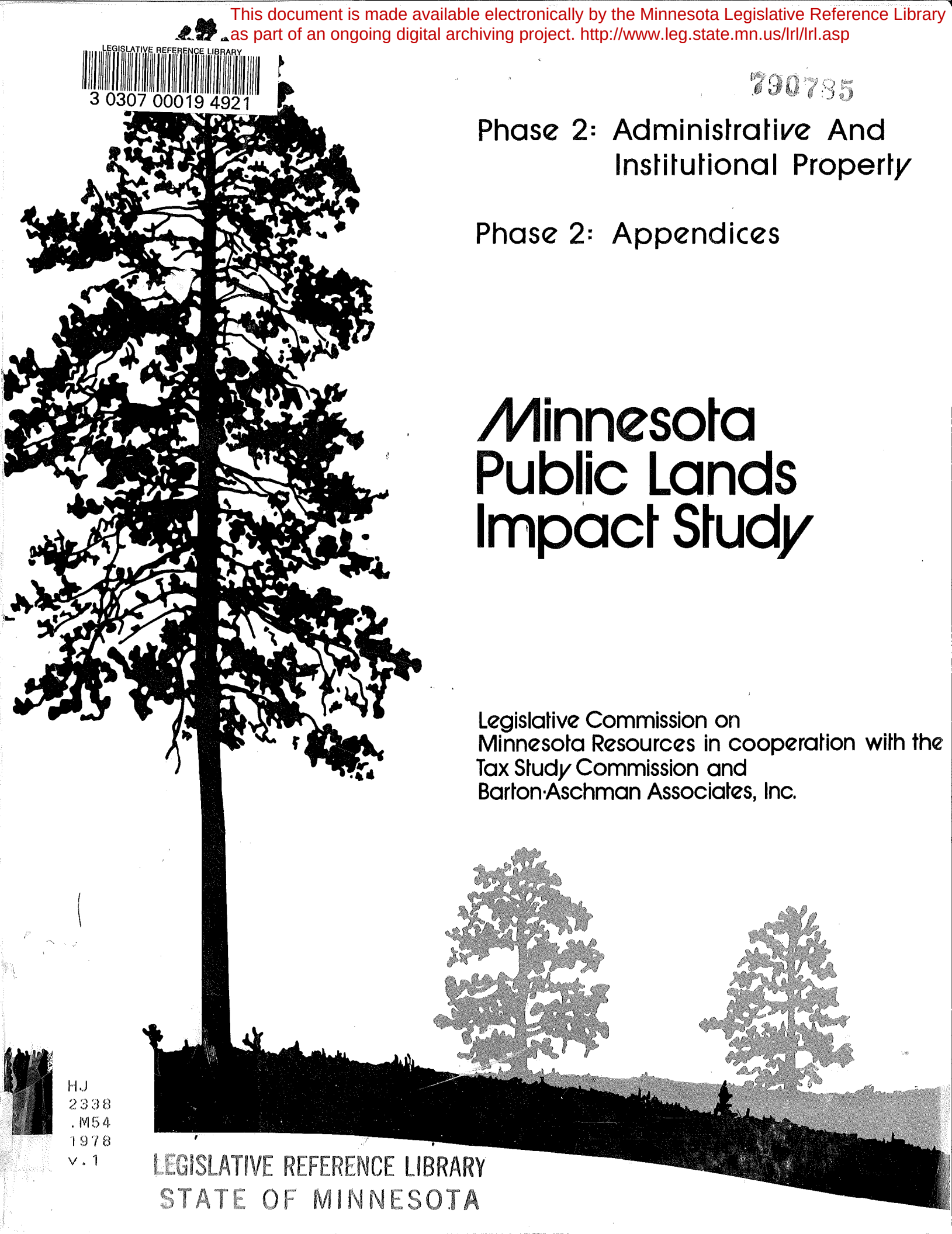
Phase 2: Administrative And Institutional Property

Phase 2: Appendices

Minnesota Public Lands Impact Study

Legislative Commission on Minnesota Resources in cooperation with the Tax Study Commission and Barton-Aschman Associates, Inc.



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PREFACE

The purpose of the Minnesota Public Lands Impact Study being undertaken by the Legislative Commission on Minnesota Resources (LCMR) in cooperation with the Tax Study Commission (TSC) and Barton-Aschman Associates, Inc. (BAA), can best be summarized by the legislative charge which states that "...the commission shall report to the 70th session of the legislature its findings and recommendations regarding payments in lieu of taxes on State and Federally owned lands..."

This report is a summary of Phase 2 of the Public Lands Impact Study. The purpose of Phase 2, as stated in the work assignment, was to "conduct research, gather and analyze information, and report findings to the LCMR concerning the effects on local units of government of land ownership by the State and Federal governments, which is held for other than natural resource management, excluding highways." Phase 1 research, which addressed the impacts of natural resource lands, began in September, 1976, and was completed in March, 1977. Phase 2 research began in May, 1977 and was completed in early 1978.

The research and analysis of both phases was completed by Barton-Aschman Associates, Inc, under the daily direction of the LCMR and the TSC. Work tasks and study findings were continually reviewed, discussed and tested among the LCMR, TSC and BAA staff. Progress reports, proposed work programs, and preliminary findings were presented on a monthly basis to a joint subcommittee of the LCMR and TSC. All research was documented on an interim basis in both "working papers" and "progress reports." This documentation has been compiled in two notebooks and is available for review in the LCMR and TSC offices.

The research process in Phase 2 also involved a review of relevant literature, contacts with numerous State, Federal, County, City, Township and field representatives/agencies. In addition, an in-depth research on conditions in three pilot areas was conducted which included evaluation of eight State institutions and thirteen local units of government. A special effort was made to involve all potentially affected agencies, at least on a representative basis, in both phases of the Public Lands Impact Study.

It is believed that this interactive study process has been very valuable in developing a factual, detailed and responsive study of the impacts of State and Federal lands in Minnesota.

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CHAPTER ONE
SYNOPSIS OF MAJOR FINDINGS

The purpose of the Minnesota Public Lands Impact Study being undertaken by the Legislative Commission on Minnesota Resources (LCMR) in cooperation with the Tax Study Commission (TSC) and Barton-Aschman Associates, Inc. (BAA), can best be summarized by the legislative charge which states that ". . . the commission shall report to the 70th session of the Legislature its findings and recommendations regarding payments in lieu of taxes on State and Federally owned lands . . ." Phase 1, which was completed in March, 1977, addressed the impacts of State and federal land held for natural resource purposes on local units of government. This report summarizes the findings of the second phase of the Public Lands Impact Study which focused on the impacts on local governments due to State lands held for administrative and institutional purposes, excluding highway rights-of-way. Several key issues were addressed during the Phase 2 research and analysis including:

1. What are the lands and how are they distributed?

2. Who is served by the lands? What was the State's objective?

3. What are the land's impacts?
   - service cost impacts
   - revenue impacts
   - economic impacts
   - social/psychological impacts

4. Why do the impacts occur? What causes them?

5. Can the impacts be predicted?

6. How significant are the impacts?

The research process in Phase 2 involved a review of relevant literature, and contacts with numerous State, Federal, County, City, and field representatives/agencies. In addition, in-depth research on conditions in three pilot areas was conducted which included an evaluation of eight State institutions and thirteen local units of government. A special effort was made to involve all potentially affected agencies, at least on a representative basis, in both phases of the Public Lands Impact

Study. The major work tasks of this study included the following components:

- Development and testing in selected pilot areas of a detailed methodology for evaluating the impacts of public lands on local communities.

- Analysis of the economic impacts of public lands in selected pilot areas.

- Determination of the revenues generated by State lands to local governments in selected pilot areas.

- Analysis of the service demands of State lands on local units of government in selected pilot areas.

- Inventory of public lands in Minnesota, and identification and evaluation of central land records systems and other data sources.

- Identification of existing direct, indirect and categorical State and Federal aids related to State land in Minnesota.

- Development of a framework for evaluating alternative approaches to payments in lieu of taxes for tax-exempt lands in Minnesota.

- Development of recommendations to the LCMR and TSC regarding a Statewide system of payments in lieu of taxes which addresses equity, fiscal impacts, and administrative considerations.

The major observations and conclusions of the Phase 2 research are outlined below. Supporting information is provided in the remaining chapters of the report. The findings of Phase 1 were reported in a report published in March, 1977. Recommendations will be presented in a third document summarizing both research phases.

STATE INSTITUTIONAL AND ADMINISTRATIVE LANDS

1. While the State and Federal governments own approximately 25 percent of the total land acreage in Minnesota, only one percent of the 25 percent is used for institutional and administrative purposes. These lands are typically intensively developed and located in urban areas. As such, they represent some of the most valuable real property owned by State and Federal government. Institutional and administrative property is located in every Minnesota county.

2. The principal uses of State lands are: (a) natural resource preservation and recreation, (b) highway rights-of-way, (c) education, (d) health care, (e) corrections, (f) administration, (g) military, (h) experiment and research and (i) transportation-related activities.

3. Camp Ripley military post, rest areas, some experimental and re-

search areas, and excess or surplus highway lands have characteristics more similar to natural resource lands than to administrative or institutional facilities.

4. At least sixteen State agencies and twenty-four Federal agencies manage institutional and administrative land in Minnesota totaling approximately 100,000 acres and 6,000 acres respectively. All State, Federal and tax-forfeited land in the State totals over 12 million acres.

5. State educational facilities appear to be located in relationship to both population and geographic distribution. This is consistent with the State's objective of providing equal educational opportunities for all Minnesota residents. These facilities in general are not functionally specialized.

6. State hospitals are currently being developed as regional centers for the treatment of profoundly retarded and severely mentally ill patients. Other programs, such as chemical dependency programs, are also being developed at these facilities. Nursing homes, residential schools, and some State hospitals continue to have specialized functions serving the entire State. All State health care facilities (except the University of Minnesota Hospital) are residential facilities.

7. All corrections facilities except the forestry camps are located in or near the Twin Cities metropolitan area. Each facility has a specialized function and serves the entire State population.

8. Administrative properties, except the Capitol Complex, are widely distributed throughout the State in apparent relationship to both population and geographic distribution.

9. Very little land is being acquired by the State for administrative or institutional purposes except in the case of educational facilities. The Department of Administration handles disposition for most State agencies except DNR, DOT and UM.

10. Most State administrative property except the Capitol Complex and MnDOT facilities is leased from private owners. Inter-agency leasing also occurs frequently at State institutions.

11. There is no active disposition program of State real property and most agencies do not have stated policies regarding property disposition. The Department of Administration handles disposition for most State agencies except DNR, DOT, UM and military armories.

12. If State land disposition occurs, first option is given to another State agency, second option is given to other public or quasi-public agencies, and the final option is public sale.

CENTRAL LAND RECORDS AND DATA SOURCES

1. No central record system currently maintains information on all State real property.

2. The SHELTER data base will have information on all State structures when completed. If expanded as proposed, it will include data on all public structures in the State.

3. If expanded as proposed, the DNR Land Classification/Land Ownership system will include parcel specific data on all State land. If this occurs, it will be important to assure that this system is compatible with SHELTER so that structure and land data can be interrelated.

4. Most major State institutions (education, health care, and corrections) are managed individually with minimum central data available.

5. There is no comprehensive central data source on State employment.

6. Centrally available financial data appears to be very accurate but may not always be available in an easily understood or desirable format.

7. The local Assessor's estimate is frequently the only available estimate of the market value of State real property. While this assessment may be comparable to other assessments in the same community, assessment practices apparently vary among assessors. The most common approach used by local assessors to estimate the value of State properties in pilot areas was depreciated replacement value.

EXISTING PAYMENTS RELATED TO ADMINISTRATIVE AND INSTITUTIONAL LANDS

1. There are very few direct payments made for State administrative and institutional lands.

2. State laws authorizing payments for these lands typically apply to other State lands as well. Two principles are common: (1) revenue sharing, and (2) limited payment of selected taxes and special assessments.

3. Service fees are typically paid by the State for public utilities. Service fees for other services are paid inconsistently at varying rates for varying reasons.

4. Categorical State and Federal aid formulae typically have equalizer or need factors such as mill rate, income, taxable value, etc. The extent to which exemption affects these characteristics determines its effect on aid. Almost all aid formulae include population

as a major factor. Thus, State and Federal aids are increased when a State facility increases local population.

5. Local officials and individual taxpayers are typically unaware of both direct State payments and the indirect effect of a State facility on general financial aids received by the local community.

EVALUATION METHODOLOGY

1. The methodology presented in this chapter is one of the most comprehensive efforts ever undertaken to measure quantitatively the full range of costs and benefits associated with public lands.

2. The methodology, wherever possible, is based on predictive measures which do not assume equal allocation of costs and benefits to all properties in a community.

3. Wherever appropriate, ranges rather than exact numbers are provided. This permits greater interpretation of a wider range of variables.

4. Wherever possible, the methodology used or expanded upon previously tested approaches. Also, wherever possible, the required data was limited to that which could be readily obtained in other communities.

5. The evaluation methodology developed in the case study areas can be applied to other areas or institutions if the appropriate data is available. The methodology and appropriate data sources have been carefully documented to make comparable application of the methodology possible.

6. Since the sample size was very small, much of the data, methodology, and assumptions could not be tested thoroughly. However, they appear to be reasonably reflective of conditions in the case study areas.

7. Incremental effects on benefits or costs cannot be clearly measured using this methodology.

8. Because most costs and revenues are related to people not property, it is difficult to allocate costs and revenues to a single piece of property. Records typically are not kept on this basis. Revenues and services are not provided to individual people so much as "for the public good."

9. Primary and secondary costs and revenues are difficult to separate. This is especially true of most revenues because property is not a direct factor in the aid formulae.

10. This methodology assumes that the institution populations can be

represented by local city, county and school district averages. This may or may not be accurate. The characteristics of each institution's population may vary significantly from local averages affecting economic impact, cost and revenue figures. Similarly, assumptions related to the place of residence of employees and students will also affect economic impact, cost and revenue figures.

ECONOMIC IMPACTS

1. State institutions typically employ a higher percentage of "professionals and technicians" and "clerical workers" or "service workers" (depending on the institutional function) than other employers in the pilot cities.

2. Hospitals employ the most people in relation to their service population; prisons employ the least. However, colleges generate the most secondary employment due to their large student populations.

3. Educational facilities also generate higher total personal income, primarily due to student expenditures. The prison appears to have the highest net payroll per employee among the pilot institutions.

4. The pilot hospital purchased the most local goods and services in the pilot areas and the prison has the least expenditures in relation to population size.

5. There is little variation in total business volume generated in relation to functional use of State facilities. Direct expenditures are the key factor for the MnDOTs and the hospital. Employee and student expenditures are the key factors for the colleges and the prison.

6. The pilot State educational facilities provide a wide range of community services. The pilot prison, hospital and MnDOTs provide very few community services.

7. The community services provided are usually related to the functional purpose of the institution. Fees are charged for those programs or facilities least related to institutional function.

8. Educational facilities are typically perceived as improving the image and quality of life in a community. Hospitals and prisons are thought to have a negative impact. MnDOT facilities appear to have a neutral impact.

9. The convenience and availability of educational facilities is a clear benefit to local residents. Other State facilities do not provide the same benefit to local residents.

REVENUE IMPACTS

1. Intergovernmental revenues are generated primarily by population. State institutions generate these revenues in direct relationship to the increased population they generate.

2. Patients, inmates and students are counted as local population in determining governmental revenues.

3. State institutions generate local property taxes through their employees' households and the business volume they generate.

4. Very few direct payments are made by the pilot institutions except infrequent special assessments or service fees.

5. State institutions pay for municipal utilities at the same rate as other non-residential users.

6. Institutions with large service populations (patients, inmates, students) will generate higher intergovernmental revenues than institutions with employees only.

7. Large institutions with both residential and non-residential service populations will generate higher total revenues because they generate higher property taxes.

SERVICE COST IMPACTS

1. The pilot State institutions require local services at some cost to localities, and the State pays no property taxes in support of these services. While there are other aids and compensating factors, the cost of service outweighed current compensation in most test cases.

2. Institutions require direct services for police, fire, roads, transit and parking.

3. A full range of local services is provided indirectly to the institution's employees and the service population living in the community.

4. Police and road service costs are the major direct service costs for all pilot institutions.

5. Police, fire and parking are typically perceived by local officials as being the greatest direct costs in the pilot areas. Roads are typically not viewed as a direct service cost to the institutions.

6. All pilot institutions provided adequate parking for their demand. However, pricing of on-campus parking appears to be causing high use of off-campus parking at both Universities.

7. Municipal utilities (sewer and water) were provided to almost all pilot institutions. These services are paid for by the State at standard non-residential rates.

8. There have been special State payments or grants made occasionally for special capital improvements directly related to State facilities. Only special assessments provide compensation for general capital improvements.

9. The pilot hospital and the MnDOTs generate higher costs on a per capita basis than the colleges or the prison. The prison has the lowest per capita service costs.

RELATIVE SIGNIFICANCE OF IMPACTS

1. The pilot prison and the MnDOTs generate a higher business volume in relation to service costs than do other State facilities.

2. All pilot facilities except the prison show a net deficit between costs and revenues in the pilot cities and counties. However, all pilot facilities except the hospital show a net surplus in the school districts.

3. The net deficits in the cities represent less than 4 percent of city expenditures. Only the colleges had a net deficit of over 1 percent of city budgets. The net deficits or surpluses in counties were all less than one percent.

4. The net deficits or surpluses in school districts were less than one percent except for the colleges which had surpluses of between one and three percent of school district budgets. This is due primarily to the property taxes generated by the student population.

5. Combined State institution employment generated between 10 and 15 percent of the pilot city's labor force. Combined secondary employment accounted for between 22 and 35 percent of the local labor force.

6. Primary expenditures of the institution and its population do not create a significant percentage of local business volume. Secondary business volume, however, is significant for both State Universities (8 percent in St. Cloud and 20 percent in Bemidji).

7. The relative significance of impacts is directly related to the size of the institution in relationship to the size of the host community. To a lesser degree, the institutional function and local economic base are also influential.

8. The quality of service, level of service, cost of service, and

tax base varies significantly from one community to another.

9. Although the dollar results will vary, the general results of the evaluation can be applied to other State institutions with similar functions. Given adequate data, the methodology can be reliably applied to other institutions and communities.

10. If the necessary data and service demand factors were available, the methodology could be applied to natural resource lands. However, these data do not appear to be available in most cases.

11. The results of the evaluation would vary significantly for natural resource lands because the primary users of these lands are seasonal visitors.

CHAPTER TWO
STATE AND FEDERAL INSTITUTIONS AND ADMINISTRATIVE LANDS IN MINNESOTA

Several key questions were addressed in Phase 2 of the Public Lands Impact Study related to State and Federal lands, including the following:

1. How much land is in State and Federal ownership?

2. What are the principal uses of these lands?

3. Which agencies manage these lands?

4. How are State lands distributed?

5. Who is served by these State facilities?

6. What were the State's objectives in owning and locating these facilities?

7. How are State lands acquired and disposed of?

The purpose of this chapter is to report the findings of this research. Related land records and data sources will be described in Chapter Three; and related payments will be identified in Chapter Four.

Phase 2 of the Public Lands Impact Study does not include natural resource lands or highway rights-of-way. These lands are not included in the data reported in this chapter. Data related to natural resource lands were reported in the Phase 1 report.

LAND OWNERSHIP AND MANAGEMENT

It is estimated that there are approximately 100,000 acres of State land and 6,000 acres of Federal land in Minnesota excluding natural resource lands and highway rights-of-way. On an acreage basis, these "institutional and administrative" lands account for about one percent of all State and Federal land in Minnesota. However, they also tend to be the most intensively developed lands and are usually located in urban areas. As such, these lands represent some of the most valuable real property in Minnesota owned by the State and Federal governments.

TABLE 1
Acres of State-owned Administrative and Institutional Lands in Minnesota by State Agency

County	County Total	Aeronautics	Military Affairs	DOT	DPW	Community Colleges	State University Board	Dept of Admin.	DOC	U of M	Other State Agencies
Aitkin	219		1	218							
Anoka	1,143		*	122	254	92			648	27	
Becker	74		2	72							
Beltrami	343	2	5	173			89				
Benton	16			16							
Big Stone	53		*	53							
Blue Earth	414		*	24			390				
Brown	39		2	36							
Carlton	4,217			302	175					3,740	
Carver	655			11						654	
Cass	358			49	240					69	
Chippewa	132		*	132							
Chisago	123			123							
Clay	175		*	71			104				
Clearwater	27			27						(4)	
Cook	1,425			1,265						160	
Cottonwood	44		*	44							
Crow Wing	776		*		198	101				320	
Dakota	6,239		1	151	271	94				5,242	480
Dodge	30			30							
Douglas	96		*	96							
Faribault	151			151							
Fillmore	29			29							
Freeborn	71		*	71							
Goodhue	348		5	100					243		
Grant	49			49							
Hennepin	1,269		3	680	75	171				288	52
Houston	43			43							
Hubbard	68		*	68							
Isanti	247			2	245						
Itasca	866		1	193					(3)	672	
Jackson	98		5	93							
Kanabec	62			62							
Kandiyohi	343		2	100	158	80				3	
Kittson	35			35							
Koochiching	895			813		82					
Lac Qui Parle	87		2	37							
Lake	245			245						48	
Lake of the Woods	110			110							
Le Sueur	22			22							
Lincoln	11			11							
Lyon	299		7	76			216				
Mahnomen	23			23							
Marshall	135			135							
Martin	26		5	21							
McLeod	17		*	17							
Meeker	2		1	1							
Mille Lacs	25		*	25							
Morrison	52,572		52,536	36							
Mower	101		5	35		61				(3)	

TABLE 1
ACRES OF STATE-OWNED ADMINISTRATIVE AND INSTITUTIONAL LANDS IN MINNESOTA BY STATE AGENCY[1] - continued

County	County Total	Aeronautics	Military Affairs	DOT	DPW	Community Colleges	State University Board	Dept of Admin.	DOC	U of M	Other State Agencies
Murray	8			8							
Nicollet	636		*	16	620	67					
Nobles	93		*	26							
Norman	82			82							
Olmsted	378		2	35	169	172					
Otter Tail	692		1	223	320	148					
Pennington	110	2	2	40		66					
Pine	197		5	192							
Pipestone	10		1	9							
Polk	1,175		12	71					(3)	1,078	14
Pope	1,219			82						1,137	
Ramsey	581		20	136		80	(2)	45			300
Red Lake	431			31						400	
Redwood	2		*	2							
Renville	13		*	13							
Rice	131		6	115							
Rock	882		*	30	852						
Roseau	134	51		83							
St. Louis	974		170	804							
Scott	1,975			110		139			33	1,173	520
Sherburne	1,286			54			805		427	(4)	
Sibley	45			45							
Stearns	652		7	381					265		
Steele	233		*	151			82				
Stevens	1,320		5	71						1,244	
Swift	206		*	206							
Todd	72		*	72							
Traverse	29			29							
Wabasha	52			52							
Wadena	13		2	11							
Waseca	848			5						843	
Washington	287		1	196					90		
Watonwan	31		2	29							
Wilkin	4			4							
Winona	291		5	248			38				
Wright	104			104							
Yellow Medicine	45			45							
TOTAL [5]	98,236	55	52,840	10,476	3,577	1,391	1,724	45	1,706	24,926[5]	1,429

Note: columns may not total due to rounding of numbers.

* less than one acre

(1) Source: State agency survey conducted by Barton-Aschman Associates, Inc. in June, 1977 - natural resource lands, highway rights-of-way, metropolitan commissions, and Higher Education Facilities Authority not included in this tabulation.

(2) Metropolitan State University is located in Ramsey County but has no land holdings.

(3) Correctional institutions located in Itasca and Pine Counties but land leased from DNR.

(4) University facilities are located in Clearwater, Mower, and Sherburne Counties but land is leased.

(5) 47,865 acres of Salt Spring Lakes and Trust Fund Lands not included in this tabulation.

TABLE 2
Gross Square Footage of State-owned Buildings by County

County	County Total	DOT-Div. of Aeronautics	Military Affairs	DOT	GSA	DPW	Community Colleges	State University Board	Dept of Admin	DOC	U of M	Other State Agencies
Aitkin	1,320		N/A	1,320								
Anoka	997,522		N/A	20,573		508,375	212,449			256,125		
Becker	72,008		N/A	72,008								
Beltrami	1,443,409	N/A	N/A	44,062				1,399,347				
Benton	2,698			2,698								
Big Stone	0		N/A									
Blue Earth	2,682,522		N/A	77,078				2,605,444				
Brown	1,800		N/A	1,800								
Carlton	370,174			11,318		358,856						
Carver	5,238			5,238								
Cass	264,440			9,342		255,098						
Chippewa	9,840		N/A	9,840								
Chisago	10,698			10,698				1,417,828				
Clay	1,433,828		N/A	16,000								
Clearwater	4,368			4,368								
Cook	2,860			2,860								
Cottonwood	49,824		N/A	49,824								
Crow Wing	844,373											
Dakota	454,737		N/A	59,760		696,066	88,547					N/A
Dodge	0		N/A	22,846		287,932	143,959					
Douglas	17,044		N/A	17,044								
Faribault	10,752			10,752								
Fillmore	5,720			5,720								
Freeborn	0		N/A									
Goodhue	291,829		N/A	6,056						285,773		
Grant	0											
Hennepin	13,254,695		N/A	181,898		382,996	620,963		143,602		11,867,300(3)	57,936
Houston	5,903			5,903								
Hubbard	1,500			1,500								
Isanti	668,256		N/A	2,698		665,558						
Itasca	53,607		N/A	6,360								
Jackson	8,000		N/A	8,000			(1)			47,247		
Kanabec	2,860			2,860								
Kandiyohi	619,984		N/A	20,754		497,400	101,830					
Kittson	6,052			6,052								
Koochiching	58,975			8,356			50,619					
Lac Qui Parle	5,208		N/A	5,208								
Lake	11,520			11,520								
Lake of the Woods	2,860			2,860								
Le Sueur	2,698			2,698								
Lincoln	4,698			4,698								
Lyon	1,096,676		N/A	9,710				1,086,966				
Mahnomen	0											
Marshall	2,860			2,860								
Martin	6,384			6,384								
McLeod	3,756			3,756								
Meeker	2,060		N/A	2,060								
Mille Lacs	4,318		N/A	4,318								
Morrison	0		N/A									
Mower	133,524		N/A	7,234			126,290					

TABLE 2
GROSS SQUARE FOOTAGE OF STATE OWNED BUILDINGS BY COUNTY - continued

County	County Total	DOT-DIV of Aeronautics	Military Affairs	DOT	GSA	DPW	Community Colleges	State University Board	Dept of Admin	DOC	U of M	Other State Agencies
Murray	0											
Nicollet	737,067		N/A	4,368		732,699						
Nobles	116,947		N/A	10,240			106,707					
Norman	2,360			2,360								
Olmsted	1,087,006		N/A	100,034		760,247	226,725					
Otter Tail	985,289		N/A	6,774		876,932	101,583					
Pennington	52,383	N/A	N/A	N/A			52,383					
Pine	48,010		N/A	19,672						28,338		
Pipestone	1,280		N/A	1,280								
Polk	266,997		N/A	13,858							253,139	
Pope	2,860			2,860								
Ramsey	6,673,633		N/A	29,768			184,972	(2)	2,341,593		3,390,600	731,700
Red Lake	0											
Redwood	1,560		N/A	1,560								
Renville	6,722		N/A	6,722								
Rice	1,421,546		N/A	15,234		1,406,312						
Rock	0		N/A									
Roseau	2,860	N/A		2,860								
St. Louis	1,818,479		N/A	167,455			272,978				1,364,846	13,200
Scott	32,318			8,118						24,200		
Sherburne	634,000									634,000		
Sibley	1,800			1,800								
Stearns	2,362,412			68,382				2,097,630		190,000		6,400
Steele	54,400		N/A	54,400								
Stevens	758,212		N/A	8,750							749,462	
Stone	4,368		N/A	4,368								
Swift	4,378		N/A	4,378								
Todd	5,558		N/A	5,558								
Traverse	0											
Wabasha	2,000			2,000								
Wadena	3,540		N/A	3,540								
Waseca	228,081										228,081	
Washington	1,350,109		N/A	111,060						1,239,049		
Watonwan	3,200		N/A	3,200								
Wilkin	2,698			2,698								
Winona	1,117,130		N/A	12,800				1,104,330				
Wright	10,174			10,174								
Yellow Medicine	1,856			1,856								
TOTAL	44,747,521			1,458,519		7,428,471	2,290,005	9,711,545	2,485,195	2,704,732	17,853,428	815,626

N/A - Not available.

(1) Itasca Community College facilities leased from the University of Minnesota.
(2) Metropolitan State University is located in Ramsey County but maintains no buildings.
(3) Incomplete data.

SOURCE: SHELTER except UM

State Lands. At least sixteen State departments and independent agencies reported having clear responsibility for managing State-owned real property in a survey conducted in June, 1977. These agencies include the following:

- Department of Administration
- Department of Agriculture
- Board for Community Colleges
- Department of Corrections
- Department of Education
- Department of Employment Services
- Iron Range Resources and Rehabilitation Board
- Department of Military Affairs
- Minnesota State Agricultural Society (Minnesota State Fair)
- Minnesota Zoological Gardens
- Department of Natural Resources
- Department of Public Welfare
- State University Board
- Department of Transportation (Division of Right-of-Way; Division of Aeronautics)
- University of Minnesota
- Department of Veteran Affairs

Three other agencies also reported real property management responsibilities but the circumstances of these agencies are unusual. Both the Metropolitan Transit Commission and the Metropolitan Waste Control Commission reported State land management responsibilities. It is not clear, however, if land title is held by the State or local entity. The Higher Education Facilities Authority holds title to properties located on 23 private college campuses as the guarantor of bonds for these colleges. When these bonds are paid, title is transferred to the private college for a nominal sum. While the State holds legal title to these lands on a temporary basis, the properties are managed by the private colleges.

A composite of State-owned administrative and institutional land holdings by county is shown in Table 1. These composite data indicate that State administrative and institutional properties cover 98,236 acres in Minnesota. All counties are represented as having some public land coverage with Meeker and Redwood Counties having the least amount (2 acres) and Morrison County containing the most acreage (52,572 acres). Almost 50 percent of Minnesota counties have less than 200 acres of such State-owned land. Less than 15 percent of Minnesota counties have more than 1,000 acres. Natural Resource lands, highway rights-of-way, metropolitan commission lands and lands of the Higher Educational Facilities Authority are not included in this tabulation.

A compilation of building gross square footage by county is indicated in Table 2. Since some State departmental systems do not record square

footage, this tabulation is not all inclusive. The composite in Table 2 shows that there is at least 44,747,521 gross square feet of State-owned administrative and institutional property. Hennepin County has the most square footage area with Ramsey County having the next highest square footage. This high concentration is due to the University of Minnesota campus and the Capitol Complex. The University of Minnesota manages more gross square footage than any other agency covered in Phase 2 and is also the largest landholder when Salt Spring and University Trust lands are included.

Federal Lands. Twenty-four Federal agencies manage lands in Minnesota. Six of these agencies administer natural resource lands. The remaining eighteen agencies are listed in Table 3. These agencies administer an estimated 6,061 acres of land with most of the acreage under the management of the Department of Defense.

TABLE 3
Federal Institutional and Administrative Lands in Minnesota

Agency	Estimated Acres
Dept. of Agriculture	
- Agricultural Research Service	15
Dept. of Commerce	
- Environmental Protection Agency	53
- General Services Administration	84
Dept. of Health, Education and Welfare	
- Health Services Administration	4
- Social Security Administration	2
Dept. of Interior	
- Geological Survey	1
- Bureau of Mines	80
- Bureau of Reclamation	42
Dept. of Justice	
- Immigration and Naturalization Board	9
- Board of Prisons	560
National Science Foundation	1
U.S. Postal Service	47
Dept. of Transportation	
- Coast Guard	19
- Federal Aviation Administration	8
Dept. of Defense	
- Veterans Administration	860
- Air Force	1,651
- Army	2,515
- Navy	110
TOTAL	6,061

(1) Does not include 3.4 million acres of natural resource land managed by Dept. of Agriculture (Forest Service), Dept. of Interior (Fish and Wildlife Service, Bureau of Indian Affairs, Bureau of Land Management, National Park Service), and Dept. of Defense (Corps of Engineers).

Source: Bureau of Land Management, Public Lands Statistics, 1976.

PRINCIPAL USES OF STATE LANDS

State and Federal lands are used for a multitude of purposes. These functions may be generally categorized as follows:

- Natural resources and recreation
- Highway rights-of-way
- Educational institutions
- Health care institutions
- Corrections institutions
- Adminstrative offices and facilities
- Military properties
- Experimental and research areas
- Transportation-related areas and facilities

As mentioned earlier, natural resource lands and highway rights-of-way are not included in this report. The principal uses of the remaining State lands are indicated in Table 4 in relationship to the managing State agency. The designation of an administering agency is typically based on the functional use of the facility.

This report deals primarily with the larger institutional and administrative landholdings of the State; that is, (1) educational institutions, (2) health care facilities, (3) correctional institutions, and (4) administrative facilities. State military properties are principally small armories. Camp Ripley in Morrison County is the major exception. However, its size (52,536 acres), its rural location, and its limited development suggest that this facility may be more similar to natural resource land than to an institutional property. Transportation-related facilities are defined as primarily rest areas, gravel pits, and excess and surplus properties. These lands also appear similar to natural resource lands. Experimental and research areas are typically part of an educational institution or a natural resource land holding.

The four major types of institutions vary somewhat and are described in more detail below.

Educational Institutions. There are three State educational systems in Minnesota: (1) the University of Minnesota system, (2) the State University system, and (3) the Community College system. Each is managed separately. The University of Minnesota system is managed autonomously from other State agencies as established by the State Constitution. The University of Minnesota has six campuses; there are seven State universities; and there are eighteen community colleges.

The University of Minnesota was founded in 1851. Its primary objective is to provide educational opportunities to all Minnesota residents. It also has an active extension division and agricultural experimentation program, and sponsors many significant research projects.

The Community College system was established in 1963. Public junior colleges were operated by the local school districts prior to that time. They were supported entirely from local funding sources until 1957-1963 when State aid was provided on a per pupil basis. These schools offer a wide range of two-year programs. The primary objective of this system is to provide expanded educational opportunities to Minnesota residents at the community level.

Health Care Facilities. Health care facilities may be generally categorized as: (1) State hospitals, (2) State nursing homes, and (3) residential schools. The Department of Public Welfare manages ten State hospitals. These facilities are used to provide custodial care to the profoundly retarded and severely mentally ill. Several hospitals also have programs for the chemically dependent. There are two State nursing homes, also managed by DPW, which provide services to mentally retarded and mentally ill geriatric patients. Two residential schools serve children with hearing and sight disabilities. Responsibility for these schools was transferred from DPW to the Department of Education in July, 1977. The State hospitals are currently being developed as regional, multi-purpose facilities although there was originally greater functional specialization of these facilities. Some health care facilities, such as the Minnesota Security Hospital, continue to have specialized functions.

Corrections Facilities. The Department of Corrections manages eight corrections facilities in Minnesota. These facilities vary considerably in function from maximum security prisons to rehabilitation and vocational facilities. Children and adults are treated at separate facilities as are men and women. The principal objectives of this system are to provide secure facilities and rehabilitation programs for individuals convicted of crimes in Minnesota.

Administrative Facilities. Administrative facilities owned by the State are limited primarily to: (1) the State Capitol Complex, and (2) MnDOT regional headquarters and maintenance facilities. Most other State administrative facilities are leased from private owners. Over 300,000 square feet of privately owned office space is leased by the State. In addition, considerable inter-agency leasing of space occurs on college campuses and other State institutions.

DISTRIBUTION OF STATE LANDS

The distribution of State lands as it relates to the service provided is an important consideration when assessing the equitable delivery of State services and the equity of the impacts of State land ownership. Tables 1 and 2 gave a general indication of the distribution of acreage and square footage among counties. The average State-owned acreage for all counties is 1,129 acres. However, only eleven counties have over 1,000 acres, while 65 have less than 500 acres (see Table 1). The average square footage is 514,000. Twelve counties have over 1,000,000 sq. ft., while 59 counties have less than 100,000 sq. ft. of State-owned space (see Table 2).

The State University system began in the late 1800's as schools for teacher education. Curriculum has expanded significantly since that time. Two-year technical/vocational programs, four-year degree programs, and graduate programs are offered. The principal objective of this educational system is to provide regional and community educational opportunities to all Minnesota residents.

TABLE 4
Summary of State Institutional and Administrative Lands in Minnesota

Managing Agency	Estimated Acreage	Estimated Number of Sites	Principal Uses
Aeronautics, MnDOT	55	14	One airport (Pine Creek in Roseau County); navigational aids located in close proximity to airports.
Right-of-Way, MnDOT[1]	10,476[2]	185 building sites, 344 rest areas, 71+ gravel pits	MnDOT headquarters, truck stations, driver examination areas, storage areas, training centers, rest areas, gravel pits, excess property, surplus property.
Military Affairs	52,840	78	Armories, maintenance facilities, vehicle storage and compound facilities, training facilities, air and army national guard installations (note: Camp Ripley in Morrison County accounts for 52,536 acres of land).
Public Welfare	3,577[3]	14[3]	State hospitals, State nursing homes, and State residential schools for the disabled.
Corrections	1,706	8[4]	State prisons, reformatories, correctional facilities, training schools and vocational facilities for delinquents and inmates.
Community College Board	1,391	18[5]	Community college campuses.
State University Board	1,724	7	State University campuses, experimental farming, recreation, student housing.
University of Minnesota	24,927[6]	51	University campuses, forestry and agricultural research and experimentation, environmental education, recreation, housing, educational support facilities, health care facilities.
Administration	45	4	Capitol complex, governor's ceremonial mansion, administrative buildings.
Other[7]	1,429	10	State fairgrounds, zoo, administrative buildings, veterans homes, agricultural and forestry research and experimentation.
TOTAL	98,236	804+	

[1] Does not include highway rights-of-way.

[2] Includes 1,770 acres of surplus property acquired by easements which limit sale to previous owner or public agency.

[3] Two sites (residential schools) transferred to Dept. of Education in July, 1977.

[4] Two sites are leased from the Dept. of Natural Resources.

[5] One site leased from the University of Minnesota.

[6] Does not include 5,751 acres of Salt Spring Lands or 42,114 acres of Trust Fund Lands.

[7] Agricultural Society, Dept. of Agriculture, Employment Services, IRRRB, Veterans Affairs, Zoological Garden.

Sources: See Table 1.

Educational Institutions. The distribution of the State's universities and community colleges is shown in Figures 1 and 2. It appears that the locations of these facilities have been influenced by both population distribution and geographic distribution principles. This is consistent with the State's objective of providing equal educational opportunities to all Minnesota residents.

Health Care Facilities. Health care facility locations are illustrated in Figure 3. Since many of these facilities had specialized functions when they were first developed, the locational pattern is not as clear as that of the educational facilities. Most are located in central and southeastern Minnesota. This is somewhat reflective of population distribution. It is the State's policy to move toward regionalization of State hospitals. Nursing homes and residential schools will continue to have specialized functions serving the entire State.

Corrections Institutions. All corrections institutions except the Forestry Camps (small vocational facilities) are located in the central/-southeastern part of the State, either in or near the Twin Cities metropolitan area (see Figure 4). These facilities serve the entire State population and each has a specialized function.

Administrative Facilities. The major State administrative landholding, the Capitol Complex, is located in St. Paul. Other administrative facilities, owned and leased, are scattered throughout the State. MnDOT headquarter locations are illustrated in Figure 5. In addition to these facilities, MnDOT maintains truck stations and related facilities in all but eight counties. Future facilities are planned in three of these eight counties. The locations of MnDOT facilities appear to bear a direct relationship to both population and geographic distribution.

Service Populations. Based on the above discussion of the function and distribution of State institutional and administrative lands, the principal populations served by each of the major institutional types can be identified as shown in Table 5.

TABLE 5
Service Population Areas of State Institutions

	Statewide	Regional	Sub-Regional
Universities	X	X	
Community Colleges			X
Health Care Facilities	X	X	
Corrections Institutions	X		
MnDOT Facilities		X	
State Capitol	X		

UNIVERSITIES IN MINNESOTA

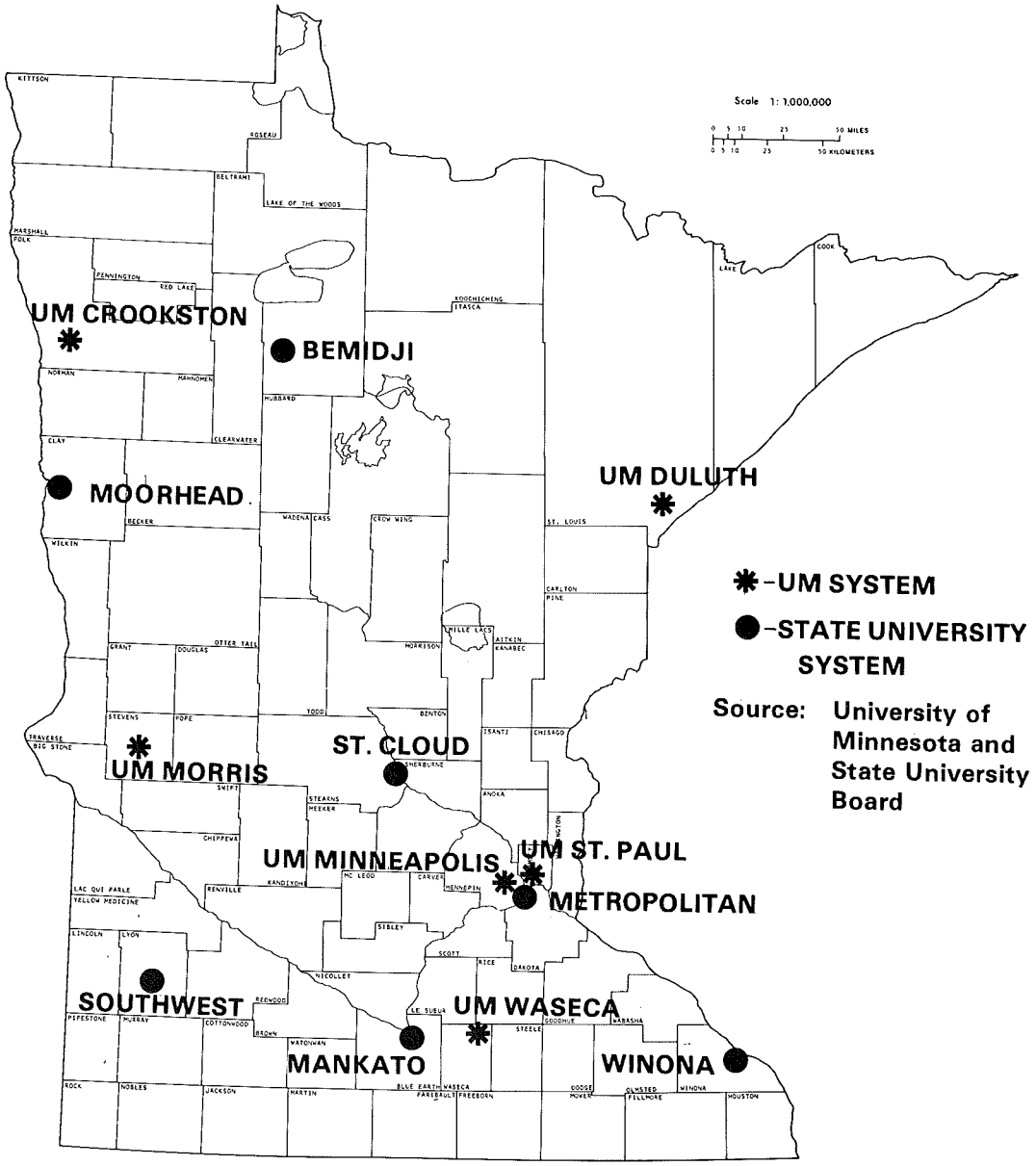
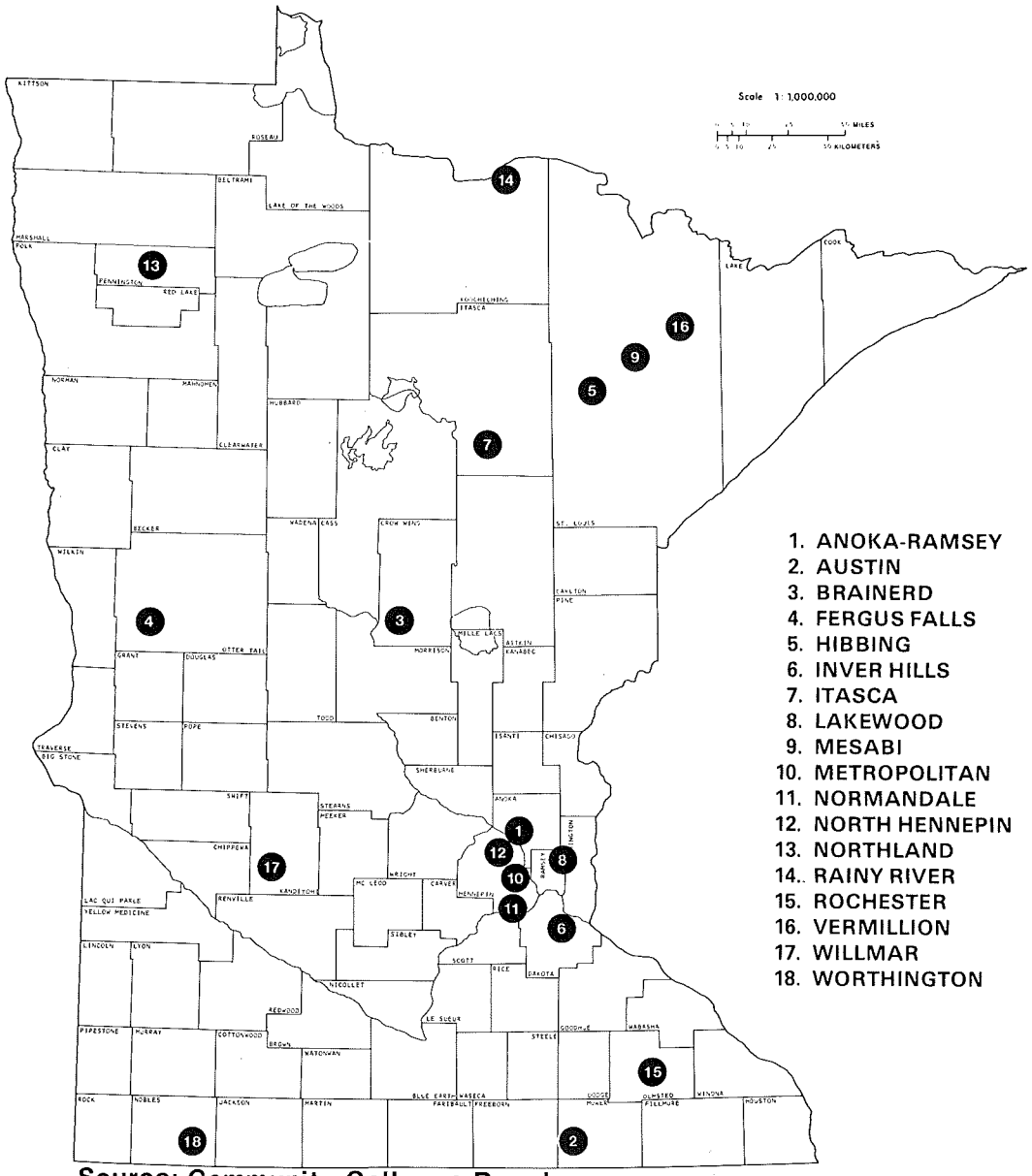


FIGURE 1
Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

COMMUNITY COLLEGES IN MINNESOTA



Source: Community Colleges Board

FIGURE 2
Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

HEALTH CARE FACILITIES IN MINNESOTA

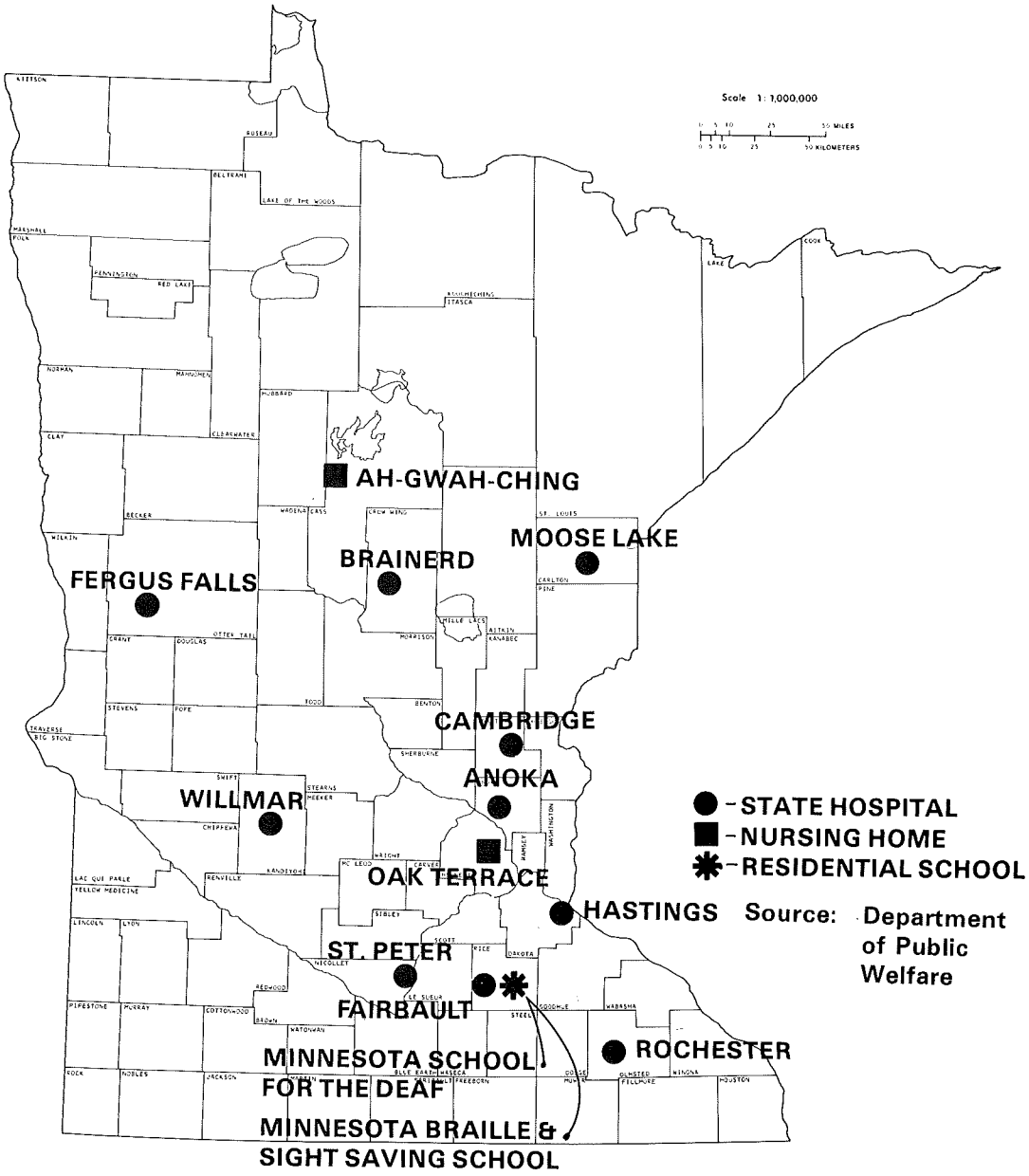
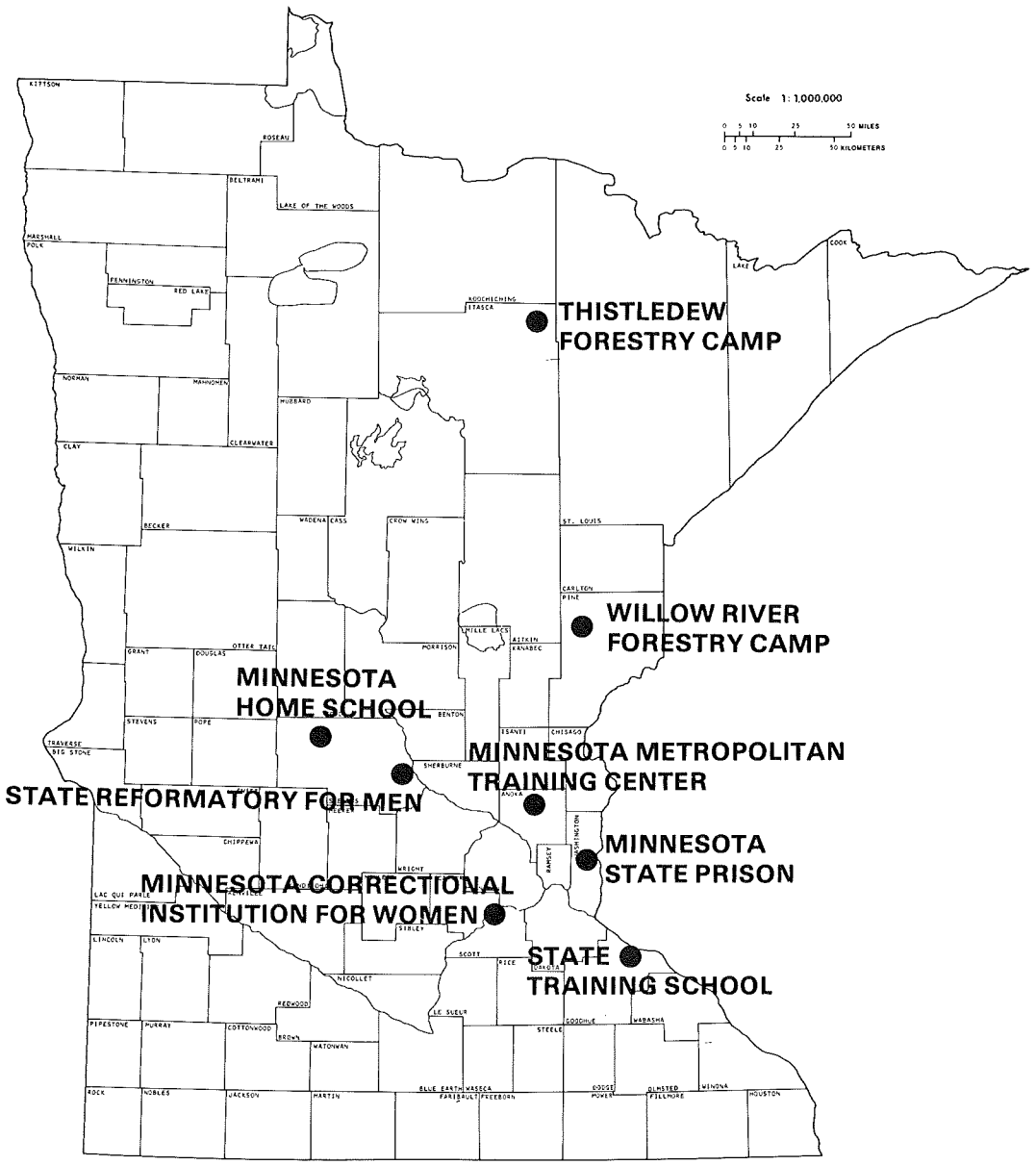


FIGURE 3

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

CORRECTIONAL INSTITUTIONS IN MINNESOTA



Source: Department of Corrections

FIGURE 4

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

MAJOR STATE ADMINISTRATIVE FACILITIES IN MINNESOTA

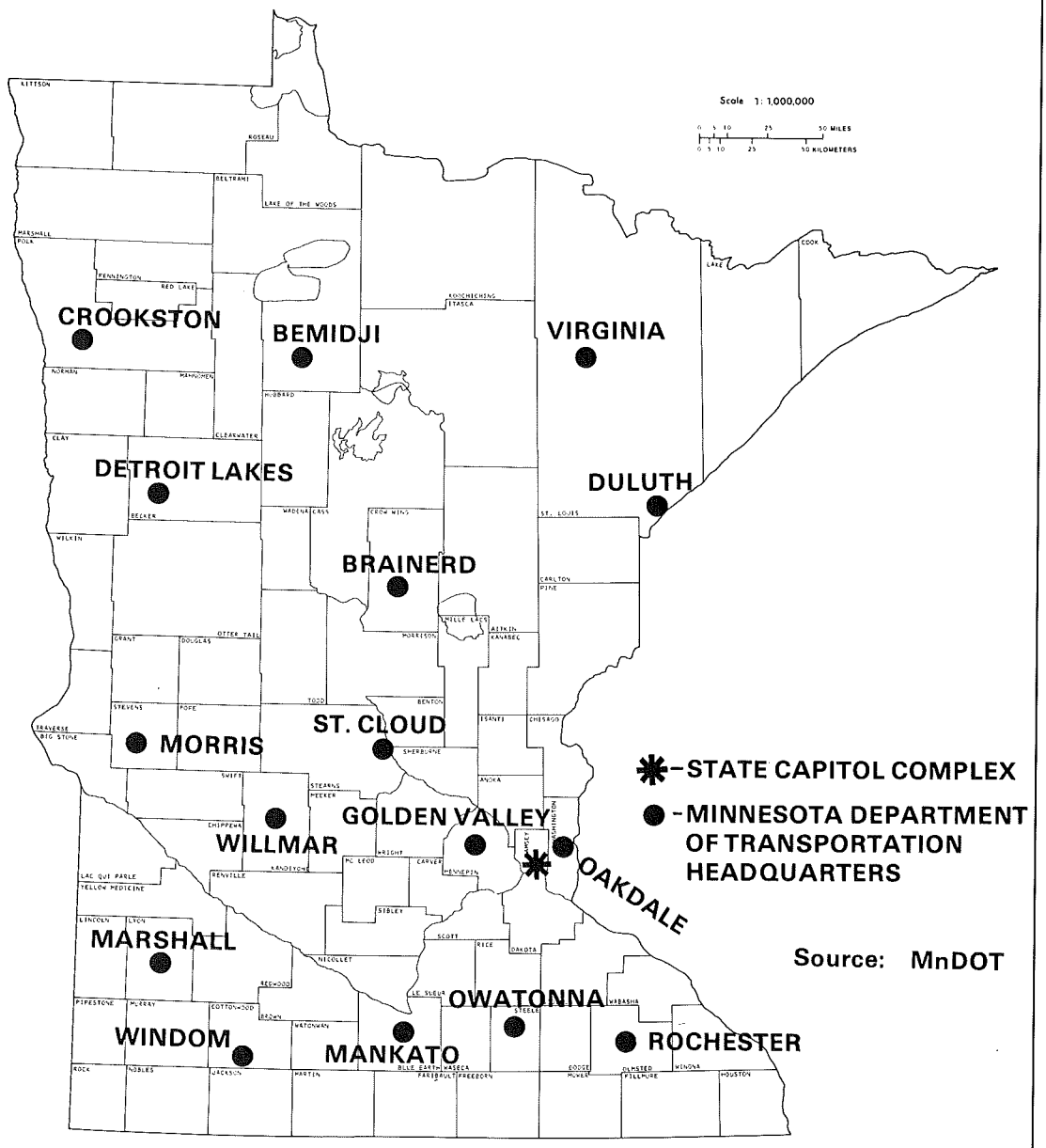


FIGURE 5

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

ACQUISITION POLICIES

Acquisition needs are usually determined by the managing agency or the individual institution. These recommendations are included in budget requests to the Legislature and must be approved before acquisition can occur. The Real Estate Management Division of the Department of Administration is responsible for the acquisition of property for most State departments. By interagency agreement, the Department of Natural Resources and the Department of Transportation handle their own land acquisitions. The University of Minnesota also handles its own property acquisition and disposition. Variations in available land records suggest that other agencies may sometimes handle acquisition without participation by the Department of Administration.

