

1/3/11

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- 1. Your Gavel, Madam Chair.**
- 2. 2011 Legislative Session Preview**
- 3. Per Diem Piggery.**

YOUR GAVEL, MADAM CHAIR

Watchdogs, mark your calendar for tomorrow, January 4 of 2011. As a taxpayer and citizen of Anoka County, you are cordially invited to witness history as a conservative majority is sworn in on the Anoka County Board of Commissioners.

Tuesday, January 4th
9AM
County Courthouse
2100 3rd Avenue, Anoka
Room 705

Rhonda Sivarajah, Robyn West, Matt Look, and Andy Westerberg will be [sworn in](#) and take their seats at the helm of a county government in desperate need of reform and greater accountability after decades of banana republic government at the hands of the Good Ol' Boys.

The highlight of this particular meeting will be the election of Rhonda Sivarajah as Board Chair.

Join Watchdog founder and CEO Harold Hamilton in supporting Rhonda, Robyn, Matt and Andy as they write a new chapter of transparency and accountability in Anoka County government. Perhaps there will even be a ceremonial shredding of the credit cards or a menu burning from the Lexington and other 5-star haunts of the Good Ol' Boys.

Another important agenda item will be committee, commission, and board assignments for 2011. We will find out which commissioners have been assigned to represent the county and assume leadership roles regarding issues like commuter rail, capital spending, and Metro-wide issues like mass transit.

And there's the sweet, sweet bonus of seeing former Good Ol' Boy honcho Dan Erhart's face as he watches Rhonda assume the gavel he once held. Watch as protocol forces him to feign a smile and offer a meager golf clap as he enjoys a hearty slice of humble pie. Yes, you can witness the very moment Commissioner Erhart becomes irrelevant to what is happening in Anoka County.

Your assistance will also be needed at the meeting to help Erhart move out of his plush office to make way for the new leader. The Anoka County SWAT team will be on standby to help pry his fingers off the door frame as he assumes more modest digs down the hall.

Rumor has it Harold Hamilton bought Erhart and Jim Oberstar matching canasta sets and shuffleboard poles to help them occupy all the free time coming their way in 2011. No word on whether he also threw in some Sansabelt slacks and dark socks to wear after aquacise class and the origami tutorial.

In all seriousness, Watchdogs, you should make arrangements to attend this historic morning. Your hard work and dedication to The Cause was critical to making this happen. Yes, a 9AM event on a workday can be tough to attend. Make the effort. Come out and support these four and let them know you'll be behind them as they undertake the tough work of cleaning up after a very long Good Ol' Boy party at the public trough.

Celebrate our victory!

2011 LEGISLATIVE SESSION PREVIEW

Tomorrow will also be a significant day because the 2011 legislature will be in session, featuring a new House, a new governor, and a not-so-new budget deficit.

And while the issues are paramount, it's also important to know what's happening on a day to day basis so you can keep your legislators accountable.

And that's why the Watchdog is here. The Anoka County Watchdog will be there to report on the doings of the Anoka County delegation as they cast their votes.

Here's how you can follow the 2011 legislature:

- <https://ui.constantcontact.com/rnavmap/em/ecampaign/www.anokacountywatchdog.com>. The Watchdog, as we have since 2005, will publish our weekly email update, chock full of news and analysis from the week's legislative activity. Visit the web site to sign up for this free weekly service. Regular readers should also note that pursuant to past practice, we will move the weekly update to Fridays to give you the freshest information. And don't forget about our "morning blotter" report that comes out each weekday morning, featuring headlines from the Capitol in Saint Paul.

- @themnwatchdog. Harold Hamilton will be closely monitoring the legislature and will publish news as it happens via his Twitter account. Visit [@themnwatchdog](https://twitter.com/themnwatchdog) to follow Harold.

- Session Daily. This is an Internet news service run by the non-partisan Public Information Services at the Capitol. <http://www.house.leg.state.mn.us/hinfo/sdaily.asp>.

·Television and Streaming Video. Visit <http://www.house.leg.state.mn.us/htv/liveweb.htm>

·Your legislator. Legislators send out periodic email updates. Visit your [legislator's](#) web page to sign up.

·[Bills and Votes](#). Visit our friend Bob Shipman's outstanding web site, the web site that tells you how they voted on the important bills AND the amendments.

·As a default, always visit the [House](#) and [Senate](#) web sites.

The Issues.

Here are the top 5 issues going into the session. We'll revisit this list after the session concludes to see how it all shook out. There are always unforeseen issues that blast to the fore every session

#1. The budget. The state will be setting its bi-ennial (two-year) budget this year. Revenues will go up 5% (\$1.5 billion) but spending is projected to rise a whopping 27% (\$8 billion). Hence, the mammoth \$6 billion-plus deficit. If the budget isn't agreed to by July 1, government will shut down (oh, the horror).

#2. Pension Reform. Like all levels of government, the state of Minnesota faces crushing long-term pension obligations. Like the deficit, this isn't a very issue and has been ignored for years. Is this the year legislators get serious about the pension time bomb?

#3. Health and Human Services/ObamaCare. State spending on welfare health care accounts for 70% of the projected new spending in the upcoming budget. How will the legislature reign in these skyrocketing costs? Will the legislature even have reform options as [creeping ObamaCare](#) further erodes states' rights and enhances the role of federal decision makers?

#4. Football Palace. Will the Vikings finally get the legislature to open the public till to finance a new stadium to boost Zygmunt's net worth and subsidize the leisure activity of some? History would say "yes," given that billionaires generally get their way in government, especially when those billionaires provide circus for the hoi polloi.

On the other hand, the state has a massive deficit and the Vikings ham-handed lobbyist Lester Bagley still hasn't secured legislative champions, a local partner, a financing plan, or a stadium site.

#5. Bonding. Will the legislature pass yet another massive debt-financed "stimulus" bill? The governor wants one, but Republicans have correctly noted that bonding is normally done in the even-numbered years and while the legislature has passed billions in bonding in recent years, we still haven't seen the stimulus effect.

PER DIEM PIGGERY

Have you forgotten about "per diem?" That's the daily money legislators down in Saint Paul can claim for "reimbursement" of expenses, except that legislators don't need to provide receipts or proof that they incurred any reimbursable expenses. Hence, the taxpayer disgust with these payments.

Remember, these payments are in addition to their salary. You know, salary. It's the place where most workers get the money to pay for food and the other things for which per diem is ostensibly available.

For Senators, the daily rate is \$96. In the House, it's \$77. Moreover, there is little accountability and transparency because per diem increases are only voted upon in a single committee and don't even go to the floor for a vote of the entire body.

For the 2009-2010 legislative session, per diem flowed out the door big time.

- In 2009, members of the Minnesota House took more nearly \$1.3 million in per diem payments, slightly more than in 2010 (\$1.023 million), for a grand total of \$2.3 million for the whole two years. The Senate took home \$904,000 in 2009 and \$710,000 in 2010, for a total of \$1.62 million.
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- The top 10 per diem takers in both chambers for the biennium were DFLers. In the Senate, outgoing St. Paul Sen. Mee Moua topped the list at \$35,136. Her opposite number in the House, Crystal Rep. Lyndon Carlson, claimed \$28,947 during the same period. (These bullet points were originally published in Politics in Minnesota.)
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So how did Anoka County legislators fare? Here's the list, from most to least piggy:

Senate

Satveer Chaudhary - DFL (\$27,062)

Leo Foley - DFL (\$25,056)

Sandy Rummel - DFL (\$24,960)

Debbie Johnson - R (\$24,288)

Mike Jungbauer - (\$23,712)

Ray Vandever - R (\$18,666)

Don Betzold - DFL (\$17,952)

Interesting that the top 4 per diem takers are no longer serving, having been bounced out of politics by their constituents.

We should also note, in fairness, that none of our Senators were in the top 10 of the entire Senate. The top Anoka County Senator, Chaudhary, was 14th out of 67.

HOUSE

Bob Dettmer - R (\$19,712)

Tom Hackbarth - R (\$19,712)

Carolyn Laine - DFL (\$19,481)

Jerry Newton - DFL (\$18,634)

Jim Abeler - R (\$18,236)

Tom Tillberry - DFL (\$18,095)

Tim Sanders - R (\$17,039)

Peggy Scott - R (\$16,223)

Melissa Hortman - DFL (\$14,321)

Denise Dittrich - DFL (\$10,752)

Paul Gardner - DFL (\$6,055)

Like the Senators, this list is somewhat misleading in that Bob Dettmer, while leading the county delegation, is listed 42nd among the total House compliment of 134.

For the complete list, visit this [site](#).

1/7/11

In This Issue:

Editor's Note: Welcome to the Friday edition of the Email Update. We will be publishing on Friday's during the legislative session to bring you a fresh recap of events at the Capitol and around the County.

- 1. Capitol Update.**
- 2. New Board Starts Reform Effort.**

CAPITOL UPDATE

As readers know, the 2011 legislature convened this week to usher in the historic seating of a GOP-dominated House and Senate, something that has never happened since partisan designation was re-introduced in the early 1970s.

There was little in the way of fireworks during the organization process for each body, but penurious items stand out.

Over in the House, DFL state Representative Ryan Winkler introduced a proposed rule that would prevent the House from considering "divisive" social issues like gay marriage until the budget deficit had been resolved.

The proposal was promptly referred to the Rules Committee, where it will receive a proper burial.

While the Watchdog agrees that the budget is the priority, this proposal stank of hypocrisy.

First, while gay marriage received top billing, where was mention of other divisive issues like universal health care or amnesty for illegal immigrants?

Second, the House will take bill introductions next week.

Anyone want to take odds that there will be a multitude of bills addressing social issues, authored by DFL House members?

The DFL, as the loyal opposition, can and should do more to offer a stronger contrast with the GOP to keep them on their toes and force the majority to thoughtfully consider the legislation they pursue.

The other bit of tawdry political kabuki theater happened over in the Senate.

[Senator D. Scott Dibble](#) (DFL - Minneapolis), lashed out at Cal Ludeman and Senator Michelle Fischbach, who were appointed as Secretary of the Senate and Senate President, respectively.

Regarding Ludeman, Dibble [complained](#) that he had a "proven track-record of putting party ideology over public interest." Dibble further noted that Ludeman was apparently unfit because his partisan background conflicted with the non-partisan nature of the Secretary's role.

If that's the case, they where was Dibble's outrage regarding Pat Flahaven, a previous Secretary of the Senate?

Dibble on multiple occasions voted in favor of his appointment, even though [Flahaven](#) came to the state Senate after working as a partisan aide to DFL Congressman Joe Karth. Moreover, his wife worked for Rudy Perpich.

And if Dibble's response is that Flahaven had already proven his objective, non-partisan bona fides, our response would be to let Ludeman do the same.

(For the record, Flahaven was an excellent public servant.)

Cal Ludeman is a highly respected public servant who will no doubt prove his worth to the state Senate.

And regarding Senator Fischbach, get over it. Every senator is a partisan and is elected on a partisan ballot.

The new GOP majority has every right to pick their Senate President.

If partisanship is such a concern, maybe they need to write a letter to the U.S. Senate, where a guy named Reid has been a partisan firebrand.

Newly inaugurated Governor Mark Dayton had a more hectic week than the legislature, in large part because he signed an executive order moving Minnesota into "early enrollment" of Medicaid, meaning he pushed us into ObamaCare faster than the rest of the country.

This expansion of Medicaid is a pig in a poke.

First, this is a federal-state cost sharing program, meaning the expansion will cost the state money, even though there will be some savings as less pressure is put on other welfare healthcare programs.

Second, Medicaid is a traditional fee-for-service program absolutely lacking in reform. In other words, the state is doubling down on a massive entitlement program that is

headed for bankruptcy, delivers subpar service, is experiencing massive cost increases, and delivers nothing in the way of desperately needed reforms.

Third, it's a piece of ObamaCare. Need we say more?

Today, Governor Dayton mused aloud that he's considering re-applying for federal funds for education under the "Race to the Top" program.

Governor Pawlenty had applied for the funds but Minnesota was not selected.

Federal officials dinged Minnesota's application primarily because the state lacked a plan to get good teachers into the classroom and overall opposition from the teacher's union, Education Minnesota.

Recall that the legislature, on a bi-partisan basis, had worked with Governor Pawlenty to pass a reform package. That package was killed in the House by Speaker Margaret Kelliher, who needed the teacher's union in her bid for governor.

In other words, if Governor Dayton is serious about another application, he's going to have to do battle against Education Minnesota.

Dayton has now laid down a marker and will be forced to decide between kids and the union.

It will be interesting to see who wins.

NEW BOARD STARTS REFORM EFFORT

In politics, much like life, leadership starts with yourself. When leaders apply their rules to themselves, they lead by example and inspire others to follow.

When a team sees their leader "walk the walk" by living under the rules in the same way as the rank and file, meaningful change is achieved.

Such is the case with the new Anoka County Board. While many Watchdogs were there to support the swearing in of the new majority and witness the election Rhonda Sivarajah as chairwoman, a more remarkable event took place.

As one of her first official acts as the county's leader, Sivarajah unveiled a new travel policy to address the concerns many voters had regarding how county employees and commissioners (ahem, [Commissioner Erhart](#)) were using the travel policy.

The new policy makes a number of changes to increase transparency and accountability.

While the policy is somewhat lengthy, reform measures include:

- Greater oversight of expenditures by reducing employee discretion and fixing greater accountability with the Management Committee;
- Capping county commissioner expenses at \$5,000 annually;
- Requiring employees to submit reports after attending conferences describing what was learned;
- Meals consumed off-site will not be reimbursed if consumed within 100 miles of the Government Center.

The new policy was warmly embraced by the new majority. Commissioner Jim Kordiak also supported the new policy.

Commissioners Dan Erhart and Scott's Wife expressed concern about the new policy restricting the ability of the county to pick up the tab for meals on certain occasions.

In fact, Erhart made a motion to send the proposed policy to the Management Committee for "reworking."

In a taste of things to come, Erhart's motion was soundly defeated and the policy was adopted.

While the savings realized under the new plan may not be significant, every dollar saved is important not only because of the budgetary situation, but also because our elected officials have a moral obligation to use our tax dollars wisely.

Moreover, this new policy sends a powerful message that the new county board is serious about reform - and that reform starts with the commissioners themselves.

Perhaps this is the change we can believe in.

1/14/11

In This Issue:

1. **MetroNorth Meltdown.**
2. **The Sharks Circle for 2012.**
3. **Robyn West Vindicated.**
4. **Fridley Hiding the Ball?**
5. **Meet the New Boss.**

METRONORTH MELTDOWN

This past week featured a time-honored tradition here in the North Metro, that being the annual MetroNorth Chamber of Commerce Legislative Reception.

To be honest, it's a rather tired affair featuring rubber chicken finger foods, drink, and the exposure of our elected officials to the "movers and shakers" of the county, many of whom comprise one of the last pockets of Good Ol' Boy resistance to the winds of political change that roared through the county on election night.

Pursuant to state law, the elected officials in attendance had to "sign for their supper," meaning that they had to make remarks to the assembled if they wanted to avoid having to pay for the chicken wings and meatballs.

As one would expect, our rock star conservative legislators hit home run after home run, speaking truth to power regarding job creation, wealth creation, keeping taxes low, and keeping government on a leash. State Reps. Peggy Scott, Tim Sanders, Branden Petersen, state Senator Michelle Benson, and county commissioners Rhonda "Iron Lady" Sivarajah, Robyn West, and Matt Look were all articulate, thoughtful, and powerful in their remarks. Great job, guys and gals!

The most bizarre moment of the evening came when defrocked Good Ol' Boy Godfather Dan Erhart strode to the microphone to set us all straight. And boy did we get a lecture.

A wildly animated Erhart engaged in a rant that could have been entitled "progressive government rocks," or "all the cool kids are progressive," or "everything I did was right and all you morons are wrong."

We heard all about the "sacrifice" necessary to move the county forward, although who makes the sacrifice and by how much wasn't answered. The Watchdog surmises the sacrifice refers to the tax increases we've suffered in the pursuit of Erhart's empire building. You see, you make the sacrifice for his stuff. Isn't that the way politics is supposed to work?

Then there was the defense of commuter rail, running 20% below projections regarding ridership.

The defense of Northstar was laughably connected with the pursuit of the Duluth Tourist Train, which Erhart claimed should at least go to Cambridge, making for a "comprehensive" rail system.

Huh? A rail line to Big Lake (population 9,174) and one to Cambridge (population 7,700) is "comprehensive?"

Yes, if in the same way dropping out of school in the fourth grade is considered a "comprehensive" education or relying on Social Security alone makes for a "comprehensive" retirement plan.

And oh yes, we heard about the long-dead Anoka County Vikings stadium. Sounding like the weird girlfriend who can't admit it's really over, Erhart gripped the microphone tightly, squinted his eyes and declared that Zygi Wilf probably regrets the day he broke up with Anoka County.

Yeah, take that Zygi! The county was going to dump YOU anyway. And we're dating the Duluth Tourist Train guys now and they're way cooler, drive a better car, and have good manners. They even invited us to prom.

While Erhart no doubt still has his cheering acolytes among the Chamber crowd, many folks were left scratching their heads after Danno's stem winder.

The Watchdog talked to folks who called the remarks "a lecture," "a rant," and just downright "bizarre."

One observer summed it up by noting, "that dude is a blowhard!"

Perhaps these were the last dying gasps of a political philosophy that has fallen out of favor in Anoka County, hopefully never to return.

Once at the zenith of local power, Erhart has been exiled to the political wilderness. Is that a lonely wolf howling or just a train horn?

THE SHARKS CIRCLE FOR 2012

For Dan Erhart or any other politician, another aspect of declining political influence is that potential opponents sense an opportunity.

The Anoka County Watchdog has heard of three credible opponents who are working behind the scenes to possibly challenge Erhart in 2012. All three candidates, if they decide to run, would all be formidable in their own right.

This is quite a change from the recent past, when most "A" list candidates considered challenging Erhart to be an exercise in futility.

Moreover, the county will be redrawing commissioner boundaries to reflect the updated census numbers. It will be interesting to see what the new district looks like and what potential candidates may emerge from those new boundaries.

ROBYN WEST VINDICATED

During her successful re-election campaign, Commissioner Robyn West was the subject of a series of negative attacks from her Good Ol' Boy opponent, who claimed West had voted in favor of a controversial expansion of the Blaine airport.

West responded throughout that the attack was simply untrue.

To defend her integrity and set the record straight, she was forced to file a complaint with the state's Office of Administrative Hearings.

The case was settled between the parties, with West's opponent admitting that what he claimed just wasn't true. Below is a copy of the essence of the settlement:

RETRACTION

In my recent campaign for District 3 Anoka County Commissioner I made these statements in my campaign literature about the record of my opponent, Anoka County Commissioner Robyn West. I said that...

- "Robyn West and the county board spent \$20 million of your money to bring more aircraft to Blaine."
- "Robyn and friends used your money to lengthen the runway to 5,000 feet."
- "West voted: Anoka County airport expansion, 20 million dollar bond (taxpayer \$, jet aircraft, more aircraft noise)."

Mrs. West filed a complaint against me with state election regulators, alleging that these statements were false. In fact, she did not vote for the 20 million bond issue to expand the airport. I hereby retract and apologize for making and publishing this statement against Mrs. West.

Signed by Mike Bourke

2010 candidate for District 3 Anoka County Commissioner

Mmmmmmm.....Crow.

FRIDLEY HIDING THE BALL?

Watchdog John Ragan Anderson in Fridley is calling out the City of Fridley regarding freedom of information (AKA Data Practices Act) requests made regarding the city's Transit Oriented Development (how euphorian).

He [writes](#):

As reported in an [earlier article](#), the city of Fridley has applied to the Fridley planning commission to establish a Transit Oriented Development (TOD) District surrounding the Northstar train station.

Community leader, Pam Reynolds has been attempting to get the exact language of the Amendment before the Planning Commission meeting on January 19, 2011. It is only referred to as "Text Amendment TA #11-04" on notices sent to citizens of Fridley.

When Ms. Reynolds, initially attempted to acquire the exact language, Fridley City Clerk, Deb Skogen informed her that the language was not public information until the meeting starts. In turn, Ms. Reynolds contacted the Minnesota Department of Administration where they noted that according to Minnesota State Statute 13.03 Sub. 3 Sec. F that; "even documents that exist in draft or partially complete ARE public data at the local government level" stated Ms. Reynolds in an email to Ms. Skogen. Ms. Reynolds continues in her email, "The Planning Commission Public Hearing is Jan 19th and because I have already made two requests for this information, I feel the reasonable time for a response is now."

Ms. Skogen responded by stating even though the Department of Administration has issued an opinion stating that Fridley violates State Statute with their policy, they will continue to operate in violation. This statement is a common one issued by city staff, essentially stating that a citizen must sue them before they will comply with state law. This type of behavior opens the city up to lawsuits which places undue risk upon the city.

The city is obviously afraid to release the language to allow Fridley citizens to understand the true nature behind the application. The city of Fridley prefers to operate in the back alleys and shadows, instead of with honesty and transparency to the people they are supposed to be working for.

MEET THE NEW BOSS

Definitely not the same as the old boss, who got smoked in the 2010 election.

The new boss of Ham Lake, that is. Mayor Mike Van Kirk recently gave a cable TV interview. A Watchdog since the early days, Van Kirk will do a great job leading the city.

Meet him [here](#).

1/21/11

In This Issue:

Editor's Note: Due to the inept technical fumbblings of the gang over at Twitter, we've been forced to revert to our former user name. Please follow the Watchdog at @hhwatchdog and not at @mnwatchdog. We apologize for the inconvenience.

1. Dan Erhart a Victim?
2. Erhart's Folly.
3. Anoka-Hennepin District Joins the 21st Century - Maybe.

DAN ERHART A VICTIM?

He thinks he is. The former Good Ol' Boy Godfather has taken to the pages of the Star Tribune to make his case that Board Chairwoman Rhonda Sivarajah didn't consult with him regarding his new committee assignments.

Yes, big, mean Rhonda bullied Erhart by not putting him on all the rail and transit committees he was on for years. You know, the committees he used as a platform for junketeering in pursuit of things like the underperforming commuter train to Big Lake we get to live with for the next 50 years.

Erhart was shrewd in choosing the Star Tribune, where they love trains and Dan Erhart.

There have not [one](#), but [two stories](#) dedicated to Erhart's victimhood. This is outrageous. Is Paul Levy a reporter or the Erhart press secretary? Since when are committee assignments a news story? Since when are committee assignments worth two stories? Oh yeah, when Dan Erhart has a temper tantrum and pouts about his assignments. What a joke.

And it's not only this story. We hear rumors of a broader campaign to generate opposition to Erhart getting different committees.

Leave it to the Watchdog to put this all in perspective regarding these committee assignments, especially Erhart's new assignments and those he no longer has.

First, let's put to a quick death this storyline that Chairwoman Sivarajah engaged in some type of underhanded shenanigans in assigning committees.

It has been the custom of the Board to vest the making of committee assignments in the broad discretion of the chair. It was that way with Margaret Langfeld, Dennis Berg, AND Dan Erhart when they chaired the board.

In other words, Sivarajah did nothing more than exercise the same power and authority available to her predecessors. Apparently, Erhart was more than happy to live under that custom with other chairs, especially himself.

And that system was okay with the Star Tribune as well, as no news stories were ever done regarding how Sivarajah and her constituents were screwed by Erhart.

Now, when a conservative has the gavel, suddenly the game becomes unfair and the rules need to change.

How typical of the "progressives." Power in their enlightened hands is an unqualified good as they use the tools of government to leverage their wisdom on behalf of us drooling plebes who would be lost without their guiding light.

The only thing that has changed with respect to this committee assignment custom is that it now benefits conservatives. For "progressives", this is precisely the problem.

Moreover, the new committee assignments reflect a new reality. Dan Erhart was replaced on transportation committees because his view of transportation is no longer ascendant on the county board. We had an election in November and the people of Anoka County spoke. They charted a new philosophical course for the board, one that places less emphasis on rail. Sivarajah's choice of Matt Look to represent the county on these matters is emblematic of the new board's philosophy.

It comes as no surprise to the Watchdog that Dan Erhart is having trouble hearing what the voters were saying in November. We have long viewed his votes and actions on the board as exuding a certain haughtiness and arrogance that views the taxpayers in a condescending manner.

Voters will have a chance to speak directly into Erhart's ear in November of 2012. Can you hear us now?

In a larger sense, the Watchdog is starting to get the sense that this may be part of a larger campaign to undercut and delegitimize the leadership of Rhonda Sivarajah. Rest assured, the Iron Lady of Anoka County has the support of thousands of taxpayers who appreciate and admire her leadership. She will not tolerate the status quo and she's willing to make the tough decisions to lead the county in a new direction that will produce prosperity in the private sector and accountability and transparency in the public sector.

We'll be there to back her all the way.

And about those committee assignments. Harold Hamilton, speaking as a salty old Navy vet, has a piece of advice for Dan Earhart: Man up and quit with the all the crying about your committees, you sissy. We had an election. Get over it.

ERHART'S FOLLY

Speaking of the former Godfather Good Ol' Boy, his legacy to Anoka County taxpayers was in the news again this week.

Northstar commuter rail experienced ridership a full 21% below projections in 2010. For the year, just 710,000 rides were taken on Erhart's folly.

The excuse coming from Metro Transit is that the poor economy is to blame.

Really? Hiawatha Light Rail ridership was up 6% during the same period.

If the economy was bad for Northstar, why was it good for Hiawatha?

The fact that overall mass transit ridership was up in 2010 (by 2.3% for all bus and train routes) while Northstar was way down shows what a white elephant Northstar really is.

And Dan Erhart wants to remain chairman of the regional rail authority. Yeah, Dan, you did such a bang up job with Northstar, you should stay as the leader of the band.

Missing the promised ridership by a whopping 21% is reason enough to "earn" new committee assignments.

Erhart's Folly.

ANOKA-HENNEPIN DISTRICT JOINS THE 21ST CENTURY - MAYBE

The Minnesota Department of Education announced this week that the Anoka-Hennepin School District has been approved for "Q Comp," a merit-based pay system for teachers.

Conceived and implemented by Governor Tim Pawlenty, Q Comp is definitely a legacy item for the most conservative governor this state has seen in the modern era. (For all the unreasonable folks for whom Pawlenty wasn't conservative enough, prepare for a series of "miss me yet?" moments as Governor Dayton vetoes a number of wonderful policy items passed by Speaker Zellers and Majority Leader Koch.)

Ignored by the Anoka-Hennepin board and the local teachers' union for years, Q Comp now has cache because it brings in more \$\$\$\$\$, something in short supply lately, given the voracious appetite of district employees for pay and fringe benefit increases.

District spokesperson Mary Olson claims it's not about the money. "It is ultimately to improve student performance by improving teacher skills," Olson solemnly noted.

Yeah, right. Whatever.

To them, it is surely about the Benjamins. To Watchdogs, it's all good because the motive doesn't matter.

Finally, the old Soviet-era "step and lane" promotion system, devoid of merit-based pay raises, will be replaced by a pay system that rewards results.

Maybe.

The school board and the union must formally ratify the adoption of Q comp, although both parties signaled a willingness to do so during the last round of contract negotiations.

Imagine that. Paying employees to produce results.

1/28/11

In This Issue:

1. Star Tribune Loves Rail - and Dan Erhart.

STAR TRIBUNE LOVES RAIL - AND DAN ERHART

The Star Tribune has always been a liberal, biased publication. Lately, it's become a liberal publication lacking in quality.

We've all seen the political polls they've sponsored that haven't come close to predicting the actual outcome of most elections. We've seen slipshod reporting that looks more biased than balanced.

Now we see editorials utterly lacking in basic persuasive writing skills.

This week, the newspaper that is losing subscribers by the day published an amateurish [editorial](#) defending Northstar rail as a worthwhile public works project while blaming - you guessed it - conservative Anoka County commissioners for not loving on the train enough.

The thesis of the editorial is that Northstar rail has missed ridership projections because the train doesn't run often enough. Put another way, if more trains were scheduled each day, ridership would increase and Erhart's Folly would become a success story.

"Those who have tried to ride the train know its main problem: the schedule," intones the editorial board. Yet the piece offers not one shred, not one scintilla of evidence to support the argument that Northstar's schedule is to blame. No data is cited, no studies are offered, and the opinions of transit experts aren't quoted even once. The failure to offer any evidence to support a thesis would get a student at any college or university a "C" or "D" in a basic persuasive writing class.

Readers are thus left to speculate with respect to the basis for the editorial board's assertion. Did they dream it up? Did they hear a rumor at the light rail station? Was there a transmission from the mother ship? What's the frequency, Kenneth? About the only tangential reference to the rationale for their thinking is a faulty comparison to light rail, which has seen a ridership increase. To the board's facile reasoning, the syllogism looks like this:

Hiawatha light rail runs more frequently than Northstar; Hiawatha light rail has greater ridership numbers than Northstar; Therefore, an increase in Northstar's schedule will increase ridership.

On its face, it is probably true that an increase in the schedule will increase ridership. But that kind of simple thinking doesn't solve the issue. The goal shouldn't be to increase ridership as much as the goal should be to increase ridership *on existing trains*. When ridership per train increases, the public subsidy per rider drops because fare box collections increase. Reducing the public subsidy is critical to the long-term success of the line, such as it may be. (The Watchdog remains on record as believing the line will always be a failure.) Getting Northstar off the welfare rolls should be as important to its supporters as increasing ridership.

In failing to distinguish between more trains and increased ridership per train, the folks at the Star Tribune either don't fully understand the issue or simply don't care about the costs involved.

Perhaps they share the attitude of former state Senator Don Betzold, who once told Harold Hamilton that Northstar's costs were irrelevant because Northstar was the "right thing" to do.

Even if one accepts their unsupported thesis that an increased schedule is the panacea to cure Northstar's ridership problems, it is nonetheless stunning to witness the cavalier attitude with which they urge an increased schedule.

The logistics and expense of adding trains to Northstar's schedule are daunting and far more complex than adding trains to light rail's schedule. With light rail, government owns the tracks and the light rail trains are the priority. In fact, they share the tracks with no one. With respect to commuter rail, a privately owned railroad owns the tracks, with government commuter trains running on a strictly defined schedule.

Because the government doesn't own the tracks, it must lease trackage rights from the railroad.

These lease rights are extremely expensive. In fact, it cost the government \$107 million dollars, 1/3rd of the total capital cost of the project, to lease trackage rights from BNSF. Thus, in order to increase Northstar's schedule, government would need to negotiate an amended lease agreement, which would likely be quite expensive.

The current lease agreement allows for up to six round trips each weekday and up to three round trips each weekend. Furthermore, BNSF isn't required to agree to an amended lease. BNSF exists for one purpose - to make money. The railroad makes money shipping freight, on time, to its destination. When commuter trains run on their tracks, line capacity is negatively impacted, meaning that there is no guarantee the railroad would agree to yet more commuter trains running on one of the busiest lines in the entire BNSF system. Also don't forget the fact that an increased schedule could mean the need to purchase more locomotives and rolling stock as well.

In fairness, the editorial board briefly acknowledges that an increased schedule requires a new lease but they gloss over its implications and insinuate that overcoming this obstacle is no big deal.

The board writes, "This (an expanded schedule) is a difficult challenge because Northstar runs on privately owned tracks and adding runs is costly. Anoka County needs to act because no other group is waiting to take this on." Translated: Anoka County taxpayers need to pay even more property taxes to subsidize an expanded schedule because no other group is able or willing to jack up taxes on their constituents.

How much more expensive is something about which the editorial board has nothing more to say. Rest assured, it is highly unlikely that any member of the editorial board lives in Anoka County and would suffer the increased costs of extra trains. Again, it would be better to focus on increasing the ridership on existing trains as opposed to running more trains. But that would be contrary to the liberal playbook for fixing their broken utopian schemes.

Whether it's commuter rail, education, or health care, the solution to fixing any government program is more of the same program. Kids aren't learning in public schools? It's because we don't spend enough money. Government health care isn't healing people? It's because we don't have universal single payer health care. Northstar rail is way below ridership projections? It's because we don't have enough trains.

Of course, it's entirely possible that the schedule isn't the reason why ridership numbers are a miserable 21% below projections. Perhaps Northstar is a bust because Anoka and Sherburne counties don't have the population density to support commuter rail. Or perhaps people aren't interested in giving up their cars to ride mass transit. The good people of Anoka and Sherburne counties moved out this way precisely to escape the pitfalls of urban living. We prefer 5 acre lots to high-density apartments. We prefer small shops and main street businesses to big box retailers. And we prefer our own private trucks and SUVs to mass transit.

Yes, the liberals like the Kenwood elites at the Star Tribune look down their noses at our lifestyle but we don't care.

The real reason Northstar doesn't work here in Anoka County is because we aren't into social engineering tools like commuter trains. It's that simple. In addition to being dead wrong about the need to increase the train schedule, the editorial board takes an obligatory shot at the new conservative board majority while attempting to rehabilitate Dan Erhart's reputation.

The board attempts to portray the county board under Rhonda Sivarajah's leadership as one torn asunder by infighting and a near civil war regarding committee assignments and the way they were handed down. Typical of the tone of the editorial are remarks like these:

"Unfortunately, the county's seven squabbling commissioners do not inspire confidence that they understand the train's key challenge or have a game plan to deal with it."

"The board's past few weeks have been marred by anger over committee assignments: The same four commissioners got almost all the powerful positions."

First, this new board has been in place for about three weeks. Perhaps it is too much to ask for the Star Tribune to actually wait a few months before passing judgment on Rhonda's leadership. Second, there is no squabbling about committee assignments. Instead, there is one county commissioner who is throwing a temper tantrum because he can't come to grips with the fact that he is no longer the King of the County. Sadly, he has been given a media platform in the form of the state's largest newspaper through which to air his childish grievances.

As this publication noted last week, Sivarajah did nothing more than exercise the same appointment power conferred on previous board chairs, including Dan Erhart himself.

To distinguish this inconvenient truth from county board custom and past practice, the Star Tribune would have readers believe there is something special and indispensable regarding Erhart's "leadership" on rail issues. Readers are told that Erhart has "decades" of experience and "political connections" that could resurrect Northstar's failing fortunes.

Anyone who has even a rudimentary understanding of Capitol politics knows that Dan Erhart has no cache with the Republican majorities in the House and Senate. In fact, he is outright disliked by a number of GOP legislators. The idea that Erhart is the right guy to be the political face of Northstar in Saint Paul is laughable. The same holds true for Washington. Erhart's good buddy Jim Oberstar got sent out to pasture in November and it's doubtful Erhart and Michele Bachmann are golfing or fishing chums. Maybe the editorial board needs to call up their Washington and Saint Paul political reporters and get an update on what happened on election night.

The editorial board was forced to concede that Matt Look, the new commissioner assigned to rail issues, has a "solid grasp" of these issues. The sad attempt to undermine Look's credibility by ambushing him with a pop quiz regarding legislative committee memberships was really a new low for the Star Tribune and precisely the kind of "gotcha" politics they so self-righteously inveigh against on a regular basis.

Of course, no mention was made of a similar ambush against Erhart because one likely didn't happen. You know, kind of a free pass for the guy with all those "decades" of experience and red hot "connections" to Republican majorities. Moreover, it's not like Dan Erhart is the only person in Anoka County government who knows this issue. For better or worse, there is a compliment of county employees who know this issue inside and out and can fill in the gaps Commissioner Look may have regarding Northstar. This is as it should be.

On any given county issue, there are bureaucrats who are paid to understand the issue and offer policy makers a range of choices. These folks should focus on the objective

aspects of the issue, leaving the inevitable politics of the issue to the elected officials. In other words, the chairmanship of the Anoka County Regional Rail Authority and other committees isn't some academic exercise conducted in a political vacuum. The politicians who fill these roles have a world view regarding these issues that they've communicated to the voters. Voters cast their votes at least in part on these views.

That politics therefore plays a role in committee selections should come as no surprise and is a good thing. It means essentially that elections have consequences. It means that the county board is being responsive and accountable to the voters. The simple fact is that Dan Erhart's view of rail is no longer shared by the majority of the county board. Therefore, he doesn't get the gavel. What's so hard to understand about that? Then again, it is a hallmark of the kind of liberalism practiced by the Star Tribune editorial board to cop a contemptuous attitude towards the great unwashed masses. In their view, it is through the leadership of our intellectual superiors that human kind advances, even if we hoi polloi can't recognize that leadership. If we would all just shut up and get out the way while our betters pull the levers of government to reshape the human condition things would be just peachy.

Perhaps this is the root of the Star Tribune's angst over Northstar, the belief that the masses up here in Anoka County just can't comprehend the wonder of commuter rail and enlightened policy genius of Dan Erhart.

Here's a thought: the Minneapolis elites at the Star Tribune editorial board can have them both. We didn't want either one of them to begin with.

2/4/11

In This Issue:

1. **Schulte Tosses His Hat.**
2. **A Suggestion for the County Board.**
3. **When You Wish Upon a Starr.**
4. **Government Takes a Dip.**
5. **Watchdog Retraction.**

SCHULTE TOSSES HIS HAT

Coon Rapids City Councilman [Scott Schulte](#) announced this week that he will be running for a seat on the Anoka County Board in 2012.

Schulte would face Dan Erhart, based on current district boundaries, although that may change after redistricting.

A potential Schulte-Erhart race bodes ill for the once formidable Good Ol' Boy Godfather. Schulte is extremely popular in the community and is a savvy political operative. The fact that he was the first candidate to publically announce for the Erhart seat shows that savvy, as Schulte knows there will likely be multiple candidates vying for the seat. Announcing early helps to clear the field of potential challengers and gives him a leg up in securing donors and campaign volunteers.

What's surprising is that Schulte isn't one of the three potential Erhart challengers we alluded to in the [January 14th edition](#) of the Watchdog. That makes for four quality candidates who are rumored to be interested in taking Erhart down in 2012, provided he even seeks re-election in the face of being relegated to marginal status on the county board.

Make no mistake, Watchdogs. There is a significant amount of campaign activity happening behind the scenes in Erhart's district. He's an endangered incumbent, to be sure. Perhaps the lobbying firm of Best and Flanagan can jump in with some early donations to Erhart to help him out, given that they're flush with cash after getting yet another fat no-bid lobbying contract from the county.

It will be interesting to see if Schulte's announcement forces other contenders to go public with their campaign plans or perhaps causes them to withdraw and support Schulte.

As of today, Schulte looks to be the odds-on favorite for this seat.

A SUGGESTION FOR THE COUNTY BOARD

Speaking of no bid contracts and lobbyists, the Watchdog has a suggestion for the county board, at least the four members of the board who are interested in transparency and accountability.

First, the board should implement a policy that calls for all contracts in excess of a certain amount (e.g. \$25,000) to be bid upon in a competitive Request for Proposal (RFP) process. No-bid contracts undermine taxpayer confidence in government and create the perception that these contracts are awarded based upon cronyism and not merit or value added.

A related policy should prohibit any county commissioner from voting upon a contract that provides a benefit, monetary or otherwise, to any person or entity that made a campaign contribution to that commissioner in their most recent election.

For example, any commissioner who received a campaign contribution from a land developer in their most recent election should be prohibited from voting any time that developer has a direct, particular interest before the board or before that individual commissioner for consideration.

The current practice creates an appearance that the county awards some of its contracts based upon political connections rather than merit. In other words, there is an appearance that a practice of the Good Ol' Boys is still in place.

The people of Anoka County changed the composition of the county board because they grew tired of the way the county conducted its affairs on their behalf. These voters aren't asking for transparency and accountability from their commissioners. They're demanding it.

It's time for this new board to make good on that promise and implement these policy changes. Moving forward, all contracts with a value of more than a stated amount should be bid upon in an open, competitive process. Moreover, if a commissioner received a campaign donation from any person or entity with business before the board or any member of the board, that commissioner must recuse himself from the debate and any votes affecting the contributor.

The Watchdog loved the new board's revisions to the travel and junket policy. Let's see more of the same regarding contracts and campaign donations.

WHEN YOU WISH UPON A STARR

It's deja vu all over again for Anoka County voters in the Oak Grove area as perennial candidate [Mike Starr](#) announced yet another campaign for public office, this time for state Senator.

Like a scene from Groundhog Day, Starr has popped up yet again months and months before an election to breathlessly announce that yes, the rumors are true, he's running for office.

Just like in 2004, when he ran for state representative and lost.

Just like in 2006, when he ran for state Senate and lost.

And just like 2008, when he ran for city council and lost.

Starr is either persistent, bored, or both.

One thing we do know for sure. If Starr loses again, he will be the recipient of our Betsy O'Berry Lifetime Achievement Award for Political Futility, otherwise known as the Voters Don't Like You, Get the Hint award.

Goodness, at least Jerry Newton won a couple of elections.

GOVERNMENT TAKES A DIP

Now for some feel-good news. The Star Tribune [reported](#) this week that Anoka County governmental entities are pooling resources to deal with reduced budgets. The county, the Anoka-Hennepin School District, and many cities within the county have embarked on a "Cooperation and Collaboration" project to see where these governmental organizations can share resources like office space, personnel, and equipment.

The Watchdog salutes these leaders for stepping forward and making an effort to reduce the cost of government without raising taxes. This is something that wouldn't have happened under the previous regime.

This is a better-late-than-never proposition, considering that the recession hit businesses and families back in 2009, forcing them to cut costs years ago.

Sadly, without a profit motive, it often takes a crisis to get government off the dime and on the path to efficiency. Rarely is government motivated to make needed changes until the revenue stream is reduced.

The Watchdog is a firm believer in the theory that "the money is the reform" in government. In other words, "reinventing government" and other neat sounding paradigms don't achieve the maximum results regarding efficiency. The only way to get true reform out of government is to dial back the funding spigot.

The real key is to get elected officials to dial back the spigot proactively and not just reactively during times of economic turmoil.

Remember Watchdogs, the money (or lack thereof) is the reform!

WATCHDOG RETRACTION

Harold Hamilton has always demanded that the Watchdog bear true faith and allegiance to the facts. When we get them wrong, they must be corrected, or Harold beats us. Okay, he doesn't beat us but he is nonetheless stringent with respect to the facts.

MetroNorth Chamber of Commerce executive director Lori Higgins was out to visit Harold Hamilton this week to take a tour of Harold's manufacturing plant, gain an appreciation for the quality jobs he produces, and get some tips on repairing the Chamber's reputation with conservatives after years of Tom Snell kowtowing to the Good Ol' Boys and allowing the Chamber's name to be attached to such winning issues as the Vikings sales tax, Northstar rail, and myriad school levies. Even though Tom is now in retirement, it's not too late to produce that study he claimed proved that Northstar was the most cost effective transportation option for the county.

Specifically, Lori took issue with our [January 14th edition](#) describing the food at the MetroNorth legislative reception as being of the "rubber chicken" genre.

Higgins pointed out that she takes particular pride in selecting tasty grub for Chamber functions and that indeed, the food was righteous that night.

And we have to agree. Actually, we meant to refer to events like these as the "rubber chicken circuit" and not to the food itself on that particular night.

Thus, we retract our remarks denigrating the quality of the food on the evening in question. There was a wide selection of excellent food and we at the Watchdog thoroughly enjoyed it.

Good job Lori! Now if we can just do something about that governmental affairs committee...

2/11/11

In This Issue:

1. **Where's the Economic Development, Dan?**
2. **The Billion Dollar Scam.**
3. **State of the State Analysis.**

WHERE'S THE ECONOMIC DEVELOPMENT, DAN?

With so much attention focused on Northstar rail's utter failure to deliver on promised ridership, we got to thinking about Northstar's other failed promise - economic development.

Remember when commuter rail was touted as an economic development tool that was going to bring jobs and prosperity?

This week, the Watchdog staff toured all six Northstar rail stations (Minneapolis, Fridley, Coon Rapids, Anoka, Elk River, Big Lake) to see for ourselves what kind of economic development has taken place alongside the rail line.

What we saw was underwhelming to say the least. With exception of downtown Minneapolis, where it's hard to separate out rail from other developments, the other five stations like much as they did when Northstar opened, with little business activity around them.

The Watchdog invites Northstar rail apologist and defrocked Good Ol' Boy [Dan Erhart](#) to tell our readers what kind of economic development they received in exchange for the obscene tax dollars they're shelling out to support the failed train.

We'll give his response top billing.

THE BILLION DOLLAR SCAM

Last week, Governor Dayton proposed a billion dollars worth of [capital improvement projects](#) for the state. Dayton touted the bill as a "jobs" bill (isn't every bill at the legislature a "jobs" bill these days?) that would put Minnesotans back to work, fix the economy, and turn water into wine.

As you would expect, the recommendations are filled with hokey, pork barrel projects totally unrelated to the state's core functions:

- A new stadium for the Saint Paul Saints (they're still here?)
- An upgraded civic center for Mankato

- An upgraded civic center for Saint Cloud
- An upgraded civic center for Rochester
- An African-American history museum
- Upgrades to Target Center

Yeah, life will just come to a screeching stop if these projects aren't done and done right now.

In addition to the expected chicanery of a DFL bonding proposal, there was an added twist: a \$470 million bribe. Yes, our silver spooned, trust funded gov'nr left nearly half the booty for Republicans to divide amongst themselves. Like Blackbeard, Dayton hoisted the Jolly Roger over the Capitol and issued an invitation to House and Senate scallywags: Avast, ye scurvy legislators! If ye join me in plundering the wee one's future, there be capital improvement riches fer ye district and re-election for all! If not, then ye walk the plank and sleep in Jesse Ventura's locker.

The Minnesota Watchdog has on many occasions pointed out the problems with "bonding" bills and why they don't deliver on their promises to stimulate economic growth.

This week, we'll analyze what's wrong with these kinds of bills and tell you a couple of things most folks outside the walls of the Capitol don't know about bonding.

Reason #1: Bonding is debt.

Capital investment bills are called "bonding" bills because they are financed with bonds. Bonds are nothing more than debt instruments, paid off over many years with interest.

In other words, Governor Dayton proposes to put a cool billion on the state's credit card, to be paid back by our children and grandchildren who are already being crushed under a mountain of debt at the federal level.

The fastest growing expenditure item in the state budget isn't health care or education - it's debt repayment.

If passed, the debt service alone on the bonds would cost \$165 million in the upcoming budget cycle.

Reason #2: Government Debt Doesn't "Stimulate."

Are you sick of hearing politicians claim that government spending will "create jobs?"

Apparently, our intrepid governor didn't get the memo that the federal stimulus utterly failed. Obama's \$865 billion gamble on Keynesian economic theory didn't pay off.

So why does the governor think a billion in government debt is going to lift us out of the economic doldrums when all those many billions couldn't deliver on the Obama promise of unemployment that wouldn't exceed 8%?

To give you some idea of how insignificant this billion dollars would be, consider that Minnesota's economy, measured by "gross state product," was \$226 billion dollars in 2009, the latest year for complete statistics.

Thus, a billion dollars in stimulus would equal less than one-half of one percent of the state's economic output.

Where those dollars would be significant, however, is the addition of that much money to the state's debt load.

Another factor to consider is recent history. The state has pumped billions of bonding dollars into the economy. Where are the results?

2001: \$117 million
2002: \$673 million
2003: \$747 million
2004 \$0
2005: \$963 million
2006: \$1 billion
2007: \$106 million
2008: \$862 million
2009: \$300 million
2010: \$686 million

Since 2005, the state has put nearly \$4 billion on the credit card. No evidence has been presented that this massive issuance of debt has produced a favorable effect on the economy.

