TREASURER

# ANNUAL REPORT of the Treasurer

## of the State of Wyoming

**For the Period**

**July 1, 1991 through June 30, 1992**

*Stan Smith, State Treasurer*

*Glenn A. Shaffer, Deputy State Treasurer*

THE STATE OF WYOMING

# *Wyoming State Treasurer*

STATE CAPITOL (307) 777-7408 CHEYENNE, WYOMING 82002

STAN SMITH
STATE TREASURER

GLENN A SHAFFER
DEPUTY STATE TREASURER

The Honorable Mike Sullivan
Governor of Wyoming
State Capitol
Cheyenne, Wyoming 82002

Sir:

In accordance with the provisions of Wyoming Statutes, I have the honor to transmit the **Annual Report of the State Treasurer.**

The following detailed statements contain a general account of the financial and investment transactions of this office during the 12-month period ending June 30, 1992.

Yours very truly,

Stan Smith
State Treasurer

December, 1992

# FOREWORD

## Accounting System Update

The new WIN accounting system is in full operation, but has a number of snags and quirks which still have to be ironed out. The cost of operation of the WIN system are significantly greater than those incurred under the old Wyoming Uniform Accounting System. When fully operative, the system will provide a number of advantages over the Wyoming Uniform Accounting System.

## Budget Reductions

The 1992 legislative session saw drastic revenue shortfalls, which resulted in massive budget reductions to almost all departments of state government. The budget for the actual operation of the state treasurer's office was cut by 35%. In addition, the budget for Tax Refund for the Elderly and Disabled was removed from this office and placed with the Department of Family Services. Funds for the software upgrade for WYO-STAR were cut out of the budget, and funds to pay the investment managers were reduced to the point where both of the two investment manager contracts will have to be terminated this year if the funding is not restored by the 1993 legislature.

## Wyoming Bankers Oppose WYO-STAR Program

Repeated objections from the Wyoming Bankers Association (WBA) have been received in the treasurer's office to the program called WYO-STAR (Wyoming State Treasurer's Asset Reserve). This is the statewide investment pool mandated by W.S. 9-1-416, which has been in effect since 1987. It provides a vehicle to local governments for investing of their short-term cash reserves. The bankers believe that this money should be deposited by the local governments in the community banks of the state rather than pooled and invested by the state treasurer's office. Recent rates of return achieved by the program are:

| | |
|---|---|
| 12-31-91 | 6.684% |
| 6-30-92 | 5.162% |

A complete description of the program with rates paid since inception appears on page 35.

The Wyoming Bankers Association has proposed that some of the earnings of the investment pool of WYO-STAR be "left with the state" and not distributed to the local governments, thus reducing the investment return received by the local governments. We have explained to the WBA that the funds in the WYO-STAR pool are not co-mingled with state funds, but are handled completely separately, and that the state treasurer cannot lift earnings out of one fund and place them somewhere else.

To compromise on the issue, the state treasurer's office has agreed not to oppose or lobby against legislation in the next session which would terminate the WYO-STAR program. In addition, we have also agreed to again seek legislation, as we did in the last session, to allow the state treasurer's office to charge a fee to the participating local governments to compensate the state for the cost of running the program.

## Short-Term Interest Rates - Lowest in Many Years

The state treasurer's office continues to pursue the strategy of active management of the investment portfolio and the pooled cash fund. With short-term rates now at their lowest level in many years, and with longer-term rates steadily weakening as well, it has become more critical than ever to actively manage the funds, executing trades and swaps of securities whenever it can be done to advantage. Profit from trades in FY 92 was the highest ever at $14,873,000. In FY 92 the interest income from the state treasurer's office continued to be one of the largest sources of income to the state's general fund, and was $128,697,346.39. The total of all realized investment income for the year was $209,531,661.26.

## Link Deposit Update

Last year's annual report described the link deposit program in detail. Wyoming banks are continuing to use the program to provide lower cost capital for eligible Wyoming businesses and agricultural operations. From the inception of this program, which was initiated by the State Treasurer in 1986, there has never been any risk to the state. All of the deposits linked to loans all fully protected by 100% collateral pledged to the state. Current low market interest rates, however, have reduced the yield to the state treasury on link deposits to such a ridiculously low level that we are recommending a rule change that will place a floor of 3% for the yield to be received by the state on link deposits. In addition, the proposal will be to allow five year link deposit loans instead of the current limit of three year loan terms.

## Equity Investments for our Permanent Funds

By a two-thirds vote of both the Wyoming House and Senate, legislation has been passed to place a constitutional amendment on the ballot November 3, 1992. This amendment will allow a portion of Wyoming's permanent funds to be invested in common stocks. As election day draws near, the state treasurer's office will be

conducting an educational campaign around the state to inform the voters about the value of this change in our law which will counter the effects of inflation and enhance interest income, while at the same time not increasing our investment risk within the long-term horizon of our permanent funds.

## Plaudits and a Pat on the Back for our Investment Managers

Criterion of Houston, Texas, and Duff & Phelps of Chicago, Illinois deserve recognition for the excellent job they are doing for the state. Each of these managers is in charge of a portfolio of approximately $250 million, which each firm actively manages for the state. For FY 92, the realized yield in their combined portfolio was 9.80%. Both managers have consistently achieved a yield in excess of the goal set for them (which references the Shearson-Lehman Government-Corporate Index), and each has earned many times more than the cost of their services. It will be shame if this program is not continued because of lack of appropriation by the legislature.

## Agricultural Gas Tax Refunds - Let's Streamline the Process

For the second year, we will be taking a proposal to the legislature to simplify the agricultural gas tax program, which provides a benefit to farm operators of 70% of the gasoline taxes collected to compensate them for off-road use of farm and ranch vehicles. The bill will provide for a tax credit to the operator at the time of bulk gasoline delivery, substituting that for a complicated present system of making application with supporting vouchers, with a review process followed by the mailing of individual payments to operators throughout the state. The proposed change will eliminate a lot of administrative work and has the approval of the Department of Revenue.

Stan Smith
State Treasurer

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# DUTIES OF THE OFFICE

The principal duty of the state treasurer is to safeguard and to invest the funds of the state including the operating cash balances and the permanent funds, altogether totalling at year-end $2,857,091,322. However, the state treasurer has many other additional duties and currently serves on many boards and commissions as follows: 1) Farm Loan Board, 2) Board of Land Commissioners, 3) Retirement Board, 4) Capitol Building Commission, 5) Wyoming Community Development Authority, 6) Liquor Commission, 7) Group Health Insurance Board, 8) Commission of Prison Labor, 9) Board of Wills and Trusts, 10) Board of Deposits and 11) State Canvassing Board.

The state treasurer continues to serve as chairman of the Retirement Board. The treasurer also presides over the meetings of the Deferred Compensation Board and the Wyoming Investment Advisory Council, which are both statutory bodies whose function is to advise the state treasurer.

Daily receipts from state agencies are acknowledged by official receipts and deposited for the agency. State warrants are redeemed from the bank each day and filed for reference. All funds remaining over current expenditures are invested daily right down to the compensating balance kept in our one demand bank account. A composite investment account composed of funds from the agencies, called the cash pool, is invested daily with interest income going, for the most part, to the general fund but with certain exceptions where, by law, the interest income must go back to the account that created the income. Interest on Permanent Land Funds goes either to an income fund or to the general fund and Permanent Mineral Trust Fund earnings go to the general fund. Legislation passed in 1989 assigned to the state treasurer the general responsibility for the management of the state's cash resources including developing information to forecast the cash needs of the state.

The treasurer's office receives and maintains custody and records of all property under the provisions of the Escheat Property Law. A Legislative Interim Committee (the Joint House-Senate Judiciary Committee) is currently studying a Wyoming modified version of the Uniform Unclaimed Property Law, and intends to introduce that version into the 1993 legislative session.

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

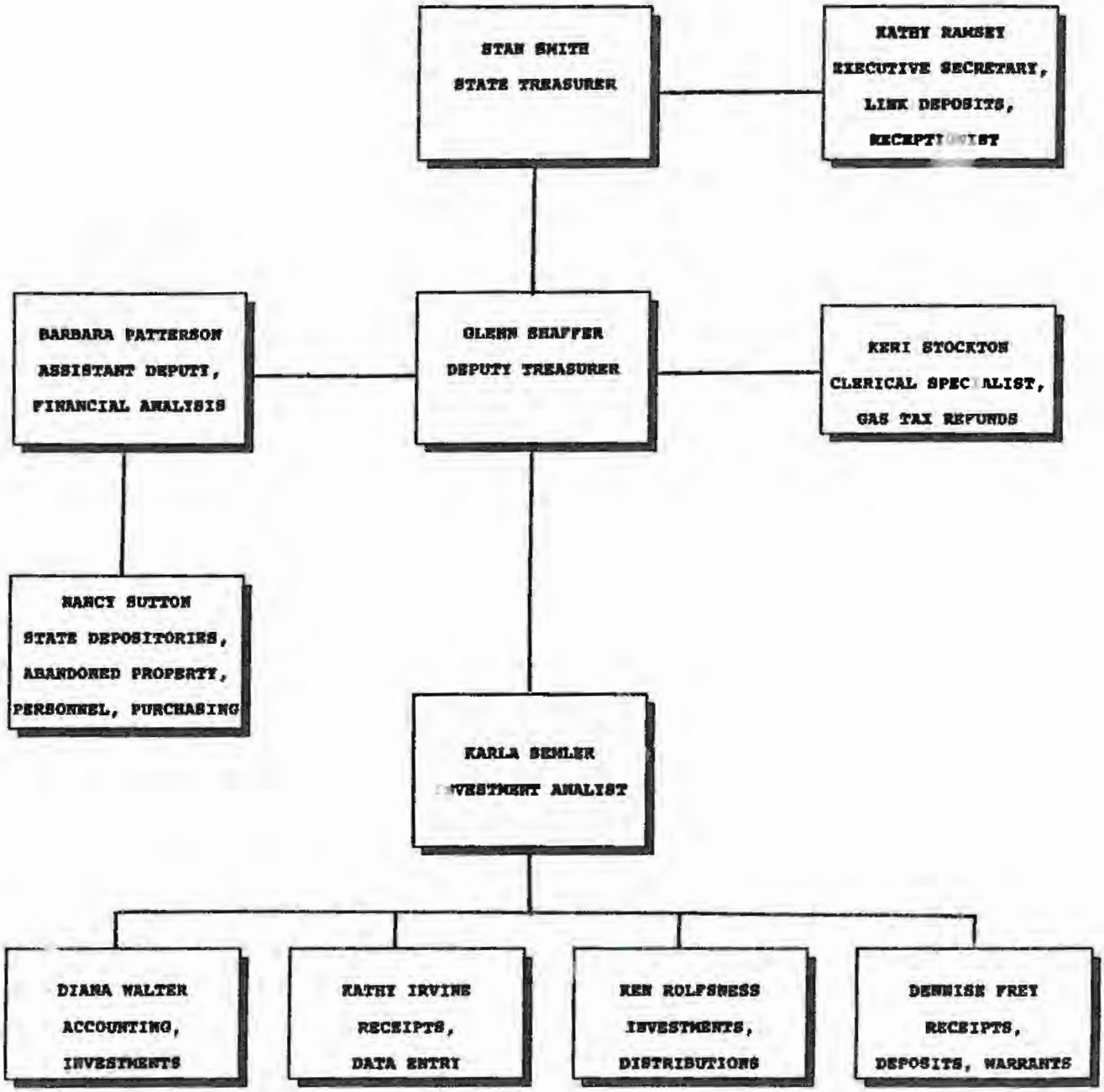
The treasurer administers the Wyoming State Treasurer's Asset Reserve (WYO-STAR) which is an investment pool for use by local government entities, school districts, counties and cities that wish to place funds with the state for short term investment.

Distributions of various state and federal monies are made as prescribed by law to cities, towns, counties, and state agencies, as well as refunds to individuals for agricultural gas tax use.

A comprehensive program of deferred compensation for state employees is administered under the direction of the state treasurer. Through this program our state, university, school district and municipal employees may defer some of their pay into an account which is invested in any one of a number of options available to that employee. Taxes are deferred until retirement on both the principal and the investment earnings.

The only automobiles assigned to the office are S-4 and S-1171.

