

# ILLUSTRATION OF WYOMING DEMOGRAPHIC, ECONOMIC AND REVENUE TRENDS

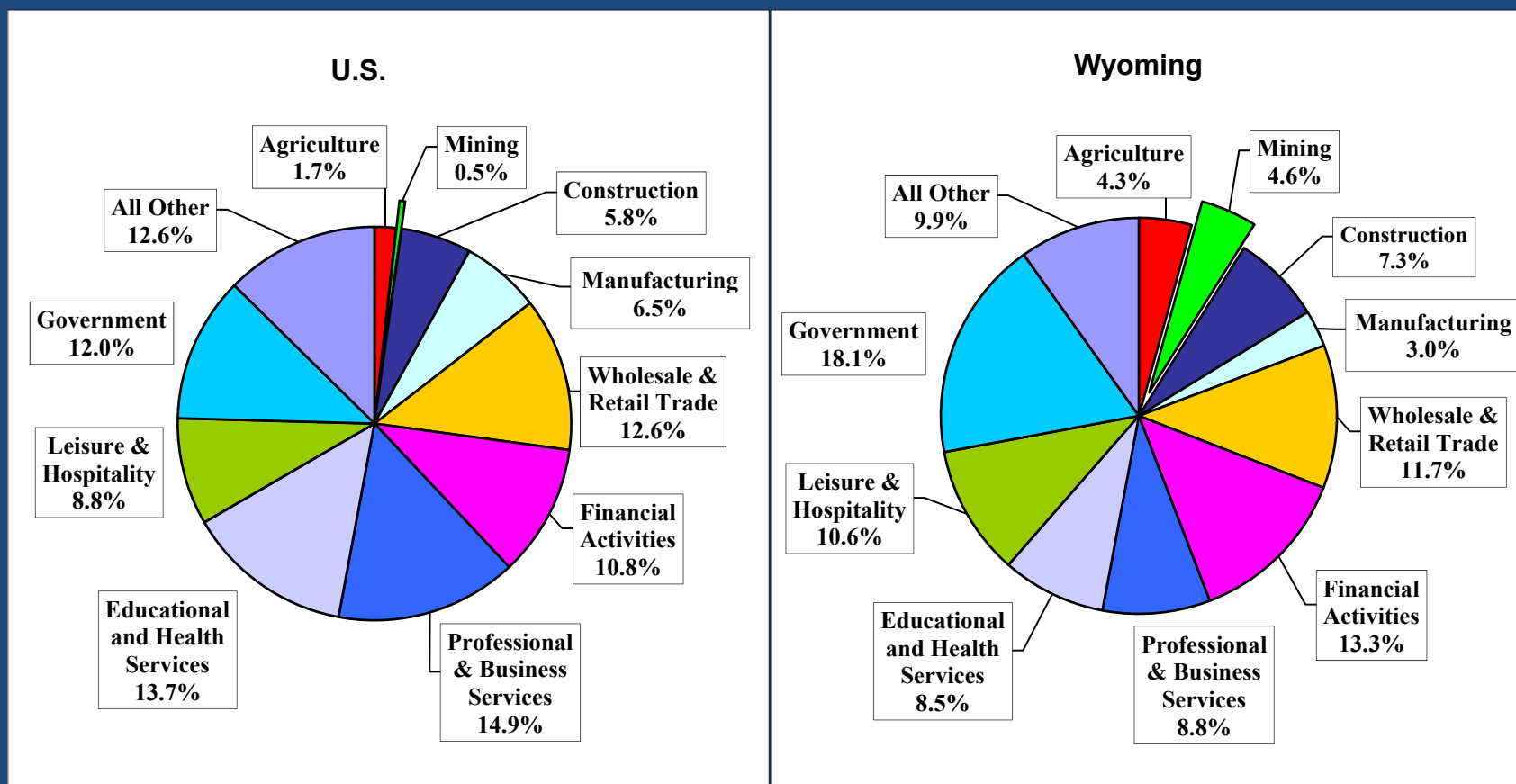


**WBC Board of Directors**  
**Feb 22, 2023**  
**Cheyenne, Wyoming**

**Wenlin Liu, Chief Economist**  
**Economic Analysis Division**  
**State of Wyoming**

# Employment by Industry for U.S. and Wyoming: 2021

(Includes: full and part-time wage and salary jobs, and proprietors employment)



**Wyoming = 409,176**  
**U.S. = 201,142,600**

## Rank of Wyoming's industry share in the U.S.:

Mining - 1<sup>st</sup>

Manufacturing – 48<sup>th</sup>

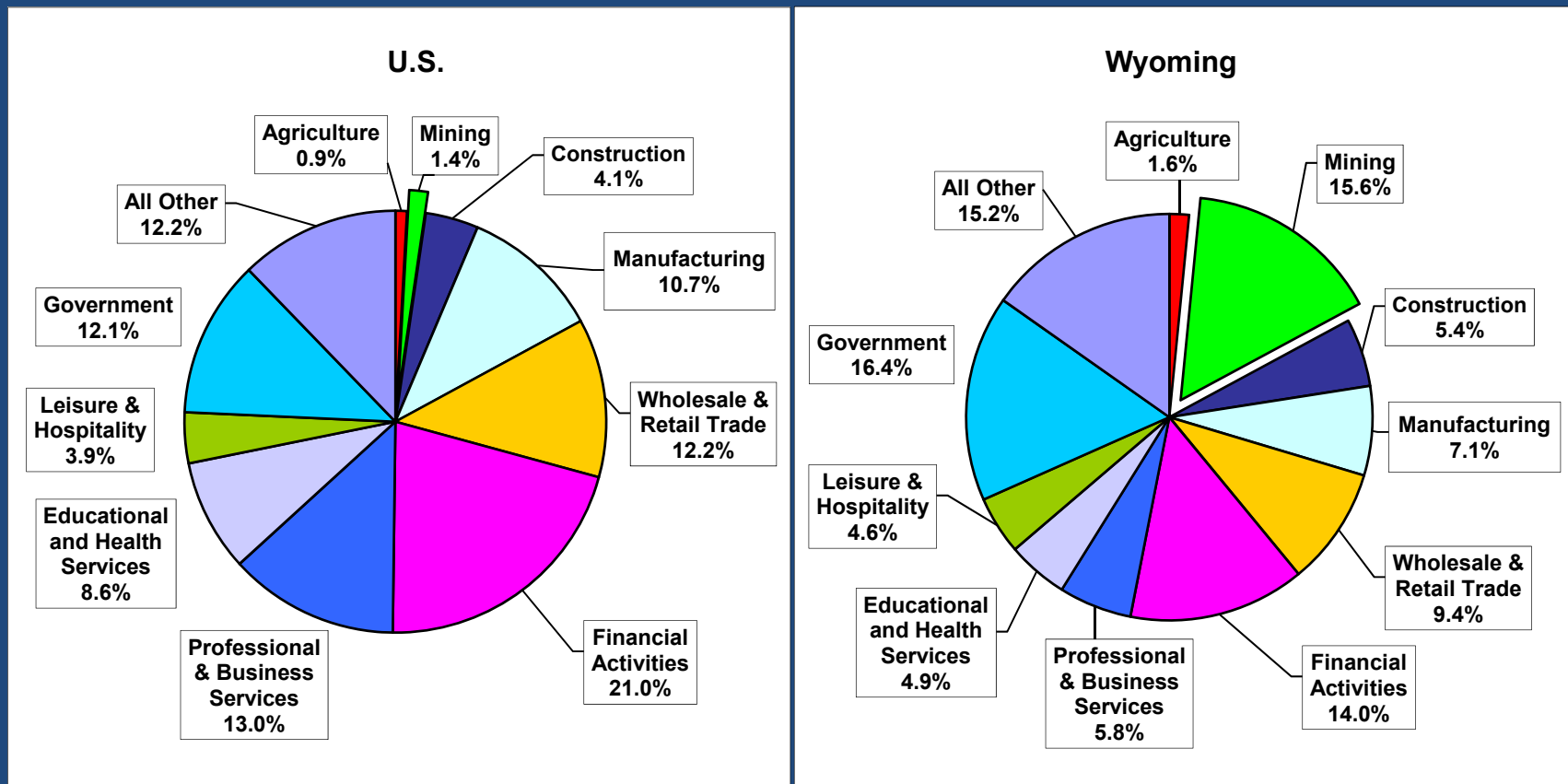
Construction – 1<sup>st</sup>

Prof. & Bus. Svcs. – 51<sup>st</sup>

Government – 3<sup>rd</sup>

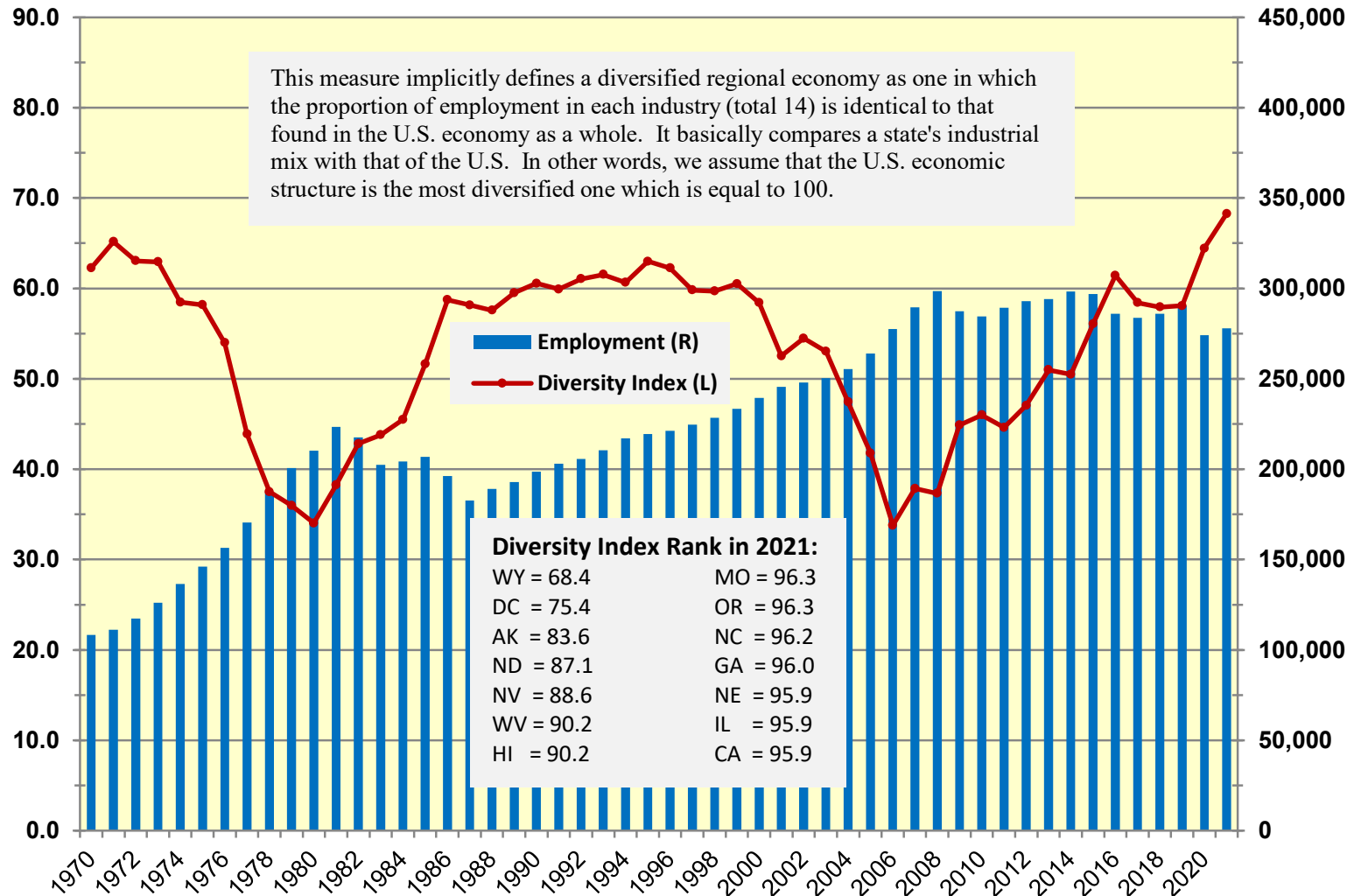
Educ. & Health Svcs. – 51<sup>st</sup>

## Gross Domestic Product for U.S. and Wyoming: 2021 by Industry



Note: GDP is often referred to as its "value added", is equal to its gross output (sales or receipts and other operating income, plus inventory change) minus its intermediate inputs (consumption of goods and services purchased from other industries or imported).

## Industrial Diversity Index for Wyoming: 1970 to 2021



Source: Wyoming Department of Administration and Information, Economic Analysis Division

## Employment Comparison from 2Q2012 to 2Q2022

		2Q2012	2Q2022	# Chge	% Chge
<b>Total, Statewide</b>	<b>NAICS</b>	<b>281,192</b>	<b>272,532</b>	<b>-8,660</b>	<b>-3.1</b>
<b>Private (NAICS)</b>		<b>212,850</b>	<b>207,608</b>	<b>-5,242</b>	<b>-2.5</b>
--Agriculture, Forestry, Fishing, & Hunting	11	2,667	2,777	110	4.1
--Mining, Quarrying, & Oil & Gas Extraction	21	27,830	16,073	-11,757	-42.2
--Utilities	22	2,483	2,300	-183	-7.4
--Construction	23	22,046	21,572	-474	-2.2
--Manufacturing	31 - 33	9,163	10,070	907	9.9
--Wholesale Trade	42	9,276	7,684	-1,592	-17.2
--Retail Trade	44 - 45	29,390	30,286	896	3.0
--Transportation & Warehousing	48 - 49	9,457	9,722	265	2.8
--Information	51	3,922	3,077	-845	-21.5
--Finance & Insurance	52	6,656	7,387	731	11.0
--Real Estate & Rental & Leasing	53	4,046	4,039	-7	-0.2
--Professional & Technical Services	54	9,214	10,514	1,300	14.1
--Management of Companies & Enterprises	55	948	932	-16	-1.7
--Administrative & Waste Services	56	8,089	9,073	984	12.2
--Educational Services	61	1,572	2,069	497	31.6
--Health Care & Social Assistance	62	23,725	25,352	1,627	6.9
--Arts, Entertainment, & Recreation	71	2,932	3,976	1,044	35.6
--Accommodation & Food Services	72	30,796	33,563	2,767	9.0
--Other Services, Except Public Administration	81	8,640	7,069	-1,571	-18.2
<b>Total Government</b>		<b>68,342</b>	<b>64,924</b>	<b>-3,418</b>	<b>-5.0</b>
--Federal Government		7,669	7,657	-12	-0.2
--State Government		13,413	12,108	-1,305	-9.7
--Local Government		47,259	45,158	-2,101	-4.4

Source: Wyoming Dept of Workforce Services

# Wyoming's Economic Diversification

- Wyoming's economy does not mirror that of the nation.