Department of Administration. The general steps which are followed in the acquisition of properties by the Real Estate Management Division include the following:

1. Assistance to the acquiring department in matters of acquisition procedures, valuation, and securing of legislative authorization and appropriation.

2. Upon receipt of a written request, examination to insure propriety of legislation and funding and development of an "acquisition parcel file."

3. Detailed review of the property and associated ramifications including a check of title, taxes, assessments, etc. In some cases the property is surveyed and local officials are contacted.

4. The property is appraised by qualified division personnel, contract appraisers, or qualified personnel of other State departments by means of an agreement. Two appraisals are secured for parcels over $50,000 value.

5. Appraisals are reviewed in accordance with accepted appraisal standards and one appraisal is selected for certification.

6. A purchase offer is submitted in writing to the property owner.

7. When the offer has been accepted, payment is authorized and possession is secured within 120 days after conveyance of property to the State.

8. When acquisition by purchase is not possible, and acquisition by condemnation is authorized by the Legislature, the Department will assist the Attorney General in preparing and filing the petition and will provide further assistance, if necessary, to acquire the parcel through eminent domain proceedings.

Throughout the acquisition procedure, the department provides assistance as necessary to attorneys and the acquiring departments regarding all aspects of land acquisition including title examination and the recording of instruments.

Following acquisition of the property, the original legal document is submitted to the Land Documents Division of the Department of Finance which acts as the legal repository of such documents for the State of Minnesota. Custodial control is the responsibility of the department which acquires the property.

Procedures vary somewhat when the Department of Natural Resources or the Department of Transportation is involved. More specific information on acquisition procedures is available from the Real Estate Management Division of the Department of Administration.

University of Minnesota. Land may be acquired by the University through agreement, gift, or eminent domain. Any acquisition by agreement or eminent domain which is over $50,000 or outside campus boundaries must be approved by the Regents. Specific procedures have been established for negotiation, eminent domain proceedings, and gift properties. Information on these procedures can be obtained from the Assistant Vice President for Physical Planning, University of Minnesota.

DISPOSITION POLICIES

Individual agencies or institutions typically determine the need to dispose of property although occasionally a facility is closed by legislation. Apparently, very little land is disposed of by State agencies, and few departments currently have active disposal plans.

The actual disposition of surplus real property is accomplished by the Real Estate Management Division of the Department of Administration for all departments except the Department of Transportation, the Department of Natural Resources (by agreement), the University of Minnesota, and except as otherwise specifically provided by statute. The Department of Administration also handles the transfer of custodial control between State departments. Sale of surplus buildings (i.e., no land is involved) is handled by the Materials Management Division of the Department of Administration. Demolition falls under the jurisdiction of the State Architect's office. Most sales are by public auction and when the sale is estimated to generate more than $50,000, a closed bid process is utilized. Bids are not accepted for an amount less than the certified appraisal value plus survey and appraisal costs. The following steps are utilized when the State disposes of real estate as surplus land:

1. The department having custodial control over the property must declare the land surplus, and maintains control until the lands have been sold, exchanged or transferred.

2. The Department of Administration reviews the surplus declaration and notifies other State agencies that it is available for transfer of custodial control. If such a request is received, the Department of Administration arranges a "transfer of custodial control" of the property to another agency. If no request is received, the Department of Administration must determine if the land is actually surplus and make recommendations on disposition of the land to the Executive Council. No further appraisal or disposition action is taken if another State agency has expressed interest in the property.

3. The Executive Council approves or disapproves the Department of Administration's determination. If the land is to be sold, the following steps are utilized.

4. The land is appraised by the Department of Administration.

5. After appraisals are complete, reviewed and certified, the land is made available to any public body, corporate or politic, in which the lands are situated. Where more than one public body desires the land, the Department of Administration determines which body receives the property.

6. When no public body claims the land, the Department offers the land for sale to the public. As a matter of policy, these sales have been by public auction. The property must be sold for not less than the appraised value plus the cost of surveying and appraisal.

7. Specific terms of payments are utilized when the property is purchased in installments. When the purchaser elects to pay installments, the Department utilizes a contract for deed which is prepared by the Attorney General.

Procedures vary somewhat when the Department of Natural Resources, the Department of Transportation or military armories are involved. More specific information on disposition procedures is available from the Real Estate Management Division of the Department of Administration.

Department of Transportation. Disposal of excess transportation land is regulated by Minnesota Statute 161.23. Within one year after completion of construction, the Commissioner must notify the Governor that the excess land may be sold. The sale of the property is made to the highest bidder following appropriate notification of sale.

Disposal of surplus land acquired by easement is governed by Minnesota Statute 161.43. The State can only sell this land to the original title holder (usually for the original purchase price) or to a governmental agency or political body. If this land is to be transferred to another State agency this is done by a "Transfer of Custodial Control." If

the land is sold to a city or county, an agreement or deed must be prepared. While the State statutes require that the State must be reimbursed for the cost of these lands, in some cases, they can be "sold" to a city or county for a lesser amount if this can be justified.

The disposal of surplus land owned in fee is regulated by Minnesota Statute 161.44. The surplus land must first be offered to the original owner, surviving spouse or adjacent owners. DOT waits 90 days after notice to original owner before it is offered to anyone else.

University of Minnesota. The University of Minnesota does not have an active disposition program or stated disposal policies except for land donated by gift. If these lands are not needed for campus purposes, they are usually sold through public bid. Proceeds from these sales are held in trust for the purpose specified by the donor. Sales of Salt Spring and University Trust lands are handled by the Department of Natural Resources.

LEASING POLICIES

Lease of Private Property. The Department of Administration leases approximately 330,000 square feet of privately owned space in addition to the State owned properties that it manages. The total annual rent paid is approximately $9.5 million. These leased properties are utilized primarily for office space for a variety of State agencies. The only institution which leases significant private property is Metropolitan State University. All of these properties continue to be subject to property taxes regardless of the fact that the leasee is the State. The Department of Administration has been increasing its reliance on the use of leased properties over the past several years rather than acquiring or constructing new State buildings. Since no capital outlay or special bonding programs are necessary to lease property, leasing arrangements are less difficult and time consuming than acquisition or construction of new facilities.

The Department of Administration is also attempting to consolidate as many State offices as possible into single buildings whether located in leased or owned structures. In Bemidji, for example, a building is being constructed for this purpose by a private developer who has agreed to lease the property to the State for a multiple use office facility. The Department of Administration believes that the consolidation of agencies into multi-purpose facilities will save the State considerable money by making it possible to share facilities (such as office equipment). There are no records or estimates available, however, on how much money consolidation might save the State.

Lease of State Property. The Department of Administration assists other State agencies (except DOT, DNR, UM) in leasing out surplus facilities and land. This assistance is provided on a request basis and through informal agreements. It appears that most State institutions lease

some real property. The most typical leases are for office space usage by private service organizations or for agricultural purposes. The Department of Transportation also leases some surplus property. These properties are usually homes or businesses purchased for new highways and leased back to the original owners until construction occurs.

Inter-Agency Leases. The Department of Administration also assists in inter-agency lease agreements where one State agency rents space in a facility managed by another State agency. For example, a State agency might rent office space in a State university or a State hospital. The current rental rate for space in the college systems is approximately $3 per square foot. This rate is based on operational costs for the facility and is revised annually. In State hospitals, the rental rate varies considerably based on the operational costs, location and quality of the facility. The average rental rate for State owned property in the metropolitan area is $6-7 per square foot.

PRINCIPAL OBSERVATIONS AND CONCLUSIONS

1. While the State and Federal governments own approximately 25 percent of the total land acreage in Minnesota, only one percent of the 25 percent is used for institutional and administrative purposes. These lands are typically intensively developed and located in urban areas. As such, they represent some of the most valuable real property owned by State and Federal government. Institutional and administrative property is located in every Minnesota county.

2. The principal uses of State lands are: (a) natural resource, preservation and recreation, (b) highway rights-of-way, (c) education, (d) health care, (e) corrections, (f) administration, (g) military, (h) experiment and research, and (i) transportation-related activities.

3. Camp Ripley military post, rest areas, some experimental and research areas, and excess or surplus highway lands have characteristics more similar to natural resource lands than to administrative or institutional facilities.

4. At least sixteen State agencies and twenty-four Federal agencies manage institutional and administrative land in Minnesota totaling approximately 100,000 acres and 6,000 acres respectively. All State, federal and tax-forfeited land in the State totals over 12 million acres.

5. State educational facilities appear to be located in relationship to both population and geographic distribution. This is consistent with the State's objective of providing equal educational opportunities for all Minnesota residents. These facilities in general are not functionally specialized.

6. State hospitals are currently being developed as regional centers for the treatment of profoundly retarded and severely mentally ill patients. Other programs, such as chemical dependency programs, are also being developed at these facilities. Nursing homes, residential schools, and some State hospitals continue to have specialized functions serving the entire State. All State health care facilities (except the University of Minnesota Hospital) are residential facilities.

7. All corrections facilities except the forestry camps are located in or near the Twin Cities metropolitan area. Each facility has a specialized function and serves the entire State population.

8. Administrative properties, except the Capitol Complex, are widely distributed throughout the State in apparent relationship to both population and geographic distribution.

9. Very little land is being acquired by the State for administrative or institutional purposes except in the case of educational facilities. The Department of Administration handles disposition for most State agencies except DNR, DOT and UM.

10. Most State administrative property except the Capitol Complex and MnDOT facilities is leased from private owners. Inter-agency leasing also occurs frequently at State institutions.

11. There is no active disposition program of State real property and most agencies do not have stated policies regarding property disposition. The Department of Administration handles disposition for most State agencies except DNR, DOT, UM and military armories.

12. If State land disposition occurs, first option is given to another State agency, second option is given to other public or quasi-public agencies, and the final option is public sale.

CHAPTER THREE
CENTRAL STATE LAND RECORDS AND DATA SOURCES

State lands are managed by some sixteen different departments and independent agencies. In addition, the major institutions (education, health care and corrections) tend to be managed individually with minimum central input. Records related to these State facilities are typically maintained by the individual institution. Few comprehensive central data sources regarding land characteristics of State administrative and institutional lands exist presently. This chapter describes those central record systems which are presently available or are being developed that relate to State administrative and institutional lands as analyzed in the Public Lands Impact Study (data sources used in the impact analyses portion of the study are identified in Chapter Five). The central data sources described in this chapter include:

- DNR Land Classification/Land Ownership System
- Land Documents, Department of Finance
- SHELTER
- MLMIS
- Lease Record System
- "Public Land Statistics"
- Departmental Land Records
- Statewide Accounting System
- State Auditor Reports
- Abstract of Assessment of Exempt Real Property
- Abstracts of Assessments
- Employment Records, Department of Personnel

LAND RECORDS

DNR Land Classification/Land Ownership System. These two systems, which are described in the Phase 1 report, were merged during 1977 into a single land records system for State natural resource lands. The system is maintained by the Department of Natural Resources. Plans are currently underway to incorporate all other State lands into this record system.

Land Documents, Department of Finance. The Land Records file, maintained by the Land Documents Division of the Department of Finance, is the repository of all legal documents for all State agencies except the University of Minnesota. These records are used primarily for title searches and questions related to legal boundaries or ownership of a

particular parcel. No summary reports or composite records are prepared or available through this data source.

SHELTER. SHELTER is a data base being prepared by the Department of Administration and the Energy Agency. Its principal uses are intended to be: (1) monitoring and management of energy consumption, and (2) space management. Other uses of the data base will also be possible with appropriate application programs. Data is currently available for all State agencies except the University of Minnesota system. Legislatively created local commissions such as the MTC are also excluded at this time. A proposal has been submitted to expand SHELTER to include all State, federal and local public buildings.

The initial design of the SHELTER data base includes a variety of information regarding buildings, ownership, location, occupants, leasee data, etc. In addition, an array of information regarding energy consumption is included in the data base. The types of data currently included in the data base are identified in Table 6. All data currently included in SHELTER was obtained from individual State agencies by the Energy Agency and the Department of Administration. At the present time, this information is being reviewed with each State agency to verify information, obtain information not provided in the original request, and correct any errors. No specific policies have been formulated at this time regarding updating procedures, accessibility, data maintenance, other system applications, etc.

System 2000, which is used with SHELTER, has a report writing capability which permits considerable data manipulation and analysis without extensive special programming. This capability allows the user to design his own report format for data output. Data can also be obtained without using the report writer. Simple inquiry with appropriate codes keypunched at a terminal will provide a printed copy of the requested information within seconds.

MLMIS. The Minnesota Land Management Information System includes general land ownership data for all land, both public and private, in Minnesota. However, individual owners (and in many cases public land management agencies) are not identified. For instance, the only federal lands which are identified by agency are natural resource lands. All federal lands managed for other than natural resource purposes are included in an "other federal" category and cannot be identified separately. State lands which are identified by agency include Department of Natural Resources, Department of Transportation (except highway rights-of-way), Department of Military Affairs, Department of Agriculture, Department of Corrections, Department of Public Welfare, University of Minnesota, Aeronautics, State Colleges, and Community Colleges. All other State lands are categorized in an "other State" category and cannot be identified separately. No acreage is included for Aeronautics or Community Colleges at the present time.

TABLE 6
Data Items Included Initially in the SHELTER Data Base for State Structures

Buildings	Space Disposition
Building Number	Lease Number
Building Name	Lessee Code
Use Area	Department
Narrative Location	Acronym
Street	Sub-unit/Campus
Location-Probably City	$ Annual OP Cost
Zip	Base Rent
County Code	Janitorial Cost
County Name	Electrical Cost
Contact	Heat Cost
Contact Title	Sewer Cost
Telephone	Water Cost
Owner-Lessor	Rent Including Services
Workdays/Week	Billing Period
Workdays/Year	$ Received for Sale
Evening Use; Days Per Week	Cost to Move
Weekend Use	Occupation Year
Avg. Occupants/Workday	Expiration Date
Avg. Occupants/Non-workday	Date Declared Surplus
Hours Occupied/Workday	Date Actually Disposed
Hours Occupied/Non-workday	Disposition Type
Year Built	Transferrability Indicator
Year Last Remodeled	Peak Season Start
Gross Floor Area	Peak Season End
Net (Occupiable) Floor Area	Off Season Start
Stories Above Grade	Off Season End
Stories Below Grade	Regular Office Closing Date
Building Height	Regular Office Reopening Date
Walls	Occupants During Peak
Wall Type	Occupants During Off Season
Floors	**Floor Uses**
Floor Number	Floor
Gross Area in Sq. Feet	Floor Use
Net (Occupiable) Area in Sq. Ft.	Square Feet
Ceiling Height	Expected End Date
Prescribed Floor Use	

(1) Source: Department of Administration

The 40-acre parcel or "forty" is the smallest land unit used in this system. Public land, regardless of its size, is coded as a forty acre parcel to assure representation on mapped output. Acreage data for many State administrative and institutional land holdings is therefore overrepresented in this system. Highway rights-of-way and the land-holdings of certain State agencies are also not included in this data source.

Additional information on MLMIS is provided in Chapter Three of the Phase 1 report on natural resource lands.

Lease Record System. The Lease Record System, maintained by Real Estate Management, Department of Administration, is a computerized master file of all properties leased by the Department of Administration. The primary purpose of this system is to maintain a record of all leasing activities to provide an audit trail for lease updating, space allocation, etc. File outputs which are readily available include: (1) the master lease listing file, (2) geographic location file, (3) departmental file, (4) lease notification follow-up file, (5) lease management report, and (6) lease file audit list. Summary reports are available by: (1) geographic location, (2) department, (3) lease notification date, and (4) lease management data. These reports are prepared on a monthly basis from the lease master file. The lease master file is updated on a daily basis. Different tabulations may be made upon request utilizing the basic data available in the master lease file. The lease record file is currently being merged into the SHELTER data base which will be used by the Department of Administration primarily for space allocation decision-making.

"Public Land Statistics." The Bureau of Land Management is the only known federal agency which publishes statistics on all federally held land throughout the U.S. This information is provided in the document "Public Land Statistics," published annually, which provides information on federally owned land by agency for individual states. Data is not given for governmental jurisdictions smaller than states. The number of acres owned by each agency in each state is subdivided between public domain land and acquired land. The source of the Bureau of Land Management's information is the Reports Division of the General Services Administration. The accuracy or currency of this data is not known.

Departmental Land Records. Some departments maintain central records related to land under their management or have divisions specified which are responsible for those records and other issues related to land management. The following agencies have some centralized information regarding land under their departmental management:

- Land Bureau, Department of Natural Resources
- Right-of-Way Division, Department of Transportation
- Aeronautics Division, Department of Transportation
- Office of Military Architect & Engineer, Department of Military Affairs
- Property Acquisition, Physical Planning, University of Minnesota
- Facility Planning and Management Office, Board for Community Colleges
- Residential Services Bureau, Department of Public Welfare
- Real Estate Management, Department of Administration
- Facilities Management Division, State University Board

FINANCIAL RECORDS

Statewide Accounting System. In addition to the land records file maintained by its Land Documents Division, the Department of Finance, is responsible for statewide accounting for all state agencies except

the University of Minnesota. As a result, the Department of Finance has extensive financial records. While this information is not easily accessible for summary information, a variety of information can be obtained if desired. Year-end audit lists are available for all specific appropriations, including appropriations for payments in lieu of taxes. Payments not involving special appropriations are given allotment codes by each department. Data can be assembled by allotment code if desired. With proper authorization, summary payroll data can also be obtained from the Statewide Accounting System.

State Auditor Reports. The State Auditor's office maintains a file of all local financial reports and publishes annual summary reports of these data for counties, townships and cities. Examples of the data available for county receipts and disbursements are shown in Exhibits 1 and 2. Similar data are provided for cities and towns although the categories and organization are somewhat different.

Abstract of Assessment of Exempt Real Property. Every six years the County Assessors prepare a report on the valuation of tax-exempt properties within the county. These records include tabulations by city and by township. They include all property except tax-forfeited properties. The County Assessors submit these reports to the Department of Revenue where they are utilized for various tax-related purposes including tax research and the preparation of statewide summary reports. Summaries of the information on tax-exempt properties are prepared for counties and school districts, but have never been prepared for municipalities. Such a summary could be requested, however, since all of the data is on computer tape. State lands cannot be separated from this data in all cases because of the categories utilized for appraisal purposes.

Abstract of Assessments. Each year County assessors prepare a report regarding the value of taxable properties within their jurisdictions tabulated by city, township and school district. Copies of these reports are submitted to the Department of Revenue where they are used for tax research and the preparation of at least two summary reports. A report entitled "Property Taxes Levied in Minnesota" is published as a property tax bulletin. The Department also prepares a report for the League of Minnesota Cities which includes assessed valuation of real and personal property, total taxes levied, total tax rates (mill rates), homestead credits, and a comparative analysis of taxes for the most recent three-year period for all cities over 2,000 population. This summary report is published annually in "Minnesota Municipalities."

EMPLOYMENT RECORDS

The Minnesota Department of Personnel maintains a computerized file of State civil service employment. This data does not include: (1) academic employees of the State University or Community College systems, (2) employees of the University of Minnesota system, (3) employees of the Legislature, or (4) employees of the Judicial system. Efforts are

DISBURSEMENT DATA IN AUDITOR'S REPORTS

NAME OF COUNTY	Aitkin	Anoka	Becker	Beltrami	Benton	Big Stone	Blue Earth	Brown	Carlton	Carver	Cass
DISBURSEMENTS											
CURRENT EXPENSE											
GENERAL GOVERNMENT [1]	$ 274,445	$ 2,176,265	$ 335,541	$ 357,862	$ 238,656	$ 183,944	$ 770,303	$ 391,811	$ 650,935	$ 490,167	$ 521,847
PUBLIC SAFETY											
Sheriff	68,043	702,797	101,205	69,840	32,964	37,127	236,835	108,251	165,114	198,296	92,597
Correction	10,721	133,854	30,516	23,814	13,879	2,782	94,824	37,422	12,439	25,381	28,302
Other	5,450	29,062	12,376	46,843	4,298	1,528	13,514	18,090	7,450	8,018	40,154
TOTAL PUBLIC SAFETY	$ 84,214	$ 865,713	$ 144,097	$ 140,497	$ 51,141	$ 41,437	$ 345,173	$ 163,763	$ 185,003	$ 231,695	$ 161,053
CONSERVATION OF NATURAL RESOURCES [2]	28,798	113,223	62,266	33,097	24,592	34,975	155,195	154,720	48,134	50,782	47,000
HIGHWAYS											
Administration	61,101	153,876	30,879	54,552	33,216	23,195	86,854	45,715	52,606	55,028	34,538
Operation and Maintenance	532,124	446,207	479,968	346,168	307,795	217,419	864,999	486,938	429,249	427,517	624,939
TOTAL HIGHWAYS	$ 593,225	$ 600,083	$ 510,847	$ 400,720	$ 341,011	$ 240,614	$ 951,853	$ 532,653	$ 481,855	$ 482,545	$ 659,477
SANITATION	8,470	59,533	10,071	965	2,313	538	.....	4,216	30,364	.....	.....
CONSERVATION OF HEALTH	89,669	199,571	136,623	57,448	25,201	46,824	143,203	105,895	97,413	72,502	53,127
HOSPITALS	.....	.....	.....	14,655	.....	.....	.....	.....	.....	.....	.....
WELFARE											
General Relief	42,586	443,681	158,546	169,428	38,490	32,633	144,166	202,780	199,962	89,080	234,169
Medical Assistance	755,732	2,847,448	1,280,731	1,436,172	677,358	325,901	1,288,623	779,349	1,379,191	772,536	1,116,754
Old Age Assistance	260,638	228,414	237,862	197,718	87,445	142,980	218,808	260,037	172,796	116,041	256,157
Aid to Dependent Children	249,599	4,322,310	652,903	957,255	252,492	117,421	701,672	213,367	648,669	386,377	609,369
Aid to Blind	8,307	12,849	11,495	11,310	.....	2,090	8,901	2,669	4,691	2,183	7,143
Aid to Disabled	213,186	364,156	347,204	454,650	158,598	86,449	377,832	212,922	137,162	247,545	412,991
Other Welfare Costs [3]	298,836	1,324,234	318,589	508,236	131,294	88,761	555,850	109,605	368,627	298,183	388,628
TOTAL WELFARE	$ 1,828,884	$ 9,543,092	$ 3,007,330	$ 3,734,769	$ 1,345,677	$ 796,235	$ 3,295,652	$ 1,780,729	$ 2,911,098	$ 1,911,945	$ 3,025,211
SCHOOLS [4]	.....	.....	.....	145,224	4,287	.....	68,330	89,401	47,852	42,143	.....
LIBRARIES	14,892	408,060	1,514	12,680	20,652	.....	78,557	14,000	23,881	3,000	30,507
RECREATION [5]	7,107	521,731	5,482	2,962	11,273	2,749	57,579	15,766	7,224	17,695	.....
MISCELLANEOUS	288,178	8,511	61,455	24,990	89,964	67,851	260,305	60,819	199,370	229,807	125,892
INTEREST PAYMENTS	8,715	43,727	32,600	31,266	.....	2,853	6,922	103,538	3,965	51,105	375
TOTAL CURRENT EXPENSE	$ 3,226,597	$14,539,559	$ 4,307,826	$ 4,957,135	$ 2,154,767	$ 1,418,020	$ 6,133,072	$ 3,417,311	$ 4,687,094	$ 3,583,386	$ 4,624,489
CAPITAL OUTLAY											
HIGHWAYS, HIGHWAY BLDGS., AND EQUIPMENT	515,791	1,609,464	507,995	574,290	381,321	240,237	757,241	475,621	501,152	877,078	658,712
GENERAL COUNTY BUILDINGS	3,068	613,780	4,220	20,180	697	.....	20,057	29,916	203,313	130,503	7,756
ALL OTHER	19,349	313,789	16,500	27,504	1,757	1,309	456,409	176,017	71,213	23,566	11,053
TOTAL CAPITAL OUTLAY	$ 538,208	$ 2,537,033	$ 528,715	$ 621,974	$ 383,775	$ 241,546	$ 1,231,707	$ 681,554	$ 775,678	$ 1,031,147	$ 677,521
DISBURSEMENTS NOT CHARGEABLE AS EXPENDITURES											
DEBT REDEMPTION - Bonds Paid	55,000	105,000	100,000	45,000	.....	.....	27,000	223,000	.....	72,000	5,000
REFUNDS PAID	22,183	.....	7,503	7,926	5,207	1,750	17,968	12,997	16,393	485	10,814
OFFSET TO REFUNDS RECEIVED	134,409	572,553	266,898	242,356	126,549	77,770	474,935	190,496	462,966	362,924	167,173
TRUST AND AGENCY PAYMENTS	3,012,049	75,413,775	5,557,046	7,099,659	4,410,688	1,850,922	11,222,498	5,170,430	12,886,490	7,874,964	5,087,743
PURCHASE OF INVESTMENTS	.....	.....	492,739	.....	.....	.....	626,475	957,906	.....	451,076	300,000
TOTAL DISBURSEMENTS	$ 6,988,446	$93,167,920	$11,260,727	$12,974,050	$ 7,080,986	$ 3,590,008	$19,733,655	$10,653,694	$18,828,621	$13,375,982	$10,872,740

EXHIBIT 2

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

RECEIPT DATA IN AUDITOR'S REPORTS

NAME OF COUNTY POPULATION - 1970 TAXABLE VALUATION [1] TAX LEVIES [2]	Aitkin 11,403 6,619,264 780,875	Anoka 154,401 107,754,070 7,763,382	Becker 24,372 12,408,624 1,211,062	Beltrami 26,373 9,701,676 927,741	Benton 20,841 11,463,695 993,187	Big Stone 7,941 6,588,951 594,455	Blue Earth 52,322 44,107,320 2,901,183	Brown 28,887 26,520,447 1,677,405	Carlton 28,072 18,581,359 2,798,648	Carver 28,331 18,764,178 1,761,446	Cass 17,323 11,490,844 1,504,852
RECEIPTS											
REVENUE RECEIPTS											
PROPERTY TAXES	$ 725,611	$ 6,307,947	$ 1,177,989	$ 949,223	$ 880,968	$ 554,429	$ 2,659,906	$ 1,449,618	$ 2,468,996	$ 1,548,839	$ 1,503,012
SPECIAL ASSESSMENTS	.....	1,134	.....	7,588	.....	3,107	65,352	298,006	.....	23,119	.....
LICENSES AND PERMITS	19,870	19,420	11,702	9,359	13,143	2,201	11,883	2,366	13,061	3,704	22,230
FINES, FORFEITS AND PENALTIES	31,053	199,595	36,336	46,406	9,440	8,795	130,275	14,624	81,232	49,936	45,916
INTERGOVERNMENTAL REVENUE											
Shared State Taxes [3]	350,374	2,563,867	467,246	425,541	361,577	153,433	805,732	569,389	679,636	650,483	323,760
State Grants for Highways [4]	531,429	517,929	722,440	611,157	460,022	317,800	804,036	599,324	456,391	787,295	959,404
State Grants for Welfare	1,560,243	6,940,775	2,431,477	3,217,653	1,040,477	602,679	2,526,354	1,306,340	1,998,210	1,416,544	2,410,784
State Grants for Education	.....	.....	.....	59,932	3,219	.....	.....	3,697	.....	14,293	.....
All other State Grants	258,182	572,192	1,740	50,299	2,495	11,707	604,343	25,561	36,755	66,371	138,133
Federal Grants - Revenue Sharing	113,819	541,319	190,692	177,481	104,064	65,124	272,277	234,102	238,772	125,379	179,941
Federal Grants - Other	157,045	96,892	13,039	14,066	33,473	.....	12,109	23,878	62,227	46,850	43,925
Grants from other units	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
TOTAL INTERGOVERNMENTAL REVENUE	$2,971,092	$11,232,974	$ 3,826,634	$ 4,556,129	$ 2,005,327	$1,150,743	$ 5,024,851	$ 2,762,291	$ 3,471,991	$ 3,107,215	$ 4,055,947
CHARGES FOR SERVICES	118,017	683,031	170,292	108,978	38,481	28,255	189,400	91,754	128,799	106,872	84,670
INTEREST EARNINGS	20,320	196,476	40,519	53,684	16,047	1,059	75,758	72,887	18,877	109,905	75,655
ALL OTHER REVENUE-UNCLASSIFIED	1,229	28,632	92,436	8,499	.....	34,968	128,850	1,930	26,338	12,975	272
TOTAL REVENUE RECEIPTS	$3,887,192	$18,669,209	$ 5,355,908	$ 5,739,866	$ 2,963,406	$1,783,557	$ 8,286,275	$ 4,693,476	$ 6,209,294	$ 4,962,565	$ 5,787,702
NONREVENUE RECEIPTS											
BORROWING											
Capital Outlay	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Refunding	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
TOTAL BORROWING											
REFUNDS RECEIVED	134,409	572,553	266,898	242,356	126,549	77,770	474,935	190,496	462,966	362,924	167,173
OFFSET TO REFUNDS PAID	22,183	.....	7,503	7,926	5,207	1,750	17,968	12,997	16,393	485	10,814
TRUST AND AGENCY RECEIPTS	2,985,938	76,229,281	5,545,094	7,045,167	4,406,859	1,850,702	11,097,735	5,088,035	12,869,252	8,027,893	5,160,107
SALE OF INVESTMENTS	.....	.....	542,739	.....	.....	.....	204,682	525,124	.....	329,718	300,000
TOTAL NONREVENUE RECEIPTS	$3,142,530	$76,801,834	$ 6,362,234	$ 7,295,449	$4,538,615	$1,900,222	$11,795,320	$ 5,816,652	$13,348,611	$ 8,721,020	$ 5,638,094
TOTAL RECEIPTS	$7,029,722	$95,471,043	$11,718,142	$13,035,315	$7,502,021	$3,713,779	$20,081,595	$10,510,128	$19,557,905	$13,683,485	$11,425,796

EXHIBIT 1

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

underway to expand this system. Summary reports which are currently available include a personnel printout which is organized as follows: (1) region, (2) county, (3) city and school district, (4) occupational categories, (5) agency or institution, and (6) number of full and part-time employees. In this printout subtotals are provided by occupation and by city, county, school district and region. A second printout is available which is organized by institution or agency. Employment by occupation is shown for each institution or agency and subtotals for each institution or agency are provided.

PRINCIPAL OBSERVATIONS AND CONCLUSIONS

1. No central record system currently maintains information on all State real property.

2. The SHELTER data base will have information on all State structures when completed. If expanded as proposed, it will include data on all public structures in the State.

3. If expanded as proposed, the DNR Land Classification/Land Ownership system will include parcel specific data on all State land. If this occurs, it will be important to assure that this system is compatible with SHELTER so that structure and land data can be interrelated.

4. Most major State institutions (education, health care, and corrections) are managed individually with minimum central data available.

5. There is no comprehensive central data source on State employment.

6. Centrally available financial data appears to be very accurate but may not always be available in an easily understood or desirable format.

7. The local Assessor's estimate is frequently the only available estimate of the market value of State real property. While this assessment may be comparable to other assessments in the same community, assessment practices apparently vary among assessors. The most common approach used by local assessors to estimate the value of State properties in the pilot areas was depreciated replacement value.

CHAPTER FOUR
FINANCIAL AIDS RELATED TO STATE INSTITUTIONAL AND ADMINISTRATIVE LANDS

There are several ways in which State lands may affect the State and Federal aids received by a local community. Direct payments may be made by the State for taxes or assessments, for service charges, or in lieu of taxes. The general aid formulae may be written in a manner which reflects the extent of exempt property in the community. Some leasees of State land may be taxed as private owners. Those financial aids associated with State administrative and institutional real property are described in this chapter. In addition, there are a number of direct payments and State aids related only to natural resource lands. These programs are not included here but are described in Chapter Four of the Phase 1 report on natural resource lands.

DIRECT PAYMENTS

Seven Minnesota statutes have been identified as authorizing payments to local units of government related to State institutional and administrative property. These payment authorizations are summarized in Table 7 and are described below. They may be generally categorized as follows:

- Authorizations for the payment of special assessments for improvements to property.
- Authorizations for the return of a percentage of rental fees to local units of government.
- Taxation of State properties used to house State officers or employees.
- Conditions under which leasees are subject to taxation.

A total of at least $511,000 in payments was made by the State to local governments in 1975 under these statutes, including $48,000 paid by the Department of Natural Resources. Approximately half of these payments were made by the Department of Transportation. Table 8 summarizes the known payments made by the State in fiscal year 1975 under these statutes. The data in this table were obtained from the Statewide Accounting System, Department of Finance, and the Property Acquisition Division of the University of Minnesota. It is possible that some payments may not be included in this tabulation. Specifically, special assessments data is incomplete for the University of Minnesota; and any payments made outside the Statewide Accounting System (for example, by the Agricultural Society) may not be included. Finally, if individual agencies

TABLE 7
Summary of Legislation Authorizing Payments to Local Units of Government for State Institutional and Administrative Lands

Statute	Eligible State Land	Basis for Payment	Allocation Formula
106.381	All improved property.	Assessments for county drainage systems ("ditch bonds").	Payment to county from county road and bridge fund for county and CSAH roads, from trunk highway fund for trunk highways, from appropriated funds for other State agencies.
161.23 Subd. 3	Excess highway property or real estate acquired for trunk highways but not presently needed.	30% of lease (rental) fees paid to county.	Distributed by county in same manner as real estate taxes.
272.01 Subd. 2	Land leased to certain businesses conducted for profit (note: some State lands excluded in Subd. 3.).	Leasee (not State) pays taxes as if owned the property.	Assessed, collected and distributed in the same manner as personal property taxes.
272.011	Property used for housing officers or employees.	Assessment and taxation as private property.	Assessed and distributed in the same manner as personal property taxes.
272.68 Subd. 3	All acquired lands leased to the previous owner except those acquired by Dept. of Transportation.	30% of rental fees paid to county.	Distributed in same manner as property taxes.
273.19	Leased property exempted in 272.01, Subd. 3, (described above) when lease term is 3 or more years.	Leasee (not State) pays taxes as if owned the property.	Assessed, collected and distributed in the same manner as personal property taxes.
435.19 Subd. 2	All improved property.	Assessments for improvements.	Amount paid is at the discretion of the State agency based on benefit received from the improvement.

(1) Source: Compilation by Barton-Aschman Associates, Inc., June, 1977 (see Phase 1 report for those payments affecting only natural resource lands).

did not code payments properly for the Accounting System, they would not be reflected in these data.

Ditch Bond Assessments (MSA 106.381). Minnesota Statute 106.381 provides the legal authorization for assessing State agencies for county provided drainage systems. Under this legislation, all State agencies are required to pay assessments for county drainage systems (more commonly called ditch bond assessments). If the improvement is made to a county road or County State Aid Highway, the assessment is paid out of the road and bridge funds of the county. If a Trunk Highway is benefited, the assessment is paid out of the Trunk Highway fund. For all other State lands or properties which are benefited by the improvement, assessments are paid from appropriations. Payments are made directly to the counties for improvements provided by the county. An estimated $84,000 in payments was made in 1975 under this authorizing legislation (see Table 8).

Assessments for Special Improvements (MSA 435.19, Subd. 2). Minnesota Statute 435.19, Subd. 2 provides the legal authorization for assessing State agencies for special improvements. The local unit of government determines the amount to be assessed. Notice in advance of assessment must be given to the administering State department or agency by the local unit of government. Assessments may be paid from any available funds. The amount of the assessment paid is at the discretion of the State agency. The State agency determines the amount of benefit received from the improvement and bases its payment upon that decision. An estimated $45,000 was paid to local units in 1975 under this legislation (see Table 8).

Return of Rental Fees (MSA 161.23, Subd. 3). Minnesota Statute 161.23, Subd. 3 authorizes the Department of Transportation to return 30 percent of certain rental fees to local units of government. Excess real estate property or real estate property acquired for Trunk Highways but not presently needed for that purpose may be leased to private individuals by the Department of Transportation. In these cases, 30 percent of the rental fees are paid to the county and redistributed by the county to local governments in the same manner as real estate taxes. MnDOT made payments of approximately $181,000 in 1975 under this legislation (see Table 8).

Return of Rental Fees (MSA 272.68, Subd. 3). Minnesota Statute 272.68, Subd. 3 requires the return of 30 percent of rental fees by all agencies except the Department of Transportation (which is covered in the statute described in the preceding paragraph). Under this legislation, all lands which are acquired by State agencies after the effective date of the legislation and are leased to private individuals must involve a "reasonable" rental fee. Thirty percent of these rental fees is paid to the county in which the property is located. These payments are redistributed by the county to local governments in the same manner as if they were property taxes. Only the University of Minnesota is known to make payments under this legislation. These payments totaled about $4,000 in 1975 (see Table 8).

Property Used for State Employee Housing (MSA 272.011). Minnesota Statute 272.011 is the legal basis for paying real estate taxes on State owned residences provided as housing for State officers or employees. All State agencies are affected by this legislation which permits taxation of State owned residences inhabited by State employees or officers. Taxes are assessed as if the residences were privately owned. The amount of land included in the assessment is at the discretion of the State agency. These structures may be located on any State land, and most State agencies which are landowners are subject to some payments under this legislation. The County Auditor must determine taxes due and bill the appropriate State agency. Each State agency has different policies with regard to verification of taxation and the reasonableness of the tax assessed. In many cases, this may involve negotiation with the County Auditor to reach a sum acceptable to both. Revenues from

TABLE 8

Tax Related Payments Made by the State of Minnesota to Local Units of Government by County in FY 75

County	County Total	106.381 (assessments) DOT	106.381 (assessments) DNR[1]	161.23 Subd. 3 (lease fees) DOT	272.011 (real estate taxes) DNR	272.011 (real estate taxes) DPW	272.011 (real estate taxes) DOC	272.011 (real estate taxes) U of M[2]	272.68 Subd. 3 (lease fees) U of M	435.19 Subd. 2 (assessments) DNR[3]	435.19 Subd. 2 (assessments) DOT	435.19 Subd. 2 (assessments) U of M	Voluntary[4] U of M
Aitkin	$ 1,432.39			$ 432.00	$ 1,010.39								
Anoka	-												
Becker	1,929.94				1,929.94								
Beltrami	1,685.01			216.00	1,469.01								
Benton	-												
Big Stone	-												
Blue Earth	926.40	$ 215.90		517.13	193.37								
Brown	3,319.37	3,319.37											
Carlton	11,558.06				664.92	10,893.14							
Carver	1,012.64												1,012.64
Cass	-												
Chippewa	31,046.32	31,046.32											
Chisago	965.96				965.96								
Clay	2,700.00	2,700.00											
Clearwater	1,817.22				1,195.90			621.32					
Cook	-												
Cottonwood	768.12			456.30	311.82								
Crow Wing	-												
Dakota	25,473.16							25,473.16					
Dodge	-												
Douglas	-												
Faribault	2,526.10	2,526.10											
Fillmore	-												
Freeborn	6,435.74	5,310.56			1,125.18								
Goodhue	-												
Grant	-												
Hennepin	218,423.79			167,272.39				37,200.09	3,320.74			8,220.52	2,410.05
Houston	291.42				291.42								
Hubbard	5,638.26				5,638.26								
Isanti	-												
Itasca	13,408.45				4,262.29		4,507.83	4,215.14		423.19			
Jackson	71.25			71.25									
Kanabec	-												
Kandiyohi	7,366.37	3,403.57		2,899.80	327.30	735.70							
Kittson	-												
Koochiching	-												
Lac Qui parle	-												
Lake	1,402.95				1,402.95								
Lake of the Woods	2,641.29				2,641.29								
Le Sueur	5,130.07		4,380.50		749.57								
Lincoln	-												
Lyon	14,965.82	14,602.50			363.32								
Mahnomen	-												
Marshall	-												
Martin	7,716.70	7,632.80	83.90										
McLeod	383.98	375.58	8.40										
Meeker	424.80	424.80											
Mille Lacs	2,421.34				2,421.34								
Morrison	256.44				256.44								
Mower	-												

TABLE 8
TAX RELATED PAYMENTS MADE BY THE STATE OF MINNESOTA TO LOCAL UNITS OF GOVERNMENT BY COUNTY IN FY 75 - continued

		106.381 (assessments)		161.23 Subd. 3 (lease fees)	272.011 (real estate taxes)				272.68 Subd. 3 (lease fees)	435.19 Subd. 2 (assessments)			Voluntary[4]
County	County Total	DOT	DNR[1]	DOT	DNR	DPW	DOC	U of M[2]	U of M	DNR[3]	DOT	U of M	U of M
Murray	4,694.87	613.53	4,081.34										
Nicollet	900.15			159.75	740.40								
Nobles	-										2,400.00		
Norman	2,773.75	373.75											
Olmsted	88.20			88.20									
Otter Tail	3,156.15					3,156.15							
Pennington	-												
Pine	1,892.94				1,467.94		425.00						
Pipestone	-												37.32
Polk	1,127.25			238.80				851.13					
Pope	980.66				980.66							62.28	50,983.48
Ramsey	62,530.57			3,624.60				7,266.21	594.00				
Red Lake	-												
Redwood	354.96	146.30						208.66					
Renville	1,383.51	1,383.51											
Rice	5,087.60				1,001.79	4,085.81							
Rock	-												
Roseau	-											34,021.92	
St. Louis	40,031.12			1,161.99	4,847.21								
Scott	172.05				172.05								
Sherburne	-												
Sibley	1,215.06	420.28		794.78									
Stearns	-												
Steele	428.34				428.34								
Stevens	1,963.68	128.54		150.00				1,685.14					
Swift	-												
Todd	-												
Traverse	-												
Wabasha	-												
Wadena	-												
Waseca	2,823.00	301.80						2,372.92				148.28	
Washington	2,220.56			2,220.56									
Watonwan	953.52			953.52									
Wilkin	-												
Winona	1,713.37				1,713.37								
Wright	272.26	272.26											
Yellow Medicine	44.16	44.16											
		$75,241.63	$8,554.14	$181,248.07	$38,572.43	$18,870.80	$4,932.83	$79,893.77	$3,914.74	$423.19	$2,400.00	$42,453.00	$54,443.49
TOTAL	$510,948.09	$83,795.77		$181,248.07	$142,269.83				$3,914.74	$45,276.19			$54,443.49

[1] Assumption was made that these payments were made under Statute 106.381 but due to lack of data it is possible payments could have been made under Statute 435.19.

[2] Payment data on the University of Minnesota was obtained from the University Property Acquisition Department. Complete data on special assessments was not available.

[3] Classified as Wild Rice Marion River payment under State accounting system. No data was obtained on this classification so assumption was made that these payments were made under Statute 435.19.

[4] These payments are made as part of a purchase agreement. There is no legal Statute requiring payment.

Source: State Finance - Statewide Accounting System and University of Minnesota.

STATE DEPARTMENT TOTALS

Minnesota Department of Transportation	$258,889.70
Department of Natural Resources	$47,549.76
Department of Public Welfare	$18,870.80
Department of Corrections	$ 4,932.83
University of Minnesota	$108,705.00

these taxes are distributed by the county to the taxing districts in the same manner as personal property taxes. Payments in 1975 totaled approximately $142,000 (see Table 8).

Leased Properties (MSA 272.01, Subd. 2). Minnesota Statute 272.01, Subd. 2 and 3 provides that land leased to certain types of businesses conducted for profit may be subject to taxes. In this case, the leasee (not the State) is taxed as if he owns the property. Typically, there is no State participation in the implementation of this law. Revenues are usually collected directly from the leasee by the county and the taxing districts. Properties which are excluded from this provision include: (a) Federal properties for which payments in lieu of taxes are made, (b) real estate leased to utility companies, (c) property owned by the University of Minnesota, (d) Indian lands, (e) property organized as a tribal corporation, (f) highway land subject to MSA 161.23 described above, and (g) real property owned by a seaway port authority upon which facilities have been constructed. Subsection (i) provides for certain payments in lieu of taxes in the case of port authorities when the annual rental received from leased property exceeds a reasonable amount required for administrative expenses. These payments in lieu of taxes are dispersed by the county as if the monies were real estate taxes.

Leased Properties (MSA 273.19). Minnesota Statute 273.19 provides that leasees must pay property taxes on those properties exempted in the above described 272.01, Subd. 3, when the lease term is three or more years. This provision does not apply to property owned by a seaway port authority. In most instances, there is no state participation in the implementation of this law. Revenues are collected directly from the leasee by the county and taxing districts and distributed in the same manner as personal property taxes.

School Aid (MSA 124.25). Until June 30, 1977, Minnesota Statute 124.25 required the University of Minnesota to make payments in lieu of taxes for elementary or secondary students living on certain tax exempt property. This law is no longer in effect. It is included here for informational and reference purposes only.

SERVICE FEES AND SPECIAL GRANTS

In some instances, service fees are paid by the State for local services provided to State lands. There have also been instances where special grants were given to local communities for an improvement required by, or significantly impacted by, a State facility. Examples of these aids are given below.

Utility Fees. In all known cases, full fees were paid by the State for public utilities. Examples are water, sewer, electricity and refuse collection. State facilities typically pay fees at industrial rates.

