



Wyoming State Treasurer

Mark Gordon

Patricia O'Brien Arp
Deputy State Treasurer

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TO: Select Committee for Capital Financing and Investments
FROM: Mark Gordon, State Treasurer 
DATE: October 31, 2016
RE: Public Purpose Investments and Loans Report

In accordance with Wyoming State Statute 9-4-715(n), by November 1 of each calendar year, the State Treasurer, in consultation with the State Loan and Investment Board, the Wyoming Water Development Office, the Wyoming Business Council and the Office of State Lands and Investments, shall provide a report to the Select Committee on Capital Finance and Investments on all state funds invested for the specific public purpose authorized or directed by the Legislature. The report shall include:

i) A list of all investment or loan requests made in the previous year, the amount loaned or invested and the status of all investments and loans, including those which are delinquent as to the payment of any installment of principal or interest due.

ii) Recommendations for future legislation, including recommendations for adjustments to the amount allocated by this subsection and recommendations for adjustments to the amounts allocated under applicable state law for individual investments authorized or directed by the Legislature for a specific purpose.

iii) The cost of the investment to the people of Wyoming in terms of (A) forgone earnings that could have been obtained if the funds had been invested by the State Treasurer with the permanent funds of the State and (B) any administrative and other costs associated with each investment.

In response to this required report, we have provided the following information:

- The Office of State Lands and Investments has provided attachments regarding a variety of loans.
- The Wyoming Business Council sent an email stating that they did not receive any applications for large project loans during fiscal year 2016. They had several companies expressing interest and would anticipate application(s) in fiscal year 2017.
- The Water Development Office provided a memo regarding water development loans that has been attached.
- The State Treasurer's Office has attached a memo and spreadsheet which is a summary of all outstanding Public Purpose Investments (PPIs).

cc: Matt Obrecht, LSO
Don Richards, LSO

Office of State Lands & Investments
Public Purpose Investment Loan Information
For Fiscal Year 2016
July 1, 2015 - June 30, 2016
W.S. 9-4-715(n)

W.S. 9-4-715(n)(i)
FY16 Loan Requests during FY16

Loan Program	SLIB Board Date	Requested Loan Amount	Approved Loan Amount	Interest Rate
Beginning Agricultural Producer	October 2015	\$ 480,760	\$ 480,760	2.14% 1st Ten Years then 8% for the following Twenty Years
Beginning Agricultural Producer	October 2015	\$ 355,000	\$ 355,000	2.14% 1st Ten Years then 8% for the following Twenty Years
Beginning Agricultural Producer	October 2015	\$ 628,220	\$ 628,220	2.14% 1st Ten Years then 8% for the following Twenty Years
Beginning Agricultural Producer	February 2016	\$ 535,000	\$ 535,000	2.14% 1st Ten Years then 8% for the following Twenty Years
Beginning Agricultural Producer	February 2016	\$ 518,130	\$ 518,130	N/A Loan withdrawn after SLIB approval
Beginning Agricultural Producer	April 2016	\$ 350,000	\$ 294,000	2.10% 1st Ten Years then 8% for the following Twenty Years
Beginning Agricultural Producer	June 2016	\$ 669,125	\$ 669,125	2.04% 1st Ten Years then 8% for the following Twenty Years
Hot Springs	February 2016	\$ 74,888	\$ 74,888	6%
Joint Powers Act	June 2016	\$ 257,050	\$ -	N/A

W.S. 9-4-715(n)(ii)
Recommendations for future legislation

OSLI administers these PPI Programs under the statutory requirements set out by the legislature and does not have an opinion on how the limits set forth in W.S. §11-34-117 could be adjusted to reflect current program usage patterns or to promote better or more efficient administration.

W.S. 9-4-715(n)(iii)(B)
OSLI's Administrative & Other Costs for FY16

\$74,846

Office of State Lands & Investments
 Status of Individual Loans
 at June 30, 2016
 W.S. 9-4-715(n)(i)

