Wyoming State Government
Revenue Forecast
Fiscal Year 2023 – Fiscal Year 2028

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

October 2022

Don Richards, Co-Chairman
Legislative Service Office
200 West 24th St.
Cheyenne, WY 82002
307-777-7881

Kevin Hibbard, Co-Chairman
State Budget Department
2800 Central Avenue
Cheyenne, WY 82002
307-777-6045

Patrick Fleming
State Treasurer's Office
Dr. Erin Campbell
Wyoming State Geological Survey
Jason Crowder
Office of State Lands and Investments
Brenda Henson
Department of Revenue

Eydie Trautwein
State Auditor's Office
Dr. Rob Godby
University of Wyoming
Tom Kropatsch
Oil and Gas Commission

The State of Wyoming

Consensus Revenue Estimating Group

To: Governor Mark Gordon
Members, 66th Legislature

From: Don Richards, Co-Chairman
Kevin Hibbard, Co-Chairman

Date: October 26, 2022

Subject: Wyoming Revenue Forecast

The Consensus Revenue Estimating Group (CREG) met on October 12, 2022. This meeting was preceded by the minerals valuation subgroup meeting on September 27, 2022. The attached report resulting from those meetings provides the revenue forecasts for fiscal years (FY) 2023 through 2028 and summarizes the assumptions and broad justifications supporting the forecasts. Actual revenue collections for FY 2022 are incorporated in the tables presented in this report and in the accompanying fiscal profile prepared by the Budget/Fiscal division of the Legislative Service Office (LSO).

This cover memo summarizes the impact of the revenue forecast changes on major profiled funds for the remainder of the FY 2023-2024 biennium, as well as a concise review of the actual revenues received for the FY 2021-2022 biennium. Explanations of revisions to the forecast revenue streams can be found in the attached CREG report and associated tables.

[Authors' note: Narrative and table elements that are in italics are not statements by CREG but rather reflect fiscal profile accounting prepared by the LSO Budget/Fiscal staff. It is incorporated in the cover memo for transparency and summary purposes only.]

1. TRADITIONAL STATE ACCOUNTS

The overall FY 2023-2024 forecast balance of the General Fund (GF) and Budget Reserve Account (BRA) improved from March 29, 2022 by $874.5 million plus $45.2 million in reversions and reconciliations. The increase of $874.5 million is reduced by $135.7 netting $738.8 million *since the increased forecast investment income is not retained in the GF but is directed to the Legislative Stabilization Reserve Account (LSRA) and Strategic Investments and Projects Account (SIPA). Actual FY 2021-2022 revenues deposited into the GF and BRA, net of statutory transfers under the spending policy, exceeded the January 2022 forecast revenues by $329.4 million comprised of: (a) $135.5 million in GF revenues and (b) $193.9 million in BRA revenues. Finally, $251.9 million in investment income from the Permanent Wyoming Mineral Trust Fund (PWMTF) was transferred out of the GF in accordance with W.S. 9-4-719 and be deposited to the LSRA, SIPA, and Permanent Wyoming Mineral Trust Fund Reserve Account (PWMTF RA). This last component is essentially comprised of realized capital gains, which CREG does not forecast. Each component is explained in further detail below.*

Actual FY 2022 General Fund and Budget Reserve Account Revenues

The actual FY 2022 GF revenues exceeded the January 2022 CREG forecast by $135.5 million, excluding transfers under the statutory spending policy. Actual BRA revenues exceeded the January 2022 CREG forecast by $193.9 million, for an increase of $329.4 million for the GF and BRA combined. Four major revenue streams directed to the GF and BRA contributed to the difference between actual and forecast revenues in a meaningful way: federal mineral royalties (FMRs) ($109.4 million), severance taxes ($103.5 million), sales and use tax collections ($49.4 million), and investment income generated from the State Agency Pool and LSRA and subsequently deposited into the GF ($45.8 million). All major revenue streams deposited into the GF and BRA exceeded the January 2022 CREG forecast.

Bottom Line: FY 2021-2022 Biennium GF/BRA

Table A summarizes the changes to the FY 2021-2022 biennium and beginning balance available in FY 2023-2024.

Table A. Summary of FY 2021-2022 Revenues and Transfers.

Change	***Amount***
FY 2021-2022 GF & BRA revenue in excess of forecast	*+$569.0 million*
Reversions from FY 2022 Q3 and Q4	*+$9.6 million*
Unforecast spending policy transfers to LSRA, SIPA and PWMTF RA	*($239.6 million)*
Accounting adjustments	*($85.0 million)*
Transfer to the LSRA in excess of March 29, 2022 LSO Fiscal Profile	*($254.0 million)*
Total new funds available for appropriation prior to FY 2023-2024	***$0 million***

FY 2023-2024 Biennium GF Revenue Forecast Comparisons

For purpose of consistency, all comparisons of future biennial revenues to the January 2022 CREG report include the impact of changes to law enacted during the 2022 Budget Session. Within the October 2022 CREG report, FY 2023-2024 biennium GF revenue estimates increase by $738.8 million, net of statutory transfers under the State's investment statutory spending policy from the January 2022 CREG report. Table B illustrates the GF revenue forecast differences by major category.

Table B. FY 2023-2024 Biennium GF Revenue Forecast Comparison.

Revenue Source	Jan. 2022 Forecast FY 2023-2024 Biennium and 2022 Legislation Impacts	Oct. 2022 Forecast FY 2023-2024 Biennium	Difference
Sales and Use Taxes	$1,077.8 million	$1,218.0 million	$140.2 million
Severance Taxes	$ 295.8 million	$ 413.7 million	$117.9 million
Investment Income*	$ 533.5 million	$ 565.5 million	$ 32.0 million
All Other	$ 349.1 million	$ 387.0 million	$ 37.9 million
Total General Fund	**$2,256.2 million**	**$2,584.2 million**	**$328.0 million**

**Investment Income is net of transfers under the statutory spending policy.*

The October 2022 CREG forecast for the statutory spending policy transfers increased from the January 2022 forecast by $135.7 million to $188.9 million. In accordance with W.S. 9-4-719, these revenues will be deposited equally to the LSRA and SIPA.

<u>FY 2023-2024 Biennium BRA Revenue Forecast Comparisons</u>

The October 2022 forecast of FY 2023-2024 biennium revenue increases projected revenue directed to the BRA by $124.0 million from severance taxes and $286.8 million from FMRs. The changes to the BRA are summarized in Table C.

Table C. FY 2023-2024 Biennium BRA Revenue Forecast Comparison.

Revenue Source	Jan. 2022 Forecast FY 2023-2024 Biennium and 2022 Legislation Impacts	Oct. 2022 Forecast FY 2023-2024 Biennium	Difference
Severance Taxes	$205.5 million	$329.5 million	$124.0 million
FMRs	$309.5 million	$596.3 million	$286.8 million
Total BRA	**$515.0 million**	**$925.8 million**	**$410.8 million**

2. PROFILED EDUCATION ACCOUNTS

The forecast transfer from the LSRA to the School Foundation Program Account (SFP), to ensure a $100 million ending balance at the end of the FY 2023-2024 biennium, declines from $128.1 million from January 2022 CREG to $0, which can principally be attributed to increased mineral and non-mineral assessed valuations and FMRs, resulting from higher oil and natural gas price expectations. For the FY 2021-2022 biennium, the total improvement to the SFP can be summarized as follows: actual FY 2022 revenue in excess of the January 2022 forecast ($146.8 million) and net unanticipated reversions and accounting adjustments ($2.2 million). Looking forward to the FY 2023-2024 biennium, the improvements to the SFP revenue outlook are led by increased FMRs ($191.2 million), increased anticipated receipts from the statewide 12 mill levy on mineral production ($127.3 million) and non-mineral property ($48.0 million), unanticipated reversions ($21.2 million), and increased recapture payments from school districts with forecast revenue in excess of the school districts' guarantee ($327.5 million). Actual FY 2022 school *district property tax collections (25 and 6 mill levies) exceeded school district forecasts by an estimated $90.7 million.[1] The excess property tax collections count as school district local revenue in FY 2023 and reduce a school district's entitlement payment from or increase its recapture payment to the SFP.*

The forecast June 30, 2022 ending balance for the School Capital Construction Account (SCCA) improved by $7.7 million for two primary reasons: actual FY 2022 revenue in excess of the January 2022 forecast ($10.0 million) primarily from higher than forecast FY 2022 state royalties, and net reversions and accounting adjustments ($2.3 million). The FY 2023-2024 forecast revenue increased by $33.9 million as a result of higher forecast state royalties ($19.0 million), largely reflecting stronger Wyoming oil and natural gas prices, net reversions and accounting adjustments ($17.3 million), and a slight decrease in forecast investment income from the PWMTF ($2.3 million).

Actual FY 2022 School Foundation Program Account Revenues

Actual FMRs directed to the SFP in FY 2022 were $313.3 million, $109.4 million (53.7 percent) more than the January 2022 CREG projection. Actual property tax revenue from the statewide 12 mill levy directed to the SFP totaled $235.7 million, or $21.8 million (10.2 percent) more than the January 2022 CREG projection. Actual investment earnings from the Common School Account within the Permanent Land Fund (CSPLF) directed to the Common School Land Income Account (CSLIA) totaled $186.7 million, or $50.2 million (36.8 percent) more than the January 2022 CREG projection, primarily reflecting realized capital gains in the amount of $73.7 million which are not forecast by CREG. All investment earnings were directed to the CSLIA and subsequently to the SFP. Pursuant to W.S. 9-4-719(g) and because the level of investment income earned in FY 2022 fell short of the spending policy of $206.7 million, $20.0 million was transferred from the Common School Permanent Land Fund Spending Policy Reserve Account (CSPLF RA) to the CSLIA and subsequently the SFP. No funds were deposited ("tipped") into the CSPLF RA or CSPLF as a result of the statutory spending policies. Actual school land leases and bonus revenue totaled $16.9 million, or $2.1 million (14.2 percent) more than the January 2022 CREG projection. *Revenues not forecast by CREG exceeded expectations built into the K-12 funding model by $13.5 million.*

FY 2023-2024 Biennium SFP Revenue Forecast Comparisons

CREG increased the FY 2023-2024 SFP revenue forecast compared to the January 2022 report as follows: FMRs directed to the SFP by $191.2 million; income from investments, fees, leases and bonus payments directed to the CSLIA by $2.4 million; and 12 mill property tax revenue by $175.3 million. Table D summarizes the revisions by major revenue component, resulting from the October 2022 CREG projections.

[1] As of the publication of this report, not every school district has reported its FY 2022 local revenue collections.

Table D. FY 2023-2024 Biennium SFP Revenue Forecast Comparison.

Revenue Source	Jan. 2022 Forecast FY 2023-2024 Biennium, plus 2022 Legislation	October 2022 Forecast FY 2023-2024 Biennium	Difference
FMRs	$340.1 million	$531.3 million	$191.2 million
Inv, fees, leases (CSLIA)*	$461.3 million	$463.7 million	$2.4 million
12 mills	$558.6 million	$733.9 million	$175.3 million
*All Other***	*$311.4 million*	*$646.0 million*	*$334.6 million*
TOTAL SFP	***$1,671.4 million***	***$2,374.9 million***	***$703.5 million***

*Investment income includes the full statutory spending policy amount of 5 percent, guaranteed by the CSPLF RA, to the extent funds are available. This row represents income deposited to the CSLIA.
**CREG does not specifically forecast several revenue streams for the SFP including recapture payments, vehicle registrations, etc. LSO incorporates those revenues after updating the K-12 school funding model checked against the Wyoming Department of Education.

Unlike the GF, the SFP forecast ending balance is impacted by changes to the K-12 school funding model, including recapture payments from and entitlement payments to school districts. As such, direct comparisons to the LSO Fiscal Profile are more challenging. In summary, the forecast balance of the SFP for the FY 2023-2024 biennium improved by $978 million. This increase can be disaggregated as follows:

- *$191 million in FMRs;*
- *$91 million in FY 2022 school district property taxes in excess of district estimates;*
- *$172 million in non-mineral property taxes;*
- *$459 million in mineral ad valorem taxes;*
- *$21 million in reversions; and*
- *$44 million in other revenues, e.g., investment income, auto taxes, state leases and bonuses, and updates to the K-12 school funding model.*

<u>Actual FY 2022 SCCA Revenues</u>

Total FMR payments, including coal lease bonus (CLB) payments directed to the SCCA met the forecast value of $5.3 million. State royalties deposited to the SCCA exceeded the January 2022 CREG estimates by $9.5 million. Investment income transferred from the School Major Maintenance Subaccount within the SIPA (School MM Subaccount) totaled $46.0 million. All other revenue (*infrastructure recapture revenue and investment income) totaled $1.1 million.*

<u>FY 2023-2024 Biennium SCCA Revenue Forecast Comparisons</u>

Looking forward to the FY 2023-2024 biennium, CREG did not revise the forecast of FMRs and CLBs directed to the SCCA in the October 2022 report, and this account only receives FMR deposits that are under the statutory cap of $200 million. CREG's forecast of state royalties for the FY 2023-2024 biennium increased by $57.0 million compared to the January 2022 forecast, of which $19.0 million (one-third) is forecast to be deposited into the SCCA. These revisions are summarized in Table E, along with the investment income intended for major maintenance from the School MM Subaccount. Since there are sufficient funds in the PWMTF RA, only a slight change is forecast for investment income transferred from the SIPA to account for the forecast amount of the statutory spending policy.

Table E. FY 2023-2024 Biennium SCCA Revenue Forecast Comparison.

Revenue Source	Jan. 2022 Forecast FY 2023-2024 Biennium, plus 2022 Legislation	October 2022 Forecast FY 2023-2024 Biennium	Difference
FMRs & CLBs	$11.0 million	$11.0 million	$0
State Royalties	$64.0 million	$83.0 million	$19.0 million
Subtotal SCCA	**$75.0 million**	**$94.0 million**	**$19.0 million**
School MM Subaccount	$98.4 million	$96.1 million	($ 2.3 million)
Total SCCA / MM	**$173.4 million**	**$190.1 million**	**$16.7 million**

Report Contents

Introduction

All major state revenue streams exceeded the January 2022 Consensus Revenue Estimating Group (CREG) forecast. Strong oil and natural gas prices in the second half of fiscal year (FY) 2022 significantly outpaced CREG's forecast and contributed to higher-than-expected revenue collections for the state's primary operating accounts. Overall inflation is elevated and more persistent than anticipated just a year ago. This inflationary environment drove increases in sales and use tax collections as well as non-mineral assessed valuations. Inflation, coupled with Russia's invasion of Ukraine and after years of underinvestment in domestic oil and natural gas production, provided substantial increases in mineral tax collections in the form of severance taxes, federal and state royalties, and ad valorem taxes. So far, mineral revenue increases have been driven almost entirely by higher prices rather than changes to statewide production of oil, natural gas, and coal.

For FY 2022, General Fund (GF) and Budget Reserve Account (BRA) revenues exceeded the January 2022 CREG forecast by $329.4 million, not including investment earnings redirected to other accounts under the Permanent Wyoming Mineral Trust Fund's (PWMTF's) statutory spending policy. Higher-than-forecast natural gas and oil prices, especially in the second half of FY 2022, explain the majority of the difference between the forecast and actual GF and BRA revenues. Sales and use tax collections ($49.4 million) and investment earnings on non-permanent funds ($45.8 million) account for most of the remaining differences.

This report includes substantial increases over the January 2022 forecast revenue. These increases are primarily driven by:

- Higher natural gas and oil prices;
- Dramatic growth in known, non-mineral assessed valuations for calendar year (CY) 2022, supplemented by one additional year of higher-than-average growth;
- Robust year-over-year growth in sales and use tax collections; and
- Higher investment earnings due to increasing yields.

In the out-years of the forecast (FY 2025 through FY 2028), the increases from Wyoming energy extraction are substantially more muted as the forecast calls for energy prices to moderate from current levels. Non-mineral assessed valuations and sales and use tax collections return to more traditional growth levels beginning in CY 2023 under this forecast. CREG did not forecast sales and use tax collections nor property tax collections derived from non-mineral assessed valuations to decrease in the forecast period. Rather, the assumptions within this CREG forecast include a moderated return to more historical levels of growth.

Recent CREG reports have summarized three central Wyoming state revenue themes. All continue to be relevant, with refinement, in this report:

- Wyoming's state revenue streams are volatile. In the last biennium this has become even more pronounced and is unlikely to abate. For example, FY 2020 severance tax collections were the lowest level in 16 years. In contrast, FY 2022 severance tax collections recorded the second highest level in the past decade. In the past three years, Wyoming has experienced two opposite amplitudes of the proverbial revenue pendulum. External factors, including, but not limited to, geopolitical events, changes in energy markets and demand preferences, weather, available infrastructure and infrastructure outages, world financial markets, pandemics, monetary policy, federal regulations, and federal fiscal policies, continue to dramatically influence fluctuations in revenue.

- Unprecedented federal fiscal and monetary measures provided support to much of the economy during the COVID-19 pandemic. As economies re-opened and face supply chain challenges, oil and natural gas prices spiked as an outgrowth of the Russian invasion of Ukraine and associated responses. Despite the elevated natural gas prices of the past six months, Wyoming's natural gas production has continued to decline, and CREG forecasts declines in coal production throughout most of the forecast period.
- The state's primary revenue streams recorded near-term lows in FY 2016. Wyoming oil, with a strong supporting role from natural gas depending upon price strength, led improved revenue collections from the extractive industries since FY 2016. The current forecast relies heavily on the rebound in oil and natural gas pricing which results in higher tax and royalty collections. However, volatility in oil and natural gas markets can reasonably be expected to have an outsized impact on state revenue collections. CREG forecasts Wyoming coal production to continue its overall downward trend, despite the recent rebound in both production and pricing.

The October 2022 edition of the CREG revenue forecast modifies the approach for illustrating volatility and illustrates a one standard deviation range, or approximately 70 percent prediction intervals found in Appendix A. CREG follows this approach for four major revenue streams: sales and use taxes, severance taxes, federal mineral royalties (FMRs), and total mineral and non-mineral assessed valuations. This exercise is especially timely in the current environment. Over the past year, CREG improved the methodology to better serve the needs of policymakers. This refined approach has methodological and presentational advantages, and it illustrates the volatility of Wyoming's primary revenue streams and demonstrates a reasonable set of potential revenue outcomes, acknowledging the inherent uncertainty of forecasts. This is especially true considering external factors can markedly impact Wyoming's revenue streams. Three primary modifications are incorporated into this year's analysis to provide greater relevance, precision, and refinement:

- Reliance on CREG's historic error rate rather than the inherent volatility of each revenue stream;
- Use of component errors of price and production for Wyoming's three major extracted commodities (oil, natural gas, and coal) rather than error measurements of the total revenue stream; and
- Incorporation of specific statistical techniques as opposed to applying a generic forecasting tool.

Section 1 – Mineral Price and Production Estimates

Increased prices for oil, natural gas, coal, and trona headline the revisions to the October 2022 CREG forecast for Wyoming mineral price and production levels. Forecast prices for all major extractive commodities are higher than the January 2022 forecast in the near-term before returning to levels more consistent with the longer-term values prevalent in prior reports. Reflecting recent actual market prices, the CREG price forecasts are significantly higher for natural gas and oil in the near-term as compared to the January 2022 forecast. Changes in the mineral production forecasts include delayed declines in coal production and increased natural gas production in the middle of the forecast period. Otherwise, production forecasts are quite close to January 2022 levels.

The January 2022 CREG report preceded the Russian invasion of Ukraine as well as the associated sanctions imposed by much of the Western world. The CY 2022 forecast prices in that report for natural gas and oil were much lower than actual prices received by Wyoming producers to date. This CREG report realigns the forecast prices to reflect the impacts experienced by energy markets over the last nine months. Changes in production have been more muted than changes in prices. As such, modifications to the production outlook are moderate. The pricing environment generates substantially higher forecast severance taxes, FMRs, and ad valorem collections, especially in the current biennium, FY 2023-2024.

The assumptions set forth in Section 1 carry through the remainder of this report. For specific forecast assumptions, please refer to the individual subsection for each mineral contained within this section of the report. Table 3, found within the Appendix, summarizes the price and production forecast levels of the individual major minerals: oil, natural gas, surface coal, and trona.

Oil:

Prior to the onset of COVID-19 in the United States, Wyoming revenue streams benefited from a substantial increase in oil production from CY 2016 through CY 2019 when it peaked at 102.1 million barrels (bbls). In CY 2020, the demand shock to the economy and specifically oil consumption hampered by COVID-19 and associated economic closures was abrupt and severe. An international oil price war in the early months of the COVID-19 pandemic further contributed to pricing pressures. Monthly Wyoming oil production declined from over 9 million barrels in January 2020 to approximately 5 million barrels in May 2020. Wyoming oil production in CY 2020 fell to 89.0 million barrels and dropped another 3.6 million barrels in CY 2021 to 85.4 million barrels, according to the Wyoming Oil and Gas Conservation Commission.

Wyoming oil production for the first 6 months of CY 2022 reached 43.8 million barrels, slightly exceeding the pace of the January 2022 CREG forecast of 85 million barrels for the full calendar year. Wyoming oil rig counts have spent most of the last 12 months in the 12 to 15 rig range, though oil rig counts have increased in late summer and early fall to reach as high as 21 this fall. Although still lower than pre-pandemic levels, these rig counts are significantly stronger than the one to five rigs seeking oil between September 2020 and May 2021.

Oil prices reported by Wyoming producers for the first six months of CY 2022 averaged $99.57/bbl, substantially higher than the $60/bbl forecast by CREG in January 2022. The differential in pricing for Wyoming oil and West Texas Intermediate (WTI) crude prices has been less than $5.00/bbl for the last three fiscal years and in the first six months of CY 2022 has hovered around $1.00/bbl. This year's oil prices could have been even higher. COVID-19 related lockdowns in China served to offset some of the robust pricing experienced in CY 2022 by decreasing worldwide demand. Presidential releases from the Strategic Petroleum Reserve (SPR) added additional supplies to the markets. Average reported Wyoming oil prices for CY 2020, CY 2021, and CY 2022 to date are $35.19/bbl, $64.19/bbl, and $99.57/bbl, respectively. These year-over-year changes to the average price of oil are particularly impactful since oil serves as Wyoming's leading revenue contributor.