This is because these dollars are not "investments" in our economy at all. Remember that government only spends money that it has confiscated from the private economy. In short, government only re-circulates money that was already in the economy.

What's worse, the private economy allocates resources based on merit, with dollars flowing to productive sectors and away from inefficient sectors.

In the public economy, dollars are allocated based on political influence, with no heed paid to market efficiency. If your group is powerful enough, you get the money, regardless of the merits.

For every dollar the government takes out of the private economy, that is a dollar that a private company or individual no longer has to invest as they see fit. It's not as if money in the private economy doesn't work. It's not buried in coffee cans in the backyard. The

difference is that when a small business hires another worker or buys a piece of capital equipment, there isn't a horde of attention seeking politicians there to hold a press conference with the adoring media on hand to give them a platform.

For an American public raised on sitcoms and video games, it's all too easy to be fooled by politicians who can show you a bricks-and-mortar community center built with government money. It's much harder to grasp the concept of wealth created by abstract issues like capital investment gains and asset appreciation.

Is it any wonder that stimulus spending doesn't work? In this equation, it's a zero sum game. There is a dollar out there in the economy. It can either be deployed in the private economy where efficiency is the touchstone, or it can be diverted into the public economy, where it is spent to curry favor with whatever powerful special interest group happens to prevail at the time.

And in the case of bonding, it's a dollar that must be repaid with interest.

Reason #3: There is No Such Thing as "Shovel-Ready."

Dayton has touted his billion dollar bonding proposal as a bill that will not only produce jobs but produce them quickly, with a focus on projects that are "shovel-ready" and "paint-brush ready."

This claim is totally bogus and the Watchdog will tell you why for reasons that can only be found in the pages of this publication.

The average citizen may think that once a bonding bill becomes law, the money magically begins to flow and the jobs appear at once.

Minnesota government bonds are like any other bond issue in many respects. They are heavily regulated by securities laws and are subjected to scrutiny by financial markets.

Before state bonds are sold, bond underwriters and bond rating agencies engage in a thorough "due diligence" process to assemble the proper disclosure information, establish ratings and interest rates, and prepare the bonds for sale in financial markets.

An important aspect of due diligence is to examine the bond issue in the context of the state's overall financial situation. This means waiting until the state closes out its books on the current fiscal year. Once the books are closed, the bond houses are then able to properly examine the bond issue and assemble concise, strictly regulated information for investors.

Remember that the state's fiscal year ends June 30th. Given normal underwriting schedules, bonds from a 2011 bonding bill wouldn't be put out to market until about September, under normal circumstances.

And these aren't normal circumstances. Given the state's big deficit, there is a likelihood that the governor and the legislature won't be able to agree upon a budget during the regular legislative session and perhaps not until after the June 30 fiscal year-end.

Moreover, in past years, the state was able to get around the due diligence time delay by borrowing cash from the state general fund to get projects started. Once the bonds were sold, proceeds would repay the general fund.

Again, this is not a normal year. The general fund is in deficit and there is no money to float the bonding projects.

Reason #4: There Are Projects Still in the Pipeline.

Even if one were to accept the governor's reasons for a bonding bill, one isn't needed. The state still has over \$1.5 billion in previously authorized projects that have yet to take place.

As Rep. Larry Howes noted, "If this is 'shovel-ready' someone forgot to buy the shovel." Perhaps the governor should prod his own cabinet to get busy on the projects still in the pipeline before issuing yet more debt.

Reason #5: This Isn't a Bonding Year.

For many years, the state legislature only met during the odd number years. In 1973, DFL legislators changed the law to allow the legislature to meet every year. The ostensible purpose of the change was to allow for the crafting of a bonding bill.

The legislature passed a bonding bill in 2010. There are still over \$1.5 billion in projects still in the pipeline.

The Republican legislature should tell the governor to shelve his bonding proposal until 2012, the proper year for it.

STATE OF THE STATE ANALYSIS

Governor Dayton must have heard wrong. When his staff told him he had to deliver a "state of the state" address, he must have heard "state of the state government" address.

At a time when citizens were expecting to hear Dayton's plan to get wealth creation back on track in Minnesota, they were instead treated to a lecture that could have been entitled, "Why Government is Important and Can't be Cut."

Dayton's [address](#) was nothing more than a lengthy defense of government spending and the indispensable role government plays in the state's prosperity.

While he played lip service to the importance of private sector business, the core of the address supported the role of Big Government in our lives.

Dayton failed to lay out a single meaningful proposal to encourage job creators to come to Minnesota or stay in Minnesota. The only time he came close was to acknowledge an executive order to speed up the permitting process.

In fact, Dayton renewed his call to increase taxes on job creators so that government services won't be "savaged" by budget cuts.

Next, the governor expressed his concern that the state government not shutdown on July 1st if no budget agreement is reached with the legislature. He implored legislative leaders to join him in a pinky-swear, double secret probation, cross-your-heart-and-hope-to-die oath not to let government shut down because of the potential lack of a budget agreement by July 1. No state parks open for the 4th of July? The humanity!

The governor laid out a "5 point plan" (not this [5 point plan](#)) that articulated his vision for Minnesota.

Dayton started with education. Because the governor frequently confuses spending with results, he called for increasing education funding every year he's in office to get better results. It's going to be one heck of a Houdini act to see him increase education funding without proposing off-your-rocker tax increases.

He also took pains to separate himself from all the meanies who have been asking our schools to bring down costs and increase teacher accountability.

In short, as much as he protests otherwise, it's the status quo plus a few million more as far as education is concerned.

Dayton next moved to transportation, where he rightly noted that a strong transportation system is part of a health economy.

He then got his facts confused by claiming that transportation spending went down during the Pawlenty years. Not true. Under Pawlenty, the biggest transportation spending in the state's history took place.

And so did that little \$6.6 billion transportation tax increase that happened via a veto override.

The next point concerned the tired old platitude about "government efficiency," complete with the same old "blue ribbon" panels that will find some billions in savings through shared copy machines and car pools.

Of course, we also heard about our beleaguered, underappreciated government employees, which was a tip of the cap to the AFSCME endorsement Dayton got early on in the governor's race.

He finally did get around to talking about job creators, but it was within the context of the importance of public-private partnerships. The few times the governor mentioned private business in his address, it was always within the context of how government has helped the private sector.

It was also telling that every single person the governor saluted during the address was congratulated for their public service. Teachers, college administrators, former governors, and cops were all singled out for praise. Not a single job creator was mentioned or given any type of prominent role, again underscoring Dayton's lack of support for the private sector.

While the Watchdog has no quarrel with the good people who were saluted, it was telling that our job creators were left out at the very time Minnesota needs them most.

It was also a huge disappointment to see our chief executive blame others for the current situation and preemptively disavow his own upcoming budget.

"In closing, I ask all Minnesotans for the same forbearance. I ask not to be finally judged by the budget I am required to submit next week. I ask you to remember that I was not given a blank slate on which to write my best proposals for our state's future. Neither was the Legislature. We were left a horrendous fiscal mess, a decade of economic decline, and state agencies poorly managed."

Translated: Man, I sure wish the economy was doing well so I could leave government on auto pilot and spend a mountain of cash, just like Wendy Anderson.

That's leadership for you. The same kind of leadership that causes one to lock his Washington office and run scared from an imagined threat.

Mark Dayton's state of the state was a total dud that offered nothing beyond a defense of Big Government and the status quo.

It is clear that our governor believes that government is the answer to our problems.

Fluffy platitudes are easy to come by in February. We'll see what the hard choices of May bring to our chief executive.

2/18/11

In This Issue:

1. **The Dayton Budget.**
2. **Off Message.**
3. **Tingelstad Shocks the Delegates - Again.**

THE DAYTON BUDGET

Governor Dayton released his proposed [Fiscal Year 2012-2013 general fund budget](#) yesterday. The Watchdog's reaction? We felt as if we were in a time warp, baby. We were transported back in time to a place where leisure suits, wide lapels and disco ruled the day. Phrases like "groovy," "dude," and "mama," dominated the popular discourse. Inflation ran in the double digits, stagflation ran rampant, and we waited in gas lines.

As yes, the 1970s. Governor Trust Fund offered up a budget that was only about 35-40 years too late.

Chock full of tax increases and way too light on reductions, Dayton is stuck in a time warp and apparently believes the world hasn't changed in the past four decades.

So let's all pile into the El Camino, put some Bee Gees on the 8 track player and cruise on into our erstwhile failed senator's proposed budget:

Tax Increases:

Dayton proposes to raise taxes by \$4 BILLION, which would be the largest tax increase in Minnesota history.

- \$2 billion would come from the creation of a fourth income tax bracket at 10.95%
- \$918 million from a "temporary" surtax of an additional 3% on incomes over \$500,000
- \$84 million from a property tax increase on homes valued in excess of \$1 million
- \$430 million from closing tax "loopholes"
- \$877 million in health care provider taxes
- \$34 million from miscellaneous sources

Budget Reductions:

Dayton proposes net spending reductions of \$525 million:

- Health and human services reductions of \$350 million
- Higher Education Reductions of \$171 million
- Public Safety reductions of \$6 million

Budget Shifts:

- Dayton proposes to continue the 2009 \$1 billion plus education funding shift beyond the upcoming budget cycle, to be paid back starting if fiscal year 2014, with an installments of 10% each fiscal year until repaid.

Other Items:

- K12 education would receive a funding increase, albeit a modestly.
- Local government aid (LGA) would not be cut.

BREAKING DOWN THE TAXES, THE REDUCTIONS, AND THE REST

If enacted, the new income tax increases would give Minnesota the dubious distinction of having the steepest income tax rates in America.

Moreover, the 3% surtax on incomes over \$500,000 is anything but permanent. We remember when Arne Carlson proposed and the legislature passed a temporary .5% increase in the state's sales tax. That was back in 1993. Only in government would 18 years be considered "temporary."

The DFL likes to label some tax increases as closing "loopholes" in the tax code, thereby implying that the tax increase is little more than a needed correction in tax policy.

Take the example of foreign operating corporations. The governor wants to raise \$277 million by taking away certain tax deductions these corporations receive, calling them a "loophole."

Instead, these deductions were part of a very deliberate public policy to encourage international trade.

Again, the governor is stuck in a time warp, back in a place and time where international trade wasn't so important.

Today, America has no real chance to significantly grow jobs without robust free trade policies. Growth markets are overseas, not at home. Even our Community Organizer in Chief recognizes this fact, pushing Congress to ratify free trade agreements with a number of nations, most notably South Korea.

Minnesota's economic future will rely more and more on trade. Even those unions jobs up on the Iron Range depend on this reality. Much of the iron ore mined on the Range is destined for foreign markets.

Regarding reductions, the governor looks for a pathetic \$525 million or so in net reductions. He proposes to spend \$37 billion, so his net reductions are about 1.5% of

what he proposes to spend, while his tax increases of \$4 billion comprise more than 10% of his proposed budget.

The proposal to continue the education funding shift is a stark example of the rank hypocrisy of the DFL.

When Governor Pawlenty first proposed the shift in his 2009 budget, the DFL cried foul and dismissed the shift as "smoke and mirrors" and a budget "gimmick."

Now that the DFL governor proposes the same, there is a curious silence coming from the DFL legislators.

For the record, the Watchdog doesn't support these shifts, whether proposed by the DFL or GOP. It's high time the legislature forced some education reform by reducing K12 education aid. You can't keep 40% of the state general fund budget off limits, nor should it be off limits. There's plenty of bloat and inefficiency in our schools. Cutting the money would spark the reform.

Want some more hypocrisy? Take the proposal to hold local government aid (LGA) harmless. After declaring that the budget isn't a game, Dayton then proposes to hold LGA harmless, a move that many Capitol observers say was done to divide metro and rural Republicans (rural Minnesota gets most of the LGA), much like his bonding bill proposal.

So Dayton plays games with his budget but isn't called on it. What a surprise.

OVERALL IMPRESSIONS

THIS ISN'T A SERIOUS BUDGET

At a time when our state desperately needs leadership, the governor punted. He constructively locked his office and hid under the desk.

Dayton's budget is utterly lacking in the reform and unorthodox, out-of-the-box policy initiatives that will change the way Minnesotans think about state government.

Instead, citizens got a cookie-cutter budget straight from the DFL playbook. It's a budget proposal that does little more than continue the status quo ante plus a few billion in tax increases in a pathetic attempt to sustain the unsustainable.

This isn't a serious budget. A serious budget would have acknowledged the need for reform and significant spending reductions, not because of Republican insistence but because there is no other choice.

A serious budget would have sent the message to our government (at all levels) and to our taxpayers that we need to think about what the government does for us in a new

light. A serious budget would have set the tone for the inevitable reality that state government will be pared back, like it or not (we like it).

And yes, a serious budget would have also acknowledged the reality of a Republican legislature. There is no way in he\$\$ the Republican legislature is going to ratify Dayton's appalling tax increase proposals.

Instead of a budget that attempted to meet Republicans half way, the governor laid out a laughable high-ball offer that portends contentious, adversarial budget negotiations. All the syrupy feel-good talk about cooperation evaporated in the heat of the budget battle. We have seen the governor's true colors.

The budget proposal also lacked credibility in the national context. Governors across America, on a bi-partisan basis, understand the fiscal situation. It's not just Mitch Daniels of Indiana and Chris Christie of New Jersey who are looking to reform and spending reductions while eschewing tax increases.

Also look at Democrat governors. John Kitzhaber of Oregon has proposed education funding cuts. Andrew Cuomo of New York wants pension reform for public employees. Even Jerry Brown, an icon of 1970s liberal government, has proposed serious budget reforms for fiscal basket case California.

But not Mark Dayton.

Mark Dayton has proposed hammering Minnesota's job creators with the largest tax increase in state history to create the highest income taxes in the nation to support A 23% INCREASE IN STATE SPENDING!

Remember that the vast majority of Minnesota businesses are "flow through" entities, meaning they pay their taxes as individuals, not as corporations. When income taxes are raised, taxes are raised on main street businesses, the very folks we need to get jobs created in Minnesota.

And unlike the 1970s, capital is hyper-mobile, capable of being deployed and re-deployed in the click of a mouse.

In other words, jobs, money, and other forms of capital are much more sensitive to punitive, confiscatory taxation policies. It is quite easy in today's economy for capital to flow out of punitive jurisdictions (California, New York, Minnesota) and flow into welcoming jurisdictions (Texas, North Dakota, Tennessee).

Worst of all, Dayton's budget proposal feeds into ugly human emotions like envy and greed. His "soak the rich" solution tells the majority of citizens they can continue to enjoy unsustainable governmental services that will be paid for by someone else.

His budget accuses the most successful Minnesotans of shirking their civic duties by not paying their "fair share" of taxes, even though reams of indisputable non-partisan data demonstrate a small minority of the wealthiest pay the vast majority of taxes already while consuming little in the way of government services.

Worse, Dayton also fails to acknowledge that the most successful among us provide the lion's share of job opportunities and the bulk of charitable giving that makes Minnesota a better place to live.

Instead of celebrating the virtues that made us great, like self-reliance, hard work, and thrift, Dayton's budget appeals to the worst in human nature, dividing citizens by class and encouraging sloth, envy, and perpetuating dependency.

Desperate situations demand leadership and inspire greatness. Unfortunately, not every leader rises to the challenge.

For every Abraham Lincoln, there's a Jimmy Carter.

It looks like Minnesota hired a governor sorely lacking in leadership skills. That may work when times are good. It's a disaster when the chips are down.

It's time to park the El Camino, turn down the thermostat and put on a warm sweater. A certain [malaise](#) is about to set in.

OFF MESSAGE

Memo to our Republican friends in the Minnesota legislature: you're off message. Way off message.

Throughout the 2010 campaign, Republican candidates did a magnificent job keeping "the main thing the main thing." In other words, they made jobs and the economy the central theme of the campaign.

Voters rewarded Republicans by handing them the majority in both houses of the legislature for the first time in decades.

That's why it's so puzzling to see Republicans exhibit a lack of focus so far during the legislative session.

The Republican message regarding jobs and the state budget has been confused with a host of other issues that have received media attention, including:

- The Vikings stadium
- Repealing the smoking ban
- Repealing pay equity mandates

- English only
- Photo ID to vote
- Challenging Doe vs. Gomez
- Second Amendment rights

Now don't get us wrong. Many of these issues are excellent public policy initiatives (except the Vikings stadium) that deserve to become law.

It's not a matter of policy but instead one of timing.

When these issues garner attention, they take away from the attention that should be rightfully focused on contrasting Dayton's jobs and budget plan with Republican plans regarding the same.

Republicans took the majority in both houses on the strength of independent voters. Independent voters swung radically from the DFL to the GOP in 2010. These folks provided the winning margin in some very close races.

They did so because Republicans made a strong and convincing argument that they had a better plan for jobs and the state budget.

Kurt Zellers and Amy Koch and all Republican legislators have a great message when it comes to jobs and the budget. Live within your means, don't raise job-killing taxes, and allow job creators to do their thing without undue governmental burdens.

Let that message ring loud and clear, guys! Once the budget is resolved, there will be time for other important issues.

TINGELSTAD SHOCKS THE DELEGATES - AGAIN

Former state Representative and current [registered lobbyist](#) Kathy Tingelstad has developed quite a talent for shocking the Republican establishment, especially the delegates in Senate District 49 who used to endorse her and work for her re-election.

Republicans have long been used to Tingelstad going south on fiscal issues. They well remember her [staunch advocacy](#) for the failed \$317 million Northstar rail commuter train as well as her [vote to override](#) her own governor to implement a \$6.6 billion transportation tax increase.

Believe or not, Tingelstad early in her legislative career had a solid voting record on fiscal issues. But something happened along the way.

Now it looks like the same thing has happened regarding Tingelstad's pro-life views.

At last week's district 49 BPOU convention, Tingelstad engaged in a very public and very heated argument with conservative stalwart and radio personality [Sue Jeffers](#).

As Jeffers repeatedly chastised Tingelstad for her poor fiscal voting record, Tingelstad could do little in her defense beyond asking, "What about my pro-life votes?"

True, she did have a commendable pro-life voting record as a legislator, but much like the fiscal realm, it appears something has happened along the way.

A review of 2010 [campaign finance records](#) shows that Tingelstad contributed money to both Margaret Anderson Kelliher for governor and the Friends of DFL Women political action committee (PAC).

So what's a former Republican legislator and current Republican delegate doing helping the DFL? Great question.

And what about the espoused pro-life values? Kelliher was a staunch pro-choice legislator and received the endorsement of pro-choice organizations in her run for governor, including [Planned Parenthood](#) and [Emily's List](#).

And what about the Friends of DFL Women? This organization is allied with and [works in concert](#) with a number of pro-choice organizations to [endorse and elect](#) pro-choice women. This PAC also [directly contributed](#) funds to a number of pro-choice, DFL women candidates.

The Watchdog has long maintained that Tingelstad has little credibility with Republicans in the legislature.

It now looks like she has little credibility with the Republicans in her own neighborhood.

2/25/11

In This Issue:

- 1. No Nukes! At Least for Rep. Abeler.**
- 2. Union Meeting Wrap-Up.**
- 3. Education Update.**

NO NUKES! AT LEAST FOR REP. ABELER

Last week, the Minnesota House joined the state Senate in [passing a bill](#) to lift the state's ban on the construction of new nuclear power plants.

Currently, Minnesota and Hawaii are the only two states in the union that explicitly outlaw the construction of new plants.

The bill was passed by wide margins in both bodies, with the Senate voting to pass [50-14](#) and the House [81-50](#).

Every Republican legislator voted in favor of this common sense legislation. All of them. Unanimously. Across the board. A Republican sweep.

Uh, except for one - [Rep. Jim Abeler](#) of Anoka.

Apparently, Rep. Abeler doesn't support a clean, abundant, domestically produced source of energy and instead is comfortable with our dependence on Mideast fanatics to meet our energy needs.

His vote really isn't all that surprising, considering that Abeler is in league with the anti-nuke militants at the Sierra Club, where he earns high marks on their [legislative scorecard](#) and receives their [political endorsement](#) (notice all the DFL endorsements).

Some media outlets have indicated that Abeler is concerned that there is no long-term plan for spent fuel rods.

Here's a win-win proposition. Store the nuclear waste at Ramsey's failed [Town Center](#) project. There's plenty of unused space there and it doesn't require a multi-million dollar Northstar commuter rail station.

UNION MEETING WRAP UP

Despite snowy conditions and bad roads, about 90 people attended the "community meeting" at the Bunker Hills Activity Center to discuss ways to "address" the new conservative county board.

The bad news for the meeting's sponsor, the Minneapolis Regional Labor Federation, is that many in attendance were Anoka County Watchdogs, including Watchdog President and CEO Harold Hamilton, who took time out from creating quality jobs to attend.

The meeting was a typical labor meeting, with lots of talk about "fairness," "good jobs," and references to union "brothers and sisters."

The primary call to action for the assembled brothers and sisters was to contact county commissioners to maintain "prevailing wages" on county work projects.

Prevailing wages are a method used to calculate what the county, or any other governmental unit in Minnesota, will pay on a work project.

As you might guess, prevailing wages artificially raise wages and thus cost taxpayers more than what they would otherwise pay for a public works project. Some studies indicate that prevailing wage laws add 7 to 10% to the cost of a project. If you use Northstar rail as an example, about \$30 million was added to the cost of the project because of prevailing wage laws.

Of course, there is no proof that paying more money results in a superior product. It just costs more money.

What this new board needs to do is get rid of prevailing wages on county public works projects. It would reduce costs and save the taxpayers some money. It's what this new board was elected to do.

You can read a good, concise explanation of prevailing wage laws [here](#).

In addition to prevailing wages, a representative from some feel good group called [Transit for Livable Communities](#) was on hand to give us the big spin on Northstar's poor ridership numbers and further tell us how much better off we would be if we only had more trains and more mass transit.

This good chap even practiced his advice by telling the crowd that he himself had taken Erhart's Train to the meeting, although he didn't explain how he got from the station over to the Bunker Hills Activity Center.

What this guy's bike, train, and trail agenda had to do with good ol' fashion union organizin' we don't know. We didn't see many bikes parked out front. We saw a lot of Ford pickups and Government Motors SUVs.

Of course, there was a bunch of praise heaped on Dan Erhart for his "vision" to jack up transportation taxes to fund this hooey. There were also life-size Stalinesque portraits of Kathy Tingelstad and Jim Abeler to celebrate the Republican turncoats who helped implement the \$6.6 billion tax increase that helped Erhart achieve his "vision" at our expense.

Okay, there were no portraits, but you get the point.

There was also a non-partisan economic update presented by Anoka County. The most interesting Power Point slide of the night showed the number of jobs in particular market sectors in the county, compared between 2006 and 2010.

In manufacturing, there are 14% fewer jobs in Anoka County now compared to 2006.

In construction, the number of jobs has fallen a stunning 44% in the same period of time.

But in government, the number of jobs is up 11%.

We repeat, Government employment is UP 11% in Anoka County.

That's right, Watchdogs. While jobs have been hammered hard in the county since 2006, jobs in government have actually increased.

And you wonder why we have a budget deficit.

Another telling statistic confirmed the sad state of our education system. In Anoka County, one out of every four high school students fails to graduate on time. One out of four.

Harold Hamilton takes the liberty on behalf of the conservative county board majority to thank all the Watchdogs who showed up to keep an eye on this liberal, DFL constituency.

We worked hard to win this board majority. And we'll work even harder to keep it.

EDUCATION UPDATE

Speaking of education in Anoka County, here's what your local schools are doing to prepare the children to compete in the global economy.

Over in the Anoka-Hennepin district, students at Northdale Middle School are really getting down to basics. Way, way down to basics.

In Amanda Herman's "family and consumer science" class, teenagers are learning that [stealing is bad](#).

More specifically, students are learning that shoplifting, a particularly pernicious form of the purloin arts, is a bad thing.

In Anoka County's version of "Beyond Scared Straight," Target shop cops told the quaking teens that if they got caught crotching Altoids or that Justin Bieber CD, they might get shipped to juvy hall in Lino Lakes.

Really? Isn't a little late to be teaching teenagers not to steal? If mom and dad haven't done it by now, our society is really in trouble.

And "family and consumer sciences?" How about some chemistry and biology for these kids! That's what we mean by "science."

Meanwhile, over at Eisenhower Elementary, fourth graders were gearing up for intense competition with their Chinese and Indian counterparts over the future of America's technology and innovation advantage by participating in a "[kindness retreat](#)."

The purpose of the retreat, we're told, is to "build a more caring school community by engaging students in activities that demonstrate the painful effects of bullying and emphasize the value of kindness."

According to Sue Wasilk, Ike Elementary's "student services advocate," it's a chance for the kids to "really be with each other."

Great. They can all talk about what their economic future will be like in a debt-crushed country overpopulated with ignorant but supremely self-confident adults qualified to do little but counsel each other or work menial jobs for their foreign bosses.

Wake up, Watchdogs. This crew will be coming after you in November looking for another property tax levy!

Tell them no new taxes until we get rid of social engineering and euphorian garbage and get down to the tough business of giving our kids a chance to prosper in a knowledge-based economy.

This pap about sums it up:

"And so, with movement and dance, with games and child's play, with role play and music, with large group presentations and small group activities, fourth- and fifth-graders learned to celebrate the unique tapestry that is Eisenhower Elementary School."

Whoop-de-do.

3/4/11

In This Issue:

- 1. The Capitol Week in Review.**
- 2. Washington Week in Review.**

THE CAPITOL WEEK IN REVIEW:

The February Economic Forecast.

On Monday, the Department of Management and Budget (MMB) released the updated economic [forecast](#) for the state.

Now before you yawn and bypass this news item, understand why the forecast is so important. First, the forecast provides the fiscal basis for the upcoming budget showdown between Governor Dayton and the Republican legislature.

Second, the forecast also updates the fiscal situation for what remains of the current fiscal year, which ends on June 30 and is a reflection on the fiscal policies of former Governor Pawlenty.

Third, the forecast provides a forecast for not only the upcoming budget cycle but also the one beyond that.

For the current fiscal year ending on June 30, MMB projects an improvement of \$264 million to the state's general fund bottom line. This means that the state will finish the current budget cycle with a projected positive balance of \$663 million.

That's right folks, Governor Pawlenty's last budget will leave Minnesota well over a half-billion to the good.

Not only did Pawlenty balance the state's budget without tax increases, he left his successor with a \$663 million surplus.

This is a far cry from all the liberal rhetoric about Pawlenty's fiscal austerity leaving the state in a hole. The reality is a far cry from all the wailing and gnashing of teeth from the Left about Pawlenty's policies leaving a mess for Dayton.

The reality is that Pawlenty left office with a balanced budget and a surplus to boot.

And let's not forget to acknowledge TPaw's magnificent accomplishment regarding this current budget. Namely, this is the first budget in modern Minnesota history that actually cuts spending in real terms. He didn't just reduce the rate of projected growth. This budget spends less money than the previous budget.

So where's the media on this?

In addition to the current budget improvement of \$264 million, the upcoming two-year budget cycle outlook (which begins July 1) has improved by nearly \$900 million, meaning that the February forecast has improved the state's total budget outlook by nearly \$1.2 billion over the previous forecast last November.

The upshot is that state tax revenues are expected to be \$33.3 billion in the upcoming budget cycle compared to just over \$30 billion in tax revenues for the current budget.

The the state will take in about 10% more in tax revenues in the upcoming budget cycle than in the current cycle.

In other words, without any tax increases, state spending could still rise 10% if government leaders choose to do so.

So why the projected deficit of over \$5 billion? That's easy. Thanks to the state's auto-pilot budgeting techniques, state spending is projected to be over \$39 billion. When the \$33.3 billion is combined with other inflows, the math equals about \$5 billion more in spending than revenues.

Simply put, Governor Dayton wants to jack up taxes by billions to fund a whopping 22% growth in government spending.

Republicans, thankfully, will never go for this kind of profligate spending.

Having said that, Republicans face a dilemma that is sure to cause debate within their ranks. Do they spend all \$33.3 billion on programs? Do they spend less and cut some taxes, like the job-killing corporate tax? Do they reduce the state's outrageous business property tax? Or do they spend all of it and look for even more revenue, like gambling expansion?

You know where the Watchdog is. Don't spend anymore than what we spent in this current budget. All of us have lived with freezes throughout the recession. Government can do the same.

Use the enhanced revenues to create incentives for job creators to expand in Minnesota by cutting the statewide business property tax, cutting the corporate tax rate or eliminating other small tax disincentives like the capital equipment sales tax refund delay scheme.

Republicans said they were about jobs. Prove it up.

Unemployment Down.

Minnesota got another dose of good economic news when the Department of Employment and Economic Development (DEED) [reported](#) that unemployment in the state edged down to 6.7%, the lowest rate since 2008.

Throughout the Great Recession, the state's unemployment rate was lower than the national average and often far below the national average.

Again, did the media ever give Governor Pawlenty any credit for a jobless rate far below Obama's number? Of course not. But if the economy continues to improve, look for Governor Dayton to get all sorts of credit.

Here again we have factual data supporting the theory that Pawlenty's policies were right despite a very, very difficult environment.

It just goes to show that facts never got in the way of a good media narrative.

DFL Bogus Budget Bloviating.

Legislative DFL leadership engaged in some hypocritical kabuki theater this week when they held a press conference to [demand](#) that Republicans get crack-a-lackin' on a budget proposal now that the calendar has turned to March.

Funny, the DFL leadership said at that same presser confessed that they themselves will not be submitting a budget.

Moreover, March is traditionally the time when omnibus budget bills are introduced. There is nothing unusual about what Republicans are doing regarding their budget timelines, with one notable exception.

Republicans have moved up their committee deadlines for fiscal bills to allow for more time to negotiate with the governor in hopes of avoiding a special session or a government shutdown.

This is something the DFL majority never did when Governor Pawlenty was in power. [Vikings Update.](#)

It looks like legislators are getting wise to what the Watchdog has been saying for months about the Vikings and their ham-handed stadium efforts down at the Capitol.

This week, House Tax Committee Chairman [Greg Davids](#) publically [scolded](#) the team for not having a bill introduced despite the fact that the legislature has been in session for two months.

Davids noted that a bill should have been introduced on the first day of session. Yeah, if you have a plan. The Vikes obviously don't.

On another front, elected officials and opinion leaders in Ramsey County continue to get played like an old banjo by Zygi.

This week, the Arden Hills City Council voted to formalize their game of footsie with Zygi via a council resolution that authorizes city staff to work with the team on a potential stadium site on the polluted plot known as TCAAP (Twin Cities Army Ammunition Plant).

Local opinion makers also stepped up Zygi's three card monte table. Both the Twin Cities North Chamber of Commerce and the Saint Paul Area Chamber of Commerce passed [resolutions](#) supporting the pursuit of a stadium.

Seduced by the siren song of fantastic claims of economic development, jobs, and the "coolness" factor of stadium, these folks have all lined up for a big dose of public humiliation when it becomes obvious that they were little more than stalking horses for a Minneapolis stadium deal.

What is always real with a stadium deal is the taxes that comprise the public subsidy to fund the football palace. Let both these chambers not be heard to complain about taxes of any kind in the future.

Now the Minneapolis deal may or may not happen, but Ramsey County isn't a serious deal.

Didn't these guys watch the Anoka County drama? Local elected officials and local chambers of commerce all stepped forward to dance with Zygi. And they all looked stupid in the end. In addition, the Anoka County commissioners got to look extra stupid because they walked away \$1 million lighter after doling out big bucks on lobbyists, consultants, and restaurant tabs for Commissioner Dan Erhart to fill his face while pretending to be a big shot dealmaker.

Suckers.

Yeah, it's different this time. Riiiiight.

Legislature Rejects Dayton's Taxes.

The legislature overwhelmingly [rejected](#) Governor Dayton's budget this week, which is no surprise.

Republicans and even many DFL legislators don't want to go home being on record for such a massive tax increase to support a 22% in state spending.

What was interesting was Dayton's shrill denunciation of his own bill.

Dayton called the vote "juvenile political theater" and even urged legislators to vote against his own proposal.

Strange, no Democrats were heard to complain about "juvenile political theater" when Democrats put Governor Pawlenty's budget to a vote of the legislature just last year. Imagine that. Governor Dayton urging legislators to reject his own budget proposal.

WASHINGTON WEEK IN REVIEW

Obama's newfound "pro business" schtick not working.

President Obama tried on a new costume this week, that of a pro business, pro jobs chief executive.

So far, those dastardly folks who have spent a lifetime in the jungle of global corporate leadership have somehow seen through Obama's master deception plan to pull a Jedi mind trick on the business leaders in the same way he pulled a fast one on the American people.

Who knew that folks who understand how to create jobs and maximize shareholder value would be so astute?

Take a look at what some of the country's most respected leaders and respected business organizations have had to say about the president's new detente with corporate America:

[George Buckley](#), 3M CEO;

[Jack Welch](#), former GE CEO;

[National Federation of Independent Business](#) (NFIB), representing America's small businesses.

There's bloat in the federal government?

The non-partisan General Accounting Office (GAO) issued a [report](#) this week that surprised no one when it reported billions in government waste and duplicative effort. What was surprising was the amount of waste and abuse found.

Check out this sampling of program duplication:

Food safety: 15 agencies

Homelessness: 20 programs

Economic development: 80 programs

Teacher quality: 82 programs

Transportation for poor people: 80 programs

Help people understand finances: 56

The cost of this duplicative spending is estimated to be upwards of \$200 billion per year.

This isn't at all surprising, given that government lacks a profit motive to enforce fiscal discipline. Because there is no profit motive, it is impossible to make government efficient because there is no penalty for inefficiency. In fact, inefficiency is often

rewarded with even more funding, especially if there is a powerful constituency behind the program (e.g. public education).

Thus, the only true way to make government as accountable as possible is to make it as small as possible. The smaller the government, the smaller the pool of inefficiency and waste.

The Chinese own us.

Oops. The Treasury Department was wrong. They underestimated the amount of American government debt the Chinese hold.

The feds underestimated the Chinese holdings by only a mere 30%, meaning that the Chinese hold over [\\$1 TRILLION](#) in U.S. debt.

Beyond being a fiscal issue, this massive debt obligation is also a national security issue and even one that goes to our very sovereignty.

For example, the Chinese have used their debt holdings, and the threat of refusing to lend us more money, as leverage in geopolitical disputes.

The U.S. recently dropped F-16 fighters from an arms sale package to Taiwan after the Chinese [argued](#) that a sale of the fighters could make it more politically difficult to continue to lend money to the U.S.

Moreover, these massive debt payments of interest and principle enable the Chinese to pursue military advances like a Blue Water navy and stealth fighter technology, all of which threaten vital Pacific sea lanes and valuable Asian trade partners like Japan, South Korea and Australia.

Obama's solution? Even more debt.

3/11/11

In This Issue:

- 1. Beware the Ramsey Station Solution.**
- 2. Anoka-Hennepin Teachers Reject Accountability.**

BEWARE THE RAMSEY STATION SOLUTION

We all know Northstar rail has proven to be the boondoggle the Watchdog predicted it would be. If [Denny Green](#) were our spokesman, he would indignantly say of Erhart's Train, "The train is what we thought it was!"

Now that taxpayers realize they've been left holding the bag, elected officials are trying to figure out how big and how expensive the shovel is going to be to clean up the white elephant dung Erhart has left behind.

Of course, one option would be to simply cut the losses, declare Northstar an expensive experiment in mass transit social engineering, and mothball the project while hopefully closing the book on Anoka County's failed era of "megaproject" pursuits.

Another proposed solution, examined in depth in a previous Watchdog update, is the addition of more trains to Northstar's schedule. This option is a non-starter since it would require an amended track leasing agreement with Burlington Northern, something that would likely be prohibitively expensive as well as something that BNSF may not be interested in regardless of price.

The latest idea for getting Northstar off the welfare dole is yet another station stop, this one located in Ramsey. The theory is that a Ramsey station will increase ridership and therefore decrease operating subsidies while putting the ill-fated train on a path to fiscal sustainability.

The proposed station comes with a \$13 million price tag, split among a bevy of governmental partners, including the state.

Boosters claim the new station would add about 200 daily rides to the total, a 10% increase in ridership.

As you might imagine, the Watchdog is just a wee bit skeptical that building a gleaming new station in Ramsey is going to improve Northstar's fortunes or the fortunes of mass transit in the Metro area.

Here's why.

Start with the \$13 million capital cost. Like the plan to increase the number of trains, government is expending millions to add a marginal amount of riders.

The \$13 million cost would likely be financed with government bonds with a 20-year maturity. At current interest rates, the total cost to tax payers would be about \$20.5 million, excluding underwriting and other issuance fees.

If average weekday daily ridership is 200, that equals approximately 1,040,000 rides over the life of the capital bonds.

That equates to a capital subsidy of about \$20 per ride over the life of the bonds.

And don't forget about the operating subsidy. While increased ridership would likely marginally reduce the operating subsidy, it certainly wouldn't eliminate it.

And don't forget about the \$317 million in already sunk capital costs as well.

Is the expenditure of another \$20.5 million justified by the additional projected ridership? Doubtful.

Perhaps that \$20.5 million could be better spent improving HWY 10 through Anoka and Ramsey.

Second, the Watchdog would be interested to understand how Northstar advocates arrived at their ridership estimates for a Ramsey station.

Consider the distance of the proposed station from existing stations. The Elk River station is only 7 miles away while the Anoka station is about 5 miles away.

Are there really hundreds of riders who will flock to Northstar if a station is built just scant minutes away from two existing stations?

Unlikely except for one dirty trick government has up its sleeve.

Northstar officials plan to garner the lion's share of new riders from the Ramsey station by cancelling the Northstar Express bus service.

That's right, the plan is for Northstar to gain riders by kicking them off the bus.

The Ramsey Star express bus has been extremely popular and successful, boasting of full busses and a fare box recovery north of 90%, meaning the bus requires very little in the way of operating subsidies.

So the plan is to cancel a popular, cost-effective bus option in order to force commuters on to more expensive trains.

How much sense does that make?

Moreover, booting folks off the bus and on to the train may not be a 100% commuter transition. In other words, not every person who currently rides the bus will move to the train.

One reason is location. The bus stops at a different location in Minneapolis than Northstar. The difference may mean a longer walk for some commuters, which makes a big difference in the dead of winter.

While boosting ridership on Erhart's Folly is one purpose of the proposed Ramsey station, another rationale relates to yet another failed government megaproject, this one being the Ramsey Town Center, AKA the "COR" (Center of Ramsey).

Readers will recall that this attempt by government to manufacture a utopian downtown in Ramsey where none existed before has been a hot mess.

As city fathers attempt to salvage the project, they have increasingly hung their hopes on a train station, giving this Potemkin downtown the label of a "transit-oriented" development.

Now it may be true that some developers have an interest in the COR only if a train station is first built.

On the other hand, some of the economic development reasons ring a bit hollow.

For example, city officials claim that a train station could be a boost to big box retailers. It doesn't make a whole lot of sense to the Watchdog that folks coming to a Home Depot or a Super Target would find the train convenient.

Picking up a few hundred shingles to redo the roof? Buying a week's worth of groceries? Just carry it on the train!

Another example is the new Veterans' Administration clinic. Yes, some vets need help getting to and from their appointments.

The cost-effective solution is to shuttle them from an existing station or to move them by vehicle from their homes.

In any case, spending \$20 million on a train platform in order to pursue salvation for the moribund COR project doesn't seem real cost effective.

As the Watchdog explained in an earlier addition, there is little to no economic development around any of the existing stations. What evidence is there to support the theory that economic development would be spurred by this proposed station?

So far, it appears that the "economic development" argument for Northstar hasn't panned out. For this publication, the train doesn't get the benefit of the doubt.

Finally, it's doubtful that the state will spend money on this project this year anyway.

GOP leaders in the legislature have smartly noted that this isn't a bonding year, next year is.

Moreover, look for GOP leaders in 2012 to take a very close look at every bonding project before whipping out the state's credit card.

It's time for the backers of this station to step away from the platform. While salvaging two misguided "megaprojects" has become the duty of those elected officials left to clean up the mess of the previous regimes, this course of action just doesn't look viable.

ANOKA-HENNEPIN TEACHERS REJECT ACCOUNTABILITY

The public debate over the working conditions and compensation of public employees has reached a boiling point.

Now, Anoka County taxpayers have a reason to be ticked and it can be found right here in our own backyard.

Yesterday, teachers in the Anoka-Hennepin School District rejected participation in "Q Comp," the pay system based on student results.

Even though a majority of teachers voted in favor of participation (59-41%), a super-majority of 75% was required for adoption.

So there you have it. 41% of the district's teachers don't want to be held accountable for their work, even when it means more pay.

The district would have received \$6.5 million in additional monies for teacher pay if they had adopted Q Comp.

How sad that a minority of teachers can hold the majority hostage to an outdated pay system that utterly fails to take into account results.

Can you imagine the private sector working that way? It wouldn't work for long, at least until bankruptcy set in.

It is truly mystifying to see this minority of teachers so politically tone deaf.

First, public employees are front and center in a very emotional debate regarding the affordability of their compensation, especially measured against the expectations placed on them (or lack thereof).

On top of that, these teachers thumbed their noses at a \$6.5 million pot of money while many claim that they're overworked and nearly in poverty. Never mind that many taxpayers who foot the bill have experienced real pay cuts, real layoffs and real downsizing.

What's especially galling is that these same teachers and their union will be at our wallets this November claiming all sorts of dire circumstances if taxpayers don't pony up and pass yet another levy.

You know, all the scare tactics we've come to expect. Higher class sizes, closed schools, cancelled after school activities like basket weaving and four square.

It's for the children, right?

When that happens, the Watchdog will be right there to remind them they left \$6.5 million on the table because they didn't want to be held accountable for their work product.

Good luck passing that levy in November. You'll need it.

3/18/11

In This Issue:

1. **Tax Burdens - What's Fair?**
2. **Those "draconian" Republicans.**
3. **The Stadium Comedy.**

TAX BURDENS - WHAT'S FAIR?

The headlines in newspapers and the liberal blogosphere went haywire this week with hysterical claims that Minnesota's tax system is unfair, that it slams "working" folks while letting the "rich" off the hook.

The cause for panic amongst the Marxist set was the annual release of the Minnesota [Tax Incidence Study](#), published by the Minnesota Department of Revenue (DOR).

The study causes lawmakers and policy makers to sit up and take notice because it is thorough, accurate, reputable, and professional. The study is put together every year by a team of non-partisan tax professionals at DOR who enjoy a reputation for unbiased and objective work in an area that inevitably attracts emotional and vitriolic rhetoric.

The same reputation for professional and unbiased work, unfortunately, isn't enjoyed by the "journalists" who toil at the liberal rags that pass for newspapers and legitimate public policy web sites.

They shrieked their collective horror at the study's conclusion that the top 10% of income earners in Minnesota pay 10.3% of their income in state and local taxes while the other 90% pay 12.3%.

This news, of course, drives liberals nuts because in their world, successful people should be punished while the less successful should be rewarded. The lever for that balancing is the government, which is asleep at the switch, in their view.

Inevitably, the news over the next days and weeks will be filled with calls by the DFL and their media allies to "balance" the state's increasingly "regressive" tax system by raising taxes on job creators and, by the way, bringing some more moolah into state coffers to help sustain those double digit spending hikes that are so critical to the government economy that sustains liberal politicians by sustaining their political patrons (e.g. teacher unions and the social services industrial complex).

The dirty secret is that these outlets are cherry picking the data and not telling the full story.

Putting aside philosophical arguments about the efficacy of a progressive tax system, let's get under the hood of the study and take a closer look at a couple of critical data sets to better explain what's happening.

There are two ways that a tax system becomes more regressive. The first is to cut taxes for those at the top of the income distribution ladder. The other way is to increase taxes for those at the bottom.

Just last week, the Watchdog called out DFL legislators precisely for raising taxes on folks at the bottom and then hypocritically decrying the growing regressivity of the tax system.

All taxes aren't created equal. Some are progressive in nature while others are regressive.

A system has been created to measure taxes on this continuum. The "Suits Index" is a system that tells us which taxes are progressive and which are regressive and how much so.

Check out the taxes that are most regressive:

- Tobacco taxes;
- Minnesota's "sick tax" to fund state health care;
- Utility taxes;
- Gasoline taxes;
- Estate taxes;
- Gambling taxes;
- General sales taxes;
- Corporate taxes (which in some fashion are passed to consumers).

Think about it. DFLers have participated in raising just about every one of these taxes in the recent past. And then they turn around and cry foul over a system that has become more regressive.

Now there are two way to fix this "problem," if that's what you think should be done from a public policy perspective.

You could adopt the DFL plan, which is to raise progressive taxes, meaning the income tax, and therefore bring more money into government.

The alternative is to cut regressive taxes, which is what House Speaker Kurt Zellers suggested in response to the media breathlessly demanding his reaction to the news that job creators and other successful people aren't ponying up their "fair share."

Are the wealthy paying up when it comes to taxes?

Take the income tax, for example.

When broken down by decile, you can see that the successful pay the majority of the income tax.

And the less motivated amongst us?

The bottom 10% don't pay ANY income taxes. In fact, they get back from the state over \$17 million through refundable credits and other goodies.

The next 10% pay NO income taxes and receive \$23 million in refunds.

The next 10% pay in, net, a little over \$4 million, which is less than 1% of the total income tax collected.

The next 10% pay, net, about \$80 million, about 1.1% of the total.

The next 10% pay, net, about \$207 million, about 3% of the total.

The next 10% pay, net, about \$357 million, about 5% of the total.

The next 10%, net, pay about \$526 million, about 7.5% of the total.

The next 10%, net, pay about \$788 million, about 11% of the total.

The next 10% pay, net, about \$1.2 BILLION, about 17% of the total.

The next 10% pay, net, about \$4 BILLION, about 56% of the total.

Put another way, the top 20% (those with household incomes above \$90,000 per year) pay nearly three-quarters of the income tax while the bottom 20% pay nothing and even get something back.

Put another way, the top 5% of households (households income above \$183,000) pay about 43% of the income tax.

Put yet another way, the top 1% (household incomes above \$430,000 per year) pay about 25% of the income tax.

That, loyal readers, is what the media won't be telling you about Minnesota's tax burden.

Are the successful paying their fair share? They most certainly are and then some.

If the DFL wants a more progressive system, maybe they ought to rethink all the regressive taxes they've embraced to satisfy other elements of their constituency.

THOSE "DRACONIAN" REPUBLICANS

Governor Dayton emerged from his [broom closet](#) this week just long enough to blast Republican budget targets as "draconian," meaning that they deeply offend the liberal world view of government and its expanding role in our society.

A simple check of the elementary math leads any rational thinker to ask just what in the he\$\$ Governor Dayton is talking about.

Both the GOP House and Senate budget targets propose to spend just over \$34 billion in the upcoming budget cycle. That's a fact.

The next fact is that the state will spend about \$30 billion in the current budget cycle, which ends June 30.

Any first grader can tell you that these numbers mean that the GOP intends to INCREASE spending in the next budget cycle, not CUT spending.

The numbers make for about a proposed 13% increase in state spending, which is a little rich for the Watchdog's blood.

The GOP can do better.

Only in liberal government world does a 13% increase in government equal to a severe cut.

Beam us up, Scotty!

THE STADIUM COMEDY

Zygi's quest for a new football palace has become nothing short of a political comedy, such as they are.