Other Service Fees. Several institutions indicated payments were made for police, fire, parking, road maintenance, etc. These payments are voluntary arrangements between the institution and the local governent. Both fees and contractual arrangements vary considerably from one institution to another. In some cases, services may be exchanged or provided cooperatively. In other cases, the institution may provide its own service and have a reduced need for the local service available.

Special Grants. Special grants or payments have sometimes been made by the State for specific improvements benefiting an institution. Some known examples include the following:

- The University of Minnesota occasionally reimburses communities for road improvements or upgrading beyond special assessments.

- The Department of Corrections gave special assistance to Bayport to upgrade a sewage treatment plant. Stillwater Prison is located in Bayport.

- Some institutions have made special payments for water tower maintenance, hydrant installation, water hook-ups, etc., beyond special assessments.

CATEGORICAL STATE AIDS

Categorical State aids which are based on an equalization or need formula may indirectly reflect the exempt status of an institution or support service costs related to the facility. State aids in which this appears to occur are described below. It is important to note that in no case is a formula based on only one factor, nor is the amount of tax-exempt property explicitly included in an aid formula.

Foundation School Aid. The amount of school aid received by a school district is affected primarily by the number of students in the school district. Thus, if an institution increases school enrollment, it also increases State aid to the school district. School aid is also affected by the taxable value of the school district. The greater the taxable value, the lower the aid is per pupil. Tax exemption, therefore, increases State school aid to the extent that it reduces the total taxable value of the school district. Other factors such as income level, location, residential and non-residential mix, etc., also affect the taxable value of the school district and, therefore, the State aid per pupil.

Basically, school aid is determined by multiplying a specified amount of aid per pupil unit (which is based on average operating costs in the State) minus 30 mills times the adjusted taxable (assessed) value in the school district.(1) Capital outlay and debt service are not

(1) This is an over-simplification of the school-aid formula (see MSA 124 for further detail). The specifics of the formula change each year.

included in determining operating costs. While there are many other laws and special grants related to State school aid, it can be generally assumed that those areas with low taxable land area, low land values, low incomes, or low non-residential property will receive higher State aid.

Local Aid. One of the principal State aids to local communities is revenue sharing or "local aid." The amount of aid to each Minnesota county totaled $42 per capita in 1976 and $45 per capita in 1977. The per capita amount varies each year, and total aid is also affected by a grandfather clause. This money was distributed proportionately to taxing districts in each county using the following approach.

1. The county received the same distribution as in 1975.

2. The balance is distributed on a proportionate basis in relation to:

   $$\text{1970 population} \times \frac{\text{mill rate for last 3 years}}{3}$$

   $\times$ previous year's sales ratio.

The greater the population, mill rate, or sales ratio, the greater the State aid is to that community. Thus, if an institution increases the local population, State aid is also increased. The extent to which exemption increases the mill rate also affects the amount of State aid. Mill rates are also influenced by taxable value of the community, levy limits, quality of service, etc.

County State-aid Highway Funding. State legislation limits the CSAH system to 30,000 miles. CSAH systems are selected on the basis of spacing, importance to the county, and continuity with Trunk and other CSAH highways. Traffic volumes and total road mileage in the county are not selection criteria. CSAH funding is determined by an allotment formula as follows:

a. Ten percent of the available funds is divided equally among the 87 counties.

b. Thirty percent of the available funds is allocated based on CSAH mileage.

c. Ten percent is allocated based on motor vehicle registrations in the county.

d. Fifty percent is allotted based on a proportionate "money needs factor" to bring the CSAH system up to standard. The needs assessment is done by the county.

Sixty percent of CSAH funds must be used for construction and forty percent must be used for maintenance. The extent to which the institution affects vehicle registrations, CSAH mileage, and local need determines the institution's effect on the amount of State aid.

Municipal Highway Aid. Municipal highway aid is distributed to cities over 5,000 population on a proportionate needs basis where need is determined by the local community. Aid is distributed to cities under 5,000 on a proportionate population basis. An institution affects the amount of aid only to the extent that it increases local popualtion or need.

FEDERAL AIDS

Federal Revenue Sharing. In general, federal revenue sharing is distributed on a proportionate basis taking into account: (1) population, (2) a tax effort factor, and (3) a relative income factor. The tax effort factor is related to per capita taxes collected, and the income factor is related to per capita income. There are also clauses in the law establishing maximum and minimum aid as well as providing an alternative formula which also takes urbanized population and state income tax into consideration. The extent to which a public institution affects population, per capita taxes generated, and/or per capita income is the extent to which the facility affects the community's share of aid.

Federal Impact Payment Program. The federal impact payment program provides compensation for the education of children of federal employees living on federal land. These payments are made directly to the school districts.

Title IV and Excess Property Programs. These programs make excess equipment or matching funds available for the purpose of upgrading rural fire departments. The equipment and funds are distributed through the State's Rural Community Fire Protection Program. While this program is managed by the Department of Natural Resources, it is available to all rural fire departments for upgrading both wildfire and structure fire capabilities. In at least one known case, fire equipment upgrading was required (and aid was provided) due to the building height of a State institution.

PRINCIPAL OBSERVATIONS AND CONCLUSIONS

1. There are very few direct payments made for State administrative and institutional lands.

2. State laws authorizing payments for these lands typically apply to other State lands as well. Two principles are common: (1) revenue sharing, and (2) limited payment of selected taxes and special assessments.

3. Service fees are typically paid by the State for public utilities. Service fees for other services are paid inconsistently at varying rates for varying reasons.

4. Categorical State and Federal aid formulae typically have equalizer or need factors such as mill rate, income, taxable value, etc. The extent to which exemption affects these characteristics determines its affect on aid. Almost all aid formulae include population as a major factor. Thus, State and Federal aids are increased when a State facility increases local population.

5. Local officials and individual taxpayers are typically unaware of both direct State payments and the indirect effect of a State facility on general financial aids received by the local community.

CHAPTER FIVE
PILOT AREA EVALUATION METHODOLOGY

The Public Lands Impact Study has a number of key purposes including: (1) identifying public lands and understanding related issues, (2) identifying existing State aids related to those lands, (3) describing the impacts of State lands, (4) developing a tested methodology for identifying and evaluating impacts, (5) identifying and evaluating the necessary data sources, and (6) suggesting alternative methods for minimizing any negative impacts. Much of this research has been conducted in a few selected "pilot areas." The principal objectives to the research were modified accordingly to:

- Identify the impacts occurring in the pilot areas.
- Assess the significance of these impacts to the pilot communities.
- Test a methodology for simulating these impacts.

The purpose of this chapter is to describe the methodology developed and tested in the pilot areas. All models and data sources are identified so that the methodology can be used in other areas, if desired. Each model is presented in detail in Appendix A. Since no previously developed comprehensive methodology was available for use in this study, the developmental process had to be extremely iterative. Hypotheses were developed, tested, revised, tested again, revised, etc., until the methodology appeared to reasonably reflect the actual conditions in the pilot areas. Many changes were required because the necessary data for testing an hypothesis were not available. This process is illustrated in Figure 6. It should be noted that the pilot area sample size was very small. It is possible that considerably different results might occur in other areas since many factors influence the economic conditions in local communities.

PILOT AREA SELECTION

Selection Process. The following steps were utilized in selecting pilot or test areas:

1. Cities with one or more of the following major state land uses were identified: (a) educational institutions, (b) health care facilities, (c) corrections institutions, and (d) administrative facilities. These four types of facilities were considered most

PROCESS USED TO ASSESS IMPACTS IN PILOT AREAS

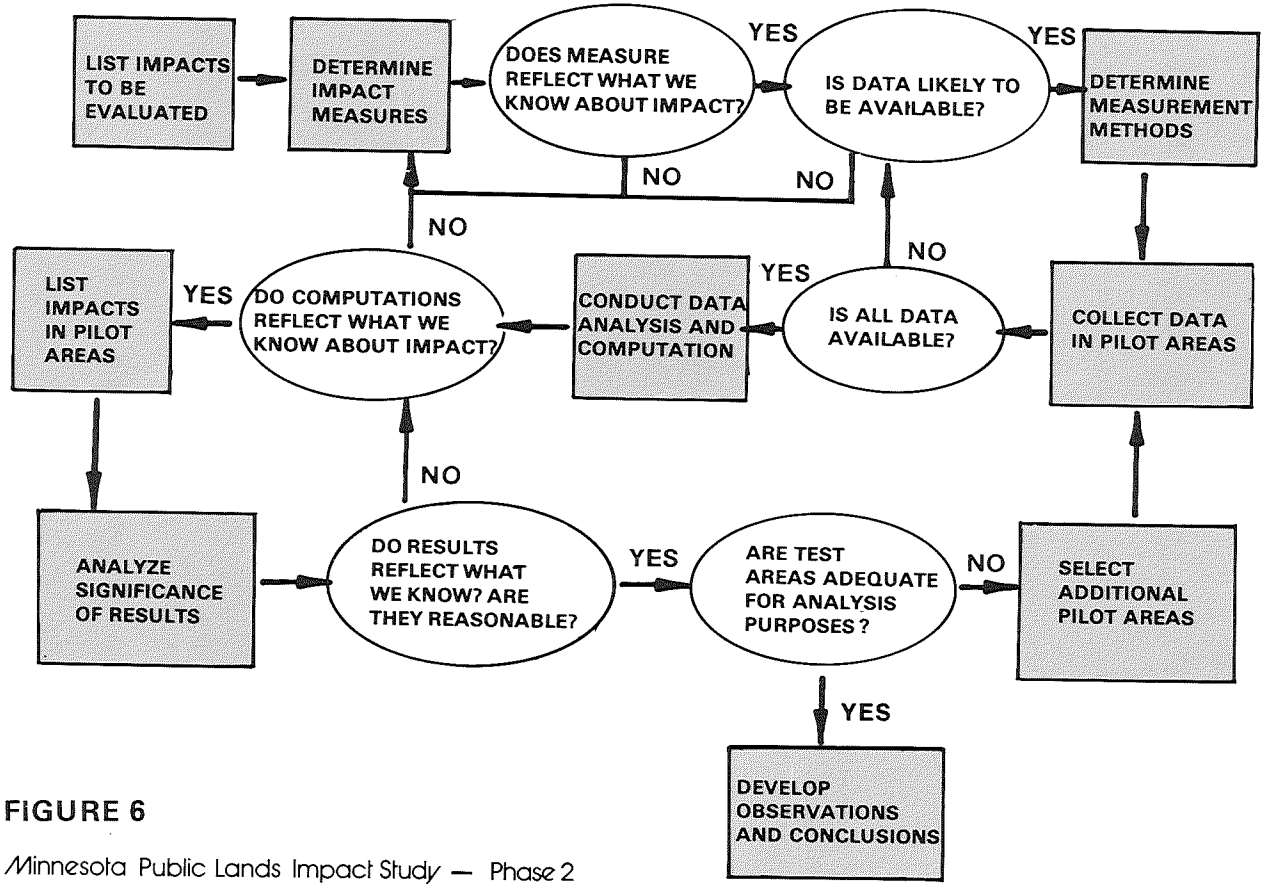


FIGURE 6

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

important because of their size (see Table 9). Other State land uses in these cities were also identified including aeronautics property and military affairs facilities (see Table 9). The existence of more than one institution was considered desirable because the number of pilot areas had to be limited to the smallest possible number to minimize data collection requirements.

TABLE 9
Comparison of Population, State Land Uses, and Local Services in Alternative Pilot Areas

Municipalities	1970 Population (1000s)(1)	State Land Uses(2)							Available Local Services(3)				
		Education	Health Care	Corrections	Capitol Complex	DOT Headquarters	Military	Aeronautics	General Government	Police	Fire	Roads	Sanitation
Cities of the First Class													
Duluth	101	X	-	-	-	X	X	-	X	X	X	X	X
Minneapolis	434	X	-	-	-	-	X	-	X	X	X	X	X
St. Paul	310	X	-	-	X	-	X	-	X	X	X	X	X
Over 20,000													
Austin	25	X	-	-	-	-	X	-	X	X	X	X	X
Bloomington	82	X	-	-	-	-	-	-	X	X	X	X	X
Brooklyn Park	26	X	-	-	-	-	-	-	X	X	X	X	X
Coon Rapids	31	X	-	-	-	-	-	-	X	X	X	X	X
Mankato	31	X	-	-	-	X	X	-	X	X	X	X	X
Minnetonka	36	-	X	-	-	-	-	-	X	X	X	X	X
Moorhead	30	X	-	-	-	-	X	-	X	X	X	X	X
Rochester	54	X	X	-	-	X	X	-	X	X	X	X	X
St. Cloud	40	X	-	X	-	X	X	-	X	X	X	X	X
White Bear Lake	23	X	-	-	-	-	X	-	X	X	X	X	X
Winona	26	X	-	-	-	-	X	-	X	X	X	X	X
10-20,000													
Anoka	13	-	X	-	-	-	X	-	X	X	X	X	X
Bemidji	11	X	-	-	-	X	X	X	X	X	X	X	X
Brainerd	12	X	X	-	-	X	X	-	X	X	X	X	X
Faribault	16	-	X	-	-	-	X	-	X	X	X	X	X
Fergus Falls	12	X	X	-	-	-	X	-	X	X	X	X	X
Hastings	12	-	X	-	-	-	X	-	X	X	X	X	X
Hibbing	16	X	-	-	-	-	X	-	X	X	X	X	X
Inver Grove Heights	12	X	-	-	-	-	-	-	X	X	X	X	X
Marshall	10	X	-	-	-	X	X	-	X	X	X	X	X
Red Wing	10	-	-	X	-	-	X	-	X	X	X	X	X
Virginia	12	X	-	-	-	X	X	-	X	X	X	X	X
Willmar	13	X	X	-	-	X	X	-	X	X	X	X	X
Worthington	10	X	-	-	-	-	X	-	X	X	X	X	X
Under 10,000													
Ah-gwah-ching	NA	-	X	-	-	-	-	-	NA	NA	NA	NA	NA
Bayport	3	-	-	X	-	-	-	-	X	X	X	X	X
Cambridge	3	-	X	-	-	-	-	-	X	X	X	X	X
Crookston	8	X	-	-	-	X	-	-	X	X	X	X	X
Ely	5	X	-	-	-	-	-	-	X	X	X	X	X
Grand Rapids	7	X	-	-	-	-	X	-	X	X	X	X	X
International Falls	6	X	-	-	-	-	-	-	X	X	X	X	X
Lino Lakes	4	-	-	X	-	-	-	-	X	X	X	X	X
Moose Lake	1	-	X	-	-	-	-	-	X	(4)	(4)	X	X
Morris	5	X	-	-	-	X	-	-	X	X	X	X	X
Pinecreek	NA	-	-	-	-	-	-	X	NA	NA	NA	NA	NA
St. Peter	8	-	X	-	-	-	X	-	X	X	X	X	X
Sandstone	2	-	-	X	-	-	-	-	X	(4)	(4)	X	X
Sauk Centre	4	-	-	X	-	-	X	-	X	X	X	X	X
Shakopee	7	-	-	X	-	-	-	-	X	X	X	X	X
Thief River Falls	9	X	-	-	-	X	X	X	X	X	X	X	X
Togo	NA	-	-	X	-	-	-	-	NA	NA	NA	NA	NA
Willow River	0.3	-	-	X	-	-	-	-	X	(4)	(4)	X	X
Waseca	7	X	-	-	-	-	-	-	X	X	X	X	X
Camp Ripley(5)	NA	-	-	-	-	-	X	-	NA	NA	NA	NA	NA

(1) Source: 1970 Census of Population
(2) Data collected from individual agencies in June, 1977 (see Working Papers C.1 - C.12)
(3) Based on expenditures indicated in State Auditor's Report, 1974.
(4) Public safety expenditures are aggregated (cannot differentiate between police and fire).
(5) Located in rural portion of Morrison County.
NA = data not available

2. Data was collected for each of the cities from central data sources including the following information: (a) available local services, (b) population, (c) land area, (d) institutional population, (e) State employment, (f) total employment, (g) taxable value, (h) mill rates, (i) taxes payable, and (j) homestead credit (see Tables 10 and 11). These data were used to assess the representative quality of each institution and city.

TABLE 10
Comparison of Employment and Patient, Inmate or Student Population for Alternative Pilot Areas

Municipality	1970 Population (1000s)(1)	Total Employment(1)	State Employment (1976)(2)	Number of Patients (April,1977)(3)	Number of Inmates(4)	Number of Students (1974 FTE)(5)
Cities of the First Class						
Duluth	101	38,452	1,465	"	"	5,036
Minneapolis	434	196,325	13,670	"	"	1,243 (Metro) } 36,666 (U of M)
St. Paul	310	129,768	10,744	"	"	
Over 20,000						
Austin	25	9,509	68	"	"	774
Bloomington	82	34,910	194	"	"	2,998
Brooklyn Park	26	11,020	59	"	"	2,089
Coon Rapids	31	10,468	43	"	"	1,604
Mankato	31	13,030	795	"	"	8,090
Minnetonka	36	13,789	332	339	"	-
Moorhead	30	12,016	246	"	"	4,591
Rochester	54	23,417	1,031	488	"	1,964
St. Cloud	40	14,835	656	"	480	8,017
White Bear Lake	23	8,409	59	"	"	1,770
Winona	26	10,415	267	"	"	3,621
10-20,000						
Anoka	13	5,179	387	340	"	-
Bemidji	11	4,229	540	"	"	4,139
Brainerd	12	4,313	1,006	649	"	439
Faribault	16	6,064	1,273	886(6)	"	-
Fergus Falls	12	4,821	610	533	"	504
Hastings	12	4,576	227	115	"	-
Hibbing	16	5,556	122	"	"	617
Inver Grove Heights	12	4,158	40	"	"	1,155
Marshall	10	4,476	297	"	"	1,787
Red Wing	10	4,159	182	"	160	-
Virginia	12	4,570	191	"	-	724
Willmar	13	5,222	782	587	"	699
Worthington	10	3,924	51	"	"	448
Under 10,000						
Ah-gwah-ching	NA	NA	308	366	"	-
Bayport	3	954	383	"	760	-
Cambridge	3	1,044	698	594	"	-
Crookston	8	3,285	208	"	"	761
Ely	5	1,534	26	"	"	326
Grand Rapids	7	2,458	127	"	"	459
International Falls	6	2,412	28	"	"	260
Lino Lakes	4	1,170	123	"	120	-
Moose Lake	1	NA	413	434	"	-
Morris	5	2,035	398	"	"	1,652
Pinecreek	NA	NA	NA	"	"	-
St.Peter	8	3,089	615	578	"	-
Sandstone	2	NA	19	"	46 (?)	-
Sauk Center	4	1,250	126	"	120	-
Shakopee	7	2,623	49	"	48	-
Thief River Falls	9	3,433	91	"	"	263
Togo	NA	NA	29	"	48	-
Waseca	7	2,689	153	"	"	531
Willow River	0.3	NA	34	"	46	-
Camp Ripley	NA	NA		"	"	-

(1) Source: Census of Population, 1970.
(2) Source: Minnesota Department of Personnel and University of Minnesota (includes full and part-time State employees in each city - does not include student employees, some academic positions, legislative or judicial employees).
(3) Source: Minnesota Department of Public Welfare, June, 1977.
(4) Source: Minnesota Legislative Manual, 1975-76.
(5) Source: State Planning Agency, 1975 Pocket Data Book.
(6) Does not include schools for the handicapped.
NA = data not available

TABLE 11
Comparison of Land Area, Valuations and Tax Rates for Alternative Pilot Areas

Municipality	1970 Population (1000s)(1)	Land Area (Sq. Mi.)(2)	1974 Taxable Value ($1000s)(3)	Total 1974 Mill Rates(3,4)	Total Taxes Payable in 1974 ($1000s)(3)	1974 Homestead Credit ($1000s)(3)
Cities of the First Class						
Duluth	101	67.3	$ 180,854	138.08	$ 24,421	$ 4,575
Minneapolis	434	55.1	1,332,003	121.35	161,565	20,802
St. Paul	310	52.2	752,471	127.33	95,812	13,684
Over 20,000						
Austin	25	7.3	50,294	123.40	6,206	1,464
Bloomington	82	37.2	346,592	103.33	35,538	5,213
Brooklyn Park	26	25.8	82,420	102.88	8,356	1,447
Coon Rapids	31	23.5	78,476	93.36	7,312	1,976
Mankato	31	9.8	71,888	113.49	8,148	1,182
Minnetonka	36	27.0	128,664	107.14	13,468	2,672
Moorhead	30	6.5	53,790	97.43	5,240	1,203
Rochester	54	13.4	181,160	106.52	19,284	2,946
St. Cloud	40	10.8	87,534	121.09	9,586	1,466
White Bear Lake	23	NA	44,967	134.10	5,995	1,489
Winona	26	13.0	53,644	108.62	5,827	1,102
10-20,000						
Anoka	13	NA	37,717	99.75	3,762	744
Bemidji	11	NA	14,270	123.50	1,762	294
Brainerd	12	NA	21,641	79.00	1,710	346
Faribault	16	NA	26,324	127.32	3,350	727
Fergus Falls	12	NA	30,300	85.70	2,596	418
Hastings	12	NA	23,258	99.32	2,219	573
Hibbing	16	NA	26,936	160.94	4,335	1,488
Inver Grove Heights	12	NA	42,460	90.93	3,492	584
Marshall	10	NA	23,866	87.44	2,084	448
Red Wing	10	NA	106,370	70.22	6,940	500
Virginia	12	NA	30,432	146.06	4,440	1,051
Willmar	13	NA	26,990	103.62	2,793	624
Worthington	10	NA	18,570	99.23	1,811	412
Under 10,000						
Ah-gwah-ching	NA	NA	NA	NA	NA	NA
Bayport	3	NA	7,236	104.96	760	128
Cambridge	3	NA	5,925	88.22	523	113
Crookston	8	NA	5,955	127.76	1,756	328
Ely	5	NA	4,596	147.24	677	343
Grand Rapids	7	NA	19,816	102.01	2,021	437
International Falls	6	NA	16,948	111.83	1,895	246
Lino Lakes	4	NA	8,024	129.11	918	198
Moose Lake	1	NA	1,952	NA	NA	NA
Morris	5	NA	8,231	117.13	964	198
Pinecreek	NA	NA	NA	NA	NA	NA
St. Peter	8	NA	11,692	103.15	1,206	326
Sandstone	2	NA	1,363	NA	NA	NA
Sauk Centre	4	NA	5,781	106.25	614	138
Shakopee	7	NA	24,962	NA	NA	NA
Thief River Falls	9	NA	14,978	107.10	1,604	295
Togo	NA	NA	NA	NA	NA	NA
Waseca	7	NA	15,140	113.79	1,722	405
Willow River	0.3	NA	312	NA	NA	NA
Camp Ripley	NA	NA	NA	NA	NA	NA

(1) Source: Census of Population, 1970.
(2) Source: County-City Data Book, 1972 (available only for over 25,000 population).
(3) Source: Minnesota Municipalities, Vol. 61, No. 9, August, 1976 (data prepared by Department of Revenue).
(4) Includes all taxes. When more than one rate applies, highest rate is included in matrix.
NA = data not available

3. The locations of these institutions by city size were mapped to determine regional distribution of the major State institutions.

4. All of the above data was compared among State land uses and among the cities to assess their general variations and similarities. This was done in coordination with the LCMR/TSC staff.

5. Several areas were identified as appropriate alternative pilot areas. Recommended pilot areas were presented to the LCMR/TSC joint subcommittee for discussion and approval.

6. Three pilot areas encompassing eight State facilities and thirteen minor civil divisions (three cities, five counties, and five school districts) were selected by the LCMR/TSC joint subcommittee. A college, a prison and a hospital of similar size were included to test variations among institution types. Three colleges of significantly different sizes were included to test variations among institutions of the same type but of different sizes. Given the small number of pilot areas, it was agreed that comparisons among communities would have to be very limited.

Selection Criteria. To be selected as a pilot area or a test area, the following criteria had to be met:

- Multiple (if possible, all major) State land uses should be represented in each area to limit the data collection requirements.
- While a minimum number of areas should be used, all major State land uses and various city sizes should be represented in the group selected.
- The institutions/facilities selected should be representative of that type of facility.
- The cities selected should be representative of cities of a similar size.
- Institutions of different types should be of a similar size to test variations among land uses.
- Institutions of the same type should be of different sizes to test variations related to size.
- There should be a regional distribution of pilot areas if possible, given the limited number of pilot areas.

Selected Pilot Areas. Based on these criteria, three case study areas were selected as shown in Table 12: (1) Bemidji (Bemidji State University and MnDOT headquarters), located in Beltrami County; (2) Willmar (Willmar Community College, Willmar State Hospital, MnDOT headquarters), located in Kandiyohi County; and (3) St. Cloud (St. Cloud State University, St. Cloud Reformatory, and MnDOT headquarters), located in Stearns, Sherburne and Benton Counties. The methodology described in this chapter was developed and tested for these facilities in these three cities. All results reported will be specifically for these pilot areas.

TABLE 12
Selected Case Study Areas

Characteristic	Case Study Areas		
	Bemidji	Willmar	St. Cloud
State Land Uses			
- School	x	x	x
- Hospital		x	
- Prison			x
- MnDOT	x	x	x
Service Population			
- Students	4,000	700	8,000
- Patients/Inmates		600	500
City Population	11,000	13,000	40,000

BASIC ASSUMPTIONS OF EVALUATION METHODOLOGY

At best, the allocation of benefits and costs to a specific facility or landowner within a community is an estimate. It is extremely important to understand the assumptions which form the basis for the estimate in order to assess reliability of the estimate and to properly interpret the resulting observations. The following basic assumptions were made in allocating both benefits and costs. Where additional assumptions were made for specific functional areas or calculations, the assumption is identified in the appropriate model (see Appendix A). The mathematical models used in the evaluation are listed in Exhibit 3 and documented in Appendix A. Items discussed in this section will include:

- Institutional population.
- Geographic service areas.
- Primary and secondary impacts.
- Average year.

Institutional Population. Institutional population was defined as including: (1) patients, (2) inmates, (3) students, (4) employees, and (5) the family members of employees living within the geographic service area being analyzed (see Figure 7). Each member of the institutional population was assumed to generate benefits and costs in the community where he lives. The formula used for determining employee family members is presented in the General Section of Appendix A. Employee residence data was determined from zip codes or addresses provided by each institution or the Department of Personnel.

Geographic Service Areas. Benefits and costs were assumed to occur only in those governmental units where: (1) the State facility is located, or (2) where a significant portion of the State facility's

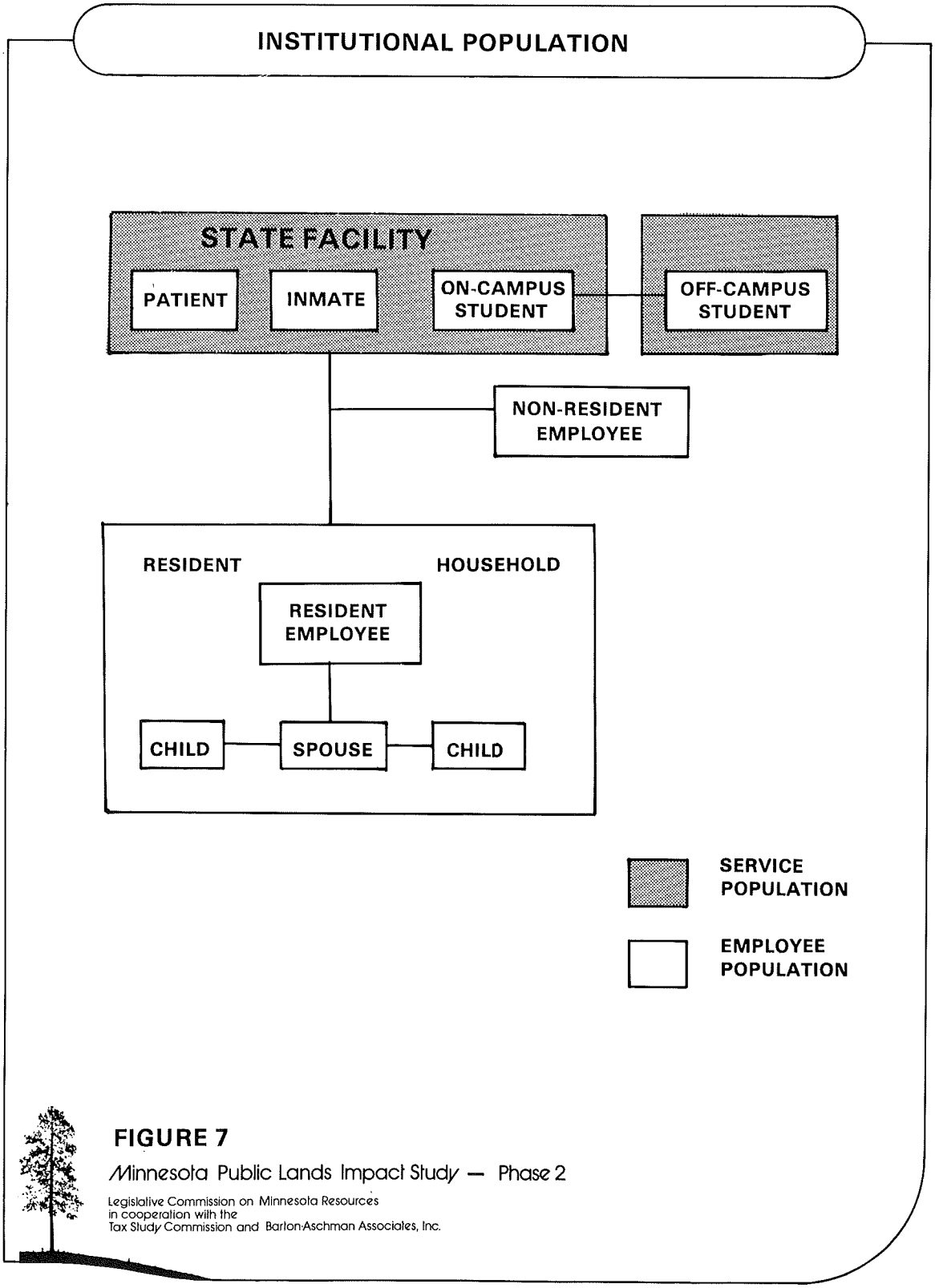


FIGURE 7

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employees reside (see Figure 8). Typically this will include: (1) a municipality, (2) a county, (3) one or more school districts. The geographic service areas analyzed for the three pilot areas are shown in Table 13.

Primary and Secondary Impacts. An effort was made in this analysis to identify both "primary" and "secondary" benefits and costs. Primary impacts were defined as those impacts directly related to, or occurring at, the institution. Secondary impacts were defined as those occurring away from the institution or related to the institution's employees, their families and their residences. For example, jobs at the institution were considered a primary impact while jobs generated by institutional and employee expenditures were considered a secondary impact. Likewise, police service provided to the institution was considered a primary impact while police service to an employee's residence was considered a secondary impact. Primary impacts can occur only within the local jurisdictions where the facility is located (i.e., one city, one county, one school district). Secondary impacts can occur within any jurisdiction where residents who are part of the institution's population reside.

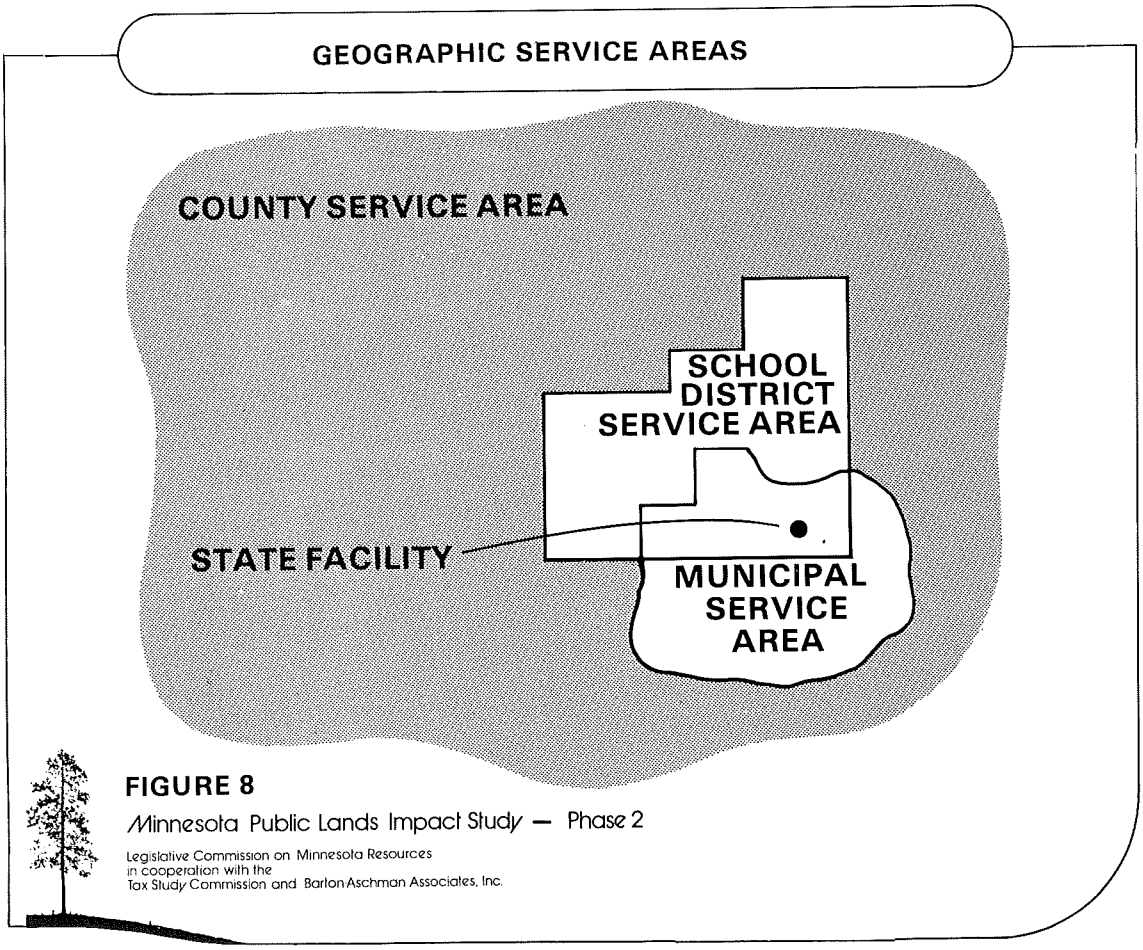

FIGURE 8

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TABLE 13
Georgraphic Service Areas for Pilot Institutions

Pilot Areas	Institutions	Geographic Service Areas		
		Cities	Counties	School Districts
Bemidji	State Univ., MnDOT	Bemidji	Beltrami	31
Willmar	State Hosp., Comm. College, MnDOT	Willmar	Kandiyohi	345,[1] 347
St. Cloud	State Univ., Reformatory, MnDOT	St. Cloud	Stearns,[2] Sherburne,[2] Benton[1]	742, 47[1]

[1] Employee residence only for all institutions in pilot area.

[2] Sherburne County employee residence only for University and MnDOT; Stearns County employee residence only for reformatory.

Average Year. All benefits and costs were based on economic and governmental fiscal conditions in 1974. This analysis assumes that any single year represents "average" conditions which will be repeated on an annual basis. This approach assumes that there is no "incremental" effect by the institutions on the local economy, service costs or local revenues. In other words, the institution's presence does not cause a greater or lesser change than another facility would; and supply and demand will increase or decrease proportionately. This assumption is especially important in assessing service demands since a community with excess service capacity theoretically would be less impacted by a new facility than one with no excess capacity. The latter community theoretically would be required to upgrade equipment, add personnel, etc., or experience a reduction in quality of service. While an incremental approach may be a more accurate measure of impact, it could not be used in this analysis because most State facilities have been in existence for several decades. Not only are previous conditions unknown, but the general economy, quality and quantity of governmental services, and local fiscal make-up has changed considerably during that time.

Fiscal data for the pilot areas in 1974 was compared to similar data for 1970-75. From this comparative analysis, it appears that 1974 was an acceptable "average" year for the purposes of this evaluation. An adjustment was made in only one case. St. Cloud apparently received an unusually large federal grant in 1974 which was not reflected in expenditures for that year. Data from 1975, which was a much more typical grant amount, was substituted for analytical purposes.

METHODOLOGY FOR MEASURING ECONOMIC IMPACTS

Several potential impacts on the community's economy were considered in the analysis. These included impacts related to:

- Employment
- Personal income
- Business volume
- Community services provided by the institution
- Image
- Quality of life
- Land use developmental patterns

These factors tend to be difficult to measure quantitatively because: (1) they are not directly related to service costs and revenue generated, (2) there tends to be disagreement over the factors which determine the value of these benefits and their relative degree of importance, and (3) usually it is not just one facility which is responsible for the economic condition or quality of life in the community. There are techniques, however, that can be used to measure these factors if enough assumptions are made. Alternatively, these factors might be addressed only on a qualitative scale by merely discussing the nature of real and perceived benefits and disbenefits with local officials, residents, and institution managers.

Alternative Approaches. Five alternative approaches were considered as follows:

1. Develop a series of quantifiable factors and give ratings on a predetermined scale.

2. Survey local residents, businesses and public officials for their opinions.

3. Discuss on a qualitative basis, reporting opinions of selected local officials.

4. Use of "multipliers" based on employment, income and business volume to estimate economic impacts.

5. Exclude from the analysis.

Impacts on employment, personal income and business volume were estimated quantitatively based on estimated expenditures by the institution and the institution's population and applying multipliers from available literature. The models used for this purpose are listed in Exhibit 3 and documented in the Economic Section of Appendix A. While an extensive list of community services has been compiled (see Chapter Six),

LIST OF MATHEMATICAL MODELS USED FOR PILOT AREA ANALYSES(1)

General Models

G-1 Employee Family Members
G-2 Potential Tax Revenues
G-3 Potential Mill Rate
G-4 Net Cost - Revenue Difference

Economic Impact Models

E-1 Jobs Generated
E-2 Personal Income Generated
E-3 Business Volume Generated
E-4 Local Housing Expenditures
E-5 Local Non-housing Expenditures
E-6 Gravity Model
E-7 Local Visitor Expenditures

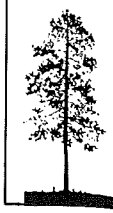
Revenue Models

R-1 Local Aid
R-2 Highway Aid
R-3 Other State Aid
R-4 Federal Revenue Sharing
R-5 Other Federal Aid
R-6 County/Local Grants
R-7 Other Local Revenue
R-8 School Foundation Aid
R-9 Other School Aid
R-10 Federal School Aid
R-11 Property Taxes
R-12 Special Assessments

Service Cost Models

S-1 Police
S-2 Fire
S-3 Roads
S-4 Transit
S-5 Parking
S-6 Health
S-7 Welfare
S-8 Parks and Recreation
S-9 Education
S-10 General Government
S-11 Capital Expenditures

(1) Each of these models is documented in Appendix A which has been published in a separate collection of appendices.



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neither the institutions nor the local officials were able to estimate the dollar value of these services. Therefore, these services are discussed qualitatively. Impacts related to image, quality of life and land development also cannot be readily quantified and are, therefore also discussed only qualitatively (see Chapter Six).

Multiplier Concept. The basic theory underlying the estimates of employment, personal income, and business volume generated by a State institution is the "multiplier concept." This concept, illustrated in Figure 9, assumes that the economy is essentially a cyclical process which recycles a single dollar many times, generating new income, new jobs and new business volume with each cycle. Community residents, through their jobs, make an income. A portion of this income is spent in local business establishments. Likewise, business establishments spend a portion of their income for local payroll and for goods and services obtained in the local community. This first round of spending creates a second round of income, jobs and business volume. This second round of income is partially spent in the local community and, in turn, gen-

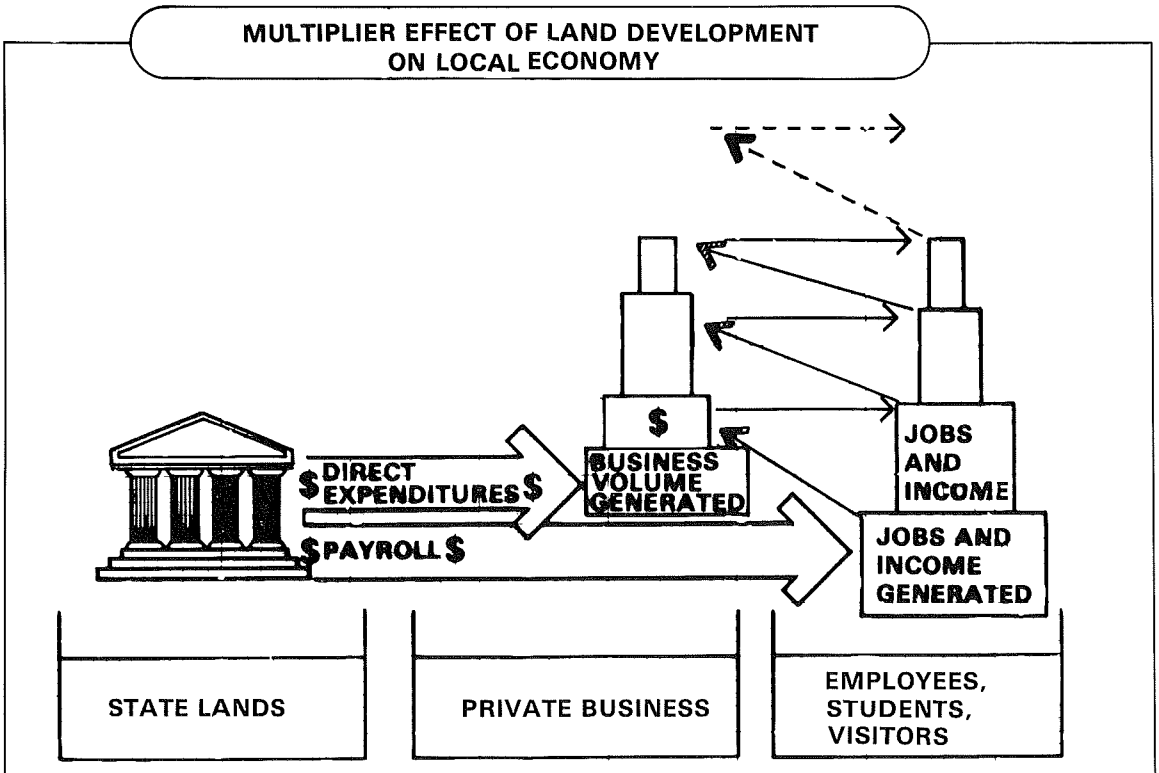

FIGURE 9

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erates jobs and income. This cycle occurs many times with the effects decreasing with each cycle. Obviously, the actual economic effect of each dollar spent will vary from one community to another depending on many factors creating that particular economic environment. As such, the multiplier concept is only a statistical means of estimating the economic impact of a particular development in a particular community.

The multipliers used in this analysis were taken from Caffrey, John et al., "Estimating the Impact of a College or University on the Local Economy" (see Bibliography). A high-low range is given for projected jobs, personal income, and business volume. Generally, the higher figure will be more applicable in communities with large populations, high employment diversification and high reliance on its own economy. The lower portion of the range will tend to be more applicable for small communities with less diverse employment and higher dependence on outside economies for goods and service areas.

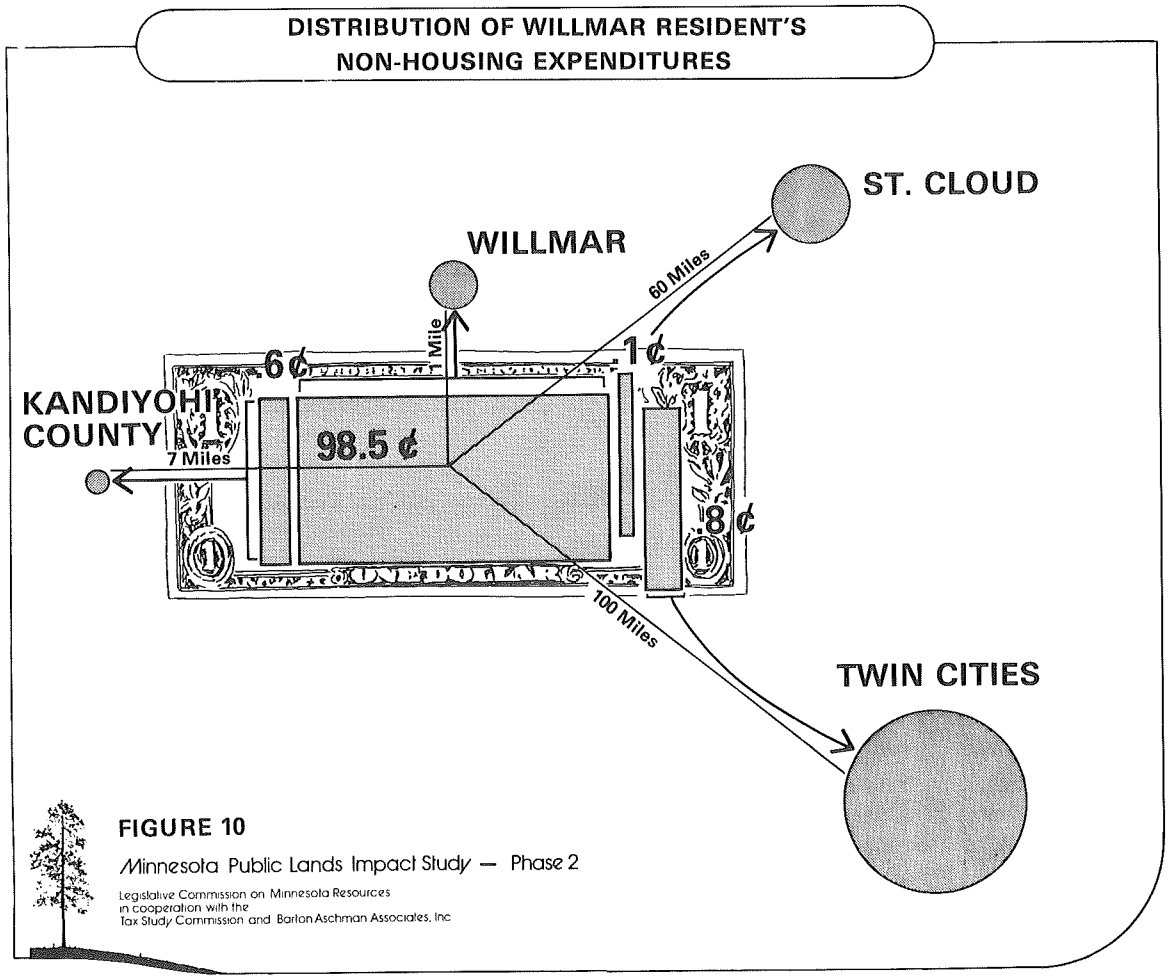
Geographic Distribution of Expenditures. In order to apply the above multipliers, the geographic distribution of expenditures by the institutional population must be determined. Housing expenditures, of course, occur at the place of residence. However, non-housing expenditures may be made in many different localities. The model used to distribute non-housing expenditures is documented in the Economic Section of Appendix A and is taken from the Caffrey report (see Bibliography). This model is based on the gravity theory which assumes that the local non-housing expenditures of an individual will be inversely proportional to the square of the distance to the place of purchase. An individual's total non-housing expenditures can be distributed among all competing trade areas in relation to his average trip length to each point of purchase. This concept is illustrated in Figure 10 using a Willmar resident as an example.

The key elements which must be assumed in applying this model are: (1) competing trade areas, and (2) average trip lengths. In the pilot areas, a minimum number of competing trade areas were defined to simplify the model. Trade areas used included the following:

- Local city (i.e., Bemidji, Willmar, St. Cloud).
- Remaining county (i.e., Beltrami; Kandiyohi; and combined Stearns, Sherburne, and Benton).
- Major retail centers within a reasonable traveling distance (i.e., Twin Cities and St. Cloud for Willmar; Twin Cities for St. Cloud).

Average trip lengths were estimated for each trade area as follows:

- Trip distances to major retail centers were scaled from a map.
- An average trip distance from the outlying county to the city or the city to the outlying county was estimated by scaling from a map.
- Trips within the city were estimated to equal one-half the average radius of the city.



- Trips within the outlying county were estimated to equal one-half the average radius of an average quadrant of the county (only one-eighth of Beltrami County was used due to its unusually large land area and limited development).

Local knowledge and discretion will be needed to determine acceptable assumptions for other areas of the State.

Problems and Limitations. The impact analysis methodology is probably weakest in the aspects related to estimating economic impacts for the following reasons:

1. Several factors which may be important cannot be readily quantified in dollar values.

2. Much of the expenditure data needed to apply the models was not available in the pilot areas and, therefore, many assumptions had to be made (see models in Economic Section of Appendix A).

3. The multiplier concept is a theoretical statistical approach and the multipliers used may or may not be valid for Minnesota communities. The sample size and lack of data would not permit verification of the available multipliers.

Dollar ranges and qualitative discussions of these economic impacts are included to offset these potential limitations of the methodology.

METHODOLOGY FOR ESTIMATING GOVERNMENTAL REVENUES

A number of governmental revenues were identified and allocated to each State institution. These revenues were categorized as:

- State Local Aid
- State Highway Aid
- State Foundation School Aid
- Other State School Aid
- Other State Aid
- Federal Revenue Sharing
- Federal School Aid
- Other Federal Aid
- County/Local Grants
- Residential Property Tax
- Non-residential Property Tax
- Special Assessments
- Direct Payments
- Other Local Revenues

The measures used for each revenue category is shown in Table 14. Models are documented in the Revenue Section of Appendix A. All aid formulae were described in Chapter Four. Assumptions used in calculating revenues attributable to the institutions are described below.

Alternative Approaches. Alternative methodologies for estimating revenue impacts focused around five issues: (1) allocating residential property taxes, (2) allocating non-residential property taxes, (3) allocating State and federal aids, (4) determining the value of State property, and (5) selecting appropriate tax ratios for estimating the impacts of tax-exemption on local property taxes.

Alternatives considered for allocating existing residential property taxes paid by State employees and other institutional population included:

1. Surveying each employee to determine actual assessed value or actual property taxes paid.

2. Estimating employee income and apply a factor to estimate housing value.

3. Applying an average value or taxes paid per household to resident employees.

TABLE 14
Summary of Revenue Measures

Type of Revenue	Measure
Local Aid	Per Capita
Highway Aid	Per Capita
Other State Aid	Per Capita
Federal Revenue Sharing	Per Capita
Other Federal Aid	Per Capita
County/Local Grants	Per Capita
Other Local Revenues	Per Capita
School Foundation Aid	Per Student
Other School Aid	Per Student
Federal School Aid	Per Student
Residential Property Taxes	Per Household(1)
Non-residential Property Taxes	Percent of Business Volume
Special assessments	Proportionate to property taxes(1)
Direct payments	Actual payments

(1) Plus actual payments by institution where appropriate (see models in Appendix A).

Alternative Three was chosen because it minimized the amount of data and number of assumptions required.

Alternatives considered for allocating non-residential taxes included:

1. Allocate all non-residential taxes on a per capita basis.

2. Allocate only commercial taxes on a per capita basis.

3. Allocate on the basis of percent of business volume generated by the institution.

4. Exclude from the analysis.

Alternative three was selected because it is most closely related to the actual taxes attributable to institution related activity.

Alternatives considered for allocating intergovernmental aids included:

1. Use the actual aid formula.

2. Allocate on a per capita basis.

Intergovernmental aids were allocated on a per capita basis because the aid formulae could not be applied to individual landholdings. In most cases, all factors except population become constants within a given minor civil division.

Alternatives considered for determining State property value included:

1. Determine assessed value estimated by the County Assessor.

2. Estimate the average value per square foot used for that general land use in the Assessor's report on exempt properties.

3. Use appraised values provided by State agencies and adjust by sales ratios.

4. Conduct an appraisal of the facility and adjust by sales ratios.

5. Estimate value using guidelines for appraisal provided in the literature.

The value estimates of the County Assessors were used because they were the only available estimates in many cases. Alternatives requiring new estimates were not considered feasible due to the complexities and costs involved in property appraisal.

Alternative taxable ratios which were considered for estimating the effect of tax-exemption on local property taxes included:

1. 40%: This is the rate for non-homesteaded residential real estate.

2. 43%: This is the rate for commercial, industrial and other property not given a lower ratio by law.

3. A combination of the above.

4. Some lower rate as specified by the LCMR/TSC joint subcommittee.

It was decided that a high and low estimate of this impact should be made using a ratio of 10 percent for the low estimate, and rates for a comparable, private, taxable use for the high estimate. Alternative Three was used for the high estimate with 40 percent used for residential buildings and 43 percent used for other buildings (e.g., office, food services, academic and other support services).

