



“Good Government at Affordable Cost”

Contra Costa Taxpayers Association

A Handbook for How We Do Business

Adopted _____, 2016

Revised

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Goals of this Handbook

1. Set a Foundation of Principles of Sound Tax Policy to Guide Our Work
2. Capture and Display CoCoTax Shared Beliefs and Positions on Important Issues
3. Provide Information and Tools to Assess the Merit of Tax and Bond Proposals
4. Provide Information and Tools to Assess Accountability of Agencies to Whom We Entrust Our Tax Dollars
5. Identify Advocacy Tips and Thoughts to Strengthen Our Work Together

Who We Are

Founded in 1937, Contra Costa Taxpayers Association (CoCoTax) leads the way in providing oversight of local government in Contra Costa County. We actively oppose unwarranted taxes and fees, discriminatory regulations, ill-advised public expenditures and government secrecy, inefficiency and waste.

We challenge government at all levels to be accountable, responsive, efficient and fair and to deliver optimal value for every tax dollar.

Our CoCoTax Motto

We promote “Good Government at Affordable Cost”

Principles of Sound Tax Policy

There is no shortage of available information discussing sound tax policy and how to assess tax and bond proposals. Our interest, of course, is sound information to determine whether proposals merit the support or opposition of the Contra Costa Taxpayers Association. A review of the Association’s Bylaws and Principles documents shows that CoCoTax has, on several occasions, identified key elements of information to guide board deliberation when considering positions on proposals. This document consolidates and simplifies the abundance of available information to make it easier to use when taking positions and easier to use when assessing the performance of our public agencies and the elected officials that represent us.

To begin, it is useful to review the Principles of Sound Tax Policy presented by the California Tax Foundation, an affiliate of the California Taxpayers Association. The principles below include and are consistent with those developed by the American Institute of Certified Public Accountants, AICPA. Several other agencies and organizations use similar statements of principles of effective tax policies:

1. **Certainty** – Changes within a tax structure should be kept to a minimum. Frequent changes in rates or bases disrupt taxpayers’ behavior and their ability to make long range plans and decisions.
2. **Neutrality** – The primary purpose of a tax should be to collect revenue. Market distortions should be minimized or avoided altogether.
3. **Stability** – Governments should utilize a revenue system that is relatively stable, and not prone to unpredictable fluctuations.
4. **Equity and Fairness** – Similarly situated taxpayers should be taxed similarly.
5. **Broad Bases and Low Rates** – Governments can obtain substantial revenue from taxes that have broad bases and low rates.
6. **Transparency** – Taxpayers should understand how taxes are assessed and collected, and be able to identify the tax associated with a purchase or transaction.
7. **Simplicity** – The tax law should be simple so that taxpayers can understand the rules and comply with them correctly and in a cost-efficient manner.
8. **Sufficient Revenue** – A tax structure’s purpose is to collect adequate revenue to support effective, efficient government without frequent spending cuts or tax increases.
9. **Complementary Tax Bases** – A tax structure should address the relationships between state and local governments. Taxes levied at the state and local levels of government should share similar bases and application to the greatest extent possible.
10. **No Retroactivity** – There should be no retroactive tax increases.
11. **Convenience of Payment** - A tax should be due at a time and in a manner that is most likely to be convenient for the taxpayer.
12. **Economy of Collection** – The costs to collect a tax should be kept to a minimum for both the government and taxpayers.
13. **Economic Growth and Efficiency** – The tax system should not impede or reduce the productive capacity of the economy.

Used as a foundation for determining whether a proposal is grounded in good tax policy, these principles are also helpful when CoCoTax evaluates taxing authorities. It can be helpful to group the principles in a manner that supports effective evaluation for CoCoTax purposes:

- Fairness
 - Equity and Fairness
 - Transparency
 - No Retroactivity
- Operability
 - Certainty
 - Stability
 - Convenience of Payment
 - Economy of Collection
 - Simplicity
 - Sufficient Revenues
- Appropriate Purpose and Goals
 - Neutrality

- Economic Growth and Efficiency
- Broad Bases and Low Rates
- Complementary Tax Bases

Grouped in this manner, the principles can help to assess the agency as well as the measure itself.

Beliefs

Next, it's helpful to review the Beliefs statements endorsed by CoCoTax. Beliefs reflect the long-standing core values for which CoCoTax is known. Over the years, voters as well as agencies have come to learn that the Contra Costa Taxpayers Association stands for "good government at affordable cost." If a measure stands the test of CoCoTax's principles and values, voters can trust our endorsement. If it does not, voters can trust our opposition. Voters look to CoCoTax to assess and interpret complex issues, and to distill our analysis to clear statements that resonate with our principles for effective taxation and principled agency performance.

We Believe that Effective Government:

- is fiscally responsible
- is transparent
- supports the economic activities and growth of the private sector
- identifies economic and taxpayer impacts – intended and unintended – when making fiscal decisions
- treats all taxpayers equally

We Believe the Following about Tax and Bond Measures Placed before Voters:

Equity and Fairness

CoCoTax believes it is good tax policy for all taxpayers to be treated equally and fairly. As an example, CoCoTax discourages an exemption for seniors or any other special interest group. If an exempted taxpayer is allowed to vote on the tax and it passes, all taxpayers within the boundaries of the taxing entity should be obligated to pay the tax. CoCoTax believes it is a matter of fairness and equity.

In addition, CoCoTax discourages any type of "split roll" tax schedule. Any tax that creates different amounts of taxes for different types of taxpayers based on use of property, type of business operation conducted on the property and/or any other basis of differentiation is discouraged by CoCoTax. For example, CoCoTax discourages a tax that is calculated one way for residential property and another way for commercial property.

CoCoTax believes good governance requires taxation be stable, predictable and of levels that are reasonably affordable.

Focus

We believe that tax and bond proposals should be designed for single objectives only. We oppose multiple-objective measures.

Reasonable Sunset Clause

CoCoTax believes it is good tax policy for any tax to contain a sunset clause. A sunset clause requires the taxing entity to obtain new approval from the taxpayers for a tax to continue beyond a certain period of time. A sunset clause provides taxpayers the opportunity to evaluate, judge and hold the taxing entity accountable for its performance and use of the tax proceeds before the tax is extended for a longer period of time.

CoCoTax believes a reasonable time frame for a sunset clause for most measures is between one (1) and eight (8) years. If longer time frames are proposed, they must be convincingly justified and carefully considered.

History of Fiscal Responsibility

CoCoTax believes that it is good tax policy for a taxing entity to demonstrate prudent financial management skills before requesting additional taxes from the taxpayer.

