



# JOURNAL

A Public Policy Monthly from the Citizens League

## INSIDE



### Homeowners paying more directly for schools

Changes in school levies complicate the property tax picture

by Bob DeBoer

For decades, Minnesota has struggled to balance simplicity and equity in its state and local tax systems. In no place is this more evident than the funding of K-12 education. How can the state provide funding for the desired equity in K-12 education and promote clear lines of accountability between local property taxpayers and their school districts?

The Citizens League helped to create the model for school funding equity that resulted in the most significant and long-lasting achievements of the Minnesota Miracle. Regardless of a community's property wealth, Minnesota committed to equitable schools for all. Over the decades since, however, school levies and funding formulas have grown to a level of complexity that very few understand. Despite the goal of a more accountable system, recent changes in the property tax system, along with changes in education funding at the state and local level, have kept it difficult for homeowners to determine how their tax dollars are spent.

#### Homeowners' responsibility grows

The Citizens League's annual homestead property tax review (released October 16, 2006) found that school referenda approved by voters in 2005 were behind the largest homeowner property tax increases in 2006. Just as significant overall, the state's share of K-12 education funding decreased from 83 percent to 81

percent, and the state granted school districts more authority to raise property taxes without voter approval.

The net result is that homeowners paid more directly for school funding in 2006, and property tax increases for schools were generally more significant than property tax increases for cities and counties. Statewide, from 2005 to 2006, increases for school property tax (\$235 million) exceeded increases for city and county taxes combined (\$230 million), according to the non-partisan Minnesota House of Representatives Research Department.

(See Tables 1 and 2 for overall tax changes from 2005 to 2006; visit [www.citizensleague.net](http://www.citizensleague.net) for changes by each level of government and a more detailed analysis.)

#### School levies drive increases

Of the Twin Cities metro area communities with the top 20 increases in effective tax rates for all taxing jurisdictions from 2005 to 2006, all 20 had significant increases in school taxes, more than half of which were voter approved. Specifically, 10 out of the top 20 increases were mainly due to voter-approved market-value levies for school operations. In four of the top 20, increases in city tax levies played a significant role.

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# CONNECTIONS

Building a League of Citizens



Tom Swain (not pictured) receives a standing ovation along with a 2006 Civic Leadership Award at the Citizens League annual meeting in October.

## Road pricing summit

Thursday, February 1, 8 a.m. – 12 p.m., location TBA.  
Presented in partnership with the Humphrey Institute and MnDOT.

Minnesota must reform its transportation financing system to better manage its roads and improve the state's transportation system. Road pricing is not just about raising revenue but about creating a more transparent pricing system that deals directly with some of the costs (including externalities) of roads and congestion.

Join us for a look at some of the road pricing options that have been tried nationally and internationally and a discussion of what the next steps should be in Minnesota.

Speakers include: **Peter Bell** (invited), Chairman, Metropolitan Council; **Max Donath**, Intelligent Transportation Systems Institute, University of Minnesota; **Tyler Duvall** (invited), Assistant Secretary for Policy and Planning, U.S. Department of Transportation; **Carol Flynn** (invited), Transit for Livable Communities; **Jim Hovland** (invited), Mayor of Edina; **Linda Koblick**, Hennepin County Commissioner; **Carol Molnau** (invited), Commissioner, Minnesota Department of Transportation; **Ed Regan**, Wilbur Smith Associates; and **Ferrol Robinson**, SRF Consulting.

## Uncivil discourse and the rise of the outrage industry

Wednesday, February 7, registration and reception at 5:30 p.m., program at 6:30 p.m.

Presented in partnership with the Walker Art Center.  
Walker Art Center, McGuire Theater

Citizens League Board Member **Nate Garvis** says there is an industry growing up around us that is intent on keeping us angry rather than on discovering what can bring us together. What are the forces that are driving us apart and why have we become so vulnerable to this "outrage industry"? What are the effects on the institutions that support our communities? And what can we do together to tackle our communities' needs?

This is a free event. Please bring a friend and introduce them to the work of the Citizens League.

Register online for both events at [www.citizensleague.net](http://www.citizensleague.net).

## New members, recruiters and volunteers

### New and Rejoining Members

Harry Boyte  
Amy Brenengen  
Carla Carlson  
Thomas Darling  
Marian Deegan  
Lisa Edstrom  
Jason Geer  
Alene Grossman  
Melissa Heus  
Ian Keith and Gail Daneker  
Peder Larson  
Ron and Cathy Lidbeck  
Bart Osborn  
Charles Pallas  
Margaret Soran  
Rebecca Stenberg  
Michael Wilhelmi  
and Susan Roeder

### Recruiters

Garry Hesser  
Dianne Krizan  
Jonathan Palmer

### Volunteers

Ann Berget  
Cal Clark  
Ben Cox  
Stephen Cox  
E. Philip Heyde  
Sarah Idowu  
Judy Kirby  
Megan Metzger  
Roland Nimis  
Lauren Satterlee  
Rachel Satterlee  
Amy Stenson  
Lori-Anne Williams

### Firms and Organizations

Canadian Consulate General  
The Dorsey and  
Whitney Foundation  
Lindsey Alexander Consulting  
Spring Hill Center  
Target Corporation

**community connections**  
**calendar** • point • click • engage

## [www.pointclickengage.org](http://www.pointclickengage.org)

The Community Connections Calendar is your one-stop shop for public affairs events in the Twin Cities.

## Member Poll

The Citizens League is thinking of starting a mentoring program. Is that something you'd be interested in?

- Yes – I want to be a mentor.  
 Yes – I want to be mentored.  
 No – I'm not interested.

Go to [www.citizensleague.net](http://www.citizensleague.net) to vote!



## The fundamental purpose of education is democracy

Revisiting education's mission serves Minnesota's interest

by Sean Kershaw

Our Minnesota Anniversary Project (MAP 150) agenda asks the question “what can we learn from students that will help them stay motivated in school?” From that, you might conclude we’re assuming that education should be just about what the kids want—which isn’t our intent at all.

But this question highlights two reasons why our current education debate is off the tracks. First, because students are an after-thought in the brick-throwing between opposing interest groups, and more importantly, because the debate ignores the primary purpose of education—democracy itself—which puts the involvement of these students in the right perspective.

By redefining the debate around this purpose, I think we will not only have more success improving education policy and outcomes in Minnesota, we’ll also improve our ability to solve future policy challenges.

### The purpose of education

The fundamental purpose of education in a democracy is democracy: to create citizens who are capable of self-governance. It’s not about what the kids want; it’s about what a democracy demands. And it is about more than the kids or the interest groups that are currently throwing white papers and expensive ad campaigns at each other. Every Minnesotan and every institution has a role in education and needs to step up to the table.

Education creates the civic capacity we need in a democracy: citizens who understand democratic virtues; who are informed and understand history; who can deliberate and discern well; who have the ability to pursue their economic interests; and who have the skills to govern for the common good and find common ground in an increasingly diverse Minnesota and a rapidly changing world.

Thomas Jefferson understood this purpose when he said “whenever the people are well informed, they can be trusted with their own government.” The philosopher John Dewey understood it when he said

Most concerning is the feeling that we are losing the capacity to solve this problem.

“we naturally associate democracy, to be sure, with freedom of action, but freedom of action without freed capacity of thought behind it is only chaos.”

### Our policy dilemma

Minnesotans understand that our education system is failing. In our MAP 150 poll more than 70 percent said the quality of the system has stayed the same or grown worse in recent years.

The evidence backs them up. Minnesota has one of the highest racial achievement gaps in the country and this, coupled with demographic trends, is likely to soon result in declining numbers of graduates. We perform below our global competitors in math and science, one-third of high school graduates need remediation when they enter higher education, and higher education is unaffordable for too many families.

And perhaps most concerning is the feeling that we are losing the capacity to solve this problem. For example, our current efforts to “do something” to address the symptoms (spend more; test more; mandate more; regulate more; cut more) aren’t producing the outcomes we need. But strategies that only address these symptoms, without going to the fundamental or unifying purpose of the issue, won’t solve the problem.

