,134,049	191	\$1,432,843,550
State As Paying Agent	2,226	\$13,283,164,311	2,305	\$13,478,066,404
Transfers				
Cancelled	106	\$3,245,000	105	\$2,013,000
Issued	105	\$3,245,000	106	\$2,013,000
Calls	275	\$635,309,025	216	\$510,965,743
Registration Fees Collected		\$10,225		\$8,529
Standard Fees Collected		\$689,796		\$578,410
Commission		\$11,893		\$11,760
<b><u>Temporary Notes</u></b>				
Total Registered	123	\$736,773,385	109	\$671,014,800
State As Paying Agent	74	\$195,564,000	55	\$249,364,000
<b><u>Payments</u></b>		\$2,051,255,107		\$1,991,723,830
<b><u>Receipts</u></b>				
Cash and Wire		\$1,199,982,420		\$1,069,465,744
Interfund		\$691,715,104		\$901,646,880

## 2009 State Treasurer's Office Annual Report: Unclaimed Property Submitted by: Rita Mohr, Director

The Unclaimed Property program seeks to return unclaimed property to the rightful owners or heirs. After a period of dormancy, the reporting business, also known as the holder, must remit specified types of abandoned personal property to the State Treasurer, who becomes custodian in perpetuity, preserving the right of the original owner or heirs to claim the property.



Property that may be deemed abandoned includes: safe deposit box contents, bank deposits, shares of stock, dividends, mineral royalties, certified checks, drafts or money orders, unclaimed funds held by insurance companies under life and property and casualty policies, utility deposits, property distributable during the voluntary closure of business associations, property held by courts and public officers and agencies, and miscellaneous intangible property held by one party for another.

All property that meets statutory requirements for presumption of abandonment must be reported and remitted to the State Treasurer. The holder may aggregate property valued below \$100 together. Any person claiming an interest in such property may then file a claim with the State Treasurer. The Unclaimed Property Division reviews all claims for the return of abandoned property received by the State Treasurer for appropriateness.

Unclaimed property information is stored and processed on a secure web-based system, allowing immediate reference to stored information and prompt updating of files. Holders may file reports on-line or submit information electronically on diskettes or CD-Rom, as well as through written reports which are keyed into the system by Unclaimed Property staff.



The amounts received from the disposition of unclaimed property are deposited into the state general fund. However, the State Treasurer does maintain a balance in the unclaimed property claims fund to pay claims allowed. A balance is also maintained

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# 2009 State Treasurer's Office Annual Report: Unclaimed Property Submitted by: Rita Mohr, Director

## UNCLAIMED PROPERTY-(cont.)

in the unclaimed property expense fund, using this balance to operate the program.

FY 2009 was a successful year for the Unclaimed Property program. Our Unclaimed Property division generated a record number of claim forms for Kansans lost properties (see chart) and over \$20 million in unclaimed property was received. A portion of this amount resulted from the sale of stock received in an earlier year as required by the law. Unclaimed property returned to its rightful owners exceeded \$10 million in money and stock. (See chart.)

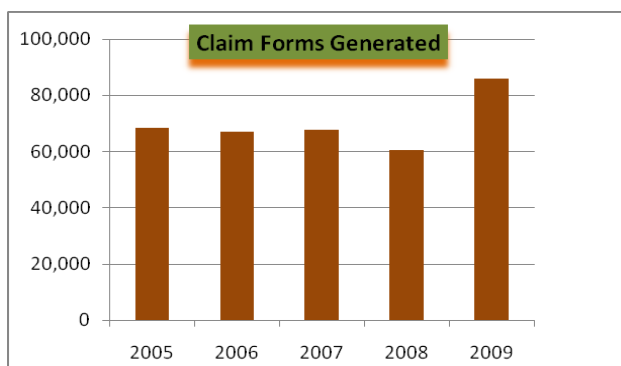
The State Treasurer's office maintained its usual booth at the Kansas State Fair in September. Over 2,657 claim forms were generated for a total amount of \$850,000 which could be claimed.

Although the Internet site continues to be one of the main outreach tools and generates a great deal of interest and subsequent claims, most of the year the staff spent a good deal of time proactively searching for owners. One staff member is dedicated full-time to outreach while the rest of the staff searched as time allowed. As new property is reported, a staff member starts searching each name on the Internet. They attempt to make contact with the owner or their heirs and send claims to that person(s). While this may seem like a tedious process, it actually produces a higher percentage of valid claims than some of the more visible outreach efforts.

One of the best "tools" available for the outreach effort is the Treasurer himself. Treasurer McKinney routinely makes Unclaimed Property a focus as he travels throughout the state. He tries to visit each County Treasurer to provide them with the most current unclaimed property list for their counties.

