



WYOMING BUSINESS COUNCIL BOARD MEETING MATERIALS





DECEMBER 17, 2025

MEETING WILL BE HELD VIRTUALLY

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.

WEDNESDAY, DECEMBER 17, 2025

8:00 AM

CONVENE PUBLIC MEETING: CO-CHAIR, MARK LAW

- Pledge of Allegiance (all participants will be muted)
- Welcome
- Roll Call of Board Members
- Public Comment Request Inquiry

Note: members of the public who wish to speak during the December 17, board meeting should email wbc-conference@wyo.gov before 4 p.m. on Tuesday, December 16, stating your name and the topic you wish to address. Written comment is also welcome and can be sent by email to wbc-conference@wyo.gov.

- 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 removed from the consent agenda for further discussion.

- [CA] Meeting Minutes for September 10, 2025, Regular Meeting (Page 6)
- [CA] Quarterly People and Performance Report (Page 12)
- [CA] Quarterly SBIR Report (Page 21)
- [CA] Quarterly Loan Report (Page 24)
- [CA] BRC Rules Revision (Page 26)
- **Action Item:** Consideration of approval of items included on Consent Agenda.

8:25 AM

CEO REPORT: CHIEF EXECUTIVE OFFICER, JOSH DORRELL

8:55 AM

INVESTMENTS STANDING COMMITTEE: COMMITTEE CHAIR, DEREK SMITH (PG. 65)

- Startup Grants: Kickstart Update & Awards – Startup Grants Manager, Brittanie Faulkner (Page 66)
- Startup Equity: WYVC Fund Update – Equity Portfolio Manager, Gordon Finnegan & Investments Portfolio Analyst, Rylan O'Bryan (Page 79)
- Loans – Loan Portfolio Manager, John Wendling
 - 50/50 Loan - First Federal Bank & Trust, Sheridan, WY (Page 86)
 - Business: Newman Restoration & Cleaning
 - **Action Item:** Consideration of staff recommendation
 - Succession Loan - First Northern Bank, Buffalo, WY (Page 90)
 - Business: Mountain West Valuations, LLC
 - **Action Item:** Consideration of staff recommendation

9:55 AM

SERVICES STANDING COMMITTEE: COMMITTEE CHAIR, RYAN LANCE (PG. 94)

- Services Update – Services Director, Brandon Marshall
- Contract with CTC Technology and Energy – Amplifund, Broadband Manager, Chad Bolling (Page 95)
 - **Action Item:** Consideration of staff recommendation to approve contract
- Contract Amendment One with Silicon Couloir – Entrepreneur Development Manager, Taylor Vignaroli (Page 108)
 - **Action Item:** Consideration of staff recommendation to approve contract

10:35 AM

STRATEGY STANDING COMMITTEE: COMMITTEE CHAIR, JOE SCHAFER (PG. 113)

- Contract Extension with President and Fellows of Harvard College, on behalf of the Harvard Kennedy School, for Harvard Growth Lab - Chief Strategy Officer, Sarah Fitz-Gerald (Page 114)
 - **Action Item:** Consideration of staff recommendation to approve contract
- Contract Amendment Two with President and Fellows of Harvard College, on behalf of the Harvard Kennedy School, for Building State Capabilities - Chief Strategy Officer, Sarah Fitz-Gerald (Page 132)
 - **Action Item:** Consideration of staff recommendation to approve contract
- Contract Amendment One with Eric Protzer - Chief Strategy Officer, Sarah Fitz-Gerald (Page 135)
 - **Action Item:** Consideration of staff recommendation to approve contract
- Strategy and Initiative Update - Chief Strategy Officer, Sarah Fitz-Gerald (Page 138)

11:15 AM

OPERATIONS STANDING COMMITTEE: COMMITTEE CHAIR, MELISSA ATKINSON (PG. 155)

- Q1FY26 Financial Report - Accounting Manager, Lyndsay Orr, CPA (Page 156)
 - **Action Item:** Consideration of acceptance of Q4FY25 Financial Report
- FY25 Financial Audit Report and Discussion – McGee Hearne & Paiz, LLP, Partner, Robert Dahill
 - **Action Item:** Consideration of acceptance of FY25 Audit Report

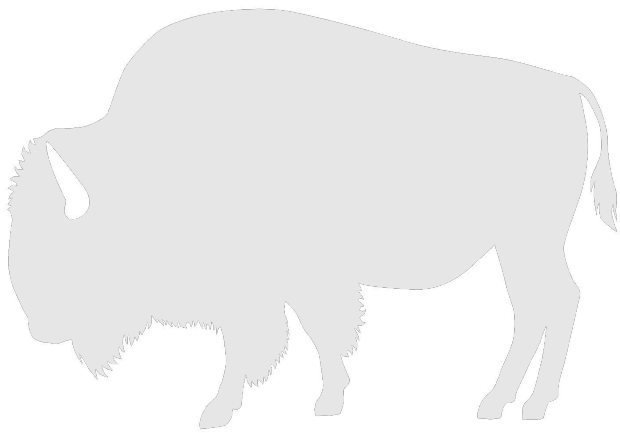
12:10 PM

OTHER BOARD MATTERS & ADJOURNMENT: CO-CHAIR, MARK LAW

- Nominating Committee for 2026 Board Officers
- Closing Remarks

UPCOMING MEETINGS:

- Next Meeting of SLIB with WBC on the Agenda: April 2, 2026
- Standing Committees will meet this quarter during the week of February 9, 2026 (invites will be sent via Google Calendar next week):
 - Services Standing Committee: Monday, February 9, 2026, at 10:00AM
 - Investments Standing Committee: Monday, February 9, 2026, at 2:00PM
 - Strategy Execution Standing Committee: Tuesday, February 10, 2026, at 11:00AM
 - Operations Standing Committee: Tuesday, February 10, 2026, at 2:00 PM
- Next Regular Quarterly Meetings of this Board:
 - February 24-25, 2026: Cheyenne, WY
 - May 19-20, 2026: Location TBD



CONSENT AGENDA

WYOMING



SEPTEMBER 9-10, 2025

MEETINGS WILL BE HELD IN SHERIDAN, WY AT WYO THEATER, 42 N. MAIN STREET, SHERIDAN, WY 82801

BOARD OF DIRECTORS MINUTES

WEDNESDAY, SEPTEMBER 10, 2025

Board Members Present: Erik Arens, Melissa Atkinson, Chuck Brown, Cassie Crumpton, Randi Downham, Ryan Lance, Mark Law, Jason Nelson, Joe Schaffer, Derek Smith, Beth Worthen
Excused: Rachel Chadderdon and Bruce Pivic

WBC Staff Members Present: Bert Adam, Vinicius Bueno, Chava Case, Connor Christensen, Drew Dietrich, Josh Dorrell, Patrick Edwards, Brittnie Faulkner, Gordon Finnegan, Sarah Fitz-Gerald, Kristin Fong, Maddy Giovanni, Emma Gregg, Amy Grenfell, Brandi Harlow, Sammi Jensen, Kari Kivisto, Kayla Kler, DJ Kaur, Brandon Marshall, Kade McMillian, Chris Michael, Rylan O'Bryan, Ben Peterson, Noelle Reed, Cortney Sutcliffe, Jill Tregemba, Heather Tupper, Taylor Vignaroli, and John Wendling.
Virtual: Lyndsay Orr, Kaley Holyfield, and Wendy Lopez

CONVENE PUBLIC MEETING: CO-CHAIR, MARK LAW

Pledge of Allegiance

Roll Call of Board Members

Public Comment Request Inquiry

- No requests for public comments to address the board were submitted

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 removed from the consent agenda for further discussion.

- [CA] Meeting Minutes for May 21, 2025, Regular Meeting
- [CA] Meeting Minutes for June 30, 2025, Special Meeting
- [CA] Meeting Minutes for July 31, 2025, Special Meeting
- [CA] Quarterly People and Performance Report
- [CA] Quarterly SBIR Report
- [CA] Quarterly Loan Report

Action Item: Consideration of approval of items included on Consent Agenda Rylan Lance made the motion to approve, Derek Smith seconded. There was no further discussion; motion carried unanimously.

WELCOME: RANGE CHIEF STRATEGY OFFICER & SHERIDAN COUNTY CHAMBER OF COMMERCE BOARD CHAIRMAN, AARON SOPKO

Mr. Sopko welcomed the Wyoming Business Council Board and Staff to Sheridan. He highlighted the town's vibrant community, tourism, arts, and the growing tech sector. He emphasized that growth should be viewed holistically, encompassing not just business and workforce but also improvements to parks, recreation, and community facilities that enhance the quality of life for residents. Mr. Sopko thanks the Wyoming Business Council for their support of Sheridan's economic development, noting their crucial role in providing resources and guidance for various projects.

CEO REPORT: CHIEF EXECUTIVE OFFICER, JOSH DORRELL

Mr. Dorrell addressed prevalent misconceptions regarding Wyoming's economic status, asserting that data indicates a long-term decline despite contrary beliefs. He challenged the notion that the free market alone can resolve economic challenges, emphasizing the necessity of strategic governmental involvement and investment. Mr. Dorrell addressed several myths that relate to Wyoming's economy. He highlighted the urgency of addressing issues of economic decline, as inaction will exacerbate

economic decline and hinder future growth. Mr. Dorrell concluded by advocating for decisive leadership to dispel these myths and foster a more prosperous future for Wyoming.

STRATEGY STANDING COMMITTEE: COMMITTEE CHAIR, JOE SCHAFER

Chief Strategy Officer, Sarah Fitz-Gerald, gave a strategy and initiative update discussing the decline of rural towns due to businesses leaving and workers moving to cities, emphasizing the urgency to address the issue. She stated against the idea that the problem would solve itself or that the investment is unaffordable, as the current market forces exacerbate the decline by drawing jobs and workers away from Wyoming.

Economic Policy & Research Advisor, Vinicius Bueno, presented an analysis of potential funding sources for investments, categorizing them into increased revenues, reduced expenditures, and strategic use of state savings. His presentation explored data related to each category, highlighting the unlikelihood of significant revenue increases due to declining natural resource taxes and the limited flexibility in reducing expenditures given the major allocations to health and education. He concluded by emphasizing the need for a societal conversation on prioritizing the use of state wealth to create opportunities.

Agribusiness Manager, Jill Tregemba, Entrepreneur Development Manager, Taylor Vignaroli, and Harvard Growth Lab Senior Research Fellow, Eric Protzer presented a proposal of a new strategy involving significant investment in tech-related R&D, learning from communities with similar geography that have successfully diversified their economies. The core proposal of “Wyoming Labs,” a research institution focused on hard tech R&D in areas like critical minerals, electronics, computer sciences, and AI, with specific paths to commercialization. This would be coupled with wraparound services to support startup acceleration. The aim is to drive commercialization and accelerate startups, differing from traditional higher education R&D models. The presentation outlined a vision with potential for further private and corporate investment. Phase one involves planning and addressing key unknowns, with a commitment to involving experts and learning more.

SERVICES STANDING COMMITTEE: COMMITTEE CHAIR, RYAN LANCE

Services Director, Brandon Marshall gave a services update discussion about the need to shift Wyoming’s mindset from scarcity to abundance, emphasizing the importance of strategic initiatives and community engagement to foster economic growth and improve quality of life.

Community Leadership & Engagement Manager, Amber Power, shared about the importance of economic growth education and providing communities with the necessary tools to foster economic development. Ms. Power presented the concept of an economic growth toolkit. She said that the toolkit will comprise of accessible, applicable, and impactful resources including fundamentals and collaborative systems to address complex problems and build stronger coalitions for sustainable change.

Services Director, Brandon Marshall, gave a Broadband and BEAD Program status update discussing the process changes made recently by the Trump administration giving 90 days to shift to move the program into a technology neutral standard, meaning that priority is no longer given to technology starting with fiber and moving to fixed wireless, down to unlicensed. The Trump Administration has chosen to take a technology neutral approach to the program. He said that this meant that the team reopened the application process. He celebrated the submission of final documents and expressed confidence in the plan’s approval by NTIA noting a successful meeting and adherence to federal guidelines. Mr. Marshall shared application statistics, emphasizing the goal of providing broadband access to 100% of Wyoming’s population.

Mainstreet Manager, Kayla Kler, gave updates on the Main Street Program. She shared that the Main Street Program focuses on revitalizing downtown and commercial districts through four key points: economic vitality, organization, design, and promotion. Wyoming's program, in partnership with Main Street America, supports local communities through services, grants, and workshops. Ms. Kler said that the vision is of empowered communities and resilient local economies. The program offered three levels of recognition: candidate, affiliate, and accredited. Each level emphasized partnerships and community-driven initiatives to foster sustainable downtown development.

OPERATIONS STANDING COMMITTEE: COMMITTEE CHAIR, MELISSA ATKINSON

Accounting Manager, Lyndsay Orr, CPA presented the fiscal year 2025 financial report as of June 30, 2025, noting that the agency is at the halfway point in the 2025-2026 biennium. General fund utilization is at 61.2% without factoring in items that carry forward. A significant portion of the budget is allocated to grants (64%) and loans (20%) to support communities and businesses across the state with 4% personnel expense in the budget.

Action Item: Consideration of acceptance of Q4FY25 Financial Report. Derek Smith made the motion to approve, Joe Schaffer seconded. There was no further discussion; motion carried unanimously.

INVESTMENTS STANDING COMMITTEE: COMMITTEE CHAIR, DEREK SMITH

Startup Grants Manager, Brittne Faulkner, provided an update on the Kickstart program, highlighting its mission to create diversification opportunities. The program relaunched in January 2025 and operates as a quarterly competition with a three-stage review process. Funds for Q1 recipients have been fully disbursed and Q2 funding process is moving faster than Q1. Q3 finalists are Realtime Edtech, Power Theory, and Maypoll with a recommended full award of \$50,000 each.

Equity Portfolio Manager, Gordon Finnegan & Investments Portfolio Analyst, Rylan O'Bryan, presented an update on Startup Equity: WYVC Fund sharing that the WYVC portfolio has expanded, demonstrating strong leverage ratio increase to 9:1 and catalyzing significant private capital investment. Tranche one is fully deployed and tranche two is progressing well. They highlighted Frontline, a past Kickstart Grant recipient, is experiencing substantial growth and proving its technology in real-world scenarios. WYVC is actively promoting Wyoming companies and engaging with a broader venture capital community.

Succession Loans – Loan Portfolio Manager, John Wendling
Little Horn State Bank, Sheridan, WY
Business: Cowboy Café

Action Item: Consideration of staff recommendation to approve loan participation in the amount of \$295,000.

Chuck Brown made the motion to approve, Melissa Atkinson seconded. There was no further discussion, motion carried unanimously.

First Northern Bank, Gillette, WY
Business: The Other Side Bar and Grill

Action Item: Consideration of staff recommendation to approve loan participation in the amount of \$400,000.

Ryan Lance made the motion to approve, Jason Nelson seconded. There was no further discussion, motion carried unanimously.

INVESTMENTS STANDING COMMITTEE (BRC): COMMITTEE CHAIR, DEREK SMITH

BRC Updates – Grants Portfolio Manager, Noelle Reed, gave an update that the digital BRC application is complete and will replace the PDF version for the November 1st deadline.

BRC Rules Revision – Investments Director, Bert Adam & Grants Portfolio Manager, Noelle Reed, led a discussion on the rules revisions since 2020, stating that since that time rule revisions have been done each year as part of the learning, testing, and iteration process. Ms. Reed gave an overview of the process for this rules revision starting at May's board meeting where the board approved the draft rule revisions that were presented. After receiving the Governor's approval and completion of a 45-day public comment period which resulted in 57 comments and several changes. Ms. Reed went over some of the comments received and resulting changes which included expanding the definition of agencies that can act as an agent of applicants, adding a provision that the location of the proposed project must be located within the jurisdiction of the applicant, extending the local public process to 10 day notice requirement, added the work written throughout the rules to ensure there's binding documentation, and several technical revisions on clarity and some definition clarity.

Dr. Schaffer brought forward two amendment proposals for the Board's consideration.

Proposed Amendment #1: Section 1. Purpose. The purpose of the program is to promote economic development in order to grow resilient communities that can identify and solve barriers to economic growth through publicly owned infrastructure at the city, town, county, tribe, and regional levels in order to improve economic health and a stronger state economy. These rules are adopted in order to implement W.S. 9-12-601 through 9-12-603, which provide for the making of grants and loans to eligible applicants for economic development ~~infrastructure projects~~. The rules provide for a method of application, review, and recommendation, the establishment of terms and conditions of awards, and a hearing process.

Proposed Amendment #2: AMENDMENT #2

Section 5. Type of Projects.

INSERT: (c) An economic development project is a non-infrastructure project that contributes to addressing or solving a barrier to economic growth or multiple barriers to growth. Upon a specific finding of extraordinary circumstances, the Council may recommend, and the Board may approve, a lower match amount and/or a lower recapture amount to the BRC account, provided that such an adjustment is consistent with the purpose of the BRC. The maximum award is five hundred thousand dollars (\$500,000).

Consideration of amendments was discussed amongst board members, staff, and Devin Kenney from the Attorney General's office. The board and staff discussed the merits of both amendments. It was determined that amendment #1 was a logical outgrowth within and could be made without impact on the rules process. It was discussed that amendment #2 may need additional research and discussion to bring back during the next iteration. At the request of Dr. Schafer and the board, the staff will review statutes to determine the legality of amendment #2 and prepare a discussion during the next investments committee meeting.

Action Item: Dr. Schaffer made a motion to adopt BRC Rules with Amendment #1, Ryan Lance seconded. There was no further discussion; motion carried unanimously.

Laramie Audit – Investments Director, Bert Adam, gave an update on the review of Laramie BRC projects. Mr. Adams highlighted that the Business Council reviewed 15 revenue-generating projects in Laramie since 2009, representing \$27.2M investments in grants and \$1.1M in loans. These projects generated \$5.4M in gross revenue. Laramie invested \$1.8M into other projects, showcasing a commitment to economic growth, and the initial \$30M investment led to \$40M in current asset value and the creation of over 200 jobs.

Review of Business Ready Community (BRC) Budget & Presentation of Applications Received – Grants Portfolio Manager, Noelle Reed, presented the Community Readiness Grant Application for Lincoln County.

BRC Applications				
Applicant	Project	Type	Request	Recommendation
Lincoln County	Sewer Project	Community Readiness	\$2,958,020	\$ 4,008,020
Total			\$2,958,020	\$ 4,008,020
Total Available BRC Funding				\$ 86,986,992
Funds remaining if awarded				\$ 82,978,972

(A roll call vote will be taken for the BRC project after the project presentation)

Community Readiness Grant Application: Lincoln County

Action Item: Roll call vote for consideration of staff recommendation to approve funding of a \$4,008,020 community readiness grant for Lincoln County

Jason Nelson made the motion to approve, Cassie Crumpton seconded.

Roll Call Vote:

Yes (11): Erik Arens, Melissa Atkinson, Chuck Brown, Cassie Crumpton, Randi Downham, Ryan Lance, Mark Law, Jason Nelson, Joe Schaffer, Derek Smith, Beth Worthen

No (0)

CLOSING REMARKS: CO-CHAIR, MARK LAW

The meeting was adjourned at 3:49 PM by Co-Chair, Mark Law.

PEOPLE & PERFORMANCE

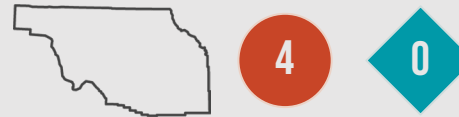




PEOPLE

TALENT LOCATED ACROSS WYOMING

More than 90% of WBC's team is eligible to work anywhere in Wyoming, providing us with access to more diverse talent and greater connection for businesses and communities.



BIG HORN, HOT SPRINGS,
PARK AND WASHAKIE



FREMONT, SUBLETTE
AND TETON



LINCOLN, SWEETWATER
AND UNITA



CARBON



CAMPBELL, CROOK, JOHNSON,
SHERIDAN AND WESTON

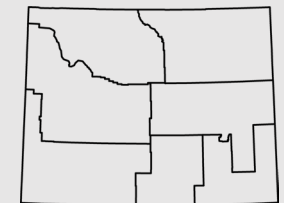


CONVERSE, NATRONA,
NIOBRARA AND PLATTE



LARAMIE, ALBANY
AND GOSHEN

39 TEAM
MEMBERS
13 BOARD
MEMBERS



PEOPLE

Our team has many different backgrounds and stories, and together, all those layers come together to ambitiously help Wyoming reverse economic decline.

CHLOE VALENTINE

Southwest Regional Director
Regional Operations



RYLAN O'BRYAN

Venture Development Manager
Investments



COMING SOON:



INVESTMENT PORTFOLIO ANALYST

Investments

COO

Executive



CELEBRATING THE JOURNEY



CORTNEY SUTCLIFFE
1 YEAR



WENDY LOPEZ
7 YEARS



BRANDON MARSHALL
22 YEARS



PERFORMANCE:

ME



+



WE



FALL ENLIGHTENMENT SERIES





WHAT'S NEW?

LEADERSHIP DEVELOPMENT

Hogan Coaching Sessions:

Continued 1:1 coaching focused on leveraging strengths and addressing development areas.

Group sessions to build team awareness and alignment on team and individual behaviors.

ONBOARDING REDESIGN

What is essential to our culture?

Showcase our purpose (our why) into onboarding to create and maintain our WBC alignment.

How can we leverage individual and team strengths to design onboarding with clear purpose and impact?



CHAVA CASE

PEOPLE & PERFORMANCE
CHAVA.CASE@WYO.GOV
WYOMINGBUSINESS.ORG



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

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**HELPING WYOMING BUSINESSES
ADVANCE GROUNDBREAKING
TECHNOLOGIES AND COMMERCIALIZE
THEIR RESEARCH.**

Matching Grant Program

INNOVATION
GRANT



INNOVATION GRANT

KEY METRICS TO-DATE

\$8,257,230

Matching Funds Awarded

\$50,358,107*

Federal Awards Realized

58

Matching Grants

201

Total Jobs
Supported

6:1**

Leverage Ratio

*This is self reported from current contracted companies. Actual amount is likely more.

** This is calculated from best known federal amount shown above and total WBC matching funds paid. When calculating using ²² the federal award amount shown and the WBC funds paid during the same time period, the leverage ratio is 8:1.



INNOVATION GRANT

MATCH PROGRAM – FY 2026

\$16.4M

FY26 Allocation

\$550,000

Matching Funds Awarded

\$250,000

Matching Funds Paid Out

\$300,000

Matching Funds Encumbered

\$15,845,000

Funds Remaining





MEMO: DECEMBER 17, 2025
TO: WBC BOARD OF DIRECTORS
FROM: WBC INVESTMENTS TEAM

QUARTERLY CHALLENGE LOAN REPORT

PAST DUE REPORT

Challenge Loan Policy requires quarterly reporting of all loans 30 days or more past due.

There are four (4) past due payments as of September 30, 2025:

Ryan Riggs (Hay) – We have spoken with Mr. Riggs. He claims he will get payment to us soon. The amount past due is \$19,770.47 (1 Annual payment plus \$941.45 late charge); loan balance is \$108,608.24.

David Saul (Hay) – Attempts have been made to contact Mr. Saul directly. We will continue to make attempts to contact Mr. Saul. The amount past due is \$6,990.27 (1 Annual payment plus \$332.87 late charge); loan balance is \$34,889.30.

Marty Yorges (Hay) – Mr. Yorges has been contacted, and he informed us payment would be made once he sells contracted hay crop. We will work to stay in touch with Mr. Yorges. The amount past due is \$8,441.71 (1 Annual payment plus \$401.99 late charge); loan balance is \$41,614.30.

Eden Farms (Beet) – Regular contact has been maintained with Ms. Eden. Mr. Eden passed away in 2021 and although Ms. Eden has done her best to continue operations, she doesn't have the funds to make the payment. We will continue to monitor and stay in touch with Ms. Eden. The amount past due is \$18,673.87 (1 Annual payment plus \$889.23 late charge); loan balance is \$81,916.67.

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 **\$750,528**. 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 Eden Farms (\$81,917), Ryan Riggs (\$106,608), David Saul (\$34,889), and Marty Yorges (\$41,614).

The resulting available fund balance in the Economic Development Fund is **\$12.58 Million**.

CHARGE OFF BALANCES

None

UPDATES

- There are 97 active loans totaling \$11,750,105.
- The most recent approved loans, The Other Side Bar & Grill and Cowboy Café have both closed

STAFF RECOMMENDATION

The staff recommends approval of this report.

Chapter 1

BRC GENERAL PROVISIONS

Section 1. Purpose. The purpose of the Business Ready Community program is to promote economic development in order to grow resilient communities that can identify and solve barriers to economic growth through publicly owned infrastructure at the city, town, county, tribe and regional levels in order to improve economic health and a stronger state economy. Therefore, Business Ready Community will be known as and run under the name Building Resilient Communities (BRC). These rules are adopted in order to implement W.S. 9-12-601 through 9-12-603, which provide for the making of grants and loans to eligible applicants for economic development projects. The rules provide for a method of application, review and recommendation, the establishment of terms and conditions of awards, and a hearing process.

Section 2. Authority. Rulemaking for this program is the responsibility of the Wyoming Business Council, as authorized by W.S. 9-12-104(a)(iv) and W.S. 9-12-601.

Section 3. Definitions.

(a) “Affixed equipment” means equipment that is fixed in position to a building or property as a permanent appendage or as a structural part of the building or property.

(b) “Agent of the Applicant” means an entity that an Applicant may contract with, and includes a Community Development Organization, State Development Organization, Downtown Development Authority, Urban Renewal Agency, or political subdivision.

(c) “Applicant” means a county, incorporated city or town, joint powers board, or a cooperative tribal governing body who applies for funding under the BRC.

(d) “Award recipient” means a county, incorporated city or town, joint powers board, or a cooperative tribal governing body who has been awarded funds under the BRC.

(e) “Barrier to growth” is a factor or factor(s) verified by data that limit a region from experiencing economic growth and contributing to a stronger state economy.

(f) “Block grant” means pre-approved funding offering a fixed amount of grant funding during a specific timeframe for a specific purpose, and typically smaller amounts.

(g) “Board” means the Wyoming State Loan and Investment Board.

(h) “Cash match” means cash contributed to the total eligible project cost. Real estate owned by the applicant or community development organization may be used as cash if the property in question was not purchased with or developed by BRC funds and the value of the real estate is supported by a certified appraisal or market analysis as determined by Council staff. Engineering and design work completed within six months of the date a project application is received by the Wyoming Business Council may also be counted as cash match at the discretion

of the Council staff.

(i) “Committed business” means a business that is committed to start-up, expand, locate and/or retain jobs in the community. A project with a committed business must demonstrate that new primary jobs, at or above median wage and at the state industry average wage, will be created or retained by the committed business.

(j) “Community Development Organization” means a business entity organized to provide services as an agent of the Applicant for the exclusive mission of helping to develop and support economic development within a specified town, city, county or region by providing necessary resources and assistance.

(k) “Council” means the Wyoming Business Council Board of Directors.

(l) “Council staff” means the staff of the Wyoming Business Council assigned to administer the BRC.

(m) “Downtown Development Authority (DDA)” means a public entity established by a municipality to prevent the deterioration of property values or structures within central business districts under W.S. 15-9-201 through 15-9-223.

(n) “Economic development” means creating economic growth and a stronger state economy.

(o) “Eligible project costs” means total project costs, less ineligible project costs. Eligible project costs for infrastructure projects include affixed equipment and other permanent fixtures.

(p) “Gross Wages” means employee wages before taxes, but does not include employer match or employer-provided benefits.

(q) “Ineligible project costs” means project costs that are not eligible for BRC funding and include appliances, movable equipment, furnishings and other features of the facility which are not physically attached or otherwise are depreciating assets, and any other items identified by Council staff.

(r) “In-kind match” means a contribution with value and applicable to the period to which the matching requirement applies that is necessary for the project. Examples of in-kind contributions include labor, materials and real estate. In-kind contributions must be verifiable from the records showing how the value placed on in-kind contributions was derived. Labor services will be reported using rates consistent with those ordinarily paid by the Applicant or other employers for similar work in the same labor market. Donated materials will be valued at market value at the time of donation. The value of donated buildings or land will be established using a certified appraisal or market analysis as determined by Council staff.

(i) Ineligible in-kind match sources include operations, maintenance, grant

writing, grant administration and other as determined by Council staff.

(ii) Real estate purchased with or developed through the use of BRC funds is ineligible for consideration as part of the minimum required match. Such real estate may be considered as part of the project's match once the minimum required match is met.

(s) "Managed Data Center" means a center that has a primary purpose as the centralized repository for storage, management and dissemination of data and information for multiple businesses. This definition does not include spaces primarily for housing office computers, including individual workstations, servers associated with workstations, or small server rooms.

(t) "Median Wage," as used in these Rules, is calculated as either the County Median Wage (if ninety percent (90%) or more of the project's expected employment is located in one county), or the State Median Wage (if less than ninety percent (90%) of the project's expected employment is located in one county). Additionally, the Median Wage of a project must also meet the State or National Average Wage for the industry from which employees will be hired, whichever is higher, to be considered "median wage."

(u) "Movable equipment" includes those items that are the functioning collection of machinery or devices for performing a mechanical, electrical or communications task that remain movable and not a structural part of the building and/or property.

(v) "Multi-year project" means a large-scale, stand-alone project that will be constructed over separate calendar years and which cannot be separated into smaller, independently operational phases.

(w) "Net revenue" means income generated by the lease or sale of a BRC-funded asset, less expenses associated with maintaining the asset. Deductible expenses must be paid by the owner and can include utility costs, insurance, property taxes, pest control, repairs, property association fees and property maintenance.

(x) "Non-recourse loan" is a loan that is secured by a pledge of collateral, typically real property. If the borrower defaults, the Council can seize collateral, but will not seek any further compensation from the borrower.

(y) "Phased projects" means a project in which parts (phases) are completed and fully functional before the entire project is built-out. Receipt of funding for a phased project does not guarantee additional funding for future phases.

(z) "Political subdivision" means a division of the state that exists primarily to discharge some function of local government.

(aa) "Primary jobs" are jobs created or retained by a business(es) that provide(s) goods and services that are primarily exported out of the state, that gain market share from imports to the state, that meet an unmet need in the market area and result in the creation of new wealth or

economic development. An additional consideration will be given for full-time equivalent (FTE) positions with wages at/or above Median Wage.

(bb) “Revenue generating project” means real property developed with BRC funds that can generate revenue from lease payments or the proceeds from the sale of real property.

(cc) “State Development Organization” means a corporation organized under W.S. 17-11-101 through 17-11-120 with the authority to provide financing for new, existing or expanding businesses and to fulfill other economic or community development purposes throughout the state of Wyoming and which may take equity positions and shall take security positions in its borrowers’ businesses and appropriate personal guarantees from the owners thereof.

(dd) “Urban Renewal Agency (URA)” means public entities established by municipalities to plan and implement urban renewal projects under W.S. 15-9-101 through 15-9-137.

Section 4. Eligible Applicants.

(a) Eligible Applicants as defined by W.S. 9-12-601(b) may apply for BRC funding. Two or more eligible Applicants may apply for a joint project via one application.

(b) The Council may enter into a cooperative agreement with the Eastern Shoshone Tribe, the Northern Arapaho Tribe, or the cooperative tribal governing body in order to promote the purpose of this program.

(c) An Applicant may contract with a Community Development Organization, State Development Organization, Downtown Development Authority, Urban Renewal Agency, or political subdivision to use BRC funds.

(d) An otherwise eligible Applicant that is past due on program reporting or revenue recapture payments to the Council shall be deemed ineligible until the Applicant brings itself into full compliance with existing reporting and payment obligations to the Council.

(i) Noncompliant Applicants shall be highlighted on program annual reporting to the Wyoming Legislature.

(e) An otherwise eligible Applicant that is delinquent on any outstanding previous BRC debts shall be deemed ineligible until the delinquent debt payments are made current.

Section 5. Type of Projects.

(a) An infrastructure project is a project that funds the construction of physical structures, rehabilitation of existing structures where eligible, and other public facilities that contribute to solving a barrier to growth with or without the involvement of a committed business. Applicants are encouraged to demonstrate how the proposed infrastructure project will improve overall conditions and advance economic development efforts.

(i) Upon a specific finding of extraordinary circumstances, the Council may recommend, and the Board may approve, a lower match amount and/or a lower recapture amount to the BRC account, provided that such an adjustment is consistent with the purpose of the BRC. The maximum grant and/or loan amount per project is the amount remaining in the BRC account at the time of application submittal.

(ii) The location of the infrastructure project must be within the jurisdictional bounds of the Applicant.

