

WYOMING STATE TREASURER ANNUAL REPORT



FOR THE PERIOD
JULY 1, 2013 THROUGH JUNE 30, 2014

Mark Gordon, State Treasurer

Sharon Garland, Deputy State Treasurer

Michael Walden-Newman, Chief Investment Officer



WYOMING STATE TREASURER'S ANNUAL REPORT

Fiscal Year 2014

(July 1- 2013 - June 30, 2014)



Already this fall, Wyoming has seen a couple of unprecedented snow storms. Some of my old friends in Kaycee who like to express opinions about matters like the weather have been commenting on how strange the weather has seemed this year and perhaps their comments could describe the economy as much as the uncertainty of the weather. On the following pages, please find the detail of our investments, performance, asset allocation, distributions and other programs and activities administered by my office. We hope you will find the material informative.

As I approach the end of my second year as Treasurer and finish out the term begun by my friend Joe Meyer, his introductory remarks to the 2010 Annual Report seem appropriate: "We are proud of the performance of our portfolio in terms of the revenue it provides for Wyoming citizens, offsetting taxes they might have to pay without it, or programs they might not otherwise have." He made those comments just as the "Great Recession" was supposed to be winding down and in 2014, though it is now generally acknowledged that the greatest economic downturn of a generation is over, neither globally nor as a nation have we seen a runaway recovery. Wyoming's investments continue to do well but the uncertainty of the times means that Wyoming must continue to be prudent, forward-looking, worldly, patient, and effective in approaching investments.

Two points should be born in mind about Wyoming's portfolio – a nest egg now approaching \$19 billion all told: First, the over \$800 million our investments returned to the State in income is significant. It represents one of the top three revenue streams to the State helping to fund schools, roads, airports, and our low taxes. More importantly, though, it is essential to remember the challenge embodied in the permanent funds which account for roughly half of the total corpus. These funds were constructed to perpetuate returns to the State through the investment of proceeds from the one-time removal of our state's minerals. These objectives of return and safety are encompassed in our mandate "to invest public funds of the State of Wyoming... in a manner that strives for maximum safety, provides adequate liquidity to meet all operating requirements, and achieves the highest possible investment return consistent with the primary objectives of safety and liquidity."

Accordingly, Wyoming citizens can take heart in two ingrained themes in our investment approach: First, because we are so very prudent in the way we invest, Wyoming experienced less of a “draw down” or loss than virtually all of our peers during the recession; and second, because of the systematic discipline this office has brought to investing over the years, we have continued to be able to make the best long-term decisions for the State’s portfolio.

This year, though Wyoming enjoyed another year of record returns, more importantly our portfolio grew by over \$1.4 billion. Anticipating a highly volatile market and an uncertain economic environment, Wyoming has also moved aggressively to position our portfolio to protect ourselves against economic shock and to take better advantage of a bumpy recovery. In that effort, I especially want to acknowledge the work of my extraordinary staff. It is also important to note the contributions of the other members of the State Loan and Investment Board and especially the contributions of Secretary of State Max Maxfield and Superintendent Cindy Hill who will be retiring from that board this year.

Wyoming’s economic vigor also depends on diversifying its economic foundations. In the words of Alan Kay, a noted computer scientist, “The best way to predict the future is to invent it.” In that vein, the Treasurer’s Office is helping Wyoming define that future by depositing over \$200 million in qualified banking institutions around Wyoming. This is Wyoming’s capital being put to work by qualified Wyoming banks for the benefit of Wyoming enterprise and her people. Furthermore, the Treasurer’s office is committed to assisting Wyoming business responsibly and with solid hard-headed business acumen. Programs being realistically and appropriately administered by this office have been able to invest in Wyoming industries helping them get off the ground and able to provide numerous jobs around the State.

And we have been doing all that as we continue to rightfully reunite unprecedented amounts of unclaimed property with Wyoming citizens as well as work with county and municipal treasurers to improve our programs and our relationships to them.

As you can see, we have been busy and aggressive. Still, even though the performance on the State’s portfolio has been outstanding, Wyoming’s treasure continues to perform in the highest echelons of all institutional funds, it is important to remember that the primary goal of this office is to protect the corpus my predecessors and our legislature has nurtured so conscientiously. Thus, our investment policies are designed to maximize the safety and security of those funds and have stood the test of time. It has been a good recipe for success.

We are proud of our legacy as well as what we have been able to accomplish. We believe you will be too.

Thank you.

A handwritten signature in black ink, appearing to read "Mark Gordon", with a long horizontal flourish extending to the right.

Mark Gordon
Wyoming State Treasurer

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STATE TREASURER'S OFFICE & OVERVIEW PRIMARY PROGRAMS AND/OR FUNCTIONS

STATE TREASURER ACTIVITIES

As one of the five statewide elected officials, the State Treasurer responds to the needs of the citizens through the various programs and activities required of the office as well as through the numerous boards and commissions he serves on.

The State Treasurer serves on the following board and commissions:

- State Loan and Investment Board
- Board of Land Commissioners
- State Building Commission
- Wyoming Community Development Board (WCDA)
- Board of Deposits
- State Canvassing Board
- Wyoming Retirement Board
- Financial Advisory Council

INVESTMENT OF STATE FUNDS

The State Treasurer's Office receives and invests all non-pension funds of the state, except for the state retirement funds, including the Local Government Investment Pool (WYO-STAR). The state's investment portfolio totaled \$18.0 billion as of June 30, 2014 and this figure will continue to grow. Total state funds continue to grow substantially over the years primarily from revenue generated from the state's mineral industry. As assets have grown, greater demands have been placed on investment of these state funds. Investment income is currently the third largest source of income to the general fund.

BANKING ACTIVITIES AND CASH MANAGEMENT

Receipts from state agencies are received, reconciled and deposited daily. State warrants (checks) are validated and redeemed from the bank each day and the state's checkbook is balanced every day. The Treasurer's Office deposits funds in banks throughout the state in the Time Deposit-Open Account Program. The agency also has general responsibility for the management of the state's cash resources including the development of information to forecast the cash needs of the state and for providing adequate liquidity to ensure the state's cash flow needs are met.

AGENCY ADMINISTRATION

Agency administration includes all duties associated with a state elected official, accounting and fiscal activities, human resources services, and computer technology support.

The Treasurer's Office accounts for and distributes state and federal funds as prescribed by law to cities, towns, counties, the University, community colleges, rural hospitals, county libraries and state agencies as follows:

- Investment Income (W.S. 9-1-409)
- Veterans Tax Exemption Reimbursement (W.S. 39-13-105)
- Indian Motor Vehicle Exemption (W.S. 31-3-101)
- Severance Tax (W.S. 39-14-801) and (W.S. 39-14-211)
- Livestock Predatory Animal Control Fees (W.S. 11-6-210)
- Private Rail Car Tax (W.S. 39-13-104)
- Federal Mineral Royalty and Coal Bonus (W.S. 9-4-601)
- Penalties and Fines (W.S. 8-1-109)
- Payments in Lieu of (Property) Taxes (PILT)
 - Taylor Grazing Act (W.S. 9-4-401)
 - U.S. Forest Reserve (W.S. 9-4-501)
- Hathaway Scholarship Program (W.S. 21-16-1302)
- Excellence in Higher Education Program (W.S. 21-16-1201)
- Wildlife Trust Fund Matching (W.S. 9-15-103)
- Endowment Challenge Matching programs
 - University of WY Foundation (W.S. 21-16-901)
 - University of WY Athletics (W.S. 21-16-1001)
 - Community College Foundations (W.S. 21-16-1101)
 - University of WY Academic Facilities (W.S. 21-16-1401)
 - Critical Access & Rural Hospital (W.S. 35-1-1001)
 - WY Public Libraries (W.S. 18-7-201)

In addition to the legislative projects and revenue distributions shown above, the Treasurer's Office is responsible for State Spending Policy calculations and recommendations and accounting for capital facility bonds and school district bond guarantees issued.

UNCLAIMED PROPERTY PROGRAM

The Unclaimed Property Program is administered by the State Treasurer's Office. Administration of this program involves collecting and holding unclaimed funds and/or property and making diligent efforts to locate and returning the property to the rightful owners or heirs.

In addition to the State Treasurer, the programs and activities of the State Treasurer's Office were supported by twenty five (25) full time employees and one part time at-will contract employee during fiscal year 2014.

As a means of providing more transparency on the financial operations of the state treasury, additional information about the state's investment program and other auxiliary programs administered by the state treasurer is available on our website (<http://treasurer.state.wy.us>).

For more information on the state investment portfolio and process, please contact Michael Walden-Newman, Chief Investment Officer at 307-777-6704, or michael.walden-newman@wyo.gov

For additional information about the distribution of investment income, including spending policies and/or for additional information about other auxiliary programs and activities administered by the State Treasurer's office, contact Sharon Garland, Deputy State Treasurer at 307-777-7475 or sharon.garland@wyo.gov.

**WYOMING STATE TREASURER
MARK GORDON**

as of 06/30/2014

Executive Assistant
Kathy Ramsey

Deputy State Treasurer
Sharon Garland
Ph: 307-777-7475

Email: sharon.garland@wyo.gov

General Counsel
Betsy Anderson

Chief Investment Officer
Michael Walden-Newman
Ph: 307-777-6704

Email: michael.walden-newman@wyo.gov

Chief Accountant
Darla Conn

Jeanne Hartman, Administrative Accountant
Deebs Sullivan, Human Resources

Computer Technology
Supervisor
Mitch Haden

Vacant, Senior IT Support

Unclaimed Property
Manager
Nancy Russell

Marianne Beaudoin, Compliance Accountant
Kristin Bridges, Receipts & Claims Specialist
Susan Harris, Securities Specialist
Heather Schoeneberg, Receipts & Claims Specialist
Misty Williams, Mutual Funds Specialist
Vacant, Receipts & Claims Specialist
Vacant, Securities Specialist

Internal Portfolio
Manager
Diana Walter

Investment Financial
Manager
Erica Legerski

Cindy Braden, Investment Accountant
Jody Janicek, Fiscal Specialist
Sue Larson, Accountant
Shuyeh Wang Liu, Principal Investment Accountant
Alice Portz, Compliance Accountant

Senior Investment
Analyst
Vacant

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WYOMING STATE INVESTMENT PORTFOLIO

FISCAL YEAR 2014

PORTFOLIO OVERVIEW

Wyoming's five statewide elected officials serve as the State Loan and Investment Board (SLIB): the Governor, Secretary of State, State Auditor, State Treasurer and Superintendent of Public Instruction. In that capacity they have over-arching authority over the state investment portfolio, which consists of all non-pension funds of the State of Wyoming. The SLIB sets the investment policy, hires and fires investment managers, and hires the outside investment consultant. Day to day administration of the portfolio is under the State Treasurer.

As stated in the Master Investment Policy and Sub-Policies approved by the State Loan and Investment Board, the Treasurer invests the state portfolio "in a manner that strives for maximum safety, provides adequate liquidity to meet all operating requirements, and achieves the highest possible investment return consistent with the primary objectives of safety and liquidity."

The State's portfolio is in a diversified asset allocation. Modern portfolio theory, creating a diversified portfolio of asset classes, allows the investor to achieve a high rate of return while minimizing the volatility of the portfolio. Simply put, the State's portfolio diversification protects the corpus of the funds and allows maximum returns within acceptable risk.

The State portfolio consists of nine investment pools in seven fund types. Seven pools — the Permanent Wyoming Mineral Trust Fund, the Permanent Land Funds, the Hathaway Scholarship Endowment Fund, the Excellence in Higher Education Endowment Fund and the Workers Compensation Fund — may hold equities, fixed income and cash. The State Agency Pool and the Tobacco Settlement Fund may only hold fixed income and cash.

As shown below, the Treasurer's investment portfolio grew across all funds on a cost basis during FY 14. The total portfolio was \$16.6 billion at the end of FY 13, increasing over \$1.4 billion to \$18.0 billion by June 30, 2014.

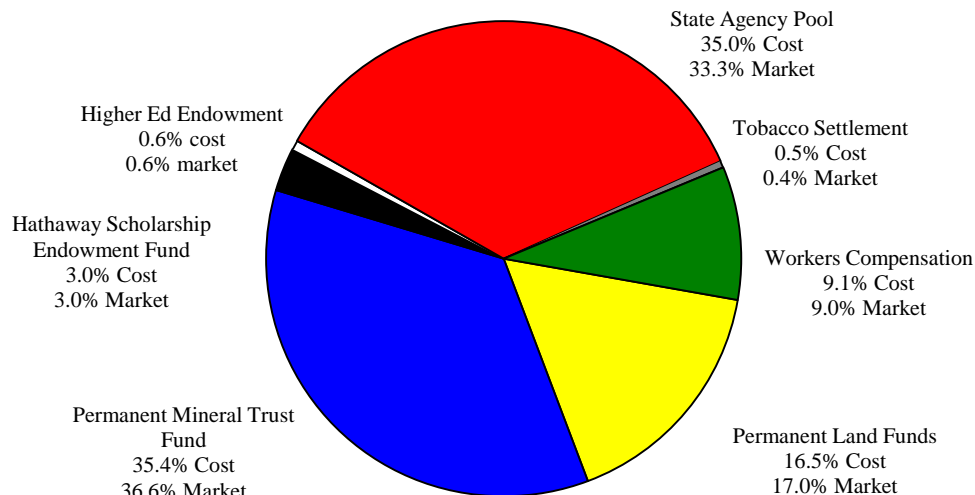
	FY 14 (\$ Millions)		FY 13	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Permanent Mineral Trust Fund	\$6,368.3	\$6,979.1	\$5,888.5	\$6,112.8
Permanent Land Funds				
- Common School Perm Land Fund	2,782.3	3,046.5	2,533.4	2,630.6
- University Permanent Land Fund	19.3	21.3	18.4	19.0
- Remaining Permanent Land Funds	157.0	171.6	144.2	149.2
Hathaway Scholarship Fund	533.4	575.7	518.6	533.1
Higher Education Endowment Fund	112.2	121.1	110.9	113.9
Workers Compensation Fund	1,628.0	1,719.5	1,527.5	1,548.6
Tobacco Settlement Fund	81.6	82.0	70.5	69.0
State Agency Pool	<u>6,294.4</u>	<u>6,336.4</u>	<u>5,750.7</u>	<u>5,664.6</u>
Total	\$17,976.5	\$19,053.2	\$16,562.7	\$16,840.8

WYOMING STATE INVESTMENT PORTFOLIO

June 30, 2014

The State Treasurer's Office manages \$18 billion in non-pension investable funds across seven fund types. Five funds, the Permanent Wyoming Mineral Trust Fund, the Permanent Land Funds, the Hathaway Scholarship Endowment Fund, the Excellence in Higher Education Endowment Fund and the Worker's Compensation Fund may hold equities under current law. The other funds cannot: the State Agency Pool and the Tobacco Settlement Fund.

	<u>Cost Basis</u>	<u>Market Value</u>
Permanent Wyoming Mineral Trust Fund	\$6,368,298,515	\$6,979,071,774
<i>Funded with constitutional and statutory mineral severance tax revenues, and occasional direct legislative appropriations. Income from the PWMTF goes to the state general fund. Up to 55 percent of the PWMTF may be invested in equities.</i>		
Permanent Land Funds	2,958,499,836	3,239,481,747
<i>Funded with royalties, leases, fees and permits, and other revenue generated from state lands. Investment income from these funds go to state public institutions. The Common School Permanent Land Fund is the largest of the land funds: \$2.782 billion book/cost, \$3.046 billion market; its investment income helps to fund Wyoming's K-12 schools. Up to 55 percent of the Permanent Land Funds may be invested in equities.</i>		
Hathaway Scholarship Endowment Fund	533,390,109	575,666,227
<i>Funded with federal mineral royalties. Investment income is used to pay higher education tuition for qualifying Wyoming high school graduates at the University of Wyoming and Wyoming's community colleges. Up to 55 percent of the Hathaway Scholarship Fund may be invested in equities.</i>		
Excellence in Higher Education Endowment Fund	112,220,128	121,068,507
<i>Funded with federal mineral royalties. Investment income is used to pay for recruitment and retention of faculty, to establish endowed faculty positions and to support the work of endowed faculty at the University of Wyoming and Wyoming's community colleges. Up to 55 percent of the Higher Ed. Endowment Fund may be invested in equities.</i>		
Workers Compensation Fund	1,627,999,923	1,719,457,229
<i>Funded with employer premiums. Investment income is used to assist in the payment of Workers Compensation costs including administrative and indemnity costs, and vendor payments. Up to 45 percent of the Workers Compensation Fund may be invested in equities.</i>		
Tobacco Settlement Fund	81,627,020	82,009,844
<i>Funded with settlement proceeds received by Wyoming under the 1998 Master Settlement Agreement between states and tobacco companies. Income from the fund goes to health improvement programs.</i>		
State Agency Pool	<u>6,294,421,316</u>	<u>6,336,390,937</u>
<i>Monies from all other state funds pooled for investment. Income is distributed back to a specific state agency or to the state general fund.</i>		
GRAND TOTAL ALL FUNDS	\$17,976,456,846	\$19,053,146,265



The State Treasurer distributes investment earnings to statutory recipients. Interest and dividends are treated as ordinary income and disbursed accordingly. Capital gains and losses are reconciled for each fund at the end of the fiscal year. If capital gains and losses are net positive in a fund, the Treasurer distributes the net capital gain as income. If capital losses exceed capital gains at year end, the losses are carried forward through the next fiscal year.

The Treasurer distributed \$812.2 million in investment income during FY 14 — sizeable investment income, but down from FY 13's all-time high of \$936.5 million. Over half of FY 13 income was from realized capital gains from the equity side of the portfolio.

<u>Investment Income: Distributions by Fund</u>		
	<u>FY 14</u>	<u>FY 13</u>
Permanent Wyoming Mineral Trust Fund	\$395,337,466	\$366,635,722
Common School Permanent Land Fund	172,808,534	143,131,955
University Permanent Land Fund	1,098,504	563,975
Remaining Permanent Land Funds	9,360,997	7,736,119
Hathaway Scholarship Endowment Fund	30,959,099	33,516,626
Higher Education Endowment Fund	6,727,157	7,791,230
Workers Compensation Fund	74,079,618	96,498,727
Tobacco Settlement Fund	1,690,078	5,063,857
State Agency Pool	<u>120,112,251</u>	<u>275,544,625</u>
TOTAL	\$812,173,704	\$936,482,836
* "Distributed income" is net of management fees paid and accrued.		

The tables on pages 7-8 detail dividend, interest and capital gain income across the portfolio's investment pools, and by asset class and manager.

The State portfolio's FY 14 yield was 4.89 percent and the total return was 9.76 percent for the fiscal year. This is an increase from FY 13, when the cash yield was 6.08 percent, and the total return was 5.11 percent.

The chart on page 10 shows historic total return and yield for the Permanent Wyoming Mineral Trust Fund. Performance by fund and manager is detailed later in this report.

ASSET ALLOCATION AND FUND MANAGEMENT

Asset allocation is the distribution of investments among asset classes. There are two parts to the asset allocation decision: first identifying asset allocation possibilities; and next choosing the best combination of assets to meet investment risk and return objectives. R.V. Kuhns, investment advisor to the State Loan and Investment Board, works with the State Treasurer's Office to establish and annually review asset allocation targets.

The State's portfolio includes US and international stocks, private equity, absolute return strategies, real estate, bonds and cash. Each investment pool has a specific target allocation of each of these types of investments listed in the State's Investment Policy. The Treasurer's Office systematically invests money using monthly dollar cost averaging to achieve and maintain each pool's investment allocation.

INVESTMENT INCOME
Fiscal Year 2014

	<u>Dividends</u>	<u>Interest</u>	<u>Distributed Capital Gains</u>	<u>Direct Fees Paid / Accrued</u>	<u>Total Investment Income</u>
Permanent Wyoming Mineral Trust Fund	\$75,440,917	\$61,830,393	\$266,074,358	(\$8,008,202)	\$395,337,466
Common School Permanent Land Fund	32,681,537	26,852,761	116,390,409	(3,116,173)	172,808,534
University Permanent Land Fund	238,474	185,482	699,477	(24,930)	1,098,504
Remaining Permanent Land Funds:					
- Miner's Hospital Permanent Land Fund	676,120	539,779	2,274,211	(65,635)	3,424,474
- Public Buildings @ Cap Permanent Land Fund	89,300	71,292	299,770	(8,663)	451,699
- Fish Hatchery Permanent Land Fund	5,426	4,331	18,261	(527)	27,491
- D.D. & B. Permanent Land Fund	50,058	39,963	168,452	(4,861)	253,611
- Carey Act Permanent Land Fund	26,555	21,200	89,310	(2,578)	134,487
- Omnibus Permanent Land Fund	561,678	448,415	1,884,677	(54,440)	2,840,331
- State Hospital Permanent Land Fund	43,515	34,740	146,261	(4,228)	220,288
- State Training School Permanent Land Fund	47,108	37,608	158,180	(4,566)	238,329
- Penitentiary Permanent Land Fund	224,594	179,304	752,995	(21,759)	1,135,135
- Agriculture College Permanent Land Fund	125,432	100,139	421,756	(12,174)	635,152
Hathaway Scholarship Endowment Fund	6,031,975	5,993,575	19,640,479	(706,931)	30,959,099
Higher Education Endowment Fund	1,296,928	1,282,967	4,298,397	(151,135)	6,727,157
Worker's Compensation Fund	14,446,777	21,141,468	40,491,743	(2,000,369)	74,079,618
Tobacco Settlement Fund	355,285	1,334,349	91,662	(91,219)	1,690,078
State Agency Pool	23,640,718	89,669,499	14,562,058	(7,760,024)	120,112,251
TOTAL	\$155,982,397	\$209,767,265	\$468,462,457	(\$22,038,415)	\$812,173,704

In May 2009, the State Treasurer adopted an interpretative policy effective July 1, 2008, for accounting purposes whereby earnings consisting of interest and dividends would be treated as ordinary income and disbursed accordingly. Capital gains and losses are reconciled for each fund at the end of the fiscal year. If capital gains and losses are net positive, the Treasurer distributes the net capital gain as income. If capital losses exceed capital gains at year end, the losses are carried forward through the next fiscal year.

Investment management fees are paid from investment income. FY 14 fees totaled \$51.2 million, which include the above \$22.0 million in accrued expenses to cover direct fees billed by managers; and \$792K in administrative expenses including salaries, benefits, travel, etc. for eight investment staff in the Wyoming State Treasurer's Office. In addition to these expenses, an additional \$29.2 million was withheld by managers who send their income to the State net of fees.

