

**ANNUAL REPORT**  
**of the Treasurer**  
  
**of the**  
**State of Wyoming**



For the Period  
July 1, 1999 through June 30, 2000

*Cynthia M. Lummis, State Treasurer*  
*Sharon Garland, Deputy State Treasurer*  
*Glenn Shaffer, Chief Investment Officer*

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# FOREWORD

## **Introduction**

The State Treasurer's Office is on track to meet our goal of increasing the state's return on its permanent funds, thanks to extraordinary teamwork by the Legislature, the State Loan and Investment Board, the Investment Advisory Committee, and the State Treasurer's Office.

## **Investments**

The 2000 Budget Session was very successful for the State Treasurer's Office. The Legislature passed the entire package of bills designed to meet our investment goals, including:

- (i) authorization to increase state investments of permanent funds in equities to fifty-five percent;
- (ii) established a spending policy (interest income targets) for the permanent mineral trust fund and the common school permanent fund, and a reserve account for excess interest income;
- (iii) a cap on legislatively designated investments;
- (iv) increasing the limits on tax and revenue anticipation notes and authorized the issuance of such notes for the school foundation fund.

The Legislature also revised the Family College Savings Plan authorizing legislation to assist us in launching the Program.

## **Reserves**

Wyoming finds itself in an entirely different revenue situation than it was at the beginning of fiscal year 2000. State government has gone from a projected \$130 million deficit to a projected \$100 million general fund surplus (over \$400 million total surplus in all funds). Opportunities exist for the 2001 Legislature to fund the reserve account they created in 2000, put additional revenue in the permanent mineral trust fund, or both. I encourage the Legislature to save a substantial portion of the non-recurring (one-time) revenue. I also encourage them to profile the surplus in terms of sustainable revenue and one-time revenue, using the January or February 2000 Consensus Revenue Estimating Group projections as a baseline.

## **The College Achievement Plan**

We launched Wyoming's family college savings plan in May 2000. Wyoming has partnered with Merrill Lynch, subsidiaries of which will manage funds and accounts. After just two months in

operation, Wyoming's plan was ranked in the top ten in the nation by writers for Kiplinger Magazine ([www.Kiplinger.com](http://www.Kiplinger.com)). We continue to work with Merrill Lynch to keep Wyoming's plan among the nation's best.

### **Wyoming Deferred Compensation Program**

The Wyoming Deferred Compensation Plan has matured to the point that it should be placed in an agency for which the primary mission is to administer employee benefits. The Treasurer's Office has successfully absorbed the administrative responsibilities of the program since inception without charge to program participants. The growing importance of deferred compensation as part of a package of employee benefits, and anticipated changes to federal regulations make this the right time to dedicate a staff position to oversee the program's continued growth and complexity. Administrative fees have also grown to the point at which the program can be self-supporting. I encourage the Legislature to take the step of moving the program to an agency where it can be coordinated with other employee benefits.

### **Treasurer's Office Staff**

This year, Glenn Shaffer was named the state's first Chief Investment Officer. The position was created in recognition of the growing complexity of managing the fixed income portfolio and coordinating the many external managers the state has retained to assist us in diversifying the permanent fund portfolios. Glenn will continue to serve on the Consensus Revenue Estimating Group. We welcomed Sharon Garland as the new Deputy State Treasurer. Sharon is in charge of auxiliary programs, including the College Achievement Plan and the Deferred Compensation Program, and internal office administration. She also continues to work with the State Loan and Investment Board and its investment consultant to help diversify the state investment portfolio.

Those employees receiving performance certificates included: Cindy Braden - 10 Year Certificate, Susan Harris - 5 Year Certificate, Barbara Patterson - 25 Year Certificate, and Nancy Russell - 25 Year Certificate. Congratulations and thanks are in order for many years of outstanding service by these fine employees to the people of Wyoming.

We said goodbye to Kathy Irvine, after seven years of service in the unclaimed property program and welcomed Kathy Flint and Lisa Ware to the unclaimed property division. Pam Hamilton guided us through Y2K without a hitch and continues to provide exemplary service in the area of information technology. On-line government services will place greater demands on state government employees but will increase the level of service to Wyoming residents. Retaining IT personnel will become even more critical as the e-portal becomes a reality. Cindy Braden took on a large additional responsibility to help bring the college savings plan into existence. The fine staff of the Treasurer's Office continues to perform at very high levels of service to the state. Staff members include: Marianne Beaudoin, Cindy Braden, Rosemary Colarusso, Kathy Flint, Sharon Garland, Pam Hamilton, Susan Harris, Cynthia Lummis, Barb Patterson, Alice Portz, Kathy Ramsey, Ken Rolfsness, Nancy Russell, Karla Semler, Glenn Shaffer, Charla Wagner, Diana Walter and Lisa Ware.

## **Economic Development**

Economic diversification is of such paramount importance to the future of Wyoming, that every state agency and every elected official must be involved. To that end, I have been exploring the state's role in promoting the development of infrastructure in the areas of telecommunications and information technology, air service and electric transmission as well as the "red meat" project - a project to assist livestock producer efforts to gain a more powerful position in the marketplace, in relation to meat processors, marketers and retailers. I have also begun to explore ways to combat Wyoming's unacceptable ranking of last in the nation in the pay gap between men and women. A committed joint effort to diversify Wyoming's economy and tax base by the private sector, state and local government, local economic development groups and the Business Council will ultimately prove successful.

## **The Investment Advisory Committee**

Thanks to the following group of advisors, the state's investment statutes and policies reflect modern investment practices for institutional investors. Each person on the committee has provided valuable advice and assistance. The members of the Investment Advisory Committee are as follows: Steve Chadderdon - Casper, Wyoming; Stephen Clark - Managing Director and Denver Regional Manager of the Public Finance Department for U.S. Bancorp Piper Jaffray; Frosty Kepler - Private Investor from Laramie, Wyoming; Thomas Lockhart - Wyoming Legislator from Casper, Wyoming; Rick Miller - Special Assistant to the President for the University of Wyoming; John Patton - retired from Morgan Stanley-Dean Witter in Sheridan, Wyoming; Mary Thoman - ranch from Fontenelle, Wyoming; John Thurman - Elite Investments in Worland, Wyoming; Michael Walden-Newman - Executive Director of Wyoming Taxpayers Association; and Dennis Wallace - President of Wyoming Bank & Trust.

## **The Investment Working Group**

The Investment Working Group meets monthly, and sometimes several times per month, to review the performance of the external investment managers, make recommendations to the State Loan and Investment Board for additional asset classes to further diversify the portfolio, and conducts the process of selecting new external managers for the Board. The Working Group consists of Sharon Garland, Glenn Shaffer, Karla Semler, and myself from the Treasurer's Office, Bruce Hendrickson, State Banking Commissioner, and Sandy Hudson and Jeff Nieters from the Office of State Lands and Investments.

## **DUTIES OF THE OFFICE**

The principal duty of the State Treasurer is to safeguard and to supervise or invest all the funds of the state, including the cash balance, the local government investment pool and the permanent funds. However, the State Treasurer has many other additional duties and currently serves on several boards and commissions as follows: 1) State Loan and Investment Board, 2) Board of Land Commissioners, 3) State Building Commission, 4) Wyoming Community Development Authority, 5) Group Health Insurance Board, 6) Board of Deposits, 7) State Canvassing Board, 8) Wyoming Retirement System Board of Directors, 9) On-line Government Commission and 10) Financial Advisory Council.

The State Treasurer also serves as administrator of the Wyoming deferred compensation program and the new Wyoming family college savings program.

Daily receipts from state agencies are reconciled and deposited for the agency. State warrants are redeemed from the bank each day and filed for reference. All available cash is deposited daily. A composite investment account composed of funds from the agencies, called the state agency pool, is invested daily with the interest going either to the general fund or to the fund that earned the interest. Interest on Permanent Land Funds goes either to an income fund or to the general fund. Permanent Mineral Trust Fund earnings are transferred annually to the general fund. The State Treasurer also has the general responsibility for the management of the state's cash resources including developing information to forecast the cash needs of the state.

Jointly with the Wyoming State Auditor, the State Treasurer has the duty of periodically sponsoring and holding training seminars for the benefit of local government treasurers to discuss proper and lawful investments according to Wyoming law.

The Wyoming Unclaimed Property Program is administered by the Treasurer. This involves holding unclaimed property for the rightful owners and making diligent efforts to locate those rightful owners.

The Treasurer handles the deposit of funds in financial institutions within the state; notifies the financial institutions of quarterly rates set by the Board of Deposits, maturities, and payment of interest; and monitors collateral pledges under the provisions of the law.

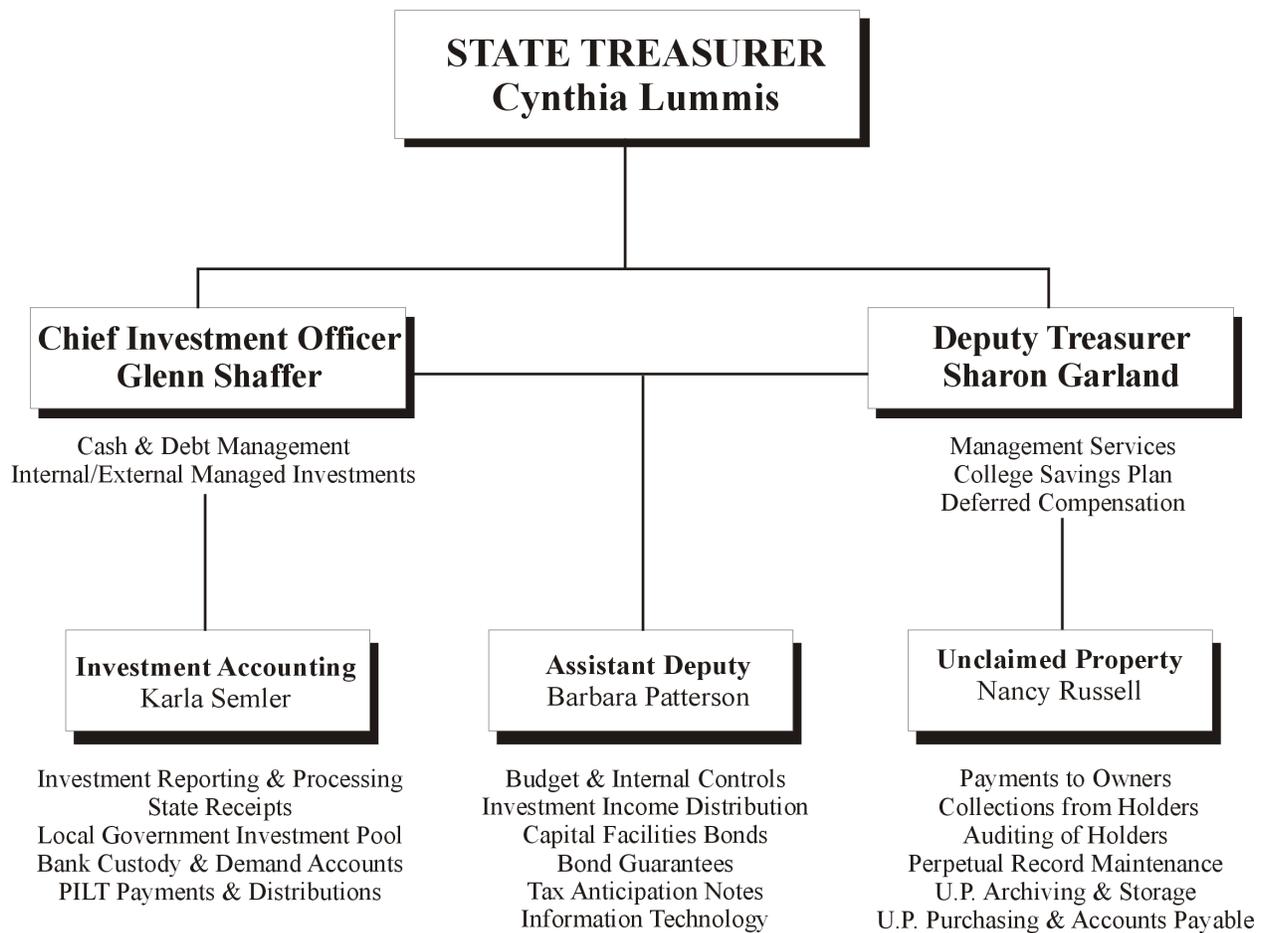
The Treasurer administers the Wyoming State Treasurer's Asset Reserve (WYO-STAR) which is an investment pool for use by local government entities, school districts, counties and cities that wish to place funds with the state for short term investment.

Distributions of various state and federal monies are made as prescribed by law to cities, towns, counties, and state agencies.

The only automobiles assigned to the office are S-4 and S-611.

# ORGANIZATIONAL CHART OF STATE TREASURER'S OFFICE

*As of June 30,2000*



## BALANCE SHEET As Of June 30, 2000

### ASSETS

Treasurer's Cash	\$13,455,529.56		
WYO-STAR Cash	42.33		
Cash with Fiscal Agent	71,299,287.40		\$84,754,859.29
Income Receivable from Investment Managers	4,687,309.71		
WYO-STAR Income Receivable from MD SASS	(27,506.95)		
Net Accrued Interest Receivable	57,461,965.42		62,121,768.18
State Investments @ Cost	3,896,312,542.65		
WYO-STAR Investments @ Cost	168,067,373.85		
Total Investments @ Cost		4,064,379,916.50	
TREASURER'S TOTAL ASSETS			\$4,211,256,543.97

### LIABILITIES

Due to Local Government Entities (WYO-STAR income) (27,506.95)

### EQUITY

State Investment Equity	3,967,280,037.63		
Bond Funds with Fiscal Agent	71,249,287.40		
Unapportioned Income	4,687,309.71		
Total State Equity		4,043,216,634.74	
WYO-STAR Participation		168,067,416.18	
TREASURER'S TOTAL LIABILITY & FUND EQUITY			\$4,211,256,543.97

## STATEMENT OF CASH FLOWS

### For Year Ended June 30, 2000

Cash flows from operating activities:

Receipts	1	\$2,734,025,487.86
Less return items		<u>(1,331,656.05)</u>
Net Cash receipts		2,732,693,831.81
Increase in Petty Cash		(20,200.00)
Warrants redeemed	2	<u>(2,728,158,957.38)</u>

Net Cash provided (used) by operating activities \$4,514,674.43

Cash flow from investment operations:

Investment income received	3,4	266,920,685.83
Net increase in investments & loans receivable		<u>(263,853,017.75)</u>

Net Cash provided (used) by investment activities 3,067,668.08

Net increase (decrease) in Cash 7,582,342.51

Beginning Cash: July 1, 1999 5,873,187.05

Ending Cash: June 30, 2000 \$13,455,529.56

Notes:

1 Most income to the state is entered as a receipt by the receiving agency and is then processed through the State Treasurer's Office. The exception to this process is investment income, which is entered directly to the investment system and is apportioned later to the receiving agencies. The "receipt" total above represents only non-investment income.

