



A Report to Our Citizens

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A Statewide Elected Office established in the Wyoming Constitution at Statehood



Wyoming’s Leaders are working for:

- Added support for cities, towns and counties to keep our communities strong
- Investment in infrastructure and improvement projects to bolster the economy during the energy downturn and prepare for the future



- Conservative budgeting that keeps operating expenses flattened yet provides essential services and allows the state to move ahead
- Economic diversification and growth through technology, research , innovation and a pro-business climate

Wyoming accolades include:

- #1 for most business friendly tax climate
- #2 for new business startup activity
- #2 best run state
- 3rd best business climate
- AAA credit rating, highest possible, from Standard & Poor’s since 2011
- 4th highest in well-being
- UW #9 for best value college
- Second Highest Rate of Trust in State Government – 76%

We’re on the Web!

<http://sao.wyo.gov>

Wyoming’s Progress: Fiscal Year 2015

State Water Strategy: The Wyoming Water Strategy was developed with input from citizens who were part of nine meetings held in communities around the state. More than seven thousand people commented. The strategy, completed

and released in January 2015, contains ten initiatives put forward during the public process. The ten initiatives cover areas of water management, development, protection, conservation and restoration. The initiatives build on existing programs, efforts and infrastructure. Implementation of the

water strategy began immediately, and agencies continue to work on the initiatives. Water is critical to everything we do, have done and will do in Wyoming. The time to protect our water is now, and the water strategy moves us in the right direction.

Tourism: In preparing for the 125th anniversary of statehood in July 2015, the Wyoming Office of Tourism put together a list of 125 iconic Wyoming experiences. This promotional campaign began on May 4, 2015 and ran 125 consecutive days. The list includes well-known, as well as hidden,

gems in each county. It will be used for years to come by travelers. Although final numbers are still in the works as this report goes to print, indicators are that 2015 was a very good year for tourism in Wyoming. An improving national economy, increased travelers, lower gas prices and well-placed marketing efforts are among the

reasons. At the end of summer 2015, with several months in the year left, Yellowstone National Park had surpassed the previous record for total annual visitation set in 2010. With more than 3.8 million visits in 2015, the Park exceeded the previous busiest year 2010, when the Park had just over 3.6 million visits.

Safety: Highway safety is important. Job safety is important. We want people to get home safely from their time on the roads. We want workers to get home safely at the end of the work day. In 2011, the Governor’s Council on Impaired Driving was created by

executive order. The Council has done a great job bringing the message to the public about the hazards of driving impaired. In 2015, the Wyoming Seatbelt Coalition was formed, becoming a second group to focus on an important highway safety issue – in

this case seatbelt use. In 2015, the Wyoming Agriculture Safety Coalition joined other industry groups – oil and gas, construction, transportation - in bringing job safety issues to the forefront. Work on safety is never finished – it is day-to-day, every day, and it is everyone’s responsibility.

Energy: Wyoming watched as oil and gas prices plummeted over the fiscal year. We watched as the coal industry struggled under market and regulatory forces. Since 70% of state revenue derives from oil, gas and coal, we were rightly concerned. We want all our

businesses to succeed and thrive, and we want a strong economy for Wyoming and the country. We will have to budget for these times of constrained revenue, and as in the past we will get through them. We will also do what we can to keep our state business friendly – maintaining reasonable rules and

