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CITY CLERK



City Clerk's Office
Lakewood Civic Center
480 S. Allison Parkway
Lakewood, CO 80226-3127
Email: Margy Greer
margre@lakewood.org
Phone: 303-987-7080
Fax: 303-987-7088
TDD: 303-987-7057

CAMPAIGN FINANCE COMPLAINT FORM

Your Information – Information about the person filing the complaint (complainant)

Full Name: Fred Clifford
Address: 11405 W. 17th Place City: Lakewood State: CO Zip: 80215
Telephone number: 303-215-1375 Email address: clifffrw@comcast.net

Counsel's Information – If you are represented by counsel, you must provide the following:

Attorney's Name: N/A
Law Firm: _____
Address: _____ City: _____ State: _____ Zip: _____

Information of the person alleged to have committed a violation:

Full Name: Bill Furman
Address: 814 S. Lewis St. City: Lakewood State: CO Zip: 80226

Alleged violation – must include the section of the code or rule# or the alleged violation.

Used campaign funds to make contributions to other
non-Lakewood political campaigns.
Violation of Section 2.54.030 – prohibition to using
campaign funds for "personal purposes not related to
the candidate's election."

Fred Clifford Date: 2/10/2019
Complainant's Signature

Counsel's Signature (required if applicable) Date

Margy Greer
Lakewood City Clerk
City of Lakewood
480 S. Allison Pkwy.
Lakewood, CO 80226

February 1, 2019

RE: Campaign Finance Reporting Violation Complaint

Dear Ms. Greer:

Pursuant to Lakewood City Ordinance 2.54.050 B Enforcement (1), I hereby file a complaint that City Council Candidate Bill Furman violated Section 2.54.030 of the City's Municipal Election Procedures on SEVEN (7) occasions by using campaign funds for "personal purposes".

The applicable section of the Municipal Election Procedures is Section 2.54.030 (6) which requires:

(d) In no event shall contributions to a candidate committee be used for personal purposes not reasonably related to supporting the election of the candidate.

Colorado state law further clarifies "candidate committees may not contribute to another candidate committee."

In the regularly scheduled 2018 annual report covering the period of December 1, 2017 through October 31, 2018, Mr. Furman reported expediting \$227 in campaign funds on "campaign contributions" to the election campaigns of non-city candidates in 2018 as follows:

- (1) April 1, 2018 – campaign contribution of \$25 to State Representative candidate Kerry Tipper,
- (2) April 1, 2018 – campaign contribution of \$50 to Jefferson County Commission candidate Lesley Dahlkemper,
- (3) April 1, 2018 – campaign contribution of \$25 to State Representative candidate Tammy Story,
- (4) February 2, 2018 – campaign contribution of \$25 to State Representative candidate Kim Netherton,
- (5) March 20, 2018 – a second campaign contribution of another \$25 to State Representative candidate Kerry Tipper,
- (6) July 31, 2018 – campaign contribution of \$27 to RTD Board candidate Brad Evans,
- (7) August 22, 2018 – a third campaign contribution of additional \$50 to State Representative candidate Kerry Tipper

ITEMIZED EXPENDITURES STATEMENT

(more than \$20.00)

Full Name of Committee	Bill Furman 4 Lakewood		
Reporting Period	12/01/2017 through 10/31/2018		
TOTAL EXPENDITURES	\$	408.00	(total amount is calculated based on the entries below)

#	Date of Expense	Amount	Name	Address	City/State/Zip	Purpose of Expenditure	Electioneering Communication (Y/N)
1	12/1/17	\$ 175.00	Facebook	1 Hacker Way	Menlo Park, CA 94025	Facebook boosts	y
2	1/4/18	\$ 25.00	actblue-kerry tipper	PO Box 441146	Somerville, MA 02144-0031	Campaign contribution	n
3	1/4/18	\$ 50.00	actblue-L. Dahlemper	PO Box 441146	Somerville, MA 02144-0031	Campaign contribution	n
4	1/4/18	\$ 25.00	actblue-Tammy Story	PO Box 441146	Somerville, MA 02144-0031	Campaign contribution	n
5	2/8/18	\$ 25.00	actblue-Kim Netherton	PO Box 441146	Somerville, MA 02144-0031	Campaign contribution	n
6	3/20/18	\$ 25.00	actblue-kerry tipper	PO Box 441146	Somerville, MA 02144-0031	Campaign contribution	n
7	7/31/18	\$ 27.00	actblue-Brad K Evans	PO Box 441146	Somerville, MA 02144-0031	Campaign contribution	n
8	8/22/18	\$ 50.00	actblue-kerry tipper	PO Box 441146	Somerville, MA 02144-0031	Campaign contribution	n
9	8/31/18	\$ 2.00	First Bank	PO Box 150097	Lakewood, CO 80215	Bank fee	n
10	9/28/18	\$ 2.00	First Bank	PO Box 150097	Lakewood, CO 80215	Bank fee	n
11	10/31/18	\$ 2.00	First Bank	PO Box 150097	Lakewood, CO 80215	Bank fee	n