WYOMING STATE INVESTMENT PORTFOLIO
Unrealized Gain (Loss) & Realized Income (Loss) by Manager
June 30, 2014

<u>Asset Class & Manager</u>	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Gain/Loss</u>	<u>FY14 YTD Dividends & Interest</u>	<u>FY14 YTD Realized Gain/(Loss)</u>
Large Cap Index					
State Street Global Advisors	\$2,013,404,397	\$2,493,623,805	\$480,219,408	\$37,658,535	\$148,616,624
UW Portfolio Management	620,367	803,755	183,388	13,844	0
Total	2,014,024,765	2,494,427,560	480,402,795	37,672,380	148,616,624
Small/Mid Cap US Equity					
GAMCO	384,841,720	475,041,297	90,199,577	5,306,962	61,199,308
International Equity					
Fisher Investments	433,251,060	501,252,426	68,001,367	9,158,376	45,415,443
Northern Trust	866,502,120	999,274,312	132,772,192	22,431,055	42,368,366
The Boston Company	173,300,424	184,821,782	11,521,357	4,238,034	13,706,351
Manning & Napier	259,950,636	279,178,732	19,228,096	4,978,658	33,320,471
Total	1,733,004,241	1,964,527,253	231,523,012	40,806,123	134,810,632
Private Equity					
Access Venture Partners	6,923,423	13,014,508	6,091,085	36	0
Cheyenne Capital Fund	216,744,440	306,066,289	89,321,849	0	12,458,520
Hamilton Lane Nowood	24,829,947	28,909,669	4,079,722	10,679	128,778
Neuberger Berman Sauger	27,000,000	31,451,387	4,451,387	0	0
Total	275,497,810	379,441,853	103,944,043	10,714	12,587,298
Real Estate					
Clarion	266,303,630	255,465,411	(10,838,219)	6,302,907	0
UBS Realty	141,303,630	141,977,431	673,801	3,978,224	0
Heitman	6,259,936	6,808,734	548,799	322,320	706,473
TA Realty	13,923,357	10,045,390	(3,877,967)	161,819	0
West River Realty	62,695,038	69,371,502	6,676,464	161,819	0
Cornerstone	19,863,735	21,734,632	1,870,898	161,819	0
Northwood	49,647,869	48,407,917	(1,239,952)	0	0
M&G	13,477,107	13,315,827	(161,281)	0	0
Total	573,474,302	567,126,845	(6,347,457)	11,088,910	706,473
Absolute Return					
Aurora I	162,461,240	179,826,803	17,365,563	9	8,000,000
Aurora II	225,466,000	247,910,861	22,444,861	86	8,700,000
PAAMCO	386,474,240	426,443,035	39,968,795	0	43,654,818
Grosvenor	5,228,194	9,367,069	4,138,875	890	17,138,260
Total	779,629,674	863,547,769	83,918,094	984	77,493,078
Convertible Bonds					
AGI Capital	442,588,569	538,488,052	95,899,483	12,024,006	62,338,994
Fixed Income					
Neuberger Berman Core-Plus	0	0	0	446	0
PIMCO Core-Plus	0	0	0	0	(339,032)
WAMCO Core-Plus	0	196,927	196,927	1	2,305,995
Logan Circle Corporates	0	0	0	0	0
WAMCO Corporates	0	0	0	0	2,943,430
JPMorgan Mortgages	0	0	0	0	0
PIMCO Global	0	0	0	0	511,773
CS McKee Core	649,495,746	650,310,917	815,171	14,984,217	(6,628,800)
JPM Core	1,938,650,529	1,925,330,760	(13,319,769)	47,196,658	(12,356,018)
MacKay Shields Core	983,719,460	977,868,712	(5,850,749)	24,486,194	(306,509)
Neuberger Berman Core	1,046,421,471	1,058,831,217	12,409,746	22,689,532	(1,342,568)
PIMCO Core	2,565,811,202	2,603,886,745	38,075,543	50,821,612	(3,402,728)
Wells Cap Core	650,983,096	656,687,368	5,704,272	12,749,188	(3,684,450)
Neuberger Berman Cr	554,957,707	571,914,572	16,956,865	13,889,781	(860,983)
Seix Cr	559,361,580	574,898,269	15,536,689	11,779,998	0
Investec EM	280,133,895	260,142,894	(19,991,001)	8,942,516	0
Stone Harbor EM	279,955,481	247,492,627	(32,462,853)	12,490,393	(86,615)
SSgA TIPS	742,028,336	719,206,867	(22,821,469)	5,321,862	(6,797,852)
Total	10,251,518,502	10,246,767,875	(4,750,627)	225,352,398	(30,044,357)
Fixed Income					
Internal Portfolio	444,203,834	444,714,000	510,166	8,634,002	1,704,133
Cash Equivalents					
JP Morgan	752,321,354	753,711,685	1,390,332	4,896,180	(949,726)
Wyoming Investments	325,352,076	325,352,076	held at cost	7,661,751	0
Securities Lending				7,384,824	0
TOTALS	\$17,976,456,846	\$19,053,146,265	\$1,076,689,419	\$360,839,234	\$468,462,457

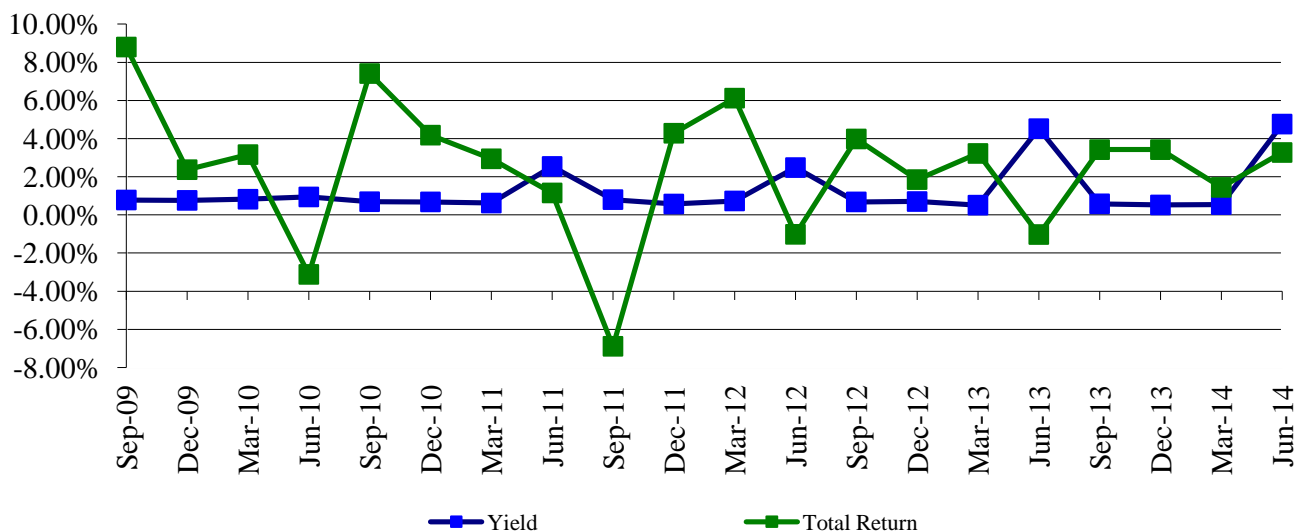
Notes:

JPMorgan core fixed income's deferred gain/loss amount includes an \$18.7 million capital loss to correct an \$18.7 million gain taken in error in FY 13. Internal portfolio negatively impacted by distressed securities taken in from dismissed managers.

Investment managers showing a zero cost basis are those whose mandates were terminated as part of the FY13 fixed income restructure.

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PERMANENT WYOMING MINERAL TRUST FUND YIELD AND TOTAL RETURN COMPARED



Note: "Yield" is spendable investment income including dividends, interest and realized capital gains. "Total Return" is comprised of dividends, interest, and realized and unrealized capital gains and losses. The chart above shows yield as more stable, while total return has varied over market cycles.

<u>Quarter Ending</u>	<u>Yield (gross)</u>		<u>Total Return</u>	
	<u>Quarter</u>	<u>Annual</u>	<u>Quarter</u>	<u>Annual</u>
September 30, 2009	0.78%		8.80%	
December 31, 2009	0.76%		2.37%	
March 31, 2010	0.82%		3.16%	
June 30, 2010	0.94%	3.30%	-3.12%	11.31%
September 30, 2010	0.69%		7.41%	
December 31, 2010	0.68%		4.18%	
March 31, 2011	0.62%		2.94%	
June 30, 2011	2.54%	4.63%	1.15%	16.52%
September 30, 2011	0.80%		-6.89%	
December 31, 2011	0.57%		4.28%	
March 31, 2012	0.73%		6.12%	
June 30, 2012	2.48%	4.65%	-1.02%	1.98%
September 30, 2012	0.68%		3.98%	
December 31, 2012	0.70%		1.85%	
March 31, 2013	0.51%		3.22%	
June 30, 2013	4.52%	6.57%	-1.03%	8.19%
September 30, 2013	0.58%		3.42%	
December 31, 2013	0.52%		3.42%	
March 31, 2014	0.54%		1.44%	
June 30, 2014	4.76%	6.56%	3.27%	12.67%

FUND ALLOCATION

The Permanent Mineral Trust Fund and Permanent Land Funds may hold up to 55 percent in equities under current law. The State's Investment Policy sets out a long-term target allocation of 50 percent equities and 50 percent fixed income and cash.

The Hathaway Scholarship Endowment and Higher Education Endowment Funds also have an allowed long-term target of 50 percent equities, but the Treasurer set their FY 14 target slightly lower at 45 percent, given their need for more stable income.

The Workers Compensation Fund may invest up to 45 percent in equities; the specific target is determined by the director of the Department of Employment. The Department set the equity target at 30 percent for FY 14.

The June 30, 2014 allocation mix of the portfolio is shown below; charts later in this report provide a detailed allocation for each fund. Portfolio rebalances in the latter part of the year resulted in higher than usual year-end cash that will decrease as principal is returned to managers.

The Treasurer's Office rebalances the portfolio when markets take a manager over its target allocation within the portfolio. The manager sells assets, returning the principal and capital gains to the State. The Treasurer distributes the capital gains to statutory recipients. The principal is returned to managers over time to dollar cost average allocations.

	<u>Equities</u>	<u>Fixed</u>	<u>Wyo*</u>	<u>Cash</u>
Permanent Wyoming Mineral Trust Fund	54.5%	40.4%	2.7%	2.4%
Common School Permanent Land Fund	51.8	40.0	0.7	7.5
University Permanent Land Fund	52.5	42.3	0.0	5.2
Remaining Permanent Land Funds	51.7	40.7	0.0	7.6
Hathaway Scholarship Endowment Fund	43.4	51.0	0.0	5.6
Higher Education Endowment Fund	44.1	52.1	0.0	3.8
Workers Compensation Fund	29.2	64.7	0.0	6.1
Tobacco Settlement Fund	0.0	84.7	0.0	15.3
State Agency Pool	<u>0.0</u>	<u>94.3</u>	<u>2.0</u>	<u>3.7</u>
TOTAL	32.0%	62.0%	1.8%	4.2%

* Wyoming specific investments detailed later.

Over 95 percent of the State's portfolio is managed by external investment firms, as shown on page 13. Total external fixed income and cash funding was \$11.446 billion on a cost basis on June 30, 2014, with a market value of \$11.539 billion. On June 30, 2013, total external fixed income and cash was \$10.958 billion (cost) and \$10.766 billion (market).

External equity manager funding at FY 14 year-end was \$5.760 billion on a cost basis, with a market value of \$6.744 billion. This compares to \$4.830 billion (cost) and \$5.296 billion (market) on June 30, 2013.

The Treasurer's internally managed bond portfolio was \$444.2 million (cost) and \$444.7 million (market) at the end of FY 14.

WYOMING STATE INVESTMENT PORTFOLIO

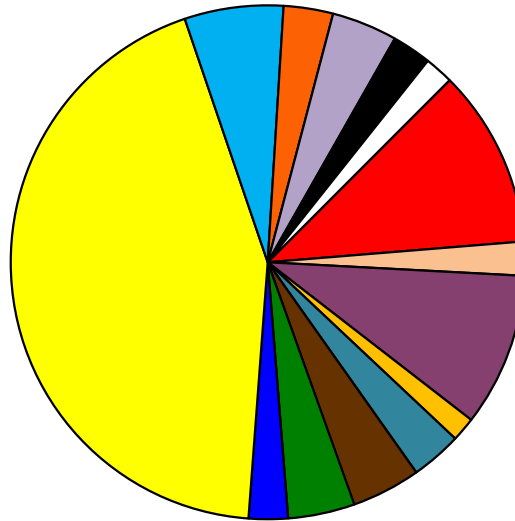
June 30, 2014

\$17.976 Billion
Cost Basis

FIXED INCOME

Internal Bonds	\$444.2 M	2.5%
Core	\$7,835.1 M	43.6%
Credit	\$1,114.3 M	6.2%
Emerging Markets	\$560.1 M	3.1%
TIPS	\$742.0 M	4.1%
Convertibles	\$442.6 M	2.5%
Wyoming Investments	\$325.4 M	1.8%

TOTAL
\$11,463.7 M
63.8%



CASH \$752.3 M 4.2%

EQUITIES

Large Cap US	\$2,014.0 M	11.2%
Small / Mid US	\$384.8 M	2.1%
International	\$1,733.0 M	9.6%
Private Equity	\$275.5 M	1.5%
Real Estate	\$573.5 M	3.2%
Absolute Return	\$779.6 M	4.3%

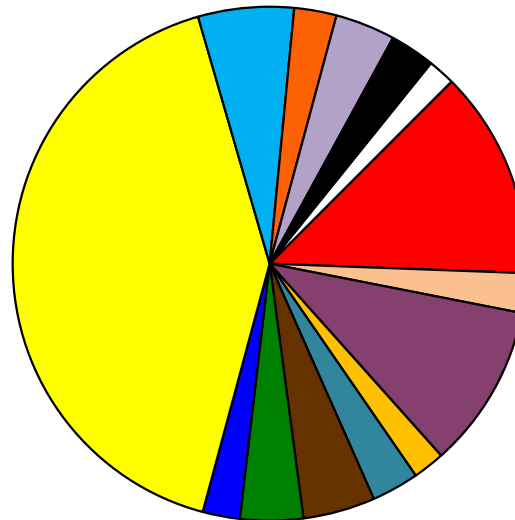
TOTAL
\$5,760.5 M
32.0%

\$19.053 Billion
Market Value

FIXED INCOME

Internal Bonds	\$444.7 M	2.3%
Core	\$7,873.1 M	41.3%
Credit	\$1,146.8 M	6.0%
Emerging Markets	\$507.6 M	2.7%
TIPS	\$719.2 M	3.8%
Convertibles	\$538.5 M	2.8%
Wyoming Investments	\$325.4 M	1.7%

TOTAL
\$11,555.3 M
60.6%



CASH \$753.7 M 4.0%

EQUITIES

Large Cap US	\$2,494.4 M	13.1%
Small / Mid US	\$475.0 M	2.5%
International	\$1,964.5 M	10.3%
Private Equity	\$379.4 M	2.0%
Real Estate	\$567.1 M	3.0%
Absolute Return	\$863.5 M	4.5%

TOTAL
\$6,744.1 M
35.4%

INVESTMENT MANAGER OVERSIGHT

The portfolio's investment managers are on an annual rotation for visits to Cheyenne. State Treasurer's staff also performs due diligence visits to managers' offices throughout the year.

PORTFOLIO RESTRUCTURING

During FY 14, the Treasurer's Office completed its private equity review continued from FY 13, and undertook two new asset class reviews: domestic equity and absolute return strategies.

After hiring two private equity managers in FY 13 at a \$200 million commitment each, the State Loan and Investment Board asked the Treasurer's Office to explore the possible allocation of an additional \$200 million. In the end, the Treasurer's Office recommended, and the SLIB approved in October 2014, that no further private equity investment was warranted.

The Treasurer's Office conducted an in-depth analysis of the domestic (U.S.) equity portfolio. After a year of study, RFPs, and manager interviews, the portfolio was restructured into new mandates designed to produce better risk-adjusted returns. In August 2014, managers were hired for all cap and small cap mandates. In October, a global equity manager was hired as a complement to the domestic and international equity managers, with the ability to invest opportunistically around the world. The review of absolute return and other risk mitigation strategies will continue in to FY 15.

SELECT COMMITTEE ON CAPITAL FINANCING AND INVESTMENTS

The State Treasurer met with the Select Committee on Capital Financing and Investments on December 20, 2012. Items discussed included on-going review of the state investment portfolio, spending policies and accounting procedures.

STATE TREASURER'S INVESTMENT CONFERENCE

The State Treasurer's Investment Conference was held September 18-20, 2013. The conference brought together the five statewide elected officials and staff, state legislators, investment managers, investment consultants and policy experts to discuss Wyoming's investment portfolio.

STATE TREASURER'S WEBSITE

The Sovereign Wealth Fund Institute gives Wyoming one of its highest rankings in terms of public transparency. The State Treasurer's Office continually updates investment information on its website: <http://treasurer.state.wy.us/investmentsbank.asp#invest>.

WYOMING STATE INVESTMENT PORTFOLIO
June 30, 2014

EXTERNAL EQUITIES		Cost Basis	Market Value
Large Cap Index	State Street Global Advisors	2,013,404,397	2,493,623,805
U. S. Equities	UW Portfolio Management Program	620,367	803,755
Small / Mid Cap	GAMCO	384,841,720	475,041,297
International	Fisher Investments	433,251,060	501,252,426
	Northern Trust	866,502,120	999,274,312
	The Boston Company	173,300,424	184,821,782
	Manning & Napier	259,950,636	279,178,732
Private Equity	Access Venture Partners <i>(\$10 M committed)</i>	6,923,423	13,014,508
	Cheyenne Capital Fund <i>(\$257.95 M committed)</i>	216,744,440	306,066,289
	Hamilton Lane Nowood <i>(\$200 M committed)</i>	24,829,947	28,909,669
	Neuberger Berman Sauger <i>(\$200 M committed)</i>	27,000,000	31,451,387
Real Estate	Clarion	266,303,630	255,465,411
	UBS Realty	141,303,630	141,977,431
	Heitman <i>(\$10 M committed)</i>	6,259,936	6,808,734
	TA Realty <i>(\$15 M committed)</i>	13,923,357	10,045,390
	West River Realty <i>(\$75 M committed)</i>	62,695,038	69,371,502
	Cornerstone <i>(\$27.2 M committed)</i>	19,863,735	21,734,632
	Northwood <i>(\$150 M committed)</i>	49,647,869	48,407,917
	M&G <i>(\$125 M committed)</i>	13,477,107	13,315,827
Absolute Return	Aurora I	162,461,240	179,826,803
	Aurora II	225,466,000	247,910,861
	PAAMCO	386,474,240	426,443,035
	Grosvenor <i>(\$150 M committed)</i>	5,228,194	9,367,069
Total External Equities		\$5,760,472,511	\$6,744,112,577
EXTERNAL FIXED INCOME, CONVERTIBLES AND CASH			
Mandates Terminated in FY13			
Core-Plus	WAMCO	0	\$196,927
Convertibles	AGI Capital	442,588,569	538,488,052
US Fixed Income	CS McKee Core	649,495,746	650,310,917
	JPM Core	1,938,650,529	1,925,330,760
	MacKay Shields Core	983,719,460	977,868,712
	Neuberger Berman Core	1,046,421,471	1,058,831,217
	PIMCO Core	2,565,811,202	2,603,886,745
	Wells Cap Core	650,983,096	656,687,368
	Neuberger Berman Cr	554,957,707	571,914,572
	Seix Cr	559,361,580	574,898,269
	Investec EM	280,133,895	260,142,894
	Stone Harbor EM	279,955,481	247,492,627
	SSgA TIPS	742,028,336	719,206,867
Total External Fixed Income and Convertibles		\$10,694,107,071	\$10,785,255,927
Cash Manager	JPMorgan	752,321,354	753,711,685
Total External Cash		\$752,321,354	\$753,711,685
TOTAL EXTERNAL MANAGEMENT		\$17,206,900,936	\$18,283,080,189
INTERNALLY MANAGED FUNDS			
Fixed Income	Bonds	444,203,834	444,714,000
Other	Wyoming Investments	325,352,076	325,352,076
TOTAL INTERNAL MANAGEMENT		\$769,555,910	\$770,066,076
GRAND TOTAL ALL FUNDS		\$17,976,456,846	\$19,053,146,265

WYOMING STATE INVESTMENT PORTFOLIO

Permanent Wyoming Mineral Trust Fund

June 30, 2014

\$6.368 Billion

Cost Basis

FIXED INCOME

Internal Bonds	\$102.1 M	1.6%
Core	\$1,778.0 M	27.9%
Credit	\$255.7 M	4.0%
Emerging Markets	\$129.7 M	2.0%
TIPS	\$179.9 M	2.8%
Convertibles	\$126.1 M	2.0%
Wyoming Investments	\$170.2 M	2.7%

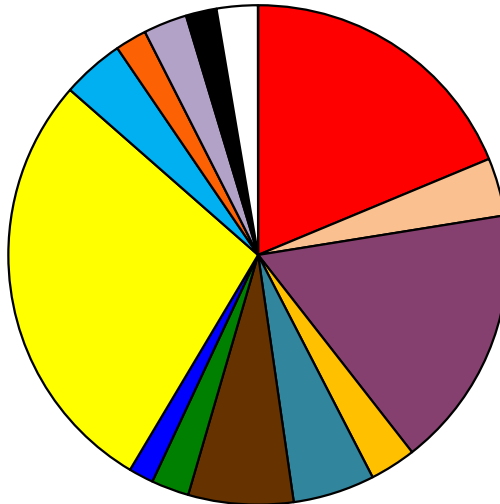
TOTAL
\$2,741.7 M
43.1%

EQUITIES

Large Cap US	\$1,192.5 M	18.7%
Small / Mid US	\$238.5 M	3.7%
International	\$1081.7 M	17.0%
Private Equity	\$189.0 M	3.0%
Real Estate	\$337.4 M	5.3%
Absolute Return	\$432.7 M	6.8%

TOTAL
\$3,471.8 M
54.5%

CASH \$154.8 M 2.4%



\$6.979 Billion

Market Value

FIXED INCOME

Internal Bonds	\$100.7 M	1.4%
Core	\$1,786.3 M	25.6%
Credit	\$263.3 M	3.8%
Emerging Markets	\$116.7 M	1.7%
TIPS	\$174.4 M	2.5%
Convertibles	\$153.5 M	2.2%
Wyoming Investments	\$170.2 M	2.4%

