



MEMORANDUM

To: Select Committee on Capital Financing & Investments

From: Curtis E. Meier Jr., State Treasurer

Date: October 31, 2023

Re: Public Purpose Investments and Loans

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

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

Response: See attachments A-D from the Office of State Lands and Investments, Wyoming Business Council, Water Development Office and State Treasurer's Office.

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

Response: No recommendations at this time.

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

Response: (a) For FY23, the Permanent Wyoming Mineral Trust Fund (PWMTF) was valued at \$10,189,098,036 and had a total return of 9.4% for the fiscal year. Public purpose investments (PPIs) made from the PWMTF had a statutory allotment of \$839,328,358 while outstanding balances as of June 30, 2023 were \$96,247,874. The interest earned on the PPIs was \$2,514,882. Interest rates set below 9.4% result in an opportunity cost to the State.



CURTIS E. MEIER, JR.
WYOMING STATE TREASURER

DAWN A. WILLIAMS, DEPUTY STATE TREASURER

The Common School Permanent Land Fund (CSPLF) was valued at \$4,830,651,001 at the end of FY23 and had a total return of 6.5% for the fiscal year. Public purpose investments (PPIs) made from the CSPLF had a statutory allotment of \$67,793,401 while outstanding balances as of June 30, 2023 were \$18,359,738. The interest earned on the PPIs was \$0. Investments from the CSPLF were:

*Wyoming Real Estate – State Land Purchases
Lovell Drainage District Bonds (4%) – Loan forgiven, funds appropriated in 2023.*

(b) Administrative costs associated with PPIs are difficult to estimate. Costs fluctuate depending on the number of successful new loans versus maintenance of existing ones.

ATTACHMENT A

Office of State Lands & Investments
Public Purpose Investment Loan Information
Fiscal Year 2023
July 1, 2022 - June 30, 2023
W.S. 9-4-715(n)

W.S. 9-4-715(n)(i)
Loan Requests during FY23

Loan Program	SLIB Board Date	Requested Loan Amount	Approved Loan Amount	Interest Rate
Beginning Agricultural Producer	August 4, 2022	\$ 396,000	\$ 269,740	2.15% 1st Ten Years then 8% for the following Twenty Years
Beginning Agricultural Producer	August 4, 2022	\$ 1,000,000	\$ 525,000	2.15% 1st Ten Years then 8% for the following Twenty Years
Capital Construction	August 4, 2022	\$ 3,000,000	\$ 3,000,000	1.38%
Capital Construction	April 6, 2023	\$ 16,000,000	\$ 16,000,000	3.39%

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

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

W.S. 9-4-715(n)(iii)(B)
OSLI's Administrative & Other Costs for FY23

\$66,077

Office of State Lands & Investments
Status of Individual Loans
Fiscal Year 2023
July 1, 2022 - June 30, 2023