▶ Chapter 2.01 - Boards, Commissions and Committees

▶ Chapter 2.02 - City Council

▶ Chapter 2.04 - Administrative Departments

▶ Chapter 2.05 - Removal of Members of the Lakewood City Council

▶ Chapter 2.06 - City Manager

▶ Chapter 2.08 - Operating Departments

▶ Chapter 2.12 - General Officers

▶ Chapter 2.13 - Transcripts of Proceedings Before Administrative Bodies

▶ Chapter 2.14 - Fees for Photocopying and Certification of City Documents

▶ Chapter 2.16 - Planning Department-Board of Adjustment

▶ Chapter 2.20 - Municipal Court

▶ Chapter 2.21 - Judicial Review Commission

▶ Chapter 2.36 - Police Retirement

▶ Chapter 2.44 - Federal Rent Supplement Program

▶ Chapter 2.48 - Park Control and Management

▶ Chapter 2.52 - Initiative and Referendum Procedures

▶ Chapter 2.53 - Municipal Election Procedures

▼ Chapter 2.54 - Campaign and Political Finance In Municipal Elections

2.54.010 Declaration

2.54.020 Definitions

2.54.030 Candidates-Committees-Registration-Contribution Limits-Expenditures-Reporting

2.54.040 Reporting Requirements-Where and When Filed

2.54.050 Duties of the City Clerk – Recordkeeping–Enforcement-Sanctions

2.54.060 City - Limitations on Contributions

2.54.070 Electioneering

2.54.030 Candidates-Committees-Registration-Contribution Limits-Expenditures-Reporting



A. Candidates and Candidate Committees

(1) Affidavit. Within ten days after an individual becomes a candidate and before circulating any petition, such individual shall certify, by affidavit filed with the City Clerk, that the candidate is familiar with the provisions of this Chapter.

(2) Candidate Committee Registration. Except as otherwise provided in this Chapter, all candidate committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:

(a) The organization's full name, spelling out any acronyms used therein;

(b) A natural person authorized to act as a registered agent or representative;

(c) A street address and telephone number for the principal place of operations;

(d) All affiliated candidates and committees;

(e) The purpose or nature of interest of the committee or party;

(f) The name of the financial institution where the committee has opened an account.

(3) Contribution Limits. A candidate committee may accept no more than Two Thousand Five Hundred Dollars (\$2,500.00) from any person for candidates for City Council, and no more than Five Thousand Dollars (\$5,000) from any person for candidates for Mayor.

(4) Reports.

(a) All candidate committees shall report to the City Clerk their contributions received, including the name and address of each person who has contributed more than twenty dollars; expenditures made, and obligations entered into by the committee or party.

(b) In the case of contributions made to a candidate committee, the disclosure required by this section shall also include the occupation and employer of each person who has made contributions totalling one hundred dollars (\$100) or more to such committee.

(5) Reimbursement. A candidate's candidate committee may reimburse the candidate for expenditures the candidate has made on behalf of the candidate committee. Any such expenditures may be reimbursed at any time. Notwithstanding any other provision of law, any expenditure reimbursed to the candidate by the candidate's candidate committee within the election cycle during which the expenditure is made shall be treated only as an expenditure and not as a contribution to and an expenditure by the candidate's candidate committee. Notwithstanding the date on which any such expenditure is reimbursed, the expenditure shall be reported at the time it is made in accordance with the requirements of this section.

(6) Unexpended contributions. Unexpended campaign contributions to a candidate committee may be:

(a) Contributed to a candidate committee established by the same candidate for a different public office, if the candidate committee making such a contribution is affirmatively closed by the candidate no later than ten (10) days after the date such a contribution is made;

(b) Donated to a charitable organization recognized by the internal revenue service; or

(c) Returned to the contributors, or retained by the committee for use by the candidate in a subsequent campaign.

(d) In no event shall contributions to a candidate committee be used for personal purposes not reasonably related to supporting the election of the candidate.

(e) A candidate committee for a former officeholder or a person not elected to office shall expend all of the unexpended campaign contributions retained by such candidate committee, for the purposes specified in this Section 6, no later than nine (9) years from the date such officeholder's term expired or from the date of the election at which such person was a candidate for office, whichever is later.

(f) In addition to any use described in this Section 6, a person elected to a public office may use unexpended campaign contributions held by the person's candidate committee for any of the following purposes:

(1) Voter registration;

(2) Political issue education, which includes obtaining information from or providing information to the electorate;

such contributions on the regularly scheduled disclosure reports.

Loans

Candidates may accept both personal loans from themselves and loans from financial institutions. Loans from financial institutions are permissible if the loan bears the usual and customary interest rate.

Contribution limits do not apply to loans from a financial institution. The candidate must report the loan and show loan payments. Loans from a financial institution cannot be forgiven.

