

ANNUAL REPORT  
of the Treasurer  
of the  
State of Wyoming



**For the Period**

**July 1, 1993 through June 30, 1994**

*Stan Smith, State Treasurer*

*Glenn A. Shaffer, Deputy State Treasurer*



# WYOMING STATE TREASURER

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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, 1994.

Yours very truly,

A handwritten signature in cursive script that reads "Stan Smith".

Stan Smith  
State Treasurer

November, 1994

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## FOREWORD

In this, the annual report of the Treasurer's Office for fiscal year 1994, the figures, charts, and tables present the data as of year end, June 30, 1994.

However, this Foreword is, by design, being written immediately after the 1994 general election of November 8, 1994.

### Failure of Constitutional Amendment Number Two

Three times in the past twelve years, there has been presented to the voters of Wyoming, a constitutional amendment allowing the use of common stocks as a component of the permanent fund portfolio of the state. This year it failed again, but by an even smaller margin of votes than it has in the past. Although the measure received votes for ratification by more than 10,000 more voters who said "yes" than those who said "no", it still did not pass the constitutional requirement of receiving an affirmative vote of the majority of the votes cast in the election. The effect of this requirement is, of course, that those voters who come to the polls but do not vote on this issue are, in effect, casting a "no" vote.

The reason this year for not obtaining for our state this important investment tool, which is being used by 48 other states, was the spreading of propaganda and misinformation by the promoters of the Watt-Donley "Invest in Wyoming" Initiative.

### Defeat of the Watt-Donley "Invest in Wyoming" Initiative

The promoters of this idea, Mr. Russell Donley of Casper and Mr. James Watt of Jackson, Wyoming, spent tens of thousands of dollars spreading false information to Wyoming citizens.

Voters were told that investments would be "brought back from Wall Street" and invested in Wyoming. This was not true.

Voters were told that thousands of new jobs would be created, although there was absolutely nothing in the proposed law requiring that loans made under the proposal must have the purpose of the expansion of business or the creation of new jobs.

Voters were told that student loans would be made possible under this Watt-Donley proposal in spite of the fact that there was absolutely no mechanism set up in the proposed law that would guarantee student loans to the banks making those loans.

In addition, it was never clearly explained to voters that under the Watt-Donley proposal, every borrower would have to fully qualify with his banker for a loan, just as he would ordinarily.

But worst of all, the promoters of Watt-Donley additionally strayed far afield of their own proposal and made outrageous statements about the proposed Constitutional Amendment #2, such as claiming that it would "put \$800 million of state permanent funds at risk".

Happily, Wyoming voters were not convinced by the barrage of propaganda, and the Watt-Donley initiative was soundly defeated. However, its promoters, Mr. Donley and Mr. Watt, in the process of promoting their own foolish proposal, caused the defeat of an important and needed investment tool (the authority to invest in equities), thus doing a huge disservice to the state of Wyoming.

## Steady Progress - Looking to the Future

UNCLAIMED PROPERTY - that program is operating very well and is already self-sufficient, with over \$5 million in custody as of this writing. In the future, the program will have to include an audit capability which is not now an effective part of the program.

SECURITIES LENDING - that program will now be producing a component of income going mostly into the state's general fund. As of this writing that source has provided a benefit of almost \$2 million with no additional risk. Authority for this program is in place for the Wyoming Retirement System, as well as for the state, but has been unnecessarily delayed in the Retirement System for over two years because of legal jangling between the attorneys for the state and for the proposed servicer of a program.

DERIVATIVES - there has been much hype and confusion over the use of derivatives by institutional investors. The state of Wyoming does not and has not used derivatives. However, there are very legitimate, prudent, and conservative uses for derivatives, such as controlling portfolio risk from interest rate fluctuations. Most of the losses experienced by institutional investors through the use of derivatives have resulted from using them for speculation rather than for controlling risk, or from leveraging with derivatives (i.e. placing them in repurchase agreements in exchange for cash, and then investing the cash). Clearly, the real problem is not derivatives themselves, but rather is with the way imprudent investors have used them.

INVESTMENT ACCOUNTING SYSTEM - the Treasurer's Office urgently needs a new, state-of-the-art, investment accounting system. The legislative Joint Appropriations Committee has already been approached to advise them of this need, and of the need for a new position in this office of a computer systems coordinator. The addition of this new person will be the first addition of personnel to the office of State Treasurer in the twelve years of office of the current Treasurer.

Putting in place this new investment accounting system will greatly improve the efficiency of our present methods of handling and accounting for state investments, and will also provide many capabilities not possible now with the current use of the WIN system for investment accounting.

BUSINESS AREA ANALYSIS - the State Treasurer's Office is currently the pilot agency to test the use of a procedures analysis program. Under a contract with the Viking Group and the Computer Technology Division, this program is designed to reveal flaws or duplications in current office procedures, and redesign them for better efficiency and give much-needed information concerning investment system requirements. Good results are hoped for from this lengthy and complicated analysis, but at this writing, the results are still undetermined.

Stan Smith  
State Treasurer

## DUTIES OF THE OFFICE

The principal duty of the State Treasurer is to safeguard and to invest all the funds of the state, including the local government investment pool. The total investable funds at year-end was \$3,190,501,301.40. 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) Capitol Building Commission, 4) Wyoming Community Development Authority, 5) Liquor Commission, 6) Group Health Insurance Board, 7) Board of Deposits, 8) State Canvassing Board and 9) Wyoming Retirement System Board of Directors.

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 after current expenditures are invested daily 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. The State Treasurer also has the general responsibility for the management of the state's cash resources including developing information to forecast the cash needs of the state.

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

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

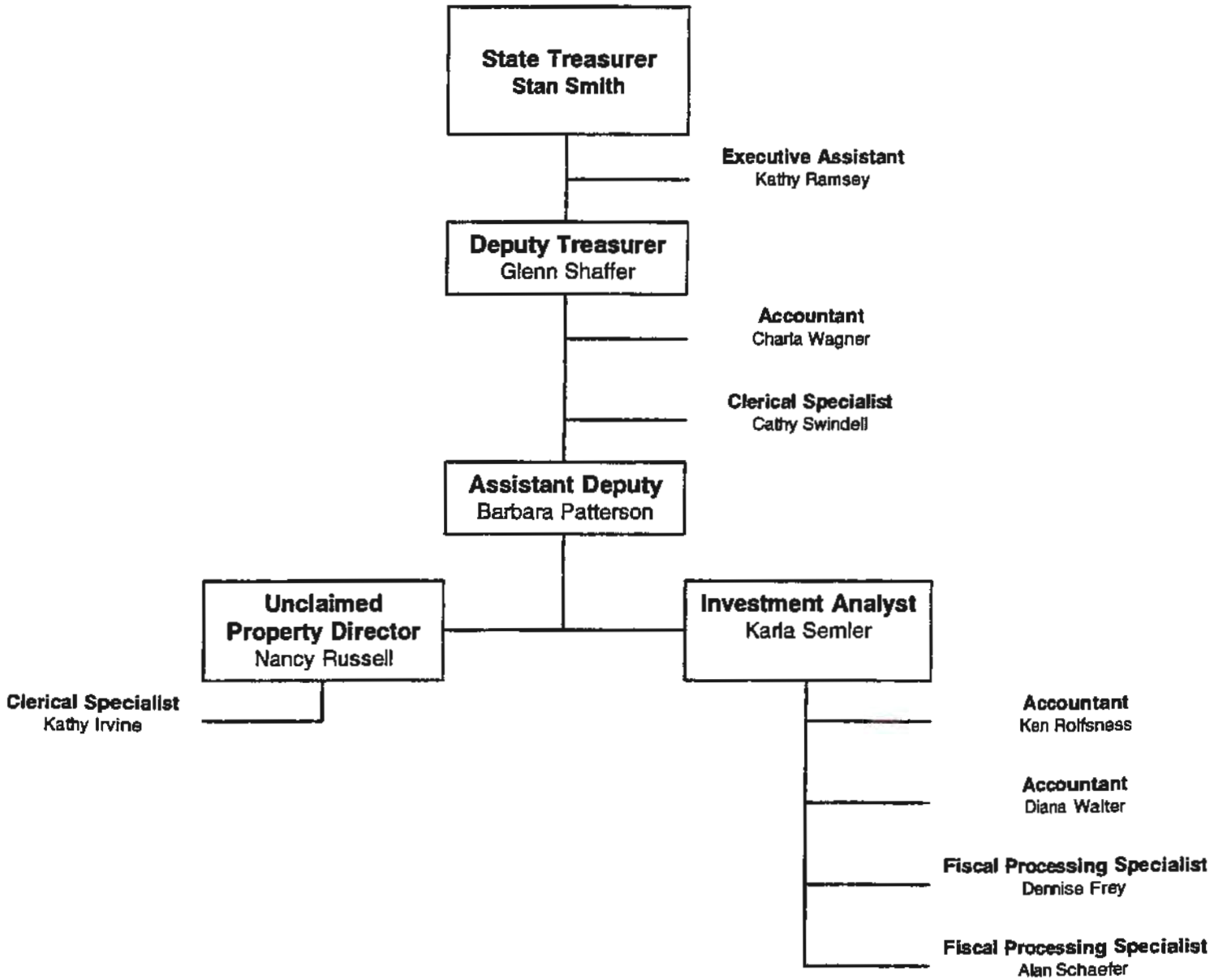
The Treasurer administers the Wyoming State Treasurer's Asset Reserve (WYO-STAR) which is an investment pool for use by local government entities, school districts, counties and cities that wish to place funds with the state for short term investment.

Distributions of various state and federal monies are made as prescribed by law to cities, towns, counties, and state agencies. At the beginning of FY 94, the agricultural gas tax refund program was changed to a system of at-the-pump discounts and is now administered by the Department of Transportation.

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 to be invested at their direction in 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-195.