# ORGANIZATIONAL CHART OF STATE TREASURER'S OFFICE



# WYOMING STATE TREASURER

## BALANCE SHEET AS OF JUNE 30, 1992

| | | | |
|---|---|---|---|
| **Assets** | | | |
| Treasurer's Cash Balance | $ 42,857,809.89 | | |
| Unposted Redeemed Warrants | (36,430,262.79) | $ 6,427,547.10 | |
| Petty Cash | 201,935.00 | | |
| Due from Other Funds | 12,246.44 | 214,181.44 | |
| Receivable from Inv. Mgrs. | | 12,263,200.59 | |
| Purchased Accrued Interest | | 670,939.71 | |
| Investments @ Par | 2,862,238,547.05 | | |
| Net Premium & Discount | (39,702,788.77) | | |
| Total Investments @ Cost | | 2,822,535,758.28 | |
| TREASURER'S TOTAL ASSETS | | | $ 2,842,111,627.12 |
| **Liabilities** | | | |
| Unposted Redeemed Warrants | | (36,430,262.79) | |
| **Equity** | | | |
| Investment Equity | | 2,857,102,152.84 | |
| Managers' Accrued Income | 12,263,200.59 | | |
| Unapportioned Income | 9,176,536.48 | 21,439,737.07 | |
| TREASURER'S TOTAL LIABILITY AND FUND EQUITY | | | 2,842,111,627.12 |

# WYOMING STATE TREASURER

## STATEMENT OF CASH FLOWS

## FOR YEAR ENDED JUNE 30, 1992

| | | |
|---|---|---|
| **Cash flows from operating activities:** | | |
| Receipts[1] | $ 1,692,256,999.19 | |
| Less return items | (1,658,278.05) | |
| Net cash receipts | 1,690,598,721.14 | |
| Increase in petty cash | (7,792.25) | |
| Warrants redeemed[2] | (1,943,801,149.88) | |
| Net cash provided (used) by operating activities | | $ (253,210,220.99) |
| **Cash flows from investment operations:** | | |
| Investment income received | 209,531,661.26 | |
| Unapportioned investment income | 9,176,536.48 | |
| Decrease in outstanding purchased accrued interest | 550,377.01 | |
| Net proceeds from investments | 33,734,620.10 | |
| Net cash provided (used) by investment activities | | 252,993,194.85 |
| Net decrease in cash | | (217,026.14) |
| Beginning cash: July 1, 1991 | | 6,644,573.24 |
| Ending cash: June 30, 1992 | | 6,427,547.10 |

[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 - under the new accounting system Investment Income is separated from "other" types, thus eliminating duplicate recognition of revenue. Receipts now represent all new, non-investment, income to the state.

In Fiscal Year 1992 receipts increased 1.19% compared to FY 91 (adjusted to remove FY 91 investment income).

[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 1992 warrants redeemed increased 10.11% compared to Fiscal Year 1991.

While the dollars of redeemed warrants increased, the physical number of warrants redeemed declined by 6%, representing the consolidation of several agencies' payments on each warrant written.

# INCOME EARNINGS RECEIVED ON INVESTMENTS FOR FISCAL YEAR 1992

## AS OF 6/30/92

| | Regular Investment Income | Cash Pool Income 7/1-6/30 | Total Investment Income Rec'd |
|---|---|---|---|
| Employment Security Commission | $ 120,354.76 | 33,204.16 | 153,558.92 |
| Workers' Compensation | 486,025.95 | 807,247.79 | 1,293,273.74 |
| GNMA Fund | 29,436.00 | 350,500.55 | 379,936.55 |
| '89 Bonds - Const. Acct. | 517,688.67 | 135,353.76 | 653,042.43 |
| Miners' Hospital Permanent Land Fund | 1,731.55 | 1,391,039.32 | 1,392,770.87 |
| Public Buildings @ Capitol Perm Land Fund | 13,679.22 | 27,671.44 | 41,350.66 |
| Fish Hatchery Permanent Land Fund | 2,077.86 | 14,414.69 | 16,492.55 |
| Common School Permanent Land Fund | 49,551,612.83 | 5,106,896.61 | 54,658,509.44 |
| D. D. & B. Permanent Land Fund | 18,267.80 | 35,114.11 | 53,381.91 |
| Carey Act Permanent Land Fund | | 185,307.62 | 185,307.62 |
| Omnibus Permanent Land Fund | 3,982.55 | 1,005,089.19 | 1,009,071.74 |
| State Hospital Permanent Land Fund | | 365,969.73 | 365,969.73 |
| State Training School Permanent Land Fund | 34,819.35 | 8,552.33 | 43,371.68 |
| Penitentiary Permanent Land Fund | | 759,843.21 | 759,843.21 |
| Agriculture College Permanent Land Fund | 8,939.49 | 385,494.45 | 394,433.94 |
| University Permanent Land Fund | 334,575.58 | 767,282.80 | 1,101,858.38 |
| Permanent Mineral Trust Fund | 79,478,290.40 | 8,000,694.80 | 87,478,985.20 |
| Education Trust Fund | 420,707.78 | 359,962.04 | 780,669.82 |
| General Fund | | 35,973,226.28 | 35,973,226.28 |
| Other Funds | | 22,796,606.59 | 22,796,606.59 |
| | $131,022,189.79 | $78,509,471.47 | $209,531,661.26 |

Total Income--Treasurer's Investments (Includes Both Treasurer's & Managers' Investments) $209,531,661.26

NOTE:

A. Cash Pool Interest as of 6/30/91 (distributed 7/91) 41,188,153.14

B. Mineral Trust Fund Investment Income transferred to General Fund during FY 92 92,724,655.38

(includes FY 91 Cash Pool income of $5,189,501.16 received 7/91)
(includes FY 91 Regular income of $56,169.02 not transferred as of 6/30/91)
(includes $5,888,090.11 FY 92 income transferred 7/92 before FY 92 closing)

# STATEMENT OF INVESTMENTS
# AS OF JUNE 30, 1992

| | | |
|---|---|---|
| Fixed Income Investments | (Schedule I - page 7) | 2,229,954,965.04 |
| Deposits in Wyoming Banks | (Schedule II - page 8) | 50,193,000.00 |
| Deposits in Savings & Loans | (Schedule III - page 9) | 10,364,000.00 |
| Link Deposit Program | (Schedule IV - page 11) | 74,278,722.73 |
| Treasurer's Investments | | 2,364,790,687.77 |
| Managers' Investments | | 497,447,859.28 |
| Total Investments @ Par | | 2,862,238,547.05 |

# STATE OF WYOMING
# STATE TREASURER'S FIXED INCOME INVESTMENTS

**Schedule I BREAKDOWN BY FUND**

| | | |
|---|---|---|
| Cash Pool (This fund represents the cash balance of all funds and accounts for which specific investment have not been made.) | | $850,543,542.32 |
| 1989 Bonds: Construction Account | | 4,732,625.76 |
| 1990 Bonds: Construction Account | | 0.00 |
| 1991 Bonds: Construction Account | | 5,161,601.48 |
| GNMA Account | | 2,000,000.00 |
| Workers' Compensation Fund | | 40,000.00 |
| 1990 Bonds: Debt Service Reserve | | 1,234,500.00 |
| 1991 Bonds: Debt Service Reserve | | 758,576.78 |
| Common School Permanent Land Fund | | |
| State Building Revenue Bonds | 32,033,438.00 | |
| Other Investments | 287,717,713.71 | 319,751,151.71 |
| Permanent Wyoming Mineral Trust Fund | | |
| Shoshone Water Development Project | 16,500,000.00 | |
| Sheridan Area Water Treatment Project | 6,750,000.00 | |
| City of Laramie, Albany County Territorial Park | 10,000,000.00 | |
| Mortgage Loan Program | 37,225,029.41 | |
| Farm Loans | 198,4[illegible]296.89 | |
| Irrigation Loans | 23,9[illegible],281.80 | |
| Joint Powers Loan | 37,426,862.20 | |
| Other Investments | 715,393,436.69 | 1,045,[illegible],906.99 |
| **Total Treasurer's Fixed Income Investments @ Par** | | **$2,229,954,965.04** |

# STATE OF WYOMING

# REPORT OF THE STATE BOARD OF DEPOSITS

The State Board of Deposits, consisting of the Governor, Secretary of State, and State Treasurer, met on March 5, 1992, to consider the applications from Wyoming financial institutions to be designated as State Depositories under the provisions of the State Depository Law.

The Board of Deposits meets quarterly, in advance of each calendar quarter, to set the interest rate for the ensuing quarter. All deposits in excess of the federally insured amount of $100,000 are protected by a pledge of securities or mortgage loans to the State Treasurer as prescribed by statute.

Several bank holding companies in Wyoming have converted to branches. 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 (TDOA's), Bid Deposits and the Link Deposit Program. The parent bank will hold the depository relationship.

The fiscal year 1992 found no Wyoming banks reported closed. One Wyoming Savings and Loans experienced closure in fiscal year 1992 - Westland Federal Savings & Loan, Rawlins. Westland was purchased by Rawlins National Bank.

**Schedule II DEPOSITS IN WYOMING BANKS**

| | |
|---|---|
| Star Valley State Bank, Afton | $ 751,000.00 |
| Security State Bank, Basin | 608,000.00 |
| First National Bank, Buffalo | 600,000.00 |
| Wyoming Bank & Trust, Buffalo | 510,000.00 |
| Norwest Bank Wyoming Casper, N.A. | 2,941,000.00 |
| American National Bank, Cheyenne | 1,278,000.00 |
| Equality State Bank, Cheyenne | 1,095,000.00 |
| Key Bank, Cheyenne | 17,418,000.00 |
| Frontier Bank of Laramie County, Cheyenne | 169,000.00 |
| Norwest Bank Wyoming Cheyenne, N.A. | 2,311,000.00 |
| Western Bank, Cheyenne | 100,000.00 |
| Shoshone First National Bank, Cody | 1,229,000.00 |
| Western Bank, Cody | 309,000.00 |
| Converse County Bank, Douglas | 849,000.00 |
| First National Bank of Evanston | 799,000.00 |
| Hulett National Bank | 268,000.00 |
| Bank of Jackson Hole | 590,000.00 |
| Jackson State Bank | 2,547,000.00 |

| | |
|---|---|
| American National Bank, Laramie | 627,000.00 |
| Bank of Laramie | 378,000.00 |
| Lingle State Bank | 229,000.00 |
| Norwest Bank Wyoming Lovell, N.A. | 547,000.00 |
| Lusk State Bank | 276,000.00 |
| First State Bank, Newcastle | 817,000.00 |
| First Security Bank, Newcastle | 456,000.00 |
| First National Bank, Pinedale | 280,000.00 |
| Ranchester State Bank | 244,000.00 |
| Bank of Commerce, Rawlins | 423,000.00 |
| Rawlins National Bank | 1,346,000.00 |
| Riverton State Bank | 372,000.00 |
| American National Bank, Rock Springs | 555,000.00 |
| First Security Bank, Rock Springs | 1,187,000.00 |
| Rock Springs National Bank | 500,000.00 |
| First Interstate Bank, Sheridan | 4,532,000.00 |
| Sheridan National Bank | 385,000.00 |
| Sundance State Bank | 821,000.00 |
| First State Bank, Thermopolis | 429,000.00 |
| Union State Bank, Upton | 446,000.00 |
| Stockgrowers State Bank, Worland | 703,000.00 |
| **TOTAL BANK DEPOSITS** | **$50,193,000.00** |

**Schedule III DEPOSITS IN WYOMING SAVINGS AND LOAN INSTITUTIONS**

| | |
|---|---|
| Buffalo Federal Savings and Loan | $ 676,000.00 |
| Rocky Mountain Federal Savings Bank, Cheyenne | 6,313,000.00 |
| Security First Savings and Loan, Cheyenne | 520,000.00 |
| First Federal Savings and Loan, Sheridan | 1,906,000.00 |
| Tri-County Savings and Loan, Torrington | 949,000.00 |
| **TOTAL SAVINGS AND LOAN INSTITUTIONS DEPOSITS** | **$10,364,000.00** |

# HISTORY OF INTEREST RECEIVED FROM DEPOSITS IN WYOMING FINANCIAL INSTITUTIONS AS SET BY STATE BOARD OF DEPOSITS

A total of $3,198,787.45 was earned in Fiscal Year 1992. A historical summary of interest rates being charged banks and savings and loan institutions follows:

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

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

| Year | Amount | | Rate | | | |
|---|---|---|---|---|---|---|
| | Banks | S&L | January | April | July | October |
| 1981 | $59,860,000 | $19,675,000 | 11.50% | 11.75% | 12.50% | 13.50% |
| 1982 | 63,995,000 | 20,005,000 | 10.25% | 12.50% | 12.75% | 9.75% |
| 1983 | 67,760,000 | 20,500,000 | 9.25% | 8.00% | 8.25% | 8.25% |
| 1984 | 67,750,000 | 20,500,000 | 8.25% | 8.50% | 9.25% | 9.25% |
| 1985 | 67,950,000 | 20,500,000 | 8.50% | 8.25% | 7.25% | 7.25% |
| 1986 | 65,110,000 | 15,705,000 | 7.00% | 6.75% | 6.00% | 5.00% |
| 1987 | 59,210,000 | 16,075,000 | 5.00% | 5.00% | 5.75% | 5.90% |
| 1988 | 56,215,000 | 16,075,000 | 6.00% | 5.75% | 6.50% | 7.50% |
| 1989 | 44,241,000 | 16,112,000 | 8.00% | 9.25% | 8.70% | 8.125% |
| 1990 | 40,360,000 | 14,929,000 | 7.65% | 7.60% | 7.50% | 7.50% |
| 1991 | 39,182,000 | 9,516,000 | 7.25% | 6.10% | 5.70% | 5.50% |
| 1992 | 50,193,000 | 10,364,000 | 5.00% | 4.50% | 4.25% | 3.75% |

# STATE OF WYOMING

# LINK DEPOSIT PROGRAM

The Wyoming Link Deposit Program became operational during October, 1986. The purpose of the program is twofold: to provide impetus for economic development and to provide assistance for presently existing businesses so that they can remain viable participants in the state's economy. Link deposit loans must either create new jobs or preserve jobs already existing.

