

**STATE OF WYOMING**

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**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT**

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**For Fiscal Year Ended  
June 30, 2017**

**Prepared By:  
CAFR Division State Auditor's Office**

**Cynthia I. Cloud, CPA  
State Auditor**





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# **INTRODUCTORY SECTION**

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# State of Wyoming

## *State Auditor's Office*

Cynthia I. Cloud, CPA

*State Auditor*

Sandy L. Urbanek, PMP

*Deputy State Auditor*

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December 18, 2017

TO: The Honorable Matthew H. Mead, Governor,  
Members of the Legislature, and the  
Citizens of the State of Wyoming:

It is my privilege to present the 2017 *Comprehensive Annual Financial Report* (CAFR) of the State of Wyoming in accordance with Wyoming Code Section (W.S. 9-1-403 (a)(v) and W.S. 9-4-204 (s)(v)). The objective of the financial report is to present the State of Wyoming's financial activities as a single comprehensive reporting entity.

The CAFR consists of representations by the management of each State entity concerning the finances of the State of Wyoming. Responsibility for both the accuracy of the data and the completeness and reliability of the information, including all disclosures, rests with the State. This report reflects my commitment to the citizens of Wyoming and the financial community to maintain our financial statements in accordance with Generally Accepted Accounting Principles (GAAP). Information presented in this report to the best of my knowledge and belief, accurately presents the State's financial position and results of operations in all material respects in accordance with GAAP, and all disclosures have been included that are necessary to enable the reader to gain an understanding of the State's financial activities.

**Internal Control.** The State has established an internal control framework that is designed to provide reasonable, but not absolute, assurance that the State's assets are safeguarded and financial transactions are properly recorded and adequately documented, and to ensure the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of internal controls should not outweigh the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

**Independent Auditors.** McGee, Hearne & Paiz, LLP, certified public accountants, has independently audited the State of Wyoming's financial statements. The independent audit is performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the State of Wyoming's financial statements for the fiscal year ended June 30, 2017 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of the CAFR.

**Single Audit.** Federal regulations also require the State to undergo an annual Single Audit in conformance with the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Information related to the Single Audit, including the schedule of expenditures of federal awards, audit findings and recommendations, summary of prior audit findings, and the Independent Auditor's reports, is issued in a separate report.

**Management's Discussion and Analysis (MD&A).** Management's discussion and analysis (MD&A) immediately follow the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.





## Profile of the Government

On July 10, 1890, the State of Wyoming, known as the 'Equality State,' was the 44th state admitted to the Union. Located in the Rocky Mountain section of the western United States, Wyoming is bordered on the north by Montana, on the east by South Dakota and Nebraska, on the south by Colorado and Utah, and on the west by Utah, Idaho and Montana. It is the tenth largest state in the United States, containing 97,818 square miles. The U.S. Department of Commerce, Bureau of Economic Analysis put Wyoming's population at 586,107 for 2015. Wyoming is home to two of the country's foremost national parks, Yellowstone National Park and Grand Teton National Park, as well as the first designated national monument, Devil's Tower.

**Reporting Entity.** Wyoming state government is divided into three separate branches: legislative, executive, and judicial. The duties of each branch are outlined in the State's Constitution. The organizational chart is shown on page 11.

For financial statement purposes, the State's reporting entity includes the primary government and its component units. The primary government of the State of Wyoming includes all funds, departments, agencies, and other organizational units governed by the Legislature or the constitutional officers of the State. In addition, to these primary government activities, this report includes information related to the component units for which the primary government is financially accountable. Although such information is provided in this report, the MD&A and Basic Financial Statements focus on the primary government activities. Separately issued financial statements are available from the significant discretely presented component units and should be read to obtain a better understanding of their financial conditions. Additional information on all discretely presented component units can be found in the notes to the financial statements (See Note 2 on page 58).

The State of Wyoming provides a full range of services to its citizens. The principal departments of Wyoming Government are: Administration and Information, Agriculture, Attorney General, Department of Audit, Corrections, Engineer, Environmental Quality, Family Services, Game and Fish, Health, Revenue, State Parks and Cultural Resources, Workforce Services and Enterprise Technology Services.

**Budgetary Process.** The biennial budget serves as the foundation for the State of Wyoming's financial planning and control. Wyoming statutes require the Governor to prepare and submit a biennial budget to the Legislature every even-numbered year. Budgets are prepared for a biennial period and are augmented, if necessary, with supplemental appropriations during the legislative sessions conducted in odd-numbered years. Budgets are adopted at the division level by agency. The Legislature may add, change, or delete any budget items proposed by the Governor. The Governor may authorize changes and revisions to approved budgets during the budget term, including increasing appropriations in the event of federal revenue above the initial budget approved by the Legislature. Budget-to-actual comparisons are provided in the CAFR for each individual governmental fund class for which an appropriated biennial budget has been adopted. For the General Fund and the Foundation Program Fund, this comparison is presented as part of the Required Supplementary Information. For governmental funds other than the major funds, this comparison is presented in the Supplementary Information section of the CAFR.

**Long Term Financial Planning.** The State of Wyoming incorporates revenue forecasting for two principal areas: general government operations and public school financing.

For general government the State utilizes the efforts of the Consensus Revenue Estimating Group (CREG). CREG was created by mutual informal agreement between the executive and legislative branches in 1983 as a result of the need for reliable and consistent revenue estimates which could be used by the executive branch and the Legislature in the budgeting process. CREG is composed of members from various professional fields and governmental organizations, including legislative and executive branch representatives.

The CREG Report contains the following information:

- (i) Projections for major revenue sources to the General Fund are detailed including sales and use taxes, pooled interest, Permanent Wyoming Mineral Trust Fund interest, and severance taxes.
- (ii) The severance tax forecast details projected production, price and expected severance tax receipts for each major mineral and the report shows expected distributions of severance taxes to each fund or account that receives the taxes;



(iii) The federal mineral royalty forecast also details projected production, price and expected royalties for oil, natural gas and coal and details the expected distribution of royalties to each fund or account that receives the royalties;

(iv) The report also projects income derived from investment of the Common School Permanent Land Fund and projects total State-assessed valuations to project the amount of revenue generated by the assessment of twelve mills to support education.

**School Finance.** The Legislature is required to define the proper combination of educational goods and services every child in Wyoming should receive. The State has a continuing process to determine the resources needed to provide proper combination of educational goods and services and to ensure that school districts have adequate funding to provide those goods and services. The present day funding model is recalibrated every five years. The last recalibration was done in FY 2015 during the 2015 legislative session so the next recalibration will be done in FY 2020.

The funding model consists of three major components:

1. Legislation enacting the model. This includes the statutory language to fund schools, and an appendix, which outlines specific funding decisions made by the Legislature.
2. A set of linked worksheets which compute school and district funding allocations.
3. Additional worksheets developed by the Wyoming Department of Education to distribute funds to the school districts.

The State also has a legislatively approved plan for construction and major maintenance of State education facilities, including for the University of Wyoming.

## ECONOMIC FACTORS AND OUTLOOK

**Introduction.** Wyoming's economic well-being continues to depend primarily on the mineral industry. Revenues to the State of Wyoming come from severance taxes, ad valorem taxes on real and personal property, federal mineral royalties from production on federal lands in Wyoming, and sales and use taxes.

According to the publication *Economic Summary: 2Q2017* which is through the second quarter ending June 30, 2017, prepared by the Division of Economic Analysis of the Department of Administration and Information, the economic data has shown the global economy is poised for robust growth due to stronger domestic demand and rising exports. Rising employment and higher disposable income are fueling growth in consumption spending. Lower energy costs have helped consumer spending as well. The job market continues to post gains and record stock prices have consumers benefitting.

**Wyoming Economy.** Many factors indicate that the State's economy is continuing to recover from the Great Recession. Wyoming's unemployment rate fell to 4.1% which is lower than the US level at 4.4%. As supply and demand rebalancing continues, prices for both oil and natural gas, though still depressed, have rebounded significantly from early 2016 and are less volatile. The State's mineral extraction industry has increased drilling activity. Sales and Use tax collections show that taxable sales grew 11.9% to \$3.9 Billion in the second quarter of 2017. This is the first annual increase since the first quarter of 2015. Additional information on the economic outlook for the State including detailed information on employment, personal income, and housing markets can be found in the State's MD&A which immediately follows the independent auditor's report.

For additional information on the State of Wyoming's economy, and the latest CREG revenue projections, the reader is directed to the Division of Economic Analysis of the Department of Administration and Information. The web address is <http://eadiv.state.wy.us>.

## Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Wyoming for its CAFR for the fiscal year ended June 30, 2016. This was the twentieth year that the State has received this prestigious award. In order to be awarded a Certificate of Achievement, the State must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. See a copy of the GFOA certificate on the page following this letter.



A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement requirements and are submitting it to the GFOA to determine its eligibility for another certificate. In the State Auditor's Office, we are committed to this effort, and we intend to maintain a highly qualified and professional staff to make this certification possible.

The CAFR represents the responsibility of the State Auditor to give the citizens of Wyoming an accurate picture of the financial condition of their State government. Great strides have been made in the past few years to improve our State's accounting and financial reporting: implementation of GAAP, preparation of the CAFR, an independent audit of our financial statements, and implementation of various Governmental Accounting Standards Board (GASB) standards. All have contributed to better financial management. My appreciation goes out to the Legislature and our staff for making these improvements possible.

In conclusion, I believe this report provides information beneficial in evaluating the financial activity of the State of Wyoming. The State Auditor's Office would like to express our appreciation to the fiscal officers and staff throughout State government for their dedicated efforts in assisting us in the completion of this report.

I would also like to express my thanks to the dedicated staff within the State Auditor's Office, who continue to take great pride in this report. I am proud to have them on my team as we reaffirm our commitment to providing the citizens of Wyoming excellence in financial reporting.

Thank you!

Respectfully submitted,

Cynthia I. Cloud, CPA  
State Auditor



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**State of Wyoming**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

A handwritten signature in black ink, reading "Jeffrey R. Egan".

Executive Director/CEO



# ORGANIZATIONAL CHART AS OF JUNE 30, 2017

**Citizens of Wyoming**

**Legislative**  
Senate  
House of Representatives  
Legislative Service Office

**Executive**

**Judicial**  
Supreme Court  
District Courts  
Circuit Courts

**Secretary of State**  
*Ed Murray, III*

**State Auditor**  
*Cynthia I. Cloud*

**Governor**  
*Matthew H. Mead*

**State Treasurer**  
*Mark Gordon*

**State Superintendent of Public Instruction**  
*Jillian Balow*

<p><b>State Agencies</b></p> <ul style="list-style-type: none"> <li>Administration &amp; Information</li> <li>Administrative Hearings, Office of</li> <li>Agriculture</li> <li>Attorney General</li> <li>Audit</li> <li>Boards</li> <li>Commissions</li> <li>Community College Commission</li> <li>Corrections</li> <li>Education</li> <li>Department of Workforce Services</li> <li>Engineers &amp; Prof Land Surveyors, Board of</li> <li>Engineer's Office</li> <li>Enterprise Technology Services</li> <li>Environmental Quality</li> <li>Environmental Quality Council</li> <li>Equalization, Board of</li> <li>Family Services</li> </ul>	<ul style="list-style-type: none"> <li>Fire Prevention &amp; Electrical Safety</li> <li>Game and Fish</li> <li>Geological Survey</li> <li>Geologists, Board of</li> <li>Governor's Residence</li> <li>Health</li> <li>Homeland Security</li> <li>Insurance</li> <li>Lands and Investments, Office of State</li> <li>Livestock Board</li> <li>Military Department</li> <li>Office of Tourism</li> <li>Outfitters and Professional Guides, Board of</li> <li>Parole, Board of</li> <li>Public Defenders</li> <li>Public Service Commission</li> <li>Retirement System</li> <li>Revenue</li> <li>State Construction Department</li> <li>State Parks and Cultural Resources</li> </ul>	<ul style="list-style-type: none"> <li>Water Development Commission</li> <li>Wildlife and Natural Resource Trust</li> <li>Workforce Services</li> <li>Wyoming Oil &amp; Gas Commission</li> </ul> <p><b>Component Units</b></p> <ul style="list-style-type: none"> <li>University of Wyoming</li> <li>Wyoming Department of Transportation</li> <li>Wyoming Business Council</li> <li>Wyoming Community Development Authority</li> <li>Wyoming Pipeline Authority</li> <li>Wyoming Infrastructure Authority</li> <li>Wyoming Lottery Corporation</li> </ul>
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## **ACKNOWLEDGEMENTS**

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The CAFR Division of the State Auditor's Office prepares the State of Wyoming Comprehensive Annual Financial Report. Staff of the group for the fiscal year 2017 report includes:

Manager	Barb Wallace
Principal Accountant	Erin Benskin, CPA
Senior Accounting Analyst	Vonda Heath
Senior Accounting Analyst	Laurie Wiley
Accounting Analyst	Ben Wolff

Special thanks are also extended to Mr. Robert Dahill, Mr. Ken Dugas, Mrs. Brandy Marrou, Mrs. Stephanie Pickering, Mrs. Brittany Wilson, and staff of McGee, Hearne & Paiz, LLP; staff of the State Treasurer's Office; the Department of Audit; and financial management personnel throughout Wyoming State Government. Preparation of this report would not have been possible without the efforts of these individuals.