Program	Loan ID	Interest Rate	6/30/2016		Status	Comment
			Principal	Balance		
Aeronautics	AER1403	5.00%	325,418.15		Current	
Aeronautics	AER1405	5.00%	303,918.09		Current	
Aeronautics	AER1406	5.00%	352,183.20		Current	
Aeronautics	AER1407	5.00%	1,453,680.38		Current	
Aeronautics	AER1408	5.00%	323,629.99		Current	
Aeronautics	AER1409	5.00%	325,622.43		Current	
Beginning Agriculture Producer	B00001	8.00%	308,428.22		Current	
Beginning Agriculture Producer	B00002	8.00%	60,404.54		Current	
Beginning Agriculture Producer	B00004	8.00%	52,383.57		Current	
Beginning Agriculture Producer	B00007	8.00%	39,766.70		Current	
Beginning Agriculture Producer	B00018	8.00%	150,439.45		Current	
Beginning Agriculture Producer	B00020	8.00%	254,562.62		Current	
Beginning Agriculture Producer	B00021	8.00%	54,319.29		Current	
Beginning Agriculture Producer	B00026	8.00%	193,494.88		Current	
Beginning Agriculture Producer	B00029	8.00%	143,935.41		Current	
Beginning Agriculture Producer	B00033	4.77%	511,034.42		Current	
Beginning Agriculture Producer	B00036	4.78%	317,466.56		Current	
Beginning Agriculture Producer	B00044	3.72%	640,346.40		Current	
Beginning Agriculture Producer	B00045	4.05%	201,569.11		Current	
Beginning Agriculture Producer	B00047	3.94%	175,231.57		Current	
Beginning Agriculture Producer	B00049	3.79%	265,076.95		Current	
Beginning Agriculture Producer	B00052	3.41%	152,545.31		Current	
Beginning Agriculture Producer	B00054	3.34%	613,379.24		Current	
Beginning Agriculture Producer	B00055	3.34%	127,142.42		Current	
Beginning Agriculture Producer	B00057	3.35%	696,352.22		Current	
Beginning Agriculture Producer	B00061	3.20%	691,619.31		Current	
Beginning Agriculture Producer	B00063	3.51%	266,782.50		Current	
Beginning Agriculture Producer	B00064	3.58%	664,626.75		Current	
Beginning Agriculture Producer	B00068	3.26%	540,767.19		Current	
Beginning Agriculture Producer	B00069	3.52%	357,746.01		Current	
Beginning Agriculture Producer	B00071	3.37%	715,324.44		Current	
Beginning Agriculture Producer	B00072	3.22%	256,853.39		Current	
Beginning Agriculture Producer	B00073	3.45%	56,528.55		Current	
Beginning Agriculture Producer	B00076	2.97%	228,841.52		Current	
Beginning Agriculture Producer	B00077	3.06%	266,723.73		Current	
Beginning Agriculture Producer	B00080	2.63%	60,896.31		Current	
Beginning Agriculture Producer	B00082	2.22%	672,687.33		Current	
Beginning Agriculture Producer	B00084	1.93%	398,355.96		Current	
Beginning Agriculture Producer	B00087	1.85%	461,444.01		Current	
Beginning Agriculture Producer	B00088	1.81%	485,201.96		Current	
Beginning Agriculture Producer	B00095	1.74%	296,755.18		Current	
Beginning Agriculture Producer	B00097	1.95%	166,194.98		Current	
Beginning Agriculture Producer	B00099	1.90%	329,458.32		Current	
Beginning Agriculture Producer	B00100	2.46%	634,005.25		Current	
Beginning Agriculture Producer	B00101	2.14%	707,734.41		Current	
Beginning Agriculture Producer	B00102	2.14%	277,005.73		Current	
Beginning Agriculture Producer	B00103	2.24%	285,598.41		Current	
Beginning Agriculture Producer	B00104	1.95%	673,618.35		Current	
Beginning Agriculture Producer	B00105	2.19%	760,422.13		Current	
Beginning Agriculture Producer	B00106	2.39%	160,118.57		Current	
Beginning Agriculture Producer	B00107	2.49%	163,961.40		Current	
Beginning Agriculture Producer	B00110	2.60%	471,658.56		Current	
Beginning Agriculture Producer	B00111	2.48%	508,339.52		Current	
Beginning Agriculture Producer	B00112	2.63%	280,709.44		Current	
Beginning Agriculture Producer	B00113	2.68%	130,233.83		Current	
Beginning Agriculture Producer	B00114	2.65%	338,555.48		Current	
Beginning Agriculture Producer	B00116	2.57%	290,798.91		Current	
Beginning Agriculture Producer	B00117	2.57%	684,232.72		Current	
Beginning Agriculture Producer	B00118	2.57%	684,232.72		Current	
Beginning Agriculture Producer	B00120	2.30%	478,478.78		Current	
Beginning Agriculture Producer	B00122	2.14%	628,220.00		Current	
Beginning Agriculture Producer	B00123	2.14%	480,760.00		Current	
Beginning Agriculture Producer	B00124	2.14%	355,000.00		Current	
Beginning Agriculture Producer	B00127	2.14%	535,000.00		Current	
Beginning Agriculture Producer	B00129	2.10%	294,000.00		Current	

