

# Thinking about current and future mineral revenue challenges

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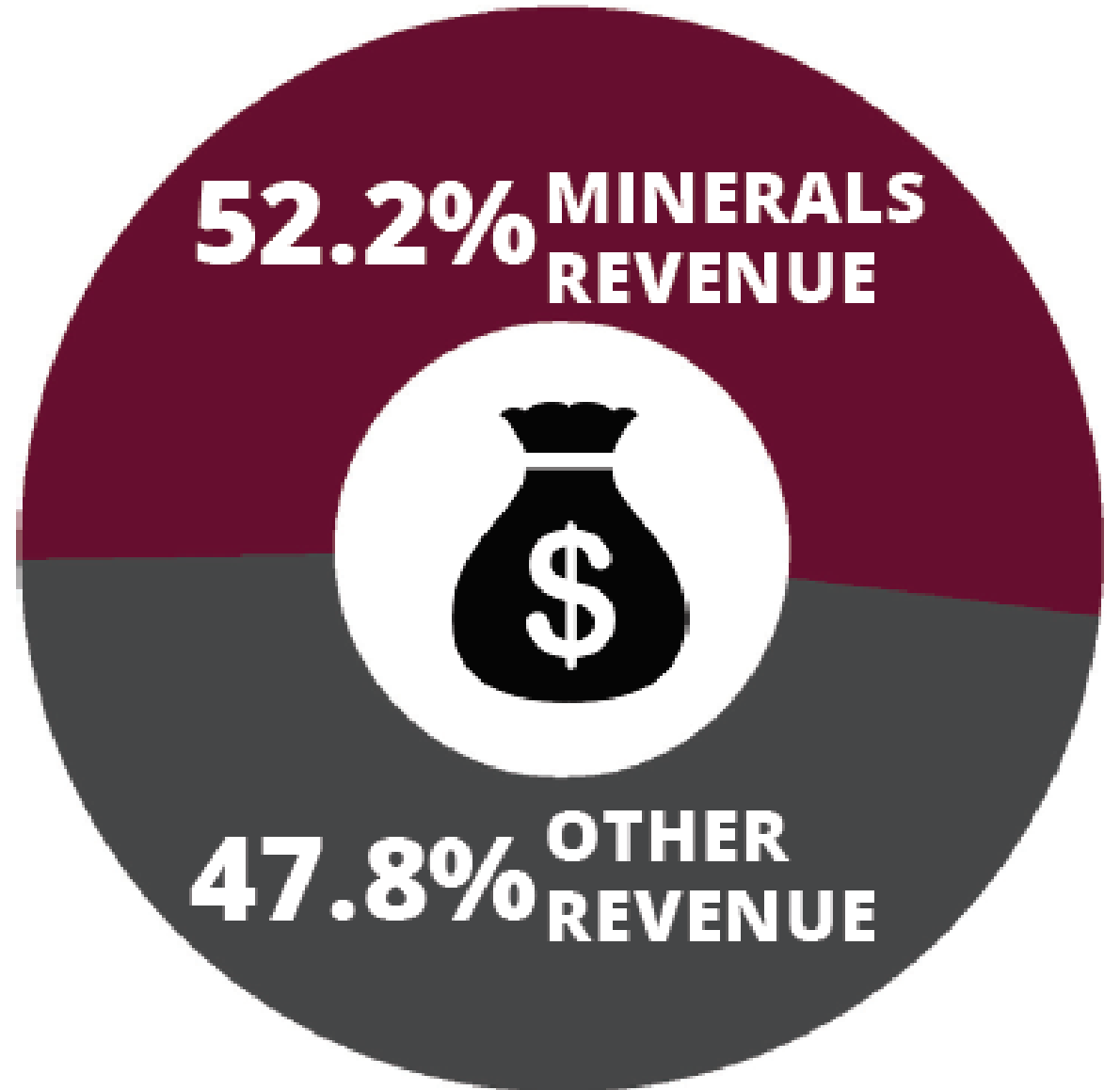