**ORGANIZATIONAL CHART OF STATE TREASURER'S OFFICE**



**BALANCE SHEET  
AS OF JUNE 30, 1994**

Assets

Treasurer's Cash	\$ 10,673,856.29	
WYO-STAR Cash	977.61	
Petty Cash with Agencies	215,215.00	
Due from Other Funds	<u>111,415.28</u>	\$ 11,001,464.18
Inter-Agency Loans Receivable		1,040,151.85
Income Receivable		2,076,142.32
Outstanding Purchased Accrued Interest		
Treasurer	649,176.45	
WYO-STAR	<u>0.00</u>	649,176.45
State Investments @ Par	3,050,894,584.08	
Unamortized Premium	10,226,044.56	
Unamortized Discount	<u>(8,120,937.45)</u>	
Total State Investments @ Cost		3,052,999,691.19
WYO-STAR Investments @ Par	124,406,000.00	
Unamortized Premium	0.00	
Unamortized Discount	<u>(151,089.82)</u>	
Total WYO-STAR Investments @ Cost		<u>124,254,910.18</u>
<b>TREASURER'S TOTAL ASSETS</b>		<b><u>\$ 3,192,021,536.17</u></b>

Liabilities

Unposted Redeemed Warrants	(591.75)	.
Due to Local Government Entities (WYO-STAR)	<u>2,549,030.14</u>	2,548,438.39

Equity

State Investment Equity	3,062,975,631.19	
Unrecognized Income	<u>2,241,578.80</u>	3,065,217,209.99
WYO-STAR Participation		<u>124,255,887.79</u>
<b>TREASURER'S TOTAL LIABILITY AND FUND EQUITY</b>		<b><u>\$ 3,192,021,536.17</u></b>



**STATEMENT OF CASH FLOWS  
FOR YEAR ENDED JUNE 30, 1994**

Cash flows from operating activities:

Receipts <sup>1</sup>	\$ 1,932,988,604.56
Less return items	<u>(1,099,247.49)</u>
Net cash receipts	1,931,889,357.07
Increase in petty cash	(1,340.00)
Warrants redeemed <sup>2</sup>	<u>(2,012,477,875.35)</u>

Net cash provided (used) by operating activities \$ (80,589,858.28)

Cash flows from investment operations:

Investment income distributed <sup>3,4</sup>	212,785,366.38
Increase in outstanding purchased accrued interest	481,110.94
Net proceeds from investments	<u>(138,835,329.80)</u>

Net cash provided (used) by investment activities	<u>74,431,147.52</u>
Net decrease in cash	(6,158,710.76)
Beginning cash: July 1, 1993	<u>16,832,567.05</u>
Ending cash: June 30, 1994	<u>\$ 10,673,856.29</u>

NOTES:

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

In Fiscal Year 1994 receipts increased 9.4% compared to FY 93.

<sup>2</sup> 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 1994 warrants redeemed decreased 6.2% compared to FY 93.

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

<sup>4</sup> Of the investment income received, \$4,897,144.16 was income to the local government investment pool (WYO-STAR) and is not included in income available for state use. Total amount remitted to participants was net of \$36,226.36 data processing fees.

**INCOME EARNINGS RECEIVED ON INVESTMENTS FOR FISCAL YEAR 1994  
AS OF 6/30/94**

<u>Fund Name &amp; No.</u>	<u>Regular Investment Income</u>	<u>Cash Pool Income 7/1-6/30</u>	<u>Total Investment Income Rec'd</u>
Workers' Compensation (504)	293,023.69	1,492,153.52	1,785,177.21
GNMA Fund (423)	54,372.10	209,834.04	264,206.14*
Water Development I (041)		5,163,665.11	5,163,665.11
Miners' Hospital Permanent Land Fund (L01)	1,054.26	1,477,708.79	1,478,763.05
Public Buildings @ Capitol Perm Land Fund (L02)	8,298.36	18,012.71	26,311.07*
Fish Hatchery Permanent Land Fund (L03)	1,264.04	13,437.25	14,701.29
Common School Permanent Land Fund (L04)	63,200,459.69	2,096,908.26	65,297,367.95
D. D. & B. Permanent Land Fund (L05)	11,065.32	37,120.17	48,185.49*
Carey Act Permanent Land Fund (L06)		172,162.31	172,162.31*
Omnibus Permanent Land Fund (L07)	2,420.21	851,411.81	853,832.02*
State Hospital Permanent Land Fund (L08)		334,320.86	334,320.86*
State Training School Permanent Land Fund (L09)	25,087.10	26,954.11	52,041.21*
Penitentiary Permanent Land Fund (L10)		617,271.85	617,271.85*
Agriculture College Permanent Land Fund (L11)	6,340.19	353,990.44	360,330.63
University Permanent Land Fund (L12)	241,399.23	741,589.62	982,988.85
Permanent Mineral Trust Fund (M01 & M02)	80,159,511.88	5,231,296.50	85,390,808.38
Other Funds		<u>47,675,873.00</u>	<u>47,675,873.00</u>
	<u>\$144,004,296.07</u>	<u>\$66,513,710.35</u>	<u>\$210,518,006.42</u>

Total Income--Treasurer's Investments  
(Includes Both Treasurer's & Managers' Investments)

\$210,518,006.42

NOTES:

Total Investment Income transferred to General Fund (excluding Permanent Mineral Trust Fund) = \$20,424,592.06

\* All or a portion of the investment income from these funds ultimately goes to the General Fund;  
these totals are included in the General Fund total above.

**STATEMENT OF INVESTMENTS AT PAR  
AS OF JUNE 30, 1994**

Treasurer's Investments	(Schedule I - page 8)	2,349,487,174.53
Deposits in Wyoming Banks	(Schedule II - page 9)	53,808,000.00
Deposits in Savings & Loans	(Schedule III - page 10)	10,410,000.00
Link Deposit Program	(Schedule IV - page 12)	<u>30,783,575.27</u>
Total Treasurer's Investments		2,444,488,749.80
Managers' Investments		<u>607,445,986.13</u>
Total State Investments		3,051,934,735.93
WYO-STAR Investments		<u>124,406,000.00</u>
		<u>3,176,340,735.93</u>

**Schedule I STATE TREASURER'S INVESTMENTS BY FUND**  
**(including loans authorized by state statute)**

Cash Pool . . . . .		\$996,454,229.53
(This fund represents the cash balance of all funds and accounts for which specific investment have not been made.)		
GNMA Account . . . . .		692,977.91
Common School Permanent Land Fund		
State Building Revenue Bonds . . . . .	32,033,438.00	
Other Investments . . . . .	<u>153,308,171.02</u>	185,341,609.02
University Permanent Land Fund . . . . . 1,040,151.85		
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 . . . . .	15,717,128.49	
Farm Loans . . . . .	201,359,067.28	
Irrigation Loans . . . . .	20,612,030.93	
Joint Powers Loan . . . . .	27,238,809.65	
Other Investments . . . . .	<u>867,781,169.87</u>	<u>1,165,958,206.22</u>
<b>Total Treasurer's Fixed Income Investments @ Par . . . . .</b>		<b><u>\$2,349,487,174.53</u></b>

## REPORT OF THE STATE BOARD OF DEPOSITS

The State Board of Deposits, consisting of the Governor, Secretary of State, and State Treasurer, met on June 7, 1994; 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), and other deposit programs. The parent bank will hold the depository relationship.

Fiscal year 1994 found no Wyoming banks reported closed.

### Schedule II DEPOSITS IN WYOMING BANKS

Security State Bank, Basin . . . . .	\$ 636,000.00
First National Bank, Buffalo . . . . .	756,000.00
Wyoming Bank & Trust, Buffalo . . . . .	516,000.00
Norwest Bank Wyoming Casper, N.A. . . . .	6,147,000.00
Equality State Bank, Cheyenne . . . . .	1,345,000.00
Key Bank, Cheyenne . . . . .	20,236,000.00
Frontier Bank of Laramie County, Cheyenne . . . . .	200,000.00
Western Bank, Cheyenne . . . . .	100,000.00
Shoshone First Bank, Cody . . . . .	1,465,000.00
Western Bank, Cody . . . . .	554,000.00
Converse County Bank, Douglas . . . . .	1,025,000.00
Hulett National Bank . . . . .	247,000.00
Bank of Jackson Hole . . . . .	100,000.00
Jackson State Bank . . . . .	3,416,000.00
First National Bank, Laramie . . . . .	973,000.00
Bank of Laramie . . . . .	250,000.00
Lingle State Bank . . . . .	259,000.00
Norwest Bank Wyoming Lovell, N.A. . . . .	703,000.00
Lusk State Bank . . . . .	356,000.00
First State Bank, Newcastle . . . . .	891,000.00
First Security Bank, Newcastle . . . . .	395,000.00
First National Bank, Pinedale . . . . .	280,000.00
Ranchester State Bank . . . . .	300,000.00
Bank of Commerce, Rawlins . . . . .	484,000.00
Rawlins National Bank . . . . .	1,521,000.00
American National Bank, Rock Springs . . . . .	663,000.00

First Security Bank, Rock Springs . . . . .	1,138,000.00
Rock Springs National Bank . . . . .	500,000.00
First Interstate Bank, Sheridan . . . . .	4,872,000.00
Sheridan National Bank . . . . .	495,000.00
Sundance State Bank . . . . .	912,000.00
First National Bank, Torrington. . . . .	533,000.00
Union State Bank, Upton . . . . .	229,000.00
First State Bank, Wheatland. . . . .	600,000.00
Stockgrowers State Bank, Worland . . . . .	<u>711,000.00</u>
	<b><u>\$53,808,000.00</u></b>

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

Rocky Mountain Federal Savings Bank, Cheyenne .	\$ 6,326,000.00
Security First Savings and Loan, Cheyenne . . .	930,000.00
First Federal Savings and Loan, Sheridan . . .	2,260,000.00
Tri-County Savings and Loan, Torrington . . . .	<u>894,000.00</u>
	<b><u>\$10,410,000.00</u></b>

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

A total of \$1,972,055.33 was earned in Fiscal Year 1994. 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%
1993	50,437,000	9,390,000	3.25%	3.00%	3.00%	3.00%
1994	52,808,000	10,410,000	3.00%	3.125%	4.00%	4.50%

## LINK DEPOSIT PROGRAM

By statute, this program terminated on July 1, 1993, and no further link deposits will be made. Outstanding links will be serviced until pay-off or maturity.

The program became operational October, 1986, to provide impetus for economic development and assist existing businesses to remain viable and to create and preserve jobs.

The state placed a deposit with a financial institution at up to a three percent rate reduction which was passed on to a borrower's market loan to which the deposit was "linked". Maximum amount was \$750,000 with a maximum term of five years with one renewal. The financial institution assumed all risk and collateralized the deposit at 100%. Changes were made to the legislation in 1988 and 1989 modifying rules and adding some funds for clean-up of underground storage tanks. Additional rules were promulgated to assure proper use and safeguards.

