

KEEP LOCAL CONTROL LOCAL AND HOME RULE AT HOME

- Local control
- Land use
- Tax authority
- Transportation and infrastructure
- Mandates
- Employee and contractor relations

More than 1,800 men and women serve as elected municipal leaders in 271 cities and towns in Colorado. They serve on a nonpartisan basis and collectively represent more than 72 percent of the state population. Many serve with little or no compensation. About 62 percent of our municipalities employ a professional administrator to carry out the policies of elected city councils and town boards.

Cities and towns themselves are not created by the state. Rather, local citizens operating through certain statutory mechanisms are allowed to “incorporate” as a municipality. Recent examples include the City of Castle Pines North, City of Centennial and City of Lone Tree.

Home rule is the legal and political essence of local control. Our state constitution grants to the citizens of every city and town the right to draft a charter – essentially a local constitution – and to put that charter before the citizens for a vote. As Article XX of the Colorado Constitution says, the purpose of municipal home rule is to give citizens “the full right of self government in local and municipal matters.”

This is based on the premise that the citizens of a city or town in Colorado should have the legal and political right to decide how best to organize their municipality and solve local problems, and that those citizens, not a higher level of government, know what is best for themselves.

More than 3 million people in Colorado live in one of the 97 cities and towns governed by a home rule charter. Home rule has been in place in Colorado

since 1902. It is very much a part of the political and legal fabric of our great state.

Another 173 cities and towns operate under the provisions of Title 31 of the Colorado Revised Statutes and are known as statutory municipalities.

Georgetown operates as the state’s lone territorial charter city through a charter granted to it by the territorial state government.

Generally, towns are incorporated areas of less than 2,000 in population; cities are above this threshold. Some organizational and legal differences exist between them.

Colorado is a fiscally decentralized state as it relates to municipal government. Cities and towns raise more revenue locally, and rely less on state aid. The sales and use tax is our most important revenue source. Currently, 217 cities and towns levy a sales tax, and 70.5 percent of municipal own-source revenues is derived from this tax. Property taxes are the second most important tax for municipalities. State aid also is very important to municipal governments. For example, in 2008 municipalities expect to receive more than \$101.6 million from the state for local transportation needs through the Highway Users Trust Fund. Targeted federal support like the Community Development Block Grant program is critical as cities and towns cope with infrastructure and other demands.

Municipal government is a cornerstone of good government in Colorado, and we value the partnership that exists with state and federal officials. The citizens we represent, you will represent. The policies you set that affect local government will have to be implemented by municipal leaders. To maintain the strength of this partnership, municipal leaders submit the core principles described herein for your consideration as you ponder your own position on issues.

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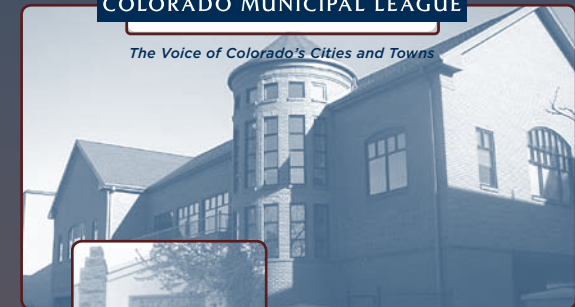
Please bookmark our Web site, www.cml.org. It contains more information about municipal government and is updated regularly.



CML

COLORADO MUNICIPAL LEAGUE

The Voice of Colorado's Cities and Towns



**Strong partnership with
Colorado cities and towns.**

CORE PRINCIPLES TO MAINTAIN A STRONG STATE-MUNICIPAL PARTNERSHIP

LOCAL CONTROL AND HOME RULE

The League believes strongly in the philosophy of local control and home rule to allow municipal governments maximum flexibility and discretion in levying taxes and fees, carrying out local policy, and delivering public services. Local control should remain local and home rule should stay at home, not centralized at the Statehouse.



PRESERVATION OF MUNICIPAL LAND USE AUTHORITY

The League encourages you to resist inroads into municipal authority over local land use issues. Periodically, the General Assembly has considered legislation preempting the authority of local officials to make these policy decisions. Nothing is more basic to the notion of local control and home rule than community decision-making over land use.

PROTECTION OF LOCAL TAX AUTHORITY

Municipal revenues often are affected adversely by proposed state legislation. For example, more than 90 exemptions to the state sales and use tax base have been enacted since 1975. These exemptions have reduced the state base, thereby restricting revenues available for state programs. Just as importantly, these exemptions also have affected municipalities and counties in the state sales and use tax collection system because, with some exceptions, these cities, towns and counties must conform their base with that of the state's

base. There have also been proposals in the General Assembly to alter the property tax base, most notably by eliminating the business personal property tax as an economic development incentive. Any exemptions like this must be "back-filled" by the state, otherwise local government tax revenues will be reduced significantly. Please be aware of the impact state tax policy has on municipal taxes.

TRANSPORTATION AND INFRASTRUCTURE

Colorado's transportation system of roadways and transit is a state and local network vital to Colorado's future. Municipal officials support increased state transportation funding that includes the return of an equitable portion of new revenue to cities, towns and counties. Local water and wastewater treatment and distribution infrastructure requires continuous substantial investment that is difficult for economically disadvantaged communities. Municipal officials support a shared state and local partnership for funding required improvements for clean water and safe drinking water.

UNFUNDED MANDATES

The impact of state mandates on municipal government is a major policy concern of many municipal leaders. We urge resistance to imposing responsibilities on local governments without the financial resources to fund



such mandates. Both the Colorado Constitution and state statutes contain provisions that address unfunded mandates, but these often go unheeded.

EMPLOYEE AND CONTRACTOR RELATIONS

There are few things more local than relations between a municipality and its employees. We need your help to make sure that special interests do not use the General Assembly to dictate the terms of their employment by a municipality. Whether it is collective bargaining or contracting for projects or services, there is no "one-size fits all" answer. A municipality must be able to write contracts that meet specific local conditions and protect local taxpayers; these are critical considerations to which many special interests down at the capitol are indifferent.

STATE SOLUTIONS WHERE NO PROBLEMS MAY EXIST

Frequently, the General Assembly considers bills to address real or perceived problems in one or a small number of communities – thus creating adverse consequences for many other cities and towns. As constituents and interest groups approach you with statewide solutions, please reflect on the impacts to other cities and towns. Ask whether there is really a problem that needs to be solved at the state level.

ENERGY CONSERVATION AND IMPACT

Many municipalities lead by example on energy conservation programs every day. The Governor's Energy Office offers wonderful support. Other cities and towns deal with the impacts of energy development and receive invaluable help from the Department of Local Affairs. This demonstrates how important a strong partnership must be between the state and municipalities.

WHAT CAN YOU DO TO HELP?

Before sponsoring or supporting a proposal that has potential impacts on cities and towns, please talk with your municipal officials and seek their input. Feel free to contact CML as well.

THE COLORADO MUNICIPAL LEAGUE

CML is a nonprofit, nonpartisan organization that has served and represented Colorado's cities and towns since 1923. As such, CML is a reliable source of information about legislative issues and their impact on Colorado's cities and towns and their residents. There are 263 cities and towns that are members of the League.

Various standing committees of the League meet throughout the year to develop legislative and policy recommendations. That work is then presented to the CML Policy Committee. Every municipal member of the League has a right to send a voting representative to that committee.

A 19-member Board of Directors governs the operations of the organization. Doug Linkhart, Denver councilmember, is the League's current president. The League has 22 sections (e.g., planning officials, police chiefs, city managers) and 14 regional districts that provide input and technical expertise in development of League policy.

The League neither endorses nor contributes to political candidates.

CML AND LEAGUE POLICY

CML employs dedicated representatives to help you educate and build support among city and town officials. The following four CML staffers closely watch proposed legislation and work with legislators to understand municipal impacts. Feel free to contact them:

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