



Wyoming  
Association of  
Municipalities  
Building Strong Communities

# Municipal Budgets

2025 WAM WINTER CONFERENCE

NEWLY ELECTED BOOTCAMP

# Course Objectives

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1

Understand the key components and purpose of your Municipal Budget

2

Review the process, guidelines, and legal constraints for your Municipal Budget

3

Appreciate your role in the broader context of compliance and internal controls

# Applicable Wyoming Statutes

## Uniform Municipal Fiscal Procedures Act Wyoming Statutes, Section 16-4-101

- Regulates the preparation, maintenance and retention of required records and accounts
- Defines required audits of the financial condition of the municipality
- Provides municipalities with power to appropriate money and to pay all necessary expenses
- Provides power to levy and collect special assessments
- Also allows municipalities to borrow money

Wyoming Statutes, Title 15 is where you will find state statutes regarding the powers and duties of municipalities (incl. finance)

The Wyoming Legislature's website provides the most current versions of all state laws, Constitution, and state agency rules/regulations. Some are annotated. But while reading these laws is easily accomplished, municipal leaders should still seek legal counsel to understand precisely how they apply. That's why you have a Town or City Attorney. There are many good ways to manage your legal costs, so communicate with your attorney to work out what's best in your situation.

# Tools & Guidance

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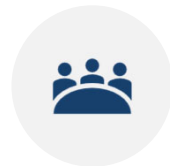
**Wyoming Governmental Entity Budgeting, Accounting, and Reporting Manual** (WY Dept. Audit)



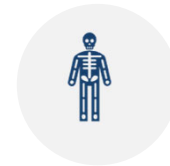
**Wyoming Municipal Handbook** (WY Dept. Audit)



**GASB Statement 34**, Basic Financial Statements and Management's Discussion & Analysis (Governmental Accounting Standards Board)




**COSO Internal Control Integrated Framework** (Committee of Sponsoring Organizations of the Treadway Commission)



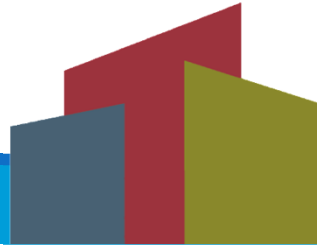
**Mayor-Council Handbook and Budget Preparation Handbook** (WAM)

WYOMING ASSOCIATION OF MUNICIPALITIES  
is pleased to provide to  
Cities & Towns:

Fiscal Year 2021 (FY21)  
Budget Preparation Handbook  
April 17, 2020



Wyoming Association of Municipalities  
Building Strong Communities





## The municipal budget is a critically important tool for policy AND operations

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Specifies how resources, especially time and money, will be allocated or spent during the next year

Allocates money to programs, projects, and facilities that support and implement your strategic plan

Reflects your community values by funding the top priorities at the desired level of service

Must strike a balance between available resources and desired service level

# Budget Purposes

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**Financial and  
operational  
direction**



**Implement  
policy (i.e.,  
your Strategic  
Plan)**



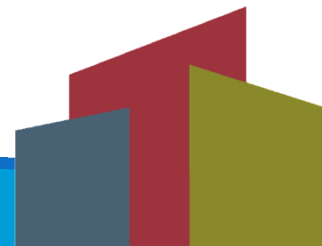
**Informative  
marketing  
document**



**Planning,  
measuring &  
decision-  
making  
benchmark**



**Tool for  
transparency  
and account-  
ability**



# Tips For A Successful Budget Process

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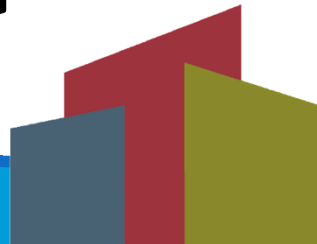
**TRANSPARENCY**



**COMMUNICATION**



**STRATEGIC  
PLANNING**



# Budget process reflects ongoing role in all operations

Strategic Planning – everything ties back to your Vision, Mission & Values

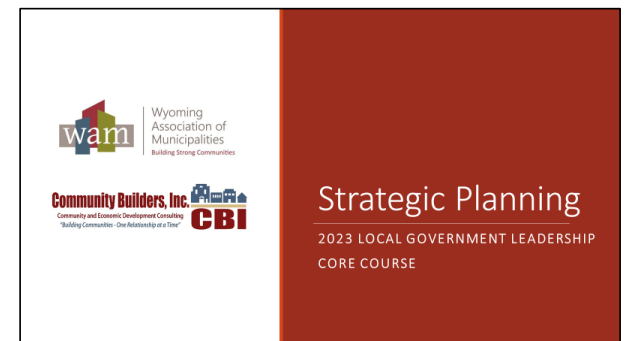
Budget expenditures should be tied to strategic planning goals

Public Hearings required

Budget can be officially adopted by Emergency Ordinance or Resolution

Appropriate of funds allows implementation of plans

Budget provides ongoing basis for review of progress and performance



What's the  
difference  
between  
revenue and  
appropriation?

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Council appropriates money when they adopt a budget designating money to cover expenses for ensuing year

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Where the money comes from is the **revenue**

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How it is spent is the **appropriation**

***NO SPENDING WITHOUT APPROPRIATION  
THROUGH A PROPERLY ADOPTED MUNICIPAL  
BUDGET***

# Limits On Appropriations

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Cannot appropriate in excess of estimated revenue

To change budget, must go through budget amendment process

Appropriations lapse at end of Fiscal Year (except for capital projects)



Wyoming law distinguishes between cities and towns based on population

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**Incorporated Towns**

population under 4,000

*Title 15, Chapter 2*

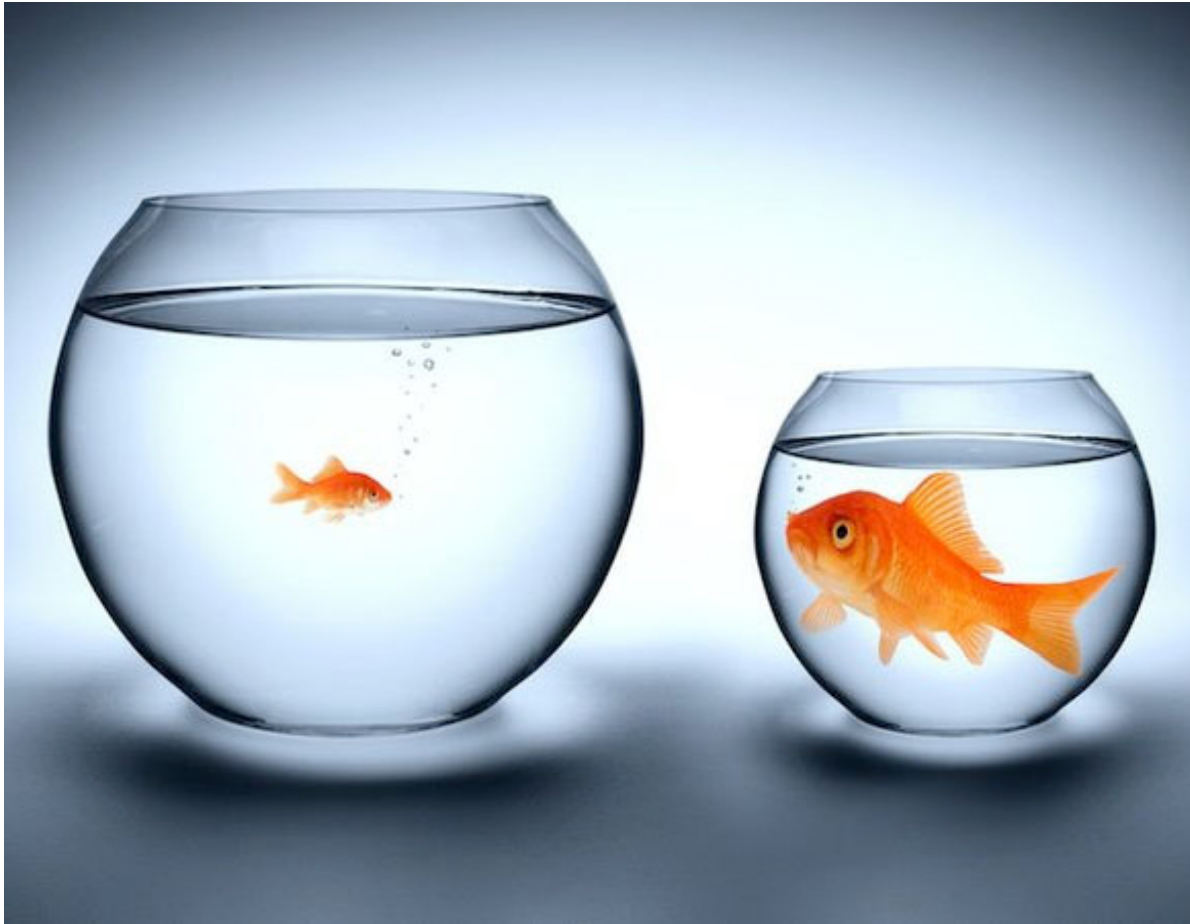
**First Class Cities**

population over 4,000

*Title 15, Chapter 3*

***Financial management and budgets are two key areas where community size makes a big difference***





## Fiscal responsibilities are different for town and cities

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First Class cities must adhere to the Uniform Municipal Fiscal Procedures Act in its entirety

Towns only have to adhere to Audit rules and regulations

*Wyoming now requires all public officers to get certain fiscal training*



## Specific Requirements for Cities and City Manager Towns

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- Must show actual revenues and expenditures from last Fiscal Year
- Estimate total revenues and expenditures for current and next ensuing Fiscal Years
- Compare year-to-year changes
- Provide a Budget Message
- Must specifically budget for all convention or meeting expenses, including travel