### Reframing the debate

We need to reframe the education debate around its fundamental democratic purpose.

For example, as we move forward with our MAP 150 education agenda, we’ll work with school professionals, parents, employers, and other stakeholders to

demonstrate how students can be brought into a public process to address the barriers to making schools work.

We’ll focus on students, not because they are passive “consumers” of education, but because as citizens of their own schools they play an important role, and they have an obligation to make those institutions work (to be “producers” of education). We’ll focus on what students need to be motivated, not out of their limited self-interest, but because this self-interest is essential to achieve the broader enlightened self-interest of Minnesota. We’ll expand the conversation to include other institutions like employers and community organizations because they have a role and a self-interest in student success.

If we can motivate students and involve them as decision-makers (experts in their own education) we can also instill in them the skills they will need as adults and active citizens. It will expand the narrow-interest domination of the current discussion by focusing on the common interests we have in a better education outcome: a better educated citizenry.

### Irony and opportunity

The ultimate irony is this: we know we’re “stuck” in our ability to solve public problems like education. And yet the fundamental purpose of education is to build the democratic capacity to solve public problems.

But this is actually great news. By rededicating ourselves to the purpose of education we provide a means to work through very immediate and difficult differences on this topic, we create models we can use to address other public problems, and we build a new generation of leaders that can successfully solve other public problems.

I can’t think of a better present that the Citizens League could offer Minnesota for its 150th birthday. ●

Sean Kershaw is the Executive Director of the Citizens League, and can be reached at [skershaw@citizensleague.net](mailto:skershaw@citizensleague.net) or 651-293-0575x14. You can also comment on this Viewpoint at: [www.citizensleague.net/blogs/sean](http://www.citizensleague.net/blogs/sean).

# 2006 Membership Drive

## In the new year... Resolve to Get Involved

**OUR GOAL** for this year's membership drive is bold: we aim to build our membership to 2,400 by the end of our fiscal year. This is the most ambitious drive in a generation, and we will need the participation of many current members to reach our goal. And now is a great time to recruit new members—thanks to the generous support of the Pohlad Family Foundation, we will receive a dollar-for-dollar match on every new membership.

The Citizens League is a membership-based organization. Our policy work would not be possible if not for the active participation of our many members. Members help organize events, come up with ideas for our policy work, staff study committees and form the working groups that keep our organization running. We need a broad base of members to accomplish our policy goals in the coming years and beyond.

For more information on the membership drive and how you can contribute visit the new membership section of the Citizens League website at [www.citizensleague.net](http://www.citizensleague.net) or contact the Citizens League membership staff at **651-293-0575**.

### How you can help:

**Spread the word:** We know from many members that the reason they joined was because someone they knew and respected was involved. So ask others around you—family, friends, coworkers and neighbors—if they know about the Citizens League, and talk with them about your involvement.

**Become an active recruiter:** Set a goal for yourself and work with Citizens League staff to achieve it—we will provide you with the tools and support you need.

**Hold a recruitment event:** Throughout the drive, members will hold house parties and recruitment events, and we are looking for more members to host or attend events. Meet new people and connect with other members—contact the Citizens League staff if you are interested. We'll help you plan it and can arrange for staff and board members to attend if you'd like.

**Give a gift membership:** A Citizens League membership is a great holiday gift idea—and thanks to the Pohlad Family Foundation's matching grant, this is an especially good time to give. A gift membership is a great way to get friends and family involved, and it results in extra dollars to support our work. You can give a gift membership on our website.

## WHY ARE YOU A MEMBER OF THE CITIZENS LEAGUE?

*As a former legislator, I know what real help looks like. That is what the Citizens League does... real solutions for real problems. The solutions require effort, vetting, and real people involvement. The proposed solutions may not find agreement in all quarters, but few question the process.*



—DUANE BENSON

*Staying informed about issues, important to our community as a whole and seeking solutions for the greater good have always been important to me. It's invigorating to be a part of such a large organization with like-minded people and opportunities to advance positive change.*



—VALERIE SCHOEPF

*I feel responsible for the common good.*

—SIEGLINDE GASSMAN



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Signed, Sean Kershaw, publisher. September 29, 2006

Extent and Nature of Circulation	Average No. Copies Each Issue During Preceding 12 Months	Single Issue Nearest to Filing Date
A. Total number of copies (net press run)	1910	1950
B. Paid and/or requested circulation		
1. Paid/requested outside-county mail subscriptions stated on form 3541	952	736
2. Paid in-county subscriptions	695	839
3. Sales through dealers and carriers, street vendors and counter sales	0	0
4. Other classes mailed through USPS	0	0
C. Total paid and/or requested circulation	1647	1575
D. Free distribution by mail		
1. Outside-county as stated on form 3541	0	0
2. In-county as stated on form 3541	0	0
3. Other classes mailed through the USPS	0	0
E. Free distribution outside the mail	0	0
F. Total free distribution	0	0
G. Total distribution	1647	1575
H. Copies not distributed	263	375
I. Total	1910	1950
Percent paid and/or requested circulation	100	100



From the members

## Exercise your civic muscle

Regift the gift of Minnesota to future generations

by Eric Schubert

Minnesota is better handled by some generations than others. Take the Greatest Generation, for example. In 1942, eight people began meeting every other Wednesday night in Minneapolis. Their slogan “instead of beefing, let’s act” didn’t move people, but they did. Pre-internet, they manually recruited others and within 10 years the “great eight” grew to more than 2,000 individuals, businesses, unions, congregations, and foundations working together for the common good. The Citizens League was born.

As the Citizens League expanded, so did new ideas and realities, such as the Hennepin Parks District (now the Three Rivers Park District), the Metropolitan Council, Metro State University, “Minnesota Miracle” tax reforms, and charter schools.

Unfortunately, as Minnesota moved into the new millennium, it and the Citizens League stalled. It is no coincidence that as the Citizens League hit life support with waning membership and declining volunteerism—an essential artery of idea generation and action severed—our state legislature sank into a dysfunctional quagmire.

Minnesota looks far different than it did at its founding. One constant, though, is our need for critical thinking and participation that can turn ideas into realities. We are the marketplace. Policymakers, media, and others respond to the marketplace. And as citizen leaders we strengthen or weaken it by what we do or don’t do.

Voting and joining the Citizens League are worthy civic exercises. But if those are the only times we get off the couch, we won’t forge solutions on transportation, healthcare, student achievement, safety in North Minneapolis, dirty streams, the financial challenges of our aging population, or other big things that we can actually do something about.

As citizens, we have a precious gift: immense power to shape ideas and engage others in solutions. You need not be an “expert,” have consultants, or give up your social or family time to tap that power. Instead, you have to share things that we all have: our minds, determination, some creativity (yes, we all have it), and our voices. The following are just a few simple tools to help us to move from being simply members of this state to builders of it.

**Plant idea seeds:** Fingers still seed movements. Write an opinion article for your local newspaper spotlighting an idea that bucks stagnation. Or go to blogger.com and start your own MAP 150 blog. Reciprocate links with other blogs to make contacts and spread idea seeds. Seeds often pop into movements. Pre-K education, Minneapolis’ Midtown Market, and Voyageurs National Park are just three of the idea seeds planted and grown by Citizen League members.

**Connect without meetings:** Don’t let your words sit. Use email to share, not empty partisan babble, but news people can use to learn and act. Share your columns, links to insightful articles and web sites. Use constantcontact.com to set up an inexpensive, customized email distribution network. You can also use a free online tool called squidoo and become a Minnesota civic “lensmaster.” At Squidoo.com you can set up “lenses,” or topic-based pages devoted to your focus, and include various links to draw readers and point them to action.

**Open a policy lab:** Just as you don’t have to be Thomas Friedman to start a book club, you don’t have to be a PhD to shape public policy. Join with friends, coworkers, congregants, or other Citizen League members over beer and pizza on Thursday nights, pick a policy, and figure out a better way. Invite different viewpoints to make your ideas stronger.