(b) A planning project is a project in which an Applicant develops a community strategic planning process and the resulting plan which contributes to addressing or identifying a barrier to growth or multiple barriers to growth. The maximum award is One Hundred Thousand dollars (\$100,000). Specific examples of plans and strategic planning processes will be posted on the Wyoming Business Council website. Planning projects will be awarded through a block grant process. Council staff shall update Council and Board, at their next regularly scheduled meeting, on awarded block grants.

Section 6. Eligible Activities.

(a) Grants for planning projects may only be used for the creation of the planning document(s). Funds may not be used for salary costs of the Applicant or local organizations (unless a new position is created for these purposes), travel costs for anyone other than the planning consultant(s) or reproduction of any promotional materials, and must address barriers to growth.

(b) Grant and loan funds for infrastructure projects may not be used for the rehabilitation or expansion of existing infrastructure unless existing infrastructure was previously funded under the BRC program in a prior phase of a phased project or the Council determines the rehabilitation or expansion is necessary to meet the purpose of the program.

(c) Grant and loan funds may not be used for salaries, wages, or contracts during the grant writing stage.

(d) Eligible projects shall clearly demonstrate how the outcome for each project will result in economic growth.

Section 7. Ownership of Infrastructure.

(a) The infrastructure funded by this program shall be owned by the Applicant or an Agent of the Applicant.

(b) Unless the project is owned by the Applicant, there shall be binding documentation signed by the owner of the project providing that, in the event of dissolution of the owner, the BRC-funded infrastructure shall revert to the sponsoring Applicant or a related city, town, county, joint powers board or tribe acting as agent of the Applicant. This requirement

may be satisfied by either specific language within articles of incorporation or a filing of the real estate record with the county of record.

(c) The infrastructure or facility constructed using BRC funds may be sold to a private entity without advertising the sale or calling for bids, provided that the award recipient:

(i) Makes a determination that the sale will benefit the economic development goals and assist in achieving growth milestones of the community, and

(ii) Holds the sale in accordance with W.S. 15-1-112(b) and any other applicable statute.

(d) If the owner of any infrastructure or facility built with BRC funds sells the infrastructure or facility to a private entity prior to the end of the project reporting requirements, the new owner shall fulfill the requirements of the grant agreement.

Section 8. Revenue Generating Projects.

(a) Net revenue generated by the Applicant or an owner described in Section 7 of this Chapter must be recaptured at a negotiated rate commensurate with the Applicant's co-investment. Revenue recapture requirements may be satisfied via revenue recapture payments unless otherwise prohibited by applicable statutes, rules, or regulations. All funds recaptured at the local level shall be placed in a segregated economic development account or separate line item within a budget.

(b) Revenue recaptured to the BRC fund must be no less than twenty-five percent (25%) of net revenue generated and up to one hundred percent (100%).

(c) Revenue paid to the BRC fund shall not exceed double the original grant amount of the project.

(d) No more than fifty percent (50%) of local recapture may be used for operational expenses, majority for personnel expenses, of the Applicant or the Agent of the Applicant and must be matched dollar-for-dollar by local funds. Not less than twenty-five percent (25%) of local recapture shall be used for the next revenue generating project. The Council staff may, at its expense, conduct an audit of records of the Applicant or Agent for the Applicant.

(e) Revenue recapture must be repaid to the BRC fund annually or according to a schedule agreeable to Council staff.

(f) A property recording shall be filed on the property by the Applicant at the time of grant and/or loan agreement execution.

(g) Revenue generating projects may incur a servicing fee due and owing to the Council, as set by the Council's servicing agent.

Section 9. Projects Involving a Private Developer.

(a) Projects involving a private developer shall demonstrate that economic impact exists by showing that the expected benefit to the State is at least as great as the BRC assistance. The analysis of whether economic impact exists may include whether the private developer is providing a match with its own funds, has secured a match with other non-state funds, and any capital expenditures the private developer intends to make connected to the project. Such projects shall include the repayment of BRC funds as described in Section 8 and meet at least one of the following three criteria:

(i) Direct, permanent jobs created as a result of the project;

(ii) Projected tax benefits; or

(iii) Donation of real estate that is not otherwise necessary for the project to the Applicant or an Agent of the Applicant. The value of all real estate donations must be verified by a certified appraisal or market analysis as determined by Council staff.

Section 10. Local Public Hearing and Approval.

(a) An Applicant is required to inform and educate the public and business community about the proposed economic development project to the greatest extent possible. This includes, but is not limited to, the following actions:

(i) Website Accessibility: The Applicant must make the application and all associated materials available on its official website. These materials must be easily accessible and prominently announced on the homepage.

(ii) Social Media Outreach: The Applicant shall use existing social media platforms (e.g. Facebook, Instagram, X, Threads, Nextdoor, YouTube) to announce the project and direct residents to the website for more information.

(iii) Confidential Information: Business plans or proprietary financial information that is protected under open records laws must be redacted prior to public distribution.

(b) The Applicant must conduct at least one (1) public hearing prior to submitting the application, subject to the following requirements:

(i) Public Notice: Notice of the hearing must be published at least ten (10) days in advance of an approved public medium and published in an official medium such as local newspapers, public fora, local governmental social media pages or another venue as approved by Council staff. The notice shall contain a concise description of the proposed project and state that time will be set aside at the public hearing to take testimony from citizens about the project.

(ii) To inform the public and gather information, any public hearing shall at a minimum:

- (A) Highlight the identified barrier to growth;
 - (B) Identify the economic development opportunity or opportunities;
 - (C) Explore all known possible funding sources and alternative solutions to the opportunity or opportunities;
 - (D) Be advertised with a comprehensive description of the proposed project; and
 - (E) Solicit testimony from citizens who may feel that the proposed project might compete with an existing business; and
- (c) The Applicant shall conduct specific outreach to any affected industry or industries and any competitors within that industry. The Applicant must document all outreach efforts, including a record of any verbal or written comments received from those businesses.
- (i) An Applicant must use its best efforts to notify all providers of similar services in the market area about the public hearing at least ten (10) days in advance of the public hearing.
- (d) Each application must include a detailed description of the Applicant's public engagement process, along with the following supporting documentation:
- (i) All written comments received from the public;
 - (ii) Proof of public hearing notification;
 - (iii) Official minutes from the public hearing; and
 - (iv) A signed resolution adopted by the Applicant, or all participating agencies to a joint powers board. This resolution must be passed after the public hearing has been held and public comments have been considered.

Section 11. Application Procedures.

- (a) The Applicant must schedule a consultation with a Wyoming Business Council Regional Director to discuss the project at least one month prior to project submission.
- (i) Final draft applications and final draft application materials must be provided to the Regional Director no less than two weeks prior to submission.
- (b) Each application shall be reviewed by the Council staff to determine eligibility and completeness.

(i) Council staff shall utilize a scoring matrix to evaluate a grant and/or loan application.

(ii) Each Applicant shall submit the required application form and any supplemental documentation required by Council staff. Each application shall address the barrier(s) to growth and evidence shall be provided to Council staff at time of submittal.

(iii) An Applicant shall demonstrate satisfactory performance under previous grants and/or loans awarded through this program.

(c) Incomplete or ineligible applications will be sent back to the Applicant for resubmittal at the next eligible application cycle. If Council staff determine that an application is incomplete or ineligible, the Applicant shall be provided an explanation of the Council staff's findings and recommendations.

(d) The Council staff shall provide statewide notice of Council and Board meetings at which BRC applications will be discussed.

(e) The Applicant, except in the case of planning applications, shall provide the Council staff and Council with a summary document and presentation of each application and present it at all required public meetings, including those of the Board.

(i) The Council staff shall provide the Council with an analysis and recommendation as to that application.

(ii) Approval of planning applications through the Block Grant process shall be determined by Council staff in accordance with the terms of any Block Grant amount previously approved by the Council and the Board.

(f) The Council shall perform a roll-call vote on all BRC projects.

(g) The Applicant, except in the case of planning applications, shall provide the Board with a summary document and presentation of each application and present it at all required public meetings, including those of the Board. The Council staff shall provide the Board with an analysis and recommendation as to that application.

Section 12. Allocation Plan and Funding Cycles.

(a) Applications shall be accepted according to a schedule posted on the Wyoming Business Council website.

(i) Applications involving a committed business shall be accepted no later than seven (7) weeks prior to the next Council meeting.

Section 13. Grant Match Requirements.

- (a) The total required match is based on total eligible project costs.
- (b) Half of the required match must be cash sources.
- (c) BRC loans do not require a match.
- (d) Fifty percent (50%) of a BRC loan may be used to satisfy the grant match requirement.
- (e) A grant for a BRC project shall require a minimum match of twenty-five percent (25%) of total eligible project activities.
 - (i) Funds derived through, personal property and fixtures purchased with, and real property, real property improvements, and infrastructure constructed as part of prior BRC projects are ineligible to be considered as part of the minimum required match. Such funds, personal property, fixtures, real property, real property improvements, and infrastructure may be considered as part of the project's match once the minimum required match is met.
- (f) For applications involving a committed business, the committed business must contribute to the project in at least one of the following ways:
 - (i) Contribute to the eligible cash match;
 - (ii) Contribute to the ineligible project costs; or
 - (iii) Contribute other investments into the project.
- (g) BRC grants shall pay no more than twenty-five percent (25%) of pre-construction costs including engineering, design and others as determined by Council staff.

Section 14. Fund Disbursement, Project Monitoring, Performance Measures and Revenue Recapture Reporting.

- (a) Procurement Standards. Applicants must follow state procurement regulations for cities and towns and the Wyoming Preference Act. If a non-municipal Applicant has a procurement policy, Council staff or qualified consultants reserve the right to review that policy prior to fund disbursements and to disburse funds in accordance with that policy to the extent it is consistent with State law.
- (b) Fund Disbursement.
 - (i) Funds shall be disbursed to the Applicant only as needed to discharge obligations incurred in accordance with Board-approved eligible project costs, or Council staff-approved eligible project costs for planning projects. Requests for disbursement shall be made via

the online grant management system, access to which shall be provided by Council staff. Requests for fund disbursement must be supported by adequate proof that such an obligation has been incurred for the project purpose and is due and owing.

(ii) In the event Applicant has applied for a BRC Loan and a Grant in conjunction with the same project, Grant funds provided through the BRC shall not be disbursed until Applicant has demonstrated, to the satisfaction of Council staff, that eighty percent (80%) of the loan funds associated with the project have been expended. The Applicant shall provide Council staff with appropriate documentation and evidence of Loan fund utilization prior to the release of any Grant funds.

(iii) The progress reports, as defined in Section 14(d) of this Chapter, must be up to date prior to approval of a request for fund disbursement.

(c) Fund Reversion.

(i) If the Council staff determines that a project has not been completed within a reasonable time, Council staff shall notify the Applicant in writing at least thirty (30) days prior to presenting the matter for Council review.

(ii) If the Council staff determines that the project is complete, but the full amount of the grant or loan has not been expended, Council staff shall notify the award recipient of this determination. Thirty (30) days following the notification, the unused portion of the grant or loan shall revert to the BRC account.

(iii) For projects that have not been started within one (1) year: Council staff shall notify an award recipient of a pending expiration prior to the one-year anniversary of the grant/loan approval. The award recipient may submit a written request to continue the project. Council staff may request new or updated information and documentation. Council staff may recommend and the Council may grant an extension of time in which to start or terminate the project.

(iv) For projects with contingencies, Applicant must provide a quarterly update on the status of any project contingency. The award recipient has the option to submit a new application or may request an extension or modification of the contingency terms through the Council staff. Council staff may recommend and the Council may grant an extension of time or grant a modification to the contingency terms.

(d) Construction Monitoring.

(i) Reports. Within fifteen (15) calendar days of the conclusion of each calendar quarter during the term of the award contract, the Applicant shall provide Council staff with a progress report. Each progress report shall set forth, in narrative form with necessary evidence, the work accomplished under the grant, loan, or grant and loan during the quarter and shall include a financial status report.

(ii) Audits and inspections. The Council staff may, at its expense, conduct an audit of the records of the Applicant and/or Agent of the Applicant and inspect the construction and operation of the project.

(iii) At the end of the construction period, the Applicant shall provide Council staff a comprehensive report of the project and a cumulative financial statement that reflects the total fund expenditure pursuant to the award contract.

(e) Council staff may require award recipients to report to Council staff in-person or virtually at Council staff's request.

(f) Project Evaluation.

(i) Reports. Once the construction period is complete, the Applicant shall submit annual reports for an additional minimum five (5) years to evaluate project outcomes against established measures on an annual basis, as well as an assessment on progress on addressing barriers to growth, bringing quantitative and qualitative data to back the analysis. Projects involving a loan and/or revenue recapture shall report to Council staff until the loan and/or revenue recapture requirements have been met. The Board may approve a longer reporting period on a finding that a longer reporting period would be beneficial to the State for the project. Council staff shall tailor reporting items to the specific nature of each grant or loan, in agreements between the Council and award recipient. This requirement shall apply to any subsequent owner of the infrastructure or building constructed with BRC funds.

(ii) Evaluation results. The Council shall use the evaluation report information to measure program outcomes, to promote learning from experience to improve program performance and support efforts to address barriers to growth. Evaluation results shall be made publicly available.

(iii) Project outcomes reported shall be substantiated by the Applicant with a combination of quantitative and qualitative evidence.

(iv) At the end of the reporting requirement or at the sale of the public asset (if applicable), the award recipient shall provide a comprehensive report to the Council staff in a format prescribed by the Council staff that is a cumulative financial and performance report of the project. This report shall, at a minimum, include:

(A) A detailed accounting of project expenditures that were paid for with BRC grant and/or loan funds;

(B) The match contributed and the source of the match monies;

(C) Recapture revenue(s) received, including an accounting of how recaptured revenues were or will be used, how recaptured revenue use complies with the rules of the BRC program and the project grant/loan agreement; and

(D) The accomplishments that resulted from the grant and/or loan, with a combination of quantitative and qualitative evidence. An authorized official of the award recipient shall certify, under penalty of false swearing, that the information in the report is true.

(v) The Council staff reserves the right to require the award recipient to request a BRC project audit be conducted by the director of the Department of Audit or his designee. The award recipient shall be responsible to pay the cost of this audit.

(vi) Record retention. Award recipients shall agree to retain all records related to the project for five (5) years following the Council staff's date of notice to award recipient of closeout of the grant.

(f) Council staff may require award recipients to report to Council staff, Council or Board in-person or virtually at Council staff's request.

Section 15. Public Comments on Applications Submitted and Under Board Consideration for Funding Recommendations.

(a) Comments regarding any application submitted under this program may be offered by any interested party.

(b) Written comments shall be received by the Council staff no less than fourteen (14) calendar days prior to the public meeting at which the application is to be considered by the Council and:

(i) May be submitted using an online form to be prescribed by the Council staff;

(ii) May be submitted by email to the wbc.public-comment@wyo.gov; or

(iii) May be submitted by mail or courier service as follows:

Wyoming Business Council
Attn: Public Comment
214 West 15th Street
Cheyenne, WY 82002

(c) Written comments submitted by any means other than those set forth in Subsection 15(b) of this Chapter shall not be considered.

(d) Prior to taking action on any application, the Council may accept oral comments during public session from any interested party. In accordance with W.S. 16-4-403(b), any party wishing to offer oral comments shall notify the Council as set forth below. Such notification shall include:

(i) The first and last name of the person offering comment;

(ii) The affiliation(s) of the person offering comment; and

(iii) If applicable for commenters participating virtually, the unique identifier (such as screen name or user name) of the person offering comment such that the Council can identify the person offering comment and enable them to speak.

(e) Notwithstanding Subsection 15(d) of this Chapter, the Council reserves its right to forego public comments during any meeting of the Council or to otherwise impose reasonable limitations, such as limitations on comment length, on any comment period.

Section 16. Attorney General Opinions. No project involving a committed business or loan shall be made without the written opinion of the Attorney General as to the legality of the project.

~~Chapter 1~~

~~GENERAL PROVISIONS~~

~~**Section 1. Purpose.** The purpose of the program is to promote economic development through publicly owned infrastructure at the city, town, county, tribe and regional levels in order to improve economic health and a stronger state economy. These rules are adopted in order to implement W.S. 9-12-601 through 9-12-603, which provide for the making of grants and loans to eligible applicants for economic or educational development infrastructure. The rules provide for a method of application, review and recommendation, the establishment of terms and conditions of awards, and a hearing process.~~

~~**Section 2. Authority.** Rulemaking for this program is the responsibility of the Wyoming Business Council as authorized by W.S. 9-12-104(a)(iv) and W.S. 9-12-601.~~

~~**Section 3. Definitions:**~~

~~(a) "Affixed equipment" means equipment that is fixed in position to a building or property as a permanent appendage or as a structural part of the building or property.~~

~~(b) "Applicant" means a county, incorporated city or town, joint powers board, or a cooperative tribal governing body who applies for funding under the Business Ready Community Grant and Loan Program (BRC).~~

~~(c) "Award recipient" means a county, incorporated city or town, joint powers board, or a cooperative tribal governing body who has been awarded funds under the BRC.~~

~~(d) "Board" means the Wyoming State Loan and Investment Board.~~

~~(e) "Cash match" means cash contributed to the total eligible project cost. Real estate owned by the applicant or community development organization may be used as cash if the property in question was not purchased with or developed by BRC funds and the value of the real estate is supported by an appraisal. Engineering and design work completed within six months of the date a project application is received by the Wyoming Business Council may be counted as cash match.~~

~~(f) "Community Development Organization" means a business entity organized to provide services as an agent of the applicant for the exclusive mission of helping to develop and support economic development within a specified town, city, county or region by providing necessary resources and assistance.~~

~~(g) "Council" means the Wyoming Business Council Board of Directors.~~

~~(h) "Council staff" means the staff of the Wyoming Business Council assigned to administer the program.~~

~~(i) "Economic development" means creating additional economic health and a stronger state economy.~~

~~(j) "Eligible project costs" means total project costs, less ineligible project costs. Eligible project costs for infrastructure projects include affixed equipment and other permanent fixtures.~~

~~(k) "Ineligible project costs" means project costs that are not eligible for BRC funding and include appliances, movable equipment, furnishings and other features of the facility which are not physically attached or otherwise are depreciating assets, and any other items identified by Council staff.~~

~~(l) "In-kind match" are contributions with value and must be applicable to the period to which the matching requirement applies and must be necessary for the project. Examples of in-kind contributions include labor, materials and real estate. In-kind contributions must be verifiable from the records showing how the value placed on in-kind contributions was derived. Labor services will be reported using rates consistent with those ordinarily paid by the applicant or other employers for similar work in the same labor market. Donated materials will be valued at market value at the time of donation. The value of donated buildings or land will be established using a market value or appraisal set by an independent appraiser or a market analysis prepared by a licensed realtor.~~

~~(m) "Managed Data Center" means a center whose primary purpose is the centralized repository for storage, management and dissemination of data and information for multiple businesses. This definition does not include spaces primarily for housing office computers, including individual workstations, servers associated with workstations or small server rooms.~~

~~(n) "Median Wage" means if 90% or more of the employment is located in one county, utilize County Median Wage; if less than 90%, utilize State Median Wage. Must also meet State Industry Average Wage to be considered "median wage."~~

~~(o) "Movable equipment" includes those items that are the functioning collection of machinery or devices for performing a mechanical, electrical or communications task that remain movable and not a structural part of the building and/or property.~~

~~(p) "Multi-year project" means a large scale, stand-alone project which will be constructed over separate calendar years and which cannot be separated into smaller, independently operational phases.~~

~~(q) "Net revenue" means income generated by the lease or sale of a BRC-funded asset, less expenses associated with maintaining the asset. Deductible expenses must be paid by owner and can include utility costs, insurance, property taxes, pest control, repairs, property association fees and property maintenance.~~

~~(r) "Non-recourse loan" is a loan that is secured by a pledge of collateral, typically real property. If the borrower defaults, the Council can seize collateral, but will not seek any further compensation from the borrower.~~

~~(s) "Phased projects" means a project in which parts ("phases") are completed and fully functional before the entire project is built-out. Receipt of funding for a phased project does not guarantee additional funding for future phases.~~

~~(t) "Political subdivision" means a division of the state that exists primarily to discharge some function of local government.~~

~~(u) "Primary jobs" are jobs created or retained by a business(es) that provide(s) goods and services that are primarily exported out of the state, that gain market share from imports to the state, that meet an unmet need in the market area and result in the creation of new wealth or economic growth. An additional consideration will be given for full-time equivalent (FTE) positions with wages at or above median and state industry average wage and which include benefits.~~

~~(v) "Revenue generating project" means real property developed with BRC grants or loans that can generate revenue from lease payments or the proceeds from the sale of real property.~~

~~(w) "State Development Organization" means a corporation organized under W.S. 17-11-101 through 17-11-120 with the authority to provide financing for new, existing or expanding businesses and to fulfill other economic or community development purposes throughout the state of Wyoming and which may take equity positions and shall take security positions in its borrowers' businesses and appropriate personal guarantees from the owners thereof.~~

~~Section 4. Eligible Applicants.~~

~~(a) Eligible applicants as defined by W.S. 9-12-601(b) may apply for BRC funding. Two or more eligible applicants may apply for a joint project via one application.~~

~~(b) The Council may enter into a cooperative agreement with the Eastern Shoshone Tribe, the Northern Arapaho Tribe, or the cooperative tribal governing body in order to promote the purpose of this program.~~

~~(c) An applicant may contract with a Community Development Organization, State Development Organization or political subdivision to use BRC funds.~~

~~(d) An otherwise eligible applicant that is past due on program reporting or revenue recapture payments to the Council shall be deemed ineligible until the applicant brings itself into full compliance with existing reporting and payment obligations to the Council.~~

~~(i) Noncompliant applicants shall be highlighted on program annual reporting to the Wyoming Legislature.~~

~~Section 5. Type of Projects.~~

~~(a) An infrastructure project is a project that funds the construction of physical structures and facilities including the purchase of land, buildings, facilities, telecommunications infrastructure, rights of way, airports, sewer and water projects, roads, landscaping, recreational and convention facilities and like expenditures. The Council may recommend, and the Board may approve, upon a finding of extraordinary circumstances, that a higher funding amount and/or a lower match amount is consistent with the purpose of the BRC.~~

~~(i) A Business Committed Project is a project in which an applicant has a business committed to start-up, expand, locate or retain jobs in the community. The applicant must demonstrate that new primary jobs, at or above median wage and at the state industry average wage, will be created or retained by the business. The maximum grant amount per project is five million dollars (\$5,000,000). Funding in excess of the maximum grant amount may be applied for as a BRC loan.~~

~~(ii) A Community Readiness Project is a project which has no specific business committed to expand or locate in a community. The community wants to build infrastructure to ready itself for new business development under a specific strategy or plan of action. The applicant must demonstrate potential exists for creation of new primary jobs. The maximum grant amount per project is five million dollars (\$5,000,000). Funding in excess of the maximum grant amount may be applied for as a BRC loan.~~

~~(iii) A Community Project is a project in which an applicant wants to improve the community's aesthetic character or quality of life in order to make itself more attractive for business development or workforce attraction and/or retention under a specific strategy or plan of action. Landscaping and streetseaping enhancements must be located in commercial districts, sites of business activity or high visibility areas. Reereation, convention or cultural centers must have a draw greater than the jurisdictional boundaries of the applicant. The maximum grant amount for Category 1 applicants is five hundred thousand (\$500,000) per project and the maximum grant amount for Category 2 applicants is seven hundred fifty thousand (\$750,000) per project. Funding in excess of the maximum grant amount may be applied for as a BRC loan.~~

~~(b) A planning project is a project in which an applicant creates or further develops a community's economic development strategy and outlines an implementation plan.~~

~~(i) An Economic Development Plan assesses the economic capabilities of the community as a whole and identifies potential future economic development opportunities. This may include regional targeted industry plans. The maximum award is one hundred thousand (\$100,000).~~

~~(ii) A Feasibility Study is a site-specific or industry-specific plan to determine the feasibility of a project to meet economic development objectives or remove barriers to economic growth. The maximum award is fifty thousand (\$50,000).~~

~~Section 6. Eligible Activities.~~

~~(a) Grants for planning projects may only be used for the creation of the planning document(s). Funds may not be used for salary costs of the applicant or local organizations, travel costs for anyone other than the planning consultant(s) or reproduction of any promotional materials.~~

~~(b) Grant and loan funds may be used for the expansion of infrastructure previously funded under this program for phased projects.~~

~~(c) Grant and loan funds may not be used for the rehabilitation or expansion of existing infrastructure unless the Council determines the rehabilitation or expansion is necessary to meet the purpose of the program.~~

~~(d) Grant and loan funds may not be used for salaries, wages, or contracts during the grant writing stage.~~

~~(e) Eligible projects shall clearly demonstrate how the outcome for each project will result in economic growth.~~

~~**Section 7. Ownership of Infrastructure.**~~

~~(a) The infrastructure funded by this program shall be owned by the applicant or an agent of the applicant, such as a community development organization, state development organization or political subdivision acting in the role of agent of the applicant.~~

~~(b) Unless the project is owned by the applicant, there shall be documentation that in the event of dissolution of the owner, the BRC funded infrastructure shall revert to the sponsoring applicant or a related city, town, county, joint powers board or tribe acting as agent of the applicant. This requirement may be satisfied by either specific language within articles of incorporation or a filing of the real estate record with the county of record.~~

~~(c) The infrastructure or facility can be sold to a private entity without advertising the sale or calling for bids, provided that the award recipient makes a determination that the sale will benefit the economic development of the community and holds the sale in accordance with W.S. 15-1-112(b) and any other applicable statute.~~

~~(d) If the owner of any infrastructure or facility built with BRC funds sells the infrastructure or facility to a private entity prior to the end of the project reporting requirements, the new owner shall fulfill the requirements of the grant agreement.~~

~~**Section 8. Revenue Generating Projects.**~~

~~(a) Revenue generated by the applicant or an owner described in Section 7 of this Chapter must be recaptured at a negotiated rate commensurate with the public investment. Revenue recapture requirements may be satisfied via revenue recapture payments unless otherwise prohibited by applicable statutes, rules, or regulations. All funds recaptured at the local level shall be placed in a segregated economic development account or separate line item within a budget.~~

~~(b) Revenue recaptured to the BRC fund must comply with the following requirements:~~

- ~~-(i) If the total net revenue generated is less than the BRC grant amount, then no less than twenty-five percent (25%) of net revenue shall be recaptured to the BRC fund; or~~
- ~~-(ii) If the total net revenue generated is equal to or more than the BRC grant amount, then no less than twenty-five percent (25%) of the BRC award shall be recaptured to the BRC fund.~~
- ~~-(e) Revenue paid to the BRC fund shall not exceed the original grant amount of the project.~~
- ~~-(d) No more than fifty percent (50%) of local recapture may be used for operational expenses of the applicant or the agent of the applicant and must be matched dollar-for-dollar by local funds. The Council staff may, at its expense, conduct an audit of records of the agent for the applicant.~~
- ~~-(c) Revenue recapture must be repaid to the BRC fund annually or according to a schedule agreeable to Council staff.~~
- ~~-(f) A lien shall be filed on the property by the Council staff at the time of grant and/or loan agreement execution.~~

~~**Section 9. Projects Involving a Private Developer.**~~

- ~~-(a) Projects involving a private developer shall demonstrate that adequate consideration exists by showing that the expected benefit to the State is at least as great as the BRC assistance. The analysis of whether adequate consideration exists may include whether the private developer is providing a match with its own funds, has secured a match with other non-state funds, and any capital expenditures the private developer intends to make connected to the project. Such projects shall include the repayment of BRC funds as described in Section 8 and meet at least one of the following three criteria:~~
- ~~-(i) Direct, permanent jobs created as a result of the project;~~
- ~~-(ii) Projected tax benefits;~~
- ~~-(iii) Donation of real estate that is not otherwise necessary for the project to the applicant or an agent of the applicant. The value of all real estate donations must be verified by a certified appraisal or market analysis as determined by Council staff.~~

~~**Section 10. Local Public Hearing and Approval.**~~

- ~~-(a) An applicant is required to inform and educate the public and business community to the greatest extent possible about the proposed economic development project (including, but not limited to the economic development opportunity, possible funding sources and alternative solutions) utilizing a variety of techniques and media. The applicant must make readily available to the public access to the application and associated materials, exclusive of business plans or business financial information. An applicant shall actively solicit citizen input that can be submitted via writing, electronically or in person at a public hearing. A minimum of one public~~

~~hearing is required before submission of an application. For the purposes of this program, seven (7) days is the minimum period for notification of a hearing date. Public notice shall be published in an official medium such as local newspapers, public fora, local governmental social media pages or another venue as approved by Council staff. If the project facility is to be located outside the geographical boundaries of the applicant, the applicant shall hold an additional public hearing near the location of the proposed project facility. The notice shall contain a concise description of the proposed project and state that time will be set aside at the public hearing to take testimony from citizens about the project.~~

~~-(i) To inform the public and gather information, any public hearing shall at a minimum:~~

~~—(A) Identify the economic development opportunity or opportunities;~~

~~—(B) Explore all known possible funding sources and alternative solutions to the opportunity or opportunities;~~

~~—(C) Be advertised with a comprehensive description of the proposed project;~~

~~—(D) Solicit testimony from citizens who may feel that the proposed project might compete with an existing business;~~

~~—(E) Conduct specific outreach to any affected industry or industries and any competitors within that industry.~~

~~-(ii) An applicant must use its best efforts to notify all providers of similar services in the market area about the public hearing at least seven (7) days in advance of the public hearing.~~

~~-(b) An application must be accompanied by a description of the applicant's public engagement process, written comments received by the applicant, evidence of the public hearing notification, minutes from the public hearing and a signed resolution passed by the applicant or participating agencies to a joint powers board after the public hearing is held and public comments are considered.~~

~~**Section 11. Application Procedures.**~~

~~-(a) The applicant must schedule a consultation with a Wyoming Business Council Regional Director to discuss the project at least one month prior to project submission.~~

~~-(i) Final draft applications and final draft application materials must be provided to the Regional Director no less than two weeks prior to submission.~~

~~-(b) Each application shall be reviewed by the Council staff to determine eligibility and completeness.~~

~~-(i) Council staff shall utilize a scoring matrix to evaluate a grant and/or loan application.~~

- ~~-(ii) Each applicant shall submit the required application form and any supplemental documentation required by Council staff.~~
- ~~-(iii) An applicant shall demonstrate satisfactory performance under previous grants and/or loans awarded through this program.~~
- ~~-(c) Incomplete or ineligible applications will be sent back to the applicant for resubmittal at the next eligible application cycle. If Council staff determine that an application is incomplete or ineligible, the applicant shall be provided an explanation of the Council staff's findings and recommendations.~~
- ~~-(d) The Council staff shall provide statewide notice of Council and Board meetings at which BRC applications will be discussed.~~
- ~~-(e) The Council staff shall provide the Council with a summary of each application and a recommendation as to that application.~~
- ~~-(f) The Council shall perform a roll-call vote on all BRC projects.~~
- ~~-(g) The Council staff shall provide the Board with a summary of each application including the Council's recommendation.~~

~~**Section 12. Allocation Plan and Funding Cycles.**~~

- ~~-(a) The Council may adopt a funding allocation plan for BRC projects and prioritize project types.~~
- ~~-(b) Applications will be accepted according to an annual deadline schedule posted on the Wyoming Business Council website.~~
- ~~-(c) BRC awards per applicant are limited as follows:~~

Community Readiness	One per calendar year
Community Project	One per calendar year
Planning	One per calendar year

~~**Section 13. Grant Match Requirements.**~~

- ~~-(a) BRC loans do not require a match.~~
- ~~-(b) A BRC loan can be used to satisfy the grant match requirement.~~

~~(c) A grant for a planning project shall require a minimum match of twenty-five percent (25%) of total eligible project activities.~~

~~(d) The total required match is based on total eligible project costs.~~

~~(e) Applicants must provide five percent (5%) of the required match for the project.~~

~~(i) Eligible in-kind sources of match funds include property, building(s) and other sources as determined by Council staff.~~

~~(ii) Ineligible in-kind sources of match funds include operations, maintenance, grant writing, grant administration and other as determined by Council staff.~~

~~(f) For Business Committed applications, the committed business must contribute to the project in at least one of the following ways:~~

~~(i) Contribute to the eligible cash match;~~

~~(ii) Contribute to the ineligible cash match; or~~

~~(iii) Contribute other investments into the project.~~

~~(g) The following is a breakdown of the required match percentages by category:~~

BRC Required Match			
	Category 1 Applicant	Category 2 Applicant	Notes
~~Business Committed~~	~~20%~~	~~10%~~	~~— Half of match must be cash~~
~~Community Readiness~~	~~20%~~	~~10%~~	~~— Half of match must be cash~~
~~Community Project~~	~~20%~~	~~10%~~	~~— Half of match must be cash~~
~~Planning~~	~~25%~~	~~25%~~	~~— Half of match must be cash~~

~~All matches are calculated as a percentage of total eligible project cost.~~

~~(h) Applicants for all projects are categorized based on population and local government share of state sales and use tax per capita. Categories determine the required match. Sales and use tax figures are updated annually by the Wyoming Department of Revenue and population figures are updated every five years by the U.S. Census Bureau. Sales and use tax figures used for category~~

determinations will be an average of the three most recent years' data available. A schedule of categories will be regularly updated and posted on the Wyoming Business Council website.