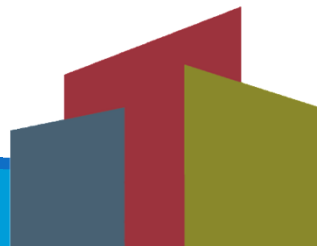
## Key Dates for municipalities with more than 4,000 residents

- May 1 – Budget requests to budget officer
- May 15 – Tentative budget to governing body
- Publication of summary at least one week prior to Public Hearing
- Public Hearing – between the 2nd and 3rd Tuesday in June
- Adopt Budget – Within 24 hours of budget hearing
- Summary of budget in minutes and publish
- File with County Commissioners – By July 31
- Semi annual and annual reports are to be published
- Annual Audit – December 31

## Budgets for Towns (under 4,000) must be prepared according to Wyoming Dept. of Audit rules

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- Must prepare budget in form acceptable to Wyoming Department of Audit
- No specified budgeting procedure
- Must pass annual appropriation ordinance within last quarter of Fiscal Year
- Must specify objects and purposes for appropriations and amount appropriated
- Total appropriation cannot exceed probable revenue
- Pass appropriation ordinance
- Notify County Commissioners of tax levy by 4<sup>th</sup> Monday in May



# Budget Message

The most important section of the budget document

- Reveals assumptions upon which the budget is built
- Reviews the economy and its impact on the budget
- Identifies community priorities
- Addresses any special circumstances
- Anticipates upcoming events and circumstances to monitor

## City of Douglas FY 2014-2015 Budget Narrative

### Overview

Fiscal year 2013-14 has proven to be an exceptional period of economic prosperity for the City of Douglas. Sales tax is commonly a significant indicator of economic activity and the last year has proven to be a record year for the City of Douglas. With regard to sales tax, we have seen a high of \$1,177,887, a low of \$917,097 and a monthly average of \$1,045,109. This continued trend has resulted in sales tax revenue exceeding the projected budgeted amount by approximately \$6 million, which has enabled the City to start the next fiscal year with a positive balance of \$14.8 million in the General Fund. This beginning balance does reflect FY14 Budget Amendments. A copy of the final sales tax report is attached for detail.

While economic times are improving in Douglas, the City nonetheless has taken steps to ensure the long term viability both financially and with regard to capital expenditures. The FY 2014-15 budget provides for a great deal of capital construction and roads along with associated water & sewer projects. Some of these are denoted below in the Capital Projects section and the rest are denoted in the budget notes.

One of the notable placeholders in the budget is once again the funding for a joint communications operation. While this is still in the development stages, there is \$250,000 allotted to the funding of the joint agency project which seeks to combine regional communications (Police, Sheriff, and Glenrock PD). The actual amount estimated to complete the project by all agencies is in excess of \$4,000,000. The Associated representative bodies recently approved moving the project into the next stage with Glenrock being the proposed location. At this time, ongoing operational expenses are not estimated.

### Reserve Policy

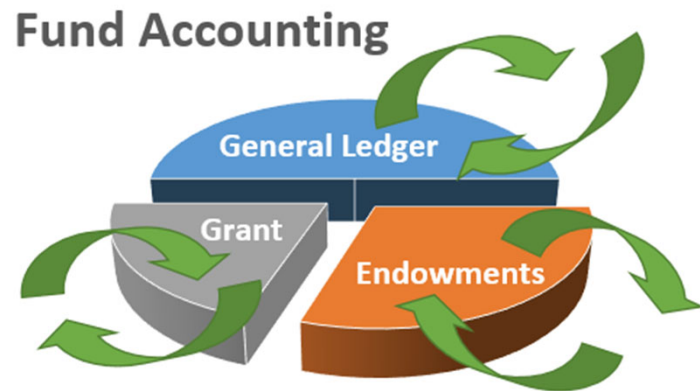
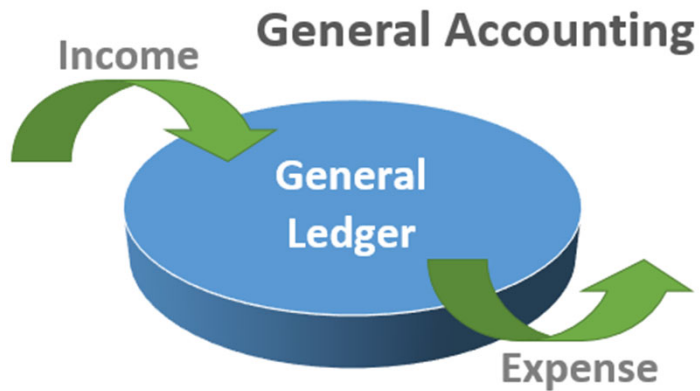
The City maintains reserves, whether restricted (legally mandated), designated (set by City policy), or unrestricted, in a number of funds. The reserve policy for the General Fund is to maintain a 25% operating reserve as a percentage of expenditures; the Health Care Fund is six months of claim and expense. The Water Fund is to maintain \$2 million in reserves per City Ordinance 13.16.010. The Sewer Fund is to maintain \$1 million in reserve per City Ordinance 13.44.070; Sanitation's goal is \$250,000 per City Ordinance 13.64.040, and the Landfill Fund is goal to keep \$500,000 in reserve per City Ordinance 13.64.045.

FUND	Goal	Projected / Actual
General	\$1,878,071 (25%)	\$10,460,131
Health Care	\$458,500	\$907,000
Water	\$2,000,000	\$2,320,334
Sewer	\$1,000,000	\$636,564
Sanitation	\$250,000	\$245,633
Landfill	\$500,000	\$272,080

### Overall Numbers

The City's total anticipated expenditures for FY 2014-15 will be approximately \$23,180,704, which is up from the previous year of \$22,178,215.





## Fund Accounting influences your budget

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Governmental accounting systems should be organized and operated on a fund basis

A fund is defined as a group of accounts that is a separate, self-balancing entity

Dollars earmarked for specific purposes in a fund usually cannot be used for other purposes

*All funds should have a budget* – use a template so they are all consistent and can be easily combined for the bigger picture

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General Funds

Special Revenue  
Funds

Debt Service  
Funds

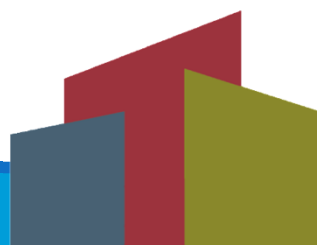
Capital Project  
Funds

Special  
Assessment  
Funds

Enterprise Funds

Trust & Agency  
Funds

Intra-  
governmental  
Funds



# Examine each fund separately, especially the General Fund

Compare budgeted to actual revenues and expenditures

Use original budgeted figure

Check fund balance

CITY OF DOUGLAS		FY 15 BUDGET		Page: 1	
		Periods: 07/13-06/14		Jun 25, 2014 05:54PM	
Account Number	Account Title	FY 13 Pri Year Actual	FY 14 Cur Year Budget	FY 14 Current year Amend Budget	FY 15 Approved Budget
<b>GENERAL FUND</b>					
<b>GENERAL - REVENUE</b>					
10-4100-1107	OTHER	2,529	2,000	2,000	2,000
10-4100-1108	COPY FEES/VIN CHECKS	2,005	2,000	2,800	2,000
10-4100-1109	REIMBURSEMENTS	33,363	5,000	13,250	5,000
	Budget notes:				
	Liquor publishing fee reimbursement; Misc				
10-4100-1112	CONTRIBUTIONS	18,183	7,000	7,000	7,000
10-4100-1115	LEASES/RENT	8,825	10,000	10,000	9,300
	Budget notes:				

# General Fund

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Accounts for revenue and expenditures not accounted for in any of the other funds - majority of activity

General operations of Municipality

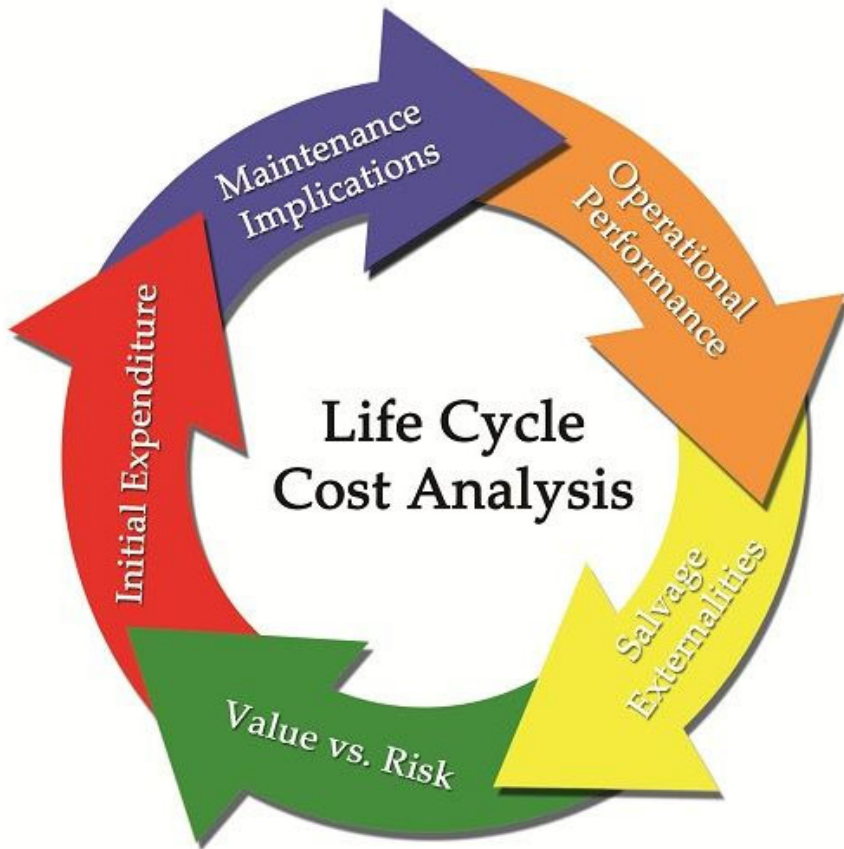




# Enterprise Funds

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- Water
- Sewer
- Sanitation
- Landfill
- Electric
- Can also include other services
- Citizens like to know if services are subsidized from other funds



## Setting Enterprise Fund Rates

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Should generate adequate revenue to pay costs of operation, maintenance, AND establish replacement fund for future capital needs

Guiding principle:  
**Self-sufficiency**

Typical components of a user charge system:

- Customer service charge
- Demand charge
- Commodity charge



## Use Enterprise Funds appropriately!

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Enterprise funds are set up for functions which are supposed to operate like a business

Be careful of unjustified subsidization by general fund

*Or...vise versa* – You cannot just spend money from another allocation on something different!