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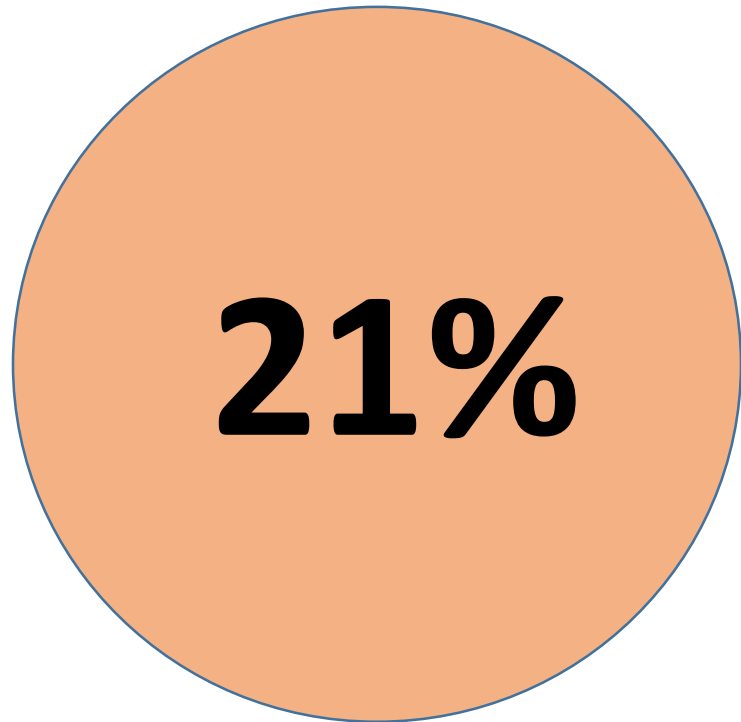
# Mineral Revenues as a Percentage of the Wyoming Budget (2017)

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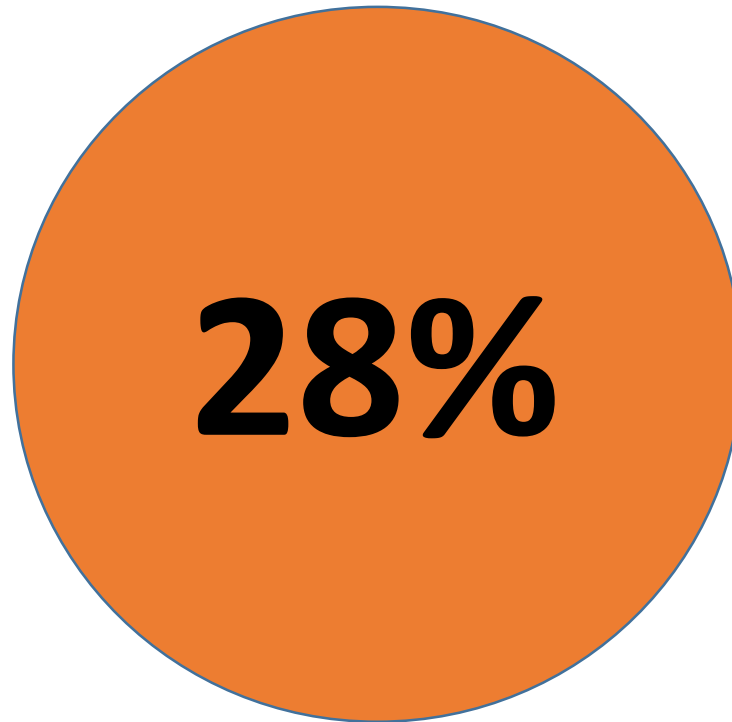
Source: Wyoming Taxpayer's  
Assoc.