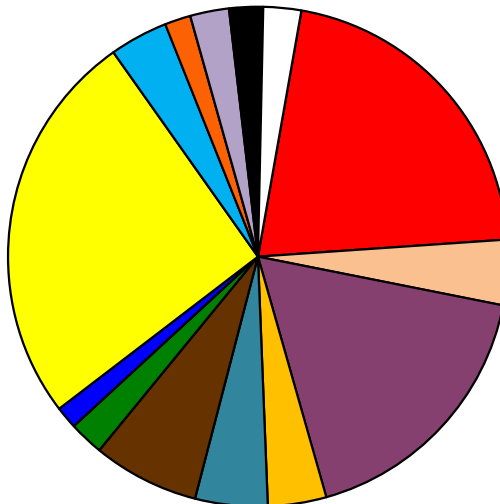
TOTAL
\$2,765.1 M
39.6%

EQUITIES

Large Cap US	\$1,475.1 M	21.1%
Small / Mid US	\$294.1 M	4.2%
International	\$1,219.3 M	17.5%
Private Equity	\$262.3 M	3.8%
Real Estate	\$328.2 M	4.7%
Absolute Return	\$479.2 M	6.9%

TOTAL
\$4,058.1 M
58.1%

CASH \$155.8 M 2.2%



WYOMING STATE INVESTMENT PORTFOLIO

Common School Permanent Land Fund

June 30, 2014

\$2.782 Billion

Cost Basis

FIXED INCOME

Internal Bonds	\$44.6 M	1.6%
Core	\$775.0 M	27.9%
Credit	\$112.2 M	4.0%
Emerging Markets	\$56.7 M	2.0%
TIPS	\$71.5 M	2.6%
Convertibles	\$54.2 M	1.9%
Wyoming Investments	\$18.4 M	0.7%

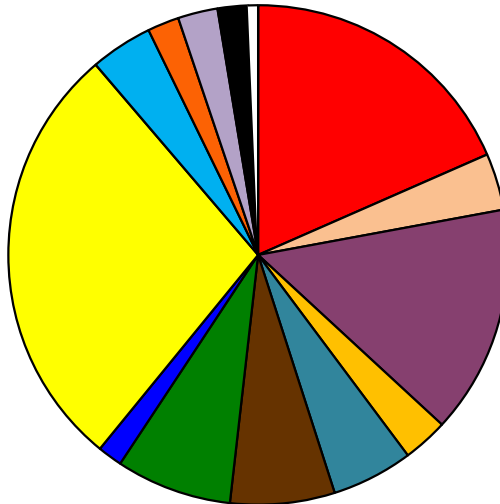
TOTAL
\$1,132.5 M
40.7%

EQUITIES

Large Cap US	\$512.4 M	18.4%
Small / Mid US	\$102.5 M	3.7%
International	\$410.9 M	14.8%
Private Equity	\$81.3 M	2.9%
Real Estate	\$146.3 M	5.3%
Absolute Return	\$187.8 M	6.8%

TOTAL
\$1,441.3 M
51.8%

CASH \$208.5 M 7.5%



\$3.047 Billion

Market Value

FIXED INCOME

Internal Bonds	\$44.7 M	1.5%
Core	\$779.0 M	25.6%
Credit	\$115.5 M	3.8%
Emerging Markets	\$51.6 M	1.7%
TIPS	\$69.3 M	2.3%
Convertibles	\$66.1 M	2.2%
Wyoming Investments	\$18.4 M	0.6%

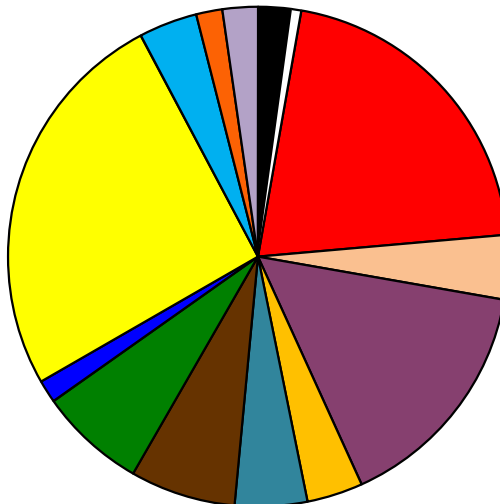
TOTAL
\$1,144.5 M
37.6%

EQUITIES

Large Cap US	\$634.8 M	20.8%
Small / Mid US	\$126.5 M	4.2%
International	\$469.9 M	15.4%
Private Equity	\$110.1 M	3.6%
Real Estate	\$142.7 M	4.7%
Absolute Return	\$208.0 M	6.8%

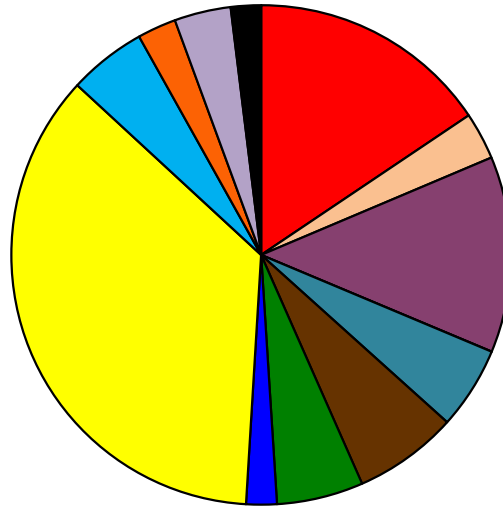
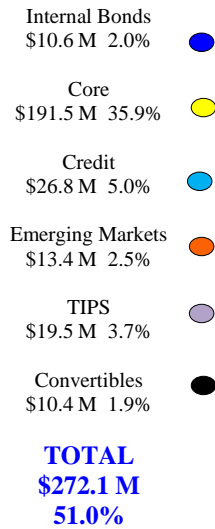
TOTAL
\$1,692.1 M
55.5%

CASH \$209.9 M 6.9%



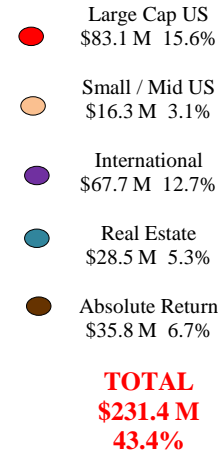
WYOMING STATE INVESTMENT PORTFOLIO
Hathaway Scholarship Endowment Fund
June 30, 2014
\$533.4 Million
Cost Basis

FIXED INCOME



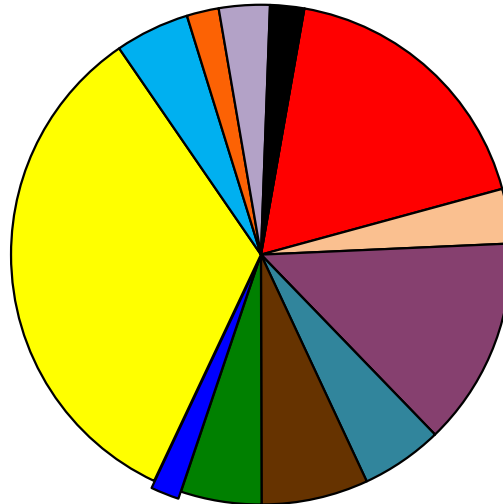
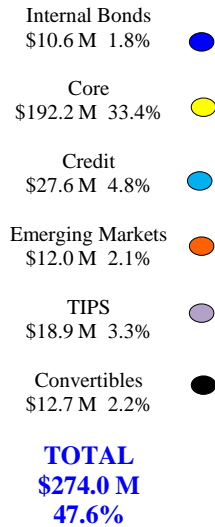
CASH \$29.9 M 5.6%

EQUITIES



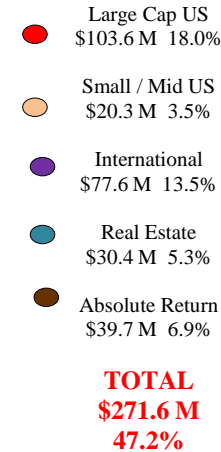
\$575.7 Million
Market Value

FIXED INCOME



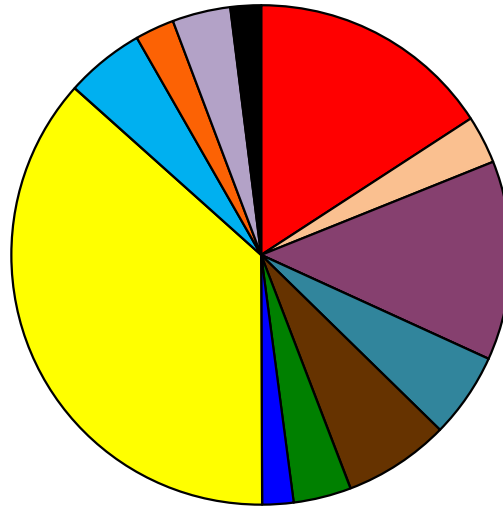
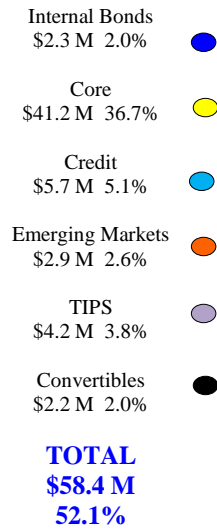
CASH \$30.1 M 5.2%

EQUITIES



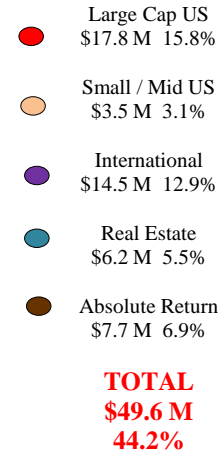
WYOMING STATE INVESTMENT PORTFOLIO
Higher Education Endowment Fund
June 30, 2014
\$112.2 Million
Cost Basis

FIXED INCOME



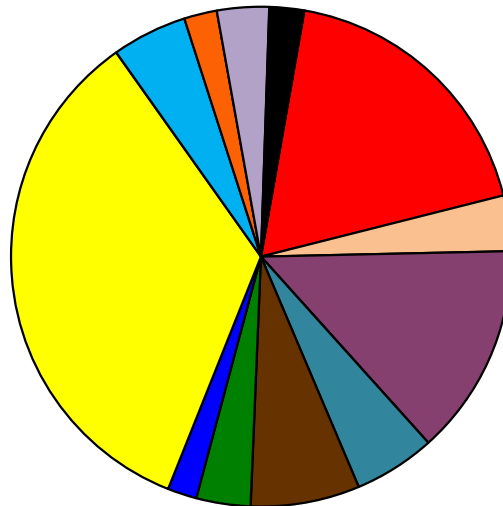
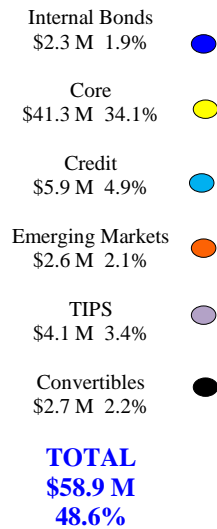
CASH \$4.2 M 3.8%

EQUITIES



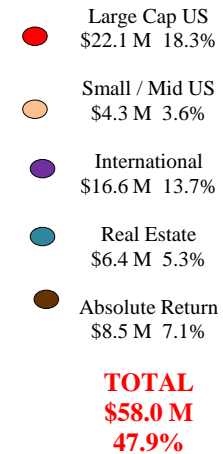
\$121.1 Million
Market Value

FIXED INCOME



CASH \$4.2 M 3.5%

EQUITIES



WYOMING STATE INVESTMENT PORTFOLIO

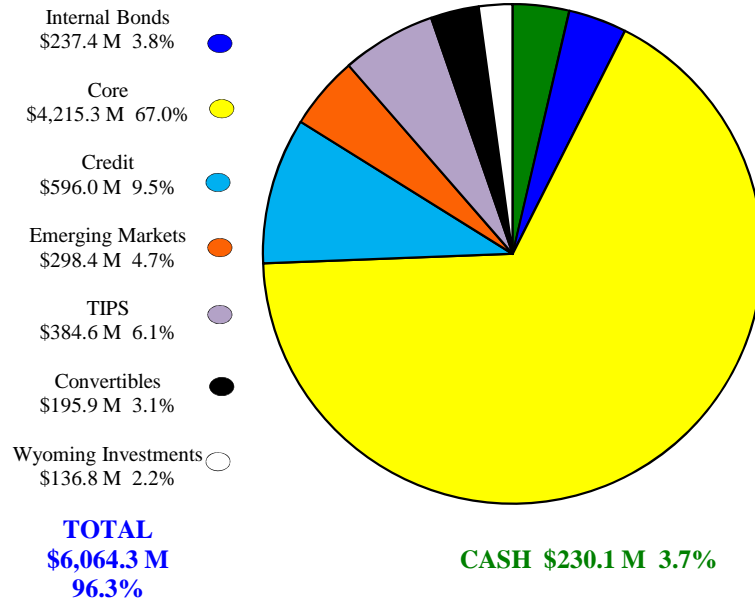
State Agency Pool

June 30, 2014

\$6.294 Billion

Cost Basis

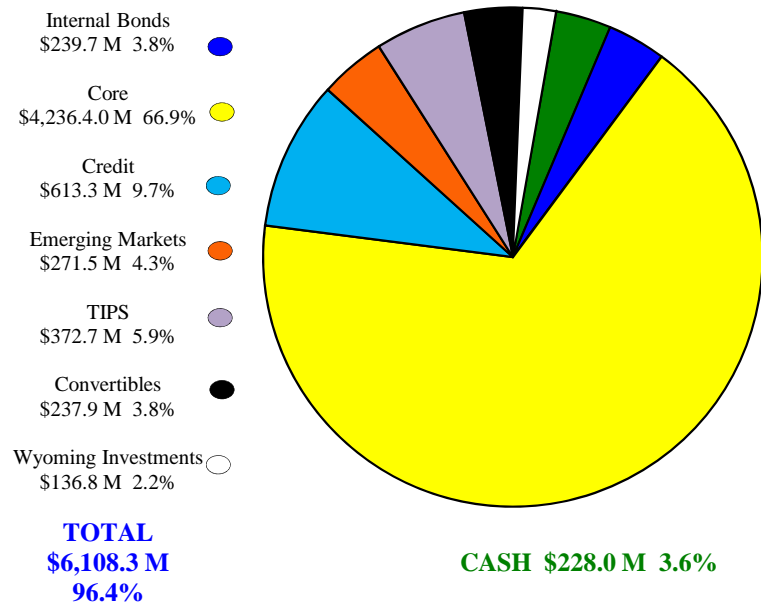
FIXED INCOME



\$6.336 Billion

Market Value

FIXED INCOME



WYOMING STATE INVESTMENT PORTFOLIO

Workers Compensation Fund

June 30, 2014

\$1.628 Billion

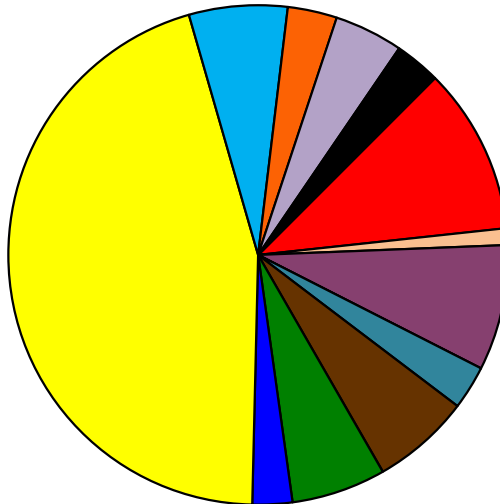
Cost Basis

FIXED INCOME

Internal Bonds	\$41.9 M	2.6%
Core	\$735.2 M	45.2%
Credit	\$103.8 M	6.4%
Emerging Markets	\$52.0 M	3.2%
TIPS	\$72.3 M	4.4%
Convertibles	\$48.3 M	3.0%
TOTAL	\$1,053.4 M	64.7%

EQUITIES

Large Cap US	\$175.8 M	10.8%
Small / Mid US	\$17.6 M	1.1%
International	\$132.1 M	8.1%
Real Estate	\$46.1 M	2.8%
Absolute Return	\$103.7 M	6.4%
TOTAL	\$475.1 M	29.2%



CASH \$99.4 M 6.1%

\$1.719 Billion

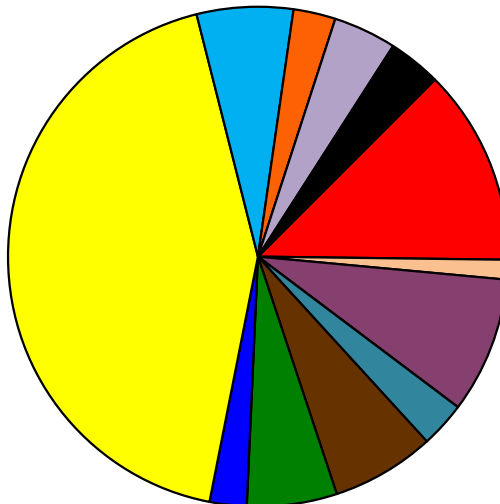
Market Value

FIXED INCOME

Internal Bonds	\$41.2 M	2.4%
Core	\$738.4 M	42.9%
Credit	\$106.9 M	6.2%
Emerging Markets	\$46.9 M	2.7%
TIPS	\$70.1 M	4.1%
Convertibles	\$58.8 M	3.4%
TOTAL	\$1,062.3 M	61.8%

EQUITIES

Large Cap US	\$218.4 M	12.7%
Small / Mid US	\$21.8 M	1.3%
International	\$151.3 M	8.8%
Real Estate	\$50.8 M	3.0%
Absolute Return	\$114.8 M	6.7%
TOTAL	\$557.1 M	32.4%

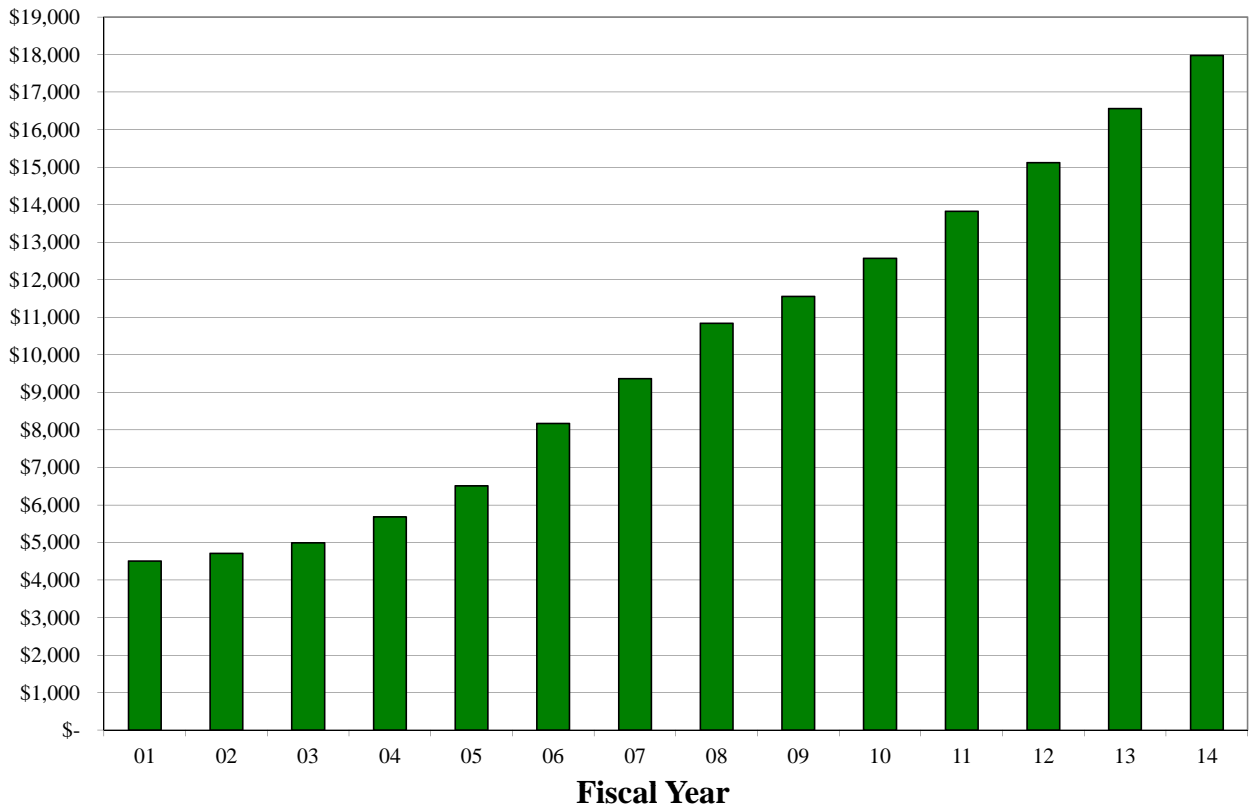


CASH \$100.1 M 5.8%

WYOMING STATE TREASURER'S OFFICE

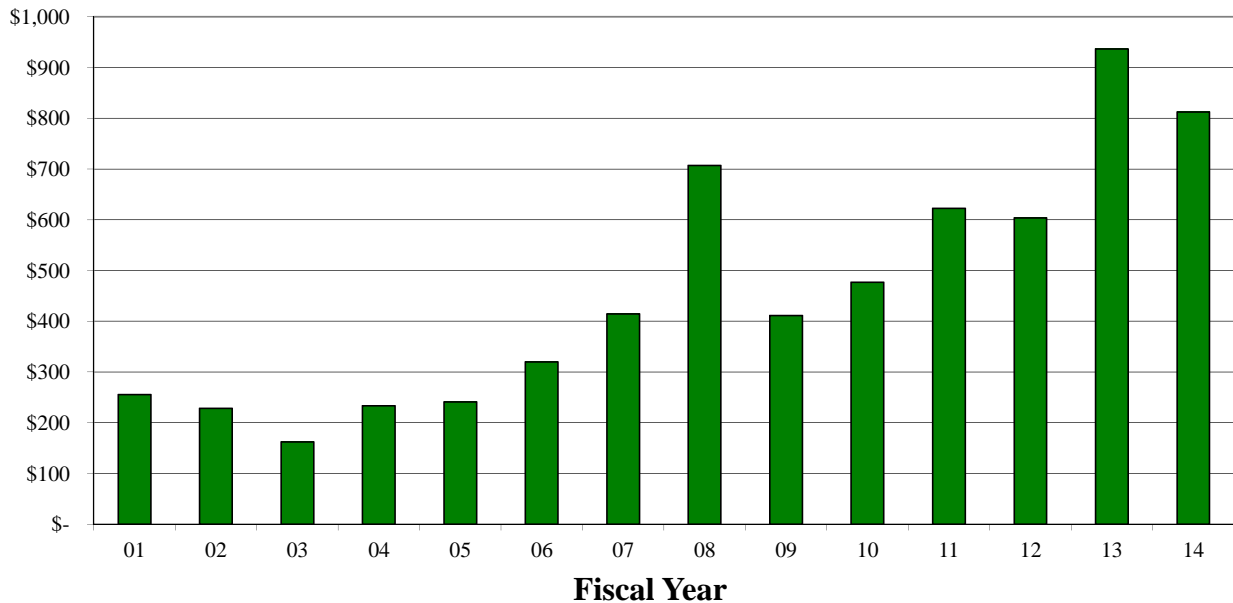
TOTAL STATE PORTFOLIO VALUE

(\$ Millions)