Program	Loan ID	Interest Rate	6/30/2023		Status	Comment
			Principal Balance			
Aeronautics	AER1403	5.000%	\$ 211,624.89		Current	
Aeronautics	AER1405	5.000%	\$ 188,512.46		Current	
Aeronautics	AER1406	5.000%	\$ 171,590.72		Current	
Aeronautics	AER1407	5.000%	\$ 777,772.10		Current	
Aeronautics	AER1408	5.000%	\$ 114,078.87		Current	
Aeronautics	AER1409	5.000%	\$ 158,885.30		Current	
Beginning Agriculture Producer	B00001	8.000%	\$ 226,199.36		Current	
Beginning Agriculture Producer	B00049	8.000%	\$ 138,196.99		Current	
Beginning Agriculture Producer	B00100	2.460%	\$ 538,347.12		Current	
Beginning Agriculture Producer	B00103	2.240%	\$ 229,890.48		Current	
Beginning Agriculture Producer	B00104	1.950%	\$ 536,526.40		Current	
Beginning Agriculture Producer	B00112	2.630%	\$ 190,714.67		Current	
Beginning Agriculture Producer	B00114	2.650%	\$ 55,836.72		Current	
Beginning Agriculture Producer	B00122	2.140%	\$ 522,918.72		Current	
Beginning Agriculture Producer	B00129	2.100%	\$ 239,736.90		Current	
Beginning Agriculture Producer	B00130	2.870%	\$ 522,301.06		Current	
Beginning Agriculture Producer	B00131	2.040%	\$ 504,465.01		Current	
Beginning Agriculture Producer	B00132	1.870%	\$ 371,247.17		Current	
Beginning Agriculture Producer	B00133	1.920%	\$ 178,628.72		Current	
Beginning Agriculture Producer	B00135	2.330%	\$ 248,280.19		Current	
Beginning Agriculture Producer	B00136	2.350%	\$ 222,439.53		Current	
Beginning Agriculture Producer	B00139	2.900%	\$ 540,642.52		Current	
Beginning Agriculture Producer	B00140	2.890%	\$ 222,565.41		Current	
Beginning Agriculture Producer	B00141	2.910%	\$ 541,201.97		Current	
Beginning Agriculture Producer	B00142	2.870%	\$ 490,916.76		Current	
Beginning Agriculture Producer	B00143	2.790%	\$ 327,682.36		Current	
Beginning Agriculture Producer	B00144	2.890%	\$ 365,226.42		Current	
Beginning Agriculture Producer	B00145	2.630%	\$ 462,778.95		Current	
Beginning Agriculture Producer	B00146	2.770%	\$ 684,703.91		Current	
Beginning Agriculture Producer	B00147	2.560%	\$ 132,837.97		Current	
Beginning Agriculture Producer	B00148	2.170%	\$ 483,663.87		Current	
Beginning Agriculture Producer	B00149	1.680%	\$ 172,117.68		Current	
Beginning Agriculture Producer	B00150	2.010%	\$ 773,920.98		Current	
Beginning Agriculture Producer	B00151	1.750%	\$ 645,329.95		Current	
Beginning Agriculture Producer	B00152	1.330%	\$ 380,637.13		Current	
Beginning Agriculture Producer	B00153	1.160%	\$ 551,373.71		Current	
Beginning Agriculture Producer	B00154	0.820%	\$ 435,454.84		Current	
Beginning Agriculture Producer	B00155	1.180%	\$ 971,119.82		Current	
Beginning Agriculture Producer	B00156	1.220%	\$ 365,305.38		Current	
Beginning Agriculture Producer	B00157	1.720%	\$ 680,128.25		Current	
Beginning Agriculture Producer	B00158	2.000%	\$ 729,493.98		Current	
Beginning Agriculture Producer	B00159	2.150%	\$ 524,503.86		Current	
Beginning Agriculture Producer	B00160	2.150%	\$ 269,740.00		Current	
Farm Loan	F08081	8.000%	\$ 5,542.83		Current	
Farm Loan	F08411	8.000%	\$ 18,783.85		Current	
Farm Loan	F08713	8.000%	\$ 394,525.27		Current	
Hot Springs	S00006	6.000%	\$ 219,541.42		Current	
Joint Powers Act	JPA17589	5.380%	\$ 353,918.95		Current	
Joint Powers Act	JPA09550	6.000%	\$ 133,559.92		Current	
Joint Powers Act	JPA11567	5.170%	\$ 151,122.50		Current	
Joint Powers Act	JPA11572	4.940%	\$ 109,972.53		Current	
Joint Powers Act	JPA11573	4.940%	\$ 201,300.88		Current	
Joint Powers Act	JPA11574	4.940%	\$ 292,635.52		Current	
Joint Powers Act	JPA11575	4.940%	\$ 78,318.55		Current	
Joint Powers Act	JPA13576	4.890%	\$ 77,109.29		Current	
Joint Powers Act	JPA13577	4.890%	\$ 65,957.90		Current	
Joint Powers Act	JPA13579	4.890%	\$ 7,255.38		Current	
Joint Powers Act	JPA13580	4.130%	\$ 77,081.28		Current	
Joint Powers Act	JPA13581	4.620%	\$ 63,956.45		Current	
Joint Powers Act	JPA15584	4.620%	\$ 628,837.34		Current	
Joint Powers Act	JPA21590	3.000%	\$ 4,556,012.22		Current	
Small Water/Irrigation	I00746	4.000%	\$ 7,158.45		Current	
Small Water/Irrigation	I00818	5.000%	\$ 232,429.68		Current	
Student Dormitory	SDL19001	2.500%	\$ 30,060,341.72		Current	
Student Dormitory	SDL19002	2.500%	\$ 7,875,485.24		Current	
Capital Construction	CCL19001	1.375%	\$ 203,589.96		Current	
Capital Construction	CCL19002	1.750%	\$ 93,348.44		Current	
Capital Construction	CCL19003	2.125%	\$ 12,271,665.31		Current	
Capital Construction	CCL19004	1.375%	\$ 1,360,767.41		Current	
Capital Construction	CCL19005	2.500%	\$ 3,764,897.38		Current	
Capital Construction	CCL19006	1.000%	\$ 1,031,149.20		Current	
Capital Construction	CCL19007	2.500%	\$ 1,439,204.31		Current	
Capital Construction	CCL19008	2.500%	\$ 1,624,314.01		Current	
			\$ 84,499,322.29			