Program	Loan ID	Interest Rate	6/30/2016		Status	Comment
			Principal	Balance		
Farm Loan	F07270	9.00%	12,590.39		Current	
Farm Loan	F07657	8.00%	8,511.84		Current	
Farm Loan	F07790	8.00%	10,265.64		Current	
Farm Loan	F07880	8.00%	24,638.08		Current	
Farm Loan	F07898	8.00%	41,622.11		Current	
Farm Loan	F07996	8.00%	33,179.97		Current	
Farm Loan	F08022	8.00%	125,000.00		Current	
Farm Loan	F08037	9.00%	21,825.49		Current	
Farm Loan	F08081	8.00%	19,421.36		Current	
Farm Loan	F08113	8.00%	149,821.50		Current	
Farm Loan	F08129	8.00%	28,218.04		Current	
Farm Loan	F08193	8.00%	71,524.83		Current	
Farm Loan	F08201	8.00%	64,919.47		Current	
Farm Loan	F08202	9.00%	12,185.05		Current	
Farm Loan	F08225	8.00%	23,841.43		Current	
Farm Loan	F08303	8.00%	18,846.47		Current	
Farm Loan	F08359	8.00%	101,461.76		Current	
Farm Loan	F08398	8.00%	16,346.56		Current	
Farm Loan	F08411	8.00%	36,148.20		Current	
Farm Loan	F08439	9.00%	68,984.10		Current	
Farm Loan	F08486	8.00%	84,176.35		Current	
Farm Loan	F08535	8.00%	37,193.58		Current	
Farm Loan	F08619	8.00%	23,569.81		Current	
Farm Loan	F08631	8.00%	314,497.83	Delinquent	Foreclosure Proceedings have begun	
Farm Loan	F08663	8.00%	76,255.87	Delinquent	Repayment Plan approved 6/2/16	
Farm Loan	F08710	8.00%	502,895.13	Current		
Farm Loan	F08713	8.00%	460,617.24	Current		
Farm Loan	F08722	8.00%	548,287.12	Current		
Hot Springs	S00006	6.00%	247,500.00	Current		
Joint Powers Act	JPA09279	8.50%	51,502.14	Current		
Joint Powers Act	JPA09289	8.50%	21,016.70	Current		
Joint Powers Act	JPA09303	8.50%	4,048.29	Current		
Joint Powers Act	JPA09314	8.50%	38,784.95	Current		
Joint Powers Act	JPA09320	8.50%	9,495.10	Current		
Joint Powers Act	JPA09392	8.50%	48,139.55	Current		
Joint Powers Act	JPA09404	7.25%	13,883.82	Delinquent	Per District, loan will be brought current with 4/1/2017 Invoice	
Joint Powers Act	JPA09453	7.25%	162,365.50	Current		
Joint Powers Act	JPA09489	7.25%	37,798.14	Current		
Joint Powers Act	JPA09504	7.25%	79,651.15	Current		
Joint Powers Act	JPA09538	6.00%	106,016.72	Current		
Joint Powers Act	JPA09545	6.00%	2,952.98	Delinquent	Per District, loan will be paid in full with 12/1/2016 Invoice	
Joint Powers Act	JPA09549	6.00%	280,560.13	Current		
Joint Powers Act	JPA09550	6.00%	306,914.74	Current		
Joint Powers Act	JPA09552	6.00%	335,732.53	Current		
Joint Powers Act	JPA09556	6.00%	57,898.66	Current		
Joint Powers Act	JPA09563	5.31%	89,145.53	Current		
Joint Powers Act	JPA09566	5.06%	23,782.65	Current		
Joint Powers Act	JPA11565	5.06%	144,472.56	Current		
Joint Powers Act	JPA11567	5.17%	255,017.11	Current		
Joint Powers Act	JPA11570	4.94%	98,942.21	Current		
Joint Powers Act	JPA11572	4.94%	150,245.75	Current		
Joint Powers Act	JPA11573	4.94%	238,201.36	Current		
Joint Powers Act	JPA11574	4.94%	349,648.35	Current		
Joint Powers Act	JPA11575	4.94%	92,931.16	Current		
Joint Powers Act	JPA13576	4.89%	104,664.30	Current		
Joint Powers Act	JPA13577	4.89%	95,149.35	Current		
Joint Powers Act	JPA13578	4.89%	59,109.23	Current		
Joint Powers Act	JPA13579	4.89%	39,364.36	Current		
Joint Powers Act	JPA13580	4.13%	182,302.64	Current		
Joint Powers Act	JPA13581	4.62%	73,814.34	Current		
Joint Powers Act	JPA15582	4.62%	496,648.29	Current		
Joint Powers Act	JPA15583	4.62%	422,277.32	Current		
Joint Powers Act	JPA15584	4.62%	868,822.22	Current		
Joint Powers Act	JPA15585	4.96%	62,927.00	Current		
Joint Powers Act	JPA15586	4.96%	55,881.92	Current		
Small Water/Irrigation	I00546	4.00%	82,903.40	Current		
Small Water/Irrigation	I00746	4.00%	51,013.70	Current		
Small Water/Irrigation	I00818	5.00%	367,483.23	Current		
Small Water/Irrigation	I00835	6.00%	10,703.34	Current		