Improved oil prices and higher rig counts drive CREG's October 2022 oil production forecast. Benefitting from higher oil rig counts, production in CY 2022 has stabilized and is now increasing modestly with new Wyoming oil production, more than offsetting natural well declines. The most recent federal Energy Information Administration (EIA) forecast informed the development of CREG's outlook for production, though CREG's forecast is admittedly more conservative than the federal outlook. CREG sees oil production continuing to increase in the second half of the year, resulting in 90.0 million barrels of production in CY 2022, rising to 95.0 million barrels in CY 2024 and beyond. CREG forecasts this on-going production growth to occur in the Powder River Basin (PRB) with the potential for some increases in the Denver-Cheyenne Basin. Comparatively strong prices have paved the way for increased production. Nonetheless, as global supply and demand rebalance, CREG forecasts lower prices in later years. These lower prices could limit the incentive to increase oil production by private producers.

If history is a guide, the path for both Wyoming oil prices and production may be turbulent given the considerable number of external supply and demand factors that could influence world oil markets. These influences include action taken by the Organization of the Petroleum Exporting Countries plus other major oil exporters (OPEC+); global demand including the potential for domestic, international, or worldwide recession; evolving outlook for sanctions on Iran and Russia; withdrawals or deposits to the SPR; and unforeseen geopolitical developments. Wyoming producers are price takers, so sustained higher oil prices will be required for prolonged investment in drilling programs in Wyoming and, correspondingly, offsets to the naturally occurring decline in production of existing legacy wells. Over a much longer term, any transition to alternative fuels, especially electronic vehicles and fiscal policies supporting or mandating such a transition, could eventually arrest domestic, or global, oil demand. For domestic producers, the attractiveness of competing opportunities for capital deployments impact locations for exploration and development.

The CREG price forecast for CY 2022 and thereafter is informed by the futures market as well as private and public market assessments, including the Short-Term Energy Outlook prepared by the EIA, rounded to the nearest $5/bbl. Currently, the futures markets for oil prices are in backwardation, meaning futures prices are lower than current, spot market prices for oil. The markets appear to be pricing in either lower future demand (perhaps due to an expected recession), continued lockdowns in China, or higher future supply response. Given the volatile nature of oil prices, the forecast prices should be viewed as annual average prices. For example, within the two weeks leading up to the main CREG meeting, oil prices ranged from a low of $76.25/bbl on September 26 to a high of $93.31 on October 7, a range of 22.4 percent. CREG's forecast for the average oil price in CY 2022 is $90.00/bbl which incorporates higher prices for the first half of the year. After CY 2022, the oil price forecast declines to $75/bbl in CY 2023, anticipating some resolution to the current variables driving higher market prices before further declines to average $60/bbl, reflecting a return to CREG's longer term average oil price level. The oil price forecast for CY 2023 is in line with the futures markets, though lower than the average of prominent investment houses, recognizing risk to the current volatile pricing environment. Longer term, forecast prices from CY 2024 through CY 2028 are higher than currently trading futures prices. See Table I for a complete view of the Wyoming oil price and production forecasts and changes from the January 2022 report.

Table I. Comparison of Oil Production and Price Forecasts. (bbls. and $/bbl., respectively)

Calendar Year	Jan. 2022 Forecast	Oct. 2022 Forecast
2022	85.0 M bbls. / $60.00	90.0 M bbls. / $90.00
2023	90.0 M bbls. / $55.00	90.0 M bbls. / $75.00
2024	90.0 M bbls. / $55.00	95.0 M bbls. / $70.00
2025	90.0 M bbls. / $60.00	95.0 M bbls. / $65.00
2026	100.0 M bbls. / $60.00	95.0 M bbls. / $60.00
2027	NA	95.0 M bbls. / $60.00
2028	NA	95.0 M bbls. / $60.00

Natural Gas and Coal Bed Methane:

While CREG's January 2022 forecast of natural gas production in Wyoming is lagging by 1.8 percent through the first six months of CY 2022, CREG's significant underestimate of Wyoming natural gas prices more than offsets the forecast error for production. Near-record high average prices observed so far in CY 2022 is the whole story for natural gas. The natural gas prices reported by Wyoming producers in the first six months average $6.93 per thousand cubic feet (Mcf). If these prices are sustained through CY 2022, Wyoming natural gas prices will exceed the previous record level in CY 2008.

As noted in prior CREG reports, natural gas primarily supplies electric generation, heating, and industrial uses rather than transportation. The overall market has historically been distinguishable from oil markets – more domestic in nature. Exports previously were limited to Mexico and a growing, but still modest, export of liquified natural gas (LNG) to Europe and Asia. The impacts of the curtailed Russian gas flows to Europe have resulted in U.S. natural gas markets becoming more subject to international pricing developments. Current domestic natural gas storage levels are also below both the prior year and five-year averages, providing additional support for pricing. Nonetheless, the explosion at the Freeport LNG facility on June 8 provides a real-time case study of the impact of international trade on domestic natural gas prices. The facility exported approximately 20 percent of U.S. LNG. Following the explosion, U.S. natural gas prices fell in June, given the reduced export potential of U.S. LNG.

For CY 2022, CREG relied upon existing prices reported by Wyoming natural gas producers to date, futures prices, and government and investment house forecasts. The Wyoming State

Geological Survey complemented these resources with a consideration of the proportion of gas sold at three major hubs in Wyoming: Opal, NW Wyoming, and Cheyenne. The immediate price increase of natural gas from $3.50/Mcf to $7.00/Mcf for CY 2002 is the largest adjustment found in the October 2022 CREG report. This increase, combined with a more modest forecast price increase in CY 2023 from $3.00/Mcf to $5.90/Mcf and small overall reductions in production forecasts, results in the addition of $313 million in severance taxes alone in the FY 2023-2024 biennium.

Longer term, this CREG forecasts prices to decline to $4.00/Mcf, which is consistent with external price forecasts and in line with futures markets, albeit at 25 percent higher long-term prices than the January 2022 forecast. In short, CREG (and other forecasts) has incorporated sustaining features of the recent price developments in natural gas (and LNG) markets. All forecast prices remain susceptible to short-and-long-term weather, geopolitical developments, and unpredictable events, including supply chain disruptions such as those experienced because of the Freeport LNG facility explosion.

The near-record prices in CY 2022 have spurred an increase in the number of rigs seeking natural gas operating in Wyoming. Through a majority of CY 2021, an average of one rig was seeking natural gas in Wyoming. As a result, production through the first six months of CY 2022 was down 50 Bcf (7.9 percent) compared to the first six months of CY 2021. In the last month, there were five rigs seeking natural gas operating in Wyoming as reported by BakerHughes. This is the largest number of rigs reported since December 2019. The pricing environment is beginning to incentivize an increase in Wyoming natural gas production, although CREG's forecast is cautious about the turnaround since Wyoming year-over-year natural gas production increased only once in the past decade.

CREG lowered the forecast for CY 2022 natural gas production to 1.281 Tcf from the January 2022 forecast of 1.325 Tcf to reflect actual production through the first six months of CY 2022 as well as low but slowly increasing natural gas rigs operating in the State. The caution continues into CY 2023 as CREG forecasts a small reduction in natural gas production, considering the natural decline in existing wells before a modest uptick in the middle portion of the forecast period. Without a significant drilling program, this forecast uptick in production is temporary, as illustrated by the decline in natural gas production forecast at the end of the period. Nationally, EIA forecasts natural gas production to steadily increase through CY 2028. CREG's forecast reflects a more hesitant view that Wyoming's tight gas (natural gas produced from reservoir rocks) will benefit from a commensurate increase until there is evidence contradicting the established downward trendline. In the near-term, Wyoming is likely to benefit from new, associated gas from increased oil production and a modest reversal of production trends in the Greater Green River Basin. Coal bed methane in the PRB, on the other hand, continues to demonstrate an unabated decline from production levels of 480.6 Bcf in CY 2011 to 68.5 Bcf in CY 2021. Table II compares the January 2022 and October 2022 natural gas price and production forecasts.

Table II. Comparison of Natural Gas Production and Price Forecasts. (Tcf and $/Mcf, respectively)

Calendar Year	Jan. 2022 Forecast	Oct. 2022 Forecast
2022	1.325 Tcf / $3.50	1.281 Tcf / $7.00
2023	1.300 Tcf / $3.00	1.275 Tcf / $5.90
2024	1.300 Tcf / $3.00	1.301 Tcf / $4.70
2025	1.300 Tcf / $3.00	1.327 Tcf / $4.00
2026	1.300 Tcf / $3.00	1.353 Tcf / $4.00
2027	NA	1.343 Tcf / $4.00
2028	NA	1.307 Tcf / $4.00

Coal:

Surface coal production in Wyoming has declined in an uneven, stepwise manner since reaching its peak in CY 2008, with intervening years of irregular production increases. Specifically, Wyoming surface coal production rebounded from a low of 216.4 million tons in CY 2020 to 236.5 million tons in CY 2021. Through the first six months of CY 2022, Wyoming surface coal production is on pace to exceed CY 2021 production levels, which would record the second, consecutive year of increased Wyoming coal production. This uptick comes on the heels of four consecutive years of coal production decline totaling nearly 100 million tons (31.2 percent) from CY 2017 to CY 2020. While CREG's long-term coal production forecast continues to illustrate relatively steady year-over-year declines, the CY 2022 and CY 2023 forecasts demonstrates strength, as a direct and indirect beneficiary of higher natural gas prices, delayed coal-fired electrical generation plant retirements, and low coal stockpiles. Successful contracting has allowed some Wyoming mines to commit nearly all anticipated production capacity through CY 2023. Rail performance limited even higher near-term coal production, and the potential for a rail strike has and continues to loom over future shipments.

CREG considers historical purchases of Wyoming coal by coal-fired electrical generation facilities nationwide and combines that data with publicly reported facility retirement data to inform the anticipated decline. As demonstrated, opportunities to draw down or add to stockpiles, modifications to dates of electrical generation facility retirements, and even conservation of stockpiles to ensure future generation capacity can impact coal demand. Nevertheless, CREG forecasts intermediate and long-term thermal coal production in Wyoming to continue to decline in a stair step manner, potentially with large drops in an uneven pattern, dependent upon the electrical generation environment, transportation consistency (and disruptions), and state and federal policies.

Beginning in January 2022, statewide average surface coal prices, which include both PRB coal as well as higher British thermal unit (Btu) coal mined in the western part of the state, increased materially. Prices increased from an average of $12.19/ton in CY 2021 to an average of $14.29/ton for the first six months of CY 2022. This 17.2 percent change in average coal price is unprecedented in the last decade of coal prices and adds uncertainty to future forecasts. This increase is consistent with an increase evident in spot market prices for PRB coal, though publicly reported pricing across coal producers illustrates a decent spread of average prices. To reconcile the reality of the stronger pricing environment, CREG increased the forecast coal price in both CY

2022 and CY 2023 to $14.25/ton from $12.25/ton in CY 2022 and $12.00/ton in CY 2023. After that, the forecast price declines, primarily to account for anticipated production declines, or outright closure, of at least one western coal mine. While the volume of production from western Wyoming mines is a fraction of the larger mines in the PRB, the higher prices of western Wyoming coal have an outsized impact on the statewide average coal price for taxation purposes. CREG implemented and explained this rationale in the October 2021 report and continued it with this forecast.

Table III shows specific surface coal price and production forecast revisions. Given the closure of the sole underground coal mine in Wyoming in the fall of CY 2021, CREG forecasts no underground coal production throughout the forecast period.

Table III. Comparison of Surface Coal Production and Price Forecasts. (tons and $/ton, respectively)

Calendar Year	Jan. 2022 Forecast	Oct. 2022 Forecast
2022	230 M tons / $12.25	240 M tons / $14.25
2023	200 M tons / $12.00	235 M tons / $14.25
2024	195 M tons / $11.75	205 M tons / $13.25
2025	185 M tons / $11.75	190 M tons / $13.25
2026	180 M tons / $11.75	185 M tons / $13.25
2027	NA	180 M tons / $13.25
2028	NA	180 M tons / $13.25

Trona:

The global demand shock resulting from the COVID-19 pandemic disturbed the demand for trona, a commodity closely tied to world gross domestic product (GDP). More specifically, Wyoming trona production declined from 21.2 million tons in CY 2019 to 17.6 million tons in CY 2020 (17.0 percent), before rebounding to 20.3 million tons in CY 2021. CY 2022 production is on pace to match CREG's January 2022 forecast of 20.0 million tons, which remains unchanged in this forecast. The recent turnaround in trona prices, which averaged $67.74/ton in CY 2021 climbing to $84.95/ton for the first six months of CY 2022, illustrates the strength in this sector.

The CREG forecast for trona production beyond CY 2022 remains comparable to the January 2022 forecast, with the addition of one more year of production at 20.0 million tons before increasing by 500,000 tons per year thereafter. The pause in production growth is a result of a more cautious outlook on world GDP, given fiscal policy headwinds and geopolitical uncertainty. After CY 2023, CREG's October 2022 forecast is consistent with market research firms' annual compounded growth in the range of 2.4 percent to 4 percent. CREG's imputed trona price, as a derivative of soda ash, is maintained at $85/ton for CY 2023 before pulling back to the $75/ton and $80/ton range for the middle and out-years of the projection period. As noted, the near-term pricing environment is very favorable to Wyoming's natural trona production. CREG's forecast acknowledges the market is dependent upon the cost of competing synthetic trona, which can be energy intensive to produce, as well as the overall world economy.

In sum, CREG's trona production forecast maintains the overall trends evident in the January 2022 report, with somewhat slower near-term growth to align with producer reports. CREG increases forecast trona prices in the near-term to reflect actual prices before more closely mirroring prior forecasts until such time the current pricing environment has demonstrated persistence in light of the world economic outlook. Table IV reflects the new forecasts for trona.

Table IV. Comparison of Trona Production and Price Forecasts. (tons and $/ton, respectively)

Calendar Year	Jan. 2022 Forecast	Oct. 2022 Forecast
2022	20.0 M tons / $65.00	20.0 M tons / $85.00
2023	20.5 M tons / $70.00	20.0 M tons / $85.00
2024	21.0 M tons / $70.00	20.5 M tons / $75.00
2025	21.5 M tons / $75.00	21.0 M tons / $75.00
2026	22.0 M tons / $75.00	21.5 M tons / $75.00
2027	NA	22.0 M tons / $80.00
2028	NA	22.5 M tons / $80.00

Uranium and Other Minerals:

Wyoming uranium production has declined steadily from production levels of 1.85 million pounds in CY 2016 to less than 10,000 pounds in CY 2021. Since Wyoming uranium producers have ceased production in Wyoming while awaiting more favorable market prices, CY 2022 forecast production is negligible as well. In the late summer and early fall of CY 2021, spot prices for uranium rebounded, briefly exceeding $60/lb in the spring of 2022. Weekly spot prices for uranium in CY 2022 average $50/lb to date. CREG anticipates sustained prices in the range of $60/lb to $80/lb may be required to fully restart ceased operations, and new production is likely to be restored at intervals in future years rather than smooth, linear increments. There is also a statutory incentive severance tax provision that removes any severance tax on produced uranium when spot prices are less than $30/lb. The severance tax rate gradually increases to coincide with spot prices until the full severance tax rate of 4 percent is reapplied when spot prices exceed $60/lb. Over the intermediate and longer term, CREG expects total uranium demand to outstrip existing inventories and current production levels, which should support higher prices and resumption of Wyoming mining operations. CREG forecasts $50/lb for uranium in CY 2022 rising to $70/lb in the later years of the forecast. Consistent with this increased pricing environment, CREG forecasts material uranium production of about 1,000,000 lbs/year to 1,500,000 lbs/year in the latter two years of the forecast period. The establishment of the national strategic uranium stockpile of domestically produced uranium may assist the timing decisions for restored production in Wyoming.

The valuation of all other minerals includes bentonite, sand and gravel, precious stones and metals, quarried rock, and other industrial mineral production. CREG forecast this valuation at $115 million throughout the forecast period, a decrease from $120 million in the October 2021 forecast. The actual valuation of all other minerals in CY 2021 was $110.4 million. Comparatively strong outlook for oil drilling nationwide provides support for bentonite production, the largest component of this revenue stream.

Section 2 – General Fund Revenues

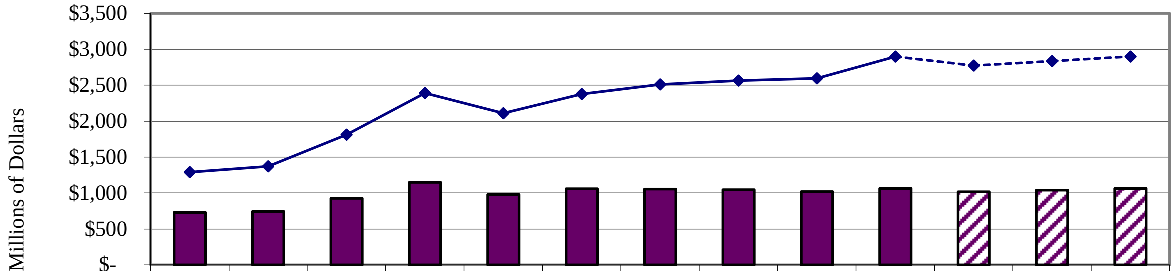
Sales and use tax collections remain the largest revenue stream to the GF. Inflation, combined with increasing taxable purchases by the mining sector, collections from leisure and hospitality businesses, and underlying strength in retail sales, contributed to higher-than-forecast sales and use tax collections for FY 2022. Setting aside investment earnings from the PWMTF that, by statute, do not remain in the GF, sales and use tax receipts also represented the largest category of revenue in excess of the January 2022 CREG forecast for the GF. Specifically, sales and use taxes exceeded the FY 2022 estimate by $49.4 million (9.6 percent). Investment earnings deposited to the GF from non-permanent funds (pooled income) exceeded the FY 2022 forecast by $45.9 million (104 percent). Higher-than-forecast oil and natural gas prices propelled severance taxes deposited into the GF to exceed the forecast by $19.0 million (11 percent). Strength in sales and use tax collections continue into FY 2023.

Total GF revenue for the FY 2021-2022 biennium grew to $2.9 billion and reflected the largest amount ever deposited into the GF in one biennium. However, severance tax revenues deposited to the GF were the lowest since FY 2003-2004. Sales and use taxes, which exceeded one billion dollars for the third biennium in history, and PWMTF investment income led the growth in revenue deposits to the GF for the FY 2023-2024 biennium. PWMTF investment income reached $946.2 million, of which $574.8 million came in the form of realized capital gains. Pursuant to the statutory spending policy, less than half ($398.4 million) of the $946.2 million will remain in the GF, with the balance automatically distributed to the Strategic Investments and Projects Account (SIPA), Legislative Stabilization Reserve Account (LSRA) and the Permanent Wyoming Mineral Trust Fund Reserve Account (PWMTF RA).

The total amount of revenue collected and deposited into the GF, not including realized capital gains from the PWMTF, fell within $62.2 million (2.7 percent) of the GF revenue forecast by CREG in January 2020, prior to the advent of the COVID-19 pandemic. Of course, the intervening two and a half years since the January 2020 CREG forecast included a pandemic, stark declines in state and national economic conditions, an OPEC+ price war, unprecedented fiscal and monetary stimulus, rebounding consumer economies, supply chain disruptions, elevated, persistent inflation, and a Russian invasion of Ukraine with wide-ranging impacts on world energy prices. Suffice to say, the path was not a straight line.

The October 2022 CREG report forecasts total GF revenue, not including capital gains, to grow from $2.77 billion in FY 2023-2024 to $2.90 billion in FY 2027-2028. In the current biennium, the strength of the GF revenue is evident in forecast severance taxes and sales and use tax collections. CREG anticipates severance taxes will decline to levels commensurate with the FY 2021-2022 biennium toward the end of the forecast period, while sales and use tax collections and investment earnings from the PWMTF and non-permanent funds continue incremental increases. All other revenues remain an important, stable source of revenue providing a forecast $387 million per biennium, consistent with collections in the most recently completed biennium.

Chart 1: General Fund Revenues.



	01-02	03-04	05-06	07-08	09-10	11-12	15-16	17-18	19-20	21-22	Est. 23-24	Est. 25-26	Est. 27-28
Constant	$731	$744	$927	$1,150	$979	$1,061	$1,057	$1,046	$1,017	$1,064	$1,017	$1,040	$1,064
Current	$1,290	$1,369	$1,810	$2,390	$2,111	$2,379	$2,510	$2,567	$2,596	$2,899	$2,773	$2,835	$2,900

Biennium

Constant Dollars: Base is 1982-84; no additional inflation is incorporated for years beyond 2022.

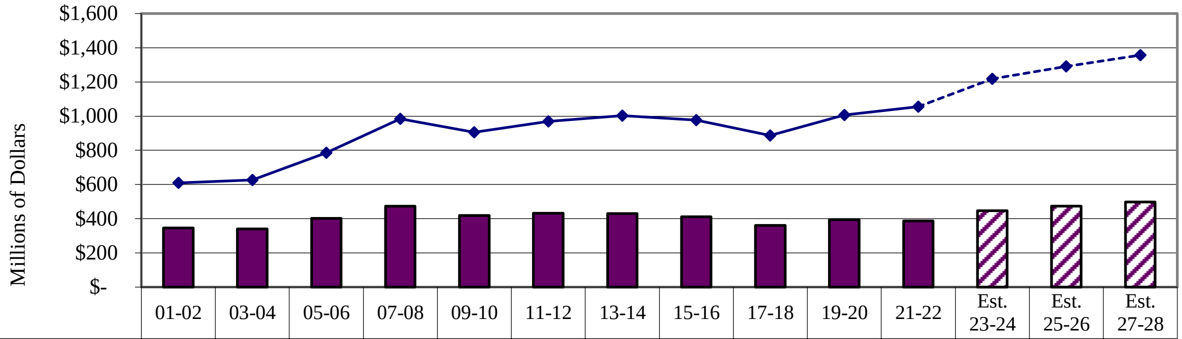
Sales and Use Taxes:

Actual GF sales and use tax receipts for FY 2022 totaled $562.5 million, a $69.4 million increase (14.1 percent) over FY 2021. Collections of this revenue stream for FY 2022 exceeded the previous high recorded in FY 2015 by $18.5 million and surpassed the January 2022 CREG forecast by $49.4 million, or 9.6 percent. CREG's forecast for the GF share of total statewide sales and use tax revenue for FY 2023 is $600.0 million, an increase of $37.5 million, or 6.7 percent, compared to actual receipts in FY 2022. The new FY 2023 forecast is $69.2 million (13.0 percent) higher than the January 2022 forecast. As illustrated in Table V, CREG increased the forecast for the FY 2023-2024 biennium by $140.2 million compared to the January 2022 report, to $1.218 billion, reflecting assumptions of a stronger collection in FY 2023 and a decelerated increase in FY 2024. For the balance of the forecasting period, CREG forecasts sales and use tax collections to continue growing at a moderate pace, averaging 2.7 percent annually.