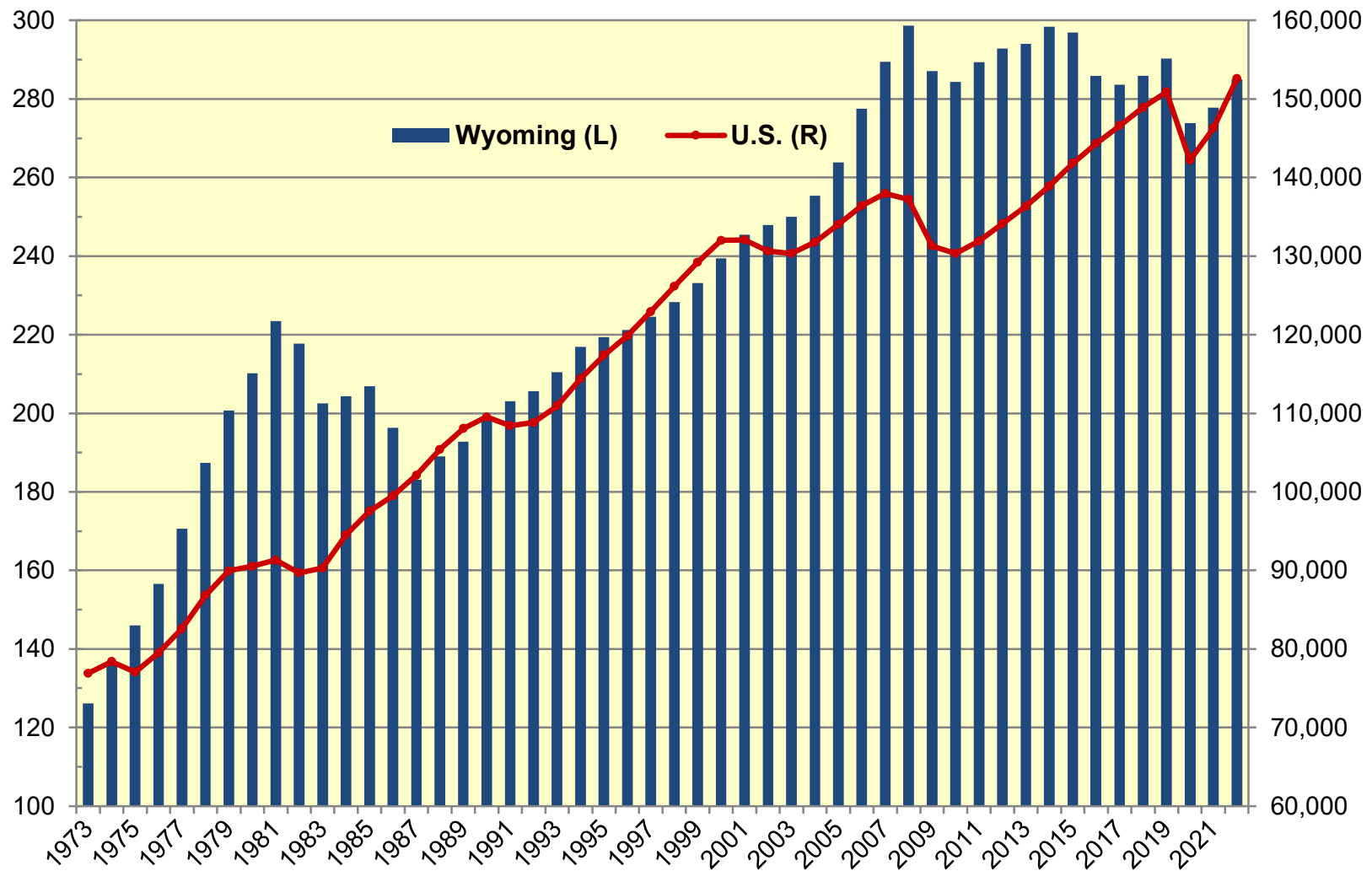
In terms of economic diversity and specialization, Wyoming is one of the least diversified states in the nation when measuring employment and GDP distribution across industries in comparison with the U.S.

- Economic diversity has been commonly considered as a means to achieve economic stability. A diversified economy is considered a robust economy, and is better able to withstand and recover from significant unfavorable changes in any one sector.
- “However, research is mixed as to whether it is better for a state or local economy to become more diversified, or remain specialized in sectors where it has, or may acquire, a comparative advantage.”

- Federal Reserve Bank of Kansas City

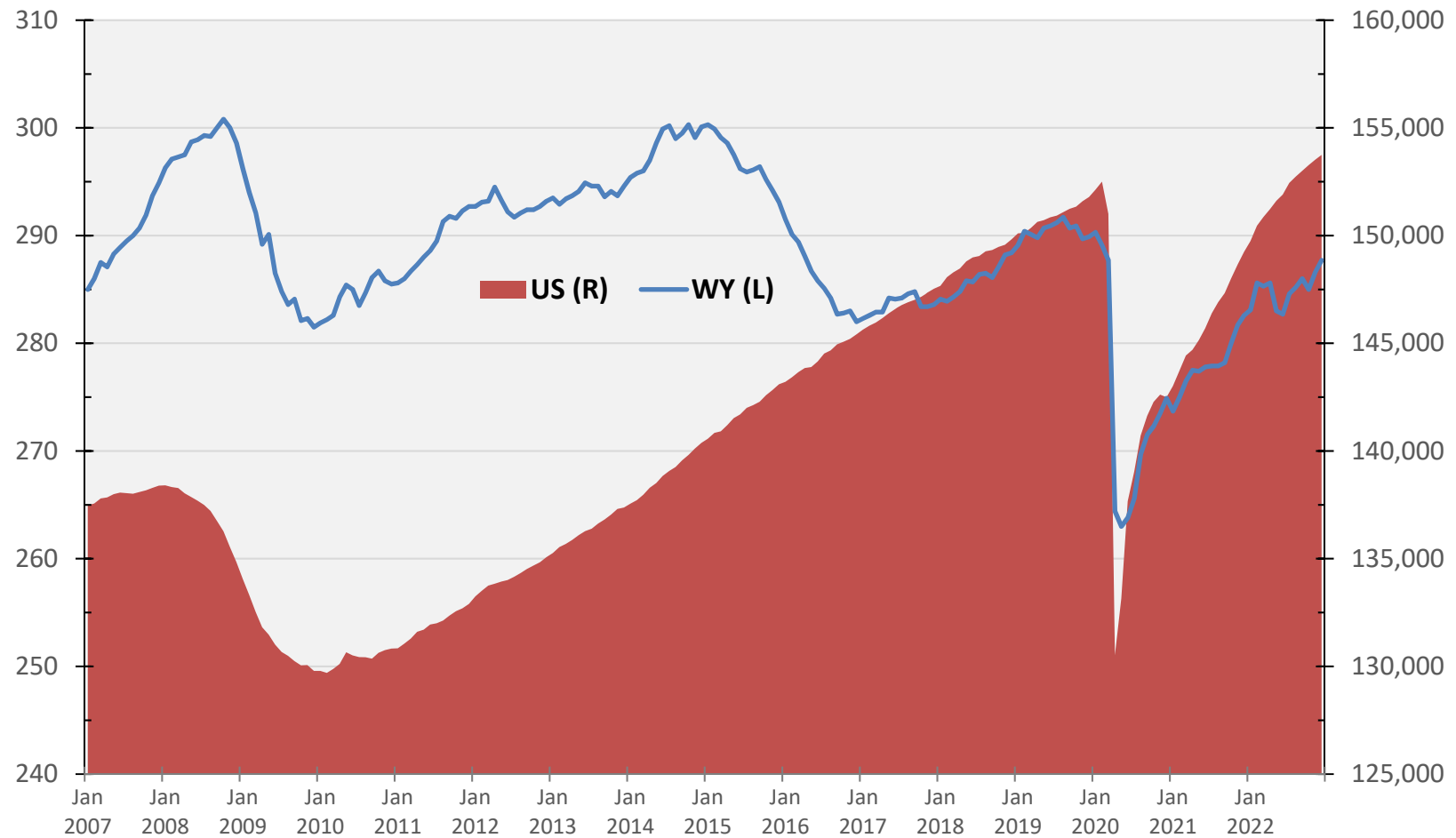
## Non-Agr Wage and Salary Employment for Wyoming and U.S.: 1973 to 2022

(in thousands of jobs)



