

Quarter-cent sales tax proposed to provide stable funding for Gillette College

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Next week will be vital in determining the future of Gillette College, as local governmental entities consider a proposed tax that could provide a sustainable revenue stream for the college.

More specifically, Campbell County commissioners, the Gillette City Council and Wright Town Council will be asked to put a 0.25 percent sales tax on A November special election ballot.

Discussions about a stable funding mechanism for the college have been going on for years, but have escalated since spring when the college found itself short of revenues. Since then, representatives from the college, local government and industry have been meeting to come up with a solution.

The solution they have settled on is a countywide quarter-cent sales tax on discretionary goods, or non-essential items, which excludes groceries and services.

The tax would bring in about \$6 million a year, said Gillette College CEO Mark Englert, adding that for a family that earns \$45,000 a year, the proposed tax would amount to roughly \$27 a year.

The Gillette City Council will listen to a presentation on the proposal at its regular workshop meeting Tuesday.

Next week, all three entities are set to act on whether to put the tax on the ballot in November. The Wright Town Council will vote on it Monday, the Campbell County Commission on Tuesday morning and the City Council next Tuesday night.

If it doesn't get the approval of all three government entities, then "we will look for another solution," said Paul Hladky, vice president of Cyclone Drilling.

But if all three support it, then residents will vote on it in a special election on Nov. 7. If they shoot it down, that's just the nature of the democratic process, Hladky said.

"If the rest of the community doesn't think the college is providing value, then they have a right to vote no and we have to look for ways to sustain the funding that we do get," he said.

If it does pass, the money would accumulate starting Jan. 1 and be held by the county treasurer, who would distribute the money accordingly.

The college's enrollment has increased almost every year since 2005, but without a stable source of funding, at some point, it might have to cut programs, Englert said.

"If the voters don't support it, we've got to look for alternative means to fund or prepare ourselves for a significant reduction," he said.

It would be up for renewal every four years. Hladky said that was "one of the appealing parts to us" about the solution.

"It holds (the college) accountable," he said. "Every four years, if the community doesn't like what the college is doing, the direction, they have every right to speak."

Economic development

The college is "the foundation for economic development" in Gillette and Campbell County, Hladky said.

“We have to invest in our future before we expect anyone else to move (here),” he said. “If not, we can’t continue to export our No. 1 resource, which is our kids.”

Englert agreed, saying that the college is obligated to “prepare and retain local talent to enter the workforce and contribute to society.”

“That’s the beauty of a community college. They’re grounded in community. You have to generate strong local support to create sustainability,” he said.

He added that the college is an economic driver, putting about \$64 million back into the community every year.

“So many people worked so hard to create the college we have, and we’re looking for ways to grow it,” Hladky said. “In times like this, the community college is more important than ever.”

The college provides education that is both affordable and local, Hladky said, educating people and helping them find jobs in the community.

Eighty percent of the school’s students come from Campbell County, and 84 percent of its students stay in the area after graduation, Englert said.

Other proposed solutions included mill levies and a half-cent sales tax that would end after a certain amount of money was collected, and the college would live off of the interest. But the quarter-cent tax was “a reasonable, logical solution to the unique situation that Campbell County is in,” Hladky said.

All other community colleges in the state get their funding by assessing multiple mills, but Campbell County is “unique in the fact that a mill is worth so much,” Hladky said.

For example, Sheridan County residents pay a four-mill tax levy for Sheridan College. With the assessed valuation in Sheridan County, that amounts to about \$500,000 per mill, or \$2 million for the four mills.

This year, one mill in Campbell County is worth about \$4.2 million, but if the county wants to receive support from the state, it can't form its own district unless it taxes four mills. This year, that would bring in nearly \$17 million in taxes.

"That's not right because industry's going to take up a large part of that," Hladky said.

Englert didn't think this was the solution, either.

"Four mills would be going way too far, and it puts all the responsibility on property owners and big businesses," he said. "Sales tax is distributed more broadly."

Taxpayers now in Campbell County don't pay for the operations of the college besides the half mill tax based on assessed valuation that funds the Board of Cooperative Higher Education Services. But they have done it in the past.

In 2000, Campbell County voters approved a special capital facilities tax to build the main campus building off 4J Road. But in 2004, voters defeated a half-percent tax that would have built a technical center at the college and an events center and some infrastructure in Wright. And the Technical Education Center eventually was built half with state money and half from an increase in the county mill levy.

The college now relies on state funding, student tuition and the regional college district, along with additional money from the city of Gillette and county commission, to operate.

The quarter-cent sales tax is in the hands of local government officials and, Englert hopes, the public. He said he would like to have the issue solved before he steps down at the end of next year, and he's remaining optimistic throughout this whole process.

"I think we have a compelling story to tell. What we provide to the community has been outstanding, and we continue to get better," he said. "This really isn't a college-driven initiative. It's a citizen-driven initiative."