The program is a partnership between the state and Wyoming financial institutions providing a lower rate for Wyoming borrowers both business and agriculture. The state places a three-percent rate reduction on the deposit placed with a financial institution which passes that three-percent reduction to the borrower's market loan rate to which the deposit is "linked". The maximum amount is $750,000 with a maximum term currently at three years. All the risk of making the loans is assumed by the banks in the program, as the state deposits are always 100% collateralized.

Legislation for 1988 requires that a link deposit not be made if an unfair business advantage would be gained against an existing local business engaged in a similar business. The State Treasurer and Department of Audit published rules and regulations allowing publication of notice in the local paper prior to issuance of a link deposit asking for competitors to respond if they object to the issuance and believe an unfair business advantage is being obtained. The treasurer investigates the facts and rules on the matter, thereby approving or disapproving the link deposit.

Legislation for 1989 added $25 million and approved clean-up, removal or replacement of leaking underground storage tanks to the program up to that amount. All rules continued for this use with the exception of the unfair business advantage portion. Additional rules were promulgated to assure proper use and safeguards.

**Schedule IV DEPOSITS IN FINANCIAL INSTITUTIONS--LINK DEPOSITS**

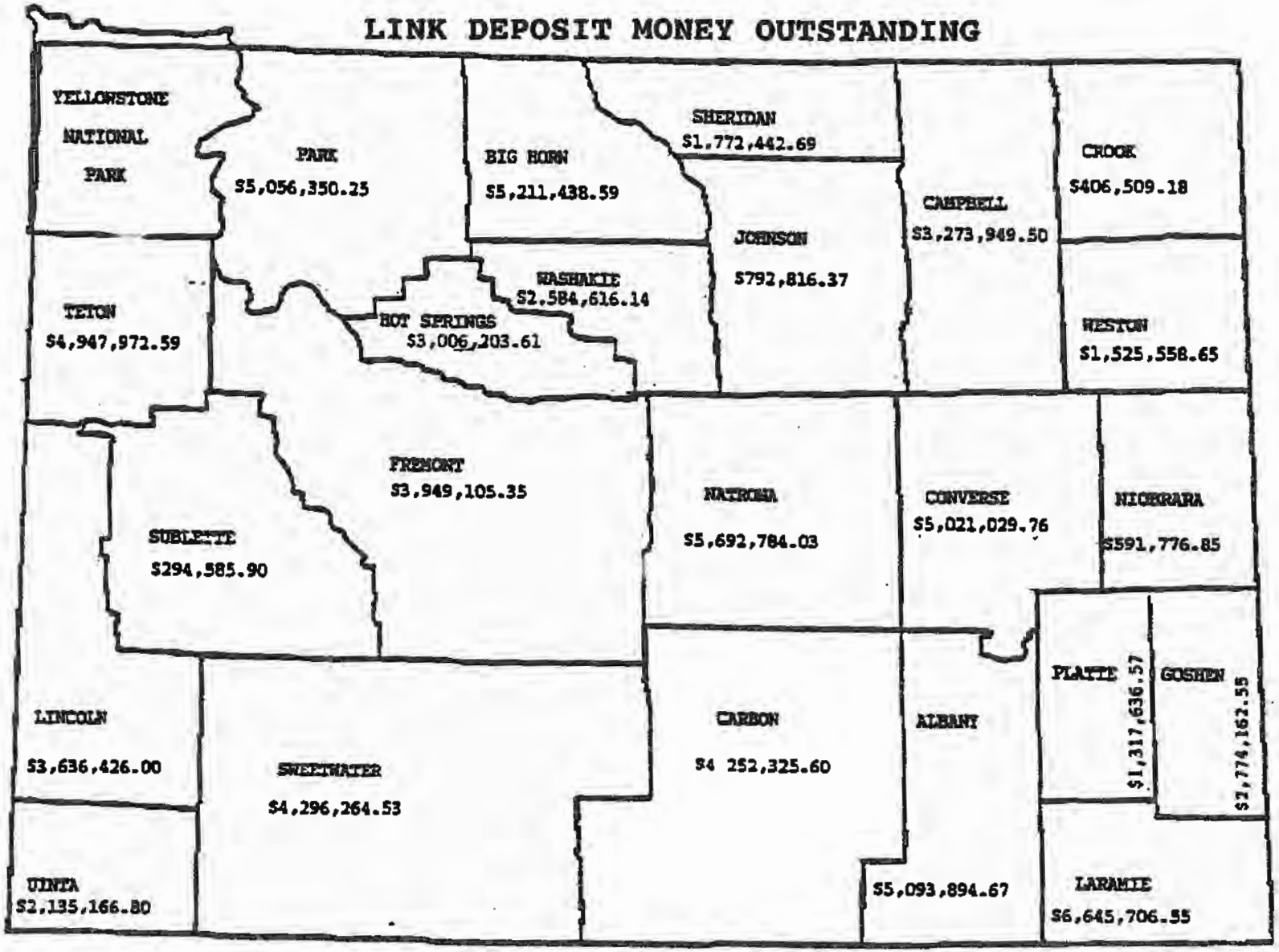
| | |
|---|---|
| Star Valley State Bank, Afton | $ 1,242,608.36 |
| Security State Bank, Basin | 3,750,784.17 |
| First National Bank, Buffalo | 679,816.37 |
| Farmers State Bank, Burns | 213,434.82 |
| First Interstate Bank, Casper | 1,716,496.74 |
| Hilltop National Bank, Casper | 1,637,750.83 |
| Norwest Bank Wyoming Casper, N.A. | 1,951,086.60 |
| Equality State Bank, Cheyenne | 1,901,220.34 |
| Key Bank, Cheyenne | 26,554,940.41 |
| Norwest Bank Wyoming Cheyenne, N.A. | 796,816.56 |

| | |
|---|---|
| Shoshone First National Bank, Cody | 1,292,754.62 |
| Western Bank, Cody | 523,195.48 |
| Converse County Bank, Douglas | 4,661,063.38 |
| Dubois National Bank | 85,158.22 |
| First National Bank, Evanston | 201,201.95 |
| First National Bank, Gillette | 1,017,376.62 |
| National Bank, Glenrock | 86,290.74 |
| Oregon Trail Bank, Guernsey | 44,934.45 |
| Bank of Jackson Hole | 258,920.31 |
| Jackson State Bank | 1,490,399.97 |
| First National Bank, Kemmerer | 82,647.21 |
| American National Bank, Laramie | 2,255,516.52 |
| Bank of Laramie | 76,142.30 |
| Lingle State Bank | 266,008.30 |
| Lovell National Bank | 53,443.52 |
| Norwest Bank Wyoming Lovell, N.A. | 90,811.51 |
| First State Bank, Newcastle | 618,844.68 |
| First Security Bank, Newcastle | 505,613.51 |
| First National Bank, Powell | 1,550,520.52 |
| Bank of Commerce, Rawlins | 173,088.77 |
| Rawlins National Bank | 2,937,826.89 |
| Riverton State Bank | 252,406.98 |
| American National Bank, Rock Springs | 1,041,848.57 |
| First Interstate Bank, Sheridan | 3,729,838.81 |
| Sheridan National Bank | 109,793.95 |
| Sundance State Bank | 100,000.00 |
| First National Bank, Thermopolis | 1,580,115.24 |
| First State Bank, Thermopolis | 1,134,975.25 |
| Citizens National Bank, Torrington | 1,466,107.92 |
| First National Bank, Torrington | 338,088.00 |
| Union State Bank, Upton | 401,100.46 |
| First State Bank, Wheatland | 85,095.39 |
| Norwest Bank Wyoming Wheatland, N.A. | 175,588.76 |
| First National Bank, Worland | 2,732,361.03 |
| Stockgrowers State Bank, Worland | 284,430.67 |
| Buffalo Federal Savings & Loan | 113,000.00 |
| Rocky Mountain Federal Savings Bank, Cheyenne | 1,852,296.11 |
| Security First Savings, Cheyenne | 129,121.12 |
| Tri-County Federal Savings & Loan, Torrington | 35,837.80 |
| **TOTAL LINK DEPOSITS** | **$74,278,722.73** |

(In addition to the listed deposits, the state treasurer has made an investment at a reduced rate of interest in a security of the farm credit system, making the total in the program ($104,278,722,73)

# COUNTY SUMMARY OF

# LINK DEPOSIT MONEY OUTSTANDING




TOTAL MONEY OUTSTANDING $74,278,722.73
(This figure does not include loans of the Farm Credit System)

# STATE OF WYOMING
# INVESTMENTS BY MAJOR TYPE AT COST
# ON JUNE 30, 1992

| TYPE | AMOUNT AT COST | PERCENT OF TOTAL |
|---|---|---|
| U.S. Treasury Obligations | $ 84,732,623.80 | 3.64% |
| U.S. Government Agencies | 956,248,376.69 | 41.13% |
| Day-to-Day Repurchase Agreements | 192,230,000.00 | 8.27% |
| Term Repurchase Agreements | 12,440,000.00 | 0.53% |
| Corporate Securities | 583,199,827.92 | 25.08% |
| Farm Loans and Special Loans | 200,150,331.13 | 8.61% |
| Irrigation Loans | 23,970,281.80 | 1.03% |
| Drainage Districts | 108,510.00 | 0.00% |
| Joint Powers Loans | 37,426,862.20 | 1.61% |
| Mortgage Loan Pass-Thru Certificates | 37,225,029.41 | 1.60% |
| Community College Bonds | 2,168,000.00 | 0.09% |
| Agriculture Loans | 6,880,327.27 | 0.30% |
| SBA Loans | 19,480.03 | 0.00% |
| Small Business Assistance Act Loans | 6,558,238.78 | 0.28% |
| Inter-Agency Loans | 1,750,000.00 | 0.08% |
| School District Loans | 2,000,000.00 | 0.09% |
| Shoshone Water Development Project | 16,500,000.00 | 0.71% |
| Sheridan Area Water Treatment Project | 6,750,000.00 | 0.29% |
| Laramie - Albany Co. Territorial Park | 10,000,000.00 | 0.43% |
| Farm Loan Bonds - Cap. Construction Acct. | 9,894,287.24 | 0.43% |
| | $2,190,252,176.27 | |
| Deposits in Wyoming Banks | 50,193,000.00 | 2.16% |
| Deposits in Wyoming Savings & Loans | 10,364,000.00 | 0.45% |
| Wyoming Link Deposit Program | 74,278,722.73 | 3.19% |
| **Total Treasurer's Investments At Cost** | **$2,325,087,899.00** | **100.00%** |

Current yield on June 30, 1992, was 5.10%.