Just a week out from the first legislative deadlines at the Capitol, the Purple Purveyors of Political Perfidy still lack a financing plan, a location, a local partner, legislative champions, and a bill.

In fact, it appears that things are getting more and more desperate for Zygi's quest for stadium welfare.

A new concept involving unprecedented stadium piggery has been floated for our consumption.

This plan proposes not just a shiny new palace for the Vikes, but also a new home for the minor, minor, minor league baseball Saints, a renovated Target Center for basketball's Timberwolves (they're still here?) and the retirement of remaining debt for

the home of the Minnesota Wild, perhaps the most mediocre team in professional sports today.

Of course, one of the financing options for this Old Country Buffet style stadium plan is a Metro-wide sales tax increase.

With DFL luminary Ted Mondale now the public point man on the stadium front, do you get what we are saying when we talk about DFLers and regressive taxes?

Mark our words. At some point soon, there will be DFLers coming forward to endorse some type of regressive tax to build mega-rich tycoons a stadium or two in which their very rich employees will ply their athletic skills.

And those same DFLers will also be among the crowd lamenting regressive nature of our tax system.

While we can take a snarky chortle from the Vike's woeful political situation, things may be a bit more serious for elected officials over in Ramsey County, who have been playing footsie with the Vikings in the back of Zygi's Rolls Royce.

Recently, Miami-Dade Mayor Carlos Alvarez (Miami-Dade has unique metropolitan form of government) was [ousted](#) from office in a recall election.

Remarkably, 9 out of 10 voters chose to reject a sitting mayor and send him packing.

The reason? In large part, he got booted because he pushed for a new stadium for the Florida Marlins, raised property taxes in a recession, and got paid a fat salary well above what most taxpayers in the area make.

Geez, any parallels there between Miami-Dade and one possible Ramsey County future?

See you next week, Watchdogs. Keep em' accountable!

3/25/11

In This Issue:

- 1. Da Plane, Da Plane!**
- 2. Sour, Sour Grapes.**
- 3. Capitol Update.**

DA PLANE, DA PLANE!

Governor Dayton once again belied his claims of interest in cooperation and bi-partisanship by ripping into the GOP budget plan for the Health and Human Services (HHS) program area.

Playing the [physical Mr. Roarke and the mental Tattoo](#), Dayton proclaimed the proposed budget "Fantasy Island" legislation.

Moreover, Dayton's political henchpersons also got into the act, with the heads of the Human Services Department and the Budget Department sending a [letter](#) to House HHS Committee Chairman [Jim Abeler](#), blasting Abeler for not sending the proposed budget through these departments to be criticized, er, vetted to verify claimed savings.

Well, Representative Abeler must be doing something right. A frequent bad penny and appropriate target of Watchdog ire, Abeler has done much to rehabilitate his reputation after overriding Governor Pawlenty to implement a \$6 billion transportation tax increase.

And give Abeler credit. His bill slashes \$1.6 BILLION out of welfare healthcare programs, an area sorely in need of reform and restraint.

Comprised of entitlement programs and expensive health care for those who either can't afford health insurance or choose not to carry it, HHS spending has exploded in recent years, growing by double digits (sometimes 30% or more) each budget cycle.

This program area is so out of control, it's growth threatens to consume the entire state budget within the near future without reform and restraint.

Thus, cutting this budget is much more than a partisan goal. It's a mathematical necessity that DFLers understand but nevertheless will not embrace, so as not to offend their constituency that believes in universal, single-payer health care controlled and dictated by government.

So who's on Fantasy Island?

On the one side, we have a trust fund governor who was born into a life of wealth and privilege, attending the finest private schools and then engaging in a lifetime of hanging

out at the mansion and indulging the hobby of occasional forays into the world of politics, leaving a legacy of banal policy achievements and bizarre decisions, such as closing his Senate office because of a perceived terrorist threat.

Abeler, on the other hand, has never been a full-time politician. He owns his own business, which he has kept open and has been involved in throughout his legislative tenure. In other words, Abeler has always stayed grounded to the real world and knows what it means to meet payroll, compete in the marketplace, and deal with government red tape and regulations.

So who's on Fantasy Island, Governor Dayton?

SOUR, SOUR GRAPES

Some people just don't know when to leave the stage. This is especially true in politics, where many people tend to have an inflated view of themselves and what they have to offer the great unwashed masses.

Ham Lake Watchdogs got yet another lesson confirming this axiom when former Ham Lake mayor Paul Meunier reared his head once again, [this time](#) in the pages of the Anoka County Union.

Meunier dropped down from the crest of Mount Liberal to once again dispense his invaluable public policy insight, this time regarding new Ham Lake mayor Mike Van Kirk and the recent reduction in law enforcement coverage in the city.

To be honest, the issue of a reduction in law enforcement coverage isn't all that sexy or even interesting. It's not like Ham Lake is a hot bed of criminal activity. All the Watchdog has to say is that the council, not just the mayor, thought a reduction in coverage was warranted.

Moreover, while public safety is a core function of government, that doesn't mean that it is off limits to serious examination and even budget reductions. Making any issue a sacred budgetary cow is the surest way to encourage bloat and inefficiency. Policy makers have a duty to closely examine all budget items and balance public policy goals against limited governmental resources. In this case, we trust that the mayor and city council made a reasonable decision. Those who think otherwise and can write us at harold@anokacountywatchdog.com.

As anyone who knows the hyper-partisan Meunier would expect, the letter is dripping with vitriol and bitterness, leveling attacks against the mayor and the city council. Meunier attacks the "ultra conservatives" on the council (that's a bad thing?) for cutting public safety expenditures (but doesn't tell readers how that compromises their safety, if at all) and then claiming they want "more cuts" (but doesn't say what kind of cuts, how much, or how he knows this).

But Meunier reserves his real venom for Mayor Mike Van Kirk, whom he accuses of being for "low taxes" (again, that's a bad thing?) and even claimed the mayor "gets excited" about low taxes (cool, so do we). Meunier's hyper-ventilating over Van Kirk reaches a crescendo when he exclaims that the mayor "doesn't believe in government." If that means that the mayor doesn't want any government at all, it's hard to see how a reduction in one budget area makes the mayor an anarchist. If the claim is that the mayor doesn't believe government does a better job solving problems than the people, we're with the mayor.

Overall, the letter exposes Meunier's true colors. He's an embittered former mayor who was many times on the wrong side of his city council as Ham Lake mayor and was frequently on the wrong side of the taxpayers he represented.

He then thought he was legislative material, running for the state Senate in 2010. He got thumped, putting an end to the dream.

Most telling, the former mayor of Ham Lake didn't carry Ham Lake in the Senate District 49 contest last November. And it wasn't even close.

In fact, Meunier didn't even carry a single precinct in his own town, losing instead to a candidate who hailed from Andover. What does that say about his tenure as mayor and how it is viewed in retrospect by Ham Lakers?

Indeed, some people don't know when it's time to leave the stage.

CAPITOL UPDATE

It's been a busy week at the Capitol for omnibus bills. "omnibus" bills are the finance bills that comprise the GOP majority budget proposal in each house for the upcoming two-year (aka "bi-ennial") cycle.

Both the House and Senate are working overtime in order to meet a deadline of today to pass all budget bills through all committees in each house of origin and on to the floor.

Because these bills don't match up exactly, the bills will then be sent to a conference committee, where select legislators from each body will work to craft a "conference report," which is nothing more than an agreed upon bill.

The conference report will then be sent back to voted upon, without amendment, by each body.

If a bill passes both bodies, it is sent on to Governor Dayton's desk, where he has the option of signing or vetoing the bill (he also has the option to let a bill become law without his signature, but that rarely happens).

It is widely expected that Dayton will veto the GOP bills because they don't tax and spend enough for his liking, with the possible exception of the agriculture/veterans bill, which is historically a bi-partisan affair.

Once vetoed, the governor and the legislature have until approximately the end of May to reach a budget solution. This date is the constitutionally mandated end of session.

If no budget agreement is reached by then, it would be up to Governor Dayton, in his sole discretion, to call a special session of the legislature.

Once called, the next important date is July 1, the start of the new fiscal year. If no budget agreement is reached by then, the unfunded parts of government will shut down and the courts will get involved.

The courts will get involved by deciding which governmental services are "essential" and must remain in operation, whether the legislature likes it or not. The Watchdog finds this state of affairs unconstitutional, but that's the state of the jurisprudence right now.

Look for a special session followed by a government shutdown that will only end when one party declares defeat and goes home.

It's the GOP no-new-taxes immovable object versus Governor Dayton's tax-the-rich irresistible force.

It's hard to see a way out of this conflict without one party losing face and retreating on a key campaign promise.

Buckle in for a long, bumpy ride, Watchdogs. Someone is going to get smoked.

4/1/11

In This Issue:

- 1. Is GOP Losing the Budget Battle?**
- 2. A Governor, Not a King.**
- 3. Another Problem with Soaking the Rich.**
- 4. Ridiculous Quote of the Month.**

IS GOP LOSING THE BUDGET BATTLE?

We confess, Watchdogs, Harold Hamilton is getting a little concerned that the GOP down in Saint Paul is losing the budget battle with the DFL and Governor Dayton, both in terms of policy and politics.

As the Dog has explained in recent weeks, the GOP in both the House and Senate is proposing to spend about \$34 billion from the general fund in the fiscal year 2012-2013 biennium. In the current biennium, the state is spending about \$30 billion.

In other words, the GOP-led House and Senate is proposing a spending increase of nearly 14% over the current budget.

This large of an increase right out of the gate is bound to cause some angst amongst the Republican base and perhaps pose problems with respect to the end game negotiations with the governor.

First, the GOP base, deeply concerned about the size and scope of government, is sure to be concerned that a double-digit spending increase continues to take government in the wrong direction, providing too large an increase to this always money-hungry Leviathan.

To be fair, some of the spending increase isn't "new" spending. Some of it instead uses state monies to replace one-time federal "stimulus" funding that helped paper over budget gaps in the 2009 and 2010. The decision to take this stimulus money was made before the GOP gained control last November and certainly isn't the fault of the new legislative leadership.

Nonetheless, the size of the proposed increase does grow government above the recent history under Governor Pawlenty's leadership. Below are the general fund increases under Pawlenty's reign:

FY 04-05: 5.6%
FY 06-07: 11.9%
FY 08-09: 7.5%
FY 10-11: -10.6%

Yes, you read that right. For fiscal years 2010-2011, the state's general fund budget was cut in real terms, it's not merely a smaller increase than forecast. For the first time in modern Minnesota history, Governor Pawlenty achieved an actual reduction in state spending, with a DFL-dominated legislature no less.

Second, these GOP budget proposals are not so much budgets in and of themselves but rather the establishment of negotiating positions for the budget negotiations that will begin in earnest after Dayton vetoes the bills when they reach his desk next week.

Viewed another way, these budget bills represent the GOP's opening position regarding the negotiations in much the same way that Governor Dayton's proposed budget represents his opening bid.

In short, the GOP position represents the budget "floor" while Governor Dayton's budget represents the "ceiling."

Thus, it is highly likely that the final budget will fall within a range of increased spending between 14% (GOP position) and 22% (Dayton position).

If the GOP is to maintain a position against tax increases, their leadership will have to hold a strong line at the current spending position, leaving little bargaining room with the Governor.

Finally, the DFL has done well so far to frame the global budget debate as one between GOP "cuts" and DFL "investments," with the GOP reductions being "severe," "devastating," and "draconian." (The "draconian" adjective is a loser for the DFL. Most people don't know who the Athenian [Dracon](#) was nor do they understand his place in antiquity.)

The GOP needs to do a better job framing the debate as one between responsible, reasonable growth, coupled with reform, and a massive increase, financed with tax increases, lacking any measure of reform.

In other words, the debate should be framed as a choice between responsible growth and meaningful reform and the same old DFL solution of massive, irresponsible growth larded on top of the same old broken, inefficient system.

There are no "cuts," as much as that may chagrin some conservatives. Instead, the GOP is offering a smaller increase than what the bureaucrats forecast (27%) and what the DFL wants (22%).

Thankfully, the GOP has excellent leadership in Speaker Zellers and Majority Leader Koch. Moreover, they are supported by a very capable staff and an energetic rank and file.

Whatever battles they may be losing, they can most certainly turn things around to win the battles. And win the war they will.

This brave band of legislators is undertaking the tough task of wrestling the government beast to the ground. They are the subject of much hatred and vitriol from the special interests who make a living from the welfare state.

These legislators are doing good work and are steadfast in their support of smaller, efficient government as well as their opposition to tax increases.

They deserve our thanks and support.

A GOVERNOR, NOT A KING

Quick, someone get our rookie governor a copy of the Minnesota Constitution. Apparently, he thinks that he's a king and not a governor.

In addition to showing a petty, peevish side by publically lambasting GOP proposals at every turn, the governor also inserted himself into the mechanics of the budget process by [proclaiming](#) that he won't negotiate with the legislature unless and until a number of his demands are met, including a complete budget and the submission of the legislature to executive branch bureaucrats as the sole arbiters of budget numbers.

First, the legislature has always passed budget bills in chunks, known as "omnibus" bills. These bills follow a logical sequence of passing through their constituent committees and then on to the floor for final passage. It makes sense, for example, that the education bill only speak to education funding. In fact, the [Minnesota Constitution](#) requires it, stating that all bills must embrace only one subject. Again, someone get that man a copy of our founding document!

Next, it is the sole province of the legislative branch to assemble the budget. Any fourth grader can tell you all about the legislative branch being the dudes who hold the purse strings.

The governor doesn't get to dictate how the legislature, a separate, coordinate branch, goes about its fundamental business.

The legislature, within the bounds of the constitution and the law, has the privilege of crafting the budget as it sees fit. The legislature is under no requirement to agree to treat the bureaucracy, in this case the Department of Management and Budget, as the sole arbiter of the calculated budgetary savings of the proposed legislative budget.

Of course, the governor does have veto power over all bills presented for his signature. But that veto power is a privilege over only the final product, not the process.

Moreover, the governor has it half right. It isn't only about a budget that he is willing to sign. It's also about a budget that will garner enough votes to pass the legislature.

It looks like Dayton is doing more to position himself to avoid blame than reaching out to the Republican leadership to find a way to reach a budget agreement.

Dayton apparently doesn't understand that in the eyes of most citizens, he IS the state government. He is looked upon to take the high road and find solutions to problems, regardless of his party affiliation or that of the legislature.

For better or worse, the failings of state government fall on the shoulders of the governor and not the legislature.

If a budget solution isn't reached and a government shutdown drags on, Dayton will find this out the hard way, as he takes the blame for the budget stalemate.

Dayton would better served to foster conditions conducive to a budget solution and hone a public image of a governor who is above the fray, working to bring people together to find solutions to very tough problems.

The image he's crafting as a shrill, hyper-partisan cheerleader for the liberal cause who will accept nothing less than that which meets his demands will not serve him well.

Citizens expect the governor to govern, regardless of the circumstances, as tough as they may be.

Dayton is playing with political fire.

ANOTHER PROBLEM WITH SOAKING THE RICH

America's best newspaper, the Wall Street Journal, had a great [article](#) this week examining another problem with the "soak the rich" tax mentality that doesn't get much attention.

While many public policy groups, including the Watchdog, have explained that high tax burdens on the wealthy kills jobs and innovation and contain a component of moral repugnancy, few have examined how this philosophy creates tax revenue volatility.

Lawmakers and taxpayers across the board decry the "boom and bust" roller coaster of government budgets, where money falls like rain in good times and disappears in a puff of smoke during bad economies.

The primary culprit of the boom and bust cycle is the heavy dependence on a small segment of wealthy individuals who provide a large chunk of tax revenue to state coffers, especially in states with highly progressive tax structures like California, New York, Connecticut, and Vermont.

Wealthy individuals tend to have very volatile incomes themselves, often tied to financial markets through stock-based pay or other investment vehicles. According to the Journal, for example, between 2007 and 2008, the incomes of the top earning 1% fell an average of 16%, while the incomes of U.S. earners as a whole fell only 4%.

Thus, when the economy is doing well, states with progressive taxes see huge revenue windfalls and see just the opposite when the economy heads south.

So while it might make some feel good to pound the rich, this philosophy is responsible for the whiplash finances of many state governments and the current predicament they face.

To wring volatility from budgets and create stability, tax codes should provide for a broad tax base with low rates, not one with a narrow base featuring high rates for a very small group of earners.

It's ironic that all the special interests who are fretting over government not having enough money to feed their appetites have only themselves to blame.

RIDICULOUS QUOTE OF THE MONTH

It's only April first but we already have a winner for the month's most ridiculous quote. Drumroll, please. The winner is Education Minnesota union president Tom Dooher.

Making remarks before the union's Representative Convention, Dooher noted that the union's opposition to education reform and the current political environment wasn't merely a clash of opposing public policy ideas.

Oh no. For Dooher, the political clash of ideas is "a struggle about preserving basic human rights."

Oh, really? Since when did working 9 months a year become a basic human Right? Since when did preserving teacher "prep time" become a basic human right? Are teacher tenure rules that make it all but impossible to fire incompetent teachers a basic human right, too?

What a stupid comment. Basic human rights are concerned with truly serious issues like genocide, political oppression, and the abrogation of civil rights.

To compare the preservation of a limited work year and gold-plated benefits to the fight to prevent another Rwanda, Soviet Union, or Srebrenica is appalling.

To the best of the Watchdog's knowledge, no public school teacher in Minnesota has been imprisoned for their union advocacy. To the best of our knowledge, no teacher

has been stripped of their right to life, liberty, or the pursuit of happiness because of their professional life. That's laughable.

Dooher ought to be ashamed and apologize immediately for his boneheaded remark.

4/8/11

In This Issue:

1. **Zygi Wilf: Going Forward in Reverse.**
2. **CATO Strikes Again!**
3. **Dayton Shortchanges Roads and Bridges.**
4. **Obama Passes Gas.**

ZYGI WILF: GOING FORWARD IN REVERSE

The Watchdog continues to derive oodles and oodles of [schadenfreude](#) at Zygi Wilf's expense as his quest to shaft taxpayers into funding his latest real estate project, er, stadium, continues to be as popular as child molesters and Ebola down at the Capitol.

With just six weeks left in the 2011 legislative session, the Vikings still have no stadium bill. They have no local partner. They have no stadium site. They have no legislative champions other than a couple of legislators.

Yes, with just six weeks left until the legislature hits the Vikings self-imposed calendar ultimatum, the best Zygi, his millions, and his numerous [hired gun lobbyists](#) could muster was a meager letter outlining some of the broader points of the "forthcoming" (since February) bill.

In public relations terms, this latest gimmick had all the impact of a popcorn fart out of a field mouse.

Aren't public relations campaigns supposed to gain momentum over time and BUILD support?

The stadium drive appears to be doing just the opposite, diminishing support and momentum over time. Leave to Lester Bagley and Zygi to jump in the car, hit the gas, and shift into reverse.

It was hilarious to watch the Vikings try to praise the letter while at the same time pretending that they didn't know it was coming.

Jeff Anderson, talking head for the local football squad, declared tepidly that the letter was a welcome conversation starter.

Huh? Maybe no one told Zygster and Vikes that the session ends in six weeks. It's a little late to be "starting conversations" for a \$1 billion mega-project.

Moreover, Anderson's quote belies an obvious fact; Minnesota has been having a conversation about Zygi's new football stadium for a long time. He just doesn't like what taxpayers are saying.

Even better, legislative leaders knocked each other over rushing to the microphone to be the first to publically disavow any support or even knowledge of the stadium plan.

What was it President Kennedy said about failure being an orphan? When it comes to this [ugly baby](#), no one wants to claim legislative paternity.

House Speaker Kurt Zellers was characteristically blunt when he said of the letter, "I don't think it has anything to do with us." He further remarked that his caucus would only act on the bill when they absolutely couldn't avoid it anymore. "Our job is, once they present a bill with those components (financing, site, etc.), then we can act on it."

Senate Majority Leader Amy Koch similarly treated the letter with all the enthusiasm of an impending root canal. Koch noted that her team would be "cautious" about entertaining Zygi's dreams while simultaneously dealing with a massive budget deficit.

And what of Senate Minority Leader Tom Bakk, who just last year was a champion of the stadium issue?

My, what a difference a year makes. Of the four legislative leaders, Bakk was the most pessimistic, declaring that there wasn't enough time left in the session to properly consider a stadium bill. Ouch.

So how about House Minority Leader Paul Thissen? Could Zygi go one for four with his letter?

Nope. Thissen said it would be difficult to support raising taxes when the legislature was resistant to raising taxes to support spending in program areas like health care and higher education.

In short, the stadium letter garnered no support from all four legislative leaders.

And what of those taxes outlined in the letter? Among them were a surcharge on player salaries, a new tax on sports memorabilia, and the now-infamous exemption from a local referendum to implement a local sales tax to finance the local partner share of the stadium plan.

Ironically, the Vikings dissed their only hope for a stadium thus far by expressing concern over the player income tax surcharge. Players already pay part of their salaries into a league fund that helps finance stadiums, so the league and the players' association would have concerns. And so would the Vikings, who would have to lure free agents and attempt to attract other talent in a high-tax environment. What player wants to pay a higher income tax just to play for the Vikings?

The memorabilia tax attracted the ire of local sports stores and other memorabilia outlets that fear that a new tax will simply drive consumers to the Internet, where they can avoid the tax.

Perhaps most offensive, however, is a proposed exemption from a local sales tax referendum. Readers will recall that Hennepin County didn't have to put their local sales tax for the Twins stadium up for a referendum because their stadium bill provided an exemption.

Of course, the Vikings want the same exemption, even though state law says local sales tax increases must be put to a vote of the people.

The simple reason that the Vikings don't want to face the voters is that they know they would lose. Readers will also recall that Saint Paul under then-Mayor Norm Coleman put a sales tax for the Twins up for a referendum in 1999. Despite a well-financed campaign, the referendum lost 52-48.

Despite the money, lobbyists and influence the Vikings can bring to bear on the legislature, it is appearing more and more likely that the team won't get a stadium this session.

Why is that? In addition to the usual left-right coalition of folks who don't want to spend tax dollars to subsidize a stadium, additional dynamics are at work against the stadium effort.

First, the economy has dimmed public enthusiasm for a stadium. When you're out of work and losing your house, it's hard to get motivated to call your legislator and tell them to work on getting a billionaire a football field.

A second, related point is the state's fiscal situation. For folks who would normally be willing to have the legislature consider a stadium, it's hard to do when people are getting kicked off health care and courts are facing cuts. For them, a stadium is a low priority under these circumstances.

The third group cares about the on-field product. Ironically, the Vikings' Super Bowl near-miss in New Orleans in 2009 hurt the team's stadium chances when the team tanked in 2010. The mediocre 2010 season stood in stark contrast to the excitement of the 2009 season, sapping even die-hard football fans of their stadium spunk.

Finally, a large segment of the public has developed stadium fatigue. The Vikings have been pushing the issue so hard for so long, some taxpayers have become desensitized to the issue. For them, it's become background noise.

In sum, the key to legislative action is convincing the legislature that their constituents want an issue resolved and resolved now. The Vikings have so far utterly failed to convince legislators that the folks back home want the stadium situation resolved.

CATO STRIKES AGAIN!

Many readers are familiar with the Cato Institute, a wonderful pro-liberty think tank that offers practical and thoughtful policy proposals to shrink government and restore individual liberties.

Cato is great because they aren't afraid to call out both Republicans and Democrats for their profligate spending and sometimes tyrannical ways.

Cato has one again rendered great service to the country by launching downsizinggovernment.org, a comprehensive web site that examines the federal budget line by line and identifies significant budget savings, not the paltry \$61 billion Republicans want in the current budget cycle, even though we give kudos to Paul Ryan regarding his long-term plan to salvage America's future by reducing long-term expenditures \$6 trillion.

The web site's department-by-department examination of unrealized savings is among the best work we've seen in some time.

Do yourself a favor and spend some time getting familiar with Cato and their good work.

Better yet, turn your congressional representatives onto this web site and tell them to get their spending under control.

DAYTON SHORTCHANGES ROADS AND BRIDGES

Governor Dayton this week released his administration's 2011 summer road construction plan, all \$900 million of it.

The 2011 road construction program is significantly smaller than Governor Pawlenty's 2010 plan, which spent \$1.3 billion.

So Dayton cuts road and bridge spending by over 33% and we get not a word of criticism from the media.

Rest assured, if Tom Emmer were governor, the media and the Left would be all over him, bashing him for a lack of "investments" in roads and bridges.

The media would surely crow that Emmer couldn't even deliver on roads and bridges, something Republicans actually support.

Yet Dayton gets a pass.

To give readers some perspective regarding Pawlenty's record on this issue, which critics always based as too little, too late, we have listed road and bridge spending years that exceeded \$1 billion:

2010: \$1.3 billion

2009: \$1.4 billion

2007: \$1.5 billion

2006: \$1.5 billion

2005: \$1.7 billion

Not bad for a Republican who was constantly based for not "investing" in the state. We'll see in time how Dayton compares in this regard.

OBAMA PASSES GAS

Speaking of rank hypocrisy, the media and liberal silence regarding our President and the massive spike in gasoline prices on his watch is simply deafening.

Where are Chuck Schumer and Nancy Pelosi when you need them and some good old demagogue action?

Where are the calls for congressional hearings on price gouging?

Where is the demonization of Big Oil and Halliburton?

Apparently, such hysterics only apply to Republican administrations.

For his part, the Community Organizer in Chief was right on cue, providing his own special brand of ineptitude on the issue.

Fresh off his bungling of Libya and the handing out of hundreds more ObamaCare waivers, the president had a let-them-eat-cake moment when he told a concerned citizen that there wasn't much he could do about high gas prices, other than tell them man to trade in his truck for a hybrid.

Why stop there, Mister President? If you screw things up any worse, we can all trade in our cars for a rickshaw or a skateboard.

After all, this would be part and parcel of his underlying rage against an imperialistic America. The less gasoline we consume, the less we exploit foreign oil resources, according to the president's world view.

To him, high gas prices are a convenient tool to control the energy consumption habits of the American people and thus tamp down the natural tendency of America to unfairly take that which belongs to others.

Don't believe us? Read this [book](#).

4/15/11

In This Issue:

1. **Tyranny of the Minority.**
2. **Tax Day.**
3. **The Road to Hell is Really a Bike Path.**
4. **The Vikings Stadium Bill.**

Editor's Note: This past week, we saw some Republican-on-Republican violence when the Taxpayer's League of Minnesota attacked state Senator Michelle Benson for sponsoring legislation that appeared to be similar to a project that had failed miserably at the Department of Human Services.

The Watchdog knows that Senator Benson is a staunch fiscal conservative and would never pursue legislation not in the best interests of the taxpayer.

Our good friends at the League got this one wrong.

Here is a response from Senator Benson:

Phil Krinkie, President
Taxpayer's League of Minnesota
1402 Concordia Avenue
Saint Paul, MN 55104

Dear Phil,

On Monday, March 28th, 2011, the Minnesota Taxpayers League sent out an e-newsletter that compared my integrated eligibility legislation (SF578) with a recently settled lawsuit for a failed software project at the Department of Human Services. I regret that the League did not contact me first to learn of the key provisions in my legislation that set it apart. I am extremely passionate about finding innovative ways to make government more efficient and would have loved the opportunity to speak about the merits of this legislation.

My legislation would streamline the application process including verification of eligibility. System checks would include looking for duplication of names and addresses, verifying residency, verifying the validity of address, etc. It allows information to be entered and dispersed electronically instead of the current paper forms that are manually entered by staff.

One key difference is that a proof of concept is required. The vendor selected would have to submit evidence that their program would save the state money prior to moving the project forward. Additionally, the vendor is only paid out of savings, thus protecting

the taxpayer.

I am always available to respond to questions about legislation that I sponsor and support. I look forward to an ongoing conversation to make Minnesota government better.

TYRANNY OF THE MINORITY

As our loyal readers well know, the Watchdog is focused like a laser on fiscal issues, leaving social issues to fellow organizations like [Minnesota Majority](#) or the [Minnesota Family Council](#).

But what's happening in the Anoka-Hennepin School District demands attention. For some weeks, gay rights advocates have attacked the school board, including [storming board meetings](#), to pressure the school board into adopting a policy of embracing the homosexual lifestyle.

Currently, the school district has a policy of neutrality regarding homosexuality.

- The policy states in relevant part, "Teaching about sexual orientation is not a part of the District adopted curriculum; rather, such matters are best addressed within individual family homes, churches, or community organizations."
-

This is as it should be. The Anoka-Hennepin School District has a difficult enough time educating our kids with respect to core subjects like math and science. The last thing the district needs is one more distraction wholly unrelated to core learning.

This radical minority is far out of step with the vast silent majority of Anoka-Hennepin parents, who surely do not put homosexual relationships on the same moral plane as heterosexual relationships, especially the institution of marriage, which all societies throughout history have recognized only as a union of one man and one woman.

So far, the school board has done a good job resisting the pressure and remaining steadfastly committed to policy of neutrality.

Take a moment to [contact your school board member](#) and encourage them to stay focused on policies that will enable their students to compete in a global economy. Tell the board they are right to resist any policy changes that would run contrary to the wishes of the vast majority of taxpayers and entangle the school district in a social issue that is better left to the moral and ethical guidance of the First Level of Government: mom and dad.

TAX DAY

April 15 is always a dark, dark day for Watchdogs. Of course, April 15 is Tax Day, the day you either write a check to the government or you get a refund - which means you gave the government an interest free loan during the year.

Here are some fast facts regarding taxes and government revenue:

Tax Freedom Day this year is April 12, meaning that the average American worked from January 1, 2001 to April 12, 2011 just to pay their obligation to the government.

The federal debt stands at \$14.2 trillion. By way of contrast, the entire American Gross Domestic Product is \$14.6 trillion. The debt to GDP ratio is better than 97%.

The federal debt per citizen stands at \$45,938. The federal debt per taxpayer stands at \$128,562.

The current federal deficit is \$1.35 trillion. By contrast, current federal spending is \$3.5 trillion. Put another way, approximately 38% of current federal spending is financed with debt.

Ten years ago, the federal debt stood at \$5.8 trillion. Twenty years ago, the federal debt was \$3.8 trillion. Thirty years ago, it was a mere \$1 trillion.

Put another way, back in 1981, the debt was about 33% of the American GDP. Today, it is 97% of GDP.

Thankfully, the immoral aspect this appalling, reckless spending has taken front and center in the national political discourse.

Handcuffing our kids to the Mount Everest of debt is a crime.

THE ROAD TO HELL IS REALLY A BIKE PATH

Often times, a small example wonderfully illustrates the larger problem.

Such is the case with our bloated, inefficient, overreaching, outsized Leviathan federal government.

The example comes by way of a rather modest \$22 million federal grant.

The grant was distributed to organizations across the Twin Cities to promote walking and bicycling, which is enshrined in Article III of the U.S. Constitution, right under the clause establishing FEMA and right above the clause establishing Head Start.

The program became [news](#) this week because the federal government, despite the yawning budget deficit, is increasing funding for this critical program in fiscal year 2012.

One non-profit recipient of your federal tax dollars is the Community Partners Bike Library, which provides the free use of a bike for sixth months to low-income adults, some of whom will presumably use the bike to wheel down to the liquor store or pedal down to the closest social services agency to enroll in some equally wasteful program.

According to the leadership of Community Partners Bike Library, the program is a dandy way to share a love of bicycling with folks who are left out of the "mainstream bicycling community," whatever that means.

Organizers hope that the bikes create a sense of community and "encourage" folks to not steal the bike at the end of the sixth month loan period.

Geez, perhaps the \$22 million would be better spent teaching these folks some marketable skills so they can earn more money, wean themselves off the dole, and learn the dignity that comes with a good paying job. Heck, maybe they could even earn enough money to buy their own bike, perhaps even a snazzy Trek or a GT with freestyle pegs, bearclaw pedals and some totally stylin' mag wheels.

We learn that enrollees get a bike, a lock, a helmet (of course!) and a two-hour class on how to ride a bike and use a kickstand.

Perhaps the most telling (and disgusting) feature of this government grant program is the way in which taxpayer resources are treated. Remember what was mentioned above about "encouraging" people to not steal the bikes?

Well it turns out 3 of every 10 bikes in the program are stolen (do think perhaps some of those bikes are traded for drugs or alcohol?).

What's worse, the people who are entrusted to be stewards of these resources don't care. Do they attempt to get the bikes back? Are the stolen bikes reported to the police and those apprehended charged with a crime?

Check out this quote from a staffer regarding the 30% theft rate. "Honestly, I'm very impressed with how many came back, considering it's a complete honor system. I just think it shows how good people are and how people really care about their community," said Claire Stotscheck.

In this person's world, keeping 30% of what doesn't belong to you is a sign of integrity.

In fact, the program estimated from the start that 25% of the bikes would be pinched.

Can you imagine Target, Walgreens, Macy's or some other retailer putting up with 30% of their inventory being stolen? They wouldn't, because the doors would close to bankruptcy.

Can you imagine a parent who allows a child to lose 30% of his or her belongings?

How about a soldier allowed to lose up to 30% of his assigned equipment?

As far back as Aristotle, critical thinkers have noted the lack of accountability and responsibility that accompanies community ownership.

Book II of Aristotle's "The Politics" lays out this argument in full detail, noting: Each man pays most attention to what is his own, but less attention to what is common, or else, as much as contributes to his own interest. For each man, besides other reasons, thinks that others will take care of the matter and so pays less attention to it, as in domestic duties where many servants sometimes do a job worse than a few servants.

The lack of accountability and dubious merits of this program is indeed emblematic of the entire federal government.

And we wonder why the country is so far off track.

VIKINGS STADIUM BILL

Alright, let's take a peek under the hood of [House File 1441](#) and [Senate File 1164](#) and take a closer look at the Vikings stadium bill and find out just what Republican senators [Julie Rosen](#) and [Doug Magnus](#) as well as GOP representatives [Morrie Lanning](#), [Joe Hoppe](#), [Rod Hamilton](#) (of [veto override](#) fame), [John Kriesel](#), and [Paul Anderson](#) have signed on to with this piece of legislation.

What immediately jumps out at the eye of the reader is the enacting clause, which is at the head of the bill and tells readers just exactly what the bill does and what provisions of state law the bill will change.

Right there on page one at line 5 is language that says, "authorizing the imposition of certain taxes." So we know that the bill raises taxes, despite what the GOP has said about raising taxes during a poor economy.

Section 4 of the bill lays out the first tax, a tax on sports memorabilia. The tax applies to all memorabilia relating to any professional sports team., which debunks any talk that is tax is more of "user fee." A person who buys a Timberwolves hat will pay the tax, whether or not they like the Vikings, much less attend a game. Moreover, there will be football fans who pay the tax but never attend a game, likely because they can't afford to attend.

There is also a heavy administrative burden, requiring sellers of memorabilia to pay estimated taxes to the state.

A "use tax" is also imposed, meaning that anyone who didn't pay the tax at purchase is now legally responsible to paying the tax to the state. Good luck enforcing that one.

Do readers think it's possible folks may just buy online to avoid the tax, thereby putting hometown businesses at a competitive disadvantage?

Section 7 of the bill exempts construction materials used to build the stadium from the sales tax. Funny, hospitals, fire stations, and police stations aren't exempt from the sales tax. But Zygi's stadium will be if this bill becomes law.

Section 10 is unique because it puts the lie to the claim by Governor Dayton and others that this is a "people's stadium" that is intended for all sorts of egalitarian endeavors. This section states in part, "The purpose of this chapter is to provide for the construction, financing, and long-term use of a stadium PRIMARILY as a venue for professional football."

Section 13 allows for a host of local taxes to finance the local government share of the cost, including a local sales tax, liquor tax, lodging tax, entertainment tax, admissions tax, food and beverage tax, or just about any other tax the local unit of government can come up with.

Section 17 imposes an income tax surcharge of 5% on football players who play in the new stadium. Look for the Vikings to get this one jettisoned ricky-tick. Roger Goodell and the Players' Union don't want other teams getting any bright ideas on this front.

It really comes as no surprise that this bill is filled with tax increases wholly unrelated to the use and enjoyment of the stadium and is filled with goodies that aren't available to other public works projects.

The only real surprise is the number of Republicans willing to put their names on this bill.

They are stirring up a hornet's nest of opposition from not only the Republican base, but others who are stunned that the legislature would be considering such a bill while the state is in the midst of a critical budget debate that will shape Minnesota government for years to come.

What does the timing of this bill say about priorities? What does it say about professed Republican principles and values concerning the role of government in our lives and merits of tax increases?

4/22/11

In This Issue:

"To take from one, because it is thought his own industry and that of his father's has acquired too much, in order to spare to others, who, or whose fathers, have not exercised equal industry and skill, is to violate arbitrarily the first principle of association, the guarantee to everyone the free exercise of his industry and the fruits acquired by it." --Thomas Jefferson

Editor's Note: The Minnesota Legislature has been on the Easter/Passover break this week, returning to the Capitol next Tuesday morning to begin the sprint to session adjournment May 23rd.

If no budget agreement is reached by then, the legislature will no doubt be called into special session, with a government shutdown looming by July 1st.

Legislators are all home in their districts, listening to constituents and gathering feedback regarding the issues of the day.

Now is a perfect time for you to contact your state senator and state representative to tell them what you're thinking as the legislature gets down to the wire on the budget, the Vikings stadium, and other thorny subjects. Click [here](#) to find your legislators and their contact information.

In This Issue:

- 1. MetroNorth Chamber Gets it Right.**
- 2. Emmer vs. Johnson - Notes from the RNC Race.**
- 3. State Central Committee Speaks on Stadium Issue.**

METRONORTH CHAMBER GETS IT RIGHT

We owe the [MetroNorth Chamber of Commerce](#) and president Lori Higgins a big apology.

The Anoka County Watchdog has always held the Chamber accountable and called it out when failing to support pro-capitalist positions.

Last month, the Chamber took a strong position in favor of capitalism by passing a resolution opposing Governor Dayton's income tax increase plan.

We failed to note this resolution in a timely fashion.

Being that it is better to be late than never at all, let us congratulate the Chamber and its leadership team for taking a strong, unanimous position against income tax increases.

We just hope Anoka County legislators like Denise Dittrich, Melissa Hortman, Carolyn Laine, Tom Tillberry, and especially Senator Barb Goodwin got the message.

Here is that message:

"Be it resolved that the MetroNorth Chamber of Commerce opposes legislation continuing to place Minnesota amongst the highest state income tax rates in the country at top income levels. Minnesota does not want to be known as a state with one of the highest income tax rates in America. Nation-high state income tax rates leads to an unwelcome, negative, yet simple, sound bite moniker, unhealthy for the economic development of Minnesota in a keenly competitive Regional, National, and Global environment. Minnesota's economic business growth cannot afford to be continually burdened with the tagline as one of the country's top tax states."

Amen!

EMMER VS. JOHNSON - NOTES FROM THE RNC RACE

The Watchdog has been a bit surprised that the mainstream media didn't devote more attention to the outcome of the campaign for Republican National Committeeman between Jeff Johnson and Tom Emmer.

Johnson's decisive victory over Emmer on the first ballot was a surprise in many quarters and represented a stunning defeat for Emmer, who just months ago was the Party's endorsed candidate for governor and a rising star within the state GOP.

Most people, including many in Johnson's camp, expected a tighter race that would involve multiple ballots.

To provide some background for readers unfamiliar with the process, each state has one man and one woman (yes, this is an example of a gender quota within the GOP) who represent the state on the [Republican National Committee](#) (RNC).

The RNC committeeman and Committeewoman from Minnesota are elected by the State Central Committee, a sort of "super delegate" group of about 350 GOP activists who are elected to sit on the committee by their local GOP party unit.

The Watchdog spoke with many delegates who supported Johnson to find out exactly why they chose him over the man who last November represented the party at the top of the ticket.

EDITOR'S NOTE: Harold Hamilton is not a Central Committee delegate and did not endorse or support a candidate in this race.

As you might expect, many voted for Johnson because they were impressed by him while others cast an "anti-Emmer" vote for various reasons.

Many of the "pro-Johnson" delegates were impressed with his energy, enthusiasm, and vision for the role of RNC representative.

Johnson's well-executed campaign plan should have surprised no one. Johnson has a lengthy political resume, including multiple terms as a state Representative, a run for state-wide office (attorney general), as well as his current stint as a Hennepin County Commissioner.

Many delegates simply liked what they saw and heard from Jeff Johnson.

On the other hand, there were indeed some "anti-Emmer" delegates who were displeased with him for various reasons, which fall roughly into four categories.

The first faction believes Emmer ran a poor campaign for governor, allowing the DFL to recapture the governor's office for the first time since the 1986 campaign cycle.

These delegates, some of whom supported Emmer for governor from the start, didn't want to "reward" Emmer by electing him to the RNC.

One party insider told the Watchdog, "Emmer blew the unblowable race."

The second group is irritated that Emmer is on the air with KTLK, sharing time with personalities like Sue Jeffers and Bob Davis, who have been rather pointed in their criticism of House Speaker Kurt Zellers and Senate Majority Leader Amy Koch.

These delegates believe the criticism is unwarranted and a violation of Reagan's 11th Commandment.

In the words of one delegate, "I listened to Sue Jeffers call for the head of Zellers and Koch and Emmer just sat there, failing to stick up for his former colleagues."

The third faction was disappointed with Emmer's decision to become a [registered lobbyist](#) for a group he opposed as a legislator.

For many delegates, Emmer's status as a political "outsider" and avowed opponent of the government status quo was a supremely attractive quality in picking a gubernatorial candidate, which resonated with Tea Party delegates hungry for a fighter to challenge business as usual in Saint Paul.

For these folks, taking a job as a registered lobbyist meant that their outsider had become the ultimate insider.

The last group is supportive of Tom Emmer but believed that his skill set was better suited to other offices.

Our friend Craig Westover is representative of this group. Westover had this to say on another [blog](#):

I supported Emmer for Governor (after Pat Anderson switched to the auditor's race) and Jeff Johnson for RNC. There is a place for the ideological candidate and a place for the "workhorse" behind the scenes guy. The RNC is a workhorse position. The strongest point Jeff made in his speech (and throughout the campaign) was that the work at the RNC is done at the staff level; the path through success is through the staff, not the egos.

It will be interesting to what Emmer's future holds. While there are certainly Emmer supporters who want to see him run again for elective office, it is hard for the Watchdog to conclude that he is anything other than dead politically. He was roundly rejected for the RNC position and has now lost three races of late (House minority leader, governor, RNC).

STATE CENTRAL COMMITTEE SPEAKS ON STADIUM ISSUE

With all the excitement surrounding the RNC race as well as the re-election of Tony Sutton and Michael Brodkorb as chair and deputy chair, respectively, one issue from the State Central Committee meeting utterly escaped the attention of the media and conservative blogosphere.

Delegates passed a resolution affirming the Party Platform plank regarding sports stadiums while reminding GOP legislators that the base's view of public stadium subsidies is far from positive.

The Party Platform states: Programs, such as public broadcasting, sports stadiums, and the arts, should be funded by its users and voluntary donors, and not subsidized by the use of taxpayer money.

The resolution passed by the State Central Committee Reads:

Be it resolved...

That Section 1, page 2, paragraph 7 of the 2010 Standing Platform of the Republican Party of Minnesota states, "...sports stadiums... should be funded by its users and voluntary donors, and not subsidized by the use of taxpayer money."

That taxing sports memorabilia, liquor, lodging, entertainment, food, and beverages of those not using the stadium, violates our Standing Platform.

That providing a multi-million dollar sales tax exemption on stadium construction materials is essentially a taxpayer subsidy, violates our Standing Platform.

That eliminating the sales tax referendum requirement required under current law, violates our Standing Platform.

That we consider the promotion of this stadium legislation by Republican endorsed legislators, as undermining our Minnesota Senate and House leadership.

That we consider the promotion of this stadium legislation by Republican endorsed legislators as betraying the grass roots activists of the party.

Therefore we, the State Central Committee of the Republican Party of Minnesota, condemn the promotion of legislation to use taxpayer money for the construction of a stadium for the Minnesota Vikings football team.

Can there be any doubt in any Republican mind regarding how the base feels about this issue?

The Republican legislators supporting this legislation need to reconsider. Strongly reconsider.

4/29/11

In This Issue:

- 1. Can I Get a Second?**
- 2. Whimpy Republicans.**
- 3. Anoka-Hennepin District Has Lots and Lots O' Money.**

CAN I GET A SECOND?

Oh, how the mighty (and arrogant) have fallen.

Five years ago, County Commissioner Dan Erhart was the undisputed kingpin of the county. The Godfather of the Good Ol' Boy network. The Big Man on Campus. The schoolyard bully adept at punishing anyone who dared cross his agenda.

Not anymore.

The Watchdog has documented Erhart's rapid plunge into irrelevancy. First it was the loss of pork patron Jim Oberstar. Next it was the loss of obsequious sidekick Dennis "honest, I'm really a Republican" Berg and other cronies like Paul "will a free lunch be served?" McCarron. Then it was the loss of committee assignments that he formerly used to throw around our tax money like it was free.

But a new low was hit this week for old Danno.

At Tuesday's county board meeting, Erhart offered a motion to table some routine appointments.

His motion didn't even get a second, as is required under Robert's Rules.

Not one other commissioner would raise their hand to second his motion.

This incident is really just a microcosm of what's thankfully happened in county government.

The 2010 election ushered in a new era. The board is now more open and diversity of opinion is welcomed.

There's new energy and new ideas fostered by Chairwoman Sivarajah's leadership.

Unfortunately, there's one commissioner who arrogantly clings to his anachronistic ways, refusing to acknowledge the new reality.

The people of district 7 deserve representation on the county board that fits this new style. They deserve a person with fresh ideas and the energy to pursue them. They deserve a commissioner who can work with the other commissioners, motivated by good intentions a desire to achieve the common good and not narrow parochial interests.

The 2012 election will tell us who that person is. Perhaps, though we have already found [him](#).

WHIMPY REPUBLICANS

Speaking of leadership, Anoka County Chairwoman Rhonda "Iron Lady" Sivarajah was down at the Capitol this week to testify in favor of a good piece of government reform before a House committee.

This legislation would allow counties to publish legal notices electronically instead of through ink-based newspapers.

And the stakes might be a bit larger than you would think.

Here in Anoka County, county government spends about \$100,000 every year publishing these notices. Don't forget that we have 87 counties.

Moreover, only about half the county even receives the legal notices.

So you would think Republicans would be in favor of this reform. A no brainer, right? Wrong. The measure failed.

It seems some of our GOP legislators would rather screw the taxpayer in order to protect the newspaper monopoly on this publication racket.

There was a lot of hand-wringing on the part of Republicans about how such a change might harm the local newspaper.

Big damn deal. Since when is it government's job to subsidize newspapers, which are a dying medium anyway.

More importantly, since when did Republican legislators become protectors of an inefficient status quo?

If these guys don 't have the cajones to do this, can we really count on them to stand against tax increases to solve the \$5 billion, 22% spending increase Governor Dayton wants?

Geez, and we thought Republicans were all for the free market and against the government insulating markets against competition.

The GOP party platform clearly favors free markets: We support a fair, honest and competitive business environment, and therefore, oppose corporate welfare.

Perhaps party leadership should check in with these wayward opponents of free markets and government reform.

We'll have to contact Pat Anderson and ask if this is one of the planks she supports. She may already be lobbying for the newspapers.