In Fiscal Year 2000 receipts increased over 14% compared to FY99

2 The "warrants redeemed" total represents the amount paid by the State Treasurer to redeem warrants presented for payment during the fiscal year. Warrants redeemed cannot be equated to total expenditures as warrants may be written in one fiscal year and not presented for payment until the following fiscal year. Internal transfers between agencies, funds or accounts are not included in this total.

In Fiscal Year 2000 warrants redeemed increased 7% compared to FY99.

3 The "income distributed" represents the investment income actually distributed to participating funds during the fiscal year. Distributions do not normally exactly equal earnings because some income earned and received in one fiscal year may actually be distributed in the following fiscal year.

4 Investment Income Received includes \$4,323,154 in state trading profits (see the Report on Profits page for details).

**INCOME EARNINGS RECOGNIZED ON INVESTMENTS**  
**During Fiscal Year 2000**

	<b>REGULAR INVESTMENT INCOME</b>	<b>CASH POOL INTEREST 07/01 - 06/30</b>	<b>TOTAL INVESTMENT INCOME RECEIVED</b>
Water Development	\$2,053,576.63	\$283,731.33	\$2,337,307.96
Worker's Compensation	16,385,846.51	5,695,832.71	22,081,679.22
Tobacco Settlement Trust Fund	348,077.54	116,684.00	464,761.54
Miners' Hospital Permanent Land Fund	0.00	1,304,061.47	1,304,061.47
Public Buildings @ Cap Permanent Land Fund *	0.00	38,447.24	38,447.24
Fish Hatchery Permanent Land Fund	0.00	11,770.49	11,770.49
Common School Permanent Land Fund	63,334,242.29	2,140,751.49	65,474,993.78
Common School II	0.00	281,158.88	281,158.88
D.D. & B. Permanent Land Fund *	0.00	38,050.69	38,050.69
Carey Act Permanent Land Fund *	0.00	7,720.30	7,720.30
Omnibus Permanent Land Fund *	0.00	167,366.11	167,366.11
State Hospital Permanent Land Fund *	0.00	83,575.62	83,575.62
State Training School Permanent Land Fund *	0.00	7,658.36	7,658.36
Penitentiary Permanent Land Fund *	0.00	130,413.53	130,413.53
Agriculture College Permanent Land Fund	0.00	307,162.72	307,162.72
University Permanent Land Fund	0.00	785,949.91	785,949.91
Permanent Mineral Trust Fund	110,681,802.37	7,631,054.06	118,312,856.43
Other Funds	0.00	55,085,751.58	55,085,751.58
	<u>\$192,803,545.34</u>	<u>\$74,117,140.49</u>	<u>\$266,920,685.83</u>
<u>Total Income - Treasurer's Investments</u>		<u>\$266,920,685.83</u>	

Note: Realized yield for all state investments is 6.99% for FY00. This is an approximation based on income recognized versus end-of-month investments at current amortized cost, and includes investment managers but excludes WYO-STAR.

\* All or a portion of the investment income from these funds ultimately goes to the General Fund and is included in the \$24,421,638.88 General Fund Income.

**STATE TREASURER'S INVESTMENT SUMMARY**  
**As Of June 30, 2000**

	<u>COMMON SCHOOL PLF</u>	<u>WATER DEVELOPMENT</u>	<u>WORKERS' COMPENSATION</u>	<u>MINERAL TRUST FUND</u>	<u>TOBACCO SETTLEMENT FUND</u>	<u>STATE AGENCY POOL</u>	<u>WYO-STAR (LGIP)</u>
<b>INVESTMENT TYPE</b>							
Discretionary Investments							
CMO/Remics	\$13,784,674.58			\$9,990,625.00		\$7,807,324.21	\$40,286,166.86
Commingled Funds							121,000.00
Commercial Mortgage Backed	3,856,808.32						
Corporate Bonds	146,156,216.88		\$10,857,160.00	313,511,519.60		109,729,854.44	
Discounted Notes			3,285,360.00				
Government Bonds	295,362,361.96		182,923,812.50	624,532,019.14	\$19,996,250.00	602,894,586.06	771,756.00
Mortgage Backed	785,648.77			5,000,000.00			9,126,595.79
Municipal Bonds			4,939,100.00	4,970,400.00			
Mutual Funds							11,028,558.00
Repurchase Agreements							106,250,000.00
Guaranteed Investment Contracts				37,529,961.14			
Deposits: Financial Institutions							
Bank Deposits-Bids						8,900,000.00	
Bank-Additional Deposits						13,800,000.00	
Bank Deposits-TDOA						82,694,000.00	
Treasurer's Cash Deposits						50,000.00	523,920.34
Program Loans Authorized By State							
AG Loans						15,398,635.38	
Cities & Towns				15,022,503.17			
Clean Coal				20,700,000.00			
Community College Bonds	349,000.00						
Drainage Districts	34,500.00						
Farm Loans				129,213,679.81			
Irrigation Loans				14,445,650.89			
Joint Powers Loans				20,339,207.96			
Mortgage Purchase Program	10,691,984.55			2,590,356.75			
SBAA Program				18,027,359.09			
Special FLB Loans				747,577.27			
Student Loans				4,294,379.73			
Water Development Loans				29,997,924.09			
Investment Managers							
Equity Managers	115,623,386.07		24,133,790.36	233,779,197.48			
Fixed Income Managers	209,355,428.38	\$75,608,296.48		28,794,115.32			
Cash Management						422,500,000.00	
Net Discount/Premium Recognized	<u>(1,021,192.03)</u>	<u>51,544.77</u>	<u>2,997,899.02</u>	<u>(310,965.98)</u>	<u>18.90</u>	<u>(359,417.41)</u>	<u>(40,580.81)</u>
	<u><b>\$794,978,817.48</b></u>	<u><b>\$75,659,841.25</b></u>	<u><b>\$229,137,121.88</b></u>	<u><b>\$1,513,175,510.46</b></u>	<u><b>\$19,996,268.90</b></u>	<u><b>\$1,263,414,982.68</b></u>	<u><b>\$168,067,416.18</b></u>

# REPORT OF THE STATE BOARD OF DEPOSITS

## As Of June 30, 2000

The State Loan & Investment Board, consisting of the five elected officials, met on April 13, 2000 to consider the applications from Wyoming financial institutions to be designated as State Depositories under the provisions of the State Depository Law. The Board meets quarterly, in advance of each calendar quarter, to set the interest rate for the ensuing quarter. All deposits in excess of the federally insured amount of \$100,000 are protected by a pledge of securities or mortgage loans to the State Treasurer as prescribed by statute.

The State Treasurer & the Department of Audit have determined that the parent & branches will be considered a single entity for FDIC Insurance, Time Deposit-Open Accounts (TDOA's), & other deposit programs. The parent bank will hold the depository relationship.

The Fiscal Year 2000 found no Wyoming banks reported closed.

### TDOA DEPOSITS IN WYOMING BANKS

Bank of Star Valley, Afton	\$429,000.00
Security State Bank, Basin	484,000.00
First National Bank, Buffalo	1,242,000.00
Wyoming Bank & Trust, Buffalo	493,000.00
Hilltop National, Casper	1,500,000.00
Norwest Bank Wyoming, Casper, N.A.	8,563,000.00
American National Bank, Cheyenne	2,095,000.00
Community First National, Cheyenne	13,293,000.00
Equality State Bank, Cheyenne	1,563,000.00
Security First, Cheyenne	1,577,000.00
U.S. Bank, Cheyenne	1,110,000.00
Western Bank, Cheyenne	200,000.00
Wyoming Bank & Trust, Cheyenne	551,000.00
Pinnacle Bank, Cody	2,094,000.00
Shoshone First Bank, Cody	2,409,000.00
Converse County Bank, Douglas	996,000.00
First National Bank, Gillette	1,514,000.00
State Bank, Green River	59,000.00
Oregon Trail Bank, Guernsey	171,000.00
Hulett National Bank	84,000.00
Bank of Jackson Hole	2,993,000.00
Jackson State Bank	6,951,000.00
Central Bank & Trust, Lander	100,000.00
Bank of Laramie	442,000.00
First National Bank, Laramie	1,344,000.00
Bank of Lovell	321,000.00
Lusk State Bank	514,000.00
First State Bank, Newcastle	602,000.00
Pinnacle Bank, Newcastle	268,000.00
First National Bank, Pinedale	288,000.00
First National Bank, Powell	2,802,000.00
Ranchester State Bank	299,000.00
Bank of Commerce, Rawlins	631,000.00
Rawlins National Bank	1,319,000.00
First Interstate Bank, Sheridan	13,800,000.00
Sheridan State Bank	1,179,000.00

Sundance State Bank	898,000.00
First State Bank, Thermopolis	548,000.00
Pinnacle Bank, Torrington	1,196,000.00
First National Bank, Torrington	804,000.00
Union State Bank, Upton	154,000.00
First State Bank, Wheatland	980,000.00
Stockgrowers State Bank, Worland	648,000.00

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**\$79,508,000.00**

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**TDOA DEPOSITS IN WYOMING FEDERAL SAVINGS BANKS**

Buffalo Federal Savings Bank	\$866,000.00
First Federal Savings Bank, Sheridan	1,652,000.00
Tri-County Federal Savings Bank, Torrington	668,000.00

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**\$3,186,000.00**

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**PROPOSAL FOR ADDITIONAL DEPOSIT PROGRAM**

This program became operational in September, 1998 & provided an additional \$17,000,000.00 in non-renewable deposits in 15 banks/savings institutions for up to a two-year term. A total of \$695,200.34 in income was received by the Treasurer for Fiscal Year 2000.

**PROPOSAL FOR DEPOSIT PROGRAM**

This program became operational December 15, 1995, & provides that an approved depository bank may request a deposit under the specified terms of the program. Interest earned by this program totaled \$520,926.29 for FY00.

Bank of Star Valley, Afton	\$900,000.00
Security State Bank, Basin	0.00
First National Bank, Buffalo	3,000,000.00
First National Bank, Gillette	2,000,000.00
Jackson State Bank	3,000,000.00
Lusk State Bank	0.00
First National Bank, Torrington	0.00

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**\$8,900,000.00**

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# DEPOSITS IN WYOMING FINANCIAL INSTITUTIONS

Rates for these deposits are set quarterly by the State Board of Deposits. A total of \$4,279,330.72 in investment income was received in Fiscal Year 2000.

Year	BANKS			SAVINGS & LOANS		
	Amount	Rate		Amount	Rate	
		May	Nov		May	Nov
1976	\$37,930,000	5.25%	5.50%	\$3,970,000	5.50%	5.75%
1977	41,350,000	5.50%	6.00%	8,930,000	5.75%	6.25%
1978	46,180,000	6.50%	7.25%	15,300,000	6.75%	7.75%
1979	50,230,000	8.75%	10.00%	16,530,000	9.00%	10.25%
1980	56,050,000	12.75%	10.75%	18,530,000	13.00%	11.00%

The Board of Deposits ceased granting different interest rates effective January 1981. Banks and Federal savings banks have been allocated the same rate from that date to the present.

Year	DEPOSIT AMOUNTS		RATE			
	Banks	S&L	January	April	July	October
1981	\$59,860,000	\$19,675,000	11.50%	11.75%	12.50%	13.50%
1982	63,995,000	20,005,000	10.25%	12.50%	12.75%	9.75%
1983	67,760,000	20,500,000	9.25%	8.00%	8.25%	8.25%
1984	67,750,000	20,500,000	8.25%	8.50%	9.25%	9.25%
1985	67,950,000	20,500,000	8.50%	8.25%	7.25%	7.25%
1986	65,110,000	15,705,000	7.00%	6.75%	6.00%	5.00%
1987	59,210,000	16,075,000	5.00%	5.00%	5.75%	5.90%
1988	56,215,000	16,075,000	6.00%	5.75%	6.50%	7.50%
1989	44,241,000	16,112,000	8.00%	9.25%	8.70%	8.125%
1990	40,360,000	14,929,000	7.65%	7.60%	7.50%	7.50%
1991	39,182,000	9,516,000	7.25%	6.10%	5.70%	5.50%
1992	50,193,000	10,364,000	5.00%	4.50%	4.25%	3.75%
1993	50,437,000	9,390,000	3.25%	3.00%	3.00%	3.00%
1994	52,808,000	10,410,000	3.00%	3.125%	4.00%	4.50%
1995	64,772,000	13,333,000	5.30%	5.80%	5.80%	5.58%
1996	73,360,000	12,669,000	5.46%	5.12%	5.12%	5.23%
1997	82,625,000	12,109,000	5.16%	5.10%	5.25%	5.16%
1998	89,459,000	6,345,000	5.14%	5.22%	5.11%	5.08%
1999	87,581,000	5,850,000	4.42%	4.48%	5.14%	5.01%
2000	79,508,000	3,186,000	5.22%	5.14%	5.72%	5.94%

# PROFITS REALIZED FROM INTERNAL ACTIVE PORTFOLIO MANAGEMENT

The state of Wyoming investment portfolio that is managed in-house continues to be actively managed. The entire portfolio of discretionary investments (those that are not subsidy investments mandated by the legislature) is monitored on a regular basis. Securities that have a market value in excess of book value (the adjusted price) are considered eligible for sale if the proceeds can be re-invested to the advantage of the overall portfolio. Sometimes the advantage may be in the form of increased yield, or it may be in the form of better liquidity or better quality. The bond market is constantly fluctuating, and bond trades can be made to take advantage of the market fluctuations, aberrations and trends. This has been made possible by the use of market information received minute-by-minute on the Bloomberg Financial System.