~~-(i) Category One applicants are those municipalities with a population greater than 1,300.~~

~~-(ii) Category Two applicants are those municipalities with a population under 1,300 or are located in a county where the three-year average of the local government share of state sales and use tax per capita is less than seventy percent (70%) of the statewide average.~~

~~-(iii) In the event the applicant is a joint powers board, the project's location will determine its categorization.~~

~~Section 14. Fund Disbursement, Project Monitoring, Performance Measures and Revenue Recapture Reporting.~~

~~-(a) Procurement Standards. Applicants must follow state procurement regulations for cities and towns and the Wyoming Preference Act. If a non-municipal applicant has a procurement policy, Council staff or qualified consultants reserve the right to review that policy prior to fund disbursements and to disburse funds in accordance with that policy to the extent it is consistent with State law.~~

~~-(b) Fund Disbursement. Funds shall be disbursed to the applicant only as needed to discharge obligations incurred in accordance with Board-approved eligible project costs. Request for disbursement shall be made via the online grant management system, access to which shall be provided by Council staff. Requests for fund disbursement must be supported by adequate proof that such an obligation has been incurred for the project purpose and is due and owing.~~

~~-(c) Fund Reversion.~~

~~-(i) If the Council staff determines that a project has not been completed within a reasonable time, Council staff shall notify the applicant in writing at least thirty (30) days prior to presenting the matter for Council review.~~

~~-(ii) If the Council staff determines that the project is complete, but the full amount of the grant or loan has not been expended, Council staff shall notify the award recipient of this determination. Thirty (30) days following the notification, the unused portion of the grant or loan shall revert to the BRC Fund.~~

~~-(iii) For projects that have not been started within one year, Council staff shall notify an award recipient of a pending expiration prior to the one-year anniversary of the grant/loan approval. The award recipient may submit a written request to continue the project. Council staff may request new or updated information and documentation. Council staff may recommend and the Council may grant an extension of time in which to start or terminate the project.~~

~~-(iv) For projects with contingencies, applicant must provide a quarterly update on the status of any project contingency. The award recipient has the option to submit a new application or may request an extension or modification of the contingency terms through the Council staff. Council~~

~~staff may recommend and the Council may grant an extension of time or grant a modification to the contingency terms.~~

~~(d) Construction Monitoring.~~

~~–(i) Reports. Within fifteen (15) calendar days of the conclusion of each calendar quarter during the term of the award contract, the applicant shall provide Council staff with a progress report. Each progress report shall set forth, in narrative form, the work accomplished under the grant, loan, or grant and loan during the quarter and shall include a financial status report.~~

~~–(ii) Audits and inspections. The Council staff may, at its expense, conduct an audit of the records of the applicant and inspect the construction and operation of the project.~~

~~–(iii) At the end of the construction period, the applicant shall provide Council staff a comprehensive report of the project and a cumulative financial statement that reflects the total fund expenditure pursuant to the award contract.~~

~~(e) Project Evaluation.~~

~~–(i) Reports. Once the construction period is complete, the applicant shall submit annual reports for an additional five years to evaluate project outcomes against established measures on an annual basis. The Board may approve a longer reporting period on a finding that a longer reporting period would be beneficial to the State for the project. Council staff shall tailor reports to the specific nature of each grant or loan, in agreements between the Council and award recipient. This requirement shall transfer with the transfer of any ownership interest in the infrastructure or building constructed with BRC funds.~~

~~–(ii) Evaluation results. The Council shall use the evaluation report information to measure program outcomes, to promote learning from experience and to improve program performance. Evaluation results shall be available to other award recipients.~~

~~–(iii) Project outcomes reported shall be substantiated by the applicant.~~

~~–(iv) At the end of the five-year reporting requirement and/or at the sale of the public asset (if applicable), the award recipient shall provide a comprehensive report to the Council staff in a format prescribed by the Council staff that is a cumulative financial and performance report of the project. This report shall, at a minimum, include:~~

~~–(A) A detailed accounting of project expenditures that were paid for with BRC grant and/or loan funds;~~

~~–(B) The match contributed and the source of the match monies;~~

~~–(C) Recapture revenue(s) received, including an accounting of how recaptured revenues were or will be used, how recaptured revenue use complies with the rules of the BRC program and the project grant/loan agreement; and~~

~~—(D) The accomplishments that resulted from the grant and/or loan. An authorized official of the award recipient shall certify, under penalty of false swearing, that the information in the report is true.~~

~~—(v) The Council staff reserves the right to require the award recipient to request a BRC project audit be conducted by the director of the department of audit or his designee. The award recipient shall be responsible to pay the cost of this audit.~~

~~—(vi) Record retention. Award recipients shall agree to retain all records related to the project for five (5) years following the Council staff's date of notice to award recipient of closeout of the grant.~~

~~Section 15. Public Comments on Applications Submitted and Under Board Consideration for Funding Recommendations.~~

~~—(a) Comments regarding any application submitted under this program may be offered by any interested party.~~

~~—(b) Written comments shall be received by the Council staff no less than fourteen (14) calendar days prior to the public meeting at which the application is to be considered by the Council and:~~

~~—(i) May be submitted using an online form to be prescribed by the Council staff;~~

~~—(ii) May be submitted by email to the wbc.public-comment@wyo.gov; or~~

~~—(iii) May be submitted by mail or courier service as follows:~~

~~—Wyoming Business Council~~

~~—Attn: Public Comment~~

~~—214 West 15th Street~~

~~—Cheyenne, WY 82002~~

~~—(c) Written comments submitted by any means other than those set forth in Subsection 15(b) of this Chapter shall not be considered.~~

~~—(d) Prior to taking action on any application, the Council may accept oral comments during public session from any interested party. In accordance with W.S. 16-4-403(b), any party wishing to offer oral comments shall notify the Council as set forth below. Such notification shall include:~~

~~—(i) The first and last name of the person offering comment; and~~

~~—(ii) The affiliation(s) of the person offering comment; and~~

Chapter 2

BRC LOAN INFORMATION

Section 1. Authority. Rulemaking for this program is the responsibility of the Wyoming Business Council as authorized by W.S. 9-12-104(a)(iv) and W.S. 9-12- 601.

Section 2. General Policy. A Building Resilient Communities (BRC) loan may be made to fund all or a portion of any project that is an eligible activity. A BRC loan may be used in conjunction with a BRC grant. In no event shall a loan be made to pay off or refinance existing debt.

Section 3. Application Submittal Requirements.

(a) In addition to the application requirements in Chapter 1, the following items are required for loan applications:

(i) A copy of the signed resolution of support from the Applicant or the member agencies if the Applicant is a joint powers board that includes source of repayment of the loan and the proposed security for the loan;

(ii) If applicable, documentation of any environmental remediation or review requirements to be undertaken or that have been or will be undertaken at the expense of the Applicant. Council staff shall determine the level of environmental review required and, if after consultation with the Attorney General's Office, Council staff determine that further review or remediation is required, the Applicant shall undertake that review or remediation at its own expense;

(iii) If applicable, a determination whether the real property is subject to federal flood regulations. An Applicant must include a federal floodplain map and identify the location of proposed collateral. If necessary, flood and hazard insurance will be required at the expense of the Applicant;

(iv) If applicable, an Applicant shall include guarantees, letters of credit and any other proposed security for the loan;

(v) A letter from the Applicant's attorney addressing the following in detail:

(A) The Applicant's authority to enter into the loan;

(B) The Applicant's current indebtedness and borrowing capacity;

(C) Whether or not the loan will require an election;

(D) The proposed method of repayment and identified revenue sources for that repayment; and

(E) An affirmation that the Wyoming State Constitution debt provisions and all other applicable statutory duties of the Applicant shall be followed.

(vi) In order for the Council to determine the ability of the Applicant to repay a loan and to aid the Applicant's attorney in evaluating the legality of the proposed indebtedness, each Applicant shall provide:

(A) An annual budget for the preceding and current fiscal years; and

(B) A completed financial statement provided on a "General Financial Information" form provided by the Council staff, that includes, but is not limited to the following information:

(I) Assessed valuation for the current and two (2) preceding fiscal years;

(II) Total bonded and non-bonded indebtedness, including outstanding principal balance, interest rate and remaining term;

(III) Total mills levied within the jurisdiction of the Applicant for the current and two (2) preceding years, and a breakdown of the mill levy for the current fiscal year;

(IV) Sales and use tax imposed within the jurisdiction of the Applicant; and

(V) A summary of the Applicant's total investments and cash balances for the three (3) preceding fiscal years.

(vii) Council staff may require additional information in accordance with Council loan policies.

Section 4. Interest Rate and Term.

(a) A BRC Loan shall be made at the following interest rates as recommended by the Council and established by the Board and reflective of market rates.

(i) A floor of zero percent (0%) for non-revenue generating projects.

(ii) A floor of one percent (1%) for revenue generating projects.

(iii) Loans shall have a one-time servicing fee of standard rates and will be serviced through a third-party contract.

(iv) Fees such as origination, documentation, filing appraisal and any

additional fees will be paid by the Applicant.

(v) The term of the loan shall be based upon the useful life of the asset not to exceed thirty (30) years.

Section 5. Security Interest.

(a) A loan shall be adequately collateralized as recommended by the Council and determined by the Board. The Council may recommend, and the Board may require a first position security interest in the revenue generating facility and the related user fees or assessments. Other security may be required as determined by the Council and approved by the Board. A borrower shall be required to maintain adequate insurance on the proposed infrastructure, pay applicable taxes and assessments when due and maintain the infrastructure in good condition. An Applicant shall be required to provide a complete appraisal of the collateral. The Council reserves the right to review and accept the appraisal or to hire a third party to perform an appraisal at the cost of the Applicant. An appraisal may be waived in the event Council staff determine the project has sufficient equity coverage without considering the value of the collateral.

(b) Loans may be made as non-recourse loans. If the borrower defaults, the Council may seize collateral in line with the terms of the loan agreement, but shall not seek any further compensation from the borrower except as contemplated in the loan agreement.

Section 6. Election Determination. No funds shall be disbursed to an Applicant unless the Applicant provides proof that an election approving the project and borrowing for the project by the qualified electors of the borrowing entity has occurred or is not required by law.

Section 7. Loan Evaluation.

(a) In addition to Application Evaluation criteria in Chapter 1, Council staff shall evaluate a loan application utilizing the following criteria:

(i) Whether the user fees or assessments generated by the project will be sufficient so that the loan may be considered a reasonable and prudent investment of state funds; and

(ii) If applicable, whether the Applicant is current on repayment obligations to the BRC account or other state loan accounts on any other existing loans.

(b) An otherwise eligible Applicant that is delinquent on previous debt payments will be deemed ineligible for a new loan or future project until the Applicant is made current on outstanding debt payments.

Section 8. Council Consideration. The Council shall consider each application; allow for comments from the public, the Applicant and the Council staff; and refer to the Board a recommendation including the amount of the loan, the term of the loan and the type of security

required to secure the loan.

Section 9. Subordination. Applicant agrees that a BRC Loan shall not be subordinate or junior in right of payment or security interest to any other indebtedness, whether now existing or hereafter incurred, without the prior written consent of the Council. Any attempt to subordinate the BRC Loan without such consent shall be null and void and may be considered as a default under Section 5(b) of this Chapter.

Section 10. Disbursement of Loan Proceeds. Funds shall be disbursed to the Applicant as described in Chapter 1, Section 14(b) of these Rules.

Chapter 3

MANAGED DATA CENTER COST REDUCTION FUNDING

Section 1. Authority. Rulemaking for this program is the responsibility of the Wyoming Business Council as authorized by W.S. 9-12-104(a)(iv) and W.S. 9-12- 601.

Section 2. Maximum Amount and Match.

(a) The maximum grant amount for a Managed Data Center Cost Reduction project is two million two hundred fifty thousand (\$2,250,000). The grant amount shall be determined by the committed business's match amount.

(b) The grant shall require a minimum private investment match that is at least one hundred twenty-five percent (125%) greater than the "Managed Data Center Cost Reduction" grant. No less than fifty percent (50%) of the match shall be calculated by the Gross Wages of those employees earning one hundred fifty percent (150%) of the median wage for all occupations in all industries within the county in which the project will take place and are at the state industry average wage. No more than fifty percent (50%) of the match shall be calculated by the private capital investments in taxable items. The following table shows three (3) examples of grant amounts and the required match. The match can be realized up to five (5) years.

Total Grant Amount	Percent of Minimum Consideration	Minimum Required Match (Realized over 5 years)	Minimum Percent of Required Consideration Comprised of Wages (100% of which are 150% of the County Median)	Minimum Required Wages (100% of which are 150% above County Median)	Maximum Private Capital Investment in Taxable Items Allowable as Consideration
\$ 2,250,000	125%	\$ 2,812,500	50%	\$ 1,406,250	\$ 1,406,250
\$ 1,500,000	125%	\$ 1,875,000	50%	\$ 937,500	\$ 937,500
\$ 750,000	125%	\$ 937,500	50%	\$ 468,750	\$ 468,750

Section 3. Eligible Project Activities.

(a) Grants for Managed Data Center Cost Reduction projects may be used for the reduction of the costs of electrical power, broadband or both for Managed Data Centers.

(b) The employees and those employees' gross wages, as defined in Chapter 1, Section 3, must be created positions.

Section 4. Fund Disbursement, Project Monitoring and Project Evaluation.

(a) Managed Data Center Cost Reduction projects are subject to all requirements listed in Chapter 1, Section 14 and the following:

(i) Funds shall only be disbursed for committed businesses that are in operation in the jurisdiction of the Applicant. Funds may be disbursed over five (5) years if the committed business achieves the match requirement. Annual grant disbursements may total no more than one-third (1/3) the total amount in addition to the unused balance available from

previous grant years.

(ii) If the Council staff determines that a committed business participating in a Managed Data Center Cost Reduction project does not begin or ceases operating within one (1) year from the time the grant is approved, the grant will automatically expire. Based on information supplied by the award recipient, Council staff may grant an extension of time in which the committed business must start operations.

(iii) If the Council staff determines that five (5) years has elapsed since the commencement of operations of a committed business participating in a Managed Data Center Cost Reduction project and the match requirement has not been met, then the full or partial amount of grant awarded to the Applicant may revert to the BRC account.

Section 5. Application Procedures.

(a) Each Applicant under this Chapter shall follow the application requirements in Chapter 1.

(b) In addition to other requirements listed for a development agreement in Chapter 1, the following shall be included:

(i) A written agreement that the business will repay all grant funds expended at a reasonable rate of return as negotiated with the Applicant and approved by the Council if the business relocates from the political subdivision within five (5) years from first receiving funds;

(ii) A written agreement that the business will repay all grant funds expended at a reasonable rate of return as negotiated with the Applicant and approved by the Council if the business does not meet its match requirements within five (5) years from first receiving funds;

(iii) An understanding of the required match and job creation requirements;

(iv) The terms of the fund disbursements and a statement of which utility costs will be reduced using the grant funds and in what amount;

(v) A written timeline for the business to become operational and a signed commitment to meet the milestones within that timeline;

(vi) A written offer by the business and an acceptance or rejection by the Applicant to provide a stated amount of information technology storage services to the Applicant at a price discounted from the fair market value of the services; and

(vii) If applicable, a signed lease agreement or memorandum committing the Applicant and business to follow the terms of lease agreement.

(c) Council staff shall utilize a scoring matrix to evaluate an application.

(d) At the Applicant's expense, Council staff may request a disinterested third party review the Applicant's business plan or examine other aspects of an application made under this Chapter. Selection of the disinterested third party is at the sole discretion of Council staff.

Chapter 3

~~BUSINESS READY COMMUNITY LOAN INFORMATION~~

~~**Section 1. Authority.** Rulemaking for this program is the responsibility of the Wyoming Business Council as authorized by W.S. 9-12-104(a)(iv) and W.S. 9-12-601.~~

~~**Section 2. General Policy.** A BRC loan may be made to fund all or a portion of any project that is an eligible activity. A BRC loan may be used in conjunction with a BRC grant. In no event shall a loan be made to pay off or refinance existing debt.~~

~~**Section 3. Application Submittal Requirements.**~~

~~(a) In addition to the application requirements in Chapter 1, the following items are required:~~

~~(i) A copy of the signed resolution of support from the applicant or the member agencies if the applicant is a joint powers board that includes source of repayment of the loan and the proposed security for the loan;~~

~~(ii) If applicable, documentation of any environmental remediation or review requirements to be undertaken or that have been or will be undertaken at the expense of the applicant. Council staff shall determine the level of environmental review required and, if after consultation with the Attorney General's Office, Council staff determine that further review or remediation is required, the applicant shall undertake that review or remediation at its own expense;~~

~~(iii) If applicable, determination whether the real property is subject to federal flood regulations. An applicant must include a federal floodplain map and identify location of proposed collateral. If necessary, flood and hazard insurance will be required at the expense of the applicant;~~

~~(iv) If applicable, an applicant shall include guarantees, letters of credit and any other proposed security for the loan;~~

~~(v) A letter from the applicant's attorney addressing the following in detail:~~

~~(A) The applicant's authority to enter into the loan;~~

~~(B) The applicant's current indebtedness and borrowing capacity;~~

~~(C) Whether or not the loan will require an election;~~

~~(D) The proposed method of repayment and identified revenue sources for that repayment; and~~

~~(E) An affirmation that the Wyoming State Constitution debt provisions and all other applicable statutory duties of the applicant will be followed.~~

~~—(vi) In order for the Council to determine the ability of the applicant to repay a loan and to aid the applicant's attorney in evaluating the legality of the proposed indebtedness, each applicant shall provide:~~

~~—(A) An annual budget for the preceding and current fiscal years; and~~

~~—(B) A completed financial statement provided on a "General Financial Information" form provided by the Council staff, that includes, but is not limited to the following information:~~

~~—(I) Assessed valuation for the current and two (2) preceding fiscal years;~~

~~—(II) Total bonded and non-bonded indebtedness, including outstanding principal balance, interest rate and remaining term;~~

~~—(III) Total mills levied within the jurisdiction of the applicant for the current and two (2) preceding years; and a breakdown of the mill levy for the current fiscal year;~~

~~—(IV) Sales and use tax imposed within the jurisdiction of the applicant; and~~

~~—(V) A summary of the applicant's total investments and cash balances for the three (3) preceding fiscal years.~~

~~—(vii) Council staff may require additional information in accordance with Council loan policies.~~

~~**Section 4. Maximum Loan Amount.** The maximum loan amount is five million dollars (\$5,000,000) per application.~~

~~**Section 5. Interest Rate and Term.**~~

~~—(a) A Business Ready Community Loan shall be made at the following interest rates as recommended by the Council and established by the Board and reflective of market rates:~~

~~—(i) A floor of zero percent (0%) for non-revenue generating projects.~~

~~—(ii) A floor of one percent (1%) for revenue generating projects.~~

~~—(iii) Loans may have a one-time servicing fee of one-half of one percent (0.5%) not to exceed five thousand dollars (\$5,000) and will be serviced through a third-party contract.~~

~~—(iv) Fees such as origination, documentation, filing appraisal and any additional fees will be paid by the applicant.~~

~~—(v) The term of the loan will be based upon the useful life of the asset not to exceed thirty (30) years.~~

~~**Section 6. Security Interest.**~~

~~(a) A loan shall be adequately collateralized as recommended by the Council and determined by the Board. The Council may recommend, and the Board may require a first position security interest in the revenue generating facility and the related user fees or assessments. Other security may be required as determined by the Council and approved by the Board. A borrower shall be required to maintain adequate insurance on the proposed infrastructure, pay applicable taxes and assessments when due and maintain the infrastructure in good condition. An applicant shall be required to provide a complete appraisal on the collateral. The Council reserves the right to review and accept the appraisal or to hire a third party to perform an appraisal at the cost of the applicant. An appraisal may be waived in the event Council staff determine the project has sufficient equity coverage without considering the value of the collateral.~~

~~(b) Loans may be made as non-recourse loans. If the borrower defaults, the Council can seize collateral but will not seek any further compensation from the borrower.~~

~~**Section 7. Election Determination.** An election approving the project and borrowing for the project by the qualified electors of the borrowing entity shall be required only if the Attorney General or the applicant's attorney determines such an election is required by law.~~

~~**Section 8. Loan Evaluation.**~~

~~(a) In addition to Application Evaluation criteria in Chapter 1, Council staff shall evaluate a loan application utilizing the following criteria:~~

~~(i) Whether the user fees or assessments generated by the project will be sufficient so that the loan may be considered a reasonable and prudent investment of state funds; and~~

~~(ii) If applicable, whether the applicant is current on repayment obligations to the BRC account or other state loan accounts on any other existing loans.~~

~~**Section 9. Council Consideration.** The Council shall consider each application; allow for comments from the public, the applicant and the Council staff; and refer to the Board a recommendation including the amount of the loan, the term of the loan and the type of security required to secure the loan.~~

~~**Section 10. Disbursement of Loan Proceeds.** Funds shall be disbursed to the applicant as needed to discharge obligations incurred in accordance with the Board approved eligible project costs. Requests for disbursement shall be made via the online grant and loan management system access to which shall be provided by the Council staff. Disbursement requests shall be supported by adequate proof that such an obligation has been incurred for the project purpose and is due and owing.~~

Chapter 4

~~BUSINESS READY COMMUNITY MANAGED DATA CENTER COST REDUCTION FUNDING~~

~~**Section 1. Authority.** Rulemaking for this program is the responsibility of the Wyoming Business Council as authorized by W.S. 9-12-104(a)(iv) and W.S. 9-12-601.~~

~~**Section 2. Maximum Amount and Match.**~~

~~(a) The maximum grant amount for a Managed Data Center Cost Reduction project is two million two hundred fifty thousand (\$2,250,000). The grant amount will be determined by the business's match amount.~~

~~(b) The grant shall require a minimum private investment match that is at least one hundred twenty-five percent (125%) greater than the "Managed Data Center Cost Reduction" grant. No less than fifty percent (50%) of the match shall be calculated by the net wages, not including benefits, of those employees earning one hundred fifty percent (150%) of the median wage for all occupations in all industries within the county in which the project will take place and are at the state industry average wage. Nor more than fifty percent (50%) of the match shall be calculated by the private capital investments in taxable items. The following table shows three (3) examples of grant amounts and the required match. The match can be realized up to five (5) years.~~

Total Grant Amount	Percent of Minimum Consideration	Minimum Required Match (Realized over 5 years)	Minimum Percent of Required Consideration Comprised of Wages (100% of which are 150% of the County Median)	Minimum Required Wages (100% of which are 150% above County Median)	Maximum Private Capital Investment in Taxable Items Allowable as Consideration
\$ 2,250,000	125%	\$ 2,812,500	50%	\$ 1,406,250	\$ 1,406,250
\$ 1,500,000	125%	\$ 1,875,000	50%	\$ 937,500	\$ 937,500
\$ 750,000	125%	\$ 937,500	50%	\$ 468,750	\$ 468,750

~~**Section 3. Eligible Project Activities.** Grants for Managed Data Center Cost Reduction projects may be used for the reduction of the costs of electrical power, broadband or both for Managed Data Centers.~~

~~**Section 4. Fund Disbursement, Project Monitoring and Project Evaluation.**~~

~~(a) Managed Data Center Cost Reduction projects are subject to all requirements listed in Chapter 1, Section 14 and the following:~~

~~(i) Funds shall only be disbursed for businesses that are in operation in the jurisdiction of the applicant. Funds may be disbursed over five (5) years if the applicant achieves the match~~

~~requirement. Annual grant disbursements may total no more than one-third (1/3) the total amount in addition to the unused balance available from previous grant years.~~

~~–(ii) If the Council staff determines that a business participating in a Managed Data Center Cost Reduction project is not operating within one (1) year from the time the grant is approved, the grant will automatically expire. Based on information supplied by the award recipient, Council staff may grant an extension of time in which the business must start operations.~~

~~–(iii) If the Council staff determines that five (5) years has elapsed since the commencement of operations of a business participating in a Managed Data Center Cost Reduction project and the match requirement has not been met, then the full or partial amount of grant disbursed to the applicant may be reimbursed to the BRC account.~~

~~**Section 5. Application Procedures.**~~

~~–(a) Each applicant under this Chapter shall follow the application requirements in Chapter 1.~~

~~–(b) In addition to other requirements listed for a development agreement in Chapter 1, the following shall be included:~~

~~–(i) An agreement that the business will repay all grant funds expended at a reasonable rate of return as negotiated with the applicant and approved by the Council if the business relocates from the political subdivision within five (5) years from first receiving funds;~~

~~–(ii) An agreement that the business will repay all grant funds expended at a reasonable rate of return as negotiated with the applicant and approved by the Council if the business does not meet its match requirements within five (5) years from first receiving funds;~~

~~–(iii) An understanding of the required match and job creation requirements;~~

~~–(iv) The terms of the fund disbursements and a statement of which utility costs will be reduced using the grant funds and in what amount;~~

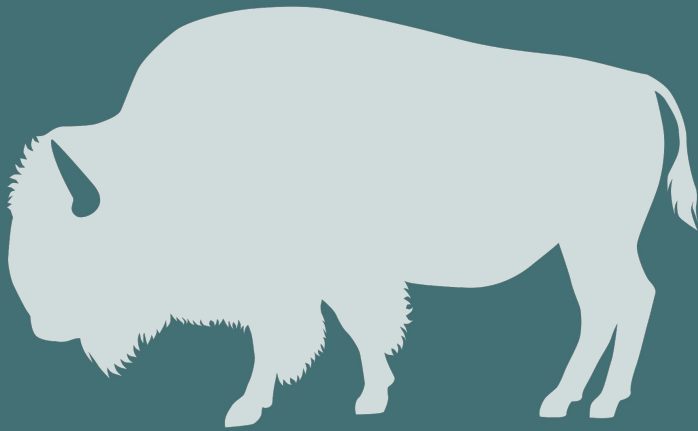
~~–(v) A written timeline for the business to become operational and a signed commitment to meet the milestones within that timeline;~~

~~–(vi) An offer by the business and an acceptance or rejection by the applicant to provide a stated amount of information technology storage services to the applicant at a price discounted from the fair market value of the services;~~

~~–(vii) If applicable, a signed lease agreement or memorandum committing the applicant and business to follow the terms of lease agreement.~~

~~–(c) Council staff shall utilize a scoring matrix to evaluate an application.~~

~~(d) At the applicant's expense, Council staff may request a disinterested third party review the applicant's business plan or examine other aspects of an application made under this Chapter. Selection of the disinterested third party is at the sole discretion of Council staff.~~



INVESTMENTS

WYOMING



ACCELERATING WYOMING BUSINESSES

KICKSTART INNOVATION GRANT WYVC



WBC helps innovators launch and grow companies in diverse industries by offering resources and support that make staying in Wyoming the best choice.

Our **three unique solutions** support companies of all sizes and at different stages of the business journey.



LAUNCHING WYOMING BUSINESSES INTO THE NEXT PHASE OF GROWTH.



Grant Program

KICKSTART



KICKSTART GRANT – PROGRAM OVERVIEW

RELAUNCHED IN JAN '25

Originally launched in 2018 with 18 awards with \$886,400 in funding

QUARTERLY COMPETITION

Applicants reviewed on a quarterly basis:

- Wyoming based
- High growth potential
- Obtain markets outside the state
- Founder qualifies through previous pitch competition finalist, accelerator, or other venture experience

3 STAGES

Stage 1: Review by internal WBC panel

Stage 2: Top 5 from Stage 1 pitch to WBC partner investors, venture/business specialists

Stage 3: Top 3 from Stage 2 have Q&A with WBC panel

* All panels have new judges every quarter



KICKSTART GRANT – FINANCIAL OVERVIEW

9

Grants Awarded

\$450,000

Funds Paid Out

\$150,000

Requested Grant Funds

\$1,801,247

Funds Remaining

KICKSTART AWARDS: Q1 2025

Funds have been fully dispersed. First reports will be due January 2026, followed by 1 report per quarter for 6 quarters.



AGRICULTURAL INNOVATIONS
\$50,000



ING OUTDOORS
\$50,000



BOTNY
\$50,000

KICKSTART AWARDS: Q2 2025

All award recommendations were approved by the Governor, contracts are executed, and funds have been fully dispersed. First reports are due February 2026, followed by 1 report per quarter for 6 quarters.



SLP TOOLS
\$50,000



ICE SPAS
\$50,000



POINT BLANK
\$50,000

KICKSTART AWARDS: Q3 2025

All award recommendations were approved by the Governor, contracts are executed, and funds have been fully dispersed. First reports are due March* 2026, followed by 1 report per quarter for 6 quarters.

SoloStudies



POWER THEORY



SOLO STUDIES
\$50,000

POWER THEORY
\$50,000

MAYPALL
\$50,000



KICKSTART GRANT Q4 APPLICATION PROCESS

- Applications closed September 30
- 18 companies applied – the most EVER
- Internal WBC team narrowed the pool down to 5
- 3 person investor panel selected the final 3
- Internal WBC determined award amounts through a Q&A session

KICKSTART AWARDEE

COMPANY: BULLFROG RECRUITING SOLUTIONS

FOUNDER: HEIDI FOY

RECOMMENDED AWARD: \$50,000

Based out of Casper, Bullfrog Recruiting is a modern recruiting platform designed specifically for college rodeo athletes and agriculture students—two deeply underserved groups in the traditional college recruiting world. Unlike generic platforms, Bullfrog offers custom student-athlete profiles, direct coach messaging, scholarships, mentorship, and career resources. Bullfrog empowers students from rural America to get recruited, stay connected, and thrive in higher education.



KICKSTART AWARDEE

COMPANY: PIXELPAY

**FOUNDERS: BRIAN & HANNAH MICHAUD,
MONIQUE & BRANSON MONTGOMERY, HEATH HORTEN**
RECOMMENDED AWARD: \$50,000

PixelPay is mobile payment software and hardware designed for coin-operated machines, such as arcades. PixelPay tracks coin usage, providing owners with user-friendly data. Revenue comes from an initial hardware installation fee, a low-cost software subscription, and a small user processing fee, with future expansion planned for all electric coin-operated machines.



KICKSTART AWARDEE

COMPANY: SWEET MOTIVATION

FOUNDERS: KIM HOYT

RECOMMENDED AWARD: \$50,000

Based out of Cheyenne, Sweet Motivation aims to empower people with diabetes by providing preparedness, education, and emotion support through its product Prevent-a-Pak. Prevent-A-Pak aims to provide a convenient, reliable, and comprehensive solution for people with diabetes when they are away from home. The product is a well-curated, insulated, customizable, travel bag specifically designed to assist individuals in managing their diabetes during sick days while away from home.





Helping Wyoming entrepreneurs build sustainable companies, create great jobs, and keep their success homegrown.



WBC BOARD MEETING WYVC UPDATE

NOVEMBER 24, 2025



WYVC

Dilutive capital for Seed, Series A, or Fund-Level LP investments for companies driving to national or global markets.