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

Star Valley State Bank, Afton . . . . .	\$ 113,390.10
Security State Bank, Basin . . . . .	3,346,715.49
First National Bank, Buffalo . . . . .	222,000.00
Wyoming Bank & Trust, Buffalo . . . . .	127,690.16
Farmers State Bank, Burns . . . . .	39,372.90
First Interstate Bank, Casper . . . . .	715,919.14
Hilltop National Bank, Casper . . . . .	85,664.51
Norwest Bank Wyoming Casper, N.A. . . . .	2,055,274.42
Equality State Bank, Cheyenne . . . . .	634,162.20
Key Bank, Cheyenne . . . . .	11,744,817.24
Shoshone First Bank, Cody . . . . .	626,248.33
Converse County Bank, Douglas . . . . .	413,524.58
First National Bank, Evanston . . . . .	53,780.15
First National Bank, Gillette . . . . .	456,065.84
National Bank, Glenrock . . . . .	65,778.89
First National Bank, Kemmerer . . . . .	61,383.48
First National Bank, Laramie . . . . .	860,349.43
Bank of Laramie . . . . .	20,822.75
Lingle State Bank . . . . .	31,667.28
First State Bank, Newcastle . . . . .	452,367.13
First National Bank, Powell . . . . .	268,898.90
Rawlins National Bank . . . . .	827,785.26
American National Bank, Rock Springs . . . . .	195,533.08
First Security Bank, Rock Springs . . . . .	539,559.85
First Interstate Bank, Sheridan . . . . .	2,559,393.10
Sheridan National Bank . . . . .	74,113.09
Sundance State Bank . . . . .	63,253.16
First State Bank, Thermopolis . . . . .	370,904.92

Citizens Bank & Trust Company, Torrington . . .	313,155.29
First National Bank, Torrington . . . . .	977,842.17
Union State Bank, Upton . . . . .	377,822.44
First State Bank, Wheatland . . . . .	82,892.29
First National Bank, Worland . . . . .	1,574,137.36
Stockgrowers State Bank, Worland . . . . .	174,383.29
Buffalo Federal Savings & Loan . . . . .	69,106.97
Rocky Mountain Federal Savings Bank, Cheyenne .	79,448.26
Security First Savings, Cheyenne . . . . .	108,351.82
 <b>TOTAL LINK DEPOSITS . . . . .</b>	 <b><u>\$30,783,575.27</u></b>

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 \$33,783,575.27.



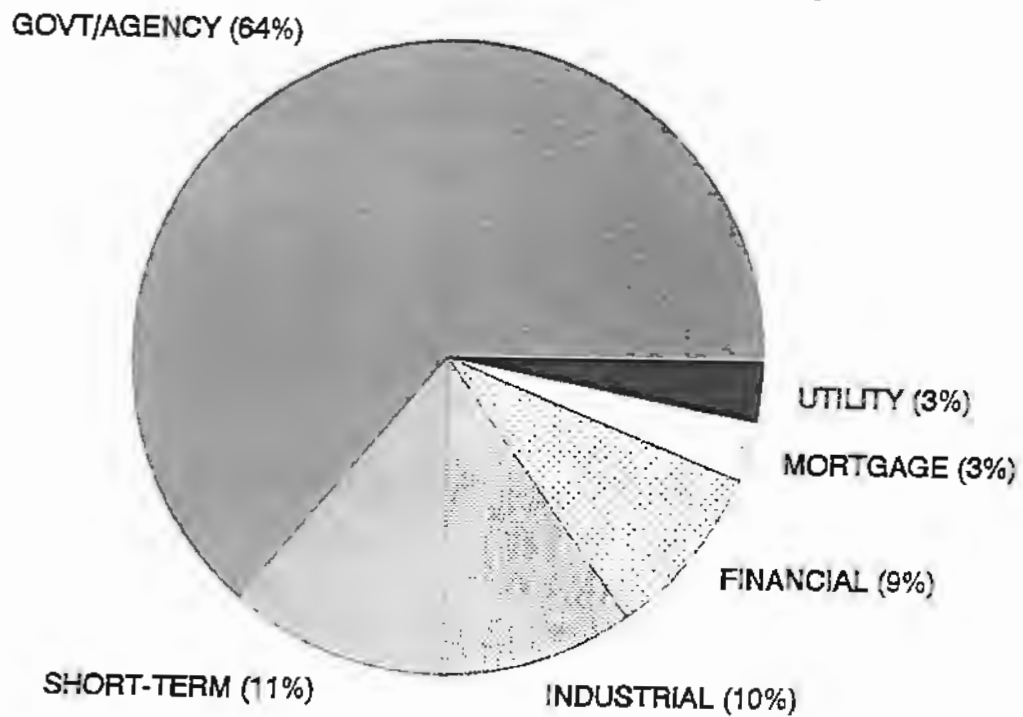
**STATE FUNDS INVESTED BY TREASURER  
BY MAJOR TYPE AT COST  
AS OF JUNE 30, 1994**

<u>TYPE</u>	<u>AMOUNT AT COST</u>	<u>PERCENT OF TOTAL</u>
<b><u>Discretionary Investments</u></b>		
U.S. Treasury Obligations	\$ 197,190,892.55	8.06%
U.S. Government Agencies	1,044,843,083.03	42.72%
Corporate Securities	592,921,842.61	24.23%
Day-To-Day Repurchase Agreements	209,253,000.00	8.55%
<b><u>Program Loans Authorized by State Statute</u></b>		
Farm Loans & Special Loans	174,497,286.61	7.13%
Irrigation Loans	20,612,030.93	0.84%
Drainage Districts	96,510.00	0.00%
Joint Powers Loans	27,238,809.65	1.11%
Mortgage Loan Pass-Thru Certificates	15,717,128.49	0.64%
Community College Bonds	1,317,000.00	0.05%
Student Loans	1,005,126.30	0.04%
Agricultural Loans	4,095,308.29	0.17%
Small Business Assistance Act Loans	7,845,174.78	0.32%
School District Loans	692,977.91	0.03%
University of Wyo American Heritage Center	1,040,151.85	0.04%
Clean Coal Technology	20,700,000.00	0.85%
Shoshone Water Development Project	15,775,958.64	0.64%
Sheridan Area Water Treatment Project	6,750,000.00	0.28%
Laramie-Albany County Territorial Park	10,000,000.00	0.41%
<b><u>Deposits with Financial Institutions</u></b>		
Deposits in Wyoming Banks	53,808,000.00	2.20%
Deposits in Wyoming Savings & Loans	10,410,000.00	0.43%
Wyoming Link Deposit Program	<u>30,783,575.27</u>	<u>1.26%</u>
<b>Total Treasurer's Investments at Cost</b>	<b><u>\$2,446,593,856.91</u></b>	<b><u>100.00%</u></b>

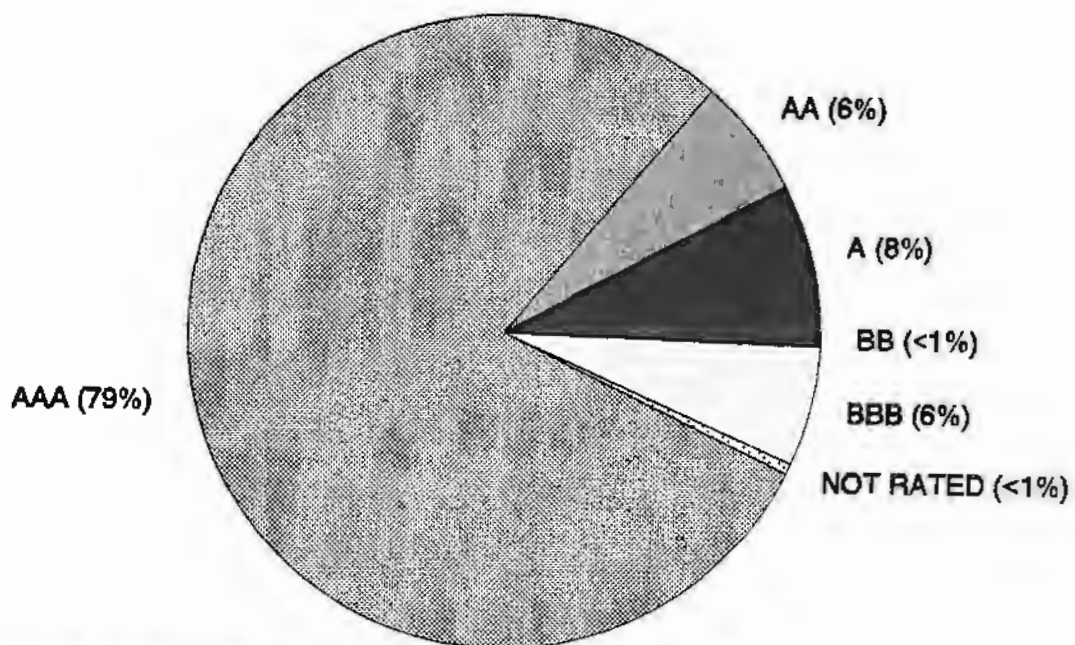
Current Yield on June 30, 1994, was 6.28%

Realized yield for FY 94 was 7.06% based on income received versus cost (excluding WYO-STAR investments).

**DISCRETIONARY PORTFOLIO SECTORAL BREAKDOWN \***



**DISCRETIONARY PORTFOLIO CREDIT BREAKDOWN \***



\* EXCLUDING OUTSIDE INVESTMENT MANAGERS

**INVESTMENT MANAGERS' SUMMARY  
AND NET BENEFIT ANALYSIS  
AS OF JUNE 30, 1994**

	<u>CURRENT MANAGER BALANCE</u>	<u>TOTAL STATE INVESTMENT</u>
Cash on Hand	\$ 301.32	
Total Investments on hand	636,886,690.11	
Net committed but uncompleted trades	<u>(28,885,097.75)</u>	
Net Investments Held	608,001,592.36	
Income to be remitted to State Treasurer	<u>(555,907.55)</u>	
	<u>\$ 607,445,986.13</u>	<u>\$ 607,445,986.13</u>
Interest to Treasurer	<u>\$ 41,024,748.01</u>	
Profit (loss) remitted to Treasurer last 12 month period	<u>\$ 6,138,121.31</u>	
Realized yield FY 94:	<u>8.56%</u>	

**NET BENEFIT ANALYSIS:**

The investment managers are not required to keep any portion of their managed funds available for conversion to cash which creates a substantial advantage in producing higher yields. In addition, other than the requirements of good portfolio management, the managers are not limited as to the term of their investments, and longer term investments are normally higher in return than are short term investments.

The return realized by the managers during FY 94 was 8.56% and the approximate return realized by state investments as a whole was 7.06% (see page 14).

Therefore:

\$ 532,249,856.69	Managers' average investable balance
x 1.50%	Net additional return earned by managers
<u>7,983,747.85</u>	(8.56% less 7.06%)
<u>(520,000.00)</u>	Additional income earned by managers
	Annual cost of managers
<u>\$ 7,463,747.85</u>	<b>ANNUAL NET BENEFIT OF USING MANAGERS</b>

Note: On May 1, 1994, an additional \$80 million was invested with a third outside manager (included in total above); however, no income has yet been transmitted to the State Treasurer from that manager.

## REPORT ON PROFITS REALIZED FROM ACTIVE PORTFOLIO MANAGEMENT

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. 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 market fluctuations, aberrations and trends. This has been made possible by the use of market information received minute by minute on the Bloomberg Financial System.

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/investment staff in the Treasurer's Office to handle the transactions.

The following is a monthly summary of profitable transactions made in FY 94. The dollar amounts listed do NOT include the additional income that results from substituting a new security with a better yield.