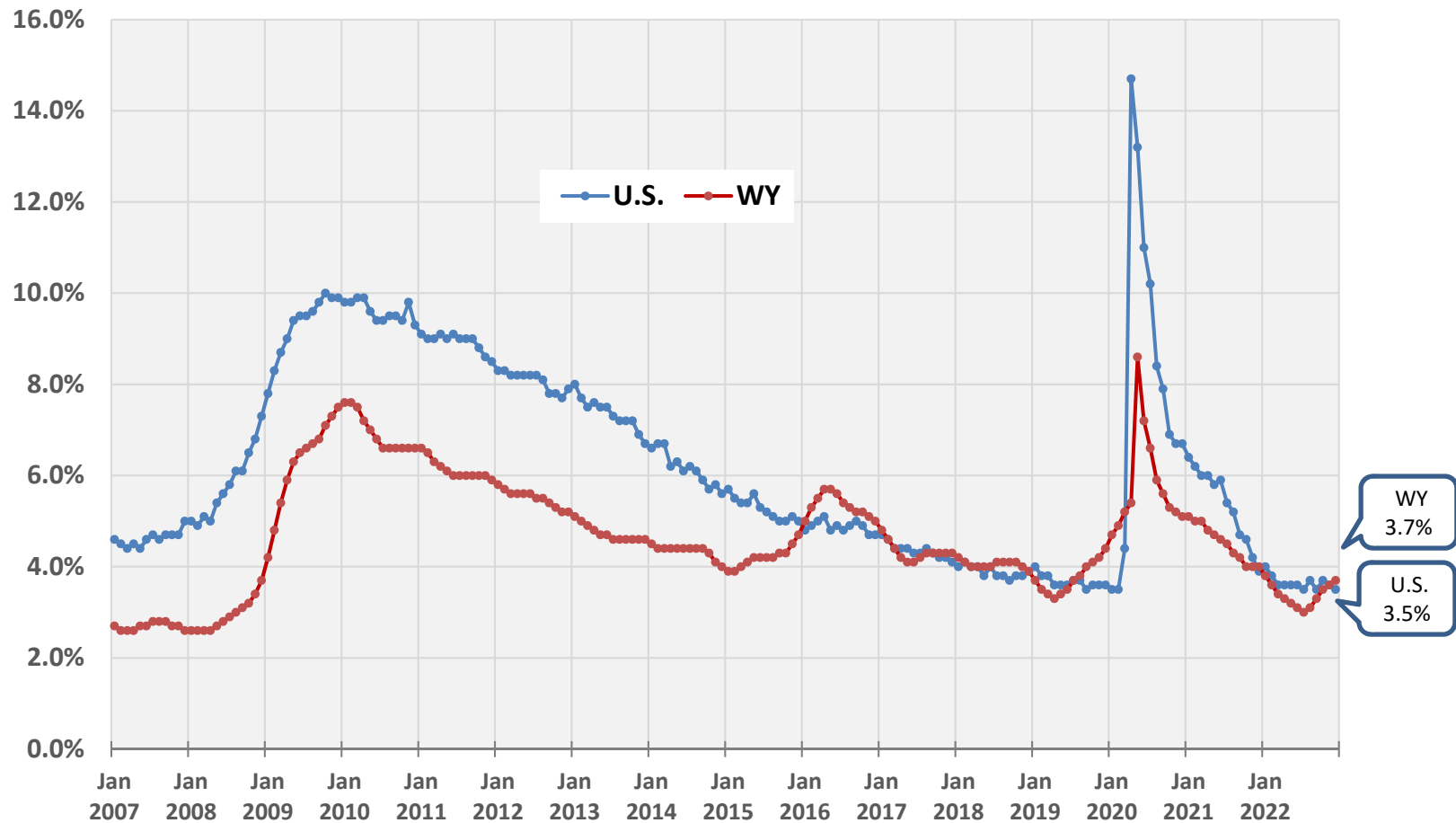
Source: U.S. Bureau of Labor Statistics

## Total Nonfarm Employment (in thousands) for the U.S. and Wyoming: Jan 2007 – Dec 2022

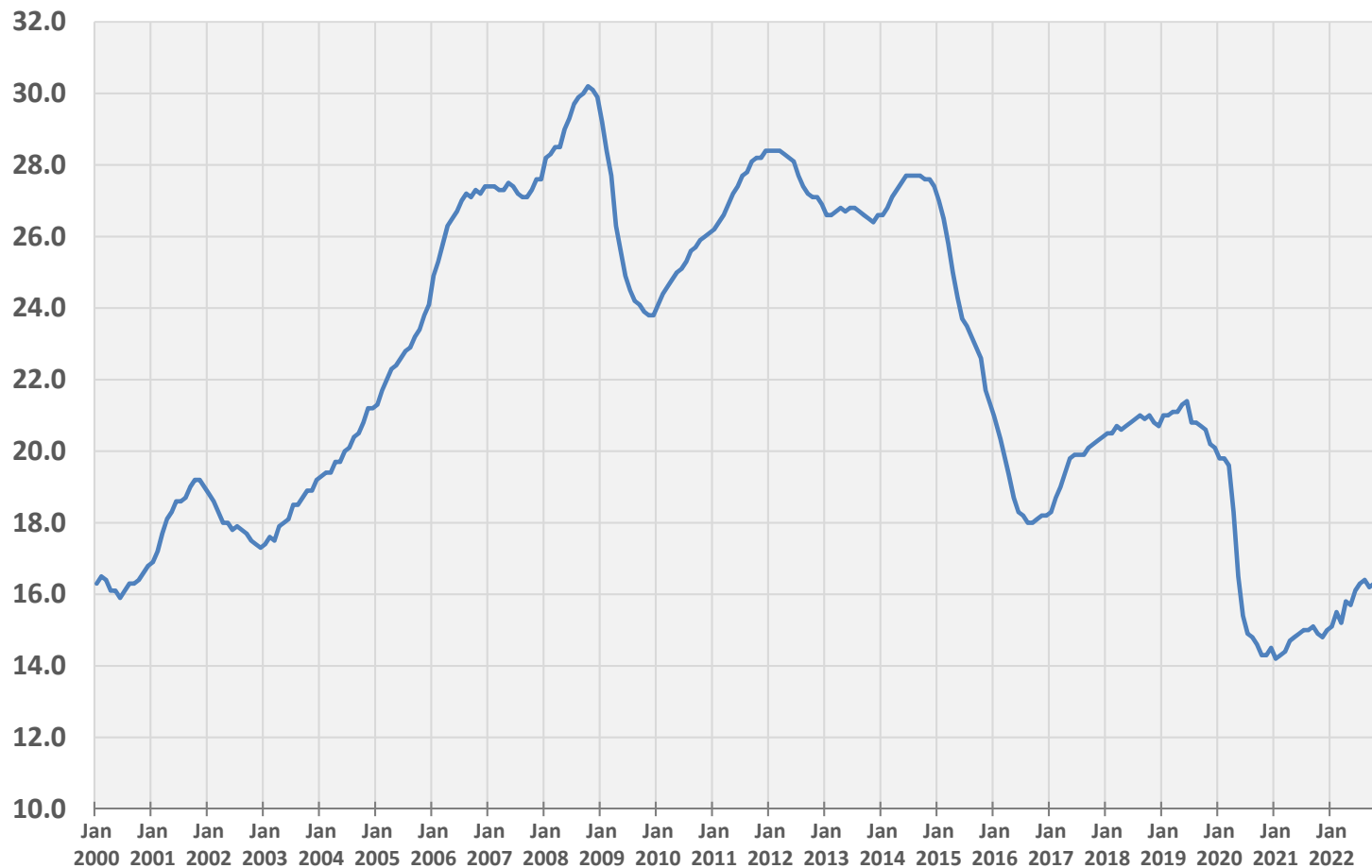




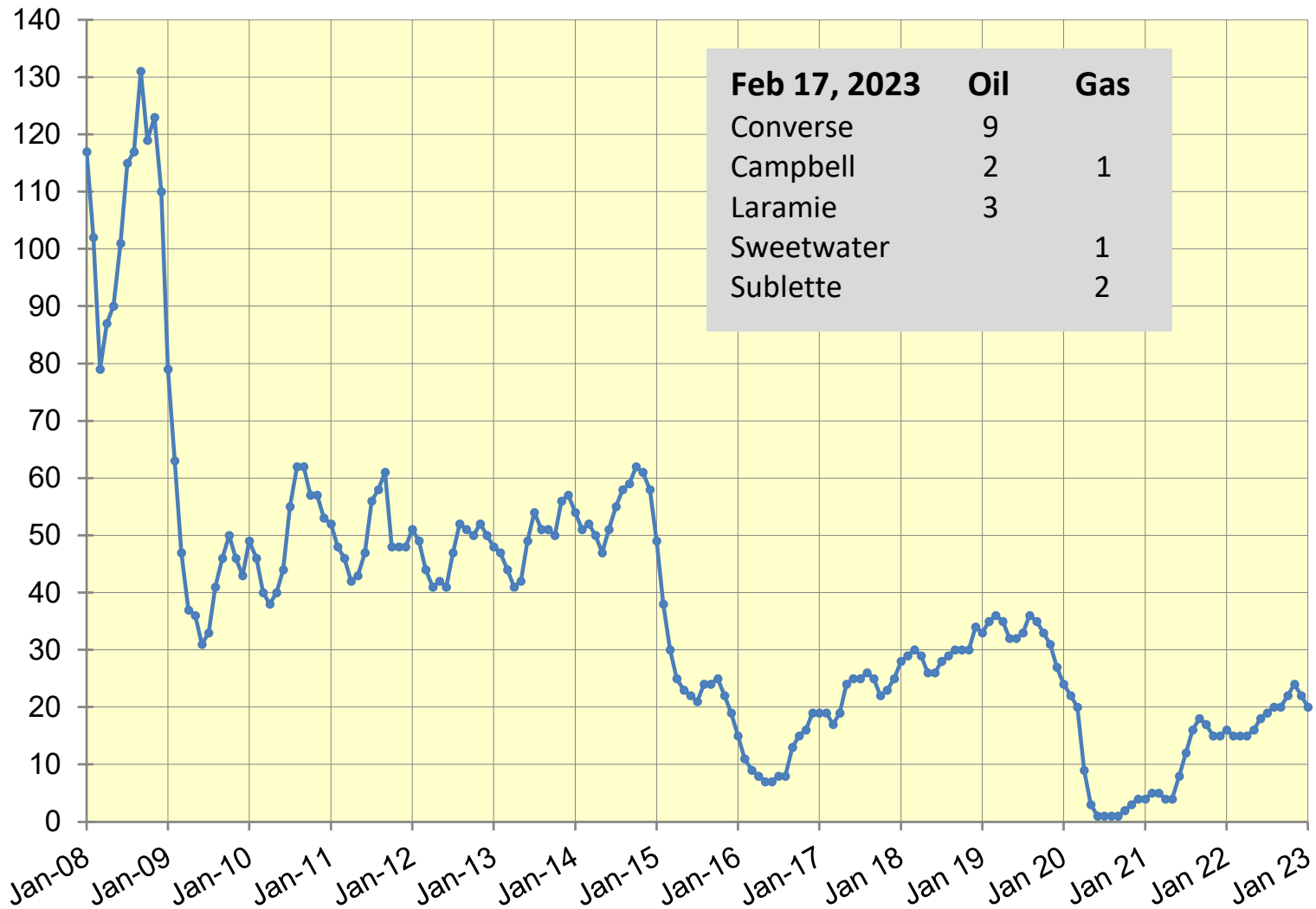
## Unemployment Rate for the U.S. and Wyoming: Jan 2007 – Dec 2022



## Employment of Mining Industry in Wyoming (in thousands): Jan 2000 – Dec 2022



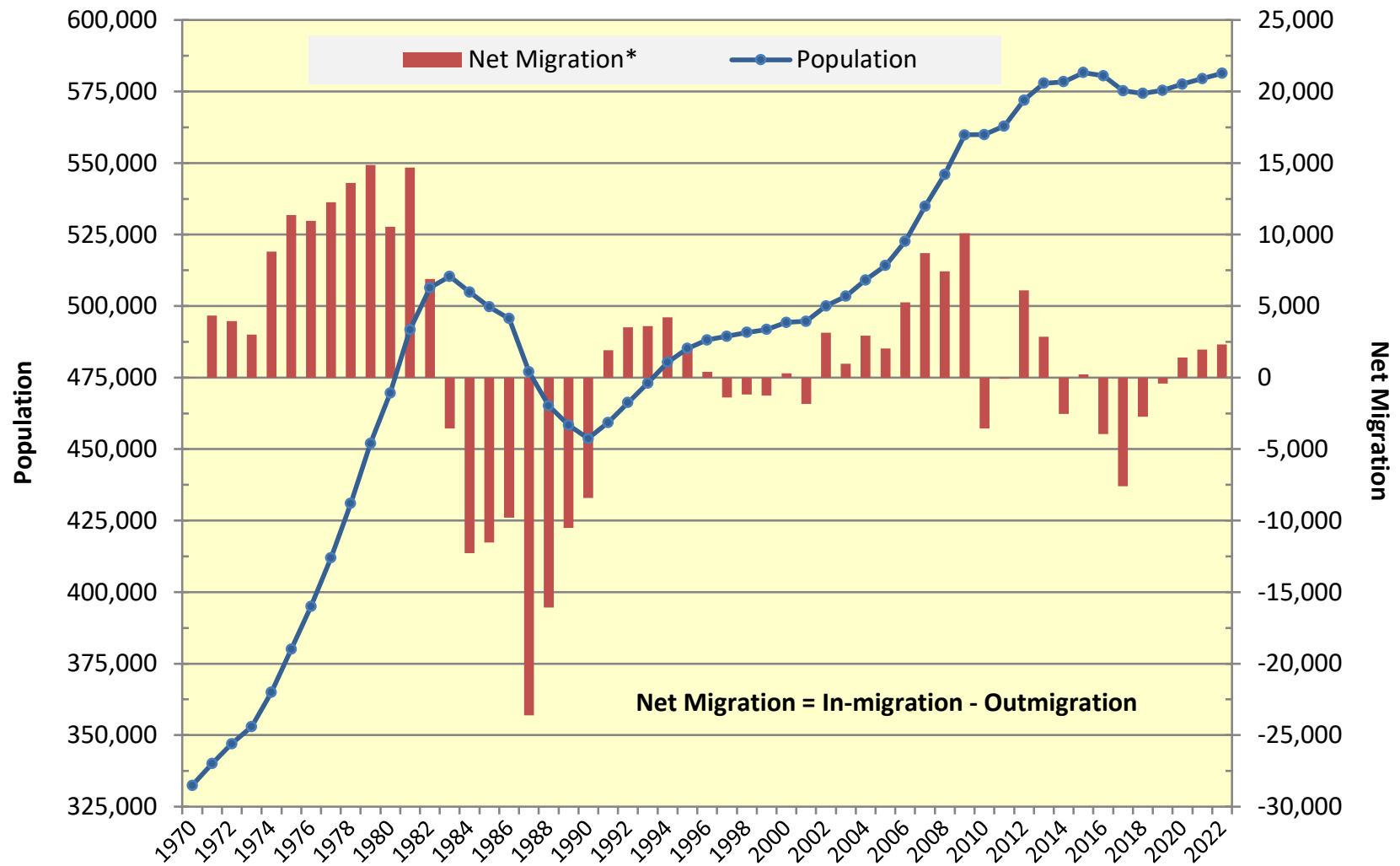
## Active Oil and Gas Rig Counts in Wyoming



Source: Baker Hughes

By Wyoming Economic Analysis Division

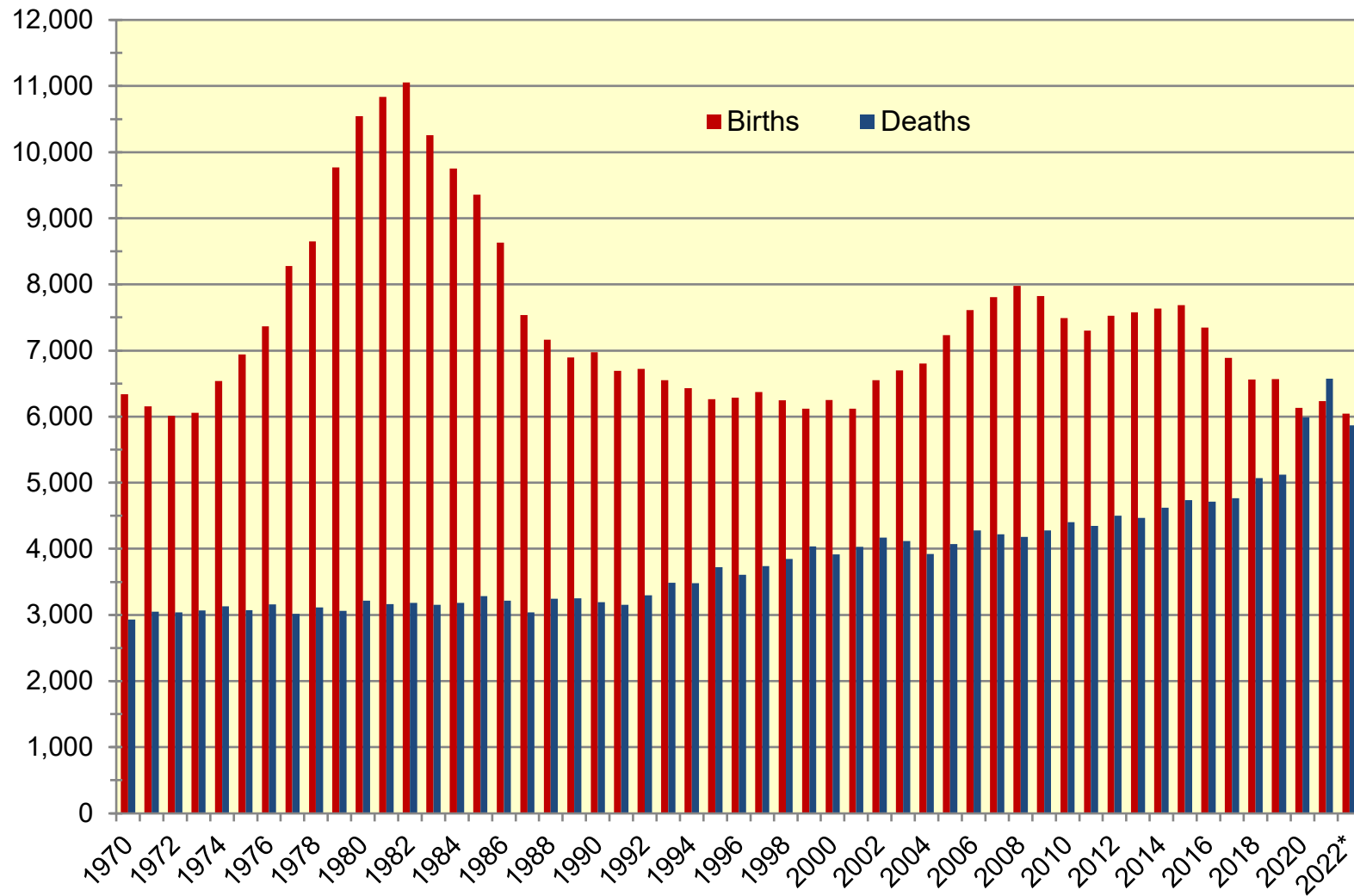
## Wyoming Population and Net Migration: 1970 to 2022