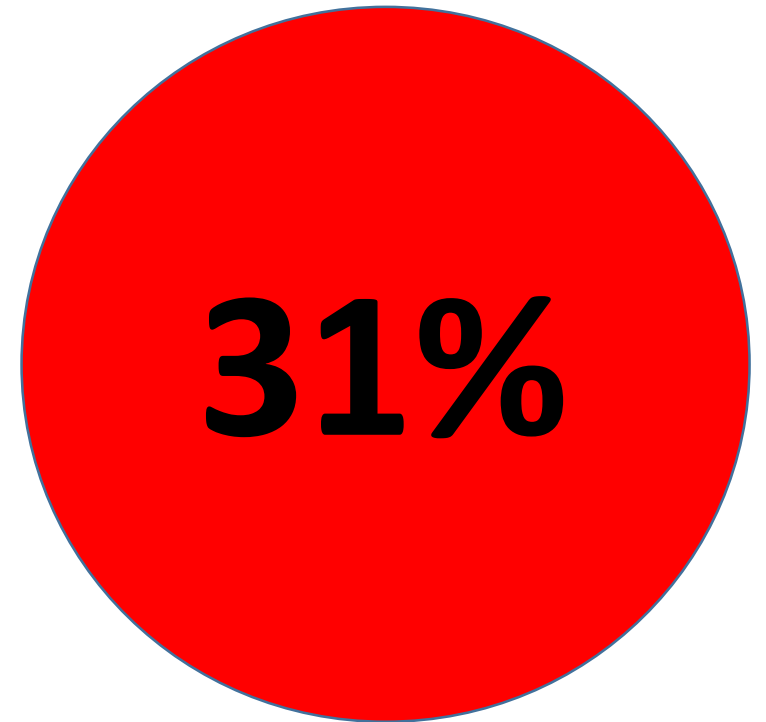
# Recent coal declines: Wyoming Impacts (Statewide)



Employment  
decline since 2015



Production decline  
since 2015



Coal severance tax  
decline since 2015

# Natural gas declines:



**9%**

Price decline since  
2015



**11%**

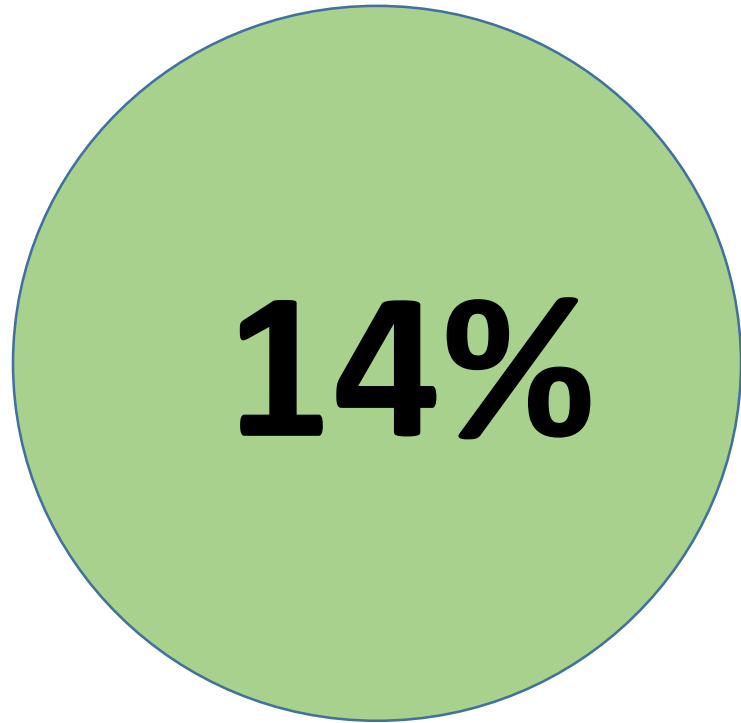
Projected  
Production decline  
since 2015