MONTH	TOTAL (excl WYO-STAR)	CASH POOL FUND	PERMANENT MINERAL TRUST FUND	COMMON SCHOOL PERMANENT LAND FUND	WYO-STAR INVESTMENT POOL
July '93	\$ 1,853,995.29	\$ 144,062.50	\$ 209,874.85	\$	\$ 56,250.00
August	1,308,892.95	180,710.51	1,084,927.97	1,500,057.94	48,925.00
September	1,821,474.03	703,299.45	783,611.39	43,254.47	192,968.75
October	1,363,087.92	825,859.52	360,802.62	334,563.19	120,312.50
November	302,927.08	238,083.33	64,843.75	176,425.78	23,281.25
December	1,249,039.59	1,045,323.60	203,715.99	0.00	34,375.00
January '94	606,637.41	39,791.67	368,292.11	198,553.63	60,937.50
February	1,039,037.21	354,415.00	652,008.57	32,613.64	29,687.50
March	266,172.31	145,546.79	120,625.52	0.00	0.00
April	621,051.33	317,250.00	303,801.33	0.00	7,031.25
May	828,761.93	395,522.17	257,917.26	175,322.50	0.00
June '94	<u>1,061,657.67</u>	<u>159,251.56</u>	<u>902,406.11</u>	<u>0.00</u>	<u>12,500.00</u>
	<u>\$ 12,322,734.72</u>	<u>\$ 4,549,116.10</u>	<u>\$ 5,312,827.47</u>	<u>\$ 2,460,791.15</u>	<u>\$ 586,268.75</u>

## INVESTMENT POLICY & RISK DISCLOSURE

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

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

### DEPOSITS:

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

#### Risk Categories:

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

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

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

### INVESTMENTS:

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

#### Risk Categories:

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

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

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

### INTEREST-BEARING RECEIVABLES:

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

#### Risk Categories:

Interest-bearing receivables are not categorized according to risk.

# RISK DISCLOSURE AND MARKET VALUE ANALYSIS

AS OF JUNE 30, 1994

DEPOSITS	DEPOSIT RISK CATEGORY			BANK	TREASURER
	1	2	3	balance	amount
DEMAND DEPOSITS	\$ 11,001,464.18			\$ 2,531,945.00	\$ 11,001,464.18
WYOMING BANKS	53,808,000.00			53,808,000.00	53,808,000.00
WYOMING SAVINGS & LOAN	10,410,000.00			10,410,000.00	10,410,000.00
LINK DEPOSITS	30,783,575.27			30,783,575.27	30,783,575.27
<b>Total</b>	<b>106,003,039.45</b>	<b>0.00</b>	<b>0.00</b>	<b>97,533,520.27</b>	<b>106,003,039.45</b>

INVESTMENTS	INVESTMENT RISK CATEGORY @ COST			CARRIED AT	MARKET
	1	2	3	amount	value
US TREASURY SECURITIES	\$ 425,445,129.98				\$ 396,314,668.75
GVMT AGENCY SECURITIES	1,248,138,812.69				1,222,784,742.06
REPURCHASE AGREEMENTS	301,046,588.52				303,362,641.47
CORPORATE SECURITIES	609,822,155.07				574,048,118.14
BANKERS' ACCEPTANCES	65,031,788.67				66,200,000.00
COMMERCIAL PAPER	58,581,356.75				59,200,000.00
<b>Total</b>	<b>2,708,065,831.68</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,621,910,170.42</b>

INTEREST-BEARING RECEIVABLES	INVESTMENT RISK CATEGORY @ COST			CARRIED AT	MARKET
	1	2	3	amount	value
AGRICULTURE LOANS				\$ 4,095,308.29	
COMMUNITY COLLEGE BDS				1,317,000.00	
CLEAN COAL TECHNOLOGY				20,700,000.00	
CITY/TOWN LOANS				32,525,958.64	
DRAINAGE DISTRICT BONDS				96,510.00	
FARM LOANS				172,900,981.88	
FARM LOAN BOARD LOANS-SPECIAL				1,596,304.73	
GUARANTEED INVEST CONTRACTS				67,843,882.82	
INTER-AGENCY LOANS				1,040,151.85	
IRRIGATION LOANS				20,612,030.93	
JOINT POWERS LOANS				27,238,809.65	
MORTGAGE PURCHASE PROGRAM				15,717,128.49	
SCHOOL DISTRICT LOANS				692,977.91	
SMALL BUSINESS ASSISTANCE				7,845,174.78	
STUDENT LOANS				1,005,126.30	
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>375,227,346.27</b>	<b>N/A</b>

**INVESTMENT ACCOUNT BALANCES  
AS OF JUNE 30, 1994**

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	\$20,924,913.34	0.00			0.00	\$20,924,913.34
Public Buildings at Capitol	391,764.07	0.00			0.00	391,764.07
Fish Hatchery	196,030.24	0.00			0.00	196,030.24
Common School	58,798,220.34	\$712,787,595.15**	\$115,138.89	\$4,705,225.86	0.00	776,406,180.24
D.D. & B. Asylum	619,636.86	0.00			0.00	619,636.86
Carey Act	2,333,779.67	0.00				2,333,779.67
Omnibus	12,600,972.07	0.00			0.00	12,600,972.07
Insane Asylum	4,474,283.30	0.00				4,474,283.30
State Training School	559,512.56	0.00			0.00	559,512.56
Penitentiary	8,327,240.61	0.00				8,327,240.61
Agricultural College	4,791,655.84	0.00			0.00	4,791,655.84
University	<u>11,980,011.82</u>	<u>1,040,151.85</u>			<u>0.00</u>	<u>13,020,163.67</u>
Subtotal - Permanent Land Funds Only	125,998,020.72	713,827,747.00	115,138.89	4,705,225.86	0.00	844,646,132.47
Mineral Trust Fund	<u>154,900,731.47</u>	<u>1,165,958,206.22</u>	<u>217,193.60</u>	<u>(4,538,833.75)</u>	<u>0.00</u>	<u>1,316,537,297.54</u>
Subtotal - All Permanent Funds	280,898,752.19	1,879,785,953.22	332,332.49	166,392.11	0.00	2,161,183,430.01
GNMA Account	1,870,368.31	692,977.91			0.00	2,563,346.22
Water Development	<u>93,234,784.79</u>	<u>80,000,000.00**</u>			<u>0.00</u>	<u>173,234,784.79</u>
	<u>\$376,003,905.29</u>	<u>\$1,960,478,931.13</u>	<u>\$332,332.49</u>	<u>\$ 166,392.11</u>	<u>0.00</u>	<u>\$2,336,981,561.02</u>

\* "Adjusted Cash" is actually included with, and part of the "Cash Pool". The Cash Pool represents the cash balance of all funds and accounts for which specific investments have not been made. The Cash Pool Investments are not summarized in this report.

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

## PERMANENT LAND FUNDS

FUND	JULY 1, 1993 CORPUS BALANCE	NON-INVESTMENT REVENUE	JUNE 30, 1994 CORPUS BALANCE
<u>L01 MINERS' HOSPITAL PERMANENT LAND FUND</u>			
Beginning Balance	\$ 18,717,978.74		
Oil & Gas Lease Royalties		\$ 48,496.31	
Real Estate Sales		65,322.06	
Right-of-Way		7.94	
Sodium & Trona Lease Royalties		<u>2,093,108.29</u>	
		\$ 2,206,934.60	<u>\$ 20,924,913.34</u>
<u>L02 PUBLIC BUILDINGS AT CAPITOL PERMANENT LAND FUND</u>			
Beginning Balance	\$ 311,107.42		
Oil & Gas Lease Royalties		\$ 800.00	
Real Estate Sales		60,250.00	
Right-of-Way & Easement Lease		<u>19,606.65</u>	
		\$ 80,656.65	<u>\$ 391,764.07</u>
<u>L03 FISH HATCHERY PERMANENT LAND FUND</u>			
Beginning Balance	\$ 190,770.24		
Right-of-Way & Easement Lease		\$ 100.00	
Real Estate Sales		<u>5,160.00</u>	
		\$ 5,260.00	<u>\$ 196,030.24</u>
<u>* L04 COMMON SCHOOL PERMANENT LAND FUND</u>			
Beginning Balance	\$ 753,386,669.68		
Bentonite Lease Royalties		\$ 151,731.79	
Coal Lease Royalties		590,835.31	
Liquidated Damages		10,000.00	
Miscellaneous Mineral Lease Royalties		77,904.19	
Oil & Gas Lease Royalties		18,195,767.28	
Sand & Gravel Royalties		155,489.56	
Sodium & Trona Lease Royalties		1,849,305.33	
Right-of-Way & Easement Lease		165,640.68	
Taylor Grazing		24,969.63	
Uranium Lease Royalties		23,165.08	
Surface Damage Lease		158,355.80	
Real Estate Sales		1,483,355.16	
Escheat to State		124,876.64	
Correction to Conversion Fund Balance		<u>8,114.11</u>	
		\$ 23,019,510.56	<u>\$ 776,406,180.24</u>



FUND	JULY 1, 1993 CORPUS BALANCE	NON-INVESTMENT REVENUE	JUNE 30, 1994 CORPUS BALANCE
<u>L05 DEAF, DUMB &amp; BLIND PERMANENT LAND FUND</u>			
Beginning Balance	\$ 614,410.40		
Sand & Gravel		\$ 2.25	
Oil & Gas Lease Royalties		5,199.21	
Right-of-Way & Easement Lease		<u>25.00</u>	
		\$ 5,226.46	<u>\$ 619,636.86</u>
<u>L06 CAREY ACT PERMANENT LAND FUND</u>			
Beginning Balance	\$ 2,249,363.87		
Bentonite Lease Royalty		\$ 36.00	
Oil & Gas Lease Royalties		79,364.34	
Surface Damage		216.25	
Real Estate Sales		3,000.00	
Right-of-Way & Easement Lease		<u>1,799.21</u>	
		\$ 84,415.80	<u>\$ 2,333,779.67</u>
<u>L07 OMNIBUS PERMANENT LAND FUND</u>			
Beginning Balance	\$ 10,889,406.61		
Oil & Gas Lease Royalties		\$ 816,525.10	
Sand & Gravel Lease Royalties		119,413.87	
Right-of-Way & Easement Lease		7,722.21	
Surface Damage		279.96	
Real Estate Sales		253,201.32	
D.F.A.C.		<u>514,423.00</u>	
		\$ 1,711,565.46	<u>\$ 12,600,972.07</u>
<u>L08 WYOMING STATE HOSPITAL PERMANENT LAND FUND</u>			
Beginning Balance	\$ 4,392,646.74		
Oil & Gas Lease Royalties		\$ 81,386.56	
Right-of-Way & Easement		100.00	
Surface Damage		<u>150.00</u>	
		\$ 81,636.56	<u>\$ 4,474,283.30</u>
<u>L09 WYOMING STATE TRAINING SCHOOL PERMANENT LAND FUND</u>			
Beginning Balance	\$ 620,252.49		
Oil & Gas Lease Royalties		\$ 38,231.78	
Right-of-Way & Easement		4,510.29	
Surface Damage		550.00	
Capital Construction Appropriation		<u>(104,032.00)</u>	
		\$ (60,739.93)	<u>\$ 559,512.56</u>
<u>L10 WYOMING STATE PENITENTIARY PERMANENT LAND FUND</u>			
Beginning Balance	\$ 8,067,415.30		
Oil & Gas Lease Royalties		\$ 236,302.42	
Surface Damage		4,833.19	
Real Estate Sales		17,052.10	
Right-of-Way & Easement		357.60	
Uranium Lease Royalties		<u>1,280.00</u>	
		\$ 259,825.31	<u>\$ 8,327,240.61</u>

