

WYOMING BUSINESS COUNCIL REGULAR BOARD MEETING MATERIALS

February 25-26, 2025





FEBRUARY 25-26, 2025

MEETINGS WILL BE HELD IN CHEYENNE, WY AT LARAMIE COUNTY COMMUNITY COLLEGE, 1400 EAST COLLEGE DRIVE

BOARD OF DIRECTORS

AGENDA

HOW TO JOIN

Zoom: visit us02web.zoom.us/j/295704768

Phone: dial **1-669-900-6833** and enter 9-digit **Meeting ID: 295-704-768** (no PIN is required, **press # when prompted**). If joining by phone please note your ability to interact with the panelists may be limited due to system limitations.

TUESDAY, FEBRUARY 25, 2025

2:00 PM

CONVENE (PUBLIC) WORK SESSION: CO-CHAIR, ERICK ARENS

- Welcome and Roll Call of Board Members
- Work Session Agenda - *WPMA NOTICE: This portion of the meeting is a work session only and will not include discussion or transaction of public business*
 - Panel discussion facilitated by Business Council CEO Josh Dorrell. Panelists include Wyoming Secretary of State Chuck Gray, State Auditor Kristi Racines, State Treasurer Curt Meier, and State Superintendent of Public Instruction Megan Degenfelder.
 - The panel will explore
 - Perspectives on the economic challenges Wyoming faces;
 - How to move the Wyoming economy forward; and
 - How to use our tools to build community resilience.

4:30 PM

CONCLUSION OF WORK SESSION

WEDNESDAY, FEBRUARY 26, 2025

CONSENT AGENDA

All agenda items listed with the designation of [CA] are considered routine items and will be enacted by one motion. There will be no separate discussion on these items unless a board member request is made. A board member can request to have one or more items be removed from the consent agenda for further discussion.

8:00 AM

CONVENE PUBLIC MEETING: CO-CHAIR, ERICK ARENS

- Pledge of Allegiance (all participants will be muted)
- Welcome and Roll Call of Board Members
- Consent Agenda
 - [CA] Meeting Minutes for the December 11, 2024, Regular Meeting (Page 7)
 - [CA] Quarterly People and Performance Report (Page 14)
 - [CA] Quarterly Challenge Loan Report (Page 18)
 - [CA] Quarterly SBIR Report (Page 19)
 - [CA] Quarterly WYVC Update (Page 23)

Action Item: Consideration of approval of items included on Consent Agenda.

8:10 AM

WELCOME REMARKS: LARAMIE COUNTY COMMISSIONER, GUNNAR MALM

8:25 AM

CEO REPORT: CHIEF EXECUTIVE OFFICER, JOSH DORRELL

9:10 AM

SERVICES STANDING COMMITTEE: INTERIM COMMITTEE CHAIR, DEREK SMITH (PG. 28)

- **Services Update** – Services Director, Brandon Marshall
- **Broadband and BEAD Program Status** – Broadband Manager, Chad Bolling (Page 29)
- **Community Leadership & Engagement Updates:** A2A Program, Rural Development – Community Leadership & Engagement Manager, Amber Power (Page 35)

10:15 AM

BREAK

- All participants will be muted

10:30 AM

OPERATIONS STANDING COMMITTEE: COMMITTEE CHAIR, KATHY TOMASSI (PG. 45)

- Q2FY25 Financial Report - Accounting Manager, Lyndsay Orr, CPA (Page 46)
 - **Action Item:** Consideration of acceptance of Q2FY25 Financial Report
- FY24 Financial Audit Report and Discussion – McGee Hearne & Paiz, LLP, Partner, Robert Dahill (Page 49)
 - **Action Item:** Consideration of acceptance of FY24 Audit Report

11:30 AM

EXECUTIVE SESSION FOR DISCUSSION OF PERSONNEL MATTERS/ CEO REVIEW

- **Action Item:** Consideration of Executive Session for discussion of personnel matters
 - **Board Members** will retire to an alternate meeting room for the Executive Session and recess to lunch upon conclusion: please DISCONNECT from the webinar and check your email for instructions on how to access the Executive Session
 - **WBC Staff and members of the public** are excused for the lunch recess at this time
 - We will reconvene the public session in the same Zoom Webinar room and in person promptly at 1:00PM, unless otherwise specified

11:45 AM

LUNCH BREAK

- All participants will be muted

1:00 PM

RE-CONVENE PUBLIC MEETING

- Roll call of Board Members
- CEO Review Report, Co-Chair Erick Arens
 - **Action Item:** Consideration of CEO Review recommendations

1:10 PM

INVESTMENTS STANDING COMMITTEE: COMMITTEE CHAIR, MARK LAW (PG. 122)

- Review of BRC Budget & Presentation of Applications received – Grants Portfolio Manager, Noelle Reed

BRC Applications				
Applicant	Project	Type	Request	Recommendation
City of Laramie	WyoTech Training Expansion Grant	Business Committed	\$5,000,000	\$ 5,000,000
City of Laramie	WyoTech Training Expansion Loan	Business Committed	\$5,000,000	\$ 5,000,000
Total			\$10,000,000	\$ 10,000,000
Total Available BRC Funding				\$ 75,670,586
Funds remaining if awarded				\$ 65,670,586

- Laramie Business Committed Project (Page 123)
 - **Action Item:** Consideration of funding request for Laramie Business Committed Project
- SSBCI 2nd Tranche Memo – Equity Portfolio Manager, Gordon Finnegan (Page 144)
 - **Action Item:** Consideration of Staff Recommendation
- Kickstart Awards – Startup Grants Manager, Brittanie Faulkner (Page 146)

2:20 PM

STRATEGY STANDING COMMITTEE: COMMITTEE CHAIR, DEREK SMITH

- Strategy and Initiative Update - Chief Strategy Officer, Sarah Fitz-Gerald

3:00 PM

2025 OFFICERS NOMINATING COMMITTEE RECOMMENDATION: COMMITTEE CHAIR, KATHY TOMASSI

- **Action Item:** Consideration of Nominating Committee recommendations

3:20 PM

CLOSING REMARKS: CO-CHAIR, ERICK ARENS

- Other Board Matters and Adjournment
- With gratitude to our outgoing board members for your support and service:
 - Pam Thayer
 - Kathy Tomassi
 - Chuck Kenyon
 - Cindy Johnson
 - Elaine Harvey

UPCOMING MEETINGS:

- Next Meeting of SLIB: April 3, 2025
- Standing Committees will meet this quarter during the week of May 5, 2025 (invites will be sent via Google Calendar next week):
 - Operations Standing Committee: Tuesday, May 6, 2025 @ 10AM
 - Strategy Execution Standing Committee: Tuesday, May 6, 2025 @ 2PM
 - Investments Standing Committee: Wednesday, May 7, 2025 @ 10AM
 - Services Standing Committee: Thursday, May 8, 2025 @ 10AM
- Next Regular Quarterly Meetings of this Board:
 - May 20-21, 2025: Casper, WY
 - September 9-10, 2025: Sheridan, WY
 - December 9-10, 2025: Virtual
 - February 24-25, 2026: Cheyenne, WY
 - May 19-20, 2026: Location TBD



CONSENT AGENDA

Wednesday December 11, 2024

Board Members Present: Elaine Harvey, Melissa Atkinson, Dr. Joe Schaffer, Kathy Tomassi, Derek Smith, Chuck Kenyon, Chuck Brown and Erick Arens.

Staff Present: Jill Tregemba, Amy Quick, Gordon Finnegan, Noelle Reed, Brittne Faulkner, Brandon Marshall, Bert Adam, Chad Bolling, Josh Dorrell, Lyndsay Orr, Sarah Fitz-Gerald, Taylor Vignaroli, Ron Gullberg, Amy Grenfell, John Wendling, Chava Case, Rylan O'Bryan, Kaley Holyfield, Kayla Kler, Ben Peterson, Chance Price, Patrick Edwards, Brandi Harlow, Kiley Ingersoll, Brittne Faulkner, Chad Bolling, Drew Dietrich, Amber Power, Cortney Sutcliffe, Kari Kivisto attended virtually.

Co-Chair Erick Arens convened the meeting at 8:03am.

CONSENT AGENDA: *All agenda items listed with the designation of [CA] are considered routine items and will be enacted by one motion. There will be no separate discussion on these items unless a board member request is made. A board member can request to have one or more items be removed from the consent agenda.*

Convene Public Meeting – Co-Chair, Erick Arens

- Pledge of Allegiance (all participants will be muted)
- Welcome and Roll Call of Board Members
- Consent Agenda
 - [CA] Meeting Minutes for the September 11, 2024, Regular Meeting
 - [CA] Quarterly People and Performance Report
 - [CA] Quarterly Challenge Loan Report
 - [CA] Community Facilities Program Rules
 - [CA] Challenge Loan Rules
 - ACTION ITEM: Consideration of approval of items included on Consent Agenda.
Kathy Tomassi made the motion to approve, Dr. Joe Schaffer seconded. There was no further discussion, motion carried unanimously.

Chief Executive Officer, Josh Dorrell recognized the work that is done in partnership between the Board and Wyoming Business Council staff members in committees and emphasized the importance of the consent agenda. Mr. Dorrell reviewed our flywheel with a focus on identifying and solving local economic problems. Mr. Dorrell discussed economic challenges in Wyoming and the importance of building self-reliance in communities stressing the need for local economic resilience and diversification. He shared data showing the impact of the Business Ready Communities (BRC) program, highlighting the importance of focusing on projects that create jobs and improve wages. He also acknowledges the privilege and responsibility the board and Wyoming Business Council team has in shaping Wyoming's economic future by continuing the work in providing opportunities for current and future generations of Wyomingites to foster growth and resilience in our Wyoming communities.

Services Standing Committee, Committee Interim-Chair, Derek Smith introduced Services Director, Brandon Marshall. Mr. Marshall gave an update on the services team as they are actively executing initiatives with a focus on helping communities understand their potential and challenges.

Jill Tregemba, Agribusiness Development Manager, and Taylor Vignaroli, Entrepreneur Development Manager, gave a presentation highlighting the Agribusiness Wyoming annual report and emphasized innovation and technology as core elements for agribusiness and agriculture in Wyoming. Ms. Tregemba introduced the fishbone diagram for problem identification and involvement of stakeholders to form a core team. She highlighted the need for a well-connected network that includes stakeholders, such as local leaders, businesses, and education institutions. The major focus of this year has been marketing and development of a start-up ecosystem.

Mr. Vignaroli discussed the importance of fostering a supportive environment for startups and business in Wyoming. He emphasized the role of the Business Council in helping to build this ecosystem by providing resources, support, and guidance to emerging businesses and entrepreneurs. He shared data on the mix of resources and the stages that those resources are being utilized. He identified the opportunity of making an investment to understand where industry can lead the opportunity for new businesses to be successful in Wyoming through building capacity around research and development in the Controlled Environment Agriculture (CEA) space. Mr. Vignaroli explained that through collaboration with Kearney in a feasibility study and development of a business model for private industry to run the accelerator. He explained that this is a prime opportunity for the State to make an early intervention to maximize the opportunity for investment in long-term job creation that will be led by industry using the accelerator as a catalyst for the momentum to continue to fly-wheel. Kearney was selected for this contract for their expertise and network in the industry that will be key in the success of a potential accelerator.

- ACTION ITEM: Consideration of staff recommendation to approve the A.T. Kearney Contract. Chuck Kenyon made the motion to approve, Kathy Tomassi seconded. There was no further discussion, motion carried unanimously.

Broadband Manager, Chad Bolling introduced the contracts related to ARPA CPF and BEAD funding. Mr. Marshall clarified that these funds were originally awarded to a previous contractor for projects that they were unable to fulfill and are re-awards for three different projects with different contractors.

- ACTION ITEM: Consideration of staff recommendation to approve contract for Spectrum Pacific West LLC, Park County area ARPA CPF grant. Chuck Brown made the motion to approve, Dr. Joe Schaffer seconded. There was no further discussion, motion carried unanimously.
- ACTION ITEM: Consideration of staff recommendation to approve contract for All West Communications, Inc., Opal area ARPA CPF grant. Dr. Joe Schaffer made the motion to approve, Kathy Tomassi seconded. There was no further discussion, motion carried unanimously.
- ACTION ITEM: Consideration of staff recommendation to approve contract for BHT Holdings, Inc., Cody Southfork area ARPA CPF grant. Elaine Harvey made the motion to approve, Chuck Kenyon seconded. There was no further discussion, motion carried unanimously.

Mr. Bolling introduced the CTC contract related to the Challenge Portal in the amount of \$160,600 with a period of performance of March 19, 2024 – July 25, 2025. Mr. Marshall gave additional information that this is a second half contract for the Challenge process on the BEAD program as the Federal funding came in two separate tranches.

- ACTION ITEM: Consideration of staff recommendation to approve the CTC Contract. Dr. Joe Schaffer made the motion to approve, Melissa Atkinson seconded. There was no further discussion, motion carried unanimously.

Mr. Marshall thanked the board for their confidence in the staff and consideration of CPF programs. He shared that the board has approved \$70,525,978 for broadband projects serving 14,389 locations in Wyoming. Fiber installation is underway. He also shared that applications for the BEAD program are currently open with approximately \$340 million available for funding with anticipation of significant impacts in the coming months.

Operations Standing Committee Chair, Kathy Tomassi introduced Accounting Manager, Lyndsay Orr to discuss the FY24 audit and Q4FY24 financial report.

Ms. Orr states that FY24 audit is moving along and sits with McGee, Hearne, and Paiz, LLC (MHP) for their review with a hope for an audit review before the end of the year. Ms. Tomassi acknowledged the many moving parts related to the audit and timeframe.

Ms. Orr gave a budget report for September 30, 2024, Q1FY25 and Q1 2025-2026 biennium budget period, most general funds budget is split between fiscal years except for BRC. General fund utilization is at 6.51 percent, excluding BRC, utilization is at 23.9 percent, which is right about where we need to be at this point in the fiscal year. Services, Strategic Communications and Community Development are showing higher utilizations with contracts that have been encumbered for the whole fiscal year. The Asia Pacific Trade Office is at 100 percent as it was a specific appropriation from the Legislature for the work being done and the contract took the whole appropriation. Federal fund expenditures are around \$316,000 for the quarter and most are related to the BEAD planning for broadband. Available cash of almost \$7.4 million for investments with \$55,000 earned on cash funds in interest through the state's Treasurer's office. In Agency funds, the Economic Development Fund has available cash of \$12.4 million and had earned almost \$322,000 in the first quarter. Available budget as of September 30, 2024, is \$439,000. In the ARPA section, these are funds that have been awarded by the state which include the Harvard project, entrepreneurial mapping, and capital projects that have dispersed almost \$10 million, mostly grant money with \$58 million in encumbrances and \$3.6 million available for projects. Ms. Tomassi clarified that the committee goes through the budget thoroughly with Ms. Orr. Ms. Orr shared the budget expenditures by funding source chart showing 72 percent for grants, 10 percent for loans, and everything else is service delivery for this quarter. Professional services expenditures are high due to contracts that have been encumbered and on loans the net receivable balances as of September 30, 2024, is \$22.3 million.

- ACTION ITEM: Consideration of staff recommendation to accept the Q1FY25 Financial Report. Derek Smith made the motion to approve, Chuck Brown seconded. There was no further discussion, motion carried unanimously.

Strategy Execution Standing Committee, Committee Chair, Derek Smith noted a shift in the direction of the strategy committee toward external collaboration and acknowledged the efforts of the board and staff on this work. He introduced Sarah Fitz-Gerald, Chief Strategy Officer, who gave the strategy execution committee update. Ms. Fitz-Gerald reiterated the WBC purpose is to create new opportunities for current and future generations of Wyomingites and we do that by solving the problem: Wyoming is not positioned to maintain a high quality of life across the state. She shared that one definition of strategy is how we turn what we have into what we need to get what we want.

Ms. Fitz-Gerald invited Amy Quick, Strategic Communications, to share about the 2024 Annual Report. Ms. Quick said that they are approaching the distribution of the Annual Report with a new strategy by sharing it digitally as well as in print to all Legislators before the 2025 session begins. She shared that the report is not only sharing about what we do but tells a story about the “why” and “why it matters.” This year focuses on a theme of challenges and bold action which includes the willingness to fail.

Ms. Fitz-Gerald continued by sharing consistent themes including a willingness to take risks and acceptance of failure highlighting the panel discussion from the work session which included diverse perspectives across that state to share common discussions and work toward opportunities for current and future Wyomingites. She shared another opportunity for engagement in working with the Building State Capability group working on the process of problem solving with three big problems of the work force, Wyoming’s fiscal system, and housing in Laramie. She said that there is a desire to continue work with plans to synthesize learnings and create narratives for future engagement with an aim to implement solutions and build coalitions around them. Ms. Fitz-Gerald highlighted continued relationship building with constituents and decision makers by inviting them to learn more through the annual report, events, and earned media. She said that we are building analytical capability in-house by hiring for an internal analytic role, Economic Policy and Research Advisor, professional development opportunities encouraged for all staff to participate with, and looking to extend contracts for further engagement with the Harvard Kennedy School for the next phase.

Ron Gullberg, Strategic Partnerships Director, discussed the effort and emphasized the importance of collaboration and understanding among team members. He shared an example of the people, process, and work with the current fiscal systems team with the Building State Capabilities effort.

- ACTION ITEM: Consideration of staff recommendation to approve Amendment to contract with President and Fellows of Harvard College, on behalf of the Harvard Kennedy School, for Building State Capabilities. Kathy Tomassi made the motion to approve, Dr. Joe Schaffer seconded. There was no further discussion, motion carried unanimously.
- ACTION ITEM: Consideration of staff recommendation to approve Amendment with to contract with President and Fellows of Harvard College, on behalf of the Harvard Kennedy School, for Growth Lab. Dr. Joe Schaffer made the motion to approve, Melissa Atkinson seconded. There was no further discussion, motion carried unanimously.

Investments Standing Committee Interim-Chair, Erick Arens introduced Brittnie Faulkner, Startup Grants Manager to provide a quarterly SBIR report and Kickstart update. Ms. Faulkner shared that since first awards in 2018, there have been 52 matching grants given to 27 companies throughout Wyoming receiving funding with over \$7.4 million in matching funds creating 187 jobs. Just over \$ 30.1 million in Federal funds that were able to stay in the state with a 4:1 leverage ratio. She highlighted recent recipients Native, Resono, Fourth State, and Acadian.

- ACTION ITEM: Consideration of staff recommendation to accept the Quarterly SBIR Report. Dr. Joe Schaffer made the motion to approve, Kathy Tomassi seconded. There was no further discussion, motion carried unanimously. Chuck Brown was absent from this vote.

Ms. Faulkner continued with a Kickstart update. She shared that the website went live on November 25, 2024 and all requirements are posted. However, there have been some issues with the application that she is working to resolve with the Salesforce Consulting team and Ben Peterson. The first awards will be

announced at the February board meeting. There will be four award cycles each year with three awards per cycle with \$5,000- \$50,000 in funds to be awarded.

Gordon Finnegan, Equity Portfolio Manager, gave a WYVC (Wyoming Venture Capital) Fund update. Mr. Finnegan highlighted the efforts of Wyoming and the Wyoming Business Council recently recognized by the International Chamber of Commerce (ICC) and Mind the Bridge for its venture capital and startup ecosystem development efforts through Wyoming Venture Capital (WYVC) with a Startup Ecosystem Rising Star award. Rylan O'Bryan, Investments Portfolio Manager, accepted this award at a ceremony in Paris, France.

Mr. Finnegan gave an update on the WYVC fund sharing that WYVC funds have invested in nine companies around the state; 19.25 percent average investment per round; 7:1 leverage ratio; \$77.3 million in private capital invested; \$12.7 million WYVC capital invested for a total capital into Wyoming startups at \$89.9 million. He shared slides that showed investments to date, reviewed the WYVC deployment, and included a QR code to the 2023 Wyoming Deal Flow Report.

There were additional questions on the tranches and process.

John Wendling, Loan Portfolio Manager, discussed the two succession loan requests. Mr. Wendling reviewed one requirement for succession loans that the business has operated in Wyoming for seven years. These loan requests are successful Wyoming businesses that have provided opportunities to Wyomingites and are looking to continue to do so under new ownership.

Mr. Wendling reviewed the first loan request, succession loan participation for Rantec, Inc. out of Ranchester. Our portion of the loan would be \$500,000 on a \$2.4 million nonreal estate loan, a five-year loan with an 8.13 blended rate. The current owner is selling and transferring the business to its current manager.

- ACTION ITEM: Consideration of acceptance of staff recommendation to approve the Rantec, Inc. Business Succession Loan participation. Chuck Kenyon made the motion to approve, Derek Smith seconded. There was no further discussion, motion carried unanimously.

Mr. Wendling reviewed the second loan request, succession loan participation for Trophy Creative, LLC out of Cheyenne. Our portion of the loan would be \$360,000, a seven-year loan with a 6.25 blended rate. The current minority partner is looking to buy out the majority owner and co-manager of the business for sole ownership.

- ACTION ITEM: Consideration of acceptance of staff recommendation to approve the Trophy Creative, LLC Business Succession Loan participation. Kathy Tomassi made the motion to approve, Chuck Kenyon seconded. There was no further discussion, motion carried unanimously.

Noelle Reed, Grants Portfolio Manager, reviewed the Business Ready Community (BRC) final rules, sharing that the draft rules approved by the board in September went out for 45-day public comment period and did not receive any comments to proposed rules. The changes will include a proposed maximum award for Community Readiness and Business Committed to be the remaining amount in the BRC account at the time of application rather than the current \$5 million to encourage communities to think bigger. Ms. Reed shared that other proposed changes include adding that the WBC will waive a lower revenue recapture amount; simplify the revenue recapture section so it only reads that revenue recaptured to the BRC fund must be no less than 25% of net revenue generated; adding that any revenue generating projects may incur

servicing fees; removal of matches from the rules and put them on the website; removal of 5 percent match by applicant requirement; adding that progress reports must be up to date prior to approval of a require for funds disbursement; and adding that employees and wages must be created positions for managed data center projects.

- ACTION ITEM: Consideration to adopt final Business Ready Community rules. Melissa Atkinson made the motion to approve, Dr. Joe Schaffer seconded. There was no further discussion, motion carried unanimously.

Ms. Reed presented one Business Ready Community (BRC) application.

The town of Guernsey requested \$750,000 for a Community Enhancement Grant to add 2,500 square feet to the Guernsey Senior Center and the Guernsey Public Library. The staff recommendation is not to fund the loan request. The additional space would enable the community to provide additional services in the areas of public health, mental health, and Veteran services as well as a public meeting space. The additional space with the library would be utilized for job training, job exploration, and entrepreneurial endeavors.

Members of the community, Bruce Heimback and Andy Fletcher, joined to share comments of support for this project.

- ACTION ITEM: Roll Call for the town of Guernsey – BRC Project.
 - Dr. Joe Schaffer expressed concern about voting affirmatively for a negative request and Co-Chair Erick Arens agreed on a need for clarity. Dr. Joe Schaffer made a motion to approve funding for the town of Guernsey’s BRC Project, and Kathy Tomassi seconded.

There was further discussion in favor and against the project by board members.

Yes: Chuck Brown, Elaine Harvey, and Kathy Tomassi.

No: Erick Arens, Melissa Atkinson, Chuck Kenyon, Dr. Schaffer, and Derek Smith.

Co-Chair Erick Arens reviewed the other board matters of the Nominating Committee and upcoming meetings.

CEO Josh Dorrell gave closing remarks to recognize the contributions of board member Pam Thayer as she is stepping down from the board to represent communities in Carbon County in her new role on the Wyoming Legislature.

Upcoming Meetings:

- Next Meeting of SLIB: February 6, 2025
- Standing Committees will meet this quarter during the week of February 10, 2025 (invites via Google Calendar):
 - Operations Standing Committee - Tuesday, February 11, 2025 @ 10 a.m.
 - Strategy Execution Standing Committee - Tuesday, February 11, 2025 @ 2 p.m.
 - Investments Standing Committee - Wednesday, February 12, 2025 @ 10 a.m.
 - Services Standing Committee - Thursday, February 13, 2025 @ 10 a.m.
- Next Regular Meetings of this Board:
 - February 25-26, 2025 – Cheyenne
 - May 20-21, 2025 – Location TBD

Derek Smith made a motion to adjourn, seconded by Dr. Joe Schaffer. Co-Chair Erick Arens adjourned the meeting at 12:14 p.m.