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# **FINANCIAL SECTION**

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**INDEPENDENT AUDITOR’S REPORT**

Honorable Governor, Members of the Legislature  
State of Wyoming  
Cheyenne, Wyoming

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Wyoming (the “State”), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the State’s basic financial statements as listed in the table of contents.

***Management’s Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor’s Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Wyoming Community Development Authority or the University of Wyoming Foundation (a component unit of the University of Wyoming), which are shown as discretely presented component units. In addition, we did not audit the financial statements of the Wyoming Retirement System, which is shown as a fiduciary fund. Those statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Wyoming Community Development Authority, the University of Wyoming Foundation, and the Wyoming Retirement System, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the State’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



*Opinions*

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Other Matters*

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 18 through 32, and the Budgetary Comparison Schedules, Pension Plan Information, and Infrastructure Assets Reported Using the Modified Approach Information on pages 113 through 137 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We, and the other auditors, have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

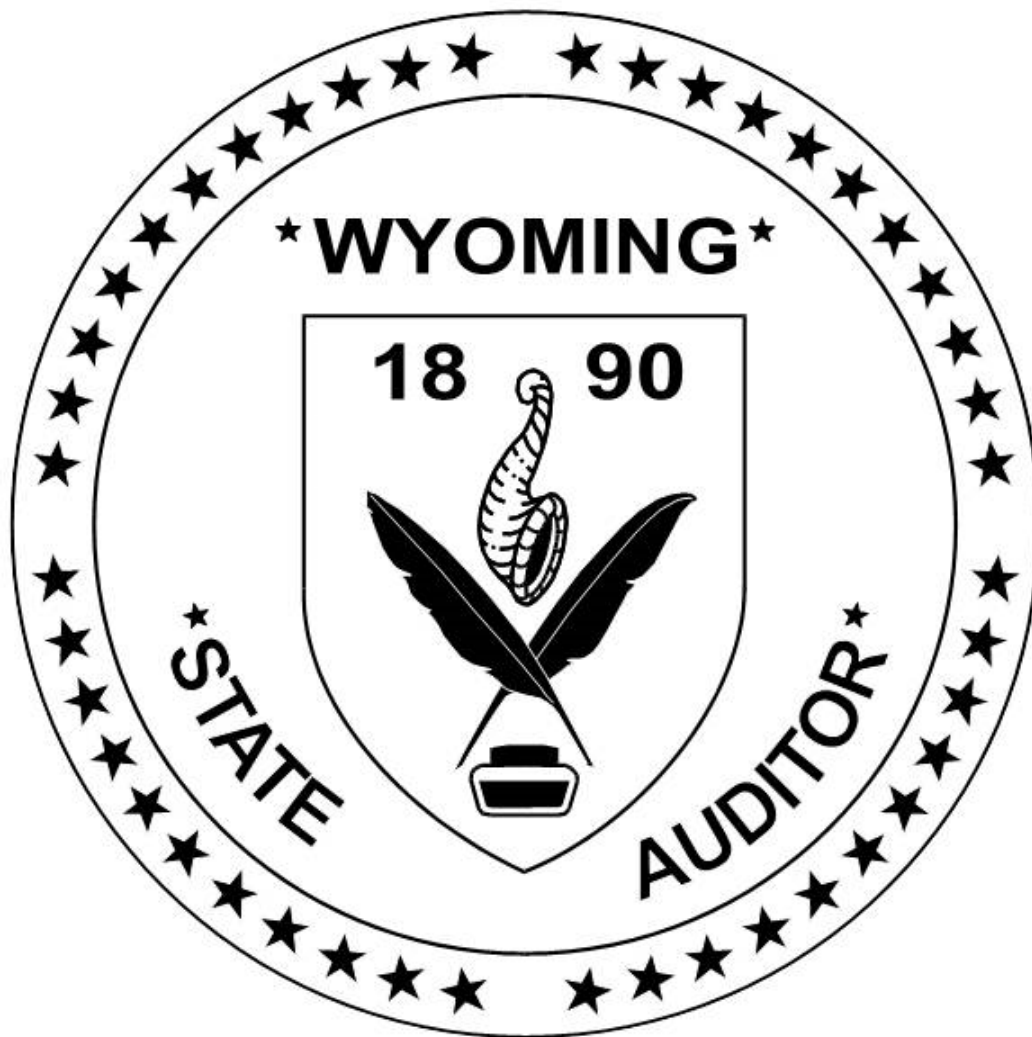
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The combining and individual nonmajor fund financial statements and the schedules of revenues and expenditures/expenses (budget and actual), and the other information such as the Introductory and Statistical Sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedules of revenues and expenditures/expenses (budget and actual) on pages 139 through 204 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, and the schedules of revenues and expenditures/expenses (budget and actual) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section on pages 5 through 12 and the Statistical Section on pages 205 through 263 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*McGee, Hearne & Paiz, LLP*

Cheyenne, Wyoming  
December 18, 2017





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**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

The State Auditor's Office offers readers of the State of Wyoming's financial statements this narrative overview and analysis of the financial activities of the State of Wyoming for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 6-9 of this report.

### Financial Highlights

#### Government-Wide:

- The assets and deferred outflows of resources of the State of Wyoming exceeded its liabilities and deferred inflows of resources as of June 30, 2017 by \$19.1 billion (reported as net position). This is an increase of \$0.5 billion from June 30, 2016. Of this amount, \$4.5 billion is unrestricted net position that may be used to meet the government's ongoing obligations. Component units reported net position of \$7.9 billion.

#### Fund Level:

- As of June 30, 2017, the State of Wyoming's governmental funds reported combined ending fund balances of \$18.1 billion, an increase of \$0.6 billion.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$2.2 billion. The previously reported unassigned fund balance was \$2.2 billion.
- All governmental funds reported a total of \$305 million in Deferred Inflow of Resources. Of this amount, \$235.2 million represented property taxes for the School Foundation Program and \$37.3 million represented sequestered federal mineral royalty revenues due from the federal government.
- The enterprise funds reported a net position at year-end of \$503.3 million, an increase of \$5.6 million from June 30, 2016.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the State of Wyoming's basic financial statements. Financial reporting is intended to provide external parties that read financial statements with information that will help them to make decisions or draw conclusions about an entity. These parties do not always have the same specific objectives. In order to address the needs of as many parties as reasonably possible, the State's annual report consists of three major sections in accordance with required reporting standards: Management's Discussion and Analysis (MD&A), the basic financial statements, and required supplemental information. The State of Wyoming's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the State of Wyoming's finances, in a manner similar to a private-sector business. The State's government-wide financial statements include the *Statement of Net Position* and *Statement of Activities*. These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting.

- The purpose of the *Statement of Net Position* is to report all of the assets held and liabilities owed by the State. The State reports all of its assets held and deferred outflows of resources when it acquires ownership over the assets and reports all of its liabilities owed and deferred inflows of resources when they are incurred. The difference between the State's total assets and deferred outflows or resources and total liabilities and deferred inflows of resources is titled net position and this difference is similar to the owner's equity presented by a private-sector business.

The government-wide Statement of Net Position can be found on page 34 of this report.

- The purpose of the *Statement of Activities* is to present all the revenues and expenses of the State of Wyoming. Again, the items presented on the Statement of Activities are measured in a manner similar to the approach used by a private-sector business in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the State. Revenues are recorded when



earned regardless of when the cash will be received and expenses are recorded even though they may not have been paid during the current period (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide Statement of Activities can be found on pages 36-37 of this report.

Both statements report three activities:

- *Governmental Activities* – Most of the State's basic services are reported under this category. Taxes and intergovernmental revenues generally fund these services. The Legislature, the Judiciary, and the general operations of the Executive departments fall within the governmental activities.
- *Business-type Activities* – The State charges fees to customers to help it cover all or most of the cost of certain services it provides. Workers' compensation and the State's unemployment compensation services are examples of business-type activities.
- *Component Units* – Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The State has 3 authorities, 1 university, 2 state agencies and 1 corporation that are reported as discretely presented component units of the State.

**Fund financial statements.** The major fund financial statements begin on page 38 and provide more detailed information about the State's most significant funds – not the State of Wyoming as a whole. Funds are accounting devices that the State uses to keep track of specific sources of funding and spending. Except for the General Fund, a specific fund is established to satisfy legal requirements established by external parties or governmental statutes or regulations. The State of Wyoming establishes other funds to control and manage money for particular purposes or to show that the State is properly using certain resources. All of the funds of the State of Wyoming can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds.** Most of the State's basic services are reported in the governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for future spending.

Governmental fund financial statements consist of a Balance Sheet and Statement of Revenues, Expenditures, and Change in Fund Balances. The statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements. All of the State's programs are included in the governmental funds, which focus on how cash and other financial assets that can readily be converted to cash flow in and out in a short period of time. For example, amounts reported on the balance sheet include items such as cash and receivables collectable within a short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid in a short period after the end of the fiscal year. The difference between a fund's total assets/deferred outflows of resources and liabilities/deferred inflows of resources is labeled as the fund balance. The unassigned portion of fund balance generally indicates the amount that can be used to finance next year's activities.

The operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid in cash, respectively, during the current period or very shortly after the end of the year. Consequently, the governmental funds statements provide a short-term view that helps determine if there are more or fewer financial resources to finance the State's programs. Because this information does not encompass the long-term focus of the government-wide statements, we provide an analysis reconciling the total fund balances to the amount of net position reported in the Statement of Net Position.

Also, there is an analysis following the Statement of Revenues, Expenditures and Changes in Fund Balances that reconciles the change in net position of the governmental activities presented in the government-wide Statement of Activities to the change in fund balance presented in the Statement of Revenue, Expenditures and Changes in Fund Balances. These two reconciliation schedules (pages 39 and 41) provide an analysis of transitioning from modified accrual accounting (Fund Basis) to full accrual accounting (Government-wide Basis). The following summarizes the impact of transitioning from modified accrual to full accrual accounting:

- Capital assets used in governmental activities are not reported on governmental fund statements.
- Internal service funds are reported as governmental activities, but reported as proprietary funds in the fund financial statements.



- Unless due and payable, long-term liabilities, such as capital lease obligations, compensated absences, bonds payable, the net pension liability and others only appear as liabilities in the government-wide statements.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements, but are reported as expenditures on the governmental fund statements.
- **Proprietary funds.** When the State charges customers for the services it provides, whether to outside customers or to other state agencies within the State, these services are generally reported in proprietary funds. Proprietary funds (enterprise and internal service) utilize accrual accounting: the same method used by private sector businesses. Enterprise funds report activities that provide supplies and services to the general public. An example is the State Workers' Compensation Insurance Fund. Internal service funds report activities that provide supplies and services for the State's other programs and activities-such as the State's Information Technology Division. Internal service funds are reported as governmental activities on the government-wide statements since their primary purpose is to support those activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise funds are broken out between major and nonmajor. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the supplementary information section of this report.

The basic proprietary fund financial statements can be found on pages 42-44 of this report.

- **Fiduciary funds.** The State acts as a trustee or fiduciary for its employee pension plan. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The State's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These statements include pension, investment trust, private purpose, and agency funds, which use accrual accounting. The government-wide statements exclude fiduciary fund activities and balances because these assets are restricted in purpose and do not represent discretionary assets of the State to finance its operations.

The basic fiduciary fund financial statements can be found on pages 45-46 of this report.

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 49-111 of this report.

**Required Supplementary Information** is presented that further explains and supports the information in the financial statements. The Required Supplementary Information includes budgetary comparisons schedules primarily prepared on a biennial basis. Also included is a discussion of the Wyoming Department of Transportation (WYDOT) and how they account for infrastructure assets using the modified approach.

Required supplementary information can be found on pages 113-137 of this report.

**Other Supplementary Information** includes combining statements referred to earlier in connection with nonmajor governmental, enterprise, internal service and fiduciary funds that are presented immediately following the required supplementary information.

Other supplementary information can be found on pages 139-204 of this report.



## Government-Wide Financial Analysis

As noted earlier, net position, which is the residual of all financial statement elements presented in a statement of financial position, may serve over time as a useful indicator of a State's financial position. In the case of the primary government (State of Wyoming), the net position of the State is at \$19.1 billion at the close of fiscal year 2017. This was an increase of \$0.5 billion for the fiscal year.