WYVC INVESTMENTS TO-DATE

11

WY COMPANIES
INVESTED IN

\$162.1M

PRIVATE CAPITAL
INVESTED

23.34%

AVG. INVESTMENT
PER ROUND

\$19.5M

WYVC CAPITAL
INVESTED

9:1

LEVERAGE
RATIO

\$181.6M

TOTAL CAPITAL INTO
WY STARTUPS



WYVC ECONOMIC IMPACT POTENTIAL

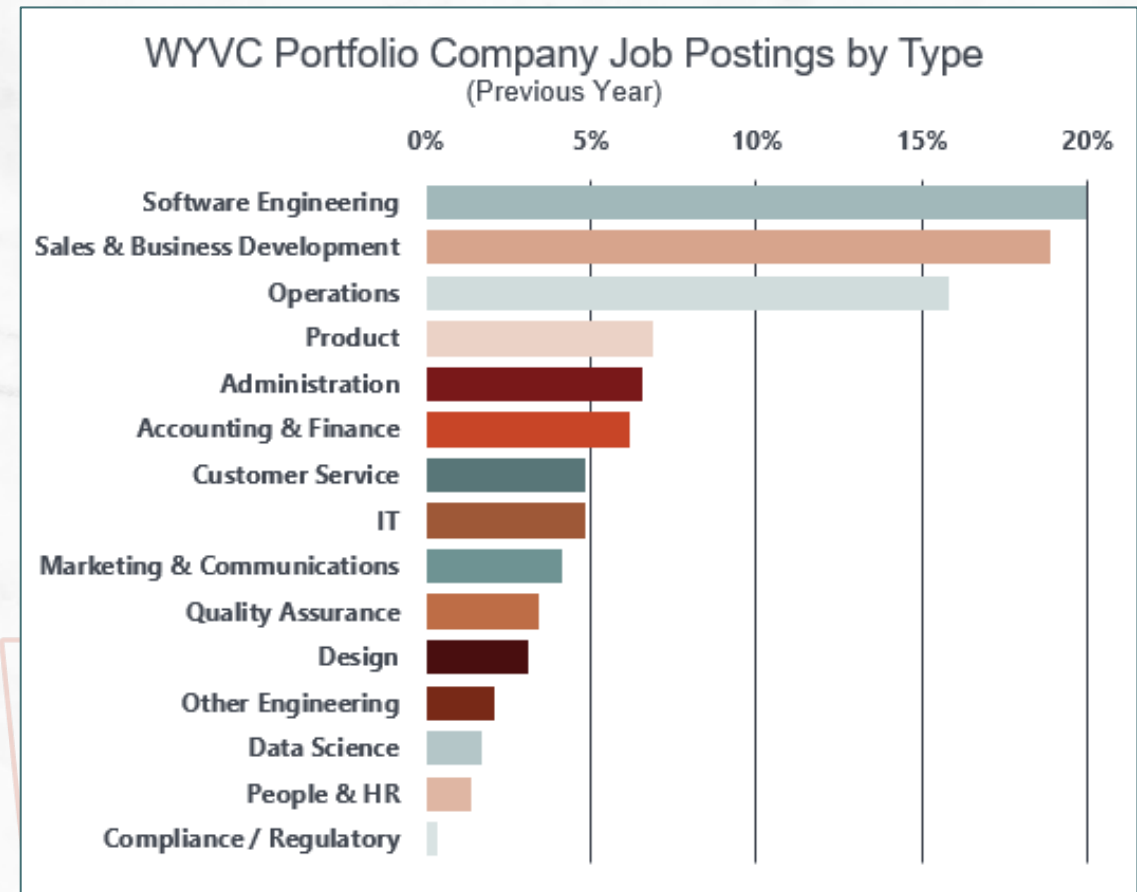
\$97.6M **\$29.8M**

DIRECT IMPACT

INDIRECT IMPACT

418

JOBS ENABLED



*Figures represent 5-year jobs enabled through invested capital and not solely direct local job creation

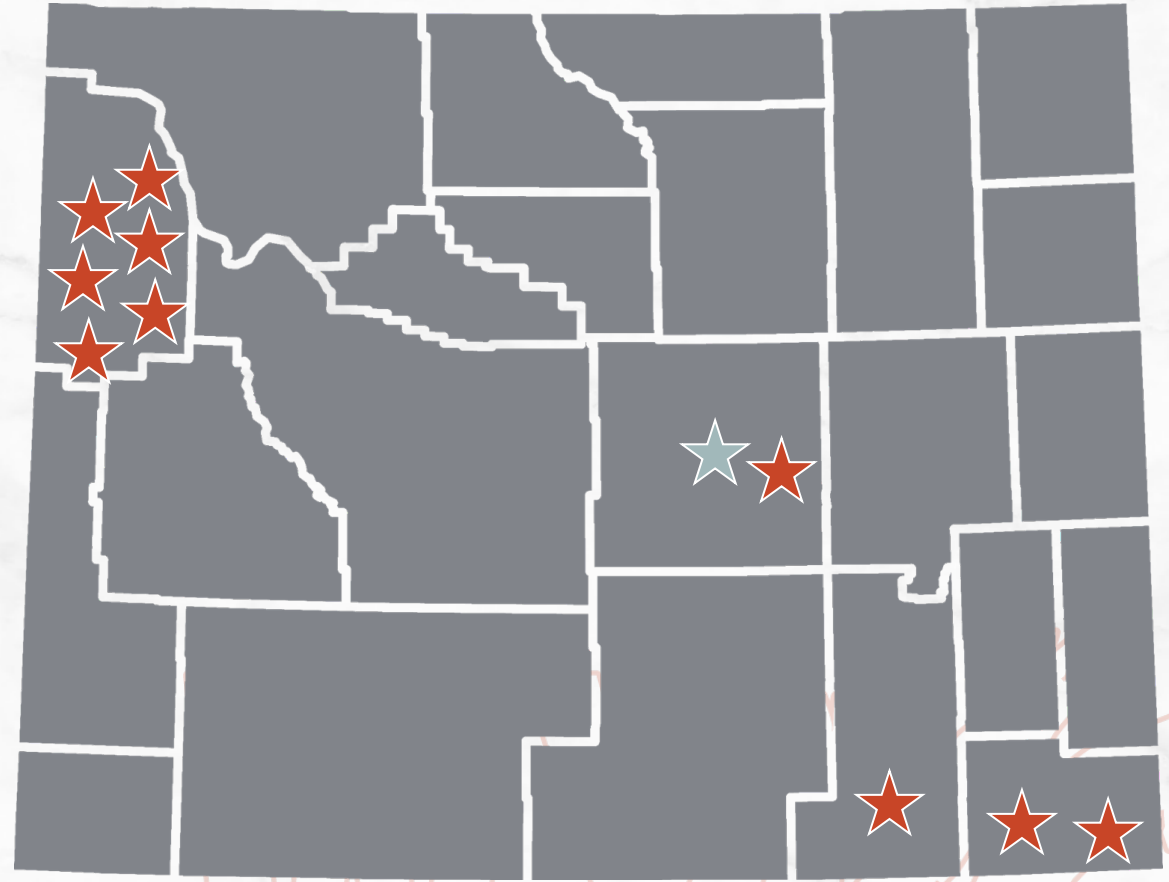
WYVGC INVESTMENTS TO-DATE



Funds



Direct



WYVC CO-INVESTORS TO-DATE

★ Leads



WYVC DEPLOYMENT

WYVC INVESTMENT ACTIVITY

	1Q25	2Q25	3Q25	11/24/25
DIRECT STRATEGY INVESTED	\$ 14,477,417	\$ 15,995,241	\$ 15,995,241	\$ 18,495,028
PORTFOLIO COMPANIES	8	9	9	10
FUNDS STRATEGY INVESTED	\$ 4,021,550	\$ 4,021,550	\$ 5,000,000	\$ 5,000,000
PARTNER FUNDS	1	1	1	1
WYVC TOTAL INVESTED	\$ 18,498,967	\$ 20,016,791	\$ 20,995,241	\$ 23,495,028

SSBCI TRANCHE TRACKING

TRANCHE 2 REMAINING (\$)	\$ 18,267,660	\$ 16,749,836	\$ 15,771,386	\$ 13,271,599
TRANCHE 2 REMAINING (%)	99.0%	90.7%	85.4%	71.9%

*INCLUDING FUNDS WHERE COMMITMENTS ARE INHERENTLY INCREMENTAL

ACTIVE LOIS (\$)*	\$2,860,000
TRANCHE REMAINING (\$)	\$10,411,599
TRANCHE REMAINING (%)	56.4%



CREDIT MEMORANDUM

APPLICANT FIRST FEDERAL BANK & TRUST (SHERIDAN, WY)
BUSINESS NEWMAN RESTORATION & CLEANING
352 PHOENIX AVE
SHERIDAN, WY 82801
DATE DECEMBER 17, 2025
PURPOSE 50/50 LOAN REAL ESTATE PURCHASE FOR HEADQUARTERS RELOCATION

PROPOSAL

First Federal Bank & Trust, located in Sheridan, WY has requested the Wyoming Business Council (WBC) to participate under the “50/50 Financing program” provision of the Wyoming Partnership Challenge Loan program to provide a term loan to Newman Restoration and Cleaning. The owners, Andrew and Rebecaa Newman, have secured real estate in Sheridan for the headquarters relocation of their Montana based business. The loan will be used for just real estate, and it will serve as the collateral. The WBC’s participation will be two hundred twenty-four thousand dollars (\$224,000.00) or 50% of the final total loan.

TOTAL LOAN	\$448,000.00
WBC PORTION	\$224,000 (50%)
AMOUNT REFINANCED	\$0
COLLATERAL	Real Estate \$560,000 (80% LTV)
LOAN FEE	\$2,240.00 (1%)
WBC INTEREST RATE	5.25%
BANK RATE	6.875%
BLENDED INTEREST RATE	6.06%
LOAN TERM	10 Years, 25-year Amortization
GUARANTOR	Andrew & Rebecca Newman, Newman Holdings

PROJECT

Newman Restoration and Cleaning was founded in 2016 by Andrew & Rebecca Newman. The company provides 24/7 disaster services across North-Central Wyoming and South-Central Montana, specializing in fire and water damage restoration, mold removal, sewage cleanup, and biohazard remediation.

The business is relocating its headquarters from Billings, MT to Sheridan, WY, where the Newmans are from and recently moved back to. They have acquired a shop at 352 Phoenix Ave. This facility will be fully equipped by the end of 2025 and will complement their existing locations in Billings and Big Sky. No major renovations are planned, but future improvements are possible at the location.

Andrew's background includes growing up in his parents' restoration business in Sheridan, WY, working in custom home building and woodworking, and serving as a customer sales representative at Montana Dakota Utilities. His experience restoring homes in Houston after Hurricane Harvey inspired him to launch the company.

The lead bank is lending according to their loan policy, the borrower is submitting a down payment, and the WBC is partnering in accordance with the guidelines outlined in the 50/50 Loan program.

CASH FLOW

Based on the historical financials obtained from the lead bank for all business entities, Newman's exhibits the ability to service the proposed debt with a DSCR of 1.24 with the proposed lower rate on loan from the WBC. The blended rate will save the company debt service on the monthly payments to First Federal Bank in the amount of (approx.) \$223; totaling \$26,766 over life of the loan. Additionally, it should be noted that based on current year's sales through September 2025, the DSCR is projected to be 2.99.

Credit reports were submitted to the WBC from the lead bank, and some initial concerns were resolved by the borrower.

BANK RISK RATING

The loan is presented as a pass credit with First Federal Bank, based on historical global cash flow, past banking relationship, and management and operational experience.

ECONOMIC DEVELOPMENT FUND BALANCE

\$12.58 Million

STAFF RECOMMENDATION

Staff recommend that the Board of Directors of the Wyoming Business Council approve the loan participation in the amount of two hundred twenty-four thousand dollars (\$224,000.00) as presented in this Credit Memorandum. This participation will be with First Federal Bank in Sheridan, WY as the lead bank. The loan recipient will be Newman Restoration and Cleaning's Real Estate entity, Riverbend Investments.

Respectfully submitted,
John Wendling
Loan Portfolio Manager

ATTACHMENT 1 - APPLICABLE STATUTE

ATTACHMENT 1

§ 9-12-301. Definitions

Any business may apply to the council for financing as defined in W.S. 9-12-301(a) (vi). "Fifty-fifty (50-50) financing program" means the provision of financing for that portion of the total project cost that is calculated by subtracting from the total project cost the sum of the business's debt. The council shall not consider a proposal in which the fifty-fifty (50-50) financing component exceeds fifty percent (50%) of the total project cost or two million five hundred thousand dollars (\$2,500,000.00), whichever is less, and the business does not contribute more than fifteen percent (15%) of the total project cost.



CREDIT MEMORANDUM

APPLICANT FIRST NORTHERN BANK (DOUGLAS, WY)
BUSINESS MOUNTAIN WEST VALUATIONS, LLC
145 N. DURBIN STREET
CASPER, WY 82601
DATE DECEMBER 17, 2025
PURPOSE SUCCESSION LOAN FOR THE ACQUISITION OF AN APPRAISAL COMPANY

PROPOSAL

First Northern Bank, located in Douglas, WY has requested the Wyoming Business Council (WBC) to participate under the “Succession Financing” provision of the Wyoming Partnership Challenge Loan program to provide a term loan to Mountain West Valuations, LLC. The existing owner is selling to one of its current employees, Jeremy Thies and his partner, Emmy Voigt. The proposed loan would be used to acquire the operations of the appraisal business. The WBC’s participation will be two hundred fifty-two thousand six hundred sixty-five dollars (\$252,665.00) or 50% of the final total loan.

TOTAL LOAN	\$505,300
WBC PORTION	\$252,665 (50%)
AMOUNT REFINANCED	\$0
COLLATERAL	2 nd REM Personal \$726,000 (110% Total LTV, Bank LTV 75.5%)
LOAN FEE	\$2,526.65 (1%)
WBC INTEREST RATE	5.00%
BANK RATE	6.75%
BLENDED INTEREST RATE	5.88%
LOAN TERM	10 Years, Fully Amortized
GUARANTOR	Jeremey Thies, Emmy Voigt

PROJECT

Established in 2014, Mountain West Valuations, LLC has grown into one of the most recognized appraisal firms across Wyoming, South Dakota, and Montana. The company provides comprehensive appraisal and evaluation services for residential, agricultural, and commercial real estate, as well as equipment. Over the past decade, Mountain West has earned a reputation for accuracy, professionalism, and reliability, becoming a trusted partner for clients throughout the region.

The current Owner, Deborah Clark has owned and managed the appraisal company for the last ten years and is looking to transition ownership to one of its current employees, Jeremy Thies. His partner, Emmy Voigt will be a co-borrower on the loan and be a 50% owner in the business. She will eventually participate in appraisal duties once training can be completed.

Deborah's husband Steve, current agricultural real estate appraiser for the business, will remain on through the transition to provide his expertise until other staff can be trained, providing some continuity through the transition. There are also two trainees on staff with plans to add more as business operations become more established through Jeremy's leadership.

The lead bank is lending according to their loan policy with an exception to 70% LTV policy requirement that is mitigated by strong project and global DSCR, shortened amortization, and WBC Participation covering a majority of the blue sky.

CASH FLOW

Based on the historical financials obtained from the lead bank, Mountain West Valuations exhibits the ability to service the proposed debt with a DSCR of 2.36 with the proposed lower rate on loan from the WBC. The blended rate will save the company debt service on the monthly payments to First Northern Bank in the amount of (approx.) \$221; totaling \$26,556 over life of the loan.

Credit reports were submitted to the WBC from the lead bank, all accounts are current and paying as agreed.

BANK RISK RATING

The loan is presented as a pass credit with First Northern Bank, based on historical cash flow, guarantor support, and WBC participation.

ECONOMIC DEVELOPMENT FUND BALANCE

\$12.58 Million

STAFF RECOMMENDATION

Staff recommend that the Board of Directors of the Wyoming Business Council approve the loan participation in the amount of two hundred fifty-two thousand six hundred sixty-five dollars (\$252,665.00) as presented in this Credit Memorandum. This participation will be with First Northern Bank in Douglas, WY as the lead bank. The loan recipient will be Mountain West Valuations, LLC.

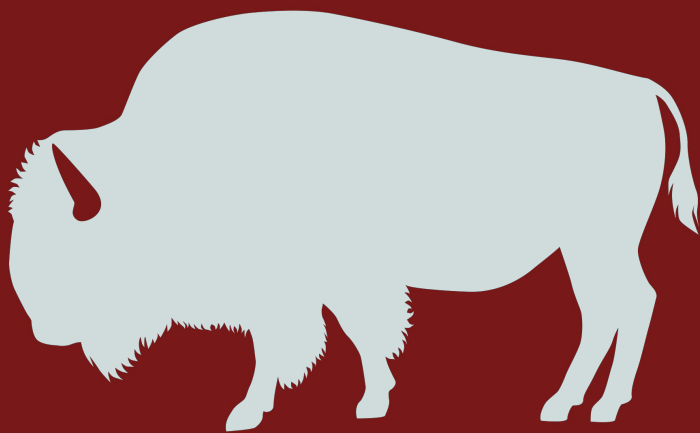
Respectfully submitted,
Jeremy Wendling
Loan Portfolio Manager

ATTACHMENT 1 - APPLICABLE STATUTE

ATTACHMENT 1

§ 9-12-304. Criteria for loans

Any business may apply to the council for financing as defined in W.S. 9-12-301(a) (xii). "Succession Financing" means a provision of financing to be used to assist in the transition or succession of a business that has been in existence for not less than seven (7) years immediately before the transfer or succession to a new owner of the business.



SERVICES

WYOMING

**CONTRACT BETWEEN
WYOMING BUSINESS COUNCIL
AND
COLUMBIA TELECOMMUNICATIONS CORPORATION d/b/a
CTC TECHNOLOGY AND ENERGY**

1. **Parties.** The parties to this Contract are Wyoming Business Council (Council), whose address is: 214 W. 15th Street, Cheyenne, Wyoming 82002, and COLUMBIA TELECOMMUNICATIONS CORPORATION d/b/a CTC TECHNOLOGY AND ENERGY (Contractor), whose address is: 10613 Concord Street, Kensington, Maryland 20895.
2. **Purpose of Contract.** The purpose of this Contract is to set forth the terms and conditions by which the Contractor shall use Broadband Equity Access and Deployment (BEAD) funds to pay for Contractor's services to manage compliance and monitoring through AmpliFund Grant and Management Software system.
3. **Term of Contract.** This Contract is effective when all parties have executed it (Effective Date). The term of the Contract is from Effective Date through December 30, 2030. All services shall be completed during this term.

This Contract may be extended by agreement of both parties in writing and subject to the required approvals. There is no right, or expectation of extension and any extension will be determined at the discretion of the Council.

4. **Payment.**
 - A. The Council agrees to pay the Contractor for the services described below. Total payment under this Contract shall not exceed three hundred eighteen thousand dollars (\$318,000.00). Invoices will be based on the established rates per milestone schedule. **Milestone 1**, 2026 annual fee for grant management software and support services: fifty-two thousand dollars (\$52,000.00). **Milestone 2**, grant management software configuration: fifty-eight thousand (\$58,000.00). **Milestone 3**, 2027 annual fee for grant management systems and support services: fifty-two thousand dollars (\$52,000.00). **Milestone 4**, 2028 annual fee for grant management software and support services: fifty-two thousand dollars (\$52,000.00). **Milestone 5**, 2029 annual fee for grant management software and support services: fifty-two thousand dollars (\$52,000.00). **Milestone 6**, 2030 annual fee for grant management software and support services: fifty-two thousand dollars (\$52,000.00). Payment shall be made within forty-five (45) days after submission of invoice pursuant to Wyo. Stat. § 16-6-602. Contractor shall submit invoices in sufficient detail to ensure that payments may be made in conformance with this Contract.
 - B. No payment shall be made for work performed before the Effective Date of this Contract. Should the Contractor fail to perform in a manner consistent with the

terms and conditions set forth in this Contract, payment under this Contract may be withheld until such time as the Contractor performs its duties and responsibilities to the satisfaction of Council.

- C. Except as otherwise provided in this Contract, the Contractor shall pay all costs and expenses, including travel, incurred by Contractor or on its behalf in connection with Contractor's performance and compliance with all of Contractor's obligations under this Contract.

5. **Responsibilities of Contractor.** The Contractor agrees to:

- A. Licensing and configuring the AmpliFund grant management software to facilitate the administration, monitoring and oversight of BEAD grants.
- B. Assist with the migration and loading of subgrant agreements and necessary pre-award BEAD subgrantee records into the AmpliFund grant management software.
- C. Provide support to Council and subgrantees to utilize AmpliFund grant management software capabilities and workflows to support the administration, monitoring, and oversight of BEAD grants (including grant budgets, payment requests, and reporting), and facilitate official communications and record keeping with subgrantees using the Grant Management Software.
- D. Provide program management and staffing support for training, troubleshooting or other reasonable assistance required for proper utilization of the AmpliFund grant management software by Council staff, contractors and subgrantees.
- E. Leverage subgrantee data submitted using the AmpliFund grant management software (such as semi-annual reports, budgets, payment requests, and other data) to support Council's report submissions to National Telecommunications and Information Administration (NTIA). In addition, Contractor will support any curing or ongoing communications required to finalize those deliverables to NTIA's satisfaction.

6. **Responsibilities of Council.** The Council agrees to:

- A. Pay Contractor in accordance with Section 4 above.

7. **Special Provisions.**

- A. **Assumption of Risk.** The Contractor shall assume the risk of any loss of state or federal funding, either administrative or program dollars, due to the Contractor's failure to comply with state or federal requirements. The Council shall notify the Contractor of any state or federal determination of noncompliance.
- B. **Environmental Policy Acts.** Contractor agrees all activities under this Contract will comply with the Clean Air Act, the Clean Water Act, the National

Environmental Policy Act, and other related provisions of federal environmental protection laws, rules or regulations.

C. Human Trafficking. As required by 22 U.S.C. § 7104(g) and 2 CFR Part 175, this Contract may be terminated without penalty if a private entity that receives funds under this Contract:

- (i) Engages in severe forms of trafficking in persons during the period of time that the award is in effect;
- (ii) Procures a commercial sex act during the period of time that the award is in effect; or
- (iii) Uses forced labor in the performance of the award or subawards under the award.

D. Kickbacks. Contractor certifies and warrants that no gratuities, kickbacks, or contingency fees were paid in connection with this Contract, nor were any fees, commissions, gifts, or other considerations made contingent upon the award of this Contract. If Contractor breaches or violates this warranty, Council may, at its discretion, terminate this Contract without liability to Council, or deduct from the agreed upon price or consideration, or otherwise recover, the full amount of any commission, percentage, brokerage, or contingency fee.

E. Limitations on Lobbying Activities. By signing this Contract, Contractor certifies and agrees that, in accordance with P.L. 101-121, payments made from a federal grant shall not be utilized by Contractor or its subcontractors in connection with lobbying member(s) of Congress, or any federal agency in connection with the award of a federal grant, contract, cooperative agreement, or loan.

F. Monitoring Activities. Council shall have the right to monitor all activities related to this Contract that are performed by Contractor or its subcontractors. This shall include, but not be limited to, the right to make site inspections at any time and with reasonable notice; to bring experts and consultants on site to examine or evaluate completed work or work in progress; to examine the books, ledgers, documents, papers, and records pertinent to this Contract; and to observe personnel in every phase of performance of Contract related work.

G. Nondiscrimination. The Contractor shall comply with the Civil Rights Act of 1964, the Wyoming Fair Employment Practices Act (Wyo. Stat. § 27-9-105, *et seq.*), the Americans with Disabilities Act (ADA), 42 U.S.C. § 12101, *et seq.*, and the Age Discrimination Act of 1975 and any properly promulgated rules and regulations thereto and shall not discriminate against any individual on the grounds of age, sex, color, race, religion, national origin, or disability in connection with the performance under this Contract.

- H. No Finder's Fees:** No finder's fee, employment agency fee, or other such fee related to the procurement of this Contract, shall be paid by either party.
- I. Publicity.** Any publicity given to the projects, programs, or services provided herein, including, but not limited to, notices, information, pamphlets, press releases, research, reports, signs, and similar public notices in whatever form, prepared by or for the Contractor and related to the services and work to be performed under this Contract, shall identify the Council as the sponsoring agency and shall not be released without prior written approval of Council. Notwithstanding the foregoing, and except a) as required by law such as Wyoming Public Records Act, and/or b) in accordance with the Council's policies and procedures, neither Party will use the name of the other Party or refer to the services provided under this Contract without the prior consent of the other Party, which shall not be unreasonably withheld.
- J. Suspension and Debarment.** By signing this Contract, Contractor certifies that neither it nor its principals/agents are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction or from receiving federal financial or nonfinancial assistance, nor are any of the participants involved in the execution of this Contract suspended, debarred, or voluntarily excluded by any federal department or agency in accordance with Executive Order 12549 (Debarment and Suspension), 44 CFR Part 17, or 2 CFR Part 180, or are on the debarred, or otherwise ineligible, vendors lists maintained by the federal government. Further, Contractor agrees to notify Council by certified mail should it or any of its principals/agents become ineligible for payment, debarred, suspended, or voluntarily excluded from receiving federal funds during the term of this Contract.
- K. Administration of Federal Funds.** Subrecipient agrees its use of the funds awarded herein is subject to the Uniform Administrative Requirements of 2 C.F.R. Part 200, *et seq.*; any additional requirements set forth by the federal funding agency; all applicable regulations published in the Code of Federal Regulations; and other program guidance as provided to it by Council.
- L. Copyright License and Patent Rights.** Subrecipient acknowledges that federal grantor, the State of Wyoming, and Council reserve a royalty-free, nonexclusive, unlimited, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal and state government purposes: (1) the copyright in any work developed under this Contract; and (2) any rights of copyright to which Contractor purchases ownership using funds awarded under this Contract. Contractor must consult with Council regarding any patent rights that arise from, or are purchased with, funds awarded under this Contract.
- M. Federal Audit Requirements.** Subrecipient agrees that if it expends an aggregate amount of seven hundred fifty thousand dollars (\$750,000.00) or more in federal funds during its fiscal year, it must undergo an organization-wide financial and compliance single audit. Subrecipient agrees to comply with the audit requirements of the U.S. General Accounting Office Government Auditing Standards and Audit

Requirements of 2 C.F.R. Part 200, Subpart F. If findings are made which cover any part of this Contract, Subrecipient shall provide one (1) copy of the audit report to Council and require the release of the audit report by its auditor be held until adjusting entries are disclosed and made to Council's records.

- N. Non-Supplanting Certification.** Subrecipient hereby affirms that federal grant funds shall be used to supplement existing funds and shall not replace (supplant) funds that have been appropriated for the same purpose. Subrecipient should be able to document that any reduction in non-federal resources occurred for reasons other than the receipt or expected receipt of federal funds under this Contract.
- O. Program Income.** Subrecipient shall not deposit grant funds in an interest-bearing account without prior approval of Council. Any income attributable to the grant funds distributed under this Contract must be used to increase the scope of the program or returned to Council.
- P. Intellectual Property and Ownership of Contractor Pre-Existing Materials.** Notwithstanding anything in General Provisions Section R., Contractor and its Subcontractors retain ownership of all their respective literary or other works of authorship (such as software programs and code, documentation, reports, and similar works), information, data, intellectual property, techniques, subroutines, algorithms, methods, concepts, know-how, tools, questionnaires and assessments, modules, courses, frameworks, databases, content, models, industry perspectives, or related rights and derivatives that Contractor and/or its Subcontractors own at the time this Contract is executed or otherwise developed or acquired independent of this Contract, employed by Contractor and/or its Subcontractors in connection with the services provided to Council, and includes any updates and derivative works thereto (the "Contractor Pre-existing Materials"). Contractor Pre-existing Materials may be embedded in a Work Product. Contractor shall provide full disclosure of any Contractor Pre-Existing Materials to Council before its use and assert its ownership. If, however, Contractor fails to disclose to Council such Contractor Pre-Existing Materials, Contractor shall grant Council a nonexclusive, non-transferable, non-sublicenseable, worldwide, royalty-free license to use any Contractor Pre-Existing Materials embedded in the Work Product to the extent such Contractor Pre-Existing Materials are necessary for Council to receive the intended benefit under this Contract and subject to the limitations herein. Such license shall remain in effect for so long as such Pre-Existing Materials remain embedded in the Work Product. Council agrees that, without Contractor's prior written permission, it will not, or permit any third party to (a) access, copy or reverse engineer any Contractor Pre-existing Material or Work Product, or (b) remove or circumvent security or technological safeguards, including notices, digital protection mechanisms, metadata, watermarks, or disclaimers provided with any Contractor Pre-existing Material or Work Product.
- Q.** The Council acknowledges it is an End User of the Amplifund software by Euna Solutions and has read, understands, and agrees to be bound by the user agreement detailed at www.eunasolutions.com/eula/.

8. General Provisions.

- A. **Amendments.** Any changes, modifications, revisions, or amendments to this Contract which are mutually agreed upon by the parties to this Contract shall be incorporated by written instrument, executed by all parties to this Contract.
- B. **Applicable Law, Rules of Construction, and Venue.** The construction, interpretation, and enforcement of this Contract shall be governed by the laws of the State of Wyoming, without regard to conflicts of law principles. The terms “hereof,” “hereunder,” “herein,” and words of similar import, are intended to refer to this Contract as a whole and not to any particular provision or part. The Courts of the State of Wyoming shall have jurisdiction over this Contract and the parties. The venue shall be the First Judicial District, Laramie County, Wyoming.
- C. **Assignment Prohibited and Contract Shall Not be Used as Collateral.** Neither party shall assign or otherwise transfer any of the rights or delegate any of the duties set out in this Contract without the prior written consent of the other party. The Contractor shall not use this Contract, or any portion thereof, for collateral for any financial obligation without the prior written permission of the Council.
- D. **Audit and Access to Records.** The Council and its representatives shall have access to any invoices and final deliverables of the Contractor which are pertinent to this Contract.
- E. **Availability of Funds.** Each payment obligation of the Council is conditioned upon the availability of government funds which are appropriated or allocated for the payment of this obligation and which may be limited for any reason including, but not limited to, congressional, legislative, gubernatorial, or administrative action. If funds are not allocated and available for continued performance of the Contract, the Contract may be terminated by the Council at the end of the period for which the funds are available. The Council shall notify the Contractor at the earliest possible time of the services which will or may be affected by a shortage of funds. No penalty shall accrue to the Council in the event this provision is exercised, and the Council shall not be obligated or liable for any future payments due or for any damages as a result of termination under this section.
- F. **Award of Related Contracts.** The Council may award supplemental or successor contracts for work related to this Contract or may award contracts to other contractors for work related to this Contract. The Contractor shall cooperate fully with other contractors and the Council in all such cases.
- G. **Certificate of Good Standing.** The Contractor shall provide to the Council a Certificate of Good Standing from the Wyoming Secretary of State, or other proof that Contractor is authorized to conduct business in the State of Wyoming, if required, before performing work under this Contract. Contractor shall ensure that annual filings and corporate taxes due and owing to the Secretary of State’s office are up-to-date before signing this Contract.

- H. Compliance with Laws.** The Contractor shall keep informed of and comply with all applicable federal, state, and local laws and regulations, and all federal grant requirements and executive orders in the performance of this Contract.
- I. Confidentiality of Information.** Except when disclosure is required by the Wyoming Public Records Act or court order, all documents, data compilations, reports, computer programs, photographs, data, and other work provided to or produced by the Contractor in the performance of this Contract shall be kept confidential by both parties unless prior written permission is granted by the Contractor and Council for its release. If and when either party receives a request for information subject to this Contract, the notified party shall notify the other party within ten (10) days of such request and shall not release such information to a third party unless: 1) prior written approval is granted by Contractor, if the information is related to a release of Contractor's Confidential Information; or 2) directed to do so by Council.
- J. Entirety of Contract.** This Contract, consisting of thirteen (13) pages, and the Federal Contract Provisions represent the entire and integrated Contract between the parties and supersede all prior negotiations, representations, and agreements, whether written or oral. In the event of a conflict or inconsistency between the language of this Contract and the language of any attachment or document incorporated by reference, the language of this Contract shall control.
- K. Ethics.** Contractor shall keep informed of and comply with the Wyoming Ethics and Disclosure Act (Wyo. Stat. § 9-13-101, *et seq.*) and any and all ethical standards governing Contractor's profession.
- L. Extensions.** Any extension of this Contract shall be initiated by the Council and shall be accomplished through a written amendment between the parties entered into before the expiration of the original Contract or any valid amendment thereto, and shall be effective only after it is reduced to writing and executed by all parties to the Contract.
- M. Force Majeure.** Neither party shall be liable for failure to perform under this Contract if such failure to perform arises out of causes beyond the control and without the fault or negligence of the nonperforming party. Such causes may include, but are not limited to, acts of God or the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, and unusually severe weather. This provision shall become effective only if the party failing to perform immediately notifies the other party of the extent and nature of the problem, limits delay in performance to that required by the event, and takes all reasonable steps to minimize delays.
- N. Indemnification.** The Contractor shall release, indemnify, and hold harmless the State, the Council, and their officers, agents, and employees from any and all claims, suits, liabilities, court awards, damages, costs, attorneys' fees, and expenses

to the extent such claims, damages or actions are determined to have resulted from Contractor's failure to perform any of Contractor's duties and obligations hereunder, or from the negligent performance of Contractor's duties or obligations, including, but not limited to, any third party claims, suits, liabilities, court awards, damages, costs, attorneys' fees, and expenses arising out of Contractor's negligence or other tortious conduct.