## Special Revenue Funds

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Funds are designated or restricted to specific expenditures

Proceeds of specific revenue sources might be defined by funder, by council, or as required by law or regulation

## Debt Service Funds

Receive revenue from other funds to pay principal and interest on government's long-term general obligation debt



# Capital Project Funds

Acquisition of capital assets other than those specified by enterprise and special assessment funds

May involve long-term loans, bonds and/or intergovernmental grants

Used for acquisition of major assets that have a useful economic life greater than one year



# Special Assessment Funds

Receipt and disbursement of monies received from special assessments levied against properties specially benefited by the making of local improvements





# Trust & Agency Funds

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Assets held for others or for non-tax resources held by the City under specific trust instructions

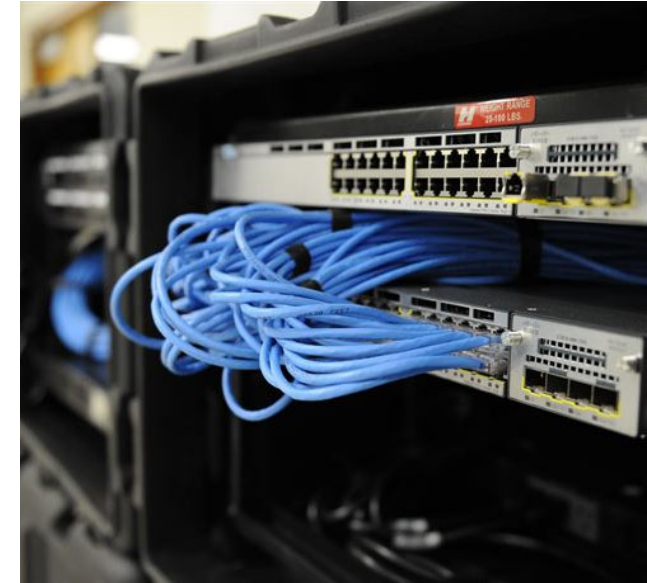
Example: Perpetual Care Fund

## Intra-governmental Revenue Funds

Municipalities can effectively allocate the cost of internal operations to other departments that benefit from them

Examples:

- Municipal shop
- IT
- Self-Funded Health Insurance



**SELF-FUNDED INSURANCE**



# Revenue – Where Does The Money Come From?

Taxes

User fees and charges

Other governments

Water Meter Size	Minimum Charge per Month	Water Rates		Cost per 1,000 gallons over Usage Allowance
		Winter Usage Allowance (1,000 gallons) 11/15 - 4/15	Summer Usage Allowance (1,000 gallons) 4/16 - 11/14	
5/8", 3/4", & 1"	\$ 40.00	20.0	20.0	\$ 0.25
1 1/2"	\$ 77.00	10.0	5.0	\$ 1.00
2"	\$ 103.25	5.0	5.0	\$ 1.25
2 1/2"	\$ 103.25	5.0	5.0	\$ 1.75
3"	\$ 166.25	5.0	2.5	\$ 1.75
4"	\$ 272.00	5.0	2.5	\$ 1.75
6"	\$ 494.00	5.0	2.5	\$ 1.75
Bulk Water				\$ 31.50

NOTE: Out of Town rates are 50% higher

Water Meter Size	Minimum Charge per Month	Sewer Rates		Cost per 1,000 gallons over Usage Allowance
		Winter Usage Allowance (1,000 gallons) 11/15 - 4/15	Summer Usage Allowance (1,000 gallons) 4/16 - 11/14	
5/8", 3/4", & 1"	\$ 22.00	20.0	20.0	\$ 0.25
1 1/2"	\$ 69.00	10.0	5.0	\$ 1.00
2"	\$ 87.00	10.0	5.0	\$ 0.25
2 1/2"	\$ 87.00	5.0	5.0	\$ 1.25
3"	\$ 172.00	5.0	2.5	\$ 1.75
4"	\$ 236.00	5.0	2.5	\$ 1.75
6"	\$ 236.00	5.0	2.5	\$ 1.75
8"	\$ 236.00	5.0	2.5	\$ 1.75

NOTE: Out of Town rates are 50% higher



BOARD OF PUBLIC UTILITIES  
CITY OF CHEYENNE  
2416 Snyder Avenue • P.O. Box 12016  
Cheyenne, Wyoming 82003-1233 • Telephone: 307-637-6460  
www.cheyennebopu.org

SERVICE ADDRESS			CURRENT CHARGES DUE DATE (OR DRAFT DATE)	AMOUNT ENCLOSED
123 Happy Place	ACCOUNT NUMBER	CYCLE	BILL DATE	
		10-02	7/17/17	8/07/17
				\$

Charges		
Total Current		128.58
Balance Forward		.00
Total Amount Due		128.58



Sunny Bright  
123 Happy Place  
Cheyenne, WY

DO NOT WRITE BELOW THIS LINE

# Top Ten Municipal Revenue Sources in Wyoming

1. General Sales and Use Tax (local share of statewide excise taxes)
2. Local Option Sales and Use Tax
3. Supplemental Revenue Appropriation
4. Property Taxes
5. Federal Mineral Royalties
6. Mineral Severance Taxes
7. Fuel Taxes
8. Vehicle Registration Taxes
9. Cigarette Taxes
10. Grant funds

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**Wyoming State Government**  
**Revenue Forecast**  
*Fiscal Year 2025 – Fiscal Year 2030*



Mineral Price and Production Estimates  
General Fund Revenues  
Severance Taxes  
Federal Mineral Royalties  
Common School Land Income Account and State Royalties  
Total State Assessed Valuation

**Consensus Revenue Estimating Group**  
**CREG**

**January 2025**

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<http://eativ.state.wy.us/creg/>

Most municipal revenue is generated & shared by State

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**EXCISE  
TAXES**



**SEVERANCE  
TAXES**

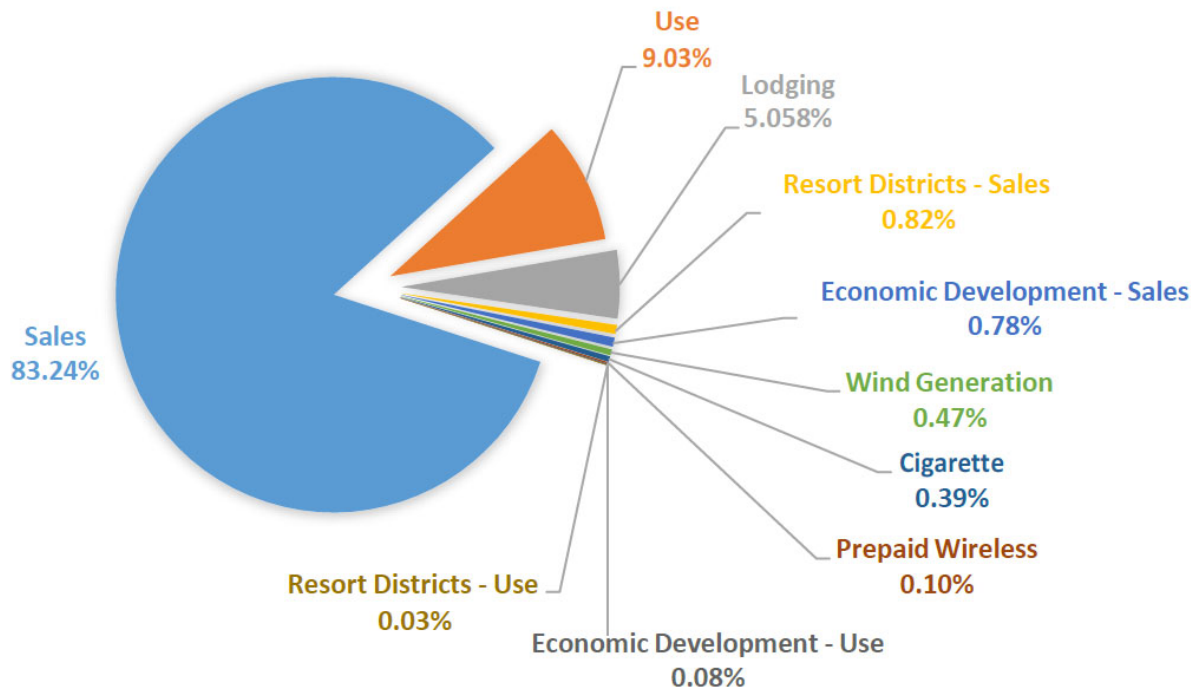


**FEDERAL  
MINERAL  
ROYALTIES**



**WHAT IS  
CREG?**

## FY 22 - TAX DISTRIBUTED TO LOCAL GOVERNMENTS (% OF TOTAL TAX DOLLARS)



## Sales & Use Tax

Applies to the retail sale of most property and some services

Use tax applies to purchases involving the use, storage or other consumption of goods purchased outside Wyoming