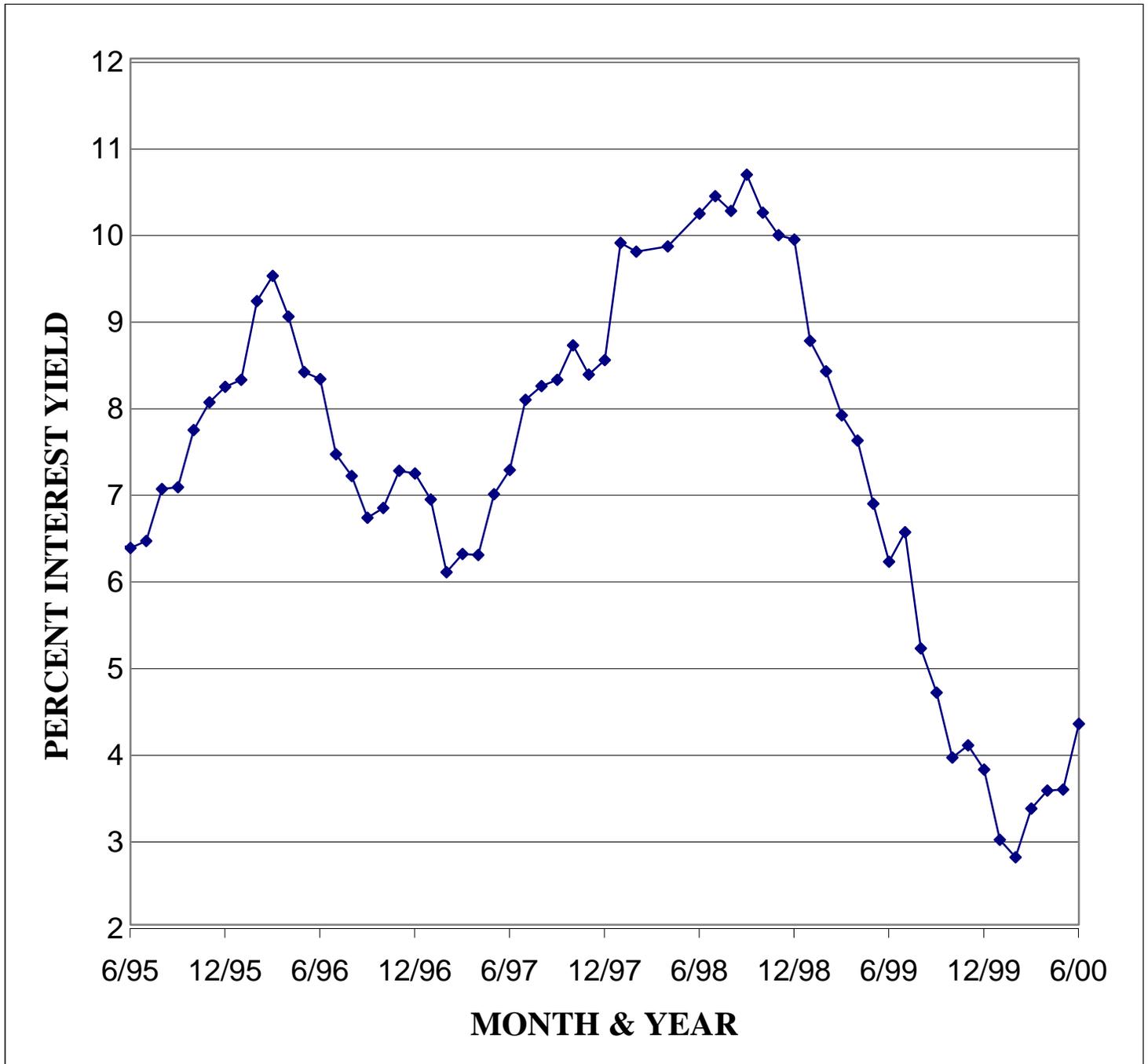
This year was one of the most difficult for trading in many years but that which was done was profitable. The following is a monthly summary of transactions made in FY2000. The dollar amounts listed do NOT include any additional income resulting from substituting different securities.

These figures do not include investment managers' trading profits.

<u>MONTH</u>	<u>TOTAL</u>	<u>STATE AGENCY POOL</u>	<u>COMMON SCHOOL PERMANENT LAND FUND</u>	<u>WORKERS COMP POOL</u>	<u>PERMANENT MINERAL TRUST FUND</u>
July 1999	\$151,516.42	\$0.00	\$115,448.69	\$0.00	\$36,067.73
August	(8,618.24)	0.00	(18,081.59)	0.00	9,463.35
September	(22,061.19)	8,084.89	(30,111.52)	0.00	(34.56)
October	44,528.79	0.00	(26,114.46)	25,494.50	45,148.75
November	777,530.09	555,023.28	(29,633.17)	0.00	252,139.98
December	(30,826.42)	0.00	(30,799.74)	0.00	(26.68)
January 2000	(11,312.65)	1,200.00	(12,489.10)	0.00	(23.55)
February	(15,237.70)	0.00	(15,217.48)	0.00	(20.22)
March	2,465,543.10	15,625.00	2,449,935.09	0.00	(16.99)
April	497,319.65	0.00	497,555.51	0.00	(235.86)
May	483,508.37	0.00	483,638.06	0.00	(129.69)
June	(8,735.63)	4,800.00	(13,535.63)	0.00	0.00
	<u>\$4,323,154.59</u>	<u>\$584,733.17</u>	<u>\$3,370,594.66</u>	<u>\$25,494.50</u>	<u>\$342,332.26</u>



# REALIZED YIELD EXTERNAL FIXED INCOME MANAGERS



**EQUITIES**  
**EXTERNAL INVESTMENT MANAGERS**  
**As Of June 30, 2000**

Total Investments held	\$366,806,959.06
Cash + receivables/payables	<u>8,597,224.30</u>
Total Investments held	\$375,404,183.36
Income due to State Treasurer	<u>(1,867,809.45)</u>
Net Investments with Fixed Income Managers	<u><u>\$373,536,373.91</u></u>

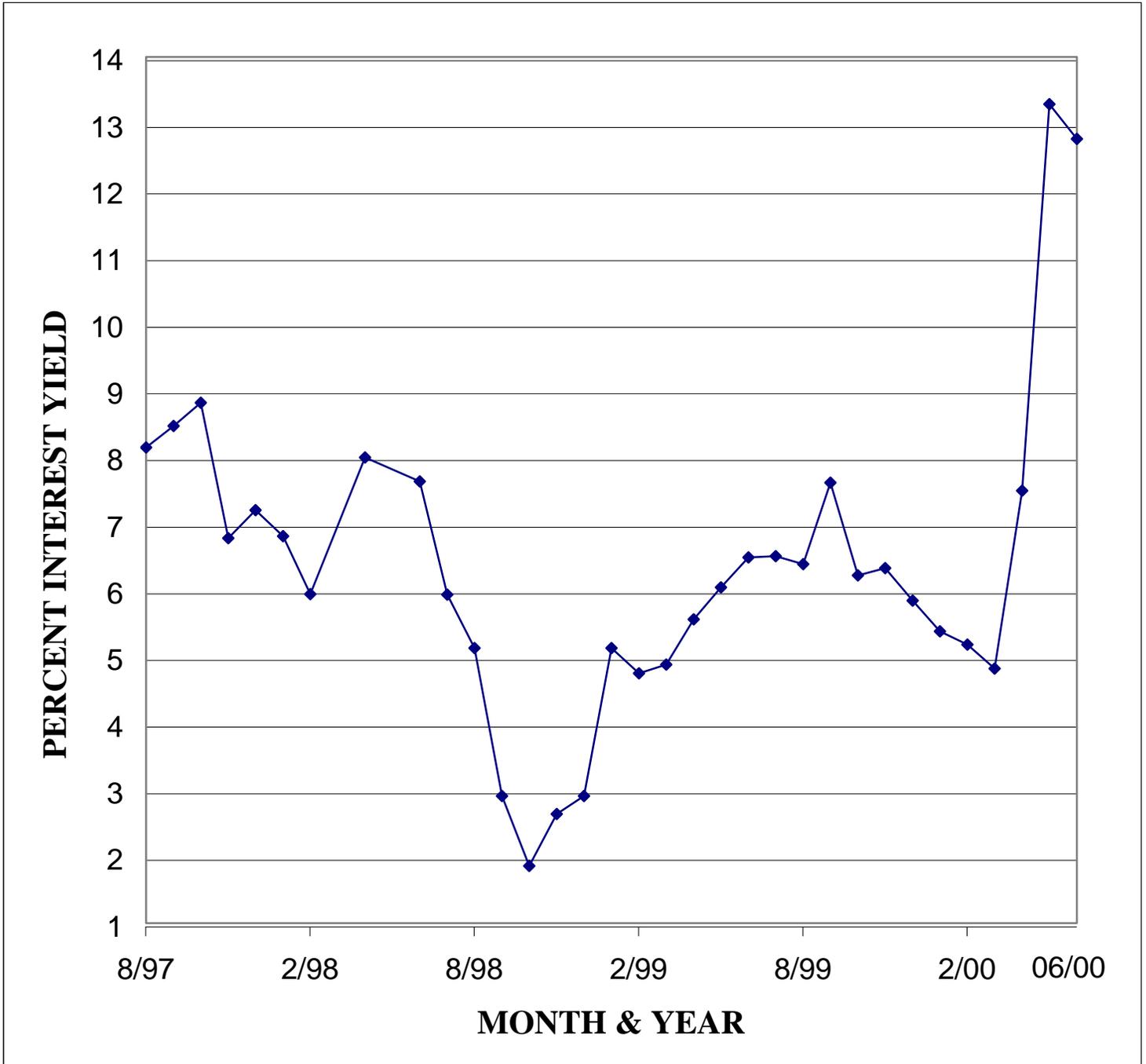
Income recognized by Treasurer	<u><u>\$5,910,421.86</u></u>
Profit (loss) remitted to Treasurer for FY00	<u><u>\$39,491,416.40</u></u>

**Realized yield FY00:            12.77%**

Equity managers experienced impressive returns for FY00. The equity market also began to experience difficulties toward the end of the fiscal year as a result of increasing interest rates. However, the multiple investment styles used by the equity managers created realized gains from their portfolios which helped balance out the low returns from the struggling fixed income market. Most impressive was the reinforcement of the premise that diversification in asset allocation using a mix of equities and fixed income securities produces positive results.

Manager	Type	Specialty
Fayez Sarofim & Co	Domestic Equity	Large Cap Growth
Institutional Capital Corp	Domestic Equity	Large Cap Value
J P Morgan	Domestic Equity	Large Cap Enhanced Index

# REALIZED YIELD EXTERNAL EQUITY MANAGERS



**CASH MANAGEMENT  
EXTERNAL INVESTMENT MANAGER  
As Of June 30, 2000**

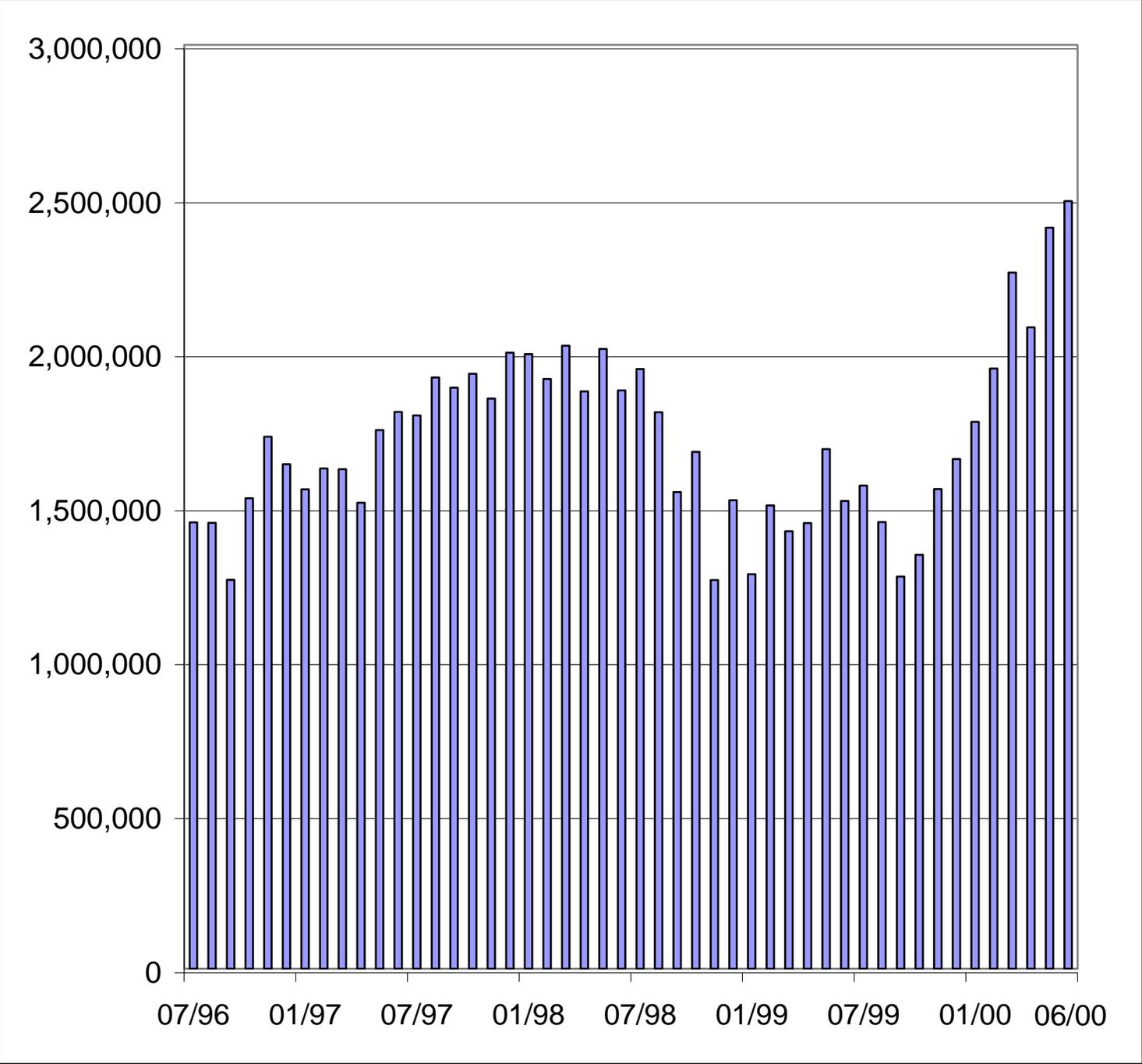
Total Investments held	\$422,537,949.42
Cash + receivables/payables	<u>1,883,263.26</u>
Total Investments held	\$424,421,212.68
Income due to State Treasurer	<u>(1,699,922.91)</u>
Net Investments with Cash Management Manager	<u><u>\$422,721,289.77</u></u>

Income recognized (includes accruals/amortization)	<u><u>\$20,237,720.17</u></u>
Profit (loss) remitted to Treasurer for FY00	<u><u>\$2,325,573.32</u></u>

**Realized yield FY00:                      5.59%**

The State Treasurer hired an external cash manager, Chase & MD Sass Partners, several years ago. This was done because too large a portion of time was being used to manage a small portion of the investment assets. The external manager is able to produce a return that is measured against a benchmark established by the State Loan and Investment Board with the advise of the Board's consultant. This portfolio is managed daily and fluctuates several times each day as cash activities occur. The realized return this fiscal year has been very good, with investment expectations being met. The use of an external manager has allowed internal management of the greater portion of the State's investable funds to receive more attention and allowed diversification and transition of those assets to be more professionally monitored. These funds are a part of the State Agency Pool.