Realized yield for FY 92 was 7.18% based on income received versus cost. (Does not include Investment Managers)

# INVESTMENT MANAGERS' SUMMARY AND NET BENEFIT ANALYSIS
## AS OF JUNE 30, 1992
## (CASH BASIS)

| | | CURRENT FUND BALANCE | ORIGINAL FUND BALANCE |
|---|---|---|---|
| Cash on Hand | | $ 290.36 | |
| Investments | | | |
| Governments | 245,574,695.93 | | |
| Corporates | 23 ,167,551.36 | | |
| Municipal Bds | : 075,480.00 | | |
| Repo Agrmts | 23,893,042.22 | 509,710,769.51 | |
| Interest (transferrec 7/1/92) | | (2,985,038.21) | |
| Ending Balance 6/30/92 | | 506,726,021.66 | 497,447,859.28 |
| INCOME EARNED AND NET BENEFIT: | | | |
| Interest earned & remitted to Treasurer last 12-month period | | | 41,460,852.55 |
| Net profit not yet remitted to Treasurer last 12-month period | | | 7,762,010.00 |
| Total Income Earned: | | | 49,222,862.55 |
| Average monthly balan e available to the managers for vestment | | | 502,153,302.01 |
| Realized yield for 12-month period (includes both interest and net profit) | | 9.80% | |

The investment managers are not required to keep any portion of their managed funds available for conversion to cash which is a big advantage in producing higher yield . In addition, other than the requirements of good portfolio management, the mangers are not limited to the term of their investments, and longer term investments have recently been markedly higher in return than short term. Finally, the investment mangers have a greater volume than has the state of total unds invested from all source a much larger staff and more computer software capability. This enables the managers to include in their portfolio a much greater volume of higher yielding mortgage - backed securities and pass-through securities than is possible for the state with a very small accounting staff.

The return earned by the managers is 9.80% and the approximate return to the state of in-house managed discretionary (non-subsidy) investments is 7.35%. (See page 25).

| | | |
|---|---|---|
| Therefore the net percentage return is: | 9.80 - 7.35 = 2.45% | |
| Times the average balance is: | .0245 x $502,153,300 = | $12,302,750 |
| Less the annual cost of managers | | (-) 530,000 |
| ANNUAL NET BENEFIT OF USING MANAGERS | | $11,772,750 |

# REPORT ON PROFITS REALIZED FROM ACTIVE PORTFOLIO MANAGEMENT FISCAL YEAR 1992

The state of Wyoming investment portfolio that is managed in-house is no longer a "buy-and-hold" list of securities. Instead the entire portfolio of discretionary investments (those that are not subsidy investments mandated by the legislature) is monitored on a regular basis to weed out some and substitute others. Securities that have a market value in excess of book value (the adjusted price) are considered eligible for sale if the proceeds can be re-invested to the advantage of the overall portfolio. Sometimes the advantage may be in the form of increased yield, or it may be in the form of better liquidity or better quality. The bond market is constantly fluctuating, and bond swaps can be made to take advantage of the markets fluctuations and aberrations. This has only recently been made possible by the use of market information that comes in on a minute by minute basis, not just daily.

The benefits of active portfolio management are not free, however, but have a real cost in terms of paying for staff time and expertise. At times, the state of Wyoming has not been able to take full advantage of possible bond swaps because there was not enough accounting staff in the treasurer's office to handle the transactions.

The following is a monthly summary of profitable transactions made in FY 92. The dollar amounts listed do NOT include, however, the additional income that also often results from substituting a new security with a better yield.

| MONTH | TOTAL | CASH POOL FUND | PERMANENT MINERAL TRUST FUND | COMMON SCHOOL LAND FUND | EDUCATION TRUST FUND |
|---|---|---|---|---|---|
| July '91 | $ 426,506.44 | $ 198,437.50 | $ 42,568.94 | $ 185,500.00 | $ |
| August | 778,988.03 | 357,127.81 | 218,695.82 | 203,164.40 | |
| September | 983,213.19 | 398,607.01 | 478,455.98 | 106,150.20 | |
| October | 565,849.75 | 199,431.25 | 189,065.50 | 177,353.00 | |
| November | 2,085,095.68 | 774,391.45 | 1,153,980.79 | 156,723.44 | |
| December '91 | 1,205,729.78 | 222,295.32 | 681,466.01 | 301,968.45 | |
| January | 3,267,162.28 | 739,637.28 | 1,889,447.11 | 638,077.89 | |
| February | 913,784.86 | 184,973.78 | 137,125.31 | 591,685.77 | |
| March | 1,134,210.79 | 197,698.94 | 394,113.29 | 542,398.56 | |
| April | 1,776,342.96 | 437,663.59 | 1,137,103.74 | 201,575.63 | |
| May | 1,266,067.62 | 436,383.50 | 798,329.10 | 31,355.02 | |
| June '92 | 470,014.89 | 264,934.58 | 114,658.53 | 74,580.98 | 15,840.80 |
| | 14,872,966.27 | 4,411,582.01 | 7,235,010.12 | 3,210,533.34 | 15,840.80 |

# STATE TREASURER'S MORTGAGE PURCHASE PROGRAM

The 1981 Legislature authorized the state treasurer to invest and keep invested up to $100 million of state permanent funds in residential real estate mortgages, under specific restrictions and conditions. The 1984 Legislature increased the state authorization from $100 million to $150 million and amended the criteria for housing price qualification and qualifying income. The state treasurer filed rules to convert the investment to an insured mortgage pass-through certificate, representing a large pool of conventional real estate mortgages. Mortgage Guarantee Insurance Corporation, through its subsidiary, MGIC Mortgage Marketing Corporation (Maggie Mae), was selected to administer the first four phases of the mortgage purchase program. Citicorp, through its mortgage marketing subsidiary, CitiMae, Inc., was selected to administer phases V and VI of the program. MGIC and CitiMae act as the pooling agents and master servicers for the state of Wyoming for each program. Certificates carry mortgage trust insurance, special hazard insurance, and pay principal and interest monthly.

The statute authorizing this program is W.S. 9-4-701(d), and the present language provides an interest rate floor of 10% minimum for the loan and mortgage offered. Therefore, the program cannot be used under current market conditions.

A lagging Wyoming economy required an effort to keep people in their homes, while at the same time trying to protect the state's investment. In mid 1987 it was announced that interest rates would be reduced to nine percent. This program was to be in effect for three years, and the original plan was that rates would be increased by one percent (or necessary fraction) each year until those reduced rates are equivalent to their original rate. Because the economy in 1990 was still lagging, the plan was further modified in 1990 so that all loans would increase to 10% effective January 1, 1991, and remain at 10% for the life of the loan. This made it possible for some homebuyers to sell their property with the new buyer assuming the existing mortgage, and the effect was to reduce delinquencies and foreclosures in the program.

The balance outstanding left in the program (as of June 30, 1992) was $37,225,029, and the rate of return to the state is approximately 11.036% interest.

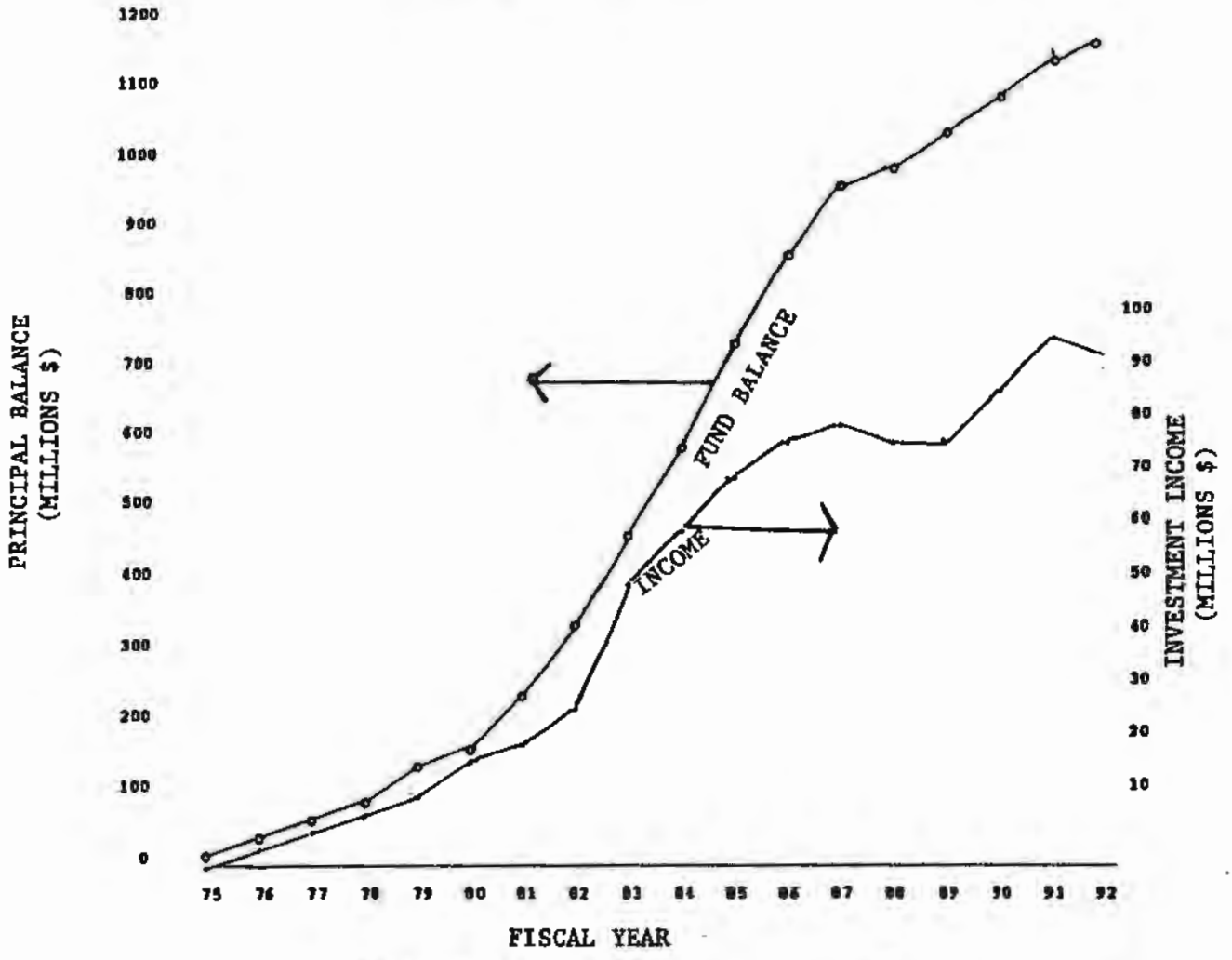
# INVESTMENT ACCOUNT BALANCES
# AS OF JUNE 30, 1992

| Name | Adjusted Cash | Investments @ Par | O/S Purchased Accrued Interest | Net Disc/Prem Purchased | Income to be Transferred to Income Account | Account Balance (Corpus) |
|---|---|---|---|---|---|---|
| Miners' Hospital | 17,404,814.64 | 20,117.55 * | | | (130.88) | 17,424,801.31 |
| Public Buildings at Capitol | 285,778.59 | 158,270.52 * | | | (1,033.98) | 443,015.13 |
| Fish Hatchery | 166,384.74 | 24,117.55 * | | | (157.06) | 190,345.23 |
| Common School | 124,288,730.77 | 599,086,392.28 * | 52,184.02 | 6,756,215.53 | (4,215,666.88) | 725,967,855.72 |
| D.D. & B. Asylum | 399,730.38 | 211,000.00 * | | | (1,380.82) | 609,349.56 |
| Carey Act | 2,177,862.43 | 0.00 | | | 0.00 | 2,177,862.43 |
| Omnibus | 10,480,014.80 | 46,170.62 * | | | (301.03) | 10,525,884.39 |
| Insane Asylum | 4,299,746.85 | 0.00 | | | 0.00 | 4,299,746.85 |
| State Training School | 119,610.37 | 426,262.51 * | | | (4,678.67) | 541,194.21 |
| Penitentiary | 8,925,250.32 | 0.00 | | | 0.00 | 8,925,250.32 |
| Agricultural College | 4,516,056.48 | 108,785.18 * | | | (1,150.26) | 4,623,691.40 |
| University | 8,861,912.71 | 4,102,264.83 * | | | (44,956.91) | 12,919,220.63 |
| Subtotal - Permanent Land Funds Only | 181,925,893.08 | 604,183,381.04 | 52,184.02 | 6,756,215.53 | (4,269,456.49) | 788,648,217.18 |
| Education Trust Fund | 10,780,669.82 | 0.00 | | | (780,669.82) | 10,000,000.00 |
| Mineral Trust Fund | 144,123,494.45 | 1,045,732,906.99 | 237,786.12 | (3,116,261.90) | 0.00 | 1,186,977,925.66 |
| Subtotal - All Permanent Funds | 336,830,057.35 | 1,649,916,288.03 | 289,970.14 | 3,639,953.63 | (5,050,126.31) | 1,985,626,142.84 |
| GNMA Account | 4,778,805.33 | 2,000,000.00 | | | | 6,778,805.33 |
| 1989 Bonds: Construction Account | 1,980,652.18 | 4,732,685.76 | | | | 6,713,337.94 |
| 1990 Bonds: Construction Account | 8,613,651.34 | 0.00 | | | | 8,613,651.34 |
| 1991 Bonds: Construction Account | 159,575.85 | 5,161,601.48 | | | | 5,321,177.33 |
| Employment Security | 2,249,405.18 | 0.00 | | | | 2,249,405.18 |
| Workers' Compensation Fund | 6,524,886.06 | 5,621,003.27 * | | | | 12,145,889.33 |
| TOTAL: | 361,137,033.29 | 1,667,431,578.54 | 289,970.14 | 3,639,953.63 | (5,050,126.31) | 2,027,448,409.29 |