A feature of the new unclaimed property tracking system has proved to be very successful - the ability for owners' claims to be pre-approved if filed on the Internet. If the property held meets certain criteria and the claimant holds a valid Kansas driver's license or identification card, the system validates it against the Department of Revenue driver's license database and the claimant is informed right at the time whether the claim can proceed as a paperless claim. Unclaimed Property staff then review the claim on-line and either approve or deny the claim. Claims that are approved on-line move to the head of the approved claim list and the person can receive their check in just a few days, usually less than a week. Almost \$100,000 was paid out using this approval process.

This process is not available in most other states' unclaimed property divisions and shows the Kansas State Treasurer's office is creative and willing to consider all possibilities when it comes to returning unclaimed assets to the owners.



# 2009 State Treasurer's Office Annual Report: Cash Management

Submitted by: Lucinda Anstaett, Director

The Cash Management program consists of two subprograms: Item Processing and Aid to Local Units of Government. Each is charged with accounting for the state's funds accurately and efficiently.

## Item Processing

The Item Processing subprogram is responsible for the recording and depositing of all state receipts and for the accurate accounting of all disbursements made through the warrant writing process. In an effort to make these processes more efficient and secure, this subprogram strongly encourages the use of electronic technologies whenever possible.

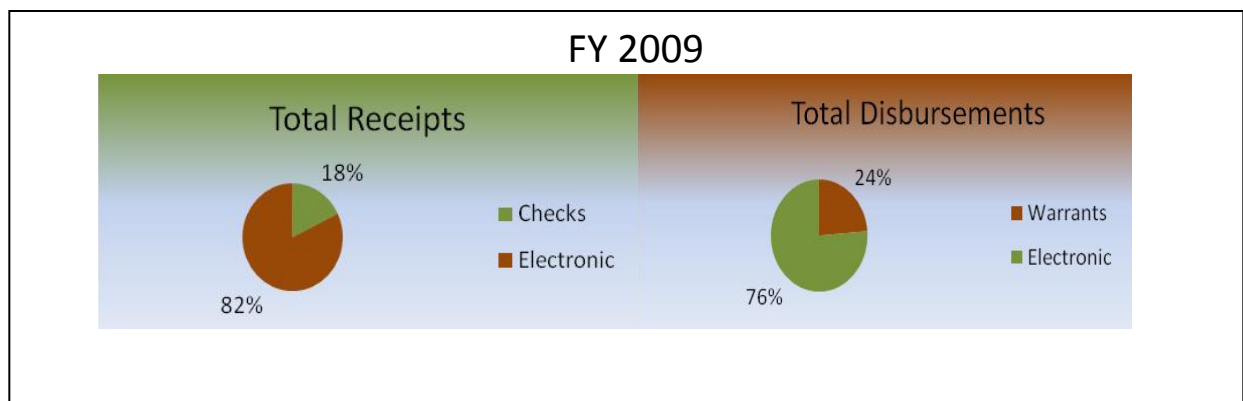
In fiscal year 2009, 82 percent of the state's revenue dollars were received electronically or as cash and 76 percent of the state's disbursement dollars were processed electronically. This represents 33 percent of the receipt items and 53 percent of the distribution items. The total number of items received decreased slightly, but the percentage of receipts/items being received electronically increased 3 percent over FY 2008.

The total number of disbursements/items increased – 53 percent of those payments were made electronically – a much more efficient payment method. This is the first year the number of electronic payments surpassed the number of warrants written.

Another important function of the Item Processing subprogram is to ensure that the money deposited in any Kansas bank is secured, either by FDIC coverage or by approved collateral. The inventory and value of pledged collateral is maintained on a special software application called "The Vault." The collateral is valued weekly and changes are monitored to make sure the state's funds are fully protected.

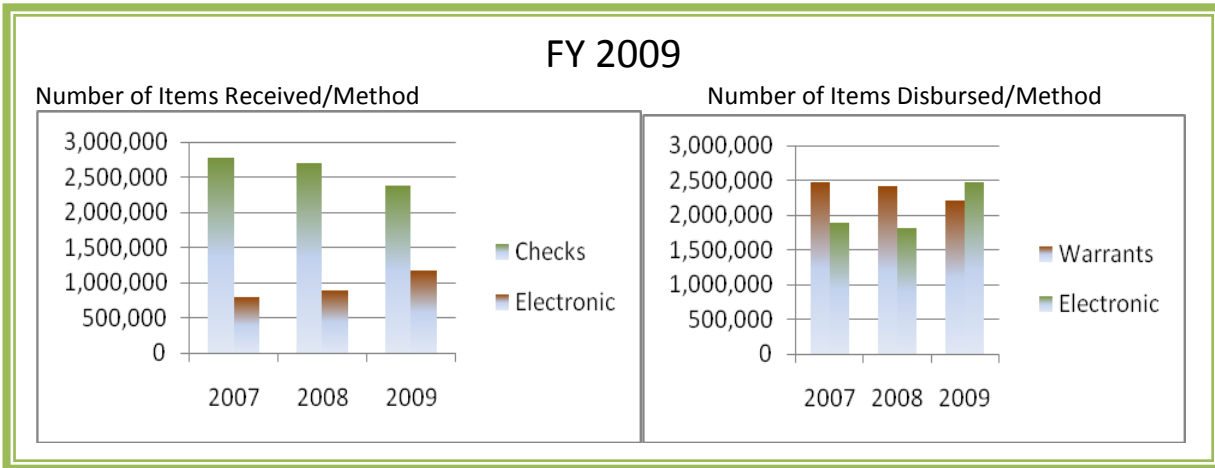
This subprogram is further charged with monitoring and improving the state's cash management practices. Each day, the program determines the state's cash position and reports it to the Pooled Money Investment Board. The available funds are then invested by the board, according to statute.