**NET INCOME**  
**EXTERNAL CASH MANAGEMENT**



## SECURITIES LENDING INCOME

In cooperation with Chase Manhattan Bank, Wyoming runs a very conservative & prudent securities lending program. Income from the overall program is allocated back to each fund from which the securities are loaned, & substantial additional income is achieved for the state of Wyoming.

	INCOME EARNED
Common School Permanent Land Fund	\$200,341.32
Permanent Mineral Trust Fund	231,413.03
Water Development Pool	77,367.32
Worker's Compensation Pool	11,907.79
Tobacco Settlement Fund	22.79
State Agency Pool	<u>262,642.18</u>
TOTAL	<u><u>\$783,694.43</u></u>

Securities lending income is included in the total investment income reported for FY00.

## MARKET PERFORMANCE SUMMARY ANALYSIS - ALL INVESTMENTS

Manager/Investment Type	Market Value		Market Return		
	FY99	FY00	FY00	3 Year	5 Year
<u>Domestic Equity</u>					
<u>External Managers</u>					
ICAP	176.65	141.44	(11.49)	5.40	NA
Fayez Sarofim	161.15	138.38	5.62	15.74	NA
JP Morgan	NA	97.37	1.56	NA	NA
Total Domestic Equity	<u>\$337.80</u>	<u>\$377.19</u>			
<u>Domestic Fixed Income</u>					
<u>External Managers</u>					
Criterion	163.33	160.47	5.01	6.58	6.61
Western Asset Management	159.59	153.22	4.47	6.01	6.44
<u>Internally Managed</u>					
Common School	508.05	432.74	2.88	5.52	6.26
Mineral Trust	874.38	878.70	2.66	4.76	5.32
Tobacco Settlement Trust Fund	NA	19.94	NA	NA	NA
Workers Compensation	171.33	195.49	3.70	5.72	6.03
State Agency Pool	646.95	678.96	3.08	5.00	5.44
Total Domestic Fixed Income	<u>2,523.63</u>	<u>2,519.52</u>			
<u>Cash Management</u>					
<u>External Managers</u>					
Chase & MD Sass Partners					
Operating Funds/Short-Term	200.64	312.09	5.95	5.78	NA
Extended Cash	108.19	114.08	5.44	5.61	NA
Total Cash Management	<u>308.83</u>	<u>426.17</u>			
<b>Total Funds</b>	<b>3,170.26</b>	<b>3,322.88</b>	<b>2.87</b>	<b>5.73</b>	<b>5.95</b>

### Benchmarks:

<i>Wyoming Custom Index</i>	4.82	7.48	8.02
<i>Russell 1000 Growth</i>	25.66	28.08	28.67
<i>Russell 1000 Value</i>	(8.92)	10.94	17.78
<i>S&amp;P 500</i>	7.32	19.70	23.81
<i>Lehman Aggregate</i>	4.56	6.03	6.25
<i>Lehman Govt/Credit</i>	4.29	6.03	6.09
<i>Lehman Govt/Credit Long</i>	4.63	7.10	6.84
<i>90 Day Treasury Bills</i>	5.55	5.23	5.23

### Note:

Returns are stated in traditional total return terms and do not specify realized income. The State of Wyoming has the dual goals of maximizing returns while meeting income targets.

# INVESTMENT POLICY & RISK DISCLOSURE

It is the policy of the Wyoming State Treasurer to invest funds in a manner which will provide the highest investment return with maximum security while meeting the daily cash flow demands of the state and conforming to all statutes governing the investment of public funds.

Wyoming legislation provides for prudent investment of state funds and custody requirements for those investments; however, Generally Accepted Accounting Principles require all deposits and investments of any government entity to be categorized according to the associated level of risk. The deposit risk categories and the investment risk categories used on the following page are as follows:

## **DEPOSITS:**

Description: Deposit accounts in banks and savings & loans; such as demand deposits (checking accounts), savings, and TDOA's (time deposit open accounts).

Risk Categories:

Category 1) Deposits that are insured or collateralized with securities held by the state (component unit) or by its agent in the state's (component unit's) name.

Category 2) Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the state's (component unit's) name.

Category 3) Deposits that are collateralized with securities held by the pledging financial institution or by its agent but not in the state's (component unit's) name or uncollateralized deposits.

## **INVESTMENTS:**

Description: Securities acquired primarily for the purpose of obtaining income or profit.

Risk Categories:

Category 1) Investments that are insured or registered, or securities held by the state (component unit), or its agent in the state's (component unit's) name.

Category 2) Uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the state's (component unit's) name.

Category 3) Investments that are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the state's (component unit's) name. (uncollateralized).

## **INTEREST-BEARING RECEIVABLES:**

Description: Program loans authorized by state statute; Guaranteed Investment Contracts, while not program loans, are included in this category.

Risk Categories:

Interest-bearing receivables are not categorized according to risk.

## RISK DISCLOSURE & MARKET VALUE ANALYSIS

June 30, 2000

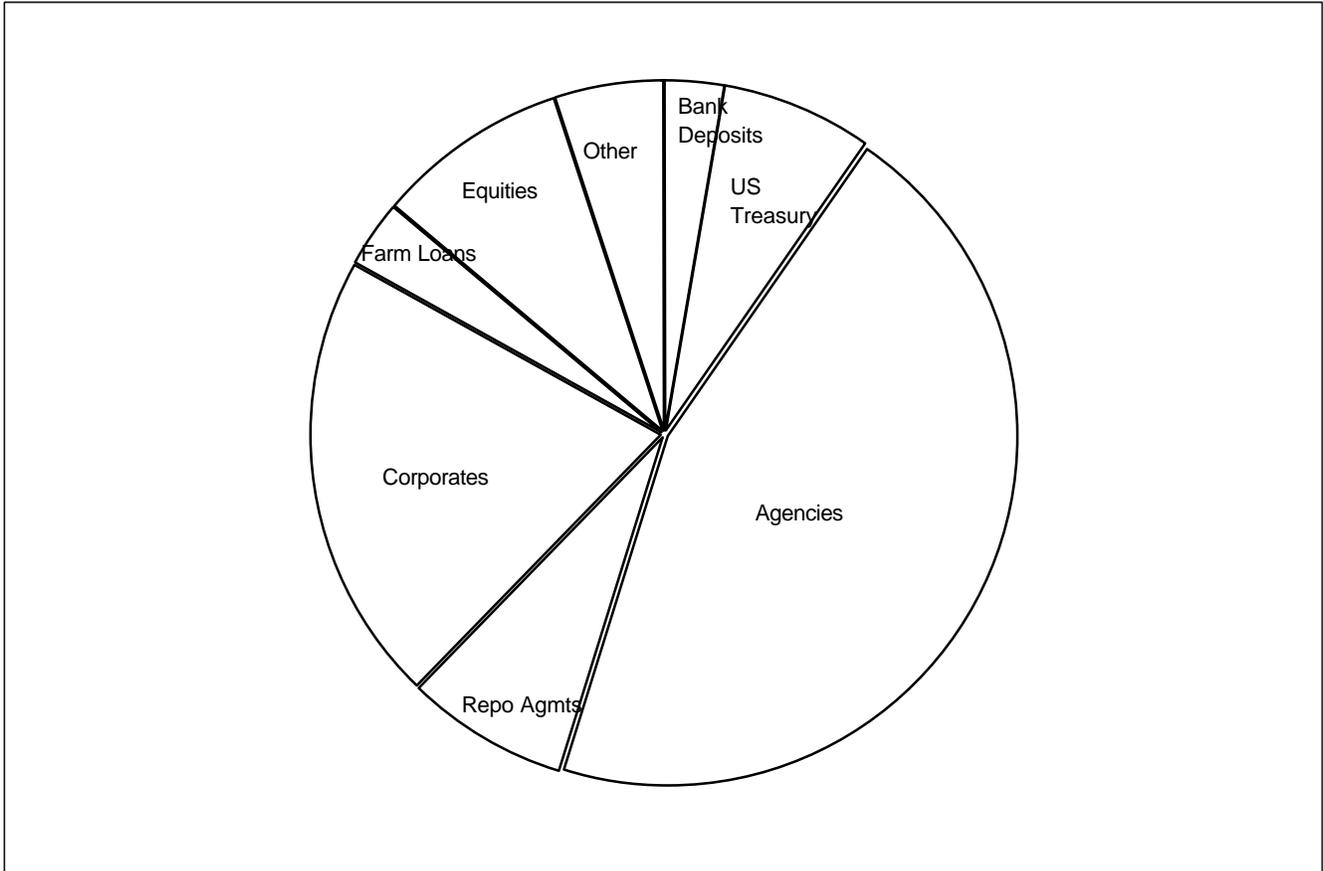
DEPOSITS	DEPOSIT RISK CATEGORY			BANK	CARRIED AT
	1	2	3	balance	amount
Demand Deposits	\$4,593,421.20			\$4,593,421.20	\$16,325,481.68
TDOA, Bid & Additional Deposits	105,394,000.00			105,394,000.00	105,394,000.00
<b>TOTAL</b>	<b>\$109,987,421.20</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$109,987,421.20</b>	<b>\$121,719,481.68</b>

INVESTMENTS	INVESTMENT RISK @ AMORTIZED COST			CARRIED AT	MARKET
	1	2	3	amount	value
US Treasury Securities	\$43,638,425.80		\$246,592,793.81	\$290,231,219.61	\$280,182,515.05
Gvmt Agency Securities	1,837,432,846.67		23,706,651.57	1,861,139,498.24	1,760,310,533.91
Repurchase Agreements	311,338,950.80			311,338,950.80	311,338,950.80
Corporate Securities	834,079,512.55		38,128,655.28	872,208,167.83	782,367,308.06
Commercial Paper	9,918,917.59			9,918,917.59	8,475,800.00
Equities	362,944,518.64		6,147,964.09	369,092,482.73	373,077,317.50
Guaranteed Investment Contracts				40,079,863.56	34,506,990.07
Agriculture Loans				15,398,635.38	15,398,635.38
Community College Bonds				349,000.00	349,000.00
Mortgage Purchase Programs				13,282,341.30	13,282,341.30
Small Business Assist				18,027,359.09	18,027,359.09
Student Loans				4,294,379.73	4,294,379.73
<b>TOTAL</b>	<b>\$3,399,353,172.05</b>	<b>\$0.00</b>	<b>\$314,576,064.75</b>	<b>\$3,805,360,815.86</b>	<b>\$3,601,611,130.89</b>

INTEREST-BEARING RECEIVABLES	INVESTMENT RISK CATEGORY @ COST			CARRIED AT	MARKET
	1	2	3	amount	value
City/Town Loans				\$15,022,503.17	\$15,022,503.17
Clean Coal Technology				20,700,000.00	16,238,748.94
Drainage District Bonds				34,500.00	34,500.00
Farm Loans				129,213,679.81	129,213,679.81
FL Board Loans-Special				747,577.27	747,577.27
Irrigation Loans				14,445,650.89	14,445,650.89
Joint Powers Loans				20,339,207.96	20,339,207.96
Water Development Loans				29,997,924.09	29,997,924.09
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$230,501,043.19</b>	<b>\$226,039,792.13</b>

Note: This report includes Investment Mangers, all Bond Accounts, & WYO-STAR Accounts.

## INVESTMENTS BY GENERAL TYPE



Bank Deposits	2.7%	\$109,987,421.20
US Treasury	7.0%	290,231,219.61
Agencies	44.9%	1,861,329,052.82
Repo Agmts	7.5%	311,338,950.80
Corporates	21.0%	872,208,167.83
Farm Loans	3.1%	129,961,257.08
Equities	8.9%	369,092,482.73
Other	4.9%	201,890,282.76
<b>TOTAL</b>	<b><u>100%</u></b>	<b><u><u>\$4,146,038,834.83</u></u></b>

This analysis includes Treasurer's in-house investments, WYO-STAR, funds with investment managers, & the funds held by fiscal agents. Percentages are calculated based on amortized cost. "Other" investments include Agricultural Loans, Small Business Administration Assistance Loans, Water Development Loans, etc.