INVESTMENT INCOME

(\$ Millions)



MARKET PERFORMANCE
SUMMARY ANALYSIS - ALL INVESTMENTS

	FY 14			Market Return		
	Total Investment Value	Current Market Value	% of MV	FY13 Return	3 Year Return	5 Year Return
<u>INVESTMENTS BY FUND</u>						
Permanent Wyoming Mineral Trust Fund	\$6,368,298,515	\$6,979,071,774	36.6%	12.67%	7.52%	10.02%
Permanent Land Fund	156,945,625	171,663,126	0.9%	12.31%	7.36%	9.86%
University Permanent Land Fund	19,251,008	21,290,404	0.1%	12.73%	7.27%	9.67%
Common School Permanent Land Fund	2,782,303,204	3,046,528,217	16.0%	12.52%	7.57%	10.32%
Hathaway Scholarship Endowment Fund	533,390,109	575,666,227	3.0%	11.04%	6.74%	9.14%
Higher Education Endowment Fund	112,220,128	121,068,507	0.6%	11.09%	6.77%	9.16%
Workers Compensation Fund	1,627,999,923	1,719,457,229	9.0%	9.19%	5.89%	8.21%
Tobacco Settlement Fund	81,627,020	82,009,844	0.4%	5.24%	4.08%	5.94%
State Agency Pool	6,294,421,316	6,336,390,937	33.3%	4.21%	3.42%	4.97%
Wyoming State Total Fund	<u>\$17,976,456,846</u>	<u>\$19,053,146,265</u>	100.0%	9.76%	6.09%	8.26%
<i>Wyoming State Actual Allocation Index</i>				8.92%	5.85%	7.32%
<u>INVESTMENTS BY ASSET CLASS AND MANAGER</u>						
<u>US Equity</u>						
State Street Global Advisors (Index)	\$2,013,404,397	\$2,493,623,805		24.44%	16.50%	18.79%
UW Portfolio Management Program	620,367	803,755		24.73%	11.85%	10.80%
<i>Index: S&P 500</i>				24.61%	16.59%	18.83%
US Large Cap Equity	<u>2,014,024,765</u>	<u>2,494,427,560</u>	13.1%			
Gabelli (Sm-Mid Cap Value)	384,841,720	475,041,297		30.60%	16.36%	22.14%
<i>Russell 2500 Value</i>				24.94%	16.02%	21.58%
US SMID Cap Equity	<u>384,841,720</u>	<u>475,041,297</u>	2.5%			
Total US Equity	<u>\$2,398,866,484</u>	<u>\$2,969,468,857</u>	15.6%			
<u>International Equity</u>						
The Boston Company Int'l Value Eq	173,300,424	184,821,782		20.92%	4.90%	N/A
<i>MSCI AWC ex-U.S. Value</i>				24.21%	5.97%	10.83%
Northern Trust Int'l Eq	866,502,120	999,274,312		22.05%	5.98%	N/A
Manning & Napier Int'l Eq	259,950,636	279,178,732		21.35%	6.68%	N/A
<i>MSCI AWC ex-U.S.</i>				21.75%	5.73%	11.11%
Fisher Int'l Eq	433,251,060	501,252,426		20.98%	5.61%	13.26%
<i>Fisher Custom Benchmark</i>				21.75%	5.73%	10.37%
Total International Equity	<u>\$1,733,004,241</u>	<u>\$1,964,527,253</u>	10.3%			

MARKET PERFORMANCE
SUMMARY ANALYSIS - ALL INVESTMENTS

	FY 14			Market Return		
	Total Investment Value	Current Market Value	% of MV	FY13 Return	3 Year Return	5 Year Return
<u>US Fixed Income</u>						
State Street TIPS	742,028,336	719,206,867		4.56%	N/A	N/A
<i>Barclays US Trsy:US TIPS</i>				4.44%	3.55%	5.55%
C.S. McKee	649,495,746	650,310,917		4.16%	N/A	N/A
JP Morgan Core	1,938,650,529	1,925,330,760		4.43%	N/A	N/A
MacKay Shields	983,719,460	977,868,712		4.90%	N/A	N/A
Neuberger Berman Core	1,046,421,471	1,058,831,217		5.24%	N/A	N/A
PIMCO Core	2,565,811,202	2,603,886,745		3.90%	N/A	N/A
Wells Capital	650,983,096	656,687,368		4.99%	N/A	N/A
<i>Barclays US Aggregate</i>				4.38%	3.67%	4.85%
Neuberger Berman Credit	554,957,707	571,914,572		7.72%	N/A	N/A
Seix	559,361,580	574,898,269		7.30%	N/A	N/A
<i>Credit Custom Index</i>				7.18%	6.31%	9.56%
Investec	280,133,895	260,142,894		3.99%	N/A	N/A
Stone Harbor	279,955,481	247,492,627		2.26%	N/A	N/A
<i>JPM GBI-EM Glbl Dvfd</i>				3.91%	1.16%	7.42%
Wyoming State Treasurer's Office	444,203,834	444,714,000		2.94%	1.79%	2.42%
<i>BC Gov't/Credit</i>				1.53%	1.96%	2.83%
<u>Mandages Terminated</u>						
WAMCO Core Plus	0	196,927		N/A	N/A	N/A
Total US Fixed Income	<u>\$10,695,722,336</u>	<u>\$10,691,481,875</u>	56.1%			
<u>Convertible Bonds</u>						
Allianz Global Investors Convertibles	<u>442,588,569</u>	<u>538,488,052</u>	2.8%	22.70%	12.34%	16.91%
<i>BofA ML All Quality Convertible</i>				24.41%	12.61%	16.50%
<u>Cash & Cash Equivalents</u>						
JP Morgan Cash Composite	752,321,354	753,711,685	4.0%	0.33%	0.31%	0.51%
<i>JP Morgan Cash Custom Index</i>				0.23%	0.28%	0.49%
Total Cash & Cash Equivalents	<u>\$752,321,354</u>	<u>\$753,711,685</u>	4.0%			
<u>Private Equity</u>						
Cheyenne Capital Fund, LP	216,744,440	306,066,289				
Access Venture Partners II	6,923,423	13,014,508				
Hamilton Lane Nowood Fund, L.P.	24,829,947	28,909,669				
Neuberger Berman Sauger Fund, L.P.	27,000,000	31,451,387				
<i>S&P 500 + 5%</i>				30.84%	22.41%	24.78%
Total Private Equity	<u>\$275,497,810</u>	<u>\$379,441,853</u>	2.0%			

MARKET PERFORMANCE
SUMMARY ANALYSIS - ALL INVESTMENTS

	FY 14			Market Return		
	Total Investment Value	Current Market Value	% of MV	FY13 Return	3 Year Return	5 Year Return
<u>Real Estate</u>						
Clarion Lion Properties	266,303,630	255,465,411		10.88%	11.94%	9.29%
UBS Trumbull Property	141,303,630	141,977,431		10.41%	10.46%	9.35%
<i>NCREIF ODCE</i>				12.75%	12.45%	10.00%
TA Realty Value-Added	13,923,357	10,045,390				
Heitman Value-Added	6,259,936	6,808,734				
WestRiver Value-Added	62,695,038	69,371,502				
Cornerstone Value-Added	19,863,735	21,734,632				
M&G	13,477,107	13,315,827				
Northwood	49,647,869	48,407,917				
<i>NCREIF Property</i>				11.21%	11.33%	9.67%
Total Real Estate	<u>\$573,474,302</u>	<u>\$567,126,845</u>	3.0%			
<u>Absolute Return</u>						
PAAMCO	386,474,240	426,443,035		12.67%	6.72%	7.57%
Aurora L.P.	162,461,240	179,826,803		8.98%	4.39%	5.81%
Aurora L.P. II	225,466,000	247,910,861		8.33%	4.03%	5.05%
<i>HFN FOF Multi-Strat</i>				7.61%	3.58%	4.00%
Grosvenor Global Recovery Fund	5,228,194	9,367,069		20.17%	14.80%	N/A
<i>Global Recovery Custom Index</i>				17.17%	13.39%	16.45%
Total Absolute Return	<u>\$779,629,674</u>	<u>\$863,547,769</u>	4.5%			
<u>Wyoming Investments</u>	<u>\$325,352,076</u>	<u>\$325,352,076</u>	1.7%	N/A	N/A	N/A

Note[1]: Returns are stated in traditional total return terms and do not specify realized income.

Note[2]: Fisher Custom Benchmark consists of MSCI EAFE (Gross) through July 2010 and the MSCI ACW Ex US (Net) thereafter.

Note[3]: Market value shown for WAMCO Core Plus represents residual assets and subsequent transactions from the liquidation process.

Note[4]: The Credit Custom Index consists of 20% Barclays US Credit, 20% BofA ML US HY Master II Constrained, 60% S&P/LSTA Leveraged Loan.

Note[5]: Internal portfolio performance is negatively impacted by distressed securities taken in from dismissed managers.

Note[6]: Performance shown is gross of fees with the exception of convertible bonds and absolute return, which are shown net of fees.

Note[7]: Market values for non-core real estate and private equity are as of the most recent valuation, adjusted for subsequent cash flows. Investment (Cost) Values are not lagged.

Note[8]: Performance for Private Equity and Value-Added Real Estate investments is calculated on an IRR basis. For further analysis, please refer to the supplementary alternatives report.

Note[9]: Market values for M&G are converted from British Pounds using the noon New York City Federal exchange rate. Cost values are converted using the 5pm London WM Benchmark rate.

Note[10]: The Global Recovery Custom Index consists of 50% Credit Suisse Distressed Loan Index, 20% Credit Suisse High Yield Index, and 30% ABX Index.

Note[11]: Market values shown for Wyoming Investments reflect cost value of the investments, except at fiscal year end when applicable.

PERMANENT WYOMING MINERAL TRUST FUND
Fiscal Years 10 through 14 Analyzed and Compared
(\$ Millions)

	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Beginning Book Value	\$4,262.2	\$4,555.4	\$5,050.0	\$5,440.9	\$5,888.5
Beginning Market Value	3,893.8	4,414.1	5,325.8	5,595.5	6,112.8
- Difference	(368.3)	(141.3)	275.8	154.5	224.2
- Percent	-8.6%	-3.1%	5.5%	2.8%	3.8%
Additions to Corpus					
- Constitutional Severance Tax 1.5% Deposit	\$174.1	\$252.3	\$232.7	\$207.3	\$211.7
- Add'l Severance Tax	116.1	168.2	155.1	138.2	141.1
- Additional Legislative Deposits/Diversions	(56.5)	(17.8)	0.0	0.0	0.0
- Spending Policy Reversions	0.0	32.4	0.0	102.1	127.1
- Spending Policy for Prior Year Adjustment	0.0	0.0	3.1	0.0	0.0
Reduction of Corpus					
- Deferred Realized Capital Gain (Loss)	59.5	59.4	0.0	0.0	0.0
Total Increase to Corpus	\$293.2	\$494.6	\$390.9	\$447.6	\$479.8
Ending Book Value	\$4,555.4	\$5,050.0	\$5,440.9	\$5,888.5	\$6,368.3
Ending Market Value	4,414.1	5,325.8	5,595.5	6,112.8	6,979.1
- Difference	(141.3)	275.8	154.5	224.2	610.8
- Percent	-3.1%	5.5%	2.8%	3.8%	9.6%
Total Distributed Income (gross of fees)	\$145.8	\$222.4	\$244.4	\$373.1	\$403.3
- Interest	100.1	84.8	90.3	79.0	61.8
- Dividend	38.0	44.4	54.4	61.3	75.4
- Realized Net Capital Gain	7.7	93.1	99.8	232.8	266.1
Change in Book Value	\$293.2	\$494.7	\$390.9	\$447.6	\$479.7
Change in Market Value	520.2	911.7	269.7	517.3	866.3
Cash Yield	3.30%	4.63%	4.65%	6.57%	6.56%
Total Return	11.31%	16.52%	1.98%	8.19%	12.67%

1. Note: "Total Income" is spendable investment income including dividends, interest and realized capital gains. "Total Return" is comprised of dividends, interest and realized and unrealized capital gains. The Treasurer's Office calculates the "Cash Yield" return above based on average book value. RV Kuhns calculates total return based on the time-weighted rate of return - essentially compounded growth.

2. In May 2009, the State Treasurer adopted an interpretative policy effective July 1, 2008, for accounting purposes whereby earnings consisting of interest and dividends would be treated as ordinary income and disbursed accordingly. Capital gains and losses are reconciled for each fund at the end of the fiscal year. If capital gains and losses are net positive, the Treasurer distributes the net capital gain as income. If capital losses exceed capital gains at year end, the losses are carried forward through the next fiscal year.

PERMANENT WYOMING MINERAL TRUST FUND: CORPUS

Revenue Receipts Fiscal Year 2014

	<u>JUNE 30, 2013</u> <u>CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2014</u> <u>CORPUS BALANCE</u>
Beginning Balance	\$5,888,454,801		
Severance Tax			
Coal		\$84,602,219	
Stripper Oil		21,872,220	
Other Valuable Products		(1,388,892)	
Oil		92,013,901	
Natural Gas		139,133,867	
Condensate-Gas		16,522,846	
Spending Policy Reserve to Corpus W.S. 9-4-719		127,087,552	
		TOTAL REVENUE	
		\$479,843,714	
			\$6,368,298,515

COMMON SCHOOL PERMANENT LAND FUND

Fiscal Years 10 through 14 Analyzed and Compared

(\$ Millions)

	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
Beginning Book Value	\$1,794.4	\$1,967.6	\$2,129.9	\$2,318.0	\$2,533.4
Beginning Market Value	1,622.5	1,901.5	2,236.5	2,371.3	2,630.6
- Difference	(172.0)	(66.1)	106.6	53.3	97.2
- Percent	-9.6%	-3.4%	5.0%	2.3%	3.8%
Additions to Corpus					
- Sales, Royalties, etc.	\$140.9	\$142.4	\$187.6	\$176.8	\$190.5
- Additional Legislative Deposits	0.0	0.0	0.0	0.0	0.0
- Spending Policy Reversions	0.0	0.0	0.5	38.7	58.4
- Income Accrued	7.6	0.0	0.0	0.0	0.0
Reduction of Corpus					
- Deferred Realized Capital Gain (Loss)	24.6	27.5	0.0	0.0	0.0
- Reverse Income Accrued	0.0	(7.6)	0.0	0.0	0.0
Total Increase to Corpus	\$173.1	\$162.3	\$188.1	\$215.4	\$248.9
Ending Book Value	\$1,967.6	\$2,129.9	\$2,318.0	\$2,533.4	\$2,782.3
Ending Market Value	1,901.5	2,236.5	2,371.3	2,630.6	3,046.5
- Difference	(66.1)	106.6	53.3	97.2	264.2
- Percent	-3.4%	5.0%	2.3%	3.8%	9.5%
Total Distributed Income (gross of fees)	\$57.1	\$101.0	\$103.2	\$145.6	\$175.9
- Interest	36.8	38.3	38.5	34.7	26.9
- Dividend	16.4	19.2	23.4	26.4	32.7
- Realized Net Capital Gain	3.9	43.5	41.4	84.5	116.4
Change in Book Value	\$173.1	\$162.3	\$188.1	\$215.4	\$248.9
Change in Market Value	279.0	335.0	134.8	259.3	415.9
Cash Yield	3.20%	4.94%	4.62%	5.96%	6.57%
Total Return	11.77%	17.48%	1.98%	8.47%	12.52%

1. Note: "Total Income" is spendable investment income including dividends, interest and realized capital gains. "Total Return" is comprised of dividends, interest and realized and unrealized capital gains. The Treasurer's Office calculates the "Cash Yield" return above based on average book value. RV Kuhns calculates total return based on the time-weighted rate of return - essentially compounded growth.

2. In May 2009, the State Treasurer adopted an interpretative policy effective July 1, 2008, for accounting purposes whereby earnings consisting of interest and dividends would be treated as ordinary income and disbursed accordingly. Capital gains and losses are reconciled for each fund at the end of the fiscal year. If capital gains and losses are net positive, the Treasurer distributes the net capital gain as income. If capital losses exceed capital gains at year end, the losses are carried forward through the next fiscal year.

3. "Income Accrued" represents income held in Common School Pool on June 30.

4. Includes Common School Permanent Land Fund II.

PERMANENT LAND FUND: CORPUS
Revenue Receipts Fiscal Year 2014

FUND/ACCOUNT NAME	JUNE 30, 2013 CORPUS BALANCE	REVENUE	JUNE 30, 2014 CORPUS BALANCE
<u>L01 MINER'S HOSPITAL</u>			
Beginning Balance	\$53,058,450		
Oil & Gas Lease Royalties		\$225,703	
Sodium & Trona Lease Royalties		2,045,120	
Right-of-Way Easements		2,538	
Surface Damage		1,155	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		<u>1,154,021</u>	
		\$3,428,538	\$56,486,988
<u>L02 PUBLIC BUILDINGS AT CAPITOL</u>			
Beginning Balance	\$7,052,414		
Miscellaneous Mineral Royalties		\$286	
Oil & Gas Lease Royalties		74,305	
Right-of-Way Easements		228,589	
Surface Damage		5,724	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		<u>153,390</u>	
		\$462,294	\$7,514,708
<u>L03 FISH HATCHERY</u>			
Beginning Balance	\$437,644		
Inflation Proofing Income Diversion W.S. 9-4-305(b)		\$9,519	
		\$9,519	\$447,163
<u>L04 COMMON SCHOOL (1)(2)</u>			
Beginning Balance	\$2,528,432,503		
Bentonite Lease Royalties		822,015	
Coal Lease Royalties		44,385,454	
Miscellaneous Mineral Lease Royalties		34,402	
Oil & Gas Lease Royalties		136,507,759	
Sand & Gravel Royalties		208,066	
Sodium & Trona Lease Royalties		3,881,254	
Right-of-Way Easements		1,258,788	
Uranium Lease Royalties		253,665	
Surface Damage		1,742,909	
Real Estate Sales		1,407,474	
Spending Policy Reserve to Corpus W.S. 9-4-719		<u>58,368,916</u>	
		\$248,870,701	\$2,777,303,204

L14 COMMON SCHOOL II (1)(2)

Beginning Balance	\$5,000,000		
		\$0	\$5,000,000

L05 DEAF, DUMB & BLIND

Beginning Balance	\$4,029,882		
Oil & Gas Lease Royalties		\$12,421	
Right-of-Way Easements		804	
Surface Damage		8,369	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		<u>87,650</u>	
		\$109,243	\$4,139,126

L06 CAREY ACT

Beginning Balance	\$2,124,056		
Oil & Gas Lease Royalties		\$36,662	
Right-of-Way Easements		2,438	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		<u>46,198</u>	
		\$85,298	\$2,209,355

L07 OMNIBUS

Beginning Balance	\$43,401,950		
Oil & Gas Lease Royalties		\$3,631,801	
Sand & Gravel Royalties		52,817	
Right-of-Way Easements		46,792	
Surface Damage		68,275	
Real Estate Sales		250,000	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		<u>943,992</u>	
		\$4,993,678	\$48,395,627

L08 WYOMING STATE HOSPITAL

Beginning Balance	\$3,566,158		
Oil & Gas Lease Royalties		\$94,193	
Right-of-Way Easements		50,783	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		77,564	
Per Session Laws 2014 Ch 26, Sec2, Sec 048		<u>(335,222)</u>	
		(\$112,682)	\$3,453,476

L09 WYOMING STATE TRAINING SCHOOL

Beginning Balance	\$3,640,215		
Oil & Gas Lease Royalties		\$492,509	
Right-of-Way Easements			
Surface Damage			
Inflation Proofing Income Diversion W.S. 9-4-305(b)		79,174.68	
Per Session Laws 2014 Ch 26, Sec2, Sec 048		<u>(151,132.74)</u>	
		\$420,551	\$4,060,766

L10 WYOMING STATE PENITENTIARY

Beginning Balance	\$16,914,354		
Oil & Gas Lease Royalties		\$2,460,854	
Right-of-Way Easements		2,966.14	
Surface Damage		306.48	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		<u>367,887.20</u>	
		\$2,832,014	\$19,746,368

L11 WYOMING STATE AGRICULTURAL COLLEGE (1)

Beginning Balance	\$9,975,002		
Oil & Gas Lease Royalties		\$243,545	
Right-of-Way Easements		23,969.87	
Surface Damage		32,574.71	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		<u>216,956.30</u>	
		\$517,046	\$10,492,048

L12 WYOMING STATE UNIVERSITY (1)

Beginning Balance	\$18,449,045		
Oil & Gas Lease Royalties		\$386,835	
Right-of-Way Easements		10,055	
Surface Damage		3,806	
Inflation Proofing Income Diversion W.S. 9-4-305(b)		<u>401,267</u>	
		\$801,963	\$19,251,008

TOTAL REVENUE \$262,418,162

1. These funds are not available for appropriation.

2. In Fiscal Year 2009 Common School Permanent Land Fund II was added to the Common School Pool along with Common School Permanent Land Fund and is being invested there. Income is diverted to the Education Trust Fund per Special Session Laws 1997 Ch. 3 Section 504.

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

WYOMING INVESTMENTS

As of June 30, 2014

<u>Program</u>	<u>See Notes</u>	<u>Statutory Allotment</u>	<u>Outstanding Investments</u>	<u>Amount Available</u>
<u>Investments for Public Purposes</u>				
Farm Loans	A	\$275,000,000	\$25,200,782	\$249,799,218
Irrigation Loans	B	20,000,000	781,568	19,218,432
Joint Powers Loans	C	60,000,000	4,992,115	55,007,885
Hot Springs State Park	D	2,000,000	22,469	1,977,531
Small Business Assistance & FmHA Ag Loans	E	0	74,137	0
Shoshone Municipal Pipeline Treatment Plant	F	16,500,000	12,587,032	0
Hydro-power Development Loans	G	10,000,000	0	10,000,000
Laramie Territorial Park Loan	H	10,000,000	10,000,000	0
Reimbursement to Counties for Deferred Taxes	I	2,000,000	0	2,000,000
Industrial Development Bonds	J	300,000,000	54,000,000	246,000,000
Airport Loans-Aeronautics Commission	K	10,000,000	4,534,996	5,465,004
Gillette Madison Pipeline Project	L	29,552,239	29,552,239	0
Redevelopment Area Programs	M	300,000	0	300,000
Wyoming Real Estate-State Land Purchases	N	40,641,813	18,335,738	22,306,075
Time Deposit Open Account Banking Program	O	0	136,750,000	0
Cheyenne Stage II GIC		0	0	0
Drainage District Bonds		0	24,000	0
School Foundation Borrowing		0	0	0
		<u>\$775,994,052</u>	<u>\$296,855,076</u>	<u>\$612,074,145</u>

The list of investments shown above are investments of state funds for a specific public purpose, other than permissible investments made in compliance with state investment policy under W.S. 9-4-715 through 9-4-719 and 9-4-831, which are authorized or directed by the legislature in law. As stipulated in W.S. 9-4-715(n), total investments of permanent funds for a specific public purpose authorized or directed by the legislature are limited to six hundred million dollars excluding investments made pursuant to W.S. 37-5-406. Prior to the convening of each general session of the legislature, the State Treasurer shall, after consultation with the State Loan and Investment Board, recommend to the Select Committee on Capital Financing and Investments whether any adjustment should be made in the limitation. The Treasurer closely monitors the outstanding balances of all public purpose investments to ensure the statutory limitation is not exceeded. Most of these investments are made from the Permanent Wyoming Mineral Trust Fund.