Generally, if sales tax does not apply, use tax will

4% State Excise Tax, plus local options

Taxes from online sales have boomed

**Total Distribution by Major Business Class and by County**

Reporting Date Range: 07/2021 - 06/2022  
Monthly Distribution Date: 6/30/2022

STATE WIDE	Lodging Tax	General Purpose		Specific Purpose		Resort District		Economic Devel		State			Penalty	Interest	Applica-tion Fee	County Total	
		Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Lodging Assessment					
11 AGRICULTURE, FORESTRY, FISHING AND MINING		60,044	54	23,284				4,947		231,884	211		0	1,977	156	123	342,666
21 UTILITIES	833	7,354,176	1,012,417	2,872,756	451,529	338		94,081	1,093	32,203,972	4,064,726	624,999	5,601	306	240	48,962,694	
23 CONSTRUCTION	770	1,884,465	1,352,422	570,642	669,346	674	14,158	38,810	35,752	7,920,417	5,702,183	529,899	64,270	33,209	453	18,288,340	
31-33 MANUFACTURING	565	4,613,512	877,084	968,686	271,063	2,750	307	54,748	1,244	19,421,180	3,637,098	658,553	33,397	44,088	3,158	29,929,539	
42 WHOLESALE TRADE	62	11,936,554	358,915	2,898,392	106,043	12,393	127	228,670	2,954	49,186,373	1,548,081	46,611	85,998	40,802	2,546	66,387,077	
44-48 RETAIL TRADE	1,783,869	76,776,008	2,314,984	29,755,824	1,230,722	944,719	25,149	2,445,120	41,243	328,301,824	9,725,022	21,008,038	916,378	586,260	285,774	487,213,733	
48-49 TRANSPORTATION AND WAREHOUSING	5,892	431,930	425,502	167,941	164,844	12,414		3,925	5,493	1,779,743	1,709,617	81,007	14,384	1,579	1,313	4,732,676	
51 INFORMATION	156	2,566,043	194,133	927,078	61,013	5,470	112	96,896	6,353	10,869,067	808,969	116,641	31,670	51,892	1,662	16,620,618	
52 FINANCE AND INSURANCE		101,085	23,844	27,429	7,972	3		2,300	257	456,299	95,492	0	1,007	322	348	716,387	
53 REAL ESTATE AND RENTAL AND LEASING	177,381	7,306,041	124,057	2,669,837	40,708	295,737	29,360	81,087	11,714	30,623,016	500,582	253,724	82,723	24,770	4,759	42,225,497	
54 PROFESSIONAL, SCIENTIFIC, AND MANAGEMENT OF COMPANIES AND		1,012,806	25,399	462,005	13,117	1,330	6	21,569	190	4,285,942	102,048	0	24,037	3,142	2,844	5,964,438	
55 ADMINISTRATIVE AND SUPPORT AND	84	382,249	46,206	170,683	14,580	839		7,095	113	1,649,386	183,263	62,999	12,811	722	914	2,469,009	
61 EDUCATIONAL SERVICES	1,119	88,166	351	59,250	36			1,652	1	353,272	1,388	836,899	335	(15)	300	506,693	
62 HEALTH CARE AND SOCIAL ASSISTANCE	32	18,361	4,960	7,929	1,684			548	47	74,452	19,706	24,333	959	45	120	128,868	
71 ARTS, ENTERTAINMENT, AND RECREATION	98,663	562,673	5,018	357,431	3,123	180		10,332	20	2,474,074	20,161	137,276	14,493	17,991	3,794	3,705,229	
72 ACCOMMODATION AND FOOD SERVICES	26,161,420	22,986,875	204,563	13,824,968	161,688	3,284,957	90,572	497,998	1,670	97,979,804	927,163	282,582	603,230	145,444	26,239	196,156,402	
81 OTHER SERVICES, EXCEPT PUBLIC	59,234	7,106,281	94,098	1,995,289	31,776	887	3	170,971	1,049	29,833,322	387,452	87,551	243,733	50,752	9,836	40,972,233	
82 PUBLIC ADMINISTRATION	5,374	11,344,821	8,240,801	3,743,959	3,527,630			409,640	231,168	49,371,456	364,419	40,376	497	515,787		113,568,978	
<b>State Wide Total:</b>	<b>28,295,414</b>	<b>171,025,056</b>	<b>18,699,862</b>	<b>63,463,277</b>	<b>7,299,998</b>	<b>4,562,694</b>	<b>159,792</b>	<b>4,312,358</b>	<b>459,608</b>	<b>728,970,763</b>	<b>78,562,416</b>	<b>308,832,164</b>	<b>2,322,211</b>	<b>1,401,888</b>	<b>348,170</b>	<b>1,140,436,531</b>	

# Statewide Sales And Use Tax

4% - cities and counties combined get about 31%

Tax revenues are distributed back to county of origin, then divided among local governments based on population

Excise tax revenues can be volatile; use WAM projections

Get familiar with local economy, esp. tax base

**Sales and Use Tax Distribution Report - Total Distribution by County**

Report Date Range: 07/2021 - 06/2022  
Monthly Distribution Date: 06/2022

	Lodging Option Tax	General Purpose Option		Mun General		Special Purpose Option		Mun Special Purpose		Resort District Option		Economic Devel.		State Sales Tax	State Use Tax	State Lodging Assessment	County Total		
		Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax	Sales Tax	Use Tax						
ALBANY (05)	1,289,486.37	7,004,894.77	597,204.07			7,004,894.77	597,204.07							27,697,422.22	2,384,021.77	963,548.19	47,610,996.23		
BIG HORN (09)	69,845.05	2,090,125.85	399,773.83											8,291,133.43	1,592,320.93	1,228,919.98	12,566,091.17		
CAMPBELL (17)	912,282.06	26,731,130.83	1,305,106.03			2,197.33								106,334,929.53	5,852,262.04	682,658.87	141,610,947.21		
CARBON (06)	1,062,295.40	4,444,268.03	654,831.42			4,440,848.59	654,196.27							17,641,676.79	2,614,728.82	157,488.27	33,088,028.06		
CONVERSE (13)	293,325.11	10,846,275.97	733,840.53											43,131,206.35	2,919,931.18	29,960.29	58,217,641.73		
CROOK (18)	21,415,877	1,589,273.68	275,386.80			1,578,640.96	275,120.41							6,298,925.69	1,099,168.25	161,040.67	11,491,715.23		
FREMONT (10)	1,026,879.37	7,598,357.62	736,667.32			(3,20)						3,800,444.48	377,081.38	301,459,673.39	29,557,428.87	7,978,709.49	47,491,007.92		
GOSHEN (07)	99,946.86	2,047,676.94	293,707.93				296.44					311,913.56	73,426.81	8,111,888.30	1,174,428.20	71,636.14	12,384,921.18		
HOT SPRINGS (15)	234,753.14	1,121,323.18	60,213.42			1,121,141.08	60,063.33							4,441,417.52	240,195.12	174,152.45	7,483,289.24		
JOHNSON (16)	273,474.43	2,461,179.31	185,970.78			2,460,901.10	186,224.09							9,766,126.30	742,575.76	40,012.32	16,481,664.29		
LARAMIE (02)	2,534,853.87	28,162,869.90	3,402,320.66			14,527,228.66	2,003,747.46							111,753,158.43	13,571,886.03	189,967.89	177,869,743.92		
LINCOLN (12)	236,238.13	4,795,997.61	1,045,910.41											19,024,250.24	4,170,051.28	548,219.61	29,818,667.28		
NATRONA (01)	1,860,875.58	21,511,851.94	1,377,824.69											85,393,044.25	5,492,339.60	1,393,413.57	117,029,349.80		
NIobrARA (14)	49,879.91	425,125.89	58,201.24			424,277.98	58,197.66							1,679,590.12	232,370.06	30,231.51	2,977,874.32		
PARK (11)	3,451,442.86	60	60			4,621.88	1,799.90							35,193,423.21	3,024,344.69	2,873,685.5	44,288,091.02		
PLATTE (08)	187,331.49	2,076,681.11	914,933.12			2,076,681.90	914,933.12							8,231,752.46	3,648,025.37	1,628,217	18,236,366.74		
SHERIDAN (03)	949,344.03	7,549,893.27	608,467.09			7,549,893.27	608,467.09							29,927,148.42	2,427,887.18	70,909.12	58,325,099.47		
SUBLETTE (23)	339,367.96	60	60											14,774,462.39	1,712,200.00	360,645.27	17,192,076.82		
SWEETWATER (04)	1,292,539.85	12,432,459.96	3,130,122.61			6,755.68	1,805.60							49,376,807.23	12,517,858.42	6,977,741.12	79,734,283.47		
TETON (22)	11,096,765.70	21,192,116.60	1,696,711.39			21,198,128.77	1,696,340.64			4,562,693.81	159,792.40			84,133,556.73	6,773,077.07	1,651,038	169,998,940.51		
UINTA (19)	339,229.79	4,369,372.64	595,189.45											16,943,517.78	2,378,377.51	300,466.07	24,986,993.54		
WASHAKIE (20)	135,877.96	1,616,759.65	189,256.79			(74)								6,413,933.28	724,625.67	101,341.64	9,211,795.65		
WESTON (21)	109,054.78	1,057,221.30	151,201.74			1,056,868.47	151,201.74							4,193,011.90	603,896.50	81,607.79	7,404,064.22		
<b>Totals for State:</b>	<b>28,079,838.67</b>	<b>171,025,055.88</b>	<b>18,699,862.27</b>			<b>63,463,276.65</b>	<b>7,299,997.82</b>			<b>4,562,693.81</b>	<b>159,792.40</b>			<b>4,312,358.04</b>	<b>459,508.19</b>	<b>728,970,762.38</b>	<b>78,562,415.62</b>	<b>310,690.91</b>	<b>1,136,344,182.92</b>