Respectfully Submitted,

Cortney Sutcliffe, Administrative Solutions Coordinator

Derek Smith, Secretary/Treasurer

DRAFT



PEOPLE & PERFORMANCE

FEBRUARY 2025



NEW TEAM
MEMBERS &
RECRUITMENTS



CELEBRATING A
JOURNEY



OUR CONTINUED
GROWTH



PEOPLE: BUILDING THE TEAM



PROCESS INNOVATOR

CHRIS MICHAEL
JANUARY 2025



**ECONOMIC POLICY &
RESEARCH ADVISOR**

CONNOR CHRISTENSEN
JANUARY 2025



**ECONOMIC POLICY &
RESEARCH ADVISOR**

VINICIUS BUENO
JANUARY 2025

COMING SOON:

**ACCOUNTING SOLUTIONS
COORDINATOR**

**MARKET DEVELOPMENT
ADVISOR**

PEOPLE: CELEBRATIONS



HEATHER TUPPER

15 YEARS



**SARAH FITZ-
GERALD**

8 YEARS



NOELLE REED

8 YEARS



BRANDI HARLOW

8 YEARS



JOSH DORRELL

5 YEARS



**GORDON
FINNEGAN**

2 YEARS



DREW DIETRICH

2 YEARS



RYLAN O'BRYAN

1 YEAR

PERFORMANCE: ENLIGHTENMENT SERIES

Alignment

*A shared
future*

Belonging

*The emotional
glue*

Collaboration

*How work gets
done*



BUSINESS COUNCIL

214 W. 15th Street
Cheyenne, WY 82002

Tel: (307) 777-2800 Fax: (307) 777-2838

www.wyomingbusiness.org

Memorandum

To: Wyoming Business Council Board of Directors
From: Investments Team
Subject: Challenge Loan Reporting Requirements
Date: February 26, 2025

1. **Past Due Report.** Challenge Loan Policy requires quarterly reporting of all loans 30 days or more past due.

There is (1) past due payments as of December 31, 2024:

Hay Growers:

- **David Walker** – The WBC spoke with Mr. Walker on June 26, 2024. He claimed he would get us payment as soon as he can. We will continue to monitor and stay in touch with Mr. Walker. The amount past due as of December 31, 2024 is \$9,718.25 (2 Annual payments plus \$462.77 late charge); loan balance is \$31,191.35
2. **Loan Loss Reserve Analysis.** Challenge Loan Policy requires a review of all loans that are delinquent (over 30 days past due) and a specific reserve will be allocated if the review warrants. There will be an additional unallocated reserve of one-half of one percent of the total portfolio balance.
 - The reserve is adequate with a balance of **\$623,431**. The allocation includes a 10% loan loss reserve for the Economic Disaster Loans originated, plus 0.5% of the total loan portfolio. The reserve does include the past due Economic Disaster loan for David Walker (\$31,191.35).
 - The resulting available fund balance in the Economic Development Fund is **\$12,855,002**
 3. **Charge off balances.**
 - No charge offs this quarter
 4. **Other News.**
 - **There are currently 93 active loans totaling \$10,986,079.**
 - **Two of Three loans approved at last quarterly board meeting have been closed.**

Staff Recommendation:

- **Staff recommends acceptance of this report.**



SBIR Update • WBC Board Meeting • February 2025



SBIR Key Metrics To-Date

52

Matching Grants

\$7,427,230

Matching Funds Awarded

187

Total Jobs

\$30,133,945*

Federal Awards Realized

4:1

Leverage Ratio



SBIR Match Program – Jan ‘25

\$7M

FY25 Allocation

\$895,000

Matching Funds Awarded

\$477,500

Matching Funds Paid Out

\$417,500

Matching Funds
Encumbered

\$60,000

Matching Funds In
Process

\$6,045,000

FY25 Funds Available

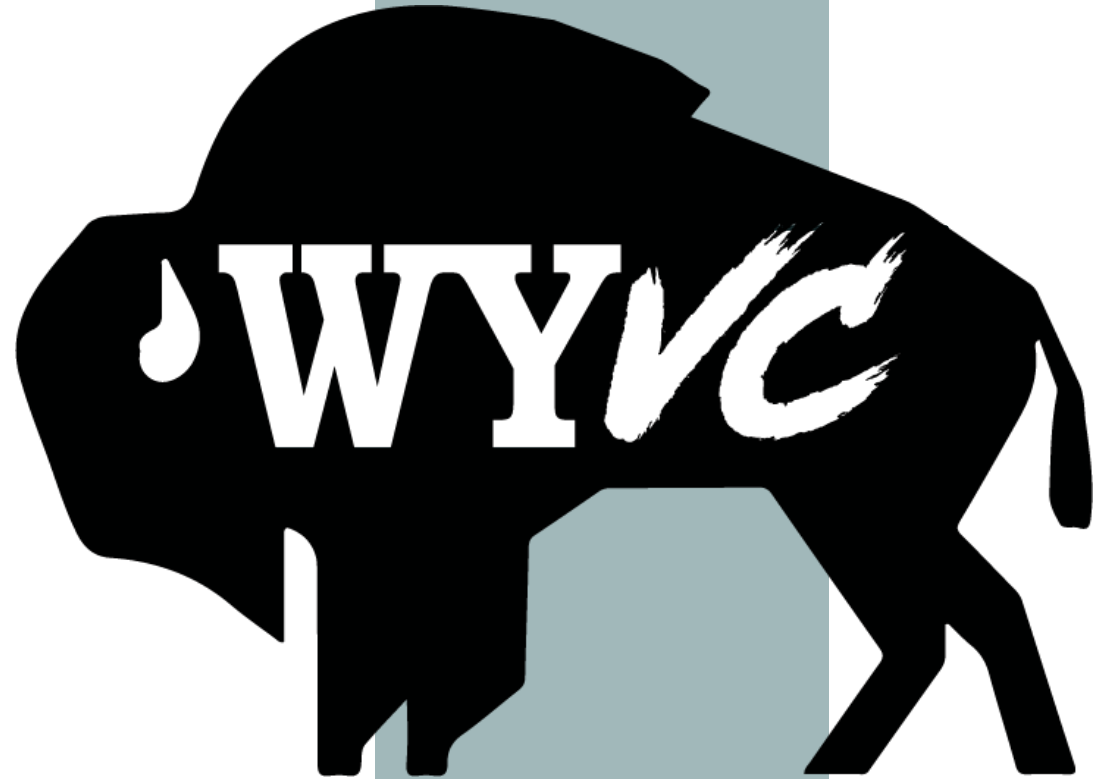
Thank You





WYVC UPDATE

WBC Board Meeting
February 2025





10

WY COMPANIES
INVESTED IN

15.53%

AVG INVESTMENT
PER ROUND

7:1

LEVERAGE RATIO

\$78.8M

PRIVATE CAPITAL INVESTED

\$14.0M

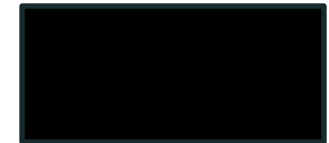
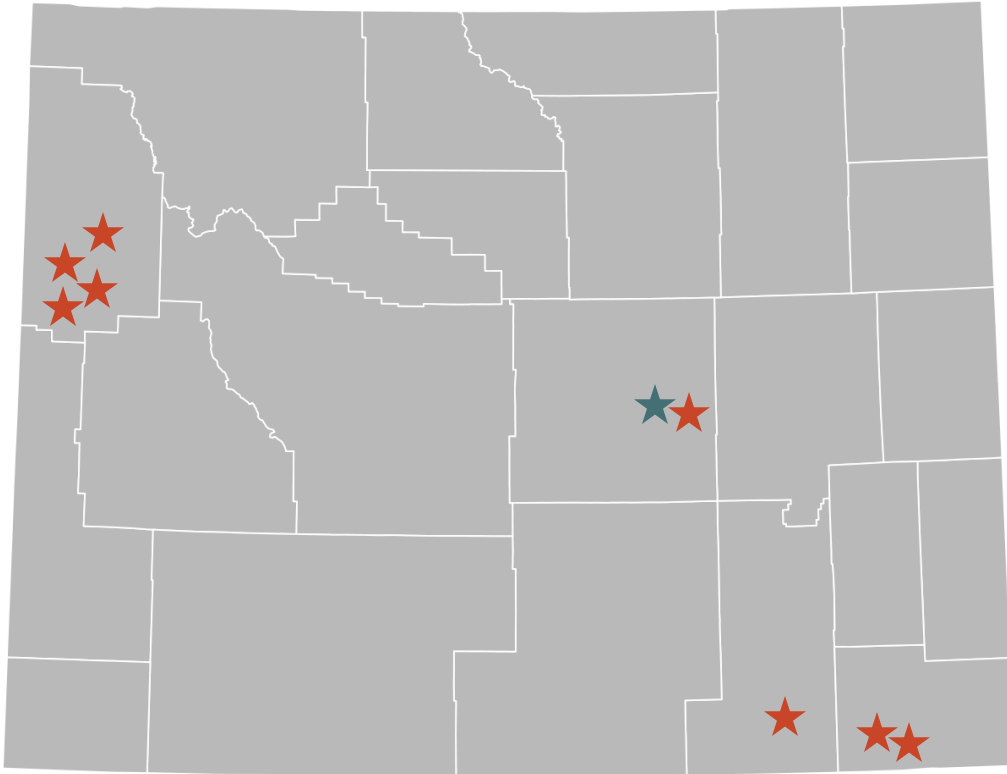
WYVC CAPITAL INVESTED

TOTAL CAPITAL INTO

WYOMING
STARTUPS

\$92.8M

INVESTMENTS TO-DATE



Direct



Funds

CO-INVESTORS TO DATE



Leads



WYVC DEPLOYMENT

WYVC INVESTMENT ACTIVITY

	2Q24	3Q24	4Q24	2/10/25
Direct Strategy Invested	\$ 11,016,667	\$ 11,602,642	\$ 12,227,556	\$ 12,227,556
<i>Portfolio Companies</i>	7	7	8	8
Funds Strategy Invested	\$ 2,731,000	\$ 2,731,000	\$ 4,021,550	\$ 4,021,550
<i>Partner Funds</i>	1	1	1	1
WYVC Total Invested	\$ 13,747,667	\$ 14,333,642	\$ 16,249,106	\$ 16,249,106

SSBCI TRANCHE TRACKING

Tranche Remaining (\$)	\$ 4,560,733	\$ 3,974,758	\$ 2,059,294	\$ 2,059,294
Tranche Remaining (%)	24.9%	21.7%	11.2%	11.2%

Active LOIs (\$)*	\$ 7,978,450
Tranche Remaining (\$)	\$ (5,919,156)
Tranche Remaining (%)	NMV

(*including Funds where commitments are inherently incremental)



SERVICES COMMITTEE REPORT

WY BEAD SUBGRANTEE SELECTION: PRELIMINARY PROJECT INSIGHTS

Please note, these results are likely to
change as application curing and review is
not yet complete

January 2025

OVERVIEW OF PROPOSALS RECEIVED



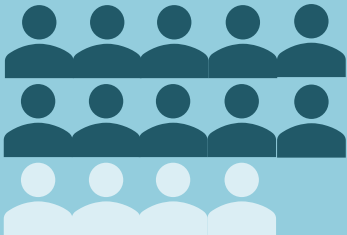
62
Total submitted proposals

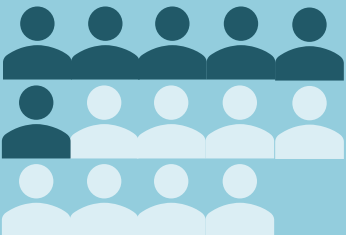
34
Priority proposals

27
Non-Priority terrestrial proposals

1
Alternative Technology proposal

 \$805M Total BEAD funding requested	\$646M Requested for Priority proposals
	\$52M Requested for Non-Priority terrestrial proposals
	\$107M Requested for Alternative Technology proposals

10 out of 14

providers submitted Priority proposals

6 out of 14

providers submitted Non-Priority proposals


562
PAUs received at least one proposal

TECHNOLOGY TYPE IN TERRESTRIAL PROPOSALS

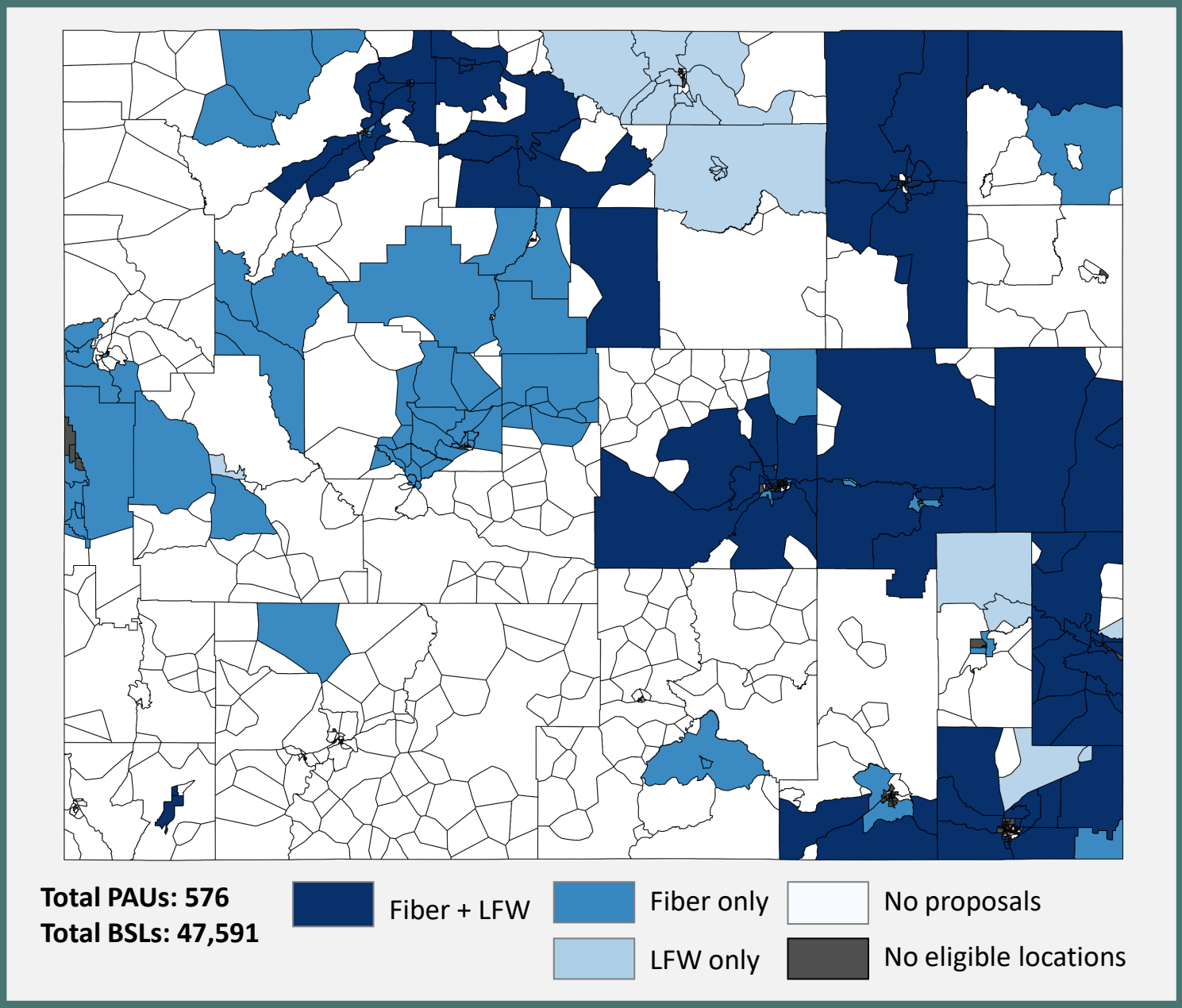
Note that 15 applications were submitted as both fiber and licensed fixed wireless

386 **15,410**

PAUs received 0
terr. proposals

BSLs received 0
terr. proposals

PAU count	
Fiber and LFW	93
Fiber only	75
LFW Only	22
No proposals	386



Please note, these results are likely to change as application curing and review is not yet complete³¹

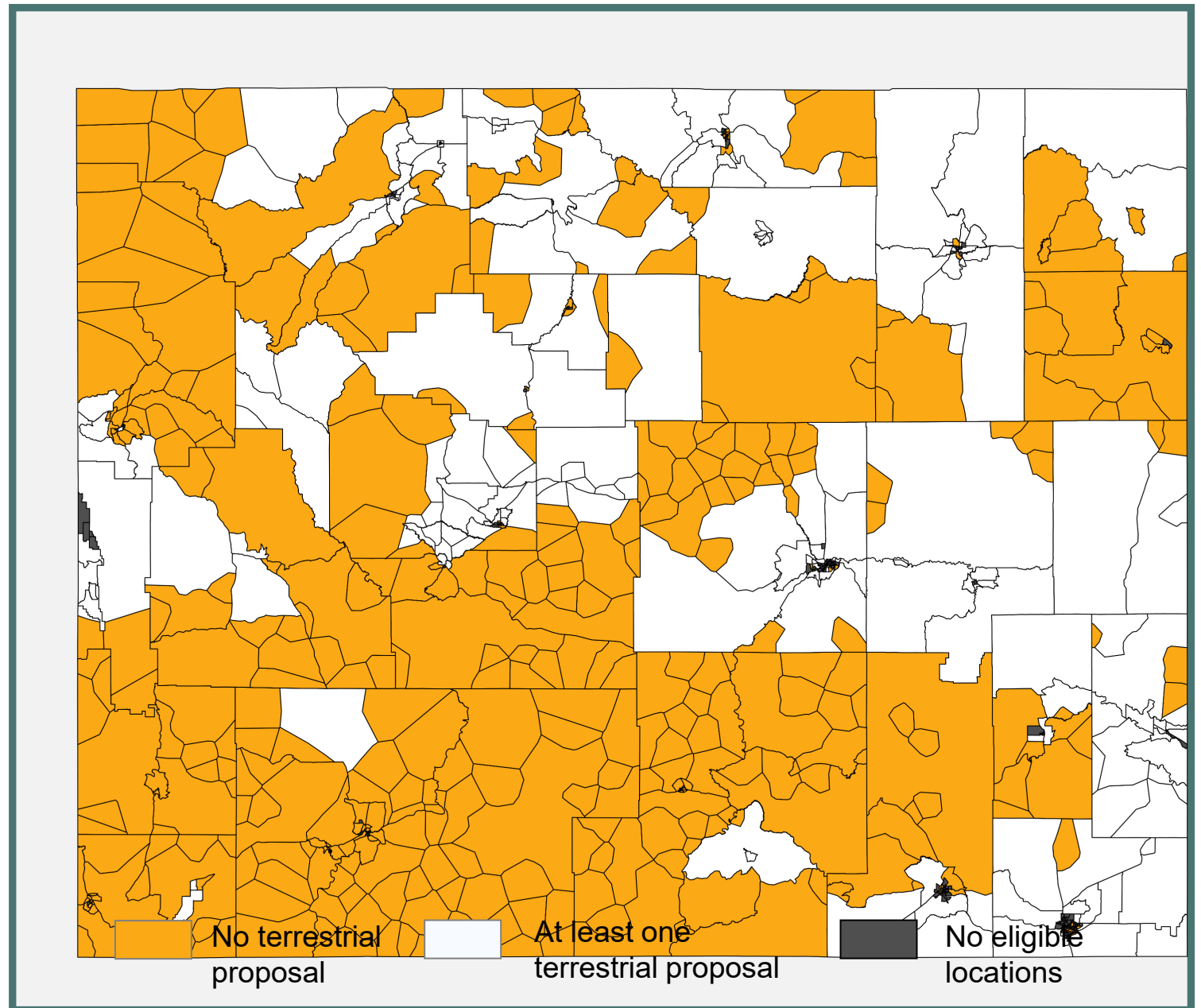
PAUS THAT RECEIVED NO TERRESTRIAL PROPOSALS

67%

of PAUs received 0
terrestrial proposals

32%

of BSLs received 0
terrestrial proposals



Please note, these results are likely to change as application curing and review is not yet complete.

PAUS PROPOSED BY LEO SATELLITE

528

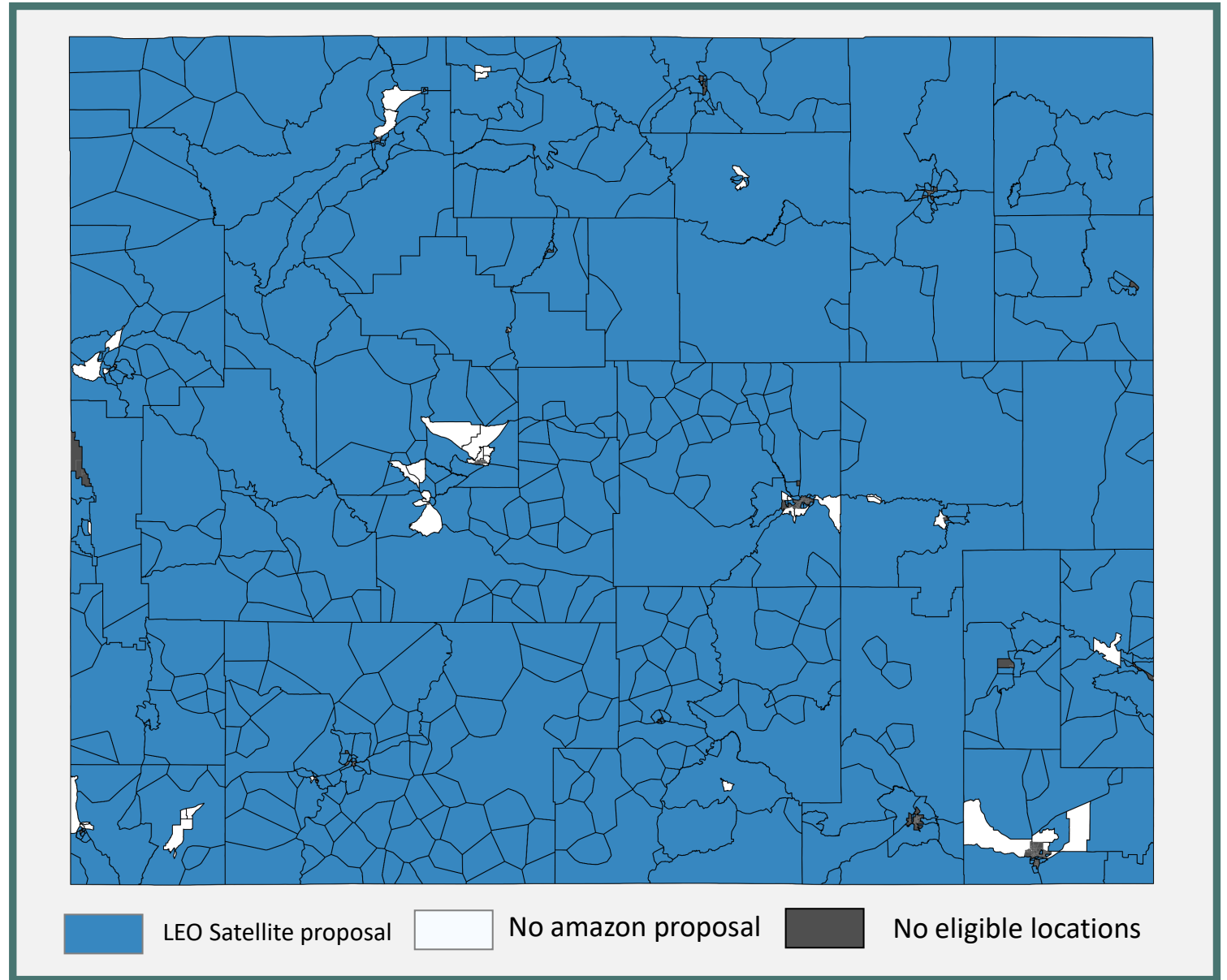
Total PAUs

38,974

Total BSLs

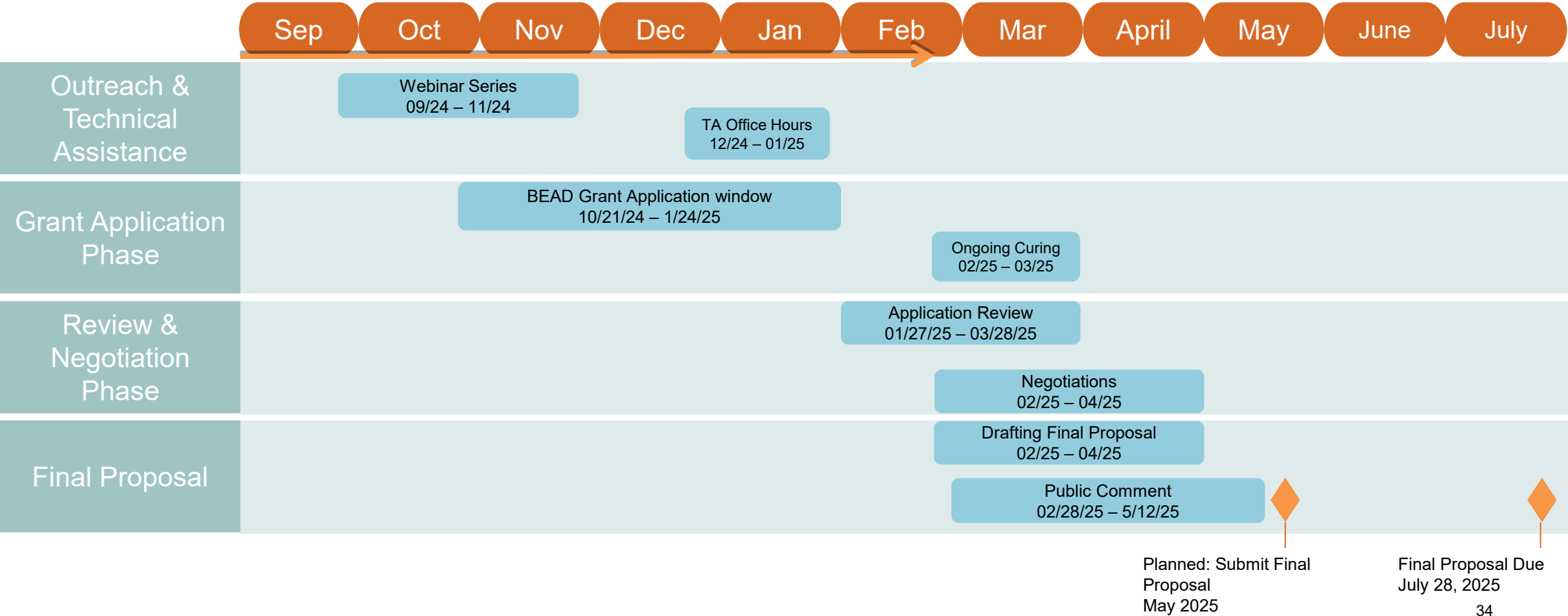
Total PAUs: 576

Total BSLs: 47,591



Please note, these results are likely to change as application curing and review is not yet complete.