Table V. Forecast Sales and Use Taxes Deposited in the GF. (millions of dollars and percent change from prior forecast)

Fiscal Year	Jan. 2022 Forecast	Oct. 2022 Forecast	Difference and Percent Difference Between Forecasts
2023	$530.8	$600.0	$69.2;13.0%
2024	$547.0	$618.0	$71.0;13.0%
2025	$562.1	$636.5	$74.4;13.2%
2026	$580.6	$654.3	$73.7;12.7%
2027	NA	$670.7	NA
2028	NA	$686.1	NA

Chart 2: Sales and Use Tax Revenues to the General Fund.



	01-02	03-04	05-06	07-08	09-10	11-12	13-14	15-16	17-18	19-20	21-22	Est. 23-24	Est. 25-26	Est. 27-28
Constant	$345	$341	$402	$473	$420	$432	$430	$411	$362	$394	$387	$447	$474	$498
Current	$609	$628	$785	$984	$905	$969	$1,003	$976	$887	$1,006	$1,056	$1,218	$1,291	$1,357

Biennium

Constant Dollars: Base is 1982-84; no additional inflation is incorporated for years beyond 2022.

During the 20 years prior to the COVID-19 pandemic, fluctuating mineral prices and the accompanying exploration and production activities drove the change in Wyoming's total sales and use taxes. Since the pandemic started, virus-related federal and local policies and health care measures, such as closing and reopening the national economy, rounds of federal stimulus payments to individuals and businesses, and monetary response, drove the state's economy and sales and use tax collections in a manner previously not seen. The reopening of the national economy created robust demand for travel and tourism services, food services, retail goods, and automobiles. Beginning in the second quarter of 2021, this same phenomenon subsequently boosted inflation for a wide range of goods and services to the highest rate in 40 years. In addition, oil and natural gas activities have been rebounding at a faster pace since the first quarter of 2021 in response to higher energy prices. For FY 2022 on a cash, not accrual, basis, a majority of major industrial sectors experienced strong increases in sales and use tax collections. Collections from the largest industry sector in terms of sales tax collections, retail trade (excluding motor vehicles), increased 15.0 percent year-over-year. Collections from the leisure & hospitality sector, which accounts for approximately 12 percent of total sales and use tax collections, increased 30.0 percent, driven by higher lodging prices and record visitation numbers, especially in the last half of CY 2021. Manufacturing, transportation, and auto & machinery leasing industries that act in tandem with mineral extraction operations, also grew more than 26.0 percent each. Sales and use taxes remitted by the mining industry, Wyoming's pivotal industry, reversed its trend of FY 2020 and FY 2021 and demonstrated the fastest growth of 57.5 percent due to the rebound in exploration activities. However, the amount collected from this industry remains 34.0 percent lower than FY 2020. Due to reduced activities in wind power projects, collections in the wholesale trade and other services industries, such as commercial machinery maintenance decreased approximately 24.0 percent each. Finally, sales and use taxes collected by on-line retailers increased 18.4 percent in FY 2022.

Across the state, year-over-year statewide sales and use tax collections are up in 18 counties, led by Campbell County (36.5 percent), Platte County (30.6 percent), and Teton County (29.3 percent). Johnson and Sublette counties experienced over 20.0 percent increases. These counties benefited from either a rebound in mineral activities, record breaking outdoor and recreation tourism, or both. Carbon County (-41.3 percent) experienced the steepest decline in sales and use tax collections over FY 2021 due to reduced wind energy activities. Heightened and broad-based inflation across most goods and services played a significant role in the overall strong sales and use tax collections. Impact assistance payments to local governments reduced the GF share of statewide sales and use tax collections, amounting to $1.1 million for FY 2022, a fraction of the $13.1 million and the $30.3 million distributed in FY 2021 and FY 2020, respectively.

For the first three months of FY 2023, a strong rebound in mining and its related industries and services as well as the continued strength in sales and use tax collections from retail trade continued marked year-over-year increases. Collections from the retail trade sector set a record, while the monthly sales and use tax remittances from the mining industry recorded the highest level since late 2019. Led by Converse County (121.4 percent), counties with more mineral extraction or associated activities experienced the highest year-over-year growth in the first quarter of FY 2023. Persistent, elevated inflation continues to boost the recent overall performance in tax collections.

CREG expects the healthy rebound in local economies as well as the rebound in sales and use tax collections will continue through the coming months due to strong energy prices, which should lead to more drilling operations or at least maintain the current level. The number of active rigs seeking oil and natural gas in September of 2022 have rebounded. Although individual and business stimulus originating from American Rescue Plan Act (ARPA) have already been deployed, numerous grant and state recovery funds associated with ARPA and the Infrastructure Investment and Jobs Act have yet to be deployed. Congress's recently passed infrastructure bill will also add funds to local economies. Additionally, "excess savings" defined as savings beyond the normal pre-pandemic levels, remain sizable. CREG anticipates these funding streams and available savings will support resident, business, and non-resident tourist consumption, contributing to future sales and use tax collections. As a potential headwind, the negative wealth effect from sinking financial markets and more challenging real estate markets, as well as higher interest rates and energy prices may affect household discretionary income and consumption decisions. The concern of an economic slowdown or a potential recession may also influence business and consumer sentiment.

Severance Taxes:

Severance tax collections deposited into the GF in FY 2022 totaled $185.9 million. This exceeded the January 2022 CREG forecast by $19.0 million (11.0 percent). As illustrated in Table VI, the October 2022 forecast significantly increases projected severance tax collections stemming from higher near-term prices for both oil and natural gas as well as higher near-term coal production. In the later years of the forecast period, severance tax collection increases under the new forecast price and production levels are more modest. Specifically, forecast severance tax collections in FY 2023 are $64.4 million higher (41.7 percent), while the updated forecast in FY 2026 is $14.7 million higher (9.6 percent). The near-term price and production levels generate higher severance tax collections; however, CREG's overall forecast of relatively flat oil and natural gas production, downward trending coal production, and energy price levels that revert to more historical norms underpin the later years of the forecast.

Table VI. Forecast Severance Taxes Deposited in the GF. (millions of dollars and percent change from prior forecast)

Fiscal Year	Jan. 2022 Forecast	Oct. 2022 Forecast	Difference and Percent Difference Between Forecasts
2023	$154.3	$218.7	$64.4; 41.7%
2024	$147.6	$195.0	$47.4; 32.1%
2025	$149.0	$177.9	$28.9; 19.4%
2026	$153.9	$168.6	$14.7; 9.6%
2027	NA	$166.2	NA
2028	NA	$165.9	NA

Permanent Mineral Trust Fund and Pooled Income Revenue Sources:

Total investment yield, which includes interest, dividends, and realized capital gains and losses, drove Wyoming's investment earnings deposited to the GF, despite the notable downturn in both equity and fixed income markets over the past year. The contradiction in earnings measurements is evident in the FY 2022 final investment statistics. The PWMTF FY 2022 total return, which includes the components of yield plus unrealized gains and losses, ended with a 4.5 percent *loss* on the year, albeit 0.8 percent better than the benchmark. On the other hand, the PWMTF FY 2022 yield posted a 4.9 percent annual *gain*.

The PWMTF FY 2022 investment earnings distributed to the GF totaled $456.3 million. This level of earnings represents a decrease of $33.6 million (-6.9 percent) less than FY 2021 levels but $239.6 million (110.6 percent) over the January 2022 CREG forecast. A substantial part of this difference from the forecast can be explained by the $282.5 million in realized capital gains generated in FY 2022, which CREG does not forecast.

Investment earnings generated from the PWMTF by the State Treasurer's Office and deposited into the GF exceeded the statutory spending policy, 5 percent of the five-year average market value of the corpus, largely due to the capital gains realized in FY 2022. In accordance with W.S. 9-4-719, the first 2.5 percent of the PWMTF statutory spending policy ($204.4 million) was deposited into and remains in the GF. Investment earnings in excess of 2.5 percent and up to 5 percent, or the level of the statutory spending policy ($204.4 million), were subsequently transferred in equal amounts to the SIPA ($102.2 million), and LSRA ($102.2 million). Since the annual investment earnings from the PWMTF exceeded the statutory spending policy, $47.5 million was subsequently deposited to the PWMTF RA.

Investment income distributed to the GF in FY 2022 and attributable to earnings generated from investments in the State Agency Pool (SAP) and LSRA totaled $89.7 million. This revenue stream, referred to as "Pooled Income," is $5.8 million (6.9 percent) higher than the amount in FY 2021 and $45.8 million (104.3 percent) higher than the January 2022 forecast. The primary difference from the forecast amount of "Pooled Income" is $47.6 million in realized capital gains.

The volatility of the investment environment cannot be overstated. Investment markets are wrestling with inflation, central bank rate increases, the potential for domestic or worldwide recession, continued supply chain challenges, continued pandemic lockdowns in China, geopolitical events, substantial U.S. consumer demand, and unspent domestic fiscal stimulus. However, for the near-term, the investment income forecasts from both the PWMTF and the Common School Account within Permanent Land Fund (CSPLF) are sheltered, in large part, by the state's statutory spending policies. That is, even with net realized capital losses, the State's reserve accounts – PWMTF RA and Common School Permanent Land Fund Reserve Account (CSPLF RA) – each have ample balances that will serve to support the statutory spending policies at current levels.

The investment revenue revisions reflected in the October 2022 CREG report fall into two categories. First, current and anticipated future investable balances have changed. In the case of the State's permanent funds, the current market value, and consequently the five-year average market value, declined because of the lower market value of the permanent funds on July 1, 2022, compared to July 1, 2021. Thus, the statutory spending policies in future years are lower. Alternatively, for the revenue stream classified as "Pooled Income" investable balances increased due to growth of the LSRA (state savings) and an additional receipt of federal funds from the ARPA. Put differently, for permanent funds less money is available for investment; for non-permanent funds more money is available for investment. Second, forecasts of current and future interest and dividends have increased markedly for certain asset classes, led by higher forecast interest rates on bank loans, cash equivalents, emerging market fixed income, and long duration fixed income. CREG, however, reduced the forecast interest and dividends in this report for real estate investments.

Investment yield in this environment is difficult to forecast due to the volatility and breadth of identifiable investment risks. For the SAP and associated "Pooled Income," the bond ladder strategy offers an exceptionally sound forecast for future returns for this component of the State's portfolio. The bond ladder is an internally managed portfolio with the intent of holding the investments until maturity, thus minimizing any realized capital losses on the underlying bonds. On the other hand, external managers could, and likely will, sell some positions and recognize a loss with the intention of investing the proceeds in securities with a higher prospect of future returns. For the State's permanent funds, including the PWMTF and CSPLF, the combination of the statutory spending policies and the so-called "Meyer Rule, as refined by former Treasurer Gordon" insulate the near-term investment earnings forecasts from a portion of the identified volatility. This State Treasurer's Office policy broadly provides that realized investment losses in the State's permanent funds will not be recognized until such time as there are sufficient realized gains to offset the realized losses. Nevertheless, for nonpermanent funds, realized losses would have an immediate, negative impact on the forecast revenues under the "Pooled Income" stream. For example, in FY 2022 the State benefited from more than $47 million of realized capital gains within the LSRA. The reverse is possible, if not probable, in the coming fiscal years. CREG has retained its position of not forecasting either realized capital gains or realized capital losses. Nonetheless, readers should note heightened downside risk exists in the "Pooled Income" revenue stream embedded in this forecast.

CREG's forecast yield for the PWMTF ranges from 3.34 to 3.42 percent from FY 2023 through FY 2028, which is 75 to 89 basis points higher than the January 2022 forecast. The weighted yield forecast for the GF portion of the SAP and the LSRA ranges from 2.01 to 2.86, or 53 to 88 basis points higher than the January 2022 forecast. CREG forecasts the yields for both the PWMTF and Pooled Income to rise over time, consistent with last year's report. Importantly, given the increase in forecast yield, no transfer from the PWMTF RA to the GF is required to achieve the PWMTF statutory spending policy of 2.5 percent of the five-year average market value. If yields fail to meet the forecast levels, the spending policy of 2.5 percent of the five-year average market value for deposits to and remaining in the GF and 1.25 percent of the five-year average market value for deposits to the SIPA would be supported by the PWMTF RA transfer as authorized by statute.

In developing the forecasts for interest and dividends, CREG relies heavily on the dynamic modeling prepared by the State Treasurer's Office, which not only accounts for the fees and anticipated performance by asset class but also incorporates the anticipated cash balances available for investment reduced by known appropriations. Furthermore, the State Budget Department's cash flow modeling of ARPA funds informs the investable cash balance for Pooled Income. The forecast investment earnings from the PWMTF also incorporates the anticipated growth in the corpus from severance tax distributions. Survey responses from external investment managers and assessment of current investment portfolios inform CREG's forecast of yield. Table VII illustrates a brief history of total investment earnings from the SAP and PWMTF, while Table VIII shows the specific annual forecasts of interest and dividends.

Table VII. History of Investment Income Deposited in the General Fund. (millions of dollars)

Fiscal Year	GF Share of Investment Income from the SAP "Pooled Income"	Interest and Dividends (net of fees) from the PWMTF	Total Investment Income (net of fees) from the PWTMF
2018	$79.0	$179.8	$447.6
2019	$86.7	$197.6	$365.1
2020	$78.6	$182.6	$243.3
2021	$83.9	$199.7	$489.9
2022	$89.7	$179.2	$456.3

Source: Interest and dividends for FY 2018 through FY 2022 from the State Treasurer's Office.

Table VIII. Forecast Investment Income Deposited in the GF. (millions of dollars and percent)

Fiscal Year	"Pooled Income" including SAP and LSRA (weighted yield)	Interest and Dividends from the PWMTF (% of corpus)	Statutorily Assured Amount from the PWMTF RA (% of 5-year average market value)
2023	$59.5, (2.01%)	$299.9, (3.34%)	$210.2, (2.5%)
2024	$79.0, (2.24%)	$316.0, (3.42%)	$216.8, (2.5%)
2025	$76.0, (2.44%)	$324.9, (3.42%)	$223.6, (2.5%)
2026	$78.1, (2.73%)	$332.0, (3.42%)	$231.6, (2.5%)
2027	$71.7, (2.79%)	$337.7, (3.42%)	$233.7, (2.5%)
2028	$71.7, (2.86%)	$343.3, (3.40%)	$239.5, (2.5%)

The forecasting amount of investment income shown in Tables 1 and 2 in the Appendix includes the greater of the total forecasted yield or the investment earnings assured pursuant to W.S. 9-4-719(b) for the GF but does not include the amount of the statutory transfer from the PWMTF RA to the SIPA in an attempt to avoid overstating, and thus confusing, the forecast GF revenue that will be available for appropriation. Specifically, amounts in Table IX shown under the LSRA column are forecast to be deposited to both the LSRA and SIPA, or a cumulative total of $89.7 million in FY 2023 rising to $103.8 million in FY 2028. Under the current investment earnings forecast, the balance of the PWMTF RA is sufficient to support the statutory transfer to the GF and the SIPA throughout the forecast period.

Table IX shows the forecast deposits into the SIPA and LSRA for FY 2023 through FY 2028. Since the forecast yield exceeds the statutorily required deposit to be retained in the GF, a portion of the forecast investment earnings, if realized, would be deposited to the SIPA and LSRA in equal amounts. Finally, under current statute and to the extent sufficient funds exist within the PWMTF RA, up to 1.25 percent of the five-year average market value of the PWMTF in excess of the first 2.5 percent shall be transferred from the PWMTF RA to the SIPA.

Table IX. Deposit Forecasts of Interest and Dividends and Statutorily Assured Transfers to the SIPA and LSRA. (millions of dollars)

Fiscal Year*	SIPA	LSRA
2023	$105.1	$44.9
2024	$108.4	$49.6
2025	$111.8	$50.7
2026	$115.8	$50.2
2027	$116.8	$52.0
2028	$119.7	$51.9

*****Beginning in FY 2021 and for each fiscal year thereafter, 45 percent of the maximum amount which may be credited to the SIPA shall be credited to a school major maintenance subaccount. The forecast deposits into the school major maintenance subaccount are: FY 2023 - $47.3 million; FY 2024 - $48.8 million; FY 2025 - $50.3 million; FY 2026 - $52.1 million; FY 2027 - $52.6 million; and FY 2028 - $53.9 million.

Remaining General Fund Revenue Categories:

The remaining GF revenue sources are comprised of revenue streams from dozens of state agencies and boards. The FY 2022 GF revenue from these sources totaled $197.3 million, which is $21.3 million (12.1 percent) higher than the CREG January 2022 forecast. Notably, taxpayer penalty and interest deposited into the GF exceeded the forecast by $6.0 million (93 percent). This divergence with the forecast is unlikely to be consistently replicated in the future.

Three components of remaining GF revenue categories fell short of the January 2022 CREG forecast: profits from liquor sales (-$4.1 million, -22.0 percent), property and money use fees (-$901,000, -8.2 percent), and cigarette taxes (-$713,000, -5.5 percent). Total profits collected from liquor sales technically did not fail to meet revenue expectations. Rather, the Governor's interim budget authority ("B-11") redirected more than $5 million of profits to the operations of the Department of Revenue's liquor division than to the GF. CREG does not anticipate such a redirection of revenue in the FY 2023-2024 biennium and has increased the forecast estimate for profits from liquor sales to $22 million per year. Both remaining revenue components which fell short of the January forecast are found in the “all other” category in Tables 1 and 2 of the Appendix.

Several components of the remaining GF revenue categories exceeded the January 2022 CREG forecast and are worth mention: corporate taxes collected by the Secretary of State’s Office ($3.9 million, 22.2 percent), non-resident insurance agent licenses ($4.9 million, 46.6 percent), and insurance premium taxes ($3.3 million, 15.6 percent).

CREG’s new forecast incorporates the trends of these other revenues with the assistance of a survey of state agencies collecting many of the principal revenue components. As a result of the stronger than expected revenue for many of the categories, the one-time nature of some of the increases such as penalties and interest, and the limited number of components that fell short of CREG’s January 2022 forecast and continue to demonstrate declines, e.g., cigarette taxes, CREG increased the overall revenue from other GF categories from $176 million to $193.5 million. The distribution of the forecast annual increases includes $11.5 million for charges for sales and services, $2 million in franchise taxes, $2.5 million for penalties and interest, and $3.5 million for the catchall category labeled “all other” for a total upward revision of $19.5 million. The October 2022 forecast recognizes the volatile nature of these smaller revenue streams. In total, the annual forecast for FY 2023 and beyond remains $3.8 million below the actual amount collected in FY 2022.

Section 3 – Severance Tax Summary

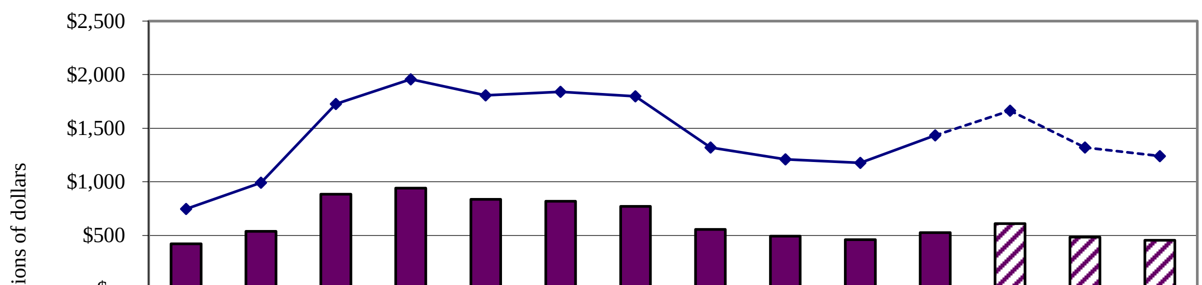
Refer to Section 1 of this report for detailed information regarding the mineral price and production assumptions forming the basis of the severance tax forecast. As shown in Tables 4 and 5 in the Appendix to this report and in Chart 3 below, forecast severance tax revenues total $1.664 billion for the FY 2023-2024 biennium. This represents an increase of $585.7 million (54.3 percent) from total severance tax forecast for the FY 2023-2024 biennium in January 2022 and $231.4 million (16.1 percent) over the total severance tax collections for FY 2021-2022. Note that approximately 40 percent of the severance taxes collected are deposited into permanent funds under existing law.

Severance tax collections in FY 2022 exceeded the January 2022 forecast by $260.6 million (41.0 percent). FY 2022 severance tax collections of $896.1 million reflect the highest annual collections since FY 2014 and are 66.8 percent higher than the preceding year. Severance tax collections benefited from robust oil and natural gas prices, particularly in the second half of FY 2022, or the first six months of CY 2022. Table X illustrates the January 2022 and October 2022 CREG forecast of total severance tax revenue and differences.

Table X. Forecast Severance Taxes. (millions of dollars and percent change from prior forecast)

Fiscal Year	Jan. 2022 Forecast	Oct. 2022 Forecast	Difference and Percent Difference Between Forecasts
2023	$556.3	$893.2	$336.9; 60.6%
2024	$522.6	$771.4	$248.8; 47.6%
2025	$529.8	$684.8	$155.0; 29.3%
2026	$554.7	$636.1	$81.4; 14.7%
2027	NA	$621.9	NA
2027	NA	$619.2	NA

Chart 3: Severance Tax Revenues to All Accounts.



	01-02	03-04	05-06	07-08	09-10	11-12	13-14	15-16	17-18	19-20	21-22	Est. 23-24	Est. 25-26	Est. 27-28
Constant	$423	$539	$885	$942	$838	$820	$772	$556	$494	$462	$526	$611	$485	$455
Current	$747	$993	$1,728	$1,958	$1,807	$1,839	$1,799	$1,321	$1,212	$1,179	$1,433	$1,665	$1,321	$1,241

Biennium

Constant Dollars: Base is 1982-84; no additional inflation is incorporated for years beyond 2022.

As illustrated in Table 6 of the Appendix to this report, the changing composition of severance tax collections continues to be noteworthy, with 43.7 percent of FY 2022 severance tax collections generated by oil, 34.5 percent from natural gas, and 19.2 percent from coal. Remaining minerals including trona, comprised 2.6 percent. These proportions fluctuate over time with the contribution from coal dropping nearly 15 percent over the last decade. Total severance tax collections in FY 2022 from Wyoming oil production recorded its highest level in the state's history at $391.6 million. The near-term strength in oil severance tax collections and comparative decline in contributions from coal continues to illustrate an established trend of increased reliance on severance taxes generated by oil and natural gas, two energy commodities with more volatile prices.