# Optional Sales & Use Taxes

General Purpose County Option(s)

Optional Specific Purpose – capital facilities tax

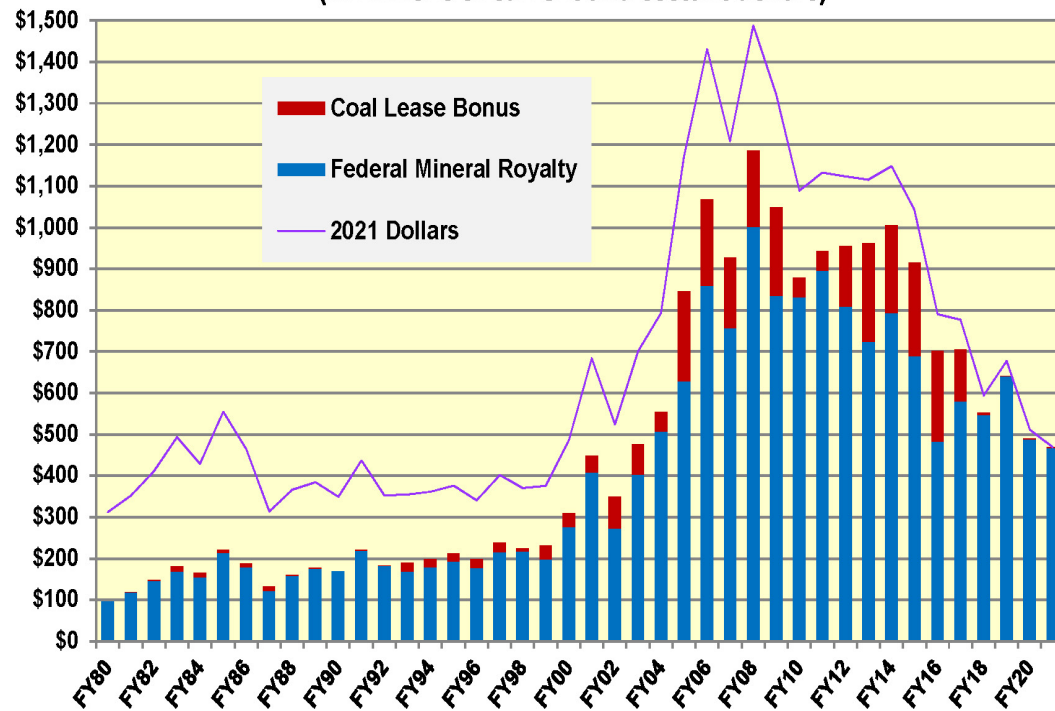
Optional Lodging Tax

Economic Development Tax

Resort Tax



## Federal Mineral Royalty and Coal Lease Bonus (in millions of current and costant dollars)



Source: Wyoming CREG

Prepared by Wyoming Department of A & I, Economic Analysis Division

# Federal Mineral Royalties

Tax collected on minerals produced on federal lands, a portion of which is returned to the state

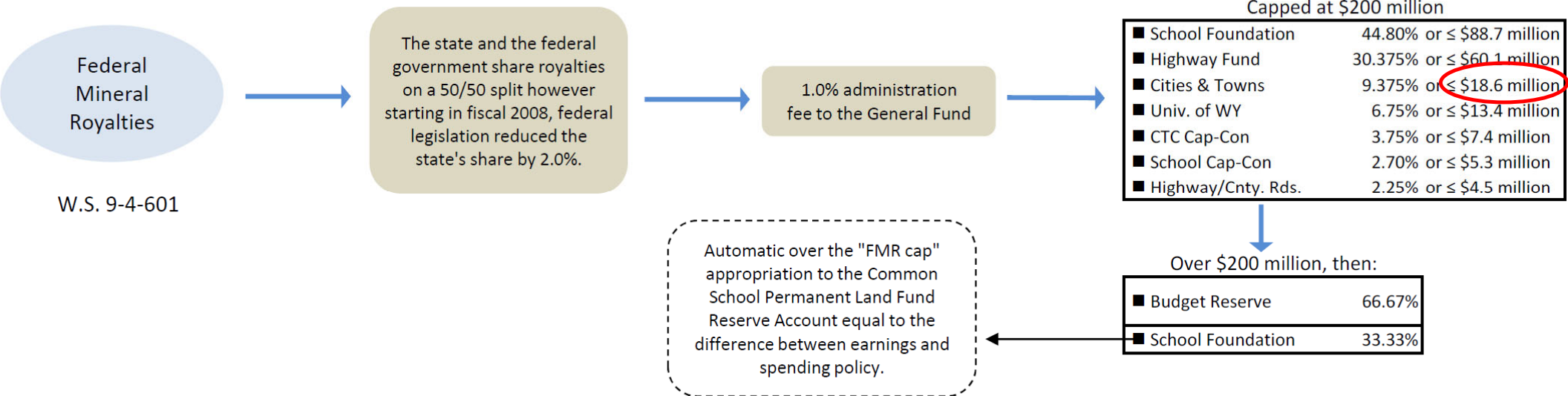
Capped at \$18.6 million/year

Local share tied to population and local school ADM

# Federal Mineral Royalties - Distribution

## Municipality Distribution

- ❖ If over 35 population - \$15,000 base payment/year
- ❖ Under 35 - \$12,000/year
- ❖ Amount distributed is ratio of the county's public school Average Daily Membership to total ADM for state
- ❖ Distribution within county based on population percentage of municipality within county



