College would get 65 percent of proposed tax

County OKs document that divvies up a quarter-cent tax between pair of local entities

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Gillette and Campbell County have had many questions regarding the proposed 0.25 percent sales tax for economic development, one of which is how the proceeds from the tax will be distributed and spent.

Voters will decide Nov. 7 whether they want the tax which, if approved, will provide a stable funding source for Gillette College and Energy Capital Economic Development.

At their regular meeting Tuesday morning, Campbell County Commissioners approved an agreement that outlines how the money will be distributed between the college and Energy Capital.

The agreement is between Campbell County, Gillette, Wright, Gillette College, Campbell County Economic Development Corp. and the Northern Wyoming Community College District. The document is not a legal requirement of the tax, said Commissioner Mark Christensen.

“We’re actually self-imposing additional requirements,” Christensen said. “We think it’s the right thing to do, so that the public knows what’s going to happen.”

Wyoming statute gives local governments the authority to impose a sales tax of up to 1 percent for economic development. If the quarter-percent tax passes, Campbell would join Goshen County as the only two counties with an economic development tax.

If the tax passes, the state Department of Revenue will take 1 percent of the proceeds for the cost of administering the tax, which is common practice, then distribute it to the city, county and Wright. Those three will then allocate the funds based on the agreement:

- 65 percent will go to Gillette College for the “general support, maintenance and operational costs of (the) college and may not be used to fund major capital construction,” the agreement reads.
- 30 percent will go to Energy Capital Economic Development to support economic development in Campbell County and to strengthen its operations in Wright.
- 5 percent will be held by ECED to fund collaborative projects between the two organizations.

Deputy County Attorney Carol Seeger said a tax like this requires that governments give businesses 60 days notice after the tax is passed. Because sales tax is quarterly, she estimates that the tax, if the voters support it, would not take effect until April 1.

The tax will be on discretionary goods, or non-essential items, which excludes things like groceries and gas. If it passes, it would be up for renewal every four years, but the first vote for renewal would be in 2020 so that it becomes part of the regular election cycle.

The City Council is scheduled to take action on the agreement at its Tuesday meeting. The Wright Town Council meets Monday, but Barb Craig, Wright clerk/treasurer, said Thursday morning that the town council has not received the official agreement yet.

If the agreement does not get the approval from all three government entities and the tax passes, then how the money gets spent would “be at the whim of each group each year,” Christensen said.

“I don’t think the people will approve it without that in place,” he added. “Honestly, I don’t think I would support it if the MOU (memorandum of understanding) weren’t in place.”

Money matters

In a morning workshop last week, Commissioner Clark Kissack expressed his concern with the wording of the agreement. On one hand, he doesn’t want to micromanage the

college, but on the other hand, he wants to make sure the college would spend the money wisely.

“My concern is can they keep building their sports programs with this money, the way this is written?” Kissack asked.

County Administrative Director Robert Palmer said that other than capital construction, the college can use the dollars “any way they want,” based on the wording, but added that Mark Englert, CEO of Gillette College, has “specifically talked about it from an academic standpoint.”

Christensen said he shared Kissack’s concern, but “what I decided with was I guess it would be in Dr. Englert’s best interest to make sure none of it gets spent that way.”

He also said the agreement allows the distribution to be changed if all three governments are in favor of it.

“If we found out (one of the groups) was doing something that was not the intention of what the money was for, we could all say we could renegotiate it,” he said.

In the end, however, the voters hold the fate of the 0.25 percent sales tax in their hands because it will need voter renewal every four years.

“Quite frankly, it doesn’t matter what any of us think,” Seeger said. “It’s the voters out there who have to be happy with how the money’s being spent.”