FUND	JULY 1, 1993 CORPUS BALANCE	NON-INVESTMENT REVENUE	JUNE 30, 1994 CORPUS BALANCE
<b>* L11 WYOMING STATE AGRICULTURAL COLLEGE</b>			
Beginning Balance	\$ 4,715,191.68		
Sand & Gravel Royalties		\$ 12.60	
Oil & Gas Lease Royalties		58,257.49	
Right-of-Way & Easement Lease		1,435.08	
Surface Damage		244.80	
Real Estate Sales		<u>16,514.19</u>	
		\$ 76,464.16	<u>\$ 4,791,655.84</u>
<b>* L12 WYOMING STATE UNIVERSITY PERMANENT LAND FUND</b>			
Beginning Balance	\$ 12,969,163.19		
Oil & Gas Lease Royalties		\$ 41,924.43	
Surface Damage		377.70	
Right-of-Way & Easement Lease		<u>8,698.35</u>	
		\$ 51,000.48	<u>\$ 13,020,163.67</u>
<b>TOTAL REVENUE ADDED TO CORPUS OF PERMANENT LAND FUNDS:</b>		<b>\$27,521,756.11</b>	

NOTES:

\*These funds are not available for appropriation.

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

## PERMANENT WYOMING MINERAL TRUST FUND

Beginning Balance	\$ 1,240,359,192.23		
Severance Tax:			
Coal		\$ 24,183,762.50	
Stripper Oil		2,324,869.49	
Oil		17,370,641.21	
Gas		27,065,751.49	
Condensate-Gas		575,586.63	
Tertiary Oil		4,536,370.06	
Wildcat Oil		61,871.23	
Wildcat Gas		36,687.57	
Collection-Oil		8,357.68	
Correction to Conversion Fund Balance		<u>14,207.45</u>	
<b>TOTAL REVENUE ADDED TO CORPUS OF MINERAL TRUST FUND:</b>		<b>\$ 76,178,105.31</b>	<b><u>\$ 1,316,537,297.54</u></b>

## LEGISLATIVE ALLOCATION OF THE PERMANENT FUNDS

<u>Program</u>	<u>See Notes Below</u>	<u>Statutory Allotment</u>	<u>Outstanding Investments</u>	<u>Amount Available</u>
Farm Loans	A	\$275,000,000	\$172,900,982	\$102,099,018
Irrigation Loans	A	60,000,000	20,612,031	39,387,969
Joint Powers Loans	A, B	80,000,000	27,238,810	52,761,190
Cheyenne--Stage II	B, F	35,360,965	32,382,926	2,978,039
Student Loans (District)	D	15,000,000	1,005,126	13,994,874
Small Business Assistance Act & FHA	D	35,000,000	7,845,175	27,154,825
Mortgage Loans	E	60,000,000	15,717,129	44,282,871
Hot Springs State Park	G	2,000,000	1,267,257	732,743
Clean Coal Investments	F	30,000,000	20,700,000	9,300,000
Shoshone Municipal Pipeline Treatment Plant	C	16,500,000	15,775,959	724,041
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
University of Wyoming Heritage Center		<u>6,000,000</u>	<u>1,040,152</u>	<u>4,959,848</u>
		<u>\$781,610,965</u>	<u>\$333,235,547</u>	<u>\$448,375,418</u>
		(100%)	(42.63%)	(57.37%)

The statutory allotments identified above have been designated from the Permanent Wyoming Mineral Trust Fund (PMTF). The total funds available in the PMTF are \$1,316,537,298, leaving an unallotted balance of \$534,926,333.

**NOTES:**

- A. Completed loans are purchased from the Farm Loan Board (FLB), which has the responsibility for approving, processing and servicing these loans.
- B. These are involved in a trust arrangement: Portions of these loans have been sold by the FLB to investors with the proceeds of the sale placed in guaranteed investment contracts (GICs) which are not liquid but reduce risk to investors almost completely.

(continued next page)

- 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 Guaranteed Investment Contracts; only the interest income is at risk.
- G. These investments have been transferred from the Common School Permanent Fund to the Permanent Wyoming Mineral Trust Fund (PMTF).
- H. This loan was reviewed 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 LEGISLATIVE DIRECTED SUBSIDY INVESTMENTS**

<u>PROGRAM</u>	<u>CURRENT (COUPON) YIELD</u>	<u>APPROXIMATE AMOUNT OUTSTANDING (MILLIONS)</u>	<u>ANNUAL OPPORTUNITY COST BASED ON COUPON</u>	<u>ANNUAL OPPORTUNITY COST BASED ON REALIZED YIELD</u>
Link Deposits	4.23%	\$ 30.783	\$ 631,052	\$ 871,159
Bank Deposits (Board of Deposits)	3.13%	64.218	2,022,867	2,523,767
Farm Loans	8.26%	172.901	(3,423,440)	(2,074,812)
Irrigation Loans	4.50%	20.612	366,894	527,667
Mortgage Loans	10.00%	15.717	(584,672)	(462,080)
Joint Powers Act Loans	7.86%	27.239	(430,376)	(217,912)
Cheyenne Stage II <sup>1</sup>	6.50%	32.383	(71,243)	181,345
Small Business Assistance Act	6.42%	7.845	(10,983)	50,208
Hot Springs Park	6.43%	1.267	(1,900)	7,982
Clean Coal <sup>2</sup>	7.00%	20.700	(149,040)	(12,420)
Sheridan Water Project <sup>3</sup>	0.00%	6.750	423,900	476,550
Shoshone Water Project <sup>4</sup>	4.00%	15.776	359,693	482,745
Laramie-Territorial State Park <sup>5</sup>	6.00%	10.000	28,000	106,000
Univ. of Wyo Heritage Center	6.00%	1.040	<u>2,912</u>	<u>11,024</u>
Current (Coupon) Yield Difference			<u>\$ (836,336)</u>	
Estimated Annual Unrecognized Loss Due to Subsidy Investments				<u>\$ 2,471,223</u>

The current (coupon) yield of all funds on June 30, 1994, was 6.28% and the realized yield for FY 94 was 7.06%. Both are calculated using all securities in the current portfolio. These securities include Government Agencies, Corporate Bonds, U.S. Treasuries and all of the subsidy investments listed. The "Annual Opportunity Cost" illustrates that the investment of funds at market rate would produce an average return higher than is obtained from subsidy investment.

NOTES:

<sup>1</sup> 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 guarantees repayment of principal and interest of the loan. At the time of the sale (FY 88), the state realized a profit of \$3.6 million to the common school income account.

<sup>2</sup> This project has three participants. All are in default during a part of this fiscal reporting year and are being charged a contract penalty. This is resulting in an interest deferral of \$1,469,000 per year in addition to the "Annual Opportunity Costs." The principal of all investments are guaranteed by Guaranteed Investment Contracts (GIC's).

<sup>3</sup> This project will not produce interest income until completion of construction (fall, 1995). A rate of 4% would result in a current opportunity loss of \$206,550 the first year and declining as the principal balance is reduced with an accumulated loss over the 50 year life of \$140 million.

<sup>4</sup> This project began producing interest income upon completion of construction in September, 1992. This rate of 4%, which is 3.06% below the current realized yield of all funds, resulted in an opportunity loss of \$504,900.00 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.

<sup>5</sup> The interest rate on this program has been reduced by legislation to 1 1/2% beginning 7/1/94, which reduces the annual interest income by \$450,000.

# FEDERAL MINERAL ROYALTY DISTRIBUTION

	Percent Due		QUARTERLY BREAKDOWN OF DISTRIBUTIONS							
			FY 94	July 93	October 93	January 94	CORRECTION February 94	April 94	June 94	
Cities, Towns and Counties	****	\$ 750,000.00	\$ 3,000,000.00	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00	\$ 0.00	\$ 750,000.00	
Cities and Towns	9.375%		16,911,332.39	4,039,965.77	3,877,510.38	4,188,982.90	231,984.37	4,572,888.97		
Counties	0.625%		1,127,422.16	269,331.05	258,500.69	279,265.53	15,465.62	304,859.27		
University of Wyoming	6.75%		12,176,159.33	2,908,775.36	2,791,807.47	3,016,067.69	167,028.75	3,292,480.06		
Foundation Fund	44.80%		78,845,464.59	19,305,649.76	16,561,173.78	20,817,752.95	1,108,576.00	21,852,312.10		
Capitol Fac Rev Bds Series 1992			1,905,455.63		1,905,455.63					
Capitol Fac Rev Bds Series 1993			62,700.18		62,700.18					
Highway Fund	26.25%		65,149,230.71	11,311,904.16	10,857,029.06	11,729,152.12	649,856.25	12,804,089.12	\$ 17,797,500.00	
State-County Fund	2.25%		4,058,719.78	969,591.79	930,602.49	1,005,355.90	55,676.25	1,097,493.35		
Highway Fund State Roads	2.25%		4,058,719.78	969,591.79	930,602.49	1,005,355.90	55,676.25	1,097,493.35		
Cities, Counties & Special Districts Capital Const.	5.00%	(750,000.00)	6,019,377.27	1,404,648.41	1,318,005.53	1,484,124.21	123,725.00	1,688,874.12		
School Districts	2.70%									
Advance Entitlements	75.00%		5,025,797.61	872,632.61	837,542.24	904,820.31	50,108.63	987,744.02	1,372,950.00	
Grants	25.00%		<u>1,675,265.95</u>	<u>290,877.54</u>	<u>279,180.75</u>	<u>301,606.77</u>	<u>16,702.88</u>	<u>329,248.01</u>	<u>457,650.00</u>	
<b>TOTAL</b>	<b>100.00%</b>		<b>200,015,645.58</b>	<b>43,092,968.24</b>	<b>41,360,110.69</b>	<b>44,682,484.28</b>	<b>2,474,500.00</b>	<b>48,777,482.37</b>	<b>19,626,100.00</b>	
Bonus Payments										
Cities, Counties & Special Districts Capital Const.	50.00%		8,743,957.03	0.00	31,730.24	8,728,091.91	(1,237,250.00)	1,221,384.88		
Legislative Royalty Impact	50.00%	*	9,981,207.03	0.00	31,730.24	8,728,091.91	0.00	1,221,384.88		
Highway Fund	25.00%	**	(618,625.00)	0.00	0.00	0.00	(618,625.00)	0.00		
Water Development	25.00%	***	<u>(618,625.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(618,625.00)</u>	<u>0.00</u>		
<b>TOTAL</b>	<b>100.00%</b>		<b>17,487,914.06</b>	<b>0.00</b>	<b>63,460.48</b>	<b>17,456,183.82</b>	<b>(2,474,500.00)</b>	<b>2,442,769.76</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>			<b><u>\$217,503,559.64</u></b>	<b><u>\$43,092,968.24</u></b>	<b><u>\$41,423,571.17</u></b>	<b><u>\$62,138,668.10</u></b>	<b><u>90.00</u></b>	<b><u>\$51,220,252.13</u></b>	<b><u>\$19,626,100.00</u></b>	

\* W.S. 9-4-601(b) (ii)  
 \*\* W.S. 9-4-601(b) (iii) (A)  
 \*\*\* W.S. 9-4-601(b) (iii) (B)  
 \*\*\*\* W.S. 9-4-601(e) (1)

FEBRUARY 94 CORRECTION IS ON DISTRIBUTION OF APRIL 10, 1993.