W.S. 9-4-601

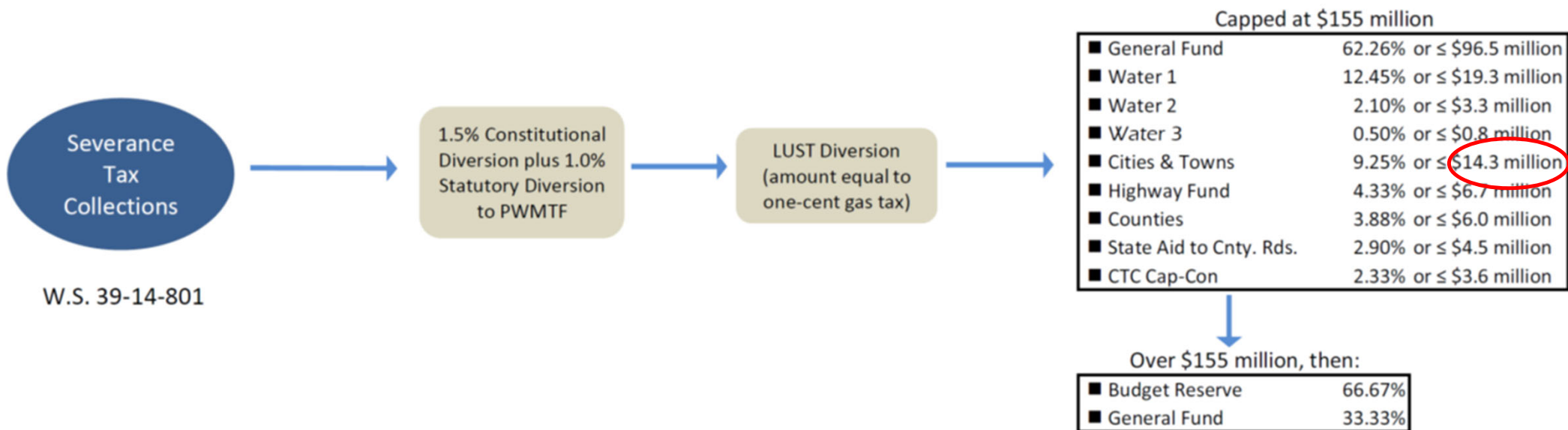
# Severance Tax

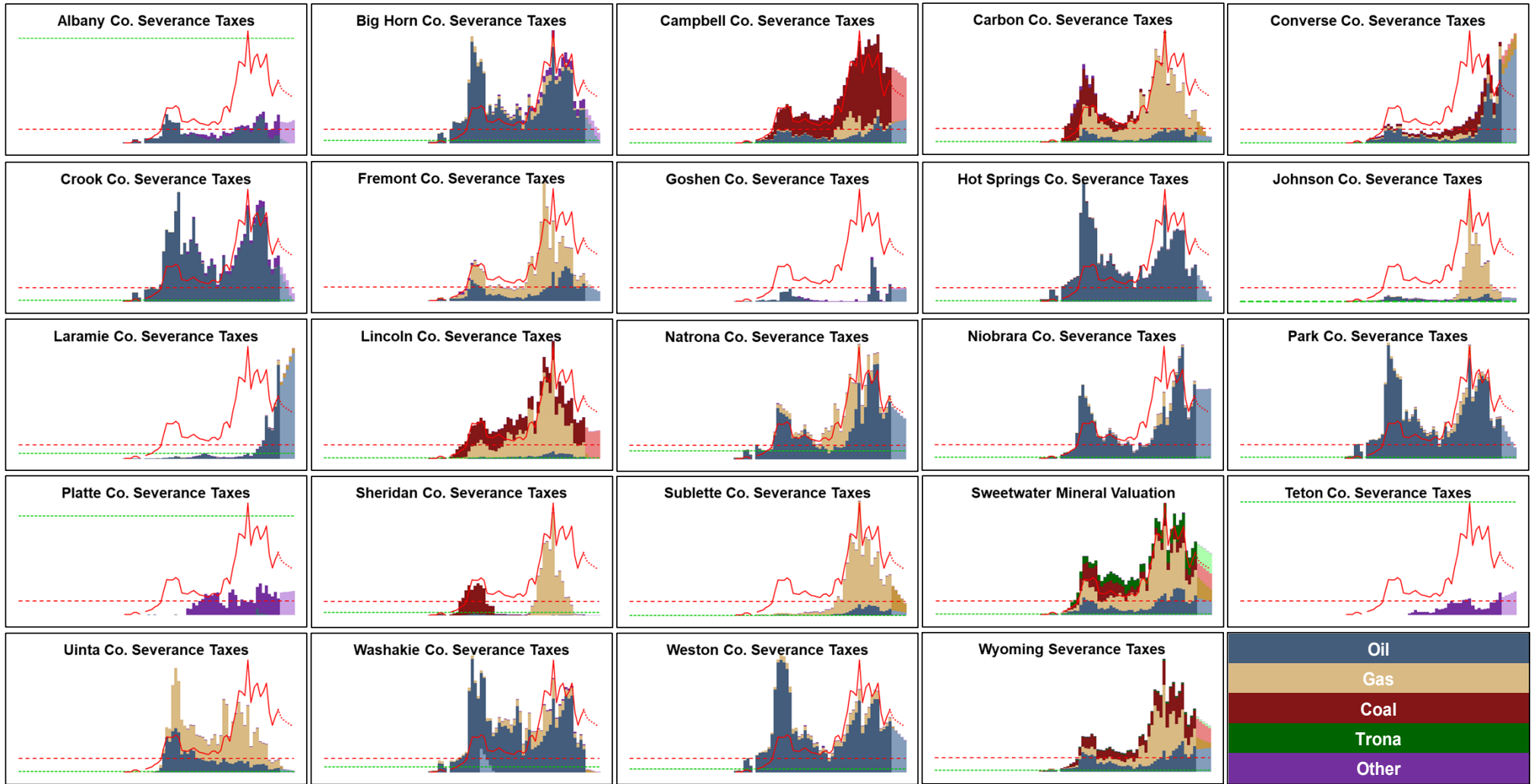
Share of tax on all minerals “severed” or removed from their natural location in state

Cities and towns receive 9.25% of a distribution of \$155 million

Distribution is based on population - each municipality receives an amount proportional to the % of total state incorporated population

Capped at \$14.3 million

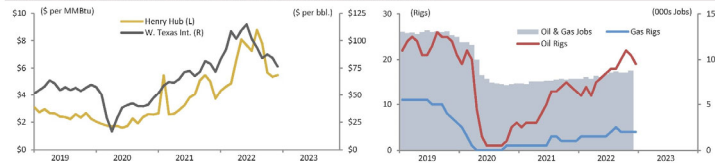




# Wyoming Insight WYOGOV

ECONOMIC ANALYSIS DIVISION • DECEMBER 2022

## Energy index: natural gas and crude oil prices, rig counts, and oil & gas employment.

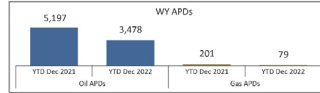


▶ The Henry Hub natural gas price averaged \$5.49 per MMBtu in December, \$0.12 higher than a month ago. The WTI crude oil price decreased 9.4% in December compared to the previous month, but increased 6.6% compared to December 2021.

▶ Oil & gas jobs numbered 8,800 in November, an increase of 900 compared to a year ago. Average active oil rigs were 19 in December while the conventional gas rig count was 4. Note: Oil & gas jobs include both the NAICS 211 (oil and gas extraction) and NAICS 213 (support activities for mining) subsectors.

NATURAL GAS			
	(\$/MMBtu)		
<b>Historical Spot Prices</b>	Dec 2021	Nov 2022	Dec 2022
Opal Hub	\$5.55	\$8.81	\$28.18
Cheyenne Hub	\$3.54	\$4.96	\$7.42
Henry Hub	\$3.72	\$5.37	\$5.49
<b>Futures<sup>1</sup> (As of 12.31.22)</b>	Feb 2023	Mar 2023	Feb 2024
NYMEX - Henry Hub	\$4.17	\$3.78	\$4.83
<b>January 2023 CREG<sup>2</sup></b>	CY 2022	CY 2023	CY 2024
CREG - All Gas (\$ per Mcf)	\$7.40	\$5.75	\$4.70

RIGS & APDs <sup>3</sup>			
	Oct 2022/2021	Nov 2022/2021	Dec 2022/2021
<b>Oil Rigs</b>	22/15	21/14	19/13
Conventional Gas Rigs	4/2	4/2	4/2
Oil APDs	277/504	328/316	241/272
Conventional Gas APDs	20/20	26/20	3/8



<sup>3</sup>Active conventional drilling rigs and applications for permits to drill (APDs).

## Business indicators: cost of living, unemployment rates, per capita and quarterly personal income, and ag price index.

COST OF LIVING			
	2Q-2021	4Q-2021	2Q-2022
Wyoming	7.7%	9.3%	10.1%
U.S. CPI <sup>4</sup>	5.4%	7.0%	9.1%

Cost of living measured as the percent change from the preceding year.

JOBLESS RATES <sup>5</sup>			
	Nov 2021	Oct 2022	Nov 2022
Wyoming - Seasonally Adj.	4.0%	3.5%	3.6%
U.S. - Seasonally Adj.	4.2%	3.7%	3.6%

NON-FARM JOBS <sup>6</sup>			
	Nov 2021	Oct 2022	Nov 2022
Wyoming - Seasonally Adj.	281,700	285,000	286,900

## Energy benchmarks: for fiscal and calendar years to date.

SPOT PRICES (As of December 31, 2022)			
	FY 2023 TD	FY 2022 TD	TD
Opal Hub (\$/MMBtu)	.....	\$10.72	\$8.29
Henry Hub (\$/MMBtu)	.....	\$6.73	\$6.38
W. Texas Int. (\$/bbl)	.....	\$87.99	\$94.79
Powder River Coal (\$/ton)	.....	\$16.42	\$17.81
Uranium (\$/lb) <sup>7</sup>	.....	\$49.54	\$49.81

CRUDE OIL & FUEL			
	(\$/bbl)		
<b>Historical Spot Prices</b>	Dec 2021	Nov 2022	Dec 2022
WTI Spot <sup>8</sup>	\$50.09	\$53.04	\$42.71
WTI Sweet <sup>9</sup>	\$65.06	\$78.60	\$70.26
W.Texas Int. <sup>11</sup>	\$71.71	\$84.37	\$76.44
<b>Futures<sup>1</sup> (As of 12.31.22)</b>	Feb 2023	Mar 2023	Feb 2024
NYMEX - WTI	\$72.84	\$73.10	\$71.66
<b>January 2023 CREG<sup>2</sup></b>	CY 2022	CY 2023	CY 2024
CREG - All Oil	\$90.00	\$75.00	\$70.00

COAL - PRB <sup>10</sup>			
	(\$/ton)		
<b>Historical Spot Prices<sup>11</sup></b>	Dec 2021	Nov 2022	Dec 2022
PRB <sup>10</sup> 8800 Btu	\$30.22	\$16.87	\$15.58
<b>January 2023 CREG<sup>2</sup></b>	CY 2022	CY 2023	CY 2024
CREG Surface Coal	\$14.25	\$14.25	\$13.25
<b>WY Coal Production<sup>11</sup></b>	Sep 22/21	Oct 22/21	Nov 22/21
Millions of Tons	22.3/21.9	22.4/20.7	21.2/20.7

WY Fuel Prices <sup>14</sup>			
	Oct 2022	Nov 2022	Dec 2022
Gasoline	\$3.77	\$3.54	\$3.00
Diesel	\$5.12	\$5.32	\$4.80

QUARTERLY PI <sup>15</sup>			
	1Q-2022	2Q-2022	3Q-2022
Wyoming	6.3%	1.6%	5.5%
Rocky Mountain Region	5.7%	6.4%	10.3%
U.S.	3.1%	4.9%	5.3%

Personal income measured as the annualized percent change from the preceding quarter.

AG PRICE INDEX <sup>12</sup>			
	Sep 2022/2021	Oct 2022/2021	Nov 2022/2021
U.S. - Ag. Production	131.2/108.6	127.7/106.8	133.4/108.6
U.S. - Crop Production	127.0/108.5	121.9/106.2	127.1/107.3
U.S. - Livestock Production	136.4/108.6	138.9/107.8	143.4/110.2

Prices received indexes; 2011 base.