ANOKA-HENNEPIN DISTRICT HAS LOTS AND LOTS O' MONEY

A faithful Watchdog reader who works in the Anoka-Hennepin School District administration sent along an item that should give any taxpayer pause before giving these people more money through an excess levy this November.

We are told by this source that many district employees, including teachers, are sent to workshops put on by the [New Wilderness Project](#). These half-day seminars indoctrinate teachers into all the diversity pap that is utterly irrelevant to teaching kids the math, science, and English skills they need to compete in a world economy.

Don't forget that when a teacher is gone for half a day, they not only get their pay, so does the substitute teacher who fills in behind.

So what are we paying for with the New Wilderness Project? According to their own web site, they do the following:

The Issues We Address

- Honoring and empowering racial and cultural identity
- Building relationship across lines of difference
- Developing cultural competence and leadership skills
- Reinforcing and motivating student achievement and community involvement

Our Approach to these Issues

Through performance and an integrated curriculum we:

- Provide a model for culturally responsive learning communities
- Create a safe and constructive space for the telling of stories
- Address multiple learning styles
- Motivate participants to take an active role to increase achievement for all
- Provide a model of authentic relationship across difference

- Model stewardship and authentic connection with the natural world
- Encourage self motivated exploration of natural and cultural communities

Through the use of proven experiential techniques we:

- Integrate the cognitive and affective domains
- Connect with participants inherent multiple intelligences
- Provide a model of differentiated instruction and facilitation
- Motivate participants to play stronger roles as leaders and stewards
- Build community through creative collaboration

What a bunch of new age phony baloney. How about teaching the kids to read and do math? Maybe the test scores wouldn't be so bad.

Those are your tax dollars at work, Watchdogs.

We will remember in November.

5/6/11

In This Issue:

1. **Victory in Brooklyn Park.**
2. **Dude, Where's My Bike?**
3. **The \$45,000 Man.**

VICTORY IN BROOKLYN PARK

The Watchdog sends a hearty congratulations across the river to conservative stalwart Jeff Lunde who was elected Mayor of Brooklyn Park last week in a special election.

Lunde scored a decisive and impressive victory, winning 32% of the vote in a sizable 12 candidate field.

Lunde's victory shows that taxpayers in the city are receptive to a message of smaller, more efficient government.

This is especially welcome in a city represented by free-spending liberals like state Representative Melissa Hortman.

Just last fall, the state Senate seat flipped from DFL to GOP when Benjamin Kruse scored an impressive win of his own when he beat long-time DFLer Leo Foley.

While Brooklyn Park trends DFL, these wins prove that Republicans can win there and sets the stage for competitive races in 2012.

Melissa Hortman should be hearing footsteps behind her.

Congratulations, Jeff!

DUDE, WHERE'S MY BIKE?

Every week, the Watchdog is inundated with tips, information, and documentation from concerned parents, administrators, and teachers exposing the decaying state of our government schools.

Just last week, the Watchdog exposed a wasteful and inane "[diversity](#)" program in the Anoka-Hennepin District that pulled teachers out of the classroom to learn about "cultural competence" and how to create a "safe and constructive place for the telling of stories.

This week's tale of public education waste and bloat comes from the Spring Lake Park School District.

The district thought it was a good idea to pull Northdale Elementary students out of class to watch a bicycle "[stunt rider](#)" cruise around the school gym showing off some gnarly and totally rad tricks. No word on whether he pulled off the vaunted "720" or a bitchin' "tail whip."

What we did learn is that the stunt rider did pull off a few "360s," a "hang 5" and even a "spokiz." Wow. Makes you want to drink a Red Bull and get a dragon tattoo on your forehead.

Rest assured, there was more to the festivities than merely enjoying the show, which any kid can watch on ESPN 2 while they consume their many hours of television, especially during the summer when kids are supposed to be out planting tobacco and cotton, according to our agrarian school calendars, which are as modern and cutting edge as our teacher pay grids.

No, the kids also learned about the importance of bike safety, especially the need to wear a helmet while riding.

Seriously? The Watchdog will concede that there can be value in having someone who is at the top of their profession speak to kids about the value of goal setting and the persistent pursuit of them.

So how about bringing in a top brain surgeon, a respected entrepreneur or a decorated soldier?

If kids are going to miss instructional time, the agenda should be more substantive than watching some overgrown kid whiz around the gym on his bike.

In Anoka County, one out of four kids fails to graduate from high school on time. We have a serious problem on our hands. When taxpayers see time and resources squandered on diversity pap and trick riders, they suspect that our school leaders aren't serious about fixing that problem.

Good luck with those school levies this fall.

THE \$45,000 MAN

Speaking of government school buffoonery, here's a twofer involving not only our schools but also our state government, that apparently has plenty of dough to spend in this economic environment.

The [uproar](#) surrounds a \$45,000 speaking fee paid to author Neil Gaiman to speak to Stillwater students.

The \$45,000 was paid by the Metropolitan Library Service Agency, which receives funding from the state via the Legacy Amendment, the constitutional amendment that increased the sales tax to pay into a special fund for arts, entertainment, and nature.

The whole sorry episode is a testament to the danger of legislative special interests, bureaucratic incompetence, and the arrogance of the elite who feel entitled to suck money out of the public trough while heaping scorn and disdain on the unwashed masses who fund the public trough from which they feed.

Hopefully, the taxpayers of this state have learned a lesson about creating special money funds and enshrining tax increases in the state's constitution.

A very powerful coalition of special interests came together to write a constitutional amendment to raise the sales tax for the sole purpose of funding arts, entertainment, and nature.

These well-funded interests then hired influential lobbyists to jam the ballot measure through the legislature.

The enabling legislation also included a particularly underhanded provision regarding "supplantation," meaning that the new money raised could not be used to offset cuts to arts and nature programs. In other words, the amendment tied the legislature's hands by not allowing a dollar raised by the sales tax increase to be used to cut a dollar from arts and nature funding.

Moreover, with the language enshrined in the constitution, there is no way the legislature can alter the funding to respond to changes in economy or the political landscape. The only way to bring about a change is to bring another amendment to the voters.

That leaves our state with the bizarre spectacle down at the Capitol of legislators gathering in one room to decide who to kick off health care while they gather in another to appropriate more and more money to bike trails, puppet shows and speakers like the author mentioned above.

This what happens when we put government on auto-pilot.

This story is also one of bureaucratic incompetence. For example, the one who arranged the speaking engagement never negotiated the outrageous fee. Rest assured, if that was a private company that brought in the author, there would have been some haggling.

"In our naivete, we simply thought there was no room for negotiation," said Chris Olson, the group's executive director. "I am very sorry."

And these are folks who are entrusted with our hard earned tax dollars.

Finally, this is also a story about elites and their attitudes about taking money from the public fisc.

When asked about his massive speaking fee, Mr. Gaiman noted, "I won the Newbery Medal. I won the Carnegie Medal."

Well, why didn't he say so? The Newberry Medal? The Watchdog is impressed - not. Gaiman also took pains to point out that his rake wasn't \$45,000. After his agent got a taste Gaiman only booked about \$33,000.

How tough.

He also copped a typical elitist attitude when he learned of House Majority Leader Matt Dean's comments about the affair.

"If I actually wanted to come after you, dude, I could," Gaiman said of Dean.

Actually, it looks like the legislature is going to be coming after the library folks who let this happen.

Rep. Dean Urdahl, the chair of the division that oversees the casting of lots to divide the Legacy booty has cut the library appropriation by a not-so-coincidental \$45,000.

Dude!

5/13/11

In This Issue:

- 1. RAMSEY COUNTY VIKINGS? NOT SO FAST.**
- 2. WHAT'S THE PLAN, STAN?**
- 3. RALLY WRAP-UP.**
- 4. MORE CONTROVERSY FOR PAT ANDERSON.**

RAMSEY COUNTY VIKINGS? NOT SO FAST

Vikings fans have been foaming at the mouth all week with the news that they would finally be given a chance to tailgate on polluted land lacking infrastructure while taxpayers learned they would get to foot 60% of the bill to subsidize their neighbor's Sunday boozing and vicarious football fantasies.

News outlets featured [photos and video](#) of grown men wandering around the vacant Twin Cities Army Ammunition Plant, which bears an eerie resemblance to Chernobyl, in purple tights wielding plastic swords they borrowed out of their toddler's toy box.

While Zygi and his purple plunderers of public dollars tried to spin a narrative of inevitability, the \$1.3 billion boondoggle is far from a done deal. Let the Watchdog tell you why.

Loyal readers are well aware of the fact that this publication has been truly amazed at the level of incompetence and political amateurism displayed by a supposedly sophisticated, for-profit commercial enterprise during this whole stadium debacle.

Tuesday's announcement of the Ramsey County stadium site was no different. In fact, it represented a whole new level of dubious distinction for the Minnesota Vikings Football Club.

The first thing the Watchdog noted was that there wasn't a single legislator present at the press conference. As far as the Watchdog could tell, the only two elected officials present were county commissioners Tony Bennett and Rafael Ortega. This lack of political support for Ramsey County was telling and foreshadowed the negative media to follow.

It didn't take long for legislators and other elected officials to immediately pound the proposal.

Ramsey County state Rep. Kate Knuth fired off a [letter](#) to the Wilfs expressing concern and demanding that they kick in a bigger share.

Roseville state Rep. Mindy Greiling blasted the proposal as well. She noted that "the vast majority of legislators don't support it."

Roseville state Senator John Marty and Saint Paul state Rep. Alice Hausman piled on by releasing a joint statement that read in part, "Ramsey County is facing massive and damaging cuts in human services. To choose to raise taxes for a Vikings stadium represents not only misplaced priorities, but a lack of sensitivity to human needs."

House Speaker Kurt Zellers reacted by observing that the infrastructure costs were a major hurdle.

Senate Majority Leader Amy Koch has already stated that a stadium will not be considered before the budget problem is resolved.

Governor Dayton also chimed in, noting that he would not favor accelerating needed road improvements over other road projects. He also remarked that any state contribution for infrastructure improvements would come out of the state's share of the stadium cost.

And what about state Rep. Morrie Lanning (R-Moorehead) and state Senator Julie Rosen (R-Fairmont)? Neither was at the press conference and both offered statements that pointed out problems with the proposal while offering not a scintilla of support.

Finally, Saint Paul Mayor Chris Coleman expressed doubt, saying the local sales tax was "politically difficult" to support while he also questioned the value the city would get in exchange for bearing the brunt of the sales tax burden.

In short, the Vikings appear to have either failed to line up legislative support beforehand or they just went ahead with the press conference without bringing key decision makers into the loop.

In this respect, the Vikings have taken a step backwards and have no legislative champions identified for their latest stadium plan, with the exception of some tepid comments from state Rep. Mike Beard (R-Shakopee).

Moreover, it will be interesting to see whether at least 4 of the 7 Ramsey County commissioners have the stomach to pass a whopping half-percent sales tax increase on their residents, especially in this tough economy.

Yes, 6 of 7 voted back in February to authorize the county to explore stadium options, but that is a far cry from a vote to levy sales tax increase to finance a \$350 million bond issue.

This lack of political support exposes yet another hole in the team's stadium campaign. The news cycle in the immediate aftermath of a major, high-profile announcement is critical to the public relations battle.

The narrative of the past 72 hours has been overwhelmingly negative. Outside of Zygi and Bud Grant, it's hard to find any opinion makers who are enthusiastic about this proposal.

Just like on the legislative front, the Vikings got whupped on the public relations front.

And then there is the timing. There is just one week left in the legislative session if the team wants to pass a bill this year. If the team was on top of things, this proposal would have been introduced in January. If the proposal has any momentum at all, it will have to wait until next February more than likely.

What about a special session? The Watchdog would be highly surprised if the legislature entertained a football stadium plan during a special session, if the budget impasse comes to that.

And finally, it's surprising to the Watchdog that the team has pushed all its stadium chips in on the Arden Hills site. Yesterday's announcement made it quite clear that the team is no longer looking at Minneapolis. In short, Zygi told Mayor Rybak he wasn't going to the prom.

It will be interesting to see how the business community reacts to this development. Sources have told the Watchdog that many corporate titans in the Twin Cities are supportive of a Minneapolis location. Will they support the new site? Time will tell.

In any case, it appears that the team has is committed to the Ramsey County site and that site only.

In sum, Watchdogs shouldn't get swept up in the hype that a \$1 billion stadium is coming to Ramsey County anytime soon. In fact, it can be argued that the team actually hurt its stadium prospects by choosing this site and unveiling the plan without significant political support.

WHAT'S THE PLAN, STAN?

In addition to all the political and public relations nincompoopery, there is also, of course, a great deal of fiscal nincompoopery as well.

At this point, many of the details (where the devil always resides) have yet to aired for public scrutiny.

As Watchdogs would likely guess, the details that are emerging are cause for suspicion and concern.

The most important detail to be found in a recently released 12-page "agreement of terms" is a clause that would exempt the Ramsey County sales tax from a public referendum, just like Hennepin County pulled with the Twins stadium.

State law requires that a local sales tax be approved by the voters. But like the Twins, the Vikings know a local referendum would fail. The solution? Get an exemption from the law of the land that applies to everyone else, except the other big-time sports franchise in town.

And we wonder why people are cynical about politics.

We always knew the stadium was about more than enhancing the value of Zygi's franchise. It's also about the ancillary real estate development opportunities as well.

The agreement also spells out plans for a "campus" with corporate offices, restaurants, shops, a movie theater, and residential homes.

Really? Do the Twin Cities need more office space with so much vacant space already on the market? Do we need more residential homes with so many foreclosures on the market and prices so depressed? Another movie theater? There's already a mega-plex just up the road on County 10 in Mounds View.

We also learned that Zygi may not be on the hook for all of the team's commitment of \$407 million. Other sources, including the NFL itself and "other private revenues" may be part of the \$407.

And what of the cost overruns? The Vikings will only pay for some of them, with the team not responsible for overruns "associated with certain on-site and off-site infrastructure improvements, including surface parking and related interior circulation."

If there are any savings from the project's estimated costs, the Vikings are first in line to recover them, with the team getting the first \$41 million. The next \$100 million in savings would be shared between the team and Ramsey County.

Moreover, the Vikings will grab all stadium-generated revenue from things like parking and advertising.

And those pesky roads? The Vikings will pay for none of it.

Geez. Maybe we don't want to see the rest of the details.

A taxpayer boondoggle in the making!

RALLY WRAP-UP

Last Saturday's annual tax cut rally was wonderful, inspiring, and timely, all under blue skies and sun. Watchdogs joined with fellow conservatives and allied organizations like the [Taxpayer's League of Minnesota](#) and [Minnesota Majority](#) to tell lawmakers that we're taxed enough.

More importantly, fed up citizens were there to tell law makers that \$34 billion in state government spending is enough.

In fact, the Watchdog is going to disagree with the many signs and shirts saying \$34 billion is enough.

We at the Watchdog think \$32 billion, the amount spent in the previous budget, is enough. We see no reason to go to \$34 billion.

Having said that, we're an agreeable sort here at the Watchdog and we're okay with \$34 billion so long as it's not a penny more. No tax increases and no other "revenues" in the form of fees or new streams of money.

The state doesn't need any more revenue streams and any more dollars flowing into the treasury. Every dollar taken into the state treasury is a dollar sucked out of the private economy, where market forces deploy those dollars far more efficiently and effectively than political forces.

[Not a penny more!](#)

MORE CONTROVERSY FOR PAT ANDERSON

Our readers are well aware of the controversy surrounding RNC Committeewoman Pat Anderson and her lobbying activities.

The Watchdog is already on record opposing her lobbying efforts as contrary to the party platform. Moreover, this publication is on record opposing paid lobbying activities on the part of any elected party leader or paid employee regardless of the lobbying subject, even those consistent with the party platform.

These lobbying activities inevitably cause problems because they create the perception that the party and its leaders are available to the highest bidder. It also creates the perception that party leaders are focused on supporting political clients and not the party itself.

Another example of the distraction created by leader lobbying came this week when the 8th Congressional District GOP executive committee passed a resolution calling on the state GOP to remove Anderson from her RNC post if she does not first resign.

This is one headache we can do without. It's time for the party to craft bylaws prohibiting paid lobbying activities by elected party leaders and paid employees. Hopefully, we can learn from this sorry episode.

The text of the letter is below:

*Tuesday, May 03, 2011
Minnesota State GOP Executive Committee
525 Park St # 250
Saint Paul, MN 55103-2145*

Committee members:

Since being elected National Committeewoman on April 16th, Pat Anderson has publicly obfuscated the intent of the Minnesota GOP platform regarding the expansion of gambling.

Ms. Anderson has undertaken the advancement of expanded gambling in contravention of the pertinent and unambiguous platform provision, to wit: "We seek to eliminate all state-sponsored gambling and oppose any expansion of gambling in Minnesota."

Ms. Anderson, through her actions, has caused unacceptable and irretrievable harm to this Congressional District organization in the form of negative publicity.

The consequences of Ms. Anderson's actions were surely known to her or should have been known to a prudent person. This lack of prudent conduct along with her blatant disregard for the MNGOP Platform make Ms. Anderson an unacceptable representative of this organization on the Republican National Committee.

The Minnesota State GOP Executive Committee must take purposeful and expeditious action to request that Ms. Anderson resign from the honored position of GOP National Committeewoman.

Notwithstanding her response or cooperation, prompt action must be taken to replace Ms. Anderson by arranging an election for that purpose consistent with the provisions of MNGOP's Constitution.

*Sincerely,
Ted Lovdahl, Chair 8th CDGOP*

5/20/11

In This Issue:

- 1. Micro Control Company in the House!**
- 2. Now is the Time.**
- 3. The Little Engine that Couldn't.**
- 4. Embarrassed to be a Democrat?**

MICRO CONTROL COMPANY IN THE HOUSE

The Watchdog gives big props to GOP state Rep. [Glen Gruenhagen](#) (R - Glencoe) for highlighting Micro Control Company on the floor of the Minnesota House this week.

During the debate over Governor Dayton's tax bill, Gruenhagen called upon his visit to Micro Control Company to remark that Minnesota job creators are taxed heavily enough.

(View the video [here](#), remarks start at the 39 minute mark).

He was spot on with his recollection that the company pays 50 cents of every dollar of gross revenue to the government. In other jurisdictions, it's as low as 17 cents on the dollar.

And he's also correct in noting that other states and countries regularly seek to have the company relocate.

But Harold Hamilton isn't about that. If he left, who would keep the heat on the liberals?

It's just like Harold told Senator (now former!) Don Betzold. "I could retire to the Bahamas, but I'm going to stick around and create some more jobs!"

And don't forget Democrats, Harold's standing invitation for plant tours is open to ALL elected officials.

Recently, Congressman Keith Ellison was a guest.

Come for a tour. If you dare.

NOW IS THE TIME

Watchdogs, the regular session of the 2011 Minnesota legislature is drawing to a close, drawing the curtain on just the opening act of what could be the most significant political drama in modern Minnesota history.

Despite lengthy, meaningless, resource-wasting filibusters from the DFL (which never offered a budget plan of their own), the Republican-led legislature early yesterday passed a comprehensive, reform-laden budget package that puts Minnesota government on a sustainable spending trajectory that truly changes the way our bloated, inefficient government does business.

Of course, a budget bill lacking tax increases and double digit spending increases will surely meet the veto pen of Governor Dayton.

These budget bills are now within the three day window the governor has under the state constitution to either sign or veto the bills.

With an adjournment date of May 23, it highly unlikely that a negotiated budget agreement will be reached before the legislature leaves town.

Undoubtedly a special session, perhaps a lengthy one, looms on the horizon.

To refresh readers' memory, legislative leaders and the governor will have until July 1 to reach a budget deal before a partial government shutdown. After July 1, those state government functions a district court judge deems "essential" will carry on. All other will be mothballed.

Watchdog sources at the Capitol tell us that Governor Dayton is unlikely to call legislators back into special session until a budget deal is reached with GOP leadership.

And this, friends, is a time for choosing. Governor Dayton has repeatedly stated his resolve to raise taxes. Republican legislators are equally resolute in their view that taxes must not be raised.

It is no understatement to say that the outcome will shape Minnesota politics for years to come. With a \$5 billion deficit, a decisive outcome is guaranteed. The hole is too big to cover with band-aids and bailing wire. There aren't enough shifts, special funds to raid, or payment deferrals to paper over the yawning fiscal chasm.

Someone is going to lose this titanic battle of ideas. If Republicans win, a new era of reasonable, sustainable government will prevail for the first time in generations.

Minnesota will put on a path to competitiveness in the New Economy. Our Scandinavian style model of high taxes and big government, already on the way out in Europe, will be jettisoned.

On the other hand, if Governor Dayton wins, the status quo, plus a few billion more in tax increases, will be cemented in our political psyche for another generation at least. If we resort to outrageous tax increases in this economy, when will we ever engage in fiscal austerity?

In short, this budget battle is THE most important issue at the Capitol this year. All else pales in comparison.

Therefore, now is the time for conservatives to support and aid Republican legislators in their firm resolve to reject tax increases and double digit spending growth.

Now is the time to put all other issues aside and lend our voices in support of this brave band of 109 who are bearing the brunt of nasty attacks from many quarters.

Whatever grievances you may have with individual Republican legislators, their leadership, or the caucuses in general must be put aside in recognition of our political compact to reduce the size and scope of government.

These legislators need and deserve your support. Over the coming weeks and months, they will face a barrage of hostile, vitriolic, and misleading invective because of their convictions.

If you have a Republican representing you, send a [message](#) of thanks and support. If you don't, send one to Speaker Kurt Zellers and Senator Majority Leader Amy Koch.

The stakes couldn't be higher.

THE LITTLE ENGINE THAT COULDN'T

Is there promise regarding Northstar commuter rail that has come true? Well, besides the property tax increases we all suffer to pay the endless, massive operating subsidies.

The promised ridership numbers have yet to materialize, which doesn't surprise the Watchdog in the least.

Yet that hasn't stopped some from pursuing more tax dollars for this boondoggle in the form of more trains, more stations, and an extension of the line to the metropolis of Saint Cloud.

And what about that promise of jobs and economic development? Remember when the Northstar carnival barkers like Dan Erhart told us that the train would bring jobs and economic development up and down the line? Remember when most of the "movers and shakers" and supposed "opinion makers" bought this bunk and the Northstar fever spread like global warming fever?

So where are the jobs and prosperity flowing from this \$317 million engine of development?

Have you driven by one of the stations lately? The Watchdog commented some weeks ago that the area around each station looks much the same as it did prior to Northstar.

Taxpayers got further proof this week of just how vapid those promises are when the Anoka city council resorted to designating the area around the Anoka station as a Tax Increment Financing (TIF) district in order to spur economic development.

TIF districts can indeed spur economic development but they come at a price. Generally, TIF money is used to finance government bonds to improve an area, perhaps through cleaning up polluted land or building new structures. The government then captures the "increment" of new and higher property taxes that come from the improved land. This increment is used to pay off the government bonds.

Because the increment of higher taxes is captured, it doesn't go to the government's general fund. In other words, it's off the tax rolls.

Moreover, governments often get burned on TIF because the improved land doesn't attract new business or not enough new business. It's a prime example of government messing around in private markets and playing land developer.

The Watchdog doesn't know the specifics of this particular TIF district, but one point is crystal clear. If the Northstar train really spurred the promised economic development, no TIF district would be needed. The development would follow the train. Private money, not public money, would flow into the area.

Chalk up another one for Erhart's Folly.

EMBARRASSED TO BE A DEMOCRAT?

Well, we caught them again. The Watchdog, being a watchdog, keeps a close eye on all media and political happenings in Anoka County.

One of our functions is to catch Democrats masquerading as regular citizens in the pages of the ABC newspapers, the second most popular local news source in the county.

This week's letters to the editor featured a lengthy, haughty [32-paragraph](#) missive from Roger Johnson, who describes himself as a "retired, lifelong collegiate educator." The letter goes on to lecture readers regarding education policy and funding.

Could this be the same Roger Johnson who has sought office on multiple occasions (unsuccessfully) as a partisan DFLer? The same Roger Johnson who has been a DFL party officer?

Huh. His letter failed to mention his partisan affiliation as he slammed Republicans and state Representative Branden Petersen (R - Coon Rapids) in particular.

This is nothing new. The local DFL has been pulling this charade for some time. Or perhaps these writers are ashamed to be identified as Democrats.

And what about ABC newspapers? Are they complicit in this game or are they just that incompetent and so out of touch that they don't recognize these hacks for who they are?

Sorry, Roger. You're busted, just like the rest.

For once, we would like to see one of you writers show some DFL pride, if you have any left after two years of Obama.

5/27/11

In This Issue:

- 1. Straight to the Moon, Alice!**
- 2. The Dayton Double-Dip.**
- 3. And They Want More Money?**
- 4. Photo ID Vetoed.**

STRAIGHT TO THE MOON, ALICE!

Some readers may not remember the early TV sitcom "The Honeymooners," with Jackie Gleason and Audrey Meadows. Gleason, playing Ralph Kramden, had a catch phrase in which he would point his fist to the sky and declare, "Pow! Straight to the moon!"

It looks like President Obama has been tuning into reruns of the show, giving taxpayers an uppercut and sending our national debt straight to the moon.

With our national debt standing at a staggering \$14-plus trillion and our debt ceiling maxed out, many American can have trouble grasping the enormity of \$14 trillion.

After you read this article, feel free to contact your congressional representatives and tell them not to increase the debt ceiling.

Fast facts on the debt:

- The debt, in stacks of \$1,000 bills, would stand 900 miles high.
- Stacked in \$1 bills, the debt would reach the moon and back - twice.
- U.S. Treasury Secretary Timothy Geithner has said the United States borrows about \$125 billion per month.
- With that amount, the United States could buy each of its more than 300 million residents an Apple Inc iPad.
- In a 31-day month, that means the United States borrows about \$4 billion per day.
- A stack of dimes equivalent to that amount would wrap all the way around the Earth with change to spare.
- In one hour, the United States borrows about \$168 million, more than it paid to buy Alaska in 1867, converted to today's dollars.
- In two hours, the United States borrows more than it paid France for present-day Arkansas, Missouri, Iowa and the rest of the land obtained by the 1803 Louisiana Purchase.
- The U.S. government borrows more than \$40,000 per second. That's more than the cost of a year's tuition, room and board at many universities.
- The net worth of Bill Gates would cover the deficit for only 15 days. Warren Buffet could do it for only thirteen days.

Feeling nauseous? Contact your member of [Congress](#) and tell them about it.

Editor's Note: This piece borrowed from [this article](#) in the RealClear Markets.

THE DAYTON DOUBLE-DIP

It looks like the GOP is having a little trouble winning the message war against Governor Dayton so far.

Dayton has succeeded in painting the budget impasse as a matter of simply deciding how much more the "rich" should pay. Dayton deftly moves to the center of this issue by walking back the amount he wants to confiscate while Republicans are forced to stand still on this question as they rightly oppose these taxes increases in any amount.

The problem is that the average citizen sees one party moving to compromise while the other stands on its opening position. In our culture, people expect compromise. In our politics, where independent voters hold sway, compromise is an article of faith for them.

Moreover, it's hard to get the vast majority of taxpayers who won't pay the tax increase to feel concerned for those who will. This is simple human nature, captured generations ago in the aphorism "Don't tax me. Tax that man behind the tree!" This divide-and-conquer strategy has worked since the Scribes of ancient Egypt enforced the tax laws.

As long as Republicans fight Dayton on this ground, they are likely to lose.

Thus, it was refreshing to see the GOP legislative leadership fly around the state this week to remind taxpayers that they have offered a larger budget than the last cycle, one that spends all new revenues and increases spending by 6%.

It is vitally important the GOP recast the debate as one about how big government will grow and how much it will spend.

Government spending affects all citizens and taps into the anxiety most people feel about runaway government (see article above).

Since 1960, the state of Minnesota has increased spending an AVERAGE of 21% every two-year budget cycle. The facts can be found right [here](#).

In the current budget cycle, the state will spend \$32.2 billion.

The Republican majority crafted a budget for the upcoming cycle that spends \$34 billion, a reasonable 6% increase that puts the state on a sustainable spending trajectory and is more than the increase in revenues that many taxpayers will see this year.

In other words, the Republican majority has already agreed with Governor Dayton to spend every penny of the new revenues, making this the biggest budget in Minnesota history.

Using the football metaphor, the GOP met Dayton on their own goal line, giving in to his demand to spend all the new revenues.

While some may argue that the proposed budget spends too much, it is indeed a budget that doesn't raise taxes and holds the spending increase to a reasonable amount.

This is why Republicans are so adamant about not agreeing to tax increases.

Dayton already got his way on spending the new funds. To lard a tax increase on top of the new spending in an unacceptable double dip that would grow government 12%.

Republicans have already given in to Dayton's demand on spending the increased revenues. Now he can make a concession by agreeing not to raise taxes, thus putting the GOP budget proposal smack dab on the proverbial 50-yard line.

It is Governor Dayton who is being unreasonable by insisting on spending more money than what is projected to come in the door. Whether he offers 1/2 his original tax increase, 1/4 or even 1/16, he is moving beyond the objective compromise position. A fraction of a crappy idea is still a crappy idea. Eating 1/4 of a dog turd still tastes as bad.

Let's also move off the idea that Republicans didn't get the budget done this year. They put a complete, comprehensive and balanced budget on Dayton's desk.

He vetoed those bills and has driven the legislature into a special session and likely a government shutdown over his desire to push his tax increase agenda even though the Republicans have already agreed to spend every penny of new revenue.

Any shutdown is clearly on Dayton's shoulders.

In short, we're looking at a shutdown of government because we have a governor who wants to spend all the new money and then some, growing government by double digits.

Legislative Republicans are right to stand foursquare against tax increases. It is just and moral for them to hold firm no matter how long the impasse may drag on.

\$34 billion IS the compromise.

AND THEY WANT MORE MONEY?

Our public schools have received significant funding increases in recent times and continue to seek more funding, including a funding increase in the recently vetoed Republican education funding bill. Yes, governor, funding was increased.

Yet, the results are about the same.

The most recent standardized test scores for Minnesota high school students showed no real progress.

Math scores raced ahead by 1% from last year, reading scores were also up a whopping 1% while writing scores fell 1%.

89% of students passed the writing exam on the first try while 79% passed the reading exam the first time.

Math scores, however, were really in the toilet, with only 59% of students passing on the first try. This in a world where technological innovation is the key to prosperity and national security.

Even worse, the achievement gap between white students and students of color was a massive 30% or more.

Only 54% of black students passed the reading exam.

Sadly, only 24% of black students passed the math exam.

The simple fact is that our society cannot afford to have minority citizens relegated to the economic sidelines generation after generation.

Of course, the Governor Dayton solution is more spending on the same programs that aren't producing the desired results.

It's high time that we recognize that problem isn't dumping more money into the same old Education Industrial Complex.

It's a rigged system built by special interests, namely the teachers' union, that is inherently hostile to accountability and results.

The only way to fix the system is to introduce true parent/student choice, hold teachers accountable through empirical evaluation methods, and limit the influence of Education Minnesota, which exists solely to grab all it can for its membership, often at the expense of quality teaching and student achievement.

PHOTO ID VETOED

Governor Dayton yesterday vetoed the photo ID bill. That was a mistake on his part and a play to the extreme left of his base.

This veto now gives Republicans a chance to put the issue on the ballot next year, where it will pass in overwhelming fashion and become a part of the state constitution and thus nearly impossible to repeal.

It wasn't smart of Dayton to give the GOP an opportunity to put an 80-20 issue on the ballot.

Moreover, Dayton has, according to state officials, vetoed more bills already than Tim Pawlenty did his entire first term.

Don't hold your breath for the mainstream media to start labeling the governor an obstructionist who can't cooperate with the legislative branch, even though that meme was banged home regularly regarding Pawlenty during his 8 years in office.

How long until Dayton vetoes more bills than Pawlenty did over his entire two terms?

6/3/11

In This Issue:

1. **Northstar Rail Death Watch.**
2. **Beware Purple Propagators of Prosperity.**

EDITOR'S NOTE: Upcoming community events:

State Rep. Tim Sanders' [BBQ](#);
Commissioner Rhonda Sivarajah [event](#);
County commissioner candidate Scott Schulte [event](#).

NORTHSTAR RAIL DEATH WATCH

The ill-fated Northstar commuter rail line has been a white elephant from the start. The news on this front just goes from bad to worse. So much so, the Watchdog board of directors has decreed that Erhart's Folly simply be placed on a death watch. Not that a collapse of the train is imminent. We all know that anything can be kept alive with enough government support (e.g. Amtrak, General Motors, AIG, Freddie and Fannie).

Having said that, a death watch designation is appropriate because no positive news will be forthcoming regarding this boondoggle. It's simply an acknowledgement of the reality of things. The news has been bad and will continue to be so. Let's not kid ourselves otherwise.

Our friends over at the [Freedom Foundation of Minnesota](#) (FFM) recently wrote an excellent piece regarding the downward spiral of the train that not so long ago was touted as a panacea for "economic development" that would create jobs, prosperity, a sense of civic pride and reduce traffic congestion all in one fell swoop. (Little did we know President Obama's economic policies would reduce traffic congestion by reducing the need of millions to actually get to a job.)

Here what FFM had to say:

While views vary widely over the wisdom of constructing Minnesota's first commuter rail line, just about everyone agrees the number of riders for the first year of Northstar service fell far short of expectations- 20 percent and 185,000 riders short.

When ridership comes up short, so do taxpayers, who were already expected to subsidize 79 percent of Northstar's \$16.8 million operating costs-before the shortfall. Passenger ticket sales were projected to pay for 21 percent of the cost of train rides, an [operating deficit of more than \\$1](#)

[million per month](#). The final audited 2010 "farebox recovery" numbers for Northstar Commuter Rail will not be available until July.

But we already know that Northstar's projected operating costs for 2011 will put even more of a strain on taxpayers to pick up the slack. Metro Transit *lowered* its projected number of passengers for 2011 by 147,000 riders, some 16 percent under its 2010 goal. As a result, Metro Transit *raised* the amount of its projected taxpayer subsidy to operate Northstar in 2011 to 84 percent, some 5 percent more than its 2010 goal.

"As the first commuter rail line here, first full year projections had essentially no 'real world' history from commuter rail operation in this region in their basis," said Metro Transit spokesman John Sigveland in an email. "Second year projections are based on the first year actual [numbers] from Northstar plus an assumption of growth."

In 2011, Metro Transit hopes to attract 750,000 Northstar riders, about 40,000 more passengers than in 2010. Compared to last year's less than expected passenger numbers, Northstar has posted modest increases in riders so far in 2011.

With fewer overall passengers expected to ride the rail service this year than budgeted for in 2010, Northstar's operating budget was projected to decline slightly from \$16.8 in 2010 to \$16.5 million this year. Given that assumption, ticket sales are expected to cover just \$2.64 million of Northstar's operating costs.

A 2010 Freedom Foundation of Minnesota report based on Metro Transit statistics calculated that every \$14 round trip ticket on the Northstar Commuter Rail Line costs taxpayers an additional \$29.66 in subsidies.

###

Again, the Watchdog poses this question to the legions of Northstar backers who were so dismissive and arrogant in waving off the legitimate concerns of the courageous few who displayed the temerity to ask the tough questions about this project from the start: Where are the jobs? Where's the economic development? Where's the prosperity?

Funny, you don't see too many "movers and shakers" popping off about Northstar these days. How true it is that success has a thousand fathers while failure is an orphan.

Commissioner Erhart, is that a stork at your door?

BEWARE PURPLE PROPAGATORS OF PROSPERITY

Both the Twin Cities North and MetroNorth chambers of commerce have been flirting with the idea of supporting the taxpayer subsidized \$1.3 billion football stadium / real estate development opportunity for the Zygi Wilf down in Arden Hills.

The [MetroNorth Chamber](#) passed this resolution on May 11:

"Be it resolved that the Board of Directors of the MetroNorth Chamber of Commerce are encouraged by the economic development discussions with the Minnesota Vikings regarding the Twin Cities Army Ammunition Plant (TCAAP) in Arden Hills, Minnesota.

We believe that a sports and entertainment complex, which would include a Vikings stadium, on this Arden Hills site should bring positive economic development to the north metro region, especially through the stimulation of job creation and commercial development which are vital components of the long-term economic health of our entire north metro community.

We are also encouraged by the discussion of an enhanced transportation system around Arden Hills. Transportation improvements around Arden Hills would bring tremendous benefit to the region and the existing business community.

The MetroNorth Chamber Board of Directors urges a viable, cost-effective solution for the TCAAP site in Arden Hills and looks forward to additional discussion and information on this endeavor."

The [Twin Cities North Chamber](#) passed the following resolution back in February:

The Board of Directors of the Twin Cities North Chamber of Commerce ("TCN"), on behalf of its membership, does hereby adopt this Resolution supporting development on the Twin Cities Army Ammunition property ("TCAAP") of a sports and events complex (the "Development") to replace the Mall of America Field and the Minnesota Vikings' Winter Park business complex and practice facility.

WHEREAS, developers proposed the TCAAP site located in Arden Hills, Ramsey County, for the Development;

WHEREAS, TCAAP provides an excellent location for the Development which would attract and serve citizens from the Metropolitan region and outstate Minnesota;

WHEREAS, TCAAP is located in a community served by TCN;

WHEREAS, the mission of TCN is to advocate for a healthy business climate and robust economic development in the communities it serves;

WHEREAS, the Development will host professional sports teams, large community events, and headline entertainment attracting visitors from across the state and around the world to the local community; and

WHEREAS, visitors from outside of the local community, while attending or participating in events held at the Development, will bring increased economic value to the local community and to the State of Minnesota, and such spending may improve the fortunes of the area's existing businesses while attracting new businesses to the area.

THEREFORE BE IT RESOLVED, that TCN does hereby support and endorse the efforts of public officials to encourage and attract the Development to locate on the TCAAP site.

BE IT FURTHER RESOLVED, that the support of TCN for the Development is based on preliminary concepts and information available at the time this Resolution is taken; support for this project is contingent upon the continued fit between our mission and the evolving project plans.

In fairness to these chambers, note that the resolutions offer only qualified support to the project pending further development of financial and other data.

And that is why it is so important for Watchdogs, especially those involved in these chambers, to pay close attention.

Now that the Vikings have declared Arden Hills as their preferred stadium location, the pressure will be on local opinion leaders like these chambers to pass further resolutions and statements of support giving an unqualified "thumbs up" to this project.

Not so fast.

While much has been said about the specifics of the Arden Hills proposal and much remains to be vetted and examined, there is one critical task before these chambers with respect to this project:

A cost-benefit calculation.

The metrics exist to accurately measure the benefit to the taxpayer versus the burden shouldered by the taxpayer to fund this project.

These chambers should refuse to advance any support for this project unless and until the Vikings and Ramsey County submit a legitimate, comprehensive cost-benefit analysis.

The businesses that comprise chamber membership (minus government members) use data-driven processes to make decisions regularly. It's a key to keeping the doors open.

It's not too much to ask that chamber leadership do the same regarding a Vikings stadium.

What we don't need is another emotion-driven, style-over-substance, propaganda-over-data popularity contest like the whole sorry Northstar rail affair. Yes, Harold Hamilton is still waiting for the promised studies that showed Northstar to be a winner for Anoka County.

Never mind.

Even if such a document existed, it's clearly BS.

Already, we're bombarded with the same old trite, vapid emotional appeals such as "all the cool projects go to the south metro," and "a stadium will enhance our civic pride and self-esteem."

Surely, getting suckered into a bad deal will do nothing to enhance our reputation on this side of town. We already own one white elephant. We don't need another.

Show us the cost-benefit, Zygi.

6/10/11

In This Issue:

1. **Tweet of the Week.**
2. **Fight the Good Fight.**
3. **Big Business - Big DFL.**
4. **Profiles in Courage.**
5. **Ramsey County Charter Commission and the Vikings.**

TWEET OF THE WEEK

Last time the MN GOP shut down state government, they lost the MN House. What do they say about people who fail to learn from history? - State Rep. [Melissa Hortman](#) (DFL - Brooklyn Park)

The Watchdog says: Last time the MN DFL pushed a \$1 billion tax increase, they lost the MN House AND the MN Senate. What do they say about politicians who don't get it?

FIGHT THE GOOD FIGHT

Fight the good fight every moment
Every minute every day
Fight the good fight every moment
Make it worth the price we pay

- Rik Emmet

So this is it, Watchdogs. The stakes are incredibly high as we stand at a true decision point in our representative democracy.

At the Capitol in Saint Paul, a titanic struggle is shaping up over the future and direction of our government.

Facing a \$5 billion deficit and an economy convulsing from the failed policies of Barack Obama, Governor Dayton insists upon a massive tax increase to continue the rapid expansion and growth of government.

On the other side, we have a brave band of legislative Republicans who display a firm grasp of both rudimentary math and economics. Thus, they are making a principled stand in favor of a competitive and prosperous future for Minnesota.

So how can Watchdogs help the cause? What resources are out there to help you be a patriot for your state?

[Contact Governor Dayton](#) and tell him what you think of his tax increase.

Contact Senate Majority Leader [Amy Koch](#) and tell her what you think of her budget that spends only existing monies.

Contact Speaker [Kurt Zellers](#) and tell him what you think of her budget that spends only existing monies.

Contact [your legislator](#) and let them know where you stand on tax increases.

Also check out these resources that give you the information you need to speak truth to power and debunk the budget pap spewing forth from various special interest groups who are spending millions (and they say the Republicans have rich friends!) to convince your friends and neighbors that government needs more money:

MN [GOP](#).

[Senate GOP](#).

[DaytonShutDown.com](#)

Taxpayer's League of Minnesota [TV Ad](#).

MN Majority [Ads](#).

Keep MN [Open](#).

Katherine [Kersten](#).

BIG BUSINESS - BIG DFL

We all know the mainstream media is going to cherry pick data, persons, places, things, and events to spin a narrative that favors the tax increase position of Governor Dayton.

Of course, the spin often appears as a sleight of hand imperceptible to many people. Such is the case of a recent [opinion piece](#) in the Star Tribune.

The thesis of the essay is that massive tax increases aren't of any real concern to job creators, contrary to the overwhelming testimony of Minnesota business leaders large and small.

The author, Roger L. Hale, boasts impressive business credentials, according to the editor's note at the bottom of the essay:

Roger L. Hale is a former: CEO of Tennant Co, director of five NYSE companies, chairman of the Minnesota Business Partnership and the Governor's Workforce Development Council, and successful start-up investor.

Those are certainly impressive credentials that lead the readers to believe that Hale is a respected business leader who is weighing in on this issue as a business leader and solely as a business leader who has no formal deep ties to any political party or ideology.

If he did, the Star Tribune would point out the author's political leanings in the interest of informing readers, right?

Wrong!

Roger L. Hale has an extensive and lengthy history of political donations to DFL candidates and organizations, including Mark Dayton. In addition to listing Hale's business credentials, the Strib should have also noted that Hale is a DFL donor.

You can see some of Hale's donations [here](#).

PROFILES IN COURAGE

Another blatant bias of the mainstream media is the martyrdom bestowed upon any Republican who votes against the prevailing GOP opinion.

We saw it with Jim Abeler and the transportation tax override. We saw it last with Rep. John Kreisel and his vote against the Marriage Amendment.

Invariably, the media holds out legislators and issues like these to make a point that the prevailing GOP attitude is wrong, misguided and ignorant.

The media then moves into "phase II" by looking for any hint that Republicans are angry with that particular legislator. If they find it, the next story is one that spins a narrative of GOP intolerance and retribution.

Leave it to the Watchdog to point out a DFL profile in courage, that of state Rep. [Gene Pelowski](#) (DFL - Winona).

Pelowski has consistently and courageously voted against DFL tax increases. Yet, the Watchdog is unaware of a single media story extolling Pelowski's courage to follow his convictions.

Oh, yeah. Pelowski also faced retribution for his "sin" of tax increase opposition.

AFSCME, the big government employee union and the puppet master of the DFL, [endorsed](#) a challenger against Pelowski, saying he treated his constituents with "contempt," for failing to raise taxes so AFSCME's rank and file can continue to enjoy pay and benefits the taxpayers can no longer afford.

Here's to you, Gene! Oppose those tax hikes!

RAMSEY COUNTY CHARTER COMMISSION AND THE VIKINGS

The Ramsey County Charter Commission held a special meeting this week to consider two resolutions regarding the Vikings stadium. Ramsey County is a charter county, which essentially means that the county is sort of hybrid between representative government and direct democracy.

The outcome was a mixed verdict. One resolution upheld the right of county citizens to vote on a tax increase. The other resolution said that the charter commission had no business passing the first resolution.

In a surprise move, long-time Republican activist Bev Apilkowski voted against the resolution protecting the right to vote on the sales tax and for the resolution stating that the charter commission had no business passing the first resolution.

We would be happy to hear from Apilkowski regarding her reasons for voting that way.

Those who voted the wrong way on the resolution safeguarding the taxpayer vote: Aplikowski, Sonterre, Hendricks -- Leifeld abstaining.

Below is an account of the evening's proceedings provided by a Watchdog who was there:

Wednesday night the Ramsey County Charter Commission met in Vadnais Heights for a special meeting regarding the Vikings stadium sales tax proposal. On the agenda was a resolution put forth by member Rod Halvorson that stated, "the charter commission opposes any effort to circumvent the Ramsey County Home Rule Charter . . . by denying Ramsey County citizens the right to vote on a countywide sales tax or preventing Ramsey County citizens from seeking a referendum . . ."

The resolution passed 10-3 with 1 abstention, but not before another resolution brought to the meeting by member Peter Hendricks was also passed by a vote of 7-6. The Hendricks resolution however said that the Commission had no business making any such resolution. Hendricks said

anyone can lobby legislators individually, and "the Charter Commission is not the policy-determining body of the County....and would exceed its authority by approving any resolution related to proposed or speculative state legislation that does not affect any rights created by the Charter." The commission asked county attorney Phil Carruthers for his opinion. "You have the ability to express your opinion on this issue. I don't see any problem with it."

Since the Hendricks resolution was taken up first, it appeared that the meeting was ready to adjourn since some said its passage nullified the resolution that was on the agenda. Member A. L. Brown then kept the meeting alive by making a minor amendment to the Halvorson resolution. The one-hour meeting ended up being a kind of muddled affair with two resolutions being passed, but which opposed each other by 180 degrees.

One resolution said the charter commission opposes any circumvention of the county charter while the other resolution said the commission has no authority to make such a resolution.

Members Halvorson, Mike Fratto and A. L. Brown spoke in favor of the charter commission taking a stand against any possible legislative action that would prevent Ramsey County citizens from being able to exercise their referendum rights provided in the county charter, which they approved at an election some twenty years ago.

They said they felt that it was their duty as charter commission members to protect the charter and inform citizens when there was a threat of their rights being taken away.

Although no legislative action has yet taken place, Halvorson said his contacts at the capitol have told him that the Vikings bill does contain language that calls for a by-pass of the Ramsey County charter. Halvorson also said that he was not permitted to see the current version of the bill, and that it would not be made public until near the time it's ready for a vote.

Halvorson also took umbrage with Ramsey County Commissioner Tony Bennett's recent comments to the media where he has said over and over again that we live in a republic, where elected officials make the decisions. Halvorson pointed out that in Ramsey County a hybrid is used - part republic and part democracy. By adopting a charter, voters chose to have a partial democracy that includes initiative and referendum powers.

Absent from the meeting were commission members Marv Koppen of Maplewood and Bob Weisenburger of White Bear Township.