The following condensed financial information was derived from the government-wide Statement of Net Position:

State of Wyoming's Net Position						
June 30, 2017 and 2016						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2017	2016	2017	2016	2017
<b>Assets</b>						
Other assets	\$ 20,514,516,687	\$ 21,075,774,525	\$ 2,571,481,685	\$ 2,683,212,195	\$ 23,085,998,372	\$ 23,758,986,720
Capital assets, net of Depreciation	936,899,663	1,011,830,412	9,181,384	7,850,970	946,081,047	1,019,681,382
Total assets	<u>21,451,416,350</u>	<u>22,087,604,937</u>	<u>2,580,663,069</u>	<u>2,691,063,165</u>	<u>24,032,079,419</u>	<u>24,778,668,102</u>
<b>Deferred Outflow of Resources</b>						
Component Unit Appropriations	-	1,191,433	-	-	-	1,191,433
Pension Related	147,716,999	116,731,448	3,228,302	2,683,832	150,945,301	119,415,280
Total Deferred Outflow of Resources	<u>147,716,999</u>	<u>117,922,881</u>	<u>3,228,302</u>	<u>2,683,832</u>	<u>150,945,301</u>	<u>120,606,713</u>
<b>Liabilities</b>						
Other liabilities	2,519,330,741	2,601,634,252	436,641,635	456,117,228	2,955,972,376	3,057,751,480
Long-term liabilities	686,507,963	728,883,786	1,649,204,804	1,733,846,053	2,335,712,767	2,462,729,839
Total liabilities	<u>3,205,838,704</u>	<u>3,330,518,038</u>	<u>2,085,846,439</u>	<u>2,189,963,281</u>	<u>5,291,685,143</u>	<u>5,520,481,319</u>
<b>Deferred Inflow of Resources</b>						
Property Taxes	251,193,463	225,901,190	-	-	251,193,463	225,901,190
Pension Related	14,489,990	18,964,964	362,091	463,321	14,852,081	19,428,285
Total Deferred Inflow of Resources	<u>265,683,453</u>	<u>244,866,154</u>	<u>362,091</u>	<u>463,321</u>	<u>266,045,544</u>	<u>245,329,475</u>
<b>Net position</b>						
Net Investment in capital assets	912,640,994	989,990,308	9,181,384	7,850,970	921,822,378	997,841,278
Restricted	12,474,189,906	13,121,177,743	463,287,552	471,745,820	12,937,477,458	13,592,923,563
Unrestricted (deficit)	4,740,780,292	4,518,975,575	25,213,905	23,723,605	4,765,994,197	4,542,699,180
Total net position	<u>\$ 18,127,611,192</u>	<u>\$ 18,630,143,626</u>	<u>\$ 497,682,841</u>	<u>\$ 503,320,395</u>	<u>\$ 18,625,294,033</u>	<u>\$ 19,133,464,021</u>

The investments in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding, is \$997.8 million. The State of Wyoming uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the State of Wyoming's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the State of Wyoming's net position, \$13.6 billion, represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position is \$4.5 billion.

The majority of the current assets of \$23.7 billion is comprised of various cash and pooled investments of \$21.7 billion, and accounts receivable, due from other governments and loan receivables (including interest receivable) of \$1.5 billion. The remaining amount is comprised of other assets such as inventory and prepaid expenses and amounts on deposit with the United States Treasury.

The current liabilities of \$3.1 billion are comprised of various items: \$1.8 billion is related to liabilities under security lending; \$338.8 million is related to claims and benefits payable, current portion of bonds payable and compensated absences (refer to Note 8 for additional detail); \$725 million is related to various accounts payable. The amount due to component units of \$75.8 million, represents the unspent appropriations allocated to discretely presented component units. The remaining amount is made up of various other liabilities.





The majority of the long-term liabilities of \$2.5 billion is comprised of claims and benefits payable of \$1.8 billion, compensated absences of \$24 million, bonds payable of \$18.8 million and net pension liability of \$490.9 million. The State's estimated GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* OPEB liability is \$161.9 million. OPEB represents the State's Other Post-Employment Benefits other than pension benefits.

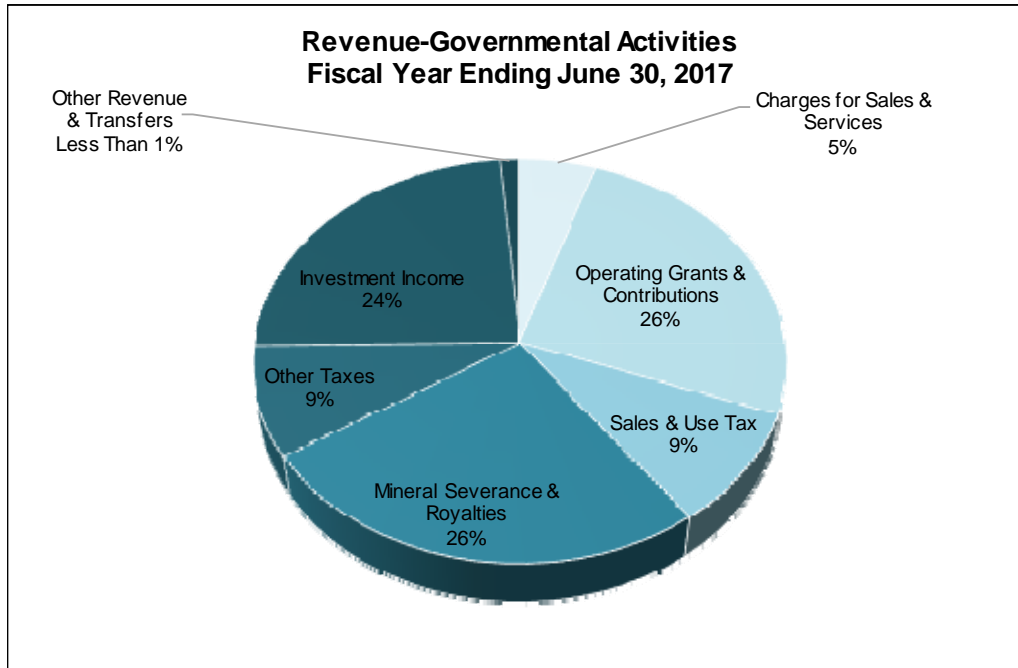
The State had as of June 30, 2017, deferred inflows of resources related to property taxes of \$225.9 million and related to pensions of \$19.4 million.

The following condensed financial information was derived from the government-wide Statement of Activities and reflects how the State's net position changed during the fiscal year:

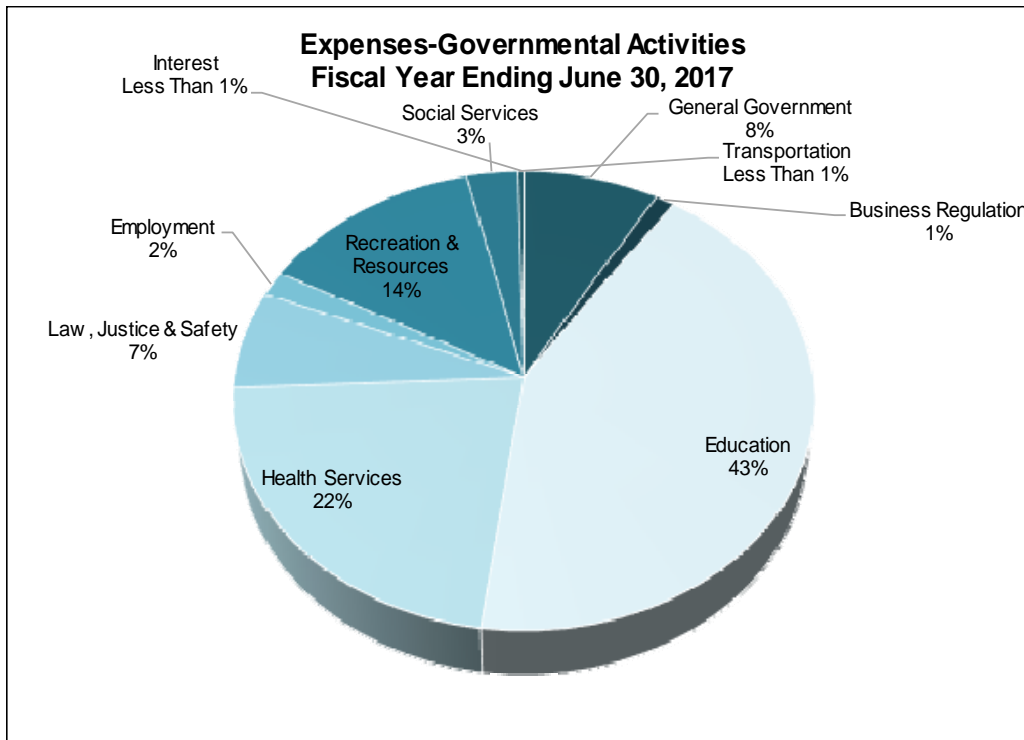
State of Wyoming Statement of Activities for Fiscal Year Ended June 30, 2017						
	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 253,385,526	\$ 240,652,457	\$ 427,873,779	\$ 404,691,494	\$ 681,259,305	\$ 645,343,951
Operating grants	1,094,470,466	1,200,852,893	3,979,035	4,985,282	1,098,449,501	1,205,838,175
Capital grants and contributions	2,158,732	2,061,162	-	-	2,158,732	2,061,162
General revenues						
Taxes	2,120,974,266	2,087,090,046	-	-	2,120,974,266	2,087,090,046
Sale of Land	-	46,012,202	-	-	-	46,012,202
Investment income	457,506,811	1,130,380,565	53,194,837	110,794,181	510,701,648	1,241,174,746
Total revenues	<u>3,928,495,801</u>	<u>4,707,049,325</u>	<u>485,047,651</u>	<u>520,470,957</u>	<u>4,413,543,452</u>	<u>5,227,520,282</u>
<b>Expenses</b>						
General government	392,781,460	350,111,020	-	-	392,781,460	350,111,020
Business regulations	48,449,963	49,076,368	-	-	48,449,963	49,076,368
Education	1,796,223,730	1,802,193,830	-	-	1,796,223,730	1,802,193,830
Health services	932,158,349	937,217,042	-	-	932,158,349	937,217,042
Law, justice and safety	294,202,312	285,626,186	-	-	294,202,312	285,626,186
Employment	51,546,028	73,817,520	-	-	51,546,028	73,817,520
Recreation and resource development	556,507,151	577,502,192	-	-	556,507,151	577,502,192
Social services	141,700,856	133,077,302	-	-	141,700,856	133,077,302
Capital construction	-	-	-	-	-	-
Transportation	32,225,080	12,768,873	-	-	32,225,080	12,768,873
Interest	841,794	761,062	-	-	841,794	761,062
Debt Service:						
Workers' Compensation Insurance	-	-	274,100,234	300,994,282	274,100,234	300,994,282
Liquor Commission	-	-	96,007,279	96,647,795	96,007,279	96,647,795
Canteen Fund	-	-	2,139,018	2,044,129	2,139,018	2,044,129
Subsidence Insurance	-	-	-	24,502	-	24,502
Honor Farm Ag. sales	-	-	423,238	315,808	423,238	315,808
WY Health Insurance	-	-	7,505,607	3,402,894	7,505,607	3,402,894
Unemployment Compensation	-	-	124,372,929	95,903,993	124,372,929	95,903,993
Total expenses	<u>4,246,636,723</u>	<u>4,222,151,395</u>	<u>504,548,305</u>	<u>499,333,403</u>	<u>4,751,185,028</u>	<u>4,721,484,798</u>
Increase (decrease) in net position before transfers	(318,140,922)	484,897,930	(19,500,654)	21,137,554	(337,641,576)	506,035,484
Transfers	13,612,000	15,500,000	(13,612,000)	(15,500,000)	-	-
Increase (decrease) in net position	<u>(304,528,922)</u>	<u>500,397,930</u>	<u>(33,112,654)</u>	<u>5,637,554</u>	<u>(337,641,576)</u>	<u>506,035,484</u>
Net position - beginning	18,432,140,114	18,127,611,192	536,339,206	497,682,841	18,968,479,320	18,625,294,033
Prior Period Adjustment (Note 1(F))	-	2,134,504	(5,543,711)	-	(5,543,711)	2,134,504
Net position - beginning, restated	18,432,140,114	18,129,745,696	530,795,495	497,682,841	18,962,935,609	18,627,428,537
Net position - ending	<u>\$ 18,127,611,192</u>	<u>\$ 18,630,143,626</u>	<u>\$ 497,682,841</u>	<u>\$ 503,320,395</u>	<u>\$ 18,625,294,033</u>	<u>\$ 19,133,464,021</u>



The chart below represents revenues of the governmental activities for the fiscal year:



The following chart represents expenses of the governmental activities for the fiscal year:



**Business-type activities**

The net position of the business type activities increased by \$5.6 million during the fiscal year.



## Financial Analysis of the State of Wyoming's Funds

As noted earlier, the State of Wyoming uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the State of Wyoming's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources, as stated earlier. Such information is useful in assessing the State of Wyoming's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2017, the State of Wyoming's governmental funds reported combined ending fund balances of \$18.1 billion, an increase of \$0.6 billion. Of this total fund balance, \$12.3 billion, is classified within the permanent funds as nonexpendable-corporus. The classifications of fund balance are: nonspendable, restricted, committed, assigned and unassigned. These classifications are further discussed in Note 1(E)(11) and Note 12.

**General Fund.** The general fund is the chief operating fund of the State of Wyoming. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2.2 billion, while total fund balance was \$3.5 billion. The net change in fund balance for 2017 in the general fund was a \$82.7 million increase. The majority of the unassigned fund balance (\$1.8 billion of \$2.2 billion) is attributable to the Legislative Stabilization Reserve Fund (\$1.6 billion), and the Budget Reserve Fund (\$170 million). A more detailed comparative analysis of the activity for the General Fund can be found on pages 26-28, of this MD&A.

The State Auditor is required by statute to sweep the General Fund's unappropriated fund balance at the end of a biennium to the Legislative Stabilization Reserve Fund. Because this fund is now part of the General Fund for financial reporting purposes, these transfers will net to zero for financial reporting purposes. The State Auditor is also required by statute to sweep the Budget Reserve Fund's balance in excess of required reserves at the end of a biennium to the Legislative Stabilization Reserve Fund. Fiscal year 2017 is the first year of the biennium; therefore no sweeps were made.

**Foundation Program Fund.** The fund balance at June 30, 2017 totaled \$(60.2) million, a net decrease in fund balance of \$186.7 million. This fund carries a legislative restriction on its unobligated, unencumbered fund balance which states it shall not exceed \$100 million. In fiscal year 2017, there were no sweeps.