WYOMING WATER DEVELOPMENT OFFICE

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Matthew H. Mead

Governor

Commissioners

Nick Bertas	Sheridan Little
Karen Budd-Falen	William Resor
Floyd Canfield	Jeanette Sekan
David Evans	Rodney Wagner
Clinton W. Glick	Todd Werbelow

Harry C. LaBonde, Jr., P.E.
Director

TO: Erica Legerski, State Treasurer's Office

FROM: Andi Odell, Wyoming Water Development Office (WWDO) *AO*

DATE: October 13, 2016

SUBJECT: Current Public Purpose Investment Projects of the WWDO

In regards to the report referenced in W.S. 9-4-715(n), the Wyoming Water Development Office has one active public purpose investment (PPI) project and one PPI project in repayment status. The active PPI project is the Gillette Madison Pipeline Project. The state of Wyoming legislature appropriated loan dollars to the City of Gillette from the permanent mineral trust fund (PMTF) through the Wyoming Water Development Commission. The total PMTF loan is for \$44,328,358.00 and has been fully transferred to the Gillette Madison pipeline account. The last transfer occurred in June of 2015. Thus, no loan requests were made from the State Treasurer's Office (STO) in the previous fiscal year (FY 2016). These PMTF loan dollars are for thirty-three percent (33%) of the actual development costs of the project. The remaining sixty-seven percent (67%) of the actual development costs were appropriated from several sources as grant dollars.

As of June 30, 2016, the WWDO disbursed \$40,131,770.53 in PMTF loan dollars to the City of Gillette. The remaining loan of \$4,196,587.47 will be expended in FY 2016. After the PMTF loan dollars are fully expended, the City of Gillette is responsible for the remaining thirty-three percent (33%) of the actual development costs. Interest on the PMTF loan dollars will not be charged until the benefits accrual date is set by the WWDO. The benefits accrual date is estimated to occur within the next two years.

The PPI project in repayment status is the Shoshone Municipal Water Treatment Project. The principal balance of the PMTF loan as of June 30, 2016 was \$12,073,147.63. The payer, Shoshone Municipal Water Joint Powers Board, is current on this loan. The final payment of the loan is due in September of 2041.

In response to W.S.9-4-715(n)(ii) and W.S.9-4-715(n)(iii), the WWDO has no recommendations for future legislation. The STO may calculate the forgone earnings for each of the above mentioned PPI projects as the STO invests the PMTF dollars. Lastly, for the WWDO, there are no administrative or other costs associated with each investment. Please contact me if you have any additional questions.



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**State of Wyoming Treasurer's Office
Public Purpose Investments Loan Information
For Fiscal Year 2016
W.S. 9-4-715 (n)**

i) Loan Requests:
Please see attached spreadsheet.

ii) Recommendations:
The State Treasurer's Office does not have any recommendations at this time.

iii) Costs:
(A) Forgone earnings that the State would have received is difficult to ascertain without knowing the credit quality of each borrower. For instance, in connection with interfund borrowings, would the State agency receiving the loan be supported by a State of Wyoming guarantee? A guarantee from the State would reduce borrowing costs dramatically.