In the 2020 Budget Session, the Legislature enacted legislation providing a severance tax rate reduction on oil and natural gas of 2 percent for the first six months of new production and 1 percent for the subsequent six months of new production. (2020 Wyoming Session Laws, Chapter 155) New wells must be drilled after June 2020 but before December 31, 2025. Under this law, incentive tax rates for both commodities are contingent upon oil and natural gas prices. CREG applied an assessment led by the Wyoming State Geological Survey to estimate new production and combined the results with the WTI twelve month rolling average price trigger of $50/bbl for oil and the Henry Hub twelve month rolling average price trigger of $2.95/Mcf for natural gas as required by statute. After incorporating the CREG forecast prices for both oil and natural gas, these severance tax incentive rates will no longer be in effect for any oil production after FY 2022 and for natural gas after the first part of FY 2023.

The 2022 Budget Bill continued a version of a temporary, secondary cap, or threshold, above which the statutory distribution of severance taxes in FY 2023 and FY 2024 would be deposited equally to the GF, BRA, and School Foundation Program Reserve Account (SFPRA) for each of these two fiscal years. (2022 Wyoming Session Laws, Chapter 51, Section 314) Without this secondary cap, two thirds of these revenues would be distributed to the BRA and one-third to the GF. If the October 2022 CREG forecast proves accurate, this temporary, alternative distribution would result in increased deposits to the SFPRA and a commensurate reduction in deposits to the BRA of $64.4 million in FY 2023 and $47.4 million in FY 2024.

In the 2022 Budget Session, the Legislature also reduced the severance tax rate on surface coal produced on and after July 1, 2022 from 7.0 percent to 6.5 percent. (2022 Wyoming Session Laws, Chapter 102)

Section 4 – Federal Mineral Royalties and Coal Lease Bonuses

Refer to Section 1 of this report for detailed information regarding the mineral price and production assumptions forming the basis of the FMR forecast. Tables 7, 7(a), 7(b), 8, 8(a), and 8(b) in the Appendix show detailed projections for FMRs and coal lease bonuses (CLBs).

The federal government sequestered 5.7 percent of Wyoming's FMRs and CLBs during federal fiscal year (FFY) 2022. The most recent federal guidance indicates Wyoming will receive all FMR and CLB payments withheld during FFY 2022 in early FFY 2023. Under the current federal practice (withholding of sequestered FMRs in the current federal fiscal year with payment of withheld FMRs in the following year), CREG is not including any additional impacts of federal sequestration in its forecast. There is both positive and negative risk with this projection methodology. Specifically, if the federal sequester were to cease, Wyoming would presumably receive the sequestered amount from the prior year without having any deduction in the current year resulting in a one-time windfall. On the other hand, if Congress increases the magnitude of the sequester percentage above 5.7 percent or Congress or the Administration revises the treatment of federal mineral revenues under the federal budget, Wyoming (and other western states) could receive less FMRs and CLBs. For purposes of forecasting, CREG employs an assumption of the status quo throughout the forecast period.

Federal Mineral Royalties:

Despite the different distribution of commodities developed under federal ownership, FMR collections follow similar trends to severance tax collections. As illustrated in Table XI, significant upward revisions are evident in the calculated FMR collections throughout the forecast period, primarily attributable to increased price forecasts, especially evident from the substantial increases in oil and natural gas prices. For the outyears, CREG's forecasts return to the longer term trendlines of declining coal production, fairly stable oil and natural gas production levels, and a return to more customary prices levels for Wyoming oil, natural gas, and coal.

In addition to the detailed information on minerals in Section 1 of this report, CREG included an increase of $5 million per year throughout the forecast period in the state's share of forecast FMR payments. October 2021 CREG reduced this element by $10 million during the COVID-19 pandemic to account for reduced oil and gas bonus payments from the absence of oil and natural gas lease auctions in CY 2021 and uncertainty of the timing and quality of future auctions. This category also includes FMRs on trona, rents, and easements. The federal Inflation Reduction Act also increased rental rates. (P.L. 117-169)

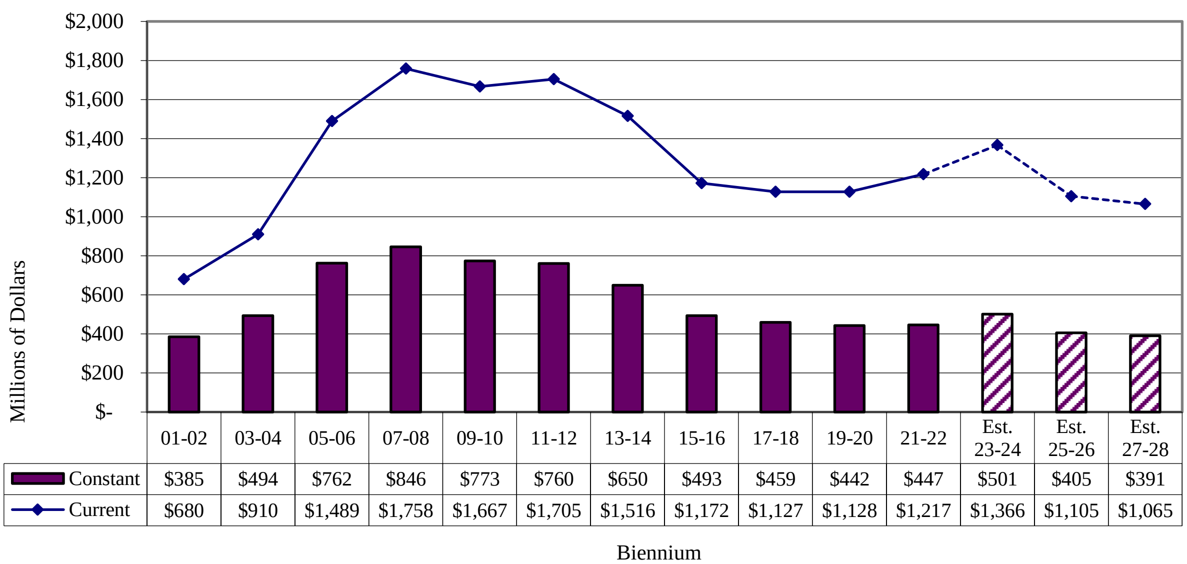
The resulting increased FMRs in this report impact two accounts – the School Foundation Program (SFP) and BRA – since those two accounts share in any FMR revenue in excess of the first $200 million received each year. (W.S. 9-4-601) The Legislature also continued a version of an alternative distribution of FMRs in excess of $459.0 million for FY 2023 and in excess of $429.2 million in FY 2024 in the 2022 Budget Bill. (2022 Wyoming Session Laws, Chapter 51, Section 315) The modified distribution directs 40 percent of FMR collections in excess of the thresholds to the SFP rather than one-third of the collections. Given the increase in the October 2022 forecast, this secondary distribution would be triggered in FY 2023 and FY 2024. If this CREG forecast proves accurate, this temporary, alternative distribution would result in increased deposits to the SFP and a commensurate reduction in deposits to the BRA of $18.0 million in FY 2023 and $13.8 million in FY 2024.

The Inflation Reduction Act increased the minimum onshore federal mineral royalty rate from 12.5 percent to 16.67 as well as increased rental rates and minimum bids. Additionally, there has only been one federal oil and gas lease sale since the beginning of CY 2020, though another 209 parcels may be included in an upcoming sale. CREG has incorporated estimated new federal production subject to the higher royalty rate beginning in CY 2024.

Table XI. Forecast Federal Mineral Royalties. (millions of dollars and change from prior forecast)

Fiscal Year	Jan. 2022 Forecast	Oct. 2022 Forecast	Difference and Percent Difference Between Forecasts
2023	$459.0	$729.7	$270.7; 59.0%
2024	$429.2	$636.5	$207.3; 48.3%
2025	$434.0	$567.7	$133.7; 30.8%
2026	$451.4	$537.6	$86.2; 19.1%
2027	NA	$532.4	NA
2028	NA	$532.2	NA

Chart 4: Federal Mineral Royalty Revenues to All Accounts (No Coal Lease Bonuses).



	01-02	03-04	05-06	07-08	09-10	11-12	13-14	15-16	17-18	19-20	21-22	Est. 23-24	Est. 25-26	Est. 27-28
Constant	$385	$494	$762	$846	$773	$760	$650	$493	$459	$442	$447	$501	$405	$391
Current	$680	$910	$1,489	$1,758	$1,667	$1,705	$1,516	$1,172	$1,127	$1,128	$1,217	$1,366	$1,105	$1,065

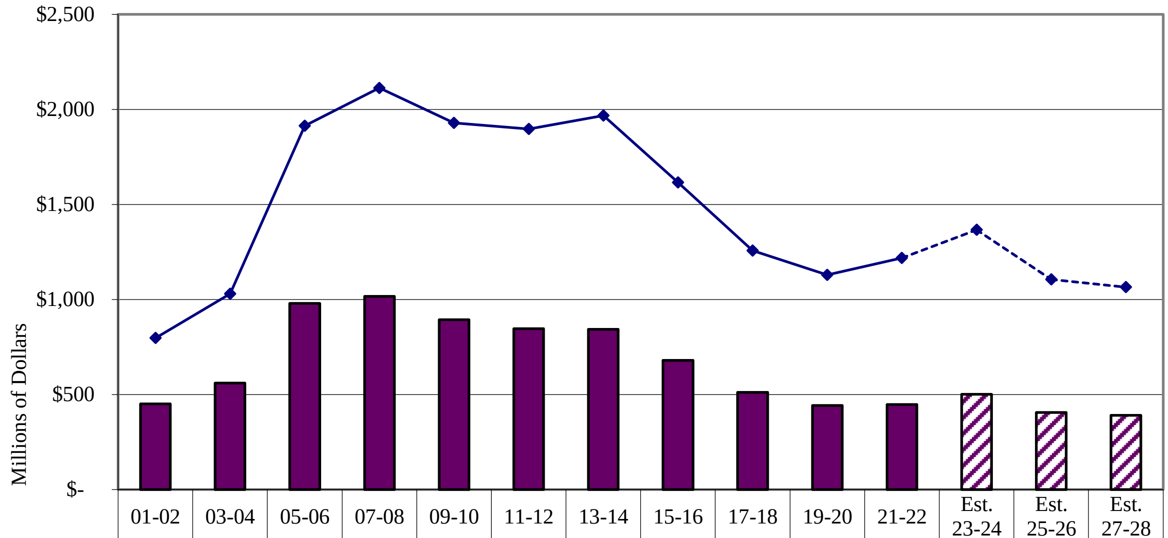
Constant Dollars: Base is 1982-84; no additional inflation is incorporated for years beyond 2022.

Coal Lease Bonuses:

Between FY 2013 and FY 2022, there were no successful federal coal lease sales. In FY 2019, however, there were two, unanticipated coal lease modifications that resulted in two small CLB payments structured over five years. CREG previously forecast the final payment totaling $460,000 to be received and distributed in FY 2022 as illustrated in Tables 7(b) and 8(b) in the Appendix. There are currently no anticipated sales throughout the balance of CY 2022, nor is there a timeline for the next federal coal lease sale in Wyoming. Consistent with past practice, CREG does not forecast the revenue from CLB payments until an auction is complete and a successful producer makes the first bonus payment.

Although no CLB payments are anticipated beyond FY 2022, a de minimis payment of previously sequestered CLB payments, below any rounding, is anticipated in FY 2023. After those payments, this section will be removed from future CREG reports, pending a successful coal lease and bonus payment or modification to an existing lease.

Chart 5: Total Federal Mineral Royalty and Coal Lease Bonus Revenues.



	01-02	03-04	05-06	07-08	09-10	11-12	13-14	15-16	17-18	19-20	21-22	Est. 23-24	Est. 25-26	Est. 27-28
Constant	$451	$560	$980	$1,016	$894	$846	$844	$680	$512	$443	$447	$501	$405	$391
Current	$797	$1,031	$1,914	$2,113	$1,928	$1,897	$1,968	$1,616	$1,257	$1,130	$1,218	$1,366	$1,105	$1,065

Biennium

Constant Dollars: Base is 1982-84; no additional inflation is incorporated for years beyond 2022.

Section 5 – Common School Land Income Account Revenue and State Royalties

Investment of the CSPLF, grazing fees, bonus payments on mineral leases, and other surface leases of state trust lands dedicated to schools comprise the income deposited to the Common School Land Income Account (CSLIA). After deposit to the CSLIA, income is subsequently deposited into the SFP. Refer to Table XII for a record of annual income by category (investment income and fees and leases). The forecast of fees and leases is predicated upon a base amount of fee and lease revenue and a contribution for bonus payments, which can be quite irregular year-over-year as illustrated in Table XII.

Table XII. Common School Land Income Account Revenue History. (millions of dollars)

Fiscal Year	Investment Income* (from all accounts)	Fees, Leases and Bonus Payments	Total
2017	$157.8	$44.4	$202.2
2018	$217.7	$42.0	$259.7
2019	$191.0	$35.2	$226.2
2020**	$143.5	$18.5	$162.0
2021***	$232.5	$15.3	$247.8
2022	$206.8	$16.9	$223.7

*Note: Investment income is the total amount of investment income, which includes amounts less than and in excess of the statutory spending policy amount for the CSPLF. Statute directs a like amount of FMRs to be deposited into the CSPLF RA for amounts in excess of the statutory spending policy. (W.S. 9-4-719(g))
**The investment income includes $164,033 of FY 2020 earnings corrected in FY 2021, and for historical consistency includes the total investment income stream from all sources deposited to the CSLIA prior to revisions, reconciliations, or transfers.
***Includes investment earnings of $20,330,963 attributable to FY 2021 income distributed in FY2022.

The CSLIA received income from fees, leases and bonuses in FY 2022 totaling $16.9 million, which represents an increase of $1.6 million (10.5 percent) compared to FY 2021 collections and $2.1 million (14.2 percent) higher than the January 2022 forecast. State lease bonus revenue from competitive oil and gas auction sales conducted by the Office of State Lands and Investments accounted for $3.5 million of this FY 2022 revenue. Bonus revenue exceeded CREG's January 2022 forecast by $770,000 (28.6 percent) yet reflects the second lowest amount of bonuses received in the last 13 years for this volatile revenue stream.

Table XIII illustrates forecast annual income to the CSLIA and differences from the January 2022 CREG forecast. The amount of bonus income has not approached pre-COVID-19 levels to date. The first of three anticipated state auctions in FY 2023 generated $1.1 million. Considering rebounding interest in oil and natural gas exploration and the location of future parcels, CREG's estimate for total annual bonus payments in FY 2023 through FY 2027 is $3.5 million.

Revenue from mineral leasing can be unstable given the location of mineral leases, especially coal. CREG does not forecast substantial new production of coal on state leases. Overall, CREG forecast of annual mineral and non-mineral lease revenue ranged from $13.8 million in FY 2023 to $15.2 million in FY 2028.

Net investment earnings, including interest, dividends, and net realized capital gains from the CSPLF attributable to FY 2022, amounted to $186.7 million, or approximately 4.1 percent yield on the total corpus of the CSPLF. FY 2022 investment earnings fell short of the five percent of the five-year average market value statutory spending policy by $20.0 million, reaching 4.5 percent of the five-year average market value. Therefore, the State Treasurer's Office transferred $20.0 million from the CSPLF RA to the CSLIA and subsequently the SFP.

Table XIII. Common School Land Income Account Forecast. (millions of dollars)

Fiscal Year	Investment Income October 2022 Forecast*	Fees, Leases, and Bonuses October 2022 Forecast	Total October 2022 Forecast	Difference from January 2022 Forecast for Total Land Income
2023	$211.7	$17.3	$229.0	$3.0
2024	$217.1	$17.6	$234.7	($0.6)
2025	$222.6	$17.9	$240.5	($3.0)
2026	$229.4	$18.3	$247.7	($5.5)
2027	$233.0	$18.7	$251.7	NA
2028	$240.0	$19.2	$259.2	NA

*Note: Investment income includes the full spending policy amount, guaranteed by the CSPLF RA, to the extent funds are available.

The State Treasurer's Office generated $113 million in interest and dividends in FY 2022 (2.47 percent), not including net capital gains and losses. Given the current interest rate environment, CREG forecasts annual yields (interest and dividends) beginning at 4.59 percent in FY 2023 and increasing to 4.71 percent for the CSPLF in FY 2026 and beyond. The investment policy for the CSPLF is income focused, unlike the investment policy for the PWMTF which is focused on total return.

In accordance with W.S. 9-4-719(f), if investment income falls short of the CSPLF statutory spending policy, an automatic transfer is made from the CSPLF RA to make up the difference to the extent sufficient funds are available within the CSPLF RA. The statutory spending policy is based upon the five-year average market value, as opposed to the aforementioned annual yields. Under the current forecast, transfers of $3.8 million (FY 2023), $2.9 million (FY 2024), and $0.3 million (FY 2025) are projected. Additionally, as a result in the decreased market value of the CSPLF, the CSPLF investment income is projected to exceed the statutory spending policy by $2.7 million (FY 2027) and $2 million (FY 2028), which would trigger a like amount of FMRs to be deposited into the CSPLF RA from the SFP in accordance with statute. (W.S. 9-4-719(g)) The transfers from the CSPLF RA reflect substantially smaller sums than previously forecast in the January 2022 CREG, primarily due to higher anticipated interest and dividends but also somewhat smaller five-year average market value of the corpus given the recent declines. Table XIV depicts the investment income in the form of interest and dividends projected through the forecast period.

Under current projections, funds within the CSPLF RA are sufficient to cover the estimated statutory spending policy through FY 2028.

Table XIV. Common School Land Income Account Investment Income Forecast. (millions of dollars and percent)

Fiscal Year	Interest and Dividends from the CSPLF (% of Corpus or Yield)	Statutorily Assured Amount from the CSPLF RA (% of 5-year average market value)
2023	$207.8, (4.59%)	$211.7, (5.00%)
2024	$214.2, (4.66%)	$217.1, (5.00%)
2025	$222.3, (4.69%)	$222.6, (5.00%)
2026	$229.4, (4.71%)	$229.4, (5.00%)
2027	$235.7, (4.71%)	$233.0, (5.00%)
2028	$242.0, (4.71%)	$240.0, (5.00%)

Current statute directs one-third of state royalties to the School Lands Mineral Royalties Account (SLMR) and two-thirds of state royalties to the corpus of the CSPLF. In recent history, the Legislature has directed the balance of the SLMRA to the SCCA. This transfer from the SLMR to the SCCA requires legislative action, but for purposes of this report and associated legislative and executive branch fiscal profiles of the SCCA, CREG presumes future transfers will continue. Table XV illustrates historical variability, depending not only on price and production levels of extracted minerals but also the location of those operations. Table XVI shows the CREG state royalty forecast of deposits to the CSPLF, SLMRA/SCCA. The October 2022 CREG forecast increased state royalties by a range of $15.0 million to $31.0 million, with the larger increases in the current biennium as compared to the January 2022 forecast. These revisions are in general alignment with the increased near-term price and production forecasts in the minerals section of this report. While the location of the development will influence state royalty collections, higher prices across oil, natural gas, and coal will drive similar trends in state royalties as those expressed in severance taxes, FMRs, and mineral assessed valuations.

Table XV. State Royalties History. (millions of dollars)

Fiscal Year	Total State Royalties	Deposit to the CSPLF	Deposit to the SLMRA/SCCA
2018	$153.0	$145.0	$8.0
2019	$139.4	$92.9	$46.5
2020	$109.6	$73.1	$36.5
2021	$75.2	$50.1	$25.1
2022	$130.4	$86.9	$43.5

Table XVI. State Royalties Forecast. (millions of dollars)

Fiscal Year	Total State Royalties	Deposit to the CSPLF	Deposit to the SLMRA/SCCA	Difference from Jan. 2022 Forecast for Total Royalties
2023	$126.0	$84.0	$42.0	$31.0
2024	$123.0	$82.0	$41.0	$26.0
2025	$120.0	$80.0	$40.0	$21.0
2026	$117.0	$78.0	$39.0	$15.0
2027	$117.0	$78.0	$39.0	NA
2028	$117.0	$78.0	$39.0	NA

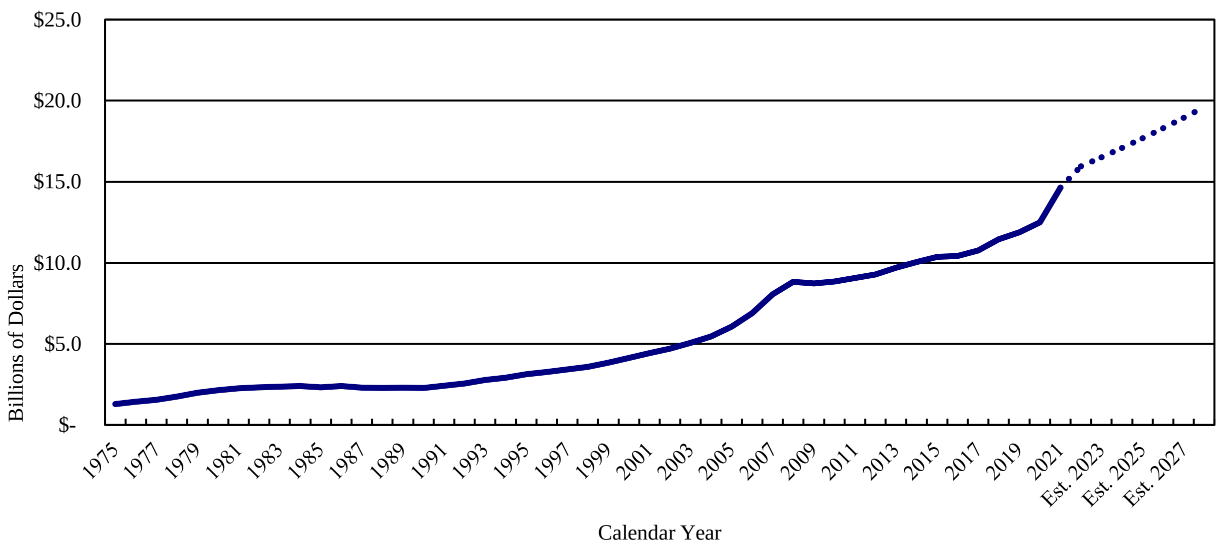
Section 6 – Total State Assessed Valuation

Please refer to Section 1 of this report for detailed information about the minerals price and production assumptions forming the basis of the minerals portion of the state assessed valuation forecast. Table 9 in the Appendix shows specific forecasts of statewide assessed valuations by category.