**Common School Land Fund.** As of June 30, 2017, this fund balance totaled \$3.9 billion. This represents a net increase in nonspendable fund balance of \$323 million for the year.

**Permanent Mineral Trust Fund.** Nonspendable-corporus fund balance at June 30, 2017, totaled \$7.6 billion, a net increase in nonspendable-corporus fund balance \$402.5 million for the year.

**Proprietary funds.** The State of Wyoming's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

- The enterprise funds reported a net position at year-end of \$503.3 million, an increase of \$5.6 million from June 30, 2016.

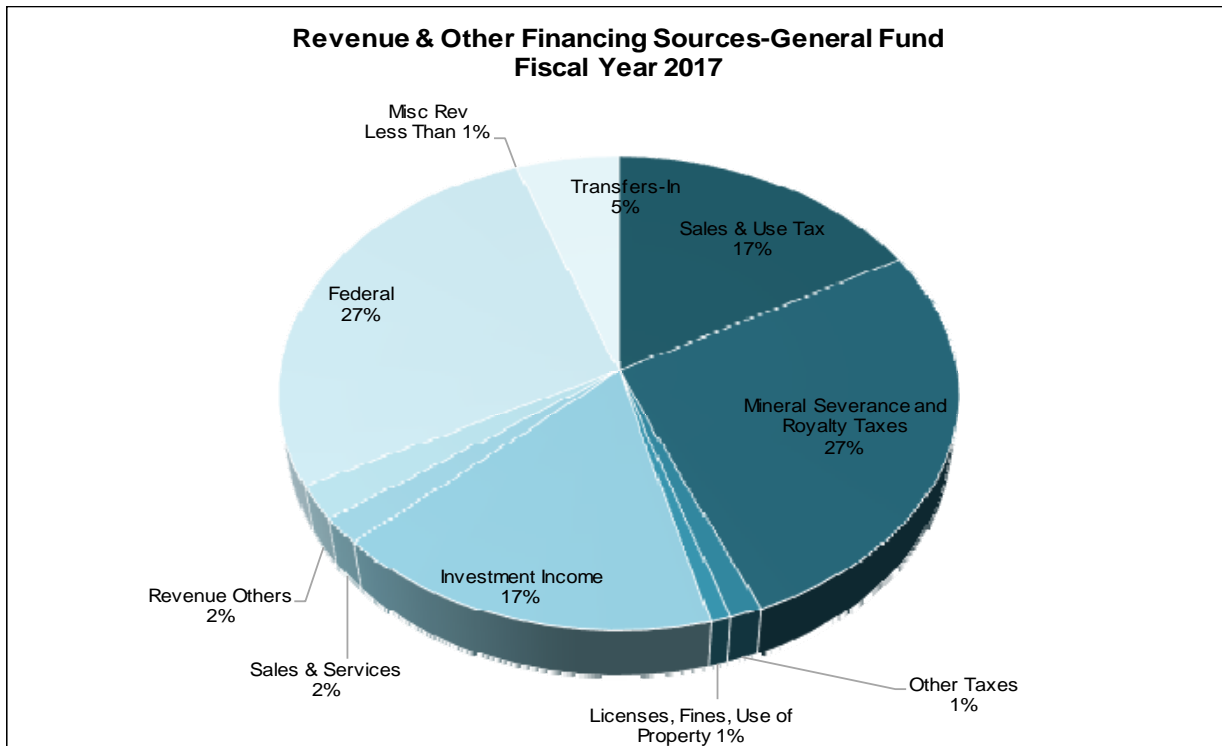
### General Fund Budgetary Highlights

During the 2017 Legislative General Session, the 2017-2018 Biennial Appropriations were adjusted for the General Fund totaling \$278 million. Major budgetary items are briefly summarized below:

- \$43.2 million for University of Wyoming;
- \$21.5 million for State Aid to Community Colleges;
- \$34.2 million for public safety and corrections programs;
- \$92.8 million for health programs;
- \$17.6 million for social services programs;



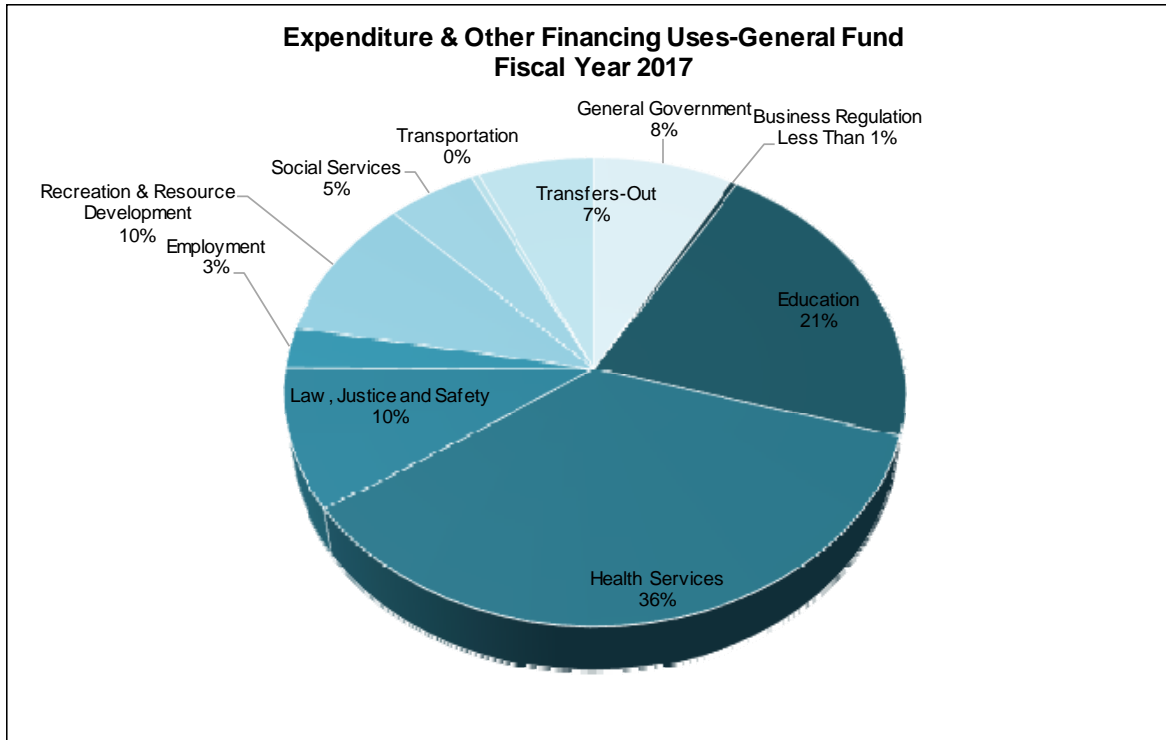
The total general fund revenues are presented in a pie chart below to display how sources relate to total revenue. The table on the following page shows the change in 2016 and 2017 revenue sources. On pages 28, General Fund expenditures are similarly presented, depicting functions as they relate to total expenditures.





As shown in the following table, total revenues increased overall by \$298 million or 14%, while other financing sources (transfers-in) increased 162% or \$85 million in fiscal year 2017. Revenues received from mineral severance taxes increased 29% while revenues from federal mineral royalties increased 66%. These increases are due to a rebounding in the energy market.

<b>General Fund Revenue and Other Financing Sources for Fiscal Year Ended June 30, 2017</b>					
	<b>FY16</b>	<b>FY17</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>	
<b>Revenues</b>					
Taxes					
Sales & Use	\$ 455,580,356	\$ 435,463,488	\$ (20,116,868)	-4%	
Mineral Severance	296,626,739	383,667,163	87,040,424	29%	
Other Taxes	36,597,035	36,122,192	(474,843)	-1%	
Licenses and Permits	13,514,765	13,597,540	82,775	1%	
Fines & Forfeitures	2,511,043	2,926,898	415,855	17%	
Use of Property	3,804,356	6,347,600	2,543,244	67%	
Investment Income	380,543,867	441,596,457	61,052,590	16%	
Charges for Sales & Services	45,659,508	48,191,514	2,532,006	6%	
Revenue from Others	62,165,846	62,551,372	385,526	1%	
Federal	669,299,843	708,870,160	39,570,317	6%	
Miscellaneous Receipts	103,293	141,068	37,775	37%	
Federal Mineral Royalties	190,209,982	315,607,766	125,397,784	66%	
Total Revenues	<u>2,156,616,633</u>	<u>2,455,083,218</u>	<u>298,466,585</u>	14%	
<b>Other Financing Sources</b>					
Capital Leases	161,865	145,035	(16,830)	-10%	
Transfers In	52,663,550	137,793,998	85,130,448	162%	
Total Other Financing Sources	<u>52,825,415</u>	<u>137,939,033</u>	<u>85,113,618</u>	161%	
Total Revenue & Other Financing Sources	<u>\$ 2,209,442,048</u>	<u>\$ 2,593,022,251</u>	<u>\$ 383,580,203</u>	17%	



As shown in the following table, overall expenditures decreased by 6% or \$146.8 million and other financing uses increased by 38% or \$46.0 million in fiscal year 2017. General government expenditures decreased approximately \$36.7 million due to overall budget cuts.

	FY16	FY17	Increase (Decrease)	Percent Change
<b>Expenditures</b>				
General Government	\$ 237,529,811	\$ 200,846,752	\$ (36,683,059)	-15%
Business Regulation	12,286,887	9,496,230	(2,790,657)	-23%
Education	551,444,376	528,588,575	(22,855,801)	-4%
Health Services	905,742,875	902,161,968	(3,580,907)	0%
Law, Justice and Safety	270,771,229	244,037,763	(26,733,466)	-10%
Employment	49,813,278	68,960,767	19,147,489	38%
Recreation & Resource Development	297,587,505	249,277,515	(48,309,990)	-16%
Social Services	133,076,830	127,111,386	(5,965,444)	-4%
Transportation	30,350,343	11,269,545	(19,080,798)	-63%
Total Expenditures	<u>2,488,603,134</u>	<u>2,341,750,501</u>	<u>(146,852,633)</u>	-6%
<b>Other Financing Uses</b>				
Transfers Out	<u>122,510,445</u>	<u>168,539,448</u>	<u>46,029,003</u>	38%
Total Expenditures & Other Financing Uses	<u>\$ 2,611,113,579</u>	<u>\$ 2,510,289,949</u>	<u>\$ (100,823,630)</u>	-4%



## Capital Asset and Debt Administration

**Capital Assets.** The State of Wyoming's net investment in capital assets, for its governmental and business type activities as of June 30, 2017, amounts to \$997.8 million (net of accumulated depreciation and debt). This investment in capital assets includes land and improvements, buildings and improvements, furniture and equipment, intangibles, and construction in progress.

Major capital asset events during the current fiscal year included the following:

- Renovation continues for the Capitol building and Herschler building, with total accumulated expenditures of \$90.6 million at the close of the fiscal year.
- Construction continues of Game and Fish Laramie Regional office and lab with total accumulated expenditures of \$4.0 million at the close of the fiscal year.
- Construction continues of Wyoming Integrated Test Center with total accumulated expenditures of \$8.1 million at the close of the fiscal year.
- Construction continues of Military Department Cantonment Paved Roads and Infrastructure project with total accumulated expenditures of \$6.8 million at the close of the fiscal year.
- Completion and capital contribution of Michael B Enzi Stem building - \$47.5 million
- Internally Generated Software Projects for various agencies - \$61.5 million

More detailed information about the State's construction commitments is presented in Note 13 to the basic financial statements, on page 109.

At the end of the fiscal year 2017, the State had invested \$1.0 billion, net of accumulated depreciation, in a broad range of capital assets (see the table below). The accumulated depreciation as of June 30, 2017, totaled \$682.2 million.

Capital Assets, Net of Depreciation for Fiscal Year Ended June 30, 2017						
	Governmental Activities		Business-Type Activities		2016	2017
	2016	2017	2016	2017	Total Primary Government	Total Primary Government
Land	\$ 97,932,132	\$ 114,885,913	\$ -	\$ -	\$ 97,932,132	\$ 114,885,913
Construction in progress	85,985,958	185,809,757	-	-	85,985,958	185,809,757
Intangibles - non depreciable	37,145,771	37,141,596	-	-	37,145,771	37,141,596
Buildings and improvements	585,631,726	556,444,824	-	-	585,631,726	556,444,824
Land Improvements	19,409,271	18,649,713	-	-	19,409,271	18,649,713
Equipment, furniture, & fixtures	48,914,763	44,500,157	670,264	715,846	49,585,027	45,216,003
Infrastructure	37,118,588	35,685,726	-	-	37,118,588	35,685,726
Intangibles - depreciable	24,761,454	18,712,726	8,511,120	7,135,124	33,272,574	25,847,850
Total	\$ 936,899,663	\$ 1,011,830,412	\$ 9,181,384	\$ 7,850,970	\$ 946,081,047	\$ 1,019,681,382

Additional information on the State of Wyoming's capital assets can be found in Note 5 on pages 80-81 of this report.