BEAD PROJECT TIMELINE





WBC LEADERSHIP AND ENGAGEMENT

BOARD REPORT

FEBRUARY 2025

Prepared by: Amber Power
Leadership and Engagement Manager

LEADERSHIP & ENGAGEMENT

Our commitment lies in consistently improving our offerings to empower individuals and organizations to work together effectively, take meaningful actions, and foster lasting change within their communities.

WBC's Community Leadership and Engagement initiative assists leaders from various sectors, including cities, counties, industries, and economic development organizations, in reaching their objectives. We offer board training and coaching to enhance governance, strategy, and succession planning, along with leadership and team development programs. Recently, we updated the Rural Development Leadership and Community Grants to prioritize impactful economic development projects. This update involved creating incentives for local leadership groups to incorporate economic development into their programs by providing customizable curricula. Among our most well-known and recent initiatives is the Assessment to Action (A2A) program.

OUTCOMES

- Empower leaders to solve root problems.
- Grow leadership, personal skills, and community capacity.
- Strengthen and transform their communities to expand opportunity

2024 RURAL DEVELOPMENT GRANTS



LEADERSHIP GRANTS

Youth Leadership Grants \$2K

- DECA Leadership Summit
- FCCLA Fall Conference
- FFA State Convention and Technology
- Skills USA DC Leadership Conference
- WY Ag in the Classroom Bookmark and Beyond

Adult Leadership Grants \$1.5K

Sponsor Economic Development training for state and local leadership organizations.
(Redevelopment in process)



COMMUNITY ECONOMIC DEVELOPMENT

The award increased to \$10,000.

Projects that:

- support or enhance economic opportunities.
- are collaborative.
- reflect the WBC approach (flywheel).

Application Dates are March 1 and September 1

First Round Award: Assessing the feasibility of Outdoor Recreation through survey work, community engagement, and a plan and technical report.

2024 PROGRAMS AND PROCESSES



STRATEGIC PLANNING

- Albany County
- Town of Jackson/Teton County Transportation x2
- MidAmerica Economic Development Council



ASSESSMENT TO ACTION (A2A)

- Burlington
- Cheyenne
- Gillette
- Hudson
- Riverton
- Thermopolis
- WY Food Coalition
- Evansville
- Glenrock
- Rolling Hills
- Sheridan
- Shoshoni
- SBA (partner)



SUCCESSION PLANNING

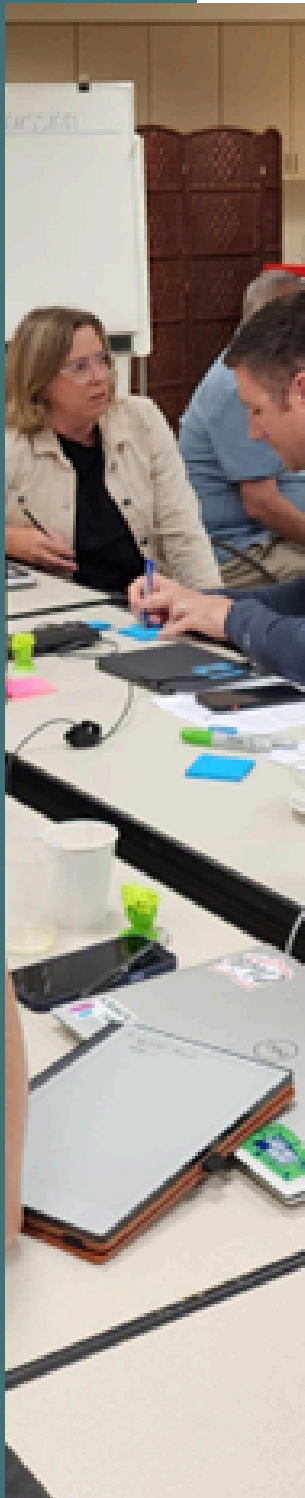
- Powell Economic Partnership
- Thermopolis Chamber
- Town of Meeteetse (Workshop)



TEAM BUILDING

- City of Cheyenne

2024 STRATEGIZING AND SUCCESSION



“Teton County has benefited significantly from Amber’s facilitation and capacity building expertise. Amber has facilitated several meetings for our team to help us define desired outcomes, clarify our vision, streamline operations, and execute projects. Amber asked powerful questions and designed appropriate activities to guide our team toward shared, actionable goals.”

CHARLOTTE FREI
TETON COUNTY REGIONAL TRANSPORTATION PLANNING ADMINISTRATOR

“Amber’s Technical Assistance through the Powell Economic Partnership’s succession planning process has been invaluable. The suggestions that she makes are always clearly actionable. She provides support materials and resources for all the stakeholders to reference and clear steps on how to move forward. She never spams my email inbox with resources that aren’t applicable. The Powell Economic Partnership board and staff always enjoy working with Amber. She is professional, kind and very experienced. I would recommend to any community to work with her.”

REBEKAH BURNS
POWELL ECONOMIC PARTNERSHIP EXECUTIVE DIRECTOR

ASSESSMENT TO ACTION PILOT

15-MONTH PILOT PROGRAM, 7 TEAMS AND APPROXIMATELY
65 LEADERS

“The A2A process helped us prioritize our needs and begin to address our most critical one. It greatly aided us in our work and will continue to guide our decision-making in the future. I would recommend this program to any community--especially smaller ones who lack professionals who know more about these processes.”

GERALD GEORGE
TOWN OF BURLINGTON MAYOR

Assessment to Action (A2A) is a process aimed at identifying challenges and removing obstacles to build a resilient local economy. It involves collaboration to explore, refine, and develop specific solutions to address your unique problem.

The program begins with a workshop for teams to learn about the flywheel process. Community, regional, and industry teams will work on a 10-week project, with support, to identify and address economic issues, collaboratively creating solutions that target root causes and drive meaningful change.

A2A PILOT OUTCOMES

POST PILOT SURVEY

Meaningful Change: Teams moved the needle on key issues, addressing root causes rather than symptoms.

- 100% said A2A was “very effective or effective in helping identify a root problem”.
- 100% said A2A was “very effective or effective in helping [teams] craft a project that directly impacts and makes progress” on the root problem.
- 80% said they made “valuable headway on the problem”.

Increased Collaboration: The program fostered stronger relationships and teamwork, a critical foundation for future efforts.

- 100% said the A2A program “significantly improved or improved collaboration.”

Scalable Results: The A2A framework is repeatable, equipping communities and industries with tools to tackle ongoing challenges.

- 60% said they will use the A2A process to address other problems or issues. 40% not sure.
- 60% said they would definitely participate in A2A if they had to “do it over again”, 20% probably would.



A2A SAMPLE SUCCESS STORIES

LOCAL FOOD INDUSTRY STRONGER WITH REGULATORY CLARITY AND COLLABORATION

A coalition of local food producers, advocates, and industry leaders faced challenges due to vague regulations open to varied interpretations. Using the A2A process, the team:

- **Built Cross-Sector Collaboration:** Engaged government officials, local food producers, and advocates to clarify regulatory interpretations.
- **Streamlined Documentation:** Developed consistent, easy-to-understand guidance documents to help producers and sellers navigate requirements.
- **Expanded Industry Reach:** Shared information on partner websites and via social media channels. Scheduled presentations at state-wide conferences to share their findings and tools with others in the industry.

Outcome: The collaboration fostered stronger relationships between groups that had not worked together. They reported the partnership as a key success and are committed to continuing their work to grow and support Wyoming's local food industry.

“I was pleasantly surprised with this whole process of it because actually our group almost created a strategic plan of sorts. We were able to draw out during our collaboration with this process so much more of the things that we want to accomplish.”

LEANN MILLER
LOCAL FOODS WY AND FOOD BROKER

SMALL TOWN TACKLES HOUSING SHORTAGE TO BOOST WORKFORCE AND ECONOMY

A small Wyoming town identified a housing shortage as a key barrier to workforce growth and economic development.

- **Collaborated with Local Stakeholders:** Worked with landowners and developers to assess interest and inventory of land suitable for private development.
- **Unearthed Opportunities:** Identified parcels of land with potential for housing development and began crafting a plan to reallocate funding to support necessary infrastructure improvements.
- **Addressed Barriers:** Discovered zoning restrictions and outdated property surveys impeded development. The team is now developing strategies to update zoning policies and streamline the survey process.

Outcome: The town is moving forward with a municipal and housing development plan, fostering stronger public-private collaboration, and creating a more conducive environment for growth.

CITY REFINES STRATEGY FOR TECH AND INDUSTRY DEVELOPMENT

A Wyoming city aimed to grow its tech and industry sectors by exploring the viability of a large, city-owned plot of land for development. Through the A2A process, the team:

- **Gathered Data and Evidence:** Partnered with utilities, transportation agencies, and local businesses to evaluate the costs and logistics of developing the land.
- **Reassessed Priorities:** Determined that the project was not feasible due to high costs and competition from existing tech and industry parks in the region.
- **Communicated Results Effectively:** Considered the decision a success as it provided a definitive, evidence-based answer that could be communicated to citizens and stakeholders, allowing the city to refocus efforts on higher-priority projects.

Outcome: The city avoided costly missteps, demonstrated accountability through data-driven decision-making, and redirected resources toward more promising opportunities.

A2A OFFICIALLY BEGINS



KICK-OFF FEBRUARY 2025
FIVE TEAMS, 24 LEADERS

THE TEAMS

- Glenrock - Business Retention and Expansion
- Evansville - Collaboration and Communication
- Rolling Hills - Housing/Municipal Revenue Streams
- Sheridan - Housing
- Shoshoni - Housing Infrastructure

NEXT STEPS

Coach teams through the remaining weeks of the process. Encourage and support teams as they continue to work on their root problems.

Focus on increasing the percentage of practitioners who continue to use the process. Our team is currently exploring how we engage regions, not just communities, scale the program to meet increased demand, and encourage teams to recreate local systems to better address root problems and tackle constraints.

Develop a Communications Campaign

Continue using the process to learn and adapt to the needs of our constituents.



OPERATIONS COMMITTEE REPORT

Wyoming Business Council
YTD December 31, 2024 (2025/2026 Biennium)

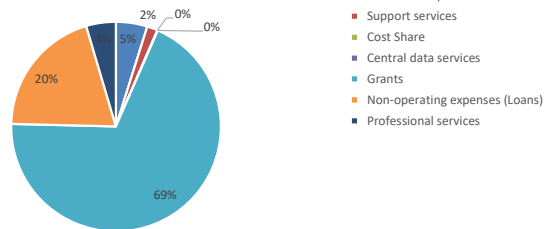
Optimum = 50%

BUDGET SUMMARY	BUDGET	EXPENDED	ENCUMBERED	BALANCE	%	AVAILABLE CASH BALANCE	YTD RECEIPTS
Economic Diversification							
Investments	\$ 107,029,210	\$ 2,589,239	\$ 21,508,213	\$ 82,931,757	22.51%		
Investments (BRC/CDBG)	25,000	9,592	-	15,408	38.37%		
Economic Finance	10,000	2,148	-	7,852	21.48%		
SBIR Matching Program	7,000,000	377,500	517,500	6,105,000	12.79%		
Business Ready Communities (Includes MRG)	94,494,210	2,200,000	18,190,713	74,103,497	21.58%		
Community Facilities	5,500,000	-	2,800,000	2,700,000	50.91%		
Services	\$ 4,424,218	\$ 1,008,812	\$ 2,242,957	\$ 1,172,449	73.50%		
Services	2,736,763	617,238	1,708,714	410,811	84.99%		
Broadband Administration (fund 004)	94,478	-	-	94,478	0.00%		
Entrepreneurship	85,078	14,432	55,050	15,597	81.67%		
Main Street	235,000	39,246	82,750	113,004	51.91%		
Markets & Expansion	460,899	87,751	190,618	182,530	60.40%		
Recruitment	535,000	153,734	39,390	341,876	36.10%		
Community Development	62,500	13,834	34,513	14,153	77.35%		
Asia Pacific Trade Office	214,500	82,577	131,923	-	100.00%		
Wyoming Business Council							
Operations	\$ 6,569,667	\$ 2,499,371	\$ 30,263	\$ 4,040,034	38.50%		
Accounting	71,000	2,095	-	68,905	2.95%		
Agency Services	322,353	54,757	9,600	257,996	19.96%		
Board	62,500	23,858	-	38,642	38.17%		
Executive	30,650	8,385	-	22,265	27.36%		
People & Performance (Non-Payroll)	183,396	35,034	20,663	127,699	30.37%		
People & Performance (Payroll)	5,679,733	2,308,567	-	3,371,166	40.65%		
IT	220,035	66,673	-	153,362	30.30%		
Regional Directors	\$ 90,000	\$ 25,691	\$ -	\$ 64,309	28.55%		
Strategy	\$ 824,468	\$ 92,002	\$ 651,276	\$ 81,190	90.15%		
Strategic Initiatives	643,139	19,811	613,666	9,662	98.50%		
Communications	120,129	35,608	37,610	46,911	60.95%		
Strategic Partnerships	61,200	36,584	-	24,616	59.78%		
TOTAL GENERAL FUNDS	\$ 118,937,562	\$ 6,215,115	\$ 24,432,709	\$ 88,289,738	25.77%		
Federal Funds							
Brownfield Revolving Loan Program	244,406	-	-	244,406	0.00%		
ARPA State Planning	218,531	97,471	121,060	-	100.00%		
WY Venture Capital (WYVC/SSBCI)	669,971	108,444	-	561,527	16.19%	\$ 6,304,584	\$ 193,865
State Trade and Export Program (STEP)	265,794	48,851	10,000	206,943	22.14%		
Broadband Equity, Access, & Deployment (BEAD)	831,373	593,838	237,535	-	100.00%		
TOTAL FEDERAL FUNDS	\$ 2,230,075	\$ 848,603	\$ 368,595	\$ 1,012,877	54.58%		
Agency Funds							
Economic Loan Development (fund 039/089)*	1,146,943	707,775	-	439,168	61.71%	\$ 12,855,002	\$ 1,480,561
Rural Rehabilitation (fund 499)	304,439	5,000	-	299,439	1.64%	\$ 4,989,540	\$ 92,578
Wyoming Business Council (fund 085)	76,517	-	-	76,517	0.00%	\$ 224,923	\$ 6,495
TOTAL AGENCY FUNDS	\$ 1,527,899	\$ 712,775	\$ -	\$ 815,124	46.65%		
TOTAL BUDGET	\$ 122,695,536	\$ 7,776,494	\$ 24,801,303	\$ 90,117,739	26.55%		
American Rescue Plan Act							
Pathways to Prosperity	395,592	183,588	212,004	-	100.00%		
WY Innovation Partnership Entre. Mapping	178,100	86,350	91,750	-	100.00%		
Capital Projects Fund - Broadband	72,142,688	11,034,299	57,744,570	3,363,820	95.34%		
TOTAL ARPA	\$ 72,716,381	\$ 11,304,237	\$ 58,048,324	\$ 3,363,820	95.37%		

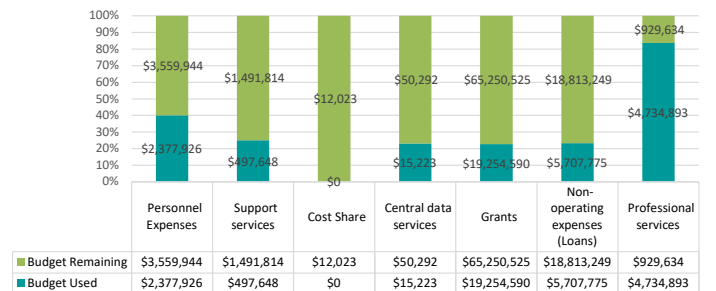
* \$29.14 million reserved for Large Loan Fund

Loan Type	Balance
Economic Disaster	\$ 3,763,944
Participation - Bridge	\$ 1,053,866
Participation - Succession	\$ 1,519,155
Participation - 50/50	\$ 1,301,650
Amendment IV	\$ -
WyoTech	\$ 2,902,707
BRC	\$ 11,651,353
Unallocated Allowance	\$ (35,720)
	<u>\$ 22,156,955</u>

Budgeted Expenditures by Funding Source



Line Item Expenditure Summary



WYOMING BUSINESS COUNCIL QUARTER 2 FISCAL YEAR 2025 FINANCIAL REPORT

BUDGET REPORT

General Funds

- December 31, 2024, general fund budget utilization came in at 25.77% compared to the 50% optimum budget utilization, primarily due to the Business Ready Communities (BRC) budget.
- WBC and Economic Diversification budgets (budgets that revert) are at 39.56% utilization.
- The Services and Strategy budgets are greater than the 50% optimum. These budgets have contracts that are effective for the full fiscal year, so the budget is utilized upon encumbrance of the contract.
- During the quarter, the \$7 million fiscal year 2025 budget for the SBIR matching program was transferred into the investments budget, because the investments team is managing them now.
- During the current quarter, the unobligated BRC budget from previous budgets and BRC revenue received in the past two fiscal years was carried forward into the current biennium budget, which represents the increase in the BRC budget from the previous quarter.

Federal Funds

- Total expenditures on our federal programs through December 31 were about \$849k, with most of those expenditures coming from the BEAD Planning award. During the current quarter, the Initial Proposal was approved by the federal awarding agency, and \$8.23 million became available to us. As of December 31, the request to add those funds to the budget was in process.
- WYVC had expenditures as of December 31 of \$108k. The fund had available cash of \$6.30 million, having earned \$194k on that cash held with the Treasurer's Office. As of December 31, we had investments of \$1.06 million in fund investments and \$12.23 million in direct investments. The available budget of \$561k is for the administrative portion of the program.

Agency Funds

- As of December 31, the Economic Loan Development fund had an available budget of \$439k. Available cash was \$12.85 million, and interest earned from the STO and loan principal and interest payments for this quarter totaled \$1.48 million.
- As of December 31, the Rural Rehabilitation fund had an available budget of \$299k, and \$4.99 million in available cash. The fund has earned \$93k in investment income.
- As of December 31, the Wyoming Business Council fund had an available budget of \$76.5k, and \$225k in available cash. It earned \$6k in investment income.

American Rescue Plan Act (ARPA) Funds

- Our fiscal year 2025 ARPA funds budget is \$72.72 million, of which the Capital Projects Funds (CPF) for broadband is \$72.14 million.
- Of the \$72.14 million CPF budget, \$70.525 million is for grants to broadband service providers. As of December 31, \$10.87 million had been expended and \$56.83 million remains encumbered on 33 projects. Two contracts were pending execution as of December 31.

BUDGETED EXPENDITURES

- Chart shows the expenditure type as a percent of the \$122.70 million budget.
- As of December 31, our grants budget made up 69% of the overall budget, which is down from 72% from the previous quarter. The loans budget made up 20% of the overall budget, which is up 10% from the previous quarter. This can be attributed to the BRC budget carryforward. \$3.5 million of the carryforward was loan principal and interest we'd received in fiscal years 2023 and 2024, so it was added to the loan budget.
- 89% of our December 31 budget is allocated to grants and loans, up from 82% as of September 30, leaving 11% for service delivery.

LINE-ITEM EXPENDITURE SUMMARY

- Chart shows utilization by expenditure type.
- The professional services line-item is over 80% utilization, because of the encumbrances for contracts across the budget, that have the budget reserved for current fiscal year expenses.

LOANS RECEIVABLE

- The net loans receivable balance as of December 31, 2024, is \$22.16 million.
- Total principal and interest payments on loans received for this quarter is \$1.30 million.

**WYOMING BUSINESS COUNCIL
(A COMPONENT UNIT OF THE
STATE OF WYOMING)**

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2024

TABLE OF CONTENTS

INDEPENDENT AUDITOR’S REPORT	1-3
MANAGEMENT’S DISCUSSION AND ANALYSIS <i>(Required Supplementary Information)</i>	4-12
<hr/>	
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	13-14
Statement of Activities	15
Governmental Funds Financial Statements:	
Balance Sheet	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Notes to Financial Statements	20-42
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedules	43-46
Explanation of Differences Between Budgetary Inflows and Outflows and U.S. GAAP Revenues and Expenditures for the General Fund, the Economic Development Fund, the Pandemic Relief Fund and the Wyoming Venture Capital Fund	47
Schedule of the Business Council’s Proportionate Share of the Net Pension Liability	48
Schedule of the Business Council’s Contributions	49
Schedule of the Business Council’s Proportionate Share of the Total OPEB Liability	50
Notes to Required Supplementary Information	51-52
SUPPLEMENTARY INFORMATION	
Other Governmental Funds:	
Combining Statements of Other Governmental Funds:	
Combining Balance Sheet	53
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	54
Schedule of Expenditures of Federal Awards	55
Notes to Schedule of Expenditures of Federal Awards	56
<hr/>	
INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	57-58
INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	59-61

TABLE OF CONTENTS, *Continued*

SCHEDULE OF FINDINGS AND QUESTIONED COSTS	62-64
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	65

EXHIBIT I: CORRECTIVE ACTION PLAN



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Wyoming Business Council
Cheyenne, Wyoming

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wyoming Business Council (the Business Council), a component unit of the State of Wyoming, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Business Council's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Business Council as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Business Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Business Council's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Business Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Business Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal-control-related matters that we identified during the audit.

Required Supplementary Information

U.S. GAAP requires that Management's Discussion and Analysis on pages 4 through 12, the Budgetary Comparison Schedules and the Explanation of Differences Between Budgetary Inflows and Outflows and U.S. GAAP Revenues and Expenditures for the General Fund, the Economic Development Fund, the Pandemic Relief Fund and the Wyoming Venture Capital Fund on pages 43 through 47, the Schedule of the Business Council's Proportionate Share of the Net Pension Liability on page 48, the Schedule of the Business Council's Contributions on page 49, the Schedule of the Business Council's Proportionate Share of the Total OPEB Liability on page 50, and the Notes to Required Supplementary Information on pages 51 and 52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Business Council's basic financial statements. The Combining Statements of Other Governmental Funds and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we issued a separate report dated January 15, 2025 on our consideration of the Business Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Business Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Business Council's internal control over financial reporting and compliance.

McGee, Hearne & Paiz, LLP

Cheyenne, Wyoming
January 15, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Wyoming Business Council's (the Business Council) annual report, a component unit of the State of Wyoming (the State), presents our discussion and analysis of the Business Council's financial performance during the fiscal years ended June 30, 2024 and 2023.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

- The Business Council's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources, for net position of \$75.65 million as of June 30, 2024, an increase of \$13.11 million from the previous year.

Governmental Funds Financial Statements

- As of June 30, 2024, the Business Council's governmental funds reported combined fund balances of \$80.27 million, an increase of \$11.35 million from the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the Business Council's basic financial statements. The Business Council's annual report consists of four components in accordance with required reporting standards: (1) Management's Discussion and Analysis (this section), (2) government-wide financial statements, (3) governmental funds financial statements, and (4) notes to the basic financial statements. The required supplementary information and supplementary information is included in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide short- and long-term information about the overall financial position and activities of the Business Council, in a manner similar to a private-sector business. The government-wide financial statements consist of the Statement of Net Position and Statement of Activities.

The *Statement of Net Position* reports all assets and deferred outflows of resources held and liabilities and deferred inflows of resources owed by the Business Council. Assets are reported when acquired, and liabilities are reported when incurred. The difference between the Business Council's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources is its net position, which is similar to the owner's equity presented by a private-sector business.

The *Statement of Activities* reports all of the revenues and expenses of the Business Council. Revenues are recognized when earned, and expenses are reported when incurred. The statement identifies the extent to which each function of the Business Council draws from general revenues or is self-sufficient through fees, intergovernmental aid, and other sources of revenues.

The Business Council's government-wide financial statements are presented on pages 13 through 15.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Funds Financial Statements

The governmental funds financial statements provide more detailed information about the Business Council's funds. A fund is a separate accounting entity used to keep track of specific sources of funding and spending. Except for the General Fund, the Business Council uses specific funds that have been established to satisfy legal requirements established by external parties, governmental statutes, or regulations.

The governmental funds financial statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements. The governmental funds financial statements focus on information about the Business Council's short-term inflows, outflows, and balances of spendable resources. The governmental funds financial statements consist of a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances.