* All or a portion of the investments for these funds have been transferred from the Treasurer's Office to the Investment Managers

# THE PERMANENT WYOMING MINERAL TRUST FUND

The Permanent Wyoming Mineral Trust Fund (PMTF) was created in 1974 by the Wyoming Legislature and the citizens of the state through adoption of a constitutional amendment which provides for a replacement of some of the value of non-renewable resources which are taken from the state. In Article 15, Section 19, the constitution now provides for a 1 1/2% excise tax on minerals with proceeds to be deposited in the Permanent Wyoming Mineral Trust Fund, which fund shall remain inviolate, with the monies in the fund to be invested as prescribed by the legislature and all income from investments to be deposited in the general fund on an annual basis. The following chart shows the growth of the fund:




Realized yield for FY 1992 was 7.49% compared to a realized yield for FY 1991 of 8.50%. This was calculated by comparing actual income received to average fund balance.

# STATE OF WYOMING
# PERMANENT LAND FUNDS

| Fund-Agency-Account | July 1, 1991 Corpus Balance | Non-Investment Revenue | June 30, 1992 Corpus Balance |
|---|---|---|---|
| L01 (004) MINERS' HOSPITAL PERMANENT LAND FUND | | | |
| Beginning Balance | $16,754,943.23 | | |
| Oil & Gas Lease Royalties | | $ 43,050.37 | |
| Sodium & Trona Lease Royalties | | 618,616.71 | |
| Sand & Gravel Royalty | | 7,416.00 | |
| Surface Damage Lease | | 775.00 | |
| | | $ 669,858.08 | $17,424,801.31 |
| L02 (004) PUBLIC BUILDINGS AT CAPITOL PERMANENT LAND FUND | | | |
| Beginning Balance | $464,540.55 | | |
| Miscellaneous Mineral Lease Royalties | | $ 1,320.00 | |
| Oil & Gas Lease Royalties | | (27,733.61) | |
| Right-of-Way & Easement Lease | | 557.74 | |
| Surface Damage Lease | | 4,330.45 | |
| | | ($ 21,525.42) | $443,015.13 |
| L03 (004) FISH HATCHERY PERMANENT LAND FUND | | | |
| Beginning Balance | $190,345.23 | | |
| | | $ 0.00 | $190,345.23 |
| * L04 (004) COMMON SCHOOL PERMANENT LAND FUND | | | |
| Beginning Balance | $696,301,129.27 | | |
| Bentonite Lease Royalties | | $ 253,477.09 | |
| Coal Lease Royalties | | 1,725,245.06 | |
| Miscellaneous Mineral Lease Royalties | | 327,152.55 | |
| Oil & Gas Lease Royalties | | 18,484,011.47 | |
| Sand & Gravel Royalties | | 332,081.70 | |
| Sodium & Trona Lease Royalties | | 1,943,982.33 | |
| Right-of-Way & Easement Lease | | 88,031.58 | |
| Uranium Lease Royalties | | 49,751.91 | |
| Surface Damage Lease | | 128,571.11 | |
| Escheat to State | | 76,218.30 | |
| Real Estate Sales | | 4,196,334.04 | |
| Taylor Grazing | | 21,011.81 | |
| Grazing Lease | | (632.50) | |
| Sodium & Trona Lease | | 3,840.00 | |
| Capital Construction Bonds | | 1,565,000.00 | |
| Highway Fund | | 472,650.00 | |
| | | $29,666,726.45 | $725,967,855.72 |
| L05 (004) DEAF, DUMB, & BLIND PERMANENT LAND FUND | | | |
| Beginning Balance | $602,311.78 | | |
| Oil & Gas Lease Royalties | | $ 6,007.97 | |
| Right-of-Way & Easement Lease | | 239.40 | |
| Real Estate Sales | | 790.41 | |
| | | $ 7,037.78 | $609,349.56 |

| Fund-Agency-Account | July 1, 1991 Corpus Balance | Non-Investment Revenue | June 30, 1992 Corpus Balance |
|---|---|---|---|
| L06 (004) CAREY ACT PERMANENT LAND FUND | | | |
| Beginning Balance | $2,118,869.68 | | |
| Bentonite Lease Royalty | | $ 36.00 | |
| Oil & Gas Lease Royalties | | 58,856.75 | |
| Surface Damages | | 100.00 | |
| | | $ 58,992.75 | $2,177,862.43 |
| L07 (004) OMNIBUS PERMANENT LAND FUND | | | |
| Beginning Balance | $11,172,649.90 | | |
| Oil & Gas Lease Royalties | | $ 751,537.97 | |
| Sand & Gravel Royalties | | 148,898.11 | |
| Right-of-Way & Easement Lease | | 6,313.70 | |
| Surface Damage Lease | | 10,365.84 | |
| Real Estate Sales | | 1,118.87 | |
| Capital Construction Appropriation | | (1,565,000.00) | |
| | | ($ 646,765.51) | $10,525,884.39 |
| L08 (004) WYOMING STATE HOSPITAL PERMANENT LAND FUND | | | |
| Beginning Balance | $4,127,881.34 | | |
| Oil & Gas Lease Royalties | | $ 104,865.51 | |
| Right of Way Easement Lease | | 1,000.00 | |
| Real Estate Sales | | 66,000.00 | |
| | | $ 171,865.51 | $4,299,746.85 |
| L09 (004) WYOMING STATE TRAINING SCHOOL PERMANENT LAND FUND | | | |
| Beginning Balance | $474,003.48 | | |
| Oil & Gas Lease Royalties | | $ 67,112.73 | |
| Right of Way Easement | | 78.00 | |
| | | $ 67,190.73 | $541,194.31 |
| L10 (004) WYOMING STATE PENITENTIARY PERMANENT LAND FUND | | | |
| Beginning Balance | $8,537,491.38 | | |
| Oil & Gas Lease Royalties | | $ 379,621.98 | |
| Right-of-Way & Easement Lease | | 497.57 | |
| Uranium Lease Royalty | | 3,060.00 | |
| Surface Damage Lease | | 4,579.39 | |
| | | $ 387,758.94 | $8,925,250.32 |
| * L11 (004) WYOMING STATE AGRICULTURE COLLEGE PERMANENT LAND FUND | | | |
| Beginning Balance | $4,522,495.37 | | |
| Sand & Gravel Royalty | | $ 2,200.00 | |
| Oil & Gas Lease Royalties | | 97,800.45 | |
| Right-of-Way & Easement Lease | | 957.83 | |
| Surface Damage Lease | | 237.75 | |
| | | $ 101,196.03 | $4,623,691.40 |

| Fund-Agency-Account | July 1, 1991 Corpus Balance | Non-Investment Revenue | June 30, 1992 Corpus Balance |
|---|---|---|---|
| * L12 (004) WYOMING STATE UNIVERSITY PERMANENT LAND FUND | | | |
| Beginning Balance | $12,851,541.31 | | |
| Oil & Gas Lease Royalties | | $ 64,004.84 | |
| Surface Damages | | 968.70 | |
| Right-of-Way & Easement Lease | | 2,705.78 | |
| | | $67,679.32 | $12,919,220.63 |

**TOTAL REVENUE ADDED TO CORPUS: $30,530,014.66**

Revenue from above sales is the principal payment from the sale of state lands and from right-of-way granted on state lands. Revenue from above royalties is derived from the oil and mineral leases on state lands.

* These funds are not available for appropriation.

# LEGISLATIVE ALLOCATION OF THE PERMANENT FUNDS

| Program | See Notes Below | Statutory Allotment | Outstanding Investments | Amount Available |
|---|---|---|---|---|
| Farm Loans | A | $275,000,000 | $198,467,297 | $76,532,703 |
| Irrigation Loans | A | 60,000,000 | 23,970,282 | 36,029,718 |
| Joint Powers Loans | A, B | 80,000,000 | 37,426,862 | 42,573,138 |
| Cheyenne--Stage II | C | 35,360,965 | 33,965,592 | 1,395,373 |
| Student Loans (Direct) | D | 15,000,000 | -0- | 15,000,000 |
| Small Business Assistance Act & FHA | D | 35,000,000 | 6,558,238 | 28,441,762 |
| Mortgage Loans | E | 60,000,000 | 37,225,029 | 22,774,971 |
| Hot Springs State Park | G | 2,000,000 | 1,480,981 | 519,019 |
| Clean Coal Investments | F | 30,000,000 | 20,700,000 | 9,300,000 |
| Shoshone Municipal Pipeline Treatment Plant | C | 16,500,000 | 16,500,000 | -0- |
| Sheridan Area Water Treatment Project | C | 6,750,000 | 6,750,000 | -0- |
| Laramie Territorial Park Loan | H | 10,000,000 | 10,000,000 | -0- |
| Student Loan Stand-By Commitment | D, I | 125,000,000 | -0- | 125,000,000 |
| Industrial Development Bonds | | 25,000,000 | -0- | 25,000,000 |
| | | $775,610,965 | $393,044,281 | $382,566,684 |
| | | (100%) | (50.68%) | (49.32%) |

The statutory allotments identified above have been designated from the Permanent Wyoming Mineral Trust Fund (PMTF). The total funds available in the PMTF are $1,186,977,925, leaving an unallotted balance of $411,366,960.

NOTES:

A. Completed loans are purchased from the Farm Loan Board (FLB), which has the responsibility for approving, processing and servicing these loans.

B. Portions of these loans have been sold by the FLB to investors with the proceeds of the sale placed in guaranteed investment contracts (GICs) which are not liquid but reduce risk in default almost completely and are involved in a trust arrangement.

C. These loans are disbursed and serviced by the Wyoming Water Development Commission.

D. These loans are guaranteed by an agency of the Federal Government.

E. These loans carry private insurance.

F. The principal of these loans is guaranteed by zero coupon bonds; only the interest income is at risk.

G. These investments have been transferred from the Common School Permanent Fund to the Permanent Wyoming Mineral Trust Fund (PMTF).

H. This loan was reviewed and recommended by the Wyoming Investment Fund Committee and approved by the Governor.

I. The current outstanding commitment is $75.0 million.

# REPORT OF APPROXIMATE AMOUNT OF ANNUAL LOST EARNINGS DUE TO LEGISLATIVELY DIRECTED SUBSIDY INVESTMENTS

| Program | Current Yield | Approximate Amount Outstanding (millions) | Difference Compared to 7.35% | Annual Opportunity Cost |
|---|---|---|---|---|
| Link Deposits | 4.24 | 102.000 | 3.11 | 3,172,200 |
| Bank Deposits (Board of Deposits) | 6.71 | 60.557 | .64 | 387,565 |
| Farm Loans | 8.28 | 198.467 | (.93) | (1,845,743) |
| Irrigation Loans | 4.59 | 23.970 | 2.76 | 661,256 |
| Mortgage Loans | 10.00 | 37.225 | (2.65) | (986,463) |
| Joint Powers Act Loans | 7.98 | 32.427 | (.63) | (236,755) |
| Cheyenne State II[1] | 6.50 | 34.700 | .85 | 294,950 |
| Small Business Assistance Act | 7.50 | 6.558 | (.15) | (9,837) |
| Hot Springs Park | 6.7 | 1.481 | .98 | 14,514 |
| Clean Coal[2] | 7.0 | 20.700 | .35 | 724,500 |
| Sheridan Water Project[3] | -0- | 6.750 | 7.35 | 496,125 |
| Shoshone Water Project[4] | -0- | 16.500 | 7.35 | 1,212,750 |
| Laramie Territorial State Park | 6.00 | 10.000 | 1.35 | 135,000 |
| TOTAL ANNUAL LOSS TO SUBSIDY INVESTMENTS | | | | $4,[illegible],062 |

The weighted average yield to maturity of 7.35% is calculated using securities in the current portfolio which would have been increased in quantity if funds were not tied up in subsidy investments. These securities include Government Agencies, Corporate Bonds and U.S. Treasuries of varying maturity length.

