

About the City  
by  
Councilman Kingery

Let's talk about taxes. By now you have filed your Federal Income Tax, or like me have been procrastinating because I will probably have to pay! But that isn't what I want to talk about this time. I want to talk about Sales Tax.

The State requires a 4% tax on most goods sold in Wyoming. We have no choice in this other than through our elected Senators and Representatives. Thirty (30) percent of the 4% sales tax is returned to the Counties and Cities for use in local communities. The tax returned to the County is distributed equitably according to the population of cities, towns and rural people. The State keeps the remainder of the money to help with the needs of the State.

State law allows our county to collect a 5th cent sales tax to use locally. Since 1976, every four years, Converse County residents have been voting on the 5th cent sales tax. We get all of the 5th cent tax returned, and it is our local choice to collect or not collect this tax. This tax is also divided equitably by population within the County. The City of Douglas uses this tax to help do all types of things, such as the Splash Park Project, Repaving streets, Community Service Contracts, Park improvements, Boys & Girls Club lighting and the list goes on! The County puts the money into the general fund, where it is used for whatever is needed, including infrastructure maintenance. This 5th cent tax is very important to our cities and the county because without it we would not be able to maintain our infrastructure or have other amenities that we want and need. The 5th cent tax is voted on every four years, and if the vote is not passed by the citizens of our county we lose a very important source of revenue.

State law allows us to collect a 6th cent tax for special purposes, such as the Eastern Wyoming Community campus presently being built, as well as the Library remodeling that will soon be done in Douglas and Glenrock. Voters approved this tax for these projects in 2012. The 6th cent tax is collected for a specified purpose and once the needed funds are collected it expires; collection stops at the end of the month the amount of needed funds is reached. This tax must be re-voted upon if funding for new projects is desired. The 6th cent tax also returns all of the money to the County to be used for the specific projects.

A very positive aspect of Sales Tax is that anyone purchasing goods within Converse County pays Sales taxes that come back to our county. With the current "boom" going on, over half of our Sales tax money is being generated by non-resident purchases within our county. We are getting over half of the Eastern Wyoming College campus and the Library remodeling paid for by people that do not permanently live in our county. Yes, each of us also pays the 5th and 6th cent Sales tax on much of what we purchase, but anytime we can get more than a 50% return on our money, that is very beneficial to our communities. Boom times are an excellent time to get things our community needs or wants without having to pay the entire cost ourselves. We do need to be careful,

however, not to provide something our community cannot afford to maintain and operate when the boom money is no longer available. Operation and Maintenance (O&M) is an important issue when looking at adding desirable additions to our communities.

The City of Douglas and the County are purposely using the boom money available now for maintenance and upgrading of our infrastructure. We are redoing more streets, upgrading water lines, and making sewer repairs now while we have these extra funds provided by our boom economy. We have paid off long term City loans so we will be in better financial condition in the future. We are setting aside funds for known upcoming needs so we can pay for those when the time comes. By spending wisely now we can prepare for the future without having to automatically raise rates to pay for things.

Recently it was brought to the attention of the City Council that our city employees are being paid below what other comparable workers in our region, doing the same job descriptions, are paid. We are currently in the process of doing a study to determine what we can do concerning this. If the City is not competitive it is difficult to keep employees and hire new employees as needed. When we lose employees with several years of experience we lose a value to our community. When we train new employees and they leave our employ for better pay and benefits, it costs our community and we have to repeat the expense with the next employee. Unfortunately, this is not a short-term problem. What we do will have lasting effects long into the future. Our employees are part of the infrastructure that keeps our city going. If we fail to meet their needs, we fail to meet the needs of our community, and we are not using your money wisely.