ATTACHMENT B



BUSINESS COUNCIL
214 W. 15th Street
Cheyenne, WY 82002
Tel: (307) 777-2800

www.wyomingbusiness.org

To: Dawn Williams, Deputy Treasurer
State Treasurer's Office

From: Bert Adam, Investments Director
Wyoming Business Council

Subject: Public Purpose Investments (PPI) – Large Project Loan Program Annual Report

Date: October 16, 2023

Regarding the report referenced in W.S. 9-4-715(n), the Wyoming Business Council (WBC) assists the State Treasurer's Office with the Large Project Economic Development Fund. This fund was originated in 2014 with an initial allocation of \$25,000,000. There was little to no interest until FY 2016. Since then, there have been four applications received from Standard Alcohol Company of America, Inc. (SACA), Atlas Carbon, LLC (Atlas Carbon), Cody Laboratories, Inc (Cody Labs) and WYTEC, LLC (Innovive). All four projects were approved by the WBC Board of Directors. All four projects were presented and approved by the State Loan and Investment Board (SLIB). The SACA application was formally denied on March 6, 2017. Cody Labs was formally denied on November 28, 2018. Innovive formally withdrew its application for funding on January 16, 2020. Large Project Economic Development Fund projects during the past fiscal year include:

- **Atlas Carbon, LLC** (Gillette, WY) – The SLIB approved a loan to Atlas Carbon for \$15M on October 6, 2016. The company began working with the State Treasurer's Office to finalize the rate and terms of the loan. The loan was closed, becoming the State's first, utilizing the Large Project Economic Development Fund, on May 30, 2018. This loan is being used to purchase and install a production line for turning Powder River Basin coal into activated carbon. The construction of this project has an expected completion date of March 2023. This was adjusted from March of 2021 due to COVID and other external factors in converting the existing site to produce activated carbon, which is Atlas' primary product. Atlas has drawn almost all of the \$15 million so far and are producing a product being sold both domestically and internationally by Atlas Carbon.

The WBC receives many inquiries regarding the program; however, many don't meet the minimum loan request threshold, do not have the required twenty-five percent (25%) down payment, nor are a good fit for this program. Going forward, all loans originated in this program will be closed and serviced by the WBC and any participating financial institutions (if applicable).

ATTACHMENT C



WYOMING WATER DEVELOPMENT OFFICE

6920 Yellowtail Road
Cheyenne, WY 82002

Phone: (307) 777-7626
wwdc.state.wy.us

Mark Gordon
Governor

Commissioners

Lisa Anselmi-Dalton	Ronald E. Kailey, Jr.
Robert R. Choma	Mark Kot
Lee Craig	John H. Lawson
Clinton W. Glick	Dennis Pince
Todd Hoese	Larry Suchor

Jason Mead, P.E.
Director

TO: Dawn Williams, State Treasurer's Office

FROM: David Ray, Wyoming Water Development Office (WWDO) DR

DATE: October 30, 2023

SUBJECT: Current Public Purpose Investment Projects of the WWDO

In regards to the report referenced in W.S. 9-4-715(n), the Wyoming Water Development Office administers one active public purpose investment (PPI) project, the Gillette Madison Pipeline Project. The state of Wyoming legislature appropriated loan dollars to the City of Gillette from the permanent mineral trust fund (PMTF) through the Wyoming Water Development Commission. The total PMTF loan is for \$44,328,358.00 and has been fully transferred to the Gillette Madison pipeline account. The last transfer from the State Treasurer's Office (STO) occurred in June of 2015. Thus, no loan requests were made from the STO in the previous fiscal year (FY 2023). In fiscal year 2021, the City of Gillette made a principal payment of \$40,000,000.00. The remaining principal balance as of June 30, 2023 is \$4,328,358.00. These PMTF loan dollars were for thirty-three percent (33%) of the actual development costs of the project. The remaining sixty-seven percent (67%) of the actual development costs were appropriated from several sources as grant dollars.