- O. Limitation of Liability.** The Services provided under this Contract shall not be deemed investment, legal, tax, accounting or other regulated advice. Contractor does not supplant the Council's management or other decision-making bodies and does not guarantee results. The Contractor is not responsible for the Council's decisions, actions, use of the Deliverables and compliance with applicable laws, rules, and regulations.
- P. Independent Contractor.** The Contractor shall function as an independent contractor for the purposes of this Contract and shall not be considered an employee of the State of Wyoming for any purpose. Consistent with the express terms of this Contract, the Contractor shall be free from control or direction over the details of the performance of services under this Contract. The Contractor shall assume sole responsibility for any debts or liabilities that may be incurred by the Contractor in fulfilling the terms of this Contract and shall be solely responsible for the payment of all federal, state, and local taxes which may accrue because of this Contract. Nothing in this Contract shall be interpreted as authorizing the Contractor or its agents or employees to act as an agent or representative for or on behalf of the State of Wyoming or the Council or to incur any obligation of any kind on behalf of the State of Wyoming or the Council. The Contractor agrees that no health or hospitalization benefits, workers' compensation, unemployment insurance, or similar benefits available to State of Wyoming employees will inure to the benefit of the Contractor or the Contractor's agents or employees as a result of this Contract.
- Q. Notices.** All notices arising out of, or from, the provisions of this Contract shall be in writing either by regular mail or delivery in person at the addresses provided under this Contract.
- R. Notice of Sale or Transfer.** The Contractor shall provide the Council with notice of any sale, transfer, merger, or consolidation of the assets of the Contractor. Such notice shall be provided in accordance with the notices provision of this Contract and, when possible and lawful, in advance of the transaction. If the Council determines that the sale, transfer, merger, or consolidation is not consistent with the continued satisfactory performance of the Contractor's obligations under this Contract, then the Council may, at its discretion, terminate or renegotiate the Contract.
- S. Ownership and Return of Documents and Information.** Council is the official custodian and owns all documents, data compilations, reports, photographs, data, and other work provided to or produced by the Contractor in the performance of

this Contract. Upon termination of services, for any reason, Contractor agrees to return all such original and derivative information and documents to the Council in a useable format. In the case of electronic transmission, such transmission shall be secured. The return of information by any other means shall be by a parcel service that utilizes tracking numbers. Upon Council's verified receipt of such information, Contractor agrees to physically and electronically destroy any residual Council-owned data, regardless of format, and any other storage media or areas containing such information, except for one (1) copy Contractor can retain for internal archival and audit purposes. Contractor agrees to provide written notice to Council confirming the destruction of any such residual Council-owned data upon request of destruction by Council.

- T. Patent or Copyright Protection.** The Contractor recognizes that certain proprietary matters or techniques may be subject to patent, trademark, copyright, license, or other similar restrictions, and warrants that no work performed by the Contractor or its subcontractors will knowingly violate any such restriction. In accordance with Section 8(N), the Contractor shall defend and indemnify the Council for any infringement or alleged infringement of such patent, trademark, copyright, license, or other restrictions as a direct result of Contractor's breach of this Contract, negligence, or willful misconduct.
- U. Prior Approval.** This Contract shall not be binding upon either party, no services shall be performed, and the Wyoming State Auditor shall not draw warrants for payment, until this Contract has been fully executed, approved as to form by the Office of the Attorney General, filed with and approved by A&I Procurement, and approved by the Governor of the State of Wyoming, or his designee, if required by Wyo. Stat. § 9-2-3204(b)(iv).
- V. Insurance Requirements.**
- (i) During the term of this Contract, the Contractor shall obtain and maintain, and ensure that each subcontractor obtains and maintains, each type of insurance coverage specified in Insurance Coverage, below.
 - (ii) All policies shall be primary over any insurance or self-insurance program carried by the Contractor or the State of Wyoming. All policies shall include clauses stating that each insurance carrier shall waive all rights of recovery under subrogation or otherwise against Contractor or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.
 - (iii) The Contractor shall provide Certificates of Insurance to the Council verifying each type of coverage required herein. If the policy is a "claims made" policy instead of an "occurrence" policy, the information provided shall include, but is not limited to, retroactive dates and extended reporting periods or tails.
 - (iv) All policies shall be endorsed to provide at least thirty (30) days advance

written notice of cancellation to the Council. A copy of the policy endorsement shall be provided with the Certificate of Insurance.

- (v) In case of a breach of any provision relating to Insurance Requirements or Insurance Coverage, the Council may, at the Council's option, obtain and maintain, at the expense of the Contractor, such insurance in the name of the Contractor, or subcontractor, as the Council may deem proper and may deduct the cost of obtaining and maintaining such insurance from any sums which may be due or become due to the Contractor under this Contract.
- (vi) All policies required by this Contract shall be issued by an insurance company with an A.M. Best rating of A- VIII or better.
- (vii) The Council reserves the right to reject any policy issued by an insurance company that does not meet these requirements.

W. Insurance Coverage. The Contractor shall obtain and maintain the following insurance in accordance with the Insurance Requirements set forth above:

- (i) Commercial General Liability Insurance. Commercial general liability insurance (CGL) coverage, occurrence form, covering liability claims for bodily injury and property damage arising out of premises, operations, products and completed operations, and personal and advertising injury, with minimum limits as follows:
 - (a) \$1,000,000.00 each occurrence;
 - (b) \$1,000,000.00 personal injury and advertising injury;
 - (c) \$2,000,000.00 general aggregate; and
 - (d) \$2,000,000.00 products and completed operations.

The CGL policy shall include coverage for Explosion, Collapse and Underground property damage. This coverage may not be excluded by endorsement.

- (ii) Workers' Compensation and Employer's Liability Insurance. Employees hired in Wyoming to perform work under this Contract shall be covered by workers' compensation coverage obtained through the Wyoming Department of Workforce Services' workers' compensation program, if statutorily required. Employees brought into Wyoming from Contractor's home state to perform work under this Contract shall be covered by workers' compensation coverage obtained through the Wyoming Department of Workforce Services' workers' compensation program or other state or private workers' compensation insurance approved by the Wyoming Department of Workforce Services, if statutorily required.

The Contractor shall provide the Council with a Certificate of Good Standing or other proof of workers' compensation coverage for all of its

employees who are to perform work under this Contract, if such coverage is required by law. If workers' compensation coverage is obtained by Contractor through the Wyoming Department of Workforce Services' workers' compensation program, Contractor shall also obtain Employer's Liability "Stop Gap" coverage through an endorsement to the CGL policy required by this Contract, with minimum limits as follows:

- (a) Bodily Injury by Accident: \$1,000,000.00 each accident;
- (b) Bodily Injury by Disease: \$1,000,000.00 each employee; and
- (c) Bodily Injury by Disease: \$1,000,000.00 policy limit.

(iii) Unemployment Insurance. The Contractor shall be duly registered with the Department of Workforce Services and obtain such unemployment insurance coverage as required. The Contractor shall supply Council with a Certificate of Good Standing or other proof of unemployment insurance coverage.

(iv) Automobile Liability Insurance. Automobile liability insurance covering any auto (including owned, hired, and non-owned) with minimum limits of \$1,000,000.00 each accident combined single limit.

X. Severability. Should any portion of this Contract be judicially determined to be illegal or unenforceable, the remainder of the Contract shall continue in full force and effect, and the parties may renegotiate the terms affected by the severance.

Y Sovereign Immunity and Limitations. Pursuant to Wyo. Stat. § 1-39-104(a), the State of Wyoming and Council expressly reserve sovereign immunity by entering into this Contract and specifically retain all immunities and defenses available to them as sovereigns. The parties acknowledge that the State of Wyoming has sovereign immunity and only the Wyoming Legislature has the power to waive sovereign immunity. The parties further acknowledge that there are constitutional and statutory limitations on the authority of the State of Wyoming and its agencies or instrumentalities to agree to certain terms and conditions supplied by the Contractor, including, but not limited to, the following: liability for damages; choice of law; conflicts of law; venue and forum-selection clauses; defense or control of litigation or settlement; liability for acts or omissions of third parties; payment of attorneys' fees or costs; additional insured provisions; dispute resolution, including, but not limited to, arbitration; indemnification of another party; and confidentiality. Any such provisions in the Contract, or in any attachments or documents incorporated by reference, will not be binding on the State of Wyoming. Designations of venue, choice of law, enforcement actions, and similar provisions shall not be construed as a waiver of sovereign immunity. The parties agree that any ambiguity in this Contract shall not be strictly construed, either against or for either party, except that any ambiguity as to sovereign immunity shall be construed in favor of sovereign immunity.

- Z. Taxes.** The Contractor shall pay all taxes and other such amounts required by federal, state, and local law, including, but not limited to, federal and social security taxes, workers' compensation, unemployment insurance, and sales taxes.
- AA. Termination of Contract.** This Contract may be terminated, without cause, by the Council upon thirty (30) days written notice. This Contract may be terminated by the Council immediately for cause if the Contractor fails to perform in accordance with the terms of this Contract.
- BB. Third-Party Beneficiary Rights.** The parties do not intend to create in any other individual or entity the status of third-party beneficiary, and this Contract shall not be construed so as to create such status. The rights, duties, and obligations contained in this Contract shall operate only between the parties to this Contract and shall inure solely to the benefit of the parties to this Contract. The provisions of this Contract are intended only to assist the parties in determining and performing their obligations under this Contract.
- CC. Time is of the Essence.** Time is of the essence in all provisions of this Contract.
- DD. Titles Not Controlling.** Titles of sections and subsections are for reference only and shall not be used to construe the language in this Contract.
- EE. Waiver.** The waiver of any breach of any term or condition in this Contract shall not be deemed a waiver of any prior or subsequent breach. Failure to object to a breach shall not constitute a waiver.
- FF. Counterparts.** This Contract may be executed in counterparts. Each counterpart, when executed and delivered, shall be deemed an original and all counterparts together shall constitute one and the same Contract. Delivery by the Contractor of an originally signed counterpart of this Contract by facsimile or PDF shall be followed up immediately by delivery of the originally signed counterpart to the Council.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.

9. **Signatures.** The parties to this Contract, either personally or through their duly authorized representatives, have executed this Contract on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Contract.

The Effective Date of this Contract is the date of the signature last affixed to this page.

WYOMING BUSINESS COUNCIL:

Joshua J. Dorrell
Chief Executive Officer

Date

Brandon Marshall
Services Director

Date

CONTRACTOR:

COLUMBIA TELECOMMUNICATIONS CORPORATION
d/b/a CTC TECHNOLOGY AND ENERGY

Joanne Hovis
President

Date

ATTORNEY GENERAL'S OFFICE APPROVAL AS TO FORM

Jodi A. Darrough
Senior Assistant Attorney General

Date

**AMENDMENT ONE TO THE CONTRACT BETWEEN
WYOMING BUSINESS COUNCIL
AND
SILICON COULOIR**

1. **Parties.** The parties to this Contract are Wyoming Business Council (Council), whose address is: 214 W 15th St. Cheyenne, WY 82002, and Silicon Couloir (Contractor), whose address is: 140 East Broadway, Suite 25, Jackson, WY 83001.

2. **Purpose of Amendment.** This Amendment shall constitute the first amendment to the Contract between the Council and the Contractor. The purpose of this Amendment is to: a) increase the total Contract dollar amount by five hundred thousand dollars (\$500,000.00) to one million, three hundred sixty-five thousand, three hundred and forty-eight dollars (\$1,365,348.00); b) extend the term of the Contract through December 31, 2026; and c) amend the responsibilities of the Contractor.

The original Contract, dated July 11, 2024, required the Contractor to provide statewide startup business incubation services. for a total Contract amount of eight hundred sixty-five thousand, three hundred forty-eight dollars (\$865,348.00) with an expiration date of June 30, 2026.

3. **Term of the Amendment.** This Amendment shall commence on December 30, 2025, or upon the date the last required signature is affixed hereto, whichever is later (Effective Date), and shall remain in full force and effect through the term of the Contract, as amended, unless terminated at an earlier date pursuant to the provisions of the Contract, or pursuant to federal or state statute, rule, or regulation.

4. **Amendments.**

A. The second sentence of Section 4(A) of the original Contract is hereby amended to read as follows:

“The total payment under this Contract shall not exceed one million, three hundred sixty-five thousand, three hundred and forty-eight dollars (\$1,365,348.00).”

B. The second sentence of Section 3 of the original Contract is hereby amended to read as follows:

“The term of this Contract is Effective Date through December 31, 2026.”

5. **Amended Responsibilities of the Contractor.**

A. As of the Effective Date of this Amendment, Attachment A, Scope of Work, which was attached to the original Contract, is superseded and replaced by Attachment B, Scope of Work and Deliverables, which is attached to this Amendment and incorporated into

the original Contract by this reference. All references to “Attachment A” in the original Contract, and in any amendments thereto, are amended to read: “Attachment B”.

6. **Amended Responsibilities of the Council.** Responsibilities of the Council have not changed.

7. **Special Provisions.**

A. **Same Terms and Conditions.** With the exception of items explicitly delineated in this Amendment, all terms and conditions of the original Contract, and any previous amendments, between the Council and the Contractor, including but not limited to sovereign immunity, shall remain unchanged and in full force and effect.

B. **Counterparts.** This Amendment may be executed in counterparts. Each counterpart, when executed and delivered, shall be deemed an original and all counterparts together shall constitute one and the same Amendment. Delivery by the Contractor of an originally signed counterpart of this Amendment by facsimile or PDF shall be followed up immediately by delivery of the originally signed counterpart to the Council.

8. **General Provisions.**

A. **Entirety of Contract.** The original Contract, consisting of ten (10) pages; Attachment A, Scope of Work, consisting of two (2) pages; Attachment B, Scope of Work and Deliverables, consisting of two (2) pages; and this Amendment One, consisting of three (3) pages, represent the entire and integrated agreement between the parties and supersede all prior negotiations, representations, and agreements, whether written or oral.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.

9. **Signatures.** The parties to this Amendment, through their duly authorized representatives, have executed this Amendment on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Amendment.

This Amendment is not binding on either party until approved by A&I Procurement and the Governor of the State of Wyoming or his designee, if required by Wyo. Stat. § 9-2-3204(b)(iv).

COUNCIL:
WYOMING BUSINESS COUNCIL

Joshua J. Dorrell, Chief Executive Officer

Date

Brandon Marshall, Services Director

Date

CONTRACTOR:
Silicon Couloir

Rob Kellogg, Executive Director

Date

ATTORNEY GENERAL'S OFFICE: APPROVAL AS TO FORM

Jodi A. Darrough, Senior Assistant Attorney General

Date

ATTACHMENT B

SCOPE OF WORK AND DELIVERABLES

The Contractor agrees to provide the following services:

PHASE I. The primary objective of this scope of work is to conduct a comprehensive gap analysis of Wyoming's startup ecosystem, develop a scalable and sustainable model for phased statewide entrepreneurial support, and enhance collaboration among ecosystem partners. To ensure that the Contractor's efforts and resources are directed towards the most impactful areas, the initial phase (Phase I) may concentrate on specific Wyoming communities as determined by the Contractor. The selection of these communities may be based on a community's readiness for startup business support. Factors for this readiness include, but are not limited to, the presence of community assets, local engagement and community stakeholder involvement in supporting startups, the level of startup business activity, and any other criteria that the Contractor considers significant. Thus, any of the Phase I scope of work or deliverables may be focused on those communities deemed most ready for additional startup business support. Phase I scope of work and deliverables shall be completed within twelve (12) months of contract execution, unless otherwise amended.

Phase I scope of work:

- I. Gap Analysis and Engagement:
 - a. Conduct a thorough analysis to identify gaps and opportunities within the startup ecosystem.
 - b. Engage with stakeholders, including entrepreneurs, investors, and regional economic development entities, to gather insights and foster collaboration.
- II. Program Development:
 - a. Based on the gap analysis, develop a bespoke startup education curriculum tailored to the unique needs of Wyoming community's entrepreneurs.
 - b. Design and implement strategies for entrepreneurial support and incubation, both on a community level and at the State-wide level.
- III. Partnership and Collaboration:
 - a. Establish and strengthen partnerships with local and regional organizations, including universities, community colleges, investment groups, and economic development agencies.
 - b. Coordinate think tanks and workshops to align efforts and maximize the impact of entrepreneurial support.

Phase I deliverables from Silicon Couloir to the Wyoming Business Council:

- I. Comprehensive Gap Analysis Report:
 - a. A detailed report identifying critical gaps and strategic opportunities in the startup ecosystem.
- II. Startup Wyoming Program Model:
 - a. A scalable and sustainable model for the Startup Wyoming (or otherwise named) program, including a detailed plan for implementation.

Attachment A to the Contract between the Wyoming Business Council
and Silicon Couloir

III. Education Curriculum:

- a. Development of a bespoke startup education curriculum, ready for pilot implementation by the end of the Phase I.

IV. Partnership and Collaboration Report:

- a. A report outlining the established partnerships, collaboration efforts, and recommendations for ongoing ecosystem engagement.

In addition to the Phase I deliverables, Silicon Couloir and the Wyoming Business Council will conduct a Go/No-Go assessment upon Phase I completion to determine how best to proceed with the Startup Wyoming (or otherwise named) initiative.

PHASE II (THROUGH FY-26). The primary objective of this phase is to implement a plan supporting phased startup incubation services throughout Wyoming. This includes offering services, programming, and support which may be accessible either in-person or virtually based on the recommendations produced in Phase I, aiming for a start in early 2025. Silicon Couloir will lead the implementation and provision of these services and programs, with the possibility of subcontracting to ensure the plan's execution. A detailed plan encompassing all essential components for launching this initiative will be provided by Silicon Couloir.

PHASE III (THROUGH CY-26). The primary objective of this phase is to continue supporting phased startup incubation services throughout Wyoming. This includes offering services, programming, and support for entrepreneurs and startup businesses which may be accessible either in-person or virtually based on the recommendations produced in Phase I, ongoing learnings throughout Phase II, and continued counsel from the Wyoming Business Council Staff. Silicon Couloir will lead the implementation and provision of these services and programs, with the possibility of subcontracting to ensure the plan's execution. Detailed plans encompassing all essential components for continued execution of this initiative will be provided by Silicon Couloir throughout.

The Council Agrees to provide the following:

- Should it be necessary, the Wyoming Business Council will provide staff time for brainstorming, review, and feedback to Silicon Couloir during the design process.

The Council and The Contractor will jointly:

- Following design, Silicon Couloir and the Wyoming Business Council will evaluate the best path for Silicon Couloir to implement the program(s).

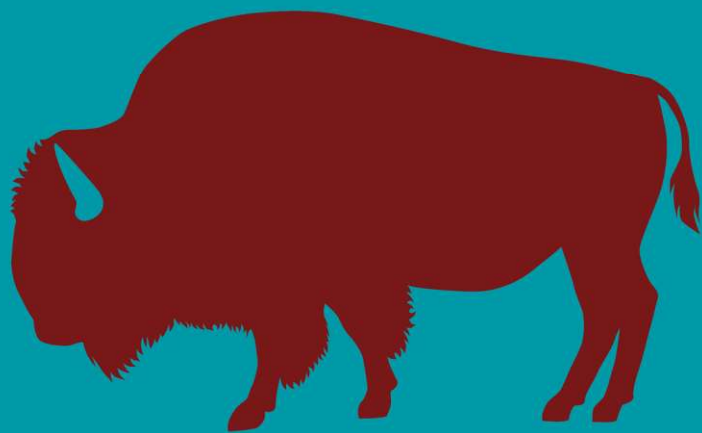
CONTRACT BUDGET

PHASE I: \$290,000.00

PHASE II: up to \$575,348.00, invoiced based on costs incurred.

PHASE III: up to \$500,000.00, invoiced based on costs incurred.

CONTRACT TOTAL: \$1,365,348.00



STRATEGY

WYOMING

**CONTRACT BETWEEN
WYOMING BUSINESS COUNCIL, AND
PRESIDENT AND FELLOWS OF HARVARD COLLEGE, ON BEHALF OF THE
HARVARD KENNEDY SCHOOL**

1. **Parties.** The parties to this Contract are the Wyoming Business Council (Council), whose address is: 214 West 15th Street, Cheyenne, WY 82002, and President and Fellows of Harvard College, on behalf of the Harvard Kennedy School (Contractor), whose address is: 1033 Massachusetts Avenue 5th Floor, Cambridge, MA 02138-5369.
2. **Purpose of Contract.** The purpose of this Contract is to set forth the terms and conditions by which the Contractor shall undertake economic growth and development policy research, as described in the proposal submitted to the Council, which may include connecting the Council with a network of collaborators in active and emerging economic research, business development and policy making.
3. **Term of Contract.** This Contract is effective when all parties have executed it (Effective Date). The term of the Contract is from the Effective Date through June 30, 2026. All research activities shall be undertaken during this term.
4. **Payment.**
 - A. The Council agrees to provide funding for the Contractor to undertake research activities described in Attachment A, *Wyoming's Pathways to Growth, Jobs, and Prosperity* ("Statement of Work") which is attached to and incorporated into this Contract by this reference. The Fixed Price ("Fixed Price") under this Contract equals one hundred sixty thousand two hundred seventy three dollars (\$160,273.00). Payment shall be made within forty-five (45) days after submission of invoice pursuant to Wyo. Stat. § 16-6-602. Contractor shall submit invoices that list (i) the milestone completed and (ii) the fixed milestone payment due, along with submission of each milestone.

No.	Key Events / Deliverables	Payment Date	Payment Due
1	Contract Execution	February 1, 2026	\$96,164
2	Strategy and Capacity Building Workshop	May 16, 2026	\$64,109

- B. No payment shall be made for research conducted before the Effective Date of this Contract. Should the Contractor fail to perform in a manner consistent with the terms and conditions set forth in this Contract, payment under this Contract may be withheld until such time as the Contractor performs its duties and responsibilities to the satisfaction of Council. For the purposes of this Contract, "satisfactory" performance shall be defined as Contractor's good faith efforts to undertake the Statement of Work

in accordance with Attachment A, which shall not be based upon Council's agreement with Contractor's opinions, findings, or conclusions.

- C. Except as otherwise provided in this Contract, the Contractor shall pay all costs and expenses, including travel, incurred by Contractor or on its behalf in connection with Contractor's performance and compliance with all of Contractor's obligations under this Contract.
- D. **Travel.** Contractor shall comply with the Uniform Administrative Requirements of 2 C.F.R. Part 200 and Contractor's written travel policy when incurring travel costs under this Contract. Contractor shall provide to the Council copies of all original receipts for travel-related expenses, including airfare, rental car receipts, and lodging. For the avoidance of doubt, such costs and expenses are included in the Fixed Price.

5. **Responsibilities of Contractor.** The Contractor agrees to:

- A. Undertake the research described in Attachment A, Scope of Work.
- B. In the event the parties agree that the Contractor shall undertake additional research activities, the Statement of Work (and, if applicable, the Fixed Price), shall be modified in an amendment to this Contract in accordance with Section 8.A of this Contract.

6. **Responsibilities of Council.** The Council agrees to:

- A. Pay Contractor in accordance with Section 4 above.
- B. As needed, provide relevant documentation, interviews, process walk-throughs, meetings and other assistance pertinent to the Scope of Work described in Attachment A.

7. **General Provisions.**

- A. **Amendments.** Any changes, modifications, revisions, or amendments to this Contract which are mutually agreed upon by the parties to this Contract shall be incorporated by written instrument, executed by all parties to this Contract.
- B. **Applicable Law, Rules of Construction, and Venue.** The construction, interpretation, and enforcement of this Contract shall be governed by the laws of the State of Wyoming, without regard to conflicts of law principles. The terms "hereof," "hereunder," "herein," and words of similar import, are intended to refer to this Contract as a whole and not to any particular provision or part. The Courts of the State of Wyoming shall have jurisdiction over this Contract and the parties. The venue shall be the First Judicial District, Laramie County, Wyoming.
- C. **Assignment Prohibited and Contract Shall Not be Used as Collateral.** Neither party shall assign or otherwise transfer any of the rights or delegate any of the duties set out in this Contract without the prior written consent of the other party. The

Contractor shall not use this Contract, or any portion thereof, for collateral for any financial obligation without the prior written permission of the Council.

- D. Audit and Access to Records.** The Council and its representatives shall have access to any books, final documents and papers produced by Contractor under the Statement of Work, electronic data (excluding emails), and records of the Contractor which are pertinent to this Contract, with no less than 14 business days' notice. The Contractor shall within 14 days business' days of receiving written instruction from the Council, provide to any independent auditor or accountant all books, final documents and papers produced by Contractor under the Statement of Work, electronic data (excluding emails), and records of the Contractor which are pertinent to this Contract, in accordance with Contractor's policies. The Contractor shall cooperate fully with any such independent auditor or accountant during the entire course of any audit authorized by the Council.
- E. Availability of Funds.** Each payment obligation of the Council is conditioned upon the availability of government funds which are appropriated or allocated for the payment of this obligation, and which may be limited for any reason including, but not limited to, congressional, legislative, gubernatorial, or administrative action. If funds are not allocated and available for continued performance of the Contract, the Contract may be terminated by the Council at the end of the period for which the funds are available. The Council shall notify the Contractor at the earliest possible time of the research which will or may be affected by a shortage of funds. No penalty shall accrue to the Council in the event this provision is exercised, and the Council shall not be obligated or liable for any future payments due or for any damages as a result of termination under this section. In all cases of early termination, Council shall pay Contractor for all milestones completed as referenced in Section 4 and for any expenses incurred for any partially completed milestones as of the date of termination, including any non-cancelable obligations.
- F. Award of Related Contracts.** The Council may award supplemental or successor contracts for work related to this Contract or may award contracts to other contractors for work related to this Contract. In the event that any third parties are working with Council for work related to the Statement of Work, Contractor will cooperate in good faith with such parties.
- G. Certificate of Good Standing.** The Contractor shall provide to the Council a Certificate of Good Standing from the Wyoming Secretary of State, or other proof that Contractor is authorized to conduct business in the State of Wyoming, if required, before performing work under this Contract. Contractor shall ensure that annual filings and corporate taxes due and owing to the Secretary of State's office are up-to-date before signing this Contract.
- H. Compliance with Laws.** The Contractor shall keep informed of and comply with all applicable federal, state, and local laws and regulations, and all executive orders in the performance of this Contract.

- I. Confidentiality of Information.** For the purposes of this Contract, to qualify as “Confidential Information,” the information must be identified by the disclosing party as confidential at the time of its disclosure to the receiving party. Information disclosed in writing or in some other tangible form must be clearly, unambiguously and conspicuously marked by the disclosing party as “Confidential Information.” In the event that Confidential Information is disclosed visually or orally, during a conversation, discussion or conference call, for example, only that information which is identified by the disclosing party as confidential at the time of disclosure and is summarized and confirmed in writing as “Confidential” by the disclosing party to the receiving party within ten (10) days will require protection as described herein. The parties agree that the receiving party may disclose the disclosing party’s Confidential Information to those employees, fellows, researchers, consultants and students who require access to it to perform the Statement of Work under this Contract, or in response to an order of the court of competent jurisdiction or a valid or administrative or Congressional subpoena, provided that, as long as legally permissible, the receiving party notifies disclosing party and cooperates reasonably with the disclosing party’s efforts to contest or limit the scope of such order.

Notwithstanding the foregoing, in no event is information Confidential if it: (a) was lawfully in the possession of receiving party before receipt from disclosing party; (b) is or becomes publicly available through no fault of receiving party in violation of this Contract; (c) is received by receiving party, without restriction as to further disclosure, from a third party having an apparent bona fide right to disclose the information; or (d) is independently developed by receiving party without use of the Confidential Information.

- J. Entirety of Contract.** This Contract, consisting of eleven (11) pages; and Attachment A, *Wyoming’s Pathways to Growth, Jobs, and Prosperity* (“Statement of Work”), consisting of eleven (11) pages, represent the entire and integrated Contract between the parties and supersede all prior negotiations, representations, and agreements, whether written or oral. In the event of a conflict or inconsistency between the language of this Contract and the language of any attachment or document incorporated by reference, the language of this Contract shall control.
- K. Ethics.** Contractor shall keep informed of and comply with the Wyoming Ethics and Disclosure Act (Wyo. Stat. § 9-13-101, *et seq.*) and any and all ethical standards governing Contractor’s profession.
- L. Extensions.** Nothing in this Contract shall be interpreted or deemed to create an expectation that this Contract will be extended beyond the term described herein. Any extension of this Contract shall be initiated by the Council or requested by the Contractor and shall be accomplished through a written amendment between the parties entered into before the expiration of the original Contract or any valid amendment thereto, and shall be effective only after it is reduced to writing and executed by all parties to the Contract.
- M. Force Majeure.** Neither party shall be liable for failure to perform under this

Contract if such failure to perform arises out of causes beyond the control and without the fault or negligence of the nonperforming party. Such causes may include, but are not limited to, acts of God or the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, and unusually severe weather. This provision shall become effective only if the party failing to perform immediately notifies the other party of the extent and nature of the problem, limits delay in performance to that required by the event, and takes all reasonable steps to minimize delays.

- N. Indemnification.** The Contractor shall release, indemnify, and hold harmless the State, the Council, and their officers, agents, and employees from any and all claims, suits, liabilities, court awards, damages, costs, attorneys' fees, and expenses arising out of Contractor's failure to perform any of Contractor's duties and obligations hereunder or in connection with the negligent performance of Contractor's duties or obligations, including, but not limited to, any claims, suits, liabilities, court awards, damages, costs, attorneys' fees, and expenses arising out of Contractor's negligence or willful misconduct, in all cases without fault of Council. In no event shall either party be liable to the other for any indirect, punitive, consequential or special damages, including lost revenues or profits, arising from breach of the terms in this agreement, negligence, strict liability or other tort.
- O. Independent Contractor.** The Contractor shall function as an independent contractor for the purposes of this Contract and shall not be considered an employee of the State of Wyoming for any purpose. Consistent with the express terms of this Contract, the Contractor shall be free from control or direction over the details of the performance of research under this Contract. The Contractor shall assume sole responsibility for any debts or liabilities that may be incurred by the Contractor in fulfilling the terms of this Contract and shall be solely responsible for the payment of all federal, state, and local taxes which may accrue to Contractor because of this Contract. Nothing in this Contract shall be interpreted as authorizing the Contractor or its agents or employees to act as an agent or representative for or on behalf of the State of Wyoming or the Council or to incur any obligation of any kind on behalf of the State of Wyoming or the Council. The Contractor agrees that no health or hospitalization benefits, workers' compensation, unemployment insurance, or similar benefits available to State of Wyoming employees will inure to the benefit of the Contractor or the Contractor's agents or employees as a result of this Contract.
- P. Nondiscrimination.** The Contractor shall comply with the Civil Rights Act of 1964, the Wyoming Fair Employment Practices Act (Wyo. Stat. § 27-9-105, *et seq.*), the Americans with Disabilities Act (ADA), 42 U.S.C. § 12101, *et seq.*, and the Age Discrimination Act of 1975 and any properly promulgated rules and regulations thereto and shall not discriminate against any individual on the grounds of age, sex, color, race, religion, national origin, or disability in connection with the performance under this Contract.
- Q. Notices.** All notices arising out of, or from, the provisions of this Contract shall be in writing either by regular mail or delivery in person at the addresses provided under this Contract.

- R. Ownership and Return of Documents and Information.** Council is the official custodian and owns all documents, data compilations, reports, computer programs, photographs, data, and other work it has provided to the Contractor for use in the performance of this Contract. Upon termination of this Contract, for any reason, Contractor agrees to return all such original information and documents to the Council in a useable format. In the case of electronic transmission, such transmission shall be secured. The return of information by any other means shall be by a parcel service that utilizes tracking numbers. Upon Council's verified receipt of such information, Contractor agrees to physically and electronically destroy any residual Council-owned data that Council has identified as such prior to disclosure, regardless of format, and any other storage media or areas containing such information. Contractor agrees to provide written notice to Council confirming the destruction of any such residual Council-owned data.

Contractor shall provide assistance as reasonably requested by Council so that Council can comply with its obligations under the Freedom of Information Act or other public records requirements.

- S. Patent or Copyright Protection.** The Contractor recognizes that certain proprietary matters or techniques may be subject to patent, trademark, copyright, license, or other similar restrictions, and represents to the best of its knowledge that no work performed by the Contractor or its subcontractors will violate any such restriction. In the event Contractor, through its Office of Technology Development, receives written notice or otherwise becomes aware that the activities conducted by Contractor under this Contract are, or may be, infringing on the proprietary rights of a third party, in such manner as to prevent Council from utilizing the license rights outlined in Section 7.C of this Contract, Contractor, through its Office of Technology Development will immediately provide written notice thereof to Council.

- T. Prior Approval.** This Contract shall not be binding upon either party, no research shall be performed, and the Wyoming State Auditor shall not draw warrants for payment, until this Contract has been fully executed, approved as to form by the Office of the Attorney General, filed with and approved by A&I Procurement, and approved by the Governor of the State of Wyoming, or his designee, if required by Wyo. Stat. § 9-2-3204(b)(iv). By fully executing and returning this Contract to Contractor, Council warrants that all such required approvals have been obtained.