**Take ideas to market:** After giving shape to ideas, keep the group together to spread those idea seeds and grow them. Use the tools above, add a web site (not difficult), and build your email list. Start a public access TV show around the issue. They’re cheap, air over and over, and locals watch them. These varied low-cost public interactions serve as your own focus groups and raise visibility for your ideas.

**Join the Legislature sans campaigning:** The beauty of Minnesota’s Legislature is that its politics are still local. Legislators are citizens like you and I. They don’t have all the answers. Use the vehicles above to bring your representatives constructive ideas and help them turn ideas into legislation. We’re in this together.

**Keep the Citizens League pumping:** Today the Citizens League pumps with resurgent blood. Over 300 people attended the recent annual meeting to learn about the MAP 150 project. Involvement, dollars, and diversity have substantially increased. Help keep this movement moving by bringing others to the Citizens League, not simply to join but to act.

Sixty-four years ago a small group of people decided to raise ideas, be heard and move Minnesota forward. The gift is now in our hands. ●

Eric Schubert is a Citizens League member and Director of Communications at Ecumen, Minnesota’s largest non-profit senior housing company.



# Taxes

continued from page 1

Of the top 20 communities with increases in effective tax rates in greater Minnesota (out of 91 communities), 15 of 20 involved significant school tax increases. In eight of the top 20, market value levies for school operations were a significant factor. Also, in eight of the top 20 increases, city tax increases were a significant factor. In two of the top 20, counties played a significant role in tax increases.

Of the top 20 decreases in effective tax rate in the Twin Cities metro area from 2005 to 2006, most were the result of county and city reductions. In 17 of the top 20, county reductions were significant; in nine of 20, city reductions were significant; and in four of 20, school reductions were significant.

Of the top 20 decreases in effective tax rate in Greater Minnesota, the results were more balanced. In 13 of the top 20, school reductions were significant; in 11 of 20, county reductions were significant; and in eight of 20, city reductions were significant.

## Why use effective tax rate?

Under the property tax system, a home is taxed based on its market value. Effective tax rate measures what percent of market value is paid in property taxes, which makes it an accurate tool for comparison across different taxing jurisdictions. A decline in effective tax rate, however, does not mean that a homeowner paid less in property taxes unless the market value of their property remains the same. Every community in the survey saw an increase in the average market value of homes from 2005 to 2006. The smallest increase was in Wadena (\$245); Orono had the largest increase (\$87,667).

In 2006, the owner of an average value home in Centerville paid about 1.4 percent of the value of that home in property taxes, the highest effective metro tax rate (1.394%). The owner of an average value home in West Lakeland Township paid about 0.7 percent of the value of their home in

### TABLE 1: PROPERTY TAXES ON AVERAGE VALUE HOMES IN 111 METROPOLITAN

Cities and Towns Above 2,300 Population, Ranked by Effective Tax Rate (ETR)

Community	2005 Average MV	2005 Final Tax	2005 Effective Tax Rate	2005 Tax Rank	2006 Average MV	2006 Final Tax	2006 Effective Tax Rate	2006 Tax Rank	2005-06 % Tax Change	2005-06 \$ Tax Change
<b>ANOKA COUNTY</b>										
ANDOVER	\$232,176	\$2,262	0.974%	80	\$256,035	\$2,471	0.965%	82	9.2%	\$209
ANOKA	\$172,329	\$1,729	1.004%	70	\$189,493	\$1,910	1.008%	67	10.5%	\$181
BLAINE	\$191,523	\$1,882	0.982%	76	\$216,347	\$2,103	0.972%	79	11.8%	\$221
BURNS TWP	\$248,895	\$1,797	0.722%	110	\$276,631	\$2,234	0.807%	108	24.3%	\$437
CENTERVILLE	\$207,273	\$2,583	1.246%	14	\$231,463	\$3,225	1.394%	1	24.9%	\$642
CIRCLE PINES	\$173,496	\$2,045	1.179%	21	\$195,139	\$2,607	1.336%	3	27.5%	\$562
COLUMBIA HEIGHTS	\$149,103	\$1,474	0.989%	75	\$168,931	\$1,758	1.040%	62	19.2%	\$284
COLUMBUS TWP	\$229,690	\$2,208	0.961%	84	\$254,199	\$2,391	0.941%	87	8.3%	\$183
COON RAPIDS	\$173,826	\$1,630	0.938%	90	\$191,824	\$1,787	0.932%	91	9.7%	\$157
EAST BETHEL	\$195,463	\$1,629	0.833%	106	\$217,619	\$2,060	0.947%	86	26.5%	\$431
FRIDLEY	\$172,961	\$1,775	1.026%	60	\$195,433	\$2,068	1.058%	57	16.5%	\$293
HAM LAKE	\$246,389	\$2,278	0.925%	93	\$275,020	\$2,536	0.922%	92	11.3%	\$258
LINO LAKES	\$244,602	\$2,823	1.154%	28	\$269,543	\$3,537	1.312%	7	25.3%	\$714
LINWOOD TWP	\$201,219	\$2,027	1.007%	67	\$221,733	\$1,766	0.796%	109	-12.9%	-\$261
OAK GROVE	\$221,512	\$2,000	0.903%	95	\$246,017	\$2,294	0.932%	90	14.7%	\$294
RAMSEY	\$209,187	\$2,163	1.034%	57	\$226,988	\$2,380	1.048%	60	10.0%	\$217
SPRING LAKE PARK	\$164,472	\$1,823	1.109%	41	\$182,034	\$2,012	1.105%	42	10.3%	\$189
ST FRANCIS	\$178,477	\$1,655	0.927%	91	\$198,237	\$1,923	0.970%	80	16.2%	\$268
<b>CARVER COUNTY</b>										
CARVER	—	—	—	—	\$255,228	\$3,390	1.328%	(4)	—	—
CHANHASSEN	\$303,258	\$3,895	1.284%	9	\$325,183	\$3,973	1.222%	13	2.0%	\$78
CHASKA	\$235,136	\$2,606	1.108%	42	\$250,924	\$2,710	1.080%	48	4.0%	\$104
N YOUNG AMERICA	\$152,503	\$1,530	1.004%	69	\$167,076	\$1,643	0.983%	73	7.4%	\$113
VICTORIA	\$339,203	\$4,609	1.359%	2	\$367,998	\$4,745	1.289%	9	2.9%	\$136
WACONIA	\$216,243	\$2,357	1.090%	48	\$234,885	\$2,576	1.097%	43	9.3%	\$219
WATERTOWN	\$176,176	\$1,766	1.002%	71	\$191,658	\$2,212	1.154%	32	25.3%	\$446
<b>DAKOTA COUNTY</b>										
APPLE VALLEY	\$226,712	\$2,324	1.025%	61	\$247,102	\$2,806	1.136%	35	20.8%	\$482
BURNSVILLE	\$214,029	\$2,099	0.981%	77	\$234,934	\$2,254	0.960%	85	7.4%	\$155
EAGAN	\$236,330	\$2,228	0.943%	88	\$260,751	\$2,729	1.047%	61	22.5%	\$501
FARMINGTON	\$202,160	\$2,176	1.076%	51	\$223,693	\$2,575	1.151%	34	18.3%	\$399
HASTINGS***	\$190,853	\$2,017	1.057%	53	\$211,047	\$2,462	1.166%	30	22.0%	\$445
INVER GROVE HEIGHTS	\$225,875	\$1,961	0.868%	102	\$254,250	\$2,390	0.940%	88	21.9%	\$429
LAKEVILLE	\$256,776	\$2,616	1.019%	63	\$283,023	\$2,879	1.017%	65	10.1%	\$263
MENDOTA HEIGHTS	\$320,065	\$2,874	0.898%	98	\$353,588	\$3,195	0.904%	96	11.2%	\$321
RAVENNA TWP	\$261,041	\$1,984	0.760%	109	\$298,503	\$2,535	0.849%	101	27.8%	\$551
ROSEMOUNT	\$232,847	\$2,591	1.113%	38	\$260,652	\$3,165	1.214%	16	22.2%	\$574
SOUTH ST PAUL	\$161,368	\$1,549	0.960%	85	\$182,996	\$1,787	0.976%	76	15.4%	\$238
WEST ST PAUL	\$184,594	\$1,784	0.967%	82	\$205,959	\$2,009	0.976%	78	12.6%	\$225
<b>HENNEPIN COUNTY</b>										
BLOOMINGTON	\$223,351	\$2,442	1.094%	46	\$245,001	\$2,614	1.067%	52	7.0%	\$172
BROOKLYN CENTER	\$147,720	\$1,944	1.316%	8	\$168,682	\$2,051	1.216%	15	5.5%	\$107
BROOKLYN PARK	\$187,135	\$2,288	1.223%	16	\$209,818	\$2,417	1.152%	33	5.6%	\$129
CHAMPLIN	\$211,273	\$2,388	1.130%	33	\$233,286	\$2,557	1.096%	44	7.1%	\$169
CORCORAN	\$289,450	\$3,386	1.170%	26	\$315,488	\$3,524	1.117%	41	4.1%	\$138
CRYSTAL	\$162,397	\$2,010	1.238%	15	\$184,183	\$2,225	1.208%	18	10.7%	\$215
DAYTON***	\$249,207	\$3,009	1.207%	18	\$273,206	\$3,252	1.190%	22	8.1%	\$243
DEEPHAVEN	\$539,149	\$6,131	1.137%	32	\$610,444	\$6,509	1.066%	53	6.2%	\$378
EDEN PRAIRIE	\$313,790	\$3,661	1.167%	27	\$341,681	\$4,039	1.182%	26	10.3%	\$378
EDINA	\$358,866	\$4,039	1.126%	35	\$397,728	\$4,245	1.067%	51	5.1%	\$206
EXCELSIOR	\$290,128	\$3,620	1.248%	13	\$328,317	\$3,930	1.197%	20	8.6%	\$310
GOLDEN VALLEY	\$240,198	\$3,260	1.357%	4	\$265,367	\$3,490	1.315%	6	7.0%	\$230
GREENFIELD	\$311,319	\$3,461	1.112%	39	\$344,692	\$4,078	1.183%	25	17.8%	\$617
HASSAN TWP	\$272,863	\$3,144	1.152%	29	\$305,330	\$3,652	1.196%	21	16.2%	\$508
HOPKINS	\$195,859	\$2,452	1.252%	12	\$218,822	\$2,758	1.260%	11	12.5%	\$306
INDEPENDENCE	\$407,677	\$5,536	1.358%	3	\$451,262	\$5,877	1.302%	8	6.2%	\$341
MAPLE GROVE	\$243,991	\$2,864	1.174%	22	\$267,041	\$3,022	1.132%	36	5.5%	\$158
MEDINA	\$533,328	\$4,664	0.874%	100	\$607,691	\$5,177	0.852%	100	11.0%	\$514
MINNEAPOLIS	\$180,586	\$2,467	1.366%	1	\$208,714	\$2,756	1.320%	5	11.7%	\$289
MINNETONKA	\$288,650	\$3,252	1.127%	34	\$315,790	\$3,563	1.128%	37	9.6%	\$311
MINNETRISTA	\$454,872	\$4,964	1.091%	47	\$501,562	\$5,102	1.017%	64	2.8%	\$139
MOUND	\$237,802	\$2,676	1.125%	36	\$269,286	\$2,860	1.062%	56	6.9%	\$184
NEW HOPE	\$186,831	\$2,465	1.319%	7	\$207,221	\$2,615	1.262%	10	6.1%	\$150