The *Balance Sheet* reports information about the Business Council's current financial resources, which are its assets, liabilities and fund balances. *Assets* reported are amounts on hand at the end of the fiscal year, such as cash and amounts for receivables that are collectible within a short period of time after the end of the fiscal year. *Liabilities* include amounts that are to be paid in a short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is its *fund balance*. The fund balance generally indicates the amount available to finance next year's activities. Because the focus of this report is on current rather than long-term information, we provide an analysis that reconciles the governmental funds Balance Sheet to the government-wide Statement of Net Position.

The *Statement of Revenues, Expenditures, and Changes in Fund Balances* reports information about the Business Council's inflows, outflows, and balances of current financial resources for each of its major governmental funds and for its nonmajor governmental funds in the aggregate. Amounts reported are *revenues* and *expenditures* that were collected in cash or paid in cash, respectively, during the current period or very shortly after the end of the year. Because this report excludes long-term information, we provide an analysis that reconciles the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the government-wide Statement of Activities.

The Business Council's governmental funds financial statements are presented on pages 16 through 19.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of data provided in the government-wide and governmental funds financial statements. The notes are presented on pages 20 through 42.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Supplementary Information

The required supplementary information presents Budgetary Comparison Schedules for the Business Council's General Fund and each of its major governmental funds. The schedules present the Business Council's original and final appropriated budgets for the reporting period as well as its actual inflows and outflows of financial resources. The required supplementary information also presents the Schedule of the Business Council's Proportionate Share of the Net Pension Liability, the Schedule of the Business Council's Contributions, and the Schedule of the Business Council's Proportionate Share of the Total Other Postemployment Benefits (OPEB) Liability. These schedules present information on the Business Council's share of the net pension liability in line with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, and information on the Business Council's total OPEB liability in line with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The required supplementary information is presented on pages 43 through 52.

Supplementary Information

The combining funds statements provide information for nonmajor governmental funds and are presented immediately following the required supplementary information. The combining funds statements are presented on pages 53 and 54.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Financial Position

The Business Council's net position may provide a useful indicator of its financial position. At the end of the current fiscal year, its assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$75.65 million, which represents a net investment of \$266,815 in capital assets, \$69.54 million in restricted net position (economic development, rural rehabilitation, and Wyoming Venture Capital (WYVC)), and \$5.84 million in unrestricted net position. Unrestricted net position may be used to meet the Business Council's ongoing obligations.

The Business Council's gross net position increased \$13.11 million due to new investment activity in the WYVC Fund and improved investment performance, resulting in an increase in investment income.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following condensed Statements of Net Position present the Business Council's financial position for the past two years:

STATEMENTS OF NET POSITION CONDENSED

	2024	2023
ASSETS		
Current Assets	\$ 83,778,572	\$ 92,713,142
Noncurrent Assets		
Public purpose investments	11,567,960	-
Loans receivable, net	18,968,470	20,941,899
Capital, lease, and subscription assets, net	329,852	242,241
Total assets	<u>\$ 114,644,854</u>	<u>\$ 113,897,282</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,301,494</u>	<u>\$ 2,040,019</u>
LIABILITIES		
Current Liabilities	\$ 25,524,171	\$ 25,979,376
Noncurrent Liabilities	12,908,525	25,697,706
Total liabilities	<u>\$ 38,432,696</u>	<u>\$ 51,677,082</u>
DEFERRED INFLOWS OF RESOURCES	<u>\$ 2,866,716</u>	<u>\$ 1,725,078</u>
NET POSITION		
Net Investment in Capital Assets	\$ 266,815	\$ 54,872
Restricted for:		
Economic development	52,337,667	49,723,958
Rural rehabilitation	4,868,937	4,637,039
WYVC	12,331,617	424,468
Unrestricted	5,841,900	7,694,804
Total net position	<u>\$ 75,646,936</u>	<u>\$ 62,535,141</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Statement of Activities

Net position increased by \$13.11 million during the current fiscal year due to increased program revenues, which were primarily driven by WYVC's current-year investment activity as well as increased activity in Federal awards that the Business Council was awarded in the previous fiscal year. This increased Federal award activity is also reflected within the expenses of the services function and is related primarily to broadband expansion initiatives.

The following condensed Statements of Activities present the Business Council's results of operations for the past two years:

STATEMENTS OF ACTIVITIES CONDENSED

	2024	2023
Revenues		
Program revenues	\$ 22,008,475	\$ 5,851,140
General revenues	18,458,471	20,037,808
Total revenues	40,466,946	25,888,948
Expenses		
Operations	4,234,852	4,566,292
Services	15,686,960	8,746,538
Investments	6,323,326	7,694,648
Regional offices	1,110,013	987,232
Total expenses	27,355,151	21,994,710
Change in net position	13,111,795	3,894,238
Net Position, beginning	62,535,141	58,640,903
Net Position, ending	<u><u>\$ 75,646,936</u></u>	<u><u>\$ 62,535,141</u></u>

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The Business Council's activities are reflected in the General Fund, the Economic Development Fund, the Pandemic Relief Fund, the WYVC Fund, and other governmental funds. The focus of these governmental funds is to provide information about the Business Council's short-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the Business Council's net resources available for spending at the end of the fiscal year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Balance Sheet

As of June 30, 2024, the Business Council's governmental funds reported combined ending fund balances of \$80.27 million, an increase of \$11.35 million from the previous year.

Of the major funds, the General Fund is the main operating fund of the Business Council. At the end of the current fiscal year, the total fund balance was \$11.87 million, which is unavailable for current use (nonspendable or restricted) because it is associated with a long-term receivable (loans receivable). The General Fund decreased by \$2.04 million, which represents the change in the balance of loans receivable held in the General Fund.

The fund balance of the Economic Development Fund was \$52.34 million as of June 30, 2024. The Economic Development Fund increased by \$2.61 million, primarily due to gains on investments held within the State Treasurer's Office.

Assets and liabilities within the Pandemic Relief Fund have increased from previous fiscal years. The fund originally recorded COVID-19 business relief activities funded by the Coronavirus Aid, Relief, and Economic Security Act of 2020. The Pandemic Relief Fund has been maintained to record operations of the American Rescue Plan Act of 2021 (ARPA). The Business Council has been subgranted \$76.55 million in ARPA funds by the State for further pandemic relief, primarily to expand broadband access across the State. During the fiscal year, the Business Council awarded \$65.24 million in grant funding to internet service providers for broadband service expansion. Disbursements of these grants began late in the current fiscal year and relate to the increased assets and liabilities in this fund.

As of June 30, 2024, the balance of the WYVC Fund was \$12.33 million, which is an increase of \$11.91 million from the previous year. The WYVC Fund was created in fiscal year 2023 due to the receipt of an allocation of State Small Business Credit Initiative (SSBCI) funds authorized by ARPA. The Business Council began its investing activities in the current fiscal year and holds public purpose investments valued at \$11.57 million as of June 30, 2024.

The fund balances of the Business Council's remaining funds increased by \$244,085, which consists of gains on investments held within the State Treasurer's Office, the Wyoming Business Council Fund and the Rural Rehabilitation Fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenues and Expenditures

The following statements present current fiscal year revenues and expenditures compared to the prior year:

STATEMENTS OF REVENUES AND EXPENDITURES GOVERNMENTAL FUNDS

	2024		2023		Increase (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% Change
Revenues						
Revenue from primary government	\$ 18,448,917	47.20%	\$ 18,705,681	72.25%	\$ (256,764)	-1.37%
Federal revenue	14,928,162	38.19%	3,569,775	13.79%	11,358,387	318.18%
Investment income	4,168,074	10.66%	2,777,695	10.73%	1,390,379	50.06%
Revenue from others	1,329,763	3.40%	826,947	3.19%	502,816	60.80%
Charges for sales and services	214,470	0.55%	8,850	0.03%	205,620	2323.39%
Total revenues	\$ 39,089,386	100.00%	\$ 25,888,948	100.00%	\$ 13,200,438	50.99%
Expenditures						
Operations	\$ 4,440,768	15.98%	\$ 4,679,999	21.31%	\$ (239,231)	-5.11%
Services	15,659,843	56.36%	8,682,958	39.54%	6,976,885	80.35%
Investments	6,316,219	22.73%	7,654,200	34.85%	(1,337,981)	-17.48%
Regional offices	1,119,236	4.03%	945,164	4.30%	174,072	18.42%
Capital outlay	248,756	0.90%	-	0.00%	248,756	100.00%
Total expenditures	\$ 27,784,822	100.00%	\$ 21,962,321	100.00%	\$ 5,822,501	26.51%
Other Financing Sources (Uses)						
Leases	\$ 47,303	100.00%	\$ 7,180	11.60%	\$ 40,123	558.82%
Subscriptions	-	0.00%	54,721	88.40%	(54,721)	0.00%
Total other financing sources (uses)	\$ 47,303	100.00%	\$ 61,901	100.00%	\$ (14,598)	-23.58%

Revenues for governmental activities were \$39.09 million for fiscal year 2024, an increase of 50.99% from the previous year. Federal revenues increased \$11.36 million primarily due to WYVC investment activities, as Federal revenue was recognized upon the disbursement of WYVC investments. Revenues from investment income increased \$1.39 million from the previous fiscal year, primarily due to increases in the fair values of investments held within the State Treasurer's Office.

Expenditures for governmental activities were \$27.78 million for fiscal year 2024, an increase of 26.51% from fiscal year 2023. This increase is primarily due to increases in General Fund appropriations for the 2023/2024 biennium and disbursements of ARPA funds to internet service providers, which were funded by the subgranted ARPA funds from the State for broadband expansion projects.

Other financing sources of \$47,303 represent a new office equipment lease reported in accordance with GASB Statement No. 87, *Leases*, which was implemented in fiscal year 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS AND DEBT ACTIVITY

Capital Assets Activity, Including Lease and Subscription Assets

The Business Council's investment in capital assets for its governmental activities as of June 30, 2024 amounted to \$524,071, net of accumulated depreciation of \$255,821. This investment in capital assets includes furniture, fixtures and equipment; assets in development; and intangible assets. The Business Council's investment in lease assets for its governmental activities as of June 30, 2024 amounted to \$408,444, net of accumulated depreciation of \$365,083. The Business Council's lease assets include leases for equipment and real estate. At the end of the fiscal year, the Business Council had lease liabilities related to the equipment and real estate totaling \$43,944. The Business Council's investment in subscription assets for its governmental activities as of June 30, 2024 amounted to \$78,405, net of accumulated depreciation of \$60,164. At the end of the fiscal year, the Business Council had subscription liabilities totaling \$19,093. The \$87,611 increase in net capital, lease, and subscription assets from the previous year is due to current-year additions of \$296,059, offset by \$208,448 in depreciation expense.

The following is a schedule of capital, lease, and subscription assets for the past two years. Additional information on the Business Council's capital, lease, and subscription assets can be found in Note 4 to the financial statements.

SCHEDULE OF CAPITAL, LEASE, AND SUBSCRIPTION ASSETS (NET OF DEPRECIATION)

	2024	2023
Right-to-use lease assets - equipment	\$ 43,361	\$ 8,436
Right-to-use lease assets - real estate	-	120,508
Right-to-use subscription assets	18,241	50,691
Furniture, fixtures, and equipment	1,022	2,043
Intangible assets	131,867	-
Assets in development	135,361	60,563
Total	\$ 329,852	\$ 242,241

Debt Activity

The Business Council recognized a new lease liability of \$47,303 for new office equipment during the year ended June 30, 2024. See the additional discussion and disclosure of the Business Council's lease activity in Note 5 to the financial statements. Also see the disclosure of subscription activity in Note 6 to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

BUDGETARY HIGHLIGHTS

For the current fiscal year, the Business Council's General Fund budget was revised primarily for net appropriations carried over from a previous fiscal year and additional appropriations made by the Wyoming State Legislature during the 2023 General Legislative Session. Budgeted expenditures for the Economic Development Fund were primarily revised to carry over appropriations from a previous fiscal year. The WYVC Fund was created during fiscal year 2023, and the budgeted expenditures represent administrative expenditures for SSBCI activities.

FINANCIAL IMPACT

In response to the decline in Wyoming commodities in previous years, former Governor Mead created the Economically Needed Diversity Options for Wyoming (ENDOW) Initiative. To support the ENDOW Initiative, the Wyoming State Legislature made one-time appropriations during its 2018 Budget Session to the Business Council to expand international trade efforts and improve broadband services across the State.

In November 2021, President Biden signed the Infrastructure Investment and Jobs Act (IIJA) into law. During the fiscal year ended June 30, 2023, the Business Council received notification that the State's allocation of the Broadband Equity, Access, and Deployment (BEAD) program funded by the IIJA would be \$348 million. Throughout the current fiscal year, the Business Council met certain milestones required to receive its BEAD funding allocation. Subsequent to June 30, 2024, the Business Council received notification that the allocation had been awarded, subject to a final proposal required to be submitted by July 2025.

In January 2023, the Business Council received \$19.03 million in Federal ARPA funding for the SSBCI. The receipt represents the first of three tranches to be received that will make up a \$58.43 million award allocation over a nine-year period. The remaining two tranches will be received when certain program requirements are met. The Business Council expects to meet program requirements and request the second tranche of funds during the fiscal year ending June 30, 2025. The SSBCI program provides funding to governments to empower small businesses to access capital needed to invest in job-creating opportunities as the United States continues to recover from the COVID-19 pandemic. The Business Council is leveraging these funds to benefit the entrepreneurial ecosystem by building capacity in venture capital, branding its SSBCI program as Wyoming Venture Capital. As of June 30, 2024, the Business Council's WYVC investments made throughout the current fiscal year were worth \$11.57 million. Additionally, the Business Council had one outstanding investment commitment of \$2.18 million as of June 30, 2024. Subsequent to June 30, 2024, the Business Council has invested \$1.21 million in direct investments to small businesses and committed \$1.29 million in future investments.

REQUESTS FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Wyoming Business Council, 214 West 15th Street, Cheyenne, Wyoming 82002.

WYOMING BUSINESS COUNCIL

STATEMENT OF NET POSITION

June 30, 2024

ASSETS

Current Assets

Deposits with State Treasurer	\$ 57,946,796
Cash and investments with trustee	16,571,432
Interest receivable	475,475
Due from primary government	5,157,679
Due from Federal government	876,863
Loans receivable, net	2,750,327
Total current assets	83,778,572

Noncurrent Assets

Loans receivable, net	18,968,470
Public purpose investments	11,567,960
Capital assets, net of accumulated depreciation	268,250
Right-to-use lease assets, net of accumulated amortization	43,361
Right-to-use subscription assets, net of accumulated amortization	18,241
Total noncurrent assets	30,866,282
Total assets	114,644,854

DEFERRED OUTFLOWS OF RESOURCES

Pension-Related Outflows	655,408
OPEB-Related Outflows	1,646,086
Total deferred outflows of resources	2,301,494

Continued

WYOMING BUSINESS COUNCIL

STATEMENT OF NET POSITION, *Continued* June 30, 2024

LIABILITIES

Current Liabilities	
Accounts payable	\$ 7,868,087
Liability under securities lending	16,571,432
Due to primary government	983,554
Accrued payroll	2,765
Compensated absences payable	68,575
Current portion of lease liabilities	10,665
Current portion of subscription liabilities	19,093
Total current liabilities	<u>25,524,171</u>
Noncurrent Liabilities	
Lease liabilities, net of current portion	33,279
Unearned revenue	7,233,298
Net pension liability	3,396,793
Total OPEB liability	2,245,155
Total noncurrent liabilities	<u>12,908,525</u>
Total liabilities	<u>38,432,696</u>

DEFERRED INFLOWS OF RESOURCES

Pension-Related Inflows	222,262
OPEB-Related Inflows	2,644,454
Total deferred inflows of resources	<u>2,866,716</u>

NET POSITION

Net Investment in Capital Assets	266,815
Restricted for:	
Economic development	52,337,667
Rural rehabilitation	4,868,937
WYVC	12,331,617
Unrestricted	5,841,900
Total net position	<u>\$ 75,646,936</u>

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

STATEMENT OF ACTIVITIES Year Ended June 30, 2024

				Net (Expenses) Revenues and Changes in Net Position
Functions/Programs	Expenses	Program Revenues		Total Governmental Activities
		Charges for Sales and Services	Operating Grants and Contributions	
Governmental Activities				
Operations	\$ 4,234,852	\$ -	\$ 1,050,964	\$ (3,183,888)
Services	15,686,960	6,200	8,801,070	(6,879,690)
Investments	6,323,326	208,270	11,941,971	5,826,915
Regional offices	1,110,013	-	-	(1,110,013)
Total	\$ 27,355,151	\$ 214,470	\$ 21,794,005	(5,346,676)
General Revenues				
Appropriation from primary government				12,960,634
Investment income				4,168,074
Other				1,329,763
Total general revenues				18,458,471
Change in net position				13,111,795
Net Position, beginning				62,535,141
Net Position, ending				\$ 75,646,936

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2024

	General Fund	Economic Development Fund	Pandemic Relief Fund	Wyoming Venture Capital Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Deposits With State Treasurer	\$ 2,758,406	\$ 42,118,410	\$ -	\$ 7,966,828	\$ 5,103,152	\$ 57,946,796
Cash and Investments With Trustee	1,833	14,768,486	-	-	1,801,113	16,571,432
Public Purpose Investments	-	-	-	11,567,960	-	11,567,960
Interest Receivable	60,428	370,699	-	10,336	34,012	475,475
Due From Primary Government	21,040	-	5,136,639	-	-	5,157,679
Due From Federal Government	876,863	-	-	-	-	876,863
Loans Receivable, net	11,870,239	9,848,558	-	-	-	21,718,797
Total assets	\$ 15,588,809	\$ 67,106,153	\$ 5,136,639	\$ 19,545,124	\$ 6,938,277	\$ 114,315,002
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 2,728,304	\$ -	\$ 5,136,639	\$ 375	\$ 2,769	\$ 7,868,087
Liability under securities lending	1,833	14,768,486	-	-	1,801,113	16,571,432
Due to primary government	958,331	-	-	-	25,223	983,554
Unearned revenue	20,166	-	-	7,213,132	-	7,233,298
Accrued payroll	2,765	-	-	-	-	2,765
Compensated absences payable	7,171	-	-	-	-	7,171
Total liabilities	3,718,570	14,768,486	5,136,639	7,213,507	1,829,105	32,666,307
Deferred Inflows of Resources						
Unavailable revenue	-	-	1,377,560	-	-	1,377,560
Fund Balances						
Nonspendable:						
Loans receivable and other	11,870,239	9,848,558	-	-	-	21,718,797
Restricted	-	42,489,109	-	12,331,617	4,868,937	59,689,663
Assigned	-	-	-	-	240,235	240,235
Unassigned	-	-	(1,377,560)	-	-	(1,377,560)
Total fund balances	11,870,239	52,337,667	(1,377,560)	12,331,617	5,109,172	80,271,135
Total liabilities, deferred inflows of resources, and fund balances	\$ 15,588,809	\$ 67,106,153	\$ 5,136,639	\$ 19,545,124	\$ 6,938,277	\$ 114,315,002

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

June 30, 2024

Total fund balances - governmental funds	\$ 80,271,135
--	---------------

Amounts reported for governmental activities in the Statement of
Net Position are different because:

Capital and right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. When capital assets that are used in governmental activities are purchased or constructed, the costs of these assets are reported as expenditures in governmental funds. These assets consist of:

Leasehold improvements	16,199
Right-to-use lease assets, net of lease liabilities	364,500
Right-to-use subscription assets, net of subscription liabilities	59,312
Furniture, fixtures, and equipment	118,296
Intangible assets	254,215
Assets in development	135,361
Accumulated depreciation and amortization	<u>(681,068)</u>

Total capital and right-to-use assets, net of lease and subscription payable	266,815
---	----------------

Other assets are not available to pay for current expenditures and, therefore, are deferred in the funds	1,377,560
--	-----------

Deferred outflows of resources that are not available for the current-period expenditures and are not reported in the governmental funds	2,301,494
--	-----------

Liabilities and deferred inflows of resources that are not due and payable with current resources and are not reported in the governmental funds. These consist of:

Compensated absences payable	(61,404)
Net pension liability	(3,396,793)
Total OPEB liability	(2,245,155)
Deferred inflows of resources	<u>(2,866,716)</u>

Total liabilities and deferred inflows of resources	<u>(8,570,068)</u>
--	---------------------------

Net position of governmental activities	<u>\$ 75,646,936</u>
--	-----------------------------

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS Year Ended June 30, 2024

	General Fund	Economic Development Fund	Pandemic Relief Fund	Wyoming Venture Capital Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Revenue from primary government	\$ 12,960,634	\$ -	\$ 5,488,283	\$ -	\$ -	\$ 18,448,917
Federal revenue	3,164,355	-	-	11,763,807	-	14,928,162
Investment income	90,805	3,364,723	-	339,564	372,982	4,168,074
Revenue from others	1,329,763	-	-	-	-	1,329,763
Charges for sales and services	200,700	13,770	-	-	-	214,470
Total revenues	17,746,257	3,378,493	5,488,283	12,103,371	372,982	39,089,386
Expenditures						
Operations	3,612,545	-	828,223	-	-	4,440,768
Services	9,493,326	-	6,037,620	-	128,897	15,659,843
Investments	5,355,213	764,784	-	196,222	-	6,316,219
Regional offices	1,119,236	-	-	-	-	1,119,236
Capital outlay	248,756	-	-	-	-	248,756
Total expenditures	19,829,076	764,784	6,865,843	196,222	128,897	27,784,822
(Deficiency) excess of revenues over expenditures	(2,082,819)	2,613,709	(1,377,560)	11,907,149	244,085	11,304,564
Other Financing Sources						
Leases	47,303	-	-	-	-	47,303
Total other financing sources	47,303	-	-	-	-	47,303
Net change in fund balances	(2,035,516)	2,613,709	(1,377,560)	11,907,149	244,085	11,351,867
Fund Balances, beginning	13,905,755	49,723,958	-	424,468	4,865,087	68,919,268
Fund Balances, ending	\$ 11,870,239	\$ 52,337,667	\$ (1,377,560)	\$ 12,331,617	\$ 5,109,172	\$ 80,271,135

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES Year Ended June 30, 2024

Net change in fund balances - total governmental funds		\$ 11,351,867
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their useful lives as depreciation expense. In the current period, these amounts are:		
Fixed asset and lease additions, net of lease payable additions	248,756	
Depreciation and amortization expense	<u>(208,448)</u>	40,308
Principal payments on lease liabilities are an expenditure in governmental funds, but the repayment is a reduction of long-term liabilities in the Statement of Net Position		138,903
Principal payments on subscription liabilities are an expenditure in governmental funds, but the repayment is a reduction of long-term liabilities in the Statement of Net Position		32,732
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds		1,377,560
Certain expenses reported in the Statement of Activities that do not require the use of current financial resources and, therefore, are not recorded as expenditures on the governmental funds. In the current period, these amounts are:		
Compensated absences	12,778	
Change in OPEB plan liability and OPEB-related inflows and outflows	<u>(70,074)</u>	
Change in defined benefit net pension liability and pension-related inflows and outflows	<u>227,721</u>	<u>170,425</u>
Change in net position of governmental activities		<u>\$ 13,111,795</u>

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Basis of presentation: The accompanying financial statements of the Wyoming Business Council (the Business Council) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to governmental entities. The basic financial statements include both government-wide financial statements based on the Business Council as a whole and fund financial statements.

Financial reporting entity: The Business Council was created in 1998 by the Wyoming Economic Development Act. The Business Council has been charged by Wyoming State Statutes to encourage, stimulate, and support the development and expansion of the economy of the State of Wyoming (the State) and is operated for the benefit of the public. It is governed by a Board of Directors, consisting of 13 voting members appointed by the governor with the advice and consent of the State Senate. The Business Council is a component unit of the State.

On July 1, 1998, the Business Council assumed the functions, programs, and authority of various State agencies, boards, authorities, commissions, and committees. The Business Council is also charged with administering the Wyoming Partnership Challenge Loan Program.

Government-wide financial statements: The Statement of Net Position and the Statement of Activities display information about the Business Council as a whole. Eliminations have been made to minimize the double-counting of internal activities.

The Statement of Net Position reports all of the Business Council's financial and capital resources. Assets and liabilities are presented in order of their relative liquidity. An asset's liquidity is determined by how readily it is expected to be converted to cash and whether restrictions limit the Business Council's ability to use the resource. A liability's liquidity is based on its maturity, or when cash is expected to be used to liquidate it. The difference between the total of assets and deferred outflows and the total of liabilities and deferred inflows shows the Business Council's net position. Net position is reported as restricted when constraints are placed on their use by creditors, grantors, or laws or regulations of other governments.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Business Council's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include: (1) charges paid by the recipients of goods or services offered by the programs, and (2) grants and contributions, including interest on loans, which are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all appropriations from the primary government, are presented instead as general revenues.

Fund financial statements: The fund financial statements provide information about the Business Council's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. The Business Council reports the following major governmental funds:

General Fund: Serves as the Business Council's primary operating fund. It accounts for all of the Business Council's financial resources except those accounted for in another fund. Revenues consist primarily of State and Federal funding.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies, *Continued*

Economic Development Fund: Used to account for economic development efforts of the Business Council, primarily the activities of the following loan portfolios: Challenge loans, economic disaster loans, bridge loans, natural gas infrastructure loans, and Amendment IV loans. Funds within the account may also be transferred upon direction of the governor to the large project account within the revolving investment fund created by Wyoming State Statutes if required to meet loans or loan guarantees approved by the State Loan and Investments Board under that law. Revenues in the Economic Development Fund consist primarily of interest income.