Source: U.S. Census Bureau

Prepared by Wyoming Economic Analysis Division

## Number of Births and Deaths in Wyoming: 1970 to 2022

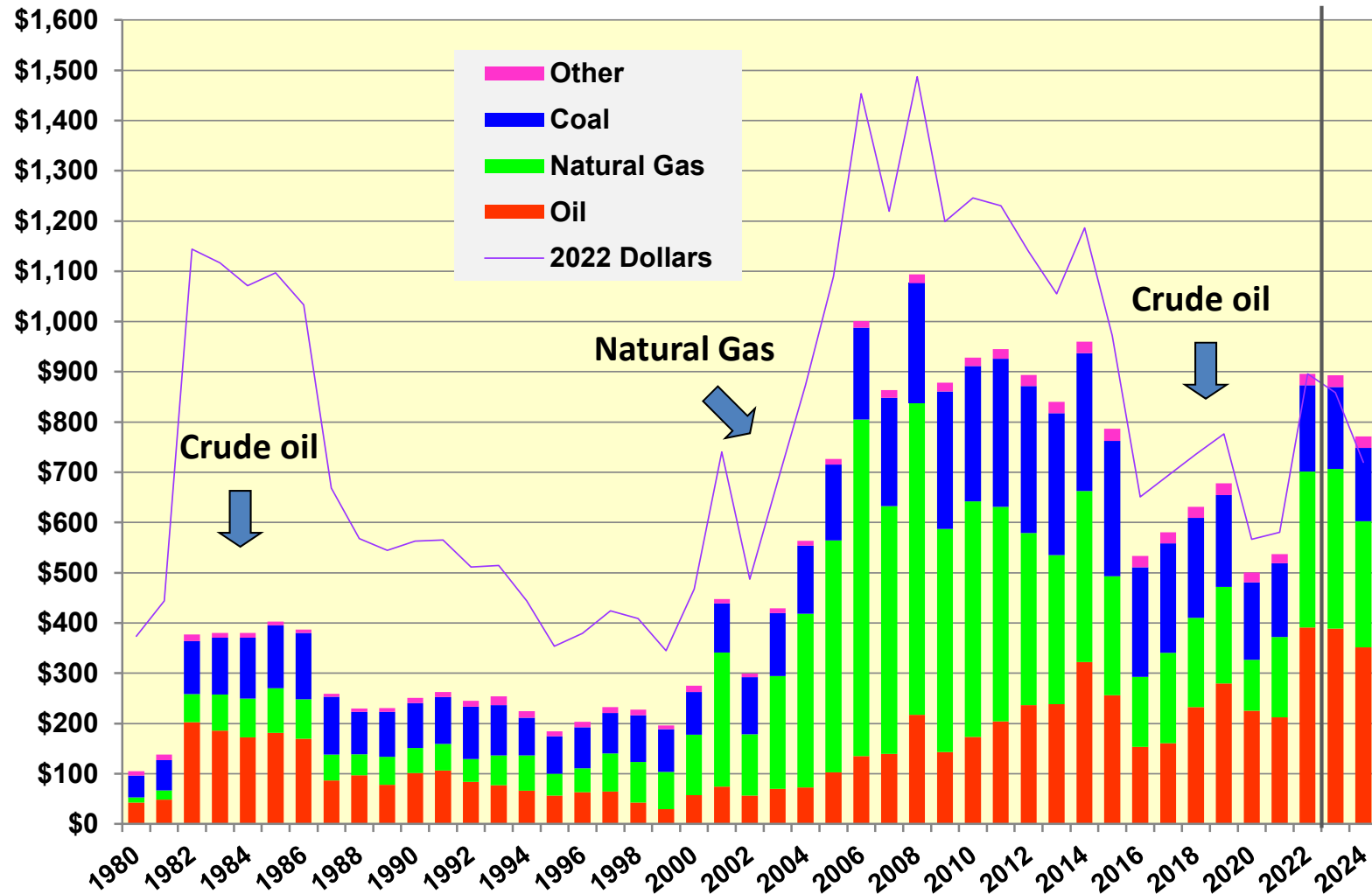


\* 2022 data was preliminary

Source: Wyoming Department of Health

# Mineral Severance Taxes: FY 1980 - FY 2024

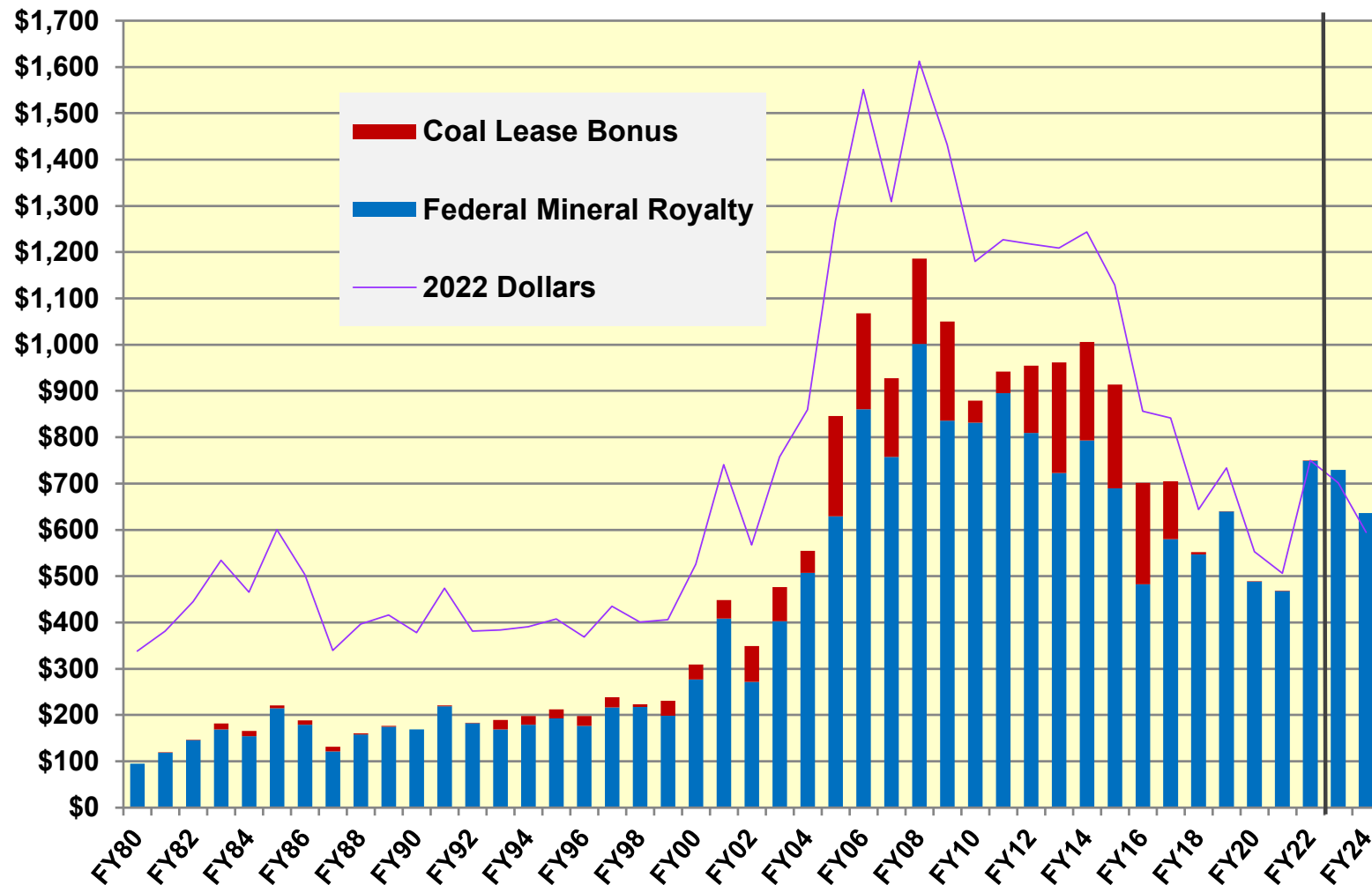
(in millions of current and constant dollars)



Source: Wyoming CREG

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

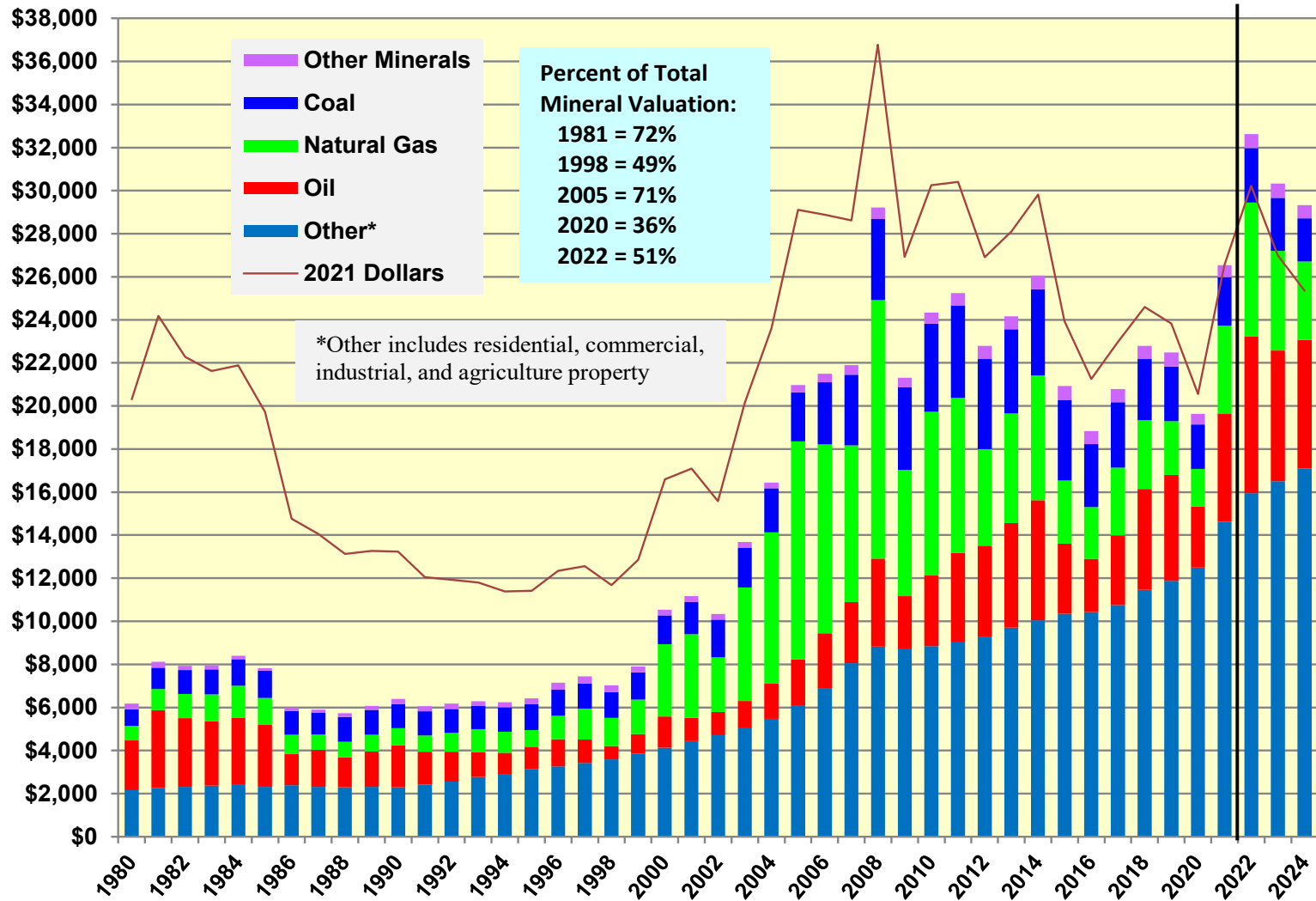
## Federal Mineral Royalty and Coal Lease Bonus (in millions of current and costant dollars)