Data sources: <sup>1</sup>Natural Gas Intelligence, <sup>2</sup>CME Group, <sup>3</sup>WY Oil & Gas Conservation Commission, <sup>4</sup>Cameco, <sup>5</sup>January 2023 CREG Forecast, <sup>6</sup>WY Dept. of Admin. & Info.'s Economic Analysis Division, <sup>7</sup>WY Dept. of Revenue, <sup>8</sup>U.S. Bureau of Labor Statistics, <sup>9</sup>U.S. Bureau of Economic Analysis, <sup>10</sup>U.S. EIA, <sup>11</sup>USDA's National Agricultural Statistics Service, <sup>12</sup>Oil Monitor, and <sup>13</sup>Gas Buddy.



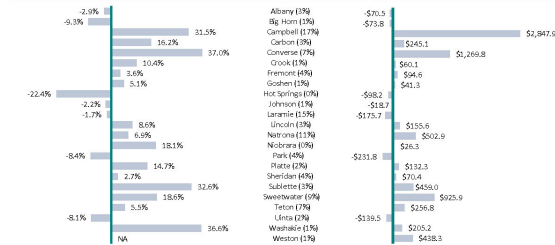
WYOMING DEPARTMENT OF ADMINISTRATION & INFORMATION

01

ECONOMIC ANALYSIS DIVISION • DECEMBER 2022

# Wyoming Insight

## State & local shares of 4% sales and use tax collections. [ Change by County: December 2022 vs. December 2021 by percent and dollars (in thousands) ]

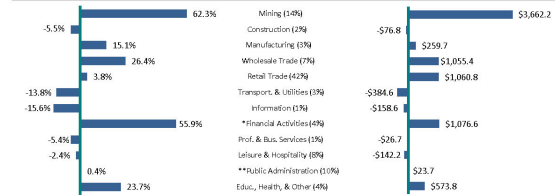


▶ In a year-over-year comparison (December 2022 vs. December 2021), sales and use tax collections statewide increased by \$6.9 million or 11.2%. 16 of the 23 counties saw year-over-year increases in collections. Campbell and Converse County saw the largest increases in collections, up \$2.8 million (+31.5%) and \$1.3 million (+37.0%), respectively. Both of these increases are mostly due to boosts in mining activity.

Note: Collections in December primarily reflect sales in November.

Note: Due to a negative sales & use tax value (refund in utilities sector) in December 2021 for Weston County, the year-over-year percent increase is too large to display in the graph.

## State & local shares of 4% sales and use tax collections. [ Change by Industry: December 2022 vs. December 2021 by percent and dollars (in thousands) ]



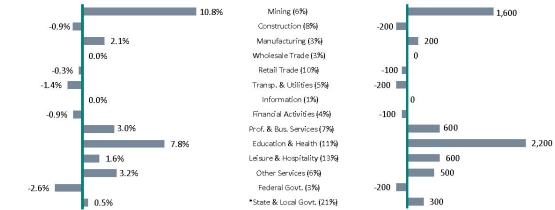
▶ In a year-over-year comparison (December 2022 vs. December 2021), the mining sector experienced the largest increase in collections, up \$3.7 million or 62.3%. The financial activities sector also saw a substantial increase in collections, up \$1.1 million or 55.9%.

Note: Value in parentheses represents share of total collections.

<sup>1</sup>Taxes are mostly from automotive, machinery, and equipment leasing and rental.

<sup>2</sup>Reflects taxes from automobile purchases.

## Nonfarm wage and salary employment. [ Change by Industry Sector: November 2022 vs. November 2021 by percent and jobs, seasonally adjusted ]

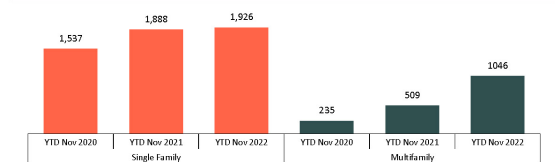


▶ Wyoming had 286,900 jobs in November, 5,200 more than a year ago, an increase of 1.8%. The education & health sector saw the largest increase in employment, up 2,200 jobs (+7.8%) relative to last year. The mining industry saw the largest percent increase, up 10.8% year-over-year.

Note: Value in parentheses represents share of total jobs.

<sup>1</sup>Includes public education and hospitals.

## Residential building permits. [ Comparisons: Single family and multifamily units ]



▶ Single family housing units permitted through the end of November 2022 increased by 38 (+2.0%) compared to 2021. The number of multifamily units increased by 537 (+105.5%) during the same period compared to 2021.

• CONTACT: Dylan Bainer, Principal Economist, Economic Analysis Division, Dept. of Admin. & Info., WY State Government.  
 • QUESTIONS? Phone: 307.777.7221 E-mail: dylan.bainer@wyo.gov Website: http://eadiv.state.wy.us

02

[http://eadiv.state.wy.us/Insight/WY\\_Insight1222.pdf](http://eadiv.state.wy.us/Insight/WY_Insight1222.pdf)



# Supplemental Legislative Direct Distribution

- This is not a permanent funding mechanism, but rather is done at discretion of state legislature
- Requires state appropriation *outside of biennial budget*
- Has been \$105 million for local governments recently



# Gasoline Tax

Gasoline – 15% of a \$.23 per gallon tax

Distribution formula is based on location of the gas station where sales take place, and on population of municipality



## Special Fuels Tax (Diesel)

Special Fuels (diesel) = 5%  
of a \$0.23 per gallon tax  
*(actual tax is \$0.24 cents  
with one cent used for the  
Leaking Underground  
Storage Tank abatement  
program)*

Based on ratio of municipal  
population to population of  
all municipalities in state

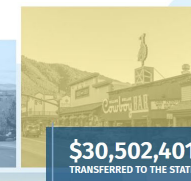


# “Sin” Taxes

Cigarettes –Local governments share excise tax of \$0.12 cents per pack of 20 sold by wholesaler

Off-track horse racing wagering

Wyoming Lottery – First \$6 million to local governments each year



## Cities, towns, and counties

WyoLotto® was formed in 2013 as a new revenue stream for the state. Since then we've dispersed millions of dollars in unrestricted funds to our own cities, towns, and counties to spend as they choose, on whatever matters most.



# Local Revenue Sources

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Property Tax

Franchise Fees

Interest Income

Fines and Forfeitures

Business Licenses

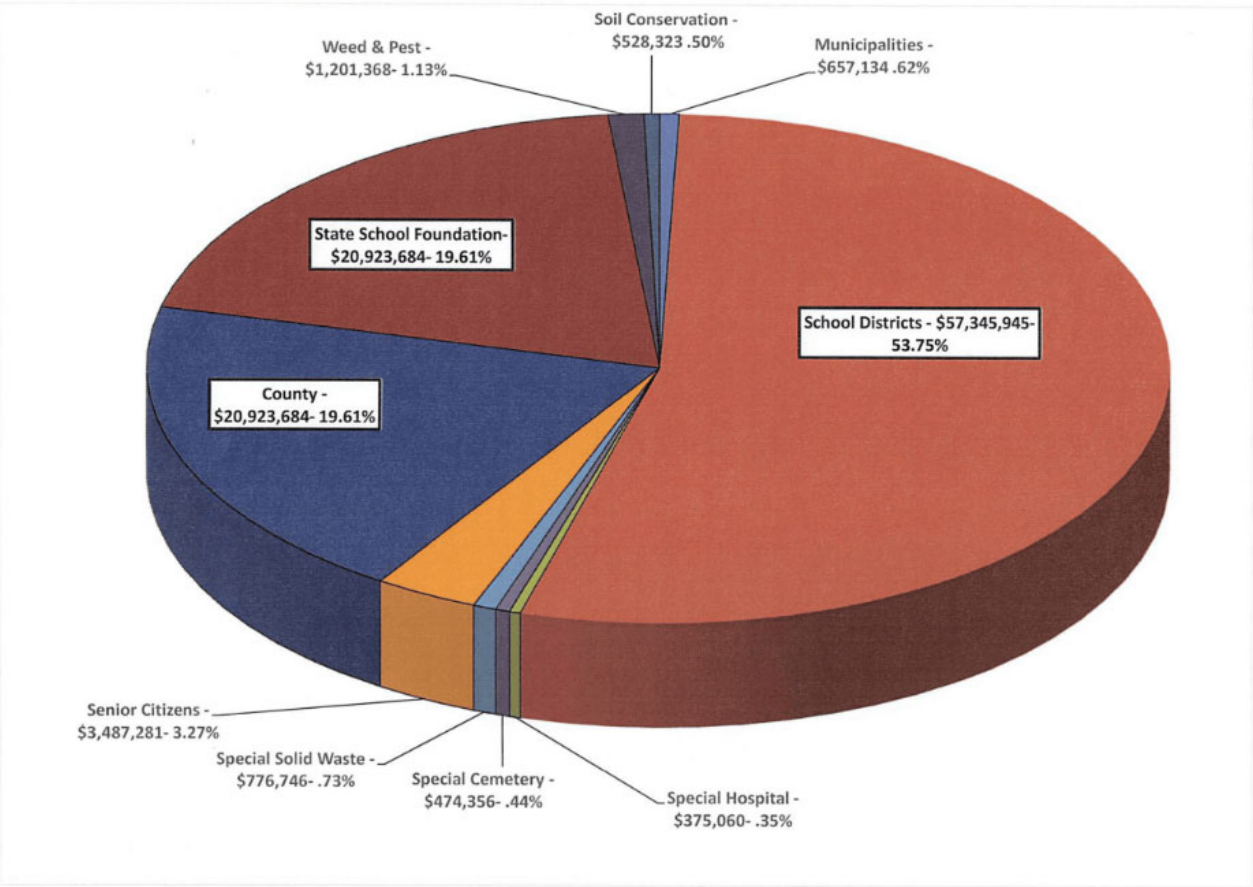
Permits and Fees

Liquor Licenses

Cemetery Fees

Enterprise Fund Fees

# 2021 CONVERSE COUNTY TAXING AUTHORITIES



TOTAL TAXES \$106,693,581

## Property Tax

Constitution limits municipalities to 8 mill levy on property inside corporate limits