Approximately 30 to 40 people attended the meeting, with a handful wearing Vikings regalia. No public comment was taken.

So now we await action by the legislature that will most likely approve a half-of-one-percent sales tax in Ramsey County towards construction of a Vikings stadium. Then we'll see if that action is passed to the Ramsey County Board. If the County Board votes to impose the sales tax as permitted by the legislature, residents would have 45 days to collect 28,000 signatures to put the question on the ballot.

6/17/11

In This Issue:

- 1. Meet the New Boss, NOT the Same as the Old Boss.**
- 2. Shutdown Update.**
- 3. Budget Update.**

MEET THE NEW BOSS, NOT THE SAME AS THE OLD BOSS

Hey, folks, elections DO matter. Six years ago, the Anoka County Watchdog starting working towards making Anoka County government more accountable, efficient, and transparent.

Over time, and especially after the 2010 elections, the citizens of this county started to see the change. Some Good Ol' Boys left while others who stayed around have been shunted off to the dustbin of county history.

Just months after the new county board took the oath of office, the changes have been dramatic.

Led by a super-competent and charismatic board chair, Rhonda Sivarajah, six of seven county commissioners have set high standards for government efficiency and transparency, with great results already starting to pour in only 5 months later.

This update on county government recently appeared on Sivarajah's Facebook page:

Setting priorities, reducing spending, finding efficiencies and implementing reform--that is how we at Anoka County plan to move forward. The county board is planning to keep the levy (the total amount of property tax dollars we intend to collect) the same dollar amount as last year despite the anticipated loss of millions of \$ from the state. According to Finance Dept staff, this has never been done in Anoka Count

In case you missed it, read that again. For the first time in modern county history, the property tax levy will be the same dollar amount. Again, for the first time in modern county history, the property tax levy will be the same dollar amount.

Five months on, the Iron Lady is making things happen in county government that didn't happen in the decades the Good Ol' Boys ran the place.

The Iron Lady has already lapped Erhart in the arena of leadership and public policy.

Read more about Rhonda's sweet accomplishments right [here](#).

SHUTDOWN UPDATE

In just over two weeks, the state will undergo a shutdown, which the Watchdog calls "rightsizing government."

While the legislature and Governor Dayton sit at an impasse, the real action shifted to the courts this week.

The attorney general and the governor both filed petitions in district court to have certain state services declared "essential," meaning that the functions must be delivered and funded, even if the legislature didn't appropriate funding for that particular function.

The court's decisions with respect to this question have a number of important implications both for the shutdown itself and for our government in general.

First, the scope of what is considered "essential" will define how painful the shutdown will be for those who consume state government services. Thus, the scope of essential services will ultimately impact the negotiations between Governor Dayton and GOP legislative leadership.

If the scope of essential services is narrow, it may put pressure on the parties to negotiate a settlement. Conventional wisdom holds that under this scenario, it is Republicans who will feel the heat from constituents back home who are inconvenienced by a broader shutdown.

The Watchdog disagrees. If there is a widespread shutdown, the pressure falls on Dayton. After all, those who provide state government services and those who most consume those services are mostly part of the DFL constituency. State government unions and the "disability community," for example, belong to the DFL constituency. When these folks complain loudly, it is Dayton's ear that rings, not the GOP's.

Second, the court's actions will be far-reaching and precedent setting in many ways, regardless of how the court rules.

Twice in the recent past (2001 and 2005), the court's have issued guidance and declarations regarding state government shutdowns.

In both these cases, the decisions were more limited in scope and duration. In 2001, a shutdown was avoided altogether while in 2005 the shutdown was limited to just a few days.

In 2005, even though there was shutdown the scope of the court's decision was limited because a number of funding bills had already been passed by the legislature, leaving just a few budget areas to be considered by a judge.

This time, the entire state budget except one small program area (agriculture) is unresolved and thus subject to the court's jurisdiction. In other words, the court will potentially exercise outsized influence because of both the scope and potential length of the a shutdown.

The scope of what exactly constitutes an "essential" service goes to the heart of two issues. The first being a serious analysis of constitutional separation of powers issues and the second being a practical examination of what each party (the attorney general, the governor, and the legislature) defines as an essential service.

Thus, a court's ruling regarding what is to be funded or shuttered during a shutdown involves very serious constitutional issues that go the very heart of the state's constitution.

The starting point for this analysis begins with a reading of [Article 11, Section 1](#), which states: No money shall be paid out of the treasury of this state except in pursuance of an appropriation by law.

Moreover, [Article III](#) says that: The powers of government shall be divided into three distinct departments: legislative, executive and judicial. No person or persons belonging to or constituting one of these departments shall exercise any of the powers properly belonging to either of the others except in the instances expressly provided in this constitution.

These sections read together persuasively argue that the courts have no role in determining which government functions should be funded. Those decisions belong to the legislative department and legislative department alone.

This where the Watchdog stands on the matter and hopes that legislators, on a bi-partisan basis, adopt the same point of view before a judge, even if it means litigation (more on that below).

While these issues can be very serious (e.g. keeping the violent locked up), the solution is not for the judiciary to usurp the legislative function unto itself and unilaterally appropriate monies to functions it deems essential. This type of outcome is a direct violation of the very clear and well-accepted separation of powers doctrine that has been a hallmark of representative government for centuries.

So what do the three parties (attorney general, governor, and the legislature) think about the situation? What do they deem essential?

Let's take a look.

ATTORNEY GENERAL

DFL attorney general Lori Swanson takes an [expansive view](#) of the court's power to dictate spending. Specifically, she argues that the state and federal constitutions require that certain "core" functions of government be carried out, whether or not the legislature has appropriated the money to do so. These core functions are deemed essential or critical and therefore must be funded.

In fact, Swanson's proposed framework for defining "essential" or "critical" services could create a situation where the exception swallows the rule. In other words, a court using the Swanson framework could mandate that most government functions be deemed "essential" or "critical."

For example, Swanson uses criteria borrowed from the federal government that, in part, define a core governmental function as:

- The payment of welfare benefits;
- The performance of any contract obligation of the government;
- Protection of land owned by the government;
- The protection of research property.

Most surprising, Swanson would let local units of government define for themselves which functions are critical and therefore must be funded.

To be fair, Swanson is essentially adopting the framework for what the courts used in 2001 and 2005 in fashioning their orders.

That being said, it doesn't make it right, constitutional, or fair.

Under the 2001 and 2005 framework Swanson advocates, the following are a sampling of "core" functions that [must be funded](#), even in the absence of a legislative appropriation:

- The Minnesota Zoo;
- Road construction and maintenance;
- Freeway ramp meters;
- Highway weigh scales;
- State-owned tree nurseries;
- Wetlands law enforcement;
- Busses and light rail;
- Welfare checks;
- Community Action grants;
- Public health communications;
- Education technology grants;
- Migrant educational grants;
- Farmers Market nutrition program;

GOVERNOR DAYTON

In Many respects, [Dayton's petition](#) invites the same judicial overreach as Attorney General Swanson's, with some major exceptions. Overall, Dayton's petition seeks a much more limited definition of core functions, which is little more than a cynical calculation that a harsher shutdown will force Republicans to come to the table and sue for peace.

Highlights of the Dayton petition of things to remain funded:

- Grass cutting and flower planting at state buildings;
- MINNCOR (a program where prisoners get to work making things instead of being in their cells where they belong because they did things like rape and murder people);
- Prison education programs (where the same violent criminals get a taxpayer funded education as part of their "punishment" for committing crimes);
- Disability applications;
- Governor's office policy development (to continue to churn out those new ideas like raising taxes);
- Governor's office public communications (to churn out the propaganda);
- The Governor's mansion (um, isn't there another mansion where you can crash during a shutdown? You're a Dayton, after all);
- Welfare checks;
- Methadone for junkies;
- Maintenance for Giants Ridge golf course;
- Bison herd care;

Dayton also proposes to close some functions that Swanson does not or ones that were considered core functions in the 2001 and/or 2005 court order. The motive would seem to be to maximize the pain of a shutdown:

- Nearly all of the Department of Education;
- Many boards that issue professional licenses (e.g. accountants and engineers);
- Emergency Medical Services Board;
- Many Boards that investigate complaints (e.g. pharmacy board, psychology board);
- Tax court;
- Busses, light rail, and commuter rail;

THE LEGISLATURE

As mentioned above, there is one school of thought that believes that the courts and the executive branch lack the power to appropriate money.

In fact, during the 2005 shutdown, a group of legislators filed a lawsuit arguing just that point. Formally known a writ of quo warranto, the complaint sought to stop the executive branch from spending funds ordered by the court. This lawsuit was brought by both GOP and DFL legislators representing both the House and the Senate.

The district court dismissed the complaint, primarily because it was filed after the money was spent, thereby mooting the controversy.

The legislators appealed to the Minnesota Court of Appeals. The Court of Appeals agreed that the issue was mooted because it was brought after the fact.

But the court did warn the executive branch that a future lawsuit brought in a timely manner would be seriously considered:

*We recognize the legislators' compelling argument that the commissioner's court-approved disbursements interfered with their appropriations power and improperly affected the dynamics of the legislative process during the special session.
... If the events of 2005 repeat themselves, the legislators can raise a timely challenge to seek a judicial remedy for their asserted injury.*

Note that the court recognizes the legislature's "compelling" argument that the court-ordered spending interfered with their appropriations power.

Look for members of the legislature to bring a more timely lawsuit this time around. As of this edition, a lawsuit of this nature was [rumored](#) but not yet filed.

If the courts agree with the argument brought forth in the legislature's 2005 lawsuit, immediate pressure would be brought to bear on the governor and the legislature to reach agreement, even though the court could delay implementation of its order to allow for negotiations.

Nonetheless, such a development would be a real bombshell. And it would be good for our democracy.

Courts don't appropriate money. Legislatures do. No matter how noble the motive, whenever courts exercise the legislative power to appropriate, they denigrate our democratic institutions and mask accountability.

Legislators and the governor are responsible for crafting a budget agreement. The courts shouldn't excuse them from that responsibility, in whole or in part.

Stay tuned.

BUDGET UPDATE

This is breaking news. As this edition goes to press, the GOP legislature has made a [new offer](#) to Governor Dayton.

As the Watchdog predicted weeks ago, the legislature has offered to give up the tax cuts in its budget and instead add the money that would have gone to tax relief to other program areas like education and public safety, among others.

Remember that tax cuts reduce the amount of revenue coming into government and are thus carried as spending items. This is called a "tax expenditure."

The GOP budget that was vetoed by Governor Dayton had about \$200 million-plus in tax relief.

Of course, Governor Dayton panned the proposal because it doesn't raise taxes, something the governor seems to obsess about day and night.

Perhaps some guilt from a silver spoon trust fund kid who has never worked a real job? The GOP offer expires on June 20th.

6/24/11

In This Issue:

- 1. Post Hoc, Ergo Propter Hoc.**
- 2. Strange Thoughts, Featuring Hortman and Novak.**
- 3. Ramsey City Council Vacancy.**
- 4. TMO? BFD.**

POST HOC, ERGO PROPTER HOC

So those Latin classes from way back when may be a little hazy. Or maybe you attended public schools.

Translated, "post hoc, ergo propter hoc" means "after this, therefore because of this."

This concept is called a logical fallacy, meaning in lay person terms that it is utter, total bullshit.

The classic example of this fallacy is the belief that the call of the rooster causes the sun to rise. Each morning, the rooster calls and then the sun rises. Therefore, the rooster was the cause of the sun rising.

A modern example involves our friends on the Left, who believe in a number of these fallacies, but we'll stick to one.

During these intense public debates about government spending and taxes, Lefties pick out select years when tax cuts were implemented and then cite a subsequent downturn in the economy. Of course, we're to believe that somehow tax cuts ushered in an economic downturn. Conversely, we're expected to believe that tax increases cause economic growth.

For example, the Minnesota state tax cuts and reforms of 2001 caused the economic downturn of 2001-2002. Never mind that whole episode of September 11, 2001.

Or, for example, the Bush tax cuts that President Obama renewed. The Left would have you believe that these tax cuts caused the Great Recession. Never mind all those bad actors in the real estate industry and on Wall Street. Never mind the mind-boggling spending binge of President Obama.

Well, the Watchdog is here to call out these flat-earthers and put them to their proof. Watchdog CEO and Chief Innovator Harold Hamilton announces an essay contest. The first reader to persuasively argue that tax cuts are harmful to private-sector job growth and wealth creation will win a \$250 cash prize. The winner, if we get one, will have the

distinct honor of being \$250 richer and have bragging rights as the tallest economic policy midget in their neighborhood.

Oh, yeah. You could always ship that \$250 down to Saint Paul and help Mark Dayton get the "enhanced revenues" he's looking for.

Send submissions to harold@anokacountywatchdog.com.

STRANGE THOUGHTS, FEATURING HORTMAN AND NOVAK

Last Friday's legislative breakfast at the Twin Cities North Chamber of Commerce was a strange affair in many respects.

State Rep. Melissa Hortman (DFL - Brooklyn Park) faced off against state Rep. Branden Petersen (R - Coon Rapids) over the state budget showdown.

Petersen, a freshman, was the underdog against the more experienced Hortman but he did a masterful job explaining that the GOP plan to raise spending by 6% was reasonable and fair.

Hortman, who is a savvy politician and a lawyer by training, did a good job explaining the DFL position of "enhanced revenues."

The bizarre moment in the debate came when Hortman suggested an "obesity fee" to help close the budget gap. Hortman's logic was that plus-sized folks cost the state big dollars in health care costs and therefore should be made to pay more.

The Watchdog can only speculate as to how such a fee would be implemented. Perhaps everyone could file on down to the nearest Interstate weigh station, where the State Patrol operates scales that can accommodate even the huskiest and big boned among us.

It could even be a progressive system, where the most obese pay the most. The top bracket could feature the morbidly obese while the next bracket could feature all who are Greater Than Caliper. The next would contain the merely fat.

And like all good progressive systems, thin folks would pay nothing. And in a nod to the Earned Income Tax Credit, the anorexic and those with tapeworms would get money back.

We can only pray she was kidding when she brought up the idea. Then again, she wasn't kidding about the Olympics.

And then there was Steve Novak. Readers know Novak as the Anoka County employee-lobbyist who makes more than the governor while he maintains outside work as a [contract lobbyist](#) as well.

At the end of the debate, Novak felt the need to share his wisdom regarding the budget stalemate.

Novak confidently grabbed the microphone and solemnly shared with the assembled the budget deficit solution he supported back when he was a state Senator back in the 1980s.

An income tax "surcharge" was the remedy back then. The surcharge raised income taxes and then blinked off once state government was done siphoning out of the private economy the money it needed to fuel double digit growth.

The bizarre moment in this soliloquy happened when Novak declared that a decade of economic expansion happened afterward, clearly implying that these tax increases helped set the stage for economic growth.

And all this time the Watchdog had been under the mistaken impression that the Reagan tax cuts that rewarded investment and productivity were responsible for the largest peace time economic expansion in American history.

Capital gains tax cuts at the national level? A serious reduction in marginal rates? Indexing brackets to put an end to bracket creep? A simplification of the federal tax code? No way! Senator Steve Novak's income tax surcharge sparked "morning in America." Is it too late to get him a Nobel Prize in Economics?

Post Hoc, Ergo Propter Hoc, Senator Novak.

RAMSEY CITY COUNCIL VACANCY

The city of Ramsey will be holding a special election August 16th to fill out the remaining term of council member David Jeffrey, who resigned because of a fight with cancer.

The candidates so far are:

- Brenda Look, 5635 142nd Ave. N.W.
- former Councilmember Sarah Strommen, 14546 Krypton St. N.W.
- Thomas J. Towberman, 14991 Waco St. N.W.
- Tim Wrenn, 14712 Fluorine St. N.W.

Candidates are welcome to submit a statement of candidacy to the Watchdog.

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TMO? BFD

While the Watchdog loves the new Anoka County board and all their good work, there are occasional clunkers.

The Anoka County Union reported this week that the county's [Travel Management Organization](#) (TMO) is taking on a new name.

The TMO is now going to be known as Anoka County Commute Solutions. Apparently, the bureaucrats who populate this unnecessary county office thought the old name wasn't "catchy enough."

So how much county employee time was spent in meetings coming up with the new name? Will there be new expenditures for reworked stationery and a revamped web site?

Were any contracts awarded to outside vendors to help address this pressing problem?

Readers are told that the office's mission is to reduce traffic congestion. Unless this office is driving bulldozers and laying asphalt, it ain't reducing traffic congestion in the way that the Watchdog thinks about reducing congestion.

Just as we suspected, the office does things like [run contests](#) offering prizes to people who ride mass transit and serves to republish information that is [already available](#) from other units of government like the Met Council.

This county board is doing a great job rightsizing government. Hopefully, the board will continue to move in the right direction by looking at make-work offices like this one and redirecting scarce resources to a higher and better use.

7/1/11

In This Issue:

OWEBAMA: HE MADE IT WORSE:

**Unemployment is up 25% since Owebama took office.
The federal debt is up 35% since Owebama took office.
Gasoline prices are up 105% since Owebama took office.**

SPECIAL GOVERNMENT SHUTDOWN EDITION

\$34 BILLION IS ENOUGH EDITION

It's July 1 and our state government has shutdown. Are you still alive? Is your house still standing? Is your city still intact and not a smoldering ruin?

That's what we thought.

It's now time for Republican legislators to really cinch up the chin strap and hang tough. They can win this battle and make some excellent progress in winning the war for a more sustainable, prosperous future for this state.

The biggest impediment to achieving this objective, however, isn't Governor Dayton.

No, the biggest obstacle is Republican legislators who are appearing with greater frequency in the media talking about all the different "revenue enhancements" they are willing to consider to get a deal with Dayton.

Fees, tax "loopholes," gambling, sin taxes, an expanded sales tax and all sorts of other schemes are under consideration.

Guess what? \$34 billion is enough. \$34 billion is enough!

The problem here is that government spends too much money. The issue isn't merely one of taxation and the undesirability of an income tax increase.

Let's be honest. All these different revenue raising schemes have been offered for one purpose: to get more money into Mark Dayton's hands and avoid the tough fight to put Minnesota on a path to prosperity.

Most amazing, Dayton can't even tell Minnesotans what he would do with the new money!

Public pronouncements from GOP legislators about the different devices they support to get the budget up and over \$34 billion is bad public policy - and bad politics.

Think about it.

Republicans won a massive, historic election in 2010.

In the Minnesota House, Republicans had just 47 seats after the 2008 election. That was two fewer than the 49 they had after the 2006 election.

In 2010, Kurt Zellers and crew roared back to gain the majority by picking up 25 seats to take a 72-62 majority.

In the state Senate, Republicans had never held the majority since party affiliation was re-introduced in the early 1970s.

After the 2008 elections, the Senate Republicans could meet in a phone booth.

In fact, the Senate Republicans didn't even have enough votes to uphold a Tim Pawlenty veto.

With just 21 out of 67, the Senate GOP was relegated to the sidelines.

After November of last year, the Senate GOP was in control, boasting a 37-30 advantage over the DFL.

So how did these legislative majorities happen?

They happened with a lot of hard work and a simple, powerful message.

Republican legislative candidates across the state were unified and rallied around the message that government had to live within its means. Government had to live within a budget, just like every family, business, and non-profit in the state.

In other words, Republicans promised Minnesotans that if they were put in charge, they would govern in a fiscally responsible manner.

And they were rewarded - handsomely.

During election campaigns, broad themes are more the norm than well-defined and comprehensive proposals.

Such was the case with the GOP promise to make government live within its means.

But during the 2011 legislative session, the Republican majority coalesced around defining "fiscal responsibility" as a \$34 billion general fund budget. While a solid argument could have been made for a \$32 billion general fund budget, \$34 billion made since in that it didn't require new revenues, either through income taxes or any other taxes, fees, or "loophole" closing.

In short, the GOP has defined its central promise to Minnesotans as \$34 billion and, to borrow a phrase, [not a penny more](#).

Thus, each time a GOP legislator expresses a willingness to boost government spending beyond \$34 billion, it undercuts the central message.

Undercutting this core promise emboldens the Left and demoralizes Republicans.

Undercutting the promise strengthens the hand of a profligate governor and weakens the hand of legislative leadership.

And for what purpose? Republicans are winning the public relations battle. Our cause is just and our ideas are carrying the day!

Instead of looking at their feet and mumbling about a 6% increase in government, every GOP legislator should proudly proclaim their opposition to the kind of increased government spending that has bankrupted our future and put us on a fiscal footing one step above Greece.

Editorials across the state recognize that Governor Dayton is reneging on his pledge to avoid a government shutdown.

Citizens recognize that Dayton is playing shutdown politics by not calling a special session and by refusing to close out budget program areas that are agreed upon.

It seems some Republicans are snatching defeat out of the jaws of victory.

This is a once-in-a-generation opportunity to truly redefine the role of state government in our lives.

We have talented and principled leaders who are squared off against a weak, erratic governor who was a failure as a U.S. Senator and who won his seat by a margin of only 8,000 votes.

And we have GOP legislators out there talking about new revenues!?

So what happens if a budget deal comes together that includes hundreds of millions or even a cool billion in new revenues?

The crap hits the fan, that's what.

Those who exhorted the GOP to compromise by larding another billion on to the budget will go out and do what they did in 2010 - work and vote for DFL candidates.

Independents, who swung hard to the GOP in 2010 for fiscal reasons, will once again be up for grabs because the GOP failed to deliver on their central promise, feeding the cynicism so many independents feel regarding the state of our politics.

And the GOP base will be left demoralized, disappointed, and dispirited. After being forced to swallow the turd of double digit spending increases, we'll be given a small breath mint entitled, "well, at least we didn't raise income taxes."

Good luck with that one. Conservatives are smart enough to realize that anything above \$34 billion is a betrayal of our values and a bitter surrender to politics as usual.

If GOP legislators think that the folks who pound the lawn signs, drop the lit, march in the parades, and dig deep to write checks will be mollified by this outcome, they will be sadly mistaken.

Victory is at hand and we expect nothing less.

The Watchdog will not turn a blind eye and give a wink and a nod to these revenue raising schemes, either.

Taking away tax deductions is a tax increase for those who lose it. Expanding the sales tax in a way that generates more revenue is a tax increase. Minnesota doesn't need tax increases, no matter the form. We have a spending problem, not a revenue problem.

And any scheme whatsoever designed to get more money into the state coffers to grow government will be strongly opposed by this publication and its founder.

The state has enjoyed an average spending growth rate of 21% percent since 1960. It is time for government to yield to the reality of our dire fiscal situation.

This is the best opportunity Republicans have had in the modern era to craft the kind of limited, efficient, and transparent government that defines the essence of our collective conservative values.

To lose this opportunity to Governor Dayton and the Democrats would be an infamy almost beyond comprehension.

This is a defining moment in the career of all 109 Republican legislators.

They can go home goats.

Or they can go home heroes.

The Watchdog is betting on the heroes.

Stand tall, Republican legislators! Your cause is just and history will reward your courage.

7/8/11

In This Issue:

EDITOR'S NOTE: It's week 2 of the shutdown. Is your house still standing? Can you manage to get to work past all the dead bodies stacking up in the street? Are you outraged that you can't buy a lottery ticket? Are you mad-as-hell-and-I-won't-take-it-anymore angry that you have to pee at Burger King or Super America because the rest stops are closed? THE HORROR!

- 1. Trashing Free Markets.**
- 2. Dan the Horse Man.**

TRASHING FREE MARKETS

Watchdogs, this is one is rich - and scary. Apparently, the city council over in Brooklyn Park has solved the city's problems regarding crime, property foreclosures, declining tax revenues, demographic changes, and future pension obligations because the city is now focusing scarce taxpayer resources on an issue that isn't a problem - garbage collection.

Yes, garbage collection. The city is actually [considering](#) moving to a government-run, monopolistic garbage collection scheme.

Under this scheme, the city would grant a monopoly to just one trash hauler to pick up trash in the city. If they're feeling generous, the city could be divided up into sectors, with a monopoly for each sector.

In other words, the city in its infinite wisdom would decide for you when it comes to selecting a company to haul away your banana peels and snotty tissues.

Apparently some think the taxpayers over in Brooklyn Park are too stupid to pick a trash hauler.

This is a government-imposed monopoly folks. Don't like the hauler the city picks? Don't like the service? Don't like the price? Too bad. Under this system, the government has taken away your choice to pick your garbage hauler.

Instead of being able to fire your current hauler and pick up the phone to hire the hauler of your choice (after pricing them against each other), under government-run garbage

collection you will have no choice. The only recourse you have for poor service is an appeal to city hall.

Under communist garbage collection, you get all the compassion of the IRS, the friendliness of the Postal Service, and the efficiency of Amtrak.

Maybe those on the council who approve of such a system slept through economics 101, if that's even taught in our high schools and colleges anymore.

Monopolies by their very nature ultimately result in a poor product/service at a high price.

The Watchdog dusted off an old economics textbook located in our extensive public policy research library.

The text noted: *An economy in which any output is produced under monopoly conditions will not be allocatively efficient.*

This is academic-speak for saying that monopolies produce crappy products and services at an inflated price.

Why? Because a monopolistic enterprise has no incentive to provide a great product at a competitive price.

Monopolies, by definition, have no real competitors. Under government-run garbage collection, the government prevents market entry, leaving the entire playing field to one team.

Where's the incentive to innovate? Where's the incentive to provide stellar customer service?

We can only guess that there are some in Brooklyn Park who were impressed with all the quality products produced in Cuba or in East Germany under communist rule.

The [Trabant](#)? Now that was a kick-butt automobile!

Or maybe it's the wonderful quality and efficiency of Canadian or English health care, run by the government.

A ten month wait for pre-natal care? What a deal!

The Watchdog understands the council is examining a government-run scheme because some citizens are inconvenienced by the number of garbage trucks on the road.

Hey, capitalism is the best economic system but it's not perfect. Yes, multiple haulers generally means more trucks on the road and a bigger (gasp!) carbon footprint, which undoubtedly troubles Brooklyn Park's own state Rep. [Melissa Hortman](#).

If this is the concern, then we should expect to see the city limit the number of heavy construction contractors operating in the city, what with all their dump trucks.

And what about package delivery? UPS, FedEx and the USPS all have large trucks cruising around the city delivering the goods.

Same with Menards, Home Depot and other building suppliers.

Most importantly, what about pizza delivery? A Google search indicates hundreds of options for pizza delivery. Surely we could make our roads safer by reducing the number of stoned teenagers out there in their '94 Ford Escorts delivering the pies.

So what to do about this situation?

First, contact the [mayor and city council](#) and tell them to get off this issue and back to work solving real problems.

Second, attend one of these upcoming [town hall meetings](#) on the subject and make sure your voice is heard!

Next, visit this [Facebook page](#) run by Brooklyn Park Watchdog and all-around good guy [Andrew Reinhardt](#).

After that, make sure you check out a local blog run by Brooklyn Park Watchdog [John Jordan](#).

Finally, stay tuned to the [Watchdog](#) for news and information regarding this foolishness.

DAN THE HORSE MAN

The Watchdog has been wondering what Anoka County commissioner Dan Erhart was going to do with himself after voters marginalized him at the 2010 elections, relegating him to "has been" status.

And with the elevation of conservative stalwart Rhonda Sivarajah to board leader, it was plain to county government observers that Erhart had clearly thrown his sucker in the dirt and stomped away, which was a good thing for taxpayers tired of Ehrart's "help."

So we read with interest this week that Erhart has been appointed to the Minnesota Racing Commission, a regulatory body that oversees the state's horse racing industry.

That's a head scratcher.

As far as we can tell Erhart has utterly no experience or training in the field of professional horse racing.

The press release regarding his appointment could only feebly note that Erhart grew up on a farm, leaving readers to presume that Erhart had a pony, or at least saw ponies, as a kid and perhaps even cleaned a stall or two, giving him the unique qualification of at least being able to identify the equine species by smell.

Of course, Erhart has an interest in the racing commission as he has been a supporter on the Anoka County Board of Running Losses, er, Running Aces, the troubled horse racing track in Columbus that has had a difficult time producing the promised jobs and economic development.

Then again, perhaps the Racing Commission offers a government credit card and plenty of opportunities to eat, drink, and junketeer on the taxpayer dime. For that, Erhart would be fully qualified and a recognized expert in the field.

Finally, the press release notes that this position will still allow Erhart to serve on the county board, quashing the hopes and dreams of the many who would like to see Erhart move on after nearly 30 years of careerism down at the courthouse.

And here we believed Erhart, Dennis Berg, and Margaret Langfeld when they told citizens at various times how difficult and time consuming the county board was.

We guess not.

7/15/11

In This Issue:

**SPECIAL EDITION!
VICTORY!**

Republicans won a history-making victory under the Capitol dome yesterday in Saint Paul. Standing strong throughout a government shutdown in which they were harassed and pressured by the legions of special interests who feed at the government trough, these legislators turned back a liberal governor's agenda of massive tax increases.

THE DEAL

While details need to be worked out, the framework of the budget has been settled.

Overall, Republicans put another \$1.4 billion in one-time monies on the table in exchange for Dayton dropping all his tax proposals, including expanded income, sales, and sin taxes.

The \$1.4 billion will come from borrowing against future income from tobacco lawsuit payments to the state (\$700 million) and a further school funding shift (\$700) million.

Read how tobacco bonds work [here](#).

Also, the deal includes dropping all GOP policy proposals and their plan to cut the state workforce.

Finally, the deal includes the passage of a \$500 million bonding bill.

Yes, the deal isn't perfect and there are things to dislike about it.

Dropping the policy proposals hurts. Republicans passed some excellent, game-changing proposals including photo ID for voting and educational reforms that would have transformed public education in Minnesota.

The next legislative session will be here in January. Republicans can go back to the drawing board and hit the peg again.

Moreover, for items like photo ID, they can always be put on the ballot as a constitutional amendment, bypassing the governor's desk and his veto pen.

And, yes, it is disappointing to see state spending rise another \$1.4 billion. The Watchdog wasn't in the \$34 billion camp. We were in the \$32 billion camp.

Having said that, this deal cuts state spending by nearly \$2 billion from what the state was projected to spend.

Republicans should be proud of the fact that they put serious brakes on runaway state spending.

This is an incredible achievement in the face of a liberal governor. Remember all the bragging after the session started in February from the DFL, taunting Republicans by saying that "governors get 90% of what they want?"

The simple fact is that legislative Republicans shouldn't compare this deal to what MIGHT have happened had we won the governor's office last fall.

Don't let the vision of what might have been under a conservative governor cloud the reality of a very good deal under deeply divided government.

Next, the new spending is one-time money, meaning that the DFL will have to come back looking to replace or extend these revenues in the next budget cycle.

This is actually good news, compared to what the media is going to say about it. They will tell you this is a spending band-aid that "kicks the can down the road." The DFL will decry this plan as an irresponsible "borrow and spend" plan.

Not at all. It's a good thing these are one-time and not permanent, ongoing revenues.

You see, the DFL and the media (and Arne Carlson) want permanent, ongoing monies so there will be no debate about this level of revenue (and spending) going forward. This is precisely the kind of government-spending-on-autopilot budgeting that they love and crave.

With one-time money, we indeed will be having this debate again down the road. And that's a good thing. It's a good thing to make DFL legislators and their special interest constituencies come back to the legislature and make the case that they need huge spending increases.

The simple fact is that the big spenders hate accountability and transparency.

One-time money forces that accountability and transparency. Embrace it.

There is also some angst out there among GOP legislators regarding a bonding bill.

While the Watchdog agrees that bonding bills add too much to the state's credit card and are filled with pork, it's an easy concession to make to Governor Dayton.

Why? Because a bonding bill was going to happen anyway. As long as GOP leadership applies this bonding bill's cost against the larger bonding bill that will pass next year, it's a good deal.

The reality is that many GOP legislators love bonding as much as their DFL counterparts. Take a look at recent bonding bills and the number of Republicans who voted for them. The reality is that pork is a bi-partisan addiction.

More importantly, a bonding bill needs to be done. While there are some legitimate needs for bonding (bridges, water treatment plants etc.), the public is conditioned to seeing one competed and passed each bi-ennial session.

If you don't believe it, remember 2004, when the legislature failed to pass a bonding bill. The media and the DFL spun a narrative that the legislature "didn't get its job done."

Even though the vast majority of Minnesotans didn't know what was in the failed bill or even how bonding bills work, they believed that legislators went to Saint Paul, collected pay and per diem, and did nothing.

The House GOP lost 14 seats and came back weakened, with a razor-thin 68-66 majority, which allowed GOP RINOs to run wild and call the shots.

But most important, this victory is remarkable in both the short-term and the long-term.

In the short-term, Republicans beat back tax increases in a traditionally liberal state led by a liberal governor, all in the face of a massive, \$5 billion budget deficit.

Legislative Republicans forced the sitting governor of Minnesota to abandon THE central premise of his campaign - raising taxes, especially on job creators and the successful.

After the November elections, DFLers were cock-sure that tax increases would not only be a part of the solution, they would be the lion's share of the budget solution.

They, including the chief executive of the state, got nothing.

Just as important are the long-term benefits.

The simple fact is that Governor Dayton blinked and Zellers/Koch didn't.

Governor Dayton lost this important, high-stakes poker game with his legislative counter-parts.

A dynamic has now been established going forward between these three leaders.

That dynamic dictates that if Zellers and Koch stay committed to their positions, Dayton will eventually fold as long as you throw some parting gifts his way.

Whether Dayton realizes it or not, his handling of this shutdown greatly diminished his influence, standing, and gravitas among legislators, especially Republican leadership.

The Watchdog respectfully encourages Republican legislators to do three things.

One, declare victory and proudly embrace the history you all have made. Don't dwell on the aspects of the budget deal that you don't like. You won and you won big.

Two, vote for the budget bills next week. Unanimous passage among Republicans further supports the narrative that this is big victory for us.

A bunch of "no" votes accompanied by floor speeches decrying various aspects of the agreement will be picked up by the media and blown out of proportion. The mainstream media will be looking for every opportunity to find and report on negative Republican comments regarding the agreement.

Finally, go home. Once the special session is done, get home to your families, your businesses, and your life. Enjoy. You deserve it.

DECLARE VICTORY!

7/22/11

In This Issue:

1. Yes - We Won.

YES - WE WON.

Well, it's all over but the shouting, which will continue until November 2012.

The state shutdown ended this week with a whimper as all went according to plan, with Republicans demonstrating that they both manage state government and do so guided by their collective principles and values.

The easy way out would have been a "compromise" with Governor Dayton sometime prior to June 30th.

It would have been a "compromise" based upon how much higher taxes would have risen in Minnesota and it would have been a compromise that would have required the GOP to abandon the core of its covenant with Minnesota voters.

Republicans promised that they would go to Saint Paul and get government spending under control. That promise required both the rejection of tax increases and a meaningful reduction in spending.

And that promise also required one more thing - the reform and redesign of a system of government that was geared towards a 1970s economy and was based upon the liberal values of the 1970s, namely a belief that government was the primary driver of prosperity and society's foremost problem solver.

Instead, this GOP majority held fast to their collective values and withstood the attraction of political expediency, the condescending scolding of the editorial boards, and the relentless pressure of special interest groups who, frankly, got their undies all wound up because someone finally had the courage to tell these spoiled brats that the party was over.

Conservatives across Minnesota should rejoice that this legislature crafted a balanced budget based on a foundation of three core values: the rejection of tax increases; the crafting of a budget that puts Minnesota government on a path to fiscal sustainability; and a budget that that embraces public policies that reward work, family, and free markets.

While the war over the size and scope of the state budget took center stage, the showdown between Governor Dayton and legislative Republicans over tax increases was the main battle front.

The centerpiece of the Dayton campaign was a promise to raise taxes, especially on our most successful job creators.

Republicans not only forced Dayton to scale back his income tax proposal, they got him to drop it completely. Not only that, they also forced him to drop tax increases altogether. No sales tax increase, no cigarette tax increase, no alcohol tax increase, no tax increase of any type in any amount. Zip. Zilch. Nada. Nothin'.

The sitting governor of Minnesota was forced to abandon the central premise of his campaign and was no doubt a core value of his.

Republicans were also successful in putting some serious brakes on spending while putting the state on a path to sustainable and reasonable growth.

Yes, we agree with those Watchdogs who wanted to spend less. It would have been nice to have ended up a \$32 billion general fund.

But that just wasn't going to happen. Not with a DFL governor sitting across the negotiating table.

The dream of what could have been with a GOP governor shouldn't cloud the reality of what the GOP accomplished against a DFL governor. (Note to GOP: endorse a better candidate next time around.)

The state budget forecast predicted general fund expenditures in the upcoming budget cycle of \$39 billion. Remember \$39 billion. There is no doubt that Governor Dayton and DFL legislature would have found a way to slake the \$39 billion thirst of the Leviathan that is state government.

Dayton backed his plan down to \$37 billion, \$3 billion above forecast revenues and \$5 billion above current general fund expenditures.

A budget compromise just above \$35 billion represents a \$4 billion reduction in forecast expenditures and is a major achievement Republicans should trumpet to taxpayers.

Let's also take a moment to address all this "kicking the can down the road" business.

Of course, this phrase is designed to label the GOP as fiscally irresponsible and too feckless to confront difficult budgetary choices. Nonsense.

Far from irresponsible and bad, the use of one-time monies like the school shift is beneficial in many respects.

First, the fact that one time monies were used does not "kick the can down the road." Instead, it takes government off auto-pilot and will force the legislature and the governor to openly debate and consider future "revenue enhancements," should they be needed.

Revenue increases like taxes, gambling expansion, and other schemes were all permanent revenue streams that would have fattened government coffers forever into the future, masking the need for reform and redesign.

The fact that these revenues won't be built into future forecasts may indeed mean future deficits.

But future deficits, if they occur, will not likely be caused by inadequate revenue.

Instead, they will likely be caused by irresponsible spending - just like this budget.

Future projected deficits are called "structural imbalances." Big spending weenies like Arne Carlson and John Gunyou get all bent out of shape over them.

Watchdogs shouldn't. Structural imbalances can be made structural through spending cuts as well as tax increases.

It is much easier to right size government from a deficit posture as opposed to a surplus posture.

And this is why DFLers and RINOs get worried about one-time money. As long as the books are balanced, it's all good, even if the books show massive spending increases.

We're willing to have that debate again in 2013.

The odds of future deficits are greatly reduced, however, by GOP budget victories that reform and redesign state government.

Not only do these victories represent public policy triumphs that reward work, family, and free markets, they will help drive down future expenditures because fewer governmental services will be required, much to the chagrin of the Social Services Industrial Complex.

Here are some highlights of the reforms and redesigns Republicans won in the budget compromise:

Judiciary and Public Safety:

- Prioritizes the use of state funds on state cases over federal cases
- Specifies that funding increases are used to alleviate caseloads and pay for specified operations costs
- Prohibits additional funding for increased employee salaries
- Requires a co-payment for prison inmate initiated healthcare

Taxes:

- Provides \$30 million in net tax relief, including estate tax relief for farms and small businesses, sales tax exemption for townships, sales tax exemption for public safety water, and sales tax exemption for resale ticket purchases
- Freezes city and county aid at 2010 levels.
- Modifies county maintenance of effort (MOE) requirements to allow for greater flexibility and cost savings in delivering local services
- Includes federal tax conformity to simplify taxpayer filing and tax administration
- Suspends the Political Contribution Program is suspended for two years

- Includes federal taxes in the Tax Incidence Study, allowing for a more accurate portrait of the burden on MN taxpayers

K-12 Education:

- Seeks mandate relief with the repeal of the contract settlement deadline (January 15) and penalty (\$25 per pupil)
- Extends by two years the relief from requiring local districts to spend 2 percent of their basic revenue on staff development
- Requires school districts to "earn" Literacy Incentive Aid funds through student reading test scores in the early elementary grades
- Creates Early Graduation Scholarships, allowing academically capable and hard-working students to complete their high school education early and to take the funds to the college of their choice
- Requires regular evaluations of principals and teachers: student test scores must be connected with the rating of the teacher

Higher Education:

- Enacts tuition limitation at MnSCU's two year institutions, forcing systematic reform and efficiency
- Requires the U of MN and MnSCU schools to meet performance benchmarks to receive a portion of their funding

Health and Human Services:

- Bends the curve on health care spending to slow the massive growth in the fastest growing part of the state budget
- Creates a defined contribution to privatize public health care for some MinnesotaCare recipients
- Repeals the provider tax AKA the Sick Tax
- Provides tax relief from the MinnesotaCare provider tax with a blink-on or off depending on the financial structure of the Health Care Access Fund.
- Prevents welfare fraud by strengthening welfare eligibility requirements and placing greater photo ID requirements and restrictions on the use of EBT cards for alcohol or tobacco purchases
- Limits the Medicaid fee-for-service spending for the next 4 years

Agriculture:

- Ends ethanol subsidies by making the final ethanol producer deficiency payment in 2012

State Government:

- Consolidates Office of Enterprise Technology services throughout government
- Requires E-Verify status check to be used by all businesses that contract with the state
- Establishes a Sunset Advisory Commission to review state agencies, improve operations, and consolidate programs
- Calls for strategic sourcing with private firms to ensure efficiencies in state buildings and vehicle fleet management
- Requires the Department of Revenue to seek tax fraud prevention measures and increase delinquent collections
- Links state employee pay to performance, with salary increases subject to sufficient ratings

This wasn't a perfect budget compromise by any means. But it was a damn good one.

7/29/11

In This Issue:

1. **Two Cheers for Jim Abeler.**
2. **Something's Rotten in Fridley.**
3. **Ramsey City Council Candidate Statement.**
4. **Don't We Pay for Lobbyists?**

TWO CHEERS FOR JIM ABELER

*Get up, and get your grandma out of here.
Pick up, old Jim is workin' hard this year.
- [Paul Stanley and Gene Simmons](#)*

Watchdogs, please sit down. The Anoka County Watchdog is going to do what it always does, just for a different - very different - public figure.

Consistent with our past practice, we are giving some credit where credit is due. The unusual thing is that the credit in this case goes to [Jim Abeler](#), a legislator who is frequently not in the good graces of either the Watchdog or the conservative movement in general.

Having said that, Abeler, House Health and Human Services (HHS) committee chairman, deserves a great amount of credit for the HHS bill he and his Senate counterpart, [David Hann](#), crafted.

While much attention has been rightly focused on the GOP tax victory, Watchdogs should be aware of the great work Rep. Abeler and Sen. Hann in controlling costs and implementing reform in one of the state's largest budget programs, and one of the fastest growing.

Consider these noteworthy reforms:

- A phase-out and permanent repeal of the "sick tax" you pay when you visit the doctor;
- Welfare reform that prohibits those on the dole from using your tax dollars to purchase cigarettes and booze (yes, you could do that before!);

And check out this eye-popper. Abeler and Hann bent the cost curve so that projected HHS spending in the next budget is projected to be a mere 4.8%! It was projected to be 22%. The dynamic HHS duo wrung 17% out of the cost curve. Bravo!

In fact, the HHS budget in the final deal came back \$658 million lighter than the bill passed out of conference committee during the regular session.

In the past, we haven't hesitated to encourage readers to contact Abeler. We encourage you to contact both Abeler and Hann and give them your congratulations on a job well done.

Okay, THREE cheers for Jim Abeler.

We told you this budget was a victory for conservatives.

SOMETHING'S ROTTEN IN FRIDLEY

A recent Watchdog update exposed the city of Brooklyn park's consideration of moving to a paternalistic, government-run garbage collection system, whereby the city, in its infinite wisdom, does a better job than you can choosing the right company to haul away your coffee grounds and past issues of Reader's Digest.

Well, it looks like Brooklyn Park isn't the only city that in this part of town that has all the core functions of city government so nailed down that they can spend time engaging in the foolish pleasure of toying around with communist garbage collection.

A loyal Watchdog in Fridley reminded us that the city has devoting staff resources to studying government-run trash collection since [2010](#) (you know, during that whole Great Recession thing), when an aging suburb like Fridley would have been better served by staff focusing on more important issues.

That same loyal reader alerted us last week that the city has renewed its research into moving the city away from a free-market, consumer-driven system of collection to one of a government-administered monopoly or perhaps oligopoly.

If you live in Fridley, be aware that this is happening.

You can contact the city council [here](#).

RAMSEY CITY COUNCIL CANDIDATE STATEMENT

Candidate Brenda Look submits the following statement of candidacy:

Brenda Look is running in the August 16th Ramsey City Council special election for Ward 4 to replace David Jeffrey who retired in June due to health reasons. Look received the endorsement of Senate District 48 at the June 25th endorsing convention. She is married to Matt Look, Anoka County Commissioner for District 1 and has been his sounding board for the last four years. He appreciates her legal input and creative, analytical perspectives on the issues and jokes that during his term there were actually 8 members on the city council.

Her three biggest areas of concern are:

Taxes: Council's fiscally conservative majority continues to reduce the budget which lowers the citizens' city property taxes. Future fiscal responsibility is riding on electing a fiscally conservative council member.

The COR: The 150 acres of land located near City Hall is the key to Ramsey's financial future. More commercial tax base will reduce taxes needed to be collected from citizens while providing opportunities for services, employment, and enjoyment.

Policies: Policies must be fair, safe, and encourage the citizens to grow and flourish. Policies that over regulate businesses and prohibit homeowners from enjoying their properties or negatively impact their property values are the wrong kind of policies.

Last fall, the Looks worked together with residents near Waco St. in Ward 4 to oppose the rehabilitation center that was inappropriately zoned near River's Bend Park to ensure family values and property values remained intact.

Look has the support of the majority of current Ramsey City Council members and can jump in with both feet. "Brenda Look is smart, analytical, and common sense. With her experience in and around politics, balance by her core beliefs, and values that are consistent with the Citizens of Ramsey,

there is no doubt she will be an asset to decision making from the first day she takes her seat," said Mayor Bob Ramsey.

The Looks have lived in Ward 4 for over a decade where they run their small printing business and raise their two boys. She holds a degree from the University of Minnesota in Political Science and got her Paralegal certificate from Minnesota Paralegal Institute. She has worked at law firms in both Minneapolis and Anoka, in the New Business Development Division of a successful banking corporation, and ran her own small business teaching piano lessons. She is currently the elected council member (Deaconess) of Administration at her church overseeing staff, facilities, and a \$500,000 budget with the other 6 elected officials. Look enjoys music, photography, and spending time with other parents watching her boys play sports with the Anoka Ramsey Athletic Association. For more information, please visit www.votebrendalook.com

DON'T WE PAY FOR LOBBYISTS?

The Watchdog had a good laugh this week at an Anoka County Union article that detailed the county's quest for a federal grant (aren't those guys \$14 trillion in the hole?) to cover the cost of an unfunded social services mandate enacted by the state.

The grant request is in the amount of a cool \$500,000.

The Watchdog wonders how such a mandate got past the crack Anoka County lobbying team in the first place.

Where were Steve Novak and Kathy Tingelstad, the duo who cost taxpayers over \$200,000 in salary alone each year?

Maybe Novak was off serving his other lobbying client when this provision was passed. Or how about the law firm of Worst and Flanagan, the hired gun lobby firm that costs county taxpayers about \$60,000 from what we're told.

Where were they?

Better yet, how about the Association of Minnesota Counties (AMC), a group that the county pays dues to belong to that also has lobbyists at the Capitol?

Or how about the Minnesota Inter-County Association? Yep, another one of those organizations that county pays dues into that has lobbyists.