# COMMUNITIES, 2005-2006

Community	2005 Average MV	2005 Final Tax	2005 Effective Tax Rate	2005 Tax Rank	2006 Average MV	2006 Final Tax	2006 Effective Tax Rate	2006 Tax Rank	2005-06 % Tax Change	2005-06 \$ Tax Change
<b>HENNEPIN COUNTY Continued</b>										
ORONO	\$595,344	\$5,373	0.902%	96	\$683,011	\$5,944	0.870%	99	10.6%	\$571
OSSEO	\$161,641	\$1,792	1.109%	40	\$181,191	\$1,910	1.054%	58	6.6%	\$118
PLYMOUTH	\$278,075	\$2,918	1.049%	55	\$300,212	\$3,246	1.081%	47	11.2%	\$328
RICHFIELD	\$178,249	\$1,966	1.103%	44	\$199,278	\$2,226	1.117%	40	13.2%	\$260
ROBBINSDALE	\$154,293	\$1,858	1.204%	19	\$176,000	\$2,118	1.203%	19	14.0%	\$260
ROGERS	\$229,357	\$3,037	1.324%	6	\$250,010	\$3,350	1.340%	2	10.3%	\$313
SHOREWOOD	\$420,610	\$5,267	1.252%	11	\$468,436	\$5,559	1.187%	23	5.5%	\$292
ST ANTHONY***	\$197,164	\$2,612	1.325%	5	\$224,234	\$2,974	1.326%	4	13.8%	\$362
ST BONIFACIUS	—	—	—	—	\$222,693	\$2,511	1.128%	(39)	—	—
ST LOUIS PARK	\$200,457	\$2,438	1.216%	17	\$227,330	\$2,659	1.169%	29	9.0%	\$221
WAYZATA	\$548,217	\$6,140	1.120%	37	\$603,721	\$6,746	1.117%	39	9.9%	\$606

## RAMSEY COUNTY

ARDEN HILLS	\$260,131	\$2,739	1.053%	54	\$291,706	\$3,109	1.066%	54	13.5%	\$370
FALCON HEIGHTS	\$228,806	\$2,308	1.009%	66	\$256,087	\$2,519	0.984%	72	9.1%	\$211
LAUDERDALE	\$151,028	\$1,500	0.993%	73	\$172,162	\$1,685	0.979%	75	12.3%	\$185
LITTLE CANADA	\$193,837	\$1,978	1.021%	62	\$219,428	\$2,190	0.998%	68	10.7%	\$212
MAPLEWOOD	\$198,464	\$2,364	1.191%	20	\$221,601	\$2,580	1.164%	31	9.1%	\$216
MOUNDS VIEW	\$174,019	\$2,184	1.255%	10	\$193,915	\$2,353	1.213%	17	7.7%	\$169
NEW BRIGHTON	\$216,992	\$2,494	1.150%	30	\$238,992	\$2,814	1.177%	27	12.8%	\$320
NORTH OAKS	\$592,314	\$5,704	0.963%	83	\$651,312	\$6,272	0.963%	83	10.0%	\$568
NORTH ST PAUL	\$174,677	\$1,873	1.072%	52	\$195,161	\$2,096	1.074%	50	11.9%	\$223
ROSEVILLE	\$204,748	\$2,142	1.046%	56	\$229,319	\$2,358	1.028%	63	10.1%	\$216
SHOREVIEW	\$233,717	\$2,520	1.078%	50	\$261,148	\$2,844	1.089%	46	12.8%	\$324
ST PAUL	\$162,179	\$1,675	1.033%	58	\$188,185	\$2,029	1.078%	49	21.1%	\$354
VADNAIS HEIGHTS	\$219,421	\$2,208	1.006%	68	\$242,291	\$2,331	0.962%	84	5.6%	\$123
WHITE BEAR LAKE***	\$195,539	\$1,981	1.013%	65	\$220,125	\$2,128	0.967%	81	7.4%	\$147
WHITE BEAR TWP	\$236,457	\$2,428	1.027%	59	\$265,628	\$2,620	0.986%	71	7.9%	\$192