Source: Wyoming CREG

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

## Total Locally and State Assessed Valuation (in millions of current and constant dollars)



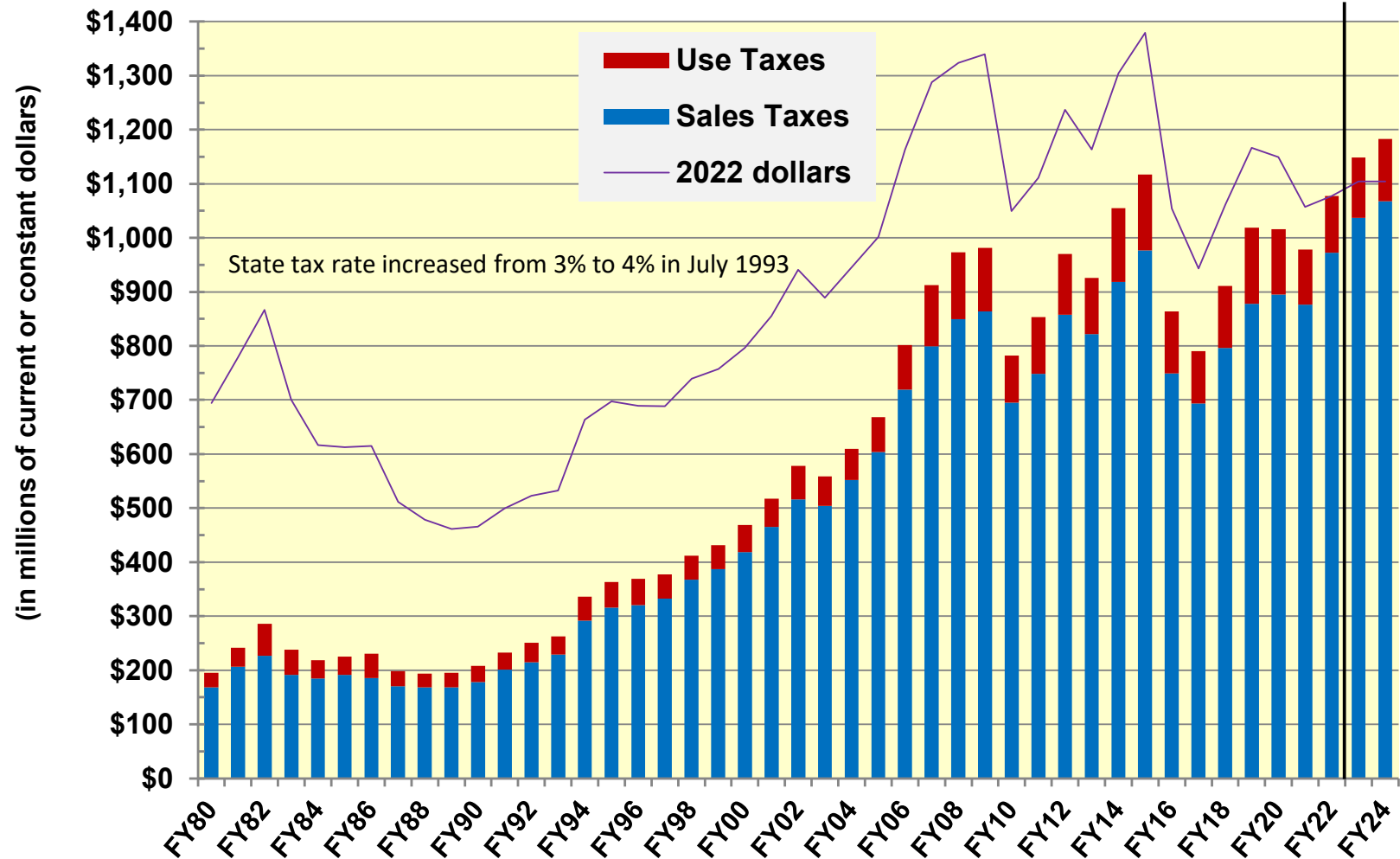
Source: Wyoming CREG

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



# Total Sales and Use Tax Collections

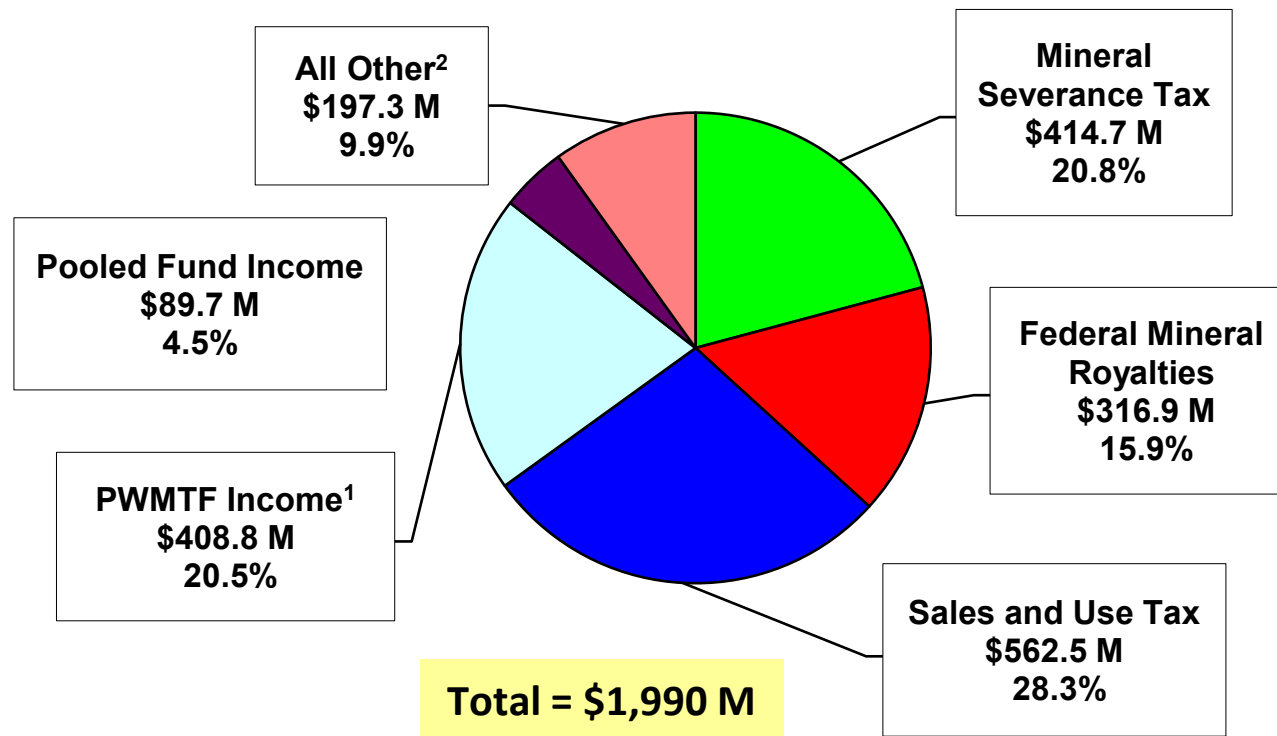
(include state taxes and all local optional taxes)



Source: Wyoming CREG

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

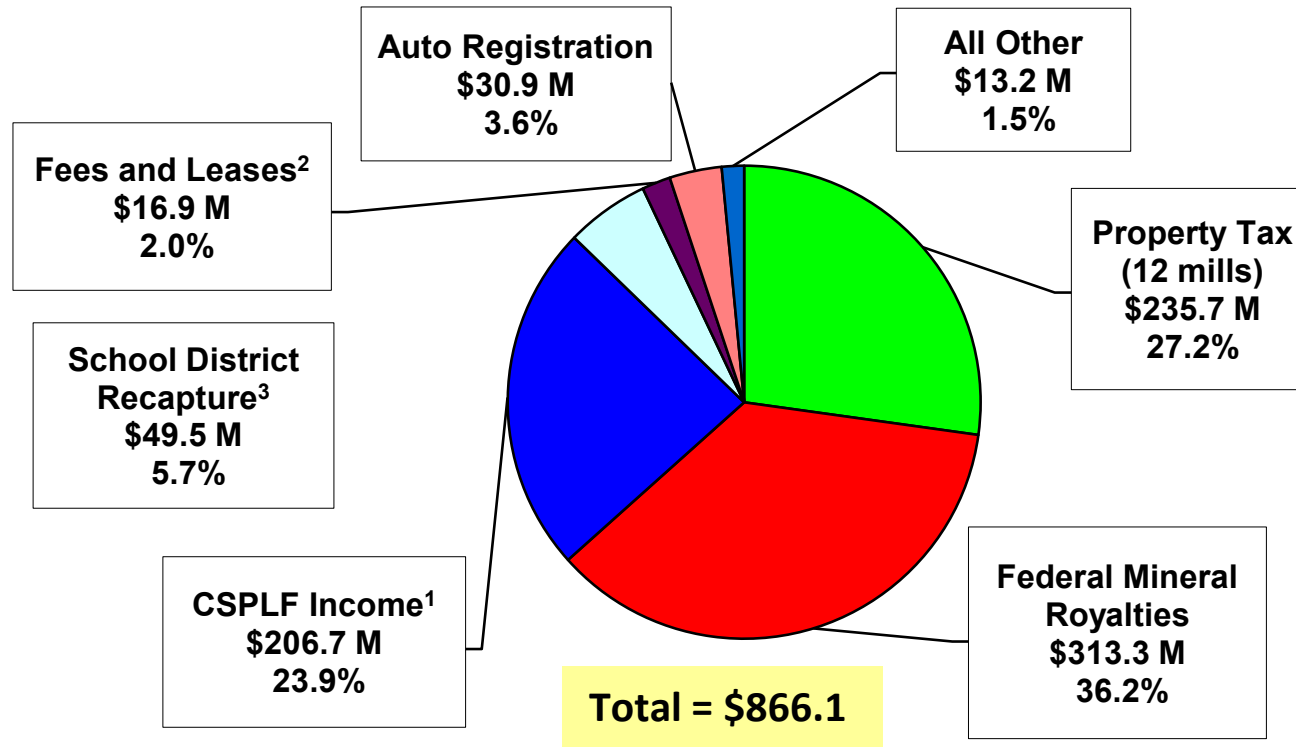
## General Fund and Budget Reserve Account Revenue Sources: FY 2022



<sup>1</sup> PWMTF - Permanent Wyoming Mineral Trust Fund spending policy amount (up to 5.0% of principal).

<sup>2</sup> Includes insurance premium, cost allocation, liquor profit, corporation tax, license fee, cigarette tax, penalty & interest, and others.

## School Foundation Program (SFP) Revenue Sources: FY 2022



<sup>1</sup>CSPLF - Common School Permanent Land Fund spending policy amount (5.0% of principal).

<sup>2</sup> Includes grazing fees, bonus payment on mineral leases, and other surface leases of school lands.

<sup>3</sup> The difference between local revenue for schools (mostly property tax from 31 mills) and SFP guarantee.

Source: CREG and LSO

Prepared by Economic Analysis Division (EAD)

# Wyoming Revenue and Tax Facts

- Revenue heavily relies on extractive industries.
  - Mineral and investment income currently makes up about two-thirds to three-fourth of State Government revenue.
  - FY 2022 Major Revenue Streams:
    - Mineral severance taxes (\$896M) - 32% PWMTF, 46% GF/BRA.
    - Federal mineral royalties (\$750 M) - 42% GF/BRA, 42% SFP.
    - Property taxes (\$1,728 M) - 69% K-12, 25% County/Special District.
    - Sales and use taxes (\$1,080 M) - 52% GF, 48% Local.
    - Coal Lease Bonuses (\$0 M) - 96% Schl Dist. Cap Con.
    - Income from PWMTF (\$456 M) - 45% GF, 55% LSRA/SIPA.
    - Income from misc funds (pooled) (\$90 M) – 100% GF.
    - Income from CSPLF (\$207 M) – 100% SFP.

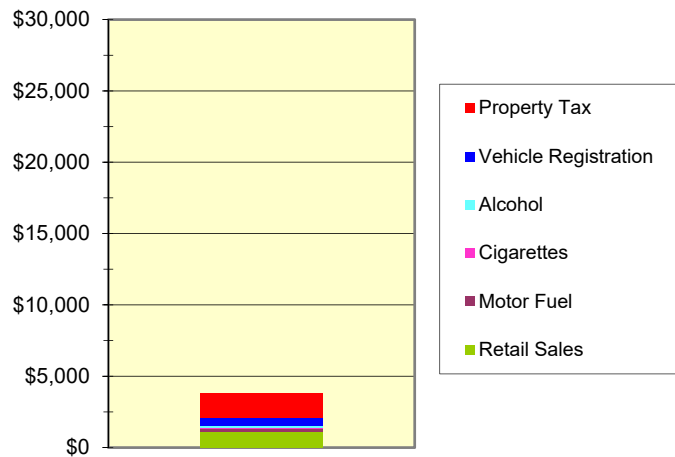
GF (General Fund); BRA (Budget Reserve Account); PWMTF (Permanent Wyoming Mineral Trust Fund); CSPLF (Common School Permanent Land Fund); FMRs (Federal Mineral Royalties).

- No income tax, low property and sales tax rates (grocery food exemption).
- Household tax burden ranks among the lowest in the nation.
- Near top rank in per capita state and local government revenue and expenditures.

