
◆ The TAX TIMES ◆

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QUESTION # 2

There will be two questions on the ballot when we vote on the 1/2% sales tax for Lambeau Field renovation.. The first will be: "Shall a sales tax and a use tax be imposed at the rate of 0.5% in ...County for purposes related to football stadium facilities in the ... Professional Football Stadium District?" The second question shall be: "Shall excess revenues from the 0.5% sales tax and use tax be permitted to be used for property tax relief purposes in ... County?" Approval of the second question is not effective unless the first question is approved. Many people are asking why are we looking at question #2 now? We will exceed our cap on tax rate unless we increase our income or reduce services. We are limited by State law on the tax rate cap and would need a referendum approved by voters to exceed the cap. Our representatives in Madison obligated the voters to look at adding a 1/2 % sales tax to increase the revenue side of the budget.

How did we get here is the question? Lets review some of the numbers:

The budget, levy, allowable levy and equalized value are expressed in millions of dollars.

Year	Total Budget	% Change	Levy	% Change	Allowable Levy	% Change	Equalized Value	% Change
1997	138.3		37.2		37.4		8,687.8	
1998	144.8	4.7	39.5	6.2	40.5	8.2	9,396.6	8.2
1999	150.4	3.9	42.1	6.6	43.1	6.2	10,016.7	6.6
2000	158.2	5.2	44.3	5.2	45.6	5.8	10,582.3	6.2
Projected for:								
2001	164.8	4.2	51.7	16.7	47.8	4.8	11,111.4	5.0
					48.3	5.9	11,217.2	6.0

The big increase in the levy is due to the reduction of W-2 funds on the revenue side and extra costs on the expense side. The extra costs are for staffing and facilities management for the new jail. These three items are anticipated to add about \$3.8 million to the levy. Allowable levy is levy minus debt service cost and other items known only by accountants. The tax rate is the levy divided by the equalized value and is the amount of tax per \$1000 of assessed valuation. The allowable levy with a 5% increase in equalized value would be \$47.840 million and with a 6% increase in equalized value would be \$48.296 million. In fact, to support the proposed levy would require an increase of equalized value to \$12,018 million or a 20% increase. This will not happen and therefore something needs to change.

County Executive, Nancy Nusbaum, will be at our July meeting to help us gain insight on this problem.

Frank S. Bennett Jr.

The BROWN COUNTY TAXPAYERS ASSOCIATION
Promoting Fiscal Responsibility in Government

DOES BROWN COUNTY REALLY WANT A SALES TAX ?

While efforts touting Brown County residents to vote themselves a new sales tax as being the only way to preserve Lambeau Field and the future of the Packers are getting all of the attention, the government of Brown County is letting us know that they want some of the action also.

Buried deep in the fine print (page 11), of Wisconsin Act #167 (the document that would make it legal to establish a special tax on a county with a professional team), is a provision allowing for "excess revenues from the 0.5% sales and use tax be used for *Property Tax Relief for County Purposes.*" This allows for question #2 assuming a referendum is held.

How much money would be left after the Packers take their share is still speculation, but either way on question #2, don't look for the sales tax to go away after the mortgage is burned.

BCTA president Frank Bennett is well aware of the fiscal problem the county is facing, and this is well established in his article on the previous page of this "TAX TIMES." However, the term "*Property Tax Relief*" is very misleading, and to actually publish it as part of a state statute shows disregard for the taxpayers by our legislators. We all agree that citizens of Wisconsin have some of the highest property tax rates in the country and any relief would be welcomed by all of us. However, don't expect to accomplish this by adding another tax. By law, county sales tax proceeds can only be applied to the expenses of the county. They would do absolutely nothing to reduce the taxes levied by your school district or municipality. In most cases, the county portion of your property tax bill is only about 25% of the total. Schools, municipalities, VTAE districts, etc., account for the remaining 75% and a county sales tax will do nothing to relieve that burden. Do you really believe a token reduction in the county portion of your tax bill will reduce your property taxes? Guess again, the sales tax does nothing to relieve school taxes, which will keep rising dramatically as voters approve new construction and pay for the teachers to staff them.

"Don't expect to accomplish property tax relief by adding another level"

While the property taxes we pay are outrageous, it is still up to our elected officials to justify their annual budgets if they want to keep their jobs. State mandates prevent certain property tax rates from going over a certain level. While this is well-intended to prevent runaway taxation, it creates budget problems which we believe should be explained and justified to taxpayers before a sales tax is imposed. There are other alternatives, including cutting the budget or raising the levy limit to cover the expenses we are all supposedly demanding or are being mandated for us.

Brown County has some large expenditure items to cope with in the years to come, but it is our belief that our county officials should be straight-forward with what the cost to us will be, and not try to hide them behind another tax

which could very well costing taxpayers more than is actually needed. Let us explain.