Excluded from above pursuant to 37-5-406

Other Wyoming Investments

Basin Electric Power Bond

Outstanding Investments

28,497,000

28,497,000

Total Wyoming Investments

325,352,076

WYOMING INVESTMENTS NOTES & STATUTORY REFERENCES

INVESTMENTS FOR PUBLIC PURPOSES:

- (A) Farm loans under W.S. 11-34-129; \$275 million authorized of which \$27.5 million is for beginning agriculture producer loans and \$55 M is for a livestock enhancement program;
- (B) Irrigation district loans under W.S. 11-34-301;
- (C) Joint Powers loans under W.S. 16-1-109;
- (D) Hot Springs State Park loans under W.S. 36-8-318;
- (E) Guaranteed portion of certain Small Business Assistance Act loans and guaranteed portion of certain Farmers Home Administration. Up to \$55 million was previously authorized and no new loans were to be made after December 31, 2006. W.S. 9-4-701(e) was repealed when investment statutes were amended in the 2008 legislative session;
- (F) Shoshone municipal water treatment project, under 1987 Wyoming Session Laws, Chapter 117, as amended;
- (G) W.S. 11-34-306, Hyrdo-Power Development loans;
- (H) Laramie Territorial Park, under 1989 Wyoming Session Laws, Chapter 285, as amended;
- (I) W.S. 9-4-715(j), deferred property taxes;
- (J) W.S. 9-4-715(m), industrial development bonds, no investment in excess of one hundred million dollars (\$100,000,000) is to be made for any one project without specific legislative authority; expires 06/30/17 unless extended;
- (K) Airport construction, development and improvement loans under W.S. 9-12-703;
- (L) Gillette Madison pipeline project, 2009 WY Session Laws Ch 103 (\$5,527,500), and 2010 WY Session Laws Ch 115 (\$8,085,000), and 2011 WY Session Laws Ch. 61 (\$15,939,739). Interest on monies loaned does not begin to accrue until the water development commission determines the project beneficial to the sponsor;
- (M) Area Development Program under 11-34-303;
- (N) W.S. 9-4-715(k) authorizes the investment of funds received from sale of state trust lands plus up to \$2,000,000 one-time seed money contained in the Common School Permanent Land Fund (CSPLF) by purchasing land and improvements within Wyoming as assets of the Trust. There was also \$4 million appropriated to the State Loan and Investment Board from the CSPLF in 2005 for this purpose as well.
- (O) W.S. 9-4-803 authorizes the State Treasurer to deposit state funds in approved Wyoming banks and Wyoming savings and loans. Currently, the amount the State Treasurer has made available to banks each year is five percent (5%) of the State Agency Pool assets as of December 31.

WYOMING INVESTMENTS BY FUND

June 30, 2014

Interest Paid			Rate	Loan Balance		
<u>Fund</u>	<u>Investment</u>	<u>Amount</u>		<u>Fund</u>	<u>Investment</u>	<u>Amount</u>
<u>State Agency Pool</u>				<u>State Agency Pool</u>		
	TDOAs	\$209,434	0.13%		TDOAs	\$136,750,000
	Subtotal	\$209,434			Subtotal	\$136,750,000
<u>Common School Perm. Land Fund</u>				<u>Common School Perm. Land Fund</u>		
	Lovell Drainage District	\$0	4.00%		Lovell Drainage District	\$24,000
	School Foundation Borrowing	2,240,833	6.00%		School Foundation Borrowing	0
	Wyoming Real Estate	0	0.00%		Wyoming Real Estate	18,335,738
	Subtotal	\$2,240,833			Subtotal	\$18,359,738
<u>Permanent Mineral Trust Fund</u>				<u>Permanent Mineral Trust Fund</u>		
	Aeronautics Loans	\$233,965	5.00%		Aeronautics Loans	\$4,534,996
	Farm Loans	1,051,414	7.75%		Farm Loans	25,200,782
	GIC AIG Financial	98,040	6.50%		GIC AIG Financial	0
	GIC Metropolitan Life	16,563	7.45%		GIC Metropolitan Life	0
	Hot Springs St Park	2,311	6.25%		Hot Springs St Park	22,469
	IDB - Lost Creek - UR Energy	934,056	5.75%		IDB - Lost Creek - UR Energy	34,000,000
	IDB - Uranerz	444,028	5.75%		IDB - Uranerz	20,000,000
	IDB - WIA Basin Electric	1,400,715	4.69%		IDB - WIA Basin Electric	28,497,000
	Irrigation Loans	44,244	5.00%		Irrigation Loans	781,568
	JPA Loans	318,910	6.90%		JPA Loans	4,992,115
	Local Government Loans	150,000	1.50%		Local Government Loans	10,000,000
	SBAA	4,068	3.45%		SBAA	74,137
	Water Develop Loans	513,170	4.00%		Water Develop Loans	12,587,032
	Water Develop Loans - Gillette	0	4.00%		Water Develop Loans - Gillette	29,552,239
	Subtotal	\$5,211,484			Subtotal	\$170,242,338
TOTAL		\$7,661,751		TOTAL		\$325,352,076

SECURITIES LENDING INCOME

July 1, 2013 thru June 30, 2014

In cooperation with JP Morgan Chase 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.

JP Morgan Chase Bank

	GROSS INCOME	ACCRUED REBATE AND BANK FEES	NET INCOME RECOGNIZED
Common School Permanent Land Fund	\$1,193,607.30	\$25,025.17	\$1,168,582.13
Permanent Land Funds Pool	69,498.26	\$1,942.18	\$67,556.08
University Permanent Land Fund	8,507.65	\$172.03	\$8,335.62
Hathaway Endowment Fund	255,232.60	\$17,273.26	\$237,959.34
Higher Education Endowment Fund	54,955.65	\$3,703.19	\$51,252.46
Worker's Compensation Fund	756,390.07	\$104,494.98	\$651,895.09
Permanent Mineral Trust Fund	2,820,295.35	\$68,493.92	\$2,751,801.43
Tobacco Settlement Fund	38,966.09	\$9,256.69	\$29,709.40
State Agency Pool	3,220,176.80	\$802,444.68	\$2,417,732.12
	<hr/>		
TOTAL	\$8,417,629.77	\$1,032,806.10	\$7,384,823.67
	<hr/>		

Securities lending income is included in the total investment income reported for FY 14.

INVESTMENT ACCOUNT BALANCES

As Of June 30, 2014

FUND/ACCOUNT NAME	CASH & RECEIVABLES* (STATE AGENCY POOL INVESTMENTS)	INVESTMENTS (at Cost)	ACCOUNT BALANCE (Corpus)
Miner's Hospital Permanent Land Fund	\$4,263,852.06	\$52,223,135.82	\$56,486,987.88
Public Buildings At Capitol Permanent Land Fund	567,239	6,947,469	7,514,708
Fish Hatchery Permanent Land Fund	33,754	413,409	447,163
Common School Permanent Land Fund	203,549,758	2,573,753,446	2,777,303,204
Common School II	5,000,000	0	5,000,000
D.D. & B. Asylum Permanent Land Fund	312,437	3,826,689	4,139,126
Carey Act Permanent Land Fund	166,770	2,042,584	2,209,355
Omnibus Permanent Land Fund	3,653,085	44,742,542	48,395,627
State Hospital Permanent Land Fund	260,681	3,192,795	3,453,476
State Training School Permanent Land Fund	306,522	3,754,244	4,060,766
Penitentiary Permanent Land Fund	1,490,531	18,255,837	19,746,368
Agricultural College Permanent Land Fund	791,980	9,700,068	10,492,048
University Permanent Land Fund	996,269	18,254,739	19,251,008
Subtotal-Permanent Land Fund	\$221,392,877	\$2,737,106,959	\$2,958,499,836
Permanent Wyoming Mineral Trust Fund	\$154,797,907	\$6,213,500,608	\$6,368,298,515
Tobacco Settlement Fund	12,500,824	69,126,196	81,627,020
Hathaway Scholarship Endowment	29,852,892	503,537,216	533,390,109
Higher Education Endowment	4,209,756	108,010,372	112,220,128
Subtotal-All Permanent Funds	\$422,754,256	\$9,631,281,351	\$10,054,035,607
Worker's Compensation	99,432,818	1,528,567,105	1,627,999,923
Total Permanent Funds & Worker's Compen	\$522,187,074	\$11,159,848,456	\$11,682,035,530
State Agency Pool	(522,187,074)	6,816,608,390 **	6,294,421,316
TOTAL	\$0	\$17,976,456,846	\$17,976,456,846

*The Cash & Receivables column represents the portion of the state agency pool investment attributable to each of the permanent funds, the Hathaway Scholarship Endowment fund, the Higher Education Endowment fund and the Worker's Compensation fund and is included in each specific fund, thus it is removed from the State Agency Pool cash & receivables balance.

**The State Agency Investment Pool includes the total of the cash & receivable column plus the cash balance of all the other funds for which specific investments have not been made.

SPENDING POLICY RESERVE ACCOUNTS

PERMANENT WYOMING MINERAL TRUST FUND COMMON SCHOOL PERMANENT LAND FUND EXCELLENCE IN HIGHER EDUCATION FUND

The Wyoming State Legislature established investment earnings spending policy reserve accounts for three of the state's permanent funds; the Permanent Wyoming Mineral Trust Fund (PWMTF), the Common School Account within the Permanent Land Fund (CSPLF) and the Excellence in Higher Education Fund (Higher Ed Fund).

In the 2000 Session, the Legislature established annual spending policy amounts for earnings from PWMTF and the CSPLF. To the extent earnings exceed the amount set in statute for the PWMTF, the excess flows to the PWMTF reserve account. For the CSPLF, earnings in excess of the spending policy amount still flow to the Common School land income account and School Foundation Program account; however, an automatic appropriation is made from "over the \$200 million cap" in federal mineral royalties which would otherwise be deposited into the School Foundation Program account in an amount equal to the excess earnings to the CSPLF reserve account. Monies in the reserve accounts are available to supplement earnings for those years in which earnings fail to reach the spending policy amounts. If the reserve accounts reach more than 75 percent of the spending policy amount, the excess reserves are placed in the appropriate corpus. The purpose of these spending policies is to make the earnings flow consistent and to protect the corpus from inflation.

During the 2007 Session, an annual spending policy amount and a spending policy reserve account was established for the Higher Ed Fund. Like the PWMTF spending policy and reserve account, to the extent earnings from the Higher Ed Fund exceed the spending policy amount, excess earnings flow to the Higher Ed reserve account. Once the reserve account reaches more than 75 percent of the spending policy amount, the excess reserves are placed in the Higher Ed Fund corpus. The 2007 legislation also provided for a continuous appropriation from the Higher Ed reserve account to supplement the spending from the earnings of the Higher Ed Fund in those years earnings fail to meet the spending policy amount. (This automatic appropriation of funds from the PWMTF and CSPLF reserve accounts was repealed in 2004.)

The spending policy amount for FY 14 for each of these permanent funds is based on the statutory percentage rate of 5 percent of the five-year rolling average market value. At the end of FY 14, \$127,087,552 flowed into the corpus of the PWMTF, \$58,368,916 flowed into the CSPLF corpus and \$1,349,743 flowed into the Higher Ed Fund corpus.

The following three pages illustrate how the spending policy reserve accounts for the PWMTF, the CSPLF and the Higher Ed Fund work.

SPENDING POLICY: PERMANENT WYOMING MINERAL TRUST FUND (PWSTRF)
2014 FISCAL YEAR END (06-30-14)

last update 06/30/14

W.S. 9-4-719 established annual spending policy amounts from the PWSTRF (currently five percent (5%) of the average five (5) year rolling average market value) and created the PWSTRF reserve account. To the extent earnings from the PWSTRF exceed the five percent (5%) spending policy amount, the excess earnings flow to the PWSTRF reserve account. If the balance in the reserve account reaches more than 75% of the spending policy amount, the excess in the reserve account is transferred to the corpus of the PWSTRF.

The spending policy amount for fiscal year 2014 was \$253,420,015. Total PWSTRF investment income for FY14 was \$395,337,466. As investment earnings exceeded the five percent (5%) spending policy amount, \$141,917,451 flowed into the spending policy reserve account at the end of fiscal year 2014, leaving a fiscal year end balance in the reserve account of \$317,152,564. This amount exceeded 75% of the spending policy amount by \$127,087,552 which spilled over to Corpus and left an ending balance in the reserve account of \$190,065,011 at the end of fiscal year 2014.

As of	Total Market Value (a)	For FY	Rolling 5-year Average	Spending Policy Level	Spending Policy Amount	Investment Income	Investment Income over Spending Policy to Reserve Acct.	Legislative Appropriation	Year End Reserve Bal. Before Reversion	75% of Spending Policy	Over 75% spills over to Corpus	Ending Reserve Balance
7/1/97	1,396,009,173	1998										
7/1/98	1,507,006,444	1999										
7/1/99	1,540,767,270	2000										
7/1/00	1,539,636,928	2001										
7/1/01	1,755,553,508	2002	1,547,794,665	8.000%	123,823,573	90,510,496	0			92,867,680	0	
7/1/02	1,864,380,749	2003	1,641,468,980	7.625%	125,162,010	58,647,855	0			93,871,507	0	
7/1/03	2,050,845,569	2004	1,750,236,805	5.000%	87,511,840	98,110,315	10,598,475 (f)		10,598,475	65,633,881	0	10,598,475
7/1/04	2,218,179,475	2005	1,885,719,246	5.000%	94,285,962	87,789,397	0	44,500,000 (b)	56,747,488 (c)	70,714,472	0	55,098,475 (d)
7/1/05	2,557,758,285	2006	2,089,343,517	5.000%	104,467,176	123,952,616	19,485,440 (f)		74,583,915	78,350,382	0	74,583,915
7/1/06	3,070,623,840	2007	2,352,357,584	5.000%	117,617,879	150,487,083	32,869,204 (f)		107,453,119	88,213,409	19,239,709 (e)	88,213,409
7/1/07	3,728,082,077	2008	2,725,097,849	5.000%	136,254,892	321,357,789	185,102,897		273,316,306	102,191,169	171,125,137	102,191,169
7/1/08	4,135,435,366	2009	3,142,015,809	5.000%	157,100,790	135,264,226	0		102,191,169	117,825,593	0	102,191,169
7/1/09	3,893,843,313	2010	3,477,148,576	5.000%	173,857,429	139,450,800	0	54,264,775 (g)	156,455,944	130,393,072	0 (h)	156,455,944
7/1/10	4,414,080,035	2011	3,848,412,926	5.000%	192,420,646	215,755,659	23,335,013		179,790,957	144,315,485	35,475,472 (i)	144,315,485
7/1/11	5,325,828,961	2012	4,299,453,950	5.000%	214,972,698	205,847,144 (j)			144,315,485	161,229,523	0	144,315,485
7/1/12	5,595,493,940	2013	4,672,936,323	5.000%	233,646,816	366,635,722	132,988,906		277,304,391	175,235,112	102,069,278	175,235,112
7/1/13	6,112,755,251	2014	5,068,400,300	5.000%	253,420,015	395,337,466	141,917,451		317,152,563	190,065,011	127,087,552	190,065,011

Source: W.S. 9-4-719

Notes:

- (a) Total Market Value for FY09 & Prior are Actual Market Values
- (b) Appropriation from General Fund to this reserve account-2004 budget session
- (c) Reflects addition of \$1,649,014 realized earned income on reserve account.
- (d) Reflects balance following correction of \$1,649,014 realized earned income-transfer out to general fund.
- (e) Reflects \$12,109,656 reduction of reversion to corpus following correction of market values
- (f) Reflects reduction in amount to reserve following correction of market values--\$9,599,515 transferred back to general fund
- (g) Reflects the net of the special appropriation of severance tax into the reserve account which amounted to \$74,264,775 (2009 session laws, Ch 159, Sec. 350) and the appropriation of \$20,000,000 from this reserve account to the office of state lands and investments to be allocated to cities, towns and counties (2010 Session laws, Ch 39, Sec 335)
- (h) 2010 Session laws, Ch 39, Sec 301(a) - no funds are to spill over to corpus until June 30, 2012
- (i) 2011 Session laws, Ch 88, Sec 301 repeals the provision of Ch 39, Sec 301(a) of the 2010 session laws such that funds are to once again spill over to corpus if the balance in reserve exceeds the spending policy amount.
- (j) 2012 Session laws, Ch 26, Sec 300 (c) - excludes \$30 million from earnings calculation for general fund appropriation to AML fund balancing account

SPENDING POLICY: COMMON SCHOOL PERMANENT LAND FUND (CSPLF)
2014 FISCAL YEAR END (06-30-13)

last update 06/30/14

W.S. 9-4-719 established annual spending policy amounts from the CSPLF (currently five percent (5%) of the average five (5) year rolling average market value) and created the CSPLF reserve account. To the extent earnings from the CSPLF exceed the five percent (5%) spending policy amount, the excess earnings flow to the CSPLF reserve account. If the balance in the reserve account reaches more than 75% of the spending policy amount, the excess in the reserve account is transferred to the corpus of the CSPLF.

The spending policy amount for fiscal year 2014 was \$107,624,856. Total CSPLF investment income for FY14 was \$172,478,233. As investment earnings exceeded the five percent (5%) spending policy amount, \$64,853,377 flowed to the spending policy reserve account at the end of fiscal year 2014, leaving a fiscal year end balance in the reserve account of \$139,087,559. This amount exceeded 75% of the spending policy amount by \$58,389,916 which spilled over to Corpus and left an ending balance in the reserve account of \$80,718,642 at the end of fiscal year 2014.

As of	Total Market Value (a)	For FY	Rolling 5-year Average	Spending Policy Level	Spending Policy Amount	Investment Income *	Investment Income over Spending Policy to Reserve Acct.	Legislative Appropriation	Year End Reserve Bal. Before Reversion	75% of Spending Policy	Over 75% spills over to Corpus	Ending Reserve Balance
7/1/97	782,431,215	1998										
7/1/98	838,949,498	1999										
7/1/99	857,362,587	2000										
7/1/00	839,611,767	2001										
7/1/01	899,161,216	2002	843,503,257	8.200%	69,167,267	37,700,000	0			51,875,450	0	
7/1/02	930,348,643	2003	873,086,742	7.825%	68,319,038	36,070,760	0			51,239,278	0	
7/1/03	1,013,895,764	2004	908,075,995	5.000%	45,403,800	48,190,294	2,786,494 (h)		2,786,494	34,052,850	0	2,786,494
7/1/04	1,014,318,667	2005	939,467,211	5.000%	46,973,361	51,092,246	4,118,885 (h)	30,000,000 (b)	37,852,862 (e)	35,230,020	2,622,841 (g)	34,282,538 (f)
7/1/05	1,165,218,792	2006	1,004,588,616	5.000%	50,229,431	53,845,180	3,615,749 (h)		37,898,288	37,672,073	226,214 (g)	37,672,073
								(13,500,000) (c)				
7/1/06	1,371,627,543	2007	1,099,081,882	5.000%	54,954,094	65,520,931	10,566,837 (h)	(4,200,000) (d)	30,538,910	41,215,571	0	30,538,910
7/1/07	1,678,302,393	2008	1,248,672,632	5.000%	62,433,632	133,866,782	71,433,150		101,972,060	46,825,224	55,146,837	46,825,224
7/1/08	1,766,046,029	2009	1,399,102,685	5.000%	69,955,134	56,969,255	0	167,274 (i)	46,992,498	52,466,351	0	46,992,498
7/1/09	1,622,477,081	2010	1,520,734,368	5.000%	76,036,718	54,643,154	0		46,992,498	57,027,539	0 (j)	46,992,498
7/1/10	1,901,503,362	2011	1,667,991,282	5.000%	83,399,564	98,387,094	14,987,530		61,980,028	62,549,673	0 (j)	61,980,028
7/1/11	2,236,530,927	2012	1,840,971,958	5.000%	92,048,598	99,567,151	7,518,553		69,498,581	69,036,448	462,132	69,036,448
7/1/12	2,371,333,538	2013	1,979,578,187	5.000%	98,978,909	142,833,282	43,854,373		112,890,821	74,234,182	38,656,639	74,234,182
7/1/13	2,630,640,734	2014	2,152,497,128	5.000%	107,624,856	172,478,233	64,853,377		139,087,559	80,718,642	58,368,916	80,718,642

Source: W.S. 9-4-719

* Does not include investment income on CSPLF II (\$5 million set aside from Express Pipeline Partnership of 1996) per 1997 session laws, ch 3, Sec 504

(a) Total Market Value for FY09 & Prior are Actual Market Values

(b) \$30,000,000 was appropriated from the school foundation account into this reserve account-2004 budget session

(c) \$13,500,000 was appropriated from this reserve account into the Hathaway scholarship expenditure account-2006 budget session

(d) \$4,200,000 was appropriated from this reserve account for distribution to the community colleges and the University of Wyoming to begin to implement the plan for excellence in the higher education endowment--\$2.8 million to UW and \$1.4 million equally split among the seven (7) community colleges.