## 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	Total
Albany	\$ 42,976.20	\$ 85,236.15	\$ 35,325.10	\$ 173,090.38	\$ 41,665.67	\$ 386,791.21	\$ 25,716.30	\$ 770,174.21
Big Horn	30,913.00	55,307.52	29,424.70	107,783.13	19,845.12	132,187.47	22,110.60	380,390.07
Campbell	127,332.57	153,681.21	50,707.98	0.00	35,603.05	368,868.97	38,466.90	745,051.61
Carbon	44,193.90	45,028.86	26,065.67	288,820.07	50,240.08	209,226.71	38,202.30	686,557.50
Converse	175,694.66	43,625.49	16,703.97	34,194.58	23,160.80	139,760.77	50,090.60	473,477.20
Crook	17,725.33	47,379.24	13,321.23	533,024.39	13,840.13	66,489.35	29,848.00	713,849.23
Fremont	19,582.47	109,894.45	113,696.32	107,128.48	45,374.42	422,773.83	37,312.50	789,373.67
Goshen	74,926.87	91,305.45	30,941.26	0.00	4,930.66	155,397.20	13,764.00	353,198.43
Hot Springs	12,385.85	39,756.85	14,650.73	4,916.06	14,992.20	60,398.05	6,698.80	145,243.78
Johnson	0.00	54,240.52	29,984.16	100,331.07	61,299.44	77,177.39	59,385.40	364,909.83
Laramie	80,152.54	233,339.39	266,013.28	0.00	1,931.84	918,618.11	14,850.90	1,359,577.36
Lincoln	21,921.08	50,500.76	21,242.56	109,111.30	14,773.02	158,562.17	24,247.40	387,954.48
Natrona	56,247.33	156,736.19	131,899.92	2,563.01	139,460.49	768,960.57	45,140.30	1,223,989.69
Niobrara	54,490.89	96,022.72	5,931.73	0.00	20,105.29	31,385.91	24,216.60	228,689.53
Park	19,448.45	88,045.60	57,767.44	185,200.23	27,919.05	291,101.29	24,277.60	660,028.48
Platte	43,306.09	58,145.84	34,272.31	521.73	13,625.70	102,296.14	12,158.00	244,313.75
Sheridan	43,999.76	116,514.96	66,830.13	120,817.72	5,712.14	295,924.10	22,321.80	633,097.61
Sublette	0.00	30,471.23	18,761.13	159,343.43	18,370.98	60,825.09	17,891.80	294,708.79
Sweetwater	73,225.42	106,645.00	43,242.78	17,998.56	72,762.48	487,592.78	16,442.30	792,659.28
Teton	0.00	188,053.55	27,684.48	365,139.49	228.78	140,325.94	1,702.80	706,969.70
Uinta	32,484.09	60,186.82	28,159.65	14,184.90	14,173.30	234,923.19	29,391.20	397,060.35
Washakie	11,359.32	61,170.15	16,602.32	11,050.57	17,628.15	105,348.07	17,976.60	231,440.86
Weston	31,438.18	70,841.63	25,389.07	20,510.89	12,174.52	81,862.04	13,405.60	240,796.91
	<u>\$1,013,804.00</u>	<u>\$2,042,129.58</u>	<u>\$1,104,617.92</u>	<u>\$2,355,729.99</u>	<u>\$669,817.31</u>	<u>\$5,696,796.35</u>	<u>\$585,618.30</u>	<u>\$12,823,512.32</u>

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**DISTRIBUTION DATES:**

Railroad Car Tax: 5/15  
 Federal Mineral Royalty: 7/10, 10/10, 1/10, 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

<u>City/Town</u>	<u>Population</u>	<u>Severance Tax</u> W.S. 39-6-305	<u>Federal</u> <u>Mineral Royalty</u> W.S. 9-4-601	<u>Police Officers'</u> <u>Retirement</u> W.S. 15-5-302	<u>Municipal Mineral</u> <u>Trust Interest</u> W.S. 39-6-308	<u>Total</u>
Afton	1,394	\$ 75,050.55	\$ 141,087.00	\$ 0.00	\$ 92.76	\$ 216,230.31
Albin	120	6,460.59	17,979.39	0.00	45.23	24,485.21
Alpine	200	10,767.64	30,087.72	0.00	48.21	40,903.57
Baggs	272	14,644.00	23,972.52	0.00	50.90	38,667.42
Bairoil	228	12,275.12	24,954.67	0.00	49.26	37,279.05
Bar Nunn	835	44,954.95	53,952.27	0.00	71.91	98,979.13
Basin	1,180	63,529.15	86,988.99	0.00	84.78	150,602.92
Big Piney	454	24,442.57	55,734.35	0.00	57.69	80,234.61
Buffalo	3,601	181,195.36	217,500.40	0.00	175.11	398,870.87
Burlington	184	9,906.24	23,226.12	0.00	47.62	33,179.98
Burns	254	13,674.92	24,706.88	0.00	50.23	38,432.03
Byron	470	25,303.99	43,675.40	0.00	58.29	69,037.68
Casper	46,765	2,517,746.35	2,197,578.30	256,650.00	1,785.68	4,973,760.33
Cheyenne	50,008	2,692,343.83	2,514,351.59	237,150.00	1,906.69	5,445,752.11
Chugwater	192	10,336.95	24,072.14	0.00	47.91	34,457.00
Clearmont	119	6,406.75	18,437.30	0.00	45.19	24,889.24
Cody	7,897	425,160.76	474,656.24	0.00	335.41	900,152.41
Cokeville	493	26,542.26	59,589.24	0.00	59.15	86,190.65
Cowley	500	26,019.28	44,508.64	0.00	59.41	70,587.33
Dayton	592	31,136.02	46,942.63	0.00	62.84	78,141.49



**DISTRIBUTIONS TO CITIES AND TOWNS** (continued)

<u>City/Town</u>	<u>Population</u>	<u>Severance Tax</u> <u>W.S. 39-6-305</u>	<u>Federal</u> <u>Mineral Royalty</u> <u>W.S. 9-4-601</u>	<u>Police Officers'</u> <u>Retirement</u> <u>W.S. 15-5-302</u>	<u>Municipal Mineral</u> <u>Trust Interest</u> <u>W.S. 39-6-308</u>	<u>Total</u>
Deaver	199	\$ 10,713.82	\$ 24,140.34	\$ 0.00	\$ 48.18	\$ 34,902.34
Diamondville	864	46,516.26	93,147.13	0.00	72.99	139,736.38
Dixon	70	3,768.68	15,081.65	0.00	43.36	18,893.69
Douglas	5,076	273,283.02	324,868.04	0.00	230.15	598,381.21
Dubois	895	48,185.25	76,609.99	0.00	74.15	124,869.39
East Thermopolis	221	11,898.26	22,425.07	0.00	49.00	34,372.33
Edgerton	247	13,298.06	23,512.10	0.00	49.97	36,860.13
Elk Mountain	186	10,013.92	20,182.84	0.00	47.69	30,244.45
Encampment	490	26,380.75	36,571.41	0.00	59.03	63,011.19
Evanston	10,904	587,052.42	798,245.45	0.00	447.61	1,385,745.48
Evansville	1,486	80,003.66	84,165.24	0.00	96.20	164,265.10
Fort Laramie	243	13,082.69	25,950.06	0.00	49.82	39,082.57
Frannie	148	7,968.07	21,017.70	0.00	46.27	29,032.04
Gillette	17,545	944,592.32	1,377,567.78	0.00	695.40	2,322,855.50
Glendo	195	10,498.45	24,258.07	0.00	48.03	34,804.55
Glenrock	2,153	115,913.78	146,433.85	0.00	121.08	262,468.71
Granger	126	6,783.62	19,138.02	0.00	45.45	25,967.09
Green River	12,711	684,338.16	736,690.34	0.00	515.03	1,421,543.53
Greybull	1,789	96,316.65	124,144.23	0.00	107.50	220,568.38
Guernsey	1,155	62,183.19	87,614.84	0.00	83.85	149,881.88
Hanna	1,076	57,929.97	62,372.72	0.00	80.90	120,383.59
Hartville	78	4,199.39	16,904.82	0.00	43.66	21,147.87

## DISTRIBUTIONS TO CITIES AND TOWNS (continued)

<u>City/Town</u>	<u>Population</u>	<u>Severance Tax</u> W.S. 39-6-305	<u>Federal</u> <u>Mineral Royalty</u> W.S. 9-4-601	<u>Police Officers'</u> <u>Retirement</u> W.S. 15-5-302	<u>Municipal Mineral</u> <u>Trust Interest</u> W.S. 39-6-308	<u>Total</u>
Hudson	392	\$ 21,104.60	\$ 41,978.50	\$ 0.00	\$ 55.38	\$ 63,138.48
Hulett	429	23,096.61	51,378.64	0.00	56.76	74,532.01
Jackson	4,708	252,625.22	448,781.00	0.00	216.42	701,622.64
Kaycee	256	13,782.60	27,405.80	0.00	50.30	41,238.70
Kemmerer	3,020	162,591.56	288,159.87	0.00	153.44	450,904.87
Kirby	59	3,176.46	14,783.62	0.00	42.95	18,003.03
La Barge	493	26,542.26	59,589.24	0.00	59.15	86,190.65
La Grange	224	12,059.77	24,860.88	0.00	49.11	36,969.76
Lander	7,023	378,106.12	498,433.96	0.00	302.80	876,842.88
Laramie	26,687	1,436,781.71	799,146.08	76,000.00	1,036.51	2,312,964.30
Lingle	473	25,465.50	42,156.15	0.00	58.40	67,680.05
Lost Springs	4	215.36	12,246.43	0.00	40.90	12,502.69
Lovell	2,131	114,729.34	145,009.19	0.00	120.26	259,858.79
Lusk	1,504	80,972.75	94,107.89	0.00	96.87	175,177.51
Lyman	1,896	102,077.34	151,197.05	0.00	111.50	253,385.89
Manderson	83	4,468.58	17,064.19	0.00	43.85	21,576.62
Manville	97	5,222.31	17,101.91	0.00	44.37	22,368.59
Marbleton	634	34,133.46	71,885.59	0.00	64.41	106,083.46
Medicine Bow	389	20,943.08	32,130.56	0.00	55.26	53,128.90
Meeteetse	386	19,812.49	36,422.81	0.00	54.48	56,289.78
Midwest	495	26,649.94	38,108.38	0.00	59.22	64,817.54
Mills	1,583	85,225.97	88,426.96	0.00	99.82	173,752.75