# Personal Taxes vs. Public Service Costs in Wyoming: 2021

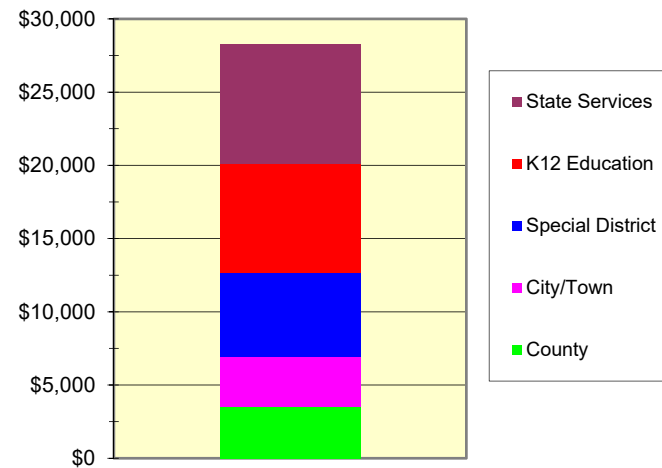
For a 3-person family with income of \$67,000 and owning a home with value of \$290,000

**Personal Tax Collections**



Retail Sales	\$1,150
Motor Fuel	\$210
Cigarettes	\$120
Alcohol	\$110
Vehicle Registration	\$600
Property Tax	\$1,800
<b>TOTAL:</b>	<b>\$3,990</b>

**Public Service Costs**

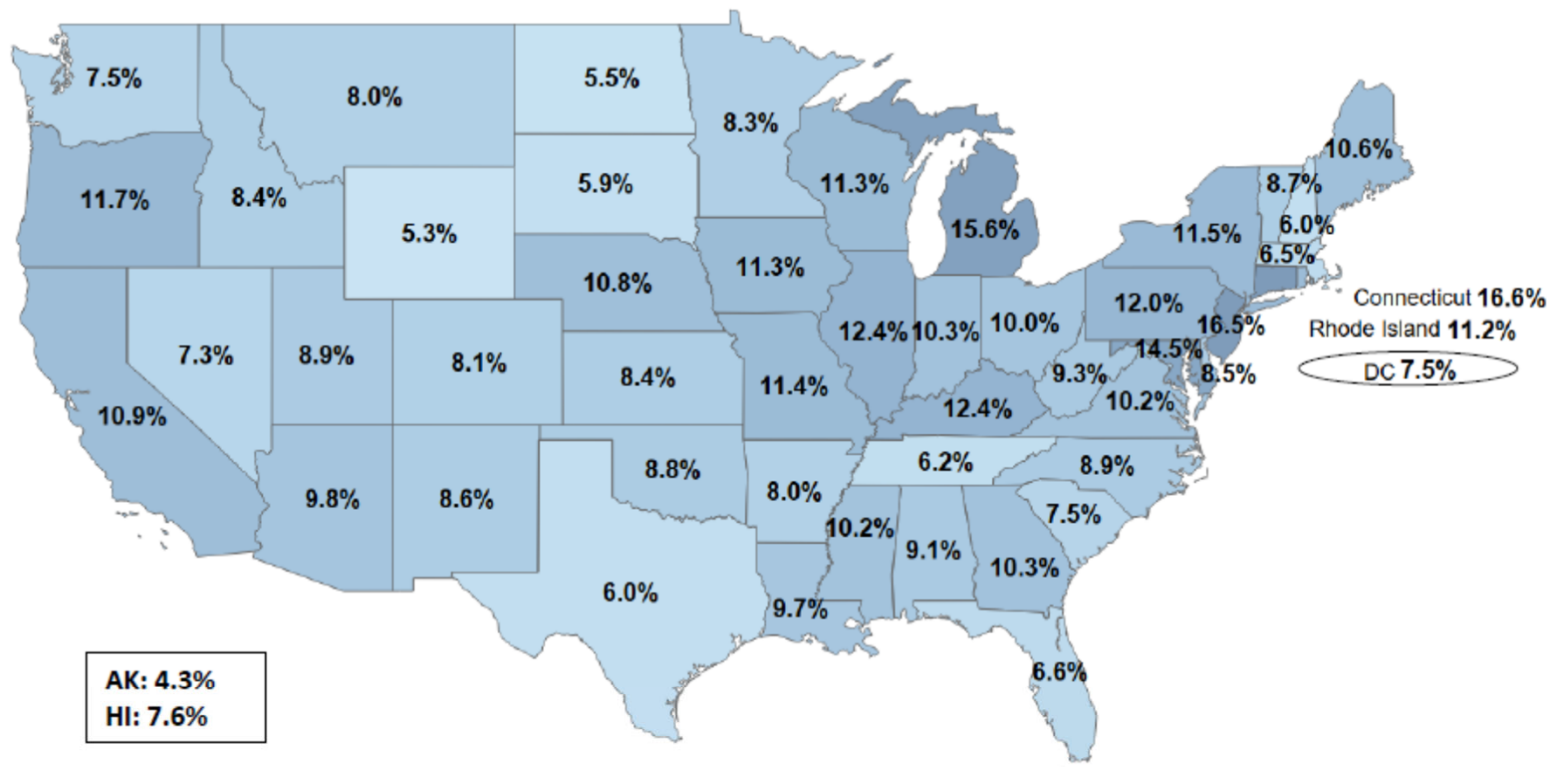


County	\$2,810
City/Town	\$3,070
Special District	\$6,290
K12 Education	\$7,570
State Services	\$7,810
<b>TOTAL:</b>	<b>\$27,550</b>

Source: Wyoming Economic Analysis Division

Note: Federal funds and enterprise revenue are excluded.

**Map 1: Total 2020 Tax Burdens (Income, Property, Sales, & Auto) as a % of Income  
(Family Earning \$75,000/Year)**



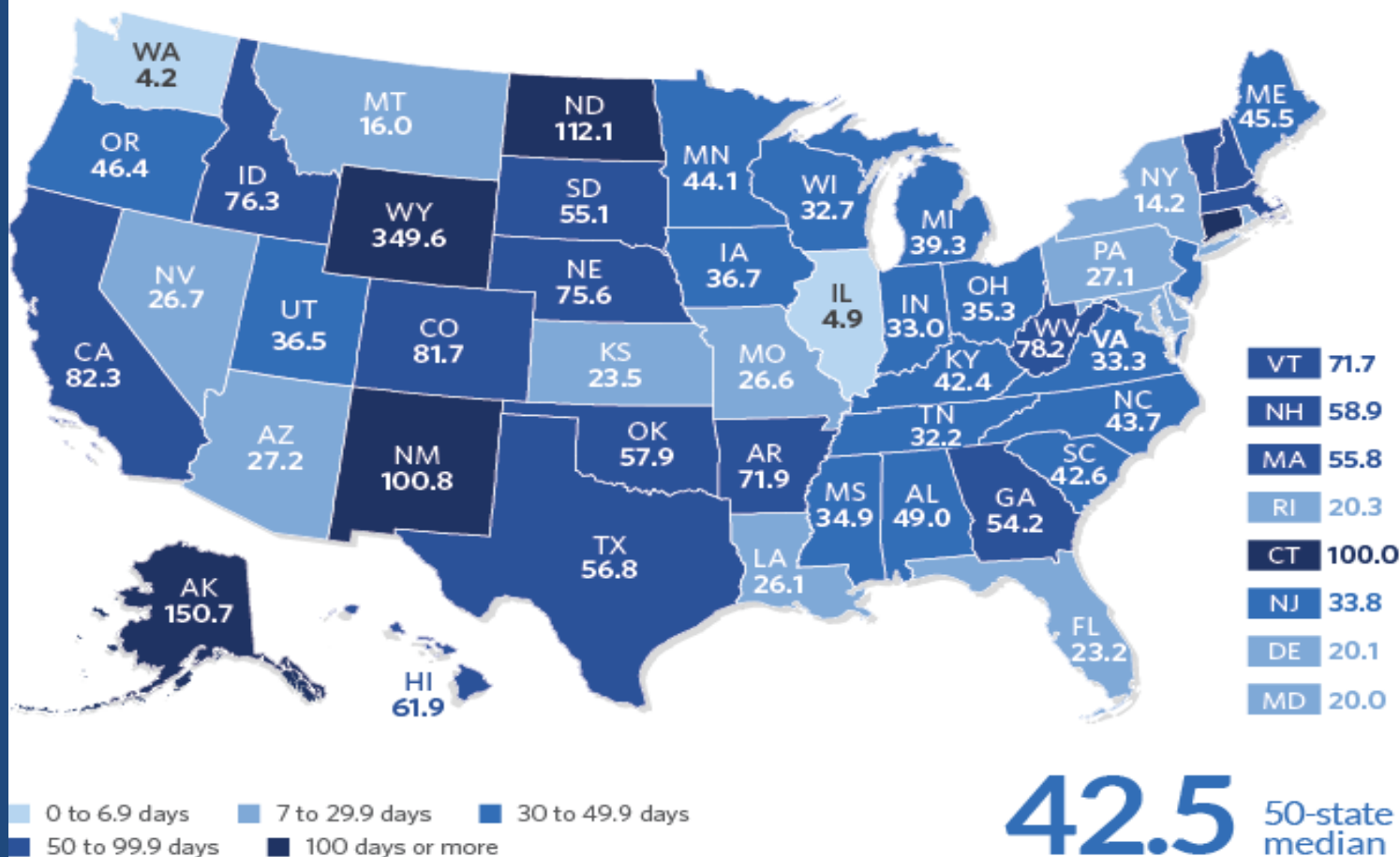
Source: ORA. The lighter blue shading represents a lower tax burden.

**Percent Burden**  
4.3% 16.6%

Figure 1

## Rainy Day Fund Strength Varies Widely by State

Number of days each state could run on savings alone, FY 2022 estimates

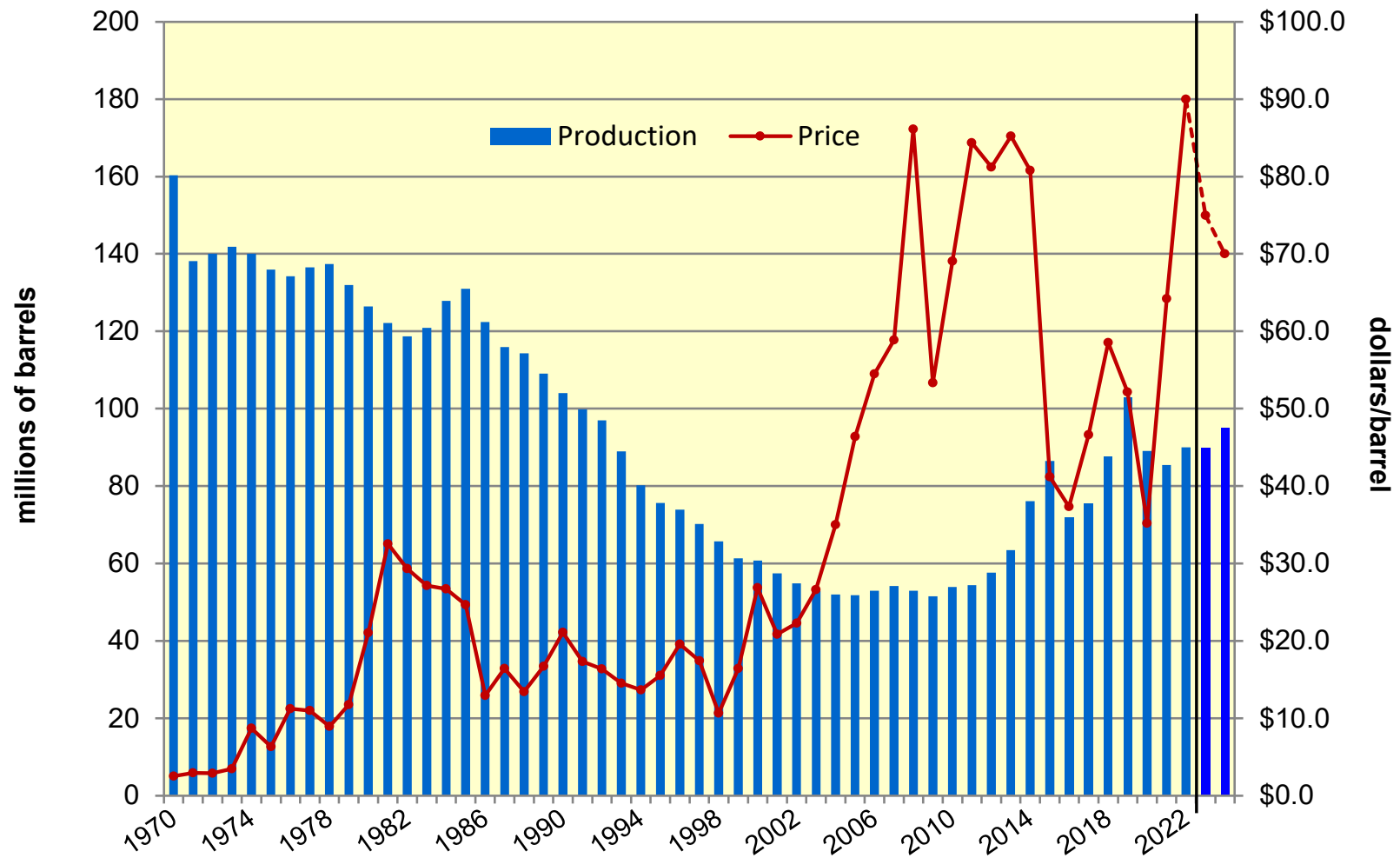


Note: Colorado and Illinois do not have a rainy day fund as defined by The Pew Charitable Trusts, despite balances reported within NASBO's surveys.