(e) Reflects addition of \$947,482 realized earned income on reserve account

(f) Reflects balance following correction of \$947,482 realized earned income-transfer out to CSPLF income fund

(g) Reflects reduction in amount to revert to corpus following correction of market values--\$1,099,854 transferred back to reserve

(h) Reflects reduction in amount to reserve following correction of market values--\$1,076,494 transferred back to general fund

(i) UW returned \$167,274 of the \$2.8 million distributed from the \$4,200,000 appropriation to begin to implement the plan for the excellence in higher education endowment

(j) 2010 Session Laws, Ch 39 Sec 301(b) - no funds are to spill over to corpus until June 30, 2012

SPENDING POLICY: EXCELLENCE IN HIGHER EDUCATION ENDOWMENT (Higher Ed)
2014 FISCAL YEAR END (06-30-14)

last update 06/30/14

W.S. 9-4-719 established annual spending policy amounts from the Excellence in Higher Education (Higher Ed) Endowment fund (currently five percent (5%) of the average five (5) year rolling average market value) and created the Excellence in Higher Education Endowment (Higher Ed) reserve account. To the extent investment earnings from the Higher Ed Endowment fund exceed the five percent (5%) spending policy amount, the excess earnings flow to the Higher Ed reserve account. If the investment earnings from the Higher Education Endowment fund are less than the five percent (5%) spending policy amount, an amount equal to the difference is taken from the Higher Ed reserve account and distributed to the University of Wyoming and seven community college foundations in accordance with W.S. 21-16-1201. Distributions of the annual spending policy amount is to be distributed on a quarterly basis, 2/3 to UW and 1/3 equally to the community colleges. If there are insufficient funds in the income account at the time the quarterly payments are to be made, then funds are to be taken from the reserve account to make the distributions to UW and the community colleges.

The spending policy amount for fiscal year 2014 was \$5,359,054. Total investment income from the Higher Education Endowment fund for FY14 as \$6,727,157 which exceeded the the five percent (5%) spending policy amount by \$1,368,103. This amount flowed into the spending policy reserve account at the end of fiscal year 2014. However, a total of 3,289,487 was transferred from the reserve account to the Higher Ed income account during FY14 as there were insufficient funds in the income account to make the quarterly payments to the colleges due to timing of the investment income distributions. A balance of \$3,302,642 in unexpended, unobligated funds was remaining in the income account at fiscal year end which was transferred to the reserve account. The balance in the reserve account at the end of fiscal year 2014 exceeded 75% of the spending policy amount by \$1,349,743 which spilled over to Corpus at the end of fiscal year 2014. The balance in the Higher Ed reserve account at the end of FY14 is \$4,019,290.

As of	Total Market Value	For FY	Rolling 5-year Average	Spending Policy Level	Spending Policy Amount	Investment Income	Earnings over 5% of spending policy amount to Reserve Acct *	Earnings less than 5% of spending policy from Reserve Acct to be distributed	Legislative Appropriations	Transfers to (from) Reserve Account	Year End Reserve Balance Before Reversion to Corpus or to cover shortfall	75% of Spending Policy	Over 75% spills over to Corpus	Ending Reserve Balance
7/1/05	929,697 (a)	2006		5.000%	0.00	0	0				0	0	0	0
7/1/06	48,379,952 (a)	2007	48,379,952	5.000%	2,418,998	726,921	0				0	1,814,248	0	0
7/1/07	78,867,967 (a)	2008	63,623,960	5.000%	3,181,198	4,474,394	1,293,196				1,293,196	2,385,898	0	1,293,196
7/1/08	104,820,958	2009	77,356,292	5.000%	3,867,815	3,926,014	151,616 (c)	0			1,444,812 (c)	2,900,861	0	1,444,812 (d)
7/1/09	96,094,847	2010	82,040,931	5.000%	4,102,047	3,493,118	0	(608,929)	3,852,480 (b)		4,688,364 (c)	3,076,535	0	4,688,364 (d)
7/1/10	102,674,540	2011	86,167,653	5.000%	4,308,383	6,086,019	1,777,636	0		(79,026)	6,386,974 (c)	3,231,287	0	6,386,974
7/1/11	111,455,707	2012	98,782,804	5.000%	4,939,140	5,634,089	694,949	0		30,558	7,112,481	3,704,355	3,408,126	3,704,355
7/1/12	111,829,141	2013	105,375,039	5.000%	5,268,752	7,791,230	2,522,478	0		186,988	6,413,821	3,951,564	2,462,257	3,951,564
7/1/13	113,851,145	2014	107,181,076	5.000%	5,359,054	6,727,157	1,368,103	0		49,366	5,369,033	4,019,290	1,349,743	4,019,290

(a) Total Market Value for FY06 - FY08 are based on Higher Ed portion of SAP market value

(b) Appropriation - federal mineral royalty diversion - 2009 session, Ch 159, Sec 342

(c) Reflects balance following correction of \$93,417, realized earned income-transfer out of Higher Ed income fund

(d) 2010 Session Laws, Ch 39 Sec 301(b) - no funds are to spill over to corpus until June 30, 2012

EXCELLENCE IN HIGHER EDUCATION ENDOWMENT PROGRAM

Wyoming Statute 21-16-1201 through 1204, passed in 2005, authorized the creation of the Excellence in Higher Education Endowment Program which consists of three separate accounts, the Excellence in Higher Education endowment fund (Higher Ed fund), the Excellence in Higher Education income account (Higher Ed income account) and the Excellence in Higher Education endowment reserve account (Higher Ed reserve account).

A portion of the federal mineral royalties, over the \$200 million cap, was transferred from the School Foundation fund to the Higher Education fund (the corpus) until a maximum of \$105 million had been deposited. It was fully funded in April of fiscal year 2008.

The Higher Ed fund is retained by the State and invested by the State Treasurer in the same manner as any other permanent fund and held inviolate. Investment earnings from the Higher Ed fund (corpus) are transferred to the Higher Ed income account and distributed quarterly to the seven community colleges and the university.

W.S. 9-4-719(k), created the Higher Ed endowment reserve account and W.S. 9-4-719(o) established the annual spending policy amount for the Higher Ed fund (currently five percent of the average five-year rolling average market value). Earnings from the Higher Ed fund during each fiscal year in excess of the spending policy amount are deposited into the Higher Ed reserve account. To the extent investment earnings from the Higher Ed fund are less than the five percent spending policy amount, an amount equal to the difference is taken from the Higher Ed reserve account and distributed to the University of Wyoming and the seven community colleges in accordance with W.S. 21-16-1201. If the Higher Ed reserve account balance exceeds 75% of the spending policy amount, the excess is to flow to the Higher Ed fund (corpus).

The earnings distributed are used by the university and community colleges for the recruitment and retention of faculty, establishing endowed faculty positions and to acquire instructional and resource materials, classroom equipment and other resources necessary to support the work of endowed faculty.

The spending policy amount for fiscal year 2014 was \$5,359,054, which was distributed from the Higher Ed income account to the University of Wyoming and the seven (7) Wyoming community colleges. Pursuant to W.S.9-4-719 (m), earnings in excess of the spending policy amount, a total of \$4,670,745, were transferred out of the income account and into the reserve account. The balance in the Higher Ed reserve account at the end of fiscal year 2014 was \$5,369,033. This amount exceeded seventy-five percent of the spending policy amount for fiscal year 2014 by \$1,349,743, therefore, this amount spilled over from the Higher Ed reserve account to the Higher Education endowment fund (corpus) on 06/30/14 leaving an ending balance of \$4,019,290 in the Higher Ed reserve account at the end of fiscal year 2014.

Excellence in Higher Education Summary of Corpus

For Period Ending	School Foundation FMRs up to \$105 million	Reserve Account Spillover	Ending Cash Balance	Ending Market Value
FY05	929,697		929,697	
FY06	\$54,697,351		\$55,627,048	\$929,697
FY07	\$23,697,924		\$79,324,972	\$48,379,952
FY08	\$25,675,028		\$105,000,000	\$78,867,967
FY09			\$105,000,000	\$104,820,958
FY10			\$105,000,000	\$96,094,847
FY11			\$105,000,000	\$102,674,540
FY12		\$3,408,127	\$108,408,127	\$111,455,707
FY13		\$2,462,257	\$110,870,385	111,829,141
FY14		\$1,349,743	\$112,220,128	121,068,507
TOTALS as of 06/30/14	\$105,000,000	\$5,870,384	\$110,870,385	

Higher Ed Income Account Summary

For Period Ended	Investment Income	Distributed to UW & CC	Transfers from Reserve	End of FY Transfers to Reserve Account	Ending Cash Balance
FY07	\$726,921	(\$726,921)			0.00
FY08	\$4,498,553	(\$3,181,198)		(\$1,293,196)	24,159.00
FY09	\$3,995,273	(\$3,867,815)		(\$58,199)	93,418.00
FY10	\$3,794,560	(\$4,102,047)	\$554,571	(\$340,502)	0.00
FY11	\$6,100,410	(\$4,323,128)	\$1,389,454	(\$3,166,736)	0.00
FY12	\$5,657,547	(\$4,924,395)	\$2,308,497	(\$3,041,649)	0.00
FY13	\$7,818,409	(\$5,268,752)	\$2,372,144	(\$4,921,801)	0.00
FY14	\$6,740,312	(\$5,359,054)	\$3,289,487	(\$4,670,745)	0.00
TOTALS as of 06/30/14	\$32,591,673	(\$26,394,256)	\$6,624,666	(\$12,822,083)	0.00

Higher Ed Reserve Account Summary

<u>For Period Ended</u>	<u>Transfers from Reserve Acct to Income Acct</u>	<u>End of FY Transfers from Income Acct</u>	<u>Legislative Appropriation</u>	<u>Spill over to Corpus</u>	<u>Investment income Earned on Reserve Account</u>	<u>Ending Cash Balance</u>
FY07						\$0
FY08		\$1,293,196				\$1,293,196
FY09		\$58,199	93417			\$1,444,812
FY10	(\$949,431)	\$340,502	\$3,852,480			\$4,688,363
FY11	(\$1,482,870)	\$3,181,481				\$6,386,974
FY12	(\$2,308,497)	\$3,026,904		(\$3,408,126)	\$7,101	\$3,704,356
FY13	(\$2,372,144)	\$4,921,801		(2,462,258)	\$ 159,810	\$3,951,565
FY14	(\$3,289,487)	\$4,670,744		(1,349,743)	\$ 36,211	\$4,019,290
<u>TOTALS as of 06/30/14</u>	(\$10,402,429)	\$17,492,827	\$3,945,897	(\$7,220,127)	\$203,122	<u>\$4,019,290</u>

HATHAWAY STUDENT SCHOLARSHIP

Wyoming State Statute 21-16-1301 through 1302, authorized the creation of the Hathaway Scholarship Program which consists of three separate accounts, the Hathaway student scholarship endowment fund (Hathaway fund), the Hathaway scholarship expenditure account (expenditure account) and the Hathaway student scholarship reserve account (reserve account).

To fund the Hathaway Scholarship Program, a portion of the federal mineral royalties, over the \$200 million cap, was transferred from the School Foundation fund to the Hathaway fund until a maximum of \$400 million had been deposited. The Hathaway Scholarship Program was fully funded in April of fiscal year 2007.

The Hathaway fund (the corpus) is retained by the State and invested by the State Treasurer in the same manner as any other permanent fund and held inviolate. Interest earned on the corpus transferred to the Hathaway expenditure account to fund scholarships for Wyoming students to attend the Wyoming community colleges and the University of Wyoming, if students meet certain criteria set by the legislature.

At the end of each fiscal year, any unencumbered, unobligated funds in the Hathaway expenditure account must be transferred to the Hathaway reserve account. If funds in the Hathaway expenditure account are ever insufficient to cover payment for the scholarships, funds are to be transferred from the Hathaway reserve account to the Hathaway expenditure account.

At the end of each fiscal year, if funds in the reserve account are more than the greater of \$12 million or the amount equal to 3.75 percent of the previous five year average market value of the corpus, the excess amount in the reserve is transferred to the corpus on or after July 1 each year.

A total of \$31,000,894 of investment income was deposited into the expenditure account during FY2014 while \$15,531,595 was paid out in scholarships. A total of \$8,730,718 was transferred from the reserve account into the expenditure account during the fiscal year to fund scholarship payments due to timing of the payments and receipt of revenue.

At the end of FY 2014, there was \$24,200,017 residing in the expenditure account that was transferred to the reserve account in compliance with W.S. 21-16-1302(b). This left a balance of \$33,193,129 in the reserve account on June 30, 2014. Therefore, the excess in the reserve account above the statutory limit was \$14,799,521. This amount, therefore, spilled over to corpus leaving a final balance of \$18,393,608 in the reserve account at the end of FY2014 and a balance of \$533,390,109 in the Hathaway Scholarship Endowment fund (corpus) at the end of fiscal year 2014.

The following three pages provide a summary of the three Hathaway Scholarship accounts.

Hathaway Scholarship Endowment Fund Summary of Corpus

For Period Ended	School Foundation FMRs up to \$400 million	Coal Bonus	Reserve Account Spillover	Ending Cash Balance	Ending Market Value
FY05	3,397,432			3,397,432	
FY06	\$205,766,229			\$209,163,661	
FY07	\$89,149,332			\$298,312,993	
FY08	\$101,687,007		\$19,252,450	\$419,252,450	417,997,280
FY09		\$42,870,209	\$3,792,614	\$465,915,273	431,076,939
FY10		\$7,129,791		\$473,045,064	467,033,391
FY11				\$473,045,064	502,843,583
FY12			\$28,295,326	\$501,340,390	518,418,148
FY13			\$17,250,198	\$518,590,588	518,418,148
FY14			\$14,799,521	\$533,390,109	575,666,227
TOTALS as of 06/30/14	\$400,000,000	\$50,000,000	\$68,590,588	\$518,590,588	

Hathaway Scholarship Expenditure Account Summary

For Period Ended	Investment Income	Appropriated Funds (from CS reserve)	Scholarship Payments	Transfers from Reserve for Scholarships	End of FY Transfers to Reserve Account	Ending Cash Balance
FY07	\$12,902,185	\$13,500,000	(\$2,983,732)		(\$23,418,453)	\$0
FY08	\$18,257,535		(\$7,673,538)	\$1,717,263	(\$9,551,260)	\$2,750,000
FY09	\$16,801,974		(\$10,801,516)	\$3,964,942	(\$7,757,555)	\$4,957,845
FY10	\$16,992,416		(\$13,467,589)		(\$8,482,672)	\$0
FY11	\$31,037,236		(\$14,854,402)	\$5,844,289	(\$22,027,123)	\$0
FY12	\$25,160,195		(\$15,420,545)	\$6,512,127	(\$16,251,777)	\$0
FY13	\$33,627,614		(\$15,333,728)	\$6,584,782	(\$24,878,668)	\$0
FY14	\$31,000,894		(\$15,531,595)	\$8,730,718	(\$24,200,017)	\$0
TOTALS as of 06/30/14	\$121,151,541	\$13,500,000	(\$65,201,322)	\$18,038,621	(\$87,488,840)	\$0

Hathaway Scholarship Reserve Account Summary

<u>For Period Ended</u>	<u>Transfers from Reserve Acct to Expenditure Acct for Scholarships</u>	<u>End of FY Transfers from Expenditure Acct</u>	<u>Spill over to Corpus</u>	<u>Correction Investment Earnings on Reserve Acct to General fund</u>	<u>Investment income Earned on Reserve Account</u>	<u>Ending Cash Balance</u>
FY07		\$23,418,453				\$23,418,453
FY08	(\$1,717,263)	\$9,551,260	(19,252,450)			\$12,000,000
FY09	(\$3,964,942)	\$7,757,555	(3,792,613)			\$12,000,000
FY10		\$8,482,672				\$20,482,672
FY11	(\$5,844,289)	\$22,027,123		(\$2,276,327)		\$34,389,179
FY12	(\$6,512,127)	\$16,251,777	(28,295,326)		\$45,979	\$15,879,482
FY13	(\$6,584,782)	\$24,878,668	(17,250,198)		\$607,100	\$17,530,270
FY14	(\$8,730,718)	\$24,200,017	(14,799,521)		\$193,560	\$18,393,608
<u>TOTALS as of 06/30/14</u>	<u>(\$18,038,621)</u>	<u>\$87,488,840</u>	<u>(\$51,340,389)</u>	<u>(\$2,276,327)</u>	<u>\$45,979</u>	<u>\$15,879,482</u>

TIME DEPOSIT OPEN ACCOUNT (TDOA)

APPROVED DEPOSITORIES

The TDOA program is a discretionary State Treasurer program by which public funds are placed in banks approved as eligible state depositories. This program assists banks that lack an asset base sufficient to meet their lending needs.

Banks utilizing this program must fully collateralize the deposits and pay interest to the State Treasurer at rates set quarterly by the State Loan and Investment Board. The Board meets quarterly, in advance of each calendar quarter, to set the interest rate for the ensuing quarter.

The TDOA rates for the four quarters of FY 14 were set at 0.15%, 0.13%, 0.12% and 0.13%. Therefore, the annualized TDOA rate for FY 14 was actually 0.12%.

TDOA income for FY 14 was \$209,434.

Only 22 of the 42 approved depositories had TDOA funds as of June 30, 2014.

TDOA Deposits in Wyoming Banks as of June 30, 2014 Totaled \$136,750,000

ANB	5,900,000	Johan Bank of Wyoming	1,000,000
Bank of Bridger	4,700,000	Oregon Trail Bank	1,000,000
Bank of Jackson Hole	22,200,000	Pinnacle Bank	9,200,000
Capital West Bank	3,000,000	Platte Valley Bank	4,500,000
Central Bank and Trust	3,600,000	Points West Community Bank	4,300,000
Cheyenne State Bank	1,600,000	Rocky Mountain Bank	250,000
Commerce Bank of Wyoming	6,200,000	Uinta Bank	1,900,000
First Federal Savings Bank	7,600,000	Wells Fargo Bank	6,000,000
First National Bank of Gillette	5,400,000	Wyoming Bank and Trust	2,200,000
FirsTier Bank	3,500,000	Wyoming Community Bank	2,000,000
Glacier Bank	34,600,000	Wyoming State Bank	6,100,000

APPROVED DEPOSITORY

APPROVED DEPOSITORIES

The State Board of Deposits, consisting of the five elected officials, met on June 5, 2014 to consider the applications from Wyoming financial institutions to be designated as State Depositories under the provisions of the State Depository Law. The Board approved 42 financial institutions.

FY 2014 Approved Depository List

ANB	Glacier Bank
Bank of Bridger, NA	Hilltop National Bank
Bank of Commerce	Jonah Bank of Wyoming
Bank of Jackson Hole	Lusk State Bank
Bank of Star Valley	Oregon Trail Bank
Bank of the West	Pinnacle Bank
Big Horn Federal Savings Bank	Platte Valley Bank
Buffalo Federal Savings Bank	Points West Community Bank
Capital West Bank	Rawlins National Bank
Central Bank and Trust	Rocky Mountain Bank
Cheyenne State Bank	Security State Bank
Commerce Bank of Wyoming	State Bank
Converse County Bank	Summit National Bank
Cowboy State Bank	Sundance State Bank
Farmers State Bank	Tri-County Bank
First Federal Savings	Uinta Bank
First Interstate Bank	US Bank, NA
First National Bank of Gillette	Wells Fargo Bank
First Northern Bank of Wyoming	Wyoming Bank & Trust
First State Bank of Newcastle	Wyoming Community Bank
FirsTier Bank	Wyoming State Bank

All deposits in excess of the federally insured amount are protected by a pledge of securities, mortgage loans or Certificate of Deposit Account Registry (CDARS), in lieu of a pledge of assets, to the State Treasurer as prescribed by statute.

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

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 commingled for investment purposes.

Each WYO-STAR 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 governmental entity.

The primary goal of the WYO-STAR portfolio is to pursue a short-term and extended-term fixed income investment strategy. The WYO-STAR portfolio maintains an exceptionally strong credit profile. This rigorous risk management approach has been tailored to meet the State's investment guidelines and position the WYO-STAR portfolio defensively.

Liquidity being the second objective, WYO-STAR continues to guarantee the return of funds on a 24-hour notice.

J. P. Morgan Asset Management manages the WYO-STAR portfolio.

All WYO-STAR investments conform to the statute covering the State Treasurer's other investments (W.S. 9-4-831). WYO-STAR investments, conformance to state statutes, and manager performance are reviewed quarterly by the State Loan and Investment Board's consultant R.V. Kuhns.

General information about the WYO-STAR program, daily rate information and forms are available on the Treasurer's website.

Participants can access their accounts via the internet. This service is called Internet Participant Access System (IPAS).

As of June 30, 2014, there were 166 active WYO-STAR participants, some with multiple accounts.

The WYO-STAR pool balance on June 30, 2014, was \$645,388,889.

Participants earned \$1,336,450 in the FY 14.

WYO-STAR yields realized in FY 14 are as follows:

07/13	0.151%	01/14	0.273%
08/13	0.111%	02/14	0.297%
09/13	0.138%	03/14	0.273%
10/13	0.197%	04/14	0.353%
11/13	0.168%	05/14	0.157%
12/13	0.230%	06/14	0.152%

The annualized yield for FY 14 was 0.208%.