Intergovernmental Aids. All intergovernmental aids, except school aids which are calculated on a per pupil basis, are allocated on a per capita basis. The actual formula used for each major aid is described in Chapter Four. As indicated in this chapter, most aid formulae are based on population and one or more "equalizers" related to tax base, mill rate, income, etc. A per capita approach has been used for primarily two reasons. First, some equalizers (e.g., mill rate) are the same for all properties within a community, thus population is the only internal variable. Second, other equalizers are difficult, if not impossible, to relate to individual landholdings and therefore could not be used. While this approach oversimplifies the means used to determine overall State and federal aids, it was the only feasible alternative for allocating aids to properties within a single community.

Primary and secondary intergovernmental aids were allocated on the basis of residence. That is, any individual living at the institution was assumed to generate primary aid revenues (typically patients, inmates and on-campus students). Any individual living away from the institution was assumed to generate secondary aid revenues. Since the service population of the institution (i.e., students, patients and inmates) is included in the population census of the community, they may be assumed to generate aid revenues at the same rate as any other resident of the community.

Property Taxes. While State institutions do not contribute property taxes to the local community directly, they do contribute indirectly through the property taxes paid by their employees and students, and through the property taxes paid by local businesses which the employees, students and institution help support with their expenditures. Figure 11 illustrates this concept.

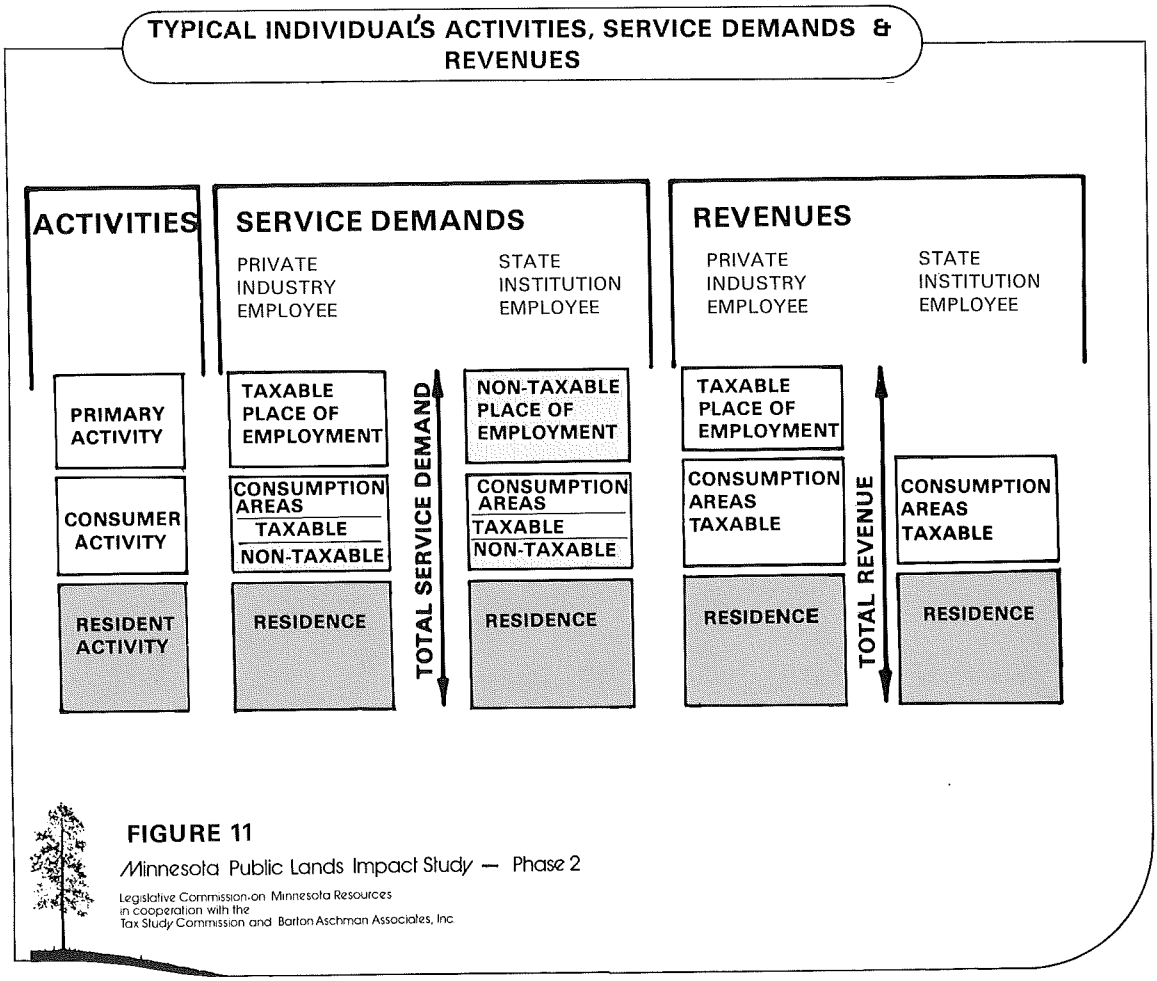


FIGURE 11

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All property taxes whether residential or non-residential were considered secondary revenue unless paid directly by the institution. Residential property taxes were estimated on a per capita basis. Non-residential property taxes were estimated on a proportionate basis by relating the business volume generated by the State institution and its employees to the total community business volume.

Direct Payments. Potential types of direct payments are described in Chapter Four. These payments are made either voluntarily by the institution for services received, or by statute (usually for shared lease revenues). Payments included in the analysis are the actual payments made by each institution as reported by the institution or the Department of Finance.

Problems and Limitations. There are three potential problems associated with the methodology used to allocate revenues:

1. The per capita allocation approach makes it difficult to identify any factors other than population size which may directly influence aids and revenues.

2. It would have been preferable to eliminate all non-residential property taxes from the analysis. This could not be done, however, because all non-residential services could not be eliminated from the cost analysis (see following section).

3. Special assessments are usually made on a front footage rather than a value basis, and only benefited users are taxed. As such, they may not be directly proportionate to property taxes paid.

METHODOLOGY FOR MEASURING SERVICE COSTS

The types of services considered in this analysis include the following:

- Police
- Fire
- Roads
- Transit
- Parking
- Garbage Collection
- Water
- Sewer
- Health
- Education
- Welfare
- Parks and Recreation
- General Government
- Capital Expenditures

Primary costs were allocated on the basis of unit of service demand measures, as identified in Table 15. Secondary costs were allocated on a per capita basis. Models for these estimates are documented in the Service Section of Appendix A.

Alternative Methodologies: Three basic approaches to allocating service costs were considered as follows:

1. Assignment of per capita costs to population generated by the institution (i.e., employees, etc.). This assumes that costs occur in direct proportion to the number of people served.

2. Assignment of costs on the basis of the proportion of the institution's value to the total property value of the community. This assumes that value is an indicator of service demand (i.e., intensity of use). This is the basis upon which property taxes are currently determined.

3. A series of service unit measures designed for each specific service category might be used. This assumes that neither population served nor property value are uniformly accurate measures of service demand or cost for all service categories. Rather, service costs should be allocated on the basis of number of service calls, number of road miles provided, etc.

Service measures were used to allocate "primary costs" wherever possible since this approach more accurately represents actual service delivered. Secondary costs were allocated on a per capita basis as described in the following paragraphs. Since secondary costs are only those associated with residential and consumer activities, this approach appears to be reflective of the level of services received by local residents.

TABLE 15
Summary of Service Measures for Estimating Primary Service Costs

Service[1]	Measure
Police	Percent of Time
Fire	Percent of Time
Roads	Trips Generated
Transit	Trips Generated
Parking	Supply vs. Demand Generated
General Government	Proportionate to Above
Capital	Proportionate to Above
Sewer	Consumption Rates
Water	Consumption Rates
Refuse	Consumption Rates

[1] All other services (health, education, welfare, parks and recreation generated secondary costs only). See Appendix A for models.

Primary Costs. "Unit of service" measures were used to estimate those property-related services provided directly to the institutions. These predictive measures were based on either: (1) national or regional standards of service demand related to land use, or (2) actual services provided to the institution by a local agency. National or regional standards were used wherever available since local records typically do not relate services to individual properties except in raw data form. In two cases, police and fire, it was necessary to request the assembly of raw data to determine units of service provided. These data were assembled using the questionnaries provided in Appendix B.

Secondary Costs. It has been assumed, on a general scale, that all individuals in a community will tend to generate approximately the same aggregate service demands through activities related to: (1) primary occupation (employee, student, etc.), (2) consumer activities, and (3) residential activities. This concept is illustrated in Figure 11. In the pilot area evaluation methodology, property-related costs associated with the individual's employment (and in the case of service population, some share of residential and consumer costs) have been included in the primary cost calculations. Accordingly, that portion of an individual's day spent at the institution was deleted in calculating secondary costs on a per capita basis for property-related services. The costs for people related services (for example, health and education) were assumed to be equally spread among all individuals residing in the community. Specific details on assumptions for service cost estimating are provided in the models documented in the Service Section of Appendix A (see Exhibit 3). It is believed that this approach to allocating costs effectively divides costs associated with the institution from those related only to its population.

Problems and Limitations. There are at least three limiting factors related to the service cost estimates:

1. It would have been preferable to eliminate all non-residential costs from the secondary cost analysis. Unfortunately, local service records are usually not maintained on this basis and an accurate separation could not be made without the collection of considerable raw data.

2. Due to lack of available data, "standing ready" time for fire personnel could not be properly allocated to properties in the community. While the time is allocated to the institution, the primary/secondary split may not be as accurate as in other service categories.

3. Direct measurement of service demand by both institutions and their employees would be a more accurate means to establish service costs. Unfortunately, measurable units of actual public service provided to individuals or institutions typically do not exist. If a unit of measurement can be identified, local governments rarely collect this information.

DATA SOURCES USED IN PILOT AREA ANALYSES

All principal data sources used or evaluated in the pilot area evaluations are indicated in Table 16. The data source selected was usually selected for one or more of the following reasons:

- It was the only source available which supplied the necessary data.
- It was the only source available which would provide comparable data for all or most communities or State facilities in the State.
- It was the most accurate or current data available.

It is important to note that the sample size used in this pilot study was very small. As such, it was not possible to verify or test all data sources, methodologies, or assumptions. Some of the more difficult data to obtain is described below.

Residential Distribution of Employees and Students. While zip code data for State employees is available centrally through the Department of Personnel, it is only available for civil service employees at those institutions which have submitted the information. It was necessary, therefore, to collect raw data from each institution and manually distribute employees by address or zip code. If zip codes are used, a zip code area may cover more than one minor civil division, perhaps even an entire county, and adjustments or assumptions must be made accordingly. Residence data for students was not available. Therefore, students were assumed either to live in the city in which the school is located or to be distributed in the same proportions as school employees.

Occupational Data. Complete State employee occupational data also was not available centrally. Occupational categories related to the census occupational distribution were developed and raw data was requested from individual institutions (see Appendix B for questionnaire). In the case of MnDOT facilities, it is necessary to distinguish between regional or district employees and those employed at the facility. There were some discrepancies in these data due to different interpretations of the questionnaire.

Local Institutional Expenditures. Data in summary form was not available for local institutional expenditures either centrally or at each institution. These records are typically maintained by vendor name, not location. Each institution was, therefore, asked to review its records for the month of October, specify the amount of local expenditures, and rate all other months in relation to October. The questionnaire used to obtain this data is included in Appendix B. Discrepancies may have occurred due to different interpretations of the questionnaire. In particular, data from the MnDots may have included some construction contracts which should have been excluded.

TABLE 16
Data Sources for Models Used in Pilot Area Impact Analyses

Model	Data Item	Principal Data Source	Other Sources Investigated
G-1: Employee Family Members	Employment	Institutions	Department of Personnel Department of Finance
	Residence (by zip code)	Institutions	Department of Personnel
	Double income factor	U.S. Census	Institutions
	County labor force	U.S. Census	--
	Average household size	U.S. Census	--
R-1 through R-7: Revenues	Revenues by category	Auditor's Reports on City and County Revenues and Expenditures	--
	Population	U.S. Census or special census data	--
	Patients, inmates, students	Institutions	Minnesota Statistical Abstract, Pocket Data Book, central agencies managing institutions
	Employment	see Model G-1	see Model G-1
R-7: Other Local Revenue	Direct payments	Department of Finance	Institutions Central agencies managing institutions
R-8 through R-10: School Aid	Revenues by category	Department of Education	--
	Pupil units in public school	"Update," Department of Education	Minnesota Educational Directory, Institutions
	County labor force	U.S. Census	--
	Population	Department of Education (special U.S. census)	Minnesota Educational Directory
	Employment	see Model G-1	see Model G-1
R-11 and R-12: Property Taxes and Special Assessments	Taxes and special assessments paid by institutions	Department of Finance	Institutions, central agencies managing institutions
	Taxes levied	Auditor's Reports, "Property Taxes Levied in Minnesota" (Department of Revenue)	--
	Population	U.S. Census or special census; Department of Education (U.S. special census)	--
	Patients, inmates, students	Institutions	Minnesota Statistical Abstract; central agencies managing institutions, Pocket Data Book
	Employment	see Model G-1	see Model G-1
S-1 through S-8: Service Costs	Operating budgets	Auditor's Reports on City and County revenues and expenditures	--
	Population	U.S. Census or special census	--
	Patients, inmates, students	Institutions	Minnesota Statistical Abstract; central agencies managing institutions, Pocket Data Book
	Employment	see Model G-1	see Model G-1
S-1: Police Costs	Personnel and personnel hours	Local and county police departments (see Appendix B)	Gov.'s Crime Control Commission, Municipal Yearbook
	Hours spent at institutions	Local and county police departments (see Appendix B)	Institutions
S-2: Fire Costs	Personnel and personnel hours	Local fire department	Fire Information Center, Municipal Yearbook
	Calls and calls to institutions	Local fire department	Institutions
S-3: Highway Costs	Average per capita trips	BAA databank	Local highway departments
	Trips by land use	"Trip Generation" (Institute of Transportation Engineers)	BAA databank, Local highway departments
S-4: Transit Costs	Operating deficit	Local transit authority	Community Development Department
	Passenger trips	Local transit authority	Community Development Department
	City mode split	Local transit authority	"State of Minnesota Outstate Transit Study" (State Planning Agency)
S-5: Parking Costs	Spaces by land use	BAA databank	--
	Spaces provided by institution	Institutions	--
	Parking Costs	Local parking authority	BAA databank, Community Development Department

TABLE 16 (Continued)
DATA SOURCES FOR MODELS USED IN PILOT AREA IMPACT ANALYSES

Model	Data Item	Prinicpal Data Source	Other Sources Investigated
S-9: School Costs	Operating Budgets	"Update," Department of Education	--
	Pupil Units	"Update," Department of Education	Minnesota Educational Directory
	County labor force	U.S. Census	--
S-10 and S-11: General Government and Capital Costs	Operating and capital budgets	Auditor's Reports, "Update"	--
E-1 through E-6	Institution expenditures	Institutions (see Appendix B)	Department of Finance (Statewide Accounting System) Central Purchasing
	Net payroll	Department of Finance	Institutions, "Survey of Buying Power" (Sales Management)
	% Housing and non-housing expenditures	U.S. Department of Labor, Report #74-454	Caffrey, John et al.;"Survey of Buying Power" (Sales Management)
	Student expenditures	Caffrey, John et al.	Institutions, University of Minnesota
	Multipliers	Caffrey, John et al.	University of Minnesota
E-6: Gravity Model	Model	Caffrey, John et al.	University of Minnesota
	Retail sales	"Minnesota Sales & Use Tax" (Dept. of Revenue	U.S. Census of Retail Trade
	Competing areas	Local officials	--
	Average trip lengths	Estimated by BAA	--
E-7: Visitor Expenditures	Hospital and prison visitors	Institutions	BAA databank
	Administrative and maintenance	Estimated from trip generation data (see Model S-3)	Institutions, BAA databank
	Schools	Adapted from Caffrey, John et al.	Institutions, BAA databank, State University Board, University of Minnesota
	Average expenditures	Adapted from Caffrey, John et al.	Institutions, University of Minnesota
G-2 through G-3: Projected Tax Impacts	Institution's market value	Local Assessor	Department of Revenue, Department of Administration, State Architect's office, central managing agencies, institutions, "Marshall's Construction Cost Estimating"
	Mill rates	"Minnesota Cities" (League of Minnesota Municipalities)	Department of Revenue
G-2: Property Taxes	Net Square Footage (residential and non-residential	Institutions	SHELTER, MLMIS, central agencies managing institutions, Land Documents, Department of Administration
G-3: Mill rates	Taxes levied	Auditor's Reports, "Property Taxes Levied in Minnesota"	"Minnesota Cities"
Other	Assessed values	Auditor's Reports, "School Districts Adjusted Assessed Values"	"Minnesota Cities," "Property Taxes Levied in Minnesota," "Abstract of Assessments" (Department of Revenue)
	Taxable values	Auditor's Reports, "Property Taxes Levied in Minnesota"	"Minnesota Cities," "Abstract of Assessments" (Department of Revenue)
	Tax-exempt values	"Abstract of Tax-Exempt Properties" (Department of Revenue)	Local Assessors
	Sales ratios	Department of Revenue	--
	Assessment techniques	Local Assessors	--
	Land and building data	Institutions	SHELTER, MLMIS, Land Documents, Department of Administration, central agencies managing institutions
	Housing units	County-City Data Book, local agencies	--
	Aid formulae	Minnesota Statutes, MnDOT, Department of Revenue, U.S. Office of Revenue Sharing	Department of Welfare
	Occupational data	U.S. Census, institutions	Department of Personnel
	Water, sewer, refuse rate systems	Local agencies	Energy Agency
	Water, sewer, refuse consumption rates	"Water Resources Engineering," "ASCE Design and Construction of Sanitary and Storm Sewers," "Sewers for Growing America," "Modern Handbook of Garbology"	Local agencies, Energy Agency
	Street mileage	Local highway departments	Institutions (front footage)
	Services of institution to community	Institutions	Local agencies

Police and Fire Data. Police and fire data were also not available in the necessary format. Fire departments were asked to specify: (1) the number of annual calls (total and at institution) by general type, (2) the average personnel time (volunteer and full-time) spent per call by type of call, and (3) volunteer and full time personnel and compensation. Police departments were asked to review their records for the month of October, specify the number of calls and time spent by type of call and the time spent for other non-call activities, and rate all other months in relation to October. The questionnaire used to obtain police data is included in Appendix B. Discrepancies may also have occurred in these data due to different interpretations of the questionnaire.

Financial Data. All local governmental financial data was taken from the State Auditor's reports. There was some concern expressed that these reports may not be consistent among communities because of different interpretations of the reporting categories.

Market Value of Institutions. While the local assessors must estimate the market value of tax-exempt properties every four years, there is considerable concern about the accuracy of this data. Accordingly, several attempts were made to verify this data as described below.

1. Assessors in the pilot areas were asked how they arrived at market values for State facilities. Two of the three used depreciated replacement value. This method is used, along with income capacity, to determine market value of taxable non-residential facilities. The third assessor used original construction cost. Since the facilities in question were relatively new, the value estimate was probably adequate in this particular case. In all cases, the assessors felt their estimates were reasonable in comparison to other properties in their respective communities.

2. The Department of Revenue was contacted to determine if an assessment method is specified by the State. Assessors are simply instructed to use methods they normally use for assessing properties in their communities.

3. Individual institutions, central agencies, the State Architect's Office, and the Department of Administration were contacted to determine if State estimates or appraisals are made. They are typically available in only two cases: (1) an appraisal is made when a new facility is acquired or constructed, and (2) an annual appraisal is made for State hospitals and nursing homes to obtain federal funds. The latter appraisal appears to be done on the basis of a straight line depreciation from original construction.

The above research suggested that the assessor's estimate will be the only available estimate of market value for many State facilities. In addition, it appears that most assessors are making an effort to

estimate reasonable values using techniques which are used for other non-residential properties in their communities. However, assessment practices probably vary considerably from one area to another.

REASONS FOR VARIATIONS FROM PHASE 1 METHODOLOGY

The above described methodology varies somewhat from that used in Phase 1 for the following reasons:

1. Natural resource lands do not have significant resident population or employees but rather attract users which are not counted or measured.

2. The use of natural resource lands is highly seasonal rather than full-time as is the case with most Phase 2 properties.

3. Most natural resource lands are located in rural areas where minimal public services are provided by local governments.

4. Much more data is available related to institutional facility use and municipal services than was available for rural natural resource lands. In the case of natural resource lands, little data was available regarding either intensity of use or services provided directly to the natural resource land.

5. Several different types of State land uses involving intense use are being investigated in Phase 2. These facilities are located in cities of extremely varying sizes rather than in rural areas. The number of each type of institution is small but their sizes vary considerably. Thus, their differences may be greater than their similarities.

6. Institutional facilities are not concentrated in certain areas of the State as is the case with natural resource lands. There are no cities that have all of State institutions represented that could be used for an in depth study.

PRINCIPAL OBSERVATIONS AND CONCLUSIONS

1. The methodology presented in this chapter is one of the most comprehensive efforts ever undertaken to measure quantitatively the full range of costs and benefits associated with public lands.

2. The methodology, wherever possible, is based on predictive measures which do not assume equal allocation of costs and benefits to all properties in a community.

3. Wherever appropriate, ranges rather than exact numbers are provided. This permits greater interpretation of a wider range of variables.

4. Wherever possible, the methodology used or expanded upon previously tested approaches. Also, wherever possible, the required data was limited to that which could be readily obtained in other communities.

5. The evaluation methodology developed in the case study areas can be applied to other areas or institutions if the appropriate data is available. The methodology and appropriate data sources have been carefully documented to make comparable application of the methodology possible.

6. Since the sample size was very small, much of the data, methodology, and assumptions could not be tested thoroughly. However, they appear to be reasonably reflective of conditions in the case study areas.

7. Incremental effects on benefits or costs cannot be clearly measured using this methodology.

8. Because most costs and revenues are related to people not property, it is difficult to allocate costs and revenues to a single piece of property. Records typically are not kept on this basis. Revenues and services are not provided to individual people so much as "for the public good."

9. Primary and secondary costs and revenues are difficult to separate. This is especially true of most revenues because property is not a direct factor in the aid formula.

10. This methodology assumes that the institution populations can be represented by local city, county and school district averages. This may or may not be accurate. The characteristics of each institution's population may vary significantly from local averages affecting economic impact, cost and revenue figures. Similarly, assumptions related to the place of residence of employees and students will also affect economic impact, cost and revenue figures.

CHAPTER 6
IMPACTS OF STATE INSTITUTIONS AND ADMINISTRATIVE LANDS

The methodology described in Chapter Five was developed and used to identify and test the impacts of the major state institutions and administrative lands in three pilot cities: Willmar, Bemidji, and St. Cloud. The key purposes of these pilot studies were to: (1) develop a list of potential impacts which may occur as a result of State institutions and administrative lands, (2) describe State institutional functions and characteristics, and (3) discuss how these functions and characteristics have an effect on the communities in which the institutions are located. The pilot areas were also used to test the reasonableness of the hypotheses and assumptions forming the basis of the methodology described in Chapter Five. Where actual conditions in one or more of the pilot areas suggested inaccuracies or inconsistancies in the methodology, the methodology was revised as appropriate and tested again. The purpose of this chapter is to report the results of the tests conducted in the case study areas.

The key issues addressed in the pilot area analyses include the following:

1. What are the economic impacts of State institutions and administrative lands?

2. What governmental revenues are generated by these facilities?

3. What are the costs of providing local services to these facilities?

4. What other impacts may occur as a result of these facilities?

5. Why do these impacts occur or what causes them?

6. How significant are the impacts?

7. Can the impacts be predicted for other institutions in other areas? Are the results, or is the methodology, applicable to other areas or institutions?

8. Is the methodology applicable to natural resource lands? What are the probable variations in results related to natural resource lands?

The first sections of the chapter will report the general types of impacts which were identified as occurring in the various pilot governmental units for various pilot institutions. These will be organized into economic impacts, revenue impacts, service costs impacts, and other impacts. The remaining sections of the chapter will focus on the relative significance of these impacts and the applicability of results to other areas and institutions.

PILOT AREAS

Local Governmental Units. There are several local governmental units which may be simultaneously impacted by a land development. The impact analyses in this study focused on: (1) municipalities, (2) counties, and (3) school districts. A total of 13 local units were identified as impacted areas in the pilot communities. These included three cities (Bemidji, Willmar, and St. Cloud), five counties (Beltrami, Kandiyohi, Stearns, Sherburne, and Benton), and five school districts (31, 345, 347, 742, 47). The key descriptive data which was utilized in the impact analysis for each of these governmental units is provided in Table 17. As can be seen in this table, city populations ranged from

TABLE 17
Characteristics of Pilot Areas

Pilot Areas	1970 Population (1)	1970 Labor Force (1)	1974-75 Pupil Units (3)	1974 Business Volume ($1000s) (4)	1974 Taxable Value ($1000s) (5)	1974 Mill Rate (5)	1974 Expenditures ($1000s) (6)	1974 Revenues ($1000s) (6)
Cities								
Willmar	16,035 (2)	5,222	-	$195,155	$ 29,427	23.69	$ 2,387	$ 2,411
Bemidji	11,490	4,229	-	89,031	13,806	33.08	2,224	2,326
St. Cloud	40,715	14,835	-	560,313	87,608	31.20	9,889	8,621
Counties								
Kandiyohi	30,548	11,802	-	258,773	77,444	30.37	6,135	6,610
Beltrami	26,373	9,381	-	106,078	30,293	42.66	6,287	7,148
Stearns	95,400	33,791	-	805,589	195,902	16.88	10,130	8,439
Sherburne	18,344	6,524	-	72,871	50,677	26.70	3,544	2,731
Benton	20,841	7,722	-	67,918	-	-	2,898	2,494
School Districts								
345	4,536	-	1,441	-	-	-	1,813	1,415
347	16,798	-	5,155	-	43,436	54.84	6,995	8,147
31	20,646	-	5,507	-	31,593	60.53	6,344	6,199
742	58,879	-	14,075	-	125,158	65.95	17,633	20,050
47	9,838	-	2,779	-	-	-	3,257	2,812

(1) Source: U.S. Census
(2) Special census in 1975 due to annexation.
-indicates data not used in analysis.
(3) Source: Minn. Educational Directory
(4) Source: Minn. Sales and Use Tax
(5) Source: Minn. Municipalities
(6) Source: Auditor's Reports

11,000 to 41,000, county populations ranged from 18,000 to 95,000, and school district populations ranged from 40,000 to 59,000. In proportion to its population, the City of Willmar appears to have a higher business volume and taxable value than the other cities. Kandiyohi County also appears to be in relatively good financial condition. City mill rates ranged from 23.69 (Willmar) to 33.68 (Bemidji), county mill rates ranged from 16.88 (Stearns County) to 42.66 (Beltrami County), and school district mill rates ranged from 54.84 (Willmar) to 65.95 (St. Cloud).

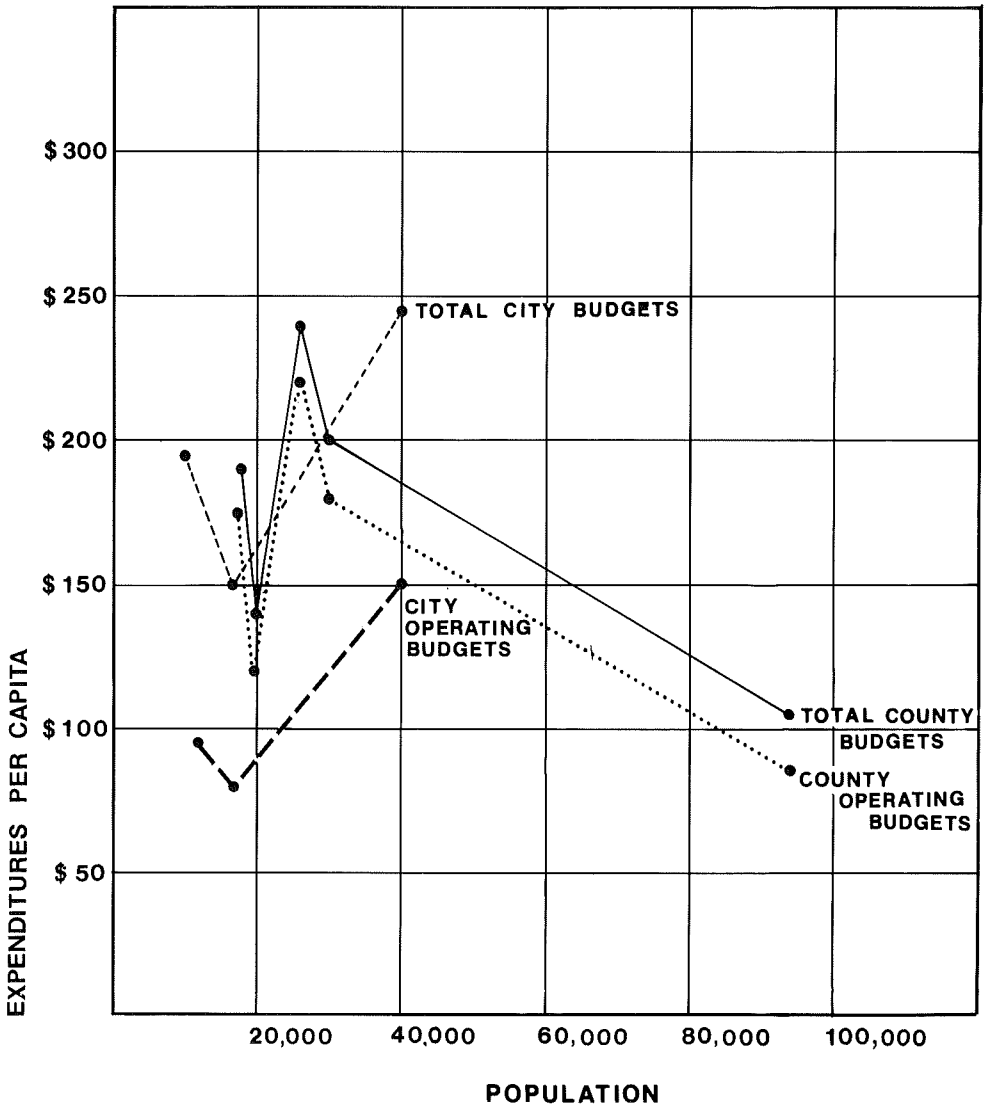
Expenditures per capita varied considerably among the pilot governmental units as shown in Figure 12. No trends or contributing factors are clear in this small sample. The reasons for these variations are not clear. It is possible that cities may assume a greater share of the responsibility for providing services in areas of high population. It is also possible that the quantity and quality of municipal service required may increase as the population increases. Regardless of the reasons for these variations, it is important to recognize that the cost of providing service to a State institution will directly reflect the overall expenditures for services in that particular community.

State Institutions. Eight State institutions or administrative properties were included in the pilot area studies. These included the following:

- Willmar Community College
- Bemidji State University
- St. Cloud State University
- Willmar State Hospital
- St. Cloud Reformatory
- Willmar MnDOT Regional Headquarters
- Bemidji MnDOT Regional Headquarters
- St. Cloud MnDOT Regional Headquarters

The principal characteristics of these institutions and their populations are shown in Table 18. Student population ranges from approximately 700 to approximately 9,000 students. There are approximately 600 patients at Willmar State Hospital and approximately 600 inmates at the St. Cloud Reformatory. Employment at these State facilities ranges from approximately 70 to approximately 900 employees. The employee to student ratio for the three educational facilities is essentially the same for all facilities with approximately one employee to 10 students. This appears to be relatively consistent with all other State educational facilities as well. The employee to patient ratio at the State hospital is approximately one to one. This also seems to be relatively consistent with other State hospitals and nursing homes throughout the State. The employee to inmate ratio at the reformatory is approximately six to ten. This appears to be consistant with large State correctional facilities but small correctional facilities and vocational rehabilitation facilities tend to have employee/inmate ratios similar to those of the State hospital facilities.

TOTAL PER CAPITA EXPENDITURES FOR INSTITUTIONAL PILOT COUNTIES AND CITIES



SOURCE: STATE AUDITOR'S REPORTS, 1974

FIGURE 12

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

TABLE 18
Characteristics of State Institutions in Pilot Areas

Pilot Institution	Service Population (1)	Full-Time Equivalent Employees (1)	Employee Ratio	Estimated Market Value ($1000s) (2)
Willmar Comm. College	674	68	.10	3,600
Bemidji State Univ.	3,759	432	.11	25,310
St. Cloud State Univ.	8,693	910	.10	62,681
Willmar State Hospital	600	606	1.01	12,000
St. Cloud Reformatory	597	351	.59	31,968
Willmar MnDOT	-	122	-	500
Bemidji MnDOT	-	173	-	743
St. Cloud MnDOT	-	90	-	1,270

(1) Source: Individual institutions
(2) Source: Local assessors

The estimated market value of the State institutions under consideration ranged from $500,000 for the Willmar MnDOT facility to approximately $63,000,000 for St. Cloud State University (see Table 18).

These basic descriptive data formed the basis for much of the analysis conducted in this study. All analyses were carried out for each institution and for each applicable governmental unit. This means that for every benefit and cost category analyzed on a quantitative basis, a total of eight city, 14 county and 14 school district calculations were made. For many cost and benefit categories, therefore, a total of 36 calculations occurred for a single functional category. As a result, a high volume of financial data was generated related to the eight institutions and administrative lands included in the pilot areas. Much of the information reported in this chapter will be a summary of these analytical efforts. The detailed data generated from the mathematical models for each of the governmental units and each of the institutions is provided in Appendix C.

ECON ECONOMIC IMPACTS OF STATE INSTITUTIONS AND LANDS ADMINISTRATIVE LANDS

Three categories of economic impacts were analyzed on a quantitative basis including:

1. Jobs generated by the State facilities.

2. Personal income generated by the State facilities.

3. Business volume generated by the State facilities.

Each of these three impacts was estimated using a multiplier approach as described in Chapter Five. Business volume and personal income were extrapolated from instutitional expenditures in the local communities, the net payroll (i.e., take-home pay) of the institution's employees, and estimated average expenditures per student and visitor for each of the facilities. Jobs generated were estimated on these combined expenditures plus the primary operating costs for the local government attributable to the institution (see Appendix A for models). In addition to these three general economic factors, an assessment was made of the community services provided by each institution to the pilot community in which it is located. Each of these impacts is discussed below.

Jobs Generated. The estimated jobs generated by the State facilities in each pilot area are presented in Table 19. These jobs are created in two ways: (1) the institution employs people directly, and (2) the expenditures of the institution and its population create other jobs throughout the community. Institutional employment ranges from approximately 70 to approximately 900 employees, with the hospital having the highest employment in relation to its service population (see Table 18). While all State facilities generate secondary jobs in the community, educational facilities generate a mugh higher secondary employment than other State facilities (see Figure 13 and Table 19). This is caused by the large number of students, and therefore greater total secondary expenditures, of educational institutions (visitor volume is also higher for colleges than for other State facilities).

A brief analysis was also done comparing the occupations of State employees to the total city labor force (see Table 20) to assess the influence that State land uses might have on the general labor force, and therefore the income levels, of the communities in which they are located. It

TABLE 19
Estimated Jobs Generated by State Institutions in Pilot Areas

Pilot Institution	Institution Employment (1)	Total Estimated Jobs Generated (2)	
		Cities	Counties (3)
Willmar Comm. College	68	150-220	180-270
Bemidji State Univ.	432	940-1,200	970-1,400
St. Cloud State Univ.	910	2,100-3,120	2,170-3,230
Willmar State Hospital	606	760-800	800-860
St. Cloud Reformatory	351	480-510	530-580
Willmar MnDOT	122	140-150	170-180
Bemidji MnDOT	173	230-250	240-250
St. Cloud MnDOT	90	130-140	140-150

(1) Source: Individual institutions
(2) Includes institution employment
(3) Includes city jobs

ESTIMATED CITY JOBS GENERATED BY STATE LAND USE

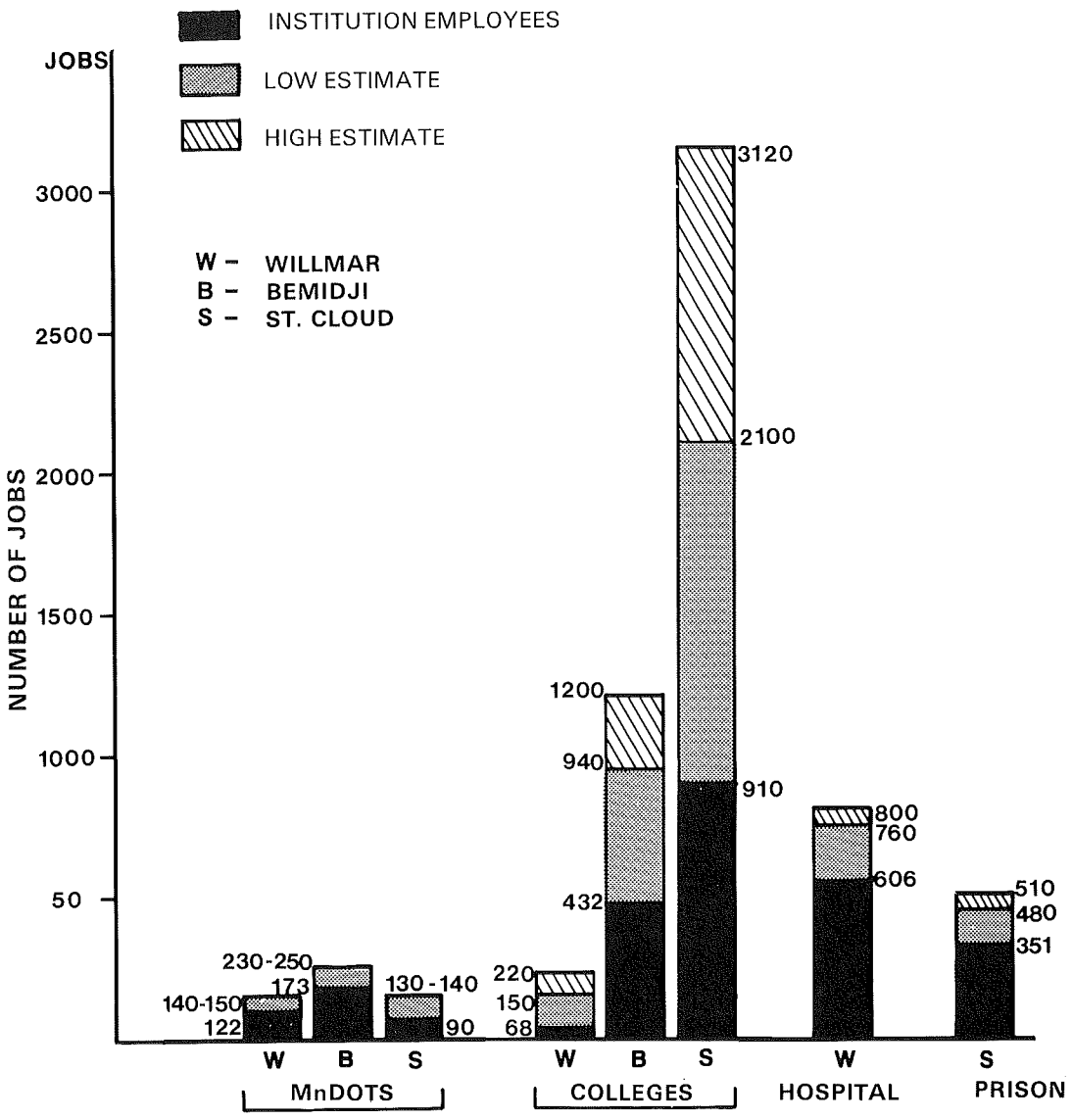


FIGURE 13

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

TABLE 20
Occupations of State Employees at Pilot Institutions Compared to Total Pilot City Labor Force

City/Institution	Professionals & Technicians	Managers/ Administrators	Sales Workers	Clerical Workers	Craftsmen	Laborers & Operatives	Service Workers	Total
BEMIDJI LABOR FORCE[1]	21%	10%	7%	18%	8%	13%	24%	101%
State University[2]	48%	0%	0%	20%	4%	5%	24%	101%
MnDOT[2]	26%	3%	0%	4%	7%	35%	24%	99%
WILLMAR LABOR FORCE[1]	16%	12%	10%	16%	13%	15%	19%	101%
Comm. College[2]	20%	2%	0%	63%[3]	0%	13%	3%	101%
State Hospital[2]	27%	9%	0%	8%	3%	1%	54%	102%
MnDOT[2]	41%	2%	0%	7%	47%	0%	3%	100%
ST. CLOUD LABOR FORCE[1]	17%	8%	9%	20%	11%	16%	19%	100%
State University[2]	27%	1%	0%	65%[3]	1%	0%	8%	102%
Reformatory[2]	19%	12%	0%	6%	7%	1%	55%	100%
MnDOT[2]	21%	12%	0%	11%	49%	2%	5%	100%

(1) Source: U.S. Census
(2) Source: Individual institutions
(3) Primarily part-time student employees

appears that State institutions in general tend to employ a larger percentage of professionals and technicians than other employers in the pilot cities. State educational facilities tend to have a higher portion of clerical workers than the labor force at large. This is primarily a result of the high portion of part-time student employees that these facilities tend to hire for clerical positions. The MnDOT facilities tend to have a higher portion of craftsmen (primarily construction and maintenance people) than the communities in which the facilities are located. Both the State hospital and the reformatory show a higher proportion of service workers (health and protective service workers) than the communities where the facilities are located. Conversely, the general labor force of each pilot city tends to have a higher percentage of employees in the categories of managers and administrators, salesworkers, laborers, and operatives than do the State institutions. These occupations tend to balance the categories of professional, clerical and craftsmen on an income basis. If there is a significant variation in income levels due to a State institution, it appears that the effects are limited in the pilot areas.

Personal Income Generated. The estimated personal income generated by the various pilot State institutions is shown in Table 21. Personal income is generated by a State institution in two ways: (1) through its payroll, and (2) through income generated as a result of the secondary jobs the institution has created by its expenditures and the expenditures of its population. The net payroll for the pilot State facilities ranges from approximately $500,000 to approximately $6 million. As can be seen in Table 21, educational facilities tend to generate a higher proportion of secondary income in relation to their net payroll than do the MnDOT headquarters, the hospital or the reformatory. The

TABLE 21
Estimated Personal Income Generated by State Facilities in Pilot Areas

Pilot Institution	Net Payroll ($1000s)(1)	Estimated Total Income Generated(2)	
		Cities (millions)	Counties (millions)(3)
Willmar Community College	$ 987	$ 1.6- 2.1	$ 1.8- 2.4
Bemidji State University	2,910	6.4- 8.3	6.5- 9.7
St. Cloud State University	6,458	14.5-22.1	15.0-22.8
Willmar State Hospital	2,668	3.7- 4.1	4.0- 4.4
St. Cloud Reformatory	2,569	3.4- 3.7	3.8- 4.2
Willmar MnDOT	542	0.7- 0.8	0.9- 1.0
Bemidji MnDOT	919	1.3- 1.4	1.4- 1.5
St. Cloud MnDOT	519	0.7- 0.8	0.8- 0.9

(1) Source: Minn. Dept. of Finance
(2) Includes institutions net payroll.
(3) Includes city income

large number of students making use of facilities throughout the community and spending dollars in the community for both housing and non-housing elements tends to increase total expenditures considerably. In the case of both the hospital and the reformatory, the service population is essentially restricted to the facility and can spend very little money in the local community.

Since the methodology used to generate secondary personal income is essentially the same as that used to generate secondary business volume, the variations in personal income generated by State institutions will follow the same pattern as business volume. Business volume is discussed in the following paragraph.

Business Volume Generated. Any development, whether it is a residential home, a State institution, or any other non-residential facility, will generate a certain amount of business volume in the local community through expenditures occurring locally as a result of that facility as well as through the expenditures of any employees or other individuals related to that facility. In the case of a State institution, there are four types of expenditures which may occur in the local community: (1) the institution itself spends money for goods and services in the local community, (2) the employees of the institution spend a share of their income in the local community, (3) the service population of the facility (primarily students) spends dollars for housing and non-housing items in the local community, and (4) visitors to these facilities spend a certain amount of money in the local community for goods and services. The estimated business volume generated by the pilot institutions is shown in Table 22. Institutional expenditures in the local

cities ranged from approximately $20,000 to approximately $1.3 million. Most of the expenditures made by the institution in the local counties were made in the pilot city. The principal exception was the Willmar MnDOT regional headquarters which spent a considerably larger sum in outlying Kandiyohi County than in the City of Willmar (see Table 22). The total business volume generated by each facility ranged from $0.5 to $49.9 million in the cities and from $1.1 to $51.9 million in the counties (see Table 22). Total county business volume includes city business volume.

TABLE 22
Estimated Local Business Volume Generated by State Facilities in Pilot Areas

Pilot Institution	Institution Expenditures		Estimated Total Business Volume[2]	
	City ($1000s)[1]	County ($1000s)[1]	City (millions)	Counties (millions)[3]
Willmar Community College	$ 85	$ 86	$ 2.0- 3.4	$ 2.7- 4.6
Bemidji State University	906	912	12.2-19.0	12.7-21.6
St. Cloud State University	1,267	1,269	28.2-49.9	29.8-51.9
Willmar State Hospital	207	218	3.7- 4.4	4.7- 5.6
St. Cloud Reformatory	27	42	3.0- 3.6	4.3- 5.1
Willmar MnDOT	22	252	0.5- 0.7	1.1- 1.3
Bemidji MnDOT	102	103	1.4- 1.7	1.5- 1.8
St. Cloud MnDOT	95	156	0.7- 0.9	1.1- 1.4

(1) Source: Individual institutions
(2) Includes institution expenditures
(3) Includes city business volume

Direct expenditures by each institution in the city for goods and services varied considerably from one institution to another as shown in Figure 14. A comparison of expenditures related to service population and expenditures related to institutional population (service population plus employees) indicates very little consistency in local expenditures from one facility to another. The State hospital spends a larger sum on a per person basis than any of the other major institutions. The St. Cloud Reformatory spends the least amount for goods and services per person of any of the facilities investigated. The MnDOT facilities appear to spend the most per employee. However, the expenditure data received from the MnDOT facilities appears somewhat inconsistent and may reflect, in some cases, construction contracts awarded as well as direct expenditures for goods and services to support the regional headquarters.

The primary business volume (i.e., expenditures made directly by the institution and its population) generated by the pilot institutions

PILOT INSTITUTION EXPENDITURES IN CITY PER INSTITUTION POPULATION AND PER SERVICE POPULATION

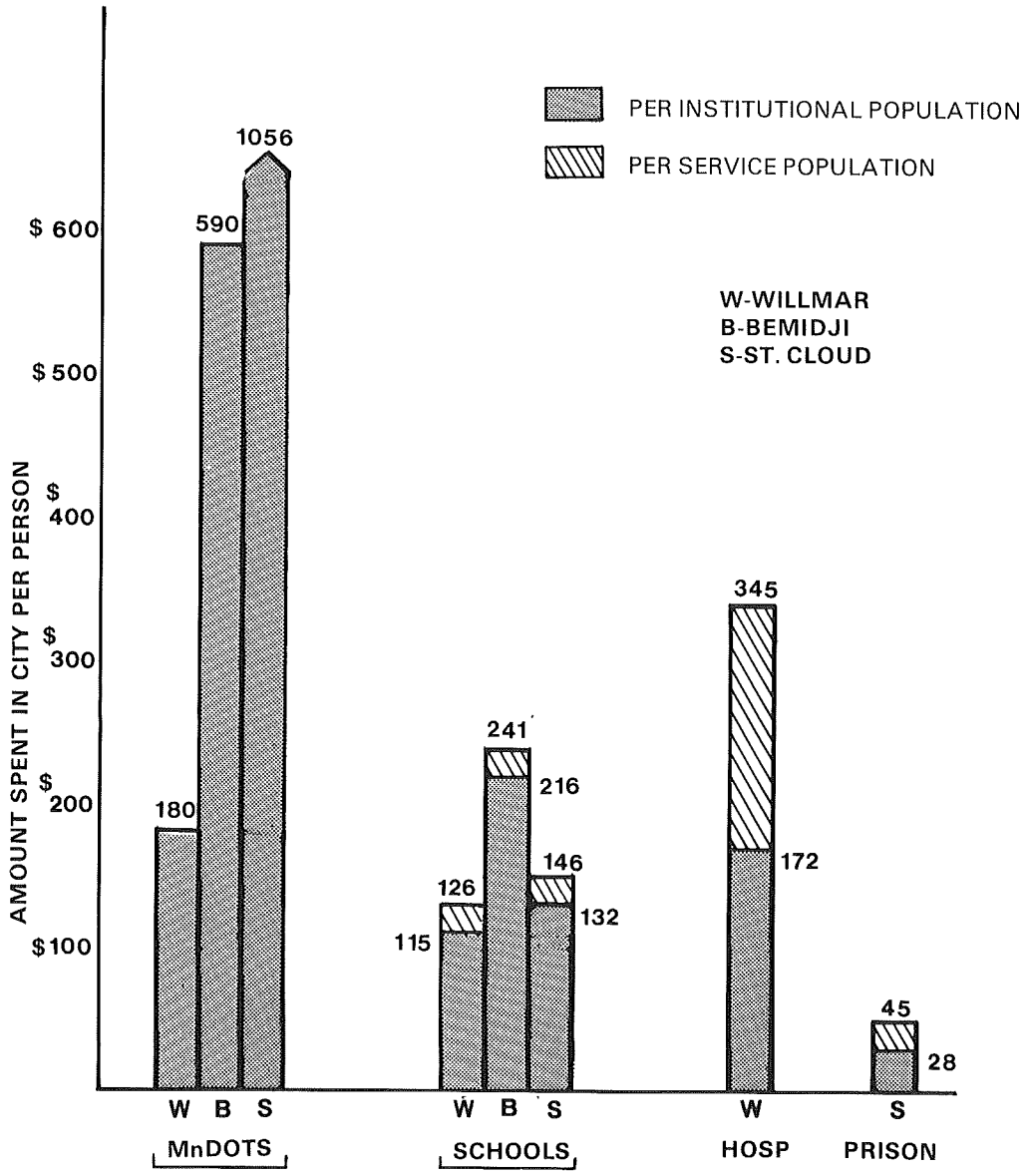


FIGURE 14

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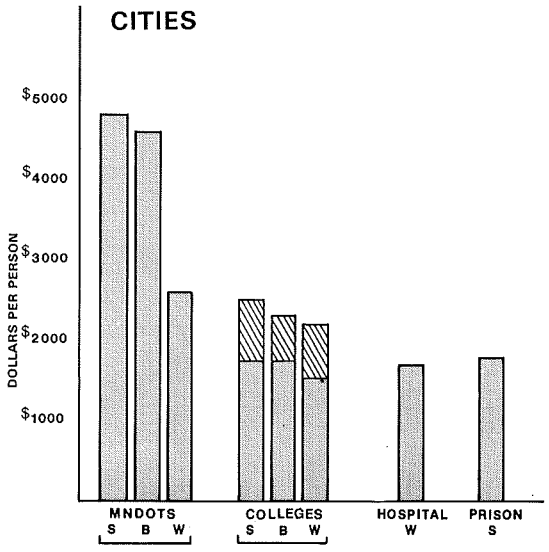
is shown in Figure 15 for cities and counties. Except in the case of the MnDOT facilities, the functional use of the State institution does not appear to greatly influence the total business volume generated by the community. In comparing business volume generated to direct expenditures by the institution for goods and services, it appears that the business volume generated by the hospital is most greatly influenced by the hospital's direct expenditures. The business volume generated by the three colleges is more influenced by expenditures of employees and the student population. In the case of the prison, neither the institution itself nor the inmates spend much locally. It can only be assumed, therefore, that it is the employees of this facility which are generating the greatest share of business volume attributable to this State facility.