## INVESTMENT ACCOUNT BALANCES As Of June 30, 2000

<u>FUND/ACCOUNT NAME</u>	<u>CASH &amp; RECEIVABLES</u>	<u>INVESTMENTS</u>	<u>NET DISC/PERM PURCHASED</u>	<u>ACCOUNT BALANCE (Corpus)</u>
Miner's Hospital	\$22,550,947.53			\$22,550,947.53
Public Buildings At Capitol	678,405.76			678,405.76
Fish Hatchery	203,108.46			203,108.46
Common School	78,046,260.82 *	\$794,978,817.48 ***		873,025,078.30
Common School II	5,000,000.00			5,000,000.00
D.D. & B. Asylum	661,832.70			661,832.70
Carey Act	193,260.61			193,260.61
Omnibus	3,958,376.36			3,958,376.36
State Hospital	1,025,755.16			1,025,755.16
State Training School	197,934.28			197,934.28
Penitentiary	1,643,226.91			1,643,226.91
Agricultural College	5,350,550.27			5,350,550.27
University	13,578,743.02			13,578,743.02
<b>Subtotal-Permanent Land Fund</b>	<b>133,088,401.88</b>	<b>794,978,817.48</b>		<b>928,067,219.36</b>
Mineral Trust Fund	116,182,816.98	1,513,175,510.46 ***	(\$26,195.73)	1,629,332,131.71
Tobacco Settlement Fund	63,612.97	19,996,268.90		20,059,881.87
<b>Subtotal-All Permanent Funds</b>	<b>249,334,831.83</b>	<b>2,328,150,596.84</b>	<b>(26,195.73)</b>	<b>2,577,459,232.94</b>
Worker's Compensation	91,647,020.79	229,137,121.88 ***		320,784,142.67
Water Development	80,272,602.62 **	75,659,841.25 ***		155,932,443.87
<b>TOTAL</b>	<b>\$421,254,455.24</b>	<b>\$2,632,947,559.97</b>	<b>(26,195.73)</b>	<b>\$3,054,175,819.48</b>

\* Does not include debt service deposit (\$57,984,859.00).

\*\* Includes loans receivable.

\*\*\* All or a portion of these funds are now invested by Investment Managers, rather than directly invested by the State Treasurer.

“Cash and Receivables” is actually included with, and part of, the State Agency Pool investments. This investment Pool represents the cash balance of all funds and accounts for which specific investments have not been made. The State Agency Pool investments are not summarized in this report.

# PERMANENT LAND FUND: CORPUS

<u>FUND/ACCOUNT NAME</u>	<u>JUNE 30, 1999 CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2000 CORPUS BALANCE</u>
<u>L01 MINERS' HOSPITAL</u>			
Beginning Balance	\$22,412,374.03		
Oil & Gas Lease Royalties		\$50,521.93	
Sand & Gravel Royalties		9,727.45	
Sodium & Trona Lease Royalties		27,997.03	
Right-of-Way Easements		14,380.35	
Surface Damage		660.00	
Inflationary Income Diversion		34,739.18	
Real Estate-Sales		547.56	
		138,573.50	<u>\$22,550,947.53</u>
 <u>L02 PUBLIC BUILDINGS AT CAPITOL</u>			
Beginning Balance	\$635,714.32		
Miscellaneous Mineral Lease Royalties		\$125.00	
Oil & Gas Lease Royalties		2,365.49	
Sand & Gravel Royalties		878.39	
Right-of-Way Easements		23,361.53	
Surface Damage		10,808.00	
Inflationary Income Diversion		985.36	
Real Estate-Sales		4,167.67	
		42,691.44	<u>\$678,405.76</u>
 <u>L03 FISH HATCHERY</u>			
Beginning Balance	\$202,593.66		
Inflationary Income Diversion		\$314.02	
Real Estate-Sales		200.78	
		514.80	<u>\$203,108.46</u>
 <u>L04 COMMON SCHOOL (1)(2)</u>			
Beginning Balance	\$843,215,594.88		
Bentonite Lease Royalties		\$99,901.13	
Coal Lease Royalties		3,361,261.30	
Liquidated Damages		10,000.00	
Miscellaneous Mineral Lease Royalties		25,025.72	
Oil & Gas Lease Royalties		18,285,410.50	
Sand & Gravel Royalties		218,304.21	
Sodium & Trona Lease Royalties		2,239,417.94	
Right-of-Way Easements		299,946.15	
Taylor Grazing		33,594.88	
Uranium Lease Royalties		43,472.84	
Surface Damage		378,189.24	
Express Pipeline Easement		3,000,000.00	
Inflationary Income Diversion		1,314,734.17	
Real Estate-Sales		500,225.34	
		29,809,483.42	<u>\$873,025,078.30</u>

<u>FUND/ACCOUNT NAME</u>	<u>JUNE 30, 1999 CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2000 CORPUS BALANCE</u>
<u>L05 DEAF, DUMB &amp; BLIND</u>			
Beginning Balance	\$648,961.13		
Oil & Gas Lease Royalties		\$3,833.23	
Sand & Gravel Royalties		60.00	
Right-of-Way Easements		6,527.13	
Surface Damage		1,445.32	
Inflationary Income Diversion		1,005.89	
		<u>12,871.57</u>	<u>\$661,832.70</u>
<u>L06 CAREY ACT</u>			
Beginning Balance	\$72,965.18		
Bentonite Lease Royalties		\$55,887.16	
Oil & Gas Lease Royalties		52,167.87	
Right-of-Way Easements		10,739.80	
Surface Damage		1,387.50	
Inflationary Income Diversion		113.10	
		<u>120,295.43</u>	<u>\$193,260.61</u>
<u>L07 OMNIBUS</u>			
Beginning Balance	\$2,360,735.98		
Oil & Gas Lease Royalties		\$740,598.31	
Sand & Gravel Royalties		41,587.95	
Right-of-Way Easements		6,443.88	
Surface Damage		3,390.50	
Inflationary Income Diversion		3,659.14	
Appropriation Repayment		1,000,000.00	
Real Estate-Sales		3,099.35	
Expenditures/Expenses		(201,138.75)	
		<u>1,597,640.38</u>	<u>\$3,958,376.36</u>
<u>L08 WYOMING STATE HOSPITAL</u>			
Beginning Balance	\$1,384,532.03		
Oil & Gas Lease Royalties		\$134,711.74	
Right-of-Way Easements		4,365.37	
Inflationary Income Diversion		2,146.02	
Capital Construction Appropriation		(500,000.00)	
		<u>(358,776.87)</u>	<u>\$1,025,755.16</u>
<u>L09 WYOMING STATE TRAINING SCHOOL</u>			
Beginning Balance	\$89,712.52		
Oil & Gas Lease Royalties		\$108,082.71	
Inflationary Income Diversion		139.05	
		<u>108,221.76</u>	<u>\$197,934.28</u>

<u>FUND/ACCOUNT NAME</u>	<u>JUNE 30, 1999 CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2000 CORPUS BALANCE</u>
<u>L10 WYOMING STATE PENITENTIARY</u>			
Beginning Balance	\$2,201,481.91		
Oil & Gas Lease Royalties		\$236,445.87	
Right-of-Way Easements		692.00	
Surface Damage		1,068.75	
Inflationary Income Diversion		3,412.30	
Real Estate-Sales		126.08	
Capital Construction Appropriation		<u>(800,000.00)</u>	
		<u>(558,255.00)</u>	<u>\$1,643,226.91</u>
<u>L11 WYOMING STATE AGRICULTURE COLLEGE (1)</u>			
Beginning Balance	\$5,239,500.92		
Oil & Gas Lease Royalties		\$89,155.62	
Right-of-Way Easements		10,674.42	
Surface Damage		2,465.36	
Inflationary Income Diversion		8,121.23	
Real Estate-Sales		632.72	
		<u>111,049.35</u>	<u>\$5,350,550.27</u>
<u>L12 WYOMING STATE UNIVERSITY (1)</u>			
Beginning Balance	\$13,517,791.30		
Oil & Gas Lease Royalties		\$28,935.21	
Sand & Gravel Royalties		6,809.51	
Right-of-Way Easements		4,004.42	
Surface Damage		250.00	
Inflationary Income Diversion		20,952.58	
		<u>60,951.72</u>	<u>\$13,578,743.02</u>
<u>L14 COMMON SCHOOL II (1)(2)</u>			
Beginning Balance	\$5,000,000.00		
		<u>\$0.00</u>	
		0.00	<u>\$5,000,000.00</u>
<b>TOTAL REVENUE ADDED TO CORPUS</b>	<b><u>\$31,085,261.50</u></b>		

(1) These funds are not available for appropriation.

(2) Common School PLFund II is listed separately from the "main" fund because the investment income from the first \$5.0 million of the Express Pipeline Easement monies is to go to the Education Trust Fund, rather than to the Common School Income Fund.

Revenue from above "sales" is the principal payment from the sale of state lands and from right-of-ways granted on state lands. "Royalties" is derived from oil & mineral leases on state lands.

## PERMANENT WYOMING MINERAL TRUST FUND: CORPUS

	<u>JUNE 30, 1999</u> <u>CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2000</u> <u>CORPUS BALANCE</u>
Beginning Balance	\$1,566,553,359.87		
Severance Tax			
Coal		\$21,442,290.78	
Stripper Oil		3,134,625.73	
Oil		11,146,524.26	
Gas		24,725,006.54	
Condensate-Gas		1,275,236.06	
Tertiary-Oil		1,052,307.18	
Wildcat-Oil		2,152.53	
Wildcat-Gas		627.29	
Collection-Oil		1.47	
		<hr/>	
TOTAL REVENUE ADDED TO CORPUS		<u>\$62,778,771.84</u>	
			<u>\$1,629,332,131.71</u>

## LEGISLATIVE ALLOCATION OF THE PERMANENT FUNDS

<u>Program</u>	<u>See Notes next page</u>	<u>Statutory Allotment</u>	<u>Outstanding Investments</u>	<u>Amount Available</u>
Farm Loans	A	\$275,000,000	\$129,213,680	\$ 145,786,320
Irrigation Loans	A	20,000,000	14,445,651	5,554,349
Joint Powers Loans	A	30,000,000	20,339,208	9,660,792
Student Loans	D	25,000,000	4,294,380	20,705,620
Small Business Assistance Act & FHA	D	35,000,000	33,425,994	1,574,006
Mortgage Loans	E	10,000,000	2,590,357	7,409,643
Hot Springs State Park	G	2,000,000	747,577	1,252,423
Clean Coal Investments	F	20,700,000	20,700,000	-
Shoshone Municipal Pipeline Treatment Plant	C	16,500,000	15,247,924	1,252,076
Sheridan Area Water Treatment Project	C	6,750,000	6,750,000	-
Sherard Water Treatment Plant (Cheyenne Water Treatment Plant)	C	28,000,000	8,000,000	20,000,000
Laramie Territorial Park Loan	H	10,000,000	10,000,000	-
Reimbursement to Counties for Deferred Taxes	L	2,000,000	22,503	1,977,497
Industrial Development Bonds		35,000,000	5,000,000	30,000,000
Cheyenne-Stage II	B, F	<u>35,360,965</u>	<u>26,242,441</u>	<u>9,118,524</u>
		<u>\$551,310,965</u>	<u>\$297,019,715</u>	<u>\$ 254,291,250</u>
		<i>100%</i>	<i>53.88%</i>	<i>46.12%</i>
Green River/Rock Springs Water Treatment Plant	C,M	24,000,000	0	-
Natrona County Water Project	C,M	23,000,000	0	-
University of Wyoming Heritage Center	J,N	6,000,000	-0-	-
Student Loan Stand-By Commitment	D,I,O	175,000,000	-0-	175,000,000
Wyoming Community Development Authority Mortgage Bonds	K,P	25,000,000.00	10,691,984.00	-

Most of the statutory allotments identified above have been designated from the Permanent Wyoming Mineral Trust Fund (PMTF). However, the Wyoming Community Development Authority Bonds are funded by the Common School Permanent Land Fund.

(notes continued on next page)

Notes:

- A. Completed loans are purchased from the State Lands & Investments Board, which has the responsibility for approving, processing and servicing these loans
- B. These are involved in a trust arrangement: portions of these loans have been sold by the State Lands & Investments Board to investors with the proceeds of the sale placed in Guaranteed Investment Contracts (GICs) which are not liquid, but which almost completely eliminate risk to investors.
- C. These loans are disbursed & serviced by the Wyoming Water Development Commission.
- D. These loans are guaranteed by an agency of the Federal Government.
- E. These loans carry private insurance.
- F. The principal of these loans is guaranteed by Guaranteed Investment Contracts; only the interest income is at risk
- G. These investments have been transferred from the Common School Permanent Fund to the Permanent Wyoming Mineral Trust Fund (PMTF).
- H. This loan was reviewed & recommended by the Wyoming Investment Fund Committee & approved by the Governor
- I. The current outstanding commitment is \$141.0 million.
- J. This program was funded by the University Permanent Land Fund as an inter-agency loan.
- K. Purchase of up to \$100 million Wyoming Community Development Authority Bonds was authorized from the Common School Permanent Land Fund; however, the authorization period ended on 12/31/94 with only \$25 million actually committed.
- L. This program authorized by Wyoming Statute 9-4-701(m).
- M. The principle balance for these projects was returned without payment of any interest to the state in accordance with the statutory issuance guidelines. No further expenditures can be made from these funds and enabling statutes could be repealed.
- N. This project was funded by the University Permanent Land Fund and has been paid back. A one time appropriation means it is closed and no longer available for expenditure and enabling statutes could be repealed.
- O. The Student Loan Stand-By Commitment established by W.S. 21-16-714 would be an investment only if it were needed to cover a default in the Student Loan Program. There has been no such incident since the legislation was established.
- P. Not considered a legislatively directed investment. Commitment authority has ceased. See note K above.