CoCoTax discourages a taxing entity to base any tax only on the results of a poll determining what the taxpayers will bear. CoCoTax opposes the use of polls or surveys that are actually designed to encourage voters to vote for a tax measure.

Alternatives to a Tax or Bond Proposal

CoCoTax believes it is a good tax policy for taxing entities to consider joint use of facilities and/or operations and/or promoting competition among all available service providers including the private sector. CoCoTax believes that outsourcing services that are not uniquely governmental in nature is good tax policy.

Other examples of alternatives we believe can be helpful include consideration of additional sources of revenues, e.g., ticket price increases, tolls, fees for services, and surcharges.

Position Statements that Reflect CoCoTax Beliefs

Shared beliefs provide the bedrock for accomplishing meaningful results within an organization's mission on behalf of its members and supporters. Positions taken on issues before the public will reflect CoCoTax Beliefs and Values for governmental agency stewardship and effectiveness. They represent a standard by which agencies can measure CoCoTax's response to their proposals and toward which they can guide their proposals in order to garner the support of taxpayers.

Some issues are periodic, as agencies ask the public for support of specific projects or programs. These issues appear mostly at election time, when agencies define their projects, estimate their costs, and ask for voter support to tax themselves to accomplish the proposed measures. Some issues, however, have clearly overarching impact across the entire community and economic system across generations. In some cases, although the public made its wishes clear, agencies and advocates seek to overturn the public's will. In other cases, the public never had a chance to express their support or opposition through the ballot. Nevertheless, the public is responsible to support the issue through taxes.

In all of these issues, CoCoTax is committed to represent the taxpayer through diligent evaluation of proposals, objective commentary on measures and the agencies that propose them, and steadfast support of the public on the broad issues that affect us all.

The following are statements of CoCoTax positions on several of the overarching issues. These positions summarize our support or opposition that has been stable over time, throughout repeated efforts to exploit or undermine them. The statements include:

- We Support Proposition 13 – Our Vital Protection from Unchecked Taxation
- We Oppose “Project Labor Agreements” (PLA) – Higher Costs and Reduced Competition
- We Oppose Defined Benefit vs Defined Contribution Public Pension Plans
- We Oppose Regulatory Burden Costs – The Hidden Tax
- We Oppose Excessive Land Use Restrictions – Government Imposed Land Use
- We Oppose Excessive Property Use Restrictions – Rent Control

We Support Proposition 13 – Our Vital Protection from Unchecked Taxation

Few today remember how dire the property tax situation was in California prior to Proposition 13. Tax assessments were running 3% to 4% of current market value. Example: A house today that was bought for \$500,000 some years ago (and now worth \$1,000,000) might have a property tax of \$6,000/yr. If we returned to pre-Prop. 13 taxation, that same house would now have a tax of \$30,000 to \$40,000/yr.

Each year, as the escalating tax bills went out, the Tax Collectors would explain, “It is not our fault your home values have gone up, and remember, the tax rates are still the same.” The situation was giving government a vast windfall each year that only served to grow the size of the public sector.

Prop. 13 was unique at the time. It grew from grass-roots efforts as many were concerned that unchecked taxation would make home ownership unaffordable. Particularly of concern were seniors on fixed incomes.

Proposition 13 limited assessments to 1% of market at time of sale, plus a maximum of 2% yearly increases. This gave property owners an ability to plan their finances for the future. Prop. 13 also required all tax measures to pass by a 2/3 majority. (Subsequent amendments, such as Proposition 39, have lowered approval rates.) CoCoTax believes good governance requires taxation be stable, predictable and of levels that are reasonably affordable.

At the time, opponents threatened schools would close as with other vital services due to plummeting property taxes. History showed there was not the decline in revenue predicted by opponents and tax revenues grew yearly, but at a more modest rate.

Obviously, a return to pre-Prop. 13 taxation could have serious consequences. It would force many to sell their now unaffordable homes. This tsunami of homes listed for sale would cause values to plummet. The first to sell would be lucky; many of the rest would find themselves underwater and unable to sell. Some would face foreclosure or even having their homes auctioned for back taxes.

After the first year of windfall taxes, the remaining property owners would petition for a reassessment reflecting their now dramatically lower values. Tax revenues would plummet. This would be a disaster for California.

The anti-Prop. 13 advocates are now using a “divide and conquer” approach. They are pushing for a “split roll.” This would first remove commercial properties from Prop. 13 protection. The same problems will result in commercial properties. Some leases have tax pass-through clauses; others don’t. As a result, some buildings will become insolvent. Further, can the renters (businesses or residential) afford the huge increases?

We Oppose “Project Labor Agreements” (PLA) – Higher Costs and Reduced Competition

A PLA is an agreement to discourage contractors that are non-union and to force non-union contractors to make benefit payments into union accounts. PLA advocates claim that PLAs benefit workers by regulating the payment of “prevailing wage” scales. However, prevailing wages is a requirement of any contractor performing work funded at least in part by state or federal funds. According to the Bureau of Labor Statistics in 2015 only 13.2% of private construction workers were union. To only consider bids from union shops excludes 86.8% of skilled workers and contractors. Obviously this is not in the interest of the public or the small business owner/worker.

The problem with union labor is more than just paying a significantly higher cost for the same crafts. Union rules often do not allow employers to efficiently run projects.

- Union rules do not allow craftsmen to work outside their union-designated craft no matter how diverse their skills are. This results in underutilized workers and duplication of workers.
- Union rules do not allow paying an incentive to superior workers.
 - An employer has to accept workers as are sent from the union hiring hall. This denies an employer familiar, company, non-union employees.
 - Incentive pay to superior workers is not allowed. Firing of marginal workers is difficult.
- A project completed under a PLA can cost as much as 15% – 20% more than a similar non-union project, where both projects will be built to the same specifications and pass the same inspections.

PLA’s existence is purely political. Each election, unions give billions nationally to politicians supporting union exclusivity. In return, the power of unions is assured through PLAs and union contracts. The public loses as they pay substantially more for the same facilities.

Good governance requires that the best value be sought from all qualified providers. CoCoTax promotes fair and open bidding on all public projects.

We Oppose Defined Benefit vs Defined Contribution Public Pension Plans

Good governance at affordable cost requires that benefits promised to employees be adequately funded as they are accrued. To do otherwise can place an impossible burden on future taxpayers and thus make pension obligations unsecure. This is the sad state of affairs California finds itself in along with many counties and municipalities. This has forced cities into bankruptcy.