- U. Insurance Requirements.**

- (i)** During the term of this Contract, the Contractor shall obtain and maintain, and ensure that each subcontractor obtains and maintains, each type of insurance coverage specified in Insurance Coverage, below.
- (ii)** All policies shall be primary over any insurance or self-insurance program carried by the Contractor or the State of Wyoming. All policies shall include clauses stating that each insurance carrier shall waive all rights of recovery under subrogation or otherwise against Contractor or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

- (iii) The Contractor shall provide Certificates of Insurance to the Council verifying each type of coverage required herein. If the policy is a “claims made” policy instead of an “occurrence” policy, the information provided shall include, but is not limited to, retroactive dates and extended reporting periods or tails.
- (iv) Contractor shall provide at least thirty (30) days advance written notice of cancellation of all policies referenced herein to the Council.
- (v) In case of a breach of any provision relating to Insurance Requirements or Insurance Coverage, the Council may, at the Council’s option, obtain and maintain, at the expense of the Contractor, such insurance in the name of the Contractor, or subcontractor, as the Council may deem proper and may deduct the cost of obtaining and maintaining such insurance from any sums which may be due or become due to the Contractor under this Contract.
- (vi) All policies required by this Contract shall be issued by an insurance company with an A.M. Best rating of A- VIII or better.

V. Insurance Coverage. The Contractor shall obtain and maintain the following insurance in accordance with the Insurance Requirements set forth above:

- (i) Commercial General Liability Insurance. Commercial general liability insurance (CGL) coverage, occurrence form, covering liability claims for bodily injury and property damage arising out of premises, operations, products and completed operations, and personal and advertising injury, with minimum limits as follows:
 - (a) \$1,000,000.00 each occurrence;
 - (b) \$1,000,000.00 personal injury and advertising injury;
 - (c) \$2,000,000.00 general aggregate; and
 - (d) \$2,000,000.00 products and completed operations.

The CGL policy shall include coverage for Explosion, Collapse and Underground property damage. This coverage may not be excluded by endorsement.

- (ii) Workers’ Compensation and Employer’s Liability Insurance. Employees hired in Wyoming to perform work under this Contract shall be covered by workers’ compensation coverage obtained through the Wyoming Department of Workforce Services’ workers’ compensation program, if statutorily required. Employees brought into Wyoming from Contractor’s home state to perform work under this Contract shall be covered by workers’ compensation coverage obtained through the Wyoming Department of Workforce Services’ workers’ compensation program or other state or private workers’ compensation insurance approved by the Wyoming Department of Workforce Services, if statutorily required.

The Contractor shall provide the Council with a Certificate of Good Standing or other proof of workers' compensation coverage for all of its employees who are to perform work under this Contract, if such coverage is required by law. If workers' compensation coverage is obtained by Contractor through the Wyoming Department of Workforce Services' workers' compensation program, Contractor shall also obtain Employer's Liability "Stop Gap" coverage through an endorsement to the CGL policy required by this Contract, with minimum limits as follows:

- (a) Bodily Injury by Accident: \$1,000,000.00 each accident;
- (b) Bodily Injury by Disease: \$1,000,000.00 each employee; and
- (c) Bodily Injury by Disease: \$1,000,000.00 policy limit.

(iii) Unemployment Insurance. The Contractor shall be duly registered with the Department of Workforce Services and obtain such unemployment insurance coverage as required. The Contractor shall supply Council with a Certificate of Good Standing or other proof of unemployment insurance coverage.

(iv) Automobile Liability Insurance. Automobile liability insurance covering any auto (including owned, hired, and non-owned) with minimum limits of \$1,000,000.00 each accident combined single limit.

(v) Professional Liability or Errors and Omissions Liability Insurance. Professional liability insurance or errors and omissions liability insurance protecting against any and all claims arising from the Contractor's alleged or real professional errors, omissions, or mistakes in the performance of professional duties under this Contract, with minimum limits as follows:

- (a) \$1,000,000.00 each occurrence; and
- (b) \$1,000,000.00 general aggregate.

The policy shall have an extended reporting period of two (2) years.

(vi) Commercial Crime Insurance. Commercial crime insurance including employee dishonesty coverage with minimum limits of \$1,000,000.00 each occurrence.

(vii) Cyber Liability Insurance. Cyber liability insurance which shall be sufficiently broad to cover all duties and obligations undertaken by Contractor and shall include, but not be limited to, claims involving infringement of intellectual property, including, but not limited to, infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security, with minimum limits as follows:

- (a) \$2,000,000.00 each occurrence; and
- (b) \$2,000,000.00 general aggregate.

Coverage shall include breach response costs, regulatory fines and penalties, and credit monitoring expenses, with limits sufficient to respond to these obligations.

- W. Severability.** Should any portion of this Contract be judicially determined to be illegal or unenforceable, the remainder of the Contract shall continue in full force and effect, and the parties may renegotiate the terms affected by the severance.
- X. Sovereign Immunity and Limitations.** Pursuant to Wyo. Stat. § 1-39-104(a), the State of Wyoming and Council expressly reserve sovereign immunity by entering into this Contract and specifically retain all immunities and defenses available to them as sovereigns. The parties acknowledge that the State of Wyoming has sovereign immunity and only the Wyoming Legislature has the power to waive sovereign immunity. The parties further acknowledge that there are constitutional and statutory limitations on the authority of the State of Wyoming and its agencies or instrumentalities to agree to certain terms and conditions supplied by the Contractor, including, but not limited to, the following: liability for damages; choice of law; conflicts of law; venue and forum-selection clauses; defense or control of litigation or settlement; liability for acts or omissions of third parties; payment of attorneys' fees or costs; additional insured provisions; dispute resolution, including, but not limited to, arbitration; indemnification of another party; and confidentiality. Any such provisions in the Contract, or in any attachments or documents incorporated by reference, will not be binding on the State of Wyoming. Designations of venue, choice of law, enforcement actions, and similar provisions shall not be construed as a waiver of sovereign immunity. The parties agree that any ambiguity in this Contract shall not be strictly construed, either against or for either party, except that any ambiguity as to sovereign immunity shall be construed in favor of sovereign immunity.
- Y. Taxes.** The Contractor shall pay all taxes and other such amounts as required by federal, state, and local law, including, but not limited to, federal and social security taxes, workers' compensation, unemployment insurance, and sales taxes.
- Z. Termination of Contract.** This Contract may be terminated, without cause, by either party upon thirty (30) days written notice. This Contract may be terminated by either party for cause if the other party fails to perform in accordance with the terms of this Contract if such failure has not been cured within thirty (30) days after written notice of the failure to perform has been given. In the event of early termination, Council shall pay Contractor for all milestones completed as referenced in Section 4 and for any expenses incurred for any partially completed milestones as of the date of termination, including any non-cancelable obligations.
- AA. Third-Party Beneficiary Rights.** The parties do not intend to create in any other individual or entity the status of third-party beneficiary, and this Contract shall not be construed so as to create such status. The rights, duties, and obligations contained in this Contract shall operate only between the parties to this Contract and shall inure solely to the benefit of the parties to this Contract. The provisions of this Contract are intended only to assist the parties in determining and performing their obligations under

this Contract.

- AA. Time is of the Essence.** Time is of the essence in all provisions of this Contract.
- BB. Titles Not Controlling.** Titles of sections and subsections are for reference only and shall not be used to construe the language in this Contract.
- CC. Waiver.** The waiver of any breach of any term or condition in this Contract shall not be deemed a waiver of any prior or subsequent breach. Failure to object to a breach shall not constitute a waiver.
- DD. Counterparts.** This Contract may be executed in counterparts. Each counterpart, when executed and delivered, shall be deemed an original and all counterparts together shall constitute one and the same Contract. Delivery by the Contractor of an originally signed counterpart of this Contract by facsimile or PDF shall be followed up immediately by delivery of the originally signed counterpart to the Council.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.

8. **Signatures.** The parties to this Contract, either personally or through their duly authorized representatives, have executed this Contract on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Contract.

The Effective Date of this Contract is the date of the signature last affixed to this page.

COUNCIL:

Wyoming Business Council

Joshua J. Dorrell, Chief Executive Officer

Date

Sarah S. Fitz-Gerald, Chief Strategy Officer

Date

CONTRACTOR:

President and Fellows of Harvard College, on behalf of the Harvard Kennedy School

Ani Tahmassian, Senior Grants and Contracts Officer

Date

ATTORNEY GENERAL'S OFFICE: APPROVAL AS TO FORM

Jodi A. Darrough, Senior Assistant Attorney General

Date

1. Introduction

The [Growth Lab](#) at the Center for International Development at Harvard Kennedy School (HKS) is a research program with a multidisciplinary team of over 60 staff, fellows, and faculty led by Professor Ricardo Hausmann. The Growth Lab pushes the frontiers of economic growth and development policy research and advances academic research on the nature of economic growth and conducts place-based engagements that aim to understand context-specific growth processes, help address key constraints and help catalyze promising opportunities. Through its research and teaching activities, the Growth Lab has become a global thought leader offering breakthrough ideas, methods, and tools that help practitioners, policymakers and scholars understand how to accelerate economic growth and expand opportunity across the world. Consistent with the mission of HKS, the Growth Lab works to expand capabilities for improved economic policymaking such that more people and societies can enjoy higher levels of wellbeing through stronger, more sustainable, and more inclusive economic growth processes.

Growth Lab applied projects utilize a variety of tools from economics and other disciplines with a focus on understanding place-specific growth challenges and enabling learning-by-doing to address these challenges locally. Key frameworks developed at the Growth Lab and applied within projects include Growth Diagnostics and Economic Complexity. Growth Diagnostics is a methodology that identifies the most binding constraints to better growth outcomes, which informs and allows policymakers to take highly impactful actions rather than simply cataloguing problems that may be of high or low importance. Economic Complexity is a rapidly growing field of research that leverages network science and machine learning to understand what economic activities a given country or region could expand into next, based on what it currently does. In addition to these core frameworks, the Growth Lab draws upon various approaches to bring together international and local expertise around urgent public problems. Several modalities of Growth Lab applied projects are provided as Annex 1.

Growth Lab applied projects aim not only to understand constraints and opportunities in specific places, but also to empower local stakeholders in real time and in situ to address constraints and seize economic opportunities through training, capacity building, and the development of practical, place-based tools. Over the last three years, the Growth Lab has conducted applied projects at the country, state, and city level across six continents, along with international projects focused on common constraints such as COVID-19. Typical outputs of these applied projects include numerous and iterative policy reports, digital tools to assist economic decision-making, HKS working papers, and support toward the development of innovative policy responses and stronger economic institutions in coordination with local counterparts. All applied Growth Lab projects aim to generate publicly available research of relevance to the local community as well as frameworks, tools, teaching resources and learning experiences that strengthen the HKS community.

The proposed project would be a five-month extension that builds upon a three-year research engagement, led by Professor Ricardo Hausmann, between the Growth Lab and the Wyoming Business Council (WBC) that brings together the Growth Lab multi-disciplinary network of researchers and policy professionals with a Wyoming-based network of

researchers, policymakers, and other stakeholders to tackle critical economic issues facing the state. The Principal Investigator, Professor Ricardo Hausmann, takes an active role in guiding the team in the analysis, by posing key questions and advising on the right research techniques to be used in elucidating them. The Growth Lab would conduct place-based research to understand the challenges that undermine inclusive economic growth processes across the state and inspire local actions and further local research to catalyze stronger and more sustainable growth, employment, and wellbeing. This project would occur at a highly strategic time for Wyoming. Significant federal resources are being transferred to states, localities, and tribal nations to support COVID-19 recovery and address underlying challenges, but achieving long-term impact will require informed, place-based strategies and institutional innovations. Simultaneously, global changes and technological shifts have put new pressure on Wyoming's historic growth drivers. This project would help inform the state how to navigate these opportunities and challenges and, in doing so, build capabilities in Wyoming that will last long after the project is completed. By focusing the research on Wyoming's significant economic challenges, this project will also produce generalizable findings on issues of relevance to other economies and societies, especially regarding natural resource dependence, challenges of economic diversification in remote places, and fundamental changes in the national and global product demand and technologies resulting from global carbonization. Since this engagement is at a state level — where instruments of federal policy are not available — this project will also yield generalizable findings about policy dimensions through which subnational governments can respond to economic challenges.

2. Problem Context

The State of Wyoming has experienced slow economic growth and an overall reduction in jobs over the last decade. Growth and employment within the state has been disconnected from the growth trajectory of the United States overall and from much faster growing neighboring states (including Utah, Colorado, and Idaho). The economic shock of COVID-19 has been acute, and employment has recovered only partially and much slower than the Mountain West region. Poor economic opportunity has created deep challenges for individual wellbeing and pressures on communities across the large and rural state. Wyoming has experienced a persistent pattern of outmigration in its labor force, which adds to the challenges of providing public services for those who remain. The state's economy is highly concentrated in and dependent on energy and mineral wealth, and the private sector has struggled to grow despite a focus on small government, low taxation, and business friendly regulations.

Changes in the national and global economy have put further pressure on the state economy. Much of the state's resource wealth and export generation derives from fossil fuels, which are in decreasing demand as the global economy decarbonizes through new energy technologies. Wyoming's median household income (as of 2019) was above the national level; however, the state has continuously lost well-paying jobs in mining and construction. This lost income will continue to have negative impacts on demand for non-tradable goods and services, which hollows out local economies, if not replaced with other sources of tradeable income. The state's finances are also highly dependent on resource extraction such that the erosion of this large part of the economy also hollows out the state's ability to support households, help workers to move into new opportunities, and invest in public goods and initiatives that can strengthen economic diversification. As in any economy, it is not obvious *prima facie* what

public goods and initiatives would be most effective toward this end; but in the context of Wyoming's low population, absence of urban agglomerations, narrow economic base, and exposure to global pressures, it is clear that new state and local economic strategies are needed.

Wyoming faces key challenges and opportunities in at least four major areas, for which there are not off-the-shelf policy and governance solutions, pertaining to its economic structure, its energy system, its fiscal system, and its labor market. Each of these areas has both economic and broader social determinants, and each is intertwined with the others. While the challenges associated with these areas may be daunting, there is also strong potential to unlock opportunities that will better serve Wyomingites. Since none of these issues can feasibly be addressed by returning to past equilibria, adapting with an eye to the future is the only option. It is at inflection points like these that research support and the development networks that bring together a variety of experiences, ideas, and perspectives around clear problems can be of the greatest use. This is the need that this research project aims to fill.

3. Project Research Questions

This engagement would be guided by a set of research questions that would grow and evolve over the course of project learning and local action. The project network (see Section 5) would return to these guiding research questions to iterate repeatedly and continuously develop ways to bring diverse stakeholders and research methods together in the pursuit of answering and practically addressing them. This project would take a flexible and adaptive approach to building its overall research agenda, focusing on iteration and collaboration. This engagement will include both traditional research approaches, with frequent sharing of findings, to deepen research questions and inform policy actions, as well as a focus on action research. Within the action research paradigm, initial research is used to inform actions by local stakeholders, which reveals more information to understand and diagnose complex problems, which informs new, and more informed, actions to solve those problems.

The following is an initial set of guiding research questions:

- Why has aggregate economic growth in Wyoming been low and volatile?
- Why has economic opportunity for individuals and communities been subdued?
- What vulnerabilities are emerging at the state and local levels, with respect to both aggregate growth and economic opportunity?
- What capabilities are present or nascent within the state economy that can support future growth? How are these distributed across the state?
- What pathways to sustained, widespread economic growth and opportunity exist for Wyoming, and what factors constrain them?
- What opportunities do new energy technologies introduce for the Wyoming economy?
- What approaches can the state take to expand good jobs and reduce unemployment?
- How can the state respond to its fiscal risks and optimize its fiscal space?
- How can new opportunities and reforms be pursued in ways that are compatible with Wyoming's sense of identity?

Though specific to Wyoming, these research questions could also be asked in places that face similar constraints. For example, a state, or country that has similar energy resources to those in Wyoming could learn from the outcomes of this research what other opportunities new energy technologies could be applicable and valuable to their own economies. At the same

time, from the outcomes of each project, the Growth Lab raises new questions of academic importance to the process of development, which feedback into academic research. Annex 2 provides an outline of the envisioned timeline for this project. The events and deliverables noted in this timeline would help to structure how the research team tackles research questions like those above, as well as other key research questions that may emerge through learning. This timeline would be adapted and grow more specific over time as the Growth Lab, WBC, and other stakeholders agree on key workstreams and seize opportunities to align with local problem-solving processes.

4. Novel Methods and Data Resources

In addition to the Growth Lab’s central frameworks, this project will apply novel analytical methods and draw upon a large selection of available data. Recent academic research of the Growth Lab has established new understandings and tools regarding productive knowledge at the subnational level. Within the broader academic community, in economics and beyond, there has been a rapid growth in tools and methods for studying place-based problems — especially within labor market research (the future of work), economic complexity research (identifying capabilities, competitiveness of remote places, and capitalizing on new technologies), and economic geography (understanding inclusion and exclusion) — that will allow for deep investigation into the questions that will guide this project. Machine learning and “big data” approaches have simultaneously increased the availability of high-definition and high-frequency data to study economic systems, especially in the United States and other developed countries. Qualitative research approaches have also advanced to better understand how economic issues interact with identity and social movements. Finally, fields of research have emerged in response to the impacts of climate change, opportunities in the energy of the future, and widespread challenges of economic inequities. All these tools, together with new data resources, will allow this project to mobilize research targeted to understand Wyoming’s growth and transformation challenges and inform local response actions.

The project will utilize the following data resources, among others:

- Dun & Bradstreet database of firms – This dataset (and the [Metroverse](#) tool that is built upon it) brings global coverage of industry-locations at very high granularity. It also provides ownership information, which is crucial in understanding the decisions of multi-location firms.
- United States County Business Patterns data – This dataset, provided by the Census Bureau, gives a time-series of establishment, employment and payroll information for location-industry pairs within the US.
- United States Census and American Community Survey data – Public data from the Census and American Community Service provide information for high-detail analysis demographics and economic conditions at a localized level. The Growth Lab has also developed a cleaned dataset of historical Census data to understand long-term dynamics of population movements and growth of the Western United States.
- BLS Employment & Wage Statistics – The Bureau of Labor Statistics is a source of high-quality information on labor market dynamics and wages.
- O*NET – This is a database with highly detailed information on tasks and occupations in the United States over time. Using this database, skill relatedness can be quantified.
- Input-Output Linkages – Provided by the Bureau of Economic Analysis, this dataset gives a detailed account of input-output relationships between industries.

Attachment A, Scope of Work, between Wyoming Business Council and President and Fellows of Harvard College, on behalf of the Harvard Kennedy School

- Patent data – Each patent comes with inventors, assignees, citations to other patents and technology classifications. Through these relationships, it is possible to determine the technological position of a location and its adjacencies.
- Subnational and International Trade Data – Public data is available on trade from each state to other countries and states, and high-detail data is available on trade between countries from UN COMTRADE (and the [Atlas of Economic Complexity](#), which is built upon it).
- State- and local-level administrative data – The project will aim to utilize administrative data as available from state and local government, supported by Data Use Agreements.
- “Big Data” – Novel data (for example, as used by Growth Lab researchers to [map functional networks](#) of U.S. state governments) may be used.
- New Data Collection – The project may develop and implement surveys, including online surveys, and other means of data collection in coordination with local organizations, where necessary to respond to data gaps.

Project Network

The problems that motivate this project are complex and evolving and thus require bringing together a diverse group of researchers, practitioners, government officials and other stakeholders to learn. This project would aim to build an active research network that brings together research capabilities across the Growth Lab, HKS, and Harvard University with local capabilities and local concerns. The Growth Lab will maintain research independence on the project overall while also coordinating intensively with counterparts in Wyoming to maximize information exchange and enable capability building. Wherever feasible, the Growth Lab will collaborate with Wyoming-based researchers to co-develop research that incorporates local knowledge and expertise. The collaboration may include the effort of coordinating to gather and analyze information and the development of a small number of co-authored research papers with Wyoming-based researchers. Based on the research produced directly by the Growth Lab team, we expect that a wider network of policymakers, practitioners and researchers will gain inspiration and direction for their own work.

The project would mobilize a small coordinating team of researchers from the Growth Lab and introduce a flexible structure that would draw upon Growth Lab expertise across its applied, academic, digital tools, and teaching teams. In practice, this will require a small core team of Growth Lab researchers leading the project, with short-term engagements from individuals across the Growth Lab to leverage the diverse expertise of the organization. Centered around several of the research questions, the project would aim to engage professors and other researchers from across HKS, Harvard University and outside universities and research organizations. The project would include intensive collaboration with the Building State Capability program at the Center for Public Leadership, led by Professor Matt Andrews, and would also leverage research and expertise from other HKS-based research institutes such as the Taubman Center for State and Local Governance, the Bloomberg City Leadership Initiative, the Malcolm Weiner Center for Social Policy, Joint Center for Housing Studies, and the Harvard Program on American Indian Economic Development. Where useful, the Growth Lab will also connect practitioners with experience in working on similar problems to those faced in Wyoming. The project will also engage HKS students in productive learning experiences through summer internships and, potentially, field-based projects and coursework.

The project will connect this Growth Lab network to active and emerging economic research, business and policymaking networks in Wyoming. The Wyoming Business Council will play a central role in connecting local networks through a focus on shared problems. Given their

Attachment A, Scope of Work, between Wyoming Business Council and President and Fellows of Harvard College, on behalf of the Harvard Kennedy School

participation in HKS’s 10-week “Leading Economic Growth” Executive Education Course — which ran between October and December 2021 — the Office of the Governor and Wyoming Energy Authority are also expected to play coordinating roles in this project, along with the University of Wyoming, including the Center for Business and Economic Analysis. Through research, iteration, and outreach focused on the guiding research questions, the project will aim to strengthen the capabilities of this network within Wyoming toward understanding and addressing complex growth challenges. Coordination across this network will be continuous and organic. A schedule of events will be developed and updated jointly with the Wyoming Business Council and other stakeholders to serve as key opportunities to strengthen the research agenda and communicate research findings. This schedule will include events both at HKS and in the State of Wyoming.

5. Project Budget

The proposed budget for this five-month project is \$400,000, reflecting the cost of:

Growth Lab / Wyoming 5-Month Extension		
I Research Personnel	\$	210,565
II Admin Personnel	\$	57,252
III Travel	\$	16,439
IV Other Direct Expenses	\$	14,251
Subtotal Direct Cost	\$	298,507
HKS Overhead: 34%	\$	101,493
Total Project Cost	\$	400,000

Annex 1: Common Modalities of Growth Lab Applied Projects

Identifying economic constraints and opportunities. The Growth Lab uses the Economic Complexity framework^{1,2} as a starting point to understand and quantify the knowhow agglomeration of places and map opportunities for export diversification and structural transformation. Over the course of its research engagements, the Growth Lab typically has access to more granular data, which allows it to incorporate the service sector and produce complexity profiles at the sub-national level. The Growth Lab also uses the Growth Diagnostics approach³ to identify the most binding constraints preventing these diversification opportunities from materializing.

Producing context-specific policy research. The Growth Lab forms its policy analyses after conducting literature reviews, data assessments and rigorous analytical work in key policy areas, while at the same time considering the political and administrative feasibility of different policy options. This type of research is critical to the Growth Lab’s continued learning on key policy areas for development, as well as learning on how informed policy can be made in governments with limited research and implementation capabilities.

¹ Hausmann, R. and Klinger, B., 2007. The structure of the product space and the evolution of comparative advantage (No. 146). Center for International Development at Harvard University.

² Hidalgo, C.A., Klinger, B., Barabási, A.L. and Hausmann, R., 2007. The product space conditions the development of nations. *Science*, 317(5837), pp. 482-487.

³ Hausmann, R., Rodrik, D. and Velasco, A., 2008. Growth diagnostics. *The Washington consensus reconsidered: Towards a new global governance*, pp. 324-355.

Combining scholars' and practitioners' knowhow. To maximize impact, the Growth Lab recognizes the need to work not only with academics, but also with practitioners, experts and local consultants who provide both content and context-specific knowledge necessary for successfully identifying policies. Depending on the particular needs and expertise required by the research engagement, the Growth Lab might draw on additional experts.

Building technical capacity. Our work includes collaboration and regular communication between our team members and local counterparts over extended periods of time and involves developing analytical instruments and knowledge transfer to local counterparts to use them.

Closely interacting with government officials and the non-government sector. Frequent visits and extended stays in the location or country, as well as frequent visits from government officials, ensure that we stay up to date with developments and dynamic needs of the research engagement. Where possible, we develop strong communication channels between professors and research fellows, and capable government leaders in order to foster discussions in areas where we have done research.

Maximizing learning for research and teaching purposes. Through country policy engagements, the Growth Lab tests the usefulness of concepts and methods developed by HKS scholars, creating opportunities for their improvement. At the same time, country projects raise new questions of academic importance on the process of development, which feed back into academic research. Our teams dedicate significant time to formalizing findings into publicly available outputs. These are used for teaching purposes, publication in peer-reviewed journals and distribution in CID's working paper series. HKS students also gain valuable work experience within developing country governments through summer internships.

Creating new transferable knowledge. The Growth Lab seeks to identify new concepts and frameworks that are not only applicable to the specific country of engagement, but that are also susceptible of generalization and extension to other development contexts in the long run. Learning from each country informs our work in others, and helps the Growth Lab explore different frameworks that, if found successful and generalizable to other regions, become part of the Growth Lab's approach to research and policy.

Annex 2: Project Timeline

- **Feb. 2026 – June 2026** – Five-month project continuation with a focus on:
 - Action research toward job creation (state “strategic bet” on Wyoming Labs)
 - Action research on constraints to labor attraction (housing, childcare, healthcare)
 - Action research on systems for supporting growth (fiscal system, local growth diagnostics, and Business Ready Communities program)
 - Research on culture, civic engagement and government communication in relation to economic growth
 - Continued utilization of student research assistant assignments

**AMENDMENT TWO TO THE CONTRACT BETWEEN
THE WYOMING BUSINESS COUNCIL, AND
PRESIDENT AND FELLOWS OF HARVARD COLLEGE, ON BEHALF OF THE
HARVARD KENNEDY SCHOOL**

1. **Parties.** This Amendment is made and entered into between the State of Wyoming, by and through the Wyoming Business Council (Council), whose address is: 214 West 15th Street, Cheyenne, WY 82002, and President and Fellows of Harvard College, on behalf of the Harvard Kennedy School (Contractor), whose address is: 1033 Massachusetts Avenue 5th Floor, Cambridge, MA 02138-5369.
2. **Purpose of Amendment.** This Amendment shall constitute the second amendment to the Contract between the Council and the Contractor. The purpose of this Amendment is to a) increase the total Contract amount by two-hundred thousand dollars (\$200,000.00) and b) extend the term of the Contract through June 30, 2026.

The original Contract, dated April 9, 2024, required the Contractor to undertake economic growth and training for a total Contract amount of four hundred eighty thousand dollars (\$480,000.00) with an expiration date of January 31, 2025.

Amendment One, dated January 6, 2025, amended the original Contract to: a) extend the term of the contract through January 31, 2026; b) increase the Fixed Price to nine hundred sixty thousand dollars and no cents (\$960,000.00); c) amend the milestone schedule; and d) replace Attachment A to the original Contract with Attachment A-1.

3. **Term of the Amendment.** This Amendment shall commence on January 29, 2026, or upon the date the last required signature is affixed hereto, whichever is later (Effective Date), and shall remain in full force and effect through the term of the Contract, as amended, unless terminated at an earlier date pursuant to the provisions of the Contract, or pursuant to federal or state statute, rule, or regulation.
4. **Amendments.**
 - A. The second sentence of section 4(A) of the original contract is hereby amended to read as follows:

“The total payment under this contract shall not exceed one million one hundred sixty thousand dollars (\$1,160,000).”
 - B. The second sentence of Section 3 of the original Contract is hereby amended to read as follows:

“The term of this Contract is from January 29, 2026, through June 30, 2026”
5. **Amended Responsibilities of the Contractor.** Responsibilities of the Contractor have not changed.

6. **Amended Responsibilities of the Council.** Responsibilities of the Council have not changed.

7. **Special Provisions.**

A. **Same Terms and Conditions.** With the exception of items explicitly delineated in this Amendment, all terms and conditions of the original Contract, and any previous amendments, between the Council and the Contractor, including but not limited to sovereign immunity, shall remain unchanged and in full force and effect.

B. **Counterparts.** This Amendment may be executed in counterparts. Each counterpart, when executed and delivered, shall be deemed an original and all counterparts together shall constitute one and the same Amendment. Delivery by the Contractor of an originally signed counterpart of this Amendment by facsimile or PDF shall be followed up immediately by delivery of the originally signed counterpart to the Council.

8. **General Provisions.**

A. **Entirety of Contract.** The original Contract, consisting of thirteen (13) pages; and Attachment A, Proposal for a PDIA Action-Learning Program (Statement of Work), consisting of five (5) pages; Amendment One, consisting of four (4) pages; and Attachment A-1, Revised Proposal for a PDIA Action-Learning Program (Statement of Work), consisting of five (5) pages, and this Amendment Two consisting of three (3) pages, represent the entire and integrated Contract between the parties and supersede all prior negotiations, representations, and agreements, whether written or oral.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.

9. **Signatures.** The parties to this Amendment, through their duly authorized representatives, have executed this Amendment on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Amendment.

This Amendment is not binding on either party until approved by A&I Procurement and the Governor of the State of Wyoming or his designee, if required by Wyo. Stat. § 9-2-3204(b)(iv).

WYOMING BUSINESS COUNCIL

Joshua J. Dorrell, Chief Executive Officer

Date

Sarah Fitz-Gerald, Chief Strategy Officer

Date

CONTRACTOR:

President and Fellows of Harvard College, on behalf of the Harvard Kennedy School

Meghan Coughlin, Team Lead, Awards
Management and Operations

Date

ATTORNEY GENERAL'S OFFICE: APPROVAL AS TO FORM

Jodi A. Darrough, Senior Assistant Attorney General

Date

**AMENDMENT ONE TO THE CONTRACT BETWEEN
WYOMING BUSINESS COUNCIL
AND
ERIC PROTZER**

1. **Parties.** This Amendment is made and entered into by and between the Wyoming Business Council (Council), whose address is: 214 W 15th St, Cheyenne, WY 82002 and Eric Protzer (Contractor), whose address is: 4920 Cordova Bay Road, Victoria, BC, Canada, V8Y 2J5.
2. **Purpose of Amendment.** This Amendment shall constitute the first amendment to the Contract between the Council and the Contractor. The purpose of this Amendment is to: a) increase the total Contract amount by forty-one thousand four hundred ninety-two dollars and ninety-two cents. (\$41,492.92) to one hundred forty-one thousand seventy-five dollars and ninety-two cents (\$141,075.92); and b) extend the term of the Contract through June 30, 2026.

The original Contract, dated February 10, 2025, required the Contractor to provide analytical and research support, mentorship and training for Economic Policy and Research Advisor for a total Contract amount of ninety-nine thousand five hundred eighty-three dollars (\$99,583.00) with an expiration date of January 31, 2026.
3. **Term of the Amendment.** This Amendment shall commence on January 29, 2026 or upon the date the last required signature is affixed hereto, whichever is later (Effective Date), and shall remain in full force and effect through the term of the Contract, as amended, unless terminated at an earlier date pursuant to the provisions of the Contract, or pursuant to federal or state statute, rule, or regulation.
4. **Amendments.**
 - A. The second sentence of Section 4(A) of the original Contract is hereby amended to read as follows:

“The total payment under this Contract shall not exceed one hundred forty-one thousand seventy-five dollars and ninety-two cents (\$141,075.92)”
 - B. The second sentence of Section 3 of the original Contract is hereby amended to read as follows:

“The term of this Contract is from January 29, 2026, through June 30, 2026.”
5. **Amended Responsibilities of the Contractor.** Responsibilities of the Contractor have not changed.
6. **Amended Responsibilities of the Council.** Responsibilities of the Council have not changed.
7. **Special Provisions.**

- A. Same Terms and Conditions.** With the exception of items explicitly delineated in this Amendment, all terms and conditions of the original Contract, and any previous amendments, between the Council and the Contractor, including but not limited to sovereign immunity, shall remain unchanged and in full force and effect.
- B. Counterparts.** This Amendment may be executed in counterparts. Each counterpart, when executed and delivered, shall be deemed an original and all counterparts together shall constitute one and the same Amendment. Delivery by the Contractor of an originally signed counterpart of this Amendment by facsimile or PDF shall be followed up immediately by delivery of the originally signed counterpart to the Council.

8. General Provisions.

- A. Entirety of Contract.** The original Contract, consisting of nine (9) pages; Attachment A, consisting of four (4) pages and this Amendment One, consisting of three (3) pages; represent the entire and integrated agreement between the parties and supersede all prior negotiations, representations, and agreements, whether written or oral.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.

9. **Signatures.** The parties to this Amendment, through their duly authorized representatives, have executed this Amendment on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Amendment.

This Amendment is not binding on either party until approved by A&I Procurement and the Governor of the State of Wyoming or his designee, if required by Wyo. Stat. § 9-2-3204(b)(iv).