Statewide assessed valuation for non-mineral property jumped by 17.1 percent from CY 2020 to CY 2021, setting a record high for the twelfth consecutive year of $14.6 billion, representing an increase of $2.1 billion. Non-mineral property consists of industrial, commercial, residential, agriculture, and all other property. For CY 2021 production year assessed valuations for every type of non-mineral property increased: agricultural property ($16 million, 4.7 percent), industrial property ($265.4 million, 7.1 percent), commercial property ($376.3 million, 22.4 percent), and residential property ($1.475 billion, 22 percent). Multiplying the combined, total increase by the 43 statewide mills supporting K-12 education results in $91.7 million in additional revenue for FY 2023, given the delay from calendar year of assessment to fiscal year of payment. Dating back to 1975, no year has recorded such a high percentage increase in non-mineral assessed valuations; however, 2006, 2007, and 2008 combined for a total increase of 41.5 percent, spread out over three years.

Non-mineral assessed valuations are increasing through new development, improvements to existing property, property inflation, and in at least one county, updated local assessment methodology. Given the current conditions in CY 2022 as well as the near-term outlook, especially in residential properties, CREG forecasts a continued increase of 9 percent in non-mineral assessed valuation next year before falling back to a more historic average of 3.5 percent, which reflects the average increase in non-mineral assessments between calendar year 2011 and 2020 and increasing interest rate environment. Chart 6 illustrates the historical growth of non-mineral assessed valuations in nominal dollars.

Chart 6: Non-mineral Assessed Valuation.



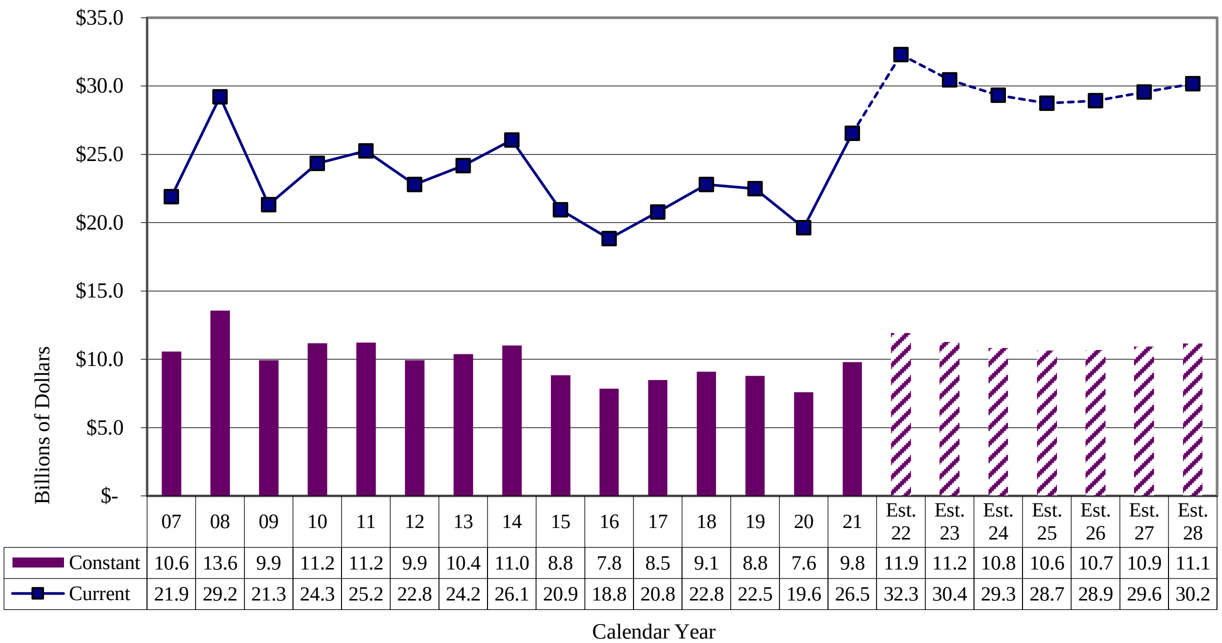
The total mineral valuation over the forecast period is also projected to increase compared to the January 2022 CREG report, based upon the mineral price and production increases previously discussed. Combined, the increase in mineral assessed valuation totals $4.8 billion for production year 2022 over production year 2021. If CREG's forecast proves accurate, the State's total assessed valuation will exceed $30 billion in production year 2028 for the first year in the State's history and take out the previous all-time high of $29.2 billion recorded in production year 2008. Table XVIII shows the impact of the January 2022 and October 2022 forecast on the 43 mill levy revenues dedicated to K-12 education.

Table XVII. Forecast Assessed Valuations and K-12 Education Mill Levy Collections. (billions of dollars, unless noted otherwise)

Calendar Year of Production	Jan. 2022 Forecast	Oct. 2022 Forecast	Difference and Percent Difference Between Forecasts	Est. Difference in 43 K-12 Education Mill Levy Revenues*
2022	$23.290	$32.296	$9.006; 38.7%	$387.3 million
2023	$23.721	$30.450	$7.728; 34.0%	$332.3 million
2024	$23.070	$29.324	$6.254; 27.1%	$268.9 million
2025	$23.874	$28.744	$4.869; 20.4%	$209.4 million
2026	$24.826	$28.917	$4.092; 16.5%	$175.9 million
2027	NA	$29.553	NA	NA
2028	NA	$30.165	NA	NA

*Difference illustrates the change in the calculated assessed valuation, from Table 9 in the Appendix resulting from increased mineral and non-mineral forecast valuations. This does not account for the difference in the timing from monthly payment of mineral ad valorem tax payments.

Chart 7: Total Assessed Valuation.



Constant Dollars: Base is 1982-84; no additional inflation is incorporated for years beyond 2022.

Appendix A: CREG Revenue Forecast Prediction Intervals

Since the onset of the COVID-19 pandemic in early 2020, the CREG forecasts have included low-end and high-end ranges to quantify the uncertainty surrounding the forecast. In the May 2020 special report and October 2020 report, CREG derived the high and low ranges from component-level ranges developed within the consensus process. In the October 2021 report, CREG derived the ranges from overall levels of four of the State of Wyoming's primary revenue sources: sales and use taxes, severance taxes, federal mineral royalties (FMRs), and assessed valuations. The "base" forecast, or expected value, represented the official CREG forecast. However, the first methodology failed to systematically capture a reproduceable, consistent, useable, and easily interpretable prediction of the high and low values, while the second did not make use of information contained in the base-level components of the forecast: mineral price and production or account for CREG's historic forecast errors. This report continues to display high-low intervals for sales and use taxes, severance taxes, FMRs, and assessed valuations but modifies prior methodologies by putting prediction intervals around the price and production of Wyoming's biggest revenue-earning minerals: oil, natural gas, and coal. Intervals for aggregate collections are then computed from the price and production components via a Monte Carlo simulation.

The four graphics in Appendix A show the results of this procedure for the four revenue sources. Each graphic contains:

- Historical values;
- The October 2022 official CREG forecast (expected value);
- A one-standard-deviation prediction interval around the CREG forecast; and
- The January 2022 CREG forecast

The prediction intervals are formed by bootstrapping past CREG errors in sales and use tax, total oil production and the price of oil, total natural gas production and the price of natural gas, and total surface coal production and the price of surface coal, all from 2001 to 2021. Then a Monte Carlo simulation computes aggregate intervals around severance taxes, FMRs, and assessed valuations. Sales and use taxes are not directly calculated from mineral prices and productions, therefore, the interval is computed on aggregate sales and use taxes. All prediction intervals represent plus-minus one standard deviation around the mean of the Monte Carlo distribution. One standard deviation around the mean indicates approximately 70 percent of future results are expected to fall within the prediction interval.

CREG will continue to evaluate and revisit prediction intervals in future reports to ensure they summarize the uncertainty surrounding the forecasting process.

Appendix A: CREG Revenue Forecast Prediction Intervals

Chart A-1. Sales and Use Tax. (millions of dollars)

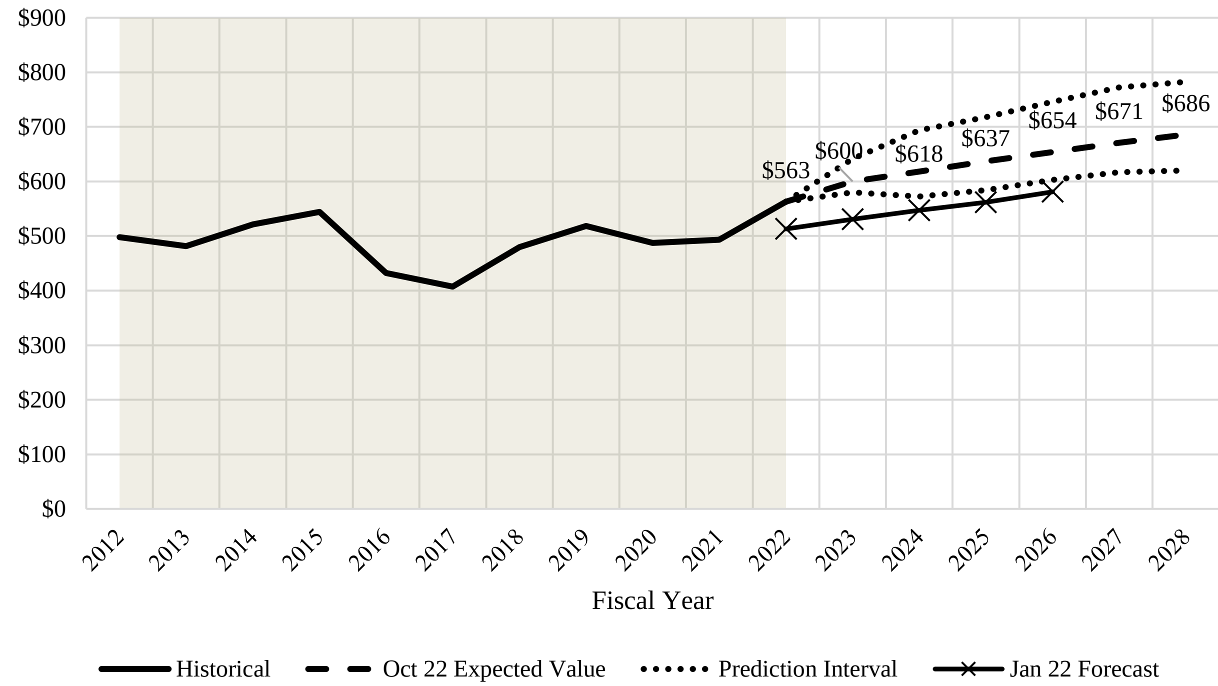
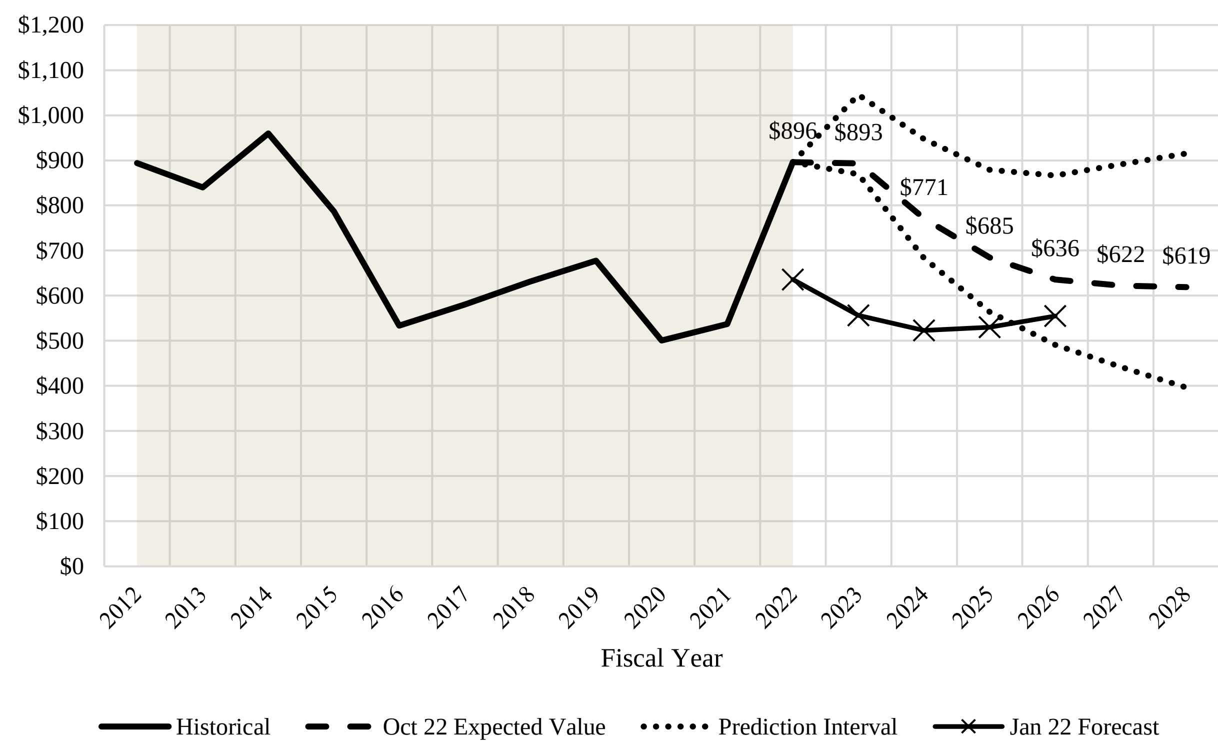


Chart A-2. Severance Tax. (millions of dollars)



Appendix A: CREG Revenue Forecast Prediction Intervals

Chart A-3. Federal Mineral Royalties. (millions of dollars)

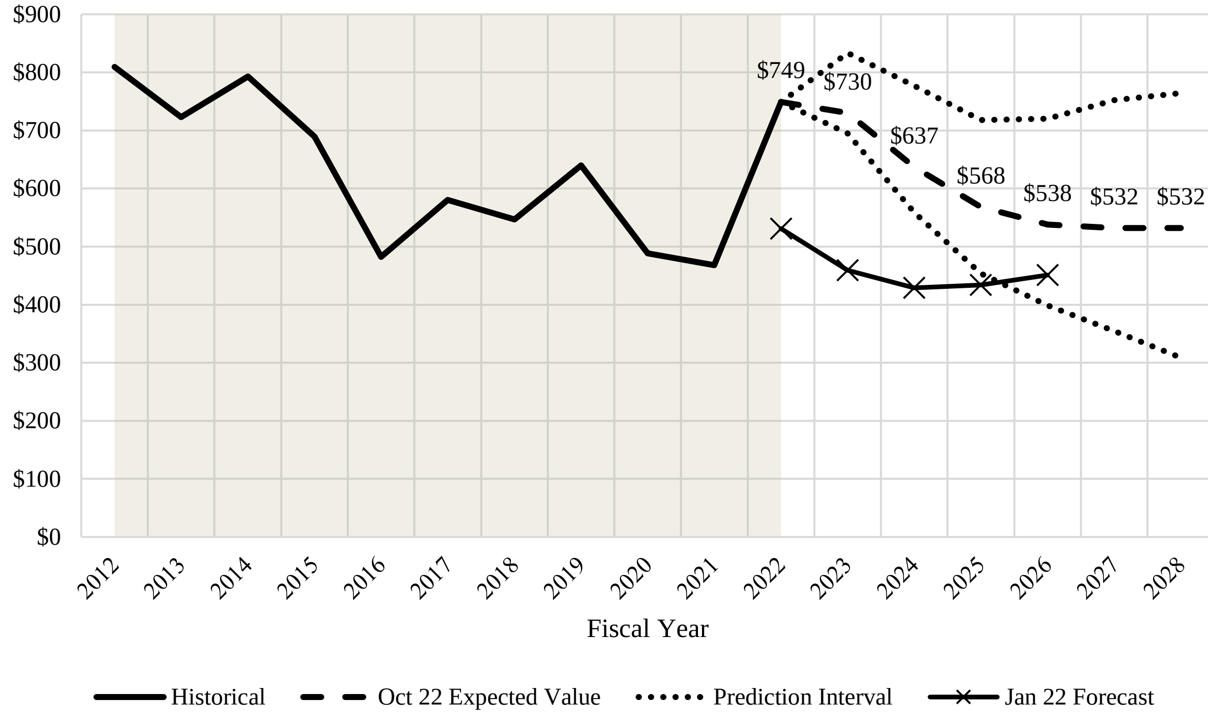


Chart A-4. Assessed Valuations. (billions of dollars)

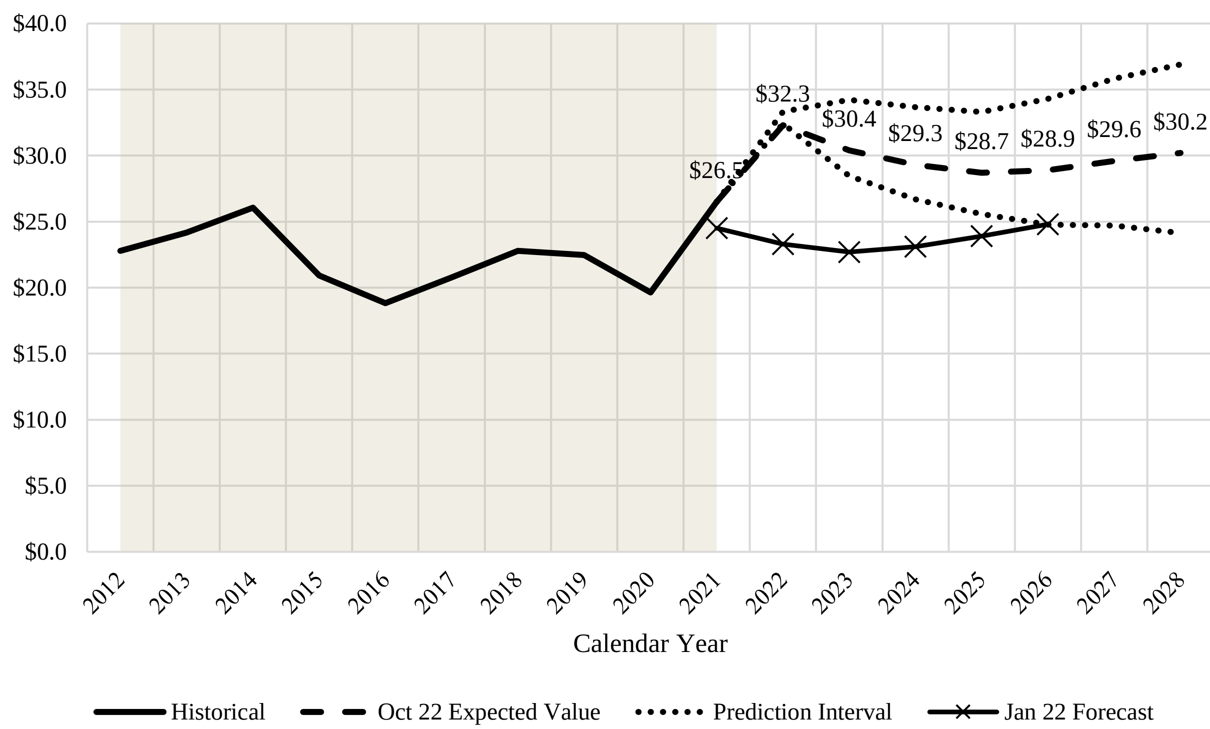


Table 1
General Fund Revenues
Fiscal Year Collections by Source

Fiscal Year	Severance Tax (1)	Sales and Use Tax	PWMTF Income (2), (3)	Pooled Income (3)	Charges - Sales and Services	Franchise Tax	Revenue from Others	Penalties and Interest	Federal Aid and Grants	All Other (4), (5)	Total
Historical:											
2003	$149,549,109	$300,953,910	$58,647,855	$19,214,275	$20,467,084	$19,598,042	$8,199,193	$10,131,822	$10,590,119	$27,332,601	$624,684,010
2004	$184,408,599	$326,625,269	$98,110,315	$28,716,923	$24,260,907	$21,745,077	$5,315,629	$9,031,984	$11,651,917	$34,686,832	$744,553,452
2005	$225,275,895	$363,846,232	$87,789,396	$39,340,611	$26,460,644	$23,962,541	$5,674,323	$11,571,551	$8,313,378	$41,702,561	$833,937,132
2006	$240,254,868	$421,438,545	$123,952,616	$65,048,984	$24,733,817	$24,889,058	$5,842,094	$17,153,208	$10,264,260	$42,493,736	$976,071,186
2007	$213,964,458	$479,072,573	$150,487,083	$90,590,111	$29,478,126	$28,164,990	$6,301,203	$15,248,945	$10,830,645	$46,156,155	$1,070,294,289
2008	$257,859,263	$504,711,048	$321,357,789	$105,567,137	$30,458,234	$26,251,292	$10,704,460	$6,443,234	$9,819,073	$46,743,278	$1,319,914,808
2009	$217,580,767	$492,443,467	$135,264,226	$89,969,956	$33,780,336	$23,978,875	$6,276,827	$11,878,190	$9,159,713	$44,485,273	$1,064,817,630
2010	$226,994,930	$412,845,265	$139,450,800	$117,295,842	$33,254,667	$23,805,596	$21,431,697	$13,962,941	$10,686,279	$46,344,453	$1,046,072,470
2011	$230,313,366	$470,905,619	$215,755,659	$90,718,694	$35,503,191	$23,210,774	$29,554,028	$12,000,700	$11,388,412	$55,715,767	$1,175,066,210
2012	$221,153,387	$497,683,644	$235,847,144	$112,352,685	$38,218,559	$24,446,393	$7,602,898	$11,229,632	$10,065,657	$45,243,811	$1,203,843,810
2013	$210,280,486	$481,431,386	$366,635,722	$189,833,643	$38,867,796	$26,889,478	$6,345,761	$9,304,095	$0	$51,616,450	$1,381,204,817
2014	$234,556,823	$521,102,606	$395,337,466	$86,425,307	$41,169,666	$36,257,448	$5,865,169	$11,536,105	$0	$50,126,092	$1,382,376,682
2015	$200,734,679	$544,030,172	$494,234,268	$114,227,416	$43,580,396	$39,313,515	$7,110,572	$11,440,883	$0	$54,416,621	$1,509,088,522
2016	$185,476,491	$432,008,558	$149,823,404	$88,843,568	$46,838,913	$35,441,681	$6,438,459	$6,260,009	$0	$50,121,154	$1,001,252,237
2017	$167,012,242	$407,315,823	$298,790,011	$85,972,480	$54,609,497	$34,792,975	$9,067,348	$4,441,920	$0	$111,043,801	$1,173,046,097
2018	$176,616,770	$480,044,281	$447,649,918	$79,025,043	$50,274,592	$34,728,071	$10,135,129	$3,795,537	$0	$111,281,976	$1,393,551,317
2019	$271,368,786	$518,521,625	$365,081,260	$86,659,646	$51,776,908	$37,470,505	$8,973,143	$5,111,037	$0	$49,322,243	$1,394,285,153
2020	$221,359,775	$487,232,525	$243,286,175	$78,585,082	$62,288,592	$39,560,299	$8,593,852	$4,570,357	$0	$55,839,650	$1,201,316,307
2021	$149,773,189	$493,101,908	$489,907,047	$83,868,118	$63,009,935	$48,446,992	$16,540,821	$4,883,799	$0	$57,755,095	$1,407,286,904
2022	$185,897,242	$562,549,589	$456,264,279	$89,683,224	$68,410,249	$48,971,760	$9,028,484	$12,546,900	$0	$58,378,203	$1,491,729,930
Projected:											
2023	$218,700,000	$600,000,000	$299,900,000	$59,500,000	$74,500,000	$46,000,000	$9,000,000	$7,000,000	$0	$57,000,000	$1,371,600,000
2024	$195,000,000	$618,000,000	$316,000,000	$79,000,000	$74,500,000	$46,000,000	$9,000,000	$7,000,000	$0	$57,000,000	$1,401,500,000
2025	$177,900,000	$636,500,000	$324,900,000	$76,000,000	$74,500,000	$46,000,000	$9,000,000	$7,000,000	$0	$57,000,000	$1,408,800,000
2026	$168,600,000	$654,300,000	$332,000,000	$78,100,000	$74,500,000	$46,000,000	$9,000,000	$7,000,000	$0	$57,000,000	$1,426,500,000
2027	$166,200,000	$670,700,000	$337,700,000	$71,700,000	$74,500,000	$46,000,000	$9,000,000	$7,000,000	$0	$57,000,000	$1,439,800,000
2028	$165,900,000	$686,100,000	$343,300,000	$71,700,000	$74,500,000	$46,000,000	$9,000,000	$7,000,000	$0	$57,000,000	$1,460,500,000

(1) - 2016 Wyoming Session Laws, Chapter 31, Section 325 diverted revenue from the statutory one percent severance tax from the Permanent Wyoming Mineral Trust Fund (PWMTF) to the General Fund for approximately half of the 2016 fiscal year (approximately $33.6 million). The same section also diverted the portion of severance taxes traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $6.7 million/year). 2018 Wyoming Session Laws, Chapter 134, Section 314 redirected the revenue from the one percent statutory severance tax from the PWMTF to the General Fund for FY19 and FY20. The same Section also reduced the portion of severance taxes traditionally directed to the General Fund in excess of the $155 million cap for FY19 only.