Candidates may forgive loans made by the candidate to his or her own committee and contribution limits do not apply. For candidates who have accepted VSL, loans count toward contribution limits. **Candidates may not receive loans from any other individuals or entities.**

Legal provisions related to contributions

Definitions	Art. XXVIII, Sec. 2(5)
Registration required	1-45-108(3), C.R.S.
Limits	Art. XXVIII, Sec. 3; 1-45-103.7 C.R.S., Rule 10.16
Conduits prohibited	Art. XXVIII Sec. 3(7)
Reimbursement prohibited	Art. XXVIII Sec. 3(11)
Major Contributors	1-45-108(2.5), C.R.S.
LLCs	1-45-103.7, C.R.S.
Voluntary spending limits	Art. XXVIII, Sec. 4
Loans	Art. XXVIII, Sec. 3(8); Rule 10.12
Sanctions	Art. XXVIII, Sec. 10

Expenditures by Candidates and Candidate Committees

Simply stated, expenditures refer to the money an individual or committee spends. Money spent on anything for the purpose of expressly advocating the election or defeat of a candidate is considered an expenditure.

An expenditure occurs when it is made, when funds are obligated, or when a contract is established, whichever occurs first.

Expenditures controlled by or coordinated with a candidate or a candidate’s agent represent both contributions by the person making the expenditure, and expenditures by the candidate committee.

No committee or candidate may spend more than \$100 in cash or coin on any single expenditure.

Committees must itemize all expenditures of \$20 or more (either one-time expenditures or expenditures greater than \$20 in aggregate during a reporting period). Itemized expenditures must list the name and address of the payee and the purpose of the expense.

Candidate committees may not contribute to another candidate committee.

Committees that do not reimburse third-party expenditures (those made on behalf of the committee by someone other than the candidate, agent, or other person affiliated with the committee) should report them as non-monetary (in-kind) contributions.

Committees should report mileage as an expenditure using the Internal Revenue Service (IRS) rate.

Reimbursements

Committees should report reimbursements by the campaign to candidates, staff, and volunteers as expenditures.

Candidate committees may reimburse the candidate for expenditures the candidate made on behalf of the committee at any time. The disclosure report should list this as a reimbursement and should explain the purpose of the original expenditure. For example, if the payee is the candidate’s bank or the candidate themselves because it is a reimbursement for credit card or out-of-pocket expenses, the purpose should include what the candidate purchased and from whom. Simply stating “credit card payment” or “reimbursement” as the purpose is insufficient.

You must disclose each reimbursement of \$20 or more separately.

No person may act as a conduit for a contribution to a candidate committee and the law prohibits anonymous contributions of \$20 or more.

Prohibited Contributions

Colorado law prohibits candidates and candidate committees from accepting contributions from:

- ◆ Corporations (profit or non-profit)
- ◆ Foreign citizens, corporations, or governments
- ◆ Another candidate committee (local, state, or federal)
- ◆ Lobbyists, principals of lobbyists, or political committees who retain a lobbyist, when the General Assembly is in regular session (applies to member of or candidates for the General Assembly or Executive Office)
- ◆ Anonymous contributions of \$20 or more
- ◆ Limited Liability Companies (LLCs), *if any of the LLC members are a:*
 - Corporation or labor organization
 - Natural person who is not a U.S. Citizen
 - Foreign government
 - Professional or volunteer lobbyists, or a principal of a lobbyist prohibited from contributing by 1-45-105.5(1), C.R.S.
- ◆ LLCs that the IRS treats as corporations, and from LLCs with publicly traded shares

Colorado law prohibits a person from making a contribution with the expectation that the recipient will reimburse all or a part of the contribution.

Colorado law permits LLC contributions subject to the following requirements:

- ◆ LLC contributions are attributed to the members of that LLC and if the members are natural persons, the amount contributed as a member of the LLC counts towards aggregate contribution limits for that person.

- ◆ The LLC must provide the candidate or committee with a written statement affirming the permissibility of the contribution. (The Secretary of State's office has a sample form on its website, or the LLC may create their own.)
- ◆ Please review Section 1-45-103.7(8), C.R.S. for the definition of Limited Liability Company for campaign finance purposes.
- ◆ The affirmation must include:
 - Name & address of all LLC members.
 - Information on how to attribute the contribution among the LLC members. The attributed amount must reflect the capital the member has invested in the company at the time of the contribution (percentage of ownership).
 - Occupation and employer information for a member must also be provided for contributions of \$100 or more attributed to that LLC member.
- ◆ The committee must:
 - Retain affirmation statements for 1 year after the end of the election cycle.
 - Itemize LLC contributions regardless of amount.
 - List both the individual LLC member's name as the contributor as well as the name of the LLC.

Limits

Candidates may accept contributions for both the primary and general election. Contribution limits apply once for the primary election and again for the general election.

Note: A candidate committee may accept and spend contributions for the primary and general election at any time during the election cycle regardless of whether or not the election is contested.