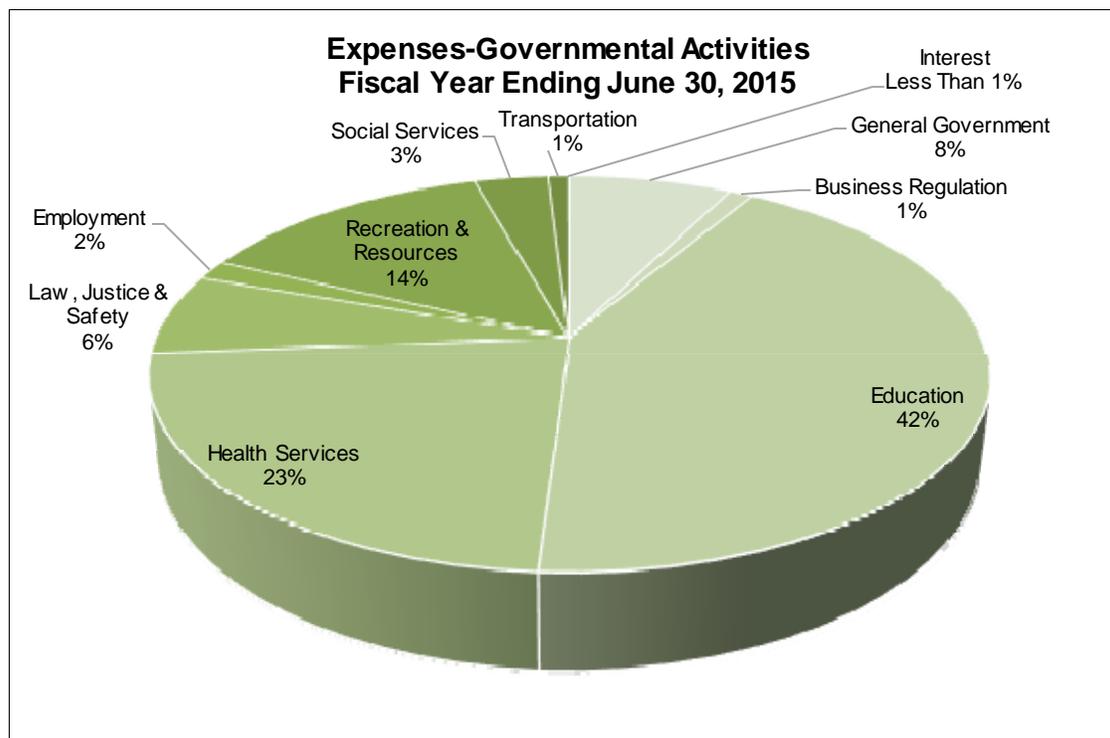
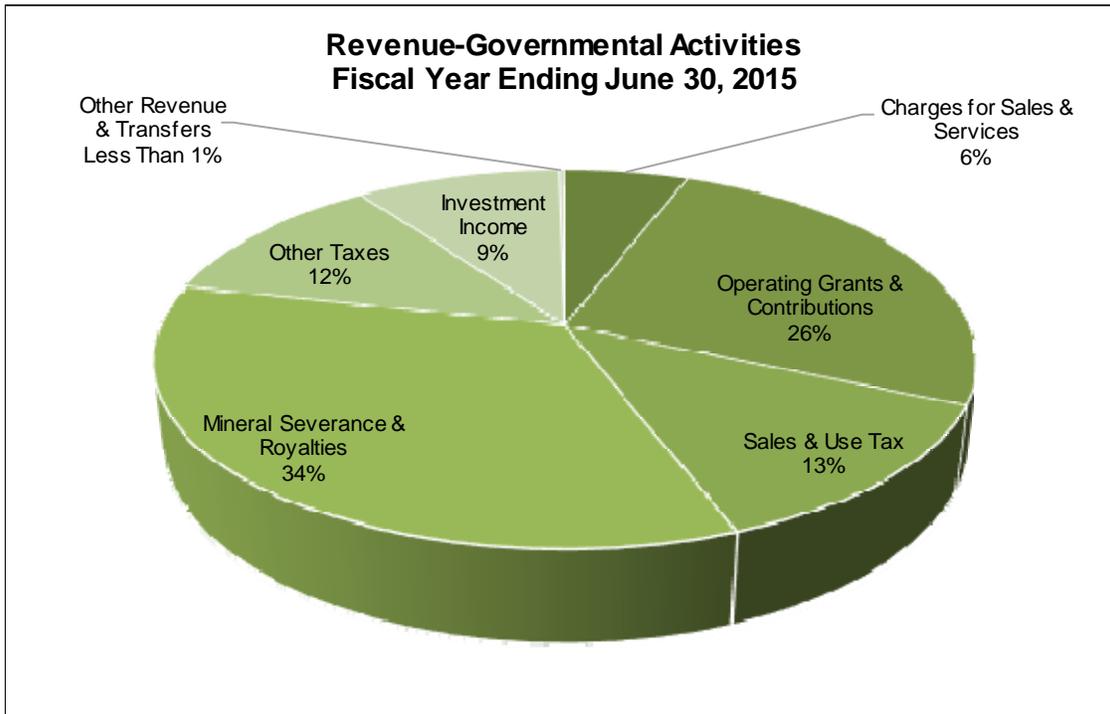
regulatory processes, developing the Integrated Test Center, supporting the UW School of Energy Resources and the important research being done there, and continuing to fight federal regulations that are burdensome, unrelenting, and overreaching.