Beginning January 2009, the Treasurer's Office implemented electronic deposit of agency receipts. Throughout the day checks are scanned, balanced, and then transmitted to the contract bank—decreasing the "float" on that money. This change in the cash management process has provided the State with quicker use of those dollars. Working together the Treasurer's Office and the Department of Revenue will be set up to initiate electronic deposits of all tax receipts July 1, 2009, further improving our management of cash.



# 2009 State Treasurer's Office Annual Report: Cash Management Submitted by: Lucinda Anstaett, Director

## CASH MANAGEMENT-(cont.)



## AID TO LOCAL UNITS OF GOVERNMENT

Through the Aid to Local Units of Government Subprogram, the State Treasurer distributes monies to city, and county governments according to the statutory provisions. Distribution data beginning with January of 1995 is available to the public on the State Treasurer's website. The distributions available are: Local ad Valorem tax reduction aid, city and county revenue sharing aid, local alcoholic liquor fund, special city and county highway fund, local sales and use tax, rental motor vehicle excise tax aid, tax increment financing revenue replacement, and transient guest tax. The Omnibus Bill in 2003 (and subsequent annual amendments) suspended the fiscal year 2004 through 2009 distributions for the city and county revenue sharing and the local aid valorem tax reduction aid.

Distributions to Cities & Counties		
	FY 2008 & 2009	
	FY 2009	FY 2008
Local Ad Valorem Reduction Fund	\$ -	\$ -
County & City Revenue Sharing Fund	\$ -	\$ -
Local Alcoholic Liquor Fund	\$ 25,559,905	\$ 24,969,951
Special City & County Highway	\$ 138,202,409	\$ 141,669,569
Highway Equalization	\$ 2,500,000	\$ 2,500,000
Local Sales & Use Tax	\$ 787,596,030	\$ 857,303,222
Rental Motor Vehicle Tax	\$ 3,395,574	\$ 3,366,388
TIF Revenue Replacement Fund	\$ 1,259,079	\$ 1,107,077
Transient Guest Tax	\$ 31,456,069	\$ 30,164,626
Business Machinery & Equipment Tax Reduction Fund	\$ 20,041,629	\$ 20,324,493
Telecommunications & Railroad Mach. & Equip. Tax Red. Fund	\$ 4,967,777	\$ 5,535,867
<b>TOTAL</b>	<b>\$ 1,014,978,472</b>	<b>\$ 1,086,941,193</b>

## The State Treasurer's Office will be seeking the following as legislative priorities for the 2010 Legislative Session.

> **Increase utilization of the Kansas Housing Loan Deposit Program.** This program provides Kansas banks the ability to provide incentives for housing construction development loans. Our office is currently working with homebuilders, lenders, realtors, and others to identify changes needed to make the program more usable. Requested changes include: increase the maximum value of the house which can qualify for the loan; allow for multiple loans and set the maximum loan per developer; and allow for multi-family housing to be eligible under this program. Currently, only single family housing developments are eligible for this program.

### Kansas Housing Loan Deposit Program



> **Expand the tools available to reunite Kansans with their unclaimed property.**



Working with the Secretaries of Revenue and Health and Environment, the Treasurer will request the ability for different government entities to share basic information in order to increase the amount of funds returned to Kansans in the form of unclaimed property.

> **Reduce the cost of business loans in rural and economically distressed areas.** Create a loan guarantee program which is designed to help mitigate the increased risk factor that is typically calculated into a rural or economically distressed area's business loan.



## 2009 State Treasurer's Annual Report: Index

Message from the State Treasurer.....	2
Learning Quest.....	3-4
KIDS Program.....	4
Administration.....	5-7
Information Technology.....	5
Kansas Agricultural Loan Program.....	5-6
Kansas Housing Loan Deposit Program.....	6
Financial Literacy.....	7
Bonds Services Division.....	8-9
Unclaimed Property.....	10-11
Cash Management.....	12-13
Legislative Priorities for FY 2010.....	14