Source: Pew analysis of data from the National Association of State Budget Officers

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## Wyoming Oil Production and Prices: 1970 - 2024

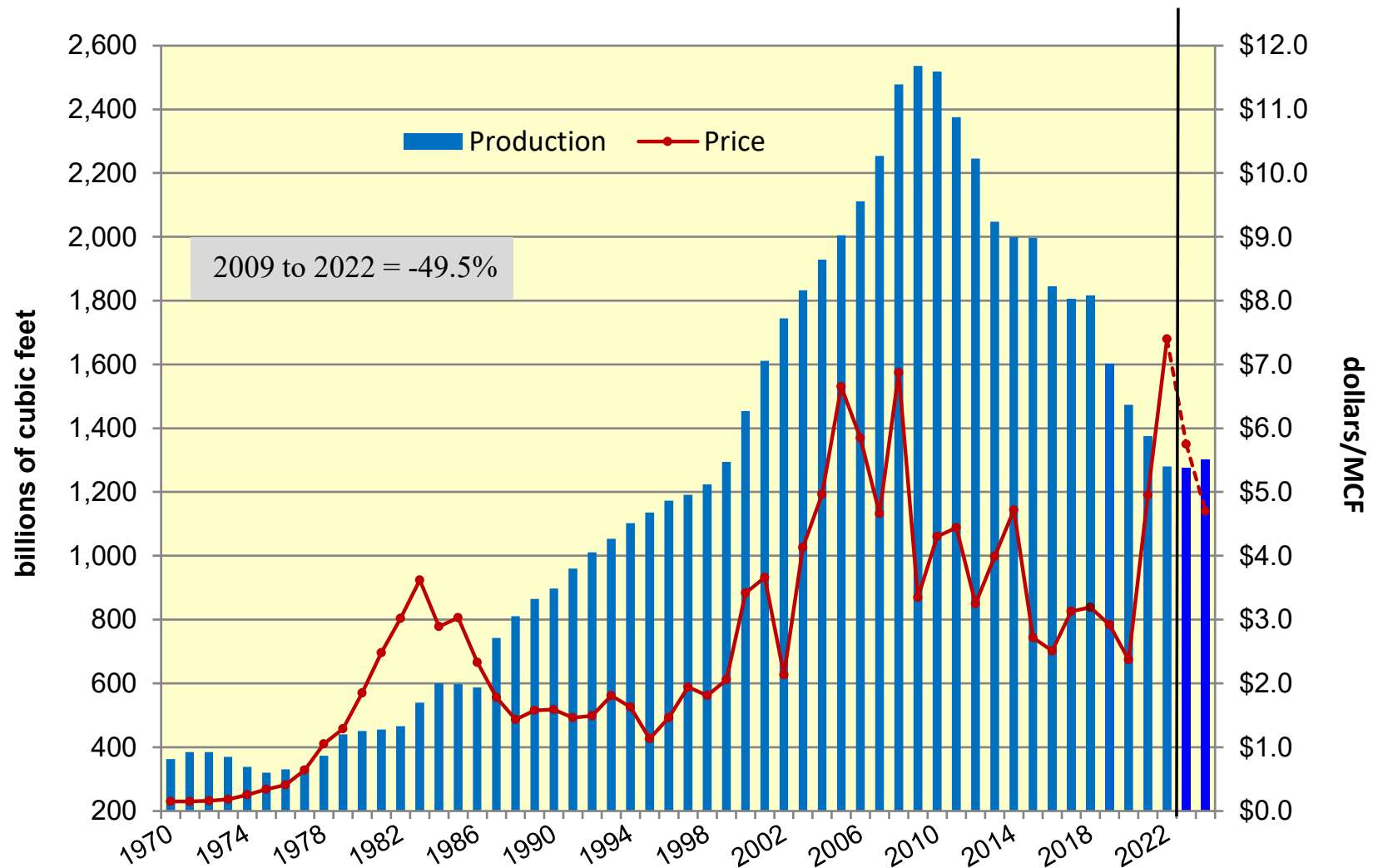


Source: WGS, WDOR, WOGCC, and CREG

Prepared by Wyoming Economic Analysis Division



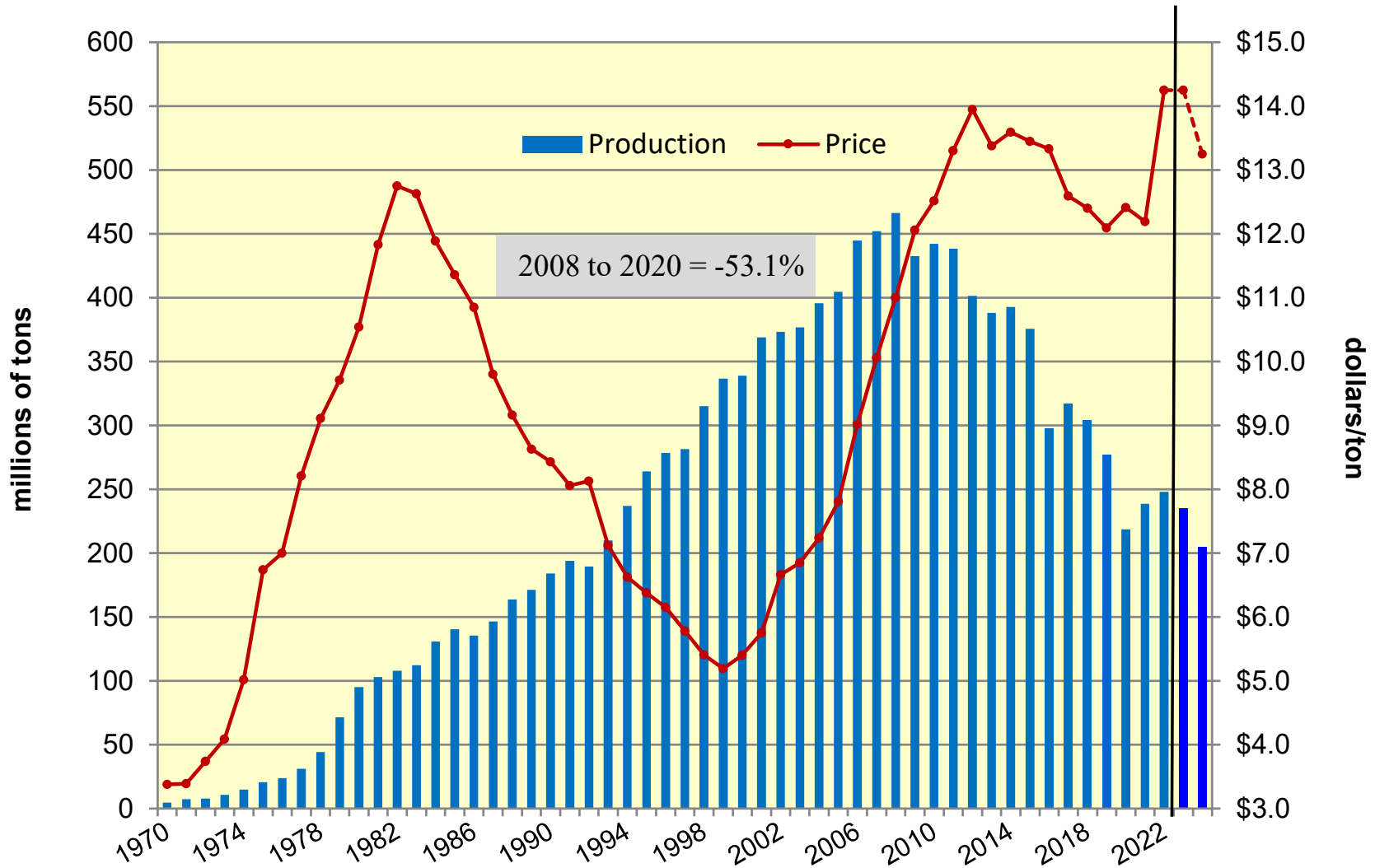
## Wyoming Natural Gas Production and Prices: 1970 - 2024



Source: WGS, WDOR, WOGCC, and CREG

Prepared by Wyoming Economic Analysis Division

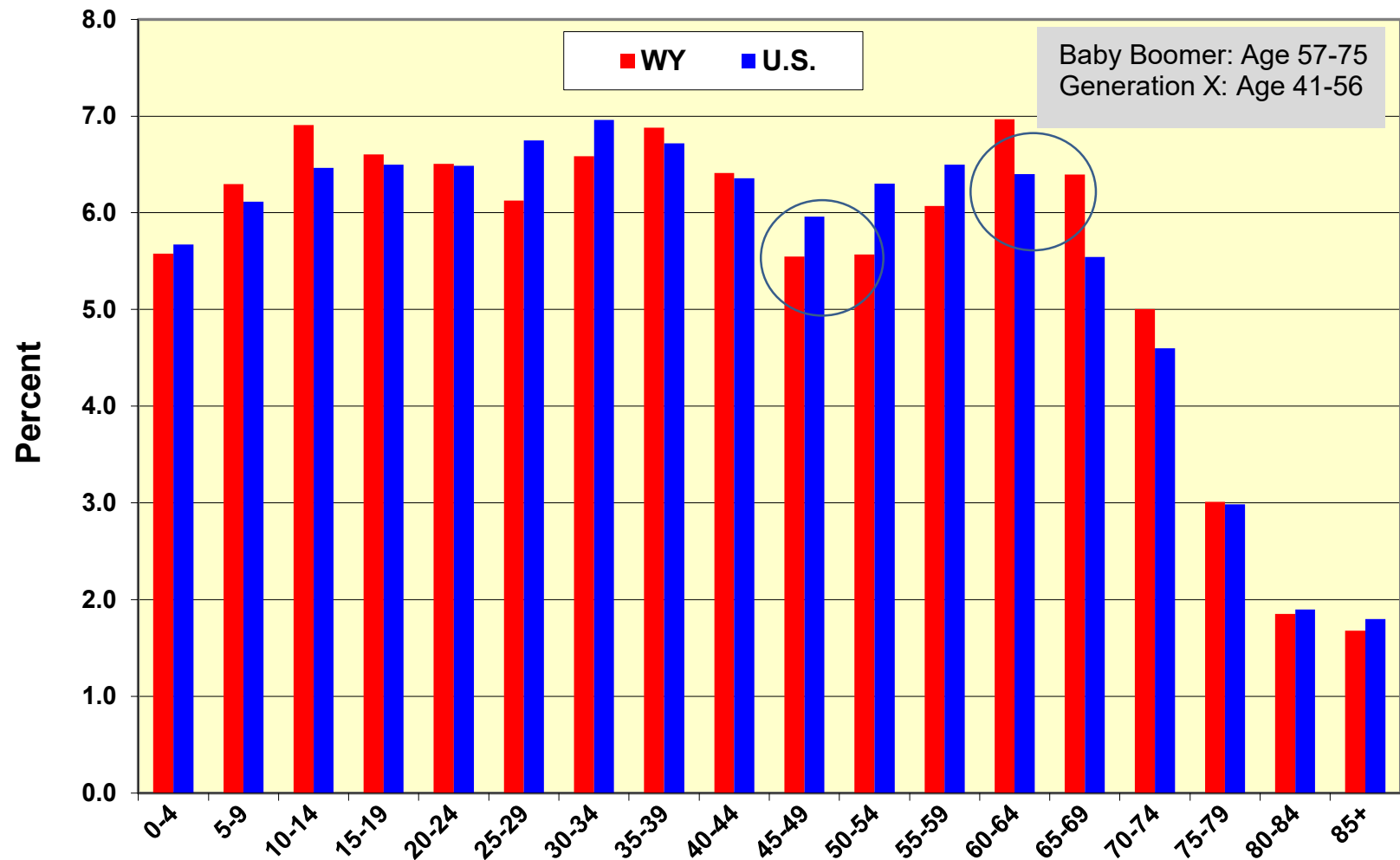
## Wyoming Coal Production and Prices: 1970 - 2024



Source: WGS, WDOR, Inspector of Mines, and CREG

Prepared by Economic Analysis Division

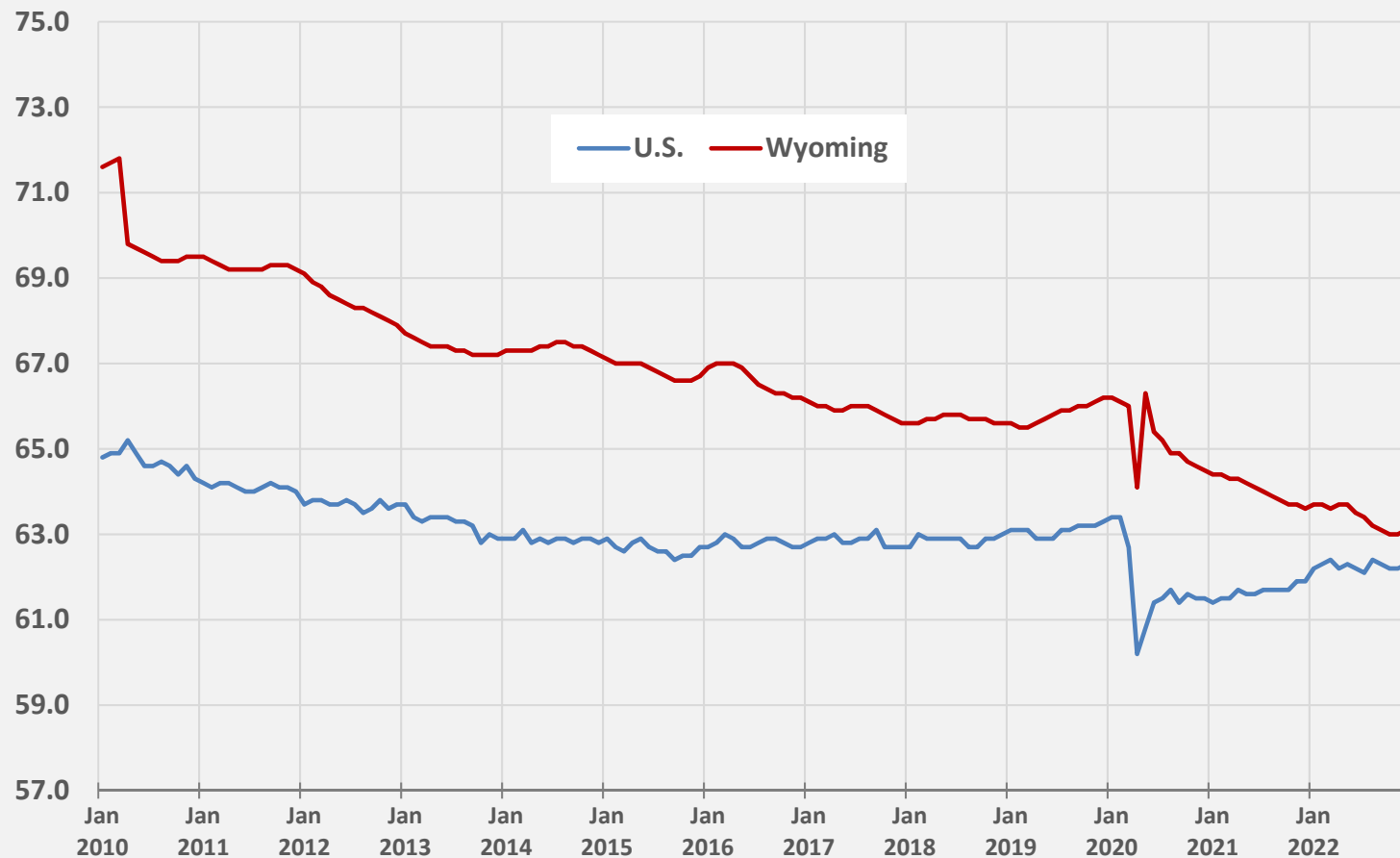
## Percent of Population by Age Group for Wyoming and U.S.: 2021