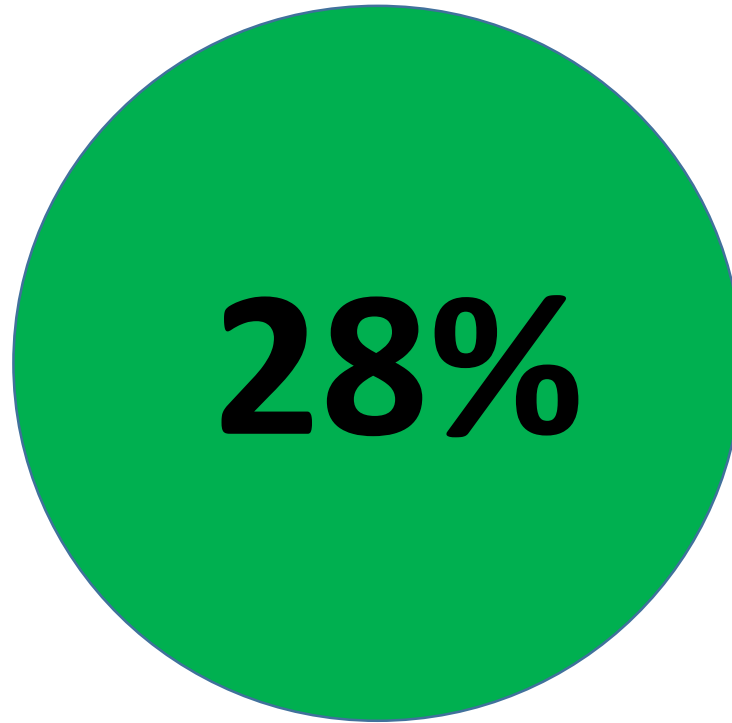
**19%**

Nat. gas severance  
tax decline since  
2015

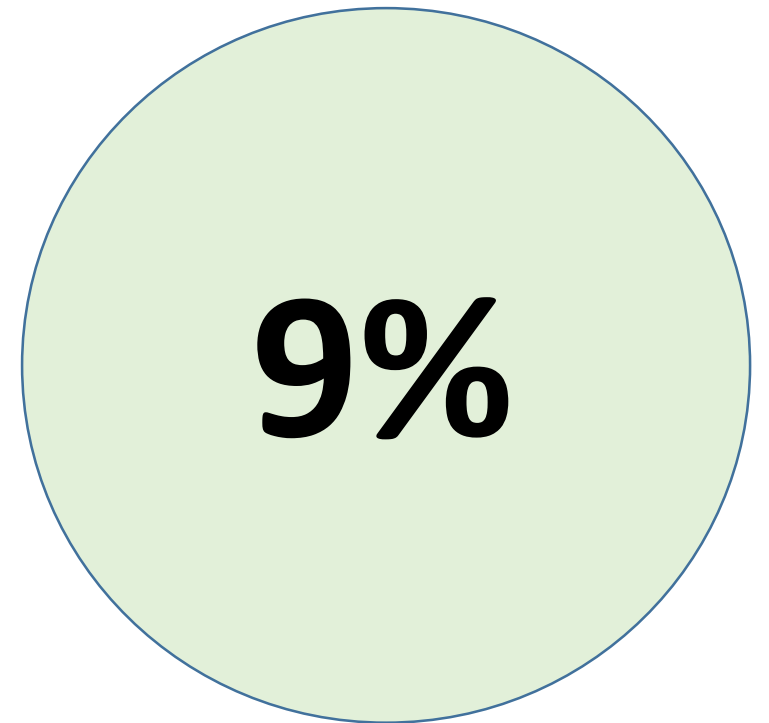
# Oil outcomes:



Projected  
Production increase  
since 2015



Projected Price  
increase since  
2015

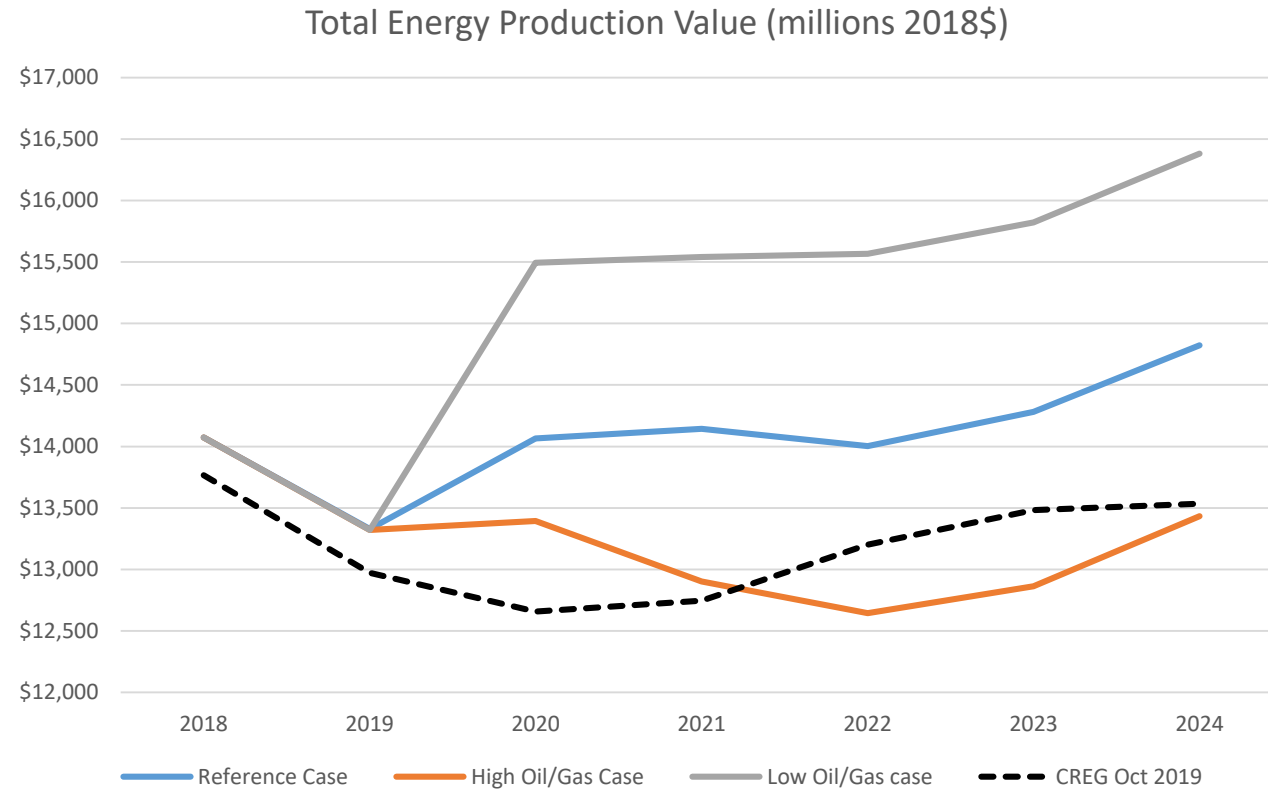


Oil severance tax  
increase since  
2015