In 1994 the BCTA conducted a study of the counties in Wisconsin, comparing the tax situation in those counties that had imposed the sales tax with those that hadn't. Although the economy has grown since that time, we have seen nothing in any comparisons of county-by-county tax rates, spending, indebtedness, etc., to suggest that the conclusions we drew would be any different today. In fact, an analysis of a 1998 comparison of county spending on major issues which we prepared on data provided by the Dept. of Revenue indicated that spending for county purposes was more than \$100 higher per capita in counties with the sales tax than those without. \$547.55 to \$450.53. The difference in spending would be largely attributable to the additional taxes imposed and available. Following are the main conclusions of our study:

- **The County Sales Tax does not reduce property taxes.** Property tax bills may be smaller for a year or two. However, we concluded that property tax collections actually increased at a faster rate than the overall state average and are about the same in counties with and those without the sales tax..
- **The County Sales Tax Fuels Additional County Spending.** Counties with the sales tax collected 27% more tax dollars per capita than those without the sales tax. This is because there was still a property tax and a county sales tax. This amounted to \$42.69 per capita more in county taxes in counties that had a sales tax.
- **The County Sales Tax Increases the Appetite for Debt.** Even though reduction of county debt was used as an excuse for imposing a sales tax, in the period of 1984 through 1991, the bonded indebtedness of counties with the sales tax increased by 121% while debt in counties without sales tax increased by only 90%. We concluded the reason was that the tax revenues were used as an excuse rather than a need for additional spending.
- **County "Effective" Tax Rates are Higher When The Sales Tax is Imposed.** The "effective tax rate" (sales and property taxes combined), adjusted to per \$1,000 full assessed valuation was over 25% higher in counties with the sales tax than those without.

It seems that some of our elected officials are losing sight of the fact that Wisconsin's residents are amongst the highest taxed in the nation. By and large, we do not have the ability to increase our income for every new spending proposal that comes along. We prioritize and get along without if necessary. Wouldn't it be nice if government could do the same?

Jim Frink

"Funny how a \$100 bill looks so big when you take it to

Correction to Last Month Article.

I want to provide clarification to items on the first page of last months "Tax Times", in the article "Packers To Stay in Green Bay." When I stated "not a word to the mayor," I was wrong. John Jones of the Packer organization assures me a thorough briefing on the public announcement was made with the mayor the day before the announcement was made. In addition, the Mayor met with Commissioner Tagliabue on November 7, 1999, to share thoughts on the stadium. Mr. Jones assures me that the atrium will not cost \$125 million but will be about \$4 million for the structure and maybe another \$2 million for the mechanical, electrical and plumbing. The atrium is the section of the new building that will house the Hall of Fame, The Packer Pro Shop, and the Stadium Club. One floor in the building will house the Packer locker room, training room and exercise areas. Another floor will house the Packer offices. The existing team facilities and offices will be gutted with the additional concourse areas to be built. As these areas are part of football operations, they are not considered to be part of the atrium.

I appreciate the discussion with I had with Mr. Jones as we strive to provide the most accurate information to our readers.

Frank Bennett

"A developer is someone who wants to build a house in the woods. An environmentalist is someone who already has a house in the woods." . . . **Dennis Miller**

Articles and views appearing in the "TAX TIMES" do not necessarily represent the official position of the Brown County Taxpayers Association. We encourage discussion and input on current issues of taxpayer interest and invite your comments or articles suitable for future "TAX TIMES". Please send them to the BCTA, P. O. Box 684, Green Bay, WI 54305-0684, or call Jim Frink at 336-6410. Frink@ExecPc.Com.

JUST ONE MORE TIME !

While the taxes we pay are at the top of the heap nationally (35.4% of income compared with 33.8% national ave.) our elected officials, despite all their promises to lower taxes at campaign time usually turn their backs at new spending proposals which only lead to still higher taxes.

People complaining of high taxes seem to forget they are driven by their own demands for new facilities and services, complicated by the general inefficiencies of government.

Anyone who has children should understand the problem. As much as you try to teach them the value of money, they always want another toy or treat which you always end up buying for them. You give in to the plea of "just one more time."

Look back just a few years in Wisconsin history. The present price of automobile gas has brought attention to the fact Wisconsin's gasoline tax is among the highest in the nation. This has largely resulted from the tax being increased for a number of "urgent" highway improvement projects through the years.

While the sales tax remains a target for new sources of revenue for projects such as Lambeau Field, it is already about tied with the individual income tax as a source of revenue for the State of Wisconsin. This revenue source also stated as a limited source of revenue back in the early 1960's. It started at 3% and only applied to sales of items considered luxury on non-essential, and was even considered as temporary at the time. The state just needed a little help at the time.

