

City Watch *It's Time*



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“It is not the function of our Government to keep the citizen from falling into error; it is the function of the citizen to keep the Government from falling into error.”

U.S. Supreme Court in American Communications Association v. Douds, 339 U.S. 382,442

Petition Efforts More Than Successful To Counter Commission's Decision

Guided by Keith Colville, efforts of CCI members and others quickly paid off as nearly 200 petition signatures more than necessary were turned in to Barnes County Auditor Ed McGough Nov. 16, 2005, to reverse a recent resolution adopted by Barnes County commissioners. Now the matter will be put to a vote by the county's citizens in June 2006.

On Oct. 18, 2005, the county commissioners passed a final resolution on "...a plan for combining the offices and positions of the Barnes County Recorder and Barnes County Tax Director into one unelected office and position entitled Department of Property and Recorder...". The petition, says Colville, was "...so worded as to be a direct answer to this resolution."

Continued Colville, "All along we maintained that our petition, if validated, would separate the offices of County Recorder and Tax Director and return the recorder's office to an elected position. The new States Attorney Brad Cruff stated that in his opinion this is true, and we agree. When the county commissioners passed the final resolution, it was to combine the two offices into one unelected office and position entitled Department of Property and Records. We formed our petition in answer to this resolution."

"And one more thing. One of the reasons for combining the two offices was to save some money, we'd been told. But BJ Edwardson who was to handle the new combined office was given a nice raise. When the two offices were separated, I understand they let her keep the raise. That just lets us know that saving money was not the whole reason for their actions."

Both Colville and CCI president Bob Drake expressed their appreciation for the efforts of those who circulated the petitions and those who signed. "A number of the ones who worked hard to get the signatures are not CCI members," said Drake. Colville also noted that County Auditor McGough and State's Attorney Robin Huseby were very cooperative whenever they were asked for advice.

Did You Know!

Excerpted from: Top 100 Cities With Declining Populations From 2000 To 2002 (pop. 5000+)

www.city-data.com

1. Winnemucca, Nevada (-6.5%, pop. 6,709)
2. Winona, Mississippi (-6.5%, pop. 5,127)
3. Helena, Arkansas (-6.4%, pop. 5,921)
4. Ingleside, Texas (-6.3%, pop. 8,796)
5. Junction City, Kansas (-6.0%, pop. 17,753)
6. Pecos, Texas (-5.9%, pop. 8,945)
7. West Helena, Arkansas (-5.8%, pop. 8,187)
8. Lake Providence, Louisiana (-5.6%, pop. 4,817)
9. Vernon, Texas (-5.3%, pop. 11,044)
10. Clinton, Oklahoma (-5.1%, pop. 8,422)
11. Steamboat Springs, Colorado (-4.9%, pop. 9,337)
12. Tarboro, North Carolina (-4.7%, pop. 10,633)
13. Tucumcari, New Mexico (-4.6%, pop. 5,711)
14. Leesville, Louisiana (-4.5%, pop. 6,451)
- 15. Valley City, North Dakota (-4.4%, pop. 6,526)**
16. East Point, Georgia (-4.4%, pop. 37,867)
17. Kermit, Texas (-4.3%, pop. 5,466)
18. Ironwood, Michigan (-4.3%, pop. 6,021)
19. Hapeville, Georgia (-4.3%, pop. 5,913)
20. Rupert, Idaho (-4.3%, pop. 5,402)

“Government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it.”

-Ronald Reagan

Valley City was founded by the NPRR in 1872, the town was called Second Crossing of the Sheyenne, Fifth Siding and Wahpeton. In 1874 it was named Worthington and then in 1878 it was changed to Valley City.

Making Property Taxation Much Fairer:

By Keith Colville

This story began about a year ago and grew into the **Justifiable Property Tax Ordinance (JPTO)**. It's a comparable condensed version of California's Proposition 13, which became the law of that state more than twenty years ago.

In California before Proposition 13, if a house similar to yours on your block sold for much more than you paid for yours, you shuddered in fear when you received your next property tax bill, for most likely your taxes were now based on what your new neighbor was willing to pay for his home!! This got so far out of hand in the late 1970's that many actually lost their homes because of uncontrolled tax increases.