**DISTRIBUTIONS TO CITIES AND TOWNS** (continued)

<u>City/Town</u>	<u>Population</u>	<u>Severance Tax</u> W.S. 39-6-305	<u>Federal</u> <u>Mineral Royalty</u> W.S. 9-4-601	<u>Police Officers'</u> <u>Retirement</u> W.S. 15-5-302	<u>Municipal Mineral</u> <u>Trust Interest</u> W.S. 39-6-308	<u>Total</u>
Moorcroft	768	\$ 41,347.79	\$ 80,127.29	\$ 0.00	\$ 69.41	\$ 121,544.49
Mountain View	1,189	64,013.69	100,411.85	0.00	85.12	164,510.66
Newcastle	3,028	163,022.26	203,839.67	0.00	157.91	367,019.84
Opal	95	5,114.64	20,591.42	0.00	44.29	25,750.35
Pavillion	126	6,783.62	20,668.29	0.00	45.45	27,497.36
Pine Bluffs	1,054	56,745.53	67,673.40	0.00	80.08	124,499.01
Pine Haven	141	7,591.19	23,956.15	0.00	46.01	31,593.35
Pinedale	1,181	63,582.99	120,966.44	0.00	84.82	184,634.25
Powell	5,292	284,912.09	323,026.94	0.00	238.21	608,177.24
Ranchester	676	36,394.67	51,528.18	0.00	65.97	87,988.82
Rawlins	9,380	505,002.91	427,965.88	40,000.00	390.75	973,359.54
Riverside	85	4,576.25	15,741.99	0.00	43.92	20,362.16
Riverton	9,202	495,419.69	668,343.03	0.00	384.10	1,164,146.82
Rock River	190	10,229.26	17,587.59	0.00	47.84	27,864.69
Rock Springs	19,050	1,025,618.91	1,096,607.38	50,200.00	751.55	2,173,177.84
Rolling Hills	330	17,766.63	35,147.75	0.00	53.06	52,967.44
Saratoga	1,969	106,007.54	101,687.35	0.00	114.22	207,809.11
Sheridan	13,904	748,567.20	766,275.75	82,000.00	559.54	1,597,402.49
Shoshoni	497	26,757.62	29,309.36	0.00	59.29	56,126.27
Sinclair	500	26,919.13	37,011.63	0.00	59.41	63,990.17
South Superior	273	14,697.85	27,489.01	0.00	50.94	42,237.80
Sundance	1,139	61,321.77	111,586.54	0.00	83.25	172,991.56

## DISTRIBUTIONS TO CITIES AND TOWNS (continued)

<u>City/Town</u>	<u>Population</u>	Severance Tax	Federal Mineral Royalty	Police Officers' Retirement	Municipal Mineral Trust Interest	<u>Total</u>
		<u>W.S. 39-6-305</u>	<u>W.S. 9-4-601</u>	<u>W.S. 15-5-302</u>	<u>W.S. 39-6-308</u>	
Ten Sleep	311	\$ 16,743.70	\$ 28,817.08	\$ 0.00	\$ 52.35	\$ 45,613.13
Thayne	267	14,374.81	36,147.47	0.00	50.71	50,572.99
Thermopolis	3,247	174,812.83	168,153.08	0.00	161.91	343,127.82
Torrington	5,651	304,240.02	339,453.52	0.00	251.61	643,945.15
Upton	980	52,761.49	76,128.64	0.00	77.32	128,967.45
Van Tassell	8	430.72	12,420.79	0.00	41.05	12,892.56
Wamsutter	240	12,921.18	25,632.84	0.00	49.71	38,603.73
Wheatland	3,271	176,104.96	220,648.38	0.00	162.80	396,916.14
Worland	5,742	309,139.31	325,475.77	0.00	255.00	634,870.08
Wright	1,236	66,544.09	110,977.42	0.00	86.87	177,608.38
Yoder	136	7,322.00	19,808.91	0.00	45.82	27,176.73
<b>TOTALS</b>	<b><u>317,739</u></b>	<b><u>\$17,090,389.04</u></b>	<b><u>\$18,996,624.97</u></b>	<b><u>\$742,000.00</u></b>	<b><u>\$15,812.04</u></b>	<b><u>\$36,844,826.05</u></b>

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

**AGRICULTURAL GAS TAX REFUNDS  
BY COUNTIES**

<u>County</u>	<u>FY 1993</u>		<u>FY 1994</u>	
	<u>Applicants</u>	<u>Amount</u>	<u>Applicants</u>	<u>Amount</u>
Albany	109	\$ 19,334.13	85	\$ 15,315.93
Big Horn	307	51,107.32	245	47,938.29
Campbell	260	41,639.16	237	41,320.36
Carbon	149	38,805.22	125	34,353.03
Converse	194	34,140.92	163	31,852.80
Crook	259	35,488.61	232	30,998.38
Fremont	415	53,166.93	359	45,571.69
Goshen	533	81,046.59	476	69,479.00
Hot Springs	78	12,882.71	67	12,681.67
Johnson	178	31,851.79	162	29,018.39
Laramie	218	42,746.42	185	36,767.98
Lincoln	162	19,674.25	124	15,996.44
Natrona	58	23,805.21	39	20,107.73
Niobrara	177	24,187.99	158	22,465.74
Park	303	50,364.90	214	42,556.52
Platte	317	43,892.75	295	40,147.13
Sheridan	166	28,214.77	145	26,273.83
Sublette	94	17,040.72	78	15,453.84
Sweetwater	52	9,318.21	46	8,313.02
Teton	24	3,420.02	13	2,902.03
Uinta	91	16,776.48	82	14,476.04
Washakie	136	28,762.71	106	22,646.14
Weston	<u>104</u>	<u>15,715.89</u>	<u>96</u>	<u>14,739.70</u>
	<u>4,384</u>	<u>\$723,383.70</u>	<u>3,732</u>	<u>\$641,375.68</u>

NOTE: In FY 94 the agricultural gas tax refund program was changed to a system of at-the-pump discounts through the Department of Transportation. Therefore, figures are refunds for purchases made through June 30, 1993.

## GASOLINE TAX REFUNDS TO MUNICIPALITIES

<u>CITY/TOWN</u>	<u>FY 1993</u>	<u>FY 1994</u>	<u>CITY/TOWN</u>	<u>FY 1993</u>	<u>FY 1994</u>
Afton	\$ 0.00	\$ 0.00	Midwest	358.58	328.46
Baggs	150.41	135.51	Mills	599.59	590.40
Bar Nunn	154.00	0.00	Moorcroft	353.01	397.11
Basin	449.55	480.40	Mountain View	317.29	0.00
Big Piney	0.00	0.00	Newcastle	1,125.11	2,300.97
Buffalo	750.05	1,914.10	Opal	73.49	0.00
Burns	0.00	0.00	Pine Bluffs	0.00	0.00
Byron	0.00	0.00	Pinedale	0.00	0.00
Casper	12,404.08	11,614.19	Pine Haven	0.00	0.00
Cheyenne	13,512.59	14,985.46	Powell	1,646.23	1,683.38
Chugwater	29.93	53.80	Ranchester	0.00	0.00
Cody	4,097.43	6,219.93	Rawlins	0.00	0.00
Cokeville	0.00	0.00	Riverton	2,573.93	2,380.76
Dayton	205.03	190.83	Rock River	0.00	0.00
Diamondville	369.62	390.71	Rock Springs	10,241.30	4,791.68
Douglas	0.00	1,988.14	Saratoga	0.00	0.00
Dubois	267.02	264.10	Sheridan	3,388.84	0.00
East Thermopolis	54.66	54.78	Shoshoni	124.46	133.82
Edgerton	324.56	313.63	Sinclair	192.41	183.17
Encampment	0.00	0.00	Sundance	484.82	480.48
Evanston	3,080.00	2,799.93	Superior	0.00	0.00
Evansville	0.00	0.00	Thayne	50.17	0.00
Ft. Bridger	0.00	0.00	Thermopolis	668.67	816.02
Gillette	17,105.55	7,613.83	Torrington	0.00	0.00
Glendo	25.80	170.06	Upton	435.49	463.42
Glenrock	0.00	0.00	Wamsutter	0.00	304.99
Green River	6,489.00	0.00	Wheatland	0.00	0.00
Greybull	929.45	965.23	Worland	2,189.66	1,948.57
Hanna	0.00	0.00	Wright	0.00	0.00
Hulett	0.00	0.00			
Jackson	0.00	0.00	<b>TOTALS:</b>	<b><u>\$95,125.86</u></b>	<b><u>\$76,780.02</u></b>
Kemmerer	1,898.47	160.02			
LaBarge	0.00	0.00			
Lander	1,842.53	1,871.37			
Laramie	4,187.23	6,228.17			
Lingle	250.25	0.00			
Lovell	641.53	576.28			
Lusk	0.00	0.00			
Lyman	892.20	843.03			
Medicine Bow	191.87	143.29			
Meeteetse	0.00	0.00			

## 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 (W.S. 9-4-701 and 9-4-831). Currently all funds are invested in U.S. Treasury, U.S. government agency securities, bankers acceptances, and commercial paper.

Active management of the WYO-STAR portfolio over the past several years has increased revenue and yield to the portfolio. In FY 94 active management produced profits of ~~\$586,268.75~~ *11,875.00*

The 1993 legislative session authorized the State Treasurer to impose a fee for direct costs incurred in providing the investment assistance. Fees imposed against income for the period 7/1/93 - 12/31/93 was \$23,481.14. This represents 1% of total income for the period. Fees imposed against income for the period 1/1/94 - 6/30/94 was \$12,745.22. This represents one-half of 1% of the total income for the period.

During FY 94 a new computer system was put into place to provide participants more information on their accounts. Statements are available for any time period from 1/1/94 forward.

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%
07/01/92 - 12/31/92	4.202%
01/01/93 - 06/30/93	5.049%
07/01/93 - 12/31/93	5.135%
01/01/94 - 06/30/94	4.632%

As of June 30, 1994, there were 84 active participants. (Some participants have multiple accounts). WYO-STAR pool balance on June 30, 1994, was \$124,255,887.79.

## WYOMING UNIFORM UNCLAIMED PROPERTY ACT

Fiscal Year 1994 was the first full year for the newly formed Unclaimed Property Division of the State Treasurer's Office. During this year funds totaling over \$4.0 million were received and deposited into the trust fund to be held in perpetuity for the owners. Interest income of \$124,000 was deposited into the General Fund in FY 94; however, earnings of \$250,000 are anticipated in FY 95 because of the \$4.6 million balance in the fund.

