

## Taxpayer Generosity Not Enough?

By Richard Parins President

Society has come a long way from the earliest historical taxation recordings, the famous "Rosetta Stone." Written about 200 B.C. during the Greek reign of Egypt when the area reeled from tax rebellion and general rejection of confiscatory rates and taxes for many of life's simplest tasks. Written in three different languages, a key to understanding hieroglyphics, the purpose for the inscription provided tax amnesty for debtors and rebels as well as temple and priesthood exemptions from the king's tax men, currently proving the historical axiom ... "those who cannot remember the past are condemned to repeat it," George Santayana.

Great story but fast forward to current times; those temples and the priesthood have maintained their tax-exempt status although their ranks have swollen by many other secular tax-exempt organizations. In addition to the Religious & Apostolic Organizations, Civic Organizations, Social Welfare Organizations and a rash Associations; the list of types alone from the IRS includes as many as 27-501(c) types with additional subchapters of the same, another reason for serious tax reform.

Or maybe the time has come that every person, and all currently tax-exempt organizations above a defined personal exemption and strictly defined business expenses, should pay something. After all, everyone expects the enjoyment of public services, safety, good streets and various other ministrations of government. Some reform along these lines would go a long way toward spreading the tax burden across the entire user base, and maybe lowering everyone's taxes.

Well these days the big tax and spender crowd who complain that those of us who believe less taxation may be a positive for the economy, are not a realistic crowd, I say let them complain. What happened to the great challenge laid down in modern political times, "'My fellow Americans, ask not what your country can do for you, ask what you can do for your country..." President John Kennedy set before the Nation? Presidential Candidate

Ben Carson said everyone ought to contribute something, a simple percentage of the income, from whatever source even if only a hundred dollars.

Many ideas have been spun since the origins of the Republic, my personal favorite the ideas suggested by Milton and Rose Friedman and to this day the best overall set of reform ideas for taxation and spending. If you haven't read "Free to Choose." find a copy on Amazon or the library and read it. Their common sense approach might put to rest the current ideas for spending excess taxation collections in our area's purview the discussion at hand for Budget surpluses and excess tax collections. These always become a grab bag of pet projects and "economic investments." Government is not and should not be in the "business generation business;" government provides for the safety and management or services necessary to the public well-being

The basic proposition for these funds leaves me without any semblance of "common sense." No one has yet to give a fair hearing for the ideas to reduce bonding or retiring debt. Yes, our County and Cities have done well to keep the public debt low, however debt reduction remains the most equalized manner for return of excess tax to the taxpayers, eliminating some of the interest being paid on our debt or purchasing public equipment with cash without additional or reduced payments. Refusing to give fair hearing to debt reduction sends a message to citizens that they are not generous enough with their tax collections.

This discussion should naturally lead us to the necessity for taxes, our government's spending. As a Nation, State, County, or any smaller organization of governance, we have chosen or agreed to spend for our safety, and infrastructure. While we pride ourselves on Budgets for spending, we have not always prioritized our choices for those necessities first, and the vision for our needs in the future, not the wants of now. Reducing debt loads is no excuse to increase spending; until we sit back, look further down the road and plan for future needs through judicious budgeting and restraint, taxpayers will be called upon to become even more generous.

*Richard P.*

## Things That Make Us Wonder.

Our “progressive” presidential candidates keep spreading their message that government could do a lot more for the masses. (potential voters) This includes providing everyone who wants one a free college education, and creating more jobs paying higher wages, if you want to work. All to be paid for simply by raising the taxes on the super rich and continuing the legacy of Obama. It may sound too good to be true but you can vote for it if you like.

Trouble is, this legacy and dependence on government is largely responsible for our \$19.25 Trillion National Debt, digging us into a deeper hole, showing no signs of going away by itself. The nations charge card is overextended.

Every year Forbes Magazine identifies a list of names and assets of the worlds known billionaires. This year they found over 1,800, with a total net worth of \$6.4 Trillion in the whole world. For the United States, there were 540 listings worth \$2.4 Trillion, including Bill Gates. There are likely a few more hiding in the hills of Hollywood or canyons of New York, that the IRS or Forbes keeps missing.

We can agree there are a lot of problems with our tax system. The point here is that we could tax all of the “rich” 100%, and it wouldn't make one bit of difference as long as we keep spending irresponsibly and use being rich as a scapegoat and excuse to keep falling further into debt.

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There is probably little doubt that the manufacturing jobs that have gone overseas in recent years have had a negative effect on our

economy. There is a lot of finger pointing about who is to blame and how to remedy the situation. No doubt the lack of community loyalty or employees are considerations. However losing business to less expensive foreign competition is also in the equation.