If your home and property become more valuable, who benefits? If you sell your home, you probably will. Otherwise, the city and county governments will - through increased taxes on your home.

"[Property taxes] got so far out of hand [in California] in the late 1970's that many actually lost their homes because of uncontrolled tax increases."

Nobody loves to pay taxes. No tax process is perfect. BUT some are more fair than others. With **JPTO** (as with California's Proposition 13), YOU determine how much your taxes will be. Your taxes are not based on your neighbor's actions but on the price you voluntarily paid for you home. And

while you own that home, taxes cannot increase more than 2% annually.

Following are some more advantages of **JPTO**:

1. The job of the city "assessor" is obviously much easier. A new buyer pays taxes based on what he paid for the home, often a home that was improved over the years by the previous owner;

2. The previous owner was able to improve and upgrade his home over the years without being punished for doing so through higher taxes (which often discourage owners from making much improvements);

3. **JPTO** makes your taxes predictable, so as years pass and houses in your area sell at higher and higher prices, you will be protected, and those on fixed incomes (like those who have retired) will be able to keep their homes;

"...As years pass and houses... sell at higher and higher prices... those on fixed incomes... will be able to keep their homes;"

4. Predictable taxes will be an incentive for people to buy homes in your city;

5. There will no longer be any reason for an assessor (or his workers) to enter your home to determine its value.

Under **JPTO** new buyers will pay the higher taxes. People who bought years before will have been paying taxes for years and

"Predictable taxes will be an incentive for people to buy homes in your city."

making the improvements that new owners will some day enjoy. Why shouldn't a system favor those who have owned their property longer? **JPTO** encourages owners to improve their properties, which decreases the number of "eyesore" ordinances, making your tax rates lower. And why should a government be able to threaten a citizen with higher taxes for not letting a government official (or those assigned by the government) to come into your home (a clear

It's Been Done Before!

violation of the Fourth Amendment to the U.S. Constitution)?

One more thing - economic development. Wouldn't it be great to have thousands of Valley City residents promoting our community to others by letting them know they could buy a home here and know their taxes would not go up more than 2% a year no matter how much they improved their

properties?

Think of **JPTO** as a hybrid between property and sales taxes. If a sales tax can be based upon acquisition value, why can't a property tax?

The Committee for Community Involvement (CCI) has already been contacted by people in Wahpeton and Mandan wanting to go state-wide with the **JPTO**.

"Think of JPTO as a hybrid between property and sales taxes. If a sales tax can be based upon acquisition value, why can't a property tax?"

Justifiable Property Tax Ordinance

1. The "true and full value" of real property will be determined by the sale price when purchased, newly constructed, or a change in ownership has occurred after (date). Property taxes paid will not increase beyond the maximum rate of 1% annually. Increases in assessed valuation will be limited to 2% annually except upon sale of property as defined herein.

2. "Newly constructed" does not include real property that is reconstructed after a disaster. Also, the term "newly constructed" shall not include the portion of reconstruction, addition or improvement to a structure. Including installation of any fire sprinkler system, extinguishing, detection, or egress system or improvement, or the installation, or modification for the purpose of making the dwelling more accessible for a disabled person; nor any improvement to bring the property into compliance with any government mandate.

3. The terms "purchased" and "change in ownership" do not include the purchase or transfer of real property between spouses or a property settlement agreement or decree of dissolution of a marriage or legal separation or the purchase or transfer between parents and their children or between grandparents and their grandchild or grandchildren or that occurs as the result of the death of a family member.

4. The term "change in ownership" does not include the acquisition of real property as a replacement for comparable property if the person acquiring the real property has been displaced from the comparable property taken by eminent domain proceedings.

5. From and after the effective date of this article, any changes in taxes enacted for the purpose of increasing revenues collected pursuant thereto whether by increased rates or changes in methods of computation must be imposed by an act passed by not less than two-thirds of qualified voters and no new ad valorem taxes on real property, or sales or transaction taxes on the sales of real property, may be imposed.

6. In the event the governing body shall for any reason decide to exempt property from property taxes, that shall be done only with the approval of each entity that receives taxes from said property; taxes of all other properties shall not be raised to make up or lower tax collections; instead, the budget shall be reduced by the amount of the tax exemption(s).