## FEDERAL MINERAL ROYALTY DISTRIBUTION

	UNDER 200 MILLION %	SEPT 15, 1999 FY99 ADJUSTMENTS	DISTRIBUTIONS MADE IN FY00	SEPT 15, 2000 FY00 ADJUSTMENTS	OVER 200 MILLION %	OVER 200 MILLION DISTRIBUTION FY00	TOTAL FY00 ROYALTY MONEY DISTRIBUTED
Cities & Towns	9.375%	\$1,395,917.03	\$20,145,917.03	\$0.00	9.375% OF 25% OF 93.25%	\$838,385.31	\$19,588,385.31
University Of Wyoming	6.75%	(12,479.75)	13,487,520.25	0.00	6.75% OF 25% OF 93.25%	1,207,274.83	\$14,707,274.83
University Of Wyoming		0.00	0.00	0.00	6.75% OF 100%	5,178,658.84	\$5,178,658.84
Foundation Fund	44.80%	(10,948,763.17)	76,736,236.83	(2,000,000.00)	44.8% OF 25% OF 93.25%	8,012,727.83	\$93,697,727.83
Capitol Fac Rev Bds Series 1992		0.00	2,035,000.00	0.00		0.00	\$2,035,000.00
Capitol Fac Rev Bds Series 1993		0.00	150,000.00	0.00		0.00	\$150,000.00
Capitol Fac Rev Bds Series 1994		0.00	1,730,000.00	0.00		0.00	\$1,730,000.00
Highway Fund	30.375%	(56,158.83)	53,451,841.17	0.00	30.375% OF 25% OF 93.25%	5,432,736.78	\$58,940,736.78
Highway Trust Fund			7,242,000.00				7,242,000.00
Highway Fund State Roads	2.25%	(4,159.91)	4,495,840.09	0.00	2.25% OF 25% OF 93.25%	402,424.95	4,902,424.95
Cities, Counties & Special Districts Capital Const.	3.75%	(34,433.19)	8,121,816.81	(656,250.00)	3.75% OF 25% OF 93.25%	670,708.25	8,170,708.25
School Districts Grants	2.70%	(4,991.90)	5,395,008.10	0.00	2.7% OF 25% OF 93.25%	482,909.94	5,400,000.00
Municipal Rainy Day Account					9.375% OF 93.25%	7,545,467.76	7,545,467.76
Legislative Government Royalty Impact							
Assistance Account					65.625% OF 93.25%	46,949,577.15	46,949,577.15
<b>TOTAL</b>	<b>100.00%</b>	<b>(\$9,665,069.72)</b>	<b>\$192,991,180.28</b>	<b>(\$2,656,250.00)</b>		<b>\$76,720,871.64</b>	<b>\$276,720,871.64</b>
Bonus Payments							
Cities, Counties & Special Districts Capital Const.	37.50%	0.00	5,625,000.00	0.00		0.00	5,625,000.00
School Capitol Construction		0.00	10,323,190.42	0.00		0.00	10,323,190.42
Legislative Royalty Impact	40.00%	0.00	12,948,793.61	0.00		0.00	12,948,793.61
Community College Commission	10.00%	0.00	1,600,000.00	0.00		0.00	1,600,000.00
Highway Funds	12.50%	0.00	1,875,000.00	0.00		0.00	1,875,000.00
<b>TOTAL</b>	<b>100.00%</b>	<b>\$0.00</b>	<b>\$32,371,984.03</b>	<b>\$0.00</b>		<b>\$0.00</b>	<b>\$32,371,984.03</b>
<b>GRAND TOTAL</b>		<b>(\$9,665,069.72)</b>	<b>\$225,363,164.31</b>	<b>(\$2,656,250.00)</b>		<b>\$76,720,871.64</b>	<b>\$309,092,855.67</b>

Notes: Distribution FY00 less FY99 adjustments plus FY00 adjustments plus FY00 "over 200 million" = Total FY00 royalty money distributed.  
The "over 200 million" distribution was completed 9/15/00.  
Mineral Royalties are distributed monthly to Cities & Towns & quarterly to State Agencies.  
Distributions are based on estimated income determined by the Consensus Revenue Estimating Group (CREG). In September of each year, adjustments are made to reflect actual receipts.  
The Foundation Fund includes \$4,383,559.13 diverted from the Highway Fund.

## DISTRIBUTIONS TO COUNTIES

<u>COUNTIES</u>	<u>RAILROAD CAR TAX W.S. 39-2-207</u>	<u>VETERANS' EXEMPTION W.S. 39-1-202</u>	<u>US FOREST RESERVE W.S. 39-4-501</u>	<u>TAYLOR GRAZING ACT W.S. 9-4-401</u>	<u>SEVERANCE TAX DISTRIBUTION W.S. 39-6-305</u>	<u>LIVESTOCK PREDATORY ANIMAL CONTROL FEES W.S. 11-6-210</u>	<u>INDIAN EXEMPTION</u>	<u>TOTAL</u>
Albany	\$161,718.95	\$51,848.02	\$91,511.18	\$33,890.11	\$387,595.48	\$21,296.54		\$747,860.28
Big Horn	53,104.74	23,738.26	64,214.54	13,286.22	132,462.42	18,106.60		304,912.78
Campbell	143,082.20	37,197.10	0.00	26,625.21	369,636.10	31,056.88		607,597.49
Carbon	165,927.25	18,018.99	152,701.42	42,974.73	209,661.81	30,940.67		620,224.87
Converse	177,550.18	22,691.54	18,413.98	17,532.55	140,051.44	38,706.69		414,946.38
Crook	16,232.03	19,115.29	520,729.05	12,225.51	66,627.69	24,324.89		659,254.46
Fremont	26,652.57	53,928.03	86,114.55	40,230.26	423,653.09	28,759.53	\$104,555.04	763,893.07
Goshen	131,459.27	30,540.70	0.00	3,790.00	155,720.39	12,311.43		333,821.79
Hot Springs	20,440.31	23,751.54	4,463.90	11,483.26	60,523.67	5,574.60	474.69	126,711.97
Johnson	0.00	25,625.70	59,774.78	51,584.49	77,337.86	41,425.59		255,748.42
Laramie	242,879.02	264,471.03	0.00	1,618.70	920,528.56	15,687.62		1,445,184.93
Lincoln	82,362.44	19,338.36	112,815.68	10,766.85	158,891.94	32,579.00		416,754.27
Natrona	57,112.64	138,554.84	1,350.47	122,982.09	770,559.82	28,574.05		1,119,133.91
Niobrara	51,902.37	4,628.99	0.00	17,171.30	31,451.33	17,740.53		122,894.52
Park	30,059.28	43,410.14	146,664.17	21,293.40	291,706.72	19,316.18		552,449.89
Platte	77,152.16	26,262.33	275.26	12,070.66	102,508.92	13,003.24		231,272.57
Sheridan	72,543.07	74,327.59	71,980.23	3,768.55	296,539.52	21,296.16		540,455.12
Sublette	0.00	15,740.95	145,751.87	14,966.18	60,951.58	12,788.48		250,199.06
Sweetwater	274,942.26	46,978.89	17,061.83	58,975.03	488,606.85	16,233.15		902,798.01
Teton	0.00	16,882.44	165,199.51	203.18	140,617.12	46.75		322,949.00
Uinta	122,241.09	26,530.31	15,291.98	10,761.56	235,411.74	28,111.18		438,347.86
Washakie	18,837.15	18,227.23	6,583.66	14,251.81	105,567.16	16,901.49		180,368.50
Weston	77,753.35	21,560.84	20,037.76	5,565.34	82,032.28	12,093.77		219,043.34
<b>GRAND TOTAL</b>	<b><u>\$2,003,952.33</u></b>	<b><u>\$1,023,369.11</u></b>	<b><u>\$1,700,935.82</u></b>	<b><u>\$548,016.99</u></b>	<b><u>\$5,708,643.49</u></b>	<b><u>\$486,875.02</u></b>	<b><u>\$105,029.73</u></b>	<b><u>\$11,576,822.49</u></b>

Distribution Dates:

Railroad Car Tax: May  
 Veterans' Exemption: September  
 U.S. Forest Reserve: December

Severance Tax Distribution: Monthly  
 Taylor Grazing Act: December  
 Livestock Predatory Animal: January, March, July, October

## DISTRIBUTIONS TO CITIES & TOWNS

<u>CITY/TOWN</u>	<u>POPULATION</u>	<u>SEVERANCE TAX W.S. 39-6-305</u>	<u>FEDERAL MINERAL ROYALTY W.S. 9-4-601</u>	<u>POLICE OFFICERS' RETIREMENT W.S. 15-5-302</u>	<u>MUNICIPAL MINERAL TRUST INTEREST W.S. 39-6-308</u>	<u>TOTAL</u>
Afton	1,394	\$89,665.11	\$167,000.15	\$0.00	\$1,036.51	\$257,701.77
Albin	120	6,650.45	18,675.48	0.00	504.81	25,830.74
Alpine	200	25,281.12	58,828.29	0.00	538.20	84,647.61
Baggs	272	15,074.31	23,201.65	0.00	568.26	38,844.22
Bairoil	228	12,635.83	23,903.99	0.00	549.88	37,089.70
Bar Nunn	835	46,275.91	54,316.07	0.00	803.21	101,395.19
Basin	1,180	65,395.88	104,231.16	0.00	947.21	170,574.25
Big Piney	454	25,160.78	65,832.75	0.00	644.20	91,637.73
Buffalo	3,601	198,719.52	258,631.82	0.00	1,832.80	459,184.14
Burlington	184	10,197.31	25,914.00	0.00	531.53	36,642.84
Burns	254	14,077.76	26,129.71	0.00	560.74	40,768.21
Byron	470	26,047.51	50,541.17	0.00	650.89	77,239.57
Casper	46,765	2,591,661.88	2,216,932.66	256,650.00	19,962.22	5,085,206.76
Cheyenne	50,008	2,771,454.98	2,796,881.32	0.00	21,325.27	5,589,661.57
Chugwater	192	10,640.69	25,493.01	0.00	534.86	36,668.56
Clearmont	119	6,595.01	18,722.40	0.00	504.44	25,821.85
Cody	7,897	437,653.59	551,682.68	0.00	3,750.50	993,086.77
Cokeville	493	27,322.15	60,973.09	0.00	660.48	88,955.72
Cowley	500	27,644.84	52,809.79	0.00	653.81	81,108.44
Dayton	592	32,732.14	48,442.43	0.00	690.53	81,865.10
Deaver	199	11,028.63	27,048.28	0.00	537.79	38,614.70
Diamondville	864	47,883.11	95,569.42	0.00	815.32	144,267.85
Dixon	70	3,879.39	14,882.83	0.00	483.94	19,246.16
Douglas	5,076	281,313.08	361,206.69	0.00	2,573.17	645,092.94
Dubois	895	49,601.10	85,615.58	0.00	828.25	136,044.93
East Thermopolis	221	12,247.90	23,057.22	0.00	546.96	35,852.08
Edgerton	247	13,688.79	23,630.01	0.00	557.81	37,876.61
Elk Mountain	186	10,274.10	19,660.00	0.00	527.35	30,461.45
Encampment	490	27,155.90	35,179.51	0.00	659.23	62,994.64
Evanston	10,904	604,299.40	839,340.02	0.00	5,005.03	1,448,644.45
Evansville	1,403	82,118.90	84,968.40	0.00	1,040.26	168,127.56
Fort Laramie	243	13,467.12	27,781.10	0.00	556.14	41,804.36
Frannie	148	8,202.22	23,145.80	0.00	516.50	31,864.52
Gillette	17,545	972,603.46	1,426,353.71	0.00	7,814.60	2,406,771.77
Glendo	195	10,806.98	25,703.92	0.00	536.11	37,047.01
Glenrock	2,153	119,319.76	161,844.59	0.00	1,353.27	282,517.62
Granger	126	6,982.94	18,578.52	0.00	507.32	26,068.78

<u>CITY/TOWN</u>	<u>POPULATION</u>	<u>SEVERANCE TAX W.S. 39-6-305</u>	<u>FEDERAL MINERAL ROYALTY W.S. 9-4-601</u>	<u>POLICE OFFICERS' RETIREMENT W.S. 15-5-302</u>	<u>MUNICIPAL MINERAL TRUST INTEREST W.S. 39-6-308</u>	<u>TOTAL</u>
Green River	12,711	704,446.58	678,647.86	0.00	5,759.59	1,388,854.03
Greybull	1,789	99,146.81	150,283.45	0.00	1,201.37	250,631.63
Guernsey	1,155	64,010.39	96,169.40	0.00	936.76	161,116.55
Hanna	1,076	59,632.16	59,312.61	0.00	903.79	119,848.56
Hartville	78	4,322.76	17,481.57	0.00	487.28	22,291.61
Hudson	392	21,724.71	45,928.85	0.00	618.33	68,271.89
Hulett	429	23,775.28	59,171.67	0.00	633.77	83,580.72
Jackson	4,708	260,248.56	466,778.31	0.00	2,321.09	729,347.96
Kaycee	256	14,187.58	29,320.11	0.00	561.57	44,069.26
Kemmerer	3,020	167,369.13	296,619.96	0.00	1,715.11	465,704.20
Kirby	59	3,269.82	14,951.95	0.00	479.35	18,701.12
La Barge	493	27,322.15	60,973.09	0.00	660.48	88,955.72
La Grange	224	12,414.12	26,547.18	0.00	548.22	39,509.52
Lander	7,023	389,216.29	569,115.80	0.00	3,385.74	961,717.83
Laramie	26,687	1,478,999.43	773,162.24	76,000.00	11,592.40	2,339,754.07
Lingle	473	26,213.77	45,717.95	0.00	652.13	72,583.85
Lost Springs	4	221.68	12,272.81	0.00	456.40	12,950.89
Lovell	2,131	118,100.55	176,145.32	0.00	1,344.10	295,589.97
Lusk	1,504	83,352.00	105,268.14	0.00	1,082.42	189,702.56
Lyman	1,896	105,076.77	158,337.19	0.00	1,246.01	264,659.97
Manderson	83	4,599.90	18,276.42	0.00	489.38	23,365.70
Manville	97	5,375.75	17,821.83	0.00	495.21	23,692.79
Marbleton	634	35,136.43	85,986.80	0.00	719.33	121,842.56
Medicine Bow	389	21,558.48	31,020.06	0.00	617.08	53,195.62
Meeteetse	386	20,394.67	40,009.40	0.00	608.31	61,012.38
Midwest	495	27,433.04	38,307.11	0.00	661.32	66,401.47
Mills	1,583	124,143.83	122,165.58	0.00	1,111.63	247,421.04
Moorcroft	768	42,562.74	94,076.52	0.00	775.25	137,414.51
Mountain View	1,189	65,894.66	104,888.14	0.00	950.95	171,733.75
Newcastle	3,028	175,996.81	224,535.20	0.00	1,708.01	402,240.02
Opal	95	5,264.89	20,858.90	0.00	494.38	26,618.17
Pavillion	126	6,982.94	21,941.45	0.00	507.32	29,431.71
Pine Bluffs	1,054	58,412.96	73,632.66	0.00	894.61	132,940.23
Pine Haven	141	7,814.26	26,517.96	0.00	513.58	34,845.80
Pinedale	1,181	65,451.28	147,232.47	0.00	947.61	213,631.36
Powell	5,292	293,283.89	374,646.11	0.00	2,663.31	670,593.31
Ranchester	676	37,464.08	53,187.63	0.00	736.85	91,388.56
Rawlins	9,380	519,841.77	401,293.99	40,000.00	4,369.42	965,505.18
Riverside	85	4,710.72	15,500.54	0.00	490.20	20,701.46
Riverton	9,202	509,976.98	741,039.26	0.00	4,295.13	1,255,311.37

