

## **ISSUE 2C OVERSIGHT AND CONTROLS VS. OVERSIGHT OF EXISTING VOTER APPROVED TAXES**

All of the previously approved tax measures described below (PSST, TOPS, PPRTA and County Public Safety Tax) have not had a stellar record of staying true to the intent indicated on the ballot. Even so, each has provisions for oversight on behalf of the citizens writing the checks. Most have a specific list of needs and prioritization of some kind. In the case of Issue 2C, no such assurances have even been attempted to be provided. Should the 2C measure pass, there is neither citizen oversight nor any publication or transparency as to how the dollars will actually get spent and the only one watching how the money is spent will be the City administration. Even the City Auditor works at the pleasure of City Council, and it would be unlikely to have Council ask for and publish an audit if it might show anything concerning to the public.

As is often the motto in dealing with governments: “trust, but verify.” Issue 2C comes with it a history of trust being breached (as described below) and absolutely no way to verify.

Chronicle of Approved Tax Increases for currently collected City and County Taxes:

### **Part 1 of 4**

#### **Public Safety Sales Tax (PSST)--.4 cent per dollar**

[http://www.sterlingcodifiers.com/codebook/getBookData.php?section\\_id=740406&keywords=%22public+safety+sales+Tax%22#s740406](http://www.sterlingcodifiers.com/codebook/getBookData.php?section_id=740406&keywords=%22public+safety+sales+Tax%22#s740406)

When the Public Safety Sales Tax (PSST) was presented in 2001, to get it passed, the City proposed stringent oversight requirements on how the money would be spent and that oversight is part of City Code (law)—see link above to the pertinent City Code. A Public Safety Sales Tax Oversight Committee was formed to—according to code—“ensure that the items approved by voters at the November 2001 election are accomplished with these funds.”

The City has a less-than-stellar record on how consistently they have approached the PSST oversight committee when expending PSST funds. For example, in preparation for the 2014 budget, the City proposed paying for a portion of raises for sworn police and firefighters with PSST funds and hadn't asked the oversight committee to weigh in. After insistence from several councilmembers, we did hear from them—some of them clearly miffed at their exclusion from the plan.

The PSST ballot measure listed a number of capital improvements related to public safety that were to be funded with the tax. Since then, the City has shifted PSST dollars to paying to staff the CSPD and the CSFD—things the General Fund ought to be doing. Nevertheless, there is some oversight.

### **Part 2 of 4**

#### **Trails, Open Space and Parks (TOPS)--.1 cent per dollar**

[http://www.sterlingcodifiers.com/codebook/getBookData.php?section\\_id=740609&keywords=%22trails+open%22#s740609](http://www.sterlingcodifiers.com/codebook/getBookData.php?section_id=740609&keywords=%22trails+open%22#s740609)

For the TOPS tax (which is only 16% the size of the proposed Issue 2C road tax at .1 cent), the City established—again, by law (linked above)—a citizen oversight committee “to assure that all

proceeds from the taxes and other revenue sources, reimbursements, rebates or refunds thereof shall be used for the purposes set forth herein.”

In 2013, voters approved the modification of TOPS in order to allow use of some TOPS funds to maintain City parks. Before voters had even approved the change, City Council and the mayor’s office had already removed the same amount of general fund commitment in the 2014 budget to parks, anticipating the new revenue.

A similar track record exists to that of PSST on how well the TOPS oversight has been engaged and consulted when the City seeks to spend TOPS dollars. Nevertheless, the oversight mechanism is there and—provided that City Council respects the citizen-approved intent of the TOPS measure requiring oversight—that oversight occurs.

### **Part 3 of 4**

#### **Pikes Peak Rural Transportation Authority (PPRTA)—1.0 cent per dollar**

PPRTA had an establishing Intergovernmental Agreement (IGA) inked prior to voters casting their vote on the measure. In the IGA, a mechanism was prescribed for the composition of the board that would oversee expenditures of collected revenues:

[http://pprta.com/wp-content/uploads/2014/07/rta-establish\\_iga\\_2004.pdf](http://pprta.com/wp-content/uploads/2014/07/rta-establish_iga_2004.pdf)

The board consists of elected officials from all of the member entities—elected officials who are accountable to voters. Furthermore, the PPRTA Board of Directors established a “Citizens Advisory Council” (CAC) to provide further oversight and transparency to the dollars collected and spent. All contracts for expenditures are proposed to and approved by the CAC and then submitted to the board of directors. Both are done at public meetings.

<http://www.pprta.com/governance/citizen-advisory-committee/>

When the City failed to meet its PPRTA transit funding commitment at the 2004 levels for several years in a row and expressed no plan to return to those levels, the Board and Citizen Committee publicly made strides to rectify the situation.

And although Mayor Bach brazenly pledged to use PPRTA dollars (without Board or CAC approval) to pay for part of the “iconic City for Champions bridge to the Olympic Museum” in his letter to the state, such expenditure will have to make it through several public meetings with a group of feisty and watchful citizens as well as accountable-to-the-public board members before checks get written. (Link to Bach’s letter, which has never been refuted or flagged as illegitimate: [http://cos2c.weebly.com/uploads/5/3/4/5/5345303/bach\\_letter\\_revised\\_cfc.pdf](http://cos2c.weebly.com/uploads/5/3/4/5/5345303/bach_letter_revised_cfc.pdf) )

### **Part 4 of 4**

#### **El Paso County Public Safety Sales Tax-- .23 cent per dollar**

<http://adm.elpasoco.com/BudgetAdministration/SalesandUseTax/Documents/Sales%20Tax/12-309%20Amended.pdf>

In 2012, Sheriff Maketa, the then-trusted County Sheriff, with the concurrence of the Board of County Commissioners asked for and obtained approval from voters for an El Paso County .23-cent

sales tax increase for public safety. The County Commission, because of a cited lack of available funds collected in the County general fund, put the measure on the ballot. They also put a citizen's advisory committee in place (or at least the intention of one) in the resolution concerning the measure (linked above).

In this case, voters approved the measure in November 2012 because they believed the County couldn't properly pay for required public safety from the General Fund.

Not even a full year after the tax was approved, the Board of County Commissioners then offered a letter to the state of Colorado, committing \$42 million of incremental sales tax from the County sales tax collections (that had been inadequate to pay for public safety) for a downtown stadium (link to letter: [http://cos2c.weebly.com/uploads/5/3/4/5/5345303/letter\\_to\\_edc.pdf](http://cos2c.weebly.com/uploads/5/3/4/5/5345303/letter_to_edc.pdf)).