The Unclaimed Property Division is responsible for receiving unclaimed funds from any entity that cannot locate the owner. Approximately 4,000 packets were mailed to such entities requesting the return of Wyoming residents' funds. Upon receipt of these funds, the division attempts to locate the owners and reunite the rightful owner/heir with their property by advertising the names in one or more papers of general circulation once a year. The division is also in contact with other states to bring Wyoming residents' unclaimed funds back to Wyoming.

The division is also charged with: (1) assisting and educating unclaimed property holders of compliance; (2) informing vendors of requirements; and (3) informing claimants of their rights and responsibilities. In FY 94, 7 holder seminars were conducted, contracts were negotiated with 2 vendors, and numerous claimants were instructed on how to claim their funds - located in Wyoming and other states.

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

The Unclaimed Property Division has deposited and maintained the records for more than 8,000 owners of more than \$4.6 million. In addition, the division returned approximately \$160,000 to the owners of unclaimed property. Of this amount \$87,500 was returned to the state of the owner's last known address in accordance with the 1965 Supreme Court decision Texas v. New Jersey.

Approximately \$124,800 was transferred to the Permanent School Land Fund in accordance with W.S. 34-24-139, Section 8.

Unclaimed property owner lists were requested by 99 heirfinders located in 34 states.

Written inquiries from persons seeking their possible unclaimed funds totalled 7,768 and were received from 47 states, in addition to numerous telephone inquiries that are not calculated. An alphabetical list of owners is mailed each month to Wyoming county clerks.



## UNCLAIMED PROPERTY

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Received</u>	<u>Refunded</u>	<u>Transferred to Common School Permanent Land Fund *</u>	<u>Ending Balance</u>
FY 82	340,921.02	272,408.86	98,857.76	56,279.50	458,192.62
FY 83	458,192.62	40,309.15	25,350.65	37,194.58	435,956.54
FY 84	435,956.54	61,963.60	93,589.29	16,937.42	387,393.43
FY 85	387,393.43	47,472.14	101,321.02	49,968.22	283,576.33
FY 86	283,576.33	269,438.08	28,044.24	83,399.72	441,570.45
FY 87	441,570.45	160,250.59	34,181.84	64,240.20	503,399.00
FY 88	503,399.00	158,444.52	45,714.55	39,438.64	576,690.33
FY 89	576,690.33	181,276.90	76,462.16	38,075.60	643,429.47
FY 90	643,429.47	252,858.09	96,746.71	27,116.14	772,424.71
FY 91	772,424.71	191,102.86	130,627.04	218,847.68	614,052.85
FY 92	614,052.85	428,432.95	101,327.17	76,218.30	864,940.33
FY 93	864,940.33	298,531.97	160,017.21	102,307.91	901,147.18
FY 94	901,147.18	4,051,549.91	160,105.04	124,876.64	4,667,715.41

**NOTES:**

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

On March 11, 1993, Governor Sullivan signed the Wyoming Uniform Unclaimed Property Act into law. This law provides for unclaimed funds to be held in perpetuity for the rightful owners or their heirs.

## CAPITAL FACILITIES REVENUE BONDS

Wyoming Statute 9-4-605 authorizes up to \$80 million in revenue bonds for capital construction purposes. Funds for the repayment of the 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 as of July 1, 1993</u>	<u>Principal Payment in FY 1994</u>	<u>Year of Maturity</u>	<u>Balance June 30, 1994</u>
1992	\$ 28,750,000	3-6.45	\$ 28,750,000	\$ 750,000	(2021)	\$ 28,000,000
1993	8,777,522	4.1-6.2	8,777,522	0	(2022)	<u>8,777,522</u>
TOTAL OUTSTANDING REVENUE BONDS						<u>\$ 36,777,522</u>

Future minimum payments for revenue bonds are as follows:

<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
1995	\$ 520,000	\$ 1,729,525
1996	535,000	1,709,148
1997	560,000	1,685,890
1998	580,000	1,660,030
1999	610,000	1,631,300
after 1999	33,972,522	31,457,753

### 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 and the liability for the defeased bonds are not included in these financial statements. On June 30, 1994, \$33.2 million of bonds outstanding are considered defeased.

### Subsequent Events

In July, 1994, the state of Wyoming issued \$27 million in revenue bonds for capital construction projects.

**DEFERRED COMPENSATION PROGRAM  
FOR WYOMING PUBLIC EMPLOYEES**

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

Wyoming Deferred Compensation, Inc. performs the marketing and coordinating functions for the program and is subject to the authority of the Deferred Compensation Advisory Board, which consists of five members appointed by the Governor with the advice of the State Treasurer (the plan administrator). Two members represent the banking and investment community; two are state employees who participate in the program; and one is a qualified elector with business and financial experience.

The amounts deferred and the earnings thereon are not available to employees until termination, retirement, death, or unforeseeable emergency; however, these funds are not subject to income taxes during the accumulation period and will become subject to income tax only upon withdrawal.

Until paid out or made available to the participant or their beneficiary, these funds and earnings remain the property of the state subject only to the claims of the state general creditors. It is the opinion of legal counsel that the state has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

<u>NUMBER OF PARTICIPANTS</u>	<u>CURRENTLY DEFERRING</u>	<u>TOTAL PARTICIPANTS</u>
Central Payroll	1,593	2,159
Highway Department	578	923
University of Wyoming	103	268
Municipalities & Community Colleges	<u>936</u>	<u>1,676</u>
	<b><u>3,210</u></b>	<b><u>5,026</u></b>

Plan assets as of June 30, 1993:

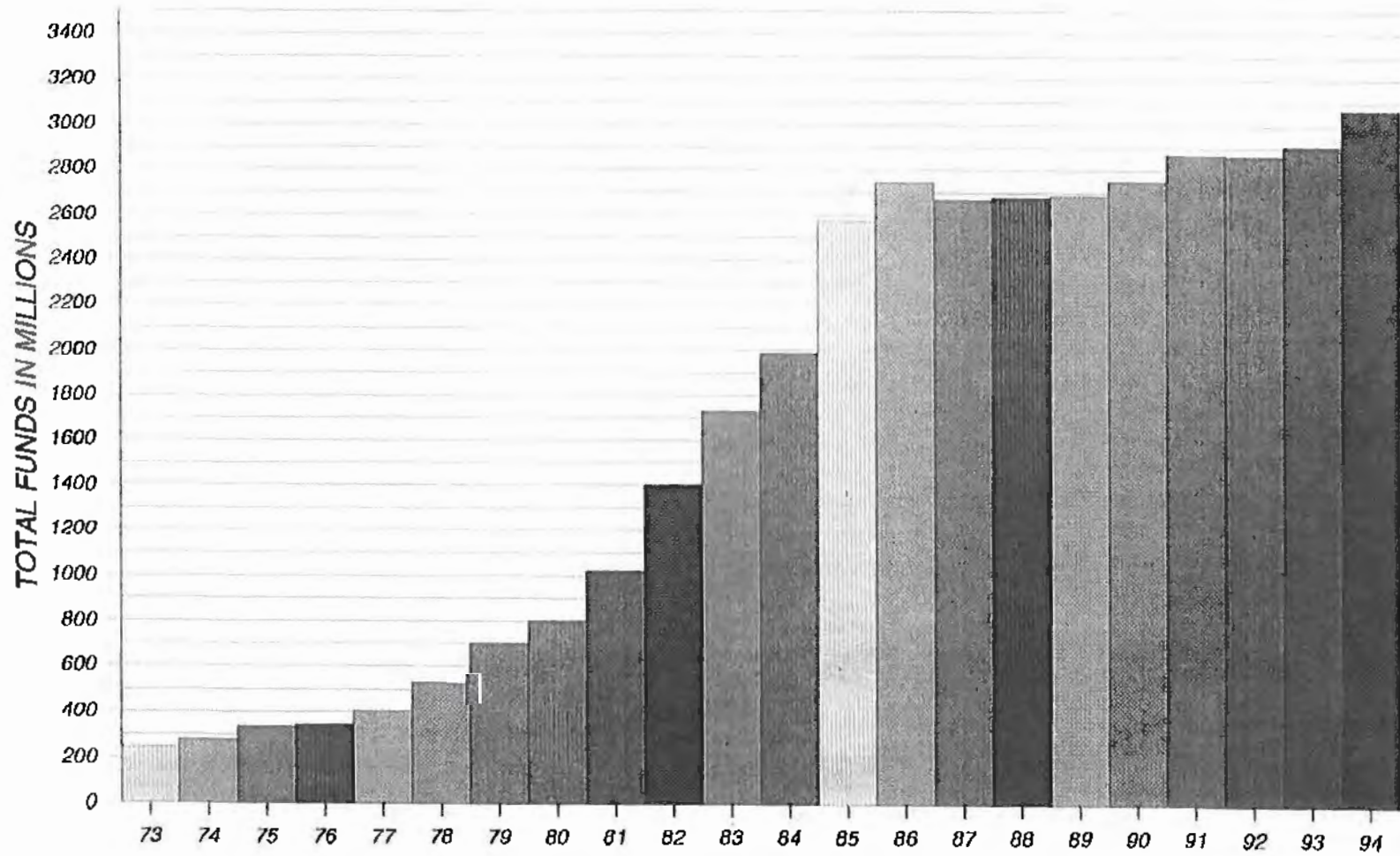
State	\$93,160,544.71
Municipalities	23,300,779.35
Annuity Reserves	<u>13,270,932.00</u>
	<b><u>\$129,732,256.06</u></b>

## LEGISLATIVE AUTHORITY

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

9-1-401 through 9-1-413:	Duties Generally
34-24-101 through 34-24-140	Unclaimed Property
9-4-605:	Bond Issues
9-3-501 through 9-3-507:	Deferred Compensation Program
15-5-302:	Distribution of Police Pension Fund
39-2-207:	Distribution of Railroad Car Tax
39-4-103:	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; 11-34-129; 11-34-301; 16-1-109; 21-16-102; 27-3-303; 36-8-318 through 36-8-320; 37-5-203, 206; 41-2-124; 41-2-202, 210; 1987-ch117; 1989-ch131, 230, 285; 1990-ch39, 72, 105 9-4-204(b)	Investment of State Funds
9-4-801 through 9-4-831:	Income Distribution Deposits in Wyoming Banks & S&L
9-4-708:	Investment Managers
21-22-101 through 21-22-109; 21-15-105, 39-6-305:	Wyoming Education Trust Fund
39-6-201, 212:	Gas Tax Refund to Municipalities
39-6-201, 211:	Agricultural Gas Tax Refunds
39-6-308:	Municipal Mineral Trust Fund
31-3-1	Indian Motor Vehicle Exemption
9-4-1001 through 9-4-1002	Guarantee for Local Government & School District Bonds

# INVESTABLE FUNDS



# INVESTMENT INCOME