(2) - 2000 Wyoming Session Laws, Chapter 14 established an investment income spending policy for the PWMTF. Investment earnings from the PWMTF in excess of the spending policy are appropriated from the General Fund to the Permanent Wyoming Mineral Trust Fund Reserve Account (PWMTF RA). 2015 Wyoming Session Laws, Chapter 195 amended the spending policy by requiring the State Treasurer to transfer unobligated funds in the PWMTF RA to the General Fund as necessary to ensure that 2.5% of the previous 5 year average market value of the PWMTF is available for expenditure annually, beginning in FY17 (the "guarantee"). The PWMTF income amounts shown in the table above reflect total investment earnings from the PWMTF and estimated interest and dividends from the PWMTF, as well as a guaranteed transfer from the PWMTF RA to bring the investment income up to 2.5%. Historic years include the investment earnings in excess of the 2.5% directed to the Strategic Investments and Projects Account (SIPA) and the Legislative Stabilization Reserve Account (LSRA), and in excess of the spending policy amounts appropriated to the PWMTF RA.

(3) - The State Treasurer implemented an accounting change in April 2009 (with an effective date of July 1, 2008), which directs interest and dividend income to be distributed to the General Fund on a monthly basis. Under this policy, capital gains and losses are held until the end of the fiscal year, at which time capital gains in excess of capital losses will be distributed. If capital losses exceed capital gains from the PWMTF, the net capital loss will be carried forward until such time it is offset by future capital gains. If capital losses exceed capital gains from the Pooled Income (State Agency Pool), the net capital loss will reduce the cash balance in the General Fund until it is offset by future capital gains but is not recognized in this table. Additionally, 2019 Wyoming Session Laws, Chapter 38 provided for segregated investment in equities of monies in the LSRA. Investment earnings from the LSRA continue to be shown in "Pooled Income".

(4) - This category includes Cigarette Tax (revenue code 1201) and all other 1200 series tax revenue; Inheritance Tax (revenue code 1401); License & Permit Fees (2000 revenue series); Property & Money Use Fees (4000 revenue series); and Non-Revenue Receipts (9000 revenue series).

(5) - 2016 Wyoming Session Laws, Chapter 31, Section 326 diverted the portion of federal mineral royalties traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $60.1 million /year).

Table 2
General Fund Revenues
Biennial Collections by Source

Biennium	Severance Tax (1)	Sales and Use Tax	PWMTF Income (2), (3)	Pooled Income (3)	Charges - Sales and Services	Franchise Tax	Revenue from Others	Penalties and Interest	Federal Aid and Grants	All Other (4), (5)	Total
Historical:											
2003-04	$333,957,708	$627,579,179	$156,758,170	$47,931,198	$44,727,991	$41,343,119	$13,514,822	$19,163,806	$22,242,036	$62,019,433	$1,369,237,462
2005-06	$465,530,763	$785,284,777	$211,742,012	$104,389,595	$51,194,461	$48,851,599	$11,516,417	$28,724,759	$18,577,638	$84,196,297	$1,810,008,318
2007-08	$471,823,721	$983,783,621	$471,844,872	$196,157,248	$59,936,360	$54,416,282	$17,005,663	$21,692,179	$20,649,718	$92,899,433	$2,390,209,097
2009-10	$444,575,697	$905,288,732	$274,715,026	$207,265,798	$67,035,003	$47,784,471	$27,708,524	$25,841,131	$19,845,992	$90,829,726	$2,110,890,100
2011-12	$451,466,753	$968,589,263	$451,602,803	$203,071,379	$73,721,750	$47,657,167	$37,156,926	$23,230,332	$21,454,069	$100,959,578	$2,378,910,020
2013-14	$444,837,309	$1,002,533,992	$761,973,188	$276,258,950	$80,037,462	$63,146,926	$12,210,930	$20,840,200	$0	$101,742,542	$2,763,581,499
2015-16	$386,211,170	$976,038,730	$644,057,672	$203,070,984	$90,419,309	$74,755,196	$13,549,031	$17,700,892	$0	$104,537,775	$2,510,340,759
2017-18	$343,629,012	$887,360,104	$746,439,929	$164,997,523	$104,884,089	$69,521,046	$19,202,477	$8,237,457	$0	$222,325,777	$2,566,597,414
2019-20	$492,728,561	$1,005,754,150	$608,367,435	$165,244,728	$114,065,500	$77,030,804	$17,566,995	$9,681,394	$0	$105,161,893	$2,595,601,460
2021-22	$335,670,431	$1,055,651,497	$946,171,326	$173,551,342	$131,420,184	$97,418,752	$25,569,305	$17,430,699	$0	$116,133,298	$2,899,016,834
Projected:											
2023-24	$413,700,000	$1,218,000,000	$615,900,000	$138,500,000	$149,000,000	$92,000,000	$18,000,000	$14,000,000	$0	$114,000,000	$2,773,100,000
2025-26	$346,500,000	$1,290,800,000	$656,900,000	$154,100,000	$149,000,000	$92,000,000	$18,000,000	$14,000,000	$0	$114,000,000	$2,835,300,000
2027-28	$332,100,000	$1,356,800,000	$681,000,000	$143,400,000	$149,000,000	$92,000,000	$18,000,000	$14,000,000	$0	$114,000,000	$2,900,300,000

(1) - 2016 Wyoming Session Laws, Chapter 31, Section 325 diverted revenue from the statutory one percent severance tax from the Permanent Wyoming Mineral Trust Fund (PWMTF) to the General Fund for approximately half of the 2016 fiscal year (approximately $33.6 million). The same section also diverted the portion of severance taxes traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $6.7 million/year). 2018 Wyoming Session Laws, Chapter 134, Section 314 redirected the revenue from the one percent statutory severance tax from the PWMTF to the General Fund for FY19 and FY20. The same Section also reduced the portion of severance taxes traditionally directed to the General Fund in excess of the $155 million cap for FY19 only.

(2) - 2000 Wyoming Session Laws, Chapter 14 established an investment income spending policy for the PWMTF. Investment earnings from the PWMTF in excess of the spending policy are appropriated from the General Fund to the Permanent Wyoming Mineral Trust Fund Reserve Account (PWMTF RA). 2015 Wyoming Session Laws, Chapter 195 amended the spending policy by requiring the State Treasurer to transfer unobligated funds in the PWMTF RA to the General Fund as necessary to ensure that 2.5% of the previous 5 year average market value of the PWMTF is available for expenditure annually, beginning in FY17 (the "guarantee"). The PWMTF income amounts shown in the table above reflect total investment earnings from the PWMTF and estimated interest and dividends from the PWMTF, as well as a guaranteed transfer from the PWMTF RA to bring the investment income up to 2.5%. Historic years include the investment earnings in excess of the 2.5% directed to the Strategic Investments and Projects Account (SIPA) and the Legislative Stabilization Reserve Account (LSRA), and in excess of the spending policy amounts appropriated to the PWMTF RA.

(3) - The State Treasurer implemented an accounting change in April 2009 (with an effective date of July 1, 2008), which directs interest and dividend income to be distributed to the General Fund on a monthly basis. Under this policy, capital gains and losses are held until the end of the fiscal year, at which time capital gains in excess of capital losses will be distributed. If capital losses exceed capital gains from the PWMTF, the net capital loss will be carried forward until such time it is offset by future capital gains. If capital losses exceed capital gains from the Pooled Income (State Agency Pool), the net capital loss will reduce the cash balance in the General Fund until it is offset by future capital gains but is not recognized in this table. Additionally, 2019 Wyoming Session Laws, Chapter 38 provided for segregated investment in equities of monies in the LSRA. Investment earnings from the LSRA continue to be shown in "Pooled Income".

(4) - This category includes Cigarette Tax (revenue code 1201) and all other 1200 series tax revenue; Inheritance Tax (revenue code 1401); License & Permit Fees (2000 revenue series); Property & Money Use Fees (4000 revenue series); and Non-Revenue Receipts (9000 revenue series).

(5) - 2016 Wyoming Session Laws, Chapter 31, Section 326 diverted the portion of federal mineral royalties traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $60.1 million /year).

Table 3
Severance Tax Assumptions:
Price & Production Levels for
Major Mineral Commodities

	Crude Oil (1)		Natural Gas (2)		Surface Coal (3)		Trona (4)	
Calendar Year	Price	Production (Bbls)	Price	Production (Mcf)	Price	Production (Tons)	Price	Production (Tons)
2022	$90.00	90,000,000	$7.00	1,281,000,000	$14.25	240,000,000	$85.00	20,000,000
2023	$75.00	90,000,000	$5.90	1,275,000,000	$14.25	235,000,000	$85.00	20,000,000
2024	$70.00	95,000,000	$4.70	1,301,000,000	$13.25	205,000,000	$75.00	20,500,000
2025	$65.00	95,000,000	$4.00	1,327,000,000	$13.25	190,000,000	$75.00	21,000,000
2026	$60.00	95,000,000	$4.00	1,353,000,000	$13.25	185,000,000	$75.00	21,500,000
2027	$60.00	95,000,000	$4.00	1,343,000,000	$13.25	180,000,000	$80.00	22,000,000
2028	$60.00	95,000,000	$4.00	1,307,000,000	$13.25	180,000,000	$80.00	22,500,000

(1) - Price is the average gross sales price for all Wyoming oil production. Production is the total volume of all oil produced in Wyoming, including stripper, tertiary, other oil, and lease condensate.

(2) - Price is the average gross sales price for all Wyoming natural gas production. Production is the total volume of all gas produced in Wyoming, including methane, carbon dioxide, natural gas liquids, and all other related products.

(3) - Price is the average gross sales price for all Wyoming surface coal production. Production is the total volume of all surface coal produced in Wyoming.

(4) - Price is the average gross sales price for all Wyoming trona production. Production is the total volume of all trona ore produced in Wyoming.

Table 4
Mineral Severance Taxes
Fiscal Year Distribution by Account

Fiscal Year	General Fund (1)	Budget Reserve Acct	PWMTF (1), (2)	One Percent Severance Tax Account/ CSPLF (1)	Water I	Water II	Water III	Highway Fund	Cities and Towns	Counties	School Foundation/ SFP Reserve/ Comm. Colleges (1)	Cities, Towns, Counties & Special Districts Capital Construction	County Road Const. Fund	Others	Totals (3)
Historical:															
2003	$149,549,109	$105,317,276	$104,690,345	$0	$19,242,468	$3,323,943	$0	$6,950,287	$14,628,852	$6,136,020	$0	$4,400,000	$4,500,000	$10,387,922	$429,126,222
2004	$184,408,599	$171,441,376	$136,108,467	$0	$19,858,973	$3,412,847	$0	$7,717,057	$15,004,762	$6,293,694	$0	$4,386,528	$4,495,031	$10,439,594	$563,566,928
2005	$225,275,895	$251,580,640	$176,579,787	$0	$19,274,886	$3,570,457	$0	$7,958,111	$15,671,001	$6,573,145	$0	$4,386,525	$4,495,025	$11,291,382	$726,656,854
2006	$240,254,868	$279,579,500	$406,945,374	$0	$19,200,918	$3,660,548	$775,114	$8,269,185	$16,162,339	$6,622,389	$0	$3,611,540	$4,495,031	$11,500,112	$1,001,076,918
2007	$213,964,458	$228,678,827	$346,588,461	$0	$20,038,040	$3,493,592	$775,143	$8,159,373	$15,410,957	$6,371,940	$0	$3,611,545	$4,495,042	$12,211,542	$863,798,920
2008	$257,859,263	$323,214,288	$443,081,307	$0	$19,297,547	$3,229,980	$775,217	$6,610,973	$14,224,389	$5,976,585	$0	$3,611,614	$4,495,110	$11,575,738	$1,093,952,011
2009	$217,580,767	$240,383,694	$350,004,682	$0	$19,297,501	$3,343,659	$775,104	$7,065,973	$14,736,265	$6,147,028	$0	$3,611,541	$4,495,030	$11,211,918	$878,653,162
2010	$226,994,930	$260,982,942	$371,323,873	$0	$19,297,696	$3,254,961	$775,191	$6,711,030	$14,336,803	$6,014,028	$0	$3,611,625	$4,495,107	$10,163,192	$927,961,378
2011	$230,313,366	$268,948,372	$377,241,649	$0	$19,285,983	$3,204,909	$775,157	$6,503,125	$14,111,700	$5,938,934	$0	$3,611,586	$4,495,078	$10,868,256	$945,298,115
2012	$221,153,387	$249,299,443	$354,101,873	$0	$19,298,164	$3,255,068	$775,112	$6,711,978	$14,337,527	$6,014,160	$0	$3,611,559	$4,495,050	$10,655,179	$893,708,500
2013	$210,280,486	$227,555,007	$332,856,161	$0	$19,297,500	$3,255,000	$775,000	$6,711,500	$14,337,500	$6,014,000	$0	$3,611,500	$4,495,000	$10,644,267	$839,832,921
2014	$234,556,823	$276,107,687	$379,858,599	$0	$19,297,500	$3,255,000	$775,000	$6,711,500	$14,337,500	$6,014,000	$0	$3,611,500	$4,495,000	$10,631,229	$959,651,338
2015	$200,734,679	$208,463,390	$308,438,273	$0	$19,297,500	$3,255,000	$775,000	$6,711,500	$14,337,500	$6,014,000	$0	$3,611,500	$4,495,000	$10,809,343	$786,942,685
2016	$185,476,491	$110,875,432	$168,906,202	$0	$19,297,500	$3,255,000	$775,000	$6,711,500	$14,337,500	$6,014,000	$0	$3,611,500	$4,495,000	$9,865,813	$533,620,938
2017	$167,012,242	$127,595,502	$134,142,344	$89,399,148	$19,297,500	$3,255,000	$775,000	$0	$14,337,500	$6,014,000	$0	$3,611,500	$4,495,000	$10,404,031	$580,338,767
2018	$176,616,770	$146,804,563	$147,797,713	$98,442,050	$19,297,500	$3,255,000	$775,000	$0	$14,337,500	$6,014,000	$0	$3,611,500	$4,495,000	$10,026,896	$631,473,492
2019	$271,368,786	$157,529,202	$159,646,347	$0	$19,297,500	$3,255,000	$775,000	$6,711,500	$14,337,500	$6,014,000	$20,529,203	$3,611,500	$4,495,000	$10,230,452	$677,800,990
2020	$221,359,775	$93,492,828	$117,244,003	$0	$19,297,500	$3,255,000	$775,000	$6,711,500	$14,337,500	$6,014,000	$0	$3,611,500	$4,495,000	$10,117,697	$500,711,303
2021	$149,773,189	$106,541,997	$128,254,048	$85,449,830	$19,297,500	$3,255,000	$775,000	$6,711,500	$14,337,500	$6,014,000	$0	$3,611,500	$4,495,000	$8,616,928	$537,132,992
2022	$185,897,242	$228,790,715	$217,869,766	$145,159,742	$19,297,500	$3,255,000	$775,000	$6,711,500	$14,337,500	$6,014,000	$50,000,000	$3,611,500	$4,495,000	$9,868,784	$896,083,249
Projected:															
2023	$218,700,000	$179,900,000	$289,800,000	$72,400,000	$19,300,000	$3,300,000	$800,000	$6,700,000	$14,300,000	$6,000,000	$64,400,000	$3,600,000	$4,500,000	$9,500,000	$893,200,000
2024	$195,000,000	$149,600,000	$249,100,000	$62,300,000	$19,300,000	$3,300,000	$800,000	$6,700,000	$14,300,000	$6,000,000	$47,400,000	$3,600,000	$4,500,000	$9,500,000	$771,400,000
2025	$177,900,000	$162,800,000	$220,800,000	$55,200,000	$19,300,000	$3,300,000	$800,000	$6,700,000	$14,300,000	$6,000,000	$0	$3,600,000	$4,500,000	$9,600,000	$684,800,000
2026	$168,600,000	$144,200,000	$204,200,000	$51,000,000	$19,300,000	$3,300,000	$800,000	$6,700,000	$14,300,000	$6,000,000	$0	$3,600,000	$4,500,000	$9,600,000	$636,100,000
2027	$166,200,000	$139,300,000	$198,600,000	$49,700,000	$19,300,000	$3,300,000	$800,000	$6,700,000	$14,300,000	$6,000,000	$0	$3,600,000	$4,500,000	$9,600,000	$621,900,000
2028	$165,900,000	$138,800,000	$197,100,000	$49,300,000	$19,300,000	$3,300,000	$800,000	$6,700,000	$14,300,000	$6,000,000	$0	$3,600,000	$4,500,000	$9,600,000	$619,200,000

(1) - 2016 Wyoming Session Laws, Chapter 31, Section 325 diverted revenue from the statutory one percent severance tax previously directed to the Permanent Wyoming Mineral Trust Fund (PWMTF) to the General Fund for approximately half of the 2016 fiscal year (approximately $33.6 million). Additionally, the one percent severance tax is diverted from the PWMTF to the One Percent Severance Tax Account (OPSTA) for the 2017-2018 biennium. The same section also diverted the portion of severance taxes traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $6.7 million/year). 2018 Wyoming Session Laws, Chapter 134, Section 314 redirected the revenue from the statutory one percent severance tax from the PWMTF to the General Fund for FY19 and FY20. The same section also reduced a portion of severance taxes traditionally directed to the General Fund to the School Foundation Program Reserve Account (SFPRA) for FY19. 2021 Wyoming Session Laws, Chapter 69, Section 314 and Chapter 144 direct revenue from the statutory one percent severance tax to the PWMTF and Common School Permanent Land Fund (CSPLF) in equal shares from FY21 through FY28. Thereafter the distribution is one-third to the CSPLF and two-thirds to the PWMTF. 2020 Wyoming Session Laws, Chapter 80, Section 314 imposed a second cap on the distribution of revenues in the severance tax distribution account to the BRA and SFPRA in equal amounts for FY21 and FY22. 2022 Wyoming Session Laws, Chapter 51, Section 314 extended a second cap on the distribution of revenue in the severance tax distribution account above the January 2022 CREG forecast to the GF, BRA, and SFPRA in equal amounts for FY23 and FY24.

(2) - 2002 Wyoming Session Laws, Chapter 62 made permanent the diversion of PWMTF revenues to the Severance Tax Distribution Account, and repealed the language of 2000 Wyoming Session Laws, Chapter 99 requiring a larger proportion of coal bed methane revenues to be deposited into the PWMTF. 2005 Wyoming Session Laws, Chapter 80 diverted additional severance taxes (equal to two-thirds of the PWMTF distribution required by Wyoming Constitution) from the Severance Tax Distribution Account to the PWMTF, beginning in FY06. One-half of the additional severance taxes to the PWMTF ($74,264,775) was diverted to the PWMTF Reserve Account in FY10.

(3) - FY06 and FY07 revenues include $19.5 million and $13.3 million respectively, in previously protested severance taxes on natural gas from prior production years. FY15 revenues were reduced by roughly $10 million due to a refund of overpaid severance taxes on natural gas resulting from the resolution of a tax issue with a major natural gas producer.