7. Commercial, i.e., non-residential property true and full value appraisals, shall continue as appraised for one year from the enactment of this resolution. During that year the assessor shall review the valuation of all commercial properties to insure they are appraised consistently and equitably.

8. If any section, part, clause, or phrase hereof is for any reason held to be invalid of unconstitutional, the remaining sections shall not be affected but will remain in full force and effect.

CCI would like your opinion.

Please use the address or email at the top of the first page. We will print those we can. Thank you.

Help From The City Officials???

By Keith Colville

Members of the Committee for Community Involvement (CCI) have spent countless hours this past year working on four proposed ordinances we feel should be put before the voters of Valley City. The city has sent all four back with so little explanation that it is nearly impossible to correct what the officials say is wrong in the wording of the ordinances.

“The city has sent all four [proposed ordinances] back with so little explanation that it is nearly impossible to correct what the officials say is wrong..”

The four proposed ordinances include: (1) Petition for the Referral of City Ordinance Number 882; (2) Petition to initiate an ordinance to prevent the city commission from repealing or amending an initiated ordinance; (3) Petition for the initiation of the Justifiable Property Tax Ordinance (discussed on the opposite page in this newsletter); (4) Petition to initiate a budget cap ordinance.

Article 4 of the Valley City Home Rule Charter states, “...the citizens of Valley City shall have the right to initiate and refer ordinances.” Sounds good, right? Well, not so fast.

CCI submitted the above proposed ordinances to City Auditor Kerwin Kostad. Article 4, Section 1 of the Home Rule Charter states, in part, “...within ten days after receipt of the petitions, the City Auditor shall either approve the Petition for circulation if it is in proper form and contains the full text of the measure or if the City Auditor does not approve the Petition, he or she shall give written notice to the committee for the petitioners of his or her reason for not approving their petition.”

Now, it might be assumed that the above meant the Auditor would help us fix what was wrong before submitting them to the City

Commissioners and then to a vote by the people - or at least give us some guidance to correcting the proposed ordinances. Well, the auditor returned one for “vagueness,” said one was in violation of the Home Rule Charter of Valley City, and also said “...initiators must petition to amend THE HOME RULE CHARTER according to the provisions therein.”

Since CCI could get no further help from the city in correcting the proposed ordinances, we asked state senator Larry Robinson for aid. He agreed to try to get an opinion from the North Dakota Attorney General’s office. The honorable Attorney General Wayne Stenehjem stated in his reply, “...chapter 54-12 ND limits the duties of the attorney General to providing legal advice to state officials, states attorneys and certain city officials. This office may not provide legal advice to private individuals on a private matter, even when requested by a legislator.”

People in power protect that power. What the Attorney General is saying is that we have to get a lawyer to represent us: \$\$\$\$\$\$. What does all this do? It simply makes CCI members more determined to keep fighting for a voice in our local and state governments.

“What does all this do? It simply makes CCI members more determined to keep fighting for a voice in our... governments.”

Left And Right Agree

“Instead of cherishing our role as the great champion of human rights, we now find civil liberties and personal privacy grossly violated under some extreme provisions of the Patriot Act.” -*Jimmy Carter*

“The Bush administration appears to be fighting two wars, the first is the so-called war on terrorism. The second is a more ominous war against the privacy and freedom of the average American.” -*Conservative Constitutional lawyer John Whitehead-Rutherford Institute*

“Freedom is never more than one generation away from extinction. We didn’t pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same.”

-*Ronald Reagan*

A Great Valley City Asset: Municipal Electric System

Let’s be careful what we do with it

By LeRoy Neubauer

A great asset that Valley City has is its Municipal Electric System. It was and is the greatest single local contributor to property tax relief in the city, and it has also provided over 1.5 million dollars in loans to the water and sewer departments. It has done this while providing residents with electric power at one of the lowest retail rates in North Dakota. And because of its low rates, Valley City has been the envy of every city, every rural electric power system, and every privately owned electric power system in North Dakota.