Goodness. That's four levels of lobbyists.

Anoka County is always a big spender on lobbyists, frequently in the top 10 of cities and counties.

It's high time the county took a hard look at these arrangements.

The Watchdog doesn't think the county needs all these lobbyists.

At a minimum, the taxpayers should get some results for the thousands upon thousands of dollars spent on lobbyists.

It appears this current team isn't getting the job done.

8/5/11

In This Issue:

1. Understanding Regressive Taxes.

2. A Legacy of Misplaced Priorities.

Editor's Note: The filing period is now open to run for the Anoka-Hennepin School Board, other school boards, and select municipalities.

Get more information at http://ww2.anokacounty.us/v4_elections/default.aspx

UNDERSTANDING REGRESSIVE TAXES

The Anoka County Watchdog exists, above else, to educate. For the past six years, this publication has been a purveyor of public policy enlightenment for the great masses here in the northern suburbs.

The Watchdog is here again this week to rescue another ignorant soul from the clutches of liberal brainwashing and help remove the tinfoil hat of collectivist thought from his crown.

This week's cry for help emanated from the pen of one David Frederick of Coon Rapids, who wrote a [letter to the editor](#) in this week's Coon Rapids Herald.

Mr. Frederick pleaded ignorance in understanding Minnesota's tax code, especially as it relates to the interaction between who pays the taxes and how much each person pays in taxes.

He also demonstrated a lack of understanding with respect to tax policy and especially tax politics, trotting out the old shopworn bromide about Republicans protecting the "rich" while the DFL is for the "workin'" man (as if lazy people get rich, not counting the lottery or 1-800-ask-gary settlements).

So let's get started.

Dave is correct in noting that folks lower down on the economic ladder pay a greater percentage of their income in taxes than do more successful people.

Having said that, successful people pay the vast majority of taxes in this state, especially the income tax. In fact, the top 10% of income earners pay the lion's share of the income tax. This is a fact liberals conveniently forget when they talk taxes.

The reason that less successful people, in some cases, pay more in taxes as a percentage of their income is that Minnesota has made the tax code more regressive.

A "regressive" tax is one that falls harder on poorer folks than richer folks.

Conversely, a "progressive" tax is one that falls harder on the more successful.

In short, you have to remember that not all taxes are created equal. Each tax has a certain regressive or progressive quality to it.

And check this out. Economists have long had a method to calculate the regressive (or progressive) nature of a particular tax.

The "Suits Index" was created by economist Daniel Suits to measure the regressivity of different types of taxes.

Just like a certain bed, every tax proposed by government can be given a Suits number, just like a sleep number.

As a general rule, income taxes are progressive.

Also, as a general rule, sales taxes are regressive.

Likewise, excise taxes like alcohol, tobacco, and gas taxes are especially regressive.

Thus, in order to make a tax code more progressive, you could jack up income taxes, especially on the rich.

Or, you could stop jacking up regressive taxes.

Thus, Mr. Frederick would be well served to recall the DFL fervor to pass all sorts of regressive taxes in Minnesota.

Where was the party of the workin' man on the following:

- \$6.6 billion transportation tax increase, to include a gas tax increase and a sales tax increase, over Governor Pawlenty's veto:

- The [veto override](#) was supported by every single DFL legislator
- A [vote](#) to increase tobacco taxes through the disguise of a "health impact fee":

40 House DFLers were among the 88 who voted to pass the bill.
In the Senate, every DFLer but 5 voted to pass the bill.

- A [vote](#) to increase the sales tax in Hennepin County to fund a Twins stadium:

In the House, 34 DFLers voted to implement the sales tax, providing nearly half the votes need for passage in the House.

In the Senate, 23 DFLers joined just 11 Republicans to pass the bill and impose the sales tax.

- A [vote](#) to put a sales tax increase on the ballot and into the constitution for arts, entertainment, and the outdoors:

In the House, 67 of 85 affirmative votes came from the DFL.

In the Senate 35 of 46 "aye" votes came from the DFL.

So there you have it, Mr. Frederick. A few billion dollars worth of examples of the Party of the Workin' Man passing regressive tax increases that cause the less successful to pay more, only as a percentage of their income, than the more successful.

And they're still at it.

Saint Paul Mayor Chris Coleman, a DFLer, recently called for an alcohol tax increase to fund a football palace for Zygi and his band of purple plunderers.

And don't forget about all the DFLers who support expanding the sales tax to items like clothing and food. How regressive do you imagine such a move would be. You betcha.

There you are, Dave Frederick. Go forth fortified by the knowledge that the DFL has been screwing working people on regressive taxes while complaining that taxes are too regressive.

There's another lesson for you: politics as usual.

A LEGACY OF MISPLACED PRIORITIES

Speaking of the "Legacy Amendment" that raised the sales tax by 3/8ths for arts, entertainment, and the outdoors (and put it in the constitution, no less), the Anoka County Union had an [article](#) this week about all the neat things this REGRESSIVE sales taxes has purchased for others right here in Anoka County.

- Jazz concerts;
- Painting with artists;
- Films and plays;
- Loom beading;
- Clay molding;
- Ukrainian egg decorating;
- A program about quilts;
- "Tastes and Sounds of Minnesota";
- "Fishin' Tales" booklets for kids to write about fishin';
- "Free" plays at the Lyrics Arts Theater;
- A talk by Garrison Keillor (sorry we missed that one);
- A talk by some guy who worked on "The Simpsons" cartoon.

Hey, we can admit there's value to participating in the arts. The problem is that this programming is funded by a regressive sales tax that is enshrined in the constitution.

It's not the job of government to provide people with "free" arts programming.

Those who attend the programs should pay. Moreover, philanthropy should play a role in subsidizing the experience for others.

Here we have the spectacle of a federal government \$14 trillion in debt and a state that has chronic budget problems because it spends too much and can't control costs.

And now we have the additional spectacle of millions in increased taxes funding non-essential arts programming.

That looks just plain stupid. Misplaced priorities.

8/12/11

In This Issue:

- 1. The Minnesota Primary.**
- 2. Obama or Liberalism - Someone Failed.**
- 3. Another Teachable Economics Moment.**
- 4. Over in Wisconsin...**

Editor's Note: The Watchdog notes the passing of former Anoka County Commissioner Scott LeDoux. While he was sometimes an opponent, he was never an enemy. We extend our condolences to the LeDoux family.

THE MINNESOTA PRIMARY

As our readers well know, tomorrow marks high noon at the OK Corral for two Minnesota GOP heavyweights, Michele Bachmann and Tim Pawlenty.

The Iowa Straw Poll could prove to be a launching pad or an ocean of political quicksand for these two presidential hopefuls.

Bachmann is in the position of fighting heightened expectations regarding her finish while Pawlenty is striving to prove that he's relevant to the GOP presidential field.

Regardless of the outcome, not many could have predicted that our state would produce two legitimate presidential hopefuls duking it out across the haystacks and corn fields of a state that wields incredible political influence for no real good reason.

Watchdog CEO and founder Harold Hamilton has read with interest and amusement the many email communications he's received from our loyal readership regarding this race.

To her supporters, Michele Bachmann is an authentic leader and unapologetic conservative who has the right stuff to bring the right kind of change to Washington.

To her detractors, she's an attention seeking media hound who has trouble telling fact from fiction while accomplishing nothing while in office at either the state or federal level.

For Pawlenty, his supporters tout him as a thoughtful, seasoned chief executive who achieved noteworthy results while governing a blue state and fighting a DFL majority. To them, he's a mainstream conservative who can win a general election for president.

To his critics, Pawlenty is a RINO who flirted with global warming and Obama-style health care while embracing subsidized baseball stadiums and mass transit schemes like commuter rail.

This publication's readership appears to be divided right down the middle on these two. It's a heavyweight bout of epic proportions. Will Minnesota make history on the presidential stage or will both become footnotes in political science textbooks?

Give us your thoughts: harold@theminnesotawatchdog.com.

OBAMA OR LIBERALISM - SOMEONE FAILED

Speaking of feedback, the Watchdog has a question for our liberal readers - and there are many of you who appreciate this publication's thoughtful defense of conservatism and principled prosecution of liberalism.

If you liberals are able, acknowledge the premise that the Obama administration has proved to be an abject failure.

Unemployment, the S&P downgrade, the federal debt, Libya, Afghanistan, and Obamacare are just a few of the lowlights regarding perhaps the most inept administration of the modern presidential era.

Only the most blind loyalists and acolytes of "hope and change" could still believe all the campaign tripe about "post-partisanship" and getting the "car" of government out of the metaphorical "ditch."

So, liberal readers out there, what failed?

Did liberalism fail or did Barack Obama?

Where does the blame lie?

One could certainly blame liberalism as Obama has been the most successful president in American history in implementing a progressive, liberal agenda.

For example, Democrats have pursued nationalized health care since the Truman administration. Obama got it. For the first time in American history, we have a law on the books that says every American must engage in the commerce of health insurance or face a government-imposed penalty.

Another example is federal spending and the Democrat belief in the "multiplier" effect of government "stimulus."

Obama, Pelosi and Reid successfully turned on the government money press and exploded the federal balance sheet, flooding the economy with cheap dollars and boosting federal spending to a percentage of GDP that hasn't been seen since the country shouldered the burden of fighting a world war to defeat Germany and Japan.

In many respects, liberals have realized the dream of a central government that controls the economy in a way that SHOULD, according to liberal economics, bring about the peace and prosperity we all seek.

Or is it Obama who failed? Perhaps he implemented these schemes in a way that only appeared to be successful from a liberal point of view.

After all, Obama has deeply disappointed liberals in some respects, especially regarding foreign policy.

Not only is the U.S. still fighting in Afghanistan, Obama increased the number of troops. Code Pink must be really upset.

On the home front, the Big Labor dream of "card check" elections, which would bolster union membership dramatically, never received the White House support labor wanted.

So maybe Obama screwed it up by not being liberal enough to make things work well under a liberal paradigm.

This argument is somewhat similar to the liberal argument regarding the failed Welfare State.

Welfare programs never produced the promised results because we didn't have enough of it, according to the Left. If only we spent a few trillion more on food stamps and cash assistance, then it all would have worked.

This is also the public education argument. Our government schools don't produce the promised results because we don't "properly fund" the children. If we would just build fewer bombers and raise taxes a bit more, we could erase decades of crappy results and really show the world how great our schools really are, even though the most socialist of First World countries have rejected the liberal model of a government monopoly on schools.

So tell us liberals, where is the failure? Does it lie with the man you once touted as a demi-god, the apostle of hope and change? Or does the blame lie with the very core of your world view? Is liberalism ultimately a failed model of government?

We would love to know. harold@theminnesotawatchdog.com.

ANOTHER TEACHABLE ECONOMICS MOMENT

Oh, the liberals are a twitter with the news that luxury goods are selling well in the good ol' U.S. of A.

We have endured the plaintive cries from the Left that America has become a country that can't/won't support the less fortunate while the uber-rich enjoy the spoils of a capitalist system rigged in their favor. "Let them eat cake!," fret the liberals.

The genesis of this liberal angst is a recent [New York Times](#) article noting that luxury goods makers like Chanel, Tiffany's, and Mercedes-Benz are experiencing strong sales while government (gulp!) has to swallow less-than-expected spending increases.

And what's so wrong with luxury goods makers doing well? Is there a problem from an economic perspective? A moral perspective?

Let's consider what happens when some rich dude buys a new Benz and the company realizes increased demand for its product, which didn't benefit from a government bailout.

There is a benefit for all the folks who are involved in mining the elements that make up the car's components, all the way from the chassis to the computer chips that control the vehicle.

There's a benefit to all the people who work to transport the car from factory to destination.

There's a benefit to all the Mercedes-Benz employees who do everything from design the car to sweeping the floors at the factory.

There's also a benefit to the middle class sales staff that realizes a nice commission from the sale.

There's a benefit to the skilled mechanics who earn a living repairing and maintaining the vehicle.

And those are just some of the direct benefits to the private economy, viewed in a rather oversimplified fashion.

And, oh yeah, there's a benefit to the government when it realizes tax revenue from the sale.

So, contrary to the concerns of the Left, there is a broad-based economic benefit to the manufacture and sale of luxury goods that accrues to the benefit of many levels of the economic hierarchy.

The real problem the Left has with this scenario is that government didn't get a big enough take.

For the liberal, the better solution is to confiscate a big chunk of the income that otherwise would have been spent on a Mercedes and divert that money from the private economy into the public economy, where government, not the private citizen, can decide how the money should be deployed.

After all, it's hard for Big Government to justify its existence unless there are some goodies to distribute to the constituencies that benefit from governmental confiscation.

Spend money on a luxury car? No way! The liberal thinks it a better outcome to force the wealthy citizen to buy a Chevy while government pumps the newly confiscated wealth into some unaccountable grant program to teach left-handed Wiccans how to fish with bamboo poles.

The private economy allocates resources in the most efficient way, without regard to the political influence of each citizen.

The public economy, on the other hand, confiscates wealth by threat of force and then spends that wealth with regard only to rewarding political constituencies who lay claim to the booty without any regard to merit or economic efficiency.

So which system is more efficient, just, and moral?

This, in essence, is why government must be restrained and limited to the greatest extent possible. It is matter of both economics and morality.

OVER IN WISCONSIN...

No matter how they spin it, Big Labor suffered yet another major blow this week when their attempt to take over the Wisconsin state Senate through recall elections failed miserably.

Labor touted the recall elections as a watershed political moment where the Working Man would rise up and deliver a rebuke to Governor Walker and legislative Republicans regarding the labor reform bill they passed this spring.

The Labor fat cats did all they could to deliver on the promise, pouring millions of dollars and untold hours into the effort.

The result was a failure for Big Labor, plain and simple.

Of the six state Senate seats subject to the recall (all GOP-held), the Republicans retained four of the seats, losing two.

Democrats needed three seats to seize control of the state Senate.

One of the seats lost was one the GOP barely won the last time around while the other seat was lost in a nail biter and the GOP incumbent was badly damaged after it was revealed that he allegedly couldn't keep his badger in the cage, so to speak, and has been shackled up with a woman almost 20 years his junior. Heck, even the incumbent's wife signed the recall petition against her estranged husband.

Now, the state Senate stands 17-16 in favor of the GOP.

Next week, two Democrat-held seats will be up for recall.

Wisconsin voters sent a clear message this week that they support the GOP agenda in Madison.

And it's no wonder. Already, the reform bill is producing savings for the state. The clear message across the nation is that the GOP reform agenda isn't toxic. It's a winner.

8/19/11

In This Issue:

- 1. Dismal Test Scores - Again.**
- 2. Anoka-Hennepin Scare Tactics - Again.**
- 3. Northstar Rail - That Huge Sucking Sound.**
- 4. Anoka County Board Rising.**

DISMAL TEST SCORES - AGAIN

Like a needle skipping across a deeply scratched vinyl LP (remember those?), Minnesota student test scores released this week were once again pathetic and troubling, providing yet one more example of why the current government monopoly on education is failing students and taxpayers.

The subject this time around was science. You know, science, the basis for the kind of innovation and technological advancement critical to national security and prosperity in the 21st Century.

Only 48% in grades 5, 8, and high school demonstrated proficiency, which was also a 1% drop from last year's score.

While the high school cohort posted a 2% gain in proficiency, the 8th grade cohort dropped 3%, to 45% proficiency.

In the Anoka-Hennepin district, students showed just how average their educational experience is by posting 55% proficiency.

Most appalling, only 21% of black students demonstrated proficiency.

Year after year, decade after decade, test scores stagnate while the rest of the developed world climbs above America.

The only thing that rises in American schools is the amount of money we pour into government-run schools.

With education becoming a national security issue, how long will it be until the American people demand the accountability, transparency, and competition that drives results in the private sector as well as the educational results in other countries?

We know the answer. It starts with competition, forcing schools to compete for students and the dollars that follow each student.

And let's not lay these problems solely at the feet of the Education-Industrial complex. Too many parents are sending their kids to school unprepared to learn, no matter how good the teacher or the school.

Along with education reform, it's high time for government to end the failed Welfare State programs that reward sloth and indolence. We need public policies that demand accountability from BOTH government-run schools and parents who take advantage of social welfare programs.

For example, drug testing welfare recipients would be a great start. It's hard to be a good parent when you're a single parent tweaking on meth and you dropped out of high school after 9th grade.

ANOKA-HENNEPIN SCARE TACTICS - AGAIN

Speaking of broken records, it's that time of season once again. Like the setting of sun, like the changing of the seasons, like the migration of the waterfowl, we can always count on yet more property tax levy from the Anoka-Hennepin School District, along with the scare tactics and hostage taking that make for a complete levy campaign.

Fresh off the news that only about half of their students can pass the standardized science test, the Anoka-Hennepin School District is looking for more of your tax money this November.

\$48 million of your tax money, to be precise.

But don't worry, it's not a tax increase, according to the Through-The-Looking-Glass logic of district poobahs.

You see, this is merely a renewal of an existing tax increase that was passed previously and is set to expire.

Excuse us, but isn't the extension of a tax increase a tax increase? If my taxes are expected to go back to the baseline, an extension of an tax increase is just that - a tax increase.

It's funny how the logic only works one way. If the school district was expecting a 10% increase in state funding yet only got a 7% increase, they would howl about the 3% "cut."

But if the taxpayer is expecting 10% tax relief and gets zero relief, it isn't an increase. There's no harm to the taxpayer, in the view of the school district.

Oh yeah. Let's not forget about the hostage taking. This is the list of cuts and pain that the school board will visit on the children if they don't get their \$48 million ransom.

If taxpayers, who have seen their property values plummet, don't agree to extend the property tax increase, the district [promises](#):

- Teaching staff cuts of 20%;
- Four elementary schools closed;
- One middle school closed;
- Increased class sizes;
- Increased fees for students;
- Over 130 administrators laid off (that's bad news? It's not enough!)

The names change, but the song remains the same for our mediocre government schools. Low test scores, poor results, and more money for the bureaucrats.

This November, send a message to the Anoka-Hennepin district and vote a resounding "no" on their levy on November 8.

NORTHSTAR RAIL - THAT HUGE SUCKING SOUND

Ugh. Erhart's Folly strikes again.

The bonding bill that passed in the recent special legislative session appropriated money to build yet another Northstar rail station, this one in Ramsey.

The project has yet to secure all funding but will likely get it, with the station opening in late 2012.

All told, the project will cost taxpayers approximately \$15 million, from the following sources:

- \$4 million in state bonding;

- \$3 million from the Counties Transit Improvement Board (CTIB);
- \$3 million from the Anoka County Regional Rail Authority;
- \$4.75 million from the City of Ramsey

Ironically, the only unit of government to pass on this project was the federal government, which decided not to pass a \$3 million earmark from Senator Amy Klobuchar.

However, this cost estimate fails to take into consideration the cost of purchasing a right-of-way easement from BNSF Railway.

The current easement does not cover a new station stop and must be negotiated separately.

According to an article in the Anoka County Union, the additional easement could cost upwards of \$5 million, putting the cost of the station at near \$20 million.

The article further states that the big draw of a station in Ramsey is the 200 commuters who currently ride the Northstar Commuter Coach into Minneapolis from Ramsey each day.

That's a head scratcher. So we're spending \$20 million to kick a measly 200 commuters off a highly popular, cost-effective bus line in order to force them onto an expensive train in order to boost train ridership totals?

That doesn't make sense to the Watchdog.

Moreover, if they must, why not just kick these people over to the Anoka station or the Elk River station, both of which already exist and don't need another \$20 million of our tax dollars.

It's only a 9 minute train ride from Elk River to Anoka. Why put a station in the middle of these two stations?

It's not even a 10 mile drive from Ramsey to the Elk River station.

It's about 6 miles from Ramsey to the Anoka Northstar station.

Of course, another rationale may be to bail out another failed government mega-project, the Ramsey Town Center, AKA The Center of Ramsey (The COR).

That's certainly a strategy, but one with which the Watchdog cannot agree. Another station should be able to stand on its own merits. If it can't, then it shouldn't be built.

ANOKA COUNTY BOARD RISING

And now for some good news.

Anoka County Commissioner Matt Look penned a letter to the editor in the Anoka County Union highlighting some of the good work the board has been doing this year.

While the board has a long way to go to reverse years of big government policies under the "leadership" of Dan Erhart, these folks are moving in the right direction.

Here's Commissioner Look's letter:

Anoka County is in good hands.

In January, our county board changed. The citizens spoke and the Board is now made up of a majority of conservative commissioners. With that change comes return on political investment.

Decisions have and will streamline government, focus on efficiencies, prioritize needs versus wants and deliver important services.

Cost savings actions

In the first 100 days, the commissioners put a hold on all capital improvement projects (department spending requests funded by the tax dollars) redirecting allocated dollars to next year's budget, lowering the amount needed to be taxed.

We implemented a successful "voluntary separation" program that provided early retirement. The highest paid county employees were able to retire, opening the way for internal promotions, lower pay grades and as a result, has saved and will continue to save the county millions of dollars.

Many have come up to commissioners and thanked them for this successful win-win program.

The county is implementing a paperless system. With the use of inexpensive laptops and mobile devices, we save thousands of dollars monthly in paper and copier costs.

This is the right thing to do environmentally. It is also a time saver and builds efficiency within our departments.

Roadways

We are undergoing the largest roadway overlay and rebuild program in the history of the county. This is one area that we have been investing resources, protecting our investment in our infrastructure and offsetting the effects of a winter season that had damaging effects on our roadway systems.

Prospective employers looking for a suitable location to call home consider the condition of infrastructure vital to their success and decision making.

Taxes

Despite large state cutbacks and ever increasing healthcare costs for our 1,700 employees, the majority of the county board is determined to cut taxes this year.

It has been over 40 years since the levy rate has been decreased resulting in the county line of your tax statement being lowered and giving citizens relief as they struggle to stay afloat in difficult economic times.

As we define what the new norm is going forward, we will continue to be faced with challenges to creatively pay our bills and provide vital services without passing additional tax burdens on to our residents.

8/26/11

In This Issue:

- 1. In Minnesota, the Road to Hell is Really a Bike Path.**
- 2. An Underpaid Public Servant.**
- 3. After Two Years of Obama...**

IN MINNESOTA, THE ROAD TO HELL IS REALLY A BIKE PATH

In many respects, the City of Lakes is the epitome of liberal utopia. New York, San Francisco and Los Angeles get all the love, making our own Minneapolis the Ron Paul of metropolitan liberalism. It just can't get any attention from the elites.

If you need any more proof of Minneapolis' leftist bona fides, check out the latest job [opportunities](#) from that fair burgh:

Bicycle and Pedestrian Coord. - Transportation Planner

SALARY: \$61,986 to \$84,743 Annually

Yes, you read it correctly. The city, despite the economy, despite lower property values, and despite the shootings (multiple episodes this week alone), is looking to hire someone to coordinate biking and pedestrian activities in the city.

For a salary of upwards of \$85,000 no less.

Now before you pop a gasket, let's consider the talent, knowledge, and experience the job requires:

- Serve as the City's subject and technical matter expert on bicycling and walking while leveraging and increasing the City's internal and external knowledge base

This publication is happy to report that all Watchdog staffers believe they are experts in the bicycle and pedestrian arts.

All staffers report that they are competent with both bikes and their shoes. In fact, all staff boast of years of experience in bicycling and walking.

In fact, some staffers were heard to boast of the ability to walk and perform other tasks at the same time. One braggart even noted her ability to walk competently after four glasses of wine.

The competition was just as fierce among staffers to demonstrate their bicycle acumen.

One staffer in the research department noted that he could do a wheelie on his mountain bike for at least 25 yards while another chimed in that he could go "no hands" all the way to his mailbox.

One member of the marketing department noted that while she didn't have any special bike skills, her son could do a bitchin' tail whip and a "720" on his Haro freestyle bike. Who bought him that bike? Who drove him down to the half-pipe at the city park? Who put Band Aids on the scrapes and cuts? That should count for something, she pleaded.

But earning that \$85,000 takes more than some cool bike and walking skills.

- Supervise up to five positions including but not limited to the NTP Coordinator and Bike Walk Ambassadors positions.

Supervise 5 people? Manage the Bike Walk Ambassadors? We hear that's a pretty rowdy group. Is General Petraeus available? Donald Trump? Rex Ryan?

- Communicate effectively and appropriately to the Mayor, City Council, City management, stakeholders, general public, and other agencies.

Communicate effectively AND appropriately? No wonder the job pays so well. To find someone who can communicate effectively is pretty easy. But finding someone who can communicate both effectively and appropriately is indeed a rare skill, indeed.

This requirement effectively disqualifies all Watchdog staffers from the position because "appropriate" communication no doubt means communicating in a respectful way with the mayor and there is no way any of the staff could address R.T. Rybak respectfully. "Dope" and "clown" were the two most popular titles for the mayor around Watchdog HQ.

In any case, doesn't Minneapolis have big budget problems? Wasn't old R.T. leading the victim parade down at the Capitol among all the cities whining about local government aid (LGA) cuts this past legislative session?

"We have said for years that the Legislature's cuts to Minneapolis have negative, real-life consequences, including on public safety." [Press Release](#) 8/9/2010

"Reluctantly, we must make the cuts that we said we would make, because the State has left us no choice." [Press Release](#) 7/21/11

"Our economy can't sustain the amount of cuts to Local Government Aid proposed by the Legislature."

[Press Conference](#) 5/13/11 (Comments of Duluth mayor Ness, Rybak in attendance)

"they (Republicans) would simply continue a deeply misguided policy that passes the State's fiscal problems onto communities, is directly responsible for driving property taxes higher statewide and has hampered our ability to keep people safe."

[Press Release](#) 1/18/11

But you have the money to hire a bike and walking coordinator?

Remember, Watchdogs, these cities all have enough money.

Cut away, legislature!

AN UNDERPAID PUBLIC SERVANT

And why should Minneapolis hog the spotlight of ignominious public spending?

Across the river in Saint Paul, the Pioneer Press [reports](#) that Saint Paul School Superintendent Valeria Silva is getting a \$40,000 spiff to assist her in moving her home from Woodbury to Saint Paul.

Despite a BASE salary of \$180,000, the school board felt that Silva needed some financial assistance.

How having the superintendent live a few miles closer improves student learning wasn't explained in the article.

Instead, interviewed school board members spouted some platitudes about having the superintendent "submerged in the community." It was also claimed that living in Saint Paul would show a "commitment" to the district.

Whatever.

The moving spiff for Silva comes on the heels of an announcement that the district will be laying off teachers and staff.

According to the school district [collective bargaining agreement](#), the school district could hire a new teacher for \$36,000 in salary.

So instead of having another teacher in the classroom, the district has instead chosen to pony up \$40,000 to pay for the moving costs for an employee who is already earning 5 times what a starting teacher is earning.

You people who live in Saint Paul and Minneapolis truly get the government you deserve.
Suckers.

AFTER TWO YEARS OF OBAMA...

(Republished from other Internet sources)

	January 2009	TODAY	% chg	Source
Avg.. Retail price/gallon gas in U.S.	\$1.83	\$3.44	84%	1
Crude oil, European Brent (barrel)	\$43..48	\$99..02	127.7%	2
Crude oil, West TX Inter. (barrel)	\$38..74	\$91..38	135.9%	2
Gold: London (per troy oz.)	\$853.25	\$1,369.50	60.5%	2
Corn, No.2 yellow, Central IL	\$3.56	\$6.33	78.1%	2
Soybeans, No. 1 yellow, IL	\$9.66	\$13..75	42.3%	2
Sugar, cane, raw, world, lb. Fob	\$13..37	\$35..39	164.7%	2
Unemployment rate, non-farm, overall	7.6%	9.4%	23.7%	3
Unemployment rate, blacks	12.6%	15.8%	25.4%	3
Number of unemployed	11,616,000	14,485,000	24.7%	3
Number of fed. Employees	2,779,000	2,840,000	2.2%	3
Real median household income	\$50,112	\$49,777	-0.7%	4
Number of food stamp recipients	31,983,716	43,200,878	35.1%	5
Number of unemployment benefit recipients	7,526,598	9,193,838	22.2%	6
Number of long-term unemployed	2,600,000	6,400,000	146.2%	3
Poverty rate, individuals	13.2%	14.3%	8.3%	4
People in poverty in U.S.	39,800,000	43,600,000	9.5%	4
U.S.. Rank in Economic Freedom World Rankings	5	9	n/a	10
Present Situation Index	29.9	23.5	-21.4%	11
Failed banks	140	164	17.1%	12
U.S.. Dollar versus Japanese yen exchange rate	89.76	82.03	-8.6%	2
U.S.. Money supply, M1, in billions	1,575.1	1,865.7	18.4%	13

U.S.. Money supply, M2, in billions	8,310.9	8,852.3	6.5%	13
National debt, in trillions	\$10..627	\$14..052	32.2%	14

Sources:

(1) U.S. Energy Information Administration; (2) Wall Street Journal; (3) Bureau of Labor Statistics; (4) Census Bureau; (5) USDA; (6) U.S. Dept. Of Labor; (7) FHFA; (8) Standard & Poor's/Case-Shiller; (9) RealtyTrac; (10) Heritage Foundation and WSJ; (11) The Conference Board; (12) FDIC; (13) Federal Reserve; (14) U.S. Treasury

9/2/11

In This Issue:

- 1. The Leadership Vacuum.**
- 2. Purple Fiasco Update.**

THE LEADERSHIP VACUUM

Mayday. Mayday. There's a leadership vacuum that threatens to expose millions of innocent civilians to rudderless, arbitrary government.

And we're not talking about Libya. We're talking about Minnesota.

Okay. We took some artistic license to dramatize the situation, but the Watchdog can't recall a governor who took more pains to distance himself from his own decisions than Mark Dayton.

In office for only about 9 months, it's hard to pin Dayton down on anything.

Take the state budget and the historic government shutdown.

After pledging not to shut down government, Dayton vetoed all legislative omnibus budget bills and forced a shutdown.

During the shutdown he caused, Dayton then offered a cigarette tax increase just months after blasting one of his campaign opponents for supporting a cigarette tax.

"That's money out of the pockets of working people and poorer people, and that means kids don't have as much to eat or don't have the same quality of food. Those are addictions, and I think you treat addictions as addictions and you don't penalize the people who are dealing with them economically," Dayton said as he lectured Tom Horner.

Then, Dayton agreed to end the government shutdown by taking the same deal he was offered by Republicans the day before the shutdown. Namely, a school shift and the sale of tobacco bonds.

In the aftermath, to hear Dayton tell it, he was just a bystander to history.

Dayton has called the budget deal he signed "irresponsible" and something he "didn't agree with."

Okay, General Patton.

The latest iteration of this existentialism from Dayton concerns the Market Value Homestead Credit, a property tax relief program which was eliminated in the budget deal.

The governor insists that it was Republicans who proposed eliminating the credit.

So what? No matter who proposed it, governor, you signed it. Your signature is on the bill.

Dayton's difficulty in accepting responsibility and exercising leadership has most recently manifested itself in his "I did/no I didn't" routine regarding a taxpayer referendum for a Vikings stadium.

On August 29th, Dayton [said](#) of a referendum, "It's Ramsey County's issue, but I'd be supportive of it. In a case like this, people should have their own voice."

Just a day later, Dayton took to the microphones to make sure that Minnesotans understood that he had been misquoted and had NOT, repeat NOT, taken a position - on anything. At all. Whatsoever.

Dayton, indeed, [had not](#) taken a position. "I'm not supporting it, per se. I'm not opposed to it. If they pass legislation and the Legislature goes along with it, I'll support it," Said Dayton.

Well played, governor. Just like Winston Churchill would have done it.

Oh, well. The good news is that Republicans control the legislature.

How did this guy win the governor's office?

PURPLE FIASCO UPDATE

The comedy parade just keeps on coming from Zygi, Lester, Larry and the gang of Purple Would-Be Plunderers.

It's been a heck of a week for a team that claims, yet again, to be finalizing stadium plans.

First, the Ramsey County Charter Commission is under intense pressure to pass a resolution in favor of a voter referendum.

And yesterday, America's best senate Majority Leader weighed in on the side of a referendum, which we know she won't disavow, like a certain governor we know.

Senate Majority Leader Amy Koch (R-Buffalo) said, "I feel there should be a referendum." That was a concern I had with the Twins stadium proposal and I think there should be a referendum on this. I'd like to see that."

The response from the Purple Plunderers has had the Watchdog staff in stitches all week.

In response to the referendum, the Vikings pleaded that they wanted to be treated "just like the Twins."

Okay.

The Twins never took a penny of state general fund money, whereas the Vikings want \$300 million even though the state coffers are dry.

We look forward to the Vikings announcing that they are no longer seeking state general fund monies.

Second, the Twins successfully got a local sales tax increase of .15%.

The Vikings want a .5% local sales tax increase.

We look forward to the Vikings slashing the local sales tax increase they seek by .35%.

There. Now you're just like the Twins.

And then there's Tony Bennett. Bennett is the Ramsey County commissioner who fancies himself a big player in the stadium debate.

Bennett gets credit from the Watchdog for either being the most honest or the dumbest politician in Minnesota.

Bennett's response to the referendum issue was to simply admit that Ramsey County voters wouldn't pass one, so the only way to get a stadium built is to ignore his constituents and state law, which declares that a sales tax increase must be put to a vote of the people.

Bennett flatly [stated](#) that the referendum wouldn't pass and that his constituents are in no mood to brook tax increases.

And so the answer is to do end-around of state law and cram a tax increase up their tailpipes with no vote?

You're quite the public servant, Tony.

Let Commissioner Bennett know your feelings [here](#).

And don't forget about the whole canard that a referendum is an affront to representative democracy.

Somehow, the purple faithful have all traded in their Zubas for a powdered wig and an unshakable faith in governance by the elites. They just can't trust the unwashed masses to vote on something as important as a huge subsidy for their leisure time activity of sedentary football viewing.

Funny, the Watchdog didn't see any organized effort this past legislative session from these folks to repeal the state law that mandates a citizen referendum for a local sales tax increase.

Epitomizing the mouth-breathing troglodytes who feel entitled to your money so they have something to do on Sundays is [Larry Spooner](#), a shill for Zygi who always makes himself available to the media to offer some claptrap about how important the Vikings are to fabric of Western Civilization.

Spooner was featured on a KARE 11 story about the referendum this week saying that "we don't put bridges or education" to popular referendum.

Really? Last time we checked, K-12 property tax excess levies were put to referendum, and no school district gets an exemption.

And K-12 schools are in the [Minnesota Constitution](#), unlike the Minnesota Vikings.

And the joke goes on...

9/9/11

In This Issue:

Editor's Note: This issue of the Watchdog is dedicated to the heroes of 9/11. We will never forget.

Editor's Note: Watchdogs in the Anoka-Hennepin School District need to attend the upcoming public hearings on the November tax levy vote.

**Thursday, September 15th, 7PM, Champlin Park High School.
Monday, September 19th, 7PM, Coon Rapids High School.
See what the District is saying about the levy [here](#).**

In This Issue:

- 1. The American Job Act.**
- 2. Purple Comedy Tour.**
- 3. White House Comedy Tour.**
- 4. Animal Farm.**
- 5. Capitalism is the Cure.**

THE AMERICAN JOB ACT

The Chosen One ascended the podium last night to inspire the American people. We weren't impressed.

Our reaction? Been there, done that, got the Chinese made and financed t-shirt.

Titled "The American Jobs Act," the legislation the president peddled last night was really "The American Job Act," a political stunt designed to save one job - his.

Weighing in at about half of the original failed stimulus act, this bill is stimulus-lite, meaning that it will fail in half the time as the original stimulus.

The legislation is nothing more than the same old song and dance of more government spending and "targeted" tax cuts, which is a prime example of crony capitalism and market distortion.

Of course, there is about \$175 billion in spending for unemployment benefits, wads of cash to local units of government to "prevent layoffs," and money to "modernize"

schools, as if the problem with public education is that school buildings don't have enough "green" windows or climate-controlled lunch rooms.

The other side of the legislation offers all sorts of tax cuts to entice employers to hire more workers.

As the Watchdog has always maintained, a tax credit or payroll tax deduction will not cause hiring. More people will be hired when businesses have a legitimate need to hire more workers.

No business worth a spit will put someone on the payroll simply to cop a tax credit. That's a losing proposition.

The Watchdog supports tax cuts, but tax cuts must be across-the-board and not in favor of a particular market sector (e.g. solar energy) or for a particularized purpose, as the cuts become market distorting.

Moreover, tax cuts must be matched with dollar for dollar spending cuts. We don't need more debt.

Obama self-righteously declared that the \$447 billion program would not add to the deficit, although he didn't say one word about what cuts he would make to pay for it. Instead, he simply threw the cutting task in the lap of the Congress, thereby setting up House Republicans to kick the crap out of them when/if they offer up \$447 billion in cuts. Did we mention this was the "American Job Act?"

And, of course, the entire speech was wrapped in the dress of moral righteousness, with talk of "doing the right thing," "ending the political circus," "coming together to get things done."

The president is right. This isn't a game. Republicans are firm in their resolve to fulfill their campaign promises and election mandate to put an end to the appalling "stimulus" and massive government overreach of Barack Obama.

Republicans should reject this legislation out of hand and declare it DOA.

Let's let the American people decide who is correct in November 2012.

PURPLE COMEDY TOUR

The Purple Comedy Tour (aka the Minnesota Vikings Stadium Team) brought their road show to the Saint Paul Rotary Club, where gasps, laughs, and guffaws were once again on tap as comedians Lester Bagley and Tony Bennett left the crowd, well, speechless and wondering just what hit them.

Besides the typical laugh lines about economic development, jobs, and "quality of life" issues, a new level in purple comedy was reached when Bagley uncorked a map of the Arden Hills stadium site that featured a "potential convention center hotel."

The gag worked better than the idea Zygi had for purple and gold snakes jumping out of a can or a purple lapel flower squirting water, as the assembled gasped aloud at the prospect of a taxpayer-subsidized convention center that would possibly compete with other taxpayer-subsidized venues such as the River Center in Saint Paul or the Minneapolis Convention Center.

Not to be outdone by his partner, Bennett hammed it up by telling the crowd that the convention center would just be a little one. So small, in fact, that only small children and household pets would fit inside. Ba bump bump boosh!

Then, in a masterful display of comedic timing, Bagley grabbed the microphone to tell everyone that there would be no convention center at all. It was just a joke! The map is outdated! Just joshin, people! We'll be here all legislative session! Thank you and good night!

The Watchdog can only wonder just how naive people can be.

Does it surprise anyone who thinks even somewhat critically that Wilf would have designs on much more than a football stadium?

Geez, folks, the guy is a New Jersey real estate developer. Get a clue.

If this news surprised you, you probably also had trouble figuring out the plot of any after-school episode of Scooby Doo. (You mean old man Johnson is really the phantom? I didn't see that one coming!).

What a sordid and disgusting affair this whole thing has become.

On a related note, the Vikings faux grass roots web site "Minnesota Momentum" is now urging all purple and gold mouth breathers to contact Senate Majority Leader [Amy Koch](#) and Speaker [Kurt Zellers](#) and chastise them for having the audacity to support state law and Ramsey County's charter process by holding a voter referendum on a county sales tax increase.

Do your part and contact these two to tell them that supporting the rule of law is a good thing, no matter what Bennett, Wilf, and Bagley may say.

WHITE HOUSE COMEDY TOUR

A decidedly unfunny Barack Obama has been trying out some new material out on Martha's Vineyard and even in Detroit this past week in preparation for the big gig last night before a national audience.

There was the news that the United States has now fallen to 5th in a ranking of the world's most competitive economies, based in large part on the massive "stimulus" deficits Obama has racked up and which have had utterly no positive effect on the economy.

Then there was the news that the U.S. can't account for some \$60 billion in aid given to the governments of Iraq and Afghanistan. Even worse, the Taliban insurgents in Afghanistan count the diversion of U.S. aid as their second largest revenue stream, behind the illicit drug trade.

Great. Our enemies are using our own incompetence to steal our money to buy weapons to use against our own soldiers.

And then we learned a new word: Solyndra.

Solyndra was the beneficiary of some crony capitalism in the form of a \$535 million federal loan guarantee to assist the company in making and selling its solar power arrays, thereby "spreading the wealth around" and creating some of the "green jobs" that liberals use to prove their capitalist bona fides, as it were.

Well, well. Solyndra has announced that it is bankrupt and will indeed not be producing solar power arrays, jobs, or anything like it, demonstrating once again that government is a piss poor allocator of resources.

The episode also demonstrates that Obama believes in capitalism, at least crony capitalism.

The U.S. House Energy and Commerce Committee has opened an investigation after learning that Solyndra was backed by a major Obama donor named George Kaiser (no word on whether Kaiser also owns a bank with Maxine Waters or her husband).

Prosperity is just around the corner...

ANIMAL FARM

Some people just don't know when to leave the stage.

We all thought we were done with Nancy Pelosi after the 2010 elections booted her from the Speaker's rostrum and the Air Force jet she used to fly back home to San Francisco.

But Pelosi is back, along with her cast of House Democrat weirdoes, engaging in a bit of Orwellian theater for our amusement.

Namely, Pelosi and company are dropping the word "stimulus" from their collective vocabulary. Sadly, they're not dropping stimulus spending from their agenda. They're just not calling it by its real name anymore.

Demonstrating their true arrogance and haughtiness, House Democrats think the people they serve are so stupid that we'll fall for more stimulus spending if it's called by a different name.

The new code word for "stimulus" is now "job creation." The vehicle for stimulus spending, the Recovery Act, will now be called "Make it in America."

Two can play at that game. Instead of calling Pelosi's economic agenda a bunch of bulls**t, we'll simply call it "bovine scatology."

What's next? Pelosi calling a press conference to bleat "four legs good, two legs bad?"

CAPITALISM IS THE CURE

The global financial crisis has proven beyond a shadow of a doubt that capitalism, with an emphasis on free markets and limited government, is the best economic system ever conceived and the tonic for what ails the global economy.

Think about it. Every country attempting to revive its economy is finding relief in capitalist policies.

Austerity programs in Greece and Ireland.

Tax cuts and regulatory relief (EPA ozone rules) in America.

The recognition that the Texas model has clearly outperformed the California model. An acknowledgement that recent tax increases have harmed the U.K.'s economy.

Yes, there are those who think that more of the same poison is the solution, but even they have to accept a strong dose of capitalistic medicine (See Barack Obama and the ozone rule withdrawal).

We are witnessing the ultimate triumph of Friedman over Keynes.

9/16/11

In This Issue:

Editor's Note: Harold Hamilton and the entire Watchdog staff extend deepest condolences to Representative Jim Abeler and his family, who lost a child this week.

- 1. Elections DO Matter.**
- 2. The Scorecard has Landed.**

ELECTIONS DO MATTER

If Watchdogs ever doubt that their vote matters, this week should put that doubt to rest. If Watchdogs ever think they're activism and political involvement doesn't matter, the events of this week should serve as a very pleasant wake up call.

This week, the Anoka County Board passed a remarkable, historic budget levy that fits the economic climate and actually cuts property taxes.

The property tax levy for 2012 will be 7.43% lower than 2011, resulting in property tax decreases for beleaguered homeowners.

This the first time in at least 30 years that the levy has decreased.

Board chairwoman Rhonda Sivarajah noted, "Our mission is to be respectful, innovative and fiscally responsible, and we are accomplishing this by recognizing that our residents don't deserve to be taxed any more, and frankly, they can't take it."

In 2008, the average home value in Anoka County was \$213,000. In 2011, it's \$174,000.

But that's not all. The Anoka County Regional Rail Authority, responsible for the white elephant called Northstar commuter rail, reduced its 2012 proposed levy by a whopping 65%!

Rail Authority chairman Matt Look stated,

"The new leadership of the Rail Authority takes seriously the responsibility of budgeting only for our current commitments, and eliminating unnecessary planning and spending."

And over at the county Housing and Redevelopment Authority, the proposed levy is 18% lighter than last year.

And it's not just reductions. This county board is actually doing the hard work of searching out and implementing reforms to make government leaner and more responsive to citizens:

· ***Voluntary Separation Program***

In June, 97 employees took advantage of a one-time voluntary separation program which will save Anoka County taxpayers \$1.5 million annually in salary and benefit costs. Future ongoing savings will result from not filling some positions and either restructuring or hiring replacements at a lower pay rate for the balance. There are 62 fewer positions in the 2011 budget than in 2010. Additionally, 20 positions are expected to be unfunded in the 2012 budget as a result of the most recent budget reduction.

· ***Facilities Management***

Anoka County has a AAA bond rating and a good portion of this is based on the condition of our assets. More than \$150,000 in savings has been realized in the past two years and is evident in utility per square foot costs. Ongoing savings of 2 percent or more for the next three to five years are expected due to improved maintenance.

· ***Investing in Technology***

Anoka County is investing in technology to save staff time and resources. Implementing technology-based systems, such as the imaging project in the Human Service's Economic Assistance department allows staff to quickly access data that otherwise would have been tucked away in a file drawer. The commissioners also receive their board meeting packets electronically.

· ***Highway Department***

The Anoka County Highway Department is using a new process called design-build to reconstruct Main Street in Coon Rapids to Blaine. Anoka County is the first county in the state and among the first in the nation to do so. The process saves time and money.

This, folks, is exactly why elections matter.

The Good Ol' Boys who used to run the county wouldn't have dreamt of providing true property tax relief or meaningful government reform.

Can you imagine Dan Erhart doing that when he was board chair? We don't have to imagine. We saw the results of his leadership when he ran the board. No matter the economic circumstances, it was nothing but governmental growth.

Erahrt has been on the board 30 years and this is the first levy drop in 30 years. It's not a coincidence that this happened only after he was marginalized and sent to the back bench by voters.

Can you imagine Natalie Steffen voting to cut taxes? HA! It's a good thing Watchdogs helped Matt Look get into office.

Thanks to the efforts of Watchdogs and other concerned taxpayers, the culture of the Anoka County Board has finally changed.

The dark days of Rhonda Sivarajah being beat down on 6-1 votes have turned into 6-1 votes going the other way. Amen!

In fact, the levy vote was exactly 6-1.

Those voting yes:

Sivarajah
Look
West
LeDoux
Westerberg
Kordiak

These commissioners deserve our praise for their vote and their recognition of the reality of the economic situation.

When a progressive like Jim Kordiak understands the need to provide relief, you know the culture has changed.

Organizations adopt the characteristics of their leader. A special thanks goes to the Iron Lady for her leadership and perseverance during those dark days when Dan Erhart would ridicule her then-lonely voice for fiscal conservatism.

And that brings up a second point.

Who was the lone vote against property tax relief and government reform? Who was the one who threw his sucker in the dirt and complained about "draconian" cuts? Who's the one who decried shrinking government?

You bet. The defrocked Godfather himself, Dan Erhart.

As this issue goes to press, the video of this week's county board meeting isn't yet available.

But rest assured, Erhart had a good rant about the new reality in county government. Dan Erhart has become a bi-plane in a world of stealth fighter government.

The way government does business today is far different from the way business was done back in the Good Ol' Boys day.

And, thankfully, Anoka County does business in a manner far different from the Good Ol' Boys culture of yesteryear.

Erhart has become irrelevant to Anoka County politics and that's a good thing for which the Anoka County Watchdog makes no apologies.

Listen to the words of Rhonda Sivarajah once again:

"Our mission is to be respectful, innovative and fiscally responsible."

She and other board members understand that they serve the taxpayers, not the other way around.