FY 2014 DISTRIBUTIONS TO CITIES & TOWNS

CITY/TOWN	POPULATION	SEVERANCE TAX W.S. 39-14-801	FEDERAL MINERAL ROYALTY W.S. 9-4-601	TOTAL
Afton	1,911	\$69,239.13	\$142,500.93	\$211,740.06
Albin	181	6,690.56	19,956.82	\$26,647.38
Alpine	828	29,664.92	69,626.83	\$99,291.75
Baggs	440	15,744.19	30,166.16	\$45,910.35
Bairoil	106	3,895.44	16,372.36	\$20,267.80
Bar Nunn	2,213	89,521.15	101,546.99	\$191,068.14
Basin	1,285	46,779.37	91,808.90	\$138,588.27
Bear River	518	18,791.83	41,902.55	\$60,694.38
Big Piney	552	20,200.27	62,869.71	\$83,069.98
Buffalo	4,585	166,933.98	246,879.25	\$413,813.23
Burlington	288	11,207.73	30,402.53	\$41,610.26
Burns	301	10,973.47	25,050.23	\$36,023.70
Byron	593	21,748.02	50,709.27	\$72,457.29
Casper	55,316	2,101,445.91	2,046,596.81	\$4,148,042.72
Cheyenne	59,466	2,227,695.22	2,664,298.29	\$4,891,993.51
Chugwater	212	7,772.99	21,669.83	\$29,442.82
Clearmont	142	5,130.68	17,882.76	\$23,013.44
Cody	9,520	350,755.60	462,298.72	\$813,054.32
Cokeville	535	19,142.49	50,250.34	\$69,392.83
Cowley	655	25,174.56	56,335.36	\$81,509.92
Dayton	757	28,052.20	47,164.03	\$75,216.23
Deaver	178	6,546.64	22,748.96	\$29,295.60
Diamondville	737	26,275.55	63,388.01	\$89,663.56
Dixon	97	3,426.88	15,300.79	\$18,727.67
Douglas	6,120	228,199.03	328,303.31	\$556,502.34
Dubois	971	36,078.38	74,768.82	\$110,847.20
East Thermopolis	254	9,143.25	21,418.40	\$30,561.65
Edgerton	195	7,141.26	18,903.85	\$26,045.11
Elk Mountain	191	7,015.20	18,757.88	\$25,773.08
Encampment	450	15,978.45	30,391.99	\$46,370.44
Evanston	12,359	442,569.51	648,584.70	\$1,091,154.21
Evansville	2,544	102,171.66	113,774.99	\$215,946.65
Fort Laramie	230	8,386.16	21,539.08	\$29,925.24
Frannie	157	5,815.98	21,298.19	\$27,114.17
Gillette	29,087	1,135,505.63	1,549,148.42	\$2,684,654.05
Glendo	205	7,385.15	21,187.35	\$28,572.50
Glenrock	2,576	93,647.64	143,576.87	\$237,224.51
Granger	139	5,068.18	17,687.85	\$22,756.03
Green River	12,515	461,278.48	532,748.22	\$994,026.70
Greybull	1,847	67,121.08	125,208.92	\$192,330.00
Guernsey	1,147	42,352.54	67,687.82	\$110,040.36
Hanna	841	29,828.86	43,734.02	\$73,562.88
Hartville	62	2,272.33	14,826.84	\$17,099.17
Hudson	458	16,862.30	42,934.80	\$59,797.10
Hulett	383	14,183.24	41,173.32	\$55,356.56
Jackson	9,577	357,495.81	483,765.10	\$841,260.91
Kaycee	263	9,413.95	25,076.35	\$34,490.30
Kemmerer	2,656	95,648.56	191,131.62	\$286,780.18
Kirby	92	3,363.32	15,464.51	\$18,827.83
La Barge	551	19,530.69	50,966.56	\$70,497.25
La Grange	448	16,384.85	33,637.82	\$50,022.67

(Continued on Next Page)

FY 2014 DISTRIBUTIONS TO CITIES & TOWNS

CITY/TOWN	POPULATION	SEVERANCE TAX W.S. 39-14-801	FEDERAL MINERAL ROYALTY W.S. 9-4-601	TOTAL
Lander	7,487	277,390.75	474,540.55	\$751,931.30
Laramie	30,816	1,143,881.18	705,352.33	\$1,849,233.51
Lingle	468	17,141.94	34,498.43	\$51,640.37
Lost Springs	4	144.28	12,198.11	\$12,342.39
Lovell	2,360	86,254.63	156,625.18	\$242,879.81
Lusk	1,567	56,694.68	167,542.00	\$224,236.68
Lyman	2,115	75,545.79	123,151.99	\$198,697.78
Manderson	114	4,174.67	18,854.65	\$23,029.32
Manville	95	3,417.25	21,193.05	\$24,610.30
Marbleton	1,094	39,634.56	108,922.32	\$148,556.88
Medicine Bow	284	10,008.90	21,641.70	\$31,650.60
Meeteetse	327	11,920.54	30,202.03	\$42,122.57
Midwest	404	14,778.19	29,286.95	\$44,065.14
Mills	3,461	126,277.71	137,080.23	\$263,357.94
Moorcroft	1,009	36,907.25	83,111.82	\$120,019.07
Mountain View	1,286	47,438.95	82,913.76	\$130,352.71
Newcastle	3,532	125,830.98	166,746.37	\$292,577.35
Opal	96	3,444.37	18,342.74	\$21,787.11
Pavillion	231	8,620.79	26,281.43	\$34,902.22
Pine Bluffs	1,129	41,424.42	64,264.68	\$105,689.10
Pine Haven	490	17,781.52	47,814.90	\$65,596.42
Pinedale	2,030	73,099.19	188,229.31	\$261,328.50
Powell	6,314	229,021.48	307,046.63	\$536,068.11
Ranchester	855	32,586.13	52,363.71	\$84,949.84
Rawlins	9,259	329,230.08	332,151.13	\$661,381.21
Riverside	52	1,857.37	13,789.34	\$15,646.71
Riverton	10,615	395,879.76	670,833.46	\$1,066,713.22
Rock River	245	8,791.85	17,306.07	\$26,097.92
Rock Springs	23,036	868,157.42	989,464.18	\$1,857,621.60
Rolling Hills	440	15,986.68	36,949.49	\$52,936.17
Saratoga	1,690	60,053.75	72,850.22	\$132,903.97
Sheridan	17,444	639,505.15	748,246.44	\$1,387,751.59
Shoshoni	649	23,869.31	54,542.60	\$78,411.91
Sinclair	433	15,283.86	29,723.13	\$45,006.99
Superior	336	12,245.52	28,744.51	\$40,990.03
Star Valley Ranch	1,503	54,099.88	114,622.04	\$168,721.92
Sundance	1,182	43,831.74	95,889.36	\$139,721.10
Ten Sleep	260	9,269.67	24,870.68	\$34,140.35
Thayne	366	12,939.04	38,826.95	\$51,765.99
Thermopolis	3,009	109,061.14	127,344.21	\$236,405.35
Torrington	6,501	244,100.37	292,644.70	\$536,745.07
Upton	1,100	39,151.73	62,215.41	\$101,367.14
Van Tassell	15	541.02	13,454.43	\$13,995.45
Wamsutter	451	16,887.68	33,957.82	\$50,845.50
Wheatland	3,627	131,424.50	178,495.88	\$309,920.38
Worland	5,487	196,736.76	288,163.74	\$484,900.50
Wright	1,807	66,907.88	105,396.20	\$172,304.08
Yoder	151	5,617.42	18,389.11	\$24,006.53
GRAND TOTALS	384,960	\$14,337,500.00	\$18,562,500.00	\$32,900,000.00

Distribution Dates: Severance Tax: Quarterly
Federal Mineral Royalty: Quarterly

FY 2014 DISTRIBUTIONS TO COUNTIES

COUNTIES	RAILROAD CAR TAX W.S. 39-13-103	VETERANS' EXEMPTION W.S. 39-13-105	US FOREST RESERVE W.S. 9-4-501	TAYLOR GRAZING ACT W.S. 9-4-401	SEVERANCE TAX DISTRIBUTION W.S. 39-14-801	LIVESTOCK PREDATORY ANIMAL CONTROL FEES W.S. 11-6-210	FINES & PENALTIES W.S. 8-1-109	INDIAN EXEMPTION W.S. 31-3-101	TOTAL
Albany	\$152,593.00	\$220,864.65	\$298,946.76	\$26,874.46	\$374,722.16	\$39,433.79	\$104,029.99	0.00	\$1,217,464.81
Big Horn	61,878.00	119,402.86	299,588.35	16,830.37	144,281.12	41,461.80	33,182.83	0.00	\$716,625.33
Campbell	235,786.00	183,864.39	0.00	35,815.82	445,134.68	69,426.00	170,368.15	0.00	\$1,140,395.04
Carbon	128,858.00	106,160.09	348,869.45	38,015.60	162,745.16	103,531.00	68,378.39	0.00	\$956,557.69
Converse	253,016.00	114,841.63	17,619.19	18,908.28	142,146.72	57,076.95	104,219.52	0.00	\$707,828.29
Crook	27,740.00	79,683.22	154,718.09	11,587.96	110,603.96	56,626.65	29,160.54	0.00	\$470,120.42
Fremont	40,185.00	347,816.40	644,749.78	24,394.88	394,569.76	70,950.75	116,012.02	266,146.95	\$1,904,825.54
Goshen	127,478.00	153,030.73	0.00	3,070.07	191,686.64	45,752.50	42,347.33	0.00	\$563,365.27
Hot Springs	24,779.00	71,872.78	28,464.35	10,858.80	84,574.80	18,308.40	22,902.60	7,692.84	\$269,453.57
Johnson	0.00	117,134.20	226,184.29	46,548.54	90,813.60	77,012.70	65,668.61	0.00	\$623,361.94
Laramie	238,306.00	1,373,675.46	0.00	10,588.81	890,652.72	12,942.24	294,260.45	0.00	\$2,820,425.68
Lincoln	68,376.00	114,147.65	578,127.21	7,620.02	183,680.84	65,610.33	63,389.64	0.00	\$1,080,951.69
Natrona	69,248.00	535,793.01	2,156.22	84,719.24	733,321.00	45,962.90	216,520.18	0.00	\$1,687,720.55
Niobrara	77,059.00	29,720.22	0.00	16,518.94	112,060.24	39,583.65	6,472.83	0.00	\$281,414.88
Park	38,909.00	328,447.50	752,500.23	18,500.48	281,184.48	33,206.30	105,295.38	0.00	\$1,558,043.37
Platte	96,416.00	142,307.81	722.01	10,835.80	143,305.08	20,028.01	24,124.69	0.00	\$437,739.40
Sheridan	86,216.00	358,777.31	180,227.45	4,264.47	298,632.72	61,504.90	100,975.84	0.00	\$1,090,598.69
Sublette	0.00	62,921.71	339,212.70	10,951.31	100,413.96	11,308.62	115,215.55	0.00	\$640,023.85
Sweetwater	248,962.00	281,019.33	33,076.85	42,053.25	424,275.48	20,594.10	312,187.04	0.00	\$1,362,168.05
Teton	0.00	55,172.80	226,650.77	177.59	212,715.80	0.00	60,921.62	0.00	\$555,638.58
Uinta	112,289.00	157,374.36	25,116.19	8,692.11	217,117.28	40,720.80	59,411.27	0.00	\$620,721.01
Washakie	22,732.00	93,096.21	24,423.95	18,828.94	145,952.00	30,337.30	64,933.54	0.00	\$400,303.94
Weston	95,633.00	80,042.38	5,461.95	12,834.33	129,409.80	31,803.15	77,643.70	0.00	\$432,828.31
GRAND TOTAL	\$2,206,459.00	\$5,127,166.70	\$4,186,815.79	\$479,490.07	\$6,014,000.00	\$993,182.84	\$2,257,621.71	\$273,839.79	\$21,538,575.90

FEDERAL MINERAL ROYALTY DISTRIBUTIONS

	UNDER \$200 MILLION %	DISTRIBUTIONS MADE IN FY 14	OVER \$200 MILLION DIST FY 14	Coal Bonus (received in FY14 to be Distributed in FY15)	TOTAL FY 14 ROYALTY MONEY DISTRIBUTED
Mineral Royalty:					
Cities & Towns	9.375%	\$18,562,500.00	\$0.00		\$18,562,500.00
University Of Wyoming	6.750%	13,365,000.00	0.00		\$13,365,000.00
Foundation Fund	44.800%	88,704,000.00	197,699,608.00		\$286,403,608.00
Highway Fund	30.375%	60,142,500.00	0.00		\$60,142,500.00
Highway Fund State Roads	2.250%	4,455,000.00	0.00		\$4,455,000.00
Cities, Counties & Special Districts Capital Const.	3.750%	7,425,000.00	0.00		\$7,425,000.00
School Districts - Grants	2.700%	5,346,000.00	0.00		\$5,346,000.00
1% General Fund		2,000,000.00	0.00		\$2,000,000.00
UW Bond Coverage			0.00		\$0.00
Budget Reserve Account			395,306,057.00		\$395,306,057.00
TOTAL	100.00%	\$200,000,000.00	\$593,005,665.00	\$0.00	\$793,005,665.00
Coal Lease Bonus:					
Cities, Counties & Special Districts Capital Const.*	3.75%	\$5,625,000.00	0.00		\$5,625,000.00
School Capital Construction	40.00%	203,802,870.97	0.00	67,121,633.78	\$203,802,870.97
Community College Commission**	10.00%	1,600,000.00	0.00		\$1,600,000.00
Highway Funds*	12.50%	1,875,000.00	0.00		\$1,875,000.00
TOTAL	100.00%	\$212,902,870.97	\$0.00	\$67,121,633.78	\$212,902,870.97
FY 14 GRAND TOTAL DISTRIBUTIONS		\$412,902,870.97	\$593,005,665.00	\$0.00	\$1,005,908,535.97
FY 14 GRAND TOTAL COLLECTIONS				\$0.00	\$1,005,908,535.97

Notes:

Distribution FY 14 plus FY 14 "over \$200 million" = Total FY 14 royalty money distributed.

The "over \$200 million FY 14" distribution was completed 9/14.

Mineral Royalties are distributed quarterly to Cities & Towns and State Agencies but monthly to the School Foundation Fund.

*The first seven million five hundred thousand dollars of Coal Lease Bonus payments shall be distributed according to 9-4-601(b)(i)(A).

** 9-4-601(b)(iv)(A) ten percent but not to exceed one million six hundred thousand dollars.

ENDOWMENT CHALLENGE FUND MATCHING PROGRAMS

There were six endowment challenge fund matching programs administered by the State Treasurer's Office as of June 30, 2013, involving 49 eligible institutions. The initial appropriation to an endowment challenge fund matching program occurred in fiscal year 2001. The Wyoming State Legislature has appropriated matching funds totaling \$240.7 million as of June 30, 2014.

These matching programs are incentive based to encourage donations to the institutions. When the institution receives a pledge of an endowment gift it submits a commitment form to the State Treasurer's Office to encumber funds within the endowment fund. When the institution collects on the pledge or receives a qualifying contribution, it submits a request to the State Treasurer's Office for a distribution of matching funds from the endowment fund associated with that institution.

Upon receiving the match, the institution transfers the gift and match to its Foundation, where it is invested and held inviolate. Only the earnings may be spent for the purposes of the endowment specified, with the exception of the University of Wyoming's Athletic program, Academic Facilities program and the Critical Access/Rural Hospital program. The UW programs may spend all of the funds for the costs of establishing new or renovating existing university facilities as approved by the university president and the board of trustees. The Critical Access/Rural Hospital program may spend the donated funds while the matching funds must be invested and held inviolate.

The following is a list of the endowment challenge fund matching programs authorized by the state statutes as of June 30, 2014 that are to be administered by the state treasurer:

- The University of Wyoming (UW) Endowment Challenge Program
W.S. 21-16-901 through 21-16-904 established in fiscal year 2001.
- The University Athletics Challenge Account
W.S. 21-16-1001 through 21-16-003 established in fiscal year 2004.
- The University Academic Facilities Challenge Account,
W.S. 21-16-1401 through 21-16-1403 established in fiscal year 2006.
- The Community College Challenge Programs, seven (7) in total,
W.S. 21-16-1101 through 21-16-1104 established in fiscal year 2004.
- The Critical Access/Rural Hospital Endowment Challenge programs, sixteen (16) in total,
W.S. 35-1-1001 through 35-1-1004 established in fiscal year 2007.
- The Wyoming Public Library Endowment Challenge Program, twenty-three (23) in total,
W.S. 18-7-201 through 18-7-205 established in fiscal year 2009.

The community college challenge program has a statutory provision (W.S. 21-16-1004(f)(ii)(iv)) that allows colleges to enter into an agreement permitting one college to encumber and collect funds in excess of the amount within their challenge account by using unencumbered funds from another college. The statute does stipulate, however, that the match disbursed by the state treasurer must be divided equally between the colleges participating in the agreement.

The following tables display the appropriations, commitments and payments for the University and Community College, Critical Access/Rural Hospital and the Public Library Endowment Challenge Program since their inception.

University and Community College Endowment Challenge Program Inception through June 30, 2014				
<u>Institution</u>	<u>Total Appropriation</u>	<u>Unfunded Commitments</u>	<u>Payments</u>	<u>Remaining Appropriation</u>
UW	\$90,250,000	\$0	\$88,650,000	\$1,600,000
UW Athletics	\$29,000,000	\$8,327,988	\$20,464,137	\$207,875
UW Academic Facilities	\$49,427,478	\$9,989,000	\$38,405,880	\$1,032,598
Casper	\$10,083,333	\$0	\$10,065,703	\$17,630
CWCC	\$5,000,000	\$0	\$5,000,000	\$0
EWCC	\$3,600,554	\$0	\$3,093,432	\$507,122
LCCC	\$8,067,250	\$310,376	\$7,756,874	\$0
NWCC	\$9,333,333	\$426,468	\$8,906,865	\$0
Sheridan	\$9,915,530	\$134,652	\$9,780,877	\$0
WWCC	\$5,000,000	\$104,908	\$4,650,996	\$244,096
TOTAL	\$219,677,478	\$19,293,392	\$196,774,764	\$3,609,321

Critical Access or Rural Hospital Endowment Challenge Fund Matching Programs Inception through June 30, 2014				
<u>Institution</u>	<u>Total Appropriation</u>	<u>Unfunded Commitments</u>	<u>Payments</u>	<u>Remaining Appropriation</u>
Star Valley Medical	\$250,000	\$0	\$250,000	\$0
Johnson Co Mem Hospital	\$250,000	\$0	\$250,000	\$0
West Park Hospital	\$107,143	\$0	\$54,578	\$52,565
Mem Hospital Converse Co	\$250,000	\$0	\$250,000	\$0
So Lincoln Med Ctr	\$107,143	\$0	\$0	\$107,143
No Big Horn Hospital	\$117,143	\$0	\$70,680	\$46,463
Weston Co Health Serv	\$107,143	\$0	\$0	\$107,143
Powell Med Foundation	\$250,000	\$8,600	\$241,400	\$0
Carbon Co Mem Hospital	\$107,143	\$0	\$0	\$107,143
Crook Co Hospital	\$107,143	\$0	\$0	\$107,143
Hot Springs Co Mem Hosp	\$250,000	\$0	\$250,000	\$0
Community Hospital (Torr)	\$160,034	\$0	\$50,000	\$110,034
Platt Co Mem Hospital	\$107,143	\$0	\$0	\$107,143
Washakie Med Ctr	\$107,143	\$0	\$0	\$107,143
So Big Horn Co Hosp Dist	\$107,143	\$0	\$0	\$107,143
Niobrara Health & Life Ctr	\$250,000	\$0	\$112,141	\$137,859
TOTAL	\$2,634,319	\$8,600	\$1,528,799	\$1,096,921

Public Library Endowment Challenge Programs Inception through June 30, 2014					
<u>County Library</u>	<u>Appropriation</u>	<u>Endowment Gift</u>	<u>Amount Paid</u>	<u>Unfunded Commitments</u>	<u>Unobligated</u>
6901 Natrona	\$797,826	\$657,674	\$757,674	\$0	\$40,152
6902 Laramie	\$797,826	\$535,712	\$635,712	\$0	\$162,114
6903 Sheridan	\$797,826	\$697,826	\$797,826	\$0	\$0
6904 Sweetwater	\$797,826	\$266,453	\$366,453	\$4,450	\$426,923
6905 Albany	\$797,826	\$727,391	\$797,826	\$0	\$0
6906 Carbon	\$797,826	\$635,431	\$735,431	\$0	\$62,395
6907 Goshen	\$797,826	\$583,481	\$683,481	\$0	\$114,345
6908 Platte	\$797,826	\$318,096	\$418,096	\$0	\$379,730
6909 Big Horn	\$797,826	\$357,527	\$457,527	\$0	\$340,299
6910 Fremont	\$797,826	\$354,500	\$454,500	\$0	\$343,326
6911 Park	\$797,826	\$632,707	\$732,707	\$1,700	\$63,419
6912 Lincoln	\$797,826	\$470,683	\$570,683	\$1,250	\$225,893
6913 Converse	\$797,826	\$138,700	\$238,700	\$0	\$559,126
6914 Niobrara	\$797,826	\$699,188	\$797,826	\$0	\$0
6915 Hot Springs	\$797,826	\$489,025	\$589,025	\$0	\$208,801
6916 Johnson	\$797,826	\$449,770	\$549,770	\$0	\$248,056
6917 Campbell	\$797,826	\$359,411	\$459,411	\$400	\$338,015
6918 Crook	\$797,826	\$266,453	\$366,453	\$4,450	\$426,923
6919 Uinta	\$797,826	\$383,074	\$483,074	\$0	\$314,752
6920 Washakie	\$797,826	\$364,244	\$464,244	\$0	\$333,582
6921 Weston	\$797,826	\$402,877	\$502,877	\$0	\$294,949
6922 Teton	\$797,826	\$657,826	\$757,826	\$40,000	\$0
6923 Sublette	\$797,826	\$500,000	\$600,000	\$0	\$197,826
TOTAL	\$18,349,996	\$10,948,049	\$13,217,122	\$52,250	\$5,080,624

INTERFUND BORROWING SCHOOL FOUNDATION PROGRAM

For several years the state issued tax and revenue anticipation notes (TRANs), as authorized by W.S. 9-4-1101 through 9-4-1105, to fund temporary cash flow shortfalls in the School Foundation Fund in order to make school foundation program payments to Wyoming school districts as required by Wyoming Statutes. However, since fiscal year 2007, the State of Wyoming has not issued any tax and revenue anticipation notes. Instead, school foundation program payments are made by temporary interfund borrowing from the corpus of the Common School Permanent Land Fund (CSPLF) at 6% interest as allowed by W.S. 21-13-316.

A cash flow analysis spreadsheet is included on the following page that shows the schedule of actual revenue receipts during FY 14, the schedule of statutory School Foundation payments and the incorporation of interfund borrowing from and repayment to the CSPLF for fiscal year 2014.

Interest payments from the school foundation program for this interfund borrowing totaled \$2,240,833 for FY 14. The amount of interest paid to the Common School Permanent Land Fund account was reported as income to the account to be distributed among all school districts during FY 14 as provided by Wyoming Statute.

The primary reason for the lack of liquidity to make scheduled school foundation program payments is due to the timing of receipt of revenues mainly from federal mineral royalties and ad valorem taxes.

The State Treasurer could also use the provisions of W.S. 9-1-417, which allows utilization of loans from the general fund or budget reserve account, up to \$60 million, to assist in meeting the cash flow needs for obligations of the school foundation program which come due prior to the receipt of program revenues. Loans from the general fund must be repaid as soon as anticipated revenue is received.

Liquidity needs were built into the state's investment asset allocation plan for the CSPLF for fiscal year 2014. To ensure liquidity needs are met.

Interfund borrowing will again be used to fund the cash flow for the school foundation program during FY 15.