COUNCIL:
Wyoming Business Council

Joshua J. Dorrell, Chief Executive Officer

Date

Sarah Fitz-Gerald, Chief Strategy Officer

Date

CONTRACTOR:
Eric Protzer

Eric Protzer

Date

ATTORNEY GENERAL'S OFFICE: APPROVAL AS TO FORM

Jodi, A. Darrough, Senior Assistant Attorney General

Date



STRATEGY COMMITTEE UPDATE

December 17, 2025





OUTLINE

Team of Thousands Update

Annual Report

Wyoming Labs Update

Contract Extensions



TEAM OF THOUSANDS





MOBILIZING THE TEAM OF THOUSANDS

CHANGE IS A TEAM SPORT!

Join a Joint Appropriations
Committee Watch Party
and be part of shaping
Wyoming's future.

Thursday, December 4th
Locations Throughout Wyoming



ANNUAL REPORT



WYOMING LABS UPDATE

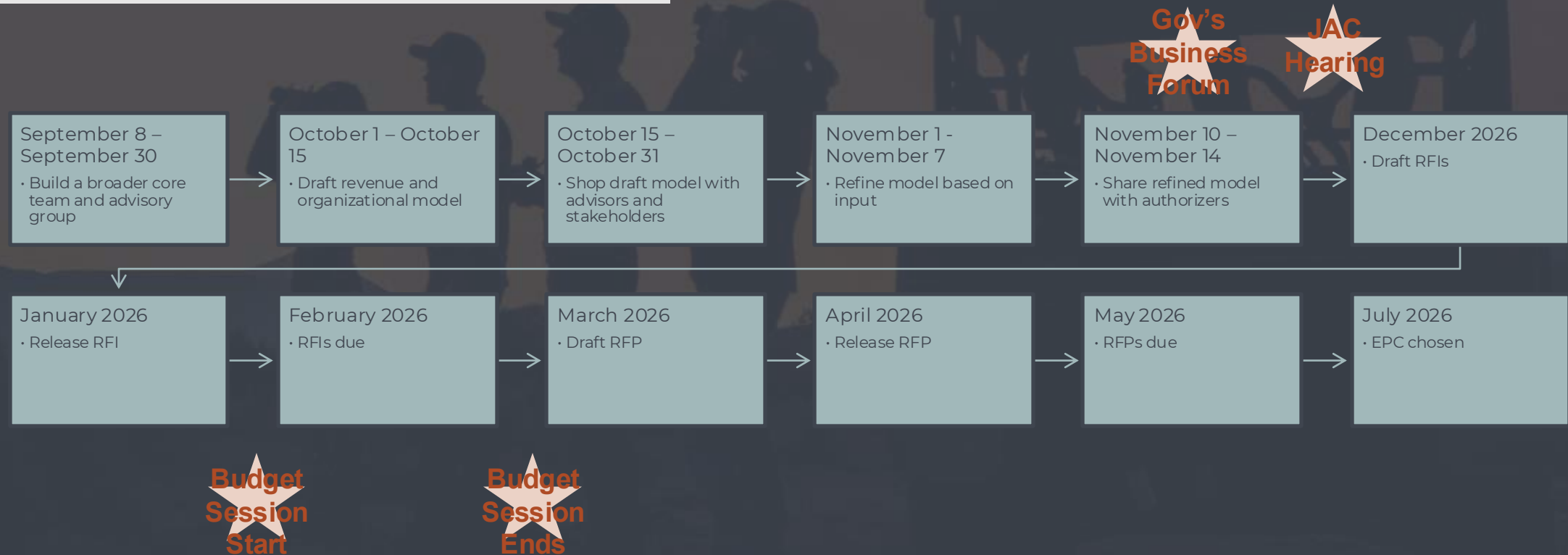




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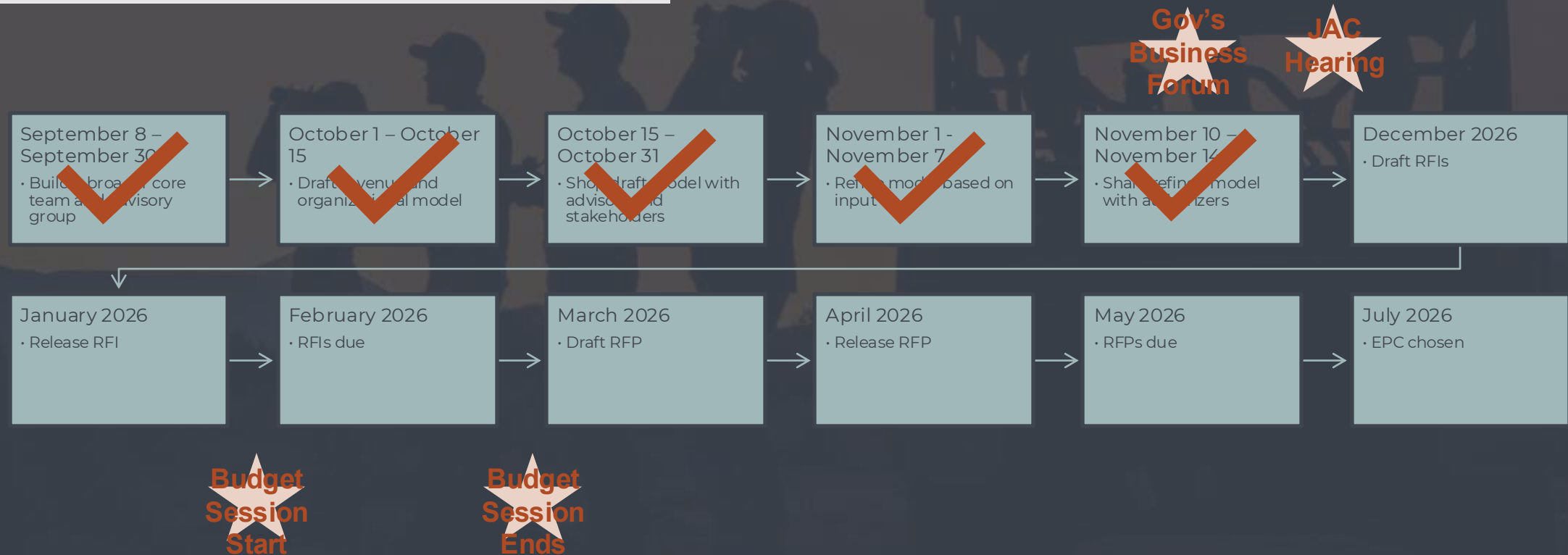


WYOMING LABS: PROCESS AND TIMELINE



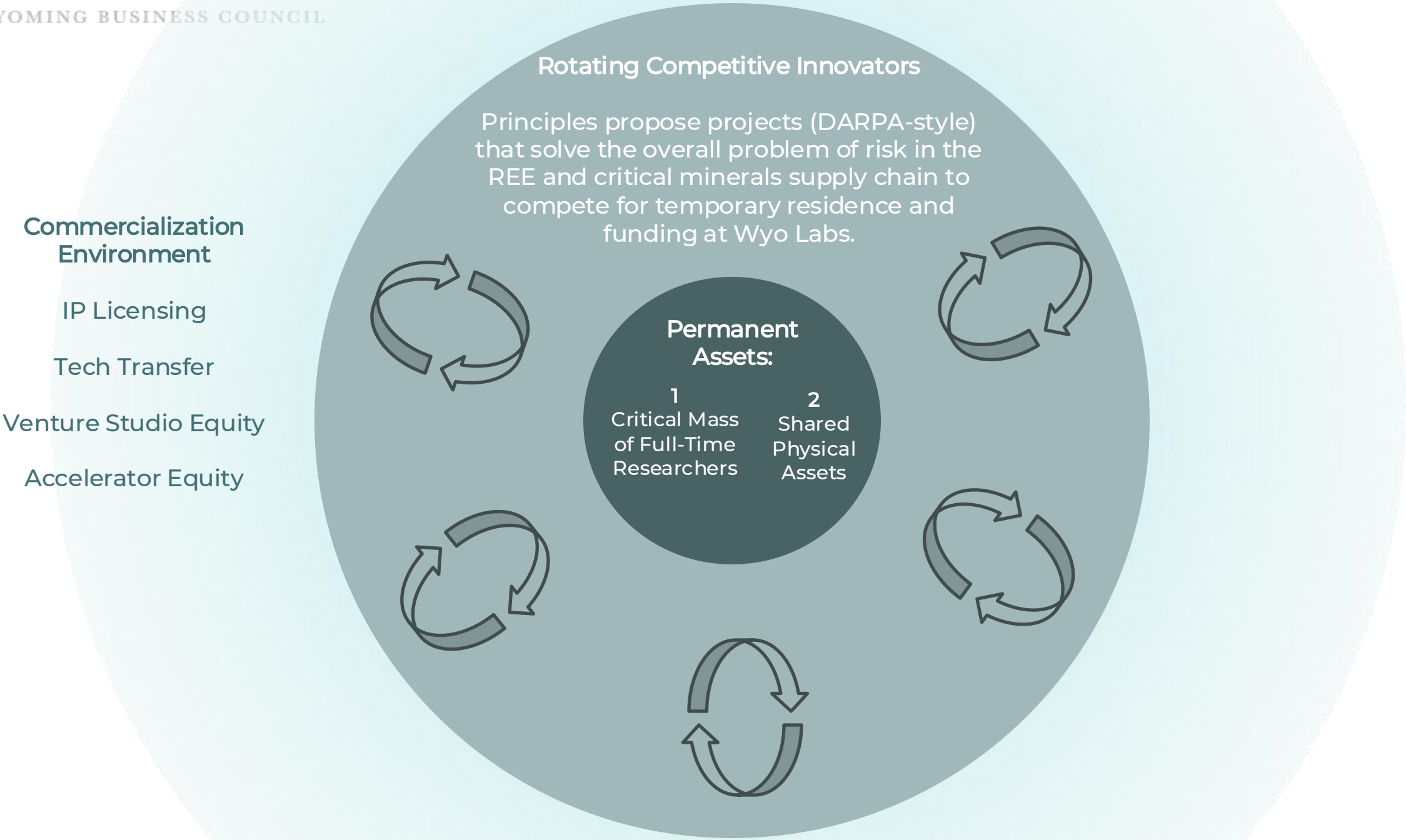


WYOMING LABS: PROCESS AND TIMELINE



TESTING THE VALUE PROPOSITION AND ITERATING

Stakeholder/Beneficiary/ Customer Group	Problems and Pain Points	Value Proposition
People of Wyoming	Not enough good jobs to keep or attract people, not enough people to attract, start, or grow companies	Turn Wyoming into a major hub of R&D activity that provides enough job activity to break the vicious cycle of job and people deficits. More opportunities for young people, especially in the occupations where we lose them most. More families stay together.
State of Wyoming	Same problems (to a less acute degree) as People of Wyoming. "Not enough revenue." "Someone needs to lead."	A concrete value prop to follow. A way to unlock bottlenecks that allow for increased revenue from a new stream.
U.S.	Supply-chain risks (in critical minerals and beyond) cause national security risk because of China's market dominance	Provide a platform to accelerate critical minerals innovation, creating technology sufficient to compete with China's low labor costs
Researchers	Scarce funding sources, onerous granting processes, low-to-no reward for commercialization, no obvious path	Quick, easier funding path, incentives for commercialization instead of grant writing, a known location to test, validate, and scale
Private Sector	Slowness, scarcity of available funding, high-volatility market creates investment risk, singular focus, short time horizons don't allow for R&D	Quick, easier funding path with necessary infrastructure. Decrease time to commercialization.





INVESTING IN THE BEST STRATEGIC SERVICES FOR WYOMING



KEY STRATEGY CONTRACTORS

3x year-over-year housing permits after critical regulatory reform in Cheyenne.



The Growth Lab, Eric Protzer, and the Building State Capabilities Group unlock capabilities on our WBC team and the Team of Thousands.

Leveraging global experience in analysis, policy development, economics, and team leadership, our supporting contractors:

- ✓ Diagnose the most important problems and root causes of economic decline
- ✓ Understand why these problems are happening
- ✓ Bring teams together to design and test the right solutions



\$280,000
raised and
administered
in childcare
grants.

STRATEGY CONTRACT EXTENSIONS

Purpose	Contractor	Current Total	Extension Amount - June 2026	Total After 2026 Extension
Coaching for narrative creation and action, continued capability building for WBC and partners	Building State Capabilities	\$960,000	\$200,000	\$1,160,000
Analytic and research support, mentorship and training for Econ Policy and Research Advisors	Growth Lab	\$3,752,652	\$160,273	\$3,912,925
	Eric Protzer	\$99,583	\$41,493	\$141,076
Total		\$4,812,235	\$401,766	\$5,214,001



THANK YOU



LEAD ECONOMIC GROWTH
BUILD RESILIENT COMMUNITIES
CREATE OPPORTUNITIES TO THRIVE

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



OPERATIONS

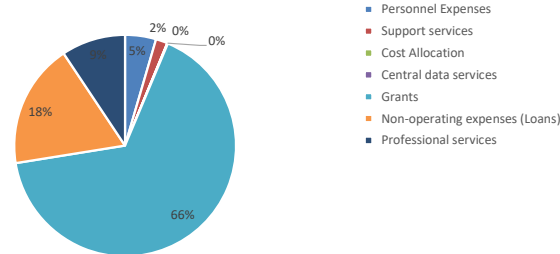
WYOMING

Wyoming Business Council
YTD September 30, 2025 (2025/2026 Biennium)

BUDGET SUMMARY	BUDGET	EXPENDED	ENCUMBERED	BALANCE	%	Avail. Cash Balance	YTD Receipts
Economic Diversification							
Investments	\$114,229,864	\$4,868,398	\$27,683,200	\$81,678,266	28.50%		
Investments	\$34,971	\$5,626	\$0	\$29,345	16.09%		
Finance	\$16,104	\$680	\$0	\$15,424	4.22%		
SBIR Matching Program	\$16,445,000	\$250,000	\$350,000	\$15,845,000	3.65%		
Business Ready Communities (Includes MRG)	\$92,294,210	\$4,508,138	\$24,697,575	\$63,088,497	31.64%		
Community Facilities	\$5,439,579	\$103,954	\$2,635,625	\$2,700,000	50.36%		
Services	\$5,941,781	\$832,540	\$2,992,172	\$2,117,069	64.37%		
Services	\$3,744,153	\$502,131	\$2,481,908	\$760,114	79.70%		
Broadband Administration (fund 004)	\$89,003	\$2,090	\$0	\$86,913	2.35%		
Entrepreneurship	\$47,778	\$11,000	\$7,100	\$29,678	37.88%		
Main Street	\$366,937	\$67,438	\$59,360	\$240,139	34.56%		
Markets & Expansion	\$594,497	\$87,363	\$62,962	\$444,172	25.29%		
Recruitment	\$753,468	\$69,464	\$186,820	\$497,184	34.01%		
Community Development	\$89,537	\$8,888	\$21,780	\$58,869	34.25%		
Asia Pacific Trade Office	\$256,408	\$84,166	\$172,242	\$0	100.00%		
Wyoming Business Council							
Operations	\$7,785,233	\$1,589,351	\$307,106	\$5,888,776	24.36%		
Accounting	\$136,031	\$2,240	\$64,000	\$69,791	48.69%		
Agency Services	\$535,592	\$69,155	\$119,777	\$346,660	35.28%		
Board	\$70,039	\$13,416	\$0	\$56,623	19.16%		
Executive	\$51,171	\$8,188	\$0	\$42,983	16.00%		
HR (Non-Payroll)	\$241,035	\$29,713	\$13,793	\$197,529	18.05%		
HR (Payroll)	\$6,470,478	\$1,314,736	\$0	\$5,155,742	20.32%		
IT	\$280,887	\$151,903	\$109,536	\$19,448	93.08%		
Regional Directors	\$132,965	\$12,328	\$0	\$120,637	9.27%		
Strategy	\$1,036,974	\$133,264	\$554,144	\$349,566	66.29%		
General Strategy	\$767,091	\$110,124	\$537,224	\$119,743	84.39%		
Communications	\$126,403	\$22,268	\$0	\$104,135	17.62%		
Strategic Partnerships	\$143,480	\$872	\$16,920	\$125,688	12.40%		
TOTAL GENERAL FUNDS	\$129,126,817	\$7,435,881	\$31,536,622	\$90,154,314	30.18%		
Federal Funds							
Brownfield Revolving Loan Program	\$244,406	\$0	-	\$244,406	0.00%		
WY Venture Capital (WYVC)	\$482,156	\$61,861	\$0	\$420,295	12.83%	\$ 21,944,908	\$ 158,424
State Trade and Export Program (STEP)	\$189,463	\$58,266	20,000	\$111,197	41.31%		
Broadband Equity, Access, & Deployment (BEAD)	\$7,484,233	\$375,863	\$4,309,667	\$2,798,703	62.61%		
Digital Access Capacity	\$5,251,486	\$0	\$4,840,148	\$411,338	92.17%		
TOTAL FEDERAL FUNDS	\$13,651,744	\$495,990	\$9,169,815	\$3,985,939	70.80%		
Agency Funds							
Economic Loan Development (fund 039/089)*	\$3,231,809	\$857,109	\$1,273,498	\$1,101,202	65.93%	\$ 12,578,323	\$ 482,183
Rural Rehabilitation (fund 499)	\$286,867	\$8,324	\$2,680	\$275,863	3.84%	\$ 5,137,200	\$ 40,684
Wyoming Business Council (fund 085)	\$72,917	\$0	\$0	\$72,917	0.00%	\$ 230,894	\$ 2,156
TOTAL AGENCY FUNDS	\$3,591,593	\$865,433	\$1,276,178	\$1,449,982	59.63%		
TOTAL BUDGET	\$146,370,154	\$8,797,304	\$41,982,615	\$95,590,235	34.69%		
American Rescue Plan Act							
WIP Initiative	\$91,750	\$67,250	\$24,500	\$0	100.00%		
Capital Projects Fund - Broadband	\$54,333,231	\$6,458,710	\$47,309,305	\$565,216	98.96%		
TOTAL ARPA	\$54,424,981	\$6,525,960	\$47,333,805	\$565,216	98.96%		

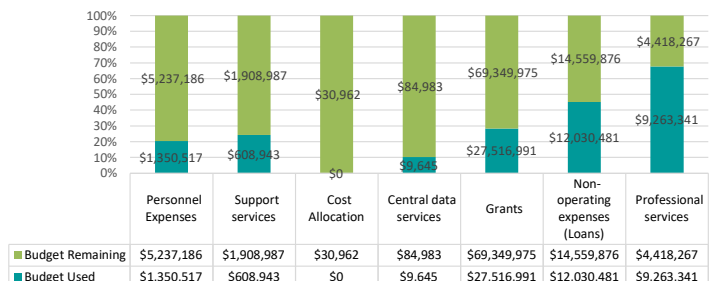
* \$29.94 million reserved for Large Loan Fund

Budgeted Expenditures by Expenditure Type



Loan Type	Balance
Economic Disaster	3,150,665
Participation - Bridge	1,028,658
Participation - Succession	2,395,967
Participation - 50/50	2,398,199
Amendment IV	-
WyoTech	2,203,945
BRC	11,038,180
Unallocated Allowance	(28,749)
	22,186,865

Line Item Expenditure Summary



WYOMING BUSINESS COUNCIL QUARTER 1 FISCAL YEAR 2026 FINANCIAL REPORT

BUDGET REPORT

General Funds

- September 30, 2025, is the first quarter-end of fiscal year 2026, which is the second fiscal year of the current two-year biennium.
- As of September 30, 2025, our general fund budget utilization came in at 30.18%, which is consistent with where we were at as of September 30, 2023.
-

Federal Funds

- Total expenditures on federal programs through September 30, 2025, were just under \$500k, with \$375.9k of federal expenditures going towards the BEAD program.
- The WYVC program had expenditures of \$61.8k for this quarter. The WYVC fund's available cash as of September 30 is \$21.94 million and had earned \$158.4k in interest on the cash balance. As of September 30, we had investments of \$1.32 million in fund investments and \$15.99 million in direct investments. The available budget of \$420.3k is for the administrative portion of the program.

Agency Funds

- As of September 30, 2025, the Economic Loan Development fund had an available budget of \$1.1 million. Available cash was \$12.58 million, and interest earned from the STO and loan principal and interest payments for the first quarter of this fiscal year total \$482.1k.
- As of September 30, 2025, the Rural Rehabilitation fund had an available budget of \$275.9k, and \$5.14 million in available cash. The fund has earned \$40.7k in investment income during the quarter.
- As of September 30, 2025, the Wyoming Business Council fund had an available budget of \$72.9k, and \$230.9k in available cash. It earned just under \$2.2k in investment income for the quarter.

American Rescue Plan Act (ARPA) Funds

- Our fiscal year 2026 ARPA funds budget is \$54.42 million, of which the Capital Projects Funds (CPF) for broadband is \$54.33 million. The budget has decreased from the previous year to account for expenditures made in the previous year.
- Through September 30, \$6.49 million had been expended on CPF Broadband, primarily to Internet Service Providers for project costs.

BUDGETED EXPENDITURES

- This chart shows the expenditure type as a percentage of the \$146.37 million budget.

- As of September 30, our grants budget made up 66% of the overall budget, and our loans budget made up 18% of the overall budget.
- 84% of our fiscal year 2026 budget was allocated to grants and loans, which leaves 16% for service delivery.

LINE-ITEM EXPENDITURE SUMMARY

- This chart shows budget utilization by expenditure type for the total \$146.37 million budget.
- The loans and professional services are skewing a little high for this quarter, compared to the budget, but that is due to the encumbrances that reserve the budget for the loan agreements and contracts.

LOANS RECEIVABLE

- The net loans receivable balance as of September 30, 2025, is \$22.19 million.
- Total principal and interest payments received on the loan portfolio for this quarter are \$289,776.

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

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2025

Draft 12/15/2025

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Draft 12/15/2025



MHP Assurance Services, LLP

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, 2025, 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, 2025, 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.

Emphasis of Matter - Correction of Errors

As discussed in Note 14 to the financial statements, the Business Council restated fund balance and net position as of July 1, 2024 to correct errors. Our opinion is not modified with respect to this matter.

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 45 through 48, the Schedule of the Business Council's Proportionate Share of the Net Pension Liability on page 50, the Schedule of the Business Council's Contributions on page 51, the Schedule of the Business Council's Proportionate Share of the Total OPEB Liability on page 52, and the Notes to Required Supplementary Information on pages 53 and 54 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 [REDACTED], 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.

Cheyenne, Wyoming
[REDACTED], 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, 2025 and 2024.

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 \$92.57 million as of June 30, 2025, an increase of \$19.14 million from the previous year. In the current year, an error was identified relating to the previous year. This error resulted in the overstatement of net position. See further discussion related to the error in Note 14 to the financial statements.

Governmental Funds Financial Statements

- As of June 30, 2025, the Business Council's governmental funds reported combined fund balances of \$88.81 million, an increase of \$11.56 million from the previous year. In the current year, errors were identified relating to the previous year. These errors resulted in the overstatement of fund balance in both the General Fund and the Pandemic Relief Fund. See further discussion related to the error corrections in Note 14.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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 44.

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 45 through 54.

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 55 and 56.

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 \$92.57 million, which represents a net investment of \$219,623 in capital assets, \$78.30 million in restricted net position (economic development, rural rehabilitation, and Wyoming Venture Capital (WYVC)), and \$14.06 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 \$19.14 million due to fiscal year 2025 being the first year of a biennium, and as such, the Business Council is able to immediately recognize as deposits with State Treasurer and appropriations from primary government 50% of its non-investment-ready communities appropriation.

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

	2025	2024 (Restated)
ASSETS		
Current Assets	\$ 114,638,466	\$ 82,853,097
Noncurrent Assets		
Public purpose assets	15,995,241	11,016,667
Fund investment	940,713	551,293
Loans receivable, net	19,390,318	18,968,470
Capital, lease, and subscription assets, net	662,060	329,852
Total assets	<u>\$ 151,626,798</u>	<u>\$ 113,719,379</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,350,471</u>	<u>\$ 2,301,494</u>
LIABILITIES		
Current Liabilities	\$ 31,686,294	\$ 26,334,301
Noncurrent Liabilities	26,947,612	12,908,525
Total liabilities	<u>\$ 58,633,906</u>	<u>\$ 39,242,826</u>
DEFERRED INFLOWS OF RESOURCES	<u>\$ 2,772,148</u>	<u>\$ 2,866,716</u>
NET POSITION		
Net Investment in Capital Assets	\$ 219,623	\$ 266,815
Restricted for:		
Economic development	54,990,525	52,337,667
Rural rehabilitation	5,113,996	4,868,937
WYVC	18,190,705	12,331,617
Unrestricted	14,056,366	4,106,295
Total net position	<u>\$ 92,571,215</u>	<u>\$ 73,911,331</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Statement of Activities

Net position increased by \$19.14 million in the current fiscal year primarily due to increased general revenues, which primarily consist of appropriations from primary government and investment income. Fiscal year 2025 is the first year of the biennium, and in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*, the Business Council is able to recognize 50% of its appropriation from the State, excluding the investment-ready communities appropriation, which is recognized as it is spent.

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

STATEMENTS OF ACTIVITIES CONDENSED

	2025	2024 (Restated)
Revenues		
Program revenues	\$ 32,816,308	\$ 22,818,605
General revenues	35,536,755	16,245,143
Total revenues	68,353,063	39,063,748
Expenses		
Operations	3,934,620	4,234,852
Services	32,453,438	16,497,090
Investments	11,672,474	6,323,326
Regional offices	1,154,924	1,110,013
Total expenses	49,215,456	28,165,281
Change in net position	19,137,607	10,898,467
Net Position, beginning	73,433,608	62,535,141
Net Position, ending	\$ 92,571,215	\$ 73,433,608

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The Business Council's activities are reflected in the General Fund, the Economic Development Fund, the Pandemic Relief Fund, the Wyoming Venture Capital (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, 2025, the Business Council's governmental funds reported combined ending fund balances of \$88.81 million, an increase of \$11.56 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 \$19.96 million, of which \$8,839,248 is available for current use and \$11,122,200 is unavailable for current use (nonspendable or restricted) because it is associated with a long-term receivable (loans receivable). The General Fund increased by \$10.30 million, which represents the change in the balance of loans receivable held in the General Fund and the remaining unspent appropriation.

The fund balance of the Economic Development Fund was \$54.99 million as of June 30, 2025. The Economic Development Fund increased by \$2.65 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 fiscal year 2024, the Business Council awarded \$65.24 million in grant funding to internet service providers under the Broadband Capital Projects Fund program. During fiscal year 2025, the Business Council awarded an additional \$5.28 million to internet service providers. Disbursements of these grant funds began late in the previous fiscal year and relate to the increased assets and liabilities in this fund.

As of June 30, 2025, the balance of the WYVC Fund was \$18.19 million, which is an increase of \$5.86 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 investing activities in the previous fiscal year and holds public purpose assets and fund investments valued at \$16.94 million as of June 30, 2025, which is an increase of \$5.37 million from the investment value as of June 30, 2024. This increase represents additional investments into qualifying Wyoming businesses that were made during the current fiscal year.

The fund balances of the Business Council's remaining funds increased by \$252,067, which consists of gains on investments held within the State Treasurer's Office for 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

	2025		2024 (Restated)		Increase (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% Change
Revenues						
Revenue from primary government	\$ 47,834,314	78.61%	\$ 17,045,899	45.23%	\$ 30,788,415	180.62%
Federal revenue	7,472,257	12.28%	14,928,162	39.61%	(7,455,905)	-49.95%
Investment income	4,095,051	6.73%	4,168,074	11.06%	(73,023)	-1.75%
Revenue from others	1,271,302	2.09%	1,329,763	3.53%	(58,461)	-4.40%
Charges for sales and services	175,591	0.29%	214,470	0.57%	(38,879)	-18.13%
Total revenues	\$ 60,848,515	100.00%	\$ 37,686,368	100.00%	\$ 23,162,147	61.46%
Expenditures						
Operations	\$ 4,487,179	9.01%	\$ 4,440,768	15.53%	\$ 46,411	1.05%
Services	32,432,113	65.09%	16,469,973	57.60%	15,962,140	96.92%
Investments	11,680,051	23.44%	6,316,219	22.09%	5,363,832	84.92%
Regional offices	1,173,250	2.35%	1,119,236	3.91%	54,014	4.83%
Capital outlay	51,925	0.10%	248,756	0.87%	(196,831)	100.00%
Total expenditures	\$ 49,824,518	100.00%	\$ 28,594,952	100.00%	\$ 21,229,566	74.24%
Other Financing Sources						
Leases	\$ 506,697	93.83%	\$ 47,303	100.00%	\$ 459,394	971.17%
Subscriptions	33,308	6.17%	-	0.00%	33,308	0.00%
Total other financing sources	\$ 540,005	100.00%	\$ 47,303	100.00%	\$ 492,702	1041.59%

Revenues for governmental activities were \$60.85 million for fiscal year 2025, an increase of 61.46% from the previous year. Revenues from primary government increased \$30.79 million, or 180.67%, due to the increased activity in the Broadband Capital Projects Fund program within the Pandemic Relief Fund and the General Fund recognizing half of its non-investment-ready communities appropriation. Federal revenues decreased \$7.46 million primarily due to fewer WYVC investment transactions than in the previous fiscal year. Federal revenue within the WYVC Fund is recognized upon the disbursement of investment funds.

Expenditures for governmental activities were \$49.82 million for fiscal year 2025, an increase of 74.24% from fiscal year 2024. This increase is primarily due to increased activity in the Broadband Capital Projects Fund program within the Pandemic Relief Fund.

Other financing sources of \$540,005 represent three renewed office space leases reported in accordance with GASB Statement No. 87, *Leases*, and two new subscription agreements reported in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

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, 2025 amounted to \$234,947, net of accumulated depreciation of \$341,048. 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, 2025 amounted to \$408,845, net of accumulated depreciation of \$145,155. 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 \$428,105. The Business Council's investment in subscription assets for its governmental activities as of June 30, 2025 amounted to \$18,268, net of accumulated amortization of \$69,761. At the end of the fiscal year, the Business Council had subscription liabilities totaling \$14,332. The \$332,208 increase in net capital, lease, and subscription assets from the previous year is due to current-year additions of \$591,930, offset by \$259,722 in depreciation/amortization 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/AMORTIZATION)

	2025	2024
Right-to-use lease assets - equipment	\$ 31,535	\$ 43,361
Right-to-use lease assets - real estate	377,310	-
Right-to-use subscription assets	18,268	18,241
Furniture, fixtures, and equipment	-	1,022
Intangible assets	141,961	131,867
Assets in development	92,986	135,361
Total	\$ 662,060	\$ 329,852

Debt Activity

The Business Council recognized three new lease liabilities of \$506,697 for new real estate leases of existing office space in the cities of Cheyenne and Evanston, and the Town of Wright during the year ended June 30, 2025. 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. Budgeted expenditures for the Economic Development Fund were revised due to increased loan activity in the current fiscal year. Budgeted expenditures for the WYVC Fund 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, 2025, the Business Council successfully submitted its final proposal as required by the program and has received notification of approval. BEAD program activity is expected to start before the end of fiscal year 2026.

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 met program requirements to request the second tranche of funds and received it in March 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 Wyoming Venture Capital. As of June 30, 2025, the Business Council's WYVC investments made throughout the current fiscal year were worth \$5.49 million. Additionally, the Business Council had one outstanding investment commitment of \$3.93 million as of June 30, 2025. Subsequent to June 30, 2025, the Business Council has invested \$1.75 million in direct investments to qualifying small businesses.