Under this new board, the taxpayer comes first.

"Respect?" "Innovation?" "Fiscal responsibility?" You may as well be speaking Mandarin Chinese or Tagalog to the Good Ol' Boys.

This new group, to the contrary, gets it.

It's [morning again](#) in Anoka County!

THE SCORECARD HAS LANDED

It's that time of year, folks. The Taxpayer's League of Minnesota has published its annual [legislative scorecard](#), keeping legislators accountable.

Special recognition belongs to Rep. Linda Runbeck of Circle Pines, who was named a prestigious "Best Friend of the Taxpayer."

Congratulations, Linda!

Here are the scores of other Anoka County legislators

Sen. Benjamin Kruse (SD 47): 77%
Sen. Mike Jungbauer (SD 48): 69%
Sen. Michelle Benson (SD 49): 85%
Sen. Barb Goodwin (SD 50): 8%
Sen. Pam Wolf (SD 51): 77%
Sen. Ray Vandever (SD 52): 85%
Sen. Roger Chamberlain (SD 53): 85%
Rep. Denise Dittrich (HD 47A): 15%
Rep. Melissa Hortman (HD 47B): ZERO
Rep. Tom Hackbarth (HD 48A): 85%
Rep. Jim Abeler (HD 48B): 77%
Rep. Peggy Scott (HD 49A): 85%
Rep. Branden Petersen (HD 49B): 77%
Rep. Carolyn Laine (HD 50A): ZERO
Rep. Tim Sanders (HD 51A): 69%
Rep. Tom Tillberry (HD 51B): ZERO
Rep. Bob Dettmer (52A): 85%

[Contact](#) your legislator and congratulate or berate as the case may be.

9/23/11

In This Issue:

1. Quote of the Week.
2. Trash Talkers.
3. The Smoking Gun.
4. MetroNorth Chamber Strikes.

QUOTE OF THE WEEK

"In past years at work sessions, staff would be directed to show cuts that would 'show the pain.' I think that is wrong and incredibly disingenuous."

- Anoka County Board Chairwoman Rhonda Sivarajah

Those wouldn't be past years where Dan Erhart was board chairman, would they?

Taxpayers in Anoka County have seen their fortunes skyrocket under this new fiscally conservative board.

TRASH TALKERS

The Anoka County Watchdog's name has always been more than just a geographic limitation.

Since the inception of this publication, we have always kept an eye on the western border, mindful that the Brooklyn Park - Champlin area can be home to liberal nonsense, such as Brooklyn Park's ordinance banning music in parks or conferring election certificates on people like Melissa Hortman, one of the silliest of our public servants, what with her fixation on California auto emissions and hopes of bringing the Olympics to Brooklyn Park.

The latest chapter in eastern Hennepin County foolishness comes in the form of government-run garbage collection, a subject the Watchdog has examined in recent editions.

The core of the government-run garbage collection mania is a toxic philosophic cocktail of extreme environmentalism and a heaping helping of the long discredited belief that the government can do things better than the free market.

The thinking goes something like this: If government controlled trash collection and granted a monopoly to one company, then we would spare Mother Earth the agony of bearing multiple garbage trucks on the road and we would all get a sweet rate on our garbage because some pinhead down at city hall would do a better job negotiating for us than we could ever do on our own.

Now, the Watchdog doesn't need to tell you why government has no business in your trash or why free markets benefit the consumer far better than government intervention (how's that whole ObamaCare thing working out?).

But here's what you should know, especially if you live in Brooklyn Park.

The city council is having a meeting this coming Monday at 7PM to receive a report from staff and consider whether or not to pursue a government takeover of trash collection.

Visit the city [web site](#) for details.

Whether you live in the city or not, all good Watchdogs should be in attendance to express their opposition to Big Brother garbage collection.

In addition to providing mutual aid and assistance to brothers and sister Watchdogs in Brooklyn Park, you can bet your bottom dollar that cities in Anoka County will start looking at this issue if it happens across the river.

In the recent past, the City of Coon Rapids has come close to adopting this foolishness.

Now if the city council is at all responsive to citizen input, this should be a dead issue. Deader than Osama Bin Laden.

The city council has maintained for some time that it gives great weight and deference to the outcomes of the so-called "community cafe," which are essentially town hall meetings where concerned citizens have an opportunity to speak directly to the city council and staff on specific, high-profile issues.

Three community cafes were held recently. They were well attended and the citizens of Brooklyn Park overwhelmingly voted to keep the current free market, free choice system.

Moreover, sources tell the Watchdog that the vast majority of citizens contacting city hall directly on this issue expressed their firm opposition to government-run trash hauling.

But concerns remain.

The same sources tell us that some city staffers and community know-it-alls are undermining the results of the community cafe by arguing that the large crowds were nonetheless "only a small slice of the population" that "wasn't representative of the city's demographic" and that the crowd was "whipped up by garbage hauler letters and email."

If true, how arrogant and unfortunately, typical of the way career bureaucrats view the citizens for whom they work.

This Monday, the city council is going to go one of two ways.

Either it will choose to bear allegiance to the will of the people and put an end to the pursuit of government garbage collection or it will adopt an elitist, paternalistic approach that thwarts popular sentiment and puts the lie to the value of community input.

The Watchdog is counting on Mayor Jeff Lunde to use some common sense and his leadership skills to give this issue the death it so richly deserves.

Mayor Lunde rightly has the support of many Brooklyn Park conservatives and small government advocates. We have every reason to believe he will do the right thing Monday night and guide the city council to the right conclusion regarding this issue.

Tell the city council what you think right [here](#).

Get the latest information on the issue from our friend, John Jordan, [here](#).

Also check out this Facebook [page](#).

See you Monday. [Can't wait!](#)

THE SMOKING GUN

This is a piece about the Minnesota Vikings, so the "[Naked Gun](#)" would be more apropos.

In any case, the Vikings and their carnival barker Tony Bennett have been doing much to downplay the recent fiasco whereby the team circulated a map of the proposed stadium site that featured a convention center.

But an enterprising reporter at the Red Star engaged in some true journalistic research (a dying art in a dying industry) and uncovered a trail of discussion and advocacy for just such a convention center.

Lester Bagley, the team's semi-talented lobbyist, exclaimed that, "The Vikings do not have - nor has the team ever had - any plans to develop a convention center as part of the Arden Hills development proposal."

Do we smell smoke? Someone's pants are aflame.

According to the same Star Tribune article, at least four different web sites featured talk of a convention center on the stadium site recently.

For example, an August 10 Shoreview Press opinion piece from Tony Bennett breathlessly told the masses, "The vision for the area includes a convention center/hotel complex."

We don't think Anthony just dreamt that up on his own.

Also, check out the [documentation](#) posted on the Association web site for the exclusive enclave of North Oaks, Minnesota:

"The vision for the area includes a convention center/hotel complex and a corporate campus, in addition to a stadium."

Sound familiar?

So the team has NEVER had any plans to develop a convention center?

Is Lester from New Jersey, too?

The Watchdog issues another call to action!

The Ramsey County Charter Commission is holding a public hearing on a voter referendum to pass a sales tax increase to pay for a stadium.

Even if you don't live in Ramsey County, make the trip to support our brothers and sisters in Ramsey County.

Wednesday, September 28, 2011
6:30 p.m.

New Brighton Community Center
Community Room A
400 10th St NW
New Brighton, MN 55112

Be there. [Can't Wait!](#)

METRONORTH CHAMBER STRIKES

It's just all warm fuzzies this week in Anoka County as the Watchdog kicks out another heaping helping of praise.

The recipient of love and affection this time is the MetroNorth Chamber of Commerce, which is clawing its way back to respectability now that Tom Snell is gone and some adults are managing the place.

It looks like the Chamber, under executive director Lori Higgins, is looking to shed its banana republic image and actually operate in the best interests of ALL members, not just the good ol' boys who pimped Snell for their own selfish interests.

The Chamber recently passed a resolution strongly opposing franchise fees, which are little more than a backdoor tax on jobs and job creators imposed by city governments looking for some more revenue.

[Shock the world.](#)

Read the resolution right [here](#).

9/30/11

In This Issue:

- 1. Anoka-Hennepin Needs to Explain.**
- 2. Minnesota's Largest Employers.**

ANOKA-HENNEPIN NEEDS TO EXPLAIN

A teenage prostitute. A suspended principal. A school district-reimbursed cell phone downloading pornography. We demand some answers.

This past week, Fox 9 reporter Tom Lyden [blew the lid](#) off a quiet scandal in the Anoka-Hennepin School District.

This past January, Lincoln Elementary School principal Todd Protivinski was suspended without explanation. Parents weren't told why the principal was out.

Now we know.

According to Fox 9, Protivinski was suspended because he was under investigation for having sex with a 17 year-old prostitute.

The bizarre case began when the alleged prostitute attended her brother's parent-teacher conference at Lincoln Elementary, where the family met Protivinski.

The mother noticed the tension and the principal's nervous behavior.

The teen later told her mother that Protivinski was one of her Johns and that he paid her for sex just two weeks prior, according to the news account.

The Anoka County Sheriff's Department and the District conducted investigations.

Protivinski refused to cooperate with the investigation.

Ultimately, the Anoka County Attorney determined that "probable cause" existed to charge Protivinski but it would have been too difficult to prove criminal guilt "beyond a reasonable doubt."

Beyond the prostitution issue, the Sheriff's Department determined that Protivinski's district-reimbursed cell phone contained "evidence of pornography being received on a regular basis."

In August, [the school board](#) met to consider a motion to fire Protivinski.

On a 4-2 vote, the motion to fire him failed.

Those voting to fire:

Mike Sullivan

Scott Wenzel

Those voting to keep Protivinski on the payroll:

Tom Heidemann

Kathy Tingelstad

Marci Anderson

John Hoffman

Watch the school board meeting [here](#). This is agenda item 7, under "general counsel" for the August 22, 2011 meeting.

The Watchdog will not act as a finder of fact or an arbiter of criminal guilt, so we can't say for certain what transpired beyond what has been reported and what the investigation report states.

Having said that, this situation is extremely disturbing.

Those school board members who voted to keep Protivinski on the payroll owe the taxpayers an explanation regarding their decision.

Fortunately, Watchdogs will have this opportunity, thanks to the wonderful conservatives in the GOP Senate District 49 group.

Tom Heidemann and Kathy Tingelstad have agreed to come before this group and answer questions about what's happening in the school district.

Wonderful. Watchdogs are encouraged to attend and ask why Protivinski is still on the payroll. Watchdogs can ask why they should vote for the property tax increase levy this November when 22% of the district's students [aren't proficient](#) in reading and an appalling 41% aren't proficient in math.

Be at the meeting:

October 11

7PM

Faith Lutheran Church

11115 Hanson Blvd, Coon Rapids

Can't Wait.

MINNESOTA'S LARGEST EMPLOYERS

The Business journal has published its annual list of the state's 50 largest employers.

Can you guess the top employer? C'mon. One guess.

You guessed it. The state of Minnesota.

No one employs more people than the state. 40,208 folks work for the state bureaucracy.

How about #2? That would be the federal government. The feds employ 34,000 people in the state.

It isn't until we get to #3 that we find a private employer, that being the Mayo Clinic at 33,000 employees.

And what about the remainder of the top 10? There are two other government agencies in the top 10:

#9: The University of Minnesota (19,000 employees)

#10: The State Colleges and Universities System (18,000 employees)

And rounding out the top 50:

#20: Hennepin County (8,000 employees)

#34: Hennepin County Medical Center (5,000 employees)

#42: Ramsey County: (4,000 employees)

#50: City of Minneapolis (3,000 employees)

And we wonder what went wrong with our economy. Government shouldn't be a top employer, especially the #1 and #2 employers in the state.

And before all you liberals get crazy talking about how government employees pay taxes and the like, let's stop you right there.

Government employees are paid with public dollars that have already been stripped from the private economy and laundered through the public economy. The taxes they pay are not new dollars and thus are not new wealth. It's just re-circulated money that was already in the economy. There's no net benefit to our collective prosperity.

Government jobs don't create wealth or boost the economy for this reason. If they did, we could just take every unemployed person and put him on the government payroll and watch the economy take off like a rocket.

While some government jobs are of value to society (e.g. public safety), those jobs don't create wealth. That's why job creation in the private sector is so important. Those jobs are the source of wealth that allows government to spend money on things like hiring bureaucrats.

Fundamentally, this is where President Obama makes his biggest mistake, among the many he has pulled since January of 2009.

He thinks a job is a job. If we hire more government workers (and he has, big time), then we are moving the economy forward, even if private sector employers are on strike. Even if capital is on strike.

Until government removes barriers to private sector wealth creation, the downward spiral will continue.

10/7/11

In This Issue:

Editor's Note: Here is the quote of the month:

"Don't blame Wall Street, don't blame the big banks, if you don't have a job and you're not rich, blame yourself."

- Herman Cain

- 1. The Propaganda Machine Roars to Life.**
- 2. Vikings Stadium Call to Action.**
- 3. Columbia Heights Update.**

THE PROPAGANDA MACHINE ROARS TO LIFE

How predictable. Just like the setting of the sun and the migration of the geese, the Anoka-Hennepin School District has unleashed the taxpayer-financed propaganda machine to gin up folks to pass another property tax levy on November 8.

Watchdogs across the district report their children coming home with propaganda stuffed into backpacks.

Meanwhile, Watchdog teachers in the district report being subjected to propaganda videos during staff meetings.

How North Koreanesque.

You can review your tax dollars at work [here](#), on the taxpayer-financed web site that hosts the taxpayer-financed propaganda.

The top video doesn't need to be parsed word for word, but it's worth watching.

The district claims that state funding hasn't kept pace with inflation. What inflation? Inflation has been low since the economy tanked. It's more a matter that funding hasn't kept pace with the district's big spending habits.

The video also tells that the district has a declining student population, which means less money. Yes, but it also means fewer expenses.

We were told for years that excess levies were needed because the district was growing (we just built a new high school in Andover ten years ago).

Now we're told that we need an excess levy because the district is *shrinking*.

Isn't that the way of government? No matter the circumstances, they just don't have enough cash.

Next, the video tells of the tough decisions the school board has made, including a wage freeze. Let's make sure we're defining our terms about a "freeze" (more on that later).

And in what is destined to become a Watchdog classic, the district actually brags that district standardized test scores "exceed state averages." Whoopee! We're above average! All hail the mighty B- !!!!!!! That's worth paying for.

Isn't that just how you go about selecting other professionals who support your children?

Doctor, this is serious surgery for my child. What are your credentials? Will Johnny be okay? Don't worry, maam. My success rate exceeds the average.

That's a relief.

Here are four questions to ask the school board. If they can't answer these three questions to your satisfaction, then a "no" vote on the levy is in order.

Question #1: Labor costs are by far the biggest driver of school district expenses. Thus, holding down labor costs is critical to managing district finances.

Name the last time that district teachers had their pay reduced. Not frozen, but reduced. Moreover, define what you mean by a wage "freeze."

This is where Watchdogs must know a little about school finances and how school districts dupe taxpayers.

Teachers receive pay raises through three, yes three, mechanisms.

First, there is the COLA (Cost of Living Adjustment). This is a raise that is applied to the whole teacher pay grid. Every square on the grid is boosted by the COLA.

Second, there "step increases." Teachers vertically on the pay scale and receive a pay increase for every "step" they take. A step increase is usually done once a year. There is no requirement to advance other than avoiding being fired. If you survived the school year without being fired, you get a step increase.

Third, there is a "lane" increase. A lane increase moves teachers across the pay grid horizontally. Teachers move "lanes" and get pay raises for every lane, by accumulating education credits towards a master's or PhD level of education.

Now here's what's important!

School districts will often freeze the COLA but still offer step and lane increases.

They call this a pay freeze, but it isn't a pay freeze like the real world thinks of a pay freeze.

In the world of labor relations, this is called a "soft" freeze.

A "hard" freeze is one in which all three pay enhancement mechanisms are frozen.

Beware, because Anoka-Hennepin pulled a "soft" freeze in a previous contract negotiation, which was settled this past January.

And just this week, the district settled its latest contract with the teachers.

The details haven't been released, but Watchdog sources report this is another "soft" freeze.

So beware the district pooh bahs who proclaim that wages have been frozen.

Odds are that teachers are still getting pay raises.

So when was the last time teacher wages were cut?

So when was the last time teacher wages were subjected to a hard freeze?

If the district has money for pay raises, they don't need a levy.

Question #2: About ten years ago, the district offered a levy campaign that talked about "excellence." The district now speaks of results that merely "exceed" the average.

On average, only 78% of district students are proficient in reading. On average, only 59% of district students are proficient in math.

When 2 out of ten don't read to grade level and 4 in 10 aren't proficient in math, it's nothing to brag about.

Moreover, the district as a whole is not making adequate yearly progress under federal law.

Some 26 schools in the district aren't making adequate yearly progress as well.

How will a successful levy guarantee better test scores?

What is the specific return on levy investment taxpayers will see?

What is the consequence if those goals aren't met? What changes will be made? Who will be held accountable?

We always hear about the need for money. Money goes up, yet the results never materialize.

More money doesn't equal better results. Just ask the private inner city schools that do so much more with so few resources.

Question #3: Contrary to all the hype, K-12 funding was increased this past legislative session, despite the massive budget deficit.

For example, the per pupil funding formula was increased by \$50 per student.

Explain how this increased funding will be used. Moreover, what reserves does the district have? How will they be used?

Question #4: While others may not want to acknowledge it, there is a major problem with a certain employee.

The Watchdog wrote last week about an employee who was relieved of his principal duties but was still on the district payroll, facing allegations for paying for sex with an underage girl and downloading pornography on a taxpayer-reimbursed cell phone.

The employee still has not cooperated with law enforcement.

The county attorney concluded there was probable cause to charge the employee but not enough to prove criminal guilt beyond a reasonable doubt, in part because the underage witness was deemed unreliable.

The school board in August voted 4-2 against a motion to terminate the employee.

The school board needs to explain exactly why it refused to terminate this employee and why he is still on the payroll.

Thus far, the school board has given taxpayers no reason to feel good about this employee remaining on the payroll.

If the school board can't manage its employees, there is no reason for us to support a levy.

Get educated and don't be afraid to ask the tough questions!

VIKINGS STADIUM CALL TO ACTION

From our friends at the Taxpayer's League of Minnesota:

The final public hearing on the proposed stadium tax is next Tuesday and the Taxpayers League needs your help!

We need 20 volunteers to arrive at 6:00 p.m. with a hand-held sign to show support for a vote on any stadium taxes!

If you don't have time to make a sign; let us know and we will bring one for you!

If you believe that you should be allowed to vote on a half a percent sales tax to fund a new Vikings stadium let your elected officials know sign-up for the stadium tax vote sidewalk rally before the hearing!

Sign Up Now! E-mail torink@taxpayersleague.org or call 952-201-3483

Who: The Ramsey County Charter Commission

What: Stadium Tax Vote Rally before the final public hearing on the Viking Stadium referendum

When: Tuesday, October 11th 6:00 p.m. (Hearing at 6:30 p.m.)

Where: Sidewalk outside of Ramsey County Court House
15 Kellogg Blvd W, Saint Paul, MN 55102

[Click here to see a parking and skyway map](#)

COLUMBIA HEIGHTS UPDATE

Watchdogs in Columbia Heights are lucky to have Donna Schmitt on the city council. She is a true conservative and public servant. She sends this update from the Heights:

At Monday's Work Session meeting I was able to start the process to take away health benefits from elected officials, city council/mayor. That will save the city \$45,000 in this next year's budget. It was suggested by the city attorney that we pass an ordinance to eliminate the benefits. Council Member Diehm stated that a Resolution would be sufficient but the city attorney thought an ordinance would be better suited for this issue.

I also pointed out another \$100,000 savings from a line item that they had left in the 2012 budget but actually was being paid for in 2011. I guess if no one noticed the item it would just end up being 'free' money to be used on another non-budgeted project next year.

So far, those are the only two big ticketed items I could find. I'm not sure if I can find another \$150,000 to save but may be able to convince them to save another \$50,000. With the potential \$145,000 saved so far, that could mean the levy will not go up 3.98% but closer to 2.5%

I hate to say it, but no matter what we cut, even with Anoka County going down over 7% , what the homeowner will pay next year could still be more than what was paid last year. Taking into account, property values have dropped, the loss of MVHC and now the District 13

(Columbia Heights) has decided they need to raise the levy, after all, it is almost inevitable that there will be an overall increase in tax levy for 2012. But it isn't over yet. Discussions are still going on and will continue up to December.

Thanks!

Donna Schmitt

Patch Article:

http://fridley.patch.com/blog_posts/what-would-you-do-to-save-money

10/14/11

In This Issue:

- 1. MetroNorth Chamber Gets Grifted.**
- 2. The Washington Monument Strategy.**

METRONORTH CHAMBER GETS GRIFTED

As the Watchdog has noted on many occasions, the MetroNorth Chamber of Commerce has taken great strides under its new leadership to make the chamber more representative of all members and not just a mouthpiece for the Good Ol' Boys network.

Executive Director Lori Higgins is doing good work to erase the reputation the Chamber acquired under former executive director Tom Snell, who was little more than a cabana boy for Dan Erhart and the Good Ol' Boys.

But there are always some growing pains.

Witness this week's news that the Chamber has taken a formal position in favor of the Anoka-Hennepin School District excess levy.

To the Chamber's credit, the resolution is fairly lukewarm to the levy and expresses what can only be called "qualified" support.

The resolution makes it very clear that the Chamber is less than thrilled by the prospect of continuing a tax increase on its membership:

For these reasons, and many more, the MetroNorth Chamber of Commerce is a less than enthusiastic participant in this statement of 'support'. Continuation of the status quo for labor costs and benefits may lead to this organization's lukewarm 'support' freezing into a solid level of opposition for the next upcoming levy elections in a few short years. Ignoring the disparities of funding formulas will guarantee it.

The resolution further challenges the district to reject the status quo and find ways to make the district more efficient and accountable to taxpayers:

While we acknowledge the consequences of a failed levy to our students as well as to the economic vitality of Anoka County, including a less attractive housing and commercial market, we also recognize the opportunities for the largest state school

district to boldly lead innovative initiatives to bring parity to benefit costs in line with the fiduciary needs of the private sector and offer the support vital to stakeholders for discussing these unaddressed issues.

Read the entire resolution [here](#).

The problem with a resolution like this is that it tries to make the Chamber just a little bit pregnant.

Here's what we mean. Now that this resolution has passed, the pro-levy forces are out bragging that the MetroNorth Chamber supports the levy. They don't mention that the support is qualified. What they tell folks is that the levy is supported by the business community, specifically the Chamber.

Moreover, the Chamber makes clear that it supports only question #1 on the levy, which is called a "renewal" because it seeks to extend a previously passed levy increase. Thus, some would argue that this isn't a tax increase because it only extends a previous tax increase.

But there are two other questions on the levy ballot that clearly are new property taxes should they be approved.

Again, the pro-levy folks don't distinguish these questions. They only tout the Chamber's support of "the levy."

The Chamber further notes that it invited the school districts in to present their case. That's fine, but no mention is made of other parties being invited to weigh in on the matter.

Were any education accountability groups invited to present the other side of the story? Obviously, the school district has a biased view and their presentation should have been balanced out by organizations on the other side.

For example, did the Chamber know that the district received an increase in the per pupil formula of \$100 over the biennium?

Did they know the school shift isn't the big deal the education cartel claims it to be? As Education Committee Chairman Rep. Pat Garofalo has noted, it merely extends a 23-month payment plan to 28 months.

The Watchdog appreciates the Chamber attempting to qualify its support of the levy. It demonstrates a level of sophistication and fairness sorely lacking under the Banana Republic years of Tom Snell.

Unfortunately, the Chamber is learning that it can be tough to be nuanced in the world of politics.

The message is that the Chamber supports the levy - plain and simple.

THE WASHINGTON MONUMENT STRATEGY

"In past years at work sessions, staff would be directed to show cuts that would 'show the pain.' I think that is wrong and incredibly disingenuous."

That quote is a recent one from Anoka County Board chairwoman Rhonda Sivarajah, who pointed out the classic government strategy of making any reduction in spending as painful to the public as possible.

This is also called the "Washington Monument strategy" because the federal government always looks to shutter popular public attractions the moment there is a budget impasse.

And so it goes with the Anoka-Hennepin School District. It appears that the school board is in a "show the pain" mode regarding the upcoming levy.

Question #1 is a renewal of an existing levy that seeks to provide continued funding of \$48 million per year for 10 years.

According to district documents, if the levy isn't renewed, here's how the gap will be resolved:

Elementary schools: -\$13.8 million
Middle schools: -\$9.3 million
High schools: -\$10.3 million
Student support: -\$5.4 million
Administration: -\$8.3 million
Curriculum support: -\$300,000.

The district threatens to lay off 20% of the teaching staff if the levy isn't renewed.

In other words, 70% of the cuts (\$47.7 million in cuts) will come out of elementary, middle, and high schools while a mere 17% will come from administration.

Really? Is the central office so efficient that 70 cents out of every cut dollar needs to come from the schools, resulting in the layoff of 2 out of every 10 teachers?

Let's take a look.

Right off the bat, there are three "associate superintendents." In the ransom letter from the board, there is no mention made of laying off any associate superintendents. If 20% of teachers are going to be laid off, laying off at least one associate superintendent is called for.

How about the "community and public relations department? These are the spin doctors who do things like make us feel good about a 59% proficiency in math or the fact that less than half the schools in the district can't make the grade under federal requirements.

There are 5 folks who work in this department, including an "assistant director of communications and public relations." Did [Dwight Schrute](#) come up with that title?

The district also has its own in-house graphic designers and print shop. There aren't many businesses out there that find it cost-effective to have an in-house print and design shop.

And then of course, is all the "diversity" business. The district employs 3 people who pursue "educational equity" and 5 others who deal with "Indian education." And here we thought the goal was a color -blind society.

Do minority students learn a different kind of math than white kids? Do Newton's Laws work differently for Indian students than white students?

It appears to the Watchdog that the district isn't doing enough to keep cuts away from the classroom.

We're not convinced that a failure of the levy necessarily means that class sizes need to jump by 10 students should the levy fail.

We can all agree that the classroom teachers are more important than the associate supers.

Is this a Washington Monument strategy?

The burden is on the school board to convince taxpayers otherwise.

10/21/11

In This Issue:

1. The Limo has Landed.

2. Candidate Statement.

THE LIMO HAS LANDED

With the economy in the tank and the state on the verge of another fiscal crisis, Governor Dayton emerged from his broom closet this week to manufacture another chapter in the "stadium crisis" by declaring this week "Vikings week" instead of say, "tax cut week," or "reign in government week," or "I promise to get out of the 1970s week."

Here's our take on the situation:

No bill, no special session, no support.

-
While the media breathlessly reports on the faux stadium crisis and portrays a dynamic situation where stadium events are moving quickly at the Capitol, that's just not the case.

The Watchdog has extensive sources at the Capitol on both sides of the aisle who tell a far different story than the lamestream media.

First and foremost, there is no Vikings bill for the legislature to consider. In a typical "ready, fire, aim!" maneuver, the governor and his legislative stadium allies have called for a special session and passage of a bill that doesn't even exist.

Call us crazy, but it would seem that the first step would be to show the world a stadium plan that identifies a site, explains the financing mechanism, allocates risk among the parties, and divides the revenues.

Yes, various stadium bills have been introduced, but there is no comprehensive bill that addresses the stadium issue in a comprehensive way, answering the recent questions that have been raised.

Second, there is utterly no appetite for a special session. The legislature already had one special session this year and a November special session is especially unattractive.

Our semi-clever governor hasn't done such a great job covering up the fact that a special session in November has the smelly distinction of being held during a holiday week when the public is least paying attention.

Moreover, the state will release an updated economic forecast in early December, which will likely show another deficit and obviously dampen what enthusiasm exists to hand over some corporate welfare to the Vikings.

A survey of our sources puts the odds of a special session at "0%," right now.

Of course, the governor has the sole authority to call a special session but there is no support for one from the legislature.

Most importantly, a Vikings stadium doesn't have the votes to pass. The majority of Republican legislators with whom we've spoken are opposed to corporate welfare for the Vikings regardless of what the details look like.

One senior Republican told the Watchdog, "the votes just aren't there and I don't see how the votes come together unless the DFL puts up a large number."

Speaking of the DFL, there isn't a lot of gusto for a Vikings stadium on that side of the aisle.

At a time when the DFL perceives that health care, education, and other program areas haven't gotten enough money, there is no way many DFL legislators want to be seen as handing over money to a wealthy corporate interest.

As things stand today, it looks like no special session and no new home for Zygi.

The Symbolism.

-

Images are powerful and are symbolic of deeper, meaningful messages. Any reader can quickly recall a famous picture that represents an idea, a philosophy or an ideology.

New York firefighters raising the flag at Ground Zero. The National Guard at Kent State. Neil Armstrong on the moon.

No one can deny the power of symbolism.

Thus, we found it supremely arrogant and symbolic of what the NFL stands for when League officials showed up at the Capitol this week in a limousine to beg/extort money from Governor Dayton.

It was a stunt reminiscent of auto executives arriving in Washington, DC in private jets to take a bailout from the taxpayers.

That big black car parked out front of the Capitol symbolized the lunacy of a flat-broke state and its distressed taxpayers considering hundreds of millions in subsidies to a multi-billion dollar cartel.

Whatever happened to Dayton's "tax the rich" mantra? Taxing the rich? Hell, he's giving away millions!

View the limo [here](#).

The Extortion.

-
We knew it was coming. We knew it would happen at some point. We just knew that the NFL would at some point tell us to pony up for a stadium or else the team would move.

NFL bagman Eric Grubman rode into town in his black limo (see above) and proceeded to lecture us hayseeds on the importance of forking over our hard earned money to his boy Zygi.

Grubman feigned worry that a stadium extortion plot wouldn't come to fruition and smiled right through his teeth when noted that no deal could force poor old Zygi to "consider an alternative plan in a different city."

As the Watchdog has noted in recent editions, there is no place to go. Los Angeles may or may not get a team. And if they do, it won't be the Vikings. The Twin Cities is a major media market and the Vikings have been here over 50 years. The NFL Wants a franchise in Minnesota.

There are other candidates to go to LA.

Sorry , Eric. You must take us for some real dolts if you want us to swallow the Vikes-to-LA bunk.

Show US the money.

-
We continue to hear the same old shopworn platitude that a \$650 million taxpayer spiff to the Vikings will create all sorts of economic benefits.

While it's true that a new stadium will generate a measure of economic activity, that's not the question.

The question is whether or not the downside of a \$650 million public subsidy is outweighed by the resulting economic benefit.

The legislature should demand such an analysis. This isn't difficult. The metrics exist.

Having said that, one will likely never be done because the numbers wouldn't favor the Vikings.

We've heard these "stimulus" arguments before.

If government spends a dollar, the result will be an economic benefit that will exceed a dollar.

This is called Keynesian economics and it's a load of bunk.

Want some proof? Check out that \$800 billion stimulus bill from Obama. How did that work out for the taxpayers and the unemployed?

Whether it's \$800 billion or \$650 million, stimulus is stimulus and it's all a bunch of crap.

In fact, if the state is considering any new "revenue streams," a football stadium isn't where they should go.

Instead of a special session to provide a stimulus bailout to a billionaire, the legislature ought to have a special session to cut more government and cut taxes.

The Vikings are such a small employer, they're nearly irrelevant to Minnesota in an economic sense.

The legislature should be looking to enhance the business climate for all job creators.

And here's another suggestion.

We keep hearing that the Vikings are an integral part of our culture and our heritage.

Fine. Remember that sales tax increase we put into the constitution in 2008?

Called the "Legacy Amendment," the money is reserved to protect and promote our culture and heritage.

If the legislature must fund a stadium, tap those existing funds. They do nothing but fund bike trails and puppet shows anyway.

CANDIDATE STATEMENT

Connie Sutherland is a candidate for the Forest Lake School Board.

She has requested that we publish here statement of candidacy.

Name: Connie Sutherland

Age: 38

Family: Yes

City of residence: Lino Lakes

Occupation: Professional

Education: BA - Business, Bethel University

School district involvement: I am a property owner and mother of a child in the district.

QUESTIONS:

1) What do you think your school system does best? What is its greatest weakness?

What the school system does best and its greatest weakness is spending money with little accountability to property taxpayers.

2) Name two challenges in your district and how you might approach helping solve them if elected?

One of the greatest challenges in our district currently is the lack of diversity in thought on the school board. Although the election is non-partisan, I am a libertarian and it is my fiscal conservatism that set's me apart from three of the candidates.

My corporate background, education, and straight forward approach make me an ideal candidate for the school board. I will be able to interject fiscal responsibility into the discussion and even though I may be out-voted, that voice will have a seat at the table for the district.

In addition to the lack of diversity in thought, I am also concerned over an apparent lack of accountability that exists in a district that has not shown improvement in student scores. I will address that issue in a later response.

3) In your opinion, should there be changes to the state's education funding plan, and if so what changes?

I do not influence state decisions, but at a local level reinstating Q-comp will bring back some accountability.

4) Are you satisfied with the school district test scores? What can be done to improve them?

No, I am not satisfied with the school district test scores, which is one of the reasons I chose to run. My daughter will be entering into middle school in the next couple of years, into a system that is failing its students. In a recent meeting they focused on increasing salaries/compensation. Why might that be? Well, if all the current board members are endorsed by the local union is there really a question.

What can be done is to provide support of outside-the-box ideas that are not being entertained because of the lack of diversity in thought on the board.

As a counterpoint, Lino Lakes Elementary has embraced its customers - the students - and took strides to become a STEM school. That is fantastic. Their efforts need to be applauded and replicated.

Minnesota ranks first in the nation in the number of jobs per capita related to medical technology, according to the BioBusiness Alliance of Minnesota. Because I work in the medical technology sector for a company recognized for its innovation, I understand the need for talent that will allow our country to remain innovative and competitive. We need to prepare students to be part of that talent pool for companies rather than having to import talent.

10/28/11

In This Issue:

- 1. Our Purple Legacy.**
- 2. You're No Starr.**

OUR PURPLE LEGACY

The Watchdog last week noted that there was already a funding stream available to fund a Vikings stadium, therefore requiring no new taxes, fees, revenue streams or whatever euphemism you want to cook up to help the Vikings get a new home suitable for Zygi Wilf's profit model.

While not a new idea, using money from the increased sales tax we pay to fund the "Legacy Amendment," has resurfaced in recent days as a stadium funding option.

State representatives [Kurt Daudt](#) and [Pat Garofalo](#) have been talking about this option as has our Trust Fund Governor, who has said all options should be on the table.

Maybe the guy really believes in this option or maybe he just wants to take a poke at his ex-wife, another silver spooner who blew some family dough on the massive public relations campaign that tricked voters into enshrining into the state constitution a sales tax increase for arts and entertainment.

The Legacy Amendment raised the sales tax by 3/8ths and dedicates the money into different pots of money, including 20% of which may only be spent to preserve Minnesota's cultural heritage.

This is exactly what keeping the Vikings in Minnesota would do, according to stadium supporters, our elected officials, and those who don purple Zubas, beads, and face paint every Sunday as they watch Ponder and company get smoked.

These folks constantly talk about the Vikings being an "asset to the state" and part of the "cultural fabric" of Minnesota.

Great. It sounds like preserving this cultural asset is just what that tax increase was designed to protect.

Now don't get us wrong. The Watchdog's position is that government has no role in subsidizing this business or any other business. When government gets into this activity, subsidies distort the market and tax dollars are allocated on the basis of political influence, not merit. The best policy is for government to get the heck out of the way and let the job creators create jobs.

Having said that, if the legislature must kiss the ring of our current suitcase team owner, then do it with this money.

Now, of course the arts and croissant crowd has been going bananas at the thought of their opera and fine painting money being used to support such a barbaric sport supported by such an unrefined and unwashed mob.

Our precious arts money being used to subsidize professional football? Egad!

Football fans probably don't know the works of Monet, the tenets of Impressionism, or the proper etiquette for drinking tea, according to these erudite and refined connoisseurs of fine art. Indeed!

Pitting the limousine liberals against mouth-breathers who demand a stadium is a sport in and of itself and reason enough to support using Legacy money for a stadium.

It's also interesting to hear the arts and croissant crowd decry using Legacy money for a "for profit" organization like the Vikings.

These folks think taxpayers are dumb enough to think that somehow a non-profit organization is just some sort of small-time operation solely dedicated to the general public welfare. Sort of like missionary work.

Don't be fooled. Non-profit organizations can be very large and very lucrative. Yes, they can't have shareholders and a distribution of profits, but people can get very rich at the business of non-profits.

Take a look at the salaries of some of these poor not-for-profits, based on 2009 data:

Bill Kling, National Public Radio: \$654,000
Joe Dowling, Guthrie Theater Foundation: \$646,000
Thomas Kingston, Amherst Wilder Foundation: \$471,000
Eric Jolly, Science Museum of Minnesota: \$367,000
James Pagliarini, Twin Cities Public Television: \$326,000

Nina Archabal, Minnesota Historical Society: \$300,000

Not-for-profit certainly doesn't mean not-getting-rich.

Oh, yeah. These people all lead organizations that take a lot of taxpayer funding.

It's rather ironic to see the arts community point a finger at Zygi Wilf and accuse him of greed. Yes, he's greedy, but so are you guys. Talk about the pot calling the kettle black. We're not done with Legacy amendment business and all its problems.

Just this week, it was [reported](#) that over \$100 million in Legacy funding remains unreported to the state web site that provides transparency and accountability to taxpayers regarding the use of these funds.

Never mind the fact that it's been nearly three years since the amendment passed. Just how hard is it to track spending and put it on a web site?

Moreover, state bureaucrats were given \$70,000 to develop the web site. That ought to be more than enough to establish a web site.

But maybe it's better that we don't know where some of this money is going.

If you're uncomfortable with idea of using this money to preserve our purple heritage, consider where the [money is currently going](#), at least the money we can actually track:

American Society of Landscape Architects-MN Legacy Project

To document in 8 interviews the story of landscape design in 20th Century Minnesota

An Oral History of Homelessness in Minnesota

To document in 9 interviews the homeless experience in Minnesota outside of the metropolitan area

Documenting the History of Minnesota Comics

To document in 15 interviews Minnesota's cartoonists' community

Duluth Birth History Oral History Project

To document in 5-7 interviews the history of maternity care in Duluth prior to 1941

Heritage and Cultural Growth from Somali Sports in MN Oral History

To document in 20 interviews the history of Somali experience in Rochester

IAM Oral History Project

To document in 7 interviews the history of subcontinental Indian music in Minnesota

Intergenerational Learning Programs

A set of projects designed to bring together members of multiple generations around history topics

Neighborhood Leadership Program

The Minnesota Historical Society is partnering with the Amherst H. Wilder Foundation to continue the Neighborhood Leadership Program, an initiative that develops leadership skills of community members to take effective action

New Faces of Minnesota Oral History

To fabricate and install an exhibit on new Minnesotans who have begun to weave themselves into the state's story

Saint Paul Police Women's Oral History Project

To document in 11 interviews the history and culture of women serving the St. Paul Police Department

Fishing: A Cross Cultural Gateway to Environmental Education

Develop fishing as a gateway for communicating meaningful environmental information; teaching skills for lifelong outdoor participation; and instilling values of stewardship in three generations of Southeast Asian communities

Folk and Traditional Arts

Dance Revels Moving History will work with local French and Metis (French-Indian) cultural specialist/interpreter Virgil Benoit, French Director Josette Antomarchi, and several French cultural groups to produce dance workshops, discussions about being bi-racial, and a dance theater show about the Metis founding father of Minneapolis and St. Paul, Pierre Bottineau and his multi-racial world.

It's either football or this stuff. You voted it into the constitution.

YOU'RE NO STARR

The Watchdog got a good laugh this week when DFLer Mike Starr [announced](#) to the world this week that he was thinking about running for Congress in the Sixth District.

Watchdog readers will recall that Starr has made "professional candidate" a career option.

Starr has recently run for state senate, state representative, and city council. He lost every time.

Maybe the new measure of achievement for Starr is simply announcing for office instead of actually winning the office and then moving on to the real job of governing.

To spare Starr and the rest of us the tedium of reading yet one more news item about his latest candidacy, the Watchdog hereby announces that Mike Starr MAY run for the following offices:

U.S. President: 2016, 2020

U.S. Congress: 2012, 2014, 2016, 2020

Minnesota Senate: 2012, 2016, 2020

Minnesota House: 2014, 2016, 2018, 2020

Dog Catcher: 2012, 2016

Chairman of his high school reunion committee: 2014

President of Oak Grove Youth Badminton Association: 2012

Block Captain for Halloween Pennies for UNICEF Drive: 2012, 2013

11/4/11

In This Issue:

1. Election Day - November 8.

ELECTION DAY - NOVEMBER 8

With all the manufactured fervor surrounding the Vikings, election day 2011 has been lost in the shuffle just a bit.

Having said that, the Anoka County Watchdog has still managed to get under the thin skin of some local politicians with our Anoka-Hennepin school levy coverage. We're not one to name names, but it's more than appropriate that this elected official has the initials "B.S." He's certainly got that in spades.

As always, the Anoka County Watchdog strongly encourages our readers to exercise their sacred right to vote next Tuesday.

You can find your polling place [here](#).

Even though it's an off-year election, there is plenty at stake.

Many cities are conducting municipal elections.

School board seats are up for grabs.

And, of course, many school districts are going out for property tax increase excess levies. In fact, there is about \$900 million in school levy dollars at stake next Tuesday.

Get educated on the issues and vote!

Here's a rundown of what's at stake on election day:

Anoka-Hennepin School District:

- A [three-question](#) school levy will be on the ballot.
- Six candidates are running for three school board seats.

In District 1, Tom Heidemann, the incumbent, is running against Darin Rorman.

In District 2, Marci Anderson, the incumbent, is running against two challengers, Randy Kolb and Mary Nelson.

In District 5, incumbent Scott Wenzel is running unopposed.

You can learn about their candidacies [here](#).

Voters need to think carefully about these issues. This school district is beset with problems, including poor test scores, GLBT issues, and a high-ranking school official who is still on the payroll even after the county attorney found probable cause to charge him with engaging in sex with a teenage prostitute and downloading porn on to his cell phone.

Saint Francis School District:

- Four seats on the school board are up for grabs.

Sandy Grams
Amy Kelly
Suzanne Erkel
Janet Glover
CJ Mulder
Matthew Rustad

You can learn more about the candidates [here](#).

Spring Lake Park School District:

- A two-question levy issue will be on the [ballot](#).
- Three school board seats are on the ballot as well, featuring six candidates.
Bill Lewis
Amy Hennen
Colleen Vranish
Bryan Reynolds
Bobbi George
Jim Amundson

Learn more about them [here](#).

Forest Lake School District:

- There is a one-question excess levy issue on the ballot.
- Seven candidates are vying for four seats on the board, including two strong conservatives who have publically opposed the levy.
John Freed (conservative)
Connie Sutherland (conservative)
Rob Raphael
John Beckstrom
Julie Corcoran
Dan Kieger
Gail Theisen

Learn about their candidacies [here](#).

Lino Lakes City Mayor:

- Mayor Jeff Reinert is facing Ivy Cavegn.

Lino Lakes City Council:

- Two council seats are up for grabs among six candidates, including strong conservatives.
Dave Roeser (incumbent and conservative)
Dale Stoesz (conservative)
Sam Larson
Tim Henderson (AFSCME public employee union rep.)
Matthew Kassner
Byron Roland

Read more about the candidates [here](#).

Circle Pines Mayor:

- Dave Bartholomay is running for re-election unopposed.

Circle Pines City Council:

- Six candidates are running to fill two seats.
David Kelso
James Kiester
Matt Percy
Heather Wrobel
Clay Arnett

Keith Perlich

Read more about the candidates [here](#).

11/8/11

In This Issue:

Election Results

Circle Pines

Mayor (Circle Pines)

Nonpartisan	DAVE BARTHOLOMAY	1092	97.15
Write-In	WRITE-IN**	32	2.85

Council Member (Circle Pines) (Elect 2)

Nonpartisan	MATTHEW PERCY	585	26.71
Nonpartisan	DAVID A. KELSO	585	26.71
Nonpartisan	JAMES M. KEISTER	392	17.90
Nonpartisan	HEATHER REBECCA WROBEL	223	10.18
Nonpartisan	KEITH PERLICH	206	9.41
Nonpartisan	CLAY ARNETT	192	8.77
Write-In	WRITE-IN**	7	0.32

Lino Lakes

Mayor (Lino Lakes)

Nonpartisan	JEFF REINERT	2855	71.32
Nonpartisan	IVY CAVEGN	1134	28.33
Write-In	WRITE-IN**	14	0.35

Council Member (Lino Lakes) (Elect 2)

Nonpartisan	DAVE ROESER	1832	29.67
Nonpartisan	DALE STOESZ	1512	24.49
Nonpartisan	TIM HENDERSON	1225	19.84
Nonpartisan	MATTHEW KASSNER	595	9.64
Nonpartisan	SAM LARSON	562	9.10
Nonpartisan	BYRON J. ROLAND	418	6.77
Write-In	WRITE-IN**	31	0.50

ISD11

School Board Member District 1 (ISD #11)

Nonpartisan	TOM HEIDEMANN	3041	70.36
Nonpartisan	DARIN RORMAN	1184	27.39
Write-In	WRITE-IN**	97	2.24

School Board Member District 2 (ISD #11)

Nonpartisan	MARCI D. ANDERSON	1559	40.23
Nonpartisan	MARY NELSON	1128	29.11
Nonpartisan	RANDY KOLB	1109	28.62
Write-In	WRITE-IN**	79	2.04

School Board Member District 5 (ISD #11)

Nonpartisan	SCOTT D. WENZEL	2924	95.43
Write-In	WRITE-IN**	140	4.57

SCHOOL DISTRICT QUESTION 1 (ISD #11)

Nonpartisan	YES	20698	63.03
Nonpartisan	NO	12139	36.97

SCHOOL DISTRICT QUESTION 2 (ISD #11)

Nonpartisan	YES	16580	50.60
Nonpartisan	NO	16184	49.40

SCHOOL DISTRICT QUESTION 3 (ISD #11)

Nonpartisan	NO	17990	54.99
Nonpartisan	YES	14725	45.01

ISD12

SCHOOL DISTRICT QUESTION 1 (ISD #12)

YES		3415	53.64
Nonpartisan	NO	2951	46.36

ISD14

School Board Member (ISD #14) (Elect 3)

Nonpartisan	KIM SAMPSON	1231	34.29
Nonpartisan	FRED BISCHKE	1161	32.34
Nonpartisan	CHRIS RIDDLE	1137	31.67
Write-In	WRITE-IN**	61	1.70

SCHOOL DISTRICT QUESTION 1 (ISD #14)

Nonpartisan	YES	1435	73.55
Nonpartisan	NO	516	26.45

SCHOOL DISTRICT QUESTION 2 (ISD #14)

Nonpartisan	YES	1417	72.41
Nonpartisan	NO	540	27.59

ISD15

School Board Member (ISD #15) (Elect 4)

Nonpartisan	AMY KELLY	715	17.91
Nonpartisan	MATTHEW RUSTAD	699	17.51
Nonpartisan	SUZANNE ERKEL	664	16.63
Nonpartisan	JANET GLOVER	662	16.58
Nonpartisan	SANDY GRAMS	640	16.03
Nonpartisan	CJ MULDER	571	14.30
Write-In	WRITE-IN**	42	1.05

ISD16

School Board Member (ISD #16) (Elect 3)

Nonpartisan	AMY HENNEN	1882	26.79
Nonpartisan	JIM AMUNDSON	1625	23.13
Nonpartisan	COLLEEN VRANISH	1425	20.28
Nonpartisan	BILL LEWIS	741	10.55
Nonpartisan	BRYAN REYNOLDS	679	9.66
Nonpartisan	BOBBI GEORGE	608	8.65
Write-In	WRITE-IN**	66	0.94

SCHOOL DISTRICT QUESTION 1 (ISD #16)

Nonpartisan	YES	2320	67.48
Nonpartisan	NO	1118	32.52

SCHOOL DISTRICT QUESTION 2 (ISD #16)

Nonpartisan	YES	1908	55.56
Nonpartisan	NO	1526	44.44

ISD624

School Board Member at Large (ISD #624) (Elect 3)

Nonpartisan	LORI SWANSON	6784	35.25
Nonpartisan	CHRIS HINIKER	6114	31.77
Nonpartisan	CATHY STOREY	6086	31.63
Write-In	WRITE-IN**	260	1.35

SCHOOL DISTRICT QUESTION 1 (ISD #624)

Nonpartisan	YES	6928	73.05
Nonpartisan	NO	2556	26.95

ISD831

School Board Member (ISD #831) (Elect 4)

Nonpartisan	JULIE CORCORAN	3418	17.96
Nonpartisan	DAN KIEGER	3039	15.97
Nonpartisan	ROB RAPHEAL	3017	15.86
Nonpartisan	GAIL B. THEISEN	2886	15.17
Nonpartisan	CONNIE SUTHERLAND	2213	11.63
Nonpartisan	JOHN BECKSTROM	2200	11.56
Nonpartisan	JOHN FREED	2161	11.36
Write-In	WRITE-IN**	92	0.48

SCHOOL DISTRICT QUESTION 1 (ISD #831)

Nonpartisan	YES	4232	62.44
Nonpartisan	NO	2546	37.56

11/11/11

In This Issue:

Editor's Note: The Watchdog pauses to recognize the service of all Americans who have proudly served in the armed forces, including Harold Hamilton, a salty old Navy veteran.

