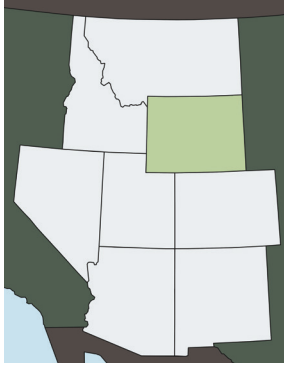


WYOMING Budget Report Card



WHILE WYOMING DEPENDS on severance taxes for much of its revenues, it fails to consider the levy's volatility in managing its rainy day fund. This shortcoming, and the state's lack of policies to guide disbursements from its Legislative Stabilization Reserve Account, accounted for its C average in reserve funds for fiscal 2015 through 2019. The mark would have been lower if a replenishment policy had not been established in 2017.

In contrast, Wyoming follows solid budget forecasting practices that earned it a B average in the category. The state uses five-year revenue estimates developed for each biennial budget. The forecasts are made by the Consensus Revenue Estimating Group, which was created in 1983 by the executive and legislative branches. It includes members from the Departments of Education and Revenue, Wyoming Oil and Gas Conservation Commission, Wyoming State Geological Survey, and the University of Wyoming. The state lacks multiyear expenditure estimates, however.

In legacy costs, which includes public worker pensions and other postemployment benefits (OPEB), primarily health care, the state received the lowest possible mark, D-minus. While its pension funding ratio was 77 percent in 2019, 6 percentage points above the total for all states, Wyoming did not fund pensions or OPEB on an actuarially recommended basis. It posted a B average in budget maneuvers. Among one-time actions taken during the study period, it tapped the rainy day fund to cover recurring expenditures as oil and natural gas prices fell in 2018.


MOUNTAIN STATES SIDE BY SIDE: Five-Year Average Grades, Fiscal 2015–19


	BUDGET FORECASTING	BUDGET MANEUVERS	LEGACY COSTS	RESERVE FUNDS	TRANSPARENCY
Arizona	B	C	C	A	B
Colorado	C	B	D	B	B
Idaho	D	A	A	A	B
Montana	D	B	C	C	B
Nevada	C	B	C	B	B
New Mexico	B	C	D-	B	B
Utah	B	A	A	A	C
Wyoming	B	B	D-	C	C
US AVERAGE	C	B	C	B	B


NOTE States are grouped by US Census Bureau divisions.


Average grades are based on annual numerical scores. For more information, download *Truth and Integrity in State Budgeting: Preparing for the Storm* at VolckerAlliance.org.


WYOMING Budget Report Card, Fiscal 2015–19

BUDGET FORECASTING							TREND				
	2015	2016	2017	2018	2019	'15	'16	'17	'18	'19	
 CATEGORY GRADE	B	B	B	B	B						
Consensus Revenue Forecasts	✓	✓	✓	✓	✓						
Multiyear Expenditure Forecasts	X	X	X	X	X	●	●	●	●	●	
Multiyear Revenue Forecasts	✓	✓	✓	✓	✓						
Revenue Growth Projections	✓	✓	✓	✓	✓						
5-YEAR AVERAGE						B					

BUDGET MANEUVERS							TREND				
	2015	2016	2017	2018	2019	'15	'16	'17	'18	'19	
 CATEGORY GRADE	A	B	B	B	A						
Deferring Recurring Expenditures	✓	✓	✓	✓	✓	●				●	
Revenue and Cost Shifting	✓	X	X	X	✓		●	●	●		
Funding Recurring Expenditures with Debt	✓	✓	✓	✓	✓						
Using Asset Sales and Up-Front Revenues	✓	✓	✓	✓	✓						
5-YEAR AVERAGE						B					

LEGACY COSTS							TREND				
	2015	2016	2017	2018	2019	'15	'16	'17	'18	'19	
 CATEGORY GRADE	D	D	D	D	D						
Public Employee OPEB Funding	X	X	X	X	X						
Public Employee Pension Funding	X	X	X	X	X						
Public Employee Pension Funded Ratio*	73%	73%	76%	68%	77%						
5-YEAR AVERAGE						D					

RESERVE FUNDS							TREND				
	2015	2016	2017	2018	2019	'15	'16	'17	'18	'19	
 CATEGORY GRADE	D	D	C	C	C						
Positive Reserve or General Fund Balance	✓	✓	✓	✓	✓						
Reserve Funds Disbursement Policy	X	X	X	X	X						
Reserve Funds Replenishment Policy	X	X	✓	✓	✓			●	●	●	
Reserves Tied to Revenue Volatility	X	X	X	X	X	●	●				
5-YEAR AVERAGE						C					

TRANSPARENCY							TREND				
	2015	2016	2017	2018	2019	'15	'16	'17	'18	'19	
 CATEGORY GRADE	C	C	C	C	C						
Consolidated Budget Website	✓	✓	✓	✓	✓						
Provides Debt Tables	✓	✓	✓	✓	✓						
Discloses Deferred Infrastructure Replacement Costs	X	X	X	X	X	●	●	●	●	●	
Discloses Tax Expenditures	X	X	X	X	X						
5-YEAR AVERAGE						C					

KEY

✓	Followed best practice
X	Did not follow best practice

BUDGET FORECASTING evaluates whether and how states estimated long-term revenue and expenditure trends. **BUDGET MANEUVERS** evaluates whether states used one-time revenues, borrowings, asset sales, and other measures to achieve short-term budgetary balance. **LEGACY COSTS** evaluates whether states provided adequate funding, as defined by retirement system actuaries, for pensions and other promised retirement benefits for public workers. **RESERVE FUNDS** evaluates states' rainy day funds and other fiscal reserves, as well as any policies governing their use and replenishment. **TRANSPARENCY** evaluates the accessibility to the public of states' budget practices.

* SOURCE Bloomberg.

© 2021 VOLCKER ALLIANCE INC.