The Wyoming Department of Transportation (WYDOT), a component unit of the State, is responsible for the majority of the infrastructure (consisting of roadways and bridges). As allowed by GASB Statement No. 34, WYDOT has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, WYDOT expenses certain maintenance and preservation costs and does not report depreciation expense. More detailed information about the WYDOT capital assets and the reporting criteria are available in the Wyoming Department of Transportation Component Unit Financial and Compliance Report as of September 30, 2016 and on pages 133-134 of this report. WYDOT's goal is to maintain 85% of its National Highway System (NHS) bridges and its non-National Highway System (Non-NHS) bridges in Excellent, Good, and Fair condition (i.e. 15% or less in Poor condition). In 2016, 97.7% of all NHS bridges were rated fair or above and 94.0% of non-NHS bridges were rated fair or above. WYDOT's policy is to maintain its National Highway Road System at an average rating of 3.25 (good) and its Off the National Highway Road System at 3.00 (fair), on a 0-5 point scale. In 2016, the Interstate is rated at 3.60 and the Non-Interstate NHS is at 3.25 and the Non-NHS is at 2.96.



WYDOT estimated maintenance and preservation expenditures on infrastructure assets of \$361 million for the year ended September 30, 2016. Actual expenditures on infrastructure for maintenance and preservation were \$328.9 million, a difference of \$32.1 million. The difference is due to the size and length of the construction projects.

## Bonded Debt

The State did not issue any new debt for fiscal year 2017 either as new or as refunding of old debt.

At the end of the current fiscal year, the State of Wyoming had total bonded debt outstanding of \$21 million. This amount represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

The State of Wyoming has a debt limitation for revenue bonds relating to capital construction in the amount of \$105 million, which is significantly in excess of the outstanding revenue bond debt.

Additional information on the State of Wyoming's long-term debt can be found in Note 8 on pages 84-90 of this report.

## Economic Outlook and Condition

### *National Economy*

According to Moody's Analytics, the global economy is firing on all cylinders, supported by a stronger domestic demand and rising exports. All regions in the world, with a few exceptions, are expected to post robust growth in 2017. Commodity exporters are benefitting from improving economic prospects as global demand firms. Rising employment and higher disposable income are fueling growth in consumption spending. Export growth is being helped by rising global demand and the strong US dollar. Another stimulant is lower energy costs, which are also boosting real income and consumers' spending ability.

The US economy is continuing to perform well. There are few apparent constraints on growth. Real GDP is on track to come in just above 2.0 percent this year, and well more than two million jobs are expected to be created. Consumers are benefiting from the strong job market, their balance sheets are healthy, and credit is flowing freely. A revival in profitability, record stock prices, and rock-bottom borrowing costs are buoying businesses. However, there are factors that are concerning looking at long term growth. In fact, the economy may already be at or above its potential (the sum of the growth rate in labor force and productivity). The labor force growth rate will be slow as a large number of baby boomers retire, coupled with a historically low fertility rate and a possibly weak international immigration. This leaves productivity growth as the only path toward the higher growth potential. But the persistent slow productivity growth in recent years may still reflect the long dark shadow of the Great Recession in terms of investments, risk-taking, and labor mobility.

(Source: Dr. Wenlin Liu, Chief Economist, Economics and Analysis Division-*Economic Summary: 2Q2017*)

### *Wyoming's Economy*

Wyoming is dependent on the revenues and the employment from the extraction industry. This revenue drives the major state revenues of mineral severance taxes, interest from the Permanent Mineral Trust Fund, mining employment drives related sales and use tax collections, a gross products tax levied on mineral production and federal mineral royalties. These revenues continue to play an ever increasing role in the funding of general operations of state government, for city, town and county government, for primary and secondary education, and for school and general capital construction.

### **Employment**

Wyoming's unemployment rate continued to fall in the second quarter of 2017 to 4.1 percent, lower than the US level of 4.4 percent. However, Wyoming still experienced a decline of 1.4 percent (or 3990 jobs) in total employment in the quarter compared to one year earlier, though it's the smallest year-over-year decrease since the third quarter of 2015. Nearly all industrial sectors in the state experienced job decreases during the period. The mining industry (including oil & gas extraction) was the only sector that demonstrated an increase. As supply and demand rebalancing continues, prices for both oil and natural gas, though still depressed, have rebounded significantly from early 2016, and have been fluctuating in a much narrower range. The state's mineral extraction industry, therefore, increased their drilling activities, experienced an annual employment growth of 710 jobs or 3.9 percent in the second quarter. However, all other sectors showed employment declines, led by the wholesale trade (-6.6%) and construction (-4.8%). The government sector, which includes both public education and public hospitals, suffered a loss of 1230 payroll jobs or 1.7 percent in the second quarter of 2017.





## **Personal Income and Earnings**

Wyoming's total personal income grew 1.2 percent in the second quarter of 2017 from the previous year, the first increase in two years. U.S. personal income increased 2.9 percent during the same period. Personal income is the income received by all residents from all sources. It is the sum of wage & salary and proprietors' earnings; property income (dividends, interest, and rent); and personal transfer receipts, such as Social Security Income, Medicare and Medicaid benefits. Total earnings in the state, however, contracted 0.2 percent annually in the quarter, while property income increased 3.8 percent. The earnings for most of the industries experienced increases from a year ago. However, the construction industry and farm sector were the largest drag on total earnings, mining industry and farm sector were the largest drag on total earnings, contracting 9.1 and 75.2 percent, respectively, from the second quarter of 2016. Earnings from manufacturing grew the fastest at 4.4 percent.

## **Housing**

The statewide home price increased slightly in the second quarter of 2017 from one year ago, while the national average price appreciated 6.6 percent during the same period. In Wyoming, single family building permits for new privately-owned residential construction in the second quarter of 2017 were 8.0 percent lower than the previous year level. Contraction in the labor force is dampening housing demand in the state.

The U.S. housing market remains healthy, moving along at a stable pace. Total home sales exceed \$6 million annualized, which is back to the pre-housing bubble average in the early 2000s. US house price indexes have been rising steadily over 6 percent for the year. Median single-family house price is well above its prerecession peak nationally. The pace of the single family construction was agonizingly slow, but trend up again recently. Low US unemployment, rising wages, and low interest rates are underpinning demand for housing. However, the biggest threat to the housing market remains supply-side constraints, including difficulty finding develop-ready lots and capable labor.

## **Taxable Sales**

Based on sales and use tax collections, total taxable sales in the state grew 11.9 percent to \$3.9 billion in the second quarter of 2017, the first annual increase since the first quarter of 2015. Increases occurred in most economic industries, with the largest boost in the mining (including oil & gas extraction), which accounted for nearly half of the total increase. Due to the new energy exploration and production activity, sales of equipment, supplies, and services in mining sector (Wyoming does not impose sales tax on the production of minerals) experienced a year-over-year expansion of 52.4 percent for the second quarter of 2017, the fastest since the fourth quarter of 2010. However, the second quarter amount was still less than half as much as the fourth quarter of 2014 – before the energy downturn. Traditionally, over one-sixth of collections are from the mining industry, therefore the changes in total sales and use tax collections in Wyoming have been greatly affected by the fluctuation in mineral activities.

The public administration sector, which reflects the automobile sales, showed a significant increase of 19.2 percent over the year. The retail trade industry, the largest in terms of sales tax contribution, grew in 7.5 percent. Construction and transportation & warehousing sector still experienced declines. Across the state, 19 out of 23 count experienced increases in taxable sales, led by Sublette County (65.0%). Four other counties, Niobrara, Converse, Hot Springs, and Johnson, demonstrated around 20.0 percent expansions, respectively. Increased drilling activities in mineral exploration mostly contributed to the faster growths in these counties.

## **Tourism**

The number of recreational visitations to Yellowstone National Park reached 1,268,447 in the second quarter of 2017, down 5.5 percent from the previous year, and 951,669 visits in Grand Teton National Park declined only 0.3 percent. Visitation figures in 2016 were the highest ever, due mostly to national parks' centennial celebration. The huge fluctuations in visitations for the fourth quarters of 2013 and 2014 were attributed to the 16-day Federal government shutdown in October 2013. Lodging sales for the second quarter were 10.8 percent higher than a year ago in Teton County. However, the total lodging sales in Wyoming showed a year-over-year increase of 3.8 percent. The primary drivers for the fluctuation in lodging sales are visitation to national parks and mineral activities in the state.

## **Agriculture**

The index of prices received by farmers for all U.S. livestock and products increased again in the second quarter of 2017, and the price level was also higher than a year ago. Since the fourth quarter of 2014, farm



earnings in Wyoming have been experiencing a dramatic downward trend amid strong supply and weak global demand in beef products. American beef production is expected to climb another 4.0 percent this year to 26.2 billion pounds, the highest since 2011, according to USDA estimates.

Nationwide, January to June 2017 commercial red meat production was 25.4 billion pounds, up 4 percent from 2016. Accumulated beef production was up 5 percent from last year, veal was down 2 percent, and lamb and mutton production was down 5 percent.

### **Revenue**

Investment income into the state general fund, including income from the Permanent Wyoming Mineral Trust Fund and state agency pooled income accounts, reached \$200.8 million in the second quarter of 2017, which was 233.0 percent higher than the amount recorded a year ago. The huge boosts in second quarters were due to the net realized capital gains being distributed at the end of each fiscal year, which ends on June 30. The \$138.5 million in mineral severance taxes generated in the second quarter of 2017, was slightly higher than the first quarter, but was 26.6 percent higher than the level for the second quarter of 2016.

(Source: Dr. Wenlin Liu, Chief Economist, Economics and Analysis Division-*Economic Summary-2Q2017*).

### **Request for information**

This financial report is designed to provide a general overview of the State of Wyoming's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to State Auditor's Office, State Capitol, Room 114, Cheyenne, WY 82002 or see our website at <http://sao.wyo.gov>.



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# **BASIC FINANCIAL STATEMENTS**

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**Statement of Net Position**  
June 30, 2017

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 17,807,051,845	\$ 2,047,822,344	\$ 19,854,874,189	\$ 1,541,452,116
Cash and Investments with Trustee	1,644,662,253	187,198,773	1,831,861,026	-
Cash with Fiscal Agent	94,848,928	-	94,848,928	-
Amounts on Deposit with U.S. Treasury	-	290,757,918	290,757,918	-
Accounts Receivable (net)	556,048,598	102,521,555	658,570,153	121,257,585
Interest Receivable	54,854,972	6,273,548	61,128,520	4,846,196
Taxes Receivable	-	22,233,239	22,233,239	-
Due from Other Governments	518,517,555	7,111,696	525,629,251	1,259,881
Due from Primary Government	-	-	-	17,144,918
Due from Component Units	44,879,858	1,843,963	46,723,821	-
Loan and Pledge Receivables (net)	350,162,034	-	350,162,034	851,303,570
Inventory	4,709,135	17,199,423	21,908,558	31,940,467
Prepays	39,347	249,736	289,083	3,733,505
Other Assets	-	-	-	34,862,392
Capital Assets not being depreciated:				
Land	114,885,913	-	114,885,913	20,094,077
Construction in Progress	185,809,757	-	185,809,757	176,152,656
Intangible Assets	37,141,596	-	37,141,596	42,576
Infrastructure Assets	-	-	-	5,691,159,625
Capital Assets net of Accumulated Depreciation:				
Buildings, Structures and Improvements	556,444,824	-	556,444,824	779,448,171
Land Improvements	18,649,713	-	18,649,713	15,708,339
Equipment, Furniture and Fixtures	44,500,157	715,846	45,216,003	144,875,426
Infrastructure Assets-Depreciable	35,685,726	-	35,685,726	-
Intangible Assets-Depreciable	18,712,726	7,135,124	25,847,850	367,800
Capitalized leases	-	-	-	29,624
Total Assets	22,087,604,937	2,691,063,165	24,778,668,102	9,435,678,924
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Refinancing of Bonds	-	-	-	604,895
Component Unit Appropriations	1,191,433	-	1,191,433	-
Accumulated decrease in fair value of hedged derivatives	-	-	-	488,568
Pension Related	116,731,448	2,683,832	119,415,280	79,781,094
Total Deferred Outflows of Resources	117,922,881	2,683,832	120,606,713	80,874,557
<b>LIABILITIES</b>				
Accounts Payable	646,845,783	78,151,157	724,996,940	102,467,096
Liability Under Securities Lending	1,644,468,322	187,176,700	1,831,645,022	-
Internal Balance	(2,951,860)	3,772,355	820,495	-
Due to Other Governments	33,320,278	1,073,570	34,393,848	-
Due to Primary Government	-	-	-	1,702,711
Due to Component Units	75,797,646	-	75,797,646	-
Interest Payable	222,242	-	222,242	2,000,643
Long-term Liabilities				
Due Within One Year	152,901,523	185,891,477	338,793,000	380,055,191
Due in More Than One Year	249,703,612	1,722,137,128	1,971,840,740	821,803,590
Net Pension Liability	479,180,174	11,708,925	490,889,099	257,683,727
Other Liabilities	-	-	-	1,748,885
Deposits Held in Trust	2,070,242	-	2,070,242	130,700
Unearned Revenue	48,960,076	51,969	49,012,045	488,568
Hedging Liability	-	-	-	20,418,141
Total Liabilities	3,330,518,038	2,189,963,281	5,520,481,319	1,588,499,252
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	225,901,190	-	225,901,190	-
Service Concession Agreement	-	-	-	13,241,854
Accumulated increase in fair value of hedged derivatives	-	-	-	148,609
State of Wyoming Appropriation	-	-	-	1,191,433
Pension Related	18,964,964	463,321	19,428,285	7,672,800
OPEB Related Deferred Inflows	-	-	-	636,075
Total Deferred Inflows of Resources	244,866,154	463,321	245,329,475	22,890,771
<b>NET POSITION</b>				
Net Investment in Capital Assets	989,990,308	7,850,970	997,841,278	6,687,432,381
Restricted				
Nonspendable-Corpus	12,225,189,177	-	12,225,189,177	385,801,285
Restricted Education	7,224,692	-	7,224,692	372,876,103
Restricted Debt Service	-	-	-	242,819,920
Restricted Environment	4,359,677	-	4,359,677	-
Restricted for Unemployment Insurance	-	355,185,144	355,185,144	-
Restricted for Workers' Compensation	-	116,560,676	116,560,676	-
Restricted Recreation, Resource	249,217,415	-	249,217,415	-
Restricted Health	189,725,688	-	189,725,688	-
Restricted Other	445,461,094	-	445,461,094	164,744,504
Unrestricted (Deficit)	4,518,975,575	23,723,605	4,542,699,180	51,489,265
Total Net Position	\$ 18,630,143,626	\$ 503,320,395	\$ 19,133,464,021	\$ 7,905,163,458

The notes to the financial statements are an integral part of this statement.