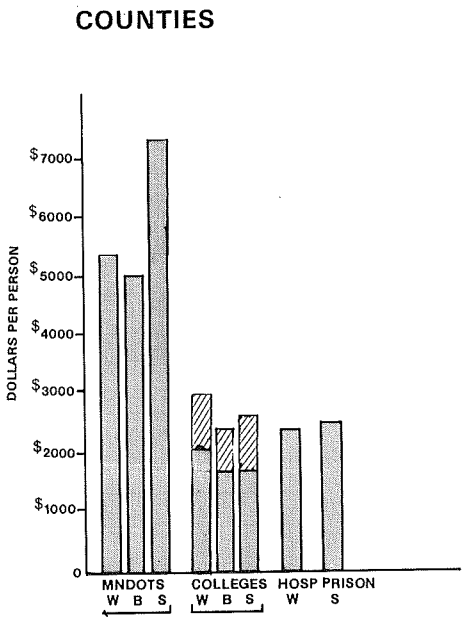
Community Services Provided by State Facilities. One of the most important economic impacts of a public institution may be the services that the institution provides which would otherwise have to be provided by the private individual, private industry or the local government. These services are benefits which typically would not occur as a result of other types of land development. Each institution included in the pilot analysis was asked to compile a list of community services and to estimate the costs associated with these services. The specific services reported by the pilot institution officials are shown in Table 23. None of the facilities was able to estimate the volume of services provided or the costs associated with providing these services. As such, the value of these services to the local community could not be properly assessed. In addition, service fees are charged by the State facility for a number of these services (see Table 23). While it may be assumed that, in most cases, the service fees may be less than that necessary to cover the cost of providing the service, data regarding the actual fees generated in relationship to the actual costs of the service provided were not available. Therefore, the net benefit to the local government or local residents cannot be quantified.

The Willmar State Hospital currently does not provide any community services. It is possible that other State hospitals may provide some services, such as low cost leasing of space, the provision of special health or educational programs, etc., on a limited scale. Likewise, there are very few community services provided by the corrections facility in St. Cloud. This facility reported only low cost leasing of land and space and some limited training programs. The latter is probably a service to St. Cloud State University. The MnDOT facilities reported no services to the local community except road maintenance agreements involving full compensation for the services rendered. However, all State facilities may, at one time or another, make a room available for a local meeting or may provide other limited services.

It is in the case of the educational facilities where a very wide array of services is provided to the community and to individuals residing in or near that community. These services range from adult education

PRIMARY BUSINESS VOLUME GENERATED BY PILOT INSTITUTIONS PER INSTITUTION POPULATION





LOW ESTIMATE
HIGH ESTIMATE

W-WILLMAR
B-BEMIDJI
S-ST. CLOUD

FIGURE 15

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TABLE 23
Community Services Provided by State Facilities in Pilot Areas[1]

Service	Institution				Service Fees
	School	Hospital	Prison	MnDOT	
Land Leases	X	-	X	-	Yes
Space Leases	X	-	X	-	Yes
Tours	-	-	X	-	No
Lectures	X	-	-	-	No
Art gallery, Art Exhibits	X	-	-	-	No
Museum	X	-	-	-	No
Planetarium	X	-	-	-	No
Bookstore	X	-	-	-	Yes
Public Radio	X	-	-	-	No
Libraries	X	-	-	-	No
Theatre, Concerts, etc.	X	-	-	-	Yes
Computer Time Sharing	X	-	-	-	Yes
Athletic Events	X	-	-	-	Yes
Meeting Rooms	X	-	-	-	Sometimes
Road Maintenance	-	-	-	X	Yes
Church Programs	X	-	-	-	No
Use of Athletic Facilities	X	-	-	-	Sometimes
Special Educational and Cultural Programs	X	-	-	-	No
Catering Service	X	-	-	-	Yes
Voting Polls	X	-	-	-	No
Adult Education	X	-	-	-	Yes
Seminars, Conferences	X	-	-	-	Yes
Equipment Rental	X	-	-	-	Sometimes

[1] As reported by pilot institution officials.

programs as a part of the university or college program to a whole array of entertainment, athletic and cultural events as well as the use of facilities on the campus for a variety of purposes. It appears that fees tend to be charged for the use of facilities or for activities which do not appear to be directly related to the university's educational function. Exceptions are facilities which are made available for church programs, voting purposes, etc. Fees typically are not charged for activities which are related to an educational function. In all cases, the facilities and programs available through State institutions are provided initially and primarily for the service population (that is, students, patients, inmates, employees). In addition to the supplemental programs which support the educational activities of the facility, these programs may be made available concurrently for other members of the community should they wish to participate. Facilities are typically made available for community use only where they are not being used for activities associated with the State institution. In most cases, it is the local individual or agency which must initiate the request for the use of a facility or for participation in an educational program.

While the value of these services cannot be readily quantified in a dollar amount, the availability of these services is a convenience to local residents, a potential cost savings to local governmental units, and an economic benefit to the community in general. As such, it is important to consider the availability of these services in assessing the relative impacts of State institutions in local communities.

REVENUE IMPACTS

Revenue impacts refer to those governmental revenues generated by a State facility or its population. As indicated earlier in this chapter, the available revenues as well as the expenditures of a local unit of government vary considerably. The factors influencing this variation are not clearly understood. Since the estimated revenues generated by these facilities is based on the total revenues of a community, facilities located in communities with high revenues will generate higher revenues. Conversely, facilities in communities with low revenues will generate lower revenues. Keeping this factor in mind, the following analysis is made of revenues generated by State facilities in the respective pilot areas.

It should be noted that the economic impacts on jobs, personal income and business volume described in the previous section are also reflected in the governmental revenues attributed to each pilot institution.

Intergovernmental Revenues. Local communities receive a number of intergovernmental aids from the State and federal governments. The aid formulae used to determine State and federal aids were described in Chapter Four. Basically, these aids are calculated on a per capita basis although equalizer clauses are usually included in the aid formulae which take into account other factors such as mill rate, income tax base level, and taxable value. State facilities create population by generating both employees and service population (students, patients, inmates). These individuals are counted as part of the population of the community and, therefore, these individuals all generate aid revenues at the same rate as other residents of the community. As such, it is clear that the institution's presence does generate increased aid revenues to the local community through an increase in the local population. While the current effect of the equalizer clauses as they relate to specific land holdings cannot be accurately calculated, it also appears clear that these equalizer clauses may at least partially offset the tax exempt status of properties in a local community by increasing State and federal aids. Details on the amount of aids generated by each institution is provided in Appendix C.

The principal State and federal aids generated by the State institutions in the pilot areas are shown in Table 24. State aids to municipalities related to the pilot institutions range from $7,000 for the Willmar MnDOT headquarters to $865,000 for St. Cloud State University. County State aids range from $20,000 for the St. Cloud MnDOT to $888,000 for Bemidji State University. School district State aids range from $20,000 for St. Cloud MnDOT to $263,000 for Willmar State Hospital.

TABLE 24
Estimated Intergovernmental Aid Generated by State Facilities in Pilot Areas

Pilot Institution	Local Aid ($1000s)		Highway Aid ($1000s)		Foundation School Aid ($1000s)	Federal Revenue Sharing ($1000s)		TOTAL STATE AID ($1000s)		
	Municipal	County	Municipal	County		Municipal	County	Municipal	County	School Districts
Willmar Comm. College	$ 14	$ 22	$ 8	$ 24	$ 16	$ 4	$ 15	$ 24	$ 84	$ 33
Bemidji State Univ.	221	78	114	140	93	77	58	341	888	132
St. Cloud State Univ.	575	137	175	131	144	217	123	865	554	226
Willmar State Hospital	68	49	25	52	135	14	31	100	186	263
St. Cloud Reformatory	64	31	20	32	51	24	17	96	120	79
Willmar MnDOT	4	6	2	7	22	1	4	7	23	45
Bemidji MnDOT	14	6	7	10	32	5	4	21	66	46
St. Cloud MnDOT	8	5	5	5	13	3	3	15	20	20

Most municipal and county aids are based primarily on population. Therefore, the amount of governmental aids generated will be directly related to the size of the State institution (that is, service population, students, employees and family members) regardless of the functional use of the facility. Since hospitals have more employees (and family members) in relation to their service population (patients), they will generate high aid revenues.

School aids are based on pupil units rather than population. Those institutions, such as colleges, which generate proportionally fewer elementary and secondary students will also generate lower intergovernmental school aids.

Property Taxes. The other principal source of revenue for local communities is the property tax. State facilities do not generate property taxes directly in most cases since they are tax exempt facilities. However, these institutions do generate property taxes through their employees and that portion of their service population living within the community but outside the institution. These taxes are generated through the property taxes paid for residential property and also indirectly through the non-residential taxes paid as a result of the local business volume generated by the institution and its employees.

Since the volume of property tax generated is related to the number of households and the business volume generated, both the size and the function of the institution will influence this source of revenues. Residential facilities (such as hospitals and prisons) will generate proportionally fewer property taxes since a large share of the service population resides on tax-exempt land and spends little in the community. Large colleges which have predominantly commuter students, on the other hand, will generate proportionally greater taxes through both housing and non-housing expenditures.

The extent to which the tax-exempt status of the State facility affects total revenues cannot be accurately estimated since, in many cases, aid revenues would decrease if the property tax or taxable value of the community increased. The estimated market value for these institutions has also been subject to a great deal of skepticism. Public or quasi-public institutions are seldom sold, so comparable values cannot be obtained. Alternative uses for these facilities are limited, primarily to other similar tax-exempt uses. As such, the market value estimates made for these facilities may or may not be realistic estimates of their actual market value. The general magnitude of taxes which might be generated if these facilities were used for a private, taxable purpose can be estimated by making assumptions regarding the market value, the taxable ratio and the mill rate which would be applied to these institutions. The results of two such hypothetical cases are shown in Table 25. There are many philosophical and economic reasons why public institutions have traditionally been tax-exempt from property taxes. As such, this approach to evaluating the revenue impacts of State facilities is speculative at best.

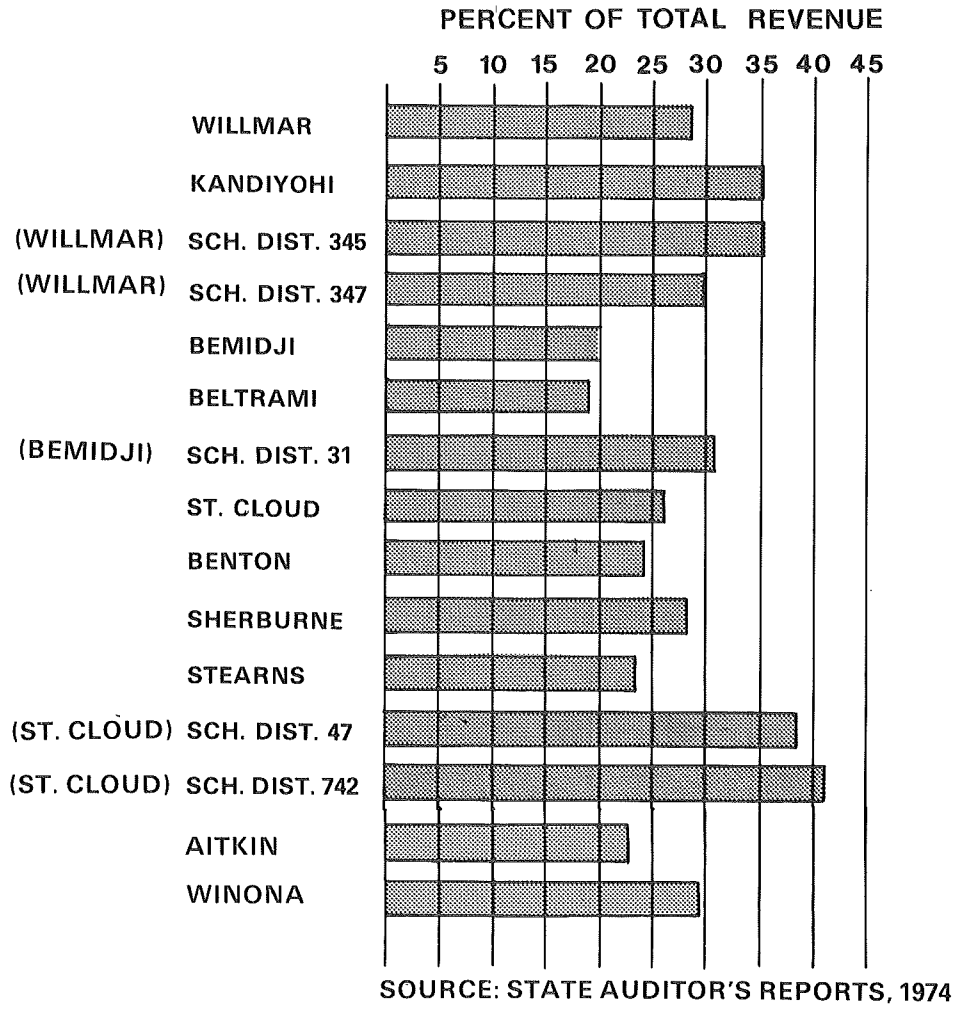
TABLE 25
Taxes Which Might be Generated if Pilot State Facilities were Private, Taxable Property

Pilot Institutions	City Tax Revenues(1)		County Tax Revenues(1)		School District Tax Revenues(1)	
	10% ($1000s)	40/43% ($1000s)	10% ($1000s)	40/43% ($1000s)	10% ($1000s)	40/43% ($1000s)
Willmar Comm. College	$ 9	$ 37	$ 11	$ 47	$ 20	$ 85
Bemidji State Univ.	84	351	108	452	159	642
St. Cloud State Univ.	196	824	107	450	413	1,741
Willmar State Hospital	28	118	36	151	66	273
St. Cloud Reformatory	100	420	85	339	211	887
Willmar MnDOT	1	5	2	7	3	12
Bemidji MnDOT	2	11	3	14	4	19
St. Cloud MnDOT	4	17	2	9	8	36

(1) This analysis does not take into account reduced State and federal aids resulting from an increased local tax base, and is based on the local assessor's estimate of institutional market value.

Property taxes typically account for a relatively low portion of local revenues in Minnesota communities. The percent of revenues which are property taxes in each of the pilot governmental units is shown in Figure 16. Property taxes are less than half of local revenues in all cases, ranging from 20 to 29 percent in the cities, from 18 to 36 percent in the counties, and from 29 to 41 percent in the school districts. However, it is important to note that the property tax is the major locally generated revenue, and is viewed as very significant by individual taxpayers.

PROPERTY TAX AS A PERCENT OF TOTAL REVENUE FOR PILOT AREAS



SOURCE: STATE AUDITOR'S REPORTS, 1974

FIGURE 16

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Direct Payments. There are some instances where State facilities make payments directly for services rendered or make payments for special assessments for improvements which benefit the State property. The specific types of direct payments which may be made were described in detail in Chapter 4. Occasionally, an institution will make payment for a specific service provided to the facility, such as police or fire service. The only example of this type of payment in the pilot areas was Willmar Community College which makes a payment to the City of Willmar for police services. This is a payment for a half-time police officer on the campus. As indicated in Chapter Four of this report, a State facility is subject to real estate taxes if an employee resides on state owned property. Willmar State Hospital makes a payment under this law. Some payments in lieu of taxes, apparently on the basis of lease returns, are made by the MnDOT to Beltrami County. Special grants or payments have also been made on occasion for specific capital improvements required or impacted by the existence of a state facility.

While there are a number of isolated examples of service fees and other special payments and grants being made by State institutions, there does not appear to be consistency from one facility or location to another. These payments do recognize, however, that State facilities do require the services of local communities and that the State has some responsibility to provide compensation for the services rendered.

Finally, in all pilot area cases, municipal utility fees (municipal sewer, water and refuse disposal) are paid by the State institution on the same basis as other non-residential users.

Total Revenues Generated by State Facilities. The total revenues generated by the State facilities in the pilot areas are indicated in Table 26 (for cities), Table 27 (for counties), and Table 28 (for school districts). Revenues generated by State facilities in the pilot cities range from approximately $20,000 at Willmar MnDOT to approximately $1.9 million at St. Cloud State University. The total revenues generated by the pilot institutions in the pilot areas in 1974 were $242,000 in Willmar, $844,000 in Bemidji and $2,132 in St. Cloud (see Table 26). The revenues generated by State facilities in the pilot counties is shown in Table 27. These revenues range from a low of $27,000 for St. Cloud MnDOT to a high of $1.2 million for Bemidji State University in Beltrami County (see Table 27). Revenues generated by these State facilities in the pilot school districts are shown in Table 28. These revenues range from a low of $39,000 for St. Cloud MnDOT to a high of approximately $1 million for St. Cloud State University. Since most revenues tend to be directly related to the number of people generated by the State facilities, the amount of revenues generated will tend to bear a direct relationship to the size of the facility in question. As indicated above, the amount of revenues generated by the State institutions will also reflect the proportionate revenues available in the pilot communities.

TABLE 26
Estimated Total Revenues Generated by State Facilities in Pilot Cities

Pilot Institution	Willmar ($1000s)	Bemidji ($1000s)	St. Cloud ($1000s)
Willmar Community College	$ 66	-	-
Bemidji State University	-	$789	-
St. Cloud State University	-	-	$1,907
Willmar State Hospital	157	-	-
St. Cloud Reformatory	-	-	195
Willmar MnDOT	19	-	-
Bemidji MnDOT	-	55	-
St. Cloud MnDOT	-	-	30

TABLE 27
Estimated Total Revenues Generated by State Facilities in Pilot Counties

Pilot Institution	Kandiyohi ($1000s)	Beltrami ($1000s)	Stearns ($1000s)	Sherburne ($1000s)	Benton ($1000s)
Willmar Community College	$162	-	-	-	-
Bemidji State University	-	$1,211	-	-	-
St. Cloud State Univ.	-	-	$846	$61	$48
Willmar State Hospital	312	-	-	-	-
St. Cloud Reformatory	-	-	48	86	24
Willmar MnDOT	43	-	-	-	-
Bemidji MnDOT	-	93	-	-	-
St. Cloud MnDOT	-	-	12	10	5

TABLE 28
Estimated Total Revenues Generated by State Facilities in Pilot School Districts

Pilot Institution	#345 ($1000s)	#347 ($1000s)	#31 ($1000s)	#742 ($1000s)	#47 ($1000s)
Willmar Community College	$16	$ 88	-	-	-
Bemidji State University	-	-	$454	-	-
St. Cloud State Univ.	-	-	-	$969	$45
Willmar State Hospital	69	298	-	-	-
St. Cloud Reformatory	-	-	-	136	19
Willmar MnDOT	9	57	-	-	-
Bemidji MnDOT	-	-	78	-	-
St. Cloud MnDOT	-	-	-	35	4

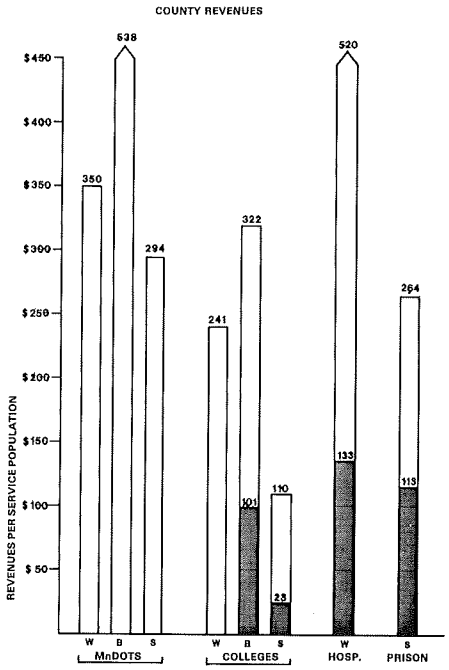
Primary Revenues. Primary revenues are those generated directly by the landholding rather than through the population the landholding generates. Since most revenues are only indirectly related to property, very few primary revenues are generated by State facilities. There are a few direct payments related to special assessments, service charges or other special conditions where the institution itself makes a payment to the local community. In addition, those facilities which are residential in nature will generate primary revenues in direct relationship to the number of people residing at the institution. Primary and secondary revenues generated by the various pilot institutions is illustrated in Figure 17. The amount of revenues generated by the prison as illustrated in this figure tends to be basically reflective of the generally higher revenues available in St. Cloud in comparison to other communities. While St. Cloud State University is a larger university than Bemidji State University, a larger share or percentage of students at Bemidji State reside on campus than at St. Cloud State. As a result, Bemidji State University will generate higher primary revenues on a per student basis than St. Cloud State University. The county figures also tend to represent essentially the relative number of individuals residing at the institution as well as being somewhat reflective of the overall revenue picture of the respective counties. Since the majority of revenues generated are related to the number of people in the community or residing at a particular location, the primary revenues generated by each facility will bear a direct relationship to the number of individuals residing on State property.

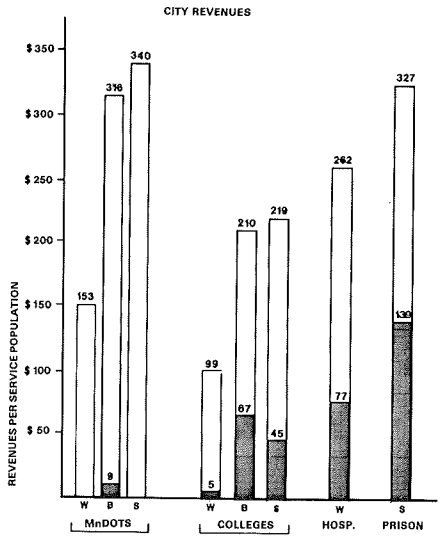
SERVICE COSTS IMPACTS

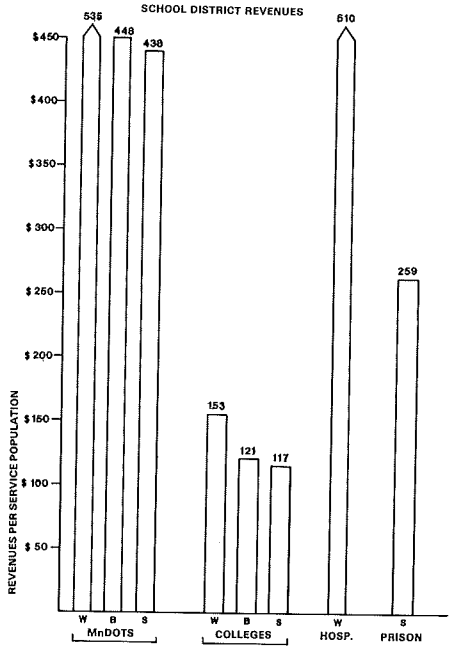
An analysis was made of the range of local services provided to the pilot state facilities and to individuals associated with those facilities (employees, students, etc.). The range of services investigated, the requirements for services and the service providers are shown in Table 29. Each of the principal service categories is described in more detail below.

Police Services. Police services are provided both directly to the pilot State facilities being evaluated and to individuals associated with those facilities. Police services are typically provided by the local city to the pilot State institutions without compensation for those services. In some instances, special service fees have been negotiated between the institution and the police departments for services provided. While there is no clear indication that staff increases were required as a direct result of the State facilities, local officials indicated a perceived need to increase police staff especially in relationship to educational facilities. Universities and other educational facilities lower the age spectrum of the community. Since the crime rate is typically higher among lower age groups, a change in the average age of the community may affect the demand for police services. There is also some local concern about escapees from both the State hospital and the reformatory.

ESTIMATED TOTAL REVENUES PER SERVICE POPULATION MEMBER IN PILOT AREA







W-WILLMAR
B-BEMIDJI
S-ST. CLOUD

PRIMARY REVENUES

SECONDARY REVENUES

FIGURE 17

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TABLE 29
Primary Service Demands of Pilot Institutions

Services Consumed	Service Required[2]		Service Provided By:			
	Yes	No	State	County	City	School District
Police	X	-	-	-	X	-
Fire	X	-	-	-	X	-
Roads	X	-	X	X	X	-
Transit	X	-	-	-	X	-
Parking	X	-	X	-	-	-
Garbage Collection	X	-	X	-	-	-
Sewer[1]	X	-	-	-	X	-
Water[1]	X	-	-	-	X	-
Health	-	X	-	X	X	-
Education	-	X	-	-	-	X
Welfare	-	X	-	X	-	-
Parks	-	X	-	X	X	-
General Government	X	-	-	X	X	X

[1] Service fees paid at same rates as other non-residential users.

[2] All service categories are required by employees and other residents of each community.

Fire Services. Fire services are also provided directly to the pilot institutions as well as to the institutional populations. Fire services are typically provided by the local municipality without direct compensation from the State institution. As in the case of police services, negotiations for payment are sometimes made between the city and the institution. Fire services to State facilities typically involve responses to fire alarms, inspection services, some training activities, and some portion of general standby time. In 1975 a State law was passed requiring the implementation of alarm systems in all State institutions. As a result of the new alarm system placed in both the State hospital and the reformatory evaluated in this study, significant increases in false alarms have occurred at both institutions. Arrangements have been made between the local fire departments and the institutions to verify all alarms before a response is made and to allow the local fire

department to respond on a limited basis (that is, the number of personnel responding to the alarm is decreased). In some of the pilot communities there was an indication that there are increased demands for fire equipment, hydrants and water mains as a result of the need to provide fire services to large State institutions. On occasion special grants have been made by the State to local fire departments to aid in the provision of hydrants and the acquisition of fire equipment. Bemidji State University is a good example of this potential impact. When Bemidji State University was built, buildings on the campus were built above the maximum height permitted in the local zoning ordinance. In order to provide fire service to these facilities the local fire department was required to acquire special equipment. The cost of this equipment was at least partially financed by Title IV funding from the federal government to upgrade rural fire department equipment.

Roads. Roads are provided by the State, the county, and the city with each constructing and maintaining its own system of highways. Since these facilities provide service to all individuals within the community and to all landholdings as well as visitors to the community, it is difficult to assign a percent of service attributable to one landholding. Costs for these facilities were assigned on the basis of trips generated by the pilot institutions. Since the provision of roads typically accounts for a very large share of local budget, both municipal and county, the cost for providing road service to these facilities is also relatively high. None of the individuals contacted in any of the pilot communities indicated an increase in road construction or maintenance costs which was directly attributable to the institutions being investigated.

Transit. Only one of the three pilot communities investigated provided any significant amount of transit service. The amount of transit service attributable to the institutions was also based on a trip generation factor. Since transit service is partially financed through passenger revenues, the direct cost for providing transit service to the facilities in the pilot areas is not extensive. While there is no clear evidence in the pilot areas due to the single city sample, it can be assumed that where transit is available, students may make greater use of transit facilities than other individuals living in the community. This is due to the low automobile ownership that typically occurs among most student populations.

Parking. The need for local parking services was tested in the pilot areas by estimating the demand for parking services at each of the pilot facilities and comparing it to the parking facility supply made available by the State institution. The existing supply of parking spaces exceeded the demand for parking services at all pilot institutions. As such, no direct costs were attributable to the provision of local parking services in any of the pilot areas. However, the need for parking facilities is perceived by some local officials as being a significant service cost. This perception is primarily related to the

residential educational facilities in Bemidji and St. Cloud. There is some indication that residential and nearby municipal parking is used by students and other individuals associated with educational facilities. This is assumed to be the result of pricing policies related to student parking at State educational facilities.

Utilities. Both municipal sewer and municipal water were available in all three of the pilot communities and were provided to all pilot State institutions except the Willmar State Hospital which received only municipal sewer service and provided its own water supply. In all pilot communities (available data suggests for most other State institutions as well), the State facilities typically pay for municipal utility services at the same rates as other non-residential users. Discussions with providers of municipal utilities in the three pilot areas suggest that local officials believe their rate structures are relatively equitable. Since State institutions typically pay for these services at the same rate as other users, no direct excess costs in relation to these services can be assumed for any of the institutions.

Refuse Disposal. In two of the three pilot communities, municipal refuse disposal was available for residential properties. Public refuse disposal was not available for any non-residential properties in the pilot areas. As such, primary costs cannot be assumed for this service. Furthermore, the rate structures in the areas where service is provided is designed to completely cover the cost of the service provided. As such, there is no impact, either primary or secondary, associated with this service.

Health, Education, Welfare, Parks and Recreation. These services are not related directly to properties or landholdings within a community. They are provided to people living in the community and, as such, can only be considered secondary costs associated with people generated by the institution (for example, employees and students living within the community).

Special Capital Improvements. Occasionally a State institution or a State agency will provide a special grant or payment related to a capital improvement directly associated with the service needs of an institution. This does not always occur and is a discretionary action related to each individual institution. No capital improvements clearly associated with State institutions were identified in any of the pilot areas.

General Capital Improvements. A fairly large portion of each local budget is spent for capital improvements throughout the community for a variety of purposes. Except in the case of special assessments which are paid if a State institution is benefited by an improvement, there is typically no compensation for general capital improvements. While these improvements cannot be directly related to State institutions, they have been assumed to be proportionate to the range of service directly provided to each institution.

Total Service Cost Generated by State Facilities. As described in the preceding paragraphs, a whole range of local services is provided both directly to the state facilities and indirectly to the institution's population (employees and their families, students, etc.). The methodology used to estimate primary and secondary costs related to different types of facilities is described in Chapter 5 and in Appendix A of this report. The detailed data assembled for each of the pilot facilities in each of the pilot areas is provided in Appendix C. The total service cost generated by State facilities in the pilot cities is summarized in Table 30. These service costs range from approximately $29,000 for the Willmar MnDOT to approximately $2.6 million for the St. Cloud State

TABLE 30
Estimated Total Service Costs Generated by State Institutions in Pilot Cities

Pilot Institution	Willmar ($1000s)	Bemidji ($1000s)	St. Cloud ($1000s)
Willmar Community College	$101	-	-
Bemidji State University	-	$821	-
St. Cloud State University	-	-	$2,582
Willmar State Hospital	174	-	-
St. Cloud Reformatory	-	-	176
Willmar MnDOT	29	-	-
Bemidji MnDOT	-	66	-
St. Cloud MnDOT	-	-	45

University. Total service costs associated with the State facilities in each of the pilot counties is shown in Table 31. County service costs attributable to the pilot institutions range from approximately $34,000 for the St. Cloud MnDOT to approximately $1.1 million for St. Cloud State University. The service costs generated by State facilities in the school districts relate specifically to the number of elementary and secondary students generated by the State facility's employees. These costs are indicated in Table 32 and range from $9,000 for Willmar Community College to $358,000 for St. Cloud State University.

If total city and county service costs are related to the service population of each institution, some comparison can be made among institutional types. In making this comparison it is important to note that these variations will also reflect variations in budget from one city to another. Total service cost per service population (students, patients and inmates) is shown in Figure 18. Service costs per service population in the pilot cities ranged from $150 per student at Willmar Community College to $500 per employee at St. Cloud MnDOT (see Figure 18). The variations in the three colleges shown in Figure 18 appear to be directly related to the variations in the budgets among the three communities

TABLE 31
Estimated Total Service Costs Generated by State Facilities in Pilot Counties

Pilot Institution	Kandiyohi ($1000s)	Bemidji ($1000s)	Stearns ($1000s)	Sherburne ($1000s)	Benton ($1000s)
Willmar Community College	$176	-	-	-	-
Bemidji State University	-	$1,065	-	-	-
St. Cloud State Univ.	-	-	$1,021	$65	$44
Willmar State Hospital	290	-	-	-	-
St. Cloud Reformatory	-	-	57	38	29
Willmar MnDOT	53	-	-	-	-
Bemidji MnDOT	-	88	-	-	-
St. Cloud MnDOT	-	-	16	14	4

TABLE 32
Estimated Total Service Costs Generated by State Facilities in School Districts

Pilot Institution	#345 ($1000s)	#347 ($1000s)	#31 ($1000s)	#742 ($1000s)	#47 ($1000s)
Willmar Community College	$ 9	$ 35	-	-	-
Bemidji State University	-	-	$206	-	-
St. Cloud State Univ.	-	-	-	$340	$18
Willmar State Hospital	98	267	-	-	-
St. Cloud Reformatory	-	-	-	108	19
Willmar MnDOT	11	49	-	-	-
Bemidji MnDOT	-	-	71	-	-
St. Cloud MnDOT	-	-	-	28	5

since St. Cloud has a relatively high overall per capita cost for city services in comparison to Willmar and Bemidji with Willmar having the lowest overall per capita cost. It appears that, on a service cost per service population basis, the Willmar State Hospital and the three MnDOT facilities tend to have higher city service costs than the other facilities. The variations in county service costs appear to be related primarily to variations in overall county budgets rather than to the functional use of the State institutions since the counties surrounding the City of St. Cloud typically have low costs per capita with Beltrami County having the highest cost per capita.

ESTIMATED TOTAL COSTS PER SERVICE POPULATION MEMBER IN PILOT AREAS

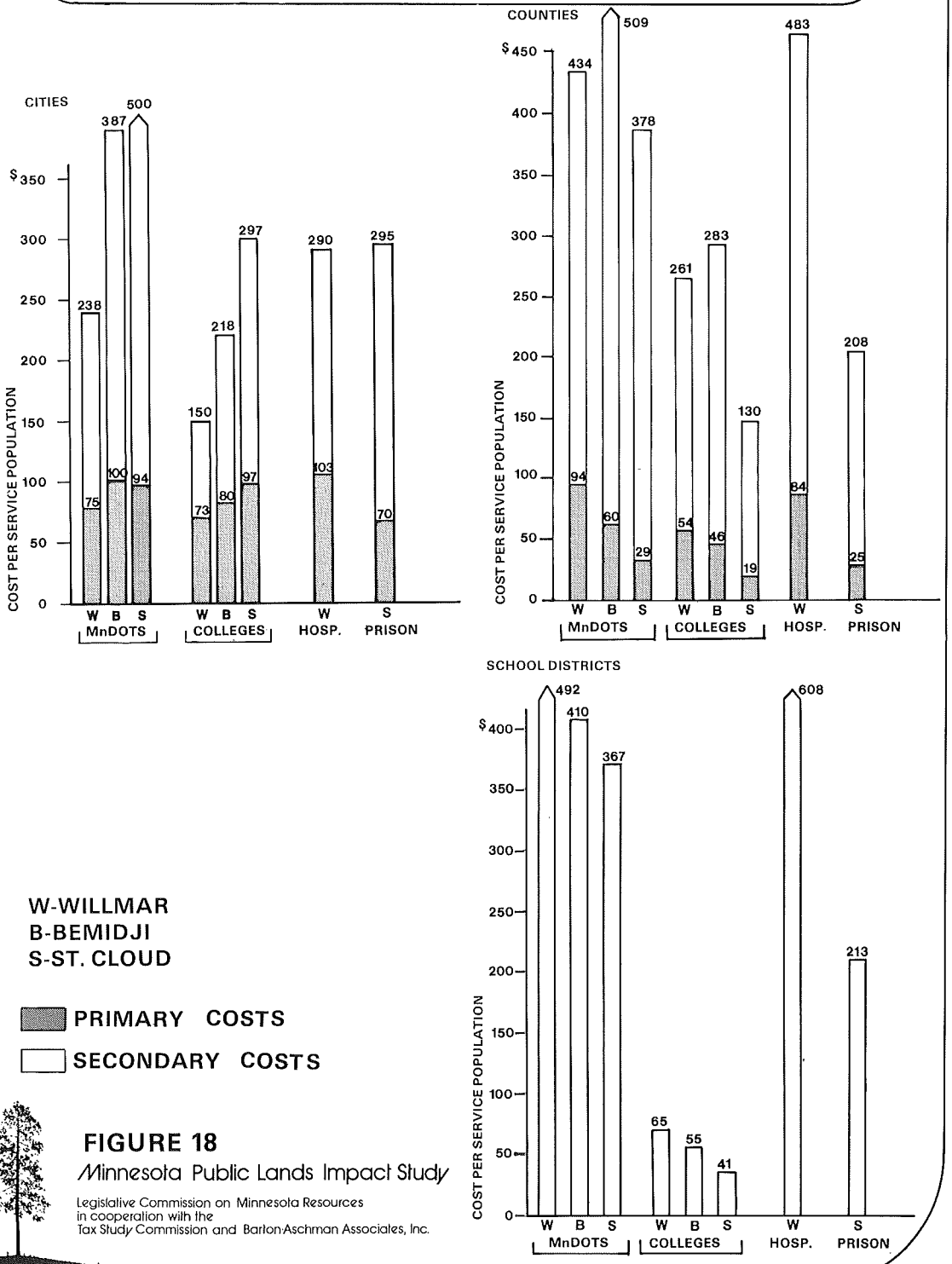

FIGURE 18

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Primary Service Costs. Primary service costs are those costs associated with services provided directly to the institution as a landholding. These costs do not include services provided to employees and other individuals associated with the institution but residing away from the institution. Most primary services except roads are provided by the municipalities. Primary municipal service costs for each state facility are outlined in Table 33 and Figure 18. Primary operating costs related to these institutions ranged from $4,000 for the Willmar MnDOT to $498,000 for the St. Cloud State University. Total primary costs including capital expenditures ranged from $9,000 to $846,000 (see Table 33). Police costs accounted for the largest share of direct costs for three of the four land use types, specific exceptions were Bemidji State University and the three MnDOT's. For these facilities, roads accounted for the highest share of operating costs. Both fire and transit costs typically accounted for a relatively small portion of the overall costs associated with the pilot institutions. Primary city costs per service population compared among the various land uses is illustrated in Figure 18. Essentially the same pattern occurs with primary costs as with total primary and secondary costs among the various land uses. The variations among the colleges appear to be in direct proportion to variations among the city budgets for the three pilot areas. The hospital appears to have the highest cost per service population in relation to the city budgets of the pilot communities with the prison having the lowest cost per service population in relation to the overall budgets of the communities. Primary county costs per service population are also illustrated in Figure 18. As in the case of total service costs, primary service costs appear to be related to both the county budget variations and variations among land uses.

TABLE 33
Estimated Primary Municipal Service Costs for Pilot State Institutions

Pilot Institution	Police	Fire	Roads	Transit	General Government	Highway Capital	Other Capital	TOTAL OPERATING	Total
Willmar Comm. College	$ 10,700	$ 200	$ 7,500	-	$ 7,400	$ 7,800	$ 15,600	$ 25,800	$ 49,200
Bemidji State Univ.	18,300	800	69,700	-	25,300	121,500	67,100	114,100	302,700
St. Cloud State Univ.	211,700	1,700	120,600	$15,200	148,300	100,000	248,700	497,500	846,200
Willmar State Hospital	10,400	2,000	10,200	-	9,100	10,700	19,200	31,700	61,600
St. Cloud Reformatory	11,900	700	4,700	600	7,600	3,900	12,700	25,500	42,100
Willmar MnDOT	600	-	2,400	-	1,200	2,400	2,500	4,200	9,100
Bemidji MnDOT	-	-	4,300	-	1,200	8,700	3,200	5,500	17,400
St. Cloud MnDOT	1,100	-	1,900	200	1,400	1,600	2,300	4,600	8,500

OTHER PERCEIVED IMPACTS

Impacts which cannot be readily quantified may also occur due to the presence of a State facility. Two especially important factors related to State facilities are discussed below: (1) impacts on image and quality of life, and (2) the availability and convenience of services

and facilities. Even though credible dollar values cannot be given to these factors, they are important elements to consider when assessing the relative balance between the negative and positive impacts of different State facilities.

Image and Quality of Life. The value placed on, and the factors determining, the overall image and general quality of life in a community will vary considerably among the individuals residing in that community.

In general, however, it appears that: (1) educational institutions are viewed as having a positive impact on the community's image and quality of life; (2) residential hospitals and prisons are perceived as having a negative impact; and (3) the MnDOT facilities are seen as having a neutral impact. There are, of course, some individuals who believe that an increase in student population has a very negative effect on the image and quality of life in a community. Some local officials in the pilot areas perceived a negative impact on the overall housing quality of the community causing decreased property value and an increased demand for fire services within the community.

Convenience to Facilities and Services. Since there are very few local services provided by State hospitals and State corrections facilities, it cannot be assumed that the proximity of these facilities to a local community provides any added services to local residents. However, in the case of both educational facilities and administrative facilities, the proximity of the institution to the local community does increase convenience for the local residents. This is especially true for educational facilities since they provide a wide range of community services. In addition, the availability of a higher education facility within a community makes it possible for individuals to attend college without moving to another community. This is a direct financial benefit to the families taking advantage of this service. The degree to which this occurs is not known and, therefore, the value of convenience and availability of services to individuals living in a community cannot be readily quantified. It is a factor, however, which should be taken into consideration in weighing the relative positive and negative impacts of State facilities in local communities.

It should also be noted that private facilities which are leased and used for state purposes are often viewed as State-owned facilities and are assumed to have the same effects on local governmental services and revenues as a state-owned facility. This, of course, is not the case in reality, but it is a perceived impact in some local communities.

RELATIVE SIGNIFICANCE OF IMPACTS

The previous sections of this chapter have described a number of impacts which are generated by the pilot State institutions related to the general economy of a community, the service costs of local government, and the revenues available to local government. This analysis has

revealed some variations in the impacts generated by different types of institutions. The purpose of this section is to describe the relationship among these various impacts as well as the relative significance of these impacts in relationship to the community's total economy, tax base, and service requirements. Elements which will be discussed include:

- Service Costs Related to Benefits
- Business Volume Generated Related to Service Costs
- Revenues Related to Service Costs
- Net Differences in Total Costs and Revenues Generated by Institutions
- Percent of Local Expenditures Represented by Institution's Costs and Revenues
- Percent of Local Jobs Represented by Institution Generated Employment
- Percent of Local Business Volume Represented by Institution Generated Business

Service Costs Related to Benefits. The relative impacts of service demands and compensating factors may be viewed in at least two ways: (1) from a cost-revenue point of view which takes into consideration only the governmental service costs and governmental revenues associated with the respective lands, or (2) taking into consideration the other compensating factors described above related to impacts on the local economy, the general availability of State services in the community, and other intangible impacts on the local area. General "balance sheets" of service demands and offsetting compensations are provided in Tables 34 and 35 for the pilot institutional landholdings. These tables include all types of impacts, whether tangible or intangible. As indicated previously in this chapter, the tangible economic benefits of jobs and business volume are reflected in the governmental revenues estimated for the pilot institutions. A comparison of costs and revenues for the pilot institutions is shown in Table 35. The degree to which other intangible factors offset these net impacts is essentially an individual value judgment.

It appears that the relative significance of various impacts and the relative importance of service costs as they relate to compensating factors are influenced by a number of items. Specifically, these include the following: (1) the function of the institution, (2) the population size of the institution (both the service population and employees of the institution),(3) the size of the community and the size of the community's budget (both expenditures and revenues), (4) the quality of local services and the level of local services provided, (5) the general location of the community in the State, and (6) the exempt status of State land. It appears that all institutions except the Reformatory have a net negative impact in both cities and counties. However, most of the institutions appear to have a net positive impact in the school districts.

TABLE 34
Service Demands and Offsetting Compensation Related to State Institutional Properties

Service Demand	Direct/Indirect Offsetting Compensation
Police	Some negotiated service contracts or fees; UM campuses provide partial campus police services.
Fire	Some negotiated service contracts or fees.
Roads	Internal roads provided by State agencies, some special assessments, State aid based on need.
Transit	UM provides some internal transit.
Parking	State agencies typically provide adequate supply.
Utilities (sewer, water, refuse disposal)	Provided by State agency or paid for at standard non-residential user rates; some special assessments.
Health, education, welfare, parks and recreation	State and federal aid revenues are increased by added population and equalizer clauses.
Secondary general services related to increased population	Community services provided by institutions; increased business volume in local economy; increased jobs; increased property taxes through increased population and increased business volume; increased aids due to increased population; possible improved image, property values, etc.; sometimes special grants and aids provided.

Business Volume Generated Related to Service Costs. Business volume as described earlier in this chapter is a function of both direct institutional expenditures and the expenditures of the employees and other service population of each pilot institution. Variations in the direct expenditures of the pilot institutions were discussed earlier in this chapter. That analysis suggested that hospitals will tend to spend a higher dollar volume in the local community than other State institutions, and that prisons are more likely to spend relatively few dollars in the local community. The pattern of the pilot institutional population's expenditures at the various institutions tended to offset the effects of direct expenditures so that the functional use of the institution did not appear to influence total business volume.

The variations in business volume generated per dollar of service cost by the pilot institutions are shown in Figure 19. The MnDOT facilities and the prison tend to generate a higher business volume per service cost dollar in both the cities and the counties. Both the colleges and the hospital tend to generate a somewhat lower volume of business in relation to the service costs associated with the institution.

TABLE 35
Comparison of Estimated Costs and Benefits of Pilot Institutions

Pilot Institution	Service Costs ($1000s)	Revenues ($1000s)	Difference ($1000s)	Percent Net Difference (1)	Jobs Generated (2)	Business Volume Generated (2) (millions)	Community Services	Image & Quality of Life
Cities								
Willmar Comm. College	$ 101	$ 66	$-35	-34.7%	150-220	$ 2.0-3.4	high	positive
Bemidji State U	821	789	-32	-8.1%	940-1,200	12.2-19.0	high	positive
St. Cloud State U	2,582	1,907	-675	-15.3%	2,100-3,120	28.2-49.9	high	positive
Willmar State Hospital	174	157	-17	-10.8%	760-800	3.7-4.4	low	negative
St. Cloud Reformatory	176	195	+19	+27.0%	480-510	3.0-3.6	low	negative
Willmar MnDOT	29	19	-10	-36.0%	140-150	0.5-0.7	low	neutral
Bemidji MnDOT	67	55	-12	-20.8%	230-250	1.4-1.7	low	neutral
St. Cloud MnDOT	45	30	-15	-22.5%	130-140	0.7-0.9	low	neutral
Counties								
Willmar Comm. College	$ 176	$ 162	$-14	-14.2%	180-270	2.7-4.6	high	positive
Bemidji State U	1,065	1,211	+146	+0.1%	970-1,400	12.7-21.6	high	positive
St. Cloud State U	1,130	955	-175	+2.5%	2,170-3,230	29.8-51.9	high	positive
Willmar State Hospital	290	312	+22	-0.3%	800-860	4.7-5.6	low	negative
St. Cloud Reformatory	124	158	+34	+53.5%	530-580	4.3-5.1	low	negative
Willmar MnDOT	53	43	-10	-25.7%	170-180	1.1-1.3	low	neutral
Bemidji MnDOT	88	93	+5	-7.5%	240-250	1.5-1.8	low	neutral
St. Cloud MnDOT	34	27	-7	-8.3%	140-150	1.1-1.4	low	neutral
School Districts								
Willmar Comm. College	$ 44	$ 104	$+60	+116.3%	N.A.	N.A.	high	positive
Bemidji State U	206	454	+248	+99.3%	N.A.	N.A.	high	positive
St. Cloud State U	358	1,014	+656	+153.4%	N.A.	N.A.	high	positive
Willmar State Hospital	365	367	+2	-6.1%	N.A.	N.A.	low	negative
St. Cloud Reformatory	127	155	+28	+11.6%	N.A.	N.A.	low	negative
Willmar MnDOT	60	66	+6	-0.7%	N.A.	N.A.	low	neutral
Bemidji MnDOT	71	78	+7	+11.0%	N.A.	N.A.	low	neutral
St. Cloud MnDOT	33	39	+6	+11.0%	N.A.	N.A.	low	neutral

N.A. = Not available

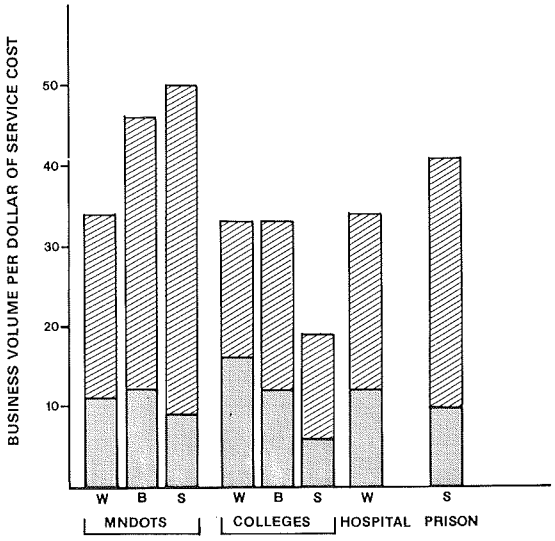
(1) The net difference figures take into account any surplus or deficit between the local community's expenditures and revenues.

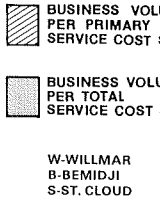
(2) These factors are also reflected in the "Revenues" column.

However, only St. Cloud State University had a significantly different city business volume pattern from all other institutions. The reason for this is not clear. The variations in county patterns appear to reflect the variations in service cost patterns for the institutions.

Service Costs Versus Revenues. There are a number of services provided directly to the pilot State institutions by local municipal governments. Likewise, there are certain revenues (principally State and federal aids) which are generated by individuals living at the State institutions. A comparison of the differences between these costs and revenues (as well as total costs and revenues) on a per service population basis is illustrated in Figure 20 for the pilot cities. The differences between the primary costs and primary revenues are a direct function

ESTIMATED BUSINESS VOLUME GENERATED BY PILOT INSTITUTIONS PER DOLLAR OF SERVICE COST





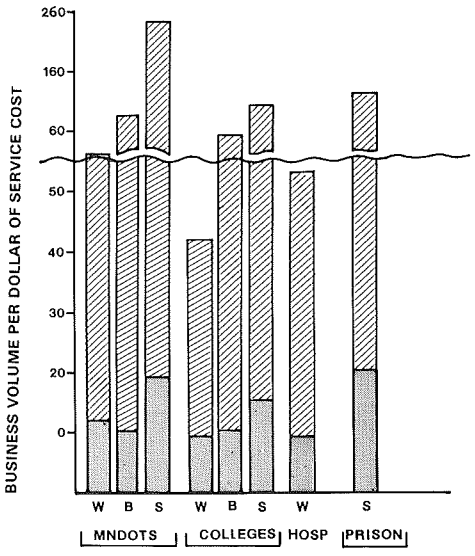


FIGURE 19

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of the number of individuals living at the institution. The greater the institution population residing at the State facility, the greater the amount of primary revenues generated by the institution. Since the MnDOT administrative facilities have no residential population, they generate very little direct or primary revenues except through the payment of special assessments, service fees, etc. Willmar Community College, as a commuter educational facility, also generates very little revenue which can be considered revenue generated directly by the institution as a property in the community. The two residential colleges, the hospital and the prison have relatively large residential populations and as such have revenues which significantly offset any primary service costs associated with the institution. Since Bemidji State University has a larger portion of its student body residing on-campus than St. Cloud University, it generates greater primary revenues. The prison, which has a relatively low requirement for local services and a high residential population, generates primary revenues in excess of its primary services costs.

It should be noted that primary revenues are generated on a substantially different basis than the way service costs are incurred. Typically, intergovernmental aids are provided to compensate for the full range of service demands in the local community not just to compensate for those service demands associated with property. As such, it is probably more appropriate to analyze total costs and revenues. This analysis is presented in both Table 35 and Figure 20. Most pilot institutions had greater costs than revenues in both cities and counties. Conversely, most had greater revenues than costs in the school districts (see Table 35 and Figure 20).

Net Differences in Costs and Revenues Generated by State Institutions. All of the pilot communities analyzed in the pilot studies had either a deficit or a surplus in budget which has been reflected in all of the institutional analyses. Institutionally generated costs and revenues were adjusted in proportion to the deficit or surplus reflected in the total community budget to determine net loss or gain. The formula used for this purpose is available in Appendix A. The results of this analysis are reflected in Figure 21. These analyses take into account both primary and secondary revenues and costs. All State institutions except the St. Cloud Reformatory show a deficit in the cities. The Reformatory shows a 27% surplus while the remaining institutions show a deficit picture ranging from -8% to -35% (see Figure 21 and Table 35). Both the prison and St. Cloud University show a surplus picture in the county. These surpluses range from 0 to 53%. The remaining institutions show county deficits of up to -26% (see Figure 21 and Table 35).