State of Wyoming
School Foundation Account - with CSPLF Borrowing
FISCAL YEAR 2014 - June 2014
Projected Cash Flow

Last Revision: July 7, 2014

	P1 Actual July 2013	P2 Actual Aug 2013	P3 Actual Sept 2013	P4 Actual Oct 2013	P5 Actual Nov 2013	P6 Actual Dec 2013	P7 Actual Jan 2014	P8 Actual Feb 2014	P9 Actual Mar 2014	P10 Actual Apr 2014	P11 Actual May 2014	P12 Actual Jun 2014	FY 2014 Totals	LSO & CREG FY 14 Estimates Jan 2014
Beginning Balance	256,988,230	264,906,063	93,189,009	65,036,235	68,248,089	54,527,986	113,308,746	196,281,460	120,608,514	57,846,316	53,875,175	41,386,365	256,988,230	256,988,230
Revenues and Transfers														
Auto Tax	596,204	477,503	5,507,795	7,218,444	1,820,081	908,052	2,691,560	1,212,500	428,524	934,159	450,483	525,028	22,770,334	20,000,000
Car Company Tax	0	0	30,763	54,633	0							1,884	87,280	500,000
Property Tax	1,343,383	830,168	739,898	6,951,038	47,897,118	77,327,950	24,118,373	3,434,596	1,908,049	2,464,324	37,870,319	70,146,835	275,032,051	273,565,132
Penalty-County Assessed								894					894	
Penalty-Delinq taxes				894		7,620		1,380	1,570	761		417	12,642	
Federal Mineral Royalty (under 200mm)	7,392,000	7,392,000	7,392,000	7,392,000	7,392,000	7,392,000	7,392,000	7,392,000	7,392,000	7,392,000	7,392,000	7,392,000	88,704,000	
FMR (over 200mm)			35,648,047	8,621,599			27,613,207			57,053,714		70,627,891	199,564,457	281,354,978
Interest - WY Municipalities	142,783	80,633	180,180	98,639	24,914	49,269	139,627	92,557	167,389	106,389	35,345	95,142	1,212,865	1,000,000
Interest - Investments	0	240,727	228,097	132,859	37,197	76,489	122,075	191,851	158,967	141,531	68,468	364,441	1,762,703	4,000,000
Recapture							64,199,386					83,440,848	147,640,234	150,000,000
Foundation Revenue (Advance Payment Interest)								22,106					22,106	0
Comm School Income Fund (Trsrfr from) (W.S. 21-13-301)				136,471			35,187,536					165,572,539	200,896,546	66,100,000
Net Capital Gain/(Loss)		(518,500)	(208,703)	85,591	(51,338)	8,343	(59,100)	(13,998)	(54,118)	(42,563)	(14,455)	868,840	0	
CSPLF Borrowing				50,000,000				(15,000,000)			(20,000,000)	(15,000,000)	0	
Total Revenues and Transfers	9,474,369	8,502,532	49,518,077	80,692,167	57,119,973	85,769,723	161,404,664	(2,666,114)	10,002,381	68,050,315	25,802,160	384,035,866	937,706,113	796,520,110
Expenditures														
Entitlements - School Districts		(105,433,492)	(70,705,698)	(70,300,607)	(69,163,587)	(70,557,972)	(70,257,741)	(70,325,084)	(70,083,144)	(70,223,120)	(35,102,754)		(702,153,197)	(749,500,000)
ECA Entitlements													0	0
Entitlement/Audit Adjustments	62,098				57,749	94,923	24,696	32,987			73,981	(15,928)	330,506	(2,500,000)
Combined Incentive Payments				(102,335)									(102,335)	(250,000)
Tax Shortfall Grants				(1,468,847)	(181,453)								(1,650,301)	(5,000,000)
Recapture Loan		(52,435,671)				49,233,055	2,000,000	1,202,616					0	0
Administrative Hearings													0	(10,000)
Vocational Education/CTE Grants	(35,744)		(47,838)	(2,124)	(64,229)	(484)	(15,802)	(35,566)	(18,103)	(29,042)	(30,202)	(70,544)	(349,678)	(250,000)
SF01 & SF70 Bridges Summer School			(4,017,837)	(14,580)		(199,085)	(8,882,875)						(13,114,377)	(16,750,000)
SF70 Distance Education Grant	(17,500)	(9,926)	(23,856)	(29)	(39,017)	(10,233)	(11,321)	(23,507)		(10,076)		(34,790)	(180,255)	(250,000)
COP Payments	(665,938)	(825,513)	(704,005)	(681,739)	(719,884)	(627,816)	(574,461)	(656,726)	(610,939)	(525,576)	(826,032)	(688,637)	(8,107,266)	(9,716,820)
Mill Levy Supplement													0	0
SF01 & SF70 Instructional Facilitators	99,292	(20,565,525)		8,893	65,776								(20,391,564)	(21,000,000)
National Bd Certification Payment Reimb								(1,684,000)					(1,684,000)	(1,760,000)
School Finance and Technology - FY11 - HB12													0	
Education Reform - Student Assessment; WEN - Distance	(33,493)	(26,794)	(24,618)	(1,412,423)	(23,991)	(1,056,186)	(62,297)	(5,288)	(881,836)	(32,806)	(997,828)	(67,330)	(4,624,889)	(6,724,152)
Student Performance Data System	(13,492)	(55,979)	(14,379)	(807,481)	(13,558)	(72,994)	(262,632)	(98,673)	(40,750)	(43,107)	(76,273)	(146,082)	(1,645,399)	(3,125,633)
2013 - HB 250 Public Employee Retirement Plans				(84,196)	(156,077)	(137,766)	(132,950)	(135,152)	(112,042)	(158,177)	(143,505)	(146,764)	(1,206,629)	(1,875,000)
2013 - Budget Bill: School District Retention Bonus						(4,576,495)							(4,576,495)	(8,100,000)
SF57 State Board	(11,899)	(38,440)	(11,713)	(846)	(37,234)	(45,882)	(8,532)	(11,054)	(35,013)	(8,531)	(8,531)	(134)	(217,810)	(250,000)
WDE Budget	(101,207)	(110,206)	(636,578)	(203,003)	(378,472)	(116,209)	(131,670)	(302,272)	(147,260)	(128,383)	(168,897)	(233,601)	(2,657,758)	(2,308,492)
Governor's Office (2013 SF55 and 2013 Budget Bill)						(74,739)		(63,958)					0	(138,697)
Capital Facilities Bond Debt Service (FMR)				(1,657,724)		1,167,000	1,105,500						614,776	(325,000)
C.S. Spending Policy transfer to C.S. Reserve												(64,853,376)	(64,853,376)	
Office of the Superintendent	(17,184)	(27,000)	(6,000)		(7,167)					(794)	(24,577)	(86,469)	(169,191)	(1,180,369)
National Guard Youth Challenge	(196,669)	(352,956)	(205,390)	93,452	(294,460)	(56,796)	(271,792)	(46,673)	(211,202)	(270,549)	(260,109)	(10,381)	(2,083,525)	(2,314,563)
School Funding Equity Litigation	(42,162)	(42,160)	(42,256)	(45,947)	(41,672)	(43,538)	(42,576)	(43,777)	(43,880)	(44,595)	(46,983)	(43,773)	(523,319)	(1,038,252)
Capital Construction	(74,138)	(30,102)	(319,062)	(174,839)	(11,217)	(42,194)	(122,277)	(46,385)	(15,358)	(10,989)	(40,928)	(6,634)	(894,123)	(5,660,451)
Teacher Shortage Loan Repayment	1,901	2,911	(50,088)	370	6,702	4,531	(51,598)	9,252	(3,682)	3,452	1,155	(1,244)	(76,337)	(400,000)
Trust Land Preservation - OSLI	(39,618)	(18,470)	(3,274)	(3,055)	0	(10,557)	(14,938)	(24,903)		6,099	0	0	(108,715)	(404,707)
Department of Enterprise Technology Services (DETS)	(428,529)	(225,559)	(848,848)	107,151	451,698	380,721	(441,080)	(498,486)	(374,127)	(360,209)	(464,490)	(1,831,006)	(4,532,762)	(9,549,789)
Legislative Services Office (LSO)	(42,253)	(24,704)	(9,408)	(37,235)	(39,822)	(11,481)	(27,788)		(12,244)	(10,054)		(8,529)	(223,517)	(1,550,000)
Vouchers				162	(162)	21,233	185	(185)				(20,949)	284	0
09 SF 124 Sec 2 (WS 21-13-306(c)) Foundation													0	0
Interfund Borrowing Interest Expense	0	0	0	(693,333)	(250,000)	(250,000)	(250,000)	(250,000)	(175,000)	(175,000)	(175,000)	(22,500)	(2,240,833)	(7,000,000)
Total Education Expenditures	(1,556,536)	(180,219,586)	(77,670,851)	(77,480,313)	(70,840,076)	(26,988,964)	(78,431,950)	(73,006,832)	(72,764,580)	(72,021,456)	(38,290,970)	(68,288,670)	(837,560,782)	(858,793,227)
Ending Balance	264,906,063	93,189,009	65,036,235	68,248,089	54,527,986	113,308,746	196,281,460	120,608,514	57,846,316	53,875,175	41,386,365	357,133,560	357,133,560	194,715,113
CSPLF Loan Balance	0	0	0	50,000,000	50,000,000	50,000,000	50,000,000	35,000,000	35,000,000	35,000,000	15,000,000	0	0	0

Footnotes:
* W.S. 9-4-605
FMR Divert/Repay Cap Fac Bond Debt Service

CAPITAL FACILITIES REVENUE BONDS

Wyoming Statute 9-4-605 authorizes the State Loan and Investment Board to borrow up to \$105 million through the issuance of revenue bonds for capital construction purposes. Funds for the payment of principal and 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, 2013</u>	<u>PRINCIPAL PAYMENTS FY14</u>	<u>YEAR OF MATURITY</u>	<u>BALANCE JUNE 30, 2014</u>
1992	\$28,750,000	3.0-6.25	\$12,465,000	\$1,395,000	(2020)	\$11,070,000
2005	23,440,000	2.5-5.0	1,540,000	755,000	(2023)	\$785,000
2012	16,905,000	0.5-2.0	16,905,000	110,000	(2024)	\$16,795,000
Total Outstanding Revenue Bonds						<u>\$28,650,000</u>

Future minimum payments for revenue bonds are as follows

<u>FISCAL YEAR ENDED JUNE 30</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2015	2,260,000	1,146,845
2016	2,380,000	1,041,095
2017	2,535,000	940,723
2018	2,645,000	834,981
2019	2,745,000	723,444
2020-2024	14,310,000	1,711,488
2025-2025	1,775,000	17,750

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. As of June 30, \$17,415,000 of the defeased 2005 issue remained outstanding.

New Issues:

In fiscal year 2013, the State Loan and Investment Board issued the Series 2012 Refunding bonds for the purpose of refunding a portion (\$17,415,000) of the Series 2005 Refunding Bonds. The Series 2005 Bonds maturing on and after October 1, 2014 are redeemable prior to maturity beginning October 1, 2014.

BOND GUARANTEE AND BOND SUPPLEMENTAL COVERAGE PROGRAMS

The Wyoming State Legislature established bond guarantee programs for school districts and local governments during the 1994 legislative session and they established a bond supplemental coverage programs for the University of Wyoming bonds during the 2011 legislative session as described below and on the following page.

SCHOOL DISTRICT BOND GUARANTEE PROGRAM

Wyoming Statute 9-4-1001 authorizes the State Loan and Investment Board to guarantee school district general obligation bonds issued under W.S. 21-13-701 through 21-13-721. However, the 2002 Legislature closed the state guarantee for future issues, except for the refunding of bonds issued on or before November 1, 2001.

The State Treasurer is authorized to pledge up to \$300 million from the Common School Permanent Land fund to guarantee the school district bonds. 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.

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, 2014, the State Loan and Investment Board had approved guaranteeing school district bonds issues with original amounts totaling \$169,639,000. Of these, 28 issues have now been called or paid off completely and \$2,600,000 is still outstanding.

LOCAL GOVERNMENT BOND GUARANTEE PROGRAM

Wyoming Statute 9-4-1002 authorizes the State Loan and 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, 2014, the State Loan and Investment Board had not approved any local government bond issues for this guarantee program.

UNIVERSITY OF WYOMING REVENUE BOND SUPPLEMENTAL COVERAGE PROGRAM

Wyoming State 9-4-1003 authorizes the State Loan and Investment Board to provide supplemental coverage for repayment of revenue bonds issued by the University of Wyoming under W.S. 21-17-402 through 21-17-450 on or before November 1, 2015, only. This program is intended to benefit the University of Wyoming by reducing the interest rate at which the bonds may be issued.

If the University fails to deposit sufficient debt service monies with the State Treasurer within a certain time period, funds necessary to make the revenue bond payments will be advanced from Federal Mineral Royalty revenue received in excess of \$200 million that would otherwise be distributed to the Budget Reserve account. Repayment to the Budget Reserve account is to be made from the University's general fund.

As of June 30, 2011, the State Loan and Investment Board had approved supplemental coverage for one bond issued by the University for facility improvements and refunding revenue bonds in the amount of \$16,740,000. Of this amount \$15,730,000 remains outstanding as of June 30, 2014.

As of June 30, 2012, the State Loan and Investment Board approved another supplemental coverage for one bond issued by the University for facility improvements and refunding revenue bonds in the amount of \$39,655,000. Of this amount 38,295,000 remains outstanding as of June 30, 2014.

WYOMING UNIFORM UNCLAIMED PROPERTY ACT

The 1993 Wyoming State Legislature enacted the Uniform Unclaimed Property Act (W.S. 34-24-101 through 34-24-139), effective March 11, 1993; Section 140 was enacted in 1994. During Fiscal Year 2014, funds totaling more than \$7.8 million were received and deposited into the trust fund to be held in perpetuity for the owners. More than \$2.1 million was returned to the rightful owners or heirs.

The Unclaimed Property Division is responsible for receiving unclaimed funds from any entity that cannot locate the owner. Packets are mailed annually 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 via the owner notification program and the owner outreach program. 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, responsibilities and how to claim their funds.

The unclaimed funds listing is available for public inspection after the funds have been held for two years. This two-year period allows for owner outreach and notification. If the owner fails to come forth within the two-year period, the names are 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. No fee is charged if the funds are collected directly through the Unclaimed Property Division.

The Unclaimed Property Division maintains the records for almost 669,000 properties, totaling more than \$81.7 million. Since inception, the division has returned more than \$30.9 million to rightful owners or heirs.

The major goals and accomplishments for FY14 were: (1) worked with the State Enterprise Technology Services (ETS) staff and our software vendor on development of a secured website for companies to electronically upload unclaimed property reports, (2) changed the annual holder mailing from a letter format to a postcard which was a cost savings of 50% for postage, (3) processed and paid the largest claim in Unclaimed Property history, and (4) the 2014 Legislature approved changing the At-Will Employee Contract (AWEC) 9-month position to a full-time position.

Unclaimed property owner information and lists were requested by several heirfinder. Written inquiries from people seeking possible unclaimed funds were received from almost every state and several foreign countries and increased by 52% over FY13. Internet inquiries on the Wyoming Unclaimed Property Website (www.wywindfall.gov) decreased 50% over FY13. Owner outreach increased by 32% over FY13. Claims filed by rightful owners/heirs increased by 11% over FY13.

WYOMING UNIFORM UNCLAIMED PROPERTY ACT

<u>FISCAL YEAR</u>	<u>BEGINNING BALANCE</u>	<u>RECEIVED</u>	<u>DISBURSED</u>	<u>ENDING BALANCE</u>
FY00	10,170,551.29	1,975,557.85	1,274,918.31	10,871,190.83
FY01	10,871,190.83	2,763,717.84	1,050,831.89	12,584,076.78
FY02	12,584,076.78	3,489,779.83	1,917,521.28	14,156,335.33
FY03	14,156,335.33	3,116,677.58	1,657,258.29	15,615,754.62
FY04	15,615,754.62	3,784,421.94	1,982,406.14	17,417,770.42
FY05	17,417,770.42	3,188,781.15	1,389,724.33	19,216,827.24
FY06	19,216,827.24	4,468,854.76	1,390,353.36	22,295,328.64
FY07	22,295,328.64	4,258,239.76	1,439,396.86	25,114,171.54
FY08	25,114,171.54	4,169,527.52	1,372,748.31	27,910,950.75
FY09	27,910,950.75	4,945,635.62	749,176.57	32,107,409.80
FY09-13th Period - NSF Write-Offs	32,107,409.80	0.00	2,820.42	32,104,589.38
FY10	32,104,589.38	4,831,273.70	2,955,361.51	33,980,501.57
FY11	33,980,501.57	5,653,817.01	1,822,298.06	37,812,020.52
FY12	37,812,020.52	5,339,450.49	2,094,396.51	41,057,074.50
FY13	41,057,074.50	5,625,801.83	1,626,898.84	45,055,977.49
FY14	45,055,977.49	7,894,984.50	2,166,433.05	50,784,528.94

NOTES:

The FY09 disbursed amount dropped significantly due to converting to a new database system. Public outreach projects were on hold for almost 1.5 years due to this conversion. The disbursed amount increased in FY10 upon completion of the conversion and reinstatement of the outreach projects.

Prior 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.

APPENDIX

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BALANCE SHEET

As Of June 30, 2014

ASSETS

Treasurer's Cash	(\$29,711,147.97)		
WYO-STAR Cash	0.00		
Cash with Fiscal Agent	67,791,990.02	\$38,080,842.05	
	<hr/>		
Income Receivable	57,829,870.30		
WYO-STAR Income Receivable	0.00	57,829,870.30	
	<hr/>		
State Investments @ Cost	17,976,456,845.99		
WYO-STAR Investments @ Cost	645,025,876.49		
	<hr/>		
Total Investments @ Cost		18,621,482,722.48	
		<hr/>	
TREASURER'S TOTAL ASSETS			\$18,717,393,434.83
			<hr/> <hr/>

LIABILITIES

Due to Local Government Entities (WYO-STAR income)	0.00
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EQUITY

State Investment Equity	17,946,745,698.02		
Bond Funds with Fiscal Agent	67,791,990.02		
Unapportioned Income	57,829,870.30		
	<hr/>		
Total State Equity		18,072,367,558.34	
WYO-STAR Participation		645,025,876.49	
		<hr/>	
TREASURER'S TOTAL LIABILITY & FUND EQUITY			\$18,717,393,434.83
			<hr/> <hr/>

STATEMENT OF CASH FLOWS
WELLS FARGO ACCOUNT
For Year Ended June 30, 2014

Cash flows from operating activities:

Receipts	1	6,453,048,087.20
Less return items		<u>(1,336,402.65)</u>
Net Cash receipts		6,451,711,684.55
Increase (Decrease) in Petty Cash		(1,235.00)
Expenses		
Warrants redeemed	2	<u>(5,920,165,327.96)</u>

Net Cash provided (used) by operating activities 531,545,121.59

Cash flow from investment operations:

Cash Investment income received	3	365,749,662.22
Deferred Income (Gain/Loss)		468,462,457.07
Net increase in investments & loans receivable		<u>(1,413,713,942.00)</u>

Net Cash provided (used) by investment activities (579,501,822.71)

Net increase (decrease) in Cash (47,956,701.12)

Beginning Cash: July 1, 2013 18,245,553.15

Ending Cash: June 30, 2014 (29,711,147.97)

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.

Fiscal Year 2014 net cash receipts increased 1% compared to FY 13.

- 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 2014 warrants redeemed increased 1% compared to FY 13.

- 3 "Investment income received" represents the investment income actually received by the Treasurer 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. This figure excludes non-cash items, but does include all state trading profits.

LEGISLATIVE AUTHORITY

W.S. 9-1-401; 9-1-409 through 9-1-417	State Treasurer-Duties Generally
W.S. 8-1-109	Distribution of Fines & Penalties
W.S. 9-4-206	Disposition of Revenue/Petty Cash Accounts
W.S. 9-4-305	Inflation Proofing Permanent Land Funds
W.S. 9-4-401	Distribution of Taylor Grazing Funds
W.S. 9-4-501 through 9-4-503	Distribution of Forest Reserve Funds
W.S. 9-4-601 through 9-4-607	Distribution of Federal Mineral Royalties
W.S. 9-4-605	Bond Issues - Capital Facilities
W.S. 9-4-714 through 9-4-719	Investment of State Funds
& 9-4-831	
W.S. 9-4-719	Investment Earnings Spending Policy
W.S. 9-4-801 through 9-4-829	Deposits in Wyoming Banks & S&L
W. S. 9-4-901 through 9-4-904	Refunding Bonds
W.S. 9-4-1001 through 9-4-1002	Guarantee Program for School District & Local Gov't Bonds
W.S. 9-4-1003	Supplemental coverage program for University of Wyoming Revenue Bonds
W.S. 9-4-1101 through 9-4-1105	Tax & Revenue Anticipation Notes
W.S. 9-4-1203	Investment of Tobacco Settlement Fund
W.S. 9-15-103	Investment of Wildlife/Natural Resource Trust Account
W.S. 10-3-403	Wyoming Investment-Airport Loans - Aeronautics Commission
W.S. 11-6-210	Distribution of Livestock Predatory Animal Control Fees
W.S. 11-34-129	Wyoming Investment-Farm Loans
W.S. 11-34-301	Wyoming Investment-Small Water Development Project Loans
W.S. 16-1-109	Wyoming Investment-Joint Powers Board Loans
W.S. 18-7-201 through 18-7-205	County Libraries Endowment Challenge Acct/Invest & Distribute Match
W.S. 21-16-113	Investment in Insured, Guaranteed or Higher Education Loans
W.S. 21-16-714	Student Loan Standby Commitment
W.S. 21-16-809 thru 21-16-818	Family College Savings Program
W.S. 21-16-902 through 21-16-904	UW Endowment Challenge Account/Invest & Distribute Matching Funds
W.S. 21-16-1001 through 21-16-1003	UW Athletics Challenge Account/Invest & Distribute Matching Funds
W.S. 21-16-1101 through 21-16-1104	Community College Endowment Challenge Account/Invest & Distribute Match
W.S. 21-16-1201 through 21-16-1204	Higher Education Endowment Fund-Investment & Distribution
W.S. 21-16-1302	Hathaway Student Scholarship Program-Investment, Distribution & Reserve Acct
W.S. 21-16-1401 through 21-16-1403	UW Academic Facilities Challenge Account/Invest & Distribute Match
W.S. 21-22-101; 102	Investment of Wyoming Education Trust Fund
W.S. 27-3-202	Investment of Worker's Compensation Funds
W.S. 31-3-101(b)(iii), (vi), (xiv)	Distribution- Indian Motor Vehicle Tax Exemption Reimbursement
W.S. 34-24-101 through 34-24-140	Unclaimed Property
W.S. 35-1-1003; 1004	Critical Access/Rural Hospital Endowment Challenge Acct-Invest & Distribute
W.S. 36-8-319	Wyoming Investment in Hot Springs State Park Loans
W.S. 37-5-206	Investment in Natural Gas Pipeline Authority Bonds
W.S. 37-5-406	Investment in Wyo Infrastructure Authority Bonds
W.S. 39-13-103	Distribution of Railroad Car Tax
W.S. 39-13-102; 105	Distribution-Veterans Property Tax Exemption Reimbursements
W.S. 39-13-107	Deferred Tax Loans to Counties
W.S. 39-14-109; 211; 311; 411;	Distribution of Severance Tax
& 39-14-509; 611; 711; 801	
W.S. 39-17-111	Distribution of Gas Tax Refund
W.S. 41-2-124	Distribution-Water Development funds
1987-ch 117	Wyoming Investment in Shoshone Municipal Water Treatment Project Loan
1989-ch 131, 285	Wyoming Investment in Sheridan Area Water Treatment Facility Loan
1989-ch 230	Wyoming Investment in Laramie Territorial Park Loan
2009-ch 103; 2010 ch 115	Investment in Gillette Madison Pipeline