[1] This investment was packaged and sold. It is now backed by a Guaranteed Investment Contract paying 6.5%. While this investment is not liquid and cannot be sold, it will, however, guarantee repayment of principal and interest of the loan. At the time of the sale, the state realized a profit of $3.[illegible] million to the common school income account in FY 88.

[2] This project has three participants. One is in default for the fiscal reporting year and is being charged a contract penalty. This is resulting in an interest deferral of $819,000 per year in addition to the "ANNUAL OPPORTUNITY COSTS."

[3] This project will not produce interest income until completion of construction (approximately two years). A rate of 4% would result in a current opportunity loss of $158,625 the first year and declining as the principal balance is reduced with an accumulated loss over the 50 year life of $140 million.

[4] This project will not produce interest income until completion of construction (completion is expected in FY 93). This rate will then be 4% which is 3.35% below the current weighted average yield-to-maturity. This would result in an opportunity loss of $387,750 the first year, declining as the principal balance is reduced, and with a loss over the 50 year life of the loan of $340 million.

# STATE OF WYOMING

# FEDERAL MINERAL ROYALTY DISTRIBUTION FY 92

| | Percent Due | Collections Over $200 Million in FY 91 Distributed in FY 92 | FY 92 | Total |
|---|---|---|---|---|
| Cities & Towns | 9.375% | $ 50,282.89 | $ 16,881,103.05 | $ 16,931,385.94 |
| Counties | 0.625% | 3,352.19 | 1,125,406.88 | 1,128,759.07 |
| University of Wyoming | 6.75% | 36,203.68 | 12,154,394.19 | 12,190,597.87 |
| Foundation Fund | 44.80% | 240,285.15 | 78,444,881.53 | 78,685,166.68 |
| Capitol Fac Rev Bds Series 1989 | | | 1,167.000.00 | 1,167,000.00 |
| Capitol Fac Rev Bds Series 1990 | | | 862,282.91 | 862,282.91 |
| Capitol Fac Rev Bds Series 1991 | | | 195,000.00 | 195,000.00 |
| Highway Fund | 23.50% | 126,042.43 | 42,315,298.30 | 42,441,340.73 |
| State-County Fund | 5.00% | 26,817.54 | 9,003,254.96 | 9,030,072.50 |
| Highway Fund State Roads | 2.25% | 12,067.89 | 4,051,464.73 | 4,063,532.62 |
| Cities, Counties & Special Districts Capital Construction | 5.00% | 26,817.54 | 9,003,254.96 | 9,030,072.50 |
| School Districts | 2.70% | | | |
| Advance Entitlements | | 10,861.10 | 3,646,318.26 | 3,657,179.36 |
| Grants | | 3,620.37 | 1,215,439.42 | 1,219,059.79 |
| U.W. Bond Account | | 155,297.27 | | 155,297.27 |
| Municipal Rainy Day Account | | 201,131.54 | | 201,131.54 |
| Leg. Gov. Roy. Imp. Asst. Acct. | | 1,407,920.78 | | 1,407,920.78 |
| TOTAL | 100.00% | $2,300,700.37 | $180,065,099.19 | $182,365,799.56 |
| Bonus Payments | | | | |
| Legislative Royalty Impact | 50.00% | 0.00 | 81,737.16 | 81,737.16 |
| Cities, Counties & Special Districts Capital Construction | 50.00% | 0.00 | 81,737.16 | 81,737.16 |
| GRAND TOTAL | 100.00% | $2,300,700.37 | $180,228,573.51 | $182,529,273.88 |

# DISTRIBUTIONS TO COUNTIES

| Counties | Railroad Car Tax W.S. 39-2-207 | Federal Mineral Royalty W.S. 9-4-601 | Veterans Exemption W.S. 39-1-202 | U.S. Forest Reserve W.S. 39-4-501 | Taylor Grazing Act W.S. 9-4-401 | Severance Tax W.S. 39-6-305 | Livestock Predatory Animal Control Fees W.S. 11-6-210 | Totals |
|---|---|---|---|---|---|---|---|---|
| Albany | $ 47,923.73 | $ 67,515.77 | $ 20,929.93 | $ 160,747.16 | $ 42,603.27 | $ 384,301.38 | $ 21,146.80 | $ 745,168.04 |
| Big Horn | 26,259.33 | 40,351.17 | 11,874.66 | 72,251.12 | 18,331.67 | 131,336.56 | 28,899.00 | 329,303.51 |
| Campbell | 82,364.60 | 38,439.64 | 7,056.61 | .00 | 35,174.28 | 366,494.52 | 41,895.80 | 571,425.45 |
| Carbon | 51,190.27 | 30,561.43 | 12,652.90 | 268,224 08 | 44,560.18 | 207,879.89 | 44,692.20 | 659,760.95 |
| Converse | 111,758.56 | 26,041.84 | 8,069.71 | 31,756.13 | 24,283.95 | 138,861.12 | 53,648.70 | 394,420.01 |
| Crook | 12,782.96 | 33,952.22 | 5,867.68 | 350,487.22 | 15,177.02 | 66,061.36 | 30,411.60 | 514,740.06 |
| Fremont | 16,634.37 | 54,165.63 | 35,168.84 | 93,062.57 | 42,287.40 | 420,052.39 | 33,553.20 | 694,924.40 |
| Goshen | 55,229.76 | 67,937.95 | 22,078.37 | 0.00 | 5,144.84 | 154,396.89 | 13,595.00 | 318,382.81 |
| Hot Springs | 10,521.03 | 30,370.64 | 7,421.21 | 5,059.31 | 15,709.08 | 60,009.27 | 6,841.60 | 135,932.14 |
| Johnson | 0.00 | 41,188.75 | 11,327.05 | 67,255.72 | 58,795.54 | 76,680.58 | 58,121.40 | 313,369.04 |
| Laramie | 81,962.58 | 102,191.04 | 60,665.22 | 0.00 | 1,715.25 | 912,704.86 | 15,485.90 | 1,174,724.85 |
| Lincoln | 24,421.42 | 25,403.14 | 7,300.05 | 112,583.34 | 15,291.40 | 157,541.48 | 28,814.00 | 371,354.83 |
| Natrona | 11,626.43 | 84,351.09 | 41,930.55 | 2,380.24 | 145,531.47 | 764,010.65 | 48,161.10 | 1,127,991.53 |
| Niobrara | 34,790.79 | 91,270.76 | 5,157.71 | 0.00 | 21,298.3 | 31,183.85 | 20,762.60 | 204,464.08 |
| Park | 16,520.20 | 36,712.58 | 20,033.63 | 160,193.19 | 35,700.69 | 289,227.44 | 32,955.40 | 591,343.13 |
| Platte | 36,752.68 | 40,162.30 | 13,145.71 | 484.53 | 12,858.57 | 101,637.66 | 13,470.00 | 218,511.45 |
| Sheridan | 37,375.43 | 67,795.71 | 40,407.12 | 80,988.69 | 5,134.15 | 294,019.20 | 22,793.60 | 548,513.90 |
| Sublette | 0.00 | 19,889.05 | 3,757.04 | 123,282.24 | 18,995.76 | 60,433.54 | 12,203.50 | 238,561.13 |
| Sweetwater | 83,674.93 | 51,076.01 | 25,275.48 | 17,635.66 | 71,247.13 | 484,454.09 | 17,567.90 | 750,931.20 |
| Teton | 0.00 | 39,769.52 | 3,817.79 | 226,245.80 | 242.31 | 139,410.18 | 1,865.20 | 411,350.80 |
| Uinta | 36,189.12 | 28,492.61 | 9,512.33 | 11,429.83 | 13,962.65 | 233,410.96 | 30,073.20 | 363,070.70 |
| Washakie | 9,649.18 | 54,309.06 | 11,147.51 | 7,407.62 | 17,891.19 | 104,669.94 | 18,695.40 | 223,769.90 |
| Weston | 26,705.63 | 56,811.16 | 7,360.86 | 13,485.94 | 12,899.96 | 81,335.08 | 14,317.20 | 212,915.83 |
| Grand Total | $844,333.00 | $1,128,759.07 | $3[illegible],957.96 | $1,804,960.39 | $674,836.13 | $5,660,112.89 | $609,970.30 | $11,114,929.74 |

DISTRIBUTION DATES:

Railroad Car Tax: 5/15
Federal Mineral Royalty: 7/10, 10/10, [illegible]10, 4/10
Veterans' Exemption: 9/15
U.S. Forest Reserve: 12/15
Taylor Grazing Act: 12/15
Severance Tax Distribution: 9/15, 12/15, 4/15
Livestock Predatory Animal Control Fees: Quarterly - Jan, Apr, July, Oct

# DISTRIBUTIONS TO CITIES AND TOWNS

| City/Town | Population | Severance Tax W.S. 39-6-305 | Federal Mineral Royalty W.S. 9-4-601 | Police Officers' Retirement W.S. 15-5-302 | Total |
|---|---|---|---|---|---|
| Afton | 1,394 | $ 74,638.72 | $ 133,599.89 | $ 0.00 | $ 208,238.61 |
| Albin | 120 | 6,425.13 | 17,145.86 | 0.00 | 23,570.99 |
| Alpine | 200 | 10,708.57 | 29,015.76 | 0.00 | 39,724.33 |
| Baggs | 272 | 14,563.65 | 23,389.58 | 0.00 | 37,953.23 |
| Bairoil | 228 | 12,207.77 | 22,812.16 | 0.00 | 35,019.93 |
| Bar Nunn | 835 | 44,708.28 | 47,623.40 | 0.00 | 92,331.68 |
| Basin | 1,180 | 63,180.56 | 83,750.35 | 0.00 | 146,930.91 |
| Big Piney | 454 | 24,308.45 | 53,584.74 | 0.00 | 77,893.19 |
| Buffalo | 3,358 | 178,369.95 | 200,887.41 | 0.00 | 379,257.36 |
| Burlington | 184 | 9,851.88 | 22,720.39 | 0.00 | 32,572.27 |
| Burns | 254 | 13,599.88 | 22,892.02 | 0.00 | 36,491.90 |
| Byron | 470 | 25,165.14 | 42,383.61 | 0.00 | 67,548.75 |
| Casper | 46,801 | 2,504,355.10 | 1,842,504.72 | 256,650.00 | 4,603,509.82 |
| Cheyenne | 50,008 | 2,677,570.34 | 2,159,443.51 | 237,150.00 | 5,074,163.85 |
| Chugwater | 192 | 10,280.22 | 23,279.09 | 0.00 | 33,559.31 |
| Clearmont | 119 | 6,371.60 | 17,754.55 | 0.00 | 24,126.15 |
| Cody | 7,897 | 422,827.81 | 445,474.57 | 0.00 | 868,302.38 |
| Cokeville | 493 | 26,396.63 | 56,943.86 | 0.00 | 83,340.49 |
| Cowley | 477 | 25,539.93 | 42,791.45 | 0.00 | 68,331.38 |
| Dayton | 565 | 30,251.70 | 42,321.98 | 0.00 | 72,573.68 |
| Deaver | 199 | 10,655.03 | 23,594.33 | 0.00 | 34,249.36 |
| Diamondville | 864 | 46,261.02 | 88,508.10 | 0.00 | 134,769.12 |
| Dixon | 70 | 3,748.00 | 14,931.16 | 0.00 | 18,679.16 |
| Douglas | 5,076 | 271,783.45 | 303,243.80 | 0.00 | 575,027.25 |
| Dubois | 895 | 47,920.84 | 73,335.34 | 0.00 | 121,256.18 |

DISTRIBUTION DATES: Severance Tax: 9/15, 12/15, 4/15
Federal Mineral Royalty: 7/10, 10/10, 1/10, 4/10
Police Officers' Retirement: 7/1