<u>CITY/TOWN</u>	<u>POPULATION</u>	<u>SEVERANCE TAX W.S. 39-6-305</u>	<u>FEDERAL MINERAL ROYALTY W.S. 9-4-601</u>	<u>POLICE OFFICERS' RETIREMENT W.S. 15-5-302</u>	<u>MUNICIPAL MINERAL TRUST INTEREST W.S. 39-6-308</u>	<u>TOTAL</u>
Rock River	190	10,529.83	17,397.76	0.00	534.04	28,461.63
Rock Springs	19,050	1,055,755.44	1,009,610.29	0.00	8,405.13	2,073,770.86
Rolling Hills	330	24,282.99	45,282.90	0.00	592.45	70,158.34
Saratoga	1,969	109,122.46	96,088.79	0.00	1,276.48	206,487.73
Sheridan	13,904	770,551.55	800,444.86	0.00	6,255.81	1,577,252.22
Shoshoni	497	27,543.87	54,213.39	0.00	662.15	82,419.41
Sinclair	500	27,710.13	35,591.39	0.00	663.40	63,964.92
Superior	273	15,129.74	26,253.47	0.00	568.66	41,951.87
Sundance	1,139	63,123.65	132,276.27	0.00	930.08	196,330.00
Ten Sleep	311	17,235.68	31,058.85	0.00	584.52	48,879.05
Thayne	267	14,797.19	36,898.20	0.00	566.16	52,261.55
Thermopolis	3,247	179,949.50	177,456.33	0.00	1,809.85	359,215.68
Torrington	5,651	313,179.76	381,991.84	0.00	2,813.14	697,984.74
Upton	980	54,311.85	79,472.36	0.00	863.73	134,647.94
Van Tassell	8	443.36	12,480.15	0.00	458.07	13,381.58
Wamsutter	240	13,300.84	24,530.53	0.00	554.89	38,386.26
Wheatland	3,271	181,279.59	244,874.53	0.00	1,819.86	427,973.98
Worland	5,742	318,222.97	366,883.87	0.00	2,851.12	687,957.96
Wright	1,236	68,499.39	114,426.23	0.00	970.58	183,896.20
Yoder	136	7,537.14	20,832.31	0.00	511.49	28,880.94
<b>GRAND TOTALS</b>	<b><u>317,656</u></b>	<b><u>\$17,683,617.10</u></b>	<b><u>\$20,145,917.03</u></b>	<b><u>\$372,650.00</u></b>	<b><u>\$176,435.80</u></b>	<b><u>\$38,378,619.93</u></b>

Distribution Dates:

Severance Tax: Monthly  
Federal Mineral Royalty: Monthly  
Police Officers' Retirement: July  
Municipal Mineral Trust: July

# WYO-STAR

## WYOMING STATE TREASURER'S ASSET RESERVE

In 1987 the Wyoming State Legislature authorized any county, municipality, school district or any other local government entity to participate in the WYO-STAR program (W.S. 9-1-416).

The Wyoming State Treasurer established an investment pool or common fund in which all monies are co-mingled for investment purposes. Each participant has an individual interest in the pool based on the ratio of that participant's cash balance as a percentage of the total cash balance of the pool. Separate accounts are maintained for each political entity. All investments conform to the statute covering the State Treasurer's other investments (W.S. 9-4-831).

In November, 1995, Chase and M.D. Sass Partners were hired to manage the WYO-STAR portfolio. Safety of principal is the foremost objective of the investment manager. Liquidity being the second objective, WYO-STAR continues to guarantee the return of funds on a 24-hour notice.

During FY97 WYO-STAR rules were amended to allow income to be distributed to participants on a monthly basis. Also, ACH (automated clearing house) has replaced wire transfer in returning participants' funds. Timeliness and cost savings prompted this change.

WYO-STAR investments, conformance to state statutes, and manager performance are reviewed quarterly by the consultant R.V. Kuhns & Associates, Inc. hired by the State Loan and Investment Board. This board is made up of the five elected officials, the Governor, Secretary of State, Auditor, Treasurer and Superintendent of Public Instruction.

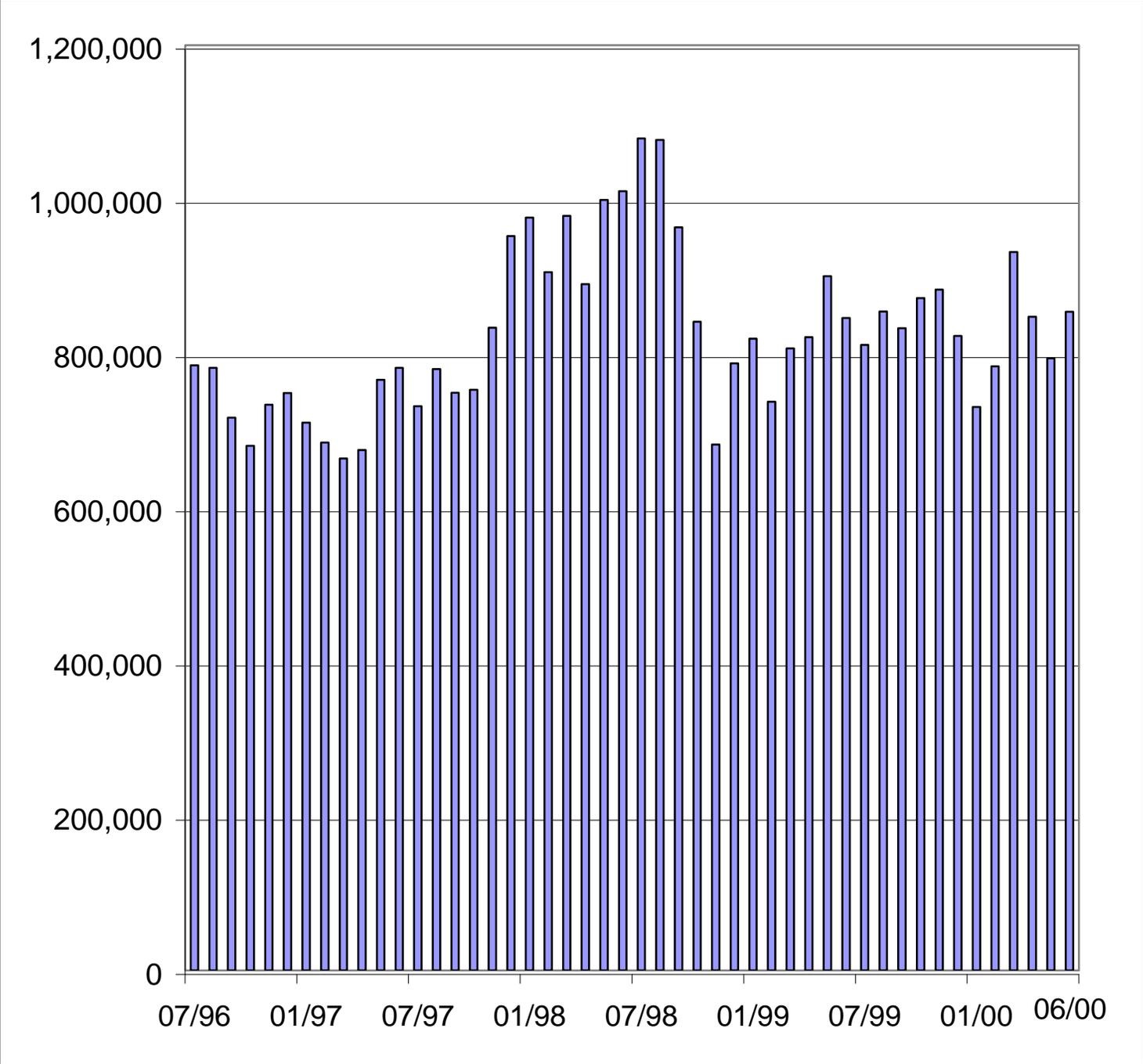
WYO-STAR yields realized in FY00 are as follows:

07/99	4.699%	1/00	4.590%
08/99	4.917%	2/00	5.350%
09/99	5.125%	3/00	5.873%
10/99	5.152%	4/00	5.605%
11/99	5.266%	5/00	5.322%
12/99	4.978%	6/00	6.091%

The annualized yield for FY00 was 5.243%.

As of June 30, 2000, there were 131 active participants. (Some participants have multiple accounts). WYO-STAR pool balance of June 30, 2000, was \$168,067,416.18. Participants earned \$9,980,915.80 in FY00.

**CASH MANAGEMENT NET INCOME  
WYO-STAR  
WITH CHASE & MD SASS PARTNERS**



# WYOMING UNIFORM UNCLAIMED PROPERTY ACT

During Fiscal Year 2000, funds totaling approximately \$2.0 million were received and deposited into the trust fund to be held in perpetuity for the owners. More than \$1.2 million was returned to the rightful owners or heirs. Interest income totaling more than \$635,000 was generated in FY00, of which \$199,638 was transferred to the General Fund. The remaining seed money to establish the division was paid in full to the General Fund. The Unclaimed Property Division is totally self-supporting.

The Unclaimed Property Division is responsible for receiving unclaimed funds from any entity that cannot locate the owner. Approximately 4,200 packets were mailed to such entities requesting the return of Wyoming residents' funds. Upon receipt of these funds, the division attempts to locate the owners and reunite the rightful owner/heir with their property by advertising the names in one or more papers of general circulation once a year. The division is also in contact with other states to bring Wyoming residents' unclaimed funds back to Wyoming.

The division is also charged with: (1) assisting and educating unclaimed property holders of compliance; (2) informing vendors of requirements; and (3) informing claimants of their rights and responsibilities. In FY00, 1 national holder seminar was conducted, 1 national speaking engagement was performed, several interviews were given to radio stations, and numerous claimants were instructed on how to claim their funds. An alphabetical list of owners is mailed each month to Wyoming county clerks.

The unclaimed funds listing is available for public inspection after the funds have been held for two years. This two-year period allows for the advertising of the funds and for the owner to come forth. If the owner fails to come forth within the two-year period, the names are then made public. Third-party tracers (heirfinders) are then given access to records to allow them to attempt to locate the owners. Heirfinders charge the owners a percentage of the funds as their fee.

The Unclaimed Property Division maintains the records for approximately 67,000 owners and more than \$18.2 million. The division has returned approximately \$7.2 million to owners or heirs. A large part of this return was due to the annual advertisement which generated more than 1,900 telephone calls in a ten-day period. In FY00, more than \$140,000 was returned to 50 states of the owner's last known address in accordance with the 1965 U.S. Supreme Court decision Texas v. New Jersey.

In FY00 several major goals and accomplishments were achieved:

1. Newspaper advertisement - resulting in more than 1,500 claims.
2. Unclaimed property information was disseminated to all state legislators.
3. Due diligence letters for new accounts \$500 or greater and stale-dated warrant letters are generated and mailed to unclaimed property owners.
4. The list on the Internet continued to generate numerous claims.

Unclaimed property owner information and lists were requested by 33 heirfinders located in 21 states. Written inquiries from persons seeking their possible unclaimed funds totaled 3,153 and were received from 44 states and several foreign countries. Internet inquiries on the Wyoming Unclaimed Property Website totaled 369,887. In addition, numerous telephone inquiries are received daily.

# WYOMING UNIFORM UNCLAIMED PROPERTY ACT

<u>FISCAL YEAR</u>	<u>BEGINNING BALANCE</u>	<u>RECEIVED</u>	<u>DISBURSED</u>	<u>TRANSFERRED TO COMMON SCHOOL PERMANENT LAND FUND *</u>	<u>ENDING BALANCE</u>
FY 82	\$340,921.02	\$272,408.86	\$98,857.76	\$56,279.50	\$458,192.62
FY 83	458,192.62	40,309.15	25,350.65	37,194.58	435,956.54
FY 84	435,956.54	61,963.60	93,589.29	16,937.42	387,393.43
FY 85	387,393.43	47,472.14	101,321.02	49,968.22	283,576.33
FY 86	283,576.33	269,438.08	28,044.24	83,399.72	441,570.45
FY 87	441,570.45	160,250.59	34,181.84	64,240.20	503,399.00
FY 88	503,399.00	158,444.52	45,714.55	39,438.64	576,690.33
FY 89	576,690.33	181,276.90	76,462.16	38,075.60	643,429.47
FY 90	643,429.47	252,858.09	96,746.71	27,116.14	772,424.71
FY 91	772,424.71	191,102.86	130,627.04	218,847.68	614,052.85
FY 92	614,052.85	428,432.95	101,327.17	76,218.30	864,940.33
FY 93	864,940.33	298,531.97	160,017.21	102,307.91	901,147.18
FY 94	901,147.18	4,051,549.91	160,105.04	124,876.64	4,667,715.41
FY 95	4,667,715.41	1,639,708.30	760,996.09	0.00	5,546,427.62
FY 96	5,546,427.62	2,219,667.05	1,303,951.21	0.00	6,462,143.46
FY 97	6,462,143.46	1,902,193.42	1,486,211.28	0.00	6,878,125.60
FY 98	6,878,125.60	2,060,174.91	902,332.35	0.00	8,035,968.16
FY 99	8,035,968.16	3,648,277.24	1,513,694.11	0.00	10,170,551.29
FY 00	10,170,551.29	1,975,557.85	1,274,918.31	0.00	10,871,190.83

Notes: \*Up to March 11, 1993, unclaimed funds remitted to the state were held for a five-year period. If the funds were not claimed within that time, they escheated to the Common School Permanent Land Fund.