Demographic Information

	Fiscal Year 2014	Fiscal Year 2015
Population	582,658	584,153
Per Capita Income	\$52,826	\$54,584
Visitors to State Parks & Historic Sites	3,878,478	3,925,547
Public School Enrollment	92,218	93,303
State Government Employees	9,853	9,845
Unemployment Rate	4.6%	4.3%



Wyoming’s Finances: Revenues and Expenses



An independent audit of the State’s financial statements resulted in an unqualified audit opinion, which is best possible audit opinion. Financial information in this report is derived from Generally Accepted Accounting Principles (GAAP) data in the State’s Comprehensive Annual Financial Report prepared by the State Auditor’s Office. To see the Comprehensive Annual Financial Report, visit: <http://sao.wyo.gov/publications>.

2016 and Beyond: Challenges and Opportunities

Wyoming’s Elected Officials

Governor:
Matthew H. Mead

Secretary of State:
Ed Murray, III

State Auditor:
Cynthia I. Cloud

State Treasurer:
Mark Gordon

Superintendent of Public Instruction:
Jillian Balow

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Thank you, Governor Mead, for contributing information contained in this report.



Photos courtesy of Rick Carpenter

Wyoming has weathered downturns in energy before. From past experience, we know oil and gas prices will rebound but we do not know when. We know clean coal research will improve prospects for coal but, again, we do not know when. We recognize that Wyoming has benefited from an historically conservative fiscal policy and has prepared well for the current situation.

In 1974, the Permanent Wyoming Mineral Trust Fund was established – it now has a market value of nearly \$7 billion. In 2005, the Legislature established the Legislative Stabilization Reserve Account (LSRA), more commonly known as the “rainy day” fund. In October 2015, the LSRA had a balance of over \$1.8 billion. The foresight of past and present state leaders has provided financial stability and resources for all revenue climates.

We face the challenge of lower revenue in the 2016 Budget Session and have the opportunity to be resourceful. With agency reductions, we have the revenue available to fund a flattened standard budget for 2017-2018. If we borrow from the LSRA to further the priorities of education, infrastructure, economic drivers and local governments, we can fund vital one-time exception requests that will help our communities and state move forward. It is projected the rainy day account will be made whole by the next biennium through investment income inflows and a 1% statutory diversion of oil, gas and coal severance taxes.

Medicaid expansion remains a challenge. Many of us have never liked the Affordable Care Act; however, it remains the law and thus far Wyoming has chosen not to participate in optional Medicaid expansion. There has been much debate about it. As things stand, our federal tax dollars are being used to fund health care in other states. These states and their citizens are the beneficiaries. Our hospitals and health care providers continue to bear the burden of unreimbursed medical care amounting to lost millions in revenue. Some are struggling financially and if they cannot carry on, Wyoming communities will be left without critical health care services. About 18,000 Wyoming citizens eligible for optional Medicaid are not insured. Medicaid expansion is a challenge but also an opportunity ... to provide insurance to more people in need, to lessen the burden to hospitals, to reel back our federal tax dollars going elsewhere, and to reduce the Department of Health’s budget.

There are many opportunities. The Integrated Test Center, announced last fall, makes Wyoming a leader in energy research as we are a leader in energy production. For the first time in a long time, there is an opportunity for oil exports. Our Tourism Office is doing innovative things. Last fall, the Office partnered with Disney on *The Good Dinosaur* movie, providing an opportunity to showcase our state and invite visitors to come and see the extraordinary vistas that were the movie’s backdrop. In 2016, we will issue a second edition of the state energy strategy. It will include new initiatives - opportunities to advance our #1 industry, energy, while at the same time conserving our state’s natural beauty.

Wyoming continues to step up as a state that leads ... in energy, tourism, ag and now in a growing technology sector as well. We continue to embrace innovation and advances in technology. We remain optimistic, looking forward to 2016 and the years beyond.