# DISTRIBUTIONS TO CITIES AND TOWNS (continued)

| City/Town | Population | Severance Tax W.S. 39-6-305 | Federal Mineral Royalty W.S. 9-4-601 | Police Officers' Retirement W.S. 15-5-302 | Total |
|---|---|---|---|---|---|
| East Thermopolis | 221 | $ 11,832.97 | $ 21,741.97 | $ 0.00 | $ 33,574.94 |
| Edgerton | 247 | 13,225.09 | 21,650.28 | 0.00 | 34,875.37 |
| Elk Mountain | 186 | 9,653.20 | 19,566.41 | 0.00 | 29,219.61 |
| Encampment | 490 | 26,235.99 | 35,518.02 | 0.00 | 61,754.01 |
| Evanston | 10,903 | 583,777.59 | 712,026.17 | 0.00 | 1,295,803.76 |
| Evansville | 1,403 | 75,120.60 | 69,815.13 | 0.00 | 144,935.73 |
| Fort Laramie | 243 | 13,010.91 | 25,691.81 | 0.00 | 38,702.72 |
| Frannie | 148 | 7,924.33 | 20,600.41 | 0.00 | 28,524.74 |
| Gillette | 17,635 | 944,227.98 | 1,164,332.83 | 0.00 | 2,108,560.81 |
| Glendo | 195 | 10,440.86 | 23,455.34 | 0.00 | 33,896.20 |
| Glenrock | 2,153 | 115,277.73 | 137,259.45 | 0.00 | 252,537.18 |
| Granger | 126 | 6,746.41 | 17,975.15 | 0.00 | 24,721.56 |
| Green River | 12,711 | 680,583.03 | 617,777.92 | 0.00 | 1,298,360.95 |
| Greybull | 1,789 | 95,788.14 | 119,232.53 | 0.00 | 215,020.67 |
| Guernsey | 1,155 | 61,841.99 | 82,850.83 | 0.00 | 144,692.82 |
| Hanna | 1,076 | 57,612.09 | 60,055.88 | 0.00 | 117,667.97 |
| Hartville | 78 | 4,176.34 | 16,582.14 | 0.00 | 20,758.48 |
| Hudson | 392 | 20,988.79 | 40,550.23 | 0.00 | 61,539.02 |
| Hulett | 429 | 22,969.88 | 48,945.29 | 0.00 | 71,915.17 |
| Jackson | 4,472 | 239,443.58 | 326,287.19 | 0.00 | 565,730.77 |
| Kaycee | 256 | 13,706.96 | 26,276.28 | 0.00 | 39,983.24 |
| Kemmerer | 3,020 | 161,699.37 | 271,938.05 | 0.00 | 433,637.42 |
| Kirby | 59 | 3,159.03 | 14,600.80 | 0.00 | 17,759.83 |
| LaBarge | 493 | 26,396.63 | 56,943.86 | 0.00 | 83,340.49 |
| LaGrange | 224 | 11,993.60 | 24,621.25 | 0.00 | 36,614.85 |
| Lander | 7,023 | 376,031.37 | 472,753.07 | 0.00 | 848,784.44 |
| Laramie | 26,687 | 1,428,897.75 | 654,898.32 | 76,000.00 | 2,159,796.07 |
| Lingle | 473 | 25,325,76 | 41,651.15 | 0.00 | 66,976.91 |
| Lost Springs | 4 | 214.20 | 12,227.15 | 0.00 | 12,441.35 |
| Lovell | 2,131 | 114,099.79 | 139,158.46 | 0.00 | 253,258.25 |
| Lusk | 1,504 | 80,528.44 | 87,097.57 | 0.00 | 167,626.01 |

# DISTRIBUTIONS TO CITIES AND TOWNS (continued)

| City/Town | Population | Severance Tax W.S. 39-6-305 | Federal Mineral Royalty W.S. 9-4-601 | Police Officers' Retirement W.S. 15-5-302 | Total |
|---|---|---|---|---|---|
| Lyman | 1,896 | $ 101,517.22 | $ 136,210.82 | $ 0.00 | $ 237,728.04 |
| Manderson | 83 | 4,444.06 | 16,835.88 | 0.00 | 21,279.94 |
| Manville | 97 | 5,193.66 | 16,649.91 | 0.00 | 21,843.57 |
| Marbleton | 634 | 33,946.16 | 68,882.64 | 0.00 | 102,828.80 |
| Medicine Bow | 389 | 20,828.16 | 31,288.79 | 0.00 | 52,116.95 |
| Meeteetse | 386 | 19,703.77 | 36,041.31 | 0.00 | 55,745.08 |
| Midwest | 495 | 26,503.71 | 34,339.63 | 0.00 | 60,843.34 |
| Mills | 1,574 | 84,276.43 | 76,496.10 | 0.00 | 160,772.53 |
| Moorcroft | 768 | 41,120.90 | 75,769.20 | 0.00 | 116,890.10 |
| Mountain View | 1,189 | 63,662.43 | 91,012.50 | 0.00 | 154,674.93 |
| Newcastle | 3,003 | 160,789.15 | 196,164.16 | 0.00 | 356,953.31 |
| Opal | 95 | 5,086.57 | 20,082.50 | 0.00 | 25,169.07 |
| Pavillion | 126 | 6,746.41 | 20,212.57 | 0.00 | 26,958.98 |
| Pine Bluffs | 1,054 | 56,434.15 | 60,197.63 | 0.00 | 116,631.78 |
| Pine Haven | 141 | 7,549.54 | 23,156.85 | 0.00 | 30,706.39 |
| Pinedale | 1,181 | 63,234.10 | 115,371.31 | 0.00 | 178,605.41 |
| Powell | 5,292 | 283,348.71 | 303,473.03 | 0.00 | 586,821.74 |
| Ranchester | 676 | 36,194.96 | 47,689.65 | 0.00 | 83,884.61 |
| Rawlins | 9,380 | 502,231.83 | 407,773.28 | 40,000.00 | 950,005.11 |
| Riverside | 85 | 4,551.15 | 15,559.24 | 0.00 | 20,110.39 |
| Riverton | 9,202 | 492,701.21 | 614,778.37 | 0.00 | 1,107,479.58 |
| Rock River | 190 | 10,173.13 | 16,555.80 | 0.00 | 26,728.93 |
| Rock Springs | 19,050 | 1,019,991.10 | 918,384.43 | 50,200.00 | 1,988,575.53 |
| Rolling Hills | 330 | 17,669.13 | 33,739.26 | 0.00 | 51,408.39 |
| Saratoga | 1,969 | 105,425.85 | 97,448.90 | 0.00 | 202,874.75 |
| Sheridan | 13,900 | 744,245.47 | 687,169.06 | 82,000.00 | 1,513,414.53 |
| Shoshoni | 497 | 26,610.80 | 47,394.03 | 0.00 | 74,004.83 |
| Sinclair | 500 | 26,771.42 | 35,936.75 | 0.00 | 62,708.17 |
| South Superior | 273 | 14,617.20 | 24,946.13 | 0.00 | 39,563.33 |
| Sundance | 1,139 | 60,985.30 | 105,125.16 | 0.00 | 166,110.46 |
| Ten Sleep | 311 | 16,651.82 | 27,562.51 | 0.00 | 44,214.33 |

# DISTRIBUTIONS TO CITIES AND TOWNS (continued)

| City/Town | Population | Severance Tax W.S. 39-6-305 | Federal Mineral Royalty W.S. 9-4-601 | Police Officers' Retirement W.S. 15-5-302 | Total |
|---|---|---|---|---|---|
| Thayne | 267 | $ 14,295.94 | $ 34,716.05 | $ 0.00 | $ 49,011.99 |
| Thermopolis | 3,247 | 173,853.59 | 158,131.98 | 0.00 | 331,985.57 |
| Torrington | 5,651 | 302,570.59 | 333,405.05 | 0.00 | 635,975.64 |
| Upton | 980 | 52,471.98 | 74,121.18 | 0.00 | 26,593.16 |
| Van Tassell | 8 | 428.34 | 12,383.51 | 0.00 | 12,811.85 |
| Wamsutter | 240 | 12,850.29 | 23,381.23 | 0.00 | 36,231.52 |
| Wheatland | 3,271 | 175,138.63 | 207,155.90 | 0.00 | 382,294.53 |
| Worland | 5,742 | 307,442.99 | 302,330.95 | 0.00 | 609,773.94 |
| Wright | 1,236 | 66,178.95 | 95,554.32 | 0.00 | 161,733.27 |
| Yoder | 136 | 7,281.83 | 19,662.91 | 0.00 | 26,944.74 |
| TOTALS: | 317,214 | $16,980,338.68 | $16,881,103.05 | $742,000.00 | $34,603,441.73 |

# STATE OF WYOMING

# AGRICULTURAL GAS TAX REFUNDS

# BY COUNTIES

| | FY 1991 | | FY 1992 | |
|---|---|---|---|---|
| County | Applicants | Amount | Applicants | Amount |
| Albany | 105 | $ 19,217.29 | 103 | $ 16,551.81 |
| Big Horn | 326 | 55,240.90 | 329 | 55,205.02 |
| Campbell | 304 | 48,294.81 | 304 | 45,792.18 |
| Carbon | 156 | 43,517.73 | 159 | 41,670.95 |
| Converse | 201 | 37,508.49 | 191 | 34,129.65 |
| Crook | 273 | 37,977.20 | 267 | 35,949.55 |
| Fremont | 420 | 55,664.27 | 406 | 55,569.46 |
| Goshen | 569 | 87,862.35 | 565 | 86,721.78 |
| Hot Springs | 77 | 16,232.96 | 79 | 15,272.86 |
| Johnson | 169 | 31,335.72 | 173 | 33,983.40 |
| Laramie | 230 | 45,948.06 | 232 | 45,556.24 |
| Lincoln | 201 | 26,291.72 | 183 | 20,943.91 |
| Natrona | 75 | 24,707.65 | 76 | 26,648,22 |
| Niobrara | 169 | 24,475.70 | 179 | 24,322.12 |
| Park | 283 | 54,200.75 | 287 | 55,598.07 |
| Platte | 300 | 42,091.69 | 305 | 43,289.25 |
| Sheridan | 179 | 29,347.27 | 167 | 26,518.78 |
| Sublette | 108 | 20,178.86 | 97 | 17,628.10 |
| Sweetwater | 57 | 10,995.09 | 51 | 10,083.55 |
| Teton | 25 | 3,339.33 | 19 | 2,637.99 |
| Uinta | 107 | 20,458.26 | 100 | 19,497.56 |
| Washakie | 127 | 31,859.04 | 133 | 30,953.50 |
| Weston | 100 | 16,720.05 | 101 | 14,909.06 |
| | 4,561 | $783,465.19 | 4,506 | $759,433.01 |

# STATE OF WYOMING

# GASOLINE TAX REFUNDS

# TO MUNICIPALITIES

| | FY 1991 | FY 1992 |
|---|---|---|
| Afton | $ 0.00 | $ 0.00 |
| Baggs | 152.52 | 133.38 |
| Bar Nunn | 153.86 | 136.99 |
| Basin | 409.35 | 529.43 |
| Big Piney | 0.00 | 0.00 |
| Buffalo | 1,106.14 | 871.50 |
| Burns | 0.00 | 0.00 |
| Byron | 74.54 | 84.57 |
| Casper | 24,846.50 | 6,307.98 |
| Cheyenne | 11,087.93 | 14,883.89 |
| Chugwater | 104.02 | 106.09 |
| Cody | 7,525.01 | 3,359.23 |
| Cokeville | 0.00 | 0.00 |
| Dayton | 176.14 | 188.86 |
| Diamondville | 431.82 | 387.49 |
| Douglas | 0.00 | 0.00 |
| Dubois | 408.90 | 0.00 |
| East Thermopolis | 47.58 | 50.96 |
| Edgerton | 337.25 | 383.78 |
| Encampment | 0.00 | 0.00 |
| Evanston | 3,080.00 | 3,591.00 |
| Evansville | 0.00 | 0.00 |
| Ft. Bridger | 0.00 | 0.00 |
| Gillette | 0.00 | 0.00 |
| Glendo | 134.68 | 110.28 |
| Glenrock | 0.00 | 0.00 |
| Green River | 3,635.31 | 5,399.73 |
| Greybull | 963.40 | 938.15 |
| Hanna | 0. | 0.00 |
| Hulett | 0 | 0.00 |
| Jackson | 0.00 | 0.00 |
| Kemmerer | 1,401.47 | 384.23 |
| LaBarge | 0.00 | 0.00 |
| Lander | 1,643.11 | 2,059.19 |
| Laramie | 6,712.33 | 2,147.90 |
| Lingle | 651.77 | 285.39 |
| Lovell | 920.64 | 737.38 |
| Lusk | 0.00 | 0.00 |
| Lyman | 917.90 | 987.57 |
| Medicine Bow | 164.56 | 231.32 |
| Meeteetse | 0.00 | 0.00 |
| Midwest | 357.01 | 366.37 |