Pandemic Relief Fund: Used to account for the operations of the Business Relief Fund program that is administered in accordance with the terms set by the Wyoming State Legislature. Revenues consist of pass-through Federal funding authorized by the Coronavirus Aid, Relief, and Economic Security Act.

Wyoming Venture Capital (WYVC) Fund: Used to account for the Business Council's WYVC activities. WYVC is funded by the State Small Business Credit Initiative (SSBCI), which was authorized by the American Rescue Plan Act of 2021 (ARPA) to expand access to capital for small businesses to build ecosystems of opportunity and entrepreneurship and create high-quality jobs. Revenues consist of an allocation from the Federal government and any investment income from investments made in small businesses.

Basis of accounting:

Government-wide financial statements: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds financial statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Business Council considers all revenues reported in the governmental funds to be available if the revenues are collected within 75 days after year-end. All revenues are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures.

Budgets: Wyoming State Statutes require the Business Council to prepare and submit a biennial budget to the governor for presentation to the Wyoming State Legislature in each odd-numbered year prior to the beginning of the legislative session. The Wyoming State Legislature may add, change, or delete any items in the budget proposed by the governor. Supplemental appropriations may be approved by the Wyoming State Legislature in even-numbered years.

The Wyoming State Legislature appropriates substantially cash basis budgets for programs within an agency. The State's legal level of budgetary control is at the program level, and the governor must approve all changes in appropriations at the program level. Some appropriations lapse at the end of each biennium.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies, *Continued*

Deposits with State Treasurer: The General Fund of the Business Council primarily operates out of an appropriation from the Wyoming State Legislature, which has been established with the Wyoming State Auditor's Office. Cash is available from this appropriation to fund expenditures as they are incurred by the Business Council. As such, the cash balance within the General Fund is assumed to be the amounts of accounts payable and certain accrued expenses within the fund, net of certain assets.

The Pandemic Relief Fund of the Business Council primarily operates out of a special appropriation from the Wyoming State Legislature. Cash is available from this special appropriation to fund expenditures as they are incurred by the Business Council for the Pandemic Relief Fund. As such, the cash balance within the Pandemic Relief Fund is assumed to be the amounts of accounts payable and certain accrued expenses within the fund, net of certain assets.

For funds other than the General Fund and the Pandemic Relief Fund, the Business Council's cash is pooled with other State agencies in an account managed by the State Treasurer. The account is reported at the fair value of the securities underlying the investment pool. Earnings from the investment pool are credited to the applicable accounts and funds by the State Treasurer to the Business Council monthly, utilizing a formula based on the average daily balance.

Securities lending collateral: Securities on loan for cash collateral are reported in the Balance Sheet as cash and investments with trustee. Liabilities resulting from the security lending transactions are also reported. Wyoming State Statutes permit the State Treasurer to lend its securities, through the use of agents, to broker-dealers and other entities with simultaneous agreement to return the collateral for the same securities in the future. The State's agents lend securities of the type on loan at year-end for collateral in the form of cash or other securities at 100% of value for U.S. Treasury Strips and U.S. Treasury Bills and 102% of value for other securities. The State, through its agents, measures the fair value of the securities loaned against the fair value of the collateral on a daily basis. Additional collateral is obtained as necessary to ensure that such transactions are adequately collateralized. Securities lent for securities collateral are classified according to the category of the collateral. At year-end, the State has no credit risk exposure to borrowers because the amounts the State owes the borrowers exceed the amounts the borrowers owe the State. The contract with the State's agent requires the agent to indemnify the State if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the State for income distributions by the securities' issuers while the securities are on loan. Additional information relating to the securities lending transactions as of June 30, 2024 can be obtained from the State's Annual Comprehensive Financial Report.

Public purpose investments: The Business Council holds certain assets that do not meet the definition of an investment subject to fair value measurement under GASB Statement No. 72, *Fair Value Measurement and Application*, as they are not held primarily for the purpose of income or profit. The assets, referred to as public purpose investments, are reported at cost. The Business Council believes that this is the most appropriate method of valuation as the assets are held primarily for economic development activities.

Receivables: Receivables consist primarily of amounts due from the Federal government and other governmental entities, including the State, and amounts earned on deposits with the State Treasurer. Management believes that no allowance for uncollectible amounts is necessary based on the nature of these receivables and past experience.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies, *Continued*

Loans and allowance for loan losses: The accrual of interest on loans is discontinued at the time the loan is 90 days delinquent unless the credit is well-secured and in the process of collection. Delinquent status is considered to be 10 days after the payment due date. In all cases, loans are placed on non-accrual status at an earlier date if the principal and interest is not expected to be collected in full.

The interest on non-accrual loans is accounted for on the cash basis until the loan qualifies for return to accrual. Loans are returned to accrual status when all of the principal and interest amounts contractually due are brought current and future payments are reasonably assured, or the loan is well-secured and in the process of collection.

It is the policy of the Business Council to charge off those loans in which collectability is sufficiently questionable as to no longer justify showing the loan as an asset in the financial statements. The charge-off of any loan must be approved by the Board of Directors.

The allowance for loan losses is established through a provision for loan losses charged to expense. Recoveries of amounts previously charged off are credited to the allowance. The amount of provision is based on management's evaluation of the loan portfolio, including the assessment of the likelihood of reimbursement on defaulted loans.

Capital assets: Capital assets are stated at cost in the government-wide financial statements. The Business Council's capitalization level for all capital assets is \$5,000. Depreciation on capital assets is provided on the straight-line basis over the following estimated useful lives:

Leasehold improvements	7 years
Furniture, fixtures, and equipment	3-14 years
Intangible assets	3-5 years

Capital assets are accounted for as expenditures in the governmental funds financial statements. Costs for repairs and maintenance are expensed as incurred.

The intangible assets and assets in development of the Business Council at June 30, 2024 are computer software, digital media assets, and website development costs, which were capitalized in accordance with Governmental Accounting Standards Board (GASB) Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. A capital asset is classified as intangible if: (1) it lacks physical substance, (2) it is not in a monetary form similar to cash or investment securities, does not represent a claim or right to assets in a monetary form similar to receivables, and is not a prepayment for goods or services, and (3) it has an initial useful life that extends beyond a single reporting period.

The Business Council is a lessee for equipment and real estate. The Business Council recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. Lease liabilities with an initial individual value of \$5,000 or more are recognized.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies, *Continued*

At the commencement of a lease, the Business Council initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at, or before, the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the life of the lease.

The Business Council monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

The Business Council is an end user for subscription-based information technology arrangements. The Business Council recognizes a subscription liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. Subscription liabilities with an initial individual value of \$5,000 or more are recognized.

At the commencement of a subscription, the Business Council initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at, or before, the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription is amortized on a straight-line basis over the life of the subscription.

Compensated absences: Employees of the Business Council earn up to five weeks of vacation at a monthly rate of 16.67 hours. Vacation leave is accrued from October 1 to September 30 of each year. Leave not used at the end of the vacation accrual does not vest. In exceptional extraordinary circumstances, employees may be able to carry forward unused vacation leave. Accumulated leave that is expected to be liquidated with expendable available financial resources (i.e., pending payouts of unused leave owed to employees who left active service by the end of the fiscal period) is reported as an expenditure and a liability in the governmental funds financial statements. All accumulated leave is reported as an expenditure and a liability in the government-wide financial statements.

Grants payable: Grants payable occur when grantees incur qualified reimbursable expenditures on a grant prior to year-end but have not invoiced the Business Council for these amounts by the end of the current fiscal year. The Business Council expects to receive reimbursement requests that correspond to the current fiscal year by the end of the first quarter of the subsequent fiscal year. The Business Council will evaluate whether reimbursement requests received late will be grants payable in the current fiscal year or expenses in the next fiscal year. Grants payable are included as part of accounts payable.

Unearned revenue: Unearned revenue occurs when resources are received by the Business Council before it has legal claim to them. In subsequent periods when revenue recognition criteria are met, the liability for the unearned revenue is reduced and the revenue is recognized.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies, *Continued*

Defined benefit pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System (WRS) and additions to/deductions from the WRS's fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment benefits other than pensions (OPEB): The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense associated with the State of Wyoming Employee Group Insurance Retiree Health Plan have been determined on the same basis as they are reported by the State. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred outflows of resources: Deferred outflows consist of the consumption of net position by the Business Council that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time.

Deferred inflows of resources: Deferred inflows consist of the acquisition of net position by the Business Council that is applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time.

Fund balances: The Business Council has implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which classifies fund balances based on spending constraints that control how resources may be used. Following are the classifications of fund balance:

Nonspendable: Amounts that are not available for current use because they are either: (1) not in spendable form, or (2) legally or contractually required to be maintained intact, such as fund balance associated with inventories and long-term receivables. Nonspendable fund balances include Business-Ready Communities loans receivable made through the General Fund and Amendment IV, economic disaster, bridge, natural gas infrastructure, and other loans receivable made through the Economic Development Fund.

Restricted: Amounts constrained for a specific purpose through restrictions of external parties, such as a creditor, grantor, donor, or other governmental unit (e.g., Federal government), or by constitutional provision. Restricted fund balances include funds restricted for the operations of the rural rehabilitation program administered in accordance with the terms of an agreement with the U.S. Farms Home Administration and funds restricted for the WYVC are administered in accordance with ARPA.

Committed: Amounts constrained for specific purposes imposed by formal action of the reporting governmental entity's highest level of decision-making authority. Committed fund balances include funds used for economic development efforts of the Business Council.

Assigned: Amounts that are neither restricted nor committed that the reporting governmental entity intends to use for a specific purpose as expressed by the governmental entity itself or by a party delegated the authority by the governmental entity. Assigned fund balances include funds related to the Wyoming First program, telephone communications, and other efforts of the Business Council.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies, *Continued*

Unassigned: Amounts not reported in the other classifications. Only the General Fund can report a positive unassigned fund balance; other governmental funds might report a negative amount in this classification.

The Business Council does not have a formal policy on the use of funds when both restricted and unrestricted resources are available for use. It is assumed that restricted resources are used first and then unrestricted resources as needed.

The Pandemic Relief Fund had a deficit fund balance at June 30, 2024 of \$1,377,560.

Interfund transactions: Interfund transactions are reflected either as services provided, reimbursements or transfers. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are eliminated in the Statement of Activities.

Estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Note 2. Deposits With State Treasurer

Deposits for the Business Council are invested in the State's State Agency Pool managed by the State Treasurer's Office and are presented as follows:

	Fair Value	Percentage
Investment type:		
Fixed-income investments	\$ 57,946,796	100.00%

The State's investment pool is subject to interest rate risk, credit risk, foreign currency risk, custodial credit risk, and concentration of credit risk.

Detailed information regarding the State's investment pool is reported in its Annual Comprehensive Financial Report, which is available on the Wyoming State Auditor's website at <http://sao.wyo.gov/publications>.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 3. Loans Receivable

Interest rates on loans vary from 0.0% to 6.5% and have varying maturity dates through 2050; collateral includes personal guarantees, mortgages on real estate, and liens on receivables, inventory, furniture, equipment, and crops. At June 30, 2024, loans receivable included outstanding loans to three major loan customers totaling \$8,644,629, which comprised 38.26% of gross loans receivable as of that date. Two loans totaling \$84,506 were charged off during the year ended June 30, 2024. Loans receivable as of June 30, 2024 are as follows:

	Loan Type	Gross Balance	Allowance	Net Balance
General Fund	Business-Ready Communities	\$ 11,870,239	\$ -	\$ 11,870,239
Economic Development Fund	Amendment IV	77,237	77,237	-
Economic Development Fund	Economic disaster	4,937,894	521,862	4,416,032
Economic Development Fund	Bridge	2,582,903	53,084	2,529,819
Economic Development Fund	Natural gas infrastructure	165,561	165,561	-
Economic Development Fund	Other	2,961,945	59,238	2,902,707
		<u>\$ 22,595,779</u>	<u>\$ 876,982</u>	<u>\$ 21,718,797</u>

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 4. Capital Assets

Capital assets: Capital asset activity in the government-wide financial statements as of and for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Assets in development	\$ 60,563	\$ 74,798	\$ -	\$ 135,361
Total capital assets not being depreciated	60,563	74,798	-	135,361
Capital assets being depreciated:				
Leasehold improvements	16,199	-	-	16,199
Furniture, fixtures, and equipment	118,296	-	-	118,296
Intangible assets	80,257	173,958	-	254,215
Total capital assets being depreciated	214,752	173,958	-	388,710
Less accumulated depreciation:				
Leasehold improvements	(16,199)	-	-	(16,199)
Furniture, fixtures, and equipment	(116,253)	(1,021)	-	(117,274)
Intangible assets	(80,257)	(42,091)	-	(122,348)
Total accumulated depreciation	(212,709)	(43,112)	-	(255,821)
Total capital assets being depreciated, net	2,043	130,846	-	132,889
Capital assets, net	\$ 62,606	\$ 205,644	\$ -	\$ 268,250

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 4. Capital Assets, *Continued*

Lease assets: Lease asset activity in the government-wide financial statements as of and for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Lease assets being amortized:				
Equipment	\$ 64,964	\$ 47,303	\$ (64,964)	\$ 47,303
Real estate	361,141	-	-	361,141
Total lease assets being amortized	426,105	47,303	(64,964)	408,444
Less accumulated amortization:				
Equipment	(56,528)	(12,378)	64,964	(3,942)
Real estate	(240,633)	(120,508)	-	(361,141)
Total accumulated amortization	(297,161)	(132,886)	64,964	(365,083)
Lease assets, net	\$ 128,944	\$ (85,583)	\$ -	\$ 43,361

Subscription assets: Subscription asset activity in the government-wide financial statements as of and for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Subscription assets being amortized	\$ 78,405	\$ -	\$ -	\$ 78,405
Less accumulated amortization	(27,714)	(32,450)	-	(60,164)
Subscription assets, net	\$ 50,691	\$ (32,450)	\$ -	\$ 18,241

Depreciation/amortization expense was charged to governmental functions, as follows:

Operations	\$ 84,470
Services	77,199
Investments	24,863
Regional offices	21,916
	<u>\$ 208,448</u>

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 5. Lease Liabilities

The Business Council has entered into various lease agreements for office space and equipment that have been accounted for as lease assets. The lease terms vary in range, extending through June 2028.

During the year ended June 30, 2024, the following changes occurred in long-term lease liabilities:

	Beginning Balance	Additions	Deletions	Ending Balance
Lease liabilities:				
Equipment	\$ 9,280	\$ 47,303	\$ 12,639	\$ 43,944
Real estate	126,264	-	126,264	-
Total	\$ 135,544	\$ 47,303	\$ 138,903	\$ 43,944

Future minimum lease payments under the agreements as of June 30, 2024 are as follows:

Years ending June 30:	Principal	Interest	Total
2025	\$ 10,665	\$ 3,326	\$ 13,991
2026	11,608	2,383	13,991
2027	12,634	1,357	13,991
2028	9,037	291	9,328
	<u>\$ 43,944</u>	<u>\$ 7,357</u>	<u>\$ 51,301</u>

Note 6. Subscription Liabilities

The Business Council has entered into subscription agreements for GIS software and website hosting that have been accounted for as subscription assets. The terms vary in range, extending through June 30, 2025. The following is a summary of the changes in the Business Council's subscription obligations during the year ended June 30, 2024:

Beginning Balance	Additions	Deletions	Ending Balance
\$ 51,825	\$ -	\$ 32,732	\$ 19,093

Future minimum subscription-based payments under the agreements as of June 30, 2024 consist of principal of \$19,093 and interest of \$907, for a total of \$20,000 for the year ending June 30, 2025.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 7. Retirement Commitment - WRS

Plan description: Substantially all employees of the Business Council, excluding seasonal employees, are provided with pensions through the Public Employee Pension Plan, a Statewide cost-sharing, multiple-employer defined benefit contributory retirement plan administered by the WRS. The authority to establish and amend benefits and contribution rates rests with the Wyoming State Legislature. The WRS is granted the authority to administer the plan by Wyoming State Statutes 9-3-401 through -432. The WRS issues a publicly available financial report that may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

Benefits provided: The determination of retirement benefits is dependent upon each employee's initial employment date.

Service Retirement Tier 1: Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. The formula for retirement equals 2.125% times the number of years of service times the three-year highest average salary for the first 15 years and 2.25% times the number of years of service times the three-year highest average salary after 15 years.

Service Retirement Tier 2: Full retirement at age 65 or qualifies for the Rule of 85. Early retirement is permitted at age 55 or 25 years of service. The formula for retirement equals 2% times the number of years of service times the five-year highest average salary.

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his/her duties. To qualify, the member must have at least 10 years of service and be "in service" at the time of application for disability retirement. Upon retirement for a partial disability, the member receives a monthly disability retirement benefit for the period of his/her disability equal to 50% of the normal benefit payable to the member, as if the member was eligible for normal retirement benefits. Upon retirement for a total disability, the member receives a monthly disability benefit equal to 100% of his/her service retirement benefit, as if the member was eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until death.

Survivor's benefits: Certain surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased, as well as the benefit option selected by the member at the date of retirement.

Contributions: Per Titles 9-3-412 and -413 of Wyoming State Statutes, effective July 1, 2021, member and employer contributions were required to be 9.25% and 9.37% of compensation, respectively. In accordance with Title 9-3-412(c)(ii) of Wyoming State Statutes, the Business Council has elected to pay 5.57% of the member's contribution in addition to the employer's contribution. Total contributions to the pension plan from the Business Council were \$504,331.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 7. Retirement Commitment - WRS, *Continued*

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2024, the Business Council reported a liability of \$3,396,793 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. There were no assumption changes for the 2023 actuarial valuation. The Business Council's proportion of the net pension liability was based on the relationship of the Business Council's total contributions to the plan for the year ended December 31, 2023 to the contributions of all participating employers for the same period. At December 31, 2023, the Business Council's proportion was 0.1496265280%, which was an increase from its December 31, 2022 proportion of 0.1271578942%.

For the year ended June 30, 2024, the Business Council recognized pension expense of \$92,569. At June 30, 2024, the Business Council reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 65,626	\$ 14,839
Net difference between projected and actual earnings on pension plan investments	-	120,406
Changes in proportionate share of contributions	394,467	87,017
Contributions subsequent to measurement date	160,446	-
Changes in assumptions	34,869	-
	<u>\$ 655,408</u>	<u>\$ 222,262</u>

An amount of \$160,446, reported as deferred outflows of resources related to pensions resulting from the Business Council's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2024 will be recognized in pension expense, as follows:

Years ending June 30:	
2025	\$ 2,089
2026	115,044
2027	321,869
2028	<u>(166,302)</u>
	<u>\$ 272,700</u>

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 7. Retirement Commitment - WRS, *Continued*

Actuarial assumptions: The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions adopted by the WRS Board, effective at its November 17, 2021 and February 17, 2022 meetings, and applied to the December 31, 2023 measurement date:

Inflation	2.25%
Salary Increases	2.50%-6.50%, including inflation
Payroll Growth Rate	2.50%
Cost of Living Increase	0.00%
Investment Rate of Return	6.80%, net of pension plan investment expense, including inflation
Post-Retirement Mortality	Mortality rates were based on the PUB-2010 General Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 103%.
Pre-Retirement Mortality	Mortality rates were based on the PUB-2010 General Active Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 100%.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 7. Retirement Commitment - WRS, *Continued*

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using a building-block method, in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Each major asset class is included in the pension plan's target asset allocation as of January 1, 2023. These best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.50%	-0.30%	-0.30%
Gold	1.50%	2.13%	0.70%
Fixed income	20.00%	3.38%	3.80%
Equity	51.50%	6.52%	8.20%
Marketable alternatives	16.00%	4.39%	5.23%
Private markets	10.50%	5.97%	7.48%
	<u>100.00%</u>		

Experience analysis: An experience study was conducted on behalf of all WRS plans covering the five-year period ended December 31, 2020. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination, and disability) and proposed assumptions consistent with the findings.

Discount rate: The discount rate used to measure the total pension liability as of December 31, 2023 was 6.80%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 7. Retirement Commitment - WRS, *Continued*

Sensitivity of the Business Council's proportionate share of the net pension liability to changes in the discount rate: The following presents the Business Council's proportionate share of the net pension liability, calculated using the discount rate of 6.80%, as well as what the Business Council's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Proportionate share of the net pension liability	\$ 5,394,219	\$ 3,396,793	\$ 1,741,531

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued WRS financial report, which is accessible at <https://retirement.wyo.gov/About/Reports/?Label=GASB+68>.

Note 8. OPEB Commitment

General information about the OPEB plan:

Plan description: Eligible employees of the Business Council are provided with OPEB through the State of Wyoming Employee Group Insurance Retiree Health Plan (the Plan), a multiple-employer defined benefit OPEB plan administered by the State of Wyoming Employee Group Insurance (EGI). Any employee of a participating employer is eligible for retiree coverage under the Plan at premium rates established by EGI, provided that:

1. The employee had coverage in effect under the Plan for at least one year prior to retirement; and
2. The employee is eligible to receive a retirement benefit under the WRS or the Teachers Insurance and Annuity Association of America and either:
 - a. Has reached age 50 with at least four years of service credit as an employee of one of the employing entities participating in the Plan; or
 - b. Has at least 20 years of service credit as an employee of one of the employing entities participating in the Plan. Retirement eligibility varies under the WRS. The Public Employee Pension Plan, which is the plan applicable to the Business Council, requires 25 years of service credit.

The Wyoming State Legislature has the authority to establish and amend the benefit terms of the Plan. The Plan does not issue a separate financial report; however, additional Plan information can be obtained from the State's Annual Comprehensive Financial Report, which may be obtained from its website at <http://sao.wyo.gov/publications>.

Benefits provided: The Plan provides medical and prescription drug benefits for retirees and their dependents through the payment of insurance premiums for life. Surviving spouses are allowed to continue coverage after the retiree's death, provided that they were covered at the time of death.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 8. OPEB Commitment, *Continued*

Funding policy: The State finances this program on a pay-as-you-go basis, and there are no assets held in trust for pre-funding the obligations of the Plan. The Wyoming State Legislature has the authority for establishing and amending the funding policy.

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB: At June 30, 2024, the Business Council reported a liability of \$2,245,155 for its proportionate share of the collective total OPEB liability. The collective total OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the collective total OPEB liability was determined by an actuarial valuation as of June 30, 2024. The Business Council's proportion of the collective total OPEB liability was based on a projection of the Business Council's expected benefit payments during the measurement period attributable to retirees of the Business Council relative to the expected benefit payments during the measurement period attributable to all retirees of the Plan, actuarially determined. The projection of the sharing of benefit-related costs is based on an established pattern of practice. At June 30, 2024, the Business Council's proportion was 0.33943%, which was an increase from its June 30, 2023 proportion of 0.30534%.

For the year ended June 30, 2024, the Business Council recognized OPEB expense of \$70,074. At June 30, 2024, the Business Council reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 260,968	\$ 498,411
Changes in assumptions	596,784	2,146,043
Expected payments subsequent to measurement date	33,721	-
Change in proportionate share of expected payments	754,613	-
	<u>\$ 1,646,086</u>	<u>\$ 2,644,454</u>

An amount of \$33,721, reported as deferred outflows of resources related to OPEB resulting from the Business Council's benefit payments subsequent to the measurement date, will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2025.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 8. OPEB Commitment, *Continued*

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Business Council's OPEB expense, as follows:

Years ending June 30:		
2025	\$	(159,908)
2026		(159,908)
2027		(123,990)
2028		(159,618)
2029		(211,120)
Thereafter		<u>(217,545)</u>
	\$	<u><u>(1,032,089)</u></u>

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2023 (based on census data as of June 30, 2023)
Inflation	2.25%
Salary Increases	2.50%-6.50%
Mortality Rates	
Pre-Retirement:	General: Headcount-Weighted PUB-2010 General Employee, projected generationally with two-dimensional Scale MP-2020. Safety: Headcount-Weighted PUB-2010 Safety Employee, projected generationally with two-dimensional Scale MP-2020.
Post-Retirement:	General: Headcount-Weighted PUB-2010 Non-Safety Healthy Retiree, projected generationally with two-dimensional Scale MP-2020. Safety: Headcount-Weighted PUB-2010 Safety Healthy Retiree, projected generationally with two-dimensional Scale MP-2020.
Disabled:	General: Headcount-Weighted PUB-2010 General Disabled, projected generationally with two-dimensional Scale MP-2020. Safety: Headcount-Weighted PUB-2010 Safety Disabled, projected generationally with two-dimensional Scale MP-2020.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 8. OPEB Commitment, *Continued*

Healthcare Cost Trend Rates

Pre-Medicare: 7.50%, decreasing annually until reaching the ultimate trend rate of 4.50%.

Medicare: 17.25%, then 7.25% decreasing annually until reaching the ultimate trend rate of 4.50%.

Participation Rate 55% will elect coverage, and 30% will cover a spouse.