“Defined Benefit Plans” are commonly used for public retirement programs. They promise workers a set pension *benefit* schedule irrespective of what contributions have been made over years or the results of the investment market for those contributions.

State and federal law requires pension plans to be adequately funded each year. Pension administrators often assume an unrealistically high rate of return for the invested pension funds. Assuming an unrealistic return allows for much smaller annual contributions. This results in overly generous promises with the reality of the underfunding pushed many years into the future, thus “kicking the problem down the road.”

“Defined Contribution Plans” are used by most private entities for retirement programs. They promise workers a set *contribution* schedule. This results in some uncertainty for the retiree but one that is generally more fully funded. The variation in results is due to investment market uncertainty and investment skill, but any shortfall is not borne by taxpayers.

Another huge difference between the public and the private retirement systems is that it is common for private plans to offer a specified “matching” contribution to the employee’s contribution. Typically these are 401(K) plans. They require employees to significantly fund their own plan. Public plans often do not require an employee contribution and have not considered “matches” which has been a cornerstone of the private sector contributions. This can occur when a governing body “bargains away” the responsibility of the employee to contribute their share.

To further complicate this disastrous situation, it seems that the “California Rule” does not allow lowering pension promises to existing employees, even if there is no way to pay them, without declaring bankruptcy. Federal bankruptcy judges have ruled in the bankruptcies of the cities of Vallejo, Stockton and San Bernardino that municipal councils may nullify pension plan obligations if necessary to restore fiscal solvency in order to be able to continue municipal services. The massive reported shortfall in pension funds is causing local governments all across California to cut services and pay dramatically higher pension premiums. CoCoTax and numerous grand juries have asserted for years that the most serious fiscal challenge facing California government is its long-standing policy of over-promising and under-funding public employee benefit plans.

We Oppose Regulatory Burden Costs – The Hidden Tax

CoCoTax reviews and endorses policies that will result in good governance that is cost-effective. We oppose policies and laws that will add costs with little or no prospect of real benefit.

Direct and indirect taxation is the most visible cost of government. Regulatory costs are much harder to see and evaluate. However, they have a huge effect on our economy. The costs of regulatory compliance of business are passed on to the consumer through the price of products and services.

Regulatory costs on society are even more difficult to assess. There is a cost in loss of freedom. There is also an “opportunity cost” in that public agency monies are diverted from more valuable efforts. There is also the compliance cost that is ultimately passed on to the entire society. In government, as in personal finance, money spent on one thing denies expenditure on others. In government, nothing is “free.”

Standards CoCoTax uses to evaluate a regulatory measure’s cost-effectiveness include:

- Are there reliable studies and data showing the effectiveness of a proposed regulation in other venues?
- Are the proposed regulations truly targeted to those “offenders” to be controlled, or are they to be borne by a vastly disproportionate part of the general population?
- Does the proposed regulation duplicate existing regulations and authorities?
- Does the proposed regulation violate constitutional or other existing laws?

We Oppose Excessive Land Use Restrictions – Government Imposed Land Use

The entire value of property ownership is based on control of the property's use. Holding title without exclusive use of the property is not an asset but a liability. Property owners have obligations from ownership including mortgage payments, property taxes, maintenance and potential liability claims.

A long-time tradition is for zoning regulations to limit land use to assure compatibility with surrounding properties. Building regulations also are imposed to assure proper construction.

Another development has been to use permit approval as a tool for forcing contributions to address related community needs. Permit issuance in developments has been conditional to donating land or money to favored projects. Court rulings have found impositions that mitigate impacts of a development are allowed. They may not be used for unrelated projects, though.

Below Market Set-Asides

An extension of the permit process has come to involve taking of property for municipal priorities. A developer of an apartment or condo complex is required to "set aside" a percentage of units for low to very low income people. This is a taking from both the developer and the full-rate people that have to cover the burden of the below-market units.

Rent Control

A longer-existing slant on the above is "rent control" – regulations that prevent charging existing tenants a market rate. Generally, under rent control, owners are not allowed to increase rents to current market rates or are limited to a very small increase per year. This forcibly reduces the owner's revenue stream as well as the property's market value.

Environmental Land Seizure

A relatively new and disturbing trend in the U. S. is to impose restrictions on land use through "environmental claims."

The Army Corps of Engineers has been charged with regulating "all navigable waters." This has been expanded to include "wetlands" under the "Clean Waters Act." The definition of a "wetland" is continually expanded. Land that never has standing water can be "declared" a "wetland." Such a "determination" leaves the owner with unusable land. They cannot build on it or disturb it. All use is taken from them. Such a determination does not allow redress in the courts but only an internal administrative review. Such land is basically rendered valueless, yet landowners are usually required to continue paying property taxes on such land.

Under the “Endangered Species Act” land use is also taken through declaring an animal or insect is “endangered.” Often, this is a very obscure minor variant of a common species, but the impact to the land owner is profound – their land is rendered valueless.

Good governance requires respect of private property rights. If the public interest is furthered in protecting a “wetland” or an “endangered” species, then the constitutional provision of “Eminent Domain” should be used. The land should be purchased, by law, for fair market value, and then set aside as public open space or a preserve.

We Oppose Excessive Property Use Restrictions - Rent Control

Rent control is simply the government forcing owners to rent their property for less than market rate. Small, individual investors own most apartment houses and rental homes. Often, this is their major asset and it is counted on for retirement income. Rent control assures that no matter how high other costs will rise, the owner's income will never substantially increase until tenants leave. Rent control amounts to redistribution of income. It also impoverishes the value of the investment property.

Commercial property is valued on what is called a "cap rate". This is a percentage determined by dividing the net rent income by the selling price which yields a rate of return on investment called a "cap rate." In the commercial property market, properties are valued based on their "cap rate." Freezing income on a property while costs of operation rise, causes the property to be worth less and less each year.

Rent control freezes out new rental development which is against the public interest. The resulting shortage will result in an upward pressure on rents.

What makes "rent control" so popular with some is that it is a "gift" that is at no cost to government. It is a "gift" from the pockets of the owners.

In the real world, not everyone can afford to live anywhere they might wish. If voters want to subsidize renters, then they should increase tax revenues and subsidize rents. That way the cost is born equally by those wishing the subsidy. In general, CoCoTax opposes government-imposed rent control.

Good governance requires that all property owners' rights are respected. Private property is a primary foundation of a free society.

Visit www.cocotax.org for white papers on these issues for more detail.

General Guidelines to Review, Analyze, and Consider Endorsement of a Proposed New Tax, Tax Extension, or Bond

Below are the general guidelines Contra Costa Taxpayers Association (hereinafter referred to as “CoCoTax”) uses in reviewing a proposed new tax or tax extension (hereinafter collectively referred to as “Tax”).

