

State Treasurer

❖ *Mission and philosophy*

The mission of the Treasurer's office is to support the State Treasurer in her service to the public and on administrative boards and in serving the people of Wyoming by receiving, safeguarding and investing all funds of the State of Wyoming and any other funds in the possession of the state for purposes of safekeeping or investment in a prudent manner while complying with directives of Wyoming's constitution and statutes.

The philosophy of the State Treasurer's office is to carry out all functions required of this office with the highest degree of ethical, personal and professional behavior.

❖ *Results of outcomes*

Goal 1: Perform the best possible investment management and revenue accounting services for the State of Wyoming.

Objective A: Work to expand investment opportunities for externally and internally managed funds.

To expand investment opportunities in-house, the State Treasurer worked successfully with the Legislature to change some existing statutes to allow the State Loan and Investment Board to operate under the "Prudent Investor" rule. This allows the board to prudently pursue investment diversification in the state's investment portfolio. The effect of these changes will continue for many years as a broader investment program is achieved. A direct result of this legislation was an expansion of external fixed income and equity securities management.

External short-term cash management continued. In order to remain fully invested, funds are transferred daily to or from the short-term cash manager, depending on the state's needs. This outsourcing of cash management increased income to the state agency pool by more than 0.2 percent (20 basis points) over what the treasurer would have earned using the traditional overnight repurchase agreements, while decreasing the investment risk through better diversification. This program change has allowed a substantial portion of personnel time used in the past to be directed to improving other areas of the investment process — in particular, the verification and reconciliation of external manager information.

Authorization for the State Treasurer to issue short-term notes for better cash management was passed by the 1996 Legislature and replaces the need for the state's general fund to "borrow" from other state funds and reduce generated income from those funds. The second series (\$90 million) of such notes was issued in July, 1998, and redeemed in June, 1999. The program has proven successful in providing longer term investment of those state general funds

General information

Cynthia Lummis, Wyoming State Treasurer

Agency contact

Glenn Shaffer, Deputy State Treasurer
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Other locations

Unclaimed Property Division, Hansen Building, Cheyenne, WY 82002

Year established

1869

Statutory references

9-1-401 through 9-1-413

Number of authorized personnel

15 full-time

Organizational structure

Administrative Operations, Unclaimed Property

Clients served

All state agencies, federal government and the general public.

Budget information

	<i>General fund</i>	<i>Other</i>
Administrative Operations	\$757,477	\$0
Unclaimed Property	0	335,641
Investment Managers (from Investment Income)	2,207,301	0
Total	\$2,964,778	\$335,641

and producing additional revenue in FY99 of approximately \$2.2 million dollars.

Objective B: Carry out daily receipts and bank activity.

The processing of agency receipts and distributions has continued on a daily basis, and new work on electronic commerce capabilities has begun. In FY99, upgrades were made to both hardware and software to ensure Year 2000 compliance and to make available current technology. The treasurer is working with banks and other state agencies in an attempt to put into place the Automated Clearing House (ACH) debit, which would allow the Treasurer's Office to charge other bank accounts, thus reducing or even eliminating another portion of the check-writing and deposit process.

The Investment Inventory and Income Distribution system(IIDS) was installed in 1997. The IIDS removes the state accounting system (WOLFS) from the allocation process while electronically interfacing and posting transactions for efficiency. Investment income is then distributed monthly to all state participants with the exception of the Permanent Mineral Trust Fund income which distributes PMTF income to the general fund annually.

IIDS is also being used for WYO-STAR (Local Government Investment Pool) participants in a stand-alone capacity. Chase Bank continues to provide the accounting for WYO-STAR.

Goal 2: Provide for statutory and constitutional responsibilities of the office of the State Treasurer.

Objective A: Support treasurer's additional statutory responsibilities.

Wyo-STAR, the local government investment pool, has continued to provide its participants with a rate of return higher than other pools available to Wyoming's local municipalities. As of June 30, 1999, Wyo-STAR had 127 participants with an ending invested balance of \$202.8 million. These participants earned \$10.3 million in interest in FY99.

The Wyoming Deferred Compensation program is a voluntary supplemental retirement program which is a pre-tax investment guided by IRS Code 457 rules and administered by the State Treasurer. This plan has been in place for over 15 years. It experienced major changes over the past two years resulting in a new board with policy-making authority, a single record-keeper rather than several, negotiations with investment service providers, recent selection of a new communications provider and a resulting decrease in the fees required to fund the program operation.

Objective B: Improve administration of state and local programs not directly related to treasurer's normal activities.

The State Treasurer continues to work with the Legislature regarding the feasibility of moving a number of state and local programs (not related to the office's normal activities) to other agencies where they could be more appropriately administered.

These include Miners' Hospital, Veterans' Tax Exemption, Police Officers' Retirement and Indian Motor Vehicle Exemption programs. Legislation moving these programs has failed to pass.

Objective C: Expand Uniform Unclaimed Property program operations.

The Department of Administration and Information's Information Technology Division is currently working on the programming of Phase III of the Unclaimed Property database setup. The public list of owners is now available on Ferret, the state's web server, and is thus now available for public perusal. This site received more than 170,900 inquiries in FY99.

In FY99, two national holder seminars were conducted, two national speaking engagements were performed and numerous claimants were instructed on how to claim their funds. An alphabetical list of owners is mailed each month to Wyoming county clerks.

The Unclaimed Property Division of the Treasurer's Office now has in place a field compliance specialist who has helped to increase distributions to unclaimed property owners by \$500,000 annually (the more the UP Division collects, the more will be available for distribution). In FY99 alone, more than \$1.5 million was returned to the rightful owners/heirs, an increase over FY98 of more than \$600,000.

❖ *Strategic plan changes*

While a number of objectives were achieved in FY99, the focus of the goals of the Treasurer's Office will not change substantially in the new strategic plan to be filed September 1, 1999.

Please refer to the Agency Strategic Plan submitted September 14, 1998.

State Treasurer organization chart