- 1. Election Results.**
- 2. Did We Mention that Elections Matter?**
- 3. Government Lobbyist Tries to Have it Both Ways.**

ELECTION RESULTS

Readers know that the Watchdog has already published comprehensive election results, allowing this week's email update to focus on review and analysis.

School district levies, by and large, met with voter approval. The good news is that most were renewals of existing levies, arguably meaning there was no tax increase. (Of course, one could make the argument that the extension of a previous tax increase is indeed a tax increase.)

The common thread running through all these school levies is that none of them promised any kind of Return on Investment (ROI).

Taxpayers were never promised that the increased or maintained level of funding would result in better test scores, more accountable teachers, or a better educated child.

Instead, taxpayers were told that if they didn't pony up, then all sorts of bad things would happen, like teacher layoffs, school closings, and large class sizes, all of which have no proven link to student achievement.

Keeping teachers employed and class sizes small is a benefit to teachers, not kids.

In short, the school districts offered threats if levies weren't approved, kind of like Tony Soprano offered his garbage route clients.

Taxpayers should therefore not be surprised next year or the year after when test scores either stay flat or decline, which is bound to happen.

If there's one thing we know about our public schools, the money we put in goes up and up while test scores continue to lag behind our European and Asian peers.

The good news is that the Framers constructed an ingenious form of government. In America, we get both the government and the schools we deserve.

As long as we keep pouring money in without demanding accountability and results, we will continue to get the same results.

If and when we demand accountability and results, we'll get them.

It's little wonder that school districts are so adamantly opposed to moving school levies to even-number years.

This election year followed the trend of approximately 70% of school levies being approved in odd number election years.

As last week's Watchdog noted, the number of successful levies falls to around 50% when levies are held in even numbered years.

But Watchdogs can't sit around and decry a stacked deck. Democracy is an open invitation to participate in the political process.

Watchdogs have every opportunity to run for school board or organize accountability campaigns. The Education Industrial Complex is well-funded and well-organized. We need to do better.

And were some good outcomes on Tuesday.

In the Saint Francis School District, two quality candidates in Suzanne Erkel and Matt Rustad won. We will watch their tenure on the school board with interest.

In Lino Lakes, two staunch conservatives will serve on the city council.

Dave Roeser was re-elected while newcomer Dale Stoesz was elected to office for the first time.

Ham Lake can lay claim to the most conservative city council in Anoka County, but Oak Grove and Lino Lakes are pretty darn good.

DID WE MENTION THAT ELECTIONS MATTER?

We thought it would be worthwhile to republish the following budget information from Metro counties regarding their proposed 2012 property tax levies:

Ramsey County: 1.7% increase.
Hennepin County: 1%
Scott County: 1%
Washington County: Zero increase
Dakota County: Zero increase
Carver: -2.2%
Anoka: -7.4%!!!!

Anoka County leads the way regarding fiscal responsibility, thanks to new leadership with a new attitude.

GOVERNMENT LOBBYIST TRIES TO HAVE IT BOTH WAYS

Not many readers are familiar with [Keith Carlson](#) (photo 10 years and 50 pounds ago), a long-time Capitol lobbyist.

Carlson lobbies for an organization called the [Minnesota Inter-County Association](#) (MICA), which is made up of a group of Minnesota counties, including Anoka county.

Of course, MICA is funded with dues that come out of each county's funds, meaning the taxpayers pick up the tab for this organization, made up of governments, to lobby other units of government.

Now, don't confuse MICA with the [Association of Minnesota Counties](#) (AMC), which is another organization that represents counties down at the Capitol and is funded with county tax dollars as well.

And we wonder why government is broke and broken.

In any case, MICA's funding makes lobbyist Keith Carlson a government lobbyist.

Now the case with Mr. Carlson gets interesting when we talk about an arcane subject called the Market Value Homestead Credit (MVHC).

You don't have to understand MVHC beyond knowing that it was an aid program that sent state money to the cities and counties to help offset property taxes.

The other thing you need to know is that the program was a reimbursement program, meaning that the cities and counties lowered property tax bills and that the state made up the difference.

The problem is that the state rarely ponied up the full reimbursement amount, forcing the local units of government to eat the credit.

No one liked the system because it was essentially a state government lie. The state promised to reimburse the credit and never did, at least never at the level that was promised.

So, this past legislative session, the legislature and the governor eliminated the MVHC because it was a scam. A good bi-partisan piece of legislation.

Now, please pay attention. Here's what Carlson told a legislative committee about the elimination of MVHC months ago:

*"I do particularly want to reiterate the comments that some of the city testifiers have already made that **we're very pleased with the changes that are being made with the Market Value Credit changing that to an exclusion.** The frustration that all local governments have suffered with the difference as to what appears on the statement versus what we are actually reimbursed is clearly addressed by this proposal and is **a good outcome from our perspective.**"*

But wait! Apparently, some of Carlson's bosses down the county courthouses started to worry that they wouldn't have the legislature to scapegoat for property tax increases, so they collared Old Keith and told him to change his tune on the MVHC, which some counties see as a vehicle to blame the legislature and not themselves for property tax increases.

So, here's what Carlson had to say about the MVHC just a few days ago:

And when taxpayers open [their statements], counties hope the fliers they have stuffed inside will make it clear that a state policy change - not the

county, not the city and not the school district -- is responsible for higher taxes, Carlson said.

What a hypocrite. Anoka County needs ask just why it pays good money to belong to an organization like MICA, which appears more geared towards the Dan Erhart Good Ol' Boys mentality.

Thankfully, we have a county board in place that has no need to blame anyone for its budget decisions. We have a county that should be proud of the fact that it prioritized and lived within its means, just like the families it serves.

Clearly, Anoka County has no need for MICA and forked-tongue pap that spews from the yap of one Keith Carlson.

11/18/11

In This Issue:

- 1. From Godfather to Grinch.**
- 2. The Property Tax is a Local Tax.**

FROM GODFATHER TO GRINCH

The Anoka County Watchdog has always been very open regarding our observation that county commissioner Dan Erhart is a blowhard, a bully, and is now, thankfully, a backbencher.

But his irrelevancy hasn't stopped him from earning another title: grinch.

This past week, Erhart offered a resolution at the county board meeting supporting a government spending scheme that will steal money away from many of the county's most well-known and respected charities.

Specifically, Erhart wants the county board to adopt an official position supporting so-called "racino" gambling at Running Aces in Columbus. The plan, if passed by the legislature, would put 2,000 slot machines at Running Aces and put the hurt on local charitable gambling and the programs supported by it.

[According](#) to the state's non-partisan budget office (MMB), the so-called "racino" would result in a **25% decline** in the gambling revenues that charities receive if their gambling outlet is located within 10 miles of Running Aces because Running Aces would steal a chunk of the folks who would normally gamble at the local American Legion or the bar that sells pull tabs for youth sports.

MMB notes that there are some 44 charitable gaming sites located within 10 miles of Running Aces.

Here's what MMB had to say about what will happen to them should Erhart get his way by having the legislature pass racino at both Running Aces and Canterbury Park in Shakopee:

The Gambling Control Board expects to see a drop in charitable gaming activity affecting charities with gambling sites in the area of the two horse race tracks (Running Aces and Canterbury Park).

Based on current licenses issued, there are 52 charitable sites in the 10 mile radius of Canterbury Park and 44 charitable sites within 10 miles radius of Running Aces in the Forest Lake area.

Based on the expected advantage from the prize payout under the Racino proposal the Gambling Control Board is projecting a 25% drop in charitable gambling gross receipts at the 96 sites that are within the 10mile radius of the horse tracks.

-
So who are these charities who operate charitable gambling? In the Running Aces area, you have the American Legion, the VFW, Lions Clubs, youth athletic associations, fire relief associations, and senior centers.

And what kind of work do they do?

[Minnesota law](#) defines the purposes for which charitable gaming proceeds may be spent. Although we are all familiar with many of the recipients (e.g. veterans, seniors, youth athletics, health care, housing), take a read through a partial listing of charitable purposes:

- a contribution to or expenditure for goods and services for an individual or family suffering from poverty, homelessness, or disability, which is used to relieve the effects of that suffering;
- a contribution to or expenditure on a public or private nonprofit educational institution registered with or accredited by this state or any other state;
- a contribution to an individual, public or private nonprofit educational institution registered with or accredited by this state or any other state, or to a scholarship fund of a nonprofit organization whose primary mission is to award scholarships;
- members of a military marching or color guard unit for activities conducted within the state;for services performed by the members at military funeral services;active military personnel and their immediate family members in need of support services;
- a contribution to or expenditure by a nonprofit organization which is a church or body of communicants gathered in common membership for mutual support and edification in piety, worship, or religious observances;

- conducting nutritional programs, food shelves, and congregate dining programs primarily for persons who are age 62 or older or disabled;
- expenditure by a licensed veterans organization of up to \$5,000 in a calendar year in net costs to the organization for meals and other membership events, limited to members and spouses, held in recognition of military service.

Wow. Over the course of his decades down at the courthouse, Erhart has pulled many jerk moves but this one takes the cake.

Siphoning money away from non-profit charities that serve veterans, kids, the elderly and the disabled? That takes some stones.

While Erhart's motion thankfully failed last week, he may well bring it up again.

Watchdogs, take a moment to contact Erhart and the county board and tell them you oppose draining money away from our local charities and into the pockets of Running Aces executives.

Commissioner Dan Erhart: 651-709-1300, Jill.Rykhus@co.anoka.mn.us (secretary)

Chairwoman Rhonda Sivarajah: 763-323-5746, Rhonda.Sivarajah@co.anoka.mn.us

Commissioner Matt Look: 763-323-5700, Matt.Look@co.anoka.mn.us

Commissioner Andy Westerberg: 763-323-5757, Andy.Westerberg@co.anoka.mn.us

Commissioner Robyn West: 763-323-5700, Robyn.West@co.anoka.mn.us

Commissioner Jim Kordiak: 763-788-9651, Jim.Kordiak@co.anoka.mn.us

Commissioner Carol LeDoux: 763-323-5700, Carol.LeDoux@co.anoka.mn.us

THE PROPERTY TAX IS A LOCAL TAX

Here they go again. If it's November, it means that residential homeowners will be getting paperwork through the mail and whole lot of propaganda through the media

blaming the legislature for increased property taxes even though home values continue to stagnate.

We'll all be subjected to the slow torture of city councils and county commissioners braying on and on about how some aid program with an acronym (LGA, MVHC) is being cut and therefore local politicians just have no choice but to raise your taxes and then blame someone else for it.

Thus, it's the time of year when the Watchdog reminds all taxpayers and homeowners that the property tax on your house is a LOCAL tax, levied by the city, the county, the school board, and other local units of government like the Met Council.

The legislature doesn't set your local property tax. The folks listed above do so.

They set the taxes and they also set the local government budget that is funded with your property taxes.

So don't buy any garbage about it being someone else's fault.

Of course, some locals will tell you that they had no choice but to raise taxes because they did a poor job of contingency planning and some aid program didn't come through.

That's bunk. Some locals like Anoka County planned ahead and actually cut property taxes even though some aid fell through. They planned ahead.

So when your city staff weenie whips out a bunch of charts and graphs to justify a property tax increase, just direct him and his bosses over to chairwoman Rhonda Sivarajah, who will be more than happy to help them craft a budget that doesn't raise taxes.

In fact, it's high time that the state eliminate all these property tax aid programs, which are nothing more than welfare for cities.

These aid programs mask transparency by giving local elected officials a scapegoat for their spending decisions.

Moreover, this aid acts just like welfare for people in providing a disincentive for recipients to act responsibly in their fiscal affairs.

This aid money isn't raised by the locals but is spent by the locals, a concept that discourages accountability and thrift.

Any city that can't raise enough property taxes to provide basic services doesn't need state aid; it needs to unincorporate and go back to being a township that relies on the county for most services. Propping up some one-horse town with oodles of state tax money isn't good public policy.

The same goes for counties. If they can't cut it without state aid, they need to merge with a viable county and realize the savings and efficiencies attendant to mergers.

In this economy, shared services aren't enough. It's time to eliminate state aid and force locals to make tough but necessary decisions.

The additional benefit of eliminated aid is greater transparency and accountability. And the peace of mind that comes with the cessation of all those mailings and media stories as local politicians dance on the head of a pin explaining away their unpopular decisions.

E-mail Update

11/25/11

In This Issue:

Per Watchdog tradition, we pause this week to reflect upon the blessings of liberty and freedom bestowed upon us by our Creator and the many Americans who have gone before us, bearing the torch of freedom during our darkest hours.

I wish you and yours the very best this holiday season!

Sincerely,

Harold E. Hamilton

On a lighter note, as you digest your turkey, digest this pap from a group of true turkeys!

Washington -- With a week left before President Barack Obama "pardons" two turkeys, PETA President Ingrid E. Newkirk fired off a letter to the president asking him to rename the traditional Rose Garden ceremony and say that he will "spare," instead of "pardon,"

the turkeys. As Newkirk explains in the letter, turkeys haven't committed any crimes, so it's inaccurate to "pardon" them. Semantics-as any movement for social change realizes-is important.

For more information, please visit PETA.org.

12/2/11

In This Issue:

Editor's Note: If you're reading this in your Chevy Volt, get out! The Watchdog's acerbic wit and incendiary commentary has been proven to cause arcing and fires in the Volt's battery housing.

- 1. More Purple Nincompoopery.**
- 2. Hail, Oak Grove!**
- 3. It's Never Enough.**
- 4. And We Wonder Why Government is Broke.**

MORE PURPLE NINCOMPOOPERY

No, we're not talking about the stadium hearing this week that featured the rudderless Viking Longboat that may go to Arden Hills or any one of three different locations in Minneapolis, despite Lester Bagley's obvious disappointment that legislators on the panel are forcing him to speak with R.T. Rybak about the Minneapolis sites. It looked like Bagley was back in 5th grade and just got word from his teacher that he had to partner up on that science project with the kid who never took a bath and always picked his nose.

What we are referring to is the following quote from one Corey Merrifield, the president of a front group called "[Save the Vikes](#)."

Merrifield demonstrated to the world this week that he has the requisite lack of judgment and immaturity so common throughout the ranks of Vikings leadership.

Of the stadium hearing held this past week, Merrifield wrote:

As with any public hearing we do expect to hear from opposition on a Vikings stadium and given the time slot, the advantage goes to opponents. **We typically see those who are unemployed or on a fixed income advocating against a new stadium because the government isn't giving them enough.** All while the majority of the Vikings 2.5 million fans are working.

Now that's rich. A man who brays on and on for taxpayer subsidies for a billionaire criticizes others for wanting more out of government.

Now it may be true that many unemployed and fixed income folks oppose stadium subsidies. But it's also true that many folks who are gainfully employed and contributing much to the economy are opposed as well.

People like, oh say, Harold Hamilton. Let the Watchdog go out on a limb and guess that Hamilton has created a few more jobs than Merrifield.

Harold Hamilton is neither unemployed nor on a fixed income yet opposes taxpayer subsidies for a stadium.

Merrifield's ignorant statement shows the mentality of these spoiled brats who demand a subsidy from the rest of us for their leisure activity of watching football.

And speaking of who had time to attend a Vikings hearing, what does Merrifield say of fellow fans like [Larry Spooner](#), who had ample time to show up, yet again, and whine that he needs a stadium in Arden Hills because he can't tailgate in style in Minneapolis. Oh the humanity! What a crisis. Maybe there's some FEMA money available to aid Mr. Spooner.

We can only wonder if Merrifield ripped his [purple Zubas](#) shoving his foot in his yap.

HAIL, OAK GROVE

The Watchdog gives big props this week to the city council in Oak Grove.

It looks like Ham Lake has competition when it comes to common sense in government.

The council has approved a budget that will cut some \$600,000 from the budget and reduce the city's portion of property taxes by whopping 18%.

Among other things, the city eliminated the city manager position, renegotiated the law enforcement contract with the county, and made changes to city employee health insurance.

The Watchdog salutes these courageous city leaders for doing what many politicians only say they will do: cut government. Not slow growth, not "put the brakes on." These folks CUT government and thereby expanded the liberty of the good citizens they represent.

We have too many politicians, especially some Republicans, who talk a good game about limited government and then turn around in a panic looking for "revenue streams" and other ways to avoid the admittedly tough job of slashing the Leviathan.

With the state looking at another budget shortfall, Republicans in Saint Paul would do well to look at Oak Grove's example. The answer doesn't lie in some new scheme to get money into Saint Paul to dump more money into public schools, prop up failing market sectors, or subsidize a profitable \$9 billion industry called the NFL. The answer is to cut spending and pay fidelity to the principle that government is too large and needs to be pared back.

The Watchdog is especially proud of Mayor Mark Korin and councilman Dan Denno. These two Watchdogs have led the way and deserve the thanks and praise of Oak Grove taxpayers. These two have a bright future. Their leadership and conviction would be welcome at any level of government.

Oak Grove's budget is nothing short of a profile in political courage.

Whether you live in Oak Grove or not, let the [council](#) know you're behind them. Heck, one of these guys may be representing you down the road.

IT'S NEVER ENOUGH

Ugh, here they go again. Our always efficient and results-oriented public schools have begun to complain that the shift in school aid will cause them to borrow some \$382 million, at a cost of \$3 million in interest.

To be honest, the Watchdog didn't favor the school shift. We favored cutting the education budget and forcing schools to prioritize, just like the rest of us.

Of course, the media and the liberals will be all over this, decrying the sorry state of education funding and the immoral tragedy of "borrowing" from our schools. Existential question: Is it possible to borrow from your own debtor? The money in question is state money, not school district money. Extending the aid payment period isn't "borrowing." But again, this is the same logic that calls an increase a cut if the increase isn't what was projected or promised.

And what of the increase in the general formula of \$50 per student? What of the additional \$650 million in aid? That would more than offset the borrowing costs.

Moreover, \$3 million in interest costs in a small fraction of the \$12 BILLION annual state education budget, not including federal aid and local tax revenues.

Talk about a non-event. But we all know the media will portray the situation as a dire one in which we all need to think about the children.

AND WE WONDER WHY THE GOVERNMENT IS BROKE

As many legislators look around for more revenue streams for government, here's a place to find some money: the payout of unused sick and vacation time.

Unlike the private sector, state employees who retire are paid for unused vacation and sick time, sometimes resulting in obscene and absurd payouts.

The Pioneer Press recently revealed that some high-ranking college administrators in the state colleges and universities system received monster payouts.

For example, the former chancellor of the State Colleges and Universities System (MnSCU), raked in nearly \$93,000 for unused sick time and nearly \$47,000 for unused vacation time.

Another MnSCU bigwig, Jon Quistgaard, walked off with a \$126,000 check when he retired from Bemidji State University.

Two other administrators from MnSCU got six-figure payouts as well.

This practice is defended as one that prevents the "abuse" of sick leave and vacation time.

Funny, we thought the prevention of abuse came from state employment policies that prevent - guess what? - the abuse of sick leave and vacation leave.

Moreover, the problem first stems from the fact that public employees get obscene amounts of sick and vacation leave in the first place.

Let's take a look at a janitor at a local public community college. The janitor, the kind of downtrodden Workin' Man lionized by the Left, is represented by the AFSCME public employee union.

Here's what the contract says about holidays, vacation, and sick leave for a janitor with seniority:

Holidays:

- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Day
- New Year's Day
- Martin Luther King Day
- President's Day
- Memorial Day

Vacation: 234 hours (29.25 days) of vacation each year.

Sick leave: 104 hours (13 days) of sick leave each year.

That's 418 hours (52.25 days) of paid time off each year. **That's about 20% of a normal work year!**

-
The Watchdog is unaware of any private sector company that offers this kind of paid time off.

The Watchdog is also unaware of any private sector company that offers unused sick and vacation payouts.

No wonder these big payouts are happening. It's next to impossible to take 20% of the work year off.

Since many legislators read the Watchdog, here's the solution: legislation that caps the amount of vacation and sick leave an employee gets. Second, ban the practice of payouts for unused sick and vacation leave.

Take these issues away from the bargaining table and fix them by legislation.

After all, Governor Dayton is now negotiating a new deal with the very unions that backed his candidacy. Who is representing the taxpayer?

12/9/11

In This Issue:

Editor's Note: We know Anoka County bureaucrat and lobbyist Steve Novak reads this publication. Steve, we're well aware of your plans. You don't have a chance!

- 1. The Politics of Bullying.**
- 2. Sexy and They Know it.**
- 3. Tax Increases are a Religion.**

THE POLITICS OF BULLYING

Readers well know that the Anoka County Watchdog rarely comments on social policy. We have in the past weighed in on the Anoka-Hennepin School District bullying issue by supporting the current neutrality policy.

It was more than a little curious this week when the media reported that the school board will "revisit" the current neutrality policy.

We say "curious" because we can't recall a school board member telling the public, especially the voting public, that there would be a reconsideration of the policy despite the fact that we just had school board elections a month ago.

The bullying policy was certainly a high-profile issue in the campaign.

Voters don't hear a word about the consideration of a new policy throughout the election campaign and then it magically appears just weeks after the election.

Something is rotten on both sides of the river.

It looks to us like conservatives got hoodwinked. We saw the same old same old this past election when board members Kathy Tingelstad and Tom Heidemann came around to the local GOP meetings, backslapping everyone and telling war stories of past campaigns to prove their Republican street cred.

Heck, there was even talk among Republicans of the acceptability of Marci Anderson because of her alleged support of the current neutrality policy. Never mind the fact that she is a rising star for [Women Winning](#), a liberal, radical pro-choice feminist special

interest group that is no doubt grooming her to take out some Republican for a higher office.

It will be very interesting to see how this all turns out.

If Tingelstad, Heidemann, Anderson and others amend the policy in a way that is more acceptable to gay rights groups, conservatives in this area will have been suckered and suckered good.

Let us be the first to lay money down on conservatives getting suckered.

After all, didn't we all endorse and work for Kathy Tingelstad when she was in the legislature? Our reward was Nothstar commuter rail, a veto override, a smoking ban, a Twins stadium, etc.

Go ahead, prove us wrong on this one.

SEXY AND THEY KNOW IT

Girl look at that body

I work out

Girl look at that body

I work out

I'm sexy and I know it!

A big, fat "boo!" to the Hennepin County Board of Commissioners as they took home a "doggy" award for "worst idea" and another for "piss poor timing" as they voted 4-3 last week to give themselves up to \$2,000 worth of reimbursement for working out.

The program allows commissioners and the sheriff as well as the county attorney reimbursements for items such as health club fees and purchases like exercise bikes, thigh masters and abdominizers.

No word on whether the program covers back waxing, tanning, or Speedo suits.

At a time when the economy is struggling and millions are out of work, these jokers vote to pay themselves to walk a few laps around the gym.

This is arrogant government at its very worst.

These commissioners already make over \$100,000 per year!

Kudos to Commissioner Jeff Johnson for calling this stupid idea just that.

Be sure to visit Jeff's [web site](#) and if you live in Hennepin County, drop him a note of thanks for his rational and sane leadership.

Rumor has it Jersey Shore's own "[The Situation](#)" will be flying in for the bill signing ceremony. Afterwards the four who voted for this nonsense will join The Situation for some "[GTL](#)" and then go clubbing at Block E to celebrate their physical and mental superiority over the great unwashed masses they represent.

TAX INCREASES ARE A RELIGION

How else to explain Governor Dayton's vow this week to push for tax increases in the 2012 legislative session?

The state has a projected budget surplus, so there is no need to plug a budget gap.

It appears instead that our governor continues to struggle with his own "rich guilt" complex.

He is apparently guilty that he has enjoyed wealth he never helped create, which has allowed him to live a life free from the burdens that 99% of us experience.

Being nothing more than a political dilettante, Dayton is manifesting his guilt by wanting to punish "the rich" and expropriating their resources through government force to distribute to others.

On the other end of this Faustian bargain are many, many thousands who blindly indulge the ugly emotion of human envy to readily lay claim to these ill-gotten resources to which they aren't entitled because, they believe, wealth is a zero sum game and they don't have wealth because someone else unfairly took it.

This class warfare played by Dayton is one of the ugliest episodes of Minnesota political life seen since Floyd B. Olson took to the radio to spew his own brand divisive class hatred.

This goes beyond the very sound economic arguments against higher taxation of job creators.

This is the fomenting of a mob mentality to seize by force the resources of one citizen to distribute to another with no regard for justice, merit, or fairness.

It's downright un-American.

The American way is to make your own wealth and prosperity through hard work and sacrifice.

It isn't to gain wealth and prosperity by using the force of government to steal resources from your neighbor because he happens to have more.

Instead of feeding the politics of envy and class warfare, the governor should spend his political capital reducing barriers to wealth creation, especially for those on the lower end of the economic ladder.

America promises an opportunity, not a result.

Sadly, it looks like Republicans are the only ones promising an opportunity while the DFL promises a particular outcome based on the use of governmental force to pick winners and losers based on nothing more than raw political will to power.

12/16/11

In This Issue:

1. **Anoka County Naughty and Nice.**
2. **Re-treads.**
3. **Harold Hamilton: Unicorn.**

QUOTE OF THE WEEK:

"The NFL is a healthy league."

- *Vikings stadium shill Lester Bagley*

ANOKA COUNTY NAUGHTY AND NICE

A key part of the Anoka County Watchdog's mission is to hold legislators accountable for their actions or lack thereof as our representatives in Saint Paul. This publication's cornerstone is a commitment to conservative principles, not a political party or any particular interest group.

That's why the Watchdog doesn't accept donations or advertising dollars from anyone - period. The publication is owned and operated solely at the expense of Harold Hamilton, free from outside influence and persuasion.

In honoring that mission, the Watchdog respects and publicizes the work of select brothers and sisters in the conservative sphere.

One of those groups is the [Legislative Evaluation Assembly](#) (LEA). LEA is strongly committed to limited government principles and the vision of America's Founders.

This group publishes a noteworthy legislative scorecard that is both comprehensive and fair. Some scorecards only score a small sample of votes or hand out high scores to nearly every legislator, making high marks meaningless (kind of like our public schools).

The [2011 scorecard](#) is no exception. Let's take a look at the Anoka County delegation to see who was naughty and nice in a limited government context:

Sen. Ray Vandever (R-Forest Lake): Representing the Northeast corner of Anoka County, Ray Vandever led the delegation with an impressive 90% rating, earning him

"honors" from the LEA. This is no surprise as Vandevveer also comes in with a respectable 81% lifetime rating from the group.

Sen. Roger Chamberlain (R - Lino Lakes): Freshman senator Chamberlain made a big impression at the Capitol this past session with his principled commitment to limited government. His 88% score earned the rookie an "honorable mention" from LEA and portends great things to come.

Sen. Pam Wolf (R - Spring Lake Park): Also a freshman, Wolf has proven to be something of a superwoman so far. She first took out long-time, entrenched liberal Don Betzold in a district that is far from a "gimme" for the GOP. Like Chamberlain, she scored a rock-solid 88%. The Watchdog also loves Wolf's willingness to take on the education-industrial complex (she's a teacher). While we disagree with Wolf's willingness to expand gambling, she's a gem in the senate who displays uncommon valor.

Sen. Benjamin Kruse (R - Brooklyn Park): Another freshman star in the senate, Kruse has done a magnificent job representing Coon Rapids in the upper chamber. Not to be outdone by colleagues, Kruse himself crossed the finish line in 2011 with a score of 88%. Kruse has distinguished himself in Saint Paul with his thoughtful approach and respectful demeanor. But make no mistake, the heart of a small government tiger beats underneath his calm smile.

Rep. Bob Dettmer (R - Forest Lake): When President Lincoln heard his cabinet complain of General Grant's drinking habits, Lincoln replied, "Find out what the general drinks. Then send a barrel of it to all my generals." The Watchdog demands that whatever is in the water in Forest Lake be sent to the entire Anoka County delegation. State Rep. Bob Dettmer led the county House delegation with an 85% score in 2011. His leadership in conservative issues is vital as Dettmer is no longer a rookie and is now looked to as a leader in the House GOP locker room.

Rep. Branden Petersen (R - Coon Rapids): Bob Dettmer has company at the top of the leader board. Freshman Branden Petersen also scored a remarkable 85%. We say remarkable because Petersen represents a classic swing district that has been traded between the DFL and GOP for many years.

It is no understatement to say that Petersen is the most conservative House member to ever represent Coon Rapids.

He is a true profile in political courage to stand so staunchly in favor of conservative values in such a marginal district.

It would be an easy thing for Petersen to cop a RINO persona and blame it on the district's profile (ahem, Kathy Tingelstad). He will do no such thing.

Watchdogs in Coon Rapids should give some serious thanks and praise to have such a stalwart in their corner.

Rep. Tom Hackbarth (R - Cedar): Yes, it's a three-way tie among the House members as veteran legislator Tom Hackbarth compiled an 85% score as well. This is no surprise as Hackbarth proved his credentials a long time ago. Talk about a steady hand at the wheel. Watchdogs in Hackbarth's district can take his votes to the bank.

Rep. Linda Runbeck (R - Circle Pines): A three-way tie? Just kidding! Watchdogs were treated to a stunning four-way tie as another veteran legislator, Linda Runbeck would not be outdone by either the new guys or her more senior colleagues. Another steady hand on the wheel, Runbeck surprised no one with her sweet score of 85%.

Other Anoka County delegation scores that merit praise:

Sen. Michelle Benson (R - Ham Lake): 77%

Rep. Tim Sanders (R - Blaine): 77%

Rep. Peggy Scott (R - Andover): 75%

Not so impressive scores:

Sen. Mike Jungbauer (R - East Bethel): 64%

Rep. Jim Abeler (R - Anoka) 60%

For being Republicans, these scores suck but unfortunately don't surprise.

And now for the DFL 2011 Hall of Shame:

Rep. Denise Dittrich (DFL - Champlin): 50%. That's classic Dittrich for you. Vanilla in the middle.

Rep. Melissa Hortman (DFL - Brooklyn Park): 20%. 2012 is the year she loses to Andy Reinhardt.

Sen. Barb Goodwin (DFL - Columbia Heights): 8%. We thought we were rid of her.

Rep. Tom Tillberry (DFL - Spring Lake Park): 3%. Really? Tillberry must have been trying for that low of a score.

Rep. Carolyn Laine (DFL - Columbia Heights) -18%. No, that's not a misprint. This was the lowest score of any legislator on the scorecard. Watchdog staff believes this is a new record for an Anoka County legislator.

RE-TREADS

It looks like the Anoka County DFL is out of new ideas and new candidates. We were all "treated" to the re-emergence of former state Rep. barb Goodwin when the DFL engaged in some civil war after former Sen. Satveer Chaudhary decided to pass some legislation favoring a lake on which he had a cabin.

What we got was a more liberal DFLer with a petulant, hostile, surly attitude to match.

This week, former state Rep. Connie Bernardy reinforced the perception that DFLers are lifetime politicians by [announcing](#) that she is challenging LEA award-winner state Senator Pam Wolf in district 51.

Bernardy left the legislature in 2006 to work for Education Minnesota but the siren song of the legislature apparently calls.

Does Bernardy's resume have any real world experience?

The same old warmed over ideas spouted by the same warmed over candidates from yesteryear.

HAROLD HAMILTON: UNICORN

In addition of the titles of president and CEO of [Micro Control Company](#), Harold Hamilton may want to add one more title: unicorn.

In what may be the dumbest statement of the year, Senate Majority Leader Harry Reid [claimed](#) that wealthy job creators are like unicorns, they don't exist.

Said Reid, "Only a tiny fraction of people making more than a million dollars, probably less than 1 percent, are small business owners. And only a tiny fraction of that tiny fraction are traditional job creators...Most of these businesses are hedge fund managers or wealthy lawyers. They don't do much hiring and they don't need tax breaks."

Well, despite the Democrat's level best efforts to drive the economy into the ground, Micro Control Company significantly increased its employee compliment in 2011, which is more than we can say for Solyndra, unless you count all the wealthy lawyers they employed to answer grand jury inquiries.

Moreover, Micro Control Company continues to provide quality, high-paying manufacturing jobs right here in the Twin Cities even though the company pays 50% of every dollar of gross revenue to the government, so Obama and company can hire some more government workers to implement Obamacare and administer "stimulus" programs.

A unicorn like Harold Hamilton may be rare, but animals like Harry Reid are all too common in Washington: the yellow-bellied jacka\$\$.

12/23/11

In This Issue:

- 1. Senate GOP Fallout.**
- 2. Whither Ellen Anderson?**
- 3. Anoka County Board Get Together.**

SENATE GOP FALLOUT

Well, that was quite a bombshell. The Capitol was rocked this week as Senate Majority Leader Amy Koch admitted to a sexual relationship with a male staffer, presumed in some media reports to be former communications director Michael Brodkorb.

The particulars of the issue are well known to readers, unless you've been living under a rock.

We will leave it to readers to judge how harshly they view the marital indiscretions of Senator Koch, who is married with a young daughter.

Having said that, the Watchdog will point out that Koch's poor judgment has placed the state Senate in potential legal jeopardy.

The as-yet-unnamed male staffer in question was subordinate to Koch. A workplace sexual relationship between a superior and a subordinate raises serious legal issues.

For example, an affair between a superior and a subordinate in the military can result in prosecution under the Uniform Code of Military Justice (UCMJ).

Article 134, paragraph 62 makes adultery a prosecutable offense that can lead to severe discipline.

Nearly every company has a policy regarding workplace relationships, especially when the relationship is between boss and subordinate.

There's a good reason for these policies. Workplace romance can severely damage morale, create a negative workplace environment, and negatively impact the image of the organization.

Senator Koch's serious lapse in judgment has harmed more people than Koch herself.

There are some fellow conservatives, particularly Republican women, who are outraged by Koch's treatment at the hands of Senator Geoff Michel and other senior caucus leaders.

Some claim that the handling of the matter amounts to a form of sexism, meaning that if Koch had been a man, the issue would have been handled more gently or even swept under the rug.

Others claim that there were ulterior motives for confronting Koch, ranging from power grabs by fellow senators to the quashing or advancement of particular legislative issues, most notably the Vikings stadium or the expansion of gambling.

The Watchdog cannot and will not speculate on these alleged nefarious motives. To know these motives would require knowing the intent of the senators involved, a most difficult task.

Assigning dubious motives to those who confronted Koch is serious. These folks should buttress their allegations with evidence, circumstantial or direct.

So far, the "evidence" has comprised little more than additional rumor and innuendo. For example, the claim that "other legislators have had affairs and weren't treated this harshly."

That may be true. In fact, all the complaints leveled against Michel et al. may be true. If so, accusers must produce the evidence and refrain from trading in rumor and gossip.

There is no doubt that the credibility and integrity of the Republican brand has been tarnished by this sordid, salacious episode.

The quickest way to rebuild that credibility and integrity is for a full and thorough accounting of the affair.

In short, it's time for everyone to come clean, right now, in a public way.

The GOP brand cannot long withstand the daily drip of individual, uncoordinated interviews and press statements that offer only incomplete answers, which only serves to beg more questions and prolong the agony.

It also wasn't helpful in the least that Senator Michel offered a less than honest answer regarding a key chronological fact.

Dishonesty in the name of any cause is corrosive and damaging in the long run.

Now, the veracity of the acting senate majority leader has been called into question.

Now is the time for those involved to tell the public what they knew and when they knew it. It is time for those who bear responsibility to take responsibility and refrain from offering excuses or implausible explanations.

Let's not make the way in which the episode is handled worse than the episode itself.

The senate GOP can put this episode behind them and move on to the business of governing the state and preparing to defend a newly won majority.

There are a number of talented senators in the caucus who can repair the damage, including a talented, principled group of freshmen rank and file senators.

The Watchdog is confident the Senate GOP will elect a new majority leader who can provide the stability and reassuring public demeanor the state deserves.

But that will only happen after the full scope of the episode is known and acknowledged. That accounting will take place sooner or later.

The Watchdog pleads for "sooner."

WHITHER ELLEN ANDERSON?

Yes, Watchdogs there is other news coming out of the Capitol other than the personal proclivities of legislators.

The hottest of those tidbits concerns Ellen Anderson, a former state Senator who resigned to take a position with the Public Utilities Commission (PUC).

PUC positions are subject to senate confirmation.

Sources tell the Watchdog that Anderson's confirmation is in serious jeopardy and she will likely be rejected by the state Senate, perhaps as soon as the first week of the legislative session.

There are ample reasons to rejected Anderson both on public policy and political grounds.

During her time in the legislature, Anderson took the lead on environmental and energy issues, pushing public policy hard in the direction of radical environmentalism.

Anderson was a full-throated supporter of every "green" proposal and was an opponent of traditional, inexpensive, abundant, domestic energy resources.

In the most recent bi-ennium, Anderson scored a perfect 100% from the Sierra Club, which would like all of us to live in caves and depend on solar power.

She also received perfect scores from a group called "Clean Water Action."

You get the picture.

Needless to say, Anderson's radical environmental and every views are incompatible with the more balanced aggregate views of the senate majority.

Thus, it would be correct for the senate to reject her appointment and demand that the governor appoint a person whose views are more balanced and consistent with the views of the citizens the senate represents.

Second, rejecting Anderson would be consistent with the political culture of the senate as established by the DFL during their 30-plus years of authoritarian rule.

This was especially true during the tenure of Majority Leader Larry Pogemiller, who engineered the rejection of Pawlenty Education Commissioner Cheri Pierson Yecke.

Pogemiller used the threat of rejected gubernatorial appointments as a cudgel with which to beat Governor Pawlenty.

In addition to Yecke's ouster, Pogemiller frequently and very publically threatened other appointees, most notably Commissioner Dan McElroy.

Senator Ellen Anderson was a full participant in these machinations.

A rejection by the senate on these grounds would be in order as well.

ANOKA COUNTY BOARD GET TOGETHER

With all the fiscal austerity measures, Anoka County doesn't have the dough to swing a Christmas party for the taxpayers.

Yes, under Dan Erhart there would have been a feast at the Lexington or some other swanky joint. But that's okay, you wouldn't have been invited anyway. Those parties were only for lobbyists and other insiders. You didn't matter.

In any case, come to the county board meeting on January 3rd to thank Rhonda Sivarajah, Robyn West, Andy Westerberg and Matt Look for their awesome service to the taxpayers and their leadership on issues like reducing the county levy for the first time in decades.

Watchdogs can watch the county's first organizational meeting of the year and see Rhonda voted in for another year as chairwoman of the board.

It was a great year for the county and this meeting will set the tone for what we hope is an even better 2012, a year that very well may spell the end of the political road for Dan Erhart.

Did we mention that you should keep an eye out for this guy?

<http://www.facebook.com/#!/pages/Scott-Schulte-For-Anoka-County-Commissioner-Dist-7/125625084172818>

Keep hope alive!

12/30/11

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1. The Top Story of 2011!

THE TOP STORY OF 2011!

This is it, Watchdogs. The last edition of 2011, our sixth year of unrivaled commentary on Anoka County politics.

As we draw the curtain on 2011, the editorial staff reflected on the political events that changed the county, much of it for the better.

Despite some thoughtful debate, there was really no question regarding the top story of 2011, which had its roots in 2010.

Prior to the election of 2010, the Good Ol' Boys had ruled Anoka County with unrestrained abandon for a generation.

Just prior to the 2010 election, Dan Erhart appeared to be the heir apparent to the Good Ol' Boy throne, assuming from Dennis Berg the Godfather role Erhart had held before.

But the voters had something to say about that. Conservative stalwart Matt Look beat Natalie Steffen, a founding member of the Club.

In addition, Andy Westerberg was elected with a strong push from conservatives in his district, obligating him to align with conservatives on the board, at least on the important issues.

When the county board met in early January of this year to elect a board chair, the behind the scenes machinations were over and a new day dawned in the county.

The board elected Rhonda Sivarajah board chair, ushering in a new era of accountability and transparency in county government.

The results have been remarkable in both large and small ways.

The board's actions are more transparent through streaming videos feeds of board meetings.

The board is more accountable to taxpayers, with the county passing a historic levy that reduced government spending without gutting services.

Sivarajah's historic ascension to the chair of the Anoka County Board is out top political story of 2011.

What do you think? Let us know if you agree or what your pick would have been at harold@anokacountywatchdog.com.

Here is what we wrote on September 16th about the board's most significant action of the year, setting a tax levy well below previous levels:

ELECTIONS DO MATTER

If Watchdogs ever doubt that their vote matters, this week should put that doubt to rest. If Watchdogs ever think their activism and political involvement doesn't matter, the events of this week should serve as a very pleasant wake up call.

This week, the Anoka County Board passed a remarkable, historic budget levy that fits the economic climate and actually cuts property taxes.

The property tax levy for 2012 will be 7.43% lower than 2011, resulting in property tax decreases for beleaguered homeowners.

This the first time in at least 30 years that the levy has decreased.

Board chairwoman Rhonda Sivarajah noted, "Our mission is to be respectful, innovative and fiscally responsible, and we are accomplishing this by recognizing that our residents don't deserve to be taxed any more, and frankly, they can't take it."

In 2008, the average home value in Anoka County was \$213,000. In 2011, it's \$174,000.

But that's not all. The Anoka County Regional Rail Authority, responsible for the white elephant called Northstar commuter rail, reduced its 2012 proposed levy by a whopping 65%!

Rail Authority chairman Matt Look stated,

"The new leadership of the Rail Authority takes seriously the responsibility of budgeting only for our current commitments, and eliminating unnecessary planning and spending."

And over at the county Housing and Redevelopment Authority, the proposed levy is 18% lighter than last year.

And it's not just reductions. This county board is actually doing the hard work of searching out and implementing reforms to make government leaner and more responsive to citizens:

· ***Voluntary Separation Program***

In June, 97 employees took advantage of a one-time voluntary separation program which will save Anoka County taxpayers \$1.5 million annually in salary and benefit costs. Future ongoing savings will result from not filling some positions and either restructuring or hiring replacements at a lower pay rate for the balance. There are 62 fewer positions in the 2011 budget than in 2010. Additionally, 20 positions are expected to be unfunded in the 2012 budget as a result of the most recent budget reduction.

· ***Facilities Management***

Anoka County has a AAA bond rating and a good portion of this is based on the condition of our assets. More than \$150,000 in savings has been realized in the past two years and is evident in utility per square foot costs. Ongoing savings of 2 percent or more for the next three to five years are expected due to improved maintenance.

· ***Investing in Technology***

Anoka County is investing in technology to save staff time and resources. Implementing technology-based systems, such as the imaging project in the Human Service's Economic Assistance department allows staff to quickly access data that otherwise would have been tucked away in a file drawer. The commissioners also receive their board meeting packets electronically.

· ***Highway Department***

The Anoka County Highway Department is using a new process called design-build to reconstruct Main Street in Coon Rapids to Blaine. Anoka County is the first county in the state and among the first in the nation to do so. The process saves time and money.

This, folks, is exactly why elections matter.

The Good Ol' Boys who used to run the county wouldn't have dreamt of providing true property tax relief or meaningful government reform.

Can you imagine Dan Erhart doing that when he was board chair? We don't have to imagine. We saw the results of his leadership when he ran the board. No matter the economic circumstances, it was nothing but governmental growth.

Erhart has been on the board 30 years and this is the first levy drop in 30 years. It's not a coincidence that this happened only after he was marginalized and sent to the back bench by voters.

Can you imagine Natalie Steffen voting to cut taxes? HA! It's a good thing Watchdogs helped Matt Look get into office.

Thanks to the efforts of Watchdogs and other concerned taxpayers, the culture of the Anoka County Board has finally changed.

The dark days of Rhonda Sivarajah being beat down on 6-1 votes have turned into 6-1 votes going the other way. Amen!

In fact, the levy vote was exactly 6-1.

Those voting yes:

Sivarajah
Look
West
LeDoux
Westerberg
Kordiak

These commissioners deserve our praise for their vote and their recognition of the reality of the economic situation.

When a progressive like Jim Kordiak understands the need to provide relief, you know the culture has changed.

Organizations adopt the characteristics of their leader. A special thanks goes to the Iron Lady for her leadership and perseverance during those dark days when Dan Erhart would ridicule her then-lonely voice for fiscal conservatism.

And that brings up a second point.

Who was the lone vote against property tax relief and government reform? Who was the one threw his sucker in the dirt and complained about "draconian" cuts? Who's the one who decried shrinking government?

You bet. The defrocked Godfather himself, Dan Erhart.

As this issue goes to press, the video of this week's county board meeting isn't yet available.

But rest assured, Erhart had a good rant about the new reality in county government.

Dan Erhart has become a bi-plane in a world of stealth fighter government.

The way government does business today is far different from the way business was done back in the Good Ol' Boys day.

And, thankfully, Anoka County does business in a manner far different from the Good Ol' Boys culture of yesteryear.

Erhart has become irrelevant to Anoka County politics and that's a good thing for which the Anoka County Watchdog makes no apologies.

Listen to the words of Rhonda Sivarajah once again:

"Our mission is to be respectful, innovative and fiscally responsible."

She and other board members understand that they serve the taxpayers, not the other way around.

Under this new board, the taxpayer comes first.

"Respect?" "Innovation?" "Fiscal responsibility?" You may as well be speaking Mandarin Chinese or Tagalog to the Good Ol' Boys.

This new group, to the contrary, gets it.

It's [morning again](#) in Anoka County!