## SCOTT COUNTY

BELLE PLAINE	\$169,417	\$1,652	0.975%	79	\$181,538	\$2,255	1.242%	12	36.5%	\$603
CEDAR LAKE TWP	\$314,133	\$2,877	0.916%	94	\$358,738	\$3,291	0.917%	93	14.4%	\$414
CREDIT RIVER TWP	\$337,241	\$3,031	0.899%	97	\$386,851	\$3,775	0.976%	77	24.6%	\$744
JORDAN	\$176,640	\$2,019	1.143%	31	\$203,093	\$2,277	1.121%	38	12.8%	\$258
NEW MARKET TWP	\$339,822	\$2,826	0.832%	107	\$377,264	\$3,200	0.848%	102	13.2%	\$374
PRIOR LAKE	\$244,752	\$2,869	1.172%	23	\$272,645	\$3,317	1.217%	14	15.6%	\$448
SAVAGE	\$237,840	\$2,785	1.171%	24	\$251,635	\$2,962	1.177%	28	6.4%	\$177
SHAKOPEE	\$206,618	\$2,054	0.994%	72	\$219,716	\$2,226	1.013%	66	8.4%	\$172
SPRING LAKE TWP	\$305,688	\$2,898	0.948%	87	\$344,331	\$3,436	0.998%	69	18.6%	\$538

## WASHINGTON COUNTY

AFTON	\$350,350	\$3,246	0.926%	92	\$406,934	\$3,672	0.902%	97	13.1%	\$426
BAYPORT	\$218,235	\$2,137	0.979%	78	\$229,300	\$2,033	0.887%	98	-4.9%	-\$104
COTTAGE GROVE	\$196,659	\$2,171	1.104%	43	\$218,921	\$2,389	1.091%	45	10.0%	\$218
FOREST LAKE	\$230,261	\$1,938	0.842%	104	\$252,756	\$2,097	0.830%	104	8.2%	\$159
GRANT	\$412,799	\$3,691	0.894%	99	\$474,593	\$3,891	0.820%	105	5.4%	\$200
HUGO	\$243,012	\$2,366	0.974%	81	\$262,139	\$2,446	0.933%	89	3.4%	\$80
LAKE ELMO	\$353,160	\$3,071	0.870%	101	\$392,097	\$3,301	0.842%	103	7.5%	\$230
MAHTOMEDI	\$290,861	\$2,952	1.015%	64	\$324,192	\$3,222	0.994%	70	9.2%	\$270
MAY TWP	\$370,317	\$3,020	0.816%	108	\$416,838	\$3,235	0.776%	110	7.1%	\$215
NEW SCANDIA TWP	\$284,002	\$2,387	0.841%	105	\$319,145	\$2,607	0.817%	106	9.2%	\$220
NEWPORT	\$181,869	\$2,129	1.171%	25	\$199,647	\$2,365	1.184%	24	11.1%	\$236
OAK PARK HEIGHTS	\$200,217	\$1,880	0.939%	89	\$218,592	\$2,004	0.917%	94	6.6%	\$124
OAKDALE	\$189,959	\$1,810	0.953%	86	\$209,877	\$1,920	0.915%	95	6.1%	\$110
ST PAUL PARK	\$157,302	\$1,561	0.992%	74	\$173,829	\$1,709	0.983%	74	9.5%	\$148
STILLWATER	\$233,333	\$2,553	1.094%	45	\$259,758	\$2,735	1.053%	59	7.1%	\$182
STILLWATER TWP	\$372,701	\$3,213	0.862%	103	\$416,046	\$3,392	0.815%	107	5.6%	\$179
WEST LAKELAND TWP	\$389,706	\$2,748	0.705%	111	\$431,208	\$2,929	0.679%	111	6.6%	\$181
WOODBURY	\$259,100	\$2,810	1.084%	49	\$286,187	\$3,045	1.064%	55	8.4%	\$235

Number of Rankings				111				111		
								(113)		
<b>METRO AVERAGES</b>	<b>\$223,647</b>	<b>\$2,647</b>	<b>1.183%</b>	<b>111</b>	<b>\$249,448</b>	<b>\$2,923</b>	<b>1.172%</b>	<b>111</b>	<b>11.3%</b>	<b>\$276</b>

\*\*\* = City resides in more than one county, listed under the county with the most residential homesteads.  
Source: Minnesota Department of Revenue. Calculations by the Citizens League.

property taxes, the lowest effective metro tax rate (0.679%). The bottom line: the owner of a \$230,000 home in Centerville paid \$3,225 in property taxes in 2006 and the owner of a \$430,000 home in West Lakeland Township paid \$2,930 in property taxes.

Although effective tax rate provides an accurate tool for comparing taxes across jurisdictions, it has some potential pitfalls when used to compare communities from year to year.

## Drawbacks to the effective tax rate measure

Although effective tax rate provides an accurate tool for comparing taxes across jurisdictions, it has some potential pitfalls when used to compare communities from year to year. When the market value grows faster than the tax levies applied by local governments, effective tax rate declines—even though the increase in property taxes may be significant for some homeowners.

In Orono, for example, the market value on an average value home rose by more than \$87,000 from 2005 to 2006 and the effective tax rate went down. But because of the big increase in market value, the property taxes on that average value home increased \$571—the eighth highest increase in the metro area. Conversely, if levy growth is very modest and market value growth is small, the effective tax rate increase can look quite large.

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## Taxes

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In Morris, the market value of an average value home increased by about \$5,000, and Morris had the eighth highest effective tax rate increase. But because market value growth was small, Morris ranked only 38 among greater Minnesota communities in terms of dollar tax increase (\$148).

For these reasons, the Citizens League's property tax tables include the changes in effective tax rate, the change in dollars, and the percentage change from the previous year. These three indicators are an attempt to paint an overall picture of the property tax status of homeowners in each community.

Market value levies began in the early 1990s as a way to make homeowners more accountable.

### Market value levies

Market value levies have a greater impact on homeowners than other property taxes and have been growing as a percent of total education levies. Market value levies began in the early 1990s as a way to make homeowners more accountable when they voted for more operating funds for schools. The state decoupled the class rate system from these voter-approved referenda so that commercial and rental properties are taxed at the same rate as homes under market value levies. Market value levies limit property tax increases on businesses, a major policy goal of the 1990s. Since 2001, seasonal-recreational property (cabins) and agricultural land have been exempt from market value levies, establishing even more direct responsibility for homeowners. When voters approve levies to fund construction of school facilities, however, the state system still applies.

## TABLE 2: PROPERTY TAXES ON AVERAGE VALUE HOMES IN 91 GREATER MINNESOTA

Cities and Towns Over 3,700 in Population in 2005; Cities and Towns Over 3,500 in Population\* in 2006; Ranked by Effective Tax Rate