Legislature can change assessment percentage

The only true municipal taxing authority

1 mill = \$1 of tax charged per \$1,000 of assessed property value

# FEEES



## Fees And Charges

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Franchise Fees

Licenses and Permits

Development Fees

Cemetery Fees

Fines & Forfeitures (must have municipal court)

Vehicle Registration Fees

User Fees

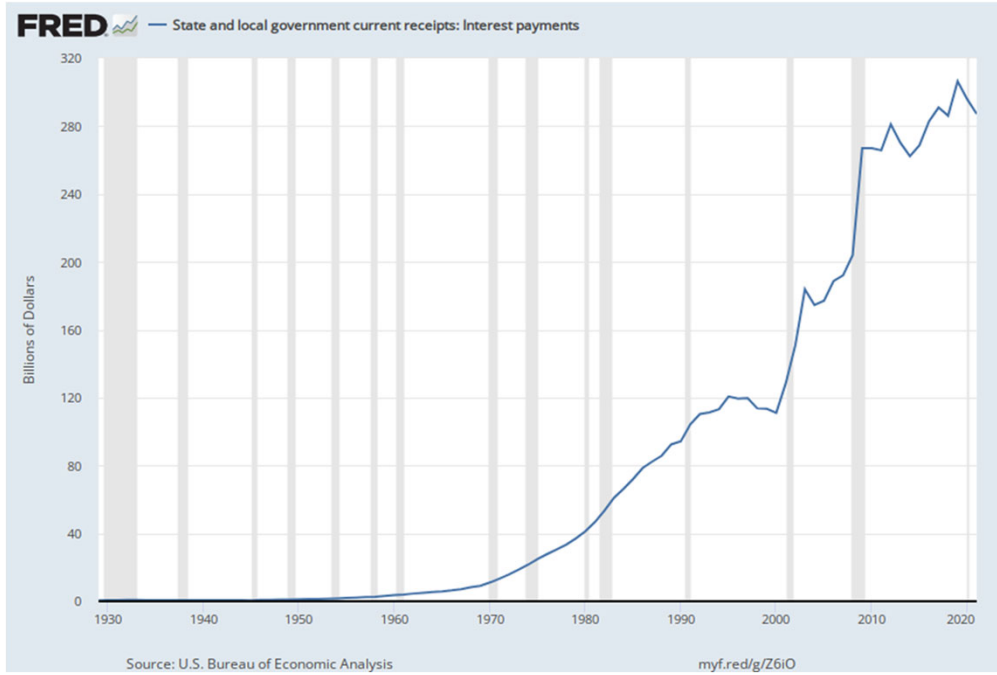
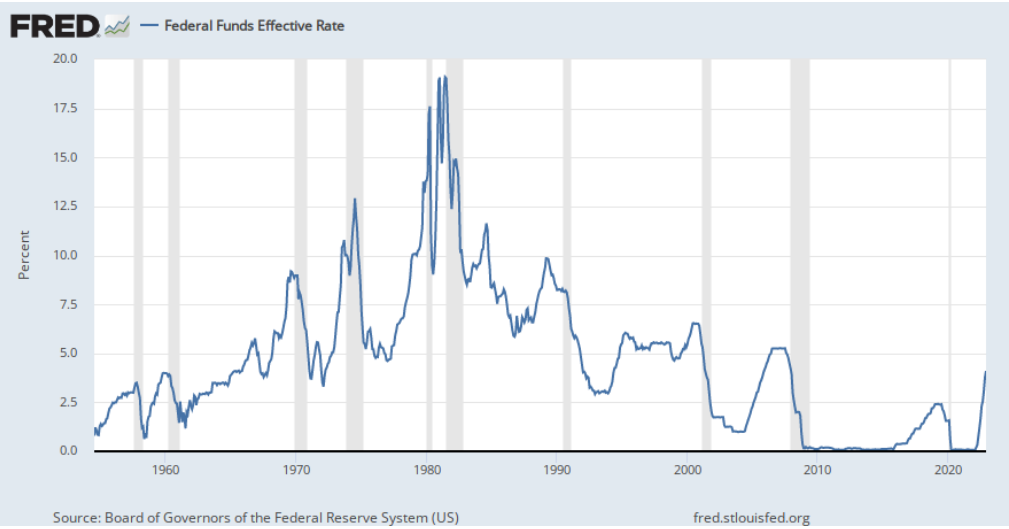


# User Fees

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Charges for services

- Swimming pools
- Golf courses
- Utilities
- Rec Center



# Interest Income

EARNED FROM BANK DEPOSITORIES ON MUNICIPAL FUNDS

## Capital Project Funding Sources

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Grants

Capital Facilities Tax

Loans

Savings

Lease-purchase

Bonding

Private Contributions



# Capital Facilities Tax

Can levy up to 2%

Requires ballot proposition

Tax ends when amount of money approved has been collected





# Budget Document Assessment

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Is the budget message informative and easy to read?

Does the budget message address major issues?

Does the budget include an overall mission statement?

Does the budget include overall goal statements?

Pursuit of Appropriate Goals /  
Doing Right Things

<b>Effective</b>	Pursuing right goals, but inefficient (costs are high)	Pursuing right goals and efficient (high-ROI, cost-efficient)
<b>Ineffective</b>	Pursuing wrong goals and inefficient (not producing enough and are expensive)	Pursuing wrong goals but is efficient (not producing enough but low-cost)
	<b>Inefficient</b>	<b>Efficient</b>

**Use of Resources /  
Doing Things Right**

## Develop a Rightsizing Philosophy

---

What core services should city government provide?

How should these services be financed?

How should resources be organized to deliver services effectively?

What is the most efficient method of providing city services?



## Local Officials Need to be Fiscally Competent & Engaged

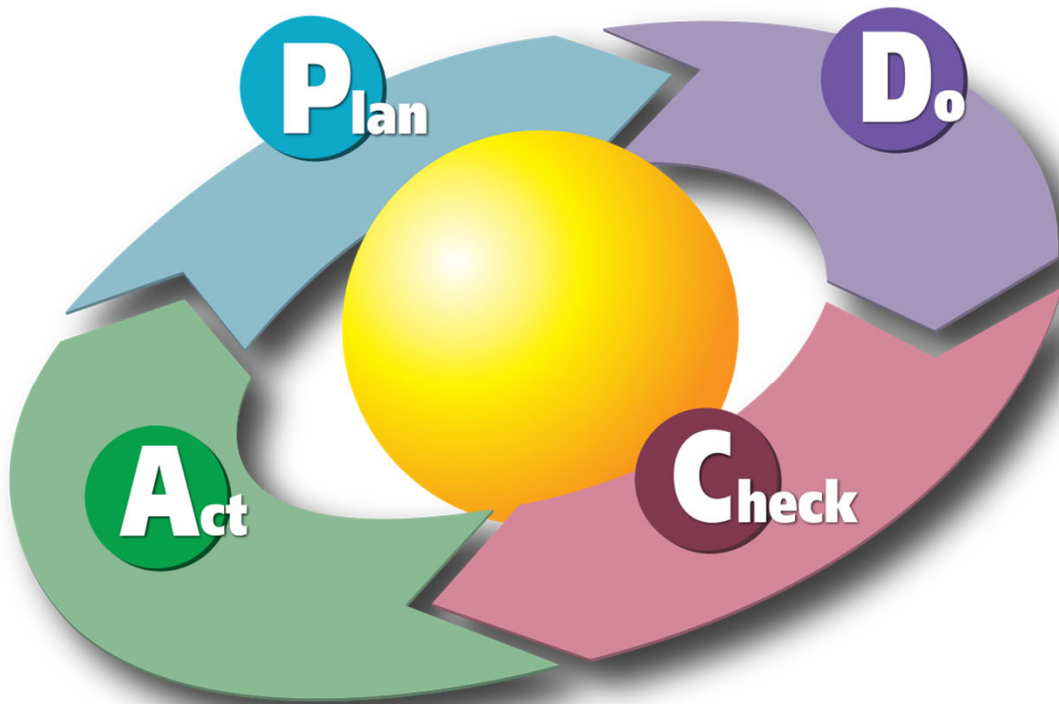
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Are concerned about their municipality's fiscal condition

Seek to hold administrators accountable by asking tough questions

Become knowledgeable about the finances and budget

Most important tools - inquisitive manner and common sense



## Council Oversight Duties

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**Long-term** - setting the mission, goals, and financial policies for the community

**Annual** - setting budget priorities, establishing salary and benefit levels

**Constant** - examining financial and budget reports; monitoring investments

**Periodic** - reviewing contracts, adopting budget amendments



## Don't Be Afraid To Ask Questions

---

Was notice of the budget hearing properly given?

What will this new program accomplish?

Could we contract this service out?

How much is the general fund's total operating budget?



*"I wish I would have listened a bit more, questioned a bit more, and trusted just a bit less."*

Thomas Reilly, Orange County Board of Supervisors  
Chair

While others sought to shift blame for the financial calamity, Reilly was one of the few to take responsibility after Orange County filed for bankruptcy



Questions about  
Municipal Budgets?

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# Thank You!

*This presentation was prepared by Community Builders, Inc., a Wyoming-based consulting firm specializing in community and economic development, under contract and in cooperation with the Wyoming Association of Municipalities.*

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Wyoming  
Association of  
Municipalities  
Building Strong Communities