Increasing instability in our revenue stream



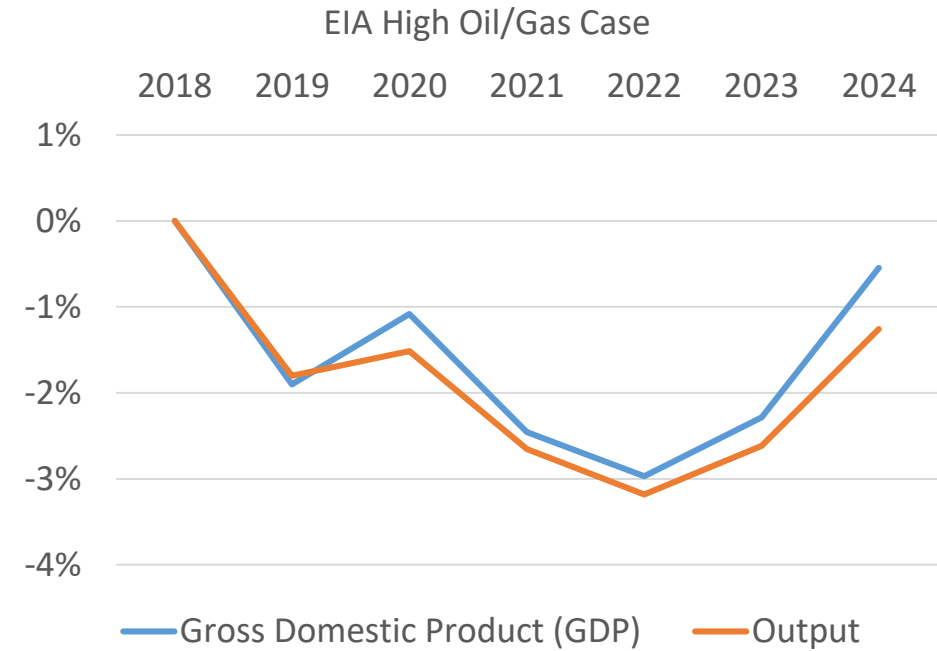
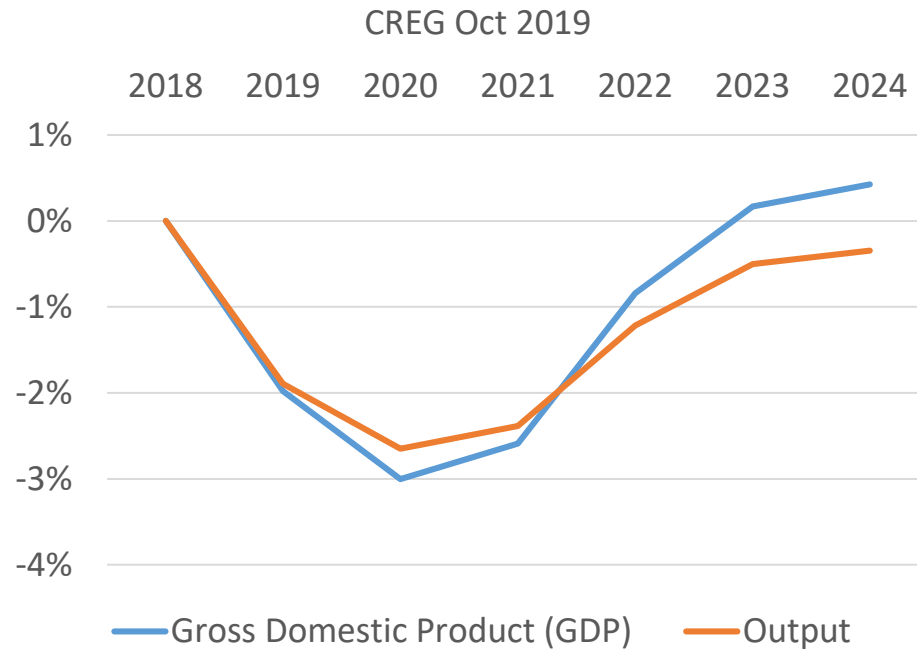
# Scenarios: Total Mineral Revenue Base