Community	2005 Average MV	2005 Final Tax	2005 Effective Tax Rate	2005 Tax Rank	2006 Average MV	2006 Final Tax	2006 Effective Tax Rate	2006 Tax Rank	2005-06 % Tax Change	2005-06 \$ Tax Change
1ST ASSESS UNORG**	\$168,201	\$1,092	0.649%	89	\$190,853	\$1,255	0.658%	90	14.9%	\$163
ALBERT LEA	\$87,104	\$887	1.019%	55	\$92,594	\$1,030	1.112%	40	16.1%	\$143
ALBERTVILLE	\$191,941	\$1,905	0.993%	61	\$208,983	\$2,284	1.093%	44	19.9%	\$379
ALEXANDRIA	\$131,857	\$1,108	0.840%	78	\$142,755	\$1,206	0.845%	79	8.8%	\$98
ALEXANDRIA TWP	\$188,203	\$1,396	0.742%	85	\$212,776	\$1,660	0.780%	87	18.9%	\$264
AUSTIN	\$87,973	\$688	0.782%	83	\$96,921	\$768	0.792%	86	11.6%	\$80
BALDWIN TWP	\$185,273	\$1,332	0.719%	87	\$206,543	\$1,651	0.800%	85	24.0%	\$319
BAXTER	\$164,665	\$1,560	0.948%	69	\$175,178	\$1,674	0.955%	70	7.3%	\$114
BECKER	\$168,142	\$1,703	1.013%	57	\$185,957	\$1,915	1.030%	56	12.5%	\$212
BECKER TWP	\$216,091	\$1,994	0.923%	72	\$234,451	\$2,056	0.877%	77	3.1%	\$62
BEMIDJI	\$88,710	\$1,058	1.193%	28	\$100,510	\$1,138	1.132%	37	7.6%	\$80
BIG LAKE	\$160,098	\$1,882	1.176%	33	\$177,009	\$2,051	1.159%	34	9.0%	\$169
BIG LAKE TWP	\$208,931	\$2,071	0.991%	63	\$227,671	\$2,243	0.985%	66	8.3%	\$172
BLUE EARTH	—	—	—	—	\$72,778	\$749	1.029%	(59)	—	—
BRADFORD TWP	—	—	—	—	\$187,254	\$1,597	0.853%	(88)	—	—
BRAINERD	\$97,918	\$801	0.818%	79	\$108,865	\$924	0.849%	78	15.4%	\$123
BRECKENRIDGE	—	—	—	—	\$85,134	\$799	0.939%	(80)	—	—
BUFFALO	\$178,469	\$1,685	0.944%	70	\$197,105	\$1,752	0.889%	75	3.9%	\$67
BYRON	\$147,078	\$1,924	1.308%	14	\$154,900	\$2,075	1.339%	11	7.8%	\$151
CAMBRIDGE	\$145,436	\$2,078	1.429%	5	\$157,628	\$2,040	1.294%	16	-1.8%	-\$38
CANNON FALLS	\$153,370	\$2,215	1.444%	4	\$167,984	\$2,309	1.375%	8	4.3%	\$94
CHISAGO CITY	—	—	—	—	\$222,692	\$2,748	1.234%	(23)	—	—
CHISAGO LAKE TWP	—	—	—	—	\$259,717	\$2,701	1.040%	(56)	—	—
CHISHOLM	\$56,533	\$667	1.180%	32	\$58,313	\$586	1.005%	62	-12.2%	-\$81
CLOQUET	\$103,793	\$1,295	1.247%	23	\$115,193	\$1,471	1.277%	17	13.6%	\$176
COLD SPRING	—	—	—	—	\$143,165	\$1,349	0.942%	(79)	—	—
CROOKSTON	\$59,600	\$1,111	1.864%	1	\$66,470	\$1,039	1.563%	2	-6.5%	-\$72
DELANO	\$181,646	\$1,871	1.030%	54	\$197,980	\$1,994	1.007%	61	6.6%	\$123
DETROIT LAKES	\$122,324	\$1,170	0.957%	68	\$134,101	\$1,258	0.938%	72	7.5%	\$88
DULUTH	\$129,514	\$1,285	0.992%	62	\$146,308	\$1,393	0.952%	71	8.4%	\$108
EAST GRAND FORKS	\$99,312	\$1,472	1.483%	3	\$116,231	\$1,731	1.490%	3	17.6%	\$259
ELK RIVER	\$198,960	\$2,568	1.291%	15	\$215,057	\$2,853	1.327%	13	11.1%	\$285
ELY	—	—	—	—	\$80,961	\$833	1.029%	(60)	—	—
EVELETH	\$51,128	\$237	0.464%	91	\$53,628	\$225	0.420%	91	-4.9%	-\$12
FAIRMONT	\$84,431	\$662	0.784%	82	\$91,636	\$762	0.832%	80	15.2%	\$100
FARIBAULT	\$146,376	\$1,067	0.729%	86	\$158,521	\$1,282	0.809%	82	20.1%	\$215
FERGUS FALLS	\$97,551	\$736	0.755%	84	\$107,291	\$863	0.804%	83	17.2%	\$127
GLENCOE	\$124,421	\$1,559	1.253%	22	\$132,191	\$1,667	1.261%	20	6.9%	\$108
GRAND RAPIDS	\$108,887	\$1,108	1.018%	56	\$114,065	\$1,135	0.995%	63	2.5%	\$27
HERMANTOWN	\$169,008	\$1,782	1.054%	50	\$184,261	\$1,927	1.046%	53	8.2%	\$145
HIBBING	\$72,127	\$472	0.655%	88	\$77,786	\$548	0.704%	88	16.1%	\$76
HUTCHINSON	\$128,104	\$1,772	1.383%	9	\$140,830	\$1,958	1.390%	6	10.5%	\$186
INTERNATIONAL FALLS	\$59,616	\$539	0.904%	73	\$61,616	\$495	0.803%	84	-8.2%	-\$44
ISANTI	\$137,725	\$1,956	1.420%	7	\$150,020	\$1,959	1.306%	15	0.2%	\$3
ITASCA CO UNORG	—	—	—	—	\$168,420	\$1,343	0.797%	(98)	—	—
KASSON	\$132,421	\$1,545	1.167%	35	\$139,564	\$1,653	1.185%	31	7.0%	\$108
LACRESCENT	\$142,009	\$1,689	1.190%	29	\$152,837	\$1,805	1.181%	32	6.9%	\$116
LAGRAND TWP	\$195,454	\$1,584	0.810%	80	\$215,453	\$1,751	0.813%	81	10.5%	\$167
LAKE CITY***	\$132,345	\$1,223	0.924%	71	\$145,504	\$1,419	0.975%	68	16.0%	\$196
LE SUEUR	\$123,599	\$1,332	1.078%	47	\$133,995	\$1,774	1.324%	14	33.2%	\$442
LINDSTROM	\$182,535	\$2,142	1.173%	34	\$209,679	\$2,446	1.167%	33	14.2%	\$304
LITCHFIELD	\$101,240	\$1,132	1.119%	42	\$108,554	\$1,182	1.088%	45	4.4%	\$50
LITTLE FALLS	\$101,871	\$1,335	1.310%	12	\$110,520	\$1,407	1.273%	19	5.4%	\$72
LIVONIA TWP	\$215,187	\$2,132	0.991%	64	\$230,203	\$2,373	1.031%	55	11.3%	\$241
LIVERNE	\$77,341	\$618	0.800%	81	\$80,618	\$778	0.965%	69	25.8%	\$160
MANKATO	\$138,530	\$1,179	0.851%	77	\$152,381	\$1,339	0.878%	76	13.5%	\$160
MARION TWP	\$157,944	\$1,426	0.903%	74	\$168,895	\$1,535	0.909%	74	7.7%	\$109
MARSHALL	\$121,997	\$1,445	1.185%	31	\$131,303	\$1,599	1.218%	25	10.6%	\$154
MONTEVIDEO	\$70,523	\$902	1.279%	16	\$73,322	\$936	1.277%	18	3.8%	\$34
MONTICELLO	\$159,874	\$1,811	1.133%	39	\$171,268	\$1,785	1.042%	54	-1.4%	-\$26
MONTICELLO TWP	—	—	—	—	\$220,443	\$1,467	0.665%	(103)	—	—



