

Opinion: LTN endorses June 5 ballot measures B and C

El Dorado County voters are being asked on June 5 to approve two measures that would help small businesses.

Measure C is a countywide measure that would alter El Dorado County's Charter that was approved in 1994. It would allow department heads to approve expenditures of \$10,000 or less. As it is now, anyone doing work for the county must have a formal contract no matter what is being done.



Measure B is just for South Lake Tahoe and would change the business license structure by lowering the annual tax for most businesses, while increasing the cap for a handful.

Lake Tahoe News is recommending a yes vote on both measures. They each need 50 percent plus one vote to pass.

Measure C would streamline business in El Dorado County. In turn, this means businesses – many of which are small – would be paid in a more timely fashion. It will also reduce county staff time and paperwork.

All of this makes for a more efficient, effective government operation.

It does not mean oversight has been eliminated. There are checks and balances in place to make sure money is not leaving county bank accounts for purposes other than what was intended. And there are protocols to ensure it was a necessary purchase or the work performed was required.

County Counsel Lou Green wrote the impartial analysis of

Measure C for voters. He says, "The purpose of the measure is to simplify the contracting process with service providers who do not traditionally use signed contracts in their business, and who frequently resist the county's request for a written contract. However, the proposed amendment does not allow for undocumented transactions."

A similar measure was on the ballot a few years ago that would have allowed expenses up to \$15,000 be approved without a contract. That failed 51 percent to 49 percent.

As a comparison, South Lake Tahoe's city manager is allowed to approve expenses up to \$6,000 without council approval and contracts up to \$30,000.

Besides *Lake Tahoe News*, other supporters of Measure C include Supervisor John Knight, Supervisor Ron Briggs, District Attorney Vern Pierson, Sheriff John D'Agostini, Auditor-Controller Joe Harn, and the El Dorado Hills Chamber of Commerce board of directors.

Measure B in a slightly different format was also before voters in recent years and barely failed.

What is different this time around is this will lock in rates for businesses whose gross sales do not increase. As it is today and was on the previous ballot measure that did not pass, the business license tax increased each year based on the consumer price index. The CPI component has been eliminated in Measure B.

Ninety-eight percent of South Lake Tahoe businesses would have a lower tax with the passage of Measure B.

While *Lake Tahoe News* supports Measure B, there are two flaws. One is the timing. The vote is June 5 and the new rate structure takes effect July 1 – when the annual license is paid to the city. This was poor planning on the city's part. The increase should have been delayed to 2013 to give

businesses the opportunity to work the new rates into their budget.

The other flaw is with not keeping the CPI part of the tax structure. Without having it in there, and assuming Measure B passes, one day the city will be collecting less money than it did in 2011.

Conflicting messages have come out of city hall as to whether Measure B is all about making things more equitable for businesses or if the intent is to bring in a couple hundred thousand dollars more a year.

Lake Tahoe News likes both reasons. We just don't understand why the CPI component was eliminated and strongly disagree with that decision. But we don't disagree enough to vote no.

Measure B is for businesses. Yes, the cap goes from about \$3,000 a year to \$20,000 – but that means those making more money are paying a fairer percentage of their gross income. The measure attempts to level the playing field, so to speak.

South Tahoe Chamber of Commerce has come out against Measure B. Lake Tahoe South Shore Chamber of Commerce is not taking a stance.

Lake Tahoe News says yes to B and C.