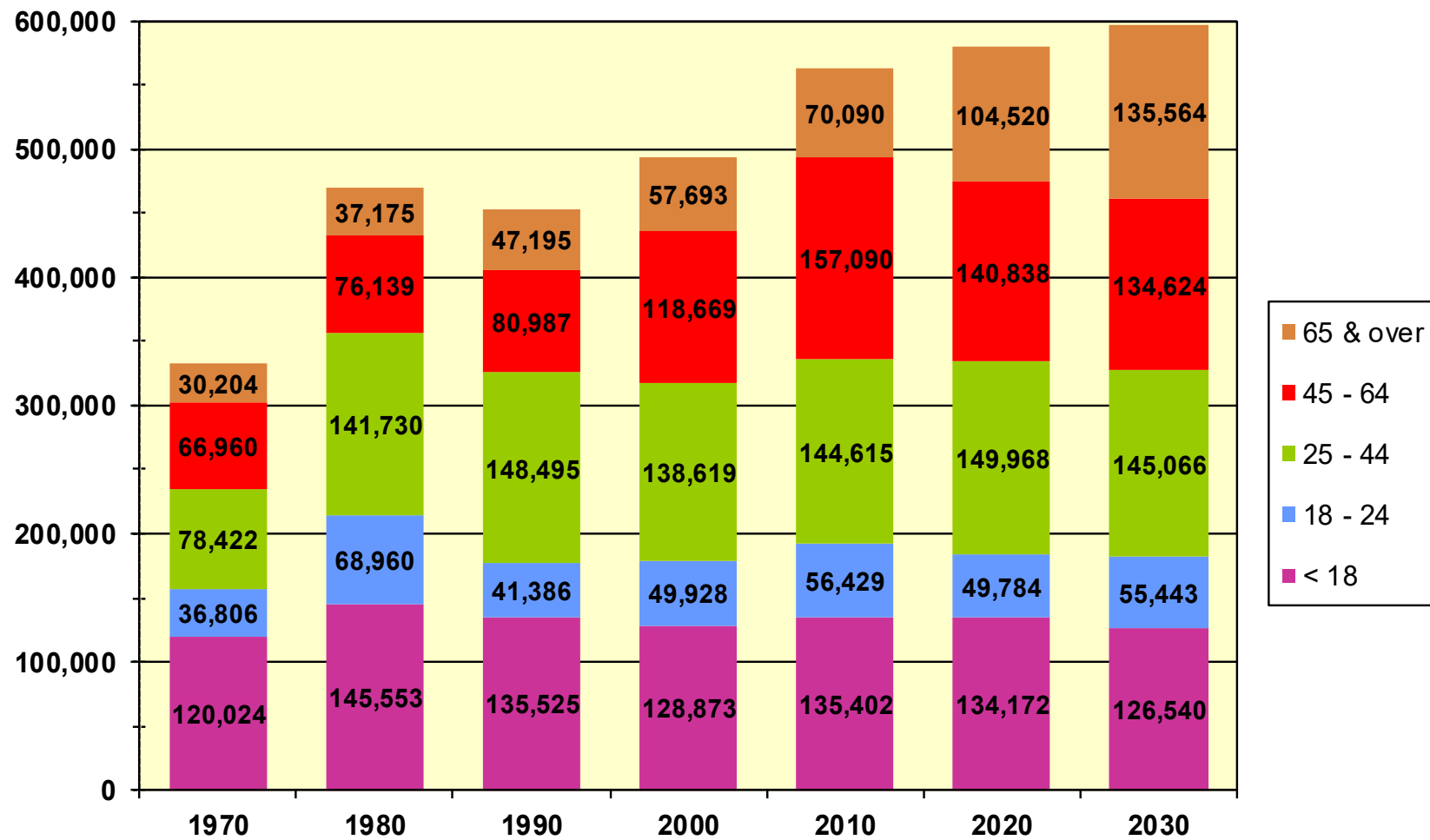
Source: U.S. Census Bureau

Prepared by Wyoming Economic Analysis Division

Labor Force Participation Rate  
(% of population 16 years and over in labor force):  
Jan 2010 – Dec 2022

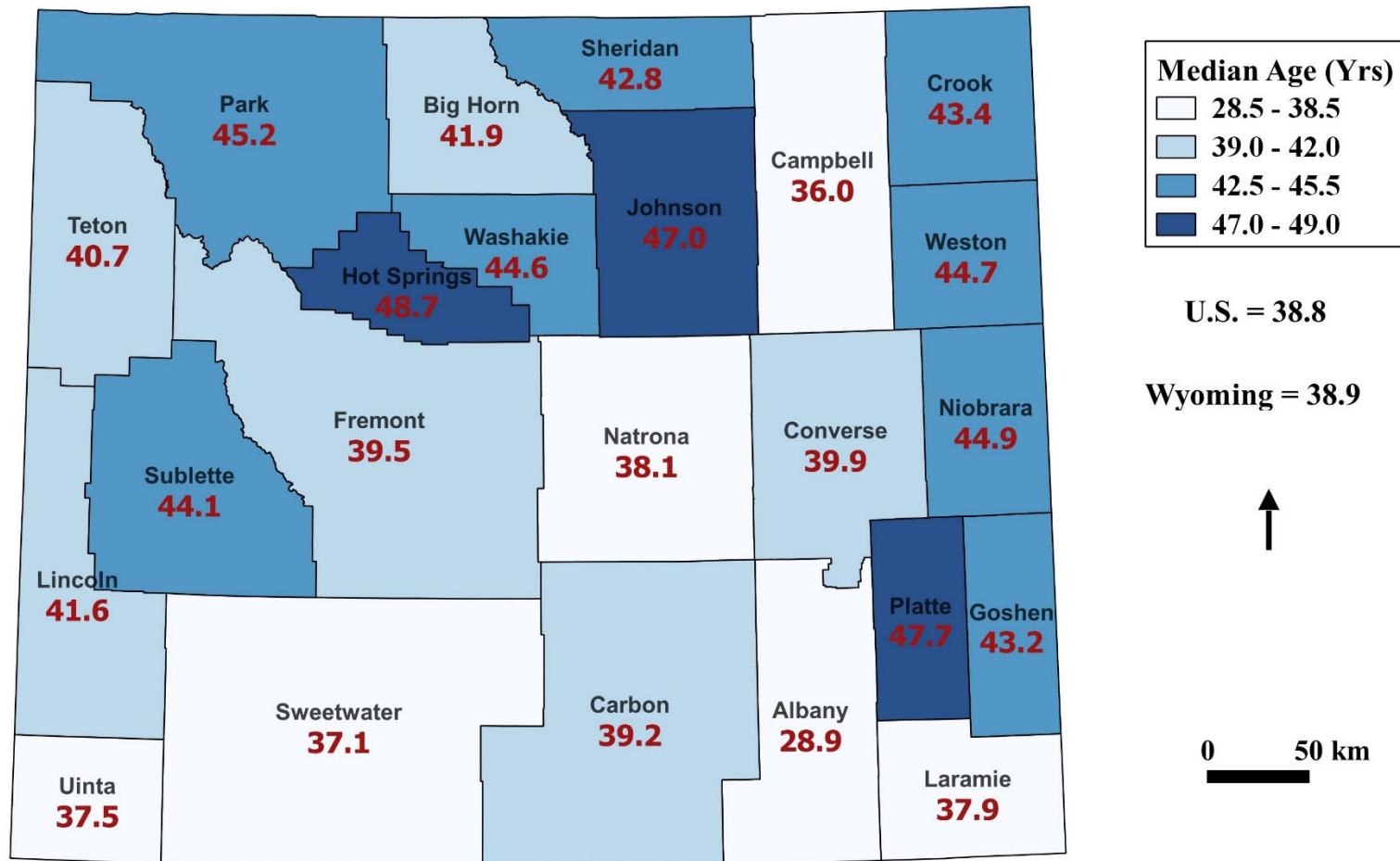


## Wyoming Population by Age Group



Source: population from 1970 to 2010 was from U.S. Census Bureau's decennial census, population for 2020 and 2030 were projections from Wyoming Economic Analysis Division

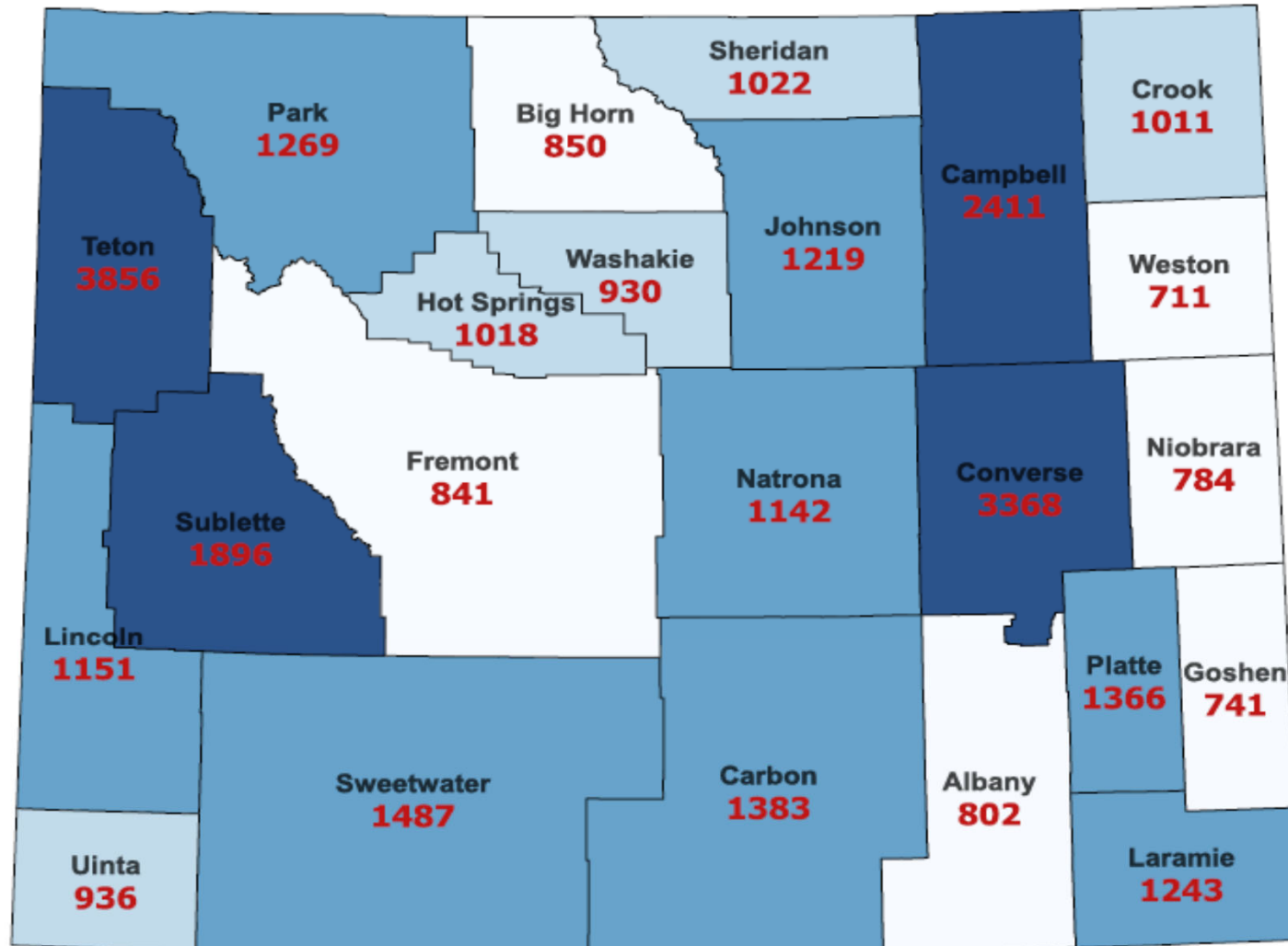
## Median Age by County: July 1, 2021



Source: U.S. Census Bureau

## Per Capita Sales and Use Tax Collections (\$): FY 2022

Wyoming = \$1,396



Source: Wyoming Department of Revenue

# Economic Ranking Shifted

Median Household Income:	2000	2010	2021
U.S.	\$41,994	\$51,914	\$69,021
Wyoming	\$37,892	\$53,802	\$68,002
Ranking	36 <sup>th</sup>	20 <sup>th</sup>	21 <sup>st</sup>

Poverty Rate:	2000	2010	2021
U.S.	12.4%	13.8%	12.6%
Wyoming	11.4%	9.8%	10.7%
Ranking	26 <sup>th</sup>	46 <sup>th</sup>	37 <sup>th</sup>



# Wyoming's economy continues to recover

- After COVID recession, the state's economy has been recovering but at a slower pace than the U.S. Geopolitical factors caused the surge in oil and NG prices in 2022. Together with heightened and broad-based inflation, revenue flow to governments are significantly boosted. However, extraction businesses are not adding as many rigs as expected, and not hiring as many workers as used to because of increase in productivity.
- Due to its pivotal role in WY's economy, the change in drilling activities still rippled into other economic sections such as construction, wholesale trade, manufacturing, transportation, and business services.
- Wyoming's employment is still not recovered to the pre-COVID level (-2,000 jobs) due to lags in mining (-3,600) and state & local government (-1,700). However, professional & business services, leisure & hospitality, edu & health services, and retail trade have already surpassed.
- Coal production is expected to resume the decline, older power plants are shutting down. NG prices are weakening, dropping to the lowest level in 2 years due to demand and supply imbalance (weather, production, and storage).
- Labor force participation has been declining because of baby boomers' retirement.

***THANK YOU!***

## Economic Analysis Division – **EAD**

*“Wyoming’s Source for Business and Economic Information”*

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

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