The notes to the financial statements are an integral part of this statement.



# Statement of Activities

For the Year Ended June 30, 2017

PROGRAMS	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
<b>GOVERNMENTAL ACTIVITIES</b>				
General Government	\$ 350,111,020	\$ 99,037,008	\$ 19,768,053	\$ -
Business Regulation	49,076,368	25,638,325	3,876,352	-
Education	1,802,193,830	1,453,531	188,050,967	-
Health Services	937,217,042	19,866,946	461,024,586	2,061,162
Law, Justice and Safety	285,626,186	9,115,140	44,679,520	-
Employment	73,817,520	850,790	59,629,093	-
Recreation and Resource Development	577,502,192	84,435,162	344,837,359	-
Social Services	133,077,302	250,453	78,984,706	-
Transportation Services	12,768,873	5,102	2,257	-
Interest on Long Term Debt	761,062	-	-	-
Total Governmental Activities	4,222,151,395	240,652,457	1,200,852,893	2,061,162
<b>BUSINESS-TYPE ACTIVITIES</b>				
Workers' Compensation Insurance	300,994,282	216,993,345	2,306,429	-
Liquor Commission	96,647,795	111,469,094	-	-
Canteen Fund	2,044,129	2,164,502	-	-
Subsidence Insurance	24,502	32,028	-	-
Honor Farm Agricultural Sales	315,808	472,202	-	-
Wyoming Health Insurance	3,402,894	2,192,973	-	-
Unemployment Compensation	95,903,993	71,367,350	2,678,853	-
Total Business-Type Activities	499,333,403	404,691,494	4,985,282	-
Total State of Wyoming	\$ 4,721,484,798	\$ 645,343,951	\$ 1,205,838,175	\$ 2,061,162
<b>COMPONENT UNITS</b>				
University of Wyoming	\$ 579,425,056	\$ 115,898,418	\$ 92,153,441	\$ -
University of Wyoming Foundation	62,981,969	-	15,352,216	-
Wyoming Department of Transportation	557,700,185	22,001,968	291,742,935	9,981,143
Nonmajor Component Units	96,883,861	65,367,488	4,156,073	-
Total Component Units	\$ 1,296,991,071	\$ 203,267,874	\$ 403,404,665	\$ 9,981,143
			<b>GENERAL REVENUES</b>	
			Taxes	
			Sales & Use Taxes	
			Mineral Severance	
			Federal Mineral Royalties	
			Coal Bonus Lease Payments	
			Other Taxes	
			School Foundation 12 Mill Levy	
			School District Recapture Revenues	
			Insurance Premium Taxes	
			Domestic Corporation Registrations	
			Miscellaneous	
			Investment Income	
			Change in Fair Value of Investments	
			Other Revenue	
			State Appropriations	
			Additions to Permanent Endowments	
			Special Items:	
			Sale of Land	
			Transfers	
			Total General Revenues and Transfers	
			Change in Net Position	
			Net Position - Beginning	
			Prior Period Adjustment (Note 1(F))	
			Net Position - Beginning, restated	
			Net Position - Ending	

The notes to the financial statements are an integral part of this statement.



**Net (Expense) Revenue and Changes in Net Position**

**Primary Government**

Governmental Activities	Business-Type Activities	Total	Component Units
\$ (231,305,959)	\$ -	\$ (231,305,959)	\$ -
(19,561,691)	-	(19,561,691)	-
(1,612,689,332)	-	(1,612,689,332)	-
(454,264,348)	-	(454,264,348)	-
(231,831,526)	-	(231,831,526)	-
(13,337,637)	-	(13,337,637)	-
(148,229,671)	-	(148,229,671)	-
(53,842,143)	-	(53,842,143)	-
(12,761,514)	-	(12,761,514)	-
(761,062)	-	(761,062)	-
<u>(2,778,584,883)</u>	<u>-</u>	<u>(2,778,584,883)</u>	<u>-</u>
-	(81,694,508)	(81,694,508)	-
-	14,821,299	14,821,299	-
-	120,373	120,373	-
-	7,526	7,526	-
-	156,394	156,394	-
-	(1,209,921)	(1,209,921)	-
-	(21,857,790)	(21,857,790)	-
-	(89,656,627)	(89,656,627)	-
<u>(2,778,584,883)</u>	<u>(89,656,627)</u>	<u>(2,868,241,510)</u>	<u>-</u>
-	-	-	(371,373,197)
-	-	-	(47,629,753)
-	-	-	(233,974,139)
-	-	-	(27,360,300)
-	-	-	<u>(680,337,389)</u>
442,525,125	-	442,525,125	183,865,211
557,603,219	-	557,603,219	40,508,769
551,953,471	-	551,953,471	-
118,230,430	-	118,230,430	-
276,523,978	-	276,523,978	-
100,116,880	-	100,116,880	-
20,843,987	-	20,843,987	-
13,945,176	-	13,945,176	-
5,347,780	-	5,347,780	-
727,409,424	76,323,685	803,733,109	77,323,290
402,971,141	34,470,496	437,441,637	(2,649,296)
-	-	-	104,704,105
-	-	-	362,765,094
-	-	-	20,162,997
46,012,202	-	46,012,202	-
15,500,000	(15,500,000)	-	(2,639,324)
<u>3,278,982,813</u>	<u>95,294,181</u>	<u>3,374,276,994</u>	<u>784,040,846</u>
<u>500,397,930</u>	<u>5,637,554</u>	<u>506,035,484</u>	<u>103,703,457</u>
<u>18,127,611,192</u>	<u>497,682,841</u>	<u>18,625,294,033</u>	<u>7,817,772,957</u>
<u>2,134,504</u>	<u>-</u>	<u>2,134,504</u>	<u>(16,312,956)</u>
<u>18,129,745,696</u>	<u>497,682,841</u>	<u>18,627,428,537</u>	<u>7,801,460,001</u>
<u>\$ 18,630,143,626</u>	<u>\$ 503,320,395</u>	<u>\$ 19,133,464,021</u>	<u>\$ 7,905,163,458</u>

The notes to the financial statements are an integral part of this statement.



**Balance Sheet**  
**Governmental Funds**  
 June 30, 2017

	General Fund	Foundation Program Fund	Common School Land Fund	Permanent Mineral Trust Fund	Nonmajor Governmental Funds	Total
<b>ASSETS</b>						
Cash and Pooled Investments	\$ 3,411,702,050	\$ 360,959,763	\$ 3,455,027,806	\$ 7,560,481,378	\$ 2,920,954,218	\$ 17,709,125,215
Cash and Investments with Trustee	291,813,288	17,877,283	326,539,003	740,620,081	259,434,433	1,636,284,088
Cash with Fiscal Agent	-	-	91,632,392	-	3,216,536	94,848,928
Accounts Receivable (net)	157,948,935	2,976,974	110,728,321	236,179,279	47,389,351	555,222,860
Interest Receivable	32,289,267	10,433,670	2,153	-	11,925,344	54,650,434
Due from Other Funds	75,113,435	9,688,560	375,000,000	44,328,358	118,305,227	622,435,580
Due from Other Governments	215,080,602	276,130,760	-	-	27,306,193	518,517,555
Due from Component Units	29,634,589	4,551,892	-	-	9,878,487	44,064,968
Loan Receivables (net)	60,073,056	417,145	44,306	30,103,524	259,524,003	350,162,034
Prepays	39,347	-	-	-	-	39,347
Inventory	4,226,692	-	-	-	434,388	4,661,080
Total Assets	\$ 4,277,921,261	\$ 683,036,047	\$ 4,358,973,981	\$ 8,611,712,620	\$ 3,658,368,180	\$ 21,590,012,089
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Component Unit Appropriations	1,191,433	-	-	-	-	1,191,433
Total Deferred Outflows of Resources	1,191,433	-	-	-	-	1,191,433
Total Assets and Deferred Outflows of Resources	\$ 4,279,112,694	\$ 683,036,047	\$ 4,358,973,981	\$ 8,611,712,620	\$ 3,658,368,180	\$ 21,591,203,522
<b>LIABILITIES</b>						
Accounts Payable	\$ 137,551,439	\$ 33,806,610	\$ 108,689,128	\$ 238,987,534	\$ 123,729,785	\$ 642,764,496
Liability Under Securities Lending	291,778,879	17,875,175	326,500,499	740,532,751	259,403,841	1,636,091,145
Due to Other Funds	80,557,000	440,123,075	-	-	101,620,934	622,301,009
Deposits Held in Trust	2,070,242	-	-	-	-	2,070,242
Due to Other Governments	25,937,523	-	-	-	7,380,333	33,317,856
Due to Component Units	65,313,177	-	-	-	10,484,498	75,797,675
Compensated Absences Payable	35,617	-	-	-	22,957	58,574
Claims Payable	64,003,206	-	-	-	12,082,022	76,085,228
Unearned Revenue	14,239,655	5,652,470	1,992,748	-	14,622,294	36,507,167
Total Liabilities	681,486,738	497,457,330	437,182,375	979,520,285	529,346,664	3,124,993,392
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue-Property Taxes	-	235,162,242	-	-	-	235,162,242
Unavailable Revenue-Sales & Use Taxes	1,147,895	-	-	-	-	1,147,895
Unavailable Revenue-Mineral Severance Taxes	289,251	-	-	119,308	63,237	471,796
Unavailable Revenue-Federal Mineral Royalties	21,314,751	10,660,573	-	-	5,309,756	37,285,080
Unavailable Revenue-Tobacco Settlement	-	-	-	-	8,500,000	8,500,000
Unavailable Revenue-Other	22,405,538	-	-	-	-	22,405,538
Total Deferred Inflows of Resources	45,157,435	245,822,815	-	119,308	13,872,993	304,972,551
<b>FUND BALANCES</b>						
Nonspendable	64,339,095	-	3,921,791,606	7,632,073,027	701,787,454	12,319,991,182
Restricted	-	-	-	-	1,098,744,441	1,098,744,441
Committed	854,744,400	-	-	-	1,314,799,118	2,169,543,518
Assigned	415,537,078	-	-	-	-	415,537,078
Unassigned	2,217,847,948	(60,244,098)	-	-	(182,490)	2,157,421,360
Total Fund Balances	3,552,468,521	(60,244,098)	3,921,791,606	7,632,073,027	3,115,148,523	18,161,237,579
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,279,112,694	\$ 683,036,047	\$ 4,358,973,981	\$ 8,611,712,620	\$ 3,658,368,180	\$ 21,591,203,522

The notes to the financial statements are an integral part of this statement.





# Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2017

Fund balances—total governmental funds \$ 18,161,237,579

Amounts reported for *governmental activities* in the Statement of Net Position are different because:

Capital assets and assets held for donation used in governmental activities are not financial resources and therefore are not reported in the funds. 1,003,718,671

Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds. 79,071,361

Deferred outflows of resources represent a consumption of fund equity that will be reported as an outflow of resources in a future period and therefore are not reported in the funds. 116,731,448

Deferred inflows of resources represent an acquisition of fund equity that will be recognized as an inflow of resources in a future period and therefore are not reported in the funds. (18,964,964)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, telecommunications, technology, and transportation to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. 54,247,533

Some liabilities are not due and payable in the current period and therefore are not reported in the funds.

These liabilities include:

Bonds Payable	\$	(21,475,000)	
Compensated Absenses		(60,215,501)	
Interest Payable, Premium on Bond Refunding		(1,500,932)	
Net Pension Liability		(479,180,174)	
OPEB Liability		(161,910,353)	
Laust Liability		(33,721,081)	
Capital Leases		(365,104)	
Benefits Payable		(7,529,857)	(765,898,002)

Net Position of Governmental Activities \$ 18,630,143,626

The notes to the financial statements are an integral part of this statement.