Spouse Age Differential Males are assumed to be two years older than females.

Cost Method Entry age normal. Under this method, the actuarial accrued liability is based on a prorated portion of the present value of all benefits earned to date over the expected future working lifetime, as defined by the GASB. The proration is determined so that the cost, with respect to the service accrued from the date of hire, is recognized as a level percentage of pay over the year. The normal cost is equal to the prorated cost for the year of the valuation.

Benefits Excluded Benefits related to retiree dental and life insurance have been excluded from this valuation.

The healthcare trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the Standard & Poor's Dow Jones Indices, consulting firms and brokers, and Consumer Price Index statistics published by the Bureau of Labor Statistics.

Significant assumptions are based on an experience study that covered a five-year period ended December 31, 2020. Significant assumptions varied within the various retirement plans within the WRS.

Discount rate: The discount rate used to measure the total OPEB liability was 3.65% at June 30, 2023, which represents an increase from the discount rate of 3.54% utilized for the June 30, 2022 measurement date. As the Plan is unfunded, the Plan has no fiduciary net position from which to make future benefit payments. Therefore, the discount rate is based on the Bond Buyer General Obligation 20-Year Municipal Bond Index.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 8. OPEB Commitment, *Continued*

Sensitivity of the Business Council's proportionate share of the collective total OPEB liability to changes in the discount rate: The following table presents the Business Council's proportionate share of the collective total OPEB liability, calculated using the discount rate of 3.65%, as well as what the Business Council's proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Proportionate share of the collective total OPEB liability	\$ 2,707,288	\$ 2,245,155	\$ 1,884,724

Sensitivity of the Business Council's proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rates: The table below presents the Business Council's proportionate share of the collective total OPEB liability, as well as what the Business Council's proportionate share of the collective total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Pre-Medicare	6.50%	7.50%	8.50%
Medicare	16.25%	17.25%	18.25%
Proportionate share of the collective total OPEB liability	\$ 1,917,524	\$ 2,245,155	\$ 2,677,959

Note 9. Retirement Commitment - Deferred Compensation Plan

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan, accounted for by the State and available to all Business Council employees, permits employees to defer a portion of their compensation until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All compensation and earnings deferred are held in trust or custodial accounts for the exclusive benefit of program participants and their beneficiaries.

Investments are managed and controlled by the deferred compensation plan's trustee, not the Business Council, under various investment options. The employee chooses the investment option(s) and the contribution amount when participating in the deferred compensation plan. These investments and the related liability to the employees are not included in the Business Council's financial statements as an agency since the deferred compensation plan is managed on a Statewide basis.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 9. Retirement Commitment - Deferred Compensation Plan, *Continued*

Wyoming State Statutes require matching contributions to the plan for each participating employee. Currently, the match established and appropriated by the Wyoming State Legislature for each participating employee is \$20 per month. Matching contributions made by the Business Council to the deferred compensation plan for the year ended June 30, 2024 totaled \$7,420.

Note 10. Risk Management

State self-insurance: The Business Council participates in the State's self-insurance program, which was created to handle property, casualty, and liability insurance claims brought against the State. The State generally does not maintain reserves; losses are covered by a combination of appropriations from the State's General Fund in the year the payment occurs and by assessing State agencies for specific types of claims for the fiscal year. The Business Council was not assessed any amount for the year ended June 30, 2024.

Employee medical, life, long-term disability, vision, and dental insurance: The Business Council's employees participate in the State's Group Insurance plan. Under this plan, the State co-administers employee medical insurance with a third-party administrator. The State self-insures medical costs and assumes all of the risk for claims incurred by plan participants. The Business Council does not retain any risk of loss for the life, long-term disability, vision and dental insurance plans as the insurance providers assume all of the risk for claims incurred by the participants.

During the year ended June 30, 2024, the Business Council contributed up to \$900, \$1,369, \$1,796 and \$2,000 (for single, dependent, married, and family coverage, respectively) per month for insurance premiums plus 90% of the monthly premiums in excess of these amounts for each covered participant toward these plans, excluding long-term disability and vision premiums. Participants are responsible for paying premium charges in excess of this amount plus long-term disability and vision premiums. Total group insurance premiums paid by the Business Council for the year ended June 30, 2024 were \$739,447.

Workers' compensation: Wyoming State Statute 27-14-101 created the Wyoming Workers' Compensation Act (the Act). The Act requires all employers engaged in extra-hazardous employment to obtain liability coverage for the payment of benefits to employees for job-related injuries and diseases through the Workers' Compensation Fund. Eligible employers that comply with the provisions of the Act are generally protected from being sued by employees. Employers not required by the Act to participate in this program may elect to do so at their option. For the year ended June 30, 2024, the Business Council's contributions to the Workers' Compensation Fund were \$52,922.

Unemployment compensation: The Business Council does not carry unemployment insurance but pays the cost of actual claims incurred. The Business Council paid no unemployment claims for the year ended June 30, 2024.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 11. Transactions With Related Parties

The Business Council pays for services provided by the State for certain phone services, computer processing, motor pool vehicles, State plane usage, loan exam services, and central mail. Total amounts expended for these services for the year ended June 30, 2024 were \$135,828.

The Wyoming Office of Tourism pays the Business Council for certain support services in the areas of fiscal and contract compliance, human resources, payroll and information technology. The total amount received for these services for the year ended June 30, 2024 was \$72,000.

The Business Council has entered into several agreements with the University of Wyoming (UW) to fund various sponsorships, in addition to various projects that include the Market Research Center, Manufacturing Works, the Small Business Development Center, Small Business Innovation Research - Small Business Technology Transfer, the Procurement Technical Assistance Center, the Technology Business Center, and the Center for Business & Economic Analysis. The total amount expended to UW for the year ended June 30, 2024 was \$2,366,688, of which \$1,077,112 is included in accounts payable as of June 30, 2024. The Business Council is committed to the amount remaining under these agreements, which totaled \$4,188,364 as of June 30, 2024.

The Business Council, together with the Wyoming Department of Environmental Quality (DEQ), operates a Federal award from the U.S. Environmental Protection Agency for the Brownfield Revolving Loan Program. The Business Council and DEQ have a memorandum of understanding in place for the administration of the program. The Business Council serves as the lead fiscal agent and will service the loans, and DEQ oversees project management. No funds are to be paid to either party as a result of the memorandum.

Note 12. Commitments and Contingencies

Relationship with primary government: The Business Council receives a significant portion of its revenues directly from the State, and the continued operation of the Business Council is dependent upon the actions of the Wyoming State Legislature.

Federal grants: Grant monies received and disbursed by the State are for specific purposes and subject to audit by the grantor agency. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the Business Council does not believe that such disallowances, if any, would have a material effect on the financial position or results of operations of the Business Council.

Loans: Loans approved by the Business Council's Board of Directors but undistributed as of June 30, 2024 totaled \$7,837,455. These will be funded by a combination of State appropriations and restricted net position.

Other commitments and contingencies: The Business Council has contracted and/or committed funds for various projects, services or other items arising in the normal course of operations. The amounts remaining to complete these commitments totaled approximately \$118,325,948 as of June 30, 2024. These commitments will be funded by a combination of restricted/committed fund balance and current- and prior-year State appropriations and Federal revenues.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 13. Pandemic Relief Funding

Due to the ongoing COVID-19 pandemic, ARPA was passed by the U.S. Congress and signed into law by President Biden on March 11, 2021. Under ARPA, the State was given \$1 billion in State and local fiscal recovery funds to assist in economic recovery and continuing COVID-19 expenses. Of this funding, the Business Council has been allocated \$3.15 million for broadband initiatives and a growth diagnostics and capability building project. The State was also allocated \$109 million for ARPA capital projects funds. Of this amount, the State has awarded the Business Council \$73.4 million for broadband initiatives.

In January 2023, the Business Council received \$19.03 million in Federal ARPA funding from the U.S. Treasury's SSBCI program and created the WYVC program. The receipt represents the first of three tranches to be received that will make up a \$58.43 million award allocation over a nine-year period. The remaining two tranches will be received when certain program requirements are met. The SSBCI program provides funding to governments to empower small businesses to access capital needed to invest in job-creating opportunities as the United States continues to recover from the COVID-19 pandemic, allowing up to 3% to be used for administrative costs incurred in the operation of the program. The Business Council is leveraging these funds to benefit the entrepreneurial ecosystem by building capacity in venture capital. During the year ended June 30, 2024, the Business Council made seven direct investments in Wyoming small businesses, totaling \$11,016,667, and one investment in a fund for \$551,293.

Note 14. Subsequent Events

Subsequent to June 30, 2024, one loan totaling \$5,000,000 was approved under the provisions of the Business-Ready Communities program. These funds will be distributed out of State appropriations.

Subsequent to June 30, 2024, six loans totaling \$2,867,841 were approved under the provisions of the Economic Development Fund. Of this amount, \$1,404,823 has been distributed.

Subsequent to June 30, 2024, the Business Council invested \$1,210,889 in direct investments in Wyoming small businesses. An additional \$1,290,000 has been committed by the Business Council for future investments.

In August 2024, the Business Council received approval of its Initial Funding Proposal for Wyoming's allocation of the Broadband Equity, Access and Deployment (BEAD) program, which was authorized by the Infrastructure Investment and Jobs Act of 2021. Wyoming's total allocation for the BEAD program is \$347,877,921. Authorization for the Business Council to spend project funds is pending approval of its final proposal, which is required to be submitted to the National Institute of Standards and Technology (NIST) and the National Telecommunications and Information Administration (NTIA) divisions of the U.S. Department of Commerce by July 2025.

In December 2024, the Business Council was awarded \$5,251,486 for the State Digital Access Capacity Grant program, authorized by the Infrastructure Investment and Jobs Act of 2021. The Business Council will be working with the Wyoming Community College Commission to expand existing statewide digital inclusion activities for the people of Wyoming.

REQUIRED SUPPLEMENTARY INFORMATION

WYOMING BUSINESS COUNCIL

BUDGETARY COMPARISON SCHEDULES

Year Ended June 30, 2024

	General Fund					
	Budgeted Amounts		Actual	Encumbrances	Total Actual and Encumbrances	Variance With Final Budget
	Original	Final				
Revenues						
Revenue from primary government	\$ 48,801,096	\$ 109,307,130	\$ 12,593,864	\$ -	\$ 12,593,864	\$ (96,713,266)
Federal revenue	-	7,464,661	5,021,647	-	5,021,647	(2,443,014)
Investment income	-	477,214	294,886	-	294,886	(182,328)
Revenue from others	290,003	9,595,132	6,976,499	-	6,976,499	(2,618,633)
Charges for sales and services	137,215	137,215	208,093	-	208,093	70,878
Total revenues	49,228,314	126,981,352	25,094,989	-	25,094,989	(101,886,363)
Expenditures						
Operations	12,170,137	14,158,129	11,391,612	1,168,269	12,559,881	1,598,248
Services	12,486,634	18,407,492	12,266,579	3,985,543	16,252,122	2,155,370
Investments	70,000	814,406	222,845	314,028	536,873	277,533
Investment-ready communities	24,321,543	93,507,037	1,860,000	51,455,345	53,315,345	40,191,692
Regional offices	180,000	94,288	94,288	-	94,288	-
Total expenditures	49,228,314	126,981,352	25,835,324	56,923,185	82,758,509	44,222,843
(Deficiency) of revenues over expenditures	\$ -	\$ -	\$ (740,335)	\$ (56,923,185)	\$ (57,663,520)	\$ (57,663,520)

Continued

WYOMING BUSINESS COUNCIL

BUDGETARY COMPARISON SCHEDULES, *Continued* Year Ended June 30, 2024

	Economic Development Fund					
	Budgeted Amounts				Total Actual and	Variance With
	Original	Final	Actual	Encumbrances	Encumbrances	Final Budget
Revenues						
Revenue from primary government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	-	-	-	-	-	-
Investment income	1,140,876	29,740,876	3,239,574	-	3,239,574	(26,501,302)
Revenue from others	-	-	1,380,000	-	1,380,000	1,380,000
Charges for sales and services	-	-	13,770	-	13,770	13,770
Total revenues	1,140,876	29,740,876	4,633,344	-	4,633,344	(25,107,532)
Expenditures						
Operations	-	-	-	-	-	-
Services	-	-	-	-	-	-
Investments	1,140,876	29,740,876	1,683,252	142,998	1,826,250	27,914,626
Investment-ready communities	-	-	-	-	-	-
Regional offices	-	-	-	-	-	-
Total expenditures	1,140,876	29,740,876	1,683,252	142,998	1,826,250	27,914,626
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ 2,950,092	\$ (142,998)	\$ 2,807,094	\$ 2,807,094

Continued

WYOMING BUSINESS COUNCIL

BUDGETARY COMPARISON SCHEDULES, *Continued* Year Ended June 30, 2024

	Budgeted Amounts		Pandemic Relief Fund		Total Actual and Encumbrances	Variance With Final Budget
	Original	Final	Actual	Encumbrances		
Revenues						
Revenue from primary government	\$ -	\$ 73,584,413	\$ 1,257,312	\$ -	\$ 1,257,312	\$ (72,327,101)
Federal revenue	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Revenue from others	-	-	-	-	-	-
Charges for sales and services	-	-	-	-	-	-
Total revenues	-	73,584,413	1,257,312	-	1,257,312	(72,327,101)
Expenditures						
Operations	-	-	-	-	-	-
Services	-	73,584,413	1,257,312	65,375,097	66,632,409	6,952,004
Investments	-	-	-	-	-	-
Investment-ready communities	-	-	-	-	-	-
Regional offices	-	-	-	-	-	-
Total expenditures	-	73,584,413	1,257,312	65,375,097	66,632,409	6,952,004
(Deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ (65,375,097)	\$ (65,375,097)	\$ (65,375,097)

Continued

WYOMING BUSINESS COUNCIL

BUDGETARY COMPARISON SCHEDULES, *Continued* Year Ended June 30, 2024

	Wyoming Venture Capital Fund					
	Budgeted Amounts		Actual	Encumbrances	Total Actual and Encumbrances	Variance With Final Budget
	Original	Final				
Revenues						
Revenue from primary government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	-	951,455	9,815,969	-	9,815,969	8,864,514
Investment income	-	-	731,492	-	731,492	731,492
Revenue from others	-	-	-	-	-	-
Charges for sales and services	-	-	-	-	-	-
Total revenues	-	951,455	10,547,461	-	10,547,461	9,596,006
Expenditures						
Operations	-	-	-	-	-	-
Services	-	-	-	-	-	-
Investments	-	951,455	281,109	400	281,509	669,946
Investment-ready communities	-	-	-	-	-	-
Regional offices	-	-	-	-	-	-
Total expenditures	-	951,455	281,109	400	281,509	669,946
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ 10,266,352	\$ (400)	\$ 10,265,952	\$ 10,265,952

WYOMING BUSINESS COUNCIL

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND U.S. GAAP REVENUES AND EXPENDITURES FOR THE GENERAL FUND, THE ECONOMIC DEVELOPMENT FUND, THE PANDEMIC RELIEF FUND, AND THE WYOMING VENTURE CAPITAL FUND

Year Ended June 30, 2024

	General Fund	Economic Development Fund	Pandemic Relief Fund	Wyoming Venture Capital Fund
Sources/Inflows of Resources				
Actual amounts "available for appropriation" from the Budgetary Comparison Schedules	\$ 25,094,989	\$ 4,633,344	\$ 1,257,312	\$ 10,547,461
Differences in accrual basis revenues and cash basis budgetary amounts	(7,348,732)	(1,254,851)	4,230,971	1,555,910
Total revenues and other financing sources reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 17,746,257	\$ 3,378,493	\$ 5,488,283	\$ 12,103,371
Uses/Outflows of Resources				
Actual amounts "charged to appropriations" from the Budgetary Comparison Schedules	\$ 82,758,509	\$ 1,826,250	\$ 66,632,409	\$ 281,509
Differences in accrual basis expenditures and cash basis budgetary amounts	(119,852,618)	(1,204,464)	(125,141,663)	(85,687)
Encumbrances	56,923,185	142,998	65,375,097	400
Total expenditures reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 19,829,076	\$ 764,784	\$ 6,865,843	\$ 196,222

See Notes to Required Supplementary Information.

WYOMING BUSINESS COUNCIL

SCHEDULE OF THE BUSINESS COUNCIL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Public Employee Pension Plan

Last Ten (10) Fiscal Years*

	Business Council's Proportion of the Net Pension Liability	Business Council's Proportionate Share of the Net Pension Liability	Business Council's Covered Payroll	Business Council's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.1756957922%	\$ 3,100,490	\$ 3,105,431	99.84%	79.08%
2016	0.1672581167%	3,896,023	2,993,370	130.16%	73.40%
2017	0.1571502750%	3,799,108	3,045,573	124.74%	73.42%
2018	0.1635561589%	3,728,002	2,878,864	129.50%	76.35%
2019	0.1527083007%	4,650,412	2,657,878	174.97%	69.17%
2020	0.1474092413%	3,464,009	2,623,742	132.03%	76.83%
2021	0.1422591926%	3,091,804	2,592,364	119.27%	79.24%
2022	0.1327583381%	2,024,195	2,420,068	83.64%	86.03%
2023	0.1271578942%	3,474,989	2,388,531	145.49%	75.47%
2024	0.1496265800%	3,396,793	3,009,490	112.87%	80.19%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See Notes to Required Supplementary Information.

WYOMING BUSINESS COUNCIL

SCHEDULE OF THE BUSINESS COUNCIL'S CONTRIBUTIONS

Public Employee Pension Plan

Last Ten (10) Fiscal Years

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 235,816	\$ 235,816	\$ -	\$ 3,094,695	7.62%
2016	247,089	247,089	-	2,952,081	8.37%
2017	239,037	239,037	-	2,855,879	8.37%
2018	229,039	229,039	-	2,736,429	8.37%
2019	228,792	228,792	-	2,666,725	8.58%
2020	229,703	229,703	-	2,589,661	8.87%
2021	228,882	228,882	-	2,509,667	9.12%
2022	217,849	217,849	-	2,324,967	9.37%
2023	243,573	243,573	-	2,599,497	9.37%
2024	316,304	316,304	-	3,375,714	9.37%

See Notes to Required Supplementary Information.

WYOMING BUSINESS COUNCIL

SCHEDULE OF THE BUSINESS COUNCIL'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY

State of Wyoming Employee Group Insurance Retiree Health Plan
Last Seven (7) Fiscal Years*

	Business Council's Proportion of the Total OPEB Liability	Business Council's Proportionate Share of the Total OPEB Liability	Business Council's Covered Payroll	Business Council's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2018	0.21917%	\$ 1,733,616	N/A	N/A	0.00%
2019	0.19464%	1,984,249	N/A	N/A	0.00%
2020	0.29515%	2,792,138	N/A	N/A	0.00%
2021	0.29746%	3,886,730	N/A	N/A	0.00%
2022	0.31717%	4,182,613	N/A	N/A	0.00%
2023	0.30534%	3,204,769	N/A	N/A	0.00%
2024	0.33943%	2,245,155	N/A	N/A	0.00%

* This schedule is to be built prospectively until it contains 10 years of data.

See Notes to Required Supplementary Information.

WYOMING BUSINESS COUNCIL

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION Year Ended June 30, 2024

Note 1. Basis of Presentation - Budgetary Comparison Schedules

The Wyoming Business Council (the Business Council) adopts a biennial budget that is approved by the Wyoming State Legislature. The Business Council allocates the biennial budget to an annual budget for internal management purposes. These annualized budgets are presented in the accompanying Budgetary Comparison Schedules. Additionally, these Budgetary Comparison Schedules are prepared using encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded as expenditures and liabilities in order to reserve that portion of the applicable appropriation.

Note 2. Explanation of Differences - Budgetary Comparison Schedules

The schedule on page 47 is an explanation of differences between budgetary inflows and outflows and U.S. GAAP revenues and expenditures for the General Fund, the Economic Development Fund, the Pandemic Relief Fund, and the Wyoming Venture Capital Fund for the year ended June 30, 2024.

Note 3. Retirement Commitment

Changes in benefit terms: There were no changes in benefit terms between the initial measurement date reflected below and the December 31, 2023 measurement date.

Changes in assumptions: Healthcare trend rates were updated, along with the assumptions relating to mortality rates, retirement rates, withdrawal rates, disability rates, and salary increase rates, based on the Wyoming Retirement System's (WRS) December 31, 2020 actuarial experience study. Further, there have been various assumption changes from the initial measurement date reflected below through the December 31, 2023 measurement date, as indicated in the table below:

Measurement Date (WRS Year-End)	Discount Rate	Investment Rate of Return	Inflation Rate	Salary Increase Rate	Payroll Growth Rate	Cost of Living Increases
2014	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2015	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2016	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2017	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2018	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%	0.00%
2019	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%	0.00%
2020	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%	0.00%
2021	6.80%	6.80%	2.25%	2.50%-6.50%	2.50%	0.00%
2022	6.80%	6.80%	2.25%	2.50%-6.50%	2.50%	0.00%
2023	6.80%	6.80%	2.25%	2.50%-6.50%	2.50%	0.00%

WYOMING BUSINESS COUNCIL

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION Year Ended June 30, 2024

Note 4. Postemployment Benefits Other Than Pensions Commitment

Changes in benefit terms: There were no changes in benefit terms between the June 30, 2016 and June 30, 2023 measurement dates.

Changes in assumptions: The plan has experienced the following changes in assumptions:

Measurement Date (Year Ended)	Discount Rate	Inflation Rate	Salary Increase Rate	Pre-Medicare HTC*	Medicare HTC*
2016	2.85%	2.50%	2.50%-6.50%	6.50%	7.50%
2017	3.58%	2.50%	2.50%-6.50%	6.50%	7.50%
2018	3.87%	2.25%	2.50%-6.50%	7.60%	8.10%
2019	3.51%	2.50%	2.50%-6.50%	7.20%	7.60%
2020	2.21%	2.25%	2.50%-6.50%	7.20%	7.60%
2021	2.16%	2.25%	2.50%-6.50%	7.50%	7.50%
2022	3.54%	2.25%	2.50%-6.50%	7.25%	7.25%
2023	3.65%	2.25%	2.50%-6.50%	7.50%	17.25%

* Healthcare trend rate.

In addition, the following assumptions are updated annually as necessary:

- Healthcare claims costs based on recent experience.
- Retiree contributions.
- Healthcare trend rates.
- Spouse age differential.
- Mortality rates, retirement rates, withdrawal rates, and disability rates based on the WRS's December 31, 2020 actuarial experience study.

OTHER GOVERNMENTAL FUNDS

The Wyoming Business Council's nonmajor governmental funds are described below:

Wyoming Business Council Fund: Used primarily to account for revenues of the Wyoming First program, telephone commissions, and net profits from sales of promotional merchandise.

Rural Rehabilitation Fund: Used to account for the operations of the rural rehabilitation program that is administered in accordance with the terms of an agreement with the U.S. Farmers Home Administration. Revenues consist primarily of interest income.

WYOMING BUSINESS COUNCIL

COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS

June 30, 2024

	Wyoming Business Council Fund	Rural Rehabilitation Fund	Total
ASSETS			
Deposits With State Treasurer	\$ 263,701	\$ 4,839,451	\$ 5,103,152
Cash and Investments With Trustee	93,025	1,708,088	1,801,113
Interest Receivable	1,757	32,255	34,012
Total assets	\$ 358,483	\$ 6,579,794	\$ 6,938,277
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 2,769	\$ 2,769
Liability under securities lending	93,025	1,708,088	1,801,113
Due to primary government	25,223	-	25,223
Total liabilities	118,248	1,710,857	1,829,105
Fund Balances			
Restricted	-	4,868,937	4,868,937
Assigned	240,235	-	240,235
Total fund balances	240,235	4,868,937	5,109,172
Total liabilities and fund balances	\$ 358,483	\$ 6,579,794	\$ 6,938,277

WYOMING BUSINESS COUNCIL

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL
FUNDS**

Year Ended June 30, 2024

	Wyoming Business Council Fund	Rural Rehabilitation Fund	Total
Revenues			
Investment income	\$ 19,842	\$ 353,140	\$ 372,982
Total revenues	19,842	353,140	372,982
Expenditures			
Services	7,655	121,242	128,897
Total expenditures	7,655	121,242	128,897
Excess of revenues over expenditures	12,187	231,898	244,085
Net change in fund balances	12,187	231,898	244,085
Fund Balances, beginning	228,048	4,637,039	4,865,087
Fund Balances, ending	<u>\$ 240,235</u>	<u>\$ 4,868,937</u>	<u>\$ 5,109,172</u>

WYOMING BUSINESS COUNCIL

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development:				
Community Development Block Grant Program	14.228	N/A	\$ 33,970	\$ 33,970
Total U.S. Department of Housing and Urban Development			<u>33,970</u>	<u>33,970</u>
U.S. Small Business Administration:				
State Trade and Export Promotion Pilot Grant Program	59.061	N/A	100,963	56,632
Total U.S. Small Business Administration			<u>100,963</u>	<u>56,632</u>
U.S. Environmental Protection Agency:				
Brownfield Assessment & Cleanup Cooperative Agreements	66.818	N/A	191,002	191,002
Total U.S. Environmental Protection Agency			<u>191,002</u>	<u>191,002</u>
U.S. Economic Development Agency:				
Economic Development Cluster:				
Economic Adjustment Assistance	11.307	N/A	222,741	-
Total U.S. Economic Development Agency			<u>222,741</u>	<u>-</u>
U.S. Department of Commerce:				
State Digital Equity Planning and Capacity Grant	11.032	N/A	373,770	-
Research and Development Cluster:				
Broadband Equity, Access, and Deployment Program	11.035	N/A	2,697,630	-
Total U.S. Department of Commerce			<u>3,071,400</u>	<u>-</u>
U.S. Department of the Treasury:				
Passed through the State of Wyoming:				
COVID-19 Coronavirus Capital Projects Fund	21.029	N/A	939,262	-
Total U.S. Department of the Treasury			<u>939,262</u>	<u>-</u>
Total expenditures of Federal awards			<u>\$ 4,559,338</u>	<u>\$ 281,604</u>

See Notes to Schedule of Expenditures of Federal Awards.