# COMMUNITIES 2005-2006

Community	2005 Average MV	2005 Final Tax	2005 Effective Tax Rate	2005 Tax Rank	2006 Average MV	2006 Final Tax	2006 Effective Tax Rate	2006 Tax Rank	2005-06 % Tax Change	2005-06 \$ Tax Change
MOORHEAD	\$113,149	\$1,207	1.066%	48	\$124,864	\$1,405	1.126%	38	16.4%	\$198
MORA	—	—	—	—	\$122,265	\$1,257	1.028%	(61)	—	—
MORRIS	\$88,674	\$1,130	1.274%	17	\$93,987	\$1,278	1.360%	9	13.1%	\$148
NEW PRAGUE***	\$171,214	\$2,177	1.271%	18	\$185,095	\$2,249	1.215%	27	3.3%	\$72
NEW ULM	\$106,388	\$1,263	1.187%	30	\$114,476	\$1,393	1.217%	26	10.3%	\$130
NORTH BRANCH	\$174,349	\$2,214	1.270%	19	\$188,838	\$2,275	1.204%	28	2.7%	\$61
NORTH MANKATO	\$166,836	\$1,652	0.990%	65	\$169,417	\$1,728	1.020%	58	4.6%	\$76
NORTHERN TWP	\$141,781	\$1,579	1.114%	43	\$156,202	\$1,656	1.060%	48	4.9%	\$77
NORTHFIELD***	\$196,286	\$2,143	1.092%	46	\$213,903	\$2,277	1.065%	47	6.3%	\$134
OTSEGO	\$183,940	\$1,858	1.010%	59	\$203,931	\$2,136	1.047%	51	14.9%	\$278
OWATONNA	\$135,446	\$1,572	1.161%	36	\$149,552	\$1,677	1.122%	39	6.7%	\$105
PIPESTONE	\$56,108	\$646	1.151%	38	\$58,151	\$592	1.018%	59	-8.4%	-\$54
PRINCETON***	\$124,998	\$1,739	1.391%	8	\$140,715	\$2,016	1.433%	4	16.0%	\$277
RED WING	\$145,706	\$1,908	1.310%	13	\$159,963	\$1,926	1.204%	29	0.9%	\$18
REDWOOD FALLS	\$90,229	\$1,237	1.371%	10	\$91,398	\$1,285	1.406%	5	3.9%	\$48
RICE LAKE TWP	\$133,404	\$1,468	1.100%	44	\$153,120	\$1,617	1.056%	49	10.1%	\$149
ROCHESTER	\$151,852	\$1,716	1.130%	40	\$161,264	\$1,846	1.144%	35	7.6%	\$130
ROCKFORD***	\$181,500	\$1,896	1.045%	51	\$205,632	\$2,202	1.071%	46	16.2%	\$306
SARTELL***	\$171,155	\$1,982	1.158%	37	\$179,046	\$2,034	1.136%	36	2.6%	\$52
SAUK CENTRE	\$109,924	\$1,565	1.424%	6	\$119,687	\$1,648	1.377%	7	5.3%	\$83
SAUK RAPIDS	\$141,430	\$1,854	1.311%	11	\$148,571	\$2,005	1.349%	10	8.1%	\$151
SLEEPY EYE	—	—	—	—	\$82,496	\$706	0.856%	(87)	—	—
ST CHARLES	—	—	—	—	\$146,073	\$1,230	0.842%	(91)	—	—
ST CLOUD***	\$138,101	\$1,327	0.961%	67	\$150,842	\$1,488	0.986%	65	12.1%	\$161
ST JAMES	\$70,490	\$684	0.971%	66	\$74,977	\$692	0.923%	73	1.2%	\$8
ST JOSEPH	\$131,355	\$1,314	1.000%	60	\$140,140	\$1,476	1.053%	50	12.3%	\$162
ST LOUIS CO UNORG	—	—	—	—	\$147,217	\$1,417	0.963%	(76)	—	—
ST MICHAEL	\$210,953	\$2,132	1.010%	58	\$231,310	\$2,570	1.111%	41	20.5%	\$438
ST PETER	\$142,516	\$1,246	0.874%	75	\$145,191	\$1,519	1.046%	52	21.9%	\$273
STEWARTVILLE	\$140,927	\$1,769	1.256%	21	\$145,061	\$1,790	1.234%	23	1.2%	\$21
THIEF RIVER FALLS	\$69,732	\$1,183	1.696%	2	\$75,058	\$1,256	1.674%	1	6.2%	\$73
THOMSON TWP	\$146,613	\$1,847	1.260%	20	\$156,939	\$2,092	1.333%	12	13.3%	\$245
TWO HARBORS	—	—	—	—	\$105,895	\$1,025	0.968%	(74)	—	—
UNORG #0096**	—	—	—	—	\$104,272	\$498	0.477%	(105)	—	—
VIRGINIA	\$64,080	\$389	0.608%	90	\$68,309	\$469	0.687%	89	20.6%	\$80
WADENA***	\$73,553	\$824	1.121%	41	\$73,798	\$727	0.985%	67	-11.8%	-\$97
WAITE PARK	\$128,343	\$1,366	1.064%	49	\$141,574	\$1,556	1.099%	43	13.9%	\$190
WASECA	\$107,874	\$1,293	1.198%	27	\$110,525	\$1,380	1.249%	22	6.7%	\$87
WILLMAR	\$100,387	\$1,039	1.035%	52	\$109,804	\$1,128	1.027%	57	8.5%	\$89
WINDOM	\$70,564	\$850	1.205%	25	\$77,720	\$958	1.233%	24	12.7%	\$108
WINONA	\$128,938	\$1,115	0.865%	76	\$136,218	\$1,380	1.013%	60	23.8%	\$265
WORTHINGTON	\$80,516	\$883	1.096%	45	\$89,373	\$992	1.110%	42	12.4%	\$109
WYOMING	\$187,097	\$2,249	1.202%	26	\$204,505	\$2,441	1.194%	30	8.6%	\$192
WYOMING TWP	\$232,867	\$2,407	1.034%	53	\$264,842	\$2,632	0.994%	64	9.4%	\$225
ZIMMERMAN	\$141,887	\$1,760	1.241%	24	\$156,214	\$1,961	1.255%	21	11.4%	\$201

Number of Rankings

91

91

(106)

NON-METRO AVERAGES

\$126,648

\$1,436

1.134%

91

\$139,857

\$1,568

1.121%

91

9.2%

\$132

Rankings in parentheses are for 2006 alone (out of 106 communities)

\* = Two cities included in the survey are estimated to have slightly less than 3,500 in population. Breckenridge has an estimated population of 3,496 and Blue Earth has an estimated population of 3,489. Since Faribault and Wilkin counties did not have other communities in the survey, these two are included.

\*\* = Koochiching County

\*\*\* = City resides in more than one county, listed under the county with the most residential homesteads.

Source: Minnesota Department of Revenue. Calculations by the Citizens League.

As part of the 2003 budget deficit solution, the Legislature allowed some market value levies to continue that are no longer voter approved. The resulting “transition” levies were supposed to expire in four years, but in 2005 the Legislature decided to allow school districts to continue market value levies for “transition” and “equity.” These levies accounted for \$43 million in 2005 and rose to \$84 million in 2006.

Market value levies increased by about \$112 million from 2005 to 2006 for education funding and now account for 33 percent of all education levies. Market value levies in 2006 account for about 10 percent more of all education levies than they did in 2002 when all market value levies were voter approved (See table 3).

**TABLE 3:**  
Education Property Tax Levies

Type of Levy	2002 (% of total)	2005 (% of total)	2006 (% of total)
Voter-approved market value	22.7%	27.9%	28.2%
State-authorized market value	0.0%	2.9%	5.0%
Market value levy total	22.7%	30.8%	33.2%
Voter-approved debt levies	45.8%	38.4%	35.1%
State-authorized miscellaneous levies	31.5%	30.7%	31.7%

Source: House Fiscal Analysis Department Calculations by the Citizens League

Voter-approved market value levies are an attempt to tie some level of funding for school operations to an accountable mechanism for property taxpayers. For this to be effective, voters must also be able to discern what type and level of funding is the responsibility of the state and what is the responsibility of local communities, otherwise the equity of Minnesota’s school funding could be threatened. The ongoing struggle between equity and simplicity continues. ●

Bob DeBoer is the Director of Policy Development for the Citizens League.

# FACTS UNFILTERED

Where do young people get their news?

Today's young people are widely regarded as apathetic and disinterested in politics. This trend has been decried as a symptom of declining civic spirit across our entire society. A disengaged younger generation does not bode well for the future of America's political process or for broader civic participation. One indicator of young people's disengagement from politics is news consumption. Much has been said about young people's declining interest in news—particularly political coverage—but studies conducted over the past several years provide insight into exactly how youth news consumption looks today.

## Q. Where do young people get their political news?

A. A 2004 study by the Pew Research Center for People and the Press indicates that many of the most popular sources of political news for young people are the same sources that attract older generations (see table). The primary source for political campaign information for young people is cable news.

Young people are less likely to turn to local television news. While 42 percent of Americans of all ages learn about political candidates from local television news only 29 percent of 18 to 29 year olds do the same.

Not surprisingly, nearly 60 percent of young people age 14 to 22 report using the internet daily to get information, according to the 2004 National Annenberg Risk Survey of Youth. Exactly what information they're getting is less clear. Because the internet allows individuals to choose the sources and the topics, news that contradicts opinion already held is easily avoided. Even so, 20 percent of young people report learning about campaigns on the internet (Pew).