## GAS TAX REFUNDS TO MUNICIPALITIES (continued)

| | FY 91 | FY 92 |
|---|---|---|
| Mills | 553.97 | 570.20 |
| Moorcroft | 369.46 | 481.46 |
| Mountain View | 262.52 | 263.56 |
| Newcastle | 1,760.85 | 552.79 |
| Opal | 108.08 | 65.17 |
| Pine Bluffs | 0.00 | 0.00 |
| Pinedale | 0.00 | 0.00 |
| Pine Haven | 0.00 | 0.00 |
| Powell | 1,855.32 | 1,568.83 |
| Ranchester | 0.00 | 0.00 |
| Rawlins | 0.00 | 0.00 |
| Riverton | 2,069.96 | 2,021.87 |
| Rock River | 0.00 | 0.00 |
| Rock Springs | 4,634.70 | 0.00 |
| Saratoga | 0.00 | 0.00 |
| Sheridan | 5,565.56 | 4,876.97 |
| Shoshoni | 349.66 | 210.47 |
| Sinclair | 214.80 | 206.14 |
| Sundance | 468.02 | 242.78 |
| Superior | 0.00 | 0.00 |
| Thayne | 118.51 | 124.37 |
| Thermopolis | 607.61 | 912.90 |
| Torrington | 0.00 | 0.00 |
| Upton | 488.66 | 387.14 |
| Wheatland | 1,225.42 | 1,374.66 |
| Worland | 2,753.49 | 2,458.53 |
| Wright | 0.00 | 0.00 |
| **TOTALS:** | $90,850.33 | $60,980.50 |

# WYO-STAR

## WYOMING STATE TREASURER'S ASSET RESERVE

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

The Wyoming State Treasurer established an investment pool or common fund in which all monies are co-mingled for investment purposes. Each participant has an individual interest in the pool based on the ratio of that participant's cash balance as a percentage of the total cash balance of the pool. Separate accounts are maintained for each political entity. All investments conform to all statutes covering the state treasurer's other investments. Currently all funds are invested in U.S. Treasury, U.S. Government Agency securities and Commercial Paper.

Income is distributed to participants based on each entity's average daily cash balance in the pool. Interest is calculated and credited semi-annually in July and January for the previous six month period.

The minimum transaction size for deposit or withdrawal is $5,000, with no maximum. Deposits or withdrawals may be made by warrant or wire transfer, whichever the participant prefers. The State Treasurer's office requires at least one day's notice for withdrawal requests.

All deposits and withdrawals are confirmed in writing to the pool participant. Cash balance and interest earning statements are issued as of June 30th and December 31st.

Interest is paid on a net basis without any commission or other expenses being deducted, but the participant is required to pay wire transfer costs, if any, for deposits to Cheyenne.

The WYO-STAR Program has been in existence since December, 1987, with realized yields as follows:

| | |
|---|---|
| 12/02/87 - 06/30/88 | 6.895% |
| 07/01/88 - 12/31/88 | 8.236% |
| 01/01/89 - 06/30/89 | 9.648% |
| 07/01/89 - 12/31/89 | 9.014% |
| 01/01/90 - 06/30/90 | 8.309% |
| 07/01/90 - 12/31/90 | 8.110% |
| 01/01/91 - 06/30/91 | 6.350% |
| 07/01/91 - 12/31/91 | 6.684% |
| 01/01/92 - 06/30/92 | 5.162% |

As of June 30, 1992, there were 77 active participants. (Some participants have multiple accounts). WYO-STAR Pool Balance on June 30, 1992, was $88,790,712.53.

# STATE OF WYOMING
# GIFTS, ESCHEATS, AND FORFEITURES

| Fiscal Year | Beginning Balance | Received | Refunded | Transferred to Common School Permanent Land Fund * | Ending Balance |
|---|---|---|---|---|---|
| FY 82 | 340,921.02 | 272,408.86 | 98,857.76 | 56,279.50 | 458,192.62 |
| FY 83 | 458,192.62 | 40,309.15 | 25,350.65 | 37,194.58 | 435,956.54 |
| FY 84 | 435,956.54 | 61,963.60 | 93,589.29 | 16,937.42 | 387,393.43 |
| FY 85 | 387,393.43 | 47,472.14 | 101,321.02 | 49,968.22 | 283,576.33 |
| FY 86 | 283,576.33 | 269,438.08 | 28,044.24 | 83,399.72 | 441,570.45 |
| FY 87 | 441,570.45 | 160,250.59 | 34,181.84 | 64,240.20 | 503,399.00 |
| FY 88 | 503,399.00 | 158,444.52 | 45,714.55 | 39,438.64 | 576,690.33 |
| FY 89 | 576,690.33 | 181,276.90 | 76,462.16 | 38,075.60 | 643,429.47 |
| FY 90 | 643,429.47 | 252,858.09 | 96,746.71 | 27,116.14 | 772,424.71 |
| FY 91 | 772,424.71 | 191,102.86 | 130,627.04 | 218,847.68 | 614,052.85 |
| FY 92 | 614,052.85 | 428,432.95 | 101,327.17 | 76,218.30 | 864,940.33 |

*Escheated funds are held for a five-year period. If the funds are not claimed within that time, they are transferred to the Common School Permanent Land Fund.

Escheat (unclaimed property) records are listed on an alphabetical computerized list and are updated monthly.

In FY 92, 66 requests for lists of unclaimed property owners were received from heirfinders located in 27 states. Three thousand one hundred fifty five (3,155) inquiries from persons seeking their possible unclaimed funds were received from 45 states, not to mention the numerous telephone inquiries that are not calculated. An alphabetical list is mailed each month to Wyoming County Clerks.

A comprehensive unclaimed property bill was introduced at the 1992 Legislative Session, but failed to pass.

# CAPITAL FACILITIES REVENUE BONDS

The 1989 Wyoming Legislature passed W.S. 9-4-605 authorizing the use of revenue bond issues for capital construction purposes. The Wyoming Farm Loan Board was authorized to borrow up to $20,000,000 but this was amended by the 1990 Legislature to $40,000,000.

The bond issues are to be paid from federal government royalty income and are not to be considered general obligations of the state, and the Farm Loan Board cannot pledge the state's full faith and credit for the payments.

| | Original Issue | Final Maturity | Bond Rates |
|---|---|---|---|
| Series 1989 | $ 14,735,000 | October 1, 2019 | 6.00% to 7.45% |
| Series 1990 | 12,345,000 | October 1, 2020 | 6.10% to 7.375% |
| Series 1991 | 7,585,768 | October 1, 2021 | 7.00% to 7.20% |

Changes for the year were as follows:

| | Outstanding July 1, 1991 (maturity value) | Issued | Redeemed | Outstanding June 30, 1992 (maturity value) |
|---|---|---|---|---|
| Series 1989 | $ 4,575,000 | $ 0 | $ 170,000 | $ 14,405,000 |
| Series 1990 | 12,345,000 | 0 | 120,000 | 12,225,000 |
| Series 1991 | 7,585,768 | 0 | 0 | 7,585,768 |
| Total | $ 34,505,768 | $ 0 | $ 290,000 | $ 34,215,768 |

Combined debt service requirements for revenue bonds in future years, which are financed by diverted federal mineral royalties and interest on those diverted amounts are as follows:

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 1993 | $ 305,000 | $ 2,111,112 | $ 2,416,112 |
| 1994 | 325,000 | 2,091,420 | 2,416,420 |
| 1995 | 345,000 | 2,070,142 | 2,415,142 |
| 1996 | 365,000 | 2,047,240 | 2,412,240 |
| 1997 | 390,000 | 2,022,507 | 2,412,507 |
| Thereafter | 32,485,768 | 40,042,512 | 72,528,280 |
| Total | $ 34,215,768 | $ 50,384,933 | $ 84,600,701 |

# DEFERRED COMPENSATION PROGRAM

# FOR WYOMING PUBLIC EMPLOYEES

Deferred Compensation is a supplemental retirement program that allows public employees to set aside a limited portion of their earnings into a tax-deferred investment program. Amounts deferred and the earnings thereon are not subject to income taxes during the accumulation period.

Four companies--Great West Life & Annuity, Nationwide Life Insurance, Great Western Bank, and the Dreyfus Fund--provide many distinct investment opportunities to plan participants. A plan participant may choose among fixed and variable annuity products, guaranteed certificate accounts, guaranteed savings programs, bond funds, stock funds, money market funds, and universal life insurance or any combination of the foregoing products. Participants now have the ability to tailor their deferred compensation account to their specific needs. Wyoming Deferred Compensation, Inc. performs the marketing and coordinating functions for the program. Aetna Life Insurance Company was accepted into the plan to provide an additional annuity product.

The Wyoming Deferred Compensation Advisory Board, established by W.S. 9-3-504, consists of five (5) members appointed by the Governor with advice of the plan administrator. Two are members representing the state banking and investment community. Two members are state employees who participate in the program. One is a qualified elector with business and financial experience. The current board members are Pete Mulvaney, Carolyn Johnson, William Helms III, Patricia Green, and John Clay.

Participating employees were counted only if they have a current deferral. Employee participation as of June 30, 1992, was:

| | |
|---|---|
| Highway Department | 522 |
| University of Wyoming | 128 |
| Laramie County Community College | 16 |
| Central Payroll | 1,519 |
| Total Active State Employees | 2,185 |
| Total Active Municipal Employees | 661 |
| Total Active Employees (State & Municipal) | 2,846 |

Total in fund since inception:

| | STATE | Participants | MUNICIPALITIES | Participants |
|---|---|---|---|---|
| Nationwide Insurance | $35,901,919.54 | 3,408 | $8,107,116.33 | 1,449 |
| Great West Life & Annuity | 14,443,977.62 | 1,027 | 3,384,444.57 | 387 |
| Great Western Bank | 11,088,745.19 | 594 | 5,096,284.07 | 326 |
| Dreyfus Fund | * 6,280,742.67 | 668 | 1,304,125.15 | 201 |
| TOTAL: | $67,715,385.02 | | $17,891,970.12 | |

GRAND TOTAL (State & Municipalities): $85,607,355.14

* State & Municipalities

# LEGISLATIVE AUTHORITY

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

| | |
|---|---|
| 9-1-401 through 9-1-413: | Duties Generally |
| 9-5-201 through 9-5-205: | Abandoned Property/Escheat |
| 9-4-605: | Bond Issues |
| 9-3-501 through 9-3-507: | Deferred Compensation Program |
| 39-1-204: | Homeowners' Tax Credit |
| 15-5-302: | Distribution of Police Pension Fund |
| 39-2-207: | Distribution of Railroad Car Tax |
| 39-4-103: | Distribution of Veteran Exemption Reimbursements |
| 39-6-302 through 39-6-306: | Distribution of Severance Tax |
| 9-4-305 through 9-4-311; | Distribution of Miners' Hospital |
| Section 11, Acts of Admission: | |
| 9-4-401 through 9-4-406: | Distribution of Taylor Grazing Funds |
| 9-4-501 through 9-4-504: | Distribution of Forest Reserve Funds |
| 9-4-601 through 9-4-604: | Distribution of Federal Mineral Royalties |
| 11-6-210: | Distribution of Livestock Predatory Animal Control Fees |
| 9-1-416: | Municipal Investment Trust (WYO-STAR) |
| 9-4-701 through 9-4-707;<br>9-4-833;<br>11-34-129;<br>11-34-301;<br>16-1-109;<br>21-16-102;<br>27-3-303;<br>36-8-318 through 36-8-320;<br>37-5-203, 206;<br>41-2-124;<br>41-2-202, 210;<br>1987-ch117;<br>1989-ch131, 230, 285;<br>1990-ch39, 72, 105 | Investment of State Funds |
| 9-4-801 through 9-4-832: | Deposits in Wyoming Banks & S&L |
| 9-4-708: | Investment Managers |
| 21-22-101 through 21-22-109;<br>21-15-105, 39-6-305: | Wyoming Education Trust Fund |
| 39-6-201, 212: | Gas Tax Refund to Municipalities |
| 39-6-201, 211: | Agricultural Gas Tax Refunds |
| 39-6-308: | Municipal Mineral Trust Fund |