WYOMING BUSINESS COUNCIL

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Summary of Significant Accounting Policies

Expenditures reported on the accompanying Wyoming Business Council (the Business Council) Schedule of Expenditures of Federal Awards (the Schedule) are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Business Council provided approximately \$282,000 of Federal funds to subrecipients.

Note 2. De Minimis Cost Rate

The Business Council did not elect to use the 10% de minimis cost rate allowed under the Uniform Guidance.

Note 3. Basis of Presentation

The Schedule includes the Federal award activity of the Business Council under programs of the Federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the Business Council, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Business Council.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Wyoming Business Council
Cheyenne, Wyoming

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wyoming Business Council (the Business Council), a component unit of the State of Wyoming, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Business Council's basic financial statements, and have issued our report thereon, dated January 15, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Business Council's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Business Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Business Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Business Council's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001, that we consider to be a material weakness.

Report on Compliance and Other Matters


As part of obtaining reasonable assurance about whether the Business Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Business Council's Response to Finding

Government Auditing Standards require the auditor to perform limited procedures on the Business Council's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The Business Council's response was not subject to the other auditing procedures in the audit for financial statements, and accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Business Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Business Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cheyenne, Wyoming
January 15, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
Wyoming Business Council
Cheyenne, Wyoming

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Wyoming Business Council's (the Business Council) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the Business Council's major Federal programs for the year ended June 30, 2024. The Business Council's major Federal programs are identified in the Summary of Independent Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Business Council complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Business Council and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Federal program. Our audit does not provide a legal determination of the Business Council's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Business Council's Federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Business Council's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Business Council's compliance with the requirements of each major Federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Business Council's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Business Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Business Council's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and is described in the accompanying Schedule of Findings and Questioned Costs as item 2024-002. Our opinion on each major Federal program is not modified with respect to this matter.

Government Auditing Standards require the auditor to perform limited procedures on the Business Council's response to the noncompliance finding identified in our compliance audit and described in the accompanying Schedule of Findings and Questioned Costs. The Business Council's response was not subjected to the other auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-002, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards require the auditor to perform limited procedures on the Business Council's response to the internal control over compliance finding identified in our compliance audit and described in the accompanying Schedule of Findings and Questioned Costs. The Business Council's response was not subjected to the other auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

McGee, Hearne & Paiz, LLP

Cheyenne, Wyoming
January 15, 2025

WYOMING BUSINESS COUNCIL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2024

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP):

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☒ Yes ☐ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None Reported

Type of auditor's report issued on compliance for major Federal programs:

Unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? ☒ Yes ☐ No

Identification of major Federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
21.029	Coronavirus Capital Projects Fund
11.035	Broadband Equity, Access, and Development Program
11.032	State Digital Equity Planning and Capacity Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

WYOMING BUSINESS COUNCIL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2024

II. FINANCIAL STATEMENT FINDINGS

2024-001: Internal Controls and Audit Adjustments to Accounts Payable (Material Weakness)

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the Wyoming Business Council's (the Business Council) financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Fundamental concepts in an adequate system of internal control are the identification and prevention or detection of errors on a timely basis.

Condition/context: Adjusting journal entries were proposed within the Pandemic Relief Fund as follows:

- To decrease accounts payable and the corresponding expenses by approximately \$3.4 million.
- To decrease revenue from the primary government and deposits with the Wyoming State Treasurer by approximately \$3.4 million.
- To reclassify deposits with the Wyoming State Treasurer to due from primary government by approximately \$5.1 million.
- To defer unavailable revenue by approximately \$1.4 million.

Cause: The Business Council was appropriated a significant amount of funding by the State of Wyoming through the American Rescue Plan Act of 2021, specifically the Capital Projects Fund. The new funding was awarded to certain vendors and projects during the current year, with a significant amount of payments disbursed subsequent to year-end, primarily related to advances as allowable per the underlying contracts. As such, the Business Council overaccrued expenses related to the current year. Additionally, the Business Council did not defer revenue unavailable to be collected.

Effect: Prior to the proposed audit adjustments, the government-wide and fund level financial statements were not properly stated in accordance with U.S. GAAP.

Recommendation: We recommend that the Business Council implement a control system to ensure that the pertinent details of all projects project payments are tracked to ensure the proper treatment of expenditures based on their service dates.

Views of responsible officials: Management concurs with the finding. See Exhibit I for the corrective action plan.

WYOMING BUSINESS COUNCIL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2024

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2024-002: Reporting (Significant Deficiency)

<i>Assistance Listing Number/Title:</i> #11.035, Broadband Equity, Access, and Development Program
<i>Federal Agency Name:</i> U.S. Department of Commerce
<i>Award Number:</i> 56-20-B113
<i>Award Years:</i> 12/01/2022 - 11/30/2027
<i>Department:</i> Wyoming Business Council

Criteria: Per 2 CFR 200.303(a), a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Federal award is managed in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 2 CFR 200.302, the financial management system of each non-Federal entity must provide for the accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 and 200.329. 2 CFR 200.328 and 329(a) and (b) require that the non-Federal entity report financial and performance information as required by the terms and conditions of the Federal award.

Condition/context: During testing of the semiannual performance report, which provides information on the positions funded or expected to be funded by the Broadband, Equity, Access and Deployment (BEAD) Program, it was noted that the Business Council was inaccurately reporting full-time-equivalent staffing as 3%, when the correct reporting amount should have been 0%.

Cause: The error was the result of a misunderstanding of which information was required to be reported. This was primarily caused by the relatively new nature of the Federal program and evolving Federal guidance.

Effect: If a non-Federal entity fails to comply with Federal statutes, regulations, or the terms and conditions of a Federal award, the Federal awarding agency may impose additional conditions, which include requiring payments as reimbursements rather than advance payments; withholding the authority to proceed to the next phase until the receipt of evidence of acceptable performance within a given period of performance; requiring additional, more detailed financial reports; requiring additional project monitoring; requiring the non-Federal entity to obtain technical or management assistance; and establishing additional prior approvals.

Questioned costs: None.

Identification as a repeat finding: No.

Recommendation: We recommend that the Business Council implement a control procedure to review and approve all program reports to ensure the completeness and accuracy of the information being reported prior to submission.

Views of responsible officials: Management concurs with the finding. See Exhibit I for the corrective action plan.

WYOMING BUSINESS COUNCIL

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2024

I. FINANCIAL STATEMENT FINDINGS

2023-001: Internal Controls and Audit Adjustments to Pooled Cash and Investments (Material Weakness)

Condition/context: In January 2023, the Wyoming Business Council (the Business Council) received approximately \$19 million in Federal funding from the American Rescue Plan Act of 2021 for the State Small Business Credit Initiative (SSBCI). The funding was deposited with the Wyoming State Treasurer. Without receiving direction to the contrary, the State Treasurer's Office allocated a portion of the State Agency Pool activity to the SSBCI Fund. As such, adjusting journal entries were proposed and recorded to remove allocations of pooled cash and investments from the SSBCI Fund for (i) the liability under securities lending and cash and investments with trustee of approximately \$8.5 million, (ii) interest income of approximately \$95,000, (iii) interest receivable of approximately \$44,000, (iv) cash of approximately \$497,000, and (v) unrealized gains of approximately \$358,000.

Recommendation: We recommend that the Business Council design and implement a control system by which new funds are reviewed for participation in the allocation of the State of Wyoming's pooled cash and investments balances. In addition, we recommend that the Business Council's control system provide for an additional review of Federal funding, as in most instances, Federal funding is prohibited from being invested.

Status: There were no new funds identified by the Business Council in the current year. Additionally, the Business Council worked closely with the Wyoming State Treasurer's office to ensure that Federal funds were being invested in accordance with Federal requirements.

Auditor's comments: The corrective action plan was implemented. This finding is considered resolved.

2023-002: Internal Controls and Audit Adjustments to Accounts Payable (Significant Deficiency)

Condition/context: Adjusting journal entries were proposed in the General Fund as follows:

- To increase accounts payable and the corresponding expenses by approximately \$202,000.
- To increase Federal revenue and due from Federal government by approximately \$202,000.
- To increase cash and due to primary government by approximately \$202,000.

Recommendation: We recommend that the Business Council implement a control system to ensure that the service dates entered into the State's accounting system are properly recorded in the correct fiscal period.

Status: The Business Council requires dates of service to be provided for all invoices submitted for reimbursement and continues to implement control procedures to ensure that the proper service dates are being identified and input into the State of Wyoming's accounting system during the review and approval of invoices for payment.

Auditor's comments: The Business Council continues to work on fully implementing its corrective action plan as of June 30, 2024. This finding remains open; see 2024-001.

EXHIBIT I

CORRECTIVE ACTION PLAN

Date: January 15, 2025
To: McGee, Hearne & Paiz, LLP
From: Lyndsay Orr, Accounting Manager
Re: Wyoming Business Council Financial and Compliance Report - Fiscal Year 2024

The following are the Correction Action Plans to address the findings in the Wyoming Business Council (the Business Council) Fiscal Year 2024 Financial and Compliance Report:

2024-001: Internal Controls and Audit Adjustments to Accounts Payable (Material Weakness)

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding.

The Capital Projects Fund (CPF) awardees (internet services provider subrecipients) were programmatically allowed to receive advance payments to assist with upfront design and supply costs at project inception. The advance payments provided unexpected accounting complexities, because, by nature, an advance payment should be treated as a prepaid expense. With the advance, the internet service providers could also request reimbursement for design work, which primarily had service dates that occurred prior to June 30, 2024. The design dates of service were used for the advance and is why the full advance amounts were captured in the original account payable adjustment. After receiving the advance payment, subsequent invoicing for supplies and construction work are not reimbursed until the actual expenses meet and exceed the amount of the advance. After re-evaluation of all invoices submitted by the internet service providers for reimbursement, it was determined that the actual dates of service of the advance payments made by the Business Council were not only for the year ended June 30, 2024, which created the over accrual of accounts payable.

Since the end of FY24, the Business Council has implemented a spreadsheet tracking system for each project that includes tracking advance disbursements, project service dates, and final project permitting dates, which are all relevant to the accounts payable determination.

With this new tracking system, a standard operating procedure or SOP has been created. When processing payments, the payment processor will review underlying supporting documentation to determine the underlying expenditure service dates and enter those dates into the project's tracking sheet, and into the service date fields for the payment in the Advantage 4 accounting system. The payment approver will perform a detailed review of the payment processor's work and the date determinations prior to approving the disbursement of funds. The service dates for an advance payment will be the date the payment is being created. For reimbursement requests that aren't disbursed because those requests are counted against the advance, the Business Council will do another review of underlying expenses while preparing the accounts payable adjustment to verify which fiscal year those expenses should be reported in.

As part of the tracking system, a project summary sheet has been created that will be updated on a quarterly basis, and will show the expense amounts by fiscal year, the remaining advance amount (if applicable), and the remaining grant amount for each project. Total disbursements and remaining grant amounts will be matched to the ending quarterly balances in the Advantage 4 accounting system. For future fiscal years, this workpaper will be used to support the CPF accounts payable balance.

Anticipated Completion Date: January 15, 2025

Contact Person: Lyndsay Orr, Accounting Manager

2024-002: Reporting (Significant Deficiency)

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding.

All semi-annual reports (due January and July) for the Broadband Equity, Access, and Deployment (BEAD) Program are reviewed, edited with the federal awarding agency's guidance, and accepted by the federal awarding agency before being considered complete. The July 2024 report was the first program report submitted. We are now working with our third-party BEAD administrative contractor to strengthen the report roles, preparation, and approval process for future periods. We will test this strengthened process for the reports due to the federal awarding agency in January 2025 and will take an iterative approach to continuously evaluate and fine-tune for this unique federal program in future reporting periods.

Anticipated Completion Date: January 2025

Contact Person: Lyndsay Orr, Accounting Manager



INVESTMENTS COMMITTEE REPORT



Business Ready Community (BRC)
Grant & Loan Program

Business Committed Application

WYOTECH TRAINING EXPANSION

Applicant: City of Laramie

Grant Request: \$5,000,000

Loan Request: \$5,000,000

Match: \$32,842,750

Total Project Costs: \$42,842,750



PROJECT APPLICATION

The City of Laramie requests a \$5 million Business Committed grant and \$5 million loan to construct a 137,000-sf facility on 32 acres south of Venture Drive to house new and expanded WyoTech trade training programs including welding, advanced diesel, heavy diesel, and trim.

The WyoTech Training Expansion project will provide hundreds of additional entry-level transportation tradespeople to the workforce annually. WyoTech's current enrollment is more than 1,150 students on campus (1,200-student capacity). To increase enrollment and capacity, WyoTech requires additional space.

The proposed building will serve the welding, advanced diesel, trim and upholstery, and the Applied Service Management (ASM) program needs. This additional space will enable WyoTech to add 400 to 800 additional students plus 99 new employees with the plan for it to be open by summer/fall 2026.

JOB QUALITY

WyoTech currently employs 240 individuals, and the proposed project would create an additional 99 positions. The median wage of these positions will be \$35.80/hour at maturity; the median wage in Albany County is \$22.70/hour. **The proposed wages are also about 12% higher than the national industry average.**

Instructors.....	64
Admissions.....	26
Administrative.....	6
Custodial/Maintenance.....	3

Of the 99 jobs created, 15 to 20 will work remotely out of state.

WyoTech is confident in its ability to continue recruiting workforce from both in and out of state. They have partnered with local agencies such as the Wyoming Department of Workforce Services, Express Professionals, and CLIMB Wyoming.

**PROPOSED WAGES
ARE
58%
HIGHER
THAN COUNTY
MEDIAN WAGES &
12%
HIGHER
THAN NATIONAL
INDUSTRY AVERAGE
WAGES**

PROJECT NARRATIVE

COMPANY STRENGTH

WyoTech was founded in 1966 and is now known as a trailblazer in the automotive, diesel, collision and refinishing, and welding industries. After becoming a family-owned, private company in 2018, WyoTech has grown from 12 students and 12 employees in July 2018 to over 1,100 students and nearly 240 employees as of December 2024.

WyoTech offers training in multiple automotive and diesel-related industries, including automotive, collision, and diesel repair. In addition to the core programs, students can gain additional skills through shorter-term training in areas such as street rods, chassis fabrication, high-performance power trains, and service management. Students register for a nine-month program consisting of six months of training in the core programs and three months in a specialty elective.

Approximately 93% of WyoTech students come to Laramie from out of state, and approximately the same amount leave the state after graduation. This import and export of WyoTech students and services generates tradeable income for the community.

The demand for skilled workers in the transportation trade industry is growing nationwide. This phenomenon is demonstrated by WyoTech's quarterly career fairs, which are each attended by more than 100 industry employers.

COMMUNITY ENGAGEMENT

In January 2020 the City of Laramie finalized Thrive Laramie: A Community and Economic Development Action Strategy for the Next 10 Years. This plan identified 13 strategies, and the applicant believes this project aligns with four of those strategies.

These include:

1. Increasing regional collaboration for business retention, attraction, and recruitment efforts.
2. Supporting increased revenue and wages for existing businesses.
3. Strengthening connections between educational/training providers and state and regional employers.
4. Working to expand the quality and quantity of housing options available.



PROJECT NARRATIVE

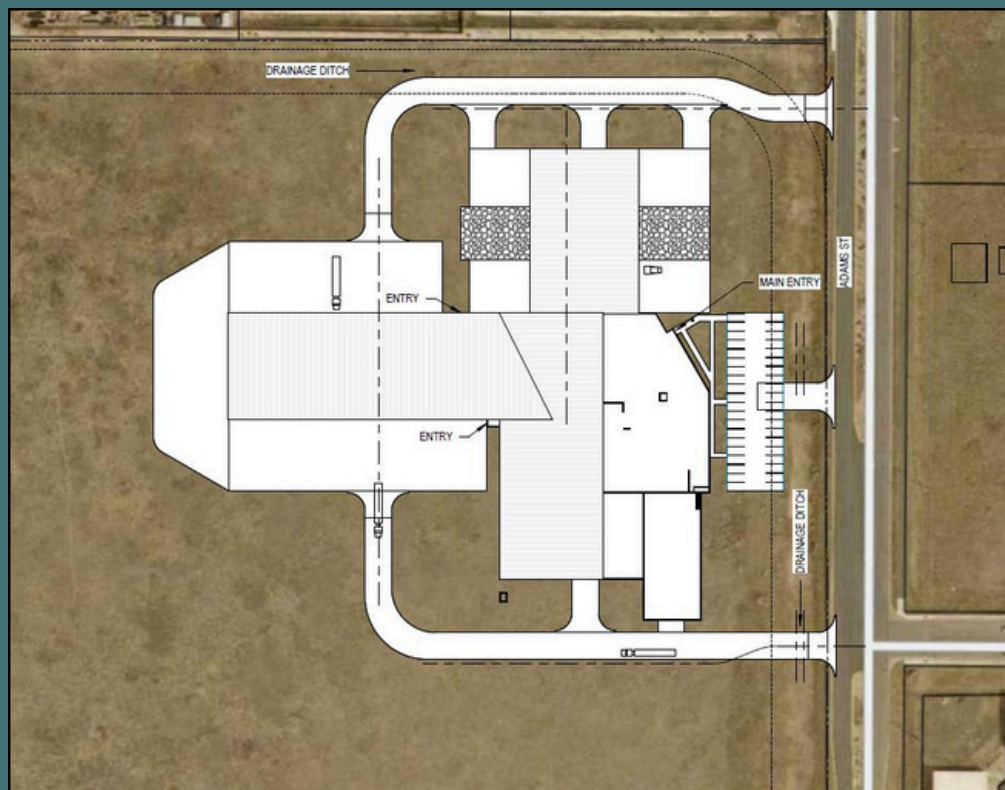
COMMUNITY ENGAGEMENT

This project has the potential to enhance the education ecosystem in Albany County. Laramie is an education economy with the University of Wyoming being the number one employer in the county and WyoTech being the number six employer.

Both public and private partners also are looking at potential housing solutions for Laramie.

Currently, WyoTech offers and operates student housing to accommodate students moving in from outside Laramie. This consists of 1,040 beds: 620 on campus in a lease and another 420 in several locations throughout the community that are short-term leases. The company believes it will be able to free up hundreds of beds around Laramie currently filled by existing students with their future housing project, using freed-up capital if this project is approved.

Additionally, the City and Laramie Chamber Business Alliance (LCBA) is actively focused on housing with multiple projects currently being developed.



PROJECT NARRATIVE

LOAN INFORMATION

The City of Laramie is requesting a 20-year loan with a 1% interest rate.

WBC proposes the Advanced Diesel Shop (approx. 62,947 sq ft) portion of the facility be owned by the City of Laramie which will effectively secure the loan and grant funds invested. The lease payments paid will be used to cover Laramie's debt service on the \$5,000,000 Loan.

The bank financing will be secured by the remaining portions of the facility. **All funding will be contingent on the approval/origination of bank financing.**

REVENUE RECAPTURE

Should WyoTech exercise its option to purchase the property at Year 6, the City and LCBA are proposing the following split for revenue recapture:

Entity	Percent	Approx. Amount
LCBA	46%	~\$2,300,000
City of Laramie	8%	~\$400,000
BRC Account	46%	~\$2,300,000

These figures are dependent on hiring goals and performance measures presented.

Use of Recaptured Revenue

The City of Laramie will use recaptured funds to maintain operations at the local level.

LCBA wishes to maintain some flexibility in the use of recaptured funds to ensure they're able to focus on other economic development initiatives as they arise but has identified three main areas of focus:

- Continued development of the Cirrus Sky Tech Park;
- Cash match for future Wyoming Business Council grants and loans; and
- Other economic development opportunities (i.e. infrastructure extension, economic incentives, marketing, public enhancements, property acquisition or development, and working capital for new business growth).

COMMUNITY RESOURCES

SOURCES & USES

Sources	
BRC Grant	\$ 5,000,000
BRC Loan	\$ 5,000,000
Bank Loan	\$ 25,000,000
Cash	\$ 5,000,000
Equity Investment*	\$ 2,842,750
Total Costs	\$ 42,842,750
BRC % of total eligible project costs	12%
Local % of total eligible project costs	88%
Uses	
Land	\$ 75,000
Architectural and Engineering Fees	\$ 1,860,000
Surveys, Tests, Etc	\$ 115,000
Project Inspection Fees	\$ 55,000
Site Work	\$ 3,735,750
Electrical Systems	\$ 4,588,000
Mechanical, Plumbing, HVAC	\$ 6,882,000
Landscaping	\$ 155,000
Foundation and Structural System	\$ 13,950,000
Interior Finishes	\$ 5,115,000
Fire Protection	\$ 775,000
Miscellaneous	\$ 1,800,000
Contingencies	\$ 3,737,000
Total Uses	\$ 42,842,750

**There may be an equity investment source of funds as there is an interested venture capital investor. Otherwise, Platte Valley Bank has indicated it could increase its loan amount to WyoTech.*

COMMUNITY RESOURCES

MATCH BREAKDOWN

Source	Description	Amount
City of Laramie	WBC Loan	\$5,000,000
	Cash	\$0
City of Laramie Subtotal:		\$5,000,000
LCBA	Cash	\$0
LCBA Subtotal:		\$0
WyoTech	Platte Valley Bank Loan	\$25,000,000
	Cash	\$5,000,000
	Equity	\$2,842,750
WyoTech Subtotal:		\$32,842,750
Total:		\$37,842,750



TAX STRUCTURE

Tax	Percent	Amount
State Sales & Use	4%	\$12,856,746
Local General Purpose Option	1%	\$10,782,655
Local Specific Purpose Option	1%	\$10,782,655
Local Economic Development Option	-	\$0

Wyoming Department of Revenue FY24

COMMUNITY RESOURCES

CITY OF LARAMIE BUDGET

City of Laramie	FY25	FY26
Total Budget	\$103,209,120	\$74,413,468
Community and Economic Development Budget	\$2,472,190	\$1,466,725

Of the total biennium budget, 2% is allocated to Community and Economic Development.

City Reserves

The City of Laramie has a policy of maintaining at least three to six months of a fund's expenditures (less inter-fund transfers) in unassigned reserve for its non-capital funds.

The City currently has about \$41 million in reserves (over a year) as of FY24. However, some of those funds are being utilized to balance operational expenses.

LCBA BUDGET

LCBA	FY25	FY26
Total Budget	\$614,768	\$612,357
Community and Economic Development Budget	\$73,750	\$78,100

LCBA has approximately \$1 million in reserves annually.

Prior LCBA BRC Projects

To date, there have been 29 BRC projects in Albany County, of which 12 were Business Committed projects. These projects should have generated **more than \$20 million** in local revenue recapture through revenue-generating projects with businesses like WellDog, InterTech, Trihydro, HiViz, Underwriters Laboratories, Pete Lien, Tungsten, and Bright Agrotech.

PROJECT EVALUATION

STATE CONSIDERATIONS

When looking at barriers to growth identified in the Wyoming Comprehensive Economic Development Strategy (CEDS) or the Growth Perspective there are a few identified challenges that this project could help address.

Economic Diversification

In addition to enhancing the local ecosystem, this project has the potential to enhance the state's industry cluster development goals. WyoTech's ASM program, which is being expanded as part of this expansion, has an entrepreneurial focus and is designed to provide students with the foundation needed to open their own businesses.

WyoTech also recently partnered with the University of Wyoming on credit transfer options to allow WyoTech graduates to transfer credits to the university to pursue bachelor's degrees in Career and Technical Education Teaching or Organizational Leadership.

Creating Opportunities

This project has the potential to create opportunities within the community and the state by creating jobs and wages that are higher than both the county median and the state industry average.

Workforce

This project will potentially create jobs and may attract out-of-state know-how to be employed by WyoTech. However, the large majority of trained students are likely to continue to leave the state for employment opportunities.

ATTORNEY GENERAL OPINION

Pending

PROJECT EVALUATION

ECONOMIC IMPACT ROI FIGURES

Economic impact return on investment (ROI) measures the economic “churn” of a project in the county where the project is located. The WBC contracts with Applied Economics, a third-party vendor, to determine this impact. The algorithm used to calculate the economic impact of a project is formulated using county-specific market factors and data.