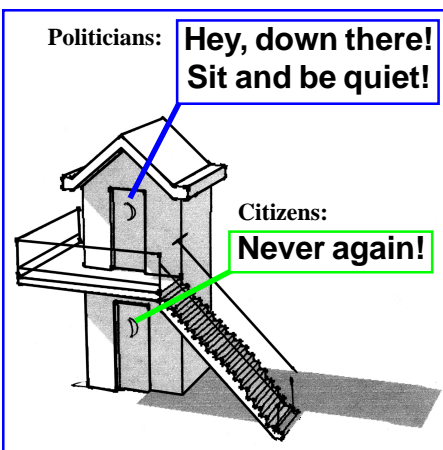
In addition to these contributions, our Municipal Electric System operated under local control- **Your Control.**

My concern is that our electric power system is currently operating without an engineering manager. It was built and maintained with technical management and has provided all of its benefits under such management. But such management has not been in existence the past few years. The city coordinator that the Valley City commissioners hired will not provide the direction needed for this most beneficial system. The city coordinator’s job is way too big to provide the hands-on management needed in the electric department.

What is Valley City doing in looking ahead to future operations? **Who will stay ahead of electric power developments in the rest of the USA? What will Valley City do in the area of wind generation? Fuel cell development? Supplement generation? Low head hydro power generation? Trash burning electric power generating systems? What will Valley City do to stay abreast of programs that aid in providing alternative development programs for future electric power sources?**

The answer is NOTHING, and as citizens of Valley City, you should be concerned. We should have a Utility Board independent of the city commission so micro-management by politicians cannot ruin our greatest property tax relief source.

Make city hall aware of your concern. Keep it foremost in mind the next time you vote for a city commissioner.



Are You A Builder?

I watched them tearing a building down,
A gang of men in a busy town.
With a "Ho! Heave! Ho!" and a lusty yell,
They swung a beam and a side wall fell.

And I asked the foreman, "Are these men as skilled
As men you'd hire if you had to build?"
And he laughed as he said, "No, indeed!
For they can easily wreck in a day or two
What builders have taken a year to do!"

And I thought to myself as I went my way,
"Which of these roles have I tried to play?
Am I the builder who works with care,
Measuring life by the rule and square?
Am I shaping my needs to a well-made plan,
Patiently doing the best that I can?"

"Or am I the wrecker who walks the town
Content with the labor of tearing down?"

We, the members of the Committee for Community Involvement (CCI), are trying hard to help build a better community. We volunteer our time, talents, and dollars to promote ideas we feel are in the best interests of the citizens of Valley City. And we know that many others do this in other ways and organizations.

We invite you to join us at our Tuesday evening discussion/meeting at 7:00 p.m., 256 East Main, Valley City.

Be A Builder!

By Jay Cink

If you like this newsletter, share it with others!

Free Small Ice Cream Cone



**BUDGET
BURGER**

845-1918

951 West Main St
Valley City

CCI POLL

Please send replies to:
CCI, PO Box 403, Valley City, ND 58072
or email: valleycitycci@yahoo.com
Feel free to include comments.

1. Would you support a regional jail being built in Valley City?
 Yes No Not Sure
2. Do you support surveillance cameras in our public schools?
 Yes No Not Sure
3. Would you support surveillance cameras on the streets of Valley City?
 Yes No Not Sure
4. Should our city be allowed to spend more than \$250,000.00 on a single project without approval by a city-wide vote?
 Yes No Not Sure
5. Who would you like to see run for Mayor next year?
1st Choice _____
2nd Choice _____

Official publication of Committee for Community Involvement (CCI), **City Watch** is published approximately every two months. Articles are submitted by members and friends of CCI. Opinions expressed are those of the writers and may not reflect official policies of CCI. Contact information: CCI, Box 403, Valley City, ND 58072 or email valleycitycci@yahoo.com

Mission Statement

The Committee for Community Involvement is an inclusive nonpartisan coalition of Valley City area citizens working together for the following purposes:

- n To encourage local government to listen to and implement the wishes of the citizens
- n To encourage local government to provide accurate and complete information to the citizens
- n To encourage citizen involvement in local decision making
- n To encourage all members of local government to maintain high ethical standards and to remember always their accountability to the citizens they represent
- n To strengthen our community by protecting the individual liberties of citizens and their posterity
- n To provide citizens with a means to **Stand Up And Be Heard**

During this season and throughout the new year, CCI wishes all of you the blessings of our Lord and Savior Jesus Christ