

About the City
by
Councilman Kingery

Maybe this is a good time to talk a little more about what we refer to as Enterprise Funds. Enterprise Funds account for business-type activities supported largely by user charges. If you recall the city has four (4) Enterprise Funds: Water, Waste Water, Sanitation and Landfill. Each fund must operate as a separate business. Generally Accepted Accounting Principles as well as Wyoming state law prohibit subsidizing one fund with revenue from another fund. In addition, each fund maintains separate depreciation/replacement accounts for future outlay.

The present city administrator and city council are committed to doing business the “right way” as much as we possibly can. Sometimes mistakes are made because someone is “not informed” or someone just failed to check all the information. When that happens, and we are made aware of it, we will correct the situation the best we can and as soon as we can.

Recently because of some economic changes we have been able to get our Enterprise Funds into much better financial shape again, after struggling in the past to keep them in the “black” financially. One good example is the water fund that we have had to raise rates on because the state DEQ stepped in when we got into the “red”. Because of the recent oil drilling activity we have had opportunity to sell “bulk” water to the drilling companies to use for “fracking” of oil wells. They need lots of good “potable” water for the process, and most of the time we have had extra water available. Selling to them has helped the city earn money for the Water Enterprise Fund.

It has helped other people that have water available too, as some of the oil drillers have purchased water elsewhere, or so we have been told. Certainly this is a good time for anyone who has extra water available. Since all of the citizens of Douglas help pay for the cost of providing our water, when the city sells water for a profit all of the citizens benefit because the profit goes into the Water Enterprise Fund. If someone else sells the city water, from a tap which is a much lower rate, each of the citizens are helping that person or business earn a profit and that may not be quite fair. Thus the city does have an ordinance 13.04.130 that prohibits “bulk” water sales unless that water shall be obtained from the city’s fill station at the public works building. In this way we make sure the citizens of Douglas are getting the benefit of the profit from “bulk” water sales.

We also get requests for using money from the Water Enterprise Fund for other things within the city, such as fixing streets, or paying for equipment for other funds. This sounds good, except it goes against the definition and requirements of an Enterprise Fund. Profits of the water fund could go to projects that support or benefit the water system for Douglas; a new well, a new spring pipeline, new water storage tanks, lowering water rates etc. The practical side of this issue is that the oil boom economy will not last forever so we need to benefit while we can and not foolishly spend money now because in the future things will not likely be quite so good.

Our other enterprise funds are also doing well at the present, however one we are concerned about is the Landfill Enterprise fund. We know there are major expenses on the horizon for us. We decided several months ago that ultimately we are going to have to ship our garbage out to someone else. The final decision has not been made on where and just when this will have to start but we do have deadlines in 2013 that we will have to meet. We are still looking at shipping to the regional landfill in Casper, but are still also looking at the possibility of a gasification plant in Platte County, near Guernsey. We continue gathering information that will help us decide what is the most economical for us for the long term. Both still sound like viable options at this time. Now if you have an extra \$4-5 million you want to donate that will help the landfill fund stay in the "black" for a little longer! Yes, we can accept donations!

And the "free day" at the landfill on October 29th was a success for all from what I saw and heard. While the landfill fund still has to pay for covering all that "free" garbage, the sanitation fund saved the cost of hauling all that garbage to the landfill. So while you got a free pass for getting rid of your garbage you also paid for the cost of delivering it out there. Thanks to all of you that helped out. Thanks also to all the landfill personnel that put in a long busy day.