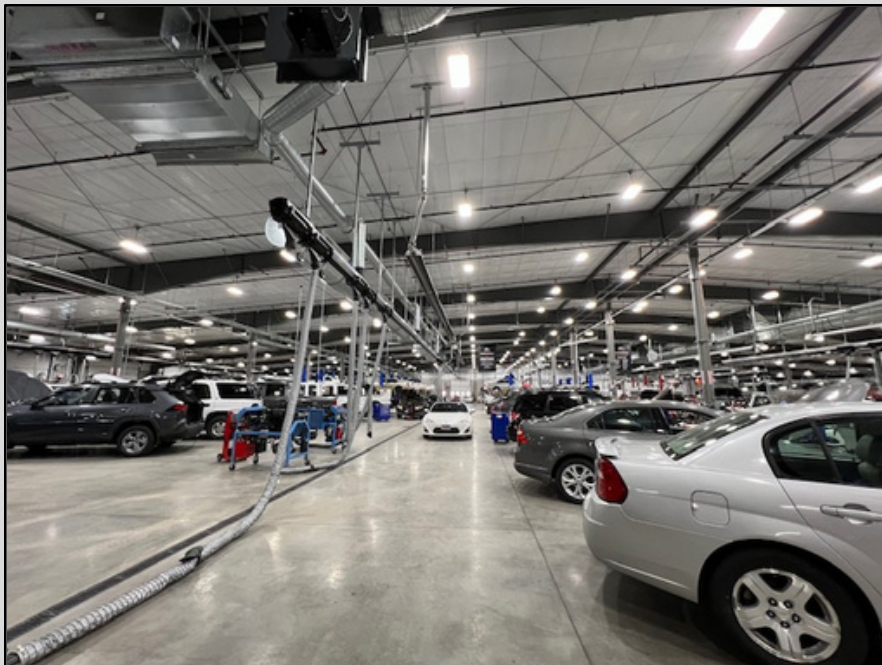
The direct and indirect impacts of the expansion of the project are as follows. These figures account for the additional jobs, wages, and capital expenditures of \$28 million.

- At maturity, the project will have a direct annual impact of \$683,194 per year.
- The indirect impact (suppliers) is \$528,212 per year.
- **Additional total annual impact for Albany County is \$1,211,406.**

The economic impact, or years to recoup the BRC grant funds, is approximately 4.1 years.

The annual impact does not factor in the student population’s potential impact on the local community. Each student adds approximately \$3,500 to the local economy during their nine-month training.

These figures are calculated by accounting for projected jobs, wages, and capital expenditures. Thus, these figures are relatively conservative, as other tax revenue-generating benefits and induced economic activity are not represented.



PROJECT EVALUATION

PERFORMANCE MEASURES



County
Median Wage:
\$22.70/hr



Median
Wage of
WyoTech
Jobs:
\$35.80/hr



Economic
Impact ROI:
4.1 years*



BRC Match:
12%

National
industry Avg
Wage:
\$31.66/hr

Created
Jobs:
99

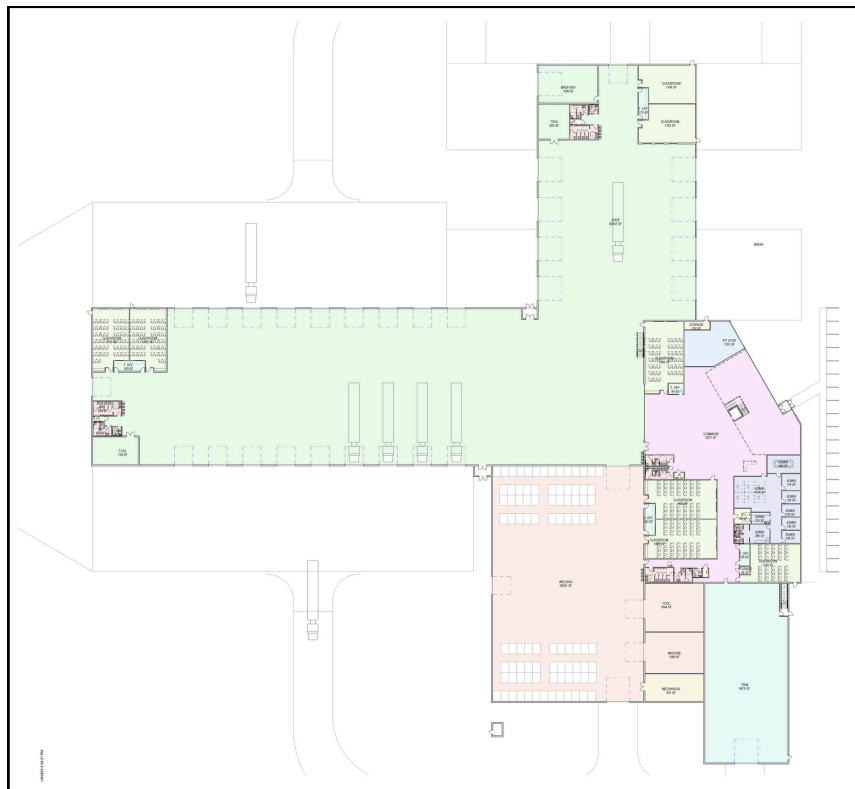


Private
Investment:
\$28,000,000



Facility:
137,000-sf

**Grant only data for ROI*



PROJECT RECOMMENDATION

FLYWHEEL EVALUATION

Determine Binding Constraints: Laramie and Albany County face many barriers to growth. A lack of quality, high paying primary jobs, low local expenditures within the retail community, housing, and low tax income all play a factor in Laramie's barriers to economic growth.

Create / Attract Compelling Project: While this is a compelling Business Retention & Expansion (BRE) project for the community and the State, it will not promote regional collaboration or address other binding constraints.

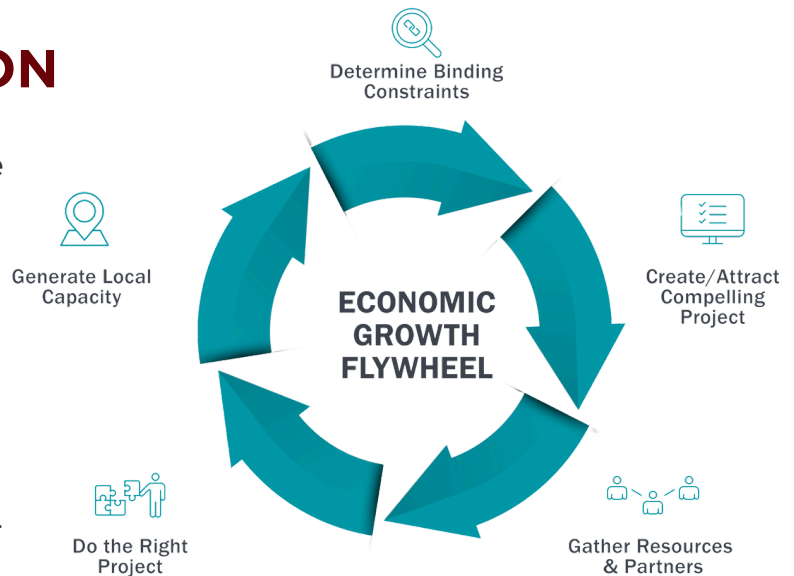
Since WyoTech is a for-profit business, this project will increase revenue and wages. Initially, this project may exacerbate the housing constraint. However, the community is addressing this barrier in the long term.

Gather Resources & Partners: This project involves several local partners. However, the regional collaboration identified in Laramie's economic development plan is inadequate. The City's BRC loan request meets the minimum requirements for match; however, BRC funds are the only state or federal funding source.

Do the Right Project: This project addresses some binding constraints. There is potential to bring high-paying, skilled, primary labor market jobs for attraction and retention to diversify the region's industry mix, drive economic growth, and increase wages.

While this project does generate tradeable income for the community and state by importing students, it does not address larger workforce challenges identified as the majority of students leave the state after graduation.

Generate Local Capacity: This project should increase local capacity and revenue streams; however, based on past performance there is little evidence that will occur. The City's and LCBA's investment into economic development is insufficient to meet the goals they have for themselves. For example, LCBA is not utilizing any past revenue recapture towards this project as identified in its Revenue Recapture Plans.



PROJECT RECOMMENDATION

CONSIDERATIONS

COMPELLING

- Creates great jobs in Wyoming
- Adds to the Albany County education cluster
- Supports existing business growth (BRE)
- Addresses barriers to economic growth
- Generates tradeable income

CONCERNING

- Lack of shared capital at risk from partners
- Not yet a fully funded project
- Inadequate Revenue Recapture Plan

RECOMMENDATION:

Staff recommends a \$5M Loan at 2% interest with a 20-year term and a \$5M Grant with a 80% (with an escalator up to 100%) WBC recapture.

Recommendation is Contingent upon two factors:

- The project is fully funded and WBC staff retains the ability to review the sources and uses prior to contract execution.
- Grant dollars will not be used for pre-construction activities including but not limited to engineering and design.

TRUE COMPANIES

455 NORTH POPLAR STREET
CASPER, WYOMING 82601

P.O. DRAWER 2360
CASPER, WY 82602
(307) 237-9301
FAX: (307)266-0252

December 31, 2024

Wyoming Business Council
214 W. 15th Street
Cheyenne, WY 82002

Subject: Letter of Support for WyoTech

Dear Wyoming Business Council,

On behalf of True companies, we are proud to offer our full support for WyoTech's proposed expansion project. WyoTech has long been a cornerstone of workforce development in Wyoming, and its growth is critical to meeting the rising demand for skilled workers across our industries. We urge you to give this proposal serious consideration and approve their funding request.

True companies has called Wyoming home since 1948. From energy and agriculture to transportation, banking, and real estate, our businesses are woven into the fabric of this State's economy. We rely on hardworking, highly trained individuals to keep our operations moving. WyoTech has consistently delivered that talent, providing the skilled workforce we, and many others depend on.

Under Jim Mathis's leadership, WyoTech has experienced a resurgence, proving its ability to grow responsibly while staying true to its mission. Jim's deep ties to Wyoming and his firsthand understanding of the needs of both students and industry give us every reason to believe this expansion will be a success.

The proposed growth at WyoTech, adding space for 200 more diesel students, 200 welding students, and launching a heavy equipment training program, could not come at a better time. Industries like ours are facing workforce shortages, and these programs are exactly what is needed to close that gap. WyoTech's ability to produce job-ready graduates is not just good for business, it is essential for Wyoming's economic future.

The Wyoming Business Council's mission to grow and diversify the state's economy aligns perfectly with WyoTech's vision. This project is an investment in Wyoming's workforce, our communities, and our shared future.

We appreciate your time and consideration of this request. Should you have any questions or need additional information, please do not hesitate to reach out.

Sincerely,

DocuSigned by:

Dave True

F0E226E99CB14EB...

Dave True

True companies
P.O. Drawer 2360
Casper, WY 82602
(307) 237-9301

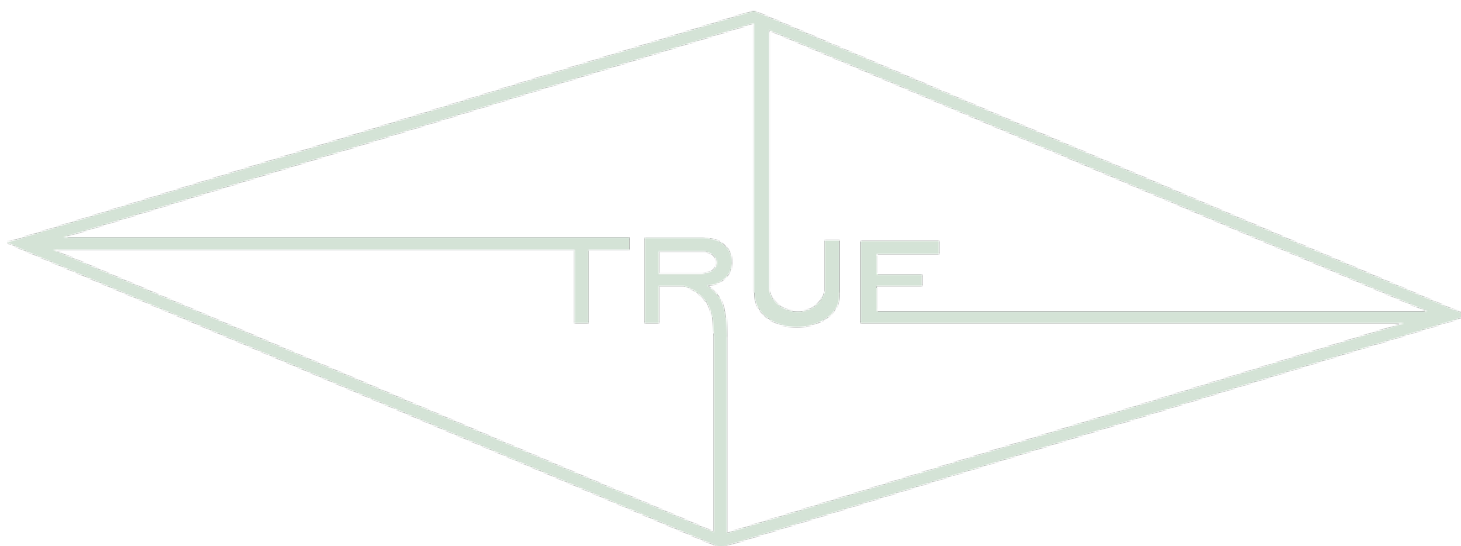
DocuSigned by:

Bryce True

8692C5E92B1E40D...

Bryce True

True companies
P.O. Drawer 2360
Casper, WY 82602
(307) 237-9301



December 20, 2024

To Whom it May Concern:

As the Workforce Development Manager for Kiewit, my role is to build pipelines from organizations that can provide skilled workforce for our projects. With record setting backlog, our craft workforce is estimated to grow year over year. Our projects are nationwide and we are working closely with WyoTech to hire their graduates for those projects. I am writing to share our support of the great work that is taking place at WyoTech. If WyoTech adds Heavy Equipment training and increases student capacity in the Diesel and Welding programs, more opportunities for their students will become available. We currently hire from their Diesel program but look forward to hiring from their welding program next year as well.

As the nation continues to feel the shortage of skilled construction workers it is imperative to support programs like the WyoTech that provide the foundational skills training and character development for student to be ready to work for a company like ours. We provide rewarding careers, but it is demanding work. WyoTech understands that and that is why they are one of our preferred vocational schools in the country. Once alumni are hired on with Kiewit, we will continue to build on the great training provided by WyoTech to further develop their skills and experience so that hopefully they grow to become skilled journeymen or even take on leadership roles within our company.

I strongly encourage the funding and growth of WyoTech. They are doing great work in preparing students for rewarding career opportunities and I look forward to seeing them continue to grow.

Sincerely,



CARLOS GABRIEL CAMBRELÉN
Workforce Development Manager

KIEWIT CORPORATION
3831 Technology Forest
The Woodlands, TX 77381
(361) 385-6106 Cell
gabriel.cambrelen@kiewit.com
kiewitcraftjobs.com



December 20, 2024

Wyoming Business Council

To whom it may concern:

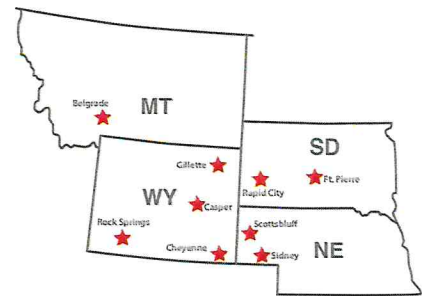
I am writing in support of a proposed new facility for WYOTECH and what it means to that institution, surrounding communities and our great state of Wyoming. I have been in a managerial position for 17 years or more. In the last few years getting good quality help has been quite an endeavor and understanding that finding quality help is a must for success of our business and others as well.

We have been invited to attend the WYOTECH job fair for the last year and a half. The students we were introduced to were amazing young people, they were so courteous, appreciative of the opportunities afforded them from the school, such great attitudes and common sense. After spending that time on campus and getting to know students and administrators, we saw the discipline and structure young people need to make a difference in the job force. I truly believe that WYOTECH and its way of educating young people is a saving grace for us as employers. We need more institutions like this and I fully endorse the funding needed to move WYOTECH forward.

Power Equipment Co is a heavy equipment dealer for many lines of equipment: loaders, excavators, aggregate equipment. It is a dirty industry and finding mechanics and technicians has been hard. But, the WYOTECH people have moved their graduates past that and provided us with fantastic applicants as this is an industry not all want to be involved with so getting applicant has been hard.

I appreciate you listening and considering giving the funds needed to help young people and companies in Wyoming the resources needed to be successful.

Larry Kennedy
Power Equipment Co
Casper WY



Cindy Barlow
Director of Industry Relations / WyoTech
1889 Venture Drive
Laramie, WY 82070

January 2, 2025

Cindy,

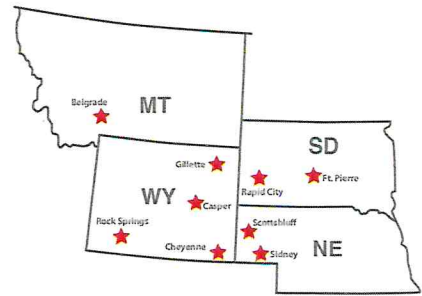
On behalf of Floyd's Truck Center, I am pleased to offer our full support for WyoTech in their pursuit of funding from the Wyoming Business Council to construct a new facility.

As a company operating in the automotive and diesel industries, we are acutely aware of the critical need for workforce training. The demand for skilled technicians continues to grow, while the pool of qualified individuals struggles to keep pace. This labor shortage has far-reaching implications, not only for businesses like ours but for the essential infrastructure that keeps our economy moving. WyoTech has been a vital partner in addressing this need by providing us with highly capable graduates who can seamlessly integrate into our teams and complete their training through OEM-specific programs.

Under Jim Mathis's leadership, WyoTech has demonstrated a steadfast commitment to quality education and workforce development. Their proactive approach in engaging employers, including Floyd's Truck Center, to shape curriculum and content ensures their graduates meet the evolving needs of our industry.

Our relationship with WyoTech spans many years and is deeply rooted in mutual collaboration. Floyd's Truck Center has proudly partnered with WyoTech to support their designation as a Get Ahead School within Daimler Trucks North America (DTNA), with Floyd's serving as the sponsoring dealer. This partnership enables WyoTech students to gain DTNA-specific training during their time at school, giving them a competitive edge in the job market.

The proposed expansion of WyoTech's facilities represents a necessary step forward to meet the increasing demand for skilled workers. This initiative will not only benefit Wyoming but also the broader national workforce. As an employer who actively recruits and mentors WyoTech graduates, we are confident in their ability to responsibly and effectively execute this project to further enhance their impact.



We encourage the Wyoming Business Council to support WyoTech in this endeavor. Floyd's Truck Center is proud to stand alongside them, and we look forward to continuing our partnership as we work together to mentor the next generation of technicians and ensure the continued growth and success of our industries.

Cody M Bohl

Director Fixed Operations

Floyd's Truck Center

Wyoming, Nebraska, South Dakota, Montana



Wyoming Business Council
214 West 15th St.
Cheyenne, WY 82002

Dear Wyoming Business Council,

We write to you as a member of the heavy equipment industry to advocate for your support of the WyoTech request to increase their campus footprint. RDO Equipment Co. sees this investment as a fundamental need for the trades industry and will increase WyoTech's ability to train the future workforce in high demand careers such as Diesel Equipment Technicians.

As one of the world's largest John Deere and Vermeer equipment dealers, including four locations in the state of Wyoming, RDO has actively partnered with WyoTech over the past 20+ years, with many alumni in technician and management roles across our dealer network. We view this additional facility as an opportunity to enhance the educational experience that will embrace future teaching methodologies, keep pace with rapidly changing industry technology, and most importantly, increase enrollment.

RDO Equipment Co. offers a program called Access Your Future which consists of financial incentives and work experiences to provide students industry support as they begin their career, however it is higher education that is the foundation on which we build this workforce making WyoTech's growth a requirement for our future. Skilled trades workers build the world we all live in today and tomorrow, your support of WyoTech will help to ensure future generations are able to continue this trajectory of success.

Kind Regards,

A handwritten signature in blue ink, appearing to read 'Jeff Eastwood', with a long horizontal flourish extending to the right.

Jeff Eastwood
General Manager
RDO Equipment Co.

Laramie Town Gown Association

Vision: Connecting community & finding common ground through higher ed and community partnerships.

January 3, 2025

RE: Wyoming Business Council Funding Request from WyoTech

To Whom It May Concern:

The Laramie Town Gown Association is a community organization that connects higher education and the community. WyoTech has been involved in this initiative since 2015. They are the definition of community within their own walls and within the greater community.

WyoTech students are encouraged to be a part of the community from the day they arrive. The students provide the most volunteer hours in our community. The students are always the first to volunteer for opportunities in the community. This fall WyoTech students and UW students partnered on a tailgate event for the Boise State game. They are working together to provide student opportunities. With the addition of more students that means more opportunities in our community for students.

WyoTech provides the students with a sense of belonging by introducing them to the community on "Community Welcome Day". This day is held on the second day of arrival for the students. Our community organizations and law enforcement spend time sharing information about our community. The students understand the expectations of the community but are also welcomed with open arms.

This project shows the need for more learning space for WyoTech students. WyoTech works hard to make sure their projects benefit their students and the community.

Sincerely,

Tracy Young

Tracy Young, Coordinator
Laramie WY 82070
307.760.7073

WYVC FUND INVESTMENT APPROVAL

The Investments Team is seeking board approval to invest the second tranche of funds which would be up to \$18,458,227 in State Small Business Credit Initiative (SSBCI) federal funds before January 1, 2029.

PROGRAM OVERVIEW & HISTORY

The U.S. Federal Treasury approved a potential allocation of \$58,426,481 to Wyoming for the State Small Business Credit Initiative (SSBCI) Program. This is a 9-year federal program with disbursements in tranches which can be drawn down either at year 3 or prior to year 3 if 80% of the funds have been expended. These investments will be under the existing SSBCI rules (Ref No: 085.0018.1.01302023) including Section 6: Review and Recommendation, which outlines that two (2) board members will be included in the SSBCI Committee when the Committee Review Threshold of \$2,000,000 is exceeded. Equity investments are limited by U.S. Treasury to not more than ½ of the fund or round, and not more than \$5,000,000 per investment.

We received our first tranche of funding at the beginning of January 2023 and had digital applications developed and opened by April 1st of 2023. Our initial request from the board was presented during the May 2023 board meeting in Gillette and was approved at that time. The first closed investment we participated in was in July of 2023. Since then, we have closed 10 direct investment deals in 8 portfolio companies, and invested in our first partner fund. This has allowed us to achieve the 80% threshold of invested funds and call down Wyoming's second tranche of SSBCI Federal Funds to be available soon.

REQUEST

The existing WBC Contracts policy requires this Board to review and approve all contracts and expenditures totaling \$100,000 or more. While we believe continuation of this practice and policy is appropriate, it presents certain challenges with timely disbursement of equity investments to support startups in Wyoming. There are also challenges with the proprietary and financial information required to complete appropriate diligence that cannot be presented during a public meeting.

The investments team feels strongly that timely investment of these funds will greatly benefit Wyoming startup companies and give them the best chance of success in the future. To facilitate timely and optimal investment of the SSBCI federal funding, we recommend adoption of the following resolution:

“BE IT RESOLVED by the Wyoming Business Council (WBC) Board of Directors, the CEO and staff of the Wyoming Business Council are hereby authorized to invest and disburse funds allocated to WBC for the SSBCI Program and may do so in smaller increments up to \$18,458,227 before January 1, 2029, in accordance with existing program rules and without pre-approval provided. All investments shall be made in good faith and full compliance with applicable federal guidelines, and otherwise performed in accordance with rules and WBC policy. The CEO and staff shall provide updates to U.S. Treasury and the board on all investments made under this authorization at each regular public WBC Board of Directors meeting.”

STAFF RECOMMENDATION

The staff recommends approval of this request.



KICKSTART GRANT Q1 2025 FINALISTS

FEB. 26, 2025





KICKSTART GRANT THE PROCESS

- Applications opened mid November
- 16 companies applied
- Internal WBC team narrowed the pool down to 5
- External panelists made the selection of the final 3
- Internal WBC determined award amounts through a Q&A session





AG INNOVATIONS SHONDA OTWELL

AWARD: \$50,000

2023 Winner of the Energy Capital Startup Challenge, Ag Innovations Water Rippler is on pace to launch into large scale production later this year, supporting pre-sale demand.





ING OUTDOORS ZACH RACHLIN

AWARD: \$50,000

Audience Choice Award winner at the 2024 Silicon Coulaire Pitch Day, ing Outdoors is working through feedback from Alpa testing, with a goal to do a Beta release this spring





BOTNY (ROOT TO SHOOT) NATHAN ROMA

AWARD: \$50,000

2024 Winner of Energy Capital Start Up Challenge in Gillette, RTS is a controlled environment ag company founded in Sheridan, working towards food safety certification to better serve the current demand for their product.



BOTNY
FRESHNESS YOU TRUST



WYOMINGBUSINESS.ORG



**LEAD ECONOMIC GROWTH
BUILD RESILIENT COMMUNITIES
CREATE OPPORTUNITIES TO THRIVE**

214 W 15th ST, CHEYENNE, WY 82002
© 2025 WYOMING BUSINESS COUNCIL