Table 5

Mineral Severance Taxes

Biennial Distribution by Account

Biennium	General Fund (1)	Budget Reserve Acct	PWMTF (1), (2)	One Percent Severance Tax Account CSPLF (1)	Water I	Water II	Water III	Highway Fund	Cities and Towns	Counties	School Foundation/ SFP Reserve/ Comm. Colleges (1)	Cities, Towns, Counties and Special Districts Capital Construction	County Road Const. Fund	Others	Totals (3)
Historical:															
2003-04	$333,957,708	$276,758,652	$240,798,812	$0	$39,101,441	$6,736,790	$0	$14,667,344	$29,633,614	$12,429,714	$0	$8,786,528	$8,995,031	$20,827,516	$992,693,150
2005-06	$465,530,763	$531,160,140	$583,525,161	$0	$38,475,804	$7,231,005	$775,114	$16,227,296	$31,833,340	$13,195,534	$0	$7,998,065	$8,990,056	$22,791,494	$1,727,733,772
2007-08	$471,823,721	$551,893,115	$789,669,768	$0	$39,335,587	$6,723,572	$1,550,360	$14,770,346	$29,635,346	$12,348,525	$0	$7,223,159	$8,990,152	$23,787,280	$1,957,750,931
2009-10	$444,575,697	$501,366,636	$721,328,555	$0	$38,595,197	$6,598,620	$1,550,295	$13,777,003	$29,073,068	$12,161,056	$0	$7,223,166	$8,990,137	$21,375,110	$1,806,614,540
2011-12	$451,466,753	$518,247,815	$731,343,522	$0	$38,584,147	$6,459,977	$1,550,269	$13,215,103	$28,449,227	$11,953,094	$0	$7,223,145	$8,990,128	$21,523,435	$1,839,006,615
2013-14	$444,837,309	$503,662,694	$712,714,760	$0	$38,595,000	$6,510,000	$1,550,000	$13,423,000	$28,675,000	$12,028,000	$0	$7,223,000	$8,990,000	$21,275,496	$1,799,484,259
2015-16	$386,211,170	$319,338,822	$477,344,475	$0	$38,595,000	$6,510,000	$1,550,000	$13,423,000	$28,675,000	$12,028,000	$0	$7,223,000	$8,990,000	$20,675,156	$1,320,563,623
2017-18	$343,629,012	$274,400,065	$281,940,057	$187,841,198	$38,595,000	$6,510,000	$1,550,000	$0	$28,675,000	$12,028,000	$0	$7,223,000	$8,990,000	$20,430,927	$1,211,812,259
2019-20	$492,728,561	$251,022,030	$276,890,350	$0	$38,595,000	$6,510,000	$1,550,000	$13,423,000	$28,675,000	$12,028,000	$20,529,203	$7,223,000	$8,990,000	$20,348,149	$1,178,512,293
2021-22	$335,670,431	$335,332,712	$346,123,814	$230,609,572	$38,595,000	$6,510,000	$1,550,000	$13,423,000	$28,675,000	$12,028,000	$50,000,000	$7,223,000	$8,990,000	$18,485,712	$1,433,216,241
Projected:															
2023-24	$413,700,000	$329,500,000	$538,900,000	$134,700,000	$38,600,000	$6,600,000	$1,600,000	$13,400,000	$28,600,000	$12,000,000	$111,800,000	$7,200,000	$9,000,000	$19,000,000	$1,664,600,000
2025-26	$346,500,000	$307,000,000	$425,000,000	$106,200,000	$38,600,000	$6,600,000	$1,600,000	$13,400,000	$28,600,000	$12,000,000	$0	$7,200,000	$9,000,000	$19,200,000	$1,320,900,000
2027-28	$332,100,000	$278,100,000	$395,700,000	$99,000,000	$38,600,000	$6,600,000	$1,600,000	$13,400,000	$28,600,000	$12,000,000	$0	$7,200,000	$9,000,000	$19,200,000	$1,241,100,000

(1) - 2016 Wyoming Session Laws, Chapter 31, Section 325 diverted revenue from the statutory one percent severance tax previously directed to the Permanent Wyoming Mineral Trust Fund (PWMTF) to the General Fund for approximately half of the 2016 fiscal year (approximately $33.6 million). Additionally, the one percent severance tax is diverted from the PWMTF to the One Percent Severance Tax Account (OPSTA) for the 2017-2018 biennium. The same section also diverted the portion of severance taxes traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $6.7 million/year). 2018 Wyoming Session Laws, Chapter 134, Section 314 redirected the revenue from the statutory one percent severance tax from the PWMTF to the General Fund for FY19 and FY20. The same section also reduced a portion of severance taxes traditionally directed to the General Fund to the School Foundation Program Reserve Account (SFPRA) for FY19. 2021 Wyoming Session Laws, Chapter 69, Section 314 and Chapter 144 direct revenue from the statutory one percent severance tax to the PWMTF and Common School Permanent Land Fund (CSPLF) in equal shares from FY21 through FY28. Thereafter the distribution is one-third to the CSPLF and two-thirds to the PWMTF. 2020 Wyoming Session Laws, Chapter 80, Section 314 imposed a second cap on the distribution of revenues in the severance tax distribution account to the BRA and SFPRA in equal amounts for FY21 and FY22. 2022 Wyoming Session Laws, Chapter 51, Section 314 extended a second cap on the distribution of revenue in the severance tax distribution account above the January 2022 CREG forecast to the GF, BRA, and SFPRA in equal amounts for FY23 and FY24.

(2) - 2002 Wyoming Session Laws, Chapter 62 made permanent the diversion of PWMTF revenues to the Severance Tax Distribution Account, and repealed the language of 2000 Wyoming Session Laws, Chapter 99 requiring a larger proportion of coal bed methane revenues to be deposited into the PWMTF. 2005 Wyoming Session Laws, Chapter 80 diverted additional severance taxes (equal to two-thirds of the PWMTF distribution required by Wyoming Constitution) from the Severance Tax Distribution Account to the PWMTF, beginning in FY06. One-half of the additional severance taxes to the PWMTF ($74,264,775) was diverted to the PWMTF Reserve Account in FY10.

(3) - FY06 and FY07 revenues include $19.5 million and $13.3 million respectively, in previously protested severance taxes on natural gas from prior production years. FY15 revenues were reduced by roughly $10 million due to a refund of overpaid severance taxes on natural gas resulting from the resolution of a tax issue with a major natural gas producer.

Table 6

Mineral Severance Taxes to All Accounts

Fiscal Year Distribution by Mineral

Fiscal Year	Crude Oil	Natural Gas (1)	Coal	Trona	Others	Total
Historical:						
2003	$69,730,688	$224,966,204	$125,434,970	$7,786,147	$1,208,213	$429,126,222
2004	$72,844,983	$345,548,531	$135,956,903	$7,952,481	$1,264,030	$563,566,928
2005	$102,660,529	$461,669,565	$151,379,493	$9,285,910	$1,661,357	$726,656,854
2006	$135,263,605	$669,480,959	$183,112,618	$9,969,078	$3,250,658	$1,001,076,918
2007	$139,310,375	$493,200,653	$215,728,100	$13,076,121	$2,483,671	$863,798,920
2008	$217,110,229	$620,501,378	$238,598,329	$15,041,023	$2,701,052	$1,093,952,011
2009	$143,285,176	$444,182,740	$273,281,570	$15,636,672	$2,267,004	$878,653,162
2010	$173,078,065	$468,963,683	$269,081,349	$14,090,157	$2,748,124	$927,961,378
2011	$204,334,598	$427,091,930	$294,278,928	$15,554,565	$4,038,094	$945,298,115
2012	$236,554,432	$342,372,512	$293,110,118	$17,169,707	$4,501,731	$893,708,500
2013	$238,394,726	$296,789,166	$282,081,447	$18,256,604	$4,310,978	$839,832,921
2014	$322,191,025	$340,430,854	$274,042,449	$18,488,233	$4,498,777	$959,651,338
2015	$256,104,891	$237,010,110	$269,521,346	$18,863,711	$5,442,627	$786,942,685
2016	$153,285,240	$139,725,594	$217,752,042	$18,858,104	$3,999,958	$533,620,938
2017	$161,071,114	$179,417,599	$218,013,154	$18,696,775	$3,140,125	$580,338,767
2018	$232,688,789	$177,952,194	$198,835,870	$18,928,564	$3,068,075	$631,473,492
2019	$279,922,813	$191,730,190	$183,195,325	$19,866,632	$3,086,030	$677,800,990
2020	$225,146,277	$101,758,622	$153,954,756	$17,127,511	$2,724,137	$500,711,303
2021	$212,038,962	$160,035,587	$147,074,423	$15,764,521	$2,219,499	$537,132,992
2022	$391,549,639	$309,645,638	$172,026,379	$20,434,172	$2,427,421	$896,083,249
Projected:						
2023	$388,800,000	$317,800,000	$162,600,000	$21,700,000	$2,300,000	$893,200,000
2024	$351,600,000	$251,100,000	$145,700,000	$20,700,000	$2,300,000	$771,400,000
2025	$337,100,000	$199,800,000	$125,700,000	$19,900,000	$2,300,000	$684,800,000
2026	$310,600,000	$183,200,000	$119,300,000	$20,400,000	$2,600,000	$636,100,000
2027	$296,500,000	$184,300,000	$116,100,000	$21,600,000	$3,400,000	$621,900,000
2028	$296,600,000	$181,100,000	$114,500,000	$22,800,000	$4,200,000	$619,200,000

(1) - FY06 and FY07 natural gas revenues include $19.5 million and $13.3 million, respectively in previously protested severance taxes from prior production years. FY15 natural gas revenues were reduced by roughly $10 million due to a refund of overpaid severance taxes resulting from the resolution of a tax issue with a major natural gas producer.

Table 7
Federal Mineral Royalties (Including Coal Lease Bonuses) - Projections
Fiscal Year Distribution by Account

Fiscal Year	University of Wyoming	School Foundation (1),(4),(5),(6)	Highway Fund (2),(3)	Highway Fund County Roads	Cities and Towns	Cities, Towns, Counties and Spec. Districts Capital Construction (3)	School Dist Cap Con (3),(4),(5)	LRI/BRA (4),(5),(6)	Community Colleges (3)	Others (1), (3)	Transportation Enterprise	General Fund Administrative (2)	Totals
Historical:													
2003	$13,365,000	$156,262,611	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$69,880,327	$135,076,695	$1,600,000	$0	$0	$2,000,000	$476,269,633
2004	$13,365,000	$191,090,662	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$43,514,047	$204,711,904	$1,600,000	$0	$0	$2,000,000	$554,366,613
2005	$13,365,000	$201,172,871	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$213,121,806	$285,903,765	$1,600,000	$30,525,901	$0	$2,000,000	$845,774,343
2006	$13,365,000	$88,704,000	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$203,999,794	$440,092,088	$1,600,000	$220,112,064	$0	$2,000,000	$1,067,957,946
2007	$13,365,000	$88,704,000	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$166,049,329	$371,530,742	$1,600,000	$185,821,106	$0	$2,000,000	$927,155,177
2008	$13,365,000	$287,243,293	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$181,137,080	$534,000,228	$1,600,000	$68,540,929	$0	$2,000,000	$1,185,971,530
2009	$13,365,000	$300,714,799	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$209,876,037	$423,895,060	$1,600,000	$0	$0	$2,000,000	$1,049,535,896
2010	$13,365,000	$299,236,295	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$43,468,169	$420,967,494	$1,600,000	$0	$0	$2,000,000	$878,721,958
2011	$13,365,000	$320,455,151	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$43,468,006	$463,393,448	$1,600,000	$0	$0	$2,000,000	$942,366,605
2012	$13,365,000	$291,863,708	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$141,575,795	$406,218,740	$1,600,000	$0	$0	$2,000,000	$954,708,243
2013	$13,365,000	$263,033,022	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$234,971,046	$348,580,024	$1,600,000	$0	$0	$2,000,000	$961,634,092
2014	$13,365,000	$286,403,608	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$209,148,871	$395,306,057	$1,600,000	$0	$0	$2,000,000	$1,005,908,536
2015	$13,365,000	$251,827,747	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$220,955,844	$326,149,640	$1,600,000	$0	$0	$2,000,000	$913,983,231
2016	$13,365,000	$182,837,225	$62,017,500	$4,455,000	$18,562,500	$13,050,000	$215,827,963	$188,209,982	$1,600,000	$0	$0	$2,000,000	$701,925,170
2017	$13,365,000	$215,474,656	$1,875,000	$4,455,000	$18,562,500	$13,050,000	$120,633,115	$253,465,266	$1,600,000	$0	$0	$62,142,500	$704,623,037
2018	$13,365,000	$220,019,057	$0	$4,455,000	$18,562,500	$7,425,000	$10,655,756	$215,632,223	$0	$0	$0	$62,142,500	$552,257,036
2019	$13,365,000	$281,953,516	$60,235,975	$4,455,000	$18,562,500	$7,705,425	$5,346,000	$246,624,758	$74,780	$299,120	$0	$2,000,000	$640,622,074
2020	$21,365,000	$184,847,004	$60,221,825	$4,455,000	$18,562,500	$7,662,975	$5,530,320	$184,286,008	$63,460	$69,520	$0	$2,000,000	$489,063,612
2021	$21,365,000	$178,045,869	$60,200,100	$4,455,000	$18,562,500	$7,597,800	$5,346,000	$170,683,739	$46,080	$184,320	$0	$2,000,000	$468,486,408
2022	$21,365,000	$313,303,179	$60,200,100	$4,455,000	$18,562,500	$7,597,800	$5,346,000	$316,865,845	$46,080	$184,320	$0	$2,000,000	$749,925,824
Projected:													
2023	$21,400,000	$283,300,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$327,100,000	$0	$0	$0	$2,000,000	$729,700,000
2024	$21,400,000	$248,000,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$269,200,000	$0	$0	$0	$2,000,000	$636,500,000
2025	$21,400,000	$211,300,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$237,100,000	$0	$0	$0	$2,000,000	$567,700,000
2026	$21,400,000	$201,200,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$217,100,000	$0	$0	$0	$2,000,000	$537,600,000
2027	$21,400,000	$199,500,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$213,600,000	$0	$0	$0	$2,000,000	$532,400,000
2028	$21,400,000	$199,400,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$213,500,000	$0	$0	$0	$2,000,000	$532,200,000

(1) - 2005 Wyoming Session Laws, Chapter 190 diverted federal mineral royalties over the $200 million cap from the School Foundation Program (SFP) to the Higher Education Endowment Account anc Hathaway Endowment Account, beginning in FY05. Amounts diverted were reduced as necessary to ensure an unobligated, unencumbered balance of $100 million in the SFP as of July 1 of each fiscal year. Of the amounts diverted, 21% was distributed to the Higher Education Endowment Account until the account balance reached $105 million, and 79% was distributed to the Hathaway Endowment Account until the account balance reached $400 million. These distributions were completed in FY08.

(2) - 2016 Wyoming Session Laws, Chapter 31, Section 326 diverted the portion of federal mineral royalties traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $60.1 million /year). 2022 Wyoming Session Laws, Chapter 51, Section 315 provided for a diversion of federal mineral royalties from the Highway Fund to the General Fund to the extent of American Rescue Plan Act (ARPA) funds allocated to the Department of Transportation during the 2023-2024 biennium. As authorized by Section 311 of Chapter 51, the executive branch has not elected to allocate ARPA funds to the Department of Transportation and rather has allocated ARPA funds to the Department of Family Services, thus directly conserving General Funds.

(3) - 2016 Wyoming Session Laws, Chapter 31, Section 331 directs the final payment of all sequestered monies received in FY18 to be deposited into the School Capital Construction Account, rather than the Highway Fund, Community Colleges, or Cities, Towns, Counties and Special Districts Capital Construction Account. 2018 Wyoming Session Laws, Chapter 134, Section 317 and 2020 Wyoming Session Laws, Chapter 80, Section 316 redirected any coal lease bonus payments received in FY19, FY21, and FY22 from the School Capital Construction Account to the School Foundation Program Reserve Account.

(4) - Federal legislation was enacted in December 2007 to reduce the state's share of federal mineral royalties by 2%, beginning in FY08. This revenue decrease reduces distributions to the School Foundation Program Account, the School Capital Construction Account, and the Budget Reserve Account. This 2% reduction was made permanent in December 2013.

(5) - The President issued a sequestration order on March 1, 2013 in accordance with the Balanced Budget and Emergency Deficit Control Act as amended. In late October 2013, the Department of Interior began the practice of repaying the state for federal mineral revenues sequestered during the prior federal fiscal year (FFY). CREG anticipates the sequester withholding and subsequent repayments to continue throughout the forecast period. As a result of this assumption (withholding/payback), no net impact of future federal sequestration is included in the forecast.

(6) - 2018 Wyoming Session Laws, Chapter 134, Section 316 and 2019 Wyoming Session Laws, Chapter 80, Section 347 redirected a higher portion of the FMR revenue in excess of $200 million to the School Foundation Program Account and a lower portion to the Budget Reserve Account for FY18, FY19, and FY20. 2021 Wyoming Session Laws, Chapter 80, Section 316 provided a similar modification for FY21 and FY22. 2022 Wyoming Session Laws, Chapter 51, Section 315 provided a similar modification for FY23 and FY24.

Table 7(a)
Federal Mineral Royalties (without Coal Lease Bonuses) - Projections
Fiscal Year Distribution by Account

Fiscal Year	University of Wyoming	School Foundation (1),(3),(4),(5)	Highway Fund (2)	Highway Fund County Roads	Cities and Towns	Cities, Towns, Counties and Spec. Districts Capital Construction	School Dist Cap Con	LRI/BRA (3),(4),(5)	Others (1)	Transportation Enterprise	General Fund Administrative (2)	Totals
Historical:												
2003	$13,365,000	$156,262,611	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$135,076,695	$0	$0	$2,000,000	$402,635,306
2004	$13,365,000	$191,090,662	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$204,711,904	$0	$0	$2,000,000	$507,098,566
2005	$13,365,000	$201,172,871	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$285,903,765	$30,525,901	$0	$2,000,000	$628,898,537
2006	$13,365,000	$88,704,000	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$440,092,088	$220,112,064	$0	$2,000,000	$860,204,152
2007	$13,365,000	$88,704,000	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$371,530,742	$185,821,106	$0	$2,000,000	$757,351,848
2008	$13,365,000	$287,243,293	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$534,000,228	$68,540,929	$0	$2,000,000	$1,001,080,450
2009	$13,365,000	$300,714,799	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$423,895,060	$0	$0	$2,000,000	$835,905,859
2010	$13,365,000	$299,236,295	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$420,967,494	$0	$0	$2,000,000	$831,499,789
2011	$13,365,000	$320,455,151	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$463,393,448	$0	$0	$2,000,000	$895,144,599
2012	$13,365,000	$291,863,708	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$406,218,740	$0	$0	$2,000,000	$809,378,448
2013	$13,365,000	$263,033,022	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$348,580,024	$0	$0	$2,000,000	$722,909,046
2014	$13,365,000	$286,403,608	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$395,306,057	$0	$0	$2,000,000	$793,005,665
2015	$13,365,000	$251,827,747	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$326,149,640	$0	$0	$2,000,000	$689,273,387
2016	$13,365,000	$182,837,225	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$188,209,982	$0	$0	$2,000,000	$482,343,207
2017	$13,365,000	$215,474,656	$0	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$253,465,266	$0	$0	$62,142,500	$580,235,922
2018	$13,365,000	$220,019,057	$0	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$215,632,223	$0	$0	$62,142,500	$546,947,280
2019	$13,365,000	$281,953,516	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$246,624,758	$0	$0	$2,000,000	$639,874,274
2020	$21,365,000	$184,847,004	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$184,286,008	$0	$0	$2,000,000	$488,429,012
2021	$21,365,000	$178,045,869	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$170,683,739	$0	$0	$2,000,000	$468,025,608
2022	$21,365,000	$313,303,179	$60,142,500	$4,455,000	$18,562,500	$7,425,000	$5,346,000	$316,865,845	$0	$0	$2,000,000	$749,465,024
Projected:												
2023	$21,400,000	$283,300,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$327,100,000	$0	$0	$2,000,000	$729,700,000
2024	$21,400,000	$248,000,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$269,200,000	$0	$0	$2,000,000	$636,500,000
2025	$21,400,000	$211,300,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$237,100,000	$0	$0	$2,000,000	$567,700,000
2026	$21,400,000	$201,200,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$217,100,000	$0	$0	$2,000,000	$537,600,000
2027	$21,400,000	$199,500,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$213,600,000	$0	$0	$2,000,000	$532,400,000
2028	$21,400,000	$199,400,000	$60,100,000	$4,500,000	$18,600,000	$7,400,000	$5,300,000	$213,500,000	$0	$0	$2,000,000	$532,200,000

(1) - 2005 Wyoming Session Laws, Chapter 190 diverted federal mineral royalties over the $200 million cap from the School Foundation Program (SFP) to the Higher Education Endowment Account and Hathaway Endowment Account, beginning in FY05. Amounts diverted were reduced as necessary to ensure an unobligated, unencumbered balance of $100 million in the SFP as of July 1 of each fiscal year. Of the amounts diverted, 21% was distributed to the Higher Education Endowment Account until the account balance reached $105 million, and 79% was distributed to the Hathaway Endowment Account until the account balance reached $400 million. These distributions were completed in FY08.

(2) - 2016 Wyoming Session Laws, Chapter 31, Section 326 diverted the portion of federal mineral royalties traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $60.1 million /year). 2022 Wyoming Session Laws, Chapter 51, Section 315 provided for a diversion of federal mineral royalties from the Highway Fund to the General Fund to the extent of American Rescue Plan Act (ARPA) funds allocated to the Department of Transportation during the 2023-2024 biennium. As authorized by Section 311 of Chapter 51, the executive branch has not elected to allocate ARPA funds to the Department of Transportation and rather has allocated ARPA funds to the Department of Family Services, thus directly conserving General Funds.

(3) - Federal legislation was enacted in December 2007 to reduce the state's share of federal mineral royalties by 2%, beginning in FY08. This revenue decrease reduces distributions to the School Foundation Program Account and the Budget Reserve Account. This 2% reduction was made permanent in December 2013.

(4) - The President issued a sequestration order on March 1, 2013 in accordance with the Balanced Budget and Emergency Deficit Control Act as amended. In late October 2013, the Department of Interior began the practice of repaying the state for federal mineral revenues sequestered during the prior federal fiscal year (FFY). CREG anticipates the sequester withholding and subsequent repayments to continue throughout the forecast period. As a result of this assumption (withholding/payback), no net impact of future federal sequestration is included in the forecast.

(5) - 2018 Wyoming Session Laws, Chapter 134, Section 316 and 2019 Wyoming Session Laws, Chapter 80, Section 347 redirected a higher portion of the FMR revenue in excess of $200 million to the School Foundation Program Account and a lower portion to the Budget Reserve Account for FY18, FY19, and FY20. 2021 Wyoming Session Laws, Chapter 80, Section 316 provided a similar modification for FY21 and FY22. 2022 Wyoming Session Laws, Chapter 51, Section 315 provided a similar modification for FY23 and FY24.