Tariff laws intended to level prices can often have a negative effect. Mandating wage levels, high health care costs, regulatory and often picayunish laws doing nothing more than create paperwork are all factors which discourage business expansion in this country.

While it is discouraging to see products once proudly produced in this country made elsewhere, perhaps the best thing to do is express your feelings with the retailers and manufacturers involved, and hope government gets the message. The balance of trade impacts our National Debt and does not have to be a one way street.

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Liquor laws and how alcoholic beverages are sold has changed a lot since prohibition was repealed in 1933. Where the concern was once preventing public nuisances from lining the streets, they are now a necessity to attract restaurants, hotels, and other venues communities compete vigorously to attract. Also, the size of the community in allocating licenses doesn't seem to be as much of a deciding factor. Stricter DUI laws monitor abuses.

This being 2016 it would seem that this should be a local issue to debate on its merits and consequences rather than have the Governor declare an exception as was necessary for the Titledown district.

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Chicago is a great city to visit or to change planes on your way to

Florida. You might necessarily not want to live there however. For one thing, the city is deep in debt and the cost of living is high accordingly. Combined city, county, and state sales taxes approach 15%, and property taxes are also high. The city has the lowest credit rating meaning they pay the highest rate to borrow money. They have literally run out of things to tax or fees to charge.

A recent USA Today item disclosed that 3,000 people with assets of over \$1 Million moved out of the city last year seeking greener pastures. In addition, and despite strict gun laws, there have been 141 homicides as of April 1, compared with only 82 at this time last year.

The police have complained that rules mandated to make them more conscious of Constitutional and civil rights have only resulted in more violence when doing their duty.

Good news is that the Cubs might do better this year.

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A political issue is being made of raising the minimum wage to \$15.00 per hour. California and New York have already passed laws raising it to that amount. We acknowledge this is a touchy and highly emotional issue, and everyone has a right to earn with a decent income for their labors. There are still a lot of significant pros and cons to consider, not the least of which is inflation and impact on those with fixed incomes.

Basically would it be better left to the private sector job market and economy to work out and suffer the consequences of competitive costs and inflation, or just continue to keep allowing the government to mandate the rules?

The government has already determined what the poverty level is.

Basically the income point where a theoretical family could survive regardless of their life style and other demographic considerations. We realize that inflation and maintaining a competitive lifestyle requires a decent income. Many workers make more than the minimum and many make less. Every job has certain advantages, including useful experience and the opportunity for promotion or to move on if you desire and most people understand this.

What happens next after McDonalds starts charging \$10 for a hamburger?

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On the same subject, why do government agencies seem to have an obsession with using hourly rates to compare salaries and supposedly put everyone on a level playing field? The Department of Labor seems to have the attitude that everyone who works for a living, regardless of education, responsibility, gender or any other measure is one who works for a living also punches a time clock to measure their time at work in order to determine their compensation.

There are many measures used other than the intimidating time clock. Examples are straight salary, commission, salary plus tips, piece meal, bonuses, or some combination of the above all designed to accommodate the employers needs while offering employee compensation.

The DOL with their union rule mentality is concerned that employers abide by the overtime law of time and a half pay over 40 hours per week. They now propose raising the limit for salaried workers to be exempt from overtime. In other words, be paid strictly by the hour for a 40 hour week unless specifically exempt from the present

\$23,660 to \$50,440 annually. While there may well be some justification for this, it appears to be a classic example of government interference with the private sector. We fail to see what could be accomplished except the creation of more cumbersome record keeping, bureaucracy and laws to be ignored. This is the type of misguided law that discourages private business and raises the cost of doing business.

The basic rules of running a business have always been to first obtain qualified employees for your specific needs, pay them an adequate and fair salary for their labors, remain competitive while providing proper working conditions and benefits, and provide proper documentation for tax purposes. Any hourly employee who does not receive overtime pay will let you know fast enough.

Many salaried people, while not considered supervisors, have more flexible hours and are paid to do a job rather than by the hour. They may even do clerical work from home without the hindrance of a time clock. In many cases bonuses and commissions are a large part of ones earnings.

Other questions are: The government itself lists their job openings by annual salary rather than hourly pay. What's to stop the DOL from establishing 35 or even 32 hours as the threshold for overtime sometime in the future?

Do these rules apply to teachers or members of the military? There are dramatic variances in the cost of living and average salaries from one part of the country to the other, and most people seem content with where they live. Assuming McDonalds workers in New York are underpaid does not call for regulations to change our entire system. One size never fits all.

What they do not seem to realize is that many people are comfortable with their jobs.