On March 11, 1993, Governor Sullivan signed the Wyoming Uniform Unclaimed Property Act into law. Under the new law, unclaimed property is no longer transferred to the Permanent School Land Fund. This law provides for unclaimed funds to be held in perpetuity for the rightful owners or their heirs.

## CAPITAL FACILITIES REVENUE BONDS

Wyoming Statute 9-4-605 authorized up to \$105 million in revenue bonds for capital construction purposes. Funds for the principal & interest on these bonds is restricted to the federal mineral royalties distributed to the school foundation program or to the highway construction funds.

<u>SERIES</u>	<u>AMOUNT ISSUED</u>	<u>INTEREST RANGE %</u>	<u>BONDS OUTSTANDING JULY 1, 1999</u>	<u>PRINCIPAL PAYMENTS FY00</u>	<u>YEAR OF MATURITY</u>	<u>BALANCE JUNE 30, 2000</u>
1992	\$28,750,000	3.0-6.25	\$25,295,000	620,000	(2021)	\$24,675,000
1993	8,777,522	4.1-6.2	8,677,522	25,000	(2022)	8,652,522
1994	27,395,897	4.1-6.3	26,290,896	305,000	(2024)	<u>25,985,896</u>
Total Outstanding Revenue Bonds						<u>\$59,313,418</u>

Future minimum payments for revenue bonds are as follows:

### FISCAL YEAR ENDED

<u>JUNE 30</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2001	990,000	2,961,810
2002	1,045,000	2,906,998
2003	1,105,000	2,847,490
2004	1,585,000	2,772,872
2005	2,400,530	3,998,333
after 2005	52,187,889	42,931,081

### Prior Year Defeasance of Debt:

In prior years, the state of Wyoming defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly the trust account assets & liability for the defeased bonds are not included in this financial statement. On 10/1/99, \$12,605,000 of the 1989 defeased bonds were called, leaving only \$18.5 million of the defeased 1990 and 1991 issues outstanding as of June 30, 2000.

New issues: No new bonds were issued in Fiscal Year 2000.

## **SCHOOL DISTRICT BOND GUARANTEE PROGRAM**

Wyoming Statute 9-4-1001 authorizes the State Loan & Investment Board to guarantee school district general obligation bonds issued under W.S. 21-13-701 through 21-13-721. The program is intended to benefit school districts by guaranteeing payment of bonded indebtedness of creditworthy districts by reducing the interest rate at which the bonds may be issued.

The State Treasurer is authorized to pledge up to \$300 million from the Common School Permanent Land Fund to guarantee the school district bonds. If a district fails to deposit sufficient debt service monies with the State Treasurer, funds will be advanced from the Common School Permanent Land Fund. Repayment to the Common School Permanent Land Fund will be made from the district's next payments from the School Capital Construction Account and the School Foundation Fund.

As of June 30, 2000, the State Loan & Investment Board had approved guaranteeing school district bond issues in the original amount of \$114,954,000, with \$92,615,000 still outstanding.

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## **LOCAL GOVERNMENT BOND GUARANTEE PROGRAM**

Wyoming Statute 9-4-1002 authorizes the State Loan & Investment Board to guarantee local government general obligation bonds issued under W.S. 15-7-101 through 15-7-114 or 18-4-301. The program is intended to benefit local governments by guaranteeing payment of bonded indebtedness of creditworthy cities, towns and counties by reducing the interest rate at which the bonds may be issued.

The State Treasurer is authorized to pledge up to \$100 million from the Permanent Mineral Trust Fund to guarantee the local government bonds. If a government fails to deposit sufficient debt service monies with the State Treasurer, funds will be advanced from the Permanent Mineral Trust Fund to make the required payments. Repayment to the Permanent Mineral Trust Fund will be made from the government's next payments of federal mineral royalties and severance tax.

As of June 30, 2000, the State Loan & Investment Board had not approved any local government bond issues for the guarantee program.

## **DEFERRED COMPENSATION PROGRAM**

Deferred Compensation is a supplemental retirement program created in accordance with Internal Revenue Code Section 457. The plan allows public employees to defer a limited portion of their earnings into a tax-deferred investment program. A participant may choose among several companies with many different products in tailoring their deferred compensation account to their specific needs.

Benefits Corp. now performs the marketing functions for the program and the accounting and reporting functions are handled by FASCorp. Both are subject to the authority of the Wyoming Deferred Compensation Board, consisting of five members in accordance with Wyoming Statute 9-3-504.

Although each individual participant has one or more separate accounts maintained for him showing his account balance, including earnings, until recently these funds remained the property of the state and were subject to being loaned by the state to other purposes than participant benefits. Now this "ownership" situation has been changed by federal and state legislation, and Wyoming has placed participants' funds in a trust account, to be used only for the benefit of the participants and their beneficiaries. This change to a trust account became effective during FY99.

As of June 30, 2000, the market value of the participants' accounts totaled \$208,318,489.

<u>7/1/99 Beginning Balance</u>	<u>Contributions &amp; Transfers In</u>	<u>Investment Income</u>	<u>Change In Market Value</u>	<u>Fees</u>	<u>Distributions &amp; Transfers Out</u>	<u>6/30/00 Ending Balance</u>
\$ 194,109,143	\$ 74,931,880	\$ 6,451,927	\$ 9,443,120	\$ (650,308)	\$ (75,803,947)	\$208,318,489

## WYOMING COLLEGE ACHIEVEMENT PLAN

In response to legislation (W.S.21-16-809 through 21-16-818) effective March 2000, the State Treasurer’s Office, as Program Administrator, launched the State of Wyoming College Achievement Plan in May, 2000. This college savings program was designed to comply with the requirements for treatment as a “qualified state tuition program” under Section 529 of the Internal Revenue Code to assist Wyoming citizens in financing higher education costs for their families.

The program is available for participation by any U.S. resident, and accounts can be set up for their children, grandchildren, nieces, nephews, friends, etc to be used at any accredited college or vocational institution in the country that is eligible to participate in student financial aid programs. Individuals can save as little as \$50 a month through automated contributions or with a minimum initial contribution of \$250.

Contributions are invested in one of four investment options, selected by the participant, each holding a different mix of stocks, bonds and/or money market mutual funds. Contributions grow federal income tax-deferred ; however, the earnings attributed to a beneficiary’s account are subject to income tax upon withdrawal. Withdrawals for qualified higher education expenses are taxed federally at the beneficiary’s rate, which is usually a lower rate than the contributor’s.

State statutes (21-16-811) establish the Wyoming Family College Savings Program Trust with the State Treasurer as sole trustee, with assets being held in trust for account owners and designated beneficiaries. Mercury Asset Management, a subsidiary of Merrill Lynch, serves as Program Manager by providing certain administrative, record keeping and investment advisory services and marketing for the Program. Financial Data Services, an affiliate of Mercury Funds, serves as transfer and servicing agent. The brokerage firm of A.G. Edwards also serves as distribution agent responsible for distributing program information and participation agreements to prospective participants.

Overview, explanations, forms and additional information about the program is available on the Internet at [www.collegeachievementplan.com](http://www.collegeachievementplan.com) which is linked to the Treasurer’s web page.

<u>5/1/00</u> <u>Beginning Balance</u>	<u>Contributions</u>	<u>Investment</u> <u>Income</u>	<u>Change In</u> <u>Market Value</u>	<u>6/30/00</u> <u>Ending Balance</u>
\$0.00	\$298,484	\$182	\$4,091	\$302,757

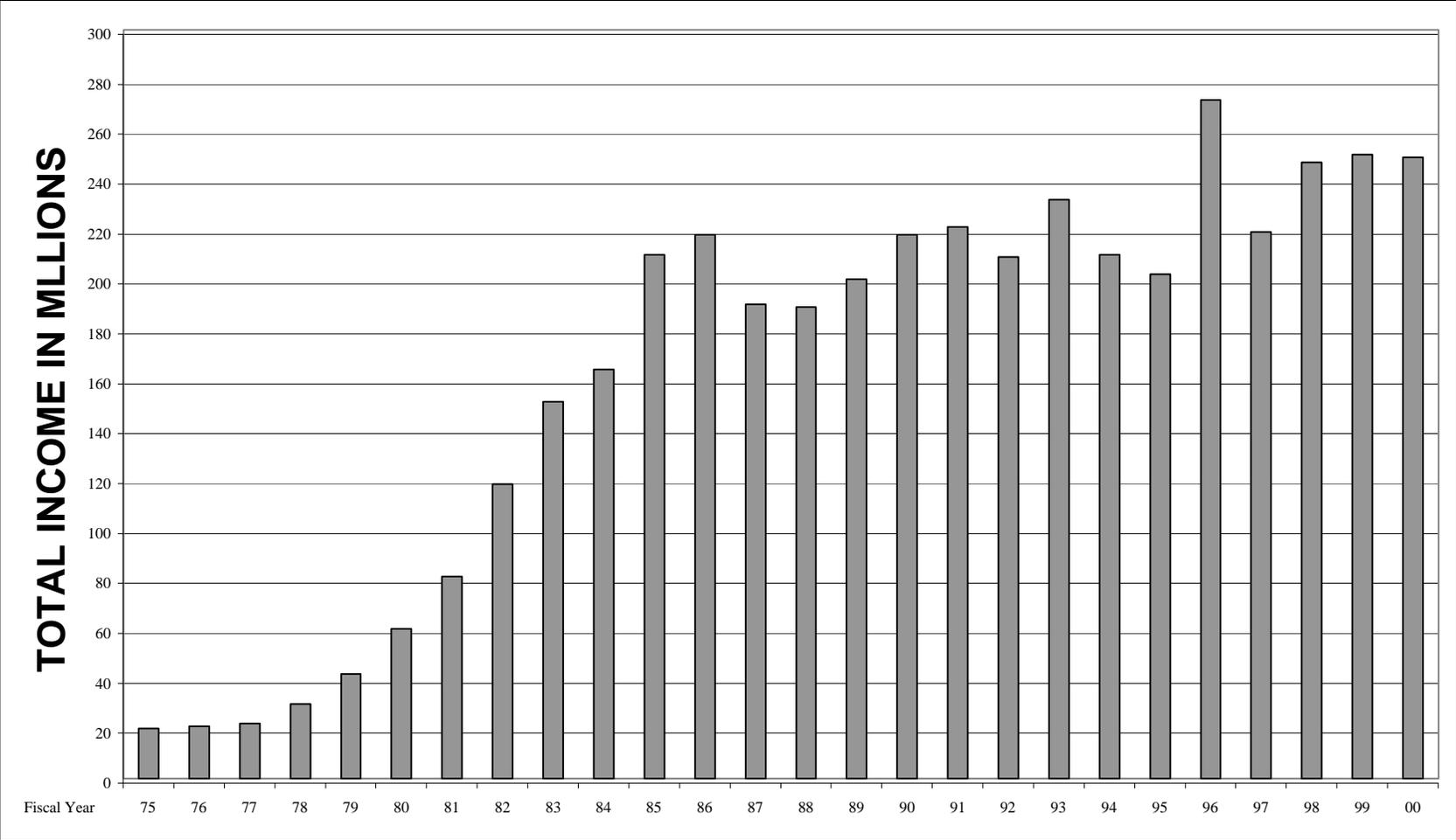
In Fiscal Year 2000, 8 Wyoming residents set up participation in this plan (contributing a total of \$2,150) and 30 out-of-state participants contributed \$296,334.

# LEGISLATIVE AUTHORITY

All references are to Wyoming Statutes Annotated, 1977 Republished Edition, except as noted.

9-1-401 through 9-1-413:	Duties Generally
34-24-101 through 34-24-140:	Unclaimed Property
9-4-605:	Bond Issues
9-3-501 through 9-3-507:	Deferred Compensation Program
15-5-302:	Distribution of Police Pension Fund
39-2-207:	Distribution of Railroad Car Tax
39-4-103 & 39-1-202:	Distribution of Veteran Exemption Reimbursements
39-6-302 through 39-6-306:	Distribution of Severance Tax
9-4-305 through 9-4-311 & Sec. 11, Acts of Admission:	Distribution of Miners' Hospital
9-4-401 through 9-4-406:	Distribution of Taylor Grazing Funds
9-4-501 through 9-4-504:	Distribution of Forest Reserve Funds
9-4-601 through 9-4-604:	Distribution of Federal Mineral Royalties
11-6-210:	Distribution of Livestock Predatory Animal Control Fees
9-1-416:	Municipal Investment Trust (WYO-STAR)
9-4-709 through 9-4-711 & 4-9-101 through 4-9-113	Investment Policy & Prudent Investor Rule
9-4-701 through 9-4-707 & 9-4-834	Investment of State Funds
11-34-129;	Investment of Permanent Funds in Farm Loans
11-34-301;	Water Development Projects
16-1-109;	Joint Powers Board Loans
21-16-102;	Higher Education Loans
27-3-303;	Certification of Solvency
36-8-318 through 36-8-320;	State Park Debenture Bonds
37-5-203, 206;	Natural Gas Pipeline Authority Revenue Bonds
41-2-124;	Drinking Water State Revolving Fund
41-2-202, 210;	Gillette Water Well Supply and Transmission Project
1987-ch117;	Shoshone Municipal Water Treatment Project
1989-ch131, 230, 285;	Sheridan Area Water Supply Project, Treatment Project, Tourism Projects
1990-ch39, 72, 105;	Natrona County School Loan, Teton County School Loan
9-4-204:	Income Distribution
33-1-202;	Disposition of Fees and Interest
9-4-801 through 9-4-832:	Deposits in Wyoming Banks & S&L
9-4-708:	Investment Managers
21-22-101 through 21-22-109; 21-15-105; 39-6-305	Wyoming Education Trust Fund
39-6-308:	Municipal Mineral Trust Fund
31-3-101:	Indian Motor Vehicle Exemption
9-4-1001 through 9-4-1002:	Guarantee for Local Government & School District Bonds
21-15-108:	School Capital Construction Bonds
39-3-301:	Deferred Tax Loans to Counties
9-10-101 through 9-10-108:	Investment Loan Program
1995-ch194, 201:	Special Water Treatment Projects
9-4-1101 through 9-4-1105:	Short-Term Borrowing Authority
21-16-801 through 21-16-808	College Savings Program
9-4-712	State Spending Policy

# INVESTMENT INCOME



# INVESTABLE FUNDS