Table 7(b)
Coal Lease Bonuses - Projections
Fiscal Year Distribution by Account

Fiscal Year	Cities, Towns, Counties and Spec. Districts Capital Construction (1)	Highway Fund (1)	LRI / School Foundation Reserve (1)	School Dist Cap Con (1),(2),(3)	Community Colleges (1)	Totals
Historical:						
2003	$5,625,000	$1,875,000	$0	$64,534,327	$1,600,000	$73,634,327
2004	$5,625,000	$1,875,000	$0	$38,168,047	$1,600,000	$47,268,047
2005	$5,625,000	$1,875,000	$0	$207,775,806	$1,600,000	$216,875,806
2006	$5,625,000	$1,875,000	$0	$198,653,794	$1,600,000	$207,753,794
2007	$5,625,000	$1,875,000	$0	$160,703,329	$1,600,000	$169,803,329
2008	$5,625,000	$1,875,000	$0	$175,791,080	$1,600,000	$184,891,080
2009	$5,625,000	$1,875,000	$0	$204,530,037	$1,600,000	$213,630,037
2010	$5,625,000	$1,875,000	$0	$38,122,169	$1,600,000	$47,222,169
2011	$5,625,000	$1,875,000	$0	$38,122,006	$1,600,000	$47,222,006
2012	$5,625,000	$1,875,000	$0	$136,229,795	$1,600,000	$145,329,795
2013	$5,625,000	$1,875,000	$0	$229,625,046	$1,600,000	$238,725,046
2014	$5,625,000	$1,875,000	$0	$203,802,871	$1,600,000	$212,902,871
2015	$5,625,000	$1,875,000	$0	$215,609,844	$1,600,000	$224,709,844
2016	$5,625,000	$1,875,000	$0	$210,481,963	$1,600,000	$219,581,963
2017	$5,625,000	$1,875,000	$0	$115,287,115	$1,600,000	$124,387,115
2018	$0	$0	$0	$5,309,756	$0	$5,309,756
2019	$280,425	$93,475	$299,120	$0	$74,780	$747,800
2020	$237,975	$79,325	$69,520	$184,320	$63,460	$634,600
2021	$172,800	$57,600	$184,320	$0	$46,080	$460,800
2022	$172,800	$57,600	$184,320	$0	$46,080	$460,800
Projected:						
2023	$0	$0	$0	$0	$0	$0
2024	$0	$0	$0	$0	$0	$0
2025	$0	$0	$0	$0	$0	$0
2026	$0	$0	$0	$0	$0	$0
2027	$0	$0	$0	$0	$0	$0
2028	$0	$0	$0	$0	$0	$0

(1) - 2016 Wyoming Session Laws, Chapter 31, Section 331 directs the final payment of all sequestered monies received in FY18 to be deposited into the School Capital Construction Account, rather than the Highway Fund, Community Colleges, or Cities, Towns, Counties and Special Districts Capital Construction Account. 2018 Wyoming Session Laws, Chapter 134, Section 317 and 2020 Wyoming Session Laws, Chapter 80, Section 316 redirected any coal lease bonus payments received in FY19, FY21, and FY22 from the School Capital Construction Account to the School Foundation Program Reserve Account.

(2) - Federal legislation was enacted in December 2007 to reduce the state's share of federal mineral royalties by 2%, beginning in FY08. This revenue decrease reduces distributions to the School Capital Construction Account. This 2% reduction was made permanent in December 2013.

(3) - The President issued a sequestration order on March 1, 2013 in accordance with the Balanced Budget and Emergency Deficit Control Act as amended. In late October 2013, the Department of Interior began the practice of repaying the state for federal mineral revenues sequestered during the prior federal fiscal year (FFY). CREG anticipates the sequester withholding and subsequent repayments to continue throughout the forecast period. As a result of this assumption (withholding/payback), no net impact of future federal sequestration is included in the forecast.

Table 8

Federal Mineral Royalties (Including Coal Lease Bonuses) - Projections

Biennial Distribution by Account

Biennium	University of Wyoming	School Foundation (1),(4),(5),(6)	Highway Fund (2),(3)	Highway Fund County Roads	Cities and Towns	Cities, Towns, Counties and Spec. Districts Capital Construction (3)	School Dist Cap Con (3),(4),(5)	LRI/BRA (4),(5),(6)	Community Colleges (3)	Others (1), (3)	Transportation Enterprise	General Fund Administrative (2)	Totals
Historical:													
2003-04	$26,730,000	$347,353,273	$124,035,000	$8,910,000	$37,125,000	$26,100,000	$113,394,374	$339,788,599	$3,200,000	$0	$0	$4,000,000	$1,030,636,246
2005-06	$26,730,000	$289,876,871	$124,035,000	$8,910,000	$37,125,000	$26,100,000	$417,121,600	$725,995,853	$3,200,000	$250,637,965	$0	$4,000,000	$1,913,732,289
2007-08	$26,730,000	$375,947,293	$124,035,000	$8,910,000	$37,125,000	$26,100,000	$347,186,409	$905,530,970	$3,200,000	$254,362,035	$0	$4,000,000	$2,113,126,707
2009-10	$26,730,000	$599,951,094	$124,035,000	$8,910,000	$37,125,000	$26,100,000	$253,344,206	$844,862,554	$3,200,000	$0	$0	$4,000,000	$1,928,257,854
2011-12	$26,730,000	$612,318,859	$124,035,000	$8,910,000	$37,125,000	$26,100,000	$185,043,801	$869,612,188	$3,200,000	$0	$0	$4,000,000	$1,897,074,848
2013-14	$26,730,000	$549,436,630	$124,035,000	$8,910,000	$37,125,000	$26,100,000	$444,119,917	$743,886,081	$3,200,000	$0	$0	$4,000,000	$1,967,542,628
2015-16	$26,730,000	$434,664,972	$124,035,000	$8,910,000	$37,125,000	$26,100,000	$436,783,807	$514,359,622	$3,200,000	$0	$0	$4,000,000	$1,615,908,401
2017-18	$26,730,000	$435,493,713	$1,875,000	$8,910,000	$37,125,000	$20,475,000	$131,288,871	$469,097,489	$1,600,000	$0	$0	$124,285,000	$1,256,880,073
2019-20	$34,730,000	$466,800,520	$120,457,800	$8,910,000	$37,125,000	$15,368,400	$10,876,320	$430,910,766	$138,240	$368,640	$0	$4,000,000	$1,129,685,686
2021-22	$42,730,000	$491,349,048	$120,400,200	$8,910,000	$37,125,000	$15,195,600	$10,692,000	$487,549,584	$92,160	$368,640	$0	$4,000,000	$1,218,412,232
Projected:													
2023-24	$42,800,000	$531,300,000	$120,200,000	$9,000,000	$37,200,000	$14,800,000	$10,600,000	$596,300,000	$0	$0	$0	$4,000,000	$1,366,200,000
2025-26	$42,800,000	$412,500,000	$120,200,000	$9,000,000	$37,200,000	$14,800,000	$10,600,000	$454,200,000	$0	$0	$0	$4,000,000	$1,105,300,000
2027-28	$42,800,000	$398,900,000	$120,200,000	$9,000,000	$37,200,000	$14,800,000	$10,600,000	$427,100,000	$0	$0	$0	$4,000,000	$1,064,600,000

(1) - 2005 Wyoming Session Laws, Chapter 190 diverted federal mineral royalties over the $200 million cap from the School Foundation Program (SFP) to the Higher Education Endowment Account and Hathaway Endowment Account, beginning in FY05. Amounts diverted were reduced as necessary to ensure an unobligated, unencumbered balance of $100 million in the SFP as of July 1 of each fiscal year. Of the amounts diverted, 21% was distributed to the Higher Education Endowment Account until the account balance reached $105 million, and 79% was distributed to the Hathaway Endowment Account until the account balance reached $400 million. These distributions were completed in FY08.

(2) - 2016 Wyoming Session Laws, Chapter 31, Section 326 diverted the portion of federal mineral royalties traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $60.1 million /year). 2022 Wyoming Session Laws, Chapter 51, Section 315 provided for a diversion of federal mineral royalties from the Highway Fund to the General Fund to the extent of American Rescue Plan Act (ARPA) funds allocated to the Department of Transportation during the 2023-2024 biennium. As authorized by Section 311 of Chapter 51, the executive branch has not elected to allocate ARPA funds to the Department of Transportation and rather has allocated ARPA funds to the Department of Family Services, thus directly conserving General Funds.

(3) - 2016 Wyoming Session Laws, Chapter 31, Section 331 directs the final payment of all sequestered monies received in FY18 to be deposited into the School Capital Construction Account, rather than the Highway Fund, Community Colleges, or Cities, Towns, Counties and Special Districts Capital Construction Account. 2018 Wyoming Session Laws, Chapter 134, Section 317 and 2020 Wyoming Session Laws, Chapter 80, Section 316 redirected any coal lease bonus payments received in FY19, FY21, and FY22 from the School Capital Construction Account to the School Foundation Program Reserve Account.

(4) - Federal legislation was enacted in December 2007 to reduce the state's share of federal mineral royalties by 2%, beginning in FY08. This revenue decrease reduces distributions to the School Foundation Program Account, the School Capital Construction Account, and the Budget Reserve Account. This 2% reduction was made permanent in December 2013.

(5) - The President issued a sequestration order on March 1, 2013 in accordance with the Balanced Budget and Emergency Deficit Control Act as amended. In late October 2013, the Department of Interior began the practice of repaying the state for federal mineral revenues sequestered during the prior federal fiscal year (FFY). CREG anticipates the sequester withholding and subsequent repayments to continue throughout the forecast period. As a result of this assumption (withholding/payback), no net impact of future federal sequestration is included in the forecast.

(6) - 2018 Wyoming Session Laws, Chapter 134, Section 316 and 2019 Wyoming Session Laws, Chapter 80, Section 347 redirected a higher portion of the FMR revenue in excess of $200 million to the School Foundation Program Account and a lower portion to the Budget Reserve Account for FY18, FY19, and FY20. 2021 Wyoming Session Laws, Chapter 80, Section 316 provided a similar modification for FY21 and FY22. 2022 Wyoming Session Laws, Chapter 51, Section 315 provided a similar modification for FY23 and FY24.

Table 8(a)

Federal Mineral Royalties (without Coal Lease Bonuses) - Projections

Biennial Distribution by Account

Biennium	University of Wyoming	School Foundation (1),(3),(4),(5)	Highway Fund (2)	Highway Fund County Roads	Cities and Towns	Cities, Towns, Counties and Spec. Districts Capital Construction	School Dist Cap Con	LRI/BRA (3),(4),(5)	Others (1)	Transportation Enterprise	General Fund Administrative (2)	Totals
Historical:												
2003-04	$26,730,000	$347,353,273	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$339,788,599	$0	$0	$4,000,000	$909,733,872
2005-06	$26,730,000	$289,876,871	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$725,995,853	$250,637,965	$0	$4,000,000	$1,489,102,689
2007-08	$26,730,000	$375,947,293	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$905,530,970	$254,362,035	$0	$4,000,000	$1,758,432,298
2009-10	$26,730,000	$599,951,094	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$844,862,554	$0	$0	$4,000,000	$1,667,405,648
2011-12	$26,730,000	$612,318,859	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$869,612,188	$0	$0	$4,000,000	$1,704,523,047
2013-14	$26,730,000	$549,436,630	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$743,886,081	$0	$0	$4,000,000	$1,515,914,711
2015-16	$26,730,000	$434,664,972	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$514,359,622	$0	$0	$4,000,000	$1,171,616,594
2017-18	$26,730,000	$435,493,713	$0	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$469,097,489	$0	$0	$124,285,000	$1,127,183,202
2019-20	$34,730,000	$466,800,520	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$430,910,766	$0	$0	$4,000,000	$1,128,303,286
2021-22	$42,730,000	$491,349,048	$120,285,000	$8,910,000	$37,125,000	$14,850,000	$10,692,000	$487,549,584	$0	$0	$4,000,000	$1,217,490,632
Projected:												
2023-24	$42,800,000	$531,300,000	$120,200,000	$9,000,000	$37,200,000	$14,800,000	$10,600,000	$596,300,000	$0	$0	$4,000,000	$1,366,200,000
2025-26	$42,800,000	$412,500,000	$120,200,000	$9,000,000	$37,200,000	$14,800,000	$10,600,000	$454,200,000	$0	$0	$4,000,000	$1,105,300,000
2027-28	$42,800,000	$398,900,000	$120,200,000	$9,000,000	$37,200,000	$14,800,000	$10,600,000	$427,100,000	$0	$0	$4,000,000	$1,064,600,000

(1) - 2005 Wyoming Session Laws, Chapter 190 diverted federal mineral royalties over the $200 million cap from the School Foundation Program (SFP) to the Higher Education Endowment Account and Hathaway Endowment Account, beginning in FY05. Amounts diverted were reduced as necessary to ensure an unobligated, unencumbered balance of $100 million in the SFP as of July 1 of each fiscal year. Of the amounts diverted, 21% was distributed to the Higher Education Endowment Account until the account balance reached $105 million, and 79% was distributed to the Hathaway Endowment Account until the account balance reached $400 million. These distributions were completed in FY08.

(2) - 2016 Wyoming Session Laws, Chapter 31, Section 326 diverted the portion of federal mineral royalties traditionally directed to the Highway Fund to the General Fund for the 2017-2018 biennium (approximately $60.1 million /year). 2022 Wyoming Session Laws, Chapter 51, Section 315 provided for a diversion of federal mineral royalties from the Highway Fund to the General Fund to the extent of American Rescue Plan Act (ARPA) funds allocated to the Department of Transportation during the 2023-2024 biennium. As authorized by Section 311 of Chapter 51, the executive branch has not elected to allocate ARPA funds to the Department of Transportation and rather has allocated ARPA funds to the Department of Family Services, thus directly conserving General Funds.

(3) - Federal legislation was enacted in December 2007 to reduce the state's share of federal mineral royalties by 2%, beginning in FY08. This revenue decrease reduces distributions to the School Foundation Program Account and the Budget Reserve Account. This 2% reduction was made permanent in December 2013.

(4) - The President issued a sequestration order on March 1, 2013 in accordance with the Balanced Budget and Emergency Deficit Control Act as amended. In late October 2013, the Department of Interior began the practice of repaying the state for federal mineral revenues sequestered during the prior federal fiscal year (FFY). CREG anticipates the sequester withholding and subsequent repayments to continue throughout the forecast period. As a result of this assumption (withholding/payback), no net impact of future federal sequestration is included in the forecast.

(5) - 2018 Wyoming Session Laws, Chapter 134, Section 316 and 2019 Wyoming Session Laws, Chapter 80, Section 347 redirected a higher portion of the FMR revenue in excess of $200 million to the School Foundation Program Account and a lower portion to the Budget Reserve Account for FY18, FY19, and FY20. 2021 Wyoming Session Laws, Chapter 80, Section 316 provided a similar modification for FY21 and FY22. 2022 Wyoming Session Laws, Chapter 51, Section 315 provided a similar modification for FY23 and FY24.

Table 8(b)
Coal Lease Bonuses - Projections
Biennial Distribution by Account

Biennium	Cities, Towns, Counties and Spec. Districts Capital Construction (1)	Highway Fund (1)	LRI / School Foundation Reserve (1)	School Dist Cap Con (1),(2),(3)	Community Colleges (1)	Totals
Historical:						
2003-04	$11,250,000	$3,750,000	$0	$102,702,374	$3,200,000	$120,902,374
2005-06	$11,250,000	$3,750,000	$0	$406,429,600	$3,200,000	$424,629,600
2007-08	$11,250,000	$3,750,000	$0	$336,494,409	$3,200,000	$354,694,409
2009-10	$11,250,000	$3,750,000	$0	$242,652,206	$3,200,000	$260,852,206
2011-12	$11,250,000	$3,750,000	$0	$174,351,801	$3,200,000	$192,551,801
2013-14	$11,250,000	$3,750,000	$0	$433,427,917	$3,200,000	$451,627,917
2015-16	$11,250,000	$3,750,000	$0	$426,091,807	$3,200,000	$444,291,807
2017-18	$5,625,000	$1,875,000	$0	$120,596,871	$1,600,000	$129,696,871
2019-20	$518,400	$172,800	$368,640	$184,320	$138,240	$1,382,400
2021-22	$345,600	$115,200	$368,640	$0	$92,160	$921,600
Projected:						
2023-24	$0	$0	$0	$0	$0	$0
2025-26	$0	$0	$0	$0	$0	$0
2027-28	$0	$0	$0	$0	$0	$0

(1) - 2016 Wyoming Session Laws, Chapter 31, Section 331 directs the final payment of all sequestered monies received in FY18 to be deposited into the School Capital Construction Account, rather than the Highway Fund, Community Colleges, or Cities, Towns, Counties and Special Districts Capital Construction Account. 2018 Wyoming Session Laws, Chapter 134, Section 317 and 2020 Wyoming Session Laws, Chapter 80, Section 316 redirected any coal lease bonus payments received in FY19, FY21, and FY22 from the School Capital Construction Account to the School Foundation Program Reserve Account.

(2) - Federal legislation was enacted in December 2007 to reduce the state's share of federal mineral royalties by 2%, beginning in FY08. This revenue decrease reduces distributions to the School Capital Construction Account. This 2% reduction was made permanent in December 2013.

(3) - The President issued a sequestration order on March 1, 2013 in accordance with the Balanced Budget and Emergency Deficit Control Act as amended. In late October 2013, the Department of Interior began the practice of repaying the state for federal mineral revenues sequestered during the prior federal fiscal year (FFY). CREG anticipates the sequester withholding and subsequent repayments to continue throughout the forecast period. As a result of this assumption (withholding/payback), no net impact of future federal sequestration is included in the forecast.

Table 9

Total State Assessed Valuation

Calendar Year of Production (1)	Oil	Gas	Coal	Trona	Other Minerals	Minerals Totals (2)	Other Property	Grand Totals
Historical:								
2003	$1,244,211,776	$5,265,135,004	$1,846,983,332	$195,203,377	$64,488,534	$8,616,022,023	$5,063,514,295	$13,679,536,318
2004	$1,634,067,860	$7,039,052,884	$2,039,556,051	$198,943,291	$72,397,802	$10,984,017,888	$5,461,066,596	$16,445,084,484
2005	$2,152,842,718	$10,134,180,366	$2,280,138,621	$255,216,361	$83,997,233	$14,906,375,299	$6,072,284,471	$20,978,659,770
2006	$2,533,149,964	$8,770,228,320	$2,884,925,775	$299,227,941	$98,848,458	$14,586,380,458	$6,904,886,980	$21,491,267,438
2007	$2,843,196,944	$7,271,144,479	$3,279,547,772	$339,684,701	$111,630,388	$13,845,204,284	$8,053,126,913	$21,898,331,197
2008	$4,089,269,385	$12,003,450,988	$3,760,527,297	$427,193,253	$116,440,939	$20,396,881,862	$8,822,651,321	$29,219,533,183
2009	$2,439,657,555	$5,861,051,297	$3,834,477,312	$350,783,487	$97,845,933	$12,583,815,584	$8,732,662,047	$21,316,477,631
2010	$3,272,849,256	$7,601,436,243	$4,108,362,906	$375,999,587	$134,780,261	$15,493,428,253	$8,846,271,979	$24,339,700,232
2011	$4,119,591,576	$7,190,810,473	$4,284,972,107	$431,369,858	$159,937,621	$16,186,681,635	$9,055,962,943	$25,242,644,578
2012	$4,229,997,989	$4,470,657,938	$4,178,694,059	$451,440,510	$175,774,950	$13,506,565,446	$9,290,528,889	$22,797,094,335
2013	$4,861,690,388	$5,090,310,877	$3,905,573,027	$439,786,716	$165,704,643	$14,463,065,651	$9,701,401,874	$24,164,467,525
2014	$5,566,696,351	$5,803,100,895	$3,983,594,226	$459,695,778	$193,164,243	$16,006,251,493	$10,051,030,476	$26,057,281,969
2015	$3,250,396,372	$2,922,950,409	$3,743,608,369	$482,906,297	$175,457,452	$10,575,318,899	$10,357,469,657	$20,932,788,556
2016	$2,465,561,294	$2,406,788,472	$2,916,684,373	$467,615,856	$134,111,251	$8,390,761,246	$10,434,337,957	$18,825,099,203
2017	$3,226,507,812	$3,143,840,698	$3,050,426,425	$469,793,914	$133,606,834	$10,024,175,683	$10,758,321,308	$20,782,496,991
2018	$4,686,318,402	$3,196,132,036	$2,843,015,238	$472,910,533	$143,049,009	$11,341,425,218	$11,456,335,550	$22,797,760,768
2019	$4,904,119,422	$2,510,868,128	$2,530,834,432	$499,802,467	$145,565,897	$10,591,190,346	$11,885,005,548	$22,476,195,894
2020	$2,835,951,116	$1,736,580,580	$2,061,662,835	$378,884,592	$119,144,322	$7,132,223,445	$12,497,120,895	$19,629,344,340
2021	$5,017,956,556	$4,089,422,104	$2,239,399,153	$444,546,238	$110,225,310	$11,901,549,361	$14,630,528,293	$26,532,077,654
Projected:								
2022	$7,290,000,000	$5,869,200,000	$2,530,800,000	$544,000,000	$115,000,000	$16,349,000,000	$15,947,300,000	$32,296,300,000
2023	$6,075,000,000	$4,731,900,000	$2,478,100,000	$544,000,000	$115,000,000	$13,944,000,000	$16,505,500,000	$30,449,500,000
2024	$5,985,000,000	$3,638,400,000	$2,010,000,000	$492,000,000	$115,000,000	$12,240,400,000	$17,083,200,000	$29,323,600,000
2025	$5,557,500,000	$3,023,000,000	$1,863,000,000	$504,000,000	$115,000,000	$11,062,500,000	$17,681,100,000	$28,743,600,000
2026	$5,073,000,000	$3,082,300,000	$1,813,900,000	$516,000,000	$132,200,000	$10,617,400,000	$18,299,900,000	$28,917,300,000
2027	$5,073,000,000	$3,059,500,000	$1,764,900,000	$563,200,000	$152,100,000	$10,612,700,000	$18,940,400,000	$29,553,100,000
2028	$5,073,000,000	$2,977,500,000	$1,764,900,000	$576,000,000	$170,700,000	$10,562,100,000	$19,603,300,000	$30,165,400,000

(1) - Calendar year represents the calendar year of mineral production.

(2) - 2021 Wyoming Session Laws, Chapter 28 modified payment of ad valorem taxes on mineral production beginning January 1, 2022, with some exceptions.