All three colleges show a dramatic surplus picture in the school districts. This occurs because students at higher education facilities typically generate very few secondary and elementary school students and, as such, generate very low educational costs to school districts. Since most of these individuals reside off-campus, they generate significant revenues

COMPARISON OF COSTS AND REVENUES GENERATED PER SERVICE POPULATION IN PILOT CITIES

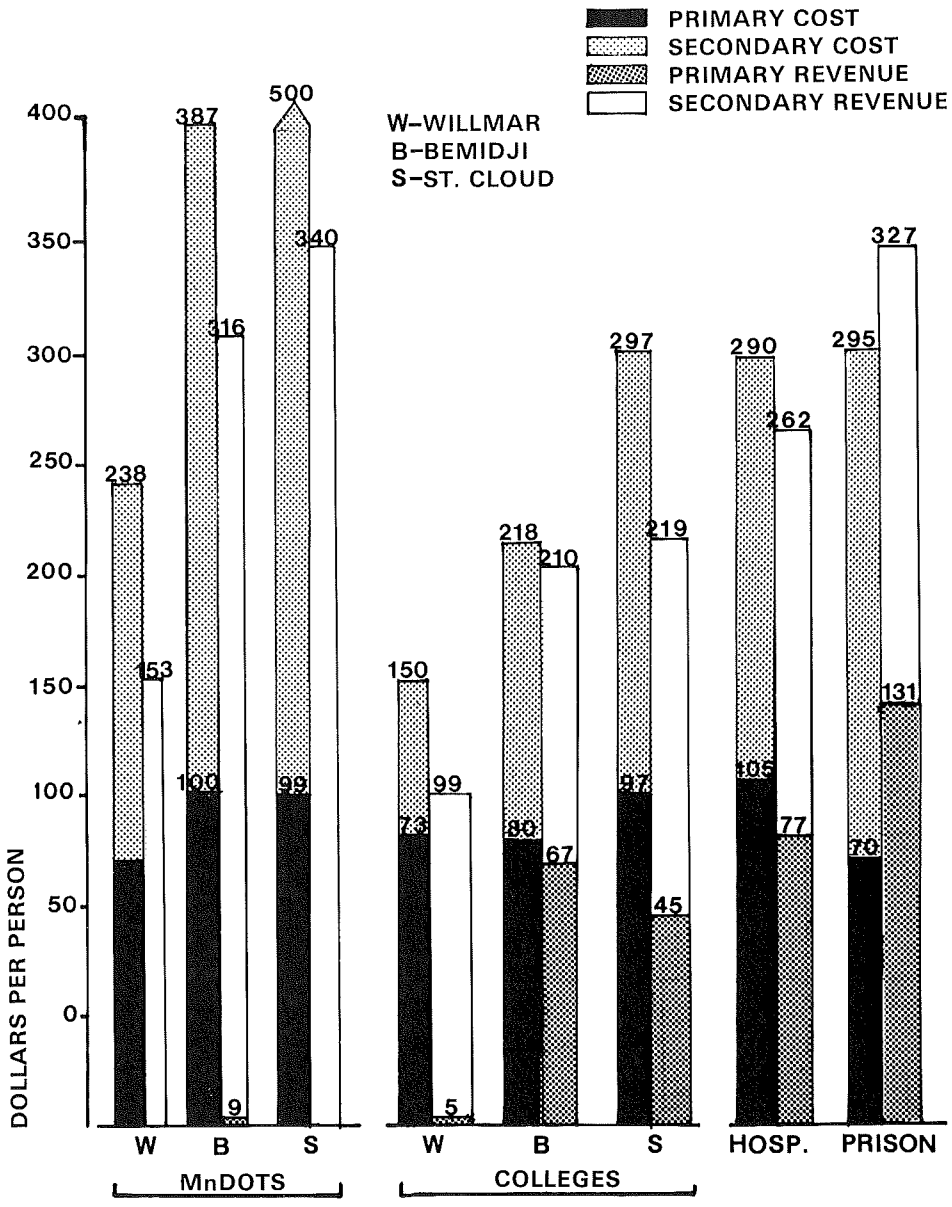

FIGURE 20

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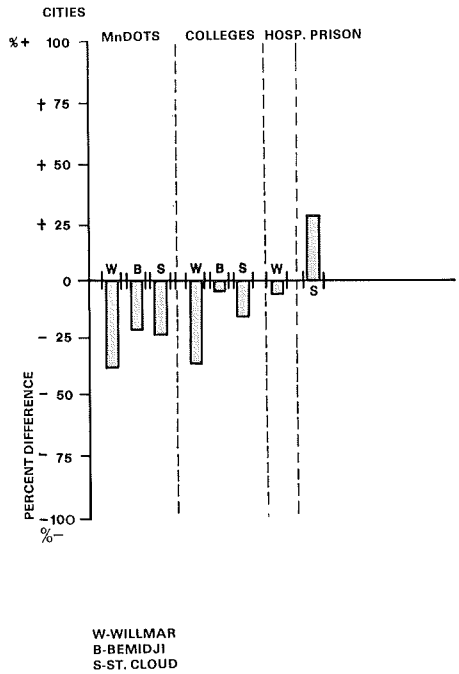
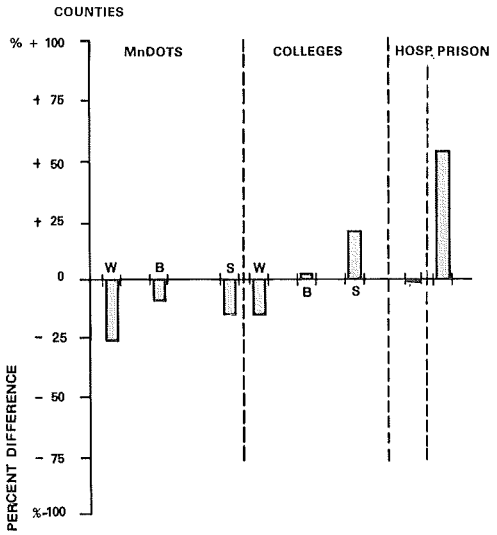
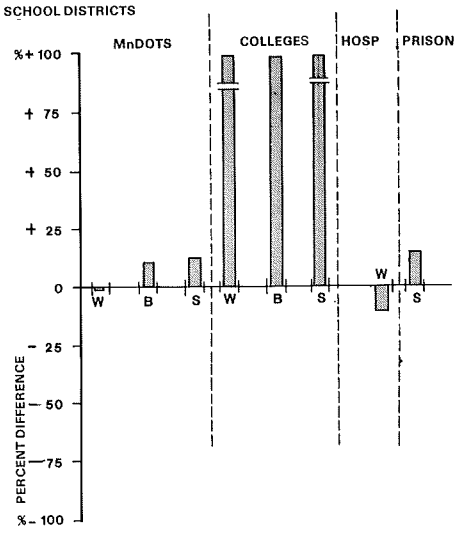
NET DIFFERENCES BETWEEN THE REVENUES AND COSTS GENERATED BY THE PILOT INSTITUTIONS



W-WILLMAR
B-BEMIDJI
S-ST. CLOUD





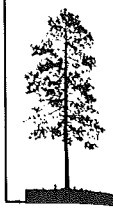


FIGURE 21

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to the school district, directly or indirectly, through property taxes. The only institutions showing a deficit in the school districts were the Willmar MnDOT and State Hospital. The MnDOT deficit is relatively insignificant but the deficit for the State hospital is -10% (see Figure 21 and Table 35).

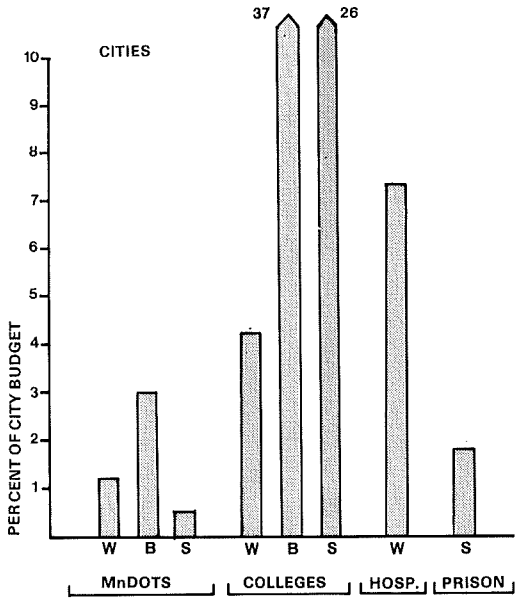
Significance of Service Demands. The significance of the service costs created by State administrative facilities and institutions on local communities can be gauged by the portion of local expenditures which is due to State facilities. Figure 22 illustrates the percentage of pilot area city, county, and school district expenditures which are generated by the pilot State facilities.

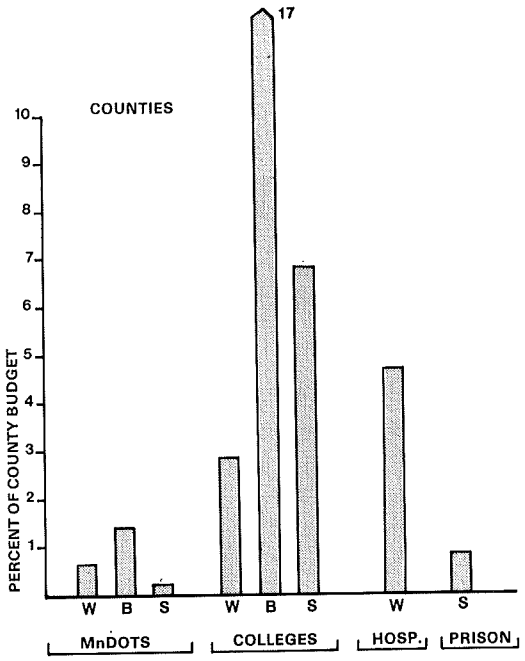
As might be expected, the impact which the pilot institution has on the local jurisdiction is primarily a product of the size of the State facility's population in comparison with the local community's population. The two large State universities have a major impact on the cities in which they are located (as measured by percent of local budget attributable to State facility), primarily as a result of the large number of students they represent. MnDOT facilities are relatively small and account for a small percent of the budgets of the cities in which they are located. The pattern seen among the pilot cities holds true for the counties and school districts as well, although the percent of budget becomes less significant in the pilot counties and still less significant in the pilot school districts.

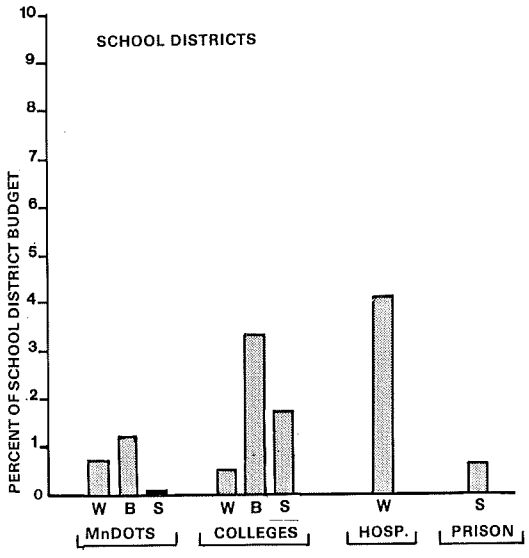
Significance of Revenues. The significance of the revenues generated by the pilot institutions in the local communities can be gauged by the percent of total available revenues which is attributable to the institution. The results of such an analysis for the pilot institutions is shown in Figure 23. As might be expected, the magnitude of impact, as measured by percent of local revenues, is most strongly influenced by the institution's population size in comparison to the size of the community's population. Patterns for cities, counties and school districts are very similar as shown in Figure 23. Bemidji State and St. Cloud State contribute a fairly significant percent of revenues to all governmental units while the MnDOTs and the prison contribute a relatively insignificant portion of local revenues. On a percentage base, institutionally generated revenues are most significant in cities and least significant in school districts (see Figure 23).

Percent of City Jobs Generated by State Institutions. Most of the pilot State institutions generated a significant share of the local job markets as shown in Figure 24. Direct institutional employment accounted for between 1 and 12 percent of the local labor force for individual facilities. Secondary employment generated by individual facilities accounted for between 2 and 30 percent of the local labor force. When all state institutions are combined, State employment makes up between 10 and 15 percent of the labor force. State generated secondary employment makes up between 22 and 35 percent of the local labor force (see Figure 24).

ESTIMATED PERCENT OF PILOT AREA EXPENDITURES ATTRIBUTABLE TO STATE INSTITUTIONS







W-WILLMAR
B-BEMIDJI
S-ST. CLOUD

FIGURE 22

Minnesota Public Lands Impact Study — Phase 2

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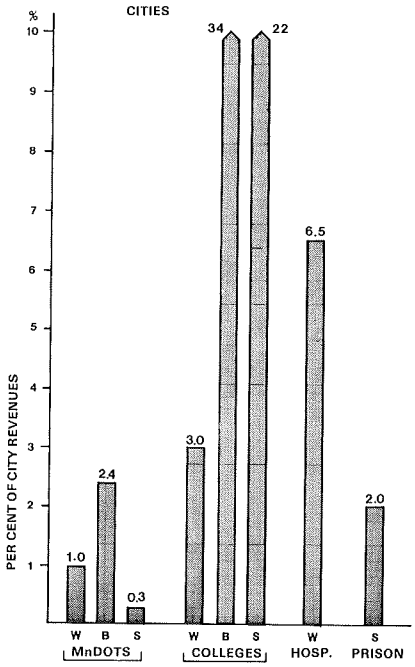
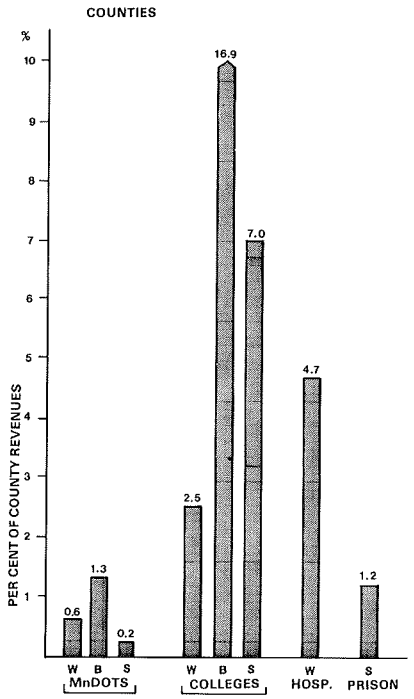
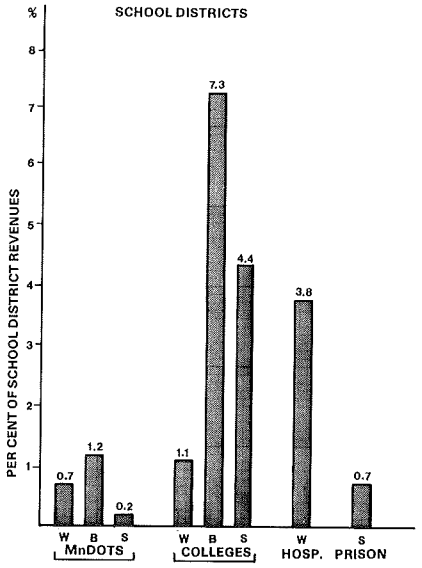
Tax Study Commission and Barton-Aschman Associates, Inc.

ESTIMATED PERCENT OF PILOT AREA REVENUES ATTRIBUTABLE TO STATE INSTITUTIONS







W-WILLMAR
B-BEMIDJI
S-ST. CLOUD

FIGURE 23

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

ESTIMATED PERCENT OF CITY JOBS GENERATED BY STATE INSTITUTIONS

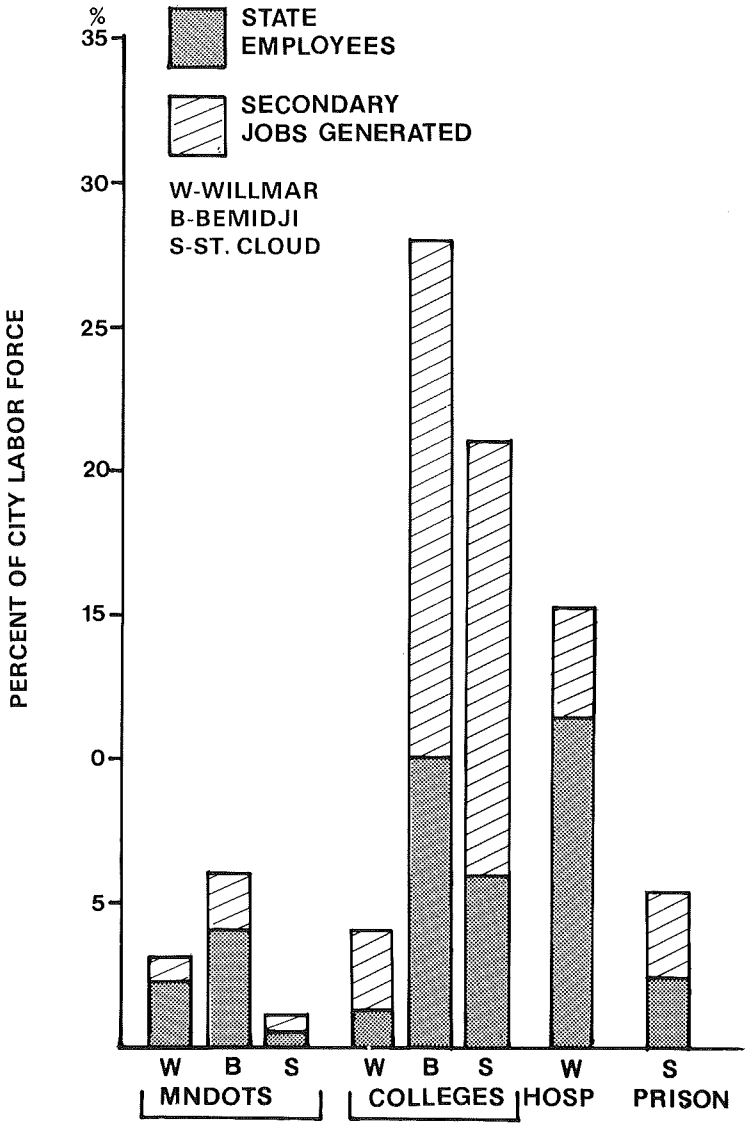


FIGURE 24

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

Significantly greater employment is generated by Bemidji State, St. Cloud State and Willmar State Hospital than by the other institutions. Clearly, smaller communities such as Bemidji are more reliant on the State as an employer than are larger communities such as St. Cloud.

Percent of Local Business Volume Generated by State Institutions. The business volume generated by each institution as it relates to the pilot city's total business volume is shown in Figure 25. Primary business volume (i.e., expenditures of the institution and its employees) does not account for a significant amount of local business volume in any of the pilot cities. Secondary business volume, however, is significant for both St. Cloud State University (8 percent) and Bemidji State University (20 percent). Large facilities located in small communities (the best example is Bemidji State University) will generate a much higher share of the local community's business volume than a smaller facility located in a large urban area. The significance of the business volume generated is a function of both the size of the state facility and the size of the community in which the state facility is located. To a lesser degree, it is also a function of the use of the state facility and the total economic base or business volume in the community.

It should be noted again that the impacts on jobs and business volumes are directly reflected in the revenues attributable to the pilot institutions and, therefore, in all cost-revenue analyses.

Percent of Local Expenditures Represented by Institution Net Revenue/Cost Differences. A more direct measure of the significance of the impacts of the pilot State institutions on the local governments' cost-revenue situation is the percent of the local budget which can be accounted by the net deficit or surplus associated with each individual institution. The results of this analysis are shown in Figure 26. For all institutions except the educational facilities, the net gain or loss represented less than 1% of the total city budget. In the case of educational facilities, the net difference was a deficit of between 1-1/2% and 4% of the total city budget (see Figure 26). In the case of counties, all institutions, except the St. Cloud Reformatory which shows a surplus, show a net difference of less than 1% of the total local county budget (see Figure 26). Both Bemidji State University and St. Cloud State University show a surplus of between 1 and 3% for four school districts. All other institutions show a net difference of less than 1% of school district budgets (see Figure 26).

As a percent of total local budget, the impact of these institutions appears to be relatively small. However, it is important to note that even a 1% deficit associated with an identifiable landholding in a community can be perceived by local officials and local taxpayers as a major detriment to the local community and a major burden on local residents. The perceived significance of an impact is an important consideration to keep in mind in analyzing results and reaching conclusions and recommendations regarding the appropriate State response to the impacts of State facilities in local communities.

ESTIMATED PERCENT OF CITY BUSINESS VOLUME GENERATED BY STATE INSTITUTIONS

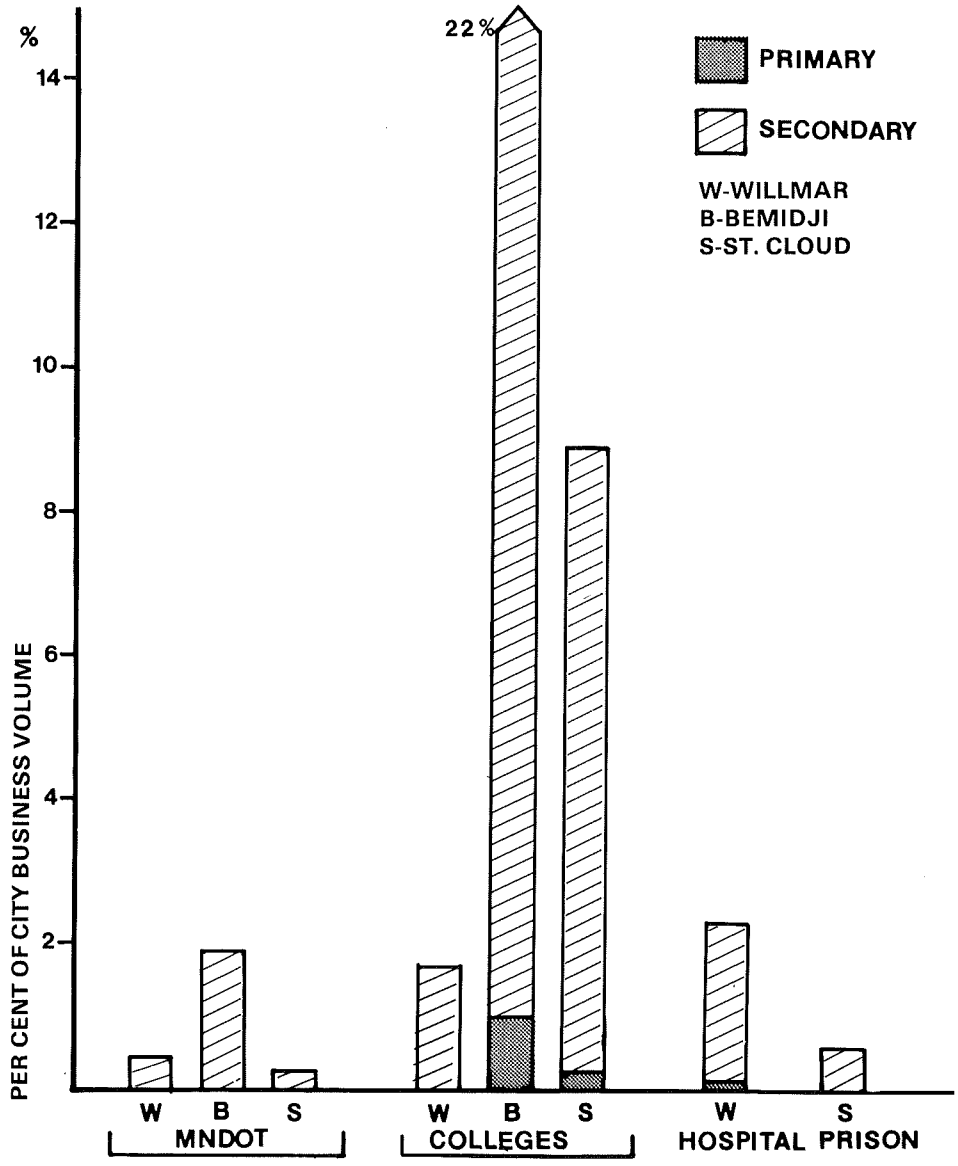


FIGURE 25

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in cooperation with the
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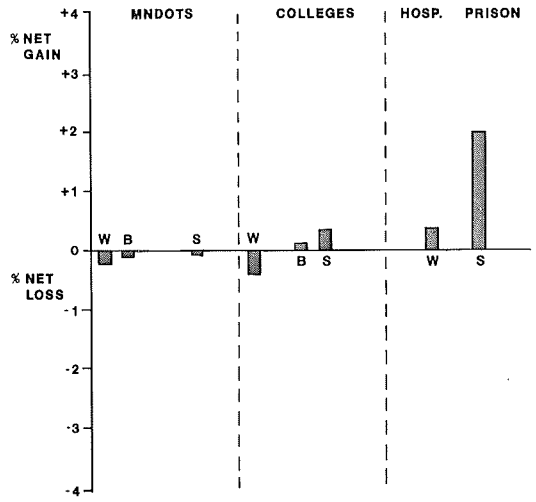
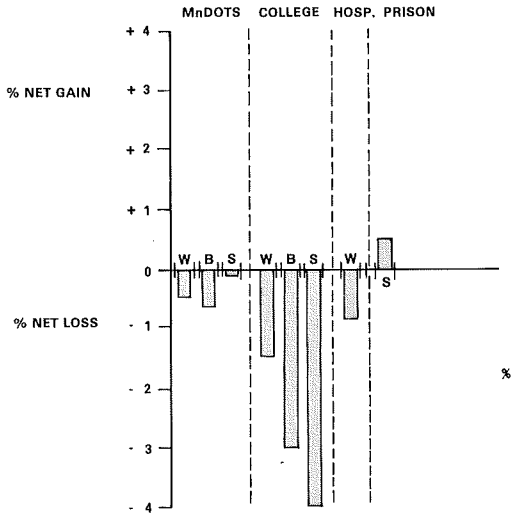
PERCENT OF LOCAL EXPENDITURES REPRESENTED BY THE NET REVENUE-COST DIFFERENCES OF PILOT INSTITUTIONS

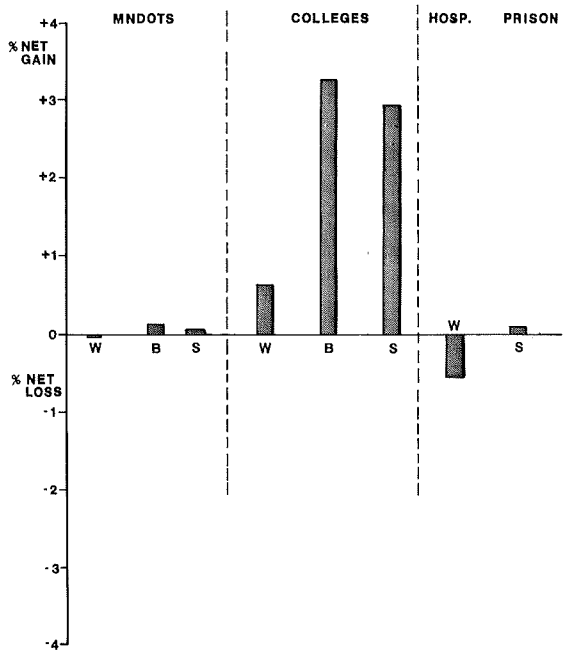
COUNTIES



CITIES



SCHOOL DISTRICTS



W-WILLMAR
B-BEMIDJI
S-ST. CLOUD

FIGURE 26

Minnesota Public Lands Impact Study — Phase 2

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The above described effects on the total local budget are considerably increased if they are viewed as a percent of locally generated revenues that is property taxes since these revenues typically account for only one-quarter to one-third of local revenues in any particular community. It must be assumed that where there is a net deficit occurring, it must be compensated for through locally generated property tax revenues. Since the major deficits appear to occur in cities, this impact will be greater for municipalities than for counties or school districts.

Significance of Potential Tax Revenue to Local Communities. The significance of potential property tax revenue gains to local communities as a result of making State properties taxable can be seen in impacts on both added revenue and local mill rates. Potential increases in property tax revenue represent an opportunity for increased public services in the community or decreased tax bills, both potentially beneficial to local community residents.

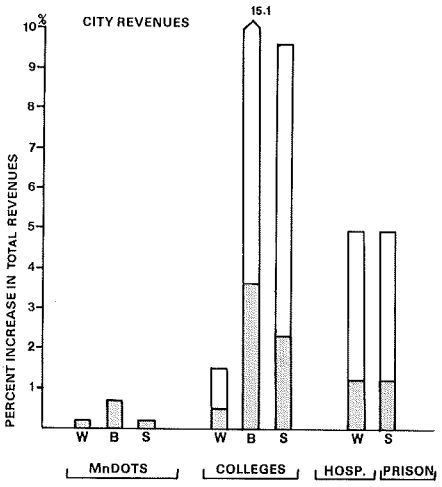
Figure 27 illustrates the potential percent increase in total local revenue which would occur if the estimated taxes generated by the pilot institutions (see Appendix D) were added to pilot area local government revenues. The largest potential impacts on the basis of percent increase in total revenues would be on pilot area cities except St. Cloud Reformatory which would impact the county most. The percent increase in property taxes is modified by the size of the community related to the size of the institution.

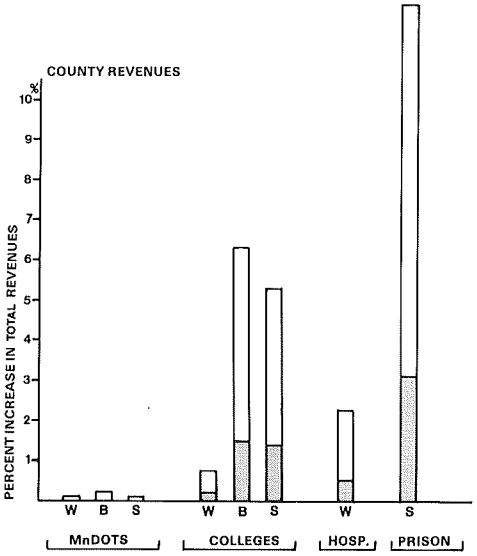
The overall potential impacts of State properties generating property taxes would make only slight increases in total local revenues unless quite large tax ratios were applied to their market value. Even with large tax ratios only relatively small communities with large State facilities would experience significant total revenue increases on the basis of a percent increase in revenues.

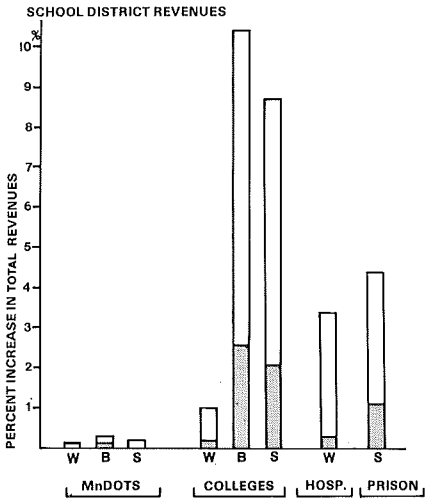
The effects on aid formulae caused by adding presently tax-exempt properties to the local tax base is not readily decipherable. It is conceivable that at least some property tax revenue increases could be negated by decreases in local aid.

Potential Effect on Local Mill Rates. The potential effects on local mill rates are illustrated in Figure 28. These effects would occur if the increased local revenue was used entirely to decrease local mill rates rather than improve local services. The pattern of impacts is very similar to the pattern for increases in city revenues. Cities would experience the largest mill rate decreases on a percent basis, and the extent of impact would depend on the size of the State facility compared to the local jurisdiction. The magnitude of impact, however, is much greater on mill rates than on total local revenues since local property taxes represent only a portion of total revenue. The effect is to concentrate the revenue impacts on only 15 to 40% of the community's

ESTIMATED POTENTIAL PERCENT INCREASE IN TOTAL REVENUES FOR PILOT AREAS







LOW ESTIMATE

HIGH ESTIMATE

(See Table 17)

W-WILLMAR
B-BEMIDJI
S-ST. CLOUD

FIGURE 27

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
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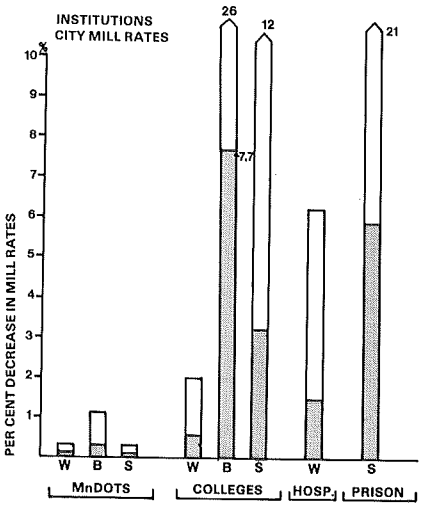
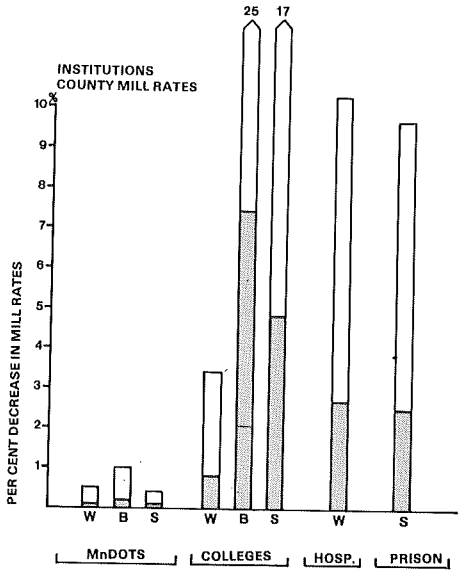
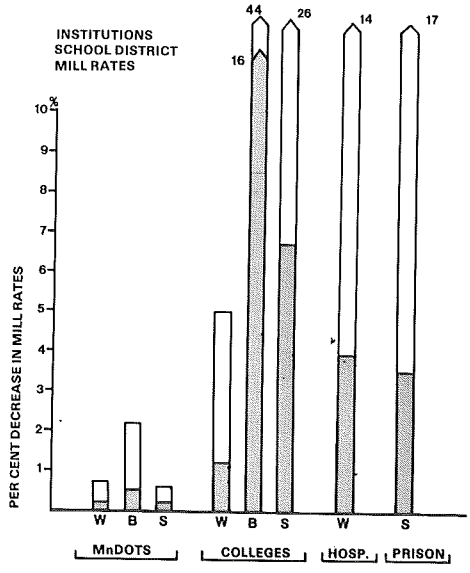
ESTIMATED POTENTIAL PERCENT DECREASE IN MILL RATES FOR PILOT AREAS







W-WILLMAR
B-BEMIDJI
S-ST. CLOUD

LOW ESTIMATE

HIGH ESTIMATE

FIGURE 28

Minnesota Public Lands Impact Study — Phase 2

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in cooperation with the
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revenue sources. Those communities which depend least on property taxes as a source of revenue would experience the most dramatic mill rate decreases on a percentage basis.

APPLICABILITY OF RESULTS AND METHODOLOGY TO OTHER LAND USES

Other Institutional Properties. It appears that there is relative consistency among institutions of the same type in functional use, employee to service population ratios, physical size, and employee occupations. These similarities suggest that results associated with one pilot institutional type could be generally extrapolated to other facilities of the same functional type since both functional use and size of facility appear to have considerable influence on the extent of impacts generated by the institution. However, the costs of services and the amount of revenues generated by the institution also bear a direct relationship to the cost of services and revenues generated per capita in the local community where the institution is located. As such, the actual dollars of business volume, revenues, and service costs generated by the institution will vary from one community to another in relationship to the fiscal condition and economic status of the local community. The applicability of the methodology will be directly related to the availability and reliability of comparable data for the community and the institution being evaluated. Given adequate data, it is believed that the evaluation methodology can be applied to all institutions with relatively similar reliability although the dollar results will vary.

If the results, rather than the methodology, were to be applied to another facility, it could be done in at least two ways: (1) only the conclusions regarding net impacts could be applied, or (2) the costs and benefits generated per service population could be applied to the service population of the facility under investigation. In both cases, interpretation of the findings should be tempered by some understanding of the fiscal and economic conditions of the local community.

Natural Resource Lands. While it is believed that the evaluation methodology developed in this report could be applied to natural resource lands, it is unlikely that the data needed to carry out the analysis would be as readily available for these lands as for the institutional properties analyzed in Phase 2 of the Public Lands Impact Study. Service demand standards and demand factors related to size and use have not been developed for natural resource lands to the extent that they have been developed for more intensively used facilities. Natural resource lands are typically located in rural areas where service levels differ from municipal services, and data related to the factors which must be considered are less readily available. Perhaps most importantly, however, the major source of dollars to the local community, as well as the major source of service demands to natural resource land is the visitor. There is very little visitor data available for many types of natural resource lands. If appropriate assumptions could be developed related to visitor volumes for different types of natural resource

lands, and appropriate assumptions could be made related to visitor expenditures and visitor service demands, then an analysis similar to that carried out for Phase 2 of the Public Lands Impact Study might be accomplished for natural resource lands.

Without carrying out a detailed analysis for natural resource lands, some hypotheses can be made about the variations which would be likely to occur if the methodology were applied to natural resource lands. Some hypotheses which appear reasonable, given currently available data, include the following:

1. On an annual daily user basis, a visitor is likely to spend more dollars than a resident of a community. As such, it may be assumed that a natural resource land visitor population would generate a greater daily business volume in the local community than the same number of individuals residing in the community.

2. The level of service provided in rural areas is typically significantly lower than the level of service provided in urban areas. Therefore, it could be assumed that the level of service and the cost of service to natural resource lands would be significantly lower than the cost of services to an institutional facility located within an urban area.

3. Since visitors do not reside in the community, they are not counted as part of the population of the community. Therefore, visitors do not generate per capita State and Federal aids as do residents of the community. Likewise, the only property taxes which are generated by visitors are those that are generated indirectly through the increased business volume created by the visitor. It may be assumed, therefore, that a visitor will generate significantly fewer governmental revenues to the local community than a person residing in the community.

4. It can be assumed that the community would have to be capable of providing services for its peak population even though that capacity is used only during a small portion of the year. It may be assumed, therefore, that the incremental effects on service demands for visitors would tend to be higher than the incremental effects of service demands for an institutional person.

5. While a visitor is likely to generate a much larger business volume than a resident of a community, it is likely that there will be a larger net deficit between service costs and governmental revenues generated by visitors than a resident. This is due primarily to the need to provide services for a peak population which is significantly larger than the year-round residential population of a community in comparison to serving a population which does not generate the same intergovernmental revenues and property taxes as residents of a community.

6. Finally, the size of natural resource landholdings is usually much larger than the size of an institutional landholding. It is possible, therefore, that these lands will have a greater impact on the overall taxable value and the necessary mill rates of a local community. The size of these landholdings is somewhat offset by the value of the institutional properties owned by the State.

PRINCIPAL OBSERVATIONS AND CONCLUSIONS

Economic Impacts

1. State institutions typically employ a higher percentage of "professionals and technicians" and "clerical workers" or "service workers" (depending on the institutional function) than other employers in the pilot cities.

2. Hospitals employ the most people in relation to their service population; prisons employ the least. However, colleges generate the most secondary employment due to their large student populations.

3. Educational facilities also generate higher total personal income, primarily due to student expenditures. The prison appears to have the highest net payroll per employee among the pilot institutions.

4. The pilot hospital purchased the most local goods and services in the pilot areas and the prison has the least expenditures in relation to population size.

5. There is little variation in total business volume generated in relation to functional use of State facilities. Direct expenditures are the key factor for the MnDOTs and the hospital. Employee and student expenditures are the key factors for the colleges and the prison.

6. The pilot State educational facilities provide a wide range of community services. The pilot prison, hospital and MnDOTs provide very few community services.

7. The community services provided are usually related to the functional purpose of the institution. Fees are charged for those programs or facilities least related to institutional function.

8. Educational facilities are typically perceived as improving the image and quality of life in a community. Hospitals and prisons are thought to have a negative impact. MnDOT facilities appear to have a neutral impact.

9. The convenience and availability of educational facilities is a clear benefit to local residents. Other State facilities do not provide the same benefit to local residents.

Revenue Impacts

10. Intergovernmental revenues are generated primarily by population. State institutions generate these revenues in direct relationship to the increased population they generate.

11. Patients, inmates and students are counted as local population in determining governmental revenues.

12. State institutions generate local property taxes through their employees' households and the business volume they generate.

13. Very few direct payments are made by the pilot institutions except infrequent special assessments or service fees.

14. State institutions pay for municipal utilities at the same rate as other non-residential users.

15. Institutions with large service populations (patients, inmates, students) will generate higher intergovernmental revenues than institutions with employees only.

16. Large institutions with both residential and non-residential service populations will generate higher total revenues because they generate higher property taxes.

Service Cost Impacts

17. The pilot State institutions require local services at some cost to localities, and the State pays no property taxes in support of these services. While there are other aids and compensating factors, the cost of service outweighed current compensation in most test cases.

18. Institutions require direct services for police, fire, roads, transit and parking.

19. A full range of local services is provided indirectly to the institution's employees and the service population living in the community.

20. Police and road service costs are the major direct service costs for all pilot institutions.

21. Police, fire and parking are typically perceived by local officials as being the greatest direct costs in the pilot areas. Roads are typically not viewed as a direct service cost to the institutions.

22. All pilot institutions provided adequate parking for their demand. However, pricing of on-campus parking appears to be causing high use of off-campus parking at both Universities.

23. Municipal utilities (sewer and water) were provided to almost all pilot institutions. These services are paid for by the State at standard non-residential rates.

24. There have been special State payments or grants made occasionally for special capital improvements directly related to State facilities. Only special assessments provide compensation for general capital improvements.

25. The pilot hospital and MnDOTs generate higher costs on a per capita basis than the colleges or the prison. The prison has the lowest per capita service costs.

Relative Significance of Impacts

26. The pilot prison and the MnDOTs generate a higher business volume in relation to service costs than do other State facilities.

27. All pilot facilities except the prison show a net deficit between costs and revenues in the pilot cities and counties. However, all pilot facilities except the hospital show a net surplus in the school districts.

28. The net deficits in the cities represent less than 4 percent of city expenditures. Only the colleges had a net deficit of over 1 percent of city budgets. The net deficits or surpluses in counties were all less than one percent.

29. The net deficits or surpluses in school districts were less than one percent except for the colleges which had surpluses of between one and three percent of school district budgets. This is due primarily to the property taxes generated by the student population.

30. Combined State institution employment generated between 10 and 15 percent of the pilot city's labor force. Combined secondary employment accounted for between 22 and 35 percent of the local labor force.

31. Primary expenditures of the institution and its population do not create a significant percentage of local business volume. Secondary business volume, however, is significant for both State Universities (8 percent in St. Cloud and 20 percent in Bemidji).

32. The relative significance of impacts is directly related to the size of the institution in relationship to the size of the host community. To a lesser degree, the institutional function and local economic base are also influential.

33. The quality of service, level of service, cost of service, and tax base varies significantly from one community to another.

34. Although the dollar results will vary, the general results of the evaluation can be applied to other State institutions with similar functions. Given adequate data, the methodology can be reliably applied to other institutions and communities.

35. If the necessary data and service demand factors were available, the methodology could be applied to natural resource lands. However, these data do not appear to be available in most cases.

36. The results of the evaluation would vary significantly for natural resource lands because the primary users of these lands are seasonal visitors.

Phase 2: Appendices

Minnesota Public Lands Impact Study

Legislative Commission on
Minnesota Resources in cooperation with the
Tax Study Commission and
Barton-Aschman Associates, Inc.

PREFACE

The purpose of the Minnesota Public Lands Impact Study being undertaken by the Legislative Commission on Minnesota Resources (LCMR) in cooperation with the Tax Study Commission (TSC) and Barton-Aschman Associates, Inc. (BAA), can best be summarized by the legislative charge which states that "...the commission shall report to the 70th session of the legislature its findings and recommendations regarding payments in lieu of taxes on State and Federally owned lands..."

This report is a compilation of the appendices for Phase 2 of the Public Lands Impact Study. The purpose of Phase 2, as stated in the work assignment, was to "conduct research, gather and analyze information, and report findings to the LCMR concerning the effects on local units of government of land ownership by the State and Federal governments, which is held for other than natural resource management, excluding highways." Phase 1 research, which addressed the impacts of natural resource lands, began in September, 1976, and was completed in March, 1977. Phase 2 research began in May, 1977 and was completed in early 1978.

The research and analysis of both phases was completed by Barton-Aschman Associates, Inc., under the daily direction of the LCMR and the TSC. Work tasks and study findings were continually reviewed, discussed and tested among the LCMR, TSC and BAA staff. Progress reports, proposed work programs, and preliminary findings were presented on a monthly basis to a joint subcommittee of the LCMR and TSC. All research was documented on an interim basis in both "working papers" and "progress reports". This documentation has been compiled in two notebooks and is available for review in the LCMR and TSC offices.

The research process in Phase 2 also involved a review of relevant literature, contacts with numerous State, Federal, County, City and field representatives/agencies. In addition, an in-depth research on conditions in three pilot areas was conducted which included evaluation of eight State institutions and thirteen local units of government. A special effort was made to involve all potentially affected agencies, at least on a representative basis, in both phases of the Public Lands Impact Study.

It is believed that this interactive study process has been very valuable in developing a factual, detailed and responsive study of the impacts of State and Federal lands in Minnesota.

TABLE OF CONTENTS

APPENDIX A

MATHEMATICAL MODELS USED FOR IMPACT ANALYSES IN PILOT AREAS

These should be reviewed and used in coordination with information in Chapter 5 of the Phase 2 Background Report, which describes the underlying assumptions and applications of the Models. Data sources for the models are defined in Exhibit 1 which precedes the models. All references to financial data refer to categories in the Auditor's Reports (see Exhibits 2 and 3) which precede the models.