Perhaps the most surprising sources of political news for young people are late night and comedy television shows: 21 percent of young people surveyed obtain campaign news from comedy TV, while only 6 percent of people age 30 to 49 and 3 percent of people over age 50 do the same (Pew). Could Jon Stewart be the 21st century's Walter Cronkite?

## Young people turn to internet and comedy shows for campaign news

Regularly learn something from...	18-29 %	30-49 %	50+ %
Local news	29	42	49
Cable news networks	37	37	40
Nightly network news	23	32	46
Daily newspaper	23	27	40
TV news magazines	26	19	30
Morning TV shows	18	18	24
Talk radio	16	18	18
Cable political talk	17	15	13
National Public Radio	11	15	14
Sunday political TV	10	9	19
<b>Internet</b>	<b>20</b>	<b>16</b>	<b>7</b>
Public TV shows	7	10	14
Web sites of news orgs	15	13	8
News magazines	9	9	11
News pages of ISPs*	15	13	5
Late-night TV shows	13	7	8
C-SPAN	11	7	7
<b>Comedy TV shows</b>	<b>21</b>	<b>6</b>	<b>3</b>
Religious radio	3	3	9
Online news magazines	5	2	1

Source: Pew Research Center for the People and the Press

## Q. Are late night shows like "The Daily Show" and "Late Night with David Letterman" replacing traditional news sources?

A. While pundits and parents lament the idea of comedians replacing traditional news sources, a 2006 study by Dannagal Young and Russell Tisinger at the University of Pennsylvania concludes that young people don't turn on late night comedy to the exclusion of more serious news. Rather, people who report watching late-night/comedy TV are actually more likely than others to have a base of prior political knowledge. In fact, young people who report learning something from late night TV also report learning from other news sources more often than those that don't watch late night shows. The National Annenberg Survey (2004) found that people who watch "The Daily Show" tend to have considerably greater political knowledge than those who watch Letterman and Leno.

## Q. How do young people's news consumption habits compare to those of older generations?

A. Young people tend to consume less news than older people. Exactly how much less and whether this trend is specific to today's younger generation is debatable. David Mindich's recent book, "Tuned Out: Why Americans Under 40 Don't Follow the News," indicates that less than half as many 18 to 24 year olds report following the news daily than people age 55 and older. Young people, however, appear to get their information from a broader range of sources than older people, as indicated in the table.

## Q. Why aren't young people following the news?

A. The answer to this question depends on who you ask, but some possibilities include political disenfranchisement, cynicism, distrust of the media, a lack of feelings of efficacy, a faster pace of life, greater variety of entertainment, and complacency. It's also possible that news media simply fail to cover news that interests young people. While most news sources aimed at the young focus primarily on pop culture and entertainment (Sherr), many major news outlets fail to cover serious topics that effect young people. As young writer Amy Wu put it, "we want to read about health care and how many young people survive without it. We want to read about what presidential candidates have in store for us, the unique ways that young people are paying off their college tuition, advice from experts on how to get our foot into the job market, and how young people can invest and handle our finances."

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## Hold elected officials accountable for improved performance

by Jay Kiedrowski

The elections are over. Now our newly elected and reelected officials need to translate their promises into action. What should our elected officials do to make real improvements in our government's performance?

While it seems obvious, there are critical reasons, particularly now, for government to perform better. Michael Lawson, from the International City Managers Association, argues: "A high-quality, service-driven local government can provide key elements of the societal infrastructure that will permit communities to thrive in the 21st century—by being places where people will want to live and places where businesses will want to expand. It is these places and communities that will prosper and grow in a flat world."

There are three requirements needed to insure better performing governments, and unfortunately, none of them make for exciting headlines: performance measurement, government reform, and citizen engagement and leadership.

### Performance measurement

Noted management scholar Peter Drucker was fond of saying that if you want to accomplish something, you have to measure it. Governments at all levels need to implement performance management systems, including:

- strategic planning efforts that set measurable annual goals
- department performance plans with measurements to accomplish those goals
- funding so department performance plan goals can be accomplished
- employee objectives tied to the department and organization measures and goals
- organizational structures, partnerships, and collaborations to create the environment for goal achievement
- evaluation of results, leading to goal setting for the next year

Performance management systems are being used effectively at many levels of government in Minnesota today. For example, Hennepin County's "balanced scorecard" approach includes customer,

finance, internal process, and learning and growth measures to evaluate employees' success in helping the county achieve its goals. The county is attempting to create a "culture of performance" throughout, starting with elected officials.

Performance management directly fosters more efficient and effective public organizations. The Humphrey Institute of Public Affairs is doing more to have students practice performance management, and to help governments around the state implement such practices. This spring, we will present the first set of innovation awards to city, county, and school officials who are improving service delivery and practicing performance management.

### Government reform

In addition to improved performance management, Minnesota needs major redesigns or reforms...changes that are not simple extensions of existing services but fundamental rethinking. Examples of past reforms include driver's licenses renewals on the internet, the fiscal disparities property tax sharing program, charter schools, and higher education aid provided directly to students instead of institutions. The Citizens League has been active in many of these reform efforts.

Redesign and reform efforts raise basic questions about whether incentives are properly aligned to foster efficient and effective services. Desired outcomes such as customer choice, fewer mandates, managed competition, customer self-service, collaborations with nonprofits, and empowering government employees are useful in assessing reform. With changing demographic, economic, and social conditions we need to regularly reexamine our current incentives within the governmental sector to ensure that they are effective.

### Citizen engagement and leadership

The third requirement for better performing governments is accountability. We, the citizens, have a tendency to blame "them."

We need to accept our own responsibility to become more engaged, informed, and demanding. It is the price we must pay for better performing governments. To improve accountability, citizens need to create improved forums for the discussion of issues, pursue less single-issue advocacy, and demand more openness in public information.

Engaged citizens are a critical component to holding elected officials accountable, but not sufficient on their own. Elected officials need to be less partisan and more involved in setting performance goals for government than they are today.

By establishing performance measures for government, elected officials—and citizens—have a means to evaluate their performance in office. We need our elected officials to be specific about what they will accomplish during their terms and beyond their terms. Remember when President Kennedy stated that we would be on the moon in 10 years?

### Goals for 2007 and beyond

Everyone wants better schools, but how much will high school graduation rates increase? Everyone wants improved transportation, but how much will commute times decrease and by when? We all want safer communities, but how much will the crime rate drop by 2009? We can continue to improve government performance in Minnesota. It will be difficult, and political posturing won't make it any easier. We need a collaborative effort: citizens need to become engaged; government employees should build performance management systems; public interest organizations and academic institutions need to propose reforms; and elected officials must set goals and hold themselves, employees, and us accountable. ●

Jay Kiedrowski is a Citizens League member and Senior Fellow in the Public and Nonprofit Leadership Center at the University of Minnesota's Humphrey Institute of Public Affairs. He may be reached at [kiedr003@umn.edu](mailto:kiedr003@umn.edu)

## The Minnesota Journal

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PERIODICALS

*See the Connections page for more information on these events.  
Register online at [www.citizensleague.net](http://www.citizensleague.net).*

Walker Art Center, McGuire Theater  
Wednesday, February 7, Registration and reception at 5:30 p.m., program at 6:30 p.m.  
Citizens League.  
This is a free event. Please bring a friend and introduce them to the work of the

Uncivil Discourse and the Rise of the Outrage Industry  
Join the Citizens League and the Walker Art Center for a discussion of the "outrage industry"—and what we can do about it.

Thursday, February 1, 8 a.m. - 12 p.m., location TBA.

Minnesota must reform its transportation financing system to better manage its roads and improve the state's transportation system. Join us for a look at some of the road pricing options that have been tried nationally and internationally and a discussion of what the next steps should be in Minnesota.

Road Pricing Summit  
Presented in partnership with the Humphrey Institute and MnDOT.

2/7

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