While some government oversight may be necessary to maintain order, is there such a thing as too much?

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It was estimated that contributions for the Presidential race had passed the Billion Dollar point before the end of March. The winner will have a lot of people to thank.

Donald Trump however, claims to be financing his own campaign. In addition, it is estimated he has received at least \$1.9 Billion of free media attention, some good and some bad but mostly due to his behavior. Whether this proves to be helpful remains to be seen.

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In 2010, Congress passed the Healthy, Hunger-Free Kids Act (HHFK), to assure that schools participating in the National Lunch Program offer healthful food like Michelle Obama eats. Since then, student participation in the has declined by 4.5%, and some school districts have been forced to cut back their lunch programs accordingly.

The Dept. of Agriculture which administers the program is considering fining school districts who do not comply, thus making it against the law not to eat your broccoli.

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MetLife has been in business for over 150 years, and is one of the most respected corporations in the world with over 100 million customers. As life insurers, they have always carried reserves to cover anticipated claims, and invested surplus funds prudently to provide security.

With the passage of the Dodd-

Frank Financial Reform bill, government regulators assumed they must be doing something illegal in order to be so successful. First they demanded MetLife downsize because they were too big, and then suggested they increase their reserves. While MetLife started taking steps to comply, and disrupting their corporate structure in the process, a Federal Judge in Washington finally decided to forget the whole thing - so far they could find nothing wrong.

This thing may not be over yet, but we believe MetLife should be showing Washington how to run it's business rather than the other way around. .

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The City Council and County Board will have a number of issues to discuss and resolve during the next few months. The suggestion boxes for what to do with excess Lambeau field sales tax are filling up fast.

First, a new baseball stadium no doubt would be a welcome addition to the cities existing sports venues. Whether the South Broadway location is suitable and best use of the site will have to be decided, along with whether the overall cost to taxpayers would be warranted.

The Colburn Park swimming pool is beyond economic repair and in need of replacement. The other outdoor pools in the city are very popular and seem to be a good investment . However there is talk of making it an Olympic size pool which could double the estimated cost. The question may be is such a facility needed to give the children of the area summer recreation, or for the limited few interested in competitive sports?

Another potential expense is replacing the present Police

**March Meeting Notes**

Green Bay Police Chief Andrew Smith addressed the meeting. The new chief has been on the job since February 1. Previously, he was a Commander on the Los Angeles Police Department, where he completed a 27 year career. He was born in Waukesha, Wisconsin and grew up in Iron River, Michigan. He is pleased to be back in the Midwest, where people are friendly and are supportive of law enforcement.

Chief Smith feels that public employees have a responsibility to be good stewards of taxpayers' money. He noted that the Police Department budget is the largest component of the City of Green Bay budget. He believes that grant money should be spent as carefully as local tax dollars.

The present Green Bay Police Department building was built in 1969. The second story was added in 1993. In addition to having inadequate space for operations, the building has some structural problems and limited storage area for evidence. Planning for design of a new building is underway.

Body cameras are expensive, but they can save money by preventing lawsuits. A major cost is digital video storage, which must be safe and secure for the large amount of video recorded. The chief is visiting the Appleton Police Department to learn how they are installing cameras at a substantially lower cost than the estimate for Green Bay.

Chief Smith is empathetic with good citizens living in gang infested areas. He does not see big gangs with large turf areas in Green Bay. Instead, we have smaller gangs importing drugs from larger cities and selling them here. The Green Bay Police Department participates in the Brown County Drug Task Force investigating meth and opiate crime.

Brown County Supervisor Bernie Erickson introduced Paul Fontecchio, Public Works Interim Director for Brown County. Mr. Fontecchio presented information indicating that when transportation costs and product quality leading to longevity of the pavement produced are considered, operation of the Brown County asphalt plant is less expensive than purchasing asphalt from a commercial plant.

**Dave Nelson – Secretary**

Headquarters. There is no question this is important due to the growth of the city and associated problems. Although still claimed be in the planning stage, a price tag of at least \$40 Million has been suggested with a proposed site yet to be announced.. Although revenue bonding would likely be used to fund these and any other projects which may come

along, the financing cost is seldom mentioned to the public. Also seldom mentioned is when outstanding debts from previous bonding have been satisfied without adding to the total, determining whether your property taxes will increase or not.

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We are hearing more about lead

Articles and views appearing in the "TAX TIMES" do not necessarily represent the official position of the Brown County Taxpayers Association. We want to encourage discussion and input on current issues of taxpayer interest and invite your comments or articles suitable for future "TAX TIMEES." Please send them to the BCTA, P.O. Box 684, Green Bay, WI 54305-0684 or email BCTaxTimes@gmail.com

pipes that supply drinking water to older buildings causing serious health problems.. This was brought to light in the recent Flint, MI, fiasco. Thousands of communities in the country may also have a problem. In Green Bay alone, over 1,700 homes have been identified with lead pipe water service.