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, 2025

ASSETS

Current Assets

Deposits with State Treasurer	\$ 86,400,387
Cash and investments with trustee	12,203,468
Interest receivable	464,625
Due from primary government	13,195,241
Due from Federal government	161,568
Prepaid grant expenses	35,385
Loans receivable, net	2,177,792

Total current assets

114,638,466

Noncurrent Assets

Loans receivable, net	19,390,318
Public purpose assets	15,995,241
Fund investment	940,713
Capital assets, net of accumulated depreciation	234,947
Right-to-use lease assets, net of accumulated amortization	408,845
Right-to-use subscription assets, net of accumulated amortization	18,268

Total noncurrent assets

36,988,332

Total assets

151,626,798

DEFERRED OUTFLOWS OF RESOURCES

Pension-Related Outflows	735,111
OPEB-Related Outflows	1,615,360
Total deferred outflows of resources	2,350,471

Continued

WYOMING BUSINESS COUNCIL

STATEMENT OF NET POSITION, *Continued* June 30, 2025

LIABILITIES

Current Liabilities	
Accounts payable	\$ 19,222,039
Liability under securities lending	12,203,468
Due to primary government	24,396
Accrued payroll	4,262
Compensated absences payable	84,437
Current portion of lease liabilities	133,360
Current portion of subscription liabilities	14,332
Total current liabilities	<u>31,686,294</u>
Noncurrent Liabilities	
Lease liabilities, net of current portion	294,745
Unearned revenue	21,006,656
Net pension liability	3,261,538
Total OPEB liability	2,384,673
Total noncurrent liabilities	<u>26,947,612</u>
Total liabilities	<u>58,633,906</u>

DEFERRED INFLOWS OF RESOURCES

Pension-Related Inflows	430,451
OPEB-Related Inflows	2,341,697
Total deferred inflows of resources	<u>2,772,148</u>

NET POSITION

Net Investment in Capital Assets	219,623
Restricted for:	
Economic development	54,990,525
Rural rehabilitation	5,113,996
WYVC	18,190,705
Unrestricted	14,056,366
Total net position	<u>\$ 92,571,215</u>

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

STATEMENT OF ACTIVITIES Year Ended June 30, 2025

				Net (Expenses) Revenues and Changes in Net Position
		Program Revenues		
Functions/Programs	Expenses	Charges for Sales and Services	Operating Grants and Contributions	Total Governmental Activities
Governmental Activities				
Operations	\$ 3,934,620	\$ -	\$ 691,219	\$ (3,243,401)
Services	32,453,438	150,100	26,256,831	(6,046,507)
Investments	11,672,474	25,491	5,692,667	(5,954,316)
Regional offices	1,154,924	-	-	(1,154,924)
Total	\$ 49,215,456	\$ 175,591	\$ 32,640,717	(16,399,148)
General Revenues				
Appropriations from primary government				30,170,402
Investment income				4,095,051
Other				1,271,302
Total general revenues				35,536,755
Change in net position				19,137,607
Net Position, beginning, as previously reported				75,646,936
Restated for correction of error				(2,213,328)
Net Position, beginning, as restated				73,433,608
Net Position, ending				\$ 92,571,215

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

	General Fund	Economic Development Fund	Pandemic Relief Fund	Wyoming Venture Capital Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Deposits With State Treasurer	\$ 14,642,369	\$ 44,215,132	\$ -	\$ 22,180,832	\$ 5,362,054	\$ 86,400,387
Cash and Investments With Trustee	1,434	10,867,206	-	-	1,334,828	12,203,468
Public Purpose Assets	-	-	-	15,995,241	-	15,995,241
Fund Investment	-	-	-	940,713	-	940,713
Interest Receivable	57,448	348,770	-	27,311	31,096	464,625
Prepaid Grant Expenses	-	-	35,385	-	-	35,385
Due From Primary Government	255,000	-	12,940,241	-	-	13,195,241
Due From Federal Government	161,568	-	-	-	-	161,568
Loans Receivable, net	11,122,200	10,445,910	-	-	-	21,568,110
Total assets	\$ 26,240,019	\$ 65,877,018	\$ 12,975,626	\$ 39,144,097	\$ 6,727,978	\$ 150,964,738
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 6,253,584	\$ 19,287	\$ 12,940,241	\$ 990	\$ 7,937	\$ 19,222,039
Liability under securities lending	1,434	10,867,206	-	-	1,334,828	12,203,468
Due to primary government	-	-	-	422	23,974	24,396
Unearned revenue	19,291	-	35,385	20,951,980	-	21,006,656
Accrued payroll	4,262	-	-	-	-	4,262
Total liabilities	6,278,571	10,886,493	12,975,626	20,953,392	1,366,739	52,460,821
Deferred Inflows of Resources						
Unavailable revenue	-	-	9,692,238	-	-	9,692,238
Fund Balances						
Nonspendable:						
Loans receivable and other	11,122,200	10,445,910	-	-	-	21,568,110
Restricted	-	44,544,615	-	18,190,705	5,113,996	67,849,316
Assigned	-	-	-	-	247,243	247,243
Unassigned	8,839,248	-	(9,692,238)	-	-	(852,990)
Total fund balances	19,961,448	54,990,525	(9,692,238)	18,190,705	5,361,239	88,811,679
Total liabilities, deferred inflows of resources, and fund balances	\$ 26,240,019	\$ 65,877,018	\$ 12,975,626	\$ 39,144,097	\$ 6,727,978	\$ 150,964,738

See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

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

June 30, 2025

Total fund balances - governmental funds	\$ 88,811,679
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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	125,896
Right-to-use subscription assets, net of subscription liabilities	73,697
Furniture, fixtures, and equipment	118,296
Intangible assets	348,515
Assets in development	92,986
Accumulated depreciation and amortization	(555,966)

Total capital and right-to-use assets, net of lease and subscription payable	219,623
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Other assets are not available to pay for current expenditures and, therefore, are deferred in the funds	9,692,238
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Deferred outflows of resources that are not available for the current-period expenditures and are not reported in the governmental funds	2,350,471
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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	(84,437)
Net pension liability	(3,261,538)
Total OPEB liability	(2,384,673)
Deferred inflows of resources	(2,772,148)

Total liabilities and deferred inflows of resources	(8,502,796)
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Net position of governmental activities	\$ 92,571,215
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See Notes to Financial Statements.

WYOMING BUSINESS COUNCIL

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS Year Ended June 30, 2025

	General Fund	Economic Development Fund	Pandemic Relief Fund	Wyoming Venture Capital Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Revenue from primary government	\$ 30,170,402	\$ -	\$ 17,663,912	\$ -	\$ -	\$ 47,834,314
Federal revenue	1,800,735	-	-	5,671,522	-	7,472,257
Investment income	131,020	3,210,670	-	409,895	343,466	4,095,051
Revenue from others	1,271,302	-	-	-	-	1,271,302
Charges for sales and services	150,100	25,491	-	-	-	175,591
Total revenues	33,523,559	3,236,161	17,663,912	6,081,417	343,466	60,848,515
Expenditures						
Operations	4,143,591	-	343,588	-	-	4,487,179
Services	7,515,842	-	24,824,872	-	91,399	32,432,113
Investments	10,874,419	583,303	-	222,329	-	11,680,051
Regional offices	1,173,250	-	-	-	-	1,173,250
Capital outlay	51,925	-	-	-	-	51,925
Total expenditures	23,759,027	583,303	25,168,460	222,329	91,399	49,824,518
(Deficiency) excess of revenues over expenditures	9,764,532	2,652,858	(7,504,548)	5,859,088	252,067	11,023,997
Other Financing Sources						
Leases	506,697	-	-	-	-	506,697
Subscriptions	33,308	-	-	-	-	33,308
Total other financing sources	540,005	-	-	-	-	540,005
Net change in fund balances	10,304,537	2,652,858	(7,504,548)	5,859,088	252,067	11,564,002
Fund Balances, beginning, as previously reported	11,870,239	52,337,667	(1,377,560)	12,331,617	5,109,172	80,271,135
Restated for correction of error	(2,213,328)	-	(810,130)	-	-	(3,023,458)
Fund Balances, beginning, as restated	9,656,911	52,337,667	(2,187,690)	12,331,617	5,109,172	77,247,677
Fund Balances, ending	\$ 19,961,448	\$ 54,990,525	\$ (9,692,238)	\$ 18,190,705	\$ 5,361,239	\$ 88,811,679

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, 2025

Net change in fund balances - total governmental funds		\$ 11,564,002
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	51,925	
Depreciation and amortization expense	(259,722)	
		(207,797)
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		122,536
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		38,069
Change in revenues, including the prior-period restatement relating to deferred inflows of resources in the Pandemic Relief Fund, in the Statement of Activities that does not provide current financial resources is not reported as revenues in the funds		7,504,548
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	(23,033)	
Change in OPEB plan liability and OPEB-related inflows and outflows	132,513	
Change in defined benefit net pension liability and pension-related inflows and outflows	6,769	
		116,249
Change in net position of governmental activities		\$ 19,137,607

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 investment 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 Business Council's cash is pooled with other State agencies in accounts managed by the State Treasurer. The accounts are 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, 2025 can be obtained from the State's Annual Comprehensive Financial Report.

Public purpose assets - direct: 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 assets, are reported at cost. The cost of the public purpose assets as of June 30, 2025 is \$15,995,241. The Business Council believes that this is the most appropriate method of valuation as the assets are held primarily for economic development activities.

Fund investment: The Business Council holds an investment in a fund that is based on the investment's net asset value per share (or its equivalent) provided by the investee. Such fair value measurement in the fund investment is presented at \$940,713, with unfunded commitments of \$3,934,509 as of June 30, 2025.

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.

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.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

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

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, 2025 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.

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.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

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

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.

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.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

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

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.

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.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

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

The Pandemic Relief Fund had a deficit fund balance at June 30, 2025 of \$9,692,238.

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.

Recent pronouncements:

Adopted: In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter. The Business Council implemented GASB Statement No. 101 for the fiscal year ended June 30, 2025.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement defines concentrations and constraints, notes that concentrations and constraints may limit a government's ability to acquire resources or control spending, and requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. However, management has determined that no events associated with a concentration or constraint meet the criteria outlined above.

Upcoming: In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. In order to enhance the effectiveness in providing information that is essential for decision-making and assessing a government's accountability, this statement establishes new accounting and financial reporting requirements, or modifies existing requirements, related to management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The Business Council is currently evaluating the impact that the provisions of this statement will have on its financial statements.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

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

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures, including lease assets, intangible right-to-use assets, and subscription assets. Other intangible assets are also required to be disclosed separately by major class. This statement also requires additional disclosures for capital assets held for sale. A capital asset is held for sale if (a) the government has decided to pursue the sale of the capital asset, and (b) it is probable that the sale will be finalized within one year of the financial statements date. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The Business Council is currently evaluating the impact that the provisions of this statement will have on its financial statements.

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	\$ 86,400,387	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, 2025, loans receivable included outstanding loans to three major loan customers totaling \$7,772,723, which comprised 34.82% of gross loans receivable as of that date. One loan totaling \$31,191 was charged off during the year ended June 30, 2025. Loans receivable as of June 30, 2025 are as follows:

	Loan Type	Gross Balance	Allowance	Net Balance
General Fund	Business-Ready Communities	\$ 11,122,200	\$ -	\$ 11,122,200
Economic Development Fund	Amendment IV	41,345	41,345	-
Economic Development Fund	Economic disaster	3,775,153	616,041	3,159,112
Economic Development Fund	Bridge	5,137,335	54,482	5,082,853
Economic Development Fund	Other	2,248,923	44,978	2,203,945
		<u>\$ 22,324,956</u>	<u>\$ 756,846</u>	<u>\$ 21,568,110</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, 2025 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Assets in development	\$ 135,361	\$ 28,350	\$ (70,725)	\$ 92,986
Total capital assets not being depreciated	135,361	28,350	(70,725)	92,986
Capital assets being depreciated:				
Leasehold improvements	16,199	-	-	16,199
Furniture, fixtures, and equipment	118,296	-	-	118,296
Intangible assets	254,215	94,300	-	348,515
Total capital assets being depreciated	388,710	94,300	-	483,010
Less accumulated depreciation:				
Leasehold improvements	(16,199)	-	-	(16,199)
Furniture, fixtures, and equipment	(117,274)	(1,022)	-	(118,296)
Intangible assets	(122,348)	(84,206)	-	(206,554)
Total accumulated depreciation	(255,821)	(85,228)	-	(341,049)
Total capital assets being depreciated, net	132,889	9,072	-	141,961
Capital assets, net	\$ 268,250	\$ 37,422	\$ (70,725)	\$ 234,947

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, 2025 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Lease assets being amortized:				
Equipment	\$ 47,303	\$ -	\$ -	\$ 47,303
Real estate	361,141	506,697	(361,140)	506,698
Total lease assets being amortized	408,444	506,697	(361,140)	554,001
Less accumulated amortization:				
Equipment	(3,942)	(11,826)	-	(15,768)
Real estate	(361,141)	(129,387)	361,140	(129,388)
Total accumulated amortization	(365,083)	(141,213)	361,140	(145,156)
Lease assets, net	\$ 43,361	\$ 365,484	\$ -	\$ 408,845

Subscription assets: Subscription asset activity in the government-wide financial statements as of and for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Subscription assets being amortized	\$ 78,405	\$ 33,308	\$ (23,684)	\$ 88,029
Less accumulated amortization	(60,164)	(33,281)	23,684	(69,761)
Subscription assets, net	\$ 18,241	\$ 27	\$ -	\$ 18,268

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

Operations	\$ 101,723
Services	115,458
Investments	20,276
Regional offices	22,265
	<u>\$ 259,722</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, 2025, the following changes occurred in long-term lease liabilities:

	Beginning Balance	Additions	Deletions	Ending Balance
Lease liabilities:				
Equipment	\$ 43,944	\$ -	\$ 10,665	\$ 33,279
Real estate	-	506,697	111,871	394,826
Total	\$ 43,944	\$ 506,697	\$ 122,536	\$ 428,105

Future minimum lease payments under the agreements as of June 30, 2025 are as follows:

Years ending June 30:	Principal	Interest	Total
2026	\$ 133,360	\$ 2,383	\$ 135,743
2027	143,392	1,357	144,749
2028	151,353	291	151,644
	\$ 428,105	\$ 4,031	\$ 432,136

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, 2025:

Beginning Balance	Additions	Deletions	Ending Balance
\$ 19,093	\$ 33,308	\$ 38,069	\$ 14,332

Future minimum subscription-based payments under the agreements as of June 30, 2025 consist of principal of \$14,332 and interest of \$668, for a total of \$15,000 for the year ending June 30, 2026.

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 \$508,453.

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, 2025, the Business Council reported a liability of \$3,261,538 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. There were no assumption changes for the 2024 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, 2024 to the contributions of all participating employers for the same period. At December 31, 2024, the Business Council's proportion was 0.1563856918%, which was an increase from its December 31, 2023 proportion of 0.1496265280%.

For the year ended June 30, 2025, the Business Council recognized pension expense of \$316,364. At June 30, 2025, 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	\$ 211,482	\$ 3,927
Net difference between projected and actual earnings on pension plan investments	-	412,942
Changes in proportionate share of contributions	355,084	13,582
Contributions subsequent to measurement date	168,545	-
Changes in assumptions	-	-
	<u>\$ 735,111</u>	<u>\$ 430,451</u>

An amount of \$168,545, 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, 2026. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2025 will be recognized in pension expense, as follows:

Years ending June 30:	
2026	\$ 118,832
2027	337,037
2028	(215,397)
2029	(104,357)
	<u>\$ 136,115</u>

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 7. Retirement Commitment - WRS, *Continued*

Actuarial assumptions: The total pension liability in the January 1, 2024 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, 2024 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, 2024. 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%	0.41%	0.40%
Gold	1.50%	2.33%	0.90%
Fixed income	20.00%	3.79%	4.22%
Equity	51.50%	6.51%	8.19%
Marketable alternatives	16.00%	4.54%	5.38%
Private markets	10.50%	6.23%	7.74%
	<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, 2024 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	\$ 5,433,034	\$ 3,261,538	\$ 1,463,268

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 and Change in Accounting Estimate

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>.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 8. OPEB Commitment and Change in Accounting Estimate, *Continued*

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.

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, 2025, the Business Council reported a liability of \$2,384,673 for its proportionate share of the collective total OPEB liability. The collective total OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the collective total OPEB liability was determined by an actuarial valuation as of June 30, 2025. For the year ended June 30, 2025, the Business Council's proportion of the collective total OPEB liability was based on a projection of the Business Council's explicit premium subsidies relative to all Plan participants. For the year ended 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. This change in allocation methodology was accounted for prospectively as a change in accounting estimate. The change was due to the volatility of the implicit subsidy included in projected benefit payments. At June 30, 2025, the Business Council's proportion was 0.3270%, which was a decrease from its June 30, 2024 proportion of 0.33943%.

For the year ended June 30, 2025, the Business Council recognized OPEB expense of \$23,956. At June 30, 2025, 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	\$ 200,663	\$ 383,854
Changes in assumptions	493,801	1,671,078
Expected payments subsequent to measurement date	44,058	-
Change in proportionate share of expected payments	876,838	286,765
	<u>\$ 1,615,360</u>	<u>\$ 2,341,697</u>

An amount of \$44,058, 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, 2026.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 8. OPEB Commitment and Change in Accounting Estimate, *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:	
2026	\$ 152,386
2027	117,786
2028	172,817
2029	111,810
2030	170,660
Thereafter	44,936
	<u>\$ 770,395</u>

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2025 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2024 (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 with 103% multiplier for females, 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 and Change in Accounting Estimate, *Continued*

Healthcare Cost Trend Rates

Pre-Medicare: 7.75%, decreasing annually until reaching the ultimate trend rate of 4.50%.

Medicare: 17.25%, then 7.50% 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 demographic and economic 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. The remaining demographic assumptions were based on Plan experience and professional judgment.

Discount rate: The discount rate used to measure the total OPEB liability was 3.93% at June 30, 2024, which represents an increase from the discount rate of 3.65% utilized for the June 30, 2023 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 and Change in Accounting Estimate, *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 3.93%, 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 (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Proportionate share of the collective total OPEB liability	\$ 2,856,121	\$ 2,384,673	\$ 2,014,841

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	6.75%	7.75%	8.75%
Medicare	16.25%	17.25%	18.25%
Proportionate share of the collective total OPEB liability	\$ 2,036,812	\$ 2,384,673	\$ 2,840,523

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, 2025 totaled \$7,040.

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, 2025.

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, 2025, the Business Council contributed up to \$900, \$1,369, \$1,796 and \$2,058 (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, 2025 were \$754,467.

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, 2025, the Business Council's contributions to the Workers' Compensation Fund were \$44,223.

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, 2025.

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, 2025 were \$116,587.

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, 2025 was \$33,000.

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, 2025 was \$1,904,178, of which \$459,875 is included in accounts payable as of June 30, 2025. The Business Council is committed to the amount remaining under these agreements, which totaled \$2,213,265 as of June 30, 2025.

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, 2025 totaled \$18,672,936. 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 \$100,862,226 as of June 30, 2025. 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, 2025, the Business Council made six direct investments in Wyoming small businesses, totaling \$4,978,574, and one investment in a fund for \$514,198.

Note 14. Beginning Net Position and Fund Balance Restatements

Correction of an error in previously issued financial statements (Column 1): During fiscal year 2025, the Business Council determined that there was an understatement of deposits with the State Treasurer. As a result, deposits with State Treasurer for the General Fund was understated by \$2.2 million as of June 30, 2024. The effects of this change are shown in Column 1 in the table below.

Correction of an error in previously issued financial statements (Column 2): During fiscal year 2025, the Business Council determined that there was an \$810,310 understatement in the Pandemic Relief Fund. As a result, accounts payable, services expense, due from primary government, and deferred inflows were improperly stated. The error resulted from not properly identifying expenses incurred by subrecipients under the Coronavirus Capital Projects program. The effects of this change are shown in Column 2 in the table below.

WYOMING BUSINESS COUNCIL

NOTES TO FINANCIAL STATEMENTS

Note 14. Beginning Net Position and Fund Balance Restatements, *Continued*

	June 30, 2024 As Previously Reported	Error Correction (1)	Error Correction (2)	June 30, 2024 As Restated
Government-Wide Governmental Activities	\$ 75,646,936	\$ (2,213,328)	\$ -	\$ 73,433,608
Governmental Funds				
Major Fund:				
General Fund	\$ 11,870,239	\$ (2,213,328)	\$ -	\$ 9,656,911
Economic Development Fund	52,337,667	-	-	52,337,667
Pandemic Relief Fund	(1,377,560)	-	(810,130)	(2,187,690)
Wyoming Venture Capital Fund	12,331,617	-	-	12,331,617
Nonmajor Funds	5,109,172	-	-	5,109,172
	\$ 80,271,135	\$ (2,213,328)	\$ (810,130)	\$ 77,247,677

Note 15. Subsequent Events

Subsequent to June 30, 2025, three loans totaling \$1,075,000 were approved under the provisions of the Economic Development Fund. They have been distributed in full.

Subsequent to June 30, 2025, the Business Council invested \$2,499,787 in direct investments in Wyoming small businesses and \$575,309 in fund investments.

In September 2025, the Business Council submitted its Final 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 the final proposal, which was 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 September 4, 2025. The final proposal is pending approval.

REQUIRED SUPPLEMENTARY INFORMATION

Draft 12/15/2025

WYOMING BUSINESS COUNCIL

BUDGETARY COMPARISON SCHEDULES

Year Ended June 30, 2025

	General Fund					
	Budgeted Amounts		Actual	Encumbrances	Total Actual and Encumbrances	Variance With Final Budget
	Original	Final				
Revenues						
Revenue from primary government	\$ 90,977,306	\$ 135,292,248	\$ 21,520,624	\$ -	\$ 21,520,624	\$ (113,771,624)
Federal revenue	342,905	14,063,957	666,347	-	666,347	(13,397,610)
Investment income	-	294,886	133,991	-	133,991	(160,895)
Revenue from others	290,003	5,489,308	1,060,261	-	1,060,261	(4,429,047)
Charges for sales and services	137,215	137,215	150,100	-	150,100	12,885
Total revenues	91,747,429	155,277,614	23,531,323	-	23,531,323	(131,746,291)
Expenditures						
Operations	15,036,285	15,078,273	5,966,063	809,387	6,775,450	8,302,823
Services	9,139,601	22,710,725	3,611,988	6,420,641	10,032,629	12,678,096
Investments	17,070,000	17,314,406	723,925	600,000	1,323,925	15,990,481
Investment-ready communities	50,321,543	99,994,210	2,260,421	31,945,292	34,205,713	65,788,497
Regional offices	180,000	180,000	47,035	-	47,035	132,965
Total expenditures	91,747,429	155,277,614	12,609,432	39,775,320	52,384,752	102,892,862
(Deficiency) of revenues over expenditures	\$ -	\$ -	\$ 10,921,891	\$ (39,775,320)	\$ (28,853,429)	\$ (28,853,429)

Continued

WYOMING BUSINESS COUNCIL

BUDGETARY COMPARISON SCHEDULES, *Continued*
Year Ended June 30, 2025

	Economic Development Fund					
	Budgeted Amounts		Actual	Encumbrances	Total Actual and Encumbrances	Variance With Final Budget
	Original	Final				
Revenues						
Revenue from primary government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	-	-	-	-	-	-
Investment income	1,146,943	5,146,943	2,192,028	-	2,192,028	(2,954,915)
Revenue from others	-	-	2,848,886	-	2,848,886	2,848,886
Charges for sales and services	-	-	25,491	-	25,491	25,491
Total revenues	1,146,943	5,146,943	5,066,405	-	5,066,405	(80,538)
Expenditures						
Operations	-	-	-	-	-	-
Services	-	-	-	-	-	-
Investments	1,146,943	5,146,943	1,915,134	935,607	2,850,741	2,296,202
Investment-ready communities	-	-	-	-	-	-
Regional offices	-	-	-	-	-	-
Total expenditures	1,146,943	5,146,943	1,915,134	935,607	2,850,741	2,296,202
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ 3,151,271	\$ (935,607)	\$ 2,215,664	\$ 2,215,664

Continued

WYOMING BUSINESS COUNCIL

BUDGETARY COMPARISON SCHEDULES, *Continued*
Year Ended June 30, 2025

	Budgeted Amounts		Pandemic Relief Fund		Total Actual and Encumbrances	Variance With Final Budget
	Original	Final	Actual	Encumbrances		
Revenues						
Revenue from primary government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	72,142,688	72,142,688	17,809,457	-	17,809,457	(54,333,231)
Investment income	-	-	-	-	-	-
Revenue from others	-	-	-	-	-	-
Charges for sales and services	-	-	-	-	-	-
Total revenues	72,142,688	72,142,688	17,809,457	-	17,809,457	(54,333,231)
Expenditures						
Operations	-	-	-	-	-	-
Services	72,142,688	72,142,688	17,809,457	53,768,015	71,577,472	565,216
Investments	-	-	-	-	-	-
Investment-ready communities	-	-	-	-	-	-
Regional offices	-	-	-	-	-	-
Total expenditures	72,142,688	72,142,688	17,809,457	53,768,015	71,577,472	565,216
(Deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ (53,768,015)	\$ (53,768,015)	\$ (53,768,015)

Continued

WYOMING BUSINESS COUNCIL

BUDGETARY COMPARISON SCHEDULES, *Continued* Year Ended June 30, 2025

	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	900,000	900,000	3,806,970	-	3,806,970	2,906,970
Investment income	-	-	466,922	-	466,922	466,922
Revenue from others	-	-	-	-	-	-
Charges for sales and services	-	-	-	-	-	-
Total revenues	900,000	900,000	4,273,892	-	4,273,892	3,373,892
Expenditures						
Operations	-	-	-	-	-	-
Services	-	-	-	-	-	-
Investments	900,000	900,000	220,917	-	220,917	679,083
Investment-ready communities	-	-	-	-	-	-
Regional offices	-	-	-	-	-	-
Total expenditures	900,000	900,000	220,917	-	220,917	679,083
Excess of revenues over expenditures	\$ -	\$ -	\$ 4,052,975	\$ -	\$ 4,052,975	\$ 4,052,975

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, 2025

	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	\$ 23,531,323	\$ 5,066,405	\$ 17,809,457	\$ 4,273,892
Differences in accrual basis revenues and cash basis budgetary amounts	9,992,236	(1,830,244)	(145,545)	1,807,525
Total revenues and other financing sources reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 33,523,559	\$ 3,236,161	\$ 17,663,912	\$ 6,081,417
Uses/Outflows of Resources				
Actual amounts "charged to appropriations" from the Budgetary Comparison Schedules	\$ 52,384,752	\$ 2,850,741	\$ 71,577,472	\$ 220,917
Differences in accrual basis expenditures and cash basis budgetary amounts	11,149,595	(1,331,831)	7,359,003	1,412
Encumbrances	(39,775,320)	(935,607)	(53,768,015)	-
Total expenditures reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 23,759,027	\$ 583,303	\$ 25,168,460	\$ 222,329

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
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%
2025	0.1563856918%	3,261,538	3,316,866	98.33%	82.46%

* 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
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%
2025	318,890	318,890	-	3,403,303	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 Eight (8) 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%
2025	0.32700%	2,384,673	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, 2025

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 49 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, 2025.

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, 2024 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, 2024 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
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%
2024	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, 2025

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, 2024 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%
2024	3.93%	2.25%	2.50%-6.50%	7.75%	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.

Draft 12/15/2025

WYOMING BUSINESS COUNCIL

COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS

June 30, 2025

	Wyoming Business Council Fund	Rural Rehabilitation Fund	Total
ASSETS			
Deposits With State Treasurer	\$ 269,653	\$ 5,092,401	\$ 5,362,054
Cash and Investments With Trustee	67,100	1,267,728	1,334,828
Interest Receivable	1,564	29,532	31,096
Total assets	\$ 338,317	\$ 6,389,661	\$ 6,727,978
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 7,937	\$ 7,937
Liability under securities lending	67,100	1,267,728	1,334,828
Due to primary government	23,974	-	23,974
Total liabilities	91,074	1,275,665	1,366,739
Fund Balances			
Restricted	-	5,113,996	5,113,996
Assigned	247,243	-	247,243
Total fund balances	247,243	5,113,996	5,361,239
Total liabilities and fund balances	\$ 338,317	\$ 6,389,661	\$ 6,727,978

WYOMING BUSINESS COUNCIL

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

Year Ended June 30, 2025

	Wyoming Business Council Fund	Rural Rehabilitation Fund	Total
Revenues			
Investment income	\$ 17,466	\$ 326,000	\$ 343,466
Total revenues	17,466	326,000	343,466
Expenditures			
Services	10,458	80,941	91,399
Total expenditures	10,458	80,941	91,399
Excess of revenues over expenditures	7,008	245,059	252,067
Net change in fund balances	7,008	245,059	252,067
Fund Balances, beginning	240,235	4,868,937	5,109,172
Fund Balances, ending	<u>\$ 247,243</u>	<u>\$ 5,113,996</u>	<u>\$ 5,361,239</u>

WYOMING BUSINESS COUNCIL

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2025

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. Small Business Administration:				
State Trade and Export Promotion Pilot Grant Program	59.061	N/A	\$ 85,852	\$ -
Total U.S. Small Business Administration			<u>85,852</u>	<u>-</u>
U.S. Environmental Protection Agency:				
Brownfield Assessment and Cleanup Cooperative Agreements	66.818	N/A	23,917	-
Total U.S. Environmental Protection Agency			<u>23,917</u>	<u>-</u>
U.S. Economic Development Agency:				
Economic Development Cluster:				
Economic Adjustment Assistance	11.307	N/A	218,531	-
Total U.S. Economic Development Agency			<u>218,531</u>	<u>-</u>
U.S. Department of Commerce:				
Research and Development Cluster:				
Broadband Equity, Access, and Deployment Program	11.035	N/A	1,572,300	-
Total U.S. Department of Commerce			<u>1,572,300</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	17,809,457	17,302,760
Total U.S. Department of the Treasury			<u>17,809,457</u>	<u>17,302,760</u>
Total expenditures of Federal awards			<u>\$ 19,710,057</u>	<u>\$ 17,302,760</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. The Business Council provided approximately \$17,303,000 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, 2025. 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.



MHP Assurance Services, LLP

**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, 2025, 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 [REDACTED], 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 2025-001, 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

, 2025



MHP Assurance Services, LLP

**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, 2025. 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, 2025.

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.

Report on Internal Control Over Compliance

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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

Cheyenne, Wyoming
[REDACTED], 2025

Draft 12/15/2025

WYOMING BUSINESS COUNCIL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2025

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
11.307	Economic Development Cluster

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, 2025

II. FINANCIAL STATEMENT FINDINGS

2025-001: Internal Controls and Adjustments to Fund Balance (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 entries were proposed as follows:

- A prior-period restatement was identified within the Pandemic Relief Fund, decreasing fund balance by \$810,130.
- A prior-period restatement was identified within the General Fund, increasing fund balance and net position by \$2,213,328.

Cause: The adjustment to the Pandemic Relief Fund was a result of the Business Council not having an adequate system in place in the prior fiscal year to properly identify and track pertinent details of all project payments incurred by subrecipients under the Coronavirus Capital Projects Fund program.

Additionally, the adjustment related to the General Fund resulted from the improper application of revenue recognition specific to non-purpose-driven appropriations.

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 track, in a timely manner, pertinent details regarding project payments made by subrecipients to properly identify expenses based on underlying service dates. We further recommend that a control system be implemented to track appropriations as they are made available.

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

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

WYOMING BUSINESS COUNCIL

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2025

I. FINANCIAL STATEMENT FINDINGS

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

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.

Recommendation: We recommend that the Wyoming Business Council (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.

Status: When the Business Council was evaluating the fiscal year 2024 accounts payable balance in December 2024, it was expected that all reimbursement requests that related to expenditures incurred prior to June 30, 2024 would have been submitted. However, at the end of fiscal year 2025, one internet service provider submitted expenses for one project that dated back to the beginning of the grant in fiscal year 2024. This resulted in a prior-period adjustment.

Auditor's comments: The Business Council continues to work on fully implementing its corrective action plan as of June 30, 2025. This finding remains open; see current-year finding at 2025-001.

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2024-002: Reporting (Significant Deficiency)

<i>Assistance Listing Number/Title:</i> #11.035, Broadband Equity, Access, and Deployment 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

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 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%.

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.

WYOMING BUSINESS COUNCIL

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2025

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS, *Continued*

Status: Prior to submitting reports to the federal agency, the Business Council now meets with its contractor to review information that gets entered into the grants reporting portal. There are additional meetings as necessary during report preparation. The Broadband Manager enters information and data into the reporting portal, and the Accounting Manager reviews it prior to submitting.

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

Draft 12/15/2025

EXHIBIT I

CORRECTIVE ACTION PLAN

Draft 12/15/2025

Corrective Action Plan - June 30, 2025

2025-001: Internal Controls and Adjustments to Fund Balance (Material Weakness)

Corrective Action: During the Business Council's fiscal year 2024 audit, the Business Council 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. This spreadsheet tracking system has worked and continues to work well for tracking the Capital Projects Fund project expenditures.

To evaluate the fiscal year 2025 accounts payable balance, the Business Council reviewed each project for where in the grant life cycle it was as of June 30, 2025. For each project that expenditures could have been incurred and eligible for reimbursement as of June 30, 2025, the Business Council and the CTC team reached out to each subrecipient to request documentation of those expenditures that would be submitted for reimbursement in the future. The Business Council plans to do the same for the fiscal year 2026 accounts payable balance, which will be the final fiscal year where there is an accounts payable balance for the Capital Projects Fund.

Throughout the remainder of fiscal year 2026, the Business Council will work to prepare a workpaper to accurately evaluate and report the Business Council's general fund appropriations as revenue for financial reporting.

Anticipated Completion Date: Complete/June 30, 2026

Contact Person: Lyndsay Orr, Accounting Manager



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

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