DATA SOURCES

EXHIBIT 1:
Summary of Data Sources

EXHIBIT 2:
Receipt Data in Auditor's Reports

EXHIBIT 3:
Disbursement Data in Auditor's Reports

EXHIBIT 1

DATA SOURCES FOR MODELS USED IN PILOT AREA IMPACT ANALYSES

Model	Data Item	Principal Data Source	Other Sources Investigated
G-1: Employee Family Members	Employment	Institutions	Department of Personnel Department of Finance
	Residence (by zip code)	Institutions	Department of Personnel
	Double income factor	U.S. Census	Institutions
	County labor force	U.S. Census	--
	Average household size	U.S. Census	--
R-1 through R-7: Revenues	Revenues by category	Auditor's Reports on City and County Revenues and Expenditures	--
	Population	U.S. Census or special census data	--
	Patients, inmates, students	Institutions	Minnesota Statistical Abstract, Pocket Data Book, central agencies managing institutions
	Employment	see Model G-1	see Model G-1
R-7: Other Local Revenue	Direct payments	Department of Finance	Institutions Central agencies managing institutions
R-8 through R-10: School Aid	Revenues by category	Department of Education	--
	Pupil units in public school	"Update," Department of Education	Minnesota Educational Directory, Institutions
	County labor force	U.S. Census	--
	Population	Department of Education (special U.S. census)	Minnesota Educational Directory
	Employment	see Model G-1	see Model G-1
R-11 and R-12: Property Taxes and Special Assessments	Taxes and special assessments paid by institutions	Department of Finance	Institutions, central agencies managing institutions
	Taxes levied	Auditor's Reports, "Property Taxes Levied in Minnesota" (Department of Revenue)	--
	Population	U.S. Census or special census; Department of Education (U.S. special census)	--

EXHIBIT 1 (Continued)

DATA SOURCES FOR MODELS USED IN PILOT AREA IMPACT ANALYSES

Model	Data Item	Principal Data Source	Other Sources Investigated
	Patients, inmates, students	Institutions	Minnesota Statistical Abstract; central agencies managing institutions, Pocket Data Book
	Employment	see Model G-1	see Model G-1
S-1 through S-8: Service Costs	Operating budgets	Auditor's Reports on City and County revenues and expenditures	--
	Population	U.S. Census or special census	--
	Patients, inmates, students	Institutions	Minnesota Statistical Abstract; central agencies managing institutions, Pocket Data Book
	Employment	see Model G-1	see Model G-1
S-1: Police Costs	Personnel and personnel hours	Local and county police departments (see Appendix B)	Gov.'s Crime Control Commission, Municipal Yearbook
	Hours spent at institutions	Local and county police departments (see Appendix B)	Institutions
S-2: Fire Costs	Personnel and personnel hours	Local fire department	Fire Information Center, Municipal Yearbook
	Calls and calls to institutions	Local fire department	Institutions
S-3: Highway Costs	Average per capita trips	BAA databank	Local highway departments
	Trips by land use	"Trip Generation" (Institute of Transportation Engineers)	BAA databank, Local highway departments
S-4: Transit Costs	Operating deficit	Local transit authority	Community Development Department
	Passenger trips	Local transit authority	Community Development Department
	City mode split	Local transit authority	"State of Minnesota Outstate Transit Study" (State Planning Agency)
S-5: Parking Costs	Spaces by land use	BAA databank	--
	Spaces provided by institution	Institutions	--
	Parking Costs	Local parking authority	BAA databank, Community Development Department

EXHIBIT 1 (Continued)

DATA SOURCES FOR MODELS USED IN PILOT AREA IMPACT ANALYSES

Model	Data Item	Prinicpal Data Source	Other Sources Investigated
S-9: School Costs	Operating Budgets	"Update," Department of Education	--
	Pupil Units	"Update," Department of Education	Minnesota Educational Directory
	County labor force	U.S. Census	--
S-10 and S-11: General Government and Capital Costs	Operating and capital budgets	Auditor's Reports, "Update"	--
E-1 through E-6	Institution expenditures	Institutions (see Appendix B)	Department of Finance (Statewide Accounting System) Central Purchasing
	Net payroll	Department of Finance	Institutions, "Survey of Buying Power" (Sales Management)
	% Housing and non-housing expenditures	U.S. Department of Labor, Report #74-454	Caffrey, John et al.;"Survey of Buying Power" (Sales Management)
	Student expenditures	Caffrey, John et al.	Institutions, University of Minnesota
	Multipliers	Caffrey, John et al.	University of Minnesota
E-6: Gravity Model	Model	Caffrey, John et al.	University of Minnesota
	Retail sales	"Minnesota Sales & Use Tax" (Dept. of Revenue	U.S. Census of Retail Trade
	Competing areas	Local officials	--
	Average trip lengths	Estimated by BAA	--
E-7: Visitor Expenditures	Hospital and prison visitors	Institutions	BAA databank
	Administrative and maintenance	Estimated from trip generation data (see Model S-3)	Institutions, BAA databank
	Schools	Adapted from Caffrey, John et al.	Institutions, BAA databank, State University Board, University of Minnesota
	Average expenditures	Adapted from Caffrey, John et al.	Institutions, University of Minnesota
G-2 through G-3: Projected Tax Impacts	Institution's market value	Local Assessor	Department of Revenue, Department of Administration, State Architect's office, central managing agencies, institutions, "Marshall's Construction Cost Estimating"
	Mill rates	"Minnesota Cities" (League of Minnesota Municipalities)	Department of Revenue

EXHIBIT 1 (Continued)

DATA SOURCES FOR MODELS USED IN PILOT AREA IMPACT ANALYSES

Model	Data Item	Principal Data Source	Other Sources Investigated
G-2: Property Taxes	Net Square Footage (residential and non-residential	Institutions	SHELTER, MLMIS, central agencies managing institutions, Land Documents, Department of Administration
G-3: Mill rates	Taxes levied	Auditor's Reports, "Property Taxes Levied in Minnesota"	"Minnesota Cities"
Other	Assessed values	Auditor's Reports, "School Districts Adjusted Assessed Values"	"Minnesota Cities," "Property Taxes Levied in Minnesota," "Abstract of Assessments" (Department of Revenue)
	Taxable values	Auditor's Reports, "Property Taxes Levied in Minnesota"	"Minnesota Cities," "Abstract of Assessments" (Department of Revenue)
	Tax-exempt values	"Abstract of Tax-Exempt Properties" (Department of Revenue)	Local Assessors
	Sales ratios	Department of Revenue	--
	Assessment techniques	Local Assessors	--
	Land and building data	Institutions	SHELTER, MLMIS, Land Documents, Department of Administration, central agencies managing institutions
	Housing units	County-City Data Book, local agencies	--
	Aid formulae	Minnesota Statutes, MnDOT, Department of Revenue, U.S. Office of Revenue Sharing	Department of Welfare
	Occupational data	U.S. Census, institutions	Department of Personnel
	Water, sewer, refuse rate systems	Local agencies	Energy Agency
	Water, sewer, refuse consumption rates	"Water Resources Engineering," "ASCE Design and Construction of Sanitary and Storm Sewers," "Sewers for Growing America," "Modern Handbook of Garbology"	Local agencies, Energy Agency
	Street mileage	Local highway departments	Institutions (front footage)
	Services of institution to community	Institutions	Local agencies

RECEIPT DATA IN AUDITOR'S REPORTS

NAME OF COUNTY	Aitkin	Anoka	Becker	Beltrami	Benton	Big Stone	Blue Earth	Brown	Carlton	Carver	Cass
POPULATION - 1970	11,403	154,401	24,372	26,373	20,841	7,941	52,322	28,887	28,072	28,331	17,323
TAXABLE VALUATION [1]	6,619,264	107,754,070	12,408,424	9,701,676	11,463,695	6,588,951	44,107,320	26,520,447	18,581,359	18,764,178	11,490,844
TAX LEVIES [2]	780,875	7,763,382	1,211,062	927,741	993,187	594,455	2,901,183	1,677,405	2,798,648	1,761,446	1,504,852
RECEIPTS											
REVENUE RECEIPTS											
PROPERTY TAXES	$ 725,611	$ 6,307,947	$ 1,177,989	$ 949,223	$ 880,968	$ 554,429	$ 2,659,906	$ 1,449,618	$ 2,468,996	$ 1,548,839	$ 1,503,012
SPECIAL ASSESSMENTS	.....	1,134	.....	7,588	.....	3,107	65,352	298,006	.....	23,119	.....
LICENSES AND PERMITS	19,870	19,420	11,702	9,359	13,143	2,201	11,883	2,366	13,061	3,704	22,230
FINES, FORFEITS AND PENALTIES	31,053	199,595	36,336	46,406	9,440	8,795	130,275	14,624	81,232	49,936	45,916
INTERGOVERNMENTAL REVENUE											
Shared State Taxes [3]	350,374	2,563,867	467,246	425,541	361,577	153,433	805,732	569,389	679,636	650,483	323,760
State Grants for Highways [4]	531,429	517,929	722,440	611,157	460,022	317,800	804,036	599,324	456,391	787,295	959,404
State Grants for Welfare	1,560,243	6,940,775	2,431,477	3,217,653	1,040,477	602,679	2,526,354	1,306,340	1,998,210	1,416,544	2,410,784
State Grants for Education	.....	.....	.....	59,932	3,219	.....	.....	3,697	.....	14,293	.....
All other State Grants	258,182	572,192	1,760	50,299	2,495	11,707	604,343	25,561	36,755	66,371	138,133
Federal Grants - Revenue Sharing	113,819	541,319	190,692	177,481	104,064	65,124	272,277	234,102	238,772	125,379	179,941
Federal Grants - Other	157,045	96,892	13,039	14,066	33,473	.....	12,109	23,878	62,227	46,850	43,925
Grants from other units	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
TOTAL INTERGOVERNMENTAL REVENUE	$2,971,092	$11,232,974	$ 3,826,634	$ 4,556,129	$ 2,005,327	$1,150,743	$ 5,024,851	$ 2,762,291	$ 3,471,991	$ 3,107,215	$ 4,055,947
CHARGES FOR SERVICES	118,017	683,031	170,292	108,978	38,481	28,255	189,400	91,754	128,799	106,872	84,670
INTEREST EARNINGS	20,320	196,476	40,519	53,684	16,047	1,059	75,738	72,887	18,877	109,905	75,655
ALL OTHER REVENUE-UNCLASSIFIED	1,229	28,632	92,436	8,499	.....	34,968	128,850	1,930	26,338	12,975	272
TOTAL REVENUE RECEIPTS	$3,887,192	$18,669,209	$ 5,355,908	$ 5,739,866	$ 2,963,406	$1,783,557	$ 8,286,275	$ 4,693,476	$ 6,209,294	$ 4,962,565	$ 5,787,702
NONREVENUE RECEIPTS											
BORROWING											
Capital Outlay	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Refunding	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
TOTAL BORROWING											
REFUNDS RECEIVED	134,409	572,553	266,898	242,356	126,549	77,770	474,935	190,496	462,966	362,924	167,173
OFFSET TO REFUNDS PAID	22,183	.....	7,503	7,926	5,207	1,750	17,968	12,997	16,393	485	10,814
TRUST AND AGENCY RECEIPTS	2,985,938	76,229,281	5,545,094	7,045,167	4,406,859	1,850,702	11,097,735	5,088,035	12,869,252	8,027,893	5,160,107
SALE OF INVESTMENTS	.....	.....	542,739	.....	.....	.....	204,682	525,124	.....	329,718	300,000
TOTAL NONREVENUE RECEIPTS	$3,142,530	$76,801,834	$ 6,362,234	$ 7,295,449	$ 4,538,615	$1,900,222	$11,795,320	$ 5,816,652	$13,348,611	$ 8,721,020	$ 5,638,094
TOTAL RECEIPTS	$7,029,722	$95,471,043	$11,718,142	$13,035,315	$7,502,021	$3,713,779	$20,081,595	$10,510,128	$19,557,905	$13,683,485	$11,425,796

EXHIBIT 2

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

DISBURSEMENT DATA IN AUDITOR'S REPORTS

NAME OF COUNTY	Aitkin	Anoka	Becker	Beltrami	Benton	Big Stone	Blue Earth	Brown	Carlton	Carver	Cass
DISBURSEMENTS											
CURRENT EXPENSE											
GENERAL GOVERNMENT[1]	$ 274,445	$ 2,176,265	$ 335,541	$ 357,862	$ 238,656	$ 183,944	$ 770,303	$ 391,811	$ 650,935	$ 490,167	$ 521,847
PUBLIC SAFETY											
Sheriff	68,043	702,797	101,205	69,840	32,964	37,127	236,835	108,251	165,114	198,296	92,597
Correction	10,721	133,854	30,516	23,814	13,879	2,782	94,824	37,422	12,439	25,381	28,302
Other	5,450	29,062	12,376	46,843	4,298	1,528	13,514	18,090	7,450	8,018	40,154
TOTAL PUBLIC SAFETY	$ 84,214	$ 865,713	$ 144,097	$ 140,497	$ 51,141	$ 41,437	$ 345,173	$ 163,763	$ 185,003	$ 231,695	$ 161,053
CONSERVATION OF NATURAL RESOURCES[2]	28,798	113,223	62,266	33,097	24,592	34,975	155,195	154,720	48,134	50,782	47,000
HIGHWAYS											
Administration	61,101	153,876	30,879	54,552	33,216	23,195	86,854	45,715	52,606	55,028	34,538
Operation and Maintenance	532,124	446,207	479,968	346,168	307,795	217,419	864,999	486,938	429,249	427,517	624,939
TOTAL HIGHWAYS	$ 593,225	$ 600,083	$ 510,847	$ 400,720	$ 341,011	$ 240,614	$ 951,853	$ 532,653	$ 481,855	$ 482,545	$ 659,477
SANITATION	8,470	59,533	10,071	965	2,313	538	.....	4,216	30,364	.....	.....
CONSERVATION OF HEALTH	89,669	199,571	136,623	57,448	25,201	46,824	143,203	105,895	97,413	72,502	53,127
HOSPITALS	.....	.....	.....	14,655	.....	.....	.....	.....	.....	.....	.....
WELFARE											
General Relief	42,586	443,681	158,546	169,428	38,490	32,633	144,166	202,780	199,962	89,080	234,169
Medical Assistance	755,732	2,847,448	1,280,731	1,436,172	677,358	325,901	1,288,623	779,349	1,379,191	772,536	1,116,754
Old Age Assistance	260,638	228,414	237,862	197,718	87,445	142,980	218,808	260,037	172,796	116,041	256,157
Aid to Dependent Children	249,599	4,322,310	652,903	957,255	252,492	117,421	701,472	213,367	648,669	386,377	609,369
Aid to Blind	8,307	12,849	11,495	11,310	.....	2,090	8,901	2,669	4,691	2,183	7,143
Aid to Disabled	213,186	364,156	347,204	454,650	158,598	86,449	377,832	212,922	137,162	247,545	412,991
Other Welfare Costs[3]	298,836	1,324,234	318,589	508,236	131,294	88,761	555,850	109,605	368,627	298,183	388,628
TOTAL WELFARE	$ 1,828,884	$ 9,543,092	$ 3,007,330	$ 3,734,769	$ 1,345,677	$ 796,235	$ 3,295,652	$ 1,780,729	$ 2,911,098	$ 1,911,945	$ 3,025,211
SCHOOLS[4]	.....	.....	.....	145,224	4,287	.....	68,330	89,401	47,852	42,143	.....
LIBRARIES	14,892	408,060	1,514	12,680	20,652	.....	78,557	14,000	23,881	3,000	30,507
RECREATION[5]	7,107	521,731	5,482	2,962	11,273	2,749	57,579	15,766	7,224	17,695	.....
MISCELLANEOUS	288,178	8,511	61,455	24,990	89,964	67,851	260,305	60,819	199,370	229,807	125,892
INTEREST PAYMENTS	8,715	43,777	32,600	31,266	.....	2,853	6,922	103,538	3,965	51,105	375
TOTAL CURRENT EXPENSE	$ 3,226,597	$14,539,559	$ 4,307,826	$ 4,957,135	$ 2,154,767	$ 1,418,020	$ 6,133,072	$ 3,417,311	$ 4,687,094	$ 3,583,386	$ 4,624,489
CAPITAL OUTLAY											
HIGHWAYS, HIGHWAY BLDGS., AND EQUIPMENT	515,791	1,609,464	507,995	574,290	381,321	240,237	757,241	475,621	501,152	877,078	658,712
GENERAL COUNTY BUILDINGS	3,068	613,780	4,220	20,180	697	.....	20,057	29,916	203,313	130,503	7,756
ALL OTHER	19,349	313,789	16,500	27,504	1,757	1,309	454,409	176,017	71,213	23,566	11,053
TOTAL CAPITAL OUTLAY	$ 538,208	$ 2,537,033	$ 528,715	$ 621,974	$ 383,775	$ 241,546	$ 1,231,707	$ 681,554	$ 775,678	$ 1,031,147	$ 677,521
DISBURSEMENTS NOT CHARGEABLE AS EXPENDITURES											
DEBT REDEMPTION - Bonds Paid	55,000	105,000	100,000	45,000	.....	.....	27,000	223,000	.....	72,000	5,000
REFUNDS PAID	22,183	.....	7,503	7,926	5,207	1,750	17,968	12,997	16,393	485	10,814
OFFSET TO REFUNDS RECEIVED	134,409	572,553	266,898	242,356	126,549	77,770	474,935	190,496	462,966	362,924	167,173
TRUST AND AGENCY PAYMENTS	3,012,049	75,413,775	5,557,046	7,099,659	4,410,688	1,850,922	11,222,498	5,170,430	12,886,490	7,874,964	5,087,743
PURCHASE OF INVESTMENTS	.....	.....	492,739	.....	.....	.....	626,475	957,906	.....	451,076	300,000
TOTAL DISBURSEMENTS	$ 6,988,446	$93,167,920	$11,260,727	$12,974,050	$ 7,080,986	$ 3,590,008	$19,733,655	$10,653,694	$18,828,621	$13,375,982	$10,872,740

EXHIBIT 3

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

ECONOMIC MODELS

E-1: Jobs Generated
E-2: Personal Income Generated
E-3: Business Volume Generated

E-4: Local Housing Expenditures
E-5: Local Non-Housing Expenditures
E-6: Gravity Model
E-7: Local Visitor Expenditures

MODEL E-1: JOBS GENERATED

PRIMARY Jobs	=	Fulltime Equivalent Employees at Institution
SECONDARY Jobs (range)	=	(Local Institution Expenditures + Local Housing Expenditures + Local Non-housing Expenditures + Local Visitor Expenditures + Primary Governmental Operating Cost) X .00007 to .00009

WHERE:

Local Institution Expenditures	=	Sum of 12 months factored (October expenditures X monthly factor) (see Appendix B for survey form)
Local Housing Expenditures	=	Data from Model E-4
Local Non-housing Expenditures	=	Data from Model E-5
Local Visitor Expenditures	=	Data from Model E-7
Primary Governmental Operating Cost	=	Sum of Primary Costs from Models S-1 through S-10

MODEL E-2: PERSONAL INCOME GENERATED

PRIMARY Income	=	Net Payroll of Institution
SECONDARY Income (range)	=	(Local Institution Expenditures + Local Housing Expenditures + Local Non-housing Expenditures + Local Visitor Expenditures) X .50 to .66

WHERE:

Local Institution Expenditures	=	Sum of 12 months factored (October expenditures X monthly factor) (see Appendix B for survey form)
Local Housing Expenditures	=	Data from Model E-4
Local Non-housing Expenditures	=	Data from Model E-5
Local Visitor Expenditures	=	Data from Model E-7

MODEL E-3: BUSINESS VOLUME GENERATED

PRIMARY Business = Local Institution Expenditures
+ Local Housing Expenditures
+ Local Non-housing Expenditures
+ Local Visitor Expenditures

SECONDARY Business (range) = Primary Business Volume
X .75 to 1.10

WHERE:

Local Institution Expenditures = Sum of 12 months factored (October expenditures X monthly factor)
(see Appendix B for survey form)

Local Housing Expenditures = Data from Model E-4

Local Non-housing Expenditures = Data from Model E-5

Local Visitor Expenditures = Data from Model E-7

MODEL E-4: LOCAL HOUSING EXPENDITURES

Local EMPLOYEE Housing Expenditures = [(Resident Fulltime Employees X Average Fulltime Net Payroll) + (Resident Parttime Employees X Average Parttime Net Payroll)]

X .28

Local STUDENT Housing Expenditures (range) = Off-campus Fulltime Students

x $357 to $474

WHERE:

Net Payroll = Gross Payroll - Withholdings for tax, insurance, etc.

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

MODEL E-5: LOCAL NON-HOUSING EXPENDITURES

Local NON-HOUSING Expenditures = [(Resident Employee Non-Housing Expenditures + Resident Student Non-Housing Expenditures) X % Local]

+ [(Non-resident Employee Non-housing Expenditures) + (Non-resident Student Non-housing Expenditures) X % Local]

WHERE:

Employee Non-housing Expenditures = Net Payroll X .67

Student Non-housing Expenditures (range) = (on-campus students X $454 to $860)

+ (off-campus fulltime students X $1,135 to $2,150)

+ (Parttime students X $114 to $215)

% Local Expenditures = Data from Model E-6

Net Payroll = Gross Payroll - Withholdings for tax, insurance, etc.

MODEL E-6: GRAVITY MODEL

$$\text{\% RESIDENT Local Expenditures} = \frac{A}{A + B + C, \text{ etc.}}$$

$$\text{\% NON-RESIDENT Local Expenditures} = \frac{D}{D + E + F, \text{ etc.}}$$

WHERE:

$$A = \frac{\text{Total Local Retail Sales}}{(\text{Total Resident Local Trip Length})^2}$$

$$\text{B, C, etc.} = \frac{\text{Competing Area Sales}}{(\text{Competing Area Resident Trip Length})^2}$$

$$D = \frac{\text{Total Local Retail Sales}}{(\text{Avg. Non-resident Local Trip Length})^2}$$

$$\text{E, F, etc.} = \frac{\text{Competing Area Sales}}{(\text{Competing Area Non-resident Trip Length})^2}$$

Calculations completed for:

- % city expenditures for city residents
- % city expenditures for remaining county residents
- % county expenditures for city residents
- % county expenditures for remaining county residents

and competing areas and average trip lengths vary as appropriate for above populations and trade areas.

MODEL E-7: LOCAL VISITOR EXPENDITURES

HOSPITALS/PRISONS = Actual Annual Visitors

X $10

(note: assumes 1 day per visit)

ADMINISTRATIVE = (Employees X 260)

X $1

(note: based on trip generation)

MAINTENANCE = (Employees X 130)

X $1

(note: assumed half of administrative)

SCHOOLS = [(On-campus Students X 2) X $40]

+ [(Off-campus Fulltime Students X 2) X $10]

(note: assumes 2 visitors per on-campus student spending 2 days/visit at $20/day; assumes 2 visitors per off-campus student spending 1 day/visit at $10/day; assumes parttime students receive no visitors.)

REVENUE MODELS

R-1: Local Aid
R-2: Highway Aid
R-3: Other State Aid

R-4: Federal Revenue Sharing
R-5: Other Federal Aid

R-6: County/Local Grants
R-7: Other Local Revenue

R-8: School Foundation Aid
R-9: Other School Aid
R-10: Federal School Aid

R-11: Property Taxes
R-12: Special Assessments

MODEL R-1: LOCAL AID

PRIMARY Aid Revenues = $\frac{\text{Total Local Aid}}{\text{Total Population}}$ X Primary Population

SECONDARY Aid Revenues = $\frac{\text{Total Local Aid}}{\text{Total Population}}$ X Secondary Population

WHERE:

Primary Population = Patients, Inmates, On-campus Students, and Employees Living at Institution

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-campus Fulltime Students, and 10% Parttime Students

MODEL R-2: HIGHWAY AID

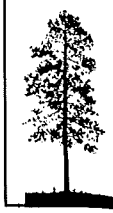
PRIMARY Aid Revenues = $\frac{\text{Total Highway Aid}}{\text{Total Population}}$ X Primary Population

SECONDARY Aid Revenues = $\frac{\text{Total Highway Aid}}{\text{Total Population}}$ X Secondary Population

WHERE:

Primary Population = Patients, Inmates, On-campus Students, and Employees Living at Institution

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-campus Fulltime Students, and 10% Partime Students



MODEL R-3: OTHER STATE AID

PRIMARY Aid Revenues = $\frac{\text{Total Other State Aid}}{\text{Total Population}}$ X Primary Population

SECONDARY Aid Revenues = $\frac{\text{Total Other State Aid}}{\text{Total Population}}$ X Secondary Population

WHERE:

Primary Population = Patients, Inmates, On-campus Students, and Employees Living at Institution

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-campus Fulltime Students, and 10% Parttime Students

Other State Aid = Total State Aid to County or City - (Local Aid + Highway Aid)

MODEL R-4: FEDERAL REVENUE SHARING

PRIMARY Aid Revenues = $\frac{\text{Total Federal Revenue Sharing}}{\text{Total Population}}$ X Primary Population

SECONDARY Aid Revenues = $\frac{\text{Total Federal Revenue Sharing}}{\text{Total Population}}$ X Secondary Population

WHERE:

Primary Population = Patients, Inmates, On-campus Students, and Employees Living at Institution

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-campus Fulltime Students, and 10% Parttime Students

MODEL R-5: OTHER FEDERAL AID

PRIMARY Aid Revenues = $\frac{\text{Total Other Federal Aid}}{\text{Total Population}}$ X Primary Population

SECONDARY Aid Revenues = $\frac{\text{Total Other Federal Aid}}{\text{Total Population}}$ X Secondary Population

WHERE:

Primary Population = Patients, Inmates, On-campus Students, and Employees Living at Institution

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-campus Fulltime Students, and 10% Parttime Students

Other Federal Aid = Total County or Municipal Federal Aid - Federal Revenue Sharing

MODEL R-6: LOCAL INTERGOVERNMENTAL AID

PRIMARY Aid Revenues = $\frac{\text{Total Local Intergovernmental Aid}}{\text{Total Population}}$ X Primary Population

SECONDARY Aid Revenues = $\frac{\text{Total Local Intergovernmental Aid}}{\text{Total Population}}$ X Secondary Population

WHERE:

Primary Population = Patients, Inmates, On-campus Students, and Employees Living at Institution

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-campus Fulltime Students, and 10% Parttime Students

Local Intergovernmental Aid = All county or local grants

MODEL R-7: OTHER LOCAL REVENUE

PRIMARY Revenues = $\frac{\text{Total Other Local Revenue - Direct Payments}}{\text{Total Population}}$ X Primary Population

SECONDARY Revenues = $\frac{\text{Total Other Local Revenue - Direct Payments}}{\text{Total Population}}$ X Secondary Population

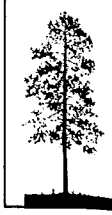
WHERE:

Primary Population = Patients, Inmates, On-campus Students, and Employees Living at Institution

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-campus Fulltime Students, and 10% Parttime Students

Other Local Revenue = Fines, forfeits, licenses, permits, departmental fees (except sanitation), unclassified revenues

Direct Payments = Payments Made by Institution for Services Provided or under MSA 161.23 subd. 3 or 272.68 subd. 3



MODEL R-8: FOUNDATION SCHOOL AID

PRIMARY Aid Revenues = None

SECONDARY Aid Revenues = $\frac{\text{Total Foundation Aid}}{\text{Total Pupil Units in Public School}}$

X Employee Pupil Units

WHERE:

Employee Pupil Units = $\frac{\text{Total Public School Pupil Units in County}}{\text{Total County Labor Force}}$

X $\left(\text{Resident Employees with one income} + \frac{\text{resident employees with two incomes}}{2}\right)$

(see Model G-1 for employee family income factoring)

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
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MODEL R-9: OTHER SCHOOL AID

PRIMARY Aid Revenues = None

SECONDARY Aid Revenues = $\frac{\text{Total Other School Aid}}{\text{Total Pupil Units in Public School}}$ X Employee Pupil Units

WHERE:

Employee Pupil Units = $\frac{\text{Total Public School Pupil Units in County}}{\text{Total County Labor}}$ X (Resident Employees with one income + $\frac{\text{resident employees with two incomes}}{2}$)

(see Model G-1 for employee family income factoring)

Other School Aid = Total State Aid to Schools - Foundation Aid

MODEL R-10: FEDERAL SCHOOL AID

PRIMARY Aid Revenues = None

SECONDARY Aid Revenues = $\frac{\text{Total Federal School Aid}}{\text{Total Pupil Units in Public School}}$ X Employee Pupil Units

WHERE:

Employee Pupil Units = $\frac{\text{Total Public School Pupil Units in County}}{\text{Total County Labor}}$ X $\left(\text{Resident Employees with one income} + \frac{\text{resident employees with two incomes}}{2}\right)$

(see Model G-1 for employee family income factoring)

MODEL R-11: PROPERTY TAXES

PRIMARY Revenues = Real Estate Taxes Paid by Institution

SECONDARY Revenues = $\frac{\text{Business Volume - Housing Expenditures}}{\text{Total Business Volume}}$

x Nonresidential Property Taxes

+ $\frac{\text{Residential Property Taxes}}{\text{Total Population}}$

x Secondary Population

WHERE:

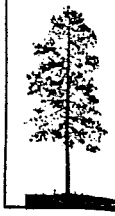
Business Volume = Data from Model E-3

Housing Expenditures = Data from Model E-4

Residential Property Taxes = $\frac{\text{Residential Taxable Value}}{\text{Total Taxable Value}}$

x Total Property Taxes

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-Campus Full-Time Students, and 10% Part-Time Students



MODEL R-12: SPECIAL ASSESSMENTS

PRIMARY Revenues = Special Assessments Paid by Institution

SECONDARY Revenues = $\frac{\text{Property Taxes Generated}}{\text{Total Property Taxes}}$ =

$\frac{\text{Special Assessments Generated}}{\text{Total Special Assessments}}$

WHERE:

Property Taxes Generated = Data from Model R-11

Secondary Population = Remaining Resident Employees and Family Members (see Model G-1), Off-Campus Full-Time Students, and 10% Part-Time Students

SERVICE COST MODELS

S-1: Police
S-2: Fire
S-3: Roads
S-4: Transit
S-5: Parking

S-6: Health
S-7: Welfare
S-8: Parks and Recreation

S-9: Education

S-10: General Government
S-11: Capital Expenditures

MODEL S-1: POLICE COSTS

PRIMARY Costs = $\frac{\text{Operating Budget}}{\text{Total Personnel Hours}}$ X Hours Spent at Institution

SECONDARY Costs = $\frac{\text{Operating Budget - Primary Cost}}{\text{Total Population - Primary Population}}$ X Secondary Population

WHERE:

Total Personnel Hours = Personnel X Average Work Week X 47 Weeks

Hours Spent at Institution = Sum of 12 factored months (October hours X monthly factor)
(see Appendix B for survey form)

Primary Population = Patients + Inmates + 22% Resident Employees + 65% On-campus Students + 19% Off-campus Fulltime Students + 10% Parttime Students

Secondary Population = 78% Resident Employees + 100% Family Members + 23% On-campus Students + 69% Off-campus Fulltime Students

MODEL S-2: FIRE COSTS

$$\text{PRIMARY Costs} = \left(\frac{\text{Operating Budget} - \text{Total Volunteer Wages/Benefits}}{\text{Total Fulltime Hours}} \times \text{Fulltime Hours at Institution}\right) + \left(\frac{\text{Volunteer Wages/Benefits}}{\text{Total Volunteer Hours}} \times \text{Volunteer Hours at Institution}\right)$$

$$\text{SECONDARY Costs} = \frac{\text{Operating Budget} - \text{Primary Cost}}{\text{Total Population} - \text{Primary Population}} \times \text{Secondary Population}$$

WHERE:

Total Fulltime Hours = Fulltime Personnel X Average Work Week X 47 Weeks

Hours Spent at Institution =

$$\frac{(\text{Total Type A Calls} \times \text{Avg. Hours} \times \text{Avg. Personnel}) + (\text{Total Type B Calls} \times \text{Avg. Hours} \times \text{Avg. Personnel})}{\text{Total Calls}}$$

OR

(Institution Type A Calls X Avg. Hours X Avg. Personnel) + (Institution Type B Calls X Avg. Hours X Avg. Personnel)

Primary Population = Patients + Inmates + 22% Resident Employees + 65% On-campus Students + 19% Off-campus Fulltime Students + 10% Parttime Students

Secondary Population = 78% Resident Employees + 100% Family Members + 23% On-campus Students + 69% Off-campus Fulltime Students

MODEL S-3: HIGHWAY COSTS

PRIMARY Costs = $\frac{\text{Operating Budget}}{\text{Population X 3}}$

X (Institutional Variable X Average Weekday Trips)

SECONDARY Costs = $\frac{\text{Operating Budget - Primary Cost}}{\text{Total Population - Primary Population}}$

X Secondary Population

WHERE:

Institution	Variable	Avg. Weekday Trips
Hospital/Prison	Beds	2.7/bed
Community College	Students	1.55/student
University	Students	2.41/student
Administrative Office	Employees	3.46/employee

Primary Population = Patients + Inmates + 22% Resident Employees + 65% On-campus Students + 19% Off-campus Fulltime Students + 10% Parttime Students

Secondary Population = 78% Resident Employees + 100% Family Members + 23% On-campus Students + 69% Off-campus Fulltime Students

MODEL S-4: TRANSIT COSTS

PRIMARY Costs = $\frac{\text{Operating Deficit}}{\text{Passenger Trips}}$ X (Institution Trips Generated X City Mode Split)

SECONDARY Costs = $\frac{\text{Operating Deficit - Primary Cost}}{\text{Total Population - Primary Population}}$ X Secondary Population

WHERE:

Institution Trips Generated = Data from Model S-3

Primary Population = Patients + Inmates + 22% Resident Employees + 65% On-campus Students + 19% Off-campus Fulltime Students + 10% Parttime Students

Secondary Population = 78% Resident Employees + 100% Family Members + 23% On-campus Students + 69% Off-campus Fulltime Students

MODEL S-5: OFF-STREET PARKING COSTS

PRIMARY Costs = [(institutional variable X spaces required) - spaces provided by institution]

$$X \frac{\text{total off-street parking costs}}{\text{total off-street parking spaces}}$$

SECONDARY Costs = None

WHERE:

Institution Type	Variable	Spaces Required
Hospital	Employees	1.0/employee
Prison	Employees	1.0/employee
Administrative Office	Net Square Feet	4.0/sq. ft.
College	Students and Employees	0.3/off-campus student + 0.06/ on-campus student + 0.45/employee

MODEL S-6: HEALTH COSTS

PRIMARY Costs = None

SECONDARY Costs = $\frac{\text{Total Operating Budget}}{\text{Total Population - Primary Population}}$ X Secondary Population

WHERE:

Primary Population = Patients and Inmates

Secondary Population = Employees and Family Members (see Model G-1), 88% Fulltime Students, 10% Parttime Students

MODEL S-7: WELFARE COSTS

PRIMARY Costs = None

SECONDARY Costs = $\frac{\text{Total Operating Budget}}{\text{Total Population - Primary Population}}$ X Secondary Population

WHERE:

Primary Population = Patients and Inmates

Secondary Population = Employees and Family Members (see Model G-1), 88% Fulltime Students, 10% Parttime Students

MODEL S-8: PARK AND RECREATION COSTS

PRIMARY Costs = None

SECONDARY Costs = $\frac{\text{Total Operating Budget}}{\text{Total Population - Primary Population}}$ X Secondary Population

WHERE:

Primary Population = Patients and Inmates

Secondary Population = Employees and Family Members (see Model G-1), 88% Fulltime Students, 10% Parttime Students

Operating Budget = Budgets for "parks," "recreation," "libraries," and "conservation of natural resources"

MODEL S-9: EDUCATION COSTS

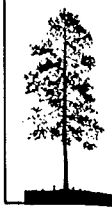
PRIMARY Costs = None

SECONDARY Costs = $\frac{\text{Operating Budget}}{\text{Public School Pupil Units}}$ X Employee Pupil Units

WHERE:

Employee Pupil Units = $\frac{\text{Total Public School Pupil Units in County}}{\text{Total County Labor Force}}$ X $\left(\text{Resident Employees with one income} + \frac{\text{resident employees with two incomes}}{2}\right)$

(see Model G-1 for employee family income factoring)



MODEL S-10: GENERAL GOVERNMENT COSTS

PRIMARY Costs = $\frac{\text{Primary Departmental Costs}}{\text{Total Departmental Costs}}$ =

$\frac{\text{Primary General Government Costs}}{\text{Total General Government Costs}}$

SECONDARY Costs = $\frac{\text{Secondary Departmental Costs}}{\text{Total Department Costs}}$ =

$\frac{\text{Secondary General Government Costs}}{\text{Total General Government Costs}}$

WHERE:

Departmental Costs = Sum of Models S-1 through S-9

MODEL S-11: CAPITAL COSTS

PRIMARY Costs = $\frac{\text{Primary Operating Costs}}{\text{Total Operating Costs}}$ = $\frac{\text{Primary Capital Costs}}{\text{Total Capital Costs}}$

SECONDARY Costs = $\frac{\text{Secondary Operating Costs}}{\text{Total Operating Costs}}$ = $\frac{\text{Secondary Capital Costs}}{\text{Total Capital Costs}}$

WHERE:

Operating Costs = Sum of Models S-1 through S-10

GENERAL MODELS

G-1: Employee Family Members

G-2: Potential Property Taxes
G-3: Potential Mill Rate

G-4: Net Cost/Revenue Difference

MODEL G-1: EMPLOYEE FAMILY MEMBERS

$$\text{RESIDENT EMPLOYEE FAMILY MEMBERS} = \left(\text{Resident Employee with One Income} + \frac{\text{Resident Employees with Two Incomes}}{2}\right) \times \text{Average County Household Size}$$

WHERE:

$$\text{Employees} = \text{Fulltime Employees} + \frac{\text{Parttime Employees} - \text{Student Employees}}{2}$$

$$\text{Resident Employees with Two Incomes} = \text{Resident Employees} \times \frac{2 \times (\text{married women in county labor force, husband present})}{\text{total county labor force}}$$

$$\text{Resident Employees with One Income} = \text{Resident Employees} - \text{Resident Employees with Two Incomes}$$

MODEL G-2: POTENTIAL TAX REVENUES

POTENTIAL TAX REVENUES = (Market Value of Institution X Taxable Ratio)
X Mill Rate

WHERE:

Market Value = Value of Institution Estimated by Local Assessor

Taxable Ratios = 40% residential + 43% non-residential
30% total
20% total
10% total

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
Tax Study Commission and Barton-Aschman Associates, Inc.

MODEL G-3: POTENTIAL MILL RATE

$$\text{ESTIMATED MILL RATE IN CITIES/COUNTIES} = \frac{\text{Total Taxes Levied}}{\text{Estimated Institution Taxable Value} + \text{Total Taxable Value}}$$

$$\text{ESTIMATED MILL RATE IN SCHOOL DISTRICTS} = \frac{\text{Total Taxes Levied} - \text{Taxes for 30 Mills}}{\text{Estimated Institution Taxable Value} + \text{Total Taxable Value}} + 30 \text{ Mills}$$

WHERE:

Institution Taxable Value = Data from Model G-2.

Total Taxable Value = Existing Taxable Value in City, County or School District

Minnesota Public Lands Impact Study — Phase 2

Legislative Commission on Minnesota Resources
in cooperation with the
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MODEL G-4: NET COST-REVENUE DIFFERENCE

$$\text{CORRECTION FACTOR} = \frac{\text{Total Local Revenue - Total Local Expenditures}}{\text{Total Local Revenue}}$$

$$\text{NET COST - REVENUE DIFFERENCE} = \left(\begin{array}{c}\text{Total Institution} \\ \text{Generated Revenue}\end{array} \times \begin{array}{c}\text{Correction} \\ \text{Factor}\end{array}\right) - \text{Total Institution Generated Expenditures}$$

$$\text{PERCENT NET DIFFERENCE} = \frac{\text{Net Cost-Revenue Difference}}{\text{Total Institution Generated Expenditures}}$$

$$\text{PERCENT LOCAL BUDGET} = \frac{\text{Net Cost-Revenue Difference}}{\text{Total Local Expenditures}}$$

APPENDIX B

QUESTIONNAIRES USED FOR RAW DATA COLLECTION IN PILOT AREAS

QUESTIONNAIRE ON
LOCAL POLICE SERVICE
PROVIDED TO PILOT INSTITUTIONS

November 3, 1977

Dear

The Legislative Commission on Minnesota Resources, Tax Study Commission, and Barton-Aschman Associates would like to thank you for your assistance in our study on the impacts of public institution on local and county government. Based on the data received and on your comments, we feel more detailed information will be required to properly evaluate the cost of law enforcement services generated by these institutions.

We are requesting that you review your records for the month of October and record the information identified in the attached forms. The data for individual types of crime has been organized by the Minnesota Crime Information System classification. We are requesting information on both "direct" and "indirect" crimes and enforcement problems created by various public institutions. Direct problems are those that take place at the institution. Indirect activities are those associated with the students, inmates, or patients which occur outside the institution (for example, a student at the college is involved in shoplifting off the campus or a patient creates a disturbance off hospital grounds). While in some cases you will not be able to identify the indirect incidents, your best estimate will be very helpful.

Information is requested on both the number of incidents and the time required to respond and investigate the incidents. Administrative time required has not been separated out for each crime type. We have requested that you indicate only the total of time your entire staff is involved in administration. We have also separated out patrol time and parking control. While we realize you may not record the amount of time spent on these functions for any one institution, we would like you to estimate to the best of your ability the percent of time that is required for these services to the institutions.

Since we have arbitrarily chosen October as a typical month on which to base our projections of yearly times, we would like your opinions as to how October compares to the other months. Is it a high, average or low month for overall crime? Are the crimes related to the institution high, average or low in October? The attached table allows for the needed comparisons.

If there is any reason that you cannot provide us with this information described in the attached forms during the next two weeks, please call me at once. The legislature has requested that we complete our initial work by December 15, 1977.

Thank you for your assistance up to this time and for the work we are asking of you now. We hope that this data will allow the legislature to make intelligent decisions as to the impacts of state institutions on local units of government.

Sincerely,

Comparison To Total Time Devoted to Patrol, Administation and Parking Control To Time Devoted To Various Institutions

Patrol Time

Please indicate the total staff time devoted to established patrol activities and the percentage of this time devoted to the various institutions.

	Percent of Total Patrol Time Associated With These Various Institutions			
Total Staff Time For Total Patrols During October	College/ University	Reformatory	V.A. Hospital	State Office Buildings Mn Dept. of Trans.

Administration Duties

Please indicate the total staff time devoted to administrative functions during October.

Total Staff Time Required For Administrative Duties During The Month of October

Parking Control

Please indicate the total staff time devoted to parking control during October and the percentage of this time which is devoted to the various institutions and the area immediately adjacent.

	Percent Of Time Devoted To Parking Control Associated With The Various Institutions			
Total Amount of Staff Time Required For Parking Control During October	College/ University	Reformatory	V.A. Hospital	State Office Buildings Mn Dept. of Trans.

COMPARISON OF THE AMOUNT OF CRIME IN OCTOBER TO THE AMOUNT OF CRIME IN THE OTHER MONTHS

	Please indicate to the best of your ability how the amount of crime in October compares to the other months. If it is approximately the same as October, record it as 100%. If crime in the month is higher, record a percentage over 100%. If crime is lower than October, record a percentage less than 100%.	Please indicate how the amount of crime related to the various institutions compare to the amount of crime in October. For example, we assume crime related to a college or university is less in the summer months. If this is the situation, the percentages for June, July and August would be less than 100%.			
		College/ University	Reformatory	V.A. Hospital	State Offices Minn. Dept. of Transportation
January					
February					
March					
April					
May					
June					
July					
August					
September					
October	100%	100%	100%	100%	100%
November					
December					

ANALYSIS OF CALLS AND REQUIRED TIME ASSOCIATED WITH CRIME DURING OCTOBER 1977.

Type of Crime	Number of Calls in October	Total Response Time Required	Direct Calls to Institutions: Reformatory Calls	Reformatory Response Time	State Hospital Calls	State Hospital Response Time	State College or Univ. Calls	State College or Univ. Response Time	State Offices Calls	State Offices Response Time	Indirect Calls and Time Related to Institutions i.e. Students Involved in a Crime not on the College Campus, patients off hospital grounds, etc.: Reformatory Calls	Reformatory Time	State Hospital Calls	State Hospital Time	State College Calls	State College Time	Investigation Time Related to Institutions: Total Time Devoted to investigation during October	Reformatory: Direct - (Investigate incidence that took place at Institution)	Reformatory: Indirect - (Investigate incident related to students, inmates or patients not on the Institution grounds)	College: Direct	College: Indirect	Hospital: Direct	Hospital: Indirect	State Offices: Direct
Part 1 Crimes																								
Murder/Non-Neg.																								
Neg. Manslaughter																								
Rape																								
Robbery																								
Assault																								
Burglary																								
Larceny																								
Auto Theft																								
Part 2 Crimes																								
Other Assault																								
Arson																								
Forgery/Counterfeiting																								
Fraud																								
Embezzlement																								
Stolen Property																								
Vandalism																								
Weapons																								
Prostitution																								
Other Sex Offenses																								
Narcotics																								
Opium-Cocain																								
Marijuana																								
Synthetic																								
Other																								
Gambling																								
Bookmaking																								
Number, etc.																								
Other																								
Family/Children																								
D.U.I.																								
Liquor Laws																								
Drunkenness																								
Disorderly																								
Vagrancy																								
Other																								
Suspicion																								
Curfew/Loitering																								
Run Aways																								

QUESTIONNAIRES ON INSTITUTIONAL LOCAL EXPENDITURES AND OCCUPATIONAL DATA

November 29, 1977

Dear

The Legislative Commission on Minnesota Resources, Tax Study Commission, and Barton-Aschman Associates would like to thank you for continuing assistance in our study of the impacts of public institution on local and county government. I wish I could also say that we will not need to request any further data from you, but unfortunately the nature of this study is such that a great deal of follow up data has been required and no doubt will continue to be required as the study progresses. I regret the inconvenience our constant requests for new and more detailed information have caused you.

Based on the data received and on your comments, the Commission has requested that we obtain more detailed information to better evaluate the economic benefits of the institution in the local community. Specifically, we are requesting information regarding: (1) the institution's local expenditures, and (2) the general occupational categories of your employees.

Local Expenditures. We are requesting that you review your expenditure records for the month of October, 1977 and record the information identified in the attached forms. We are trying to determine the amount the institution is spending for goods and services in: (1) the local municipality, and (2) the surrounding county. Personnel costs (salaries and benefits), taxes, and internal transfers should not be included.

Since we have arbitrarily chosen October as a typical month on which to base our projections of yearly expenditures, we would like your opinions as to how October compares to the other months. Is it a high, average or low month for overall expenditures? Are the local expenditures high, average or low in October? The attached table allows for the needed comparisons.

Occupational Data. Please record the number of employees in each of the categories specified in the attached table. If you have prepared employment data for the Equal Employment Opportunity Commission, this data can be used for the attached table since the categories are similar to both the census and the EEO-1 report. A description of these job categories is also attached to this letter for your information.

If there is any reason that you cannot provide us with the information described in the attached forms during the next week, please call me at once. The legislature has requested that we complete our initial work by December 15, 1977.

Thank you for your assistance up to this time and for the work we are asking of you now. We hope that this data will allow the legislature to make intelligent decisions as to the impacts of state institutions on local units of government.

Sincerely,

EXPENDITURES IN OCTOBER

	Amount	Percent
Total Expenditures		
Expenditures in City		
Expenditures in County		

Note: Do not include personnel costs (salaries and benefits), taxes or internal transfers.

COMPARISON OF MONTHLY EXPENDITURES

Month	Total Expenditures	Expenditures in City	Expenditures in County
January			
February			
March			
April			
May			
June			
July			
August			
September			
October	100%	100%	100%
November			
December			

Please indicate to the best of your ability how the amount of both total and local expenditures in October compares to the other months. If it is approximately the same as October, record it as 100%. If expenditures in the month are higher, record a percentage over 100%. If expenditures are lower than October, record a percentage less than 100%.

OCCUPATIONAL DATA FOR INSTITUTIONAL EMPLOYEES

Occupational Category	Full-time Employees	Part-time Non-student Employees	Part-time Student Employees
Professional			
Technicians			
Managers and Administrators			
Clerical workers			
Craftsmen			
Laborers			
Service workers			

DESCRIPTION OF JOB CATEGORIES*

Officials and managers. Occupations requiring administrative personnel who set broad policies, exercise over-all responsibility for execution of these policies, and direct individual departments or special phases of a firm's operations. Includes: officials, executives, middle management, plant managers, department managers, and superintendents, salaried foremen who are members of management, purchasing agents and buyers, and kindred workers.

Professional. Occupations requiring either college graduation or experience of such kind and amount as to provide a comparable background. Includes: accountants and auditors, airplane pilots and navigators, architects, artists, chemists, designers, dietitians, editors, engineers, lawyers, librarians, mathematicians, natural scientists, registered professional nurses, personnel and labor relations workers, physical scientists, physicians, social scientists, teachers, and kindred workers.

Technicians. Occupations requiring a combination of basic scientific knowledge and manual skill which can be obtained through about two years of post high school education, such as is offered in many technical institutes and junior colleges, or through equivalent on-the-job training. Includes: computer programmers and operators, draftsmen, engineering aides, junior engineers, mathematical aides, licensed, practical or vocational nurses, photographers, radio operators, scientific assistants, surveyors, technical illustrators, technicians (medical, dental, electronic, physical sciences), and kindred workers.

Office and clerical. Includes all clerical-type work regardless of level of difficulty, where the activities are predominantly nonmanual though some manual work not directly involved with altering or transporting the products is included. Includes: bookkeepers, cashiers, collectors (bills and accounts), messengers and office boys, office machine operators, shipping and receiving clerks, stenographers, typists and secretaries, telegraph and telephone operators, and kindred workers.

Craftsmen (skilled). Manual workers of relatively high skill level having a thorough and comprehensive knowledge of the processes involved in their work. Exercise considerable independent judgement and usually receive an extensive period of training. Includes: the building trades, hourly paid foremen and leadmen who are not members of management, mechanics and repairmen, skilled machining occupations, compositors and typesetters, electricians, engravers, job setters

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*The above is excerpted from Standard Form 100, Instructions for Filing Employer Information Report EEO-1.

(metal), motion picture projectionists, pattern and model makers, stationary engineers, tailors and tailoresses, and kindred workers.

Laborers (unskilled). Workers in manual occupations which generally require no special training. Perform elementary duties that may be learned in a few days and require the application of little or no independent judgement. Includes: garage laborers, car washers and greasers, gardeners (except farm) and groundskeepers, longshoremen and stevedores, lumbermen, raftsmen and wood choppers, laborers performing lifting, digging, mixing, loading and pulling operations, and kindred workers.

Service workers. Workers in both protective and nonprotective service occupations. Includes: attendants (hospital and other institution, professional and personal service, including nurses aides, and orderlies), barbers, charwomen and cleaners, cooks (except household), counter and fountain workers, elevator operators, firemen and fire protection, guards, watchmen and doorkeepers, stewards, janitors, policemen and detectives, porters, waiters and waitresses, and kindred workers.

APPENDIX C

DETAILED DATA DEVELOPED FOR PILOT AREAS USING THE MATHEMATICAL MODELS

SUMMARY OF ECONOMIC IMPACTS

ST. CLOUD

- MnDOT
- State Reformatory
- State University

WILLMAR

- MnDOT
- State Hospital
- Community College

BEMIDJI

- MnDOT
- State University

ST. CLOUD MnDOT
SUMMARY OF ECONOMIC IMPACTS

	City	Remaining County	Total County
Institution Expenditures	94,695		155,968
Estimated Employee Housing Expenditures	90,348		145,202
Estimated Student Housing Expenditures			
Estimated Employee Non-Housing Expenditures	221,905		331,079
Estimated Student Non-Housing Expenditures			
Estimated Visitor Expenditures	21,190		21,190
PRIMARY BUSINESS VOLUME	428,138		653,439
SECONDARY BUSINESS VOLUME	321,104-470,952		490,080-718,783
TOTAL BUSINESS VOLUME	749,242-899,090		1,143,519-1,372,222
PRIMARY PERSONAL INCOME	518,580		518,580
SECONDARY PERSONAL INCOME	214,069-282,571		326,720-431,270
TOTAL PERSONAL INCOME	732,649-801,151		845,300-949,850
PRIMARY JOBS	90		90
SECONDARY JOBS	39-50		48-62
TOTAL JOBS	129-140		138-152

ST. CLOUD STATE REFORMATORY
SUMMARY OF ECONOMIC IMPACTS

	City	Remaining County	Total County
Institution Expenditures	27,471		41,524
Estimated Employee Housing Expenditures	422,160		653,733
Estimated Student Housing Expenditures			
Estimated Employee Non-Housing Expenditures	1,032,930		1,494,222
Estimated Student Non-Housing Expenditures			
Estimated Visitor Expenditures	254,860		254,860
PRIMARY BUSINESS VOLUME	1,737,421		2,444,339
SECONDARY BUSINESS VOLUME	1,303,066-1,911,163		1,833,255-2,688,733
TOTAL BUSINESS VOLUME	3,040,087-3,648,504		4,277,594-5,133,072
PRIMARY PERSONAL INCOME	2,568,969		2,568,969
SECONDARY PERSONAL INCOME	868,711-1,146,698		1,222,170-1,613,264
TOTAL PERSONAL INCOME	3,437,680-3,715,667		3,791,139-4,182,233
PRIMARY JOBS	351		351
SECONDARY JOBS	125-160		175-225
TOTAL JOBS	476-511		526-576

ST. CLOUD STATE UNIVERSITY
SUMMARY OF ECONOMIC IMPACTS

	City	Remaining County	Total County
Institution Expenditures	1,267,411		1,268,610
Estimated Employee Housing Expenditures	1,353,256		1,657,291
Estimated Student Housing Expenditures	2,028,474-2,693,268		2,028,474-2,693,268
Estimated Employee Non-Housing Expenditures	3,241,266		3,854,740
Estimated Student Non-Housing Expenditures	7,822,528-14,816,405		7,855,056-14,878,015
Estimated Visitor Expenditures	375,080		375,080
PRIMARY BUSINESS VOLUME	16,088,015-23,746,686		17,039,251-24,727,004
SECONDARY BUSINESS VOLUME	12,066,011-26,121,355		12,779,438-27,199,705
TOTAL BUSINESS VOLUME	28,154,026-49,868,041		29,818,689-51,926,709
PRIMARY PERSONAL INCOME	6,458,270		6,458,270
SECONDARY PERSONAL INCOME	8,044,088-15,672,812		8,519,706-16,319,822
TOTAL PERSONAL INCOME	14,502,358-22,131,082		14,977,976-22,778,092
PRIMARY JOBS	910		910
SECONDARY JOBS	1,185-2,213		1,264-2,317
TOTAL JOBS	2,095-3,123		2,174-3,227

WILLMAR MnDOT
SUMMARY OF ECONOMIC IMPACTS

	City	Remaining County	Total County
Institution Expenditures	22,000	230,000	252,000
Estimated Employee Housing Expenditures	103,458	48,174	151,632
Estimated Student Housing Expenditures			
Estimated Employee Non-Housing Expenditures	159,367	48,101	207,468
Estimated Student Non-Housing Expenditures			
Estimated Visitor Expenditures	28,080		28,080
PRIMARY BUSINESS VOLUME	312,905		639,180
SECONDARY BUSINESS VOLUME	234,679-344,196		479,385-703,098
TOTAL BUSINESS VOLUME	547,584-657,101		1,118,360-1,342,278
PRIMARY PERSONAL INCOME	541,544		541,544
SECONDARY PERSONAL INCOME	156,453-206,517		319,590-421,859
TOTAL PERSONAL INCOME	697,997-748,061		861,134-963,403
PRIMARY JOBS	122		122
SECONDARY JOBS	22.5-28.9		46.4-59.3
TOTAL JOBS	145-151		168-181

WILLMAR STATE HOSPITAL
SUMMARY OF ECONOMIC IMPACTS

	City	Remaining County	Total County
Institution Expenditures	206,650	10,876	217,526
Estimated Employee Housing Expenditures	472,177	274,641	746,818
Estimated Student Housing Expenditures			
Estimated Employee Non-Housing Expenditures	1,377,430	273,458	1,650,888
Estimated Student Non-Housing Expenditures			
Estimated Visitor Expenditures	50,000		50,000
PRIMARY BUSINESS VOLUME	2,106,257		2,665,232
SECONDARY BUSINESS VOLUME	1,579,693-2,316,883		1,998,924-2,931,755
TOTAL BUSINESS VOLUME	3,685,950-4,423,140		4,664,156-5,596,987
PRIMARY PERSONAL INCOME	2,667,708		2,667,708
SECONDARY PERSONAL INCOME	1,053,129-1,390,130		1,332,616-1,759,053
TOTAL PERSONAL INCOME	3,720,837-4,057,838		4,000,324-4,426,761
PRIMARY JOBS	606		606
SECONDARY JOBS	152-195		194-250
TOTAL JOBS	758-801		800-856

WILLMAR COMMUNITY COLLEGE
SUMMARY OF ECONOMIC IMPACTS

	City	Remaining County	Total County
Institution Expenditures	84,270		86,289
Estimated Employee Housing Expenditures	97,760		178,503
Estimated Student Housing Expenditures	121,023-160,686		222,768-295,776
Estimated Employee Non-Housing Expenditures	823,270-1,284,453		1,037,328-1,622,129
Estimated Student Non-Housing Expenditures			
Estimated Visitor Expenditures	13,280		13,280
PRIMARY BUSINESS VOLUME	1,139,603-1,640,449		1,538,168-2,195,977
SECONDARY BUSINESS VOLUME	854,702-1,804,494		1,153,626-2,415,575
TOTAL BUSINESS VOLUME	1,994,305-3,444,943		2,691,794-4,611,552
PRIMARY PERSONAL INCOME	986,656		986,656
SECONDARY PERSONAL INCOME	569,802-1,082,696		769,084-1,449,345
TOTAL PERSONAL INCOME	1,556,458-2,069,352		1,755,740-2,436,001
PRIMARY JOBS	68		68
SECONDARY JOBS	83-153		104-201
TOTAL JOBS	151-220		182-269

BEMIDJI MnDOT
SUMMARY OF ECONOMIC IMPACTS

	City	Remaining County	Total County
Institution Expenditures	101,555		102,838
Estimated Employee Housing Expenditures	172,435		211,461
Estimated Student Housing Expenditures			
Estimated Employee Non-Housing Expenditures	471,597		505,997
Estimated Student Non-Housing Expenditures			
Estimated Visitor Expenditures	44,980		44,980
PRIMARY BUSINESS VOLUME	790,567		865,276
SECONDARY BUSINESS VOLUME	592,925-869,624		648,957-951,804
TOTAL BUSINESS VOLUME	1,383,492-1,660,191		1,514,233-1,817,080
PRIMARY PERSONAL INCOME	918,620		918,620
SECONDARY PERSONAL INCOME	395,284-521,774		432,639-571,082
TOTAL PERSONAL INCOME	1,313,904-1,440,394		1,351,259-1,489,702
PRIMARY JOBS	173		173
SECONDARY JOBS	57-73		63-80
TOTAL JOBS	230-246		236-253

BEMIDJI STATE UNIVERSITY
SUMMARY OF ECONOMIC IMPACTS

	City	Remaining County	Total County
Institution Expenditures	905,516	6,899	912,415
Estimated Employee Housing Expenditures	624,375	147,699	772,074
Estimated Student Housing Expenditures	717,927-953,214		717,927-953,214
Estimated Employee Non-Housing Expenditures	4,571,591-7,286,465	119,552-174,958	4,691,143-7,461,423
Estimated Student Non-Housing Expenditures			
Estimated Visitor Expenditures	177,420		177,420
PRIMARY BUSINESS VOLUME	6,996,829-9,946,990		7,270,979-10,276,546
SECONDARY BUSINESS VOLUME	5,247,622-9,063,647		5,453,234-11,304,200
TOTAL BUSINESS VOLUME	12,244,451-19,010,637		12,724,213-21,580,746
PRIMARY PERSONAL INCOME	2,909,709		2,909,709
SECONDARY PERSONAL INCOME	3,498,415-5,438,188		3,635,490-6,782,520
TOTAL PERSONAL INCOME	6,408,124-8,347,897		6,545,199-9,692,229
PRIMARY JOBS	432		432
SECONDARY JOBS	511-769		542-968
TOTAL JOBS	943-1,201		974-1,400

SUMMARY OF REVENUE ANALYSIS

ST. CLOUD

— MnDOT
— State Reformatory
— State University

WILLMAR

— MnDOT
— State Hospital
— Community College

BEMIDJI

— MnDOT
— State University

SUMMARY OF INSTITUTION DATA FOR REVENUE ANALYSIS
ST. CLOUD PILOT AREA - ST. CLOUD MnDOT

	Counties				School District	
	St. Cloud	Benton	Sherburne	Stearns	742	47
TOTAL POPULATION	40,715	20,841	18,344	95,400	58,879	9,838
PRIMARY POPULATION						
Patients						
Inmates						
Full-Time On-Campus Students						
DIRECT PAYMENTS						
SECONDARY POPULATION	158	40	75	132	168	17
Resident Employees	45	9	23	37	48	8
Family Members	113	31	52	95	120	9
Full-Time Off-Campus Students						
Part-Time Off-Campus Students						
10% Part-Time Off-Campus Students						
EMPLOYEE PUPIL UNITS					22	4
TOTAL PUPIL UNITS					14,075	2,779

SUMMARY OF INSTITUTION DATA FOR REVENUE ANALYSIS
ST. CLOUD PILOT AREA - ST. CLOUD STATE REFORMATORY

	Counties				School District	
	St. Cloud	Benton	Sherburne	Stearns	742	47
TOTAL POPULATION	40,715	20,841	18,344	95,400	58,879	9,838
PRIMARY POPULATION	597		597		597	
Patients Inmates Full-Time On-Campus Students	597		597		597	
DIRECT PAYMENTS						
SECONDARY POPULATION	578	211	124	553	648	119
Resident Employees	165	62	38	155	185	35
Family Members	413	149	86	398	463	84
Full-Time Off-Campus Students						
Part-Time Off-Campus Students						
10% Part-Time Off-Campus Students						
EMPLOYEE PUPIL UNITS					86	16
TOTAL PUPIL UNITS					14,075	2,779

SUMMARY OF INSTITUTION DATA FOR REVENUE ANALYSIS
ST. CLOUD PILOT AREA - ST. CLOUD STATE UNIVERSITY

	Counties				School District	
	St. Cloud	Benton	Sherburne	Stearns	742	47
TOTAL POPULATION	40,715	20,841	18,344	95,400	58,879	9,838
PRIMARY POPULATION	2,840			2,840	2,840	
Patients						
Inmates						
Full-Time On-Campus Students	2,840			2,840	2,840	
DIRECT PAYMENTS						
SECONDARY POPULATION	7,767	326	338	7,523	7,894	112
Resident Employees	547	96	104	468	583	33
Family Members	1,367	230	234	1,202	1,458	79
Full-Time Off-Campus Students	5,682			5,682	5,682	
Part-Time Off-Campus Students	1,712			1,712	1,712	
10% Part-Time Off-Campus Students	171			171	171	
EMPLOYEE PUPIL UNITS					271	15
TOTAL PUPIL UNITS					14,075	2,779

SUMMARY OF INSTITUTION DATA FOR REVENUE ANALYSIS
WILLMAR PILOT AREA - WILLMAR MnDOT

	Willmar	Kandiyohi County	School District 345	School District 347
TOTAL POPULATION	16,035	30,548	4,536	16,798
PRIMARY POPULATION				
Patients				
Inmates				
Full-Time On-Campus Students				
DIRECT PAYMENTS	(160)	(205)		(370)
SECONDARY POPULATION	145	215	36	167
Resident Employees	48	71	12	55
Family Members	97	144	24	112
Full-Time Off-Campus Students				
Part-Time Off-Campus Students				
10% Part-Time Off-Campus Students				
EMPLOYEE PUPIL UNITS			9	36
TOTAL PUPIL UNITS			1,441	5,155

SUMMARY OF INSTITUTION DATA FOR REVENUE ANALYSIS
WILLMAR PILOT AREA - WILLMAR STATE HOSPITAL

	Willmar	Kandiyohi County	School District 345	School District 347
TOTAL POPULATION	16,035	30,548	4,536	16,798
PRIMARY POPULATION	600	600		600
Patients Inmates Full-Time On-Campus Students	600	600		600
DIRECT PAYMENTS	160	205		370
SECONDARY POPULATION	821	1,230	312	906
Resident Employees	271	406	103	299
Family Members	550	824	209	607
Full-Time Off-Campus Students				
Part-Time Off-Campus Students				
10% Part-Time Off-Campus Students				
EMPLOYEE PUPIL UNITS			78	197
TOTAL PUPIL UNITS			1,441	5,155

SUMMARY OF INSTITUTION DATA FOR REVENUE ANALYSIS
WILLMAR PILOT AREA - WILLMAR COMMUNITY COLLEGE

	Willmar	Kandiyohi County	School District 345	School District 347
TOTAL POPULATION	16,035	30,548	4,536	16,798
PRIMARY POPULATION				
Patients				
Inmates				
Full-Time On-Campus Students				
DIRECT PAYMENTS	(160)*	(205)*		(370)*
SECONDARY POPULATION	450	831	152	641
Resident Employees	28	51	9	38
Family Members	78	146	26	110
Full-Time Off-Campus Students	339	624		
Part-Time Off-Campus Students	52	95		
10% Part-Time Off-Campus Students	5	10	117	493
EMPLOYEE PUPIL UNITS			7	26
TOTAL PUPIL UNITS			1,441	5,155

*160 by State Hospital to City; 205 by State Hospital to County; 370 by State Hospital to School District 347.