While this is a serious problem, is it something happening all of a sudden or present since the pipes were installed 100 years ago? All water seems to contain minute traces of contaminants and various dissolved minerals including arsenic, nitrates, chloroform, and methane, measured in parts per billion to name just a few.

Our local health and utility experts should be able to devise a plan of action. This could be an immense undertaking, and we understand the Green Bay Water Utility has set aside \$8 million which probably won't go very far.

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When approval and financing for a new Milwaukee Arena was finally arranged last year, the total price was listed at \$500 Million. Now that everyone is on board and construction is set to go, the estimate has risen to \$524 Million. About double of the Lambeau Field expansion.

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While all of the candidates may promise to spike the economy to pay for their promises, we have yet to hear how. A recent article in Forbes ranked the USA 22d in the world and falling as a place to do business. Our trade deficit has been running about \$45 Billion per month, and Wisconsin is still referred to as a tax hell.

As usual, lots if things to wonder about. **Jim Frink-BCTA**

**April Meeting Notes**

Brown County Executive Troy Streckenbach presented an overview of County government issues. Brown County has 31 departments with 26 department heads reporting to the county executive. The County budget is \$256 million. It was \$286 million his first year in office.

In his last budget, he proposed holding the property tax rate flat with an increase in the tax levy. The County Board opted to increase the levy by \$1.1 million to fund a mental health initiative.

Phosphorus is a major issue facing Brown County. A question is whether NEW Water should spend \$200 million to reduce its phosphorus discharge by 50 percent when it accounts for only 3 percent of the total county phosphorus discharge. A committee is working on plans for more effective solutions. Local legislators have been very supportive of the County's concerns.

Demographics is another issue facing Brown County. Declining birth rates and a brain drain as young people move away are problems. We need cooperation between private businesses and our universities to create more opportunities and challenges for our young people.

Infrastructure is critical to the growth and health of our local economy. A five year transportation plan is being prepared. We need to make our transportation needs a priority for the Wisconsin Department of Transportation.

Resource recovery is improving as technology advances. We will continue to improve the handling of our waste stream with a goal of zero waste. Organic waste recovery or compost collection has the potential for reducing a substantial percentage of landfill waste.

Brown County is aggressive on investigating and prosecuting Section 8 housing fraud.

2018 is the 200th anniversary of Brown County. Ideas for the anniversary celebration are welcome

State Senator Rob Cowles noted that a major audit of the entire transportation budget is underway. He hopes it will be completed this fall. He feels strongly that all waste must be removed from the transportation budget before any talk of a gasoline tax increase begins. He is also monitoring the high-capacity well issue. The DNR has a large backlog of well permits.

County Treasurer Paul Zeller reported that the County Treasurer's Office returned \$67,000 of its annual budget to the County's general fund.

**Dave Nelson – Secretary**

*“Things That Make Us Wonder,” consists of taxpayer related thoughts that occur to us from daily news events. We use reliable, published information and statistics. Some items are unimportant and probably not worth commenting about while others could easily be expanded to full length feature articles worthy of further study and action to protect our interests as*

*taxpayers. We try to cover a wide variety of subjects in limited space and perhaps put a different spin on items from what you read in the papers or see on TV. . However, one of our purposes is to encourage debate, as we realize there are two sides to every question. Comments or suggestions are welcome for inclusion in future “TAX TIMES.”*

# The TAX TIMES

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## BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

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Thursday - May 19, 2016. BCTA Monthly Meeting.  
12:00 Noon. Doug's Take 5

Thursday - June 16, 2016. BCTA Monthly Meeting.  
12:00 Noon. Doug's Take 5

BCTA monthly meetings are held the Third Thursday of each month, 12:00 Noon, at Doug's Take 5, 3600 Riverside Drive, Allouez.

Meetings are open to the public. BCTA Members, their guests and other interested parties are cordially invited to attend and participate in our open discussions.

**COST:** \$9.00, Payable at meeting. Includes lunch, tax & tip.  
Call Tom Sladek – 499-7701 for information or to leave message.

## May-June 2016

“Liberty cannot be preserved without general knowledge among the people” . . . John Adams

“The advancement and diffusion of knowledge is the only guardian of true liberty” . . . James Madison

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New Members are  
Always Welcome.  
Visit our website  
[www.BCTAxpayers.Org](http://www.BCTAxpayers.Org)  
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