In reviewing the proposals and taxing authorities, we look for evidence that aligns with the Principles of Sound Tax Policy in the areas of Fairness, Operability, and Appropriateness of Purpose and Goals.

All taxes are not equal, and we review them individually since circumstances are different in each community and governmental entity. Below are some of the questions that we include in any review.

Evaluating the Proposal

1. Is the purpose of the proposal clear, and is it for a single objective only?
2. Is this proposal for a facility or service that is truly needed, or simply desired to satisfy a particular official, campaign promise, or constituency?
3. Is there an existing tax or bond that is already in place for this proposed facility or service?
4. Does the tax or bond proposal comply with all legal requirements?
 - Does the tax comply with the appropriate percentage approval requirements of voter approved mandates such as Propositions 13 and 218?
5. Is the method of financing clear and understandable, and is the total cost to taxpayers stated?
6. If for facilities construction, does the measure require a Project Labor Agreement?
7. Are all taxpayers being treated equally by the tax? (I.e., no exclusions.)
8. Is the tax temporary or permanent?
 - Will the proposed tax “sunset” within a reasonable timeframe to allow taxpayers to evaluate its effectiveness?
9. If some of the tax is entrusted for capital improvements, is there a funded maintenance plan in place?
 - If the parcel tax will include financing of new or additional technology, has there been a technology replacement reserve account created to allow for equipment replacement as the technology wears out or becomes obsolete?
 - If the bond will finance new construction, has there been a determination of new maintenance costs for which budgeting is required?

10. Has the taxing entity conducted a poll of likely voters to determine the threshold of a successful measure?
 - If so, what were the results?
 - Was the dollar amount of the tax polled adequate to meet all of the needs of the tax entity?
11. Will there be a separate and independent community oversight committee established to represent the community to ensure that expenditures are for the appropriate and stated purpose and within the budget of the ballot disclosure?

Evaluating the Agency Making the Proposal

1. Does the agency have, and display, a statement of core principles and beliefs?
2. Does the agency operate from a culture of ethics, transparency, and good governance?
 - Is there a system in place to collect and respond to constituent questions and complaints in a timely manner?
 - Is there evidence that when forming staff committees or community advisory committees, the agency endeavors to provide a broad diversity of expertise, experiences, viewpoints, and organization positions to inform its deliberation of policy issues and processes.
 - Does the agency periodically review its operations with an eye toward improving service through revising methods, systems, technology, or assignment of personnel?
 - Is there evidence of efforts to identify improper actions and remove those responsible for any waste, fraud, and mismanagement?
 - Does the agency fully embrace and operate within the spirit and letter of the Brown Act? Are board members trained in Brown Act requirements?
3. Are there any “Red Flags” to consider? For example:
 - Is the board appointed or elected? Elected boards tend to be more accountable.
 - Is labor participation in the campaign finance/electoral process excessive?
 - Does the board have a history of openness and transparency?
 - Are the agendas and minutes published on time and easily accessible?
 - Is the agency or its board facing FPPC or Grand Jury issues?
 - Are agency audits satisfactory, and are issues addressed promptly?
4. Does the taxing entity have a history of fiscal responsibility and discipline? Some factors CoCoTax considers in its evaluation include, but are not limited to:
 - An analysis of the actual unrestricted reserve account(s) for the past three (3) years compared to the taxing entity’s written policy for the minimum amount that should be maintained as unrestricted reserves.
 - Income and expense summaries for the past three (3) years.

- A review of budgets and expenditures for maintenance, repairs and replacements for its facilities, equipment, fixtures and furniture for the past three (3) years.
 - Analysis of retiree healthcare costs and other post retirement costs for the past three (3) years and three (3) year projections for the future.
 - A comparison of the employment contracts with those of other comparable taxing entities.
 - Evidence that the agency routinely budgets within its anticipated revenues, and manages its operations to stay within its budget.
5. Is the evidence strong that the tax will truly be used for its stated purpose or simply to provide budget relief or fund higher salaries/pensions/other benefits?
 - What is the status of the OPEB debt? What are employees contributing to their own pensions or benefits?
 - Does the agency have a defined benefit plan, or a defined contribution plan, for employment retirement?
 - What is the level of operating reserves?
 - What are the salaries and staffing level of the taxing entity, and how do they compare to the private sector?
 - Does the taxing authority have a good record for managing taxpayer funds and doing what they have said they will do with previous funds?
 6. Has the agency conducted a cost-benefit analysis of the proposed investment to determine whether the proposal is “worth it”? What are the opportunity costs associated with the investment?
 7. Has there been any discussion or planning for replacement revenue after the tax expires? What happens to the service provided when the tax sunsets?
 8. Has there been any discussion regarding alternative ways to provide the services related to the tax?
 9. How does the tax burden on taxpayers within the boundaries of the taxing entity compare with other comparable districts and/or governmental entities?
 10. How many successful and unsuccessful tax measures has the taxing entity had in the past five (5) years?

Recommending Positions

Suggested Sources for Information Related to Tax Guidelines

This section will evolve over time as those who gather information for responding to the following guidelines and criteria discover new sources of information and more efficient ways of getting needed materials. Please share your successes to help us all both standardize our approach and get the job done quickly.

Much information is on the agency web sites, making this a good first stop. Organization leadership, contact information, mission and goals, budget information, audit reports, and agendas and minutes should all be there.

Next, contact the CEO or business manager for information not available on the web. This contact will be particularly useful for history and trends of issues, as well as for qualitative information not typically found in printed materials. This conversation is a good opportunity to establish a positive rapport with the agency, clarifying CoCoTax's role and the importance of "good governance at affordable cost." Ideally, we should be on the same page as the agency – working to ensure the public understands both the need for necessary services and capital improvements, as well as the appropriateness of sound finance methods that get the best value for the tax dollar.

Last, do a web search on the agency to find references to issues, both positive and negative, covered in the media. Look to capture facts, vs speculation, and to identify trends or specific concerns regarding agency management and/or operation. For more specific information on certain topics consider the web sites shown on the last page of this document.

Summarize your findings for sharing with the CoCoTax Board.