SUMMARY OF INSTITUTION DATA FOR REVENUE ANALYSIS
BEMIDJI PILOT AREA - MnDOT

	Bemidji	Beltrami	School District 31
TOTAL POPULATION	11,490	26,373	20,646
PRIMARY POPULATION			
Patients			
Inmates			
Full-Time On-Campus Students			
DIRECT PAYMENTS	1,482*		
SECONDARY POPULATION	281	338	319
Resident Employees	93	112	106
Family Members	188	226	213
Full-Time Off-Campus Students			
Part-Time Off-Campus Students			
10% Part-Time Off-Campus Students			
EMPLOYEE PUPIL UNITS			62
TOTAL PUPIL UNITS			5,507

*1,482 by MnDOT to Bemidji.

SUMMARY OF INSTITUTION DATA FOR REVENUE ANALYSIS
BEMIDJI PILOT AREA - BEMIDJI STATE UNIVERSITY

	Bemidji	Beltrami	School District 31
TOTAL POPULATION	11,490	26,373	20,646
PRIMARY POPULATION	1,715	1,715	1,715
Patients Inmates Full-Time On-Campus Students	1,715	1,715	
DIRECT PAYMENTS	1,482*		
SECONDARY POPULATION	2,833	2,887	2,970
Resident Employees	262	280	308
Family Members	527	563	619
Full-Time Off-Campus Students	2,011	2,011	2,011
Part-Time Off-Campus Students	325	325	
10% Part-Time Off-Campus Students	33	33	33
EMPLOYEE PUPIL UNITS			179
TOTAL PUPIL UNITS			5,507

*1,482 by MnDOT to Bemidji.

SUMMARY OF Municipal REVENUES IN St. Cloud Pilot Area

Revenues	Total Revenue	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	2,226,741		324,872		23,876		6,407
Special Assessments	730,528		106,581		7,833		2,102
Other Local Revenues	1,221,162	85,180	232,955	17,906	17,336		4,739
Direct Payments							
State Aid:							
Local Aid	2,209,476	154,118	421,491	32,397	31,366		8,574
Highway Aid	672,478	46,907	128,285	9,860	9,547		2,610
Other	441,941	30,827	84,307	6,480	6,274		1,715
Federal Aid:							
Revenue Sharing	837,857	58,443	159,834	12,285	11,894		3,251
Grants	194,012*	13,533	37,011	2,845	2,754		753
Local and County Aids	86,312	6,021	16,465	1,266	1,225		335
Foundation Aid							
Other School Aid							
Federal School Aid							
TOTALS	8,620,507	395,029	1,511,801	83,039	112,105		30,486
			1,906,830		195,144		

*Federal Grants from 1975, since 1974 Federal Grant Total was unusually high.

SUMMARY OF Benton County REVENUES IN St. Cloud Pilot Area

Revenues	Total Revenue	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	479,979		16,707		3,427		756
Special Assessments							
Other Local Revenues	107,846		1,686		1,092		207
Direct Payments							
State Aid:							
Local Aid	466,694		7,300		4,725		896
Highway Aid	366,299		5,260		3,709		703
Other	799,563		12,507		8,095		1,535
Federal Aid:							
Revenue Sharing Grants	273,312		4,275		2,767		525
Local and County Aids							
Foundation Aid							
Other School Aid							
Federal School Aid							
TOTALS	2,493,693		47,735		23,815		4,622

SUMMARY OF Sherburne County REVENUES IN St. Cloud Pilot Area

Revenues	Total Revenue	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	635,620		22,445		3,614		1,658
Special Assessments	2,152		76		12		6
Other Local Revenues	159,955		2,947	5,206	1,081		654
Direct Payments							
State Aid:							
Local Aid	452,175		8,332	14,716	3,057		1,849
Highway Aid	403,119		7,428	13,119	2,725		1,648
Other	870,027		16,031	28,315	5,881		3,557
Federal Aid:							
Revenue Sharing	195,302		3,599	6,356	1,320		799
Grants	12,933		238	421	87		53
Local and County Aids							
Foundation Aid							
Other School Aid							
Federal School Aid							
TOTALS	2,731,283		61,096	68,133	17,777		10,224
				85,910			

SUMMARY OF Stearns County REVENUES IN St. Cloud Pilot Area

Revenues	Total Revenue	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	1,587,816		101,617		8,326		2,125
Special Assessments	8,792		563		46		12
Other Local Revenues	526,151	15,663	41,491		3,050		728
Direct Payments							
State Aid:							
Local Aid	1,544,588	45,981	121,802		8,953		2,137
Highway Aid	1,085,758	32,322	86,620		6,294		1,502
Other	2,554,767	76,054	201,462		14,809		3,535
Federal Aid:							
Revenue Sharing	1,070,746	31,875	84,436		6,207		1,482
Grants	35,478	1,056	2,798		206		49
Local and County Aids	24,425	727	1,926		142		34
Foundation Aid							
Other School Aid							
Federal School Aid							
TOTALS	8,438,521	203,678	642,715		48,033		11,604
			846,393				

SUMMARY OF School District 47 REVENUES IN St. Cloud Pilot Area

Revenues	Total Revenue	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	1,090,489		35,885		8,747		1,624
Special Assessments							
Other Local Revenues							
Direct Payments							
State Aid:							
Local Aid							
Highway Aid							
Other							
Federal Aid:							
Revenue Sharing							
Grants							
Local and County Aids							
Foundation Aid	1,310,985		7,076		7,548		1,887
Other School Aid	343,395		1,854		1,977		494
Federal School Aid	66,998		362		386		96
TOTALS	2,811,867		45,177		18,658		4,101

SUMMARY OF School District 742 REVENUES IN St. Cloud Pilot Area

Revenues	Total Revenue	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	8,187,505		741,058		63,413		16,736
Special Assessments							
Other Local Revenues							
Direct Payments							
State Aid:							
Local Aid							
Highway Aid							
Other							
Federal Aid:							
Revenue Sharing							
Grants							
Local and County Aids							
Foundation Aid	7,134,765		137,373		43,594		11,152
Other School Aid	4,177,391		80,431		25,524		6,529
Federal School Aid	550,152		10,593		3,362		860
TOTALS	20,049,813		969,455		135,893		35,277

SUMMARY OF Municipal REVENUES IN Willmar Pilot Area

Revenues	Total Revenue	Willmar Community College		Willmar State Hospital		MnDOT District 8 Headquarters	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	697,127		16,738		28,238		4,809
Special Assessments	482,665		11,589		19,551		3,330
Other Local Revenues	223,640	3,600	6,276	8,368	11,450		2,022
Direct Payments				160			
State Aid:							
Local Aid	487,300		13,675	18,234	24,950		4,407
Highway Aid	283,452		7,955	10,606	14,513		1,995
Other	70,590		1,981	2,641	3,614		638
Federal Aid:							
Revenue Sharing Grants	157,602		4,423	5,897	8,069		1,425
Local and County Aids	8,907		250	333	456		81
Foundation Aid							
Other School Aid							
Federal School Aid							
TOTALS	2,411,283	3,600	62,887	46,239	110,841		18,707
			66,487		157,080		

SUMMARY OF Kandiyohi County REVENUES IN Willmar Pilot Area

Revenues	Total Revenue	Willmar Community College		Willmar State Hospital		MnDOT District 8 Headquarters	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	2,351,985		47,773		63,598		13,032
Special Assessments	205,939		4,183		5,569		1,141
Other Local Revenues	422,539		11,494	8,295	17,005		2,974
Direct Payments				205			
State Aid:							
Local Aid	818,244		22,259	16,071	32,946		5,759
Highway Aid	866,318		23,567	17,016	34,882		6,097
Other	1,406,840		38,270	27,632	56,646		9,901
Federal Aid:							
Revenue Sharing Grants	532,618		14,489	10,461	21,446		3,749
Local and County Aids	5,878		160	115	237		41
Foundation Aid							
Other School Aid							
Federal School Aid							
TOTALS	6,610,361		162,195	79,795	232,329		42,694
				312,124			

SUMMARY OF School District 345 REVENUES IN Willmar Pilot Area

Revenues	Total Revenue	Willmar Community College		Willmar State Hospital		MnDOT District 8 Headquarters	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	501,395		11,403		19,071		2,952
Special Assessments							
Other Local Revenues							
Direct Payments							
State Aid:							
Local Aid							
Highway Aid							
Other							
Federal Aid:							
Revenue Sharing							
Grants							
Local and County Aids							
Foundation Aid	716,517		3,481		38,784		4,475
Other School Aid	167,926		816		9,090		1,049
Federal School Aid	28,946		141		1,567		181
TOTALS	1,414,784		15,841		68,512		8,657

SUMMARY OF School District 347 REVENUES IN Willmar Pilot Area

Revenues	Total Revenue	Willmar Community College		Willmar State Hospital		MnDOT District 8 Headquarters	
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	2,382,013		58,445		76,965		15,864
Special Assessments							
Other Local Revenues							
Direct Payments				370			
State Aid:							
Local Aid							
Highway Aid							
Other							
Federal Aid:							
Revenue Sharing							
Grants							
Local and County Aids							
Foundation Aid	2,518,299		12,701		96,238		18,032
Other School Aid	3,109,348		15,682		118,825		21,714
Federal School Aid	137,255		692		5,245		959
TOTALS	8,146,915		87,520	370	297,273		56,569
				297,643			

SUMMARY OF Municipal REVENUES IN Bemidji Pilot Area

Revenues	Total Revenue	Bemidji State University		Bemidji MnDOT			
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	456,669		102,836		9,679		
Special Assessments	63,587		14,319		1,348		
Other Local Revenues	177,670	10,366	17,123		1,698		
Direct Payments				1,482			
State Aid:							
Local Aid	558,482	83,359	137,701		14,392		
Highway Aid	287,048	42,845	70,775		7,020		
Other	15,821	2,361	3,901		387		
Federal Aid:							
Revenue Sharing	194,552	29,039	47,969		4,758		
Grants	398,343	59,457	98,216		9,742		
Local and County Aids	173,622	25,915	42,809		4,246		
Foundation Aid							
Other School Aid							
Federal School Aid							
TOTALS	2,325,794	253,342	535,649	1,482	53,270		
			788,991		54,752		

SUMMARY OF County REVENUES IN Bemidji Pilot Area

Revenues	Total Revenue	Bemidji State University		Bemidji MnDOT			
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	1,292,256		189,717		18,002		
Special Assessments	9,260		1,359		129		
Other Local Revenues	371,171	24,137	40,631		4,757		
Direct Payments							
State Aid:							
Local Aid	449,404	29,224	49,195		5,760		
Highway Aid	802,108	52,160	87,805		10,280		
Other	3,840,542	249,745	420,417		49,221		
Federal Aid:							
Revenue Sharing	334,318	21,740	36,597		4,285		
Grants	105	7	11		1		
Local and County Aids	48,624	3,162	5,323		623		
Foundation Aid							
Other School Aid							
Federal School Aid							
TOTALS	7,147,788	380,175	831,055		93,058		
			1,211,230				

SUMMARY OF School District 31 REVENUES IN Bemidji Pilot Area

Revenues	Total Revenue	Bemidji State University		Bemidji MnDOT			
		Primary	Secondary	Primary	Secondary	Primary	Secondary
Property Taxes	1,912,889		315,001		29,267		
Special Assessments							
Other Local Revenues							
Direct Payments							
State Aid:							
Local Aid							
Highway Aid							
Other							
Federal Aid:							
Revenue Sharing							
Grants							
Local and County Aids							
Foundation Aid	2,874,909		93,446		32,367		
Other School Aid	1,210,307		39,340		13,626		
Federal School Aid	201,091		6,536		2,264		
TOTALS	6,199,196		454,323		77,524		

SUMMARY OF SERVICE COST ANALYSIS

ST. CLOUD

- MnDOT
- State Reformatory
- State University

WILLMAR

- MnDOT
- State Hospital
- Community College

BEMIDJI

- MnDOT
- State University

SUMMARY OF INSTITUTION DATA FOR SERVICE COST ANALYSIS
ST. CLOUD PILOT AREA - ST. CLOUD MnDOT

	Counties				School District	
	St. Cloud	Benton	Sherburne	Stearns	742	47
TOTAL POPULATION	40,715	20,841	18,344	95,400	58,879	9,838
PRIMARY POPULATION-A	10	2	5	8	11	2
Patients Inmates 22% Resident Employees 65% On-Campus Students 19% Off-Campus Students 10% Part-Time Students	10	2	5	8	11	2
SECONDARY POPULATION-A	148	29	70	124	157	15
78% Resident Employees Family Members 23% On-Campus Students 69% Off-Campus Full-Time	35 113	7 22	18 52	29 95	37 120	6 9
PRIMARY POPULATION-B						
Patients Inmates						
SECONDARY POPULATION-B	158	31	75	132	168	17
Employees Family Members 88% Full-Time Students 10% Part-Time Students	45 113	9 22	23 52	37 95	48 120	8 9
EMPLOYEE PUPIL UNITS					22	4
TOTAL PUPIL UNITS					14,075	2,779

SUMMARY OF INSTITUTION DATA FOR SERVICE COST ANALYSIS
ST. CLOUD PILOT AREA - ST. CLOUD STATE REFORMATORY

	Counties				School District	
	St. Cloud	Benton	Sherburne	Stearns	742	47
TOTAL POPULATION	40,715	20,841	18,344	95,400	58,879	9,838
PRIMARY POPULATION-A	633	14	605	34	638	8
Patients						
Inmates	597		597		597	
22% Resident Employees	36	14	8	34	41	8
65% On-Campus Students						
19% Off-Campus Students						
10% Part-Time Students						
SECONDARY POPULATION-A	542	197	116	519	607	111
78% Resident Employees	129	48	30	121	144	27
Family Members	413	149	86	398	463	84
23% On-Campus Students						
69% Off-Campus Full-Time						
PRIMARY POPULATION-B	597		597		597	
Patients						
Inmates	597		597		597	
SECONDARY POPULATION-B	578	211	124	553	648	119
Employees	165	62	38	155	185	35
Family Members	413	149	86	398	463	84
88% Full-Time Students						
10% Part-Time Students						
EMPLOYEE PUPIL UNITS					86	16
TOTAL PUPIL UNITS					14,075	2,779

SUMMARY OF INSTITUTION DATA FOR SERVICE COST ANALYSIS
ST. CLOUD PILOT AREA - ST. CLOUD STATE UNIVERSITY

	Counties				School District	
	St. Cloud	Benton	Sherburne	Stearns	742	47
TOTAL POPULATION	40,715	20,841	18,344	95,400	58,879	9,838
PRIMARY POPULATION-A	3,769	21	23	3,199	3,224	7
Patients						
Inmates						
22% Resident Employees	120	21	23	103	128	7
65% On-Campus Students	1,846			1,846	1,846	
19% Off-Campus Students	1,079			1,079	1,079	
10% Part-Time Students	171			171	171	
SECONDARY POPULATION-A	6,367	305	315	6,139	6,485	105
78% Resident Employees	427	75	81	365	455	26
Family Members	1,368	230	234	1,202	1,458	79
23% On-Campus Students	653			653	653	
69% Off-Campus Full-Time	3,919			3,919	3,919	
PRIMARY POPULATION-B						
Patients						
Inmates						
SECONDARY POPULATION-B	9,586	326	338	9,342	9,712	112
Employees	547	96	104	468	583	33
Family Members	1,368	230	234	1,203	1,458	79
88% Full-Time Students	7,500			7,500	7,500	
10% Part-Time Students	171			171	171	
EMPLOYEE PUPIL UNITS					271	15
TOTAL PUPIL UNITS					14,075	2,779

SUMMARY OF INSTITUTION DATA FOR SERVICE COST ANALYSIS
WILLMAR PILOT AREA - MnDOT DISTRICT 8 HEADQUARTERS

	Willmar	Kandiyohi County	School District 345	School District 347
TOTAL POPULATION	16,035	30,548	4,536	16,798
PRIMARY POPULATION-A	11	16	3	12
Patients Inmates 22% Resident Employees 65% On-Campus Students 19% Off-Campus Students 10% Part-Time Students	11	16	3	12
SECONDARY POPULATION-A	134	199	33	155
78% Resident Employees	37	55	9	43
Family Members	97	144	24	112
23% On-Campus Students 69% Off-Campus Full-Time				
PRIMARY POPULATION-B				
Patients Inmates				
SECONDARY POPULATION-B	145	215	36	167
Employees	48	71	12	55
Family Members	97	144	24	112
88% Full-Time Students 10% Part-Time Students				
EMPLOYEE PUPIL UNITS			9	36
TOTAL PUPIL UNITS			1,441	5,155

SUMMARY OF INSTITUTION DATA FOR SERVICE COST ANALYSIS
WILLMAR PILOT AREA - WILLMAR STATE HOSPITAL

	Willmar	Kandiyohi County	School District 345	School District 347
TOTAL POPULATION	16,035	30,548	4,536	16,798
PRIMARY POPULATION-A	660	689	23	666
Patients	600	600		600
Inmates				
22% Resident Employees	60	89	23	66
65% On-Campus Students				
19% Off-Campus Students				
10% Part-Time Students				
SECONDARY POPULATION-A	761	1,141	289	840
78% Resident Employees	211	317	80	233
Family Members	550	824	209	607
23% On-Campus Students				
69% Off-Campus Full-Time				
PRIMARY POPULATION-B	600	600		600
Patients	600	600		600
Inmates				
SECONDARY POPULATION-B	821	1,230	312	906
Employees	271	406	103	299
Family Members	550	824	209	607
88% Full-Time Students				
10% Part-Time Students				
EMPLOYEE PUPIL UNITS			78	197
TOTAL PUPIL UNITS			1,441	5,155

SUMMARY OF INSTITUTION DATA FOR SERVICE COST ANALYSIS
WILLMAR PILOT AREA - WILLMAR COMMUNITY COLLEGE

	Willmar	Kandiyohi County	School District 345	School District 347
TOTAL POPULATION	16,035	30,548	4,536	16,798
PRIMARY POPULATION-A	75	140	26	107
Patients				
Inmates				
22% Resident Employees	6	11	2	8
65% On-Campus Students				
19% Off-Campus Students	64	119	22	92
10% Part-Time Students	5	10	2	7
SECONDARY POPULATION-A	337	619	191	191
78% Resident Employees	22	40	7	30
Family Members	81	148	26	110
23% On-Campus Students				
69% Off-Campus Full-Time	234	431	79	51
PRIMARY POPULATION-B				
Patients				
Inmates				
SECONDARY POPULATION-B	417	758	138	582
Employees	28	51	9	38
Family Members	81	148	26	110
88% Full-Time Students	298	549	101	427
10% Part-Time Students	5	10	2	7
EMPLOYEE PUPIL UNITS			7	26
TOTAL PUPIL UNITS			1,441	5,155

SUMMARY OF INSTITUTION DATA FOR SERVICE COST ANALYSIS
BEMIDJI PILOT AREA - MnDOT

	Bemidji	Beltrami	School District 31
TOTAL POPULATION	11,490	26,373	20,646
PRIMARY POPULATION-A	20	25	23
Patients Inmates 22% Resident Employees 65% On-Campus Students 19% Off-Campus Students 10% Part-Time Students	20	25	23
SECONDARY POPULATION-A	260	312	296
78% Resident Employees Family Members 23% On-Campus Students 69% Off-Campus Full-Time	73 187	87 225	83 213
PRIMARY POPULATION-B			
Patients Inmates			
SECONDARY POPULATION-B	280	337	319
Employees Family Members 88% Full-Time Students 10% Part-Time Students	93 187	112 225	106 213
EMPLOYEE PUPIL UNITS			62
TOTAL PUPIL UNITS			5,507

SUMMARY OF INSTITUTION DATA FOR SERVICE COST ANALYSIS
BEMIDJI PILOT AREA - BEMIDJI STATE UNIVERSITY

	Bemidji	Beltrami	School District 31
TOTAL POPULATION	11,490	26,373	20,646
PRIMARY POPULATION-A	1,588	1,592	1,598
Patients			
Inmates			
22% Resident Employees	58	62	68
65% On-Campus Students	1,115	1,115	1,115
19% Off-Campus Students	382	382	382
10% Part-Time Students	33	33	33
SECONDARY POPULATION-A	2,513	2,563	2,641
78% Resident Employees	204	218	240
Family Members	527	563	619
23% On-Campus Students	394	394	394
69% Off-Campus Full-Time	1,388	1,388	1,388
PRIMARY POPULATION-B			
Patients			
Inmates			
SECONDARY POPULATION-B	4,101	4,155	4,239
Employees	262	280	308
Family Members	527	563	619
88% Full-Time Students	3,279	3,279	3,279
10% Part-Time Students	33	33	33
EMPLOYEE PUPIL UNITS			179
TOTAL PUPIL UNITS			5,507

SUMMARY OF SERVICE COSTS
ST. CLOUD PILOT AREA - ST. CLOUD

Service Category	Total Expenditures	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police	1,058,335	211,667	146,441	11,853	12,466	1,133	3,404
Fire	765,070	1,680	135,808	700	11,561		3,157
Roads	1,081,144	120,576	169,872	4,681	14,461	1,878	3,949
Transit	233,642	15,215	38,711	591	3,295	238	900
Parking							
Health	132,166		31,538		1,902		520
Welfare							
Parks and Recreation	940,727		224,792		13,554		3,705
Education							
General Government	1,786,446	148,275	316,965	7,562	24,282	1,378	6,633
General Government Capital Expenditures	2,999,125	248,736	532,127	12,695	40,765	2,314	11,135
Road and Highway Capital Expenditures	892,327	99,518	140,205	3,863	11,935	1,550	3,259
TOTALS	9,888,982	845,667	1,736,459	41,945	134,221	8,491	36,662
		2,582,126		176,166		45,153	

SUMMARY OF SERVICE COSTS
ST. CLOUD PILOT AREA - BENTON COUNTY

Service Category	Total Expenditures	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police	92,321		1,354		875		129
Fire							
Roads	766,332		11,236		7,257		1,068
Transit							
Parking							
Health	46,095		720		466		67
Welfare	1,085,587		16,981		10,991		1,615
Parks and Recreation	72,167		1,128		730		107
Education							
General Government	471,941		7,189		4,649		683
General Government Capital Expenditures	301,617		4,595		2,971		437
Road and Highway Capital Expenditures	62,167		911		589		87
TOTALS	2,898,227		44,114		28,528		4,193

SUMMARY OF SERVICE COSTS
ST. CLOUD PILOT AREA - SHERBURNE COUNTY

Service Category	Total Expenditures	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police	203,637		3,508		1,334		805
Fire							
Roads	983,142		17,486	9,459	6,439		3,886
Transit							
Parking							
Health	55,095		1,048		384		233
Welfare	1,240,360		23,623		8,666		5,242
Parks and Recreation							
Education							
General Government	737,179		13,562	2,809	4,996		3,019
General Government Capital Expenditures	65,282		1,201	248	442		267
Road and Highway Capital Expenditures	259,778		4,620	2,499	1,701		1,027
TOTALS	3,544,473		65,048	15,015	23,962		14,479

SUMMARY OF SERVICE COSTS
ST. CLOUD PILOT AREA - STEARNS COUNTY

Service Category	Total Expenditures	St. Cloud State University		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police	412,884		27,503		2,325		556
Fire							
Roads	983,142	46,788	62,311		5,268	733	1,259
Transit							
Parking							
Health	279,089		27,372		1,620		387
Welfare	4,084,707		400,024		23,679		5,652
Parks and Recreation	222,272		21,767		1,288		308
Education							
General Government	1,673,405	13,088	150,771		9,561	205	2,283
General Government Capital Expenditures	249,682	1,953	22,496		1,427	31	341
Road and Highway Capital Expenditures	2,224,878	105,883	141,012		11,922	1,659	2,849
TOTALS	10,130,059	167,712	853,256		57,090	2,628	13,635
		1,020,968				16,263	

SUMMARY OF SERVICE COSTS
ST. CLOUD PILOT AREA - SCHOOL DISTRICT 47

Service Category	Total Expenditures	St. Cloud State Hospital		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police							
Fire							
Roads							
Transit							
Parking							
Health							
Welfare							
Parks and Recreation							
Education	3,098,585		16,725		17,840		4,460
General Government							
General Government Capital Expenditures	158,403		855		912		228
Road and Highway Capital Expenditures							
TOTALS	3,256,988		17,580		18,752		4,688

SUMMARY OF SERVICE COSTS
ST. CLOUD PILOT AREA - SCHOOL DISTRICT 742

Service Category	Total Expenditures	St. Cloud State Hospital		St. Cloud State Reformatory		St. Cloud MnDOT	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police							
Fire							
Roads							
Transit							
Parking							
Health							
Welfare							
Parks and Recreation							
Education	17,213,725		331,433		105,178		26,906
General Government							
General Government Capital Expenditures	420,693		8,100		2,570		658
Road and Highway Capital Expenditures							
TOTALS	17,633,418		339,533		107,748		27,564

SUMMARY OF SERVICE COSTS
WILLMAR PILOT AREA - WILLMAR

Service Category	Total Expenditures	Willmar Community College		Willmar State Hospital		Willmar Dist. 8 MnDOT Headquarters	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police	304,628	10,662	5,797	10,357	13,090	609	2,305
Fire	87,390	151	1,878	2,031	4,241		747
Roads	301,442	7,536	6,200	10,249	14,002	2,351	2,465
Transit							
Parking							
Health	38,638		1,044		2,055		363
Welfare							
Parks and Recreation	189,689		5,125		10,090		1,782
Education							
General Government	370,205	7,369	8,050	9,091	17,461	1,189	3,077
General Government Capital Expenditures	781,859	15,564	17,001	19,201	36,878	2,511	6,499
Road and Highway Capital Expenditures	313,556	7,839	6,449	10,661	14,565	2,445	2,564
TOTALS	2,387,407	49,121	51,544	61,590	112,382	9,105	19,802
			100,665		173,972		28,907

SUMMARY OF SERVICE COSTS
WILLMAR PILOT AREA - KANDIYOHI COUNTY

Service Category	Total Expenditures	Willmar Community College		Willmar State Hospital		Willmar District 8 MnDOT Headquarters	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police	287,004		5,981		11,025		1,923
Fire							
Roads	1,966,203	25,561	39,537	35,392	72,878	8,061	12,711
Transit							
Parking							
Health	132,674		3,358		5,549		952
Welfare	2,109,284		53,387		86,631		15,143
Parks and Recreation	234,808		5,943		9,606		1,679
Education							
General Government	900,022	4,864	20,590	6,734	35,333	1,534	6,167
General Government Capital Expenditures	91,083	492	2,084	862	3,576	155	624
Road and Highway Capital Expenditures	414,303	5,386	8,331	7,457	15,356	1,699	2,678
TOTALS	6,135,381	36,303	139,211	50,445	239,954	11,449	41,877
		175,514		290,399		53,326	

SUMMARY OF SERVICE COSTS
WILLMAR PILOT AREA - SCHOOL DISTRICT 345

Service Category	Total Expenditures	Willmar Community College		Willmar State Hospital		MnDOT District 8 Headquarters	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police							
Fire							
Roads							
Transit							
Parking							
Health							
Welfare							
Parks and Recreation							
Education	1,746,492		8,484		94,536		10,908
General Government							
General Government Capital Expenditures	66,286		322		3,588		414
Road and Highway Capital Expenditures							
TOTALS	1,812,778		8,806		98,124		11,322

SUMMARY OF SERVICE COSTS
WILLMAR PILOT AREA - SCHOOL DISTRICT 347

Service Category	Total Expenditures	Willmar Community College		Willmar State Hospital		MnDOT District 8 Headquarters	
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police							
Fire							
Roads							
Transit							
Parking							
Health							
Welfare							
Parks and Recreation							
Education	6,191,155		31,226		236,597		43,236
General Government							
General Government Capital Expenditures	804,180		4,056		30,732		5,616
Road and Highway Capital Expenditures							
TOTALS	6,995,335		35,282		267,329		48,852

SUMMARY OF SERVICE COSTS
BEMIDJI PILOT AREA - BEMIDJI

Service Category	Total Expenditures	Bemidji State University Primary Cost	Bemidji State University Secondary Cost	Bemidji MnDOT Primary Cost	Bemidji MnDOT Secondary Cost	Primary Cost	Secondary Cost
Police	319,399	18,345	76,546		7,920		
Fire	80,064	804	20,154		2,085		
Roads	246,151	69,717	43,776	4,262	4,529		
Transit	12,000	10	3,041	1	315		
Parking							
Health	4,903		1,763		120		
Welfare							
Parks and Recreation	182,499		65,124		4,446		
Education							
General Government	240,103	25,253	59,784	1,211	5,517		
General Government Capital Expenditures	637,967	67,099	158,850	3,218	14,658		
Road and Highway Capital Expenditures	500,737	121,480	89,052	8,670	9,213		
TOTALS	2,223,823	302,708	518,090	17,362	48,803		
			820,798		66,165		

SUMMARY OF SERVICE COSTS
BEMIDJI PILOT AREA - BELTRAMI COUNTY

Service Category	Total Expenditures	Bemidji State University		Bemidji MnDOT			
		Primary Cost	Secondary Cost	Primary Cost	Secondary Cost	Primary Cost	Secondary Cost
Police	97,714		10,124		1,232		
Fire							
Roads	965,362	119,121	86,860	7,282	10,574		
Transit							
Parking							
Health	23,005		3,615		293		
Welfare	4,102,875		648,180		52,572		
Parks and Recreation	23,907		3,781		307		
Education							
General Government	624,236	14,265	90,118	872	7,781		
General Government Capital Expenditures	158,655	3,616	22,904	221	1,978		
Road and Highway Capital Expenditures	291,095	35,919	26,192	2,196	3,188		
TOTALS	6,286,849	172,921	891,774	10,571	77,925		
		1,064,695		88,496			

SUMMARY OF SERVICE COSTS
BEMIDJI PILOT AREA - SCHOOL DISTRICT 31

Service Category	Total Expenditures	Bemidji State University Primary Cost	Bemidji State University Secondary Cost	Bemidji MnDOT Primary Cost	Bemidji MnDOT Secondary Cost	Primary Cost	Secondary Cost
Police							
Fire							
Roads							
Transit							
Parking							
Health							
Welfare							
Parks and Recreation							
Education	6,008,137		195,289		67,642		
General Government							
General Government Capital Expenditures	335,927		10,919		3,782		
Road and Highway Capital Expenditures							
TOTALS	6,344,064		206,208		71,424		

SUMMARY OF PROPERTY TAX IMPACT ANALYSIS

ST. CLOUD

— MnDOT
— State Reformatory
— State University

WILLMAR

— MnDOT
— State Hospital
— Community College

BEMIDJI

— MnDOT
— State University

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT City of St. Cloud INSTITUTION St. Cloud MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	1,270,000				
Taxable Value		546,100	381,000	254,000	127,000
Mill Rate	31.20				
Estimated Taxes		17,038	11,887	7,925	3,962
Current Total Taxable Value	87,607,736				
Revised Total Taxable Value		88,153,836	87,988,738	87,861,736	87,734,736
Current Total Taxes	2,733,370				
Revised Total Taxes		2,750,405	2,745,257	2,741,294	2,737,332
Revised Mill Rate		31.01	31.06	31.11	31.15

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Stearns County INSTITUTION St. Cloud MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	1,270,000				
Taxable Value		546,100	381,000	254,000	127,000
Mill Rate	16.88				
Estimated Taxes		9,218	6,431	4,288	2,144
Current Total Taxable Value	195,901,599				
Revised Total Taxable Value		196,447,699	196,282,599	196,155,599	196,028,599
Current Total Taxes	3,306,826				
Revised Total Taxes		3,316,042	3,313,257	3,311,113	3,308,969
Revised Mill Rate		16.83	16.84	16.86	16.87

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT School District 742 INSTITUTION St. Cloud MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	1,270,000				
Taxable Value		546,100	381,000	254,000	127,000
Mill Rate	65.95				
Estimated Taxes		36,015	25,127	16,751	8,376
Current Total Taxable Value	125,158,197				
Revised Total Taxable Value		125,704,297	125,539,197	125,412,197	125,286,197
Current Total Taxes	8,254,170				
Revised Total Taxes		8,290,179	8,279,297	8,270,921	8,262,612
Revised Mill Rate		65.66	65.75	65.82	65.88

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT City of St. Cloud INSTITUTION St. Cloud Reformatory

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	31,968,000				
Taxable Value		13,454,610	9,590,400	6,393,600	3,196,800
Mill Rate	31.20				
Estimated Taxes		419,784	299,220	199,480	99,740
Current Total Taxable Value	87,534,242				
Revised Total Taxable Value		100,988,852	97,124,642	93,927,842	90,731,042
Current Total Taxes	2,731,061				
Revised Total Taxes		3,150,857	3,030,300	2,930,554	2,830,807
Revised Mill Rate		25.80	28.12	29.08	30.10

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Sherburne County INSTITUTION St. Cloud Reformatory

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	31,968,000				
Taxable Value		13,454,610	9,590,400	6,393,600	3,196,800
Mill Rate	26.70				
Estimated Taxes		339,237	256,064	170,709	85,355
Current Total Taxable Value	50,676,945				
Revised Total Taxable Value		64,131,555	60,267,345	57,070,545	53,873,745
Current Total Taxes	1,353,076				
Revised Total Taxes		1,712,324	1,609,129	1,523,796	1,438,436
Revised Mill Rate		21.10	22.45	23.71	25.12

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT School District 742 INSTITUTION St. Cloud Reformatory

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	31,968,000				
Taxable Value		13,454,610	9,590,400	6,393,600	3,196,800
Mill Rate	65.95				
Estimated Taxes		887,332	632,487	421,658	210,829
Current Total Taxable Value	125,158,197				
Revised Total Taxable Value		138,612,707	134,748,597	131,551,797	128,354,997
Current Total Taxes	8,254,170				
Revised Total Taxes		9,141,461	8,886,696	8,675,854	8,464,946
Revised Mill Rate		59.55	61.26	62.74	64.31

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT City of St. Cloud INSTITUTION St. Cloud State University

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	62,681,000				
Taxable Value		26,398,961	18,804,300	12,536,200	6,268,100
Mill Rate	31.20				
Estimated Taxes		823,645	586,694	391,129	195,565
Current Total Taxable Value	87,607,736				
Revised Total Taxable Value		114,006,697	106,412,036	100,143,936	93,875,836
Current Total Taxes	2,733,370				
Revised Total Taxes		3,557,018	3,320,054	3,124,493	2,928,931
Revised Mill Rate		22.98	25.69	27.29	29.12

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Sherburne County INSTITUTION St. Cloud State University

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	1,167,000				
Taxable Value		501,810	350,100	233,400	116,700
Mill Rate	26.70				
Estimated Taxes		13,398	9,345	6,232	3,116
Current Total Taxable Value	50,676,945				
Revised Total Taxable Value		51,178,755	51,027,045	50,910,345	50,793,645
Current Total Taxes	1,353,076				
Revised Total Taxes		1,366,479	1,362,421	1,359,297	1,356,200
Revised Mill Rate		26.44	26.52	26.57	26.64

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Stearns County INSTITUTION St. Cloud State University

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	61,514,000				
Taxable Value		25,897,151	18,454,200	12,302,800	6,151,400
Mill Rate	16.88				
Estimated Taxes		437,143	311,504	207,675	103,829
Current Total Taxable Value	195,901,599				
Revised Total Taxable Value		221,798,750	214,355,799	208,204,399	202,052,999
Current Total Taxes	3,306,826				
Revised Total Taxes		3,743,950	3,618,329	3,514,483	3,410,671
Revised Mill Rate		14.91	15.43	15.88	16.37

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT School District 742 INSTITUTION St. Cloud State University

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	62,681,000				
Taxable Value		26,398,961	18,804,300	12,536,200	6,268,100
Mill Rate	65.95				
Estimated Taxes		1,741,014	1,240,124	826,749	413,375
Current Total Taxable Value	125,158,197				
Revised Total Taxable Value		151,557,158	143,962,497	137,694,397	131,426,297
Current Total Taxes	8,254,170				
Revised Total Taxes		9,995,184	9,494,294	9,080,919	8,667,545
Revised Mill Rate		54.46	57.33	59.95	62.80
Foundation Aid		791,970	564,120	376,080	188,040

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT City of Willmar INSTITUTION Willmar MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	500,000				
Taxable Value		215,000	150,000	100,000	50,000
Mill Rate	23.69				
Estimated Taxes		5,093	3,554	2,369	1,185
Current Total Taxable Value	29,427,037				
Revised Total Taxable Value		29,642,037	29,577,037	29,527,037	29,477,037
Current Total Taxes	697,127				
Revised Total Taxes		702,220	700,681	699,496	698,312
Revised Mill Rate		23.52	23.57	23.61	23.65

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Kandiyohi County INSTITUTION Willmar MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	500,000				
Taxable Value		215,000	150,000	100,000	50,000
Mill Rate	30.37				
Estimated Taxes		6,530	4,556	3,037	1,519
Current Total Taxable Value	77,444,339				
Revised Total Taxable Value		77,659,339	77,594,339	77,544,337	77,494,339
Current Total Taxes	2,351,985				
Revised Total Taxes		2,358,515	2,356,541	2,355,022	2,353,504
Revised Mill Rate		30.29	30.31	30.33	30.35

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT School District 347 INSTITUTION Willmar MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	500,000				
Taxable Value		215,000	150,000	100,000	50,000
Mill Rate	54.84				
Estimated Taxes		11,791	8,226	5,484	2,742
Current Total Taxable Value	43,435,685				
Revised Total Taxable Value		43,650,685	43,585,685	43,535,685	43,485,685
Current Total Taxes	2,382,013				
Revised Total Taxes		2,393,804	2,390,239	2,387,497	2,384,755
Revised Mill Rate		54.57	54.69	54.71	54.78
Foundation Aid		6,450	4,500	3,000	1,500

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT City of Willmar INSTITUTION Willmar State Hospital

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	12,000,000				
Taxable Value		4,982,098	3,600,000	2,400,000	1,200,000
Mill Rate	23.69				
Estimated Taxes		118,026	85,284	56,856	28,428
Current Total Taxable Value	29,427,037				
Revised Total Taxable Value		34,409,135	33,027,037	31,827,037	30,627,037
Current Total Taxes	697,127				
Revised Total Taxes		815,153	782,411	753,983	725,555
Revised Mill Rate		20.26	21.11	21.90	22.76

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Kandiyohi County INSTITUTION Willmar State Hospital

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	12,000,000				
Taxable Value		4,982,098	3,600,000	2,400,000	1,200,000
Mill Rate	30.37				
Estimated Taxes		151,306	109,332	72,888	36,444
Current Total Taxable Value	77,444,339				
Revised Total Taxable Value		82,426,437	81,044,339	79,844,339	78,644,339
Current Total Taxes	2,351,985				
Revised Total Taxes		2,503,291	2,461,317	2,424,873	2,388,429
Revised Mill Rate		28.53	29.02	29.46	29.91

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT School District 347 INSTITUTION Willmar State Hospital

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	12,000,000				
Taxable Value		4,982,098	3,600,000	2,400,000	1,200,000
Mill Rate	54.84				
Estimated Taxes		273,218	197,424	131,616	65,808
Current Total Taxable Value	43,435,685				
Revised Total Taxable Value		48,417,783	47,035,685	45,835,685	44,635,685
Current Total Taxes	2,382,013				
Revised Total Taxes		2,655,231	2,579,437	2,513,629	2,447,821
Revised Mill Rate		49.20	50.64	51.97	53.37
Foundation Aid		149,463	108,000	72,000	36,000

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT City of Willmar INSTITUTION Willmar Community College

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	3,600,000				
Taxable Value		1,548,000	1,080,000	720,000	360,000
Mill Rate	23.69				
Estimated Taxes		36,672	25,585	17,057	8,528
Current Total Taxable Value	29,427,037				
Revised Total Taxable Value		30,975,037	30,507,037	30,147,037	29,787,037
Current Total Taxes	697,127				
Revised Total Taxes		733,799	722,712	714,184	705,655
Revised Mill Rate		22.51	22.85	23.12	23.40

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Kandiyohi County INSTITUTION Willmar Community College

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	3,600,000				
Taxable Value		1,548,000	1,080,000	720,000	360,000
Mill Rate	30.37				
Estimated Taxes		47,013	32,800	21,866	10,933
Current Total Taxable Value	77,444,339				
Revised Total Taxable Value		78,992,339	78,524,339	78,164,339	77,804,339
Current Total Taxes	2,351,985				
Revised Total Taxes		2,398,998	2,384,785	2,373,871	2,362,918
Revised Mill Rate		29.77	29.95	30.09	30.23

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT School District 347 INSTITUTION Willmar Community College

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	3,600,000				
Taxable Value		1,548,000	1,080,000	720,000	360,000
Mill Rate	54.84				
Estimated Taxes		84,892	59,227	39,485	19,742
Current Total Taxable Value	43,435,685				
Revised Total Taxable Value		44,983,685	44,515,685	44,155,685	43,795,685
Current Total Taxes	2,382,013				
Revised Total Taxes		2,466,905	2,441,240	2,421,498	2,401,755
Revised Mill Rate		52.95	53.51	53.95	54.39

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT City of Bemidji INSTITUTION Bemidji MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	742,697				
Taxable Value		319,360	222,809	148,539	74,270
Mill Rate	33.08				
Estimated Taxes		10,564	7,371	4,914	2,457
Current Total Taxable Value	13,805,761				
Revised Total Taxable Value		14,125,121	14,028,570	13,954,300	13,880,031
Current Total Taxes	456,669				
Revised Total Taxes		467,233	464,040	461,583	459,126
Revised Mill Rate		32.33	32.55	32.72	32.90

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Beltrami County INSTITUTION Bemidji MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	742,697				
Taxable Value		319,360	222,809	148,539	74,270
Mill Rate	42.66				
Estimated Taxes		13,624	9,505	6,337	3,168
Current Total Taxable Value	30,292,944				
Revised Total Taxable Value		30,612,304	30,515,753	30,441,483	30,367,214
Current Total Taxes	1,292,256				
Revised Total Taxes		1,305,880	1,301,761	1,298,593	1,295,424
Revised Mill Rate		42.21	42.34	42.45	42.55

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT School District 31 INSTITUTION Bemidji MnDOT

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	742,697				
Taxable Value		319,360	222,809	148,539	74,270
Mill Rate	60.53				
Estimated Taxes		19,330	13,486	8,991	4,495
Current Total Taxable Value	31,593,342				
Revised Total Taxable Value		31,912,702	31,816,151	31,741,881	31,667,612
Current Total Taxes	1,912,324				
Revised Total Taxes		1,931,654	1,925,810	1,921,315	1,916,819
Revised Mill Rate		59.92	60.10	60.24	60.38

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Bemidji INSTITUTION Bemidji State University

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	25,309,595				
Taxable Value		10,605,921	7,592,879	5,061,919	2,530,960
Mill Rate	33.08				
Estimated Taxes		350,843	251,172	167,448	83,724
Current Total Taxable Value	13,805,761				
Revised Total Taxable Value		24,411,682	21,398,639	18,867,680	16,336,720
Current Total Taxes	456,669				
Revised Total Taxes		807,512	707,841	624,117	540,393
Revised Mill Rate		18.70	21.34	24.20	27.95

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT Beltrami County INSTITUTION Bemidji State University

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	25,309,595				
Taxable Value		10,605,921	7,592,879	5,061,919	2,530,960
Mill Rate	42.66				
Estimated Taxes		452,448	323,912	215,941	107,970
Current Total Taxable Value	30,292,944				
Revised Total Taxable Value		40,898,865	37,885,822	35,354,863	32,823,903
Current Total Taxes	1,292,256				
Revised Total Taxes		1,744,704	1,616,168	1,508,197	1,400,226
Revised Mill Rate		31.59	34.10	36.55	39.36

SUMMARY OF PROJECTED PROPERTY TAXES
GOVERNMENTAL UNIT School District 31 INSTITUTION Bemidji State University

		40/43% ratio	30% ratio	20% ratio	10% ratio
Market Value	25,309,595				
Taxable Value		10,605,921	7,592,879	5,061,919	2,530,960
Mill Rate	60.53				
Estimated Taxes		641,976	459,596	306,397	159,251
Current Total Taxable Value	31,593,342				
Revised Total Taxable Value		42,199,263	39,186,220	36,655,261	34,124,301
Current Total Taxes	1,912,324				
Revised Total Taxes		2,554,300	2,371,920	2,218,721	2,071,575
Revised Mill Rate		45.31	48.80	52.17	56.03

APPENDIX D

PRINCIPAL AGENCIES CONTACTED

PRINCIPAL AGENCIES CONTACTED

Federal Agencies

Bureau of Land Management
General Services Administration
Office of Revenue Sharing
U.S. Postal Service

State Agencies[1]

Department of Administration
  -Real Estate Management
  -Shelter
Auditor (State Auditor)
  -County Audit Division
  -Municipal Reporting Unit
Architect Office (State)
Department of Education
Energy Agency (State)
Department of Finance
  -Land Document Division
  -Statewide Accounting
Department of Corrections
  -Deputy Commissioner of Operations Division
  -State Reformatory for Men (St. Cloud)
Minnesota Land Management Information Service
Department of Natural Resources
Department of Personnel
Department of Public Welfare
  -Residential Services Bureau
  -Willmar State Hospital
Department of Military Affairs
Department of Transportation
  -Division of Right-of-Way
  -Division of Aeronautics
  -District 5 Headquarters (Bemidji)
  -District 8 Headquarters (Willmar)
  -District 3 Maintenance Facility (St. Cloud)
  -Transportation Systems Characteristics Section
Department of Revenue
  -State Board of Assessors
  -Tax Research Division
  -Local Government Aids and Analysis Division
Revisors Office
Board for Community Colleges
  -Facility Planning and Management Office
  -Willmar Community College

State University Board
  -Facilities Management Division
  -Bemidji State University
  -St. Cloud State University

State Planning Agency
University of Minnesota
  -Property Acquisition Division
  -Fire Information Center

County Agencies

Beltrami County
  -Bemidji-Beltrami County Joint Law Enforcement Center
  -County Assessor
  -County Auditor
  -County Highway Department
Benton County
  -County Assessor
  -County Highway Department
Kandiyohi County
  -Sheriff
  -County Assessor
Sherburne County
  -County Assessor
  -County Highway Department
Stearns County
  -County Assessor
  -County Highway Department

City Offices

Bemidji
  -Assessor
  -Community Development Department
  -Fire Department
St. Cloud
  -Assessor
  -Council of Governments
  -Fire Department
  -Police Department
  -Public Works
  -Transit Authority

Willmar
- -Assessor
- -Community Development Department
- -Fire Department
- -Police Department
- -Public Works Department
- -City Clerk
- -Utilities Commission

(1) All State agencies were contacted in a survey conducted in June, 1977. The results of this survey are reported in Phase 2 Work Paper C.12.

APPENDIX E

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