

About the City by Councilman Kingery

Any of us living in Wyoming for any length of time understand the boom and bust economy that we enjoy (well, part of the time)!

The City of Douglas is now going through the bust part of the economy and it isn't that much fun. All of us enjoy the lower gasoline prices, but we pay for it in loss of income to our city, especially in the sales tax returned to us by the State.

Prior to the recent boom, Douglas was receiving around \$500,000 per month in sales tax which we used to keep our city as stable financially as we could. Sales tax is one of our main sources of dependable income for the city. We had to plan projects very carefully and at times borrow money when projects needed an emergency fix.

During the boom we received as high as \$1.7 million per month in sales tax. Did we budget that money as if the boom would last forever? Definitely not! We budgeted expenses only at the level of non-boom times. We carried on our regular budget as if we were still bringing in \$500,000 per month and used the extra sales tax revenue to pay off city debts. We pushed forward several projects such as the new spring house, landfill transfer station, sewer, water and streets that needed done. These projects were on a long-term schedule for when money was available or the situation got so bad we must act.

Those projects were done only after we had saved enough money ahead so we were not relying upon the annual budget to meet the expense of each project. We also applied and received grants and loans from the state to help with projects. We have paid off the loans already used. In addition, we set aside approximately \$40 million dollars to do projects in the future when the boom ended. Well, it ended! We are back down to the pre-boom sales tax revenues. We have projects scheduled in the years just ahead that have funds set aside to cover the costs. These include, closing the landfill (mandatory per the State of Wyoming), paying our share of the new Joint Justice/Dispatch Center and new Police Department, a new water transmission line from the Little Boxelder Spring to Douglas.

These are all expensive projects that we could not do if we had not previously set aside money to cover the costs. These projects will help the local economy with a few jobs that would not be here otherwise. During down times, it is always great to have any addition jobs in the community.

There are some signs that the oil and gas industry may recover somewhat however, we will continue to budget with non-boom money. If we can set aside money to pay for special projects before we do them we are operating frugally and fiscally responsibly, without risking debts we cannot afford. We are very fortunate financially in Douglas, however it wasn't all luck. We will continue working very hard to keep Douglas financially sound.

If you have concerns about the City's financial status please feel free to ask our City Administrator. Tony Tolstedt will be happy to answer your questions and provide information that will help you understand our present situation.