In FY 2016:

PMTF earned 1.07%
Common school earned 1.4%
State agency earned 4.04%

For interfund borrowings where the State guarantees the loan any interest rate that is below the stated returns above would be an opportunity loss.

For loans for Wyoming projects, such as Industrial Development Bond Program or the Farm Loan Program, an approximation would be the high yield index. On June 30, 2016, it yielded 7.3%. This is a generic yield and each entity would borrow at different rates. Many high yield credits are currently borrowing at yields well above 10%.

(B) Administrative costs associated with this program in FY 16 were estimated at \$2,185. Costs can seriously fluctuate over time depending on the work needed by the PPI program; with costs of initiating a PPI well out distance maintenance of the loan.

State of Wyoming Treasurer's Office
 Public Purpose Investments Loan Information
 For Fiscal Year 2016
 W.S. 9-4-715 (n)

FY16 - TDY	Balance Forward as of June 30, 2015	Special Loans In FY 16	Principal Payments	Interest Payments	Loan Balance as of June 30, 2016	Current Loan Status
Permanently Withdrawn (Repealed) (WY 2016)						
Airport Loans	\$4,292,916.98	\$0.00	\$1,208,464.74	\$230,592.42	\$3,084,452.24	Administered by OSLI
Basin Electric	\$26,591,000.00	\$0.00	\$1,998,000.00	\$1,223,972.75	\$24,593,000.00	Current
Farm Loans	\$24,926,844.30	\$2,292,980.00	\$2,585,608.55	\$983,428.01	\$24,634,215.75	Administered by OSLI
Special Loans - Hot Springs State Park	\$5,460.79	\$247,500.00	\$5,460.79	\$354.58	\$247,500.00	Administered by OSLI
Hydro-Power Development Loans	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Industrial Development Bonds (repealed July 1, 2016)	\$50,578,381.23	\$0.00	\$7,143,342.27	\$2,756,060.49	\$43,435,038.96	Current
Irrigation Loans	\$574,615.69	\$0.00	\$62,512.02	\$27,096.88	\$512,103.67	Administered by OSLI
JPA Loans	\$6,445,742.90	\$119,818.00	\$1,105,452.15	\$353,195.05	\$5,460,108.75	Administered by OSLI
Reimbursement to Counties for Deferred Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Small Business Assistance & FmHA Ag Loans (statute repealed 2008)	\$60,160.96	\$0.00	\$14,966.32	\$2,677.61	\$45,194.64	Current
Water Development - Gillette Madison Pipeline	\$44,328,358.00	\$0.00	\$0.00	\$0.00	\$44,328,358.00	Payments will not start until Water Commission deems project beneficial
Water Development Loans	\$12,335,127.74	\$0.00	\$261,980.11	\$493,405.11	\$12,073,147.63	Administered by Water Development
TOTAL PERM	\$128,138,668.59	\$2,602,980.00	\$16,385,986.95	\$6,820,782.90	\$118,418,118.64	
Common School Permanent Fund (CSF) (GS)						
Drainage District	\$24,000.00	\$0.00	\$0.00	\$0.00	\$24,000.00	Last Payment 1974
School Foundation Interfund Borrowing	\$0.00	\$220,000,000.00	\$220,000,000.00	\$10,963,333.00	\$0.00	Current
Wyoming Real Estate - Land	\$18,335,737.79	\$0.00	\$0.00	\$0.00	\$18,335,737.79	N/A
TOTAL CSF	\$18,359,737.79	\$220,000,000.00	\$220,000,000.00	\$10,963,333.00	\$18,359,737.79	
State Agency Debt (SAB)						
Large Project Funding	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
TDOA	\$159,950,000.00	\$67,450,000.00	\$35,951,000.00	\$380,224.24	\$191,449,000.00	Current
General Fund Borrowing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Governor Fire Fighting Interfund Borrowing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Group Health Insurance Borrowing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Hathaway Scholarship Borrowing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
WYDOT Borrowing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
TOTAL SAB	\$159,950,000.00	\$67,450,000.00	\$35,951,000.00	\$380,224.24	\$191,449,000.00	
TOTAL DEBT	\$306,444,446.38	\$290,052,980.00	\$170,336,986.95	\$17,418,410.14	\$289,211,657.49	