Guidelines for Tax Review

Below are the general guidelines Contra Costa Taxpayers Association (hereinafter referred to as “CoCoTax”) uses in reviewing a proposed new tax or tax extension (hereinafter collectively referred to as “Tax”):

Yes	No	Criteria
		1. Is the purpose of the proposal clear, and is it for a single objective only?
		2. Is this proposal for a service that is truly needed, or simply desired to satisfy a particular official, campaign promise, or constituency? <ul style="list-style-type: none"> • Are there metrics to evaluate program success?
		3. Is there an existing tax that is already in place for this proposed service?
		3. Has there been any discussion regarding alternative ways to provide the services related to the tax?
		4. Has the agency conducted a cost-benefit analysis of the proposed investment to determine whether the proposal is “worth it”? <ul style="list-style-type: none"> • What are the opportunity costs associated with the investment?
		5. Does the tax proposal comply with all legal requirements? <ul style="list-style-type: none"> • Does it comply with the appropriate percentage approval requirements of voter approved mandates such as Propositions 13 and 218?
		6. Is the tax method clear and understandable?
		7. Are all taxpayers being treated equally by the tax? <ul style="list-style-type: none"> • Are any taxpayers, i.e., seniors, exempted from the tax? • Is there a “split role” schedule that allows different tax rates for different types of taxpayers?
		8. Is the tax temporary or permanent? <ul style="list-style-type: none"> • Will the proposed tax “sunset” within a reasonable timeframe to allow taxpayers to evaluate its effectiveness? • Has there been any discussion or planning for replacement revenue after the tax expires?
		9. If some of the tax is entrusted for capital improvements, is there a funded maintenance plan in place? <ul style="list-style-type: none"> • If the parcel tax will include financing of new or additional technology, has there been a technology replacement reserve account created to allow for equipment replacement as the technology wears out or becomes obsolete?
		10. Has the taxing entity conducted a poll of likely voters to determine the threshold of a successful measure? <ul style="list-style-type: none"> • If so, what were the results? • Was the dollar amount of the tax polled adequate to meet all of the needs of the tax entity?

		11. How many successful and unsuccessful tax measures has the taxing entity had in the past five (5) years?
		12. How does the tax burden on taxpayers within the boundaries of the taxing entity compare with other comparable districts and/or governmental entities?

CoCoTax reserves the right at its sole discretion at any time to add new guidelines and other variables to its analysis before making its formal decision.

Notes:

CoCoTax Guidelines for Bond Review

Guidelines for Bond Review

Below are the general guidelines Contra Costa Taxpayers Association (hereinafter referred to as “CoCoTax”) uses in reviewing a proposed new bond issue (hereinafter referred to as “Bond”):

Yes	No	Criteria
		1. Is this proposal for a facility that is truly needed, or simply desired to satisfy a particular official, campaign promise, or constituency?
		2. Has the public been provided at least sixty (60) calendar days prior to the election with a detailed list and budget for the anticipated capital expenditures and/or improvements to be financed with the bond proceeds? <ul style="list-style-type: none"> • Has the proposed capital improvement plan been subjected to serious review as to its cost efficiency and probability of achieving the stated objective?
		3. Has there been any discussion with other agencies regarding alternative ways to provide the space related to the bond? <ul style="list-style-type: none"> • Is a joint use facility feasible (i.e., playing fields, libraries, theaters, or community use room)? • Have all sources of funds for the capital improvements been researched? • Are there funds from previous bond issues that have not yet been spent? • Have private sector or other governmental sources been considered?
		4. Does the bond proposal comply with all legal requirements? <ul style="list-style-type: none"> • Does it comply with the appropriate percentage approval requirements of voter approved mandates such as Propositions 13 and 218?
		5. Is the proposed debt amount consistent with state limitations on assessed value? <ul style="list-style-type: none"> • If there is not a legal limit on amount of debt permitted, does the proposed debt reasonably encumber the issuing authority’s already existing burden of debt? This applies to both the existing debt obligations and the other obligations such as unfunded pension and health costs that may not yet be recognized by statute.
		6. Is the method of financing clear and understandable, including total cost over time? <ul style="list-style-type: none"> • Does the Tax Rate Schedule clearly state the first, last, and highest tax rate?
		7. Is the bond duration clearly stated (e.g., 40 vs 30 years).
		8. Are all taxpayers being treated equally by the bond? <ul style="list-style-type: none"> • Are any taxpayers, i.e., seniors, exempted from the bond? • Is there a “split role” schedule that allows different tax rates for different types of taxpayers?
		9. Is the estimated useful life of the bond-financed capital expenditures and/or improvements stated so it can be determined that the useful life is equal to or longer than the term of the bond. <ul style="list-style-type: none"> • If the bond will finance new construction, has there been a determination of

		<p>new maintenance costs for which budgeting is required?</p> <ul style="list-style-type: none"> • If the bond is used for a school improvement, what is the status of enrollment? Is the enrollment trending up or down?
		<p>10. Has the taxing entity conducted a poll of likely voters to determine the threshold of a successful bond measure?</p> <ul style="list-style-type: none"> • If so, what were the results? • Was the dollar amount of the bond polled adequate to meet all of the needs of the agency?
		<p>11. Does the entity intend to use a Project Labor Agreement on the project?</p>
		<p>12. Will there be a separate and independent community oversight committee established to ensure that expenditures are made for the appropriate and stated purposes only, and within the budget of the ballot disclosure?</p>

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Notes:

Guidelines for Taxing Authority Review

Guidelines for Taxing Authority Review

CoCoTax reviews of, and positions regarding, tax and bond measures are important to help the taxpayer community judge whether or not they wish to tax themselves in support of the programs or facilities proposed. It is likewise important for CoCoTax to review and comment on the taxing authorities putting forward the measures. CoCoTax uses the following criteria as a “score card” when evaluating agencies and their performance in serving the public that entrusts them with their taxes.

Yes	No	Criteria
		1. Does the agency have, and display, a statement of core principles and beliefs?
		2. Does the agency operate from a culture of ethics, transparency, and good stewardship? <ul style="list-style-type: none"> • Is there a system in place to collect and respond to constituent questions and complaints in a timely manner? • Is there evidence that when forming staff committees or community advisory committees the agency endeavors to provide a broad diversity of expertise, experiences, viewpoints, and organization positions to inform its deliberation of policy issues and processes. • Does the agency periodically review its operations with an eye toward improving service through revising methods, systems, technology, or assignment of personnel? • Is there evidence of efforts to identify improper actions and remove those responsible for any waste, fraud, and mismanagement? • Does the agency fully embrace and operate within the spirit and letter of the Brown Act? Are board members trained in Brown Act requirements?
		3. Are there any “Red Flags” to consider? For example: <ul style="list-style-type: none"> • Is the board appointed or elected? Elected boards tend to be more accountable. • Is labor participation in the campaign finance/electoral process excessive? • Does the board have a history of openness and transparency? • Are the agendas and minutes published on time and easily accessible? • Is the agency or its board facing FPPC or Grand Jury issues? • Are agency audits satisfactory, and are issues addressed promptly?
		4. Does the taxing entity have a history of fiscal responsibility and discipline? Some factors CoCoTax considers in its evaluation include, but are not limited to: <ul style="list-style-type: none"> • An analysis of the actual unrestricted reserve account(s) for the past three (3) years compared to the taxing entity’s written policy for the minimum amount that should be maintained as unrestricted reserves.

		<ul style="list-style-type: none"> • Income and expense summaries for the past three (3) years. • A review of budgets and expenditures for maintenance, repairs and replacements for its facilities, equipment, fixtures and furniture for the past three (3) years. • Analysis of retiree healthcare costs and other post retirement costs for the past three (3) years and three (3) year projections for the future. • A comparison of the employment contracts with those of other comparable taxing entities. • Evidence that the agency routinely budgets within its anticipated revenues and manages its operations to stay within its budget.
		<p>5. Is the evidence strong that the tax will truly be used for its stated purpose or simply to fund higher salaries/pensions/other benefits?</p> <ul style="list-style-type: none"> • What is the status of the OPEB debt? What are employees contributing to their pensions or benefits? • Does the agency have a defined benefit plan, or a defined contribution plan, for employee retirement? • What is the level of operating reserves? How many weeks or months does this represent? • What are the salaries and staffing level of the taxing entity? • Does the taxing authority have a good record for managing taxpayer funds and doing what they have said they will do with previous funds?
		<p>6. If the taxing authority uses an oversight committee, has it been able to perform effectively in the past and/or is it likely to perform effectively in the future?</p> <ul style="list-style-type: none"> • Is the committee given all relevant information in a timely and intelligible fashion? • Is there meaningful involvement of that committee in the performance audit (of the school bond) required under current legislation?
		<p>7. Has the agency conducted a cost-benefit analysis of the proposed investment to determine whether the proposal is “worth it”?</p> <ul style="list-style-type: none"> • What are the opportunity costs associated with the investment?
		<p>8. Has there been any discussion regarding alternative ways to provide the services related to the tax?</p>
		<p>9. How does the tax burden on taxpayers within the boundaries of the taxing entity compare with other comparable districts and/or governmental entities?</p>
		<p>10. How many successful and unsuccessful tax measures has the taxing entity had in the past five (5) years?</p>

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Frequently Asked Questions

1. What is the Contra Costa Taxpayers Association, and what does it do?

The Contra Costa Taxpayers Association is a non-profit, non-partisan organization dedicated to promoting accountable, cost-effective and efficient government and opposing unnecessary taxes and spending.

We evaluate proposed tax and bond measures against a set of criteria, determine whether or not to take a position in support or opposition, and then share our positions publicly - often in ballot arguments.

We also evaluate agencies with taxing authority and produce a “good government” scorecard. The scorecard is designed to reflect agency practices related to principles effective governance.

2. Why should I join the Contra County Taxpayers Association?

The economic and political environment of today has created increased pressure on public agencies and elected leaders to seek greater and greater levels of revenue to satisfy constituent desires for services. Too often, insufficient thought is given to whether the programs and services are really necessary, how they should be financed, or whether there are alternatives.

Beyond this, the staggering unfunded pension shortfall experienced by virtually all municipal agencies has become a common excuse for proposing new tax revenues, in part to backfill budget areas reduced to cover pension payments. The state-wide pension shortfall is estimated at between \$500 billion and \$1 trillion, depending on assumed ROI on invested pension funds. Pension premium payments are increasing dramatically, causing even more pressure for new tax revenues.

CoCoTax leads the way in providing fiscal oversight of local government. We challenge government at all levels to be accountable, responsive, efficient and fair and to deliver optimal value for every tax dollar. We look for concerned individuals – business owners, homemakers, retirees, and community volunteers – who share our commitment to “Good Government at Affordable Cost.”

3. Doesn't CoCoTax simply say, “No” to all tax proposals?

No; this is not true. CoCoTax understands that good government often requires additional funding to accomplish community priorities that are truly necessary. We appreciate the opportunity to work with public agencies early in their consideration of measures in order to structure proposals in a way that satisfies revenue needs as well as protects taxpayers and provides best value for the tax dollar. We will support tax and bond measures that meet our

criteria – especially if they are requested by an agency that meets our criteria for managing their resources effectively and in the public’s interest.

4. When and where does the Taxpayers Association meet?

The primary meeting is held over breakfast on the fourth Friday of each month in Central Contra Costa County, with the executive board meeting the Monday before. A new, satellite group is now meeting over dinner on the first Monday of each month (or Tuesday, following a Monday holiday) in West Contra Costa. A possible future satellite group is under consideration for East Contra Costa. Check www.cocotax.com for specific times and locations.

Meetings generally offer a presentation by a local or state authority on a key economic issue, with an opportunity for Q&A. The business portion of the meeting involves discussion of CoCoTax’s ongoing as well as emerging involvements with vital issues and agencies across Contra Costa County.

5. What opportunities do I have to participate in the work of CoCoTax?

There are many opportunities to get involved, and no prior experience is required. Certainly all members will enjoy the monthly meetings to stay current on and discuss local and regional economic issues. CoCoTax members may serve on community oversight committees for agencies, like school districts, that have passed facility bonds. Members can also attend agency board meetings, research information on upcoming ballot measures, and report what they’ve learned at the CoCoTax board/membership meetings. Those who like to write can share their information on our web site. Many hands make light work. All are welcome to participate.

6. How effective is the Contra Costa Taxpayers Association?

While we know CoCoTax is effective in representing and protecting taxpayers, we need to quantify and report our successes here, as well as on our web site. Some thoughts include:

- Some bond measures require oversight from an official "taxpayer representative." We currently have members reviewing the bond expenditure progress of school districts to ensure proper compliance with the commitments made to local communities.
- CoCoTax positions on bond and tax measures are considered very significant politically to taxing entities seeking increases. In part, this leads some to seek the advice of CoCoTax as to how to make their proposed measure one we could endorse.
- Our consultation with agencies and our positions on measures can improve agency consideration for taxpayers as well as defeat costly, inappropriate ballot proposals.

Links from the CoCoTax Web Site

[Howard Jarvis Taxpayers Assoc.](#) - Protection of Prop. 13 and the advancement of taxpayers' rights

[Contra Costa County Civil Grand Jury](#) - Investigate and report on the ops of local government

[Pension Tsunami](#) - Resource for articles on public pension issues

[California Common Sense](#) - Data-driven policy analysis

[California Taxpayers Association](#) – California Taxpayers' research and advocacy association

[Citizens Against Government Waste](#) - Eliminate waste, mismanagement, and inefficiency

[Pacific Research Institute](#) – Advocating and advancing free-market policy solutions

[Cal Watchdog](#) - Web-based reporting designed to improve oversight of government

[Tax Foundation](#) – An independent tax policy research organization

[National Taxpayers Union](#) – The “Voice of America’s Taxpayers” lobbying team

[National Debt Clock](#) - Real-time revenue, expense, debt, and demographics

[Your Public Money](#) – California County Pension Funds/Debt

[Transparent California](#) - Salary and pension information for California agencies

[Contra Costa Local Agency Formation Commission](#) - Local Agency Directory for CCC

[CaLBOC – California League of Bond Oversight Committees](#) – Training for Prop. 39 school bond citizen oversight committees, and lobbying the Legislature for protection of taxpayers' interests.

Local Addendum: Guidance, Coaching, and Future Considerations for Your Advocacy Work

Offered in the spirit of supporting those who might be unfamiliar with advocating issues before elected officials and governmental entities, this section contains a collection of tips, projects, and suggestions to assist CoCoTax members and supporters become more effective in sharing CoCoTax positions on issues. We welcome your thoughts, contributions, and priorities to assist CoCoTax broaden its reach, impact, and growth toward serving our community better.

Be an Effective Publisher

During the time of the Soviet Communists, it was illegal for citizens, without a special permit, to own a copy machine or printing press. All could own a typewriter, paper and carbon paper, though. This allowed what was called a “Self-Writing Newspaper.” When an individual received an anti-Soviet newsletter, he would place as many pages and carbon papers as possible in his typewriter. The newsletter would then be hand copied and distributed.

Isn't it fortunate that we can so very easily accomplish much more? We should all accumulate an email list of interested parties. I have a list of emails end to end for a page and a half. Each has a semicolon and a space at its end before the next. To use the list, highlight it, then right-click for “copy.” The list is then simply “pasted” in your BCC address bar. A huge list can quickly be sent this way.

I believe, with sending emails, less is best. A few per week should be a maximum. If too many are sent, they will be ignored. Send only the “Best.” Well-written articles and videos that are not too long and from sound sources are ideal. If you are so fortunate as to have received several great pieces at the same time; send only one and save the rest for later.

Publishing in the “Letters to the Editor” Section

For years, I tried with little success to publish in the San Ramon Valley Times “Letters to the Editor” section. I was a commercial advertiser at the time, and even that did not help.

In recent years I have had almost 100% success. My experience has been with the Times, but I am sure it applies to other papers as well. I follow a few simple rules:

1. In the “Letters” section are rules: FOLLOW THEM.
2. I reference an article in the paper to which I am responding. “Response” letters seem to have greater success.
3. I submit only one letter per month, maximum.

Naturally, letters must be well-crafted. Avoid opinion-based or harsh comments. Such remarks are received well only by those that already agree. Our goal needs to be to reach those that need to learn our views on the issue! Let your facts create the conclusions you want. Offering references from sources that would be widely accepted, adds to credibility. Lastly, use as few words as possible. Short letters tend to be read by more than long ones.

An additional strategy is to “partner” with a friend living in another region and to share letters that are of broad concern. The letters should be customized and submitted under each person’s own name.

Soliciting Individual and Business Contributions

- Market on a consistent basis to the CoCoTax email list.
- Develop an email list of interested parties.
- Request donations for special projects and give regular updates as to their progress.
- Large donors should be given regular updates to prove accountability and value.

Develop a Monthly CoCoTax Newsletter

- Volunteers to write articles. Articles can be based on guest speakers (value to non-attendees and non-members.) Some articles should highlight recent successes.
- Request members to resend the newsletter on to their email lists.
- Post newsletters on the CoCoTax web site, and add a “share” link to send to others.
- Members can collect email addresses of interested friends and contacts for sharing our CoCoTax newsletters.

Marketing to Businesses

- Sell ad space in monthly newsletters
 - Deductibility to a business significantly reduces the actual out-of-pocket cost.
 - Marketing the business’ services to CoCoTax members and followers makes business sense.
- Ads can be as simple as printing a business card image to larger and more complex.
- CoCoTax should make no assertion as to the tax deductibility of such ads. If asked simply state: You should ask your tax expert.



“Good Government at Affordable Cost”

Guidelines for Tax Review

Below are the general guidelines Contra Costa Taxpayers Association (hereinafter referred to as “CoCoTax”) uses in reviewing a proposed new tax or tax extension (hereinafter collectively referred to as “Tax”):

Yes	No	Criteria
		1. Is the purpose of the proposal clear, and is it for a single objective only?
		2. Is this proposal for a service that is truly needed, or simply desired to satisfy a particular official, campaign promise, or constituency? <ul style="list-style-type: none"> • Are there metrics to evaluate program success?
		3. Is there an existing tax that is already in place for this proposed service?
		3. Has there been any discussion regarding alternative ways to provide the services related to the tax?
		4. Has the agency conducted a cost-benefit analysis of the proposed investment to determine whether the proposal is “worth it”? <ul style="list-style-type: none"> • What are the opportunity costs associated with the investment?
		5. Does the tax proposal comply with all legal requirements? <ul style="list-style-type: none"> • Does it comply with the appropriate percentage approval requirements of voter approved mandates such as Propositions 13 and 218?
		6. Is the tax method clear and understandable?
		7. Are all taxpayers being treated equally by the tax? <ul style="list-style-type: none"> • Are any taxpayers, i.e., seniors, exempted from the tax? • Is there a “split role” schedule that allows different tax rates for different types of taxpayers?
		8. Is the tax temporary or permanent? <ul style="list-style-type: none"> • Will the proposed tax “sunset” within a reasonable timeframe to allow taxpayers to evaluate its effectiveness? • Has there been any discussion or planning for replacement revenue after the tax expires?

		<p>9. If some of the tax is entrusted for capital improvements, is there a funded maintenance plan in place?</p> <ul style="list-style-type: none"> • If the parcel tax will include financing of new or additional technology, has there been a technology replacement reserve account created to allow for equipment replacement as the technology wears out or becomes obsolete?
		<p>10. Has the taxing entity conducted a poll of likely voters to determine the threshold of a successful measure?</p> <ul style="list-style-type: none"> • If so, what were the results? • Was the dollar amount of the tax polled adequate to meet all of the needs of the tax entity?
		<p>11. How many successful and unsuccessful tax measures has the taxing entity had in the past five (5) years?</p>
		<p>12. How does the tax burden on taxpayers within the boundaries of the taxing entity compare with other comparable districts and/or governmental entities?</p>

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Notes:



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Guidelines for Bond Review

Below are the general guidelines Contra Costa Taxpayers Association (hereinafter referred to as “CoCoTax”) uses in reviewing a proposed new bond issue (hereinafter referred to as “Bond”):

Yes	No	Criteria
		1. Is this proposal for a facility that is truly needed, or simply desired to satisfy a particular official, campaign promise, or constituency?
		2. Has the public been provided at least sixty (60) calendar days prior to the election with a detailed list and budget for the anticipated capital expenditures and/or improvements to be financed with the bond proceeds? <ul style="list-style-type: none"> • Has the proposed capital improvement plan been subjected to serious review as to its cost efficiency and probability of achieving the stated objective?
		3. Has there been any discussion with other agencies regarding alternative ways to provide the space related to the bond? <ul style="list-style-type: none"> • Is a joint use facility feasible (i.e., playing fields, libraries, theaters, or community use room)? • Have all sources of funds for the capital improvements been researched? • Are there funds from previous bond issues that have not yet been spent? • Have private sector or other governmental sources been considered?
		4. Does the bond proposal comply with all legal requirements? <ul style="list-style-type: none"> • Does it comply with the appropriate percentage approval requirements of voter approved mandates such as Propositions 13 and 218?
		5. Is the proposed debt amount consistent with state limitations on assessed value? <ul style="list-style-type: none"> • If there is not a legal limit on amount of debt permitted, does the proposed debt reasonably encumber the issuing authority’s already existing burden of debt? This applies to both the existing debt obligations and the other obligations such as unfunded pension and health costs that may not yet be recognized by statute.

	<p>6. Is the method of financing clear and understandable, including total cost over time?</p> <ul style="list-style-type: none"> • Does the Tax Rate Schedule clearly state the first, last, and highest tax rate?
	<p>7. Is the bond duration clearly stated (e.g., 40 vs 30 years)?</p>
	<p>8. Are all taxpayers being treated equally by the bond?</p> <ul style="list-style-type: none"> • Are any taxpayers, i.e., seniors, exempted from the bond? • Is there a “split role” schedule that allows different tax rates for different types of taxpayers?
	<p>9. Is the estimated useful life of the bond-financed capital expenditures and/or improvements stated so it can be determined that the useful life is equal to or longer than the term of the bond.</p> <ul style="list-style-type: none"> • If the bond will finance new construction, has there been a determination of new maintenance costs for which budgeting is required? • If the bond is used for a school improvement, what is the status of enrollment? Is the enrollment trending up or down?
	<p>10. Has the taxing entity conducted a poll of likely voters to determine the threshold of a successful bond measure?</p> <ul style="list-style-type: none"> • If so, what were the results? • Was the dollar amount of the bond polled adequate to meet all of the needs of the agency?
	<p>11. Does the entity intend to use a Project Labor Agreement on the project?</p>
	<p>12. Will there be a separate and independent community oversight committee established to ensure that expenditures are made for the appropriate and stated purposes only, and within the budget of the ballot disclosure?</p>

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Yes	No	Criteria
		1. Does the agency have, and display, a statement of core principles and beliefs?
		2. Does the agency operate from a culture of ethics, transparency, and good stewardship? <ul style="list-style-type: none"> • Is there a system in place to collect and respond to constituent questions and complaints in a timely manner? • Is there evidence that when forming staff committees or community advisory committees the agency endeavors to provide a broad diversity of expertise, experiences, viewpoints, and organization positions to inform its deliberation of policy issues and processes. • Does the agency periodically review its operations with an eye toward improving service through revising methods, systems, technology, or assignment of personnel? • Is there evidence of efforts to identify improper actions and remove those responsible for any waste, fraud, and mismanagement? • Does the agency fully embrace and operate within the spirit and letter of the Brown Act? Are board members trained in Brown Act requirements?
		3. Are there any “Red Flags” to consider? For example: <ul style="list-style-type: none"> • Is the board appointed or elected? Elected boards tend to be more accountable. • Is labor participation in the campaign finance/electoral process excessive? • Does the board have a history of openness and transparency? • Are the agendas and minutes published on time and easily accessible? • Is the agency or its board facing FPPC or Grand Jury issues? • Are agency audits satisfactory, and are issues addressed promptly?

	<p>4. Does the taxing entity have a history of fiscal responsibility and discipline? Some factors CoCoTax considers in its evaluation include, but are not limited to:</p> <ul style="list-style-type: none"> • An analysis of the actual unrestricted reserve account(s) for the past three (3) years compared to the taxing entity’s written policy for the minimum amount that should be maintained as unrestricted reserves. • Income and expense summaries for the past three (3) years. • A review of budgets and expenditures for maintenance, repairs and replacements for its facilities, equipment, fixtures and furniture for the past three (3) years. • Analysis of retiree healthcare costs and other post retirement costs for the past three (3) years and three (3) year projections for the future. • A comparison of the employment contracts with those of other comparable taxing entities. • Evidence that the agency routinely budgets within its anticipated revenues and manages its operations to stay within its budget.
	<p>5. Is the evidence strong that the tax will truly be used for its stated purpose or simply to fund higher salaries/pensions/other benefits?</p> <ul style="list-style-type: none"> • What is the status of the OPEB debt? What are employees contributing to their pensions or benefits? • Does the agency have a defined benefit plan, or a defined contribution plan, for employee retirement? • What is the level of operating reserves? How many weeks or months does this represent? • What are the salaries and staffing level of the taxing entity? • Does the taxing authority have a good record for managing taxpayer funds and doing what they have said they will do with previous funds?
	<p>6. If the taxing authority uses an oversight committee, has it been able to perform effectively in the past and/or is it likely to perform effectively in the future?</p> <ul style="list-style-type: none"> • Is the committee given all relevant information in a timely and intelligible fashion? • Is there meaningful involvement of that committee in the performance audit (of the school bond) required under current legislation?
	<p>7. Has the agency conducted a cost-benefit analysis of the proposed investment to determine whether the proposal is “worth it”?</p> <ul style="list-style-type: none"> • What are the opportunity costs associated with the investment?
	<p>8. Has there been any discussion regarding alternative ways to provide the services related to the tax?</p>
	<p>9. How does the tax burden on taxpayers within the boundaries of the taxing entity compare with other comparable districts and/or governmental entities?</p>
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Contra Costa Taxpayers Association

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