# Statement of Revenues, Expenditures and Changes in Fund Balances

## Governmental Funds

For the Year Ended June 30, 2017

	General Fund	Foundation Program Fund	Common School Land Fund	Permanent Mineral Trust Fund	Nonmajor Governmental Funds	Total
<b>REVENUES</b>						
Taxes						
Sales and Use Taxes	\$ 435,463,488	\$ -	\$ -	\$ -	8,424,023	\$ 443,887,511
Mineral Severance and Royalty Taxes	383,667,163	-	-	134,167,357	40,359,969	558,194,489
Other Taxes	36,122,192	373,270,861	-	-	4,014,751	413,407,804
Federal Mineral Royalties	315,607,766	212,018,107	-	-	16,227,550	543,853,423
Coal Bonus Lease Payments	-	-	-	-	122,512,115	122,512,115
Use of Property	6,347,600	44,443,560	135,266,571	-	17,292,230	203,349,961
License & Permits	13,597,540	-	-	-	62,154,170	75,751,710
Fines and Forfeitures	2,926,898	7,878	-	-	8,676,902	11,611,678
Federal	708,870,160	1,424,821	-	-	178,891,460	889,186,441
Charges for Sales and Services	48,191,514	18,301	-	-	43,579,434	91,789,249
Interest Income	122,097,169	181,128,893	3,778,733	-	77,278,767	384,283,562
Interest Income From						
Permanent Mineral Trust Fund	341,234,412	-	-	-	-	341,234,412
Net Increase/(Decrease) in the Fair						
Value of Investments	(21,735,124)	(1,209,103)	142,073,871	268,363,650	16,149,699	403,642,993
Miscellaneous Receipts	141,068	-	-	-	747,697	888,765
Revenue from Others	62,551,372	-	-	-	38,297,712	100,849,084
Sale of Land	-	-	46,012,202	-	27,260	46,039,462
<b>Total Revenues</b>	<b>2,455,083,218</b>	<b>811,103,318</b>	<b>327,131,377</b>	<b>402,531,007</b>	<b>634,633,739</b>	<b>4,630,482,659</b>
<b>EXPENDITURES</b>						
Current						
General Government	200,846,752	-	-	-	10,959,927	211,806,679
Business Regulation	9,496,230	-	-	-	37,769,646	47,265,876
Education	528,588,575	936,668,700	-	-	288,647,121	1,753,904,396
Health Services	902,161,968	-	-	-	19,009,905	921,171,873
Law, Justice and Safety	244,037,763	-	-	-	17,831,617	261,869,380
Employment	68,960,767	-	-	-	858,036	69,818,803
Recreation and Resource Development	249,277,515	-	-	-	312,329,239	561,606,754
Social Services	127,111,386	-	-	-	1,668,130	128,779,516
Transportation	11,269,545	-	-	-	1,383,045	12,652,590
Capital Outlays	-	-	-	-	82,196,820	82,196,820
Debt Service						
Principal Retirement	-	-	-	-	2,534,999	2,534,999
Interest	-	-	-	-	940,722	940,722
<b>Total Expenditures</b>	<b>2,341,750,501</b>	<b>936,668,700</b>	<b>-</b>	<b>-</b>	<b>776,129,207</b>	<b>4,054,548,408</b>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	113,332,717	(125,565,382)	327,131,377	402,531,007	(141,495,468)	575,934,251
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	137,793,998	4,003,000	-	-	179,922,847	321,719,845
Transfers Out	(168,539,448)	(65,093,007)	(4,003,000)	-	(68,638,894)	(306,274,349)
Capital Leases	145,035	-	-	-	107,476	252,511
<b>Total Other Financing Sources (Uses)</b>	<b>(30,600,415)</b>	<b>(61,090,007)</b>	<b>(4,003,000)</b>	<b>-</b>	<b>111,391,429</b>	<b>15,698,007</b>
<b>Net Change in Fund Balances</b>	<b>82,732,302</b>	<b>(186,655,389)</b>	<b>323,128,377</b>	<b>402,531,007</b>	<b>(30,104,039)</b>	<b>591,632,258</b>
Fund Balances-Beginning	3,485,372,658	135,046,210	3,598,663,229	7,229,542,020	3,118,846,700	17,567,470,817
Prior Period Adjustment (Note 1(F))	(15,636,439)	(8,634,919)	-	-	26,405,862	2,134,504
Fund Balances-Beginning, restated	3,469,736,219	126,411,291	3,598,663,229	7,229,542,020	3,145,252,562	17,569,605,321
<b>Fund Balances-Ending</b>	<b>\$ 3,552,468,521</b>	<b>\$ (60,244,098)</b>	<b>\$ 3,921,791,606</b>	<b>\$ 7,632,073,027</b>	<b>\$ 3,115,148,523</b>	<b>\$ 18,161,237,579</b>

The notes to the financial statements are an integral part of this statement.



# Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2017

Net change in fund balances—total governmental funds \$ 591,632,258

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period these amounts are:

Capital Outlays	\$ 134,998,023	
Net Book Value on Disposal of Capital Assets	(52,248,887)	
Depreciation Expense	<u>(49,073,842)</u>	33,675,294

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 2,025,410

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,535,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These expenses consist of:

Compensated Absences	\$ (275,824)	
Deferred Bond Interest Payable, Premium Bond Refunding	254,974	
Benefits Payable	587,124	
Net Pension Liability	(45,676,233)	
OPEB Obligation	(41,502,227)	
Laust Liability	6,667,938	
Capital Leases	<u>(116,435)</u>	(80,060,683)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, telecommunications, technology, and transportation to individual funds. The net revenue (expense) of internal service funds is included in governmental activities in the Statement of Activities. (49,409,349)

Change in Net Position of Governmental Activities \$ 500,397,930

The notes to the financial statements are an integral part of this statement.



# Statement of Net Position

## Proprietary Funds

June 30, 2017

	Enterprise Funds			
	Workers' Compensation Insurance Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Fund	Funds	Total	Funds
<b>ASSETS</b>				
Current Assets				
Cash and Pooled Investments	\$ 488,390,584	\$ 10,721,824	\$ 499,112,408	\$ 49,198,339
Cash and Investments with Trustee	179,057,283	5,620,569	184,677,852	8,265,340
Amounts on Deposit with U.S. Treasury	-	93,150,517	93,150,517	-
Accounts Receivable (net)	99,459,753	3,061,802	102,521,555	825,738
Interest Receivable	6,243,699	29,849	6,273,548	204,538
Taxes Receivable	-	22,233,239	22,233,239	-
Due from Other Funds	4,021,107	195,284	4,216,391	2,824,391
Due from Other Governments	5,915,238	1,196,458	7,111,696	-
Due from Component Units	1,772,765	71,198	1,843,963	814,919
Inventory	-	17,199,423	17,199,423	48,055
Prepays	-	249,736	249,736	-
Total Current Assets	784,860,429	153,729,899	938,590,328	62,181,320
Noncurrent Assets				
Cash and Pooled Investments	1,490,501,573	58,208,363	1,548,709,936	48,728,291
Cash and Investments with Trustee	2,444,198	76,723	2,520,921	112,825
Amounts on Deposit with U.S. Treasury	-	197,607,401	197,607,401	-
Equipment	154,665	561,181	715,846	904,340
Vehicles	-	-	-	7,180,094
Intangible Assets-Depreciable	7,135,124	-	7,135,124	27,307
Total Noncurrent Assets	1,500,235,560	256,453,668	1,756,689,228	56,952,857
Total Assets	2,285,095,989	410,183,567	2,695,279,556	119,134,177
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related	2,216,197	467,635	2,683,832	-
Total Deferred Outflows of Resources	2,216,197	467,635	2,683,832	-
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	66,718,941	11,432,216	78,151,157	4,081,287
Liability Under Securities Lending	179,035,881	5,619,898	184,655,779	8,264,352
Due to Other Funds	332,036	7,656,710	7,988,746	7,102
Due to Other Governments	-	1,073,570	1,073,570	2,422
Compensated Absences Payable	922,517	201,249	1,123,766	569,903
Claims and Benefits Payable	181,975,047	2,792,664	184,767,711	35,595,368
Unearned Revenue	-	51,969	51,969	12,452,909
Total Current Liabilities	428,984,422	28,828,276	457,812,698	60,973,343
Long-term Liabilities				
Liability Under Securities Lending	2,444,198	76,723	2,520,921	112,825
Compensated Absences Payable	315,023	173,555	488,578	451,441
Claims and Benefits Payable	1,721,648,550	-	1,721,648,550	3,349,035
Net Pension Liability	9,686,543	2,022,382	11,708,925	-
Total Noncurrent Liabilities	1,734,094,314	2,272,660	1,736,366,974	3,913,301
Total Liabilities	2,163,078,736	31,100,936	2,194,179,672	64,886,644
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension Related	382,985	80,336	463,321	-
Total Deferred Inflows of Resources	382,985	80,336	463,321	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	7,289,789	561,181	7,850,970	8,111,741
Restricted for Workers' Compensation	116,560,676	-	116,560,676	-
Restricted for Unemployment Insurance	-	355,185,144	355,185,144	-
Unrestricted	-	23,723,605	23,723,605	46,135,792
Total Net Position	\$ 123,850,465	\$ 379,469,930	\$ 503,320,395	\$ 54,247,533

The notes to the financial statements are an integral part of this statement.



# Statement of Revenues, Expenses, and Changes in Net Position

## Proprietary Funds

For the Year Ended June 30, 2017

	Enterprise Funds			
	Workers' Compensation Insurance Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for Sales and Services	\$ 216,993,345	\$ 187,698,149	\$ 404,691,494	\$ 285,459,745
Total Revenues	216,993,345	187,698,149	404,691,494	285,459,745
<b>OPERATING EXPENSES</b>				
Salaries and Wages	9,433,345	1,964,908	11,398,253	5,409,579
Employee Benefits	5,169,226	1,111,977	6,281,203	2,378,616
Travel	506,591	37,555	544,146	34,348
Purchases for Resale	-	94,369,155	94,369,155	35,013
Rental, Supplies and Services	19,807,164	1,047,132	20,854,296	20,017,211
Contracted Services	3,059,427	470,578	3,530,005	6,881,582
Claims and Benefits Expense	261,616,404	99,180,515	360,796,919	297,360,929
Depreciation Expense	1,402,039	133,601	1,535,640	4,030,007
Total Operating Expenses	300,994,196	198,315,421	499,309,617	336,147,285
Operating Income (Loss)	(84,000,851)	(10,617,272)	(94,618,123)	(50,687,540)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Grant and Aid Payments	2,306,429	2,655,153	4,961,582	-
Investment Income	69,398,662	6,925,023	76,323,685	1,947,196
Net Increase/(Decrease) in the Fair Value of Investments	34,806,866	(336,370)	34,470,496	(671,852)
Gain/(Loss) on Disposal of Capital Assets	(86)	-	(86)	(51,657)
Total Nonoperating Revenues (Expenses)	106,511,871	9,243,806	115,755,677	1,223,687
Income (Loss) Before Transfers	22,511,020	(1,373,466)	21,137,554	(49,463,853)
Transfers from Other Funds	-	-	-	96,000
Transfers to Other Funds	-	(15,500,000)	(15,500,000)	(41,496)
Change in Net Position	22,511,020	(16,873,466)	5,637,554	(49,409,349)
Net Position-Beginning	101,339,445	396,343,396	497,682,841	103,656,882
Net Position-Ending	\$ 123,850,465	\$ 379,469,930	\$ 503,320,395	\$ 54,247,533

The notes to the financial statements are an integral part of this statement.



**Statement of Cash Flows**  
**Proprietary Funds**  
For the Year Ended June 30, 2017

	<b>Enterprise Funds</b>			
	<b>Workers'</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
	<b>Compensation Insurance Fund</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Charges for Sales and Services	\$ 213,917,406	\$ 191,822,688	\$ 405,740,094	\$ 284,391,650
Cash Payments to Suppliers for Goods and Services	(203,264,506)	(197,607,156)	(400,871,662)	(320,725,236)
Cash Payment to Employees for Services	(14,244,290)	(2,932,027)	(17,176,317)	(7,895,244)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(3,591,390)</u>	<u>(8,716,495)</u>	<u>(12,307,885)</u>	<u>(44,228,830)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Grants Received	2,306,429	2,655,153	4,961,582	-
Transfers In	-	-	-	96,000
Transfers Out	-	(15,500,000)	(15,500,000)	(41,496)
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES	<u>2,306,429</u>	<u>(12,844,847)</u>	<u>(10,538,418)</u>	<u>54,504</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of Capital Assets	-	(205,312)	(205,312)	(785,084)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>(205,312)</u>	<u>(205,312)</u>	<u>(785,084)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment Income	69,316,936	6,933,275	76,250,211	2,149,828
Change in the Fair Value of Investments	34,806,866	(336,370)	34,470,496	(671,853)
Securities Lending Collateral	47,087,450	2,924,245	50,011,695	2,408,148
Change in Pooled Investments Trade Receivable	(3,147,697)	548,048	(2,599,649)	1,560,328
Change in Pooled Investments Trade Payable	(22,420,080)	(1,711,105)	(24,131,185)	(4,233,115)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>125,643,475</u>	<u>8,358,093</u>	<u>134,001,568</u>	<u>1,213,336</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	124,358,514	(13,408,561)	110,949,953	(43,746,074)
CASH AND CASH EQUIVALENTS, JULY 1, 2016	2,036,035,124	378,793,958	2,414,829,082	150,050,869
CASH AND CASH EQUIVALENTS, JUNE 30, 2017	<u>\$ 2,160,393,638</u>	<u>\$ 365,385,397</u>	<u>\$ 2,525,779,035</u>	<u>\$ 106,304,795</u>
<b>OPERATING INCOME (LOSS)</b>	\$ (84,000,851)	\$ (10,617,272)	\$ (94,618,123)	\$ (50,687,540)
Adjustments to Reconcile Operating Income (Loss) to Net Cash				
Depreciation	1,402,039	133,601	1,535,640	4,030,007
Change in Deferred Outflows of Resources	449,006	95,464	544,470	-
Change in Net Pension Liability	274,556	57,504	332,060	-
Change in Deferred Inflows of Resources	83,699	17,531	101,230	-
Changes in Assets and Liabilities				
(Increase) Decrease in Accounts Receivable and Taxes Receivable	3,460,276	(652,641)	2,807,635	470
(Increase) Decrease in Due from Other Funds	(3,961,244)	3,896,225	(65,019)	(943,257)
(Increase) Decrease in Due from Other Governments	(947,498)	948,189	691	-
(Increase) Decrease in Due from Component Unit	(1,627,473)	(71,198)	(1,698,671)	(253,117)
(Increase) Decrease in Inventories	-	832,609	832,609	(11,355)
(Increase) Decrease in Prepaid Expense	-	(49,698)	(49,698)	-
Increase (Decrease) in Unearned Revenue	-	3,964	3,964	127,809
Increase (Decrease) in Due to Other Funds and Other Governments	(78,495)	(461,991)	(540,486)	(71,639)
Increase (Decrease) in Accounts Payable	1,173,921	(827,654)	346,267	1,454,892
Increase (Decrease) in Claims and Benefits Payable	80,123,063	(2,033,042)	78,090,021	2,197,601
Increase (Decrease) in Compensated Absences	57,611	11,914	69,525	(72,701)
Total Adjustments	<u>80,409,461</u>	<u>1,900,777</u>	<u>82,310,238</u>	<u>6,458,710</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>\$ (3,591,390)</u>	<u>\$ (8,716,495)</u>	<u>\$ (12,307,885)</u>	<u>\$ (44,228,830)</u>
Reconciliation of Cash and Cash Equivalents to Amounts Shown On Statement of Net Position				
Cash and Pooled Investments	\$ 1,978,892,157	\$ 68,930,187	\$ 2,047,822,344	\$ 97,926,630
Cash and Investments with Trustee	181,501,481	5,697,292	187,198,773	8,378,165
Amounts on Deposit with U.S. Treasury	-	290,757,918	290,757,918	-
Total Cash and Cash Equivalents shown on Statement of Net Position	<u>\$ 2,160,393,638</u>	<u>\$ 365,385,397</u>	<u>\$ 2,525,779,035</u>	<u>\$ 106,304,795</u>