## Overall:

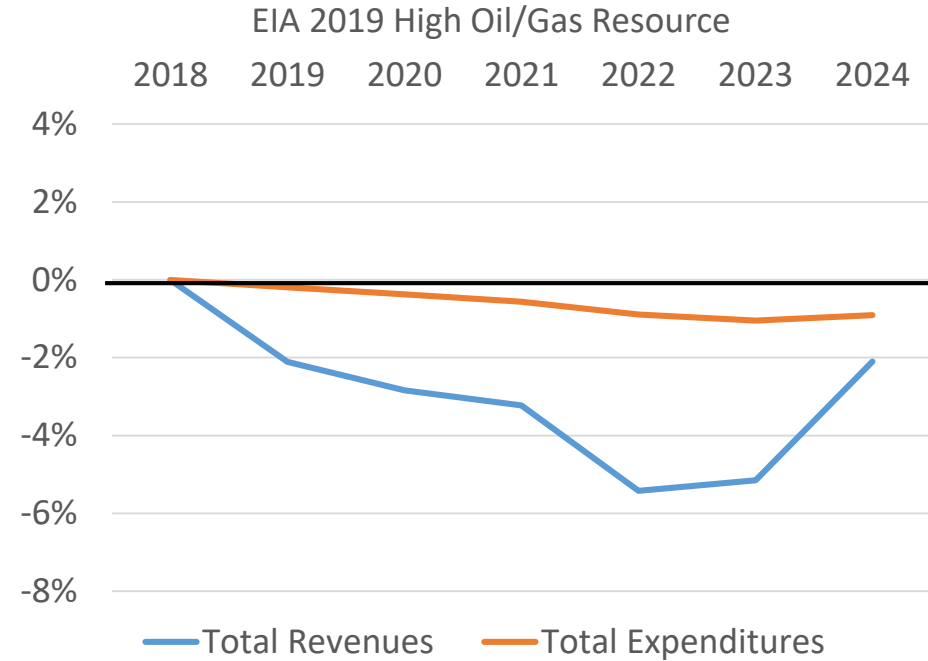
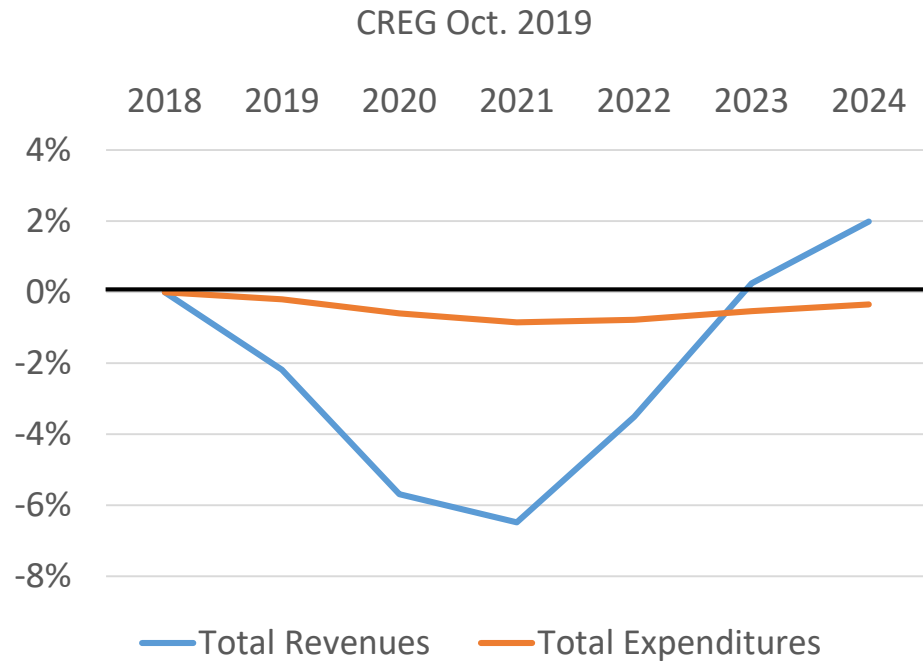
- Total mineral revenue outlook forecasts a 10% decline occurring as early as 2020 to 2022 in most likely scenarios before a partial recovery (decline of 5% from today) by 2024.
  - Scenarios that show full recovery to expansion in revenues are the least likely cases and out of date given current market conditions and expectations (these projections will be updated 1/29/2020).

# State Output Impacts (% chg from baseline)





# Revenue and Expenditure (% change from baseline)



**Residents do not pay the full cost of public services they receive.**

**Economic diversification efforts are unable to improve revenue flow in Wyoming - without tax reform.**



“Under its current tax structure, Wyoming effort to stimulate non-resource sectors in the state presents fiscal challenges. Only growth in resource sectors has significant positive fiscal impacts.” - **REMI**

**WYOMING TAXPAYERS ASSOCIATION**

Source: Wyoming taxpayer's Assoc (2018)