The WWDO has disbursed all \$44,328,358.00 in PMTF loan dollars to the City of Gillette. The City of Gillette is now responsible for the remaining thirty-three percent (33%) of the actual project development costs. Interest on the PMTF loan dollars (remaining principal of \$4,328,358.00) will not be charged until the benefits accrual date is set by the WWDO. The benefits accrual date is estimated to occur in 2024. The project has been delayed due to supply chain issues specifically regarding custom components. The term of the loan is five (5) years at an annual interest rate of four percent (4%).

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

ATTACHMENT D

STATE OF WYOMING TREASURER'S OFFICE
Funds Invested for a Specific Public Purpose
As of June 30, 2023
W.S. 9-4-715 (n)

	Loan Balance as of June 30, 2022	Amount Loaned in FY23	Principal Payments	Interest Payments	Loan Balance as of June 30, 2023	Current Loan Status
Permanent Mineral Trust Fund (PMTF)						
Airport Loans	\$ 1,868,151	\$ -	\$ 245,687	\$ 87,337	\$ 1,622,464	Administered by OSLI
Capital Infrastructure Loans	10,430,530	11,788,347	429,941	47,106	21,788,936	Administered by OSLI
Farm Loans	15,474,790	1,550,244	1,129,107	451,375	15,895,927	Administered by OSLI
Special Loans - Hot Springs State Park	224,321	-	4,779	13,201	219,541	Administered by OSLI
Industrial Development Bonds (repealed July 1, 2016)	12,441,188	-	3,970,815	658,831	8,470,374	Current
Irrigation Loans	268,820	-	29,232	13,685	239,588	Administered by OSLI
Joint Powers Authority Loans (JPA)	4,726,365	4,700,000	2,629,326	339,548	6,797,039	Administered by OSLI
Student Dormitory Loans	38,155,609	-	1,269,962	903,798	36,885,647	Administered by OSLI
Water Development - Gillette Madison Pipeline	4,328,358	-	-	-	4,328,358	Current
Total PMTF	\$ 87,918,133	\$ 18,038,591	\$ 9,708,850	\$ 2,514,882	\$ 96,247,874	
Common School Permanent Land Fund (CS)						
Drainage District	\$ 24,000	\$ -	\$ -	\$ -	\$ 24,000	Loan forgiven, funds appropriated in 2023
Total CS	\$ 24,000	\$ -	\$ -	\$ -	\$ 24,000	
Legislative Stabilization Reserve Account (LSRA)						
Ad Valorem	\$ 4,603,039	\$ -	\$ 961,808	\$ -	\$ 3,641,231	Current
Firemen's A Pension	20,000,000	-	866,667	-	19,133,333	Current
School Foundation Interfund Borrowing	155,000,000	-	155,000,000	-	-	Current
Veteran's Skilled Nursing	8,000,000	-	-	165,195	8,000,000	Current
Total LSRA	\$ 187,603,039	\$ -	\$ 156,828,475	\$ 165,195	\$ 30,774,564	
State Agency Pool (SAP)						
TDOA	\$ 59,300,000	\$ 133,950,000	\$ 59,300,000	\$ 1,740,366	\$ 133,950,000	Current
Total SAP	\$ 59,300,000	\$ 133,950,000	\$ 59,300,000	\$ 1,740,366	\$ 133,950,000	
Sub-Total PPIs	\$ 334,845,172	\$ 151,988,591	\$ 225,837,325	\$ 4,420,442	\$ 260,996,438	
Atlas Carbon	\$ 14,569,480	\$ 332,392	\$ 362,494	\$ 437,925	\$ 14,539,378	Delinquent 2023 - Partial payment 05/2023
Total PPIs	\$ 349,414,652	\$ 152,320,983	\$ 226,199,819	\$ 4,858,367	\$ 275,535,816	