The only thing that was temporary was the length of time before a lot more items were added to the taxable list, until it included just about everything except groceries, prescription medicines and lawyer fees. Rates were increased to 4% and the 5% and now this produces over \$3.3 billion per year. Then the county option .5% sales tax came along. The federal government and states have exhausted just about every source of taxation they can think of, always remembering that

it is best to keep taxes hidden as much as possible so as not to offend the wrong constituents prior to the next election.

Here we go again. No one denies that the Lambeau Field project as envisioned by the Packers would be an asset to the community, and keep them competitive and financially sound. Their plan and the numbers they have provided the public have been examined and discussed and debated by everybody in the state. It is difficult to find two people with the same thoughts and opinions. The people with season tickets are being asked to sacrifice considerably with seat user fees and higher ticket and concession prices. However, their plan leaves a huge debt on the citizens of Brown County, the size of which dwarfs any other public project. Brown County consists of less than 4.5% of Wisconsin's population, yet they are being asked to assume a financial burden the entire state backed away from considering. There are a lot of projects, some quite urgent that taxpayers will be burdened with in the months and years to come. As much as the Packers contribute to the economy, the imposition of a sales tax for their benefit could be just as detrimental. An individual may not worry about the few cents he pays in additional tax to buy a pair of shoes for his children, but what is his families share of the \$15,000,000 or so that this tax would take from us each year?

We could go on and on. For example, the concepts and drawings of the proposed stadium are quite impressive, but at what point does the expense necessary to produce additional income for the Packers end and added cost for non-income producing items such as enclosures, offices and other appearance items begin? Could the plan be scaled back to still provide additional income without all the extras? Other cities have recently built whole new stadiums for what the Packers are asking. In effect, all they are doing is adding another 10,000 seats. Have all sources of potential income really been considered?

In short, we really have all the taxes we need.

JF

The Upcoming Brown County Budget and The Cost of Our New Jail.

Reports indicate that there will be a shortfall of about \$4million between expenditures and revenue in the new Brown County budget. This is despite continued economic prosperity along with increased property valuations. State mandates limit property tax levy increases to a point that Brown County has apparently reached, and a county sales tax could still be a consideration even if voters reject both questions #1 and #2 in the September Lambeau Field referendum.

It should not seem difficult to eliminate \$4million from a \$181million budget, but so far, the committee studying the problem has not come up with the answer.

One area that has caused a lot of discussion in recent years is the new jail now under construction, and more recently what it will cost to operate after it is opened. Taxpayer cost has been an ongoing issue since the need for a new jail was first determined. Recall that pros and cons of many sites were debated as well as the cost of transporting prisoners to other counties which seems to be the major reason for a new jail in the first place.

Now it is discovered that the cost of staffing our new palace could alone exceed the cost of transporting prisoners. Considerably in excess of other new jails recently constructed.

Examples are the new jail in Shawano County with a staff of 51 guarding 300 inmates, a ratio of 5.9/1. Marathon county has a ratio of 6.7/1, Oneida County has 8.7/1 and Forest County has 5.9/1, and so on.

Now Brown County, which has had ample opportunity to examine jails all over the country and design the perfect facility is asking for a staff of 180 security personnel for 524 inmates. A ratio of less than 3 to 1. We have heard estimates that if a ratio of 6/1 were incorporated into the design and staffing needs of the new jail, a savings in the neighborhood of \$4 million per year could be realized.

We realize that there are a lot of considerations in the construction of jails that most people simply do not realize. However, if our neighboring counties can keep construction and staffing costs in line, why can't we? The next big budget item will probably be a new mental hospital, and it is frightening to think of what all of the consultants, architects, and staffing experts that usually get involved with these projects will do. Yes, certain standards must be met, but costs should also be a consideration.

Our elected officials and their appointed department heads should be able to justify their budget requests. **JF**

"I don't think that we should let a shortage of funds prevent cities from financing needed projects."

. . . **Hubert Humphrey**

"In the great mass of our people, there are plenty of individuals of intelligence from among who leadership can be recruited."

. . . **Herbert Hoover**

"Never smarten up a chump." . . . **W. C. Fields**

An Evaluation of Raising Ticket Prices at Lambeau Field to Maximize Revenue for the Green Bay Packers. By Herbert Ripka

The Green Bay Packers have proposed a renovation to Lambeau Field that will cost \$295 million. If the Packers maximized the revenue potential of Lambeau Field, they would not have to go to the voters of Brown County for a referendum to increase the sales tax to raise \$160 million. A referendum, I believe, that has a chance of being defeated. I will show how the Packers could use market-based pricing strategies to reduce reliance on tax-payers.

Current Situation

Lambeau Field, located on the southwest edge of Green Bay, Wