

# NewsLetter

PPSPERA IS SUPPORTED BY COLORADO SPRINGS SCHOOL DISTRICT NO. 11

VOLUME 110, No. 2

October, 2010

Editor: Alan Rasmussen

## From Your President

Summer is over with the passing of Labor Day. It is time to begin to plan for our first general membership meeting for this year. Remember instead of a luncheon meeting we will meet for brunch at 9:30 and be finished by noon. The meeting will be on November 3rd at 9:30 am at Valley Hi Golf Course. Come visit with old friends and make new ones. You will have the opportunity to meet and hear representatives from the new PPSPERA components (remember we expanded our membership to include all PERA groups in this area). We will discuss how we can all work together toward our common goal of protecting PERA benefits. Send in your reservations today. Don't forget **the ONLY flyer for the November meeting is the one in this newsletter.**

It truly amazes me that we never have any time to relax between political assaults. I understand a new group is now forming to again attack defined benefits and we also have Proposition 101 and Amendments 60 and 61 facing us in November. I hope you will take the time to read the factual information included as part of this newsletter. We are a non-partisan organization and will continue to function that way until you change the by-laws of the organization. However, some issues are too important not to share with all of you.

Amendment 61 prevents the state from borrowing and limits local governments to borrowing for only ten years. Most, if not all, of Colorado's roads, schools, hospitals, airports, colleges, and prisons have been built with money borrowed by state and local governments. Future projects like those, and the periodic modernization of those facilities, won't happen without the ability to borrow funds. This would make Colorado the only state without the ability to use general obligation bonds or certificates of participation for infrastructure projects.

Amendment 60 also cuts state income. It reduces mill levies in an amount that would cut local support of schools in half over four years, with the state required to backfill that amount from its General Fund (which Proposition 101, if it passes, will reduce). It also repeals the hundreds of elections where local voters have allowed their city or county



government, or their school district, to retain and spend income that exceeds the 1992 TABOR limits. In other words, school districts and city and county governments would have to reset revenue limits based on 1992 levels. This just does not make sense. Costs have certainly increased very significantly since 1992



Proposition 101 reduces state income tax to 4.5%, with provisions for reducing that to 3.5% over a series of years. It eliminates or reduces charges on car rentals and auto registrations (new auto registrations would be \$2.00; used cars \$1.00) that would reduce city and county revenues across Colorado by approximately \$600 million. Passage of 101 could complete a knock-out punch against Colorado's already-inadequate General Fund, which, if Amendment 60 passes, will face the extra burden of backfilling mill levy income lost to school districts.

Please read all the information carefully and be sure to vote on Election Day for what is best for Colorado and all its citizens.

Don't forget to send us your email address if you have not done so. We want to keep in touch electronically.

See you at the meeting November 3, 9:30 am at Valley Hi Golf Course.

– Sandy Patton  
pattosl@comcast.net.  
685-4101

## We Will Miss Them

Since our last newsletter the following educators have died: Elizabeth (Betty) Armstrong, Elanor Moore, Eunice Hepner Pahel, and Ruth Anna Solazzl. If you know of anyone else who should be included, please contact any of the board members.

## The Website needs you!

Make sure you checkout the website and let us know what else you would like us to include. Please bookmark

<http://ppspera.org/home.htm>

It is important that we provide information for ALL of our present and future members.

Deb Key and Lisa Sarter, Website Committee



# PPSPERA MEETING CALENDAR 2010-11

## 2010

October 13 & 14	CSPERA Board Meeting & State Legislative Wkshop	Denver
October 27 at 9 am	Board Meeting	Maggie Mae's
November 3 at 9:30 am	General Membership <i>Brunch &amp; Program</i>	Valley Hi Golf Course

## 2011

January 25 at 9 am	Board Meeting	Maggie Mae's
February 4 at 9:30 am	General Membership Brunch & Program	Valley Hi Golf Course
April 5 at 9 am	Board Meeting	Maggie Mae's
April 6 – 6:15-9 pm	Pre-Retirement Seminar	Tesla
May 11 at 9:30 am	General Membership Brunch & Program	Valley Hi Golf Course

### **Resolution Opposing Proposition 101 and Amendments 60 and 61 by the Board of Directors of the Pikes Peak School and Public Employees Retirement Association**

**Whereas**, three ballot measures appearing on the November 2010 statewide ballot in Colorado would considerably reduce the funds available to state and local governmental entities to provide basic services, including their obligation to fund the PERA trust funds that provide secure retirement income to hundreds of thousands of current and retired public employees; and

**Whereas**, Proposition 101 reduces the state income tax, motor vehicle fees and taxes, and fees for telecommunication services, resulting in less funds available to provide essential services and maintain the retirement program relied on by the public employees supporting those services; and

**Whereas**, Amendment 60 cuts property taxes and mill levy taxes causing difficult financial situations for school districts, all of which are employers contributing to PERA to help finance the retirement benefits of teachers and other school workers; and

**Whereas**, Amendment 61 restricts the long-term financing of capital improvements by governmental entities, causing the entity to either forego those improvements or decrease regular services to reserve money to fund those improvements; in any event, any restrictions on the ability of these entities to finance projects and services will restrict their ability to fund PERA; and

**Whereas**, the three ballot measures will severely impede the improvements to PERA's funded status that the General Assembly endorsed in the passage of Senate Bill 10-01; and

**Whereas**, the PPSPERA Board of Directors believes that the PPSPERA membership is best served by opposition to the aforementioned ballot measures.

**Now therefore**, the Board of Directors of the Pikes Peak School and Public Employees' Retirement Association does hereby oppose the three ballot measures known as Proposition 101 and Amendments 60 and 61.

### **PERA Shareholder Meetings**

The annual PERA Shareholder meeting in Colorado Springs will be held on Thursday, November 11 at the DoubleTree Hotel – World Arena.

The Shareholder meetings allow us, as PERA recipients, the opportunity to hear about current PERA issues as well as PERA's financial status. Formatted similar to town hall meetings, these meetings usually bring PERA Board of Trustees as well as other PERA representatives to answer your questions. The meetings are usually led by a member of PERA'S Executive Management.

Don't miss this opportunity. Attend the meeting, get current information and find out how you can help support PERA. We all need to be aware of the many issues forthcoming.

REMEMBER: Thursday, November 11, 2010-09-11  
DoubleTree Hotel – World Arena  
Grand Ballroom  
1775 East Cheyenne Mountain Blvd.  
6:30 p.m. – 8:00 p.m.

# **PPSPERA Spring Membership Meeting and Brunch**

**Valley Hi Golf Club  
610 South Chelton Road,  
Colorado Springs, CO**

**Breakfast/Brunch Buffet - \$15 per person**

**Wednesday, November 3, 2110  
9:30 a.m.**

**Meet and Hear from Representatives of Memorial Hospital,  
the City of Colorado Springs, Colorado Springs Utilities &  
School District 11  
Latest Update from PERA**

**Reservations Due October 27, 2010**

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**Please complete and mail this portion along with your check made payable to PPSPERA to Judy McCormick,  
806 Orion Dr., Colorado Springs, CO 80906.**

**Please make \_\_\_\_\_reservation(s) for the PPSPERA Brunch, November 3.**

**Enclosed is my check for \$\_\_\_\_\_.**

**Name \_\_\_\_\_**

**Phone \_\_\_\_\_**

**Due to a required reservation number we will not be able to give refunds for no shows.**

**Mail Your Reservation Today**

## Film Festival Recognizes Claudia Saunders

The 23rd Annual Rocky Mountain Women's Film Festival will take place at the Colorado Springs Fine Arts Center November 5 through 7, 2010. It is the longest continuous running women's film festival in North America.

This year, a film has been selected to honor the memory of former Fremont Elementary School Principal, Claudia Saunders. "The Principal Story," a documentary, tells the stories of two principals, the challenges they face and the differences they make in the lives of their students. The Film Festival committee thought this film was a perfect way to recognize Claudia and her years of service and participation in the Festival.

The Festival has also received a \$2,500 challenge grant from the Gay & Lesbian Fund for Colorado. We invite you to join Claudia's friends and family in making a donation in celebration of Claudia's years as an educator and film lover and, in response to this challenge grant, which will match your donation dollar-for-dollar. The screening of "The Principal Story" will take place on Saturday, November 6th at 10:00 am. Donations can be made by going to [rmwfilmfest.org](http://rmwfilmfest.org) (enter CLAUDIA in the coupon code) or by phone at 719-226-0450.

See you there!

# MEMBERSHIP NOTES

If you are moving or have recently moved or changed your e-mail address, please contact Greg at: [sswin57934@aol.com](mailto:sswin57934@aol.com) or 598-6228. Most of our mail is by bulk rate and is not forwarded by the post office and we do not want to lose contact with you

Check your expiration date on the newsletter. It is located just above your name on the mailing label. If you have already paid your dues, thank you. If not, fill out the forms below and mail them with your checks to the address on the forms.

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 Membership Expires: 12/31/2007  
 JOAN SMITH  
 30 MANITOU LANE  
 MAN ITOU SPGS CO 80829-2739  
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**PPSPERA**  
 PIKES PEAK SCHOOL & PUBLIC EMPLOYEES  
 ASSOCIATION

**Membership Form**  
 September 1, 2010 – August 31, 2011

**Local Dues are \$5.00**

Name \_\_\_\_\_

Phone \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

Zip \_\_\_\_\_ Year Retired \_\_\_\_\_

School Dist/Employer \_\_\_\_\_

BUILDING \_\_\_\_\_

Position \_\_\_\_\_

Email \_\_\_\_\_

Dues amount: \$ \_\_\_\_\_  
 Scholarship fund donation \$ \_\_\_\_\_  
 Total: \$ \_\_\_\_\_

Make check payable to: **PPSPERA**

Please return this form to:

**PPSPERA**  
**P.O. BOX 7969**  
**COLORADO SPRINGS, CO 80933-7969**

**COLORADO SCHOOL & PUBLIC  
 EMPLOYEES RETIREMENT  
 ASSOCIATION**  
**September 1, 2010 – August 31, 2011**

COUNT ME IN! I wish to support CSPERA programs and actions to protect me and improve conditions affecting retired school and public employees.

Name \_\_\_\_\_

Phone \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

Zip \_\_\_\_\_ Email \_\_\_\_\_

\_\_\_\_\_ I wish to Participate in the Dues Deduction Program (DDP) for my state dues and authorize PERA to deduct \$2.00 monthly and any dues increases as voted by the CSPERA Board from by annuity. I understand this makes me a continuing member of CSPERA and may be cancelled only with written authorization from me.

\_\_\_\_\_ S

Signature \_\_\_\_\_

Date \_\_\_\_\_

Please make checks for \$24.00 payable to CSPERA

Please return form and payment option – DDP or check to:

**CSPERA**  
**15701 E. 1<sup>st</sup> Ave. Suite 112**  
**Aurora, CO 80011**

# The Effect of Proposition 101 and Amendments 60 and 61 on School Districts in El Paso County

This is intended to be a factual summary of the mechanics, impacts, and pros and cons of Proposition 101, Amendment 60 and Amendment 61. Information has been obtained from the Bell Policy Center, Colorado Fiscal Policy Institute and the Proponent and Opponent web-sites.

Proposition 101 and Amendments 60 and 61 will dramatically reduce fees and property taxes paid by El Paso County taxpayers. However, by dramatically cutting fees and property taxes, Proposition 101, and Amendments 60 and 61 will dramatically cut local funding for school districts across the state.

In particular, Proposition 101 will slash property taxes paid on vehicles by 98%. Over half of this money goes to support your local school district. Amendment 60 will cut property tax revenue for school districts in half. Amendment 61 will eliminate all borrowing, leasing, and cash flow loans for Colorado school districts.

## Proponents

### **Support**

According to supporters Amendment 60 the measure will apply only to school property tax rates; deduct debt levies before phasing out half; takes 10 years for the phase out of less than half; replaces all the tax relief with state aid.

Marty Neilson, president of the Colorado Union of Taxpayers, said she believes the measure will be beneficial for the state of Colorado. "There is plenty of taxing going on and too much spending," she said. Additionally, Neilson rejected the argument that county government and school districts would be harmed by the tax changes. She added, "I know the schools' mantra: 'It's for the children.' But many of our graduates going on to college have to take remedial classes. These schools need to perform a bit better and do it on the funds they have."

### **Arguments**

Supporters of Proposition 101, Amendment 60 and 61 say the proposed measure will force government to operate more efficiently and cut bloated spending. "It's our general belief that the state of Colorado has enough money to spend. They can spend more wisely, or even cut their spending," said Marty Neilson, president of the Colorado Union of Taxpayers, at a May 2010 Denver Metro Chamber of Commerce's "State of the State" session.

Natalie Menton, campaign coordinator for the three ballot measures, agreed that with the three proposed measures government would receive less funds. But that, she said, is the point. "These are moderate, modest proposals for taxes and tax reform. They are phased in over many years, so it's a gradual process. The more money that we can put into individuals' hands and business owners', that's what really grows an

economy," said Menton. She added that supporters felt it was right time to make the proposals because of "the actions of the government." The mood, among citizens she said is "ripe" for the proposed changes.

The main committee in support of Proposition 101, Amendment 60 and Amendment 61 is CO Tax Reforms.

## Opponents

Proposition 101 – A statutory provision that would cut several state and local government revenue sources including car registration, license fees, the income tax rate, and phone bill taxes. It would:

Reduce income tax to 3.5%, car registration fees to \$2 for new cars and \$1 for used cars – a 98% cut from 2009 levels.

Cut over \$250 million in local support for schools and reduce the state general fund, the primary revenue source of state support for preschool, K-12 and higher ed.

SUMMARY: When fully implemented, our state & local governments would lose over \$2 billion per year in the revenues that support key public services like education.

Amendment 60 – A constitutional amendment that would cut local support for schools in half. It would:

Cut local property taxes for schools in half by 2020 – reducing local funding by \$1.22 billion – requiring the state to replace lost local revenue, but providing no way to replace the revenue.

Reverse local "de-brucing" elections in the 98% of Colorado school districts where voters have chosen to let schools keep revenue above the constitutional "TABOR" limit.

Allow individuals to initiate local ballot initiatives to cut mill levies.

Require many colleges and universities to pay property tax for the first time.

SUMMARY: It would overturn the will of local voters, leading to deeper cuts and higher fees PreK-20.

Amendment 61 – A constitutional amendment that would prohibit state debt or loans of any kind and make it more difficult for local districts to bond to repair, improve, or build schools. It would:

Make Colorado the only state in the nation that is prohibited from using debt to finance capital projects, including schools, health & safety repairs, higher education buildings and roads.

End the "Build Excellent Schools Today" program which has so far financed 63 projects to address critical health and safety needs in schools around the state.

Prevent higher education construction for projects like the Anschutz Medical Center, and the recent modernization of the Auraria Campus – which generates jobs and local economic activity.

End the state's interest-free, short-term loan program that many districts use to even out cash flow. This could result in a March – November school year in some school districts.

SUMMARY: A61 would make it difficult to impossible for schools and colleges to address the health and safety of Colorado students, or compete with other states that attract new businesses and jobs as a result of their investments.