The notes to the financial statements are an integral part of this statement.



## Statement of Net Position

## Fiduciary Funds

June 30, 2017

	Pension Trust Funds	Private- Purpose Trust Fund	Investment Trust Fund	Agency Funds
<b>ASSETS</b>				
Cash and Cash Equivalents				
Cash and Pooled Investments	\$ 793,818,187	\$ 62,237,039	\$ 658,627,794	\$ 79,542,934
Cash and Investments with Trustee	-	5,464,140	-	-
Total Cash and Cash Equivalents	793,818,187	67,701,179	658,627,794	79,542,934
Receivables				
Accounts Receivable (net)	66,985,520	535,675	627	-
Tax Receivable	950,000	-	-	44,352,385
Interest Receivable	13,778,817	161,611	443,070	-
Due from Other Funds	-	820,495	-	-
Due from Other Governments	-	-	-	200,000
Currency Contract Receivable	2,804,571,058	-	-	-
Due From Component Unit	-	385,486	-	-
Other	129,755	-	-	-
Rebate and Fee Income Receivable	1,582,809	-	-	-
Total Receivables	2,887,997,959	1,903,267	443,697	44,552,385
Investments, at Fair Value				
Fixed Income	1,120,543,036	-	-	-
Equities	4,104,366,298	-	-	-
Alternatives	1,263,718,545	-	-	-
Global Tactical Asset Allocation	948,618,272	-	-	-
Security lending collateral	430,319,643	-	-	-
Investment contracts	26,746	-	-	-
Self Directed Brokerage Investments	1,003,975	-	-	-
Total Investments	7,868,596,515	-	-	-
Capital Assets, at cost, net of accumulated depreciation	4,385,683	-	-	-
Total Assets	11,554,798,344	69,604,446	659,071,491	124,095,319
<b>LIABILITIES</b>				
Accounts Payable	8,106,798	804,952	2,937,299	-
Liability Under Securities Lending	430,319,643	5,463,496	-	-
Due to Other Governments	-	-	-	79,466,407
Due to Individuals and/or Organizations	-	-	-	44,628,912
Currency Contract Payable	2,777,621,433	-	-	-
Claims and Benefits Payable	1,096,270	-	-	-
Securities Purchased	27,336,955	-	-	-
Total Liabilities	3,244,481,099	6,268,448	2,937,299	124,095,319
<b>NET POSITION</b>				
Net Position Held in Trust for				
Restricted for Pensions	8,310,317,245	-	-	-
Held for Pool Participants	-	-	656,134,193	-
Held for Individuals, Organizations, and Other Governments	-	63,335,998	-	-
Total Net Position	\$ 8,310,317,245	\$ 63,335,998	\$ 656,134,193	\$ -

The notes to the financial statements are an integral part of this statement.



# Statement of Changes in Net Position

## Fiduciary Funds

For the Year Ended June 30, 2017

	Pension Trust Funds	Private- Purpose Trust Fund	Investment Trust Fund
<b>ADDITIONS</b>			
Contributions			
Employee	\$ 210,915,928	\$ -	\$ -
Employer	171,024,038	-	-
Participants	-	-	369,509,633
Other	11,842,173	1,890,089	-
	<u>393,782,139</u>	<u>1,890,089</u>	<u>369,509,633</u>
Investment Income			
Net Increase/(Decrease) in the Fair Value of Investments	443,022,452	(398,036)	(1,880,092)
Interest and Dividends	153,666,070	1,444,674	4,428,155
Investment Fees	(37,270,725)	-	-
Security Lending Gross Income	3,391,828	-	-
Broker Rebates	(608,207)	-	-
Agent Fees	(416,995)	-	-
Net Income (Loss) from Investing Activities	<u>561,784,423</u>	<u>1,046,638</u>	<u>2,548,063</u>
Total Additions	<u>955,566,562</u>	<u>2,936,727</u>	<u>372,057,696</u>
<b>DEDUCTIONS</b>			
Benefits Paid	577,737,329	-	-
Refunds	22,461,141	-	-
Administrative Expenses	7,728,789	-	398,732
Administrative Expenses-Fund Specific	30,840	-	-
Depreciation Expense	360,357	-	-
Withdrawals	-	934,695	402,249,688
Total Deductions	<u>608,318,456</u>	<u>934,695</u>	<u>402,648,420</u>
Change in Net Position	<u>347,248,106</u>	<u>2,002,032</u>	<u>(30,590,724)</u>
Net Position-Beginning	7,963,069,139	61,333,966	686,724,917
Net Position-Ending	<u>\$ 8,310,317,245</u>	<u>\$ 63,335,998</u>	<u>\$ 656,134,193</u>

The notes to the financial statements are an integral part of this statement.





**Statement of Net Position  
Component Units**

June 30, 2017

	University of Wyoming		Wyoming Department of Transportation	Nonmajor Component Units	Total
	University	Foundation			
<b>ASSETS</b>					
Cash and Pooled Investments	\$ 523,723,792	\$ 571,603,228	\$ 124,670,246	\$ 321,454,850	\$ 1,541,452,116
Accounts Receivable (net)	50,342,370	546,225	68,452,519	1,916,471	121,257,585
Interest Receivable	195,147	-	-	4,651,049	4,846,196
Due from Other Governments	-	-	-	1,259,881	1,259,881
Due from Primary Government	12,616,624	-	-	4,528,294	17,144,918
Loan and Pledge Receivables (net)	46,855,406	33,349,856	-	771,098,308	851,303,570
Inventory	3,815,218	-	28,125,249	-	31,940,467
Prepays	3,368,591	-	-	364,914	3,733,505
Other Assets	6,200,533	3,406,973	-	25,254,886	34,862,392
Capital Assets not being depreciated:					
Land	12,625,702	-	7,240,775	227,600	20,094,077
Construction in Progress	158,974,089	-	17,170,717	7,850	176,152,656
Intangible Assets	-	-	-	42,576	42,576
Infrastructure Assets	6,799,034	-	5,684,360,591	-	5,691,159,625
Capital Assets net of Accumulated Depreciation:					
Buildings, Structures and Improvements	634,994,661	29,879,686	113,132,292	1,441,532	779,448,171
Land Improvements	15,708,339	-	-	-	15,708,339
Equipment, Furniture and Fixtures	64,227,080	1,976,582	77,368,238	1,303,526	144,875,426
Intangible Assets-Depreciable	-	-	34,792	333,008	367,800
Capitalized leases	-	-	-	29,624	29,624
Total Assets	1,540,446,586	640,762,550	6,120,555,419	1,133,914,369	9,435,678,924
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Refinancing of Bonds	604,895	-	-	-	604,895
Accumulated decrease in fair value of hedged derivatives	-	-	-	488,568	488,568
Pension Related	19,208,337	-	58,414,845	2,157,912	79,781,094
Total Deferred Outflows of Resources	19,813,232	-	58,414,845	2,646,480	80,874,557
<b>LIABILITIES</b>					
Accounts Payable	49,365,079	9,885,532	28,867,165	14,349,320	102,467,096
Due to Primary Government	94,685	-	-	1,608,026	1,702,711
Interest Payable	-	-	-	2,000,643	2,000,643
Long-term Liabilities					
Due Within One Year	39,859,054	222,000,281	94,271,449	23,924,407	380,055,191
Due in More Than One Year	131,999,917	9,200,731	24,681,694	655,921,248	821,803,590
Net Pension Liability	84,572,123	-	164,824,709	8,286,895	257,683,727
Other Liabilities	-	-	-	1,748,885	1,748,885
Deposits Held in Trust	-	-	130,700	-	130,700
Unearned Revenue	17,651,499	-	-	2,766,642	20,418,141
Hedging Liability	-	-	-	488,568	488,568
Total Liabilities	323,542,357	241,086,544	312,775,717	711,094,634	1,588,499,252
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Service Concession Agreement	13,241,854	-	-	-	13,241,854
Accumulated increase in fair value of hedged derivatives	-	-	-	148,609	148,609
State of Wyoming Appropriation	-	-	-	1,191,433	1,191,433
Pension Related	2,948,755	-	4,211,339	512,706	7,672,800
OPEB Related Deferred Inflows	636,075	-	-	-	636,075
Total Deferred Inflows of Resources	16,826,684	-	4,211,339	1,852,748	22,890,771
<b>NET POSITION</b>					
Net Investment in Capital Assets	797,740,001	-	5,886,407,561	3,284,819	6,687,432,381
Restricted					
Nonspendable-Corpus	169,950,832	215,850,453	-	-	385,801,285
Restricted Education	238,880,078	133,996,025	-	-	372,876,103
Restricted Debt Service	-	-	-	242,819,920	242,819,920
Restricted Other	103,952,516	-	33,841,851	26,950,137	164,744,504
Unrestricted (Deficit)	(90,632,650)	49,829,528	(58,266,204)	150,558,591	51,489,265
Total Net Position	\$ 1,219,890,777	\$ 399,676,006	\$ 5,861,983,208	\$ 423,613,467	\$ 7,905,163,458

The notes to the financial statements are an integral part of this statement.



## Statement of Activities

### Component Units

For the Year Ended June 30, 2017

	University of Wyoming		Wyoming	Nonmajor	Total
	University	Foundation	Department of Transportation	Component Units	
<b>EXPENSES</b>	\$ 579,425,056	\$ 62,981,969	\$ 557,700,185	\$ 96,887,760	\$ 1,296,994,970
<b>PROGRAM REVENUES</b>					
Charges for Services	115,898,418	-	22,001,968	65,367,488	203,267,874
Operating Grants and Contributions	92,153,441	15,352,216	291,742,935	4,156,073	403,404,665
Capital Grants and Contributions	-	-	9,981,143	-	9,981,143
Total Program Revenues	208,051,859	15,352,216	323,726,046	69,523,561	616,653,682
Net (Expense) Revenue	(371,373,197)	(47,629,753)	(233,974,139)	(27,364,199)	(680,341,288)
<b>GENERAL REVENUES</b>					
Taxes					
Sales & Use Taxes	-	-	183,865,211	-	183,865,211
Mineral Severance	13,365,000	-	27,143,769	-	40,508,769
Investment Income (Loss)	23,096,348	47,175,893	-	7,051,049	77,323,290
Change in Fair Value of Investments	-	-	7,159,935	(9,809,231)	(2,649,296)
Other Revenue	91,413,726	5,674,414	7,578,227	41,637	104,708,004
State Appropriations	318,475,054	-	10,853,721	33,436,319	362,765,094
Additions to Permanent Endowments	2,921,279	17,241,718	-	-	20,162,997
Transfers	-	-	-	(2,639,324)	(2,639,324)
Total General Revenues and Transfers	449,271,407	70,092,025	236,600,863	28,080,450	784,044,745
Change in Net Position	77,898,210	22,462,272	2,626,724	716,251	103,703,457
Net Position - Beginning	1,158,305,523	377,213,734	5,859,356,484	422,897,216	7,817,772,957
Prior Period Adjustment (Note 1 (F))	(16,312,956)	-	-	-	(16,312,956)
Net Position - Beginning, restated	1,141,992,567	377,213,734	-	-	7,801,460,001
Net Position - Ending	\$ 1,219,890,777	\$ 399,676,006	\$ 5,861,983,208	\$ 423,613,467	\$ 7,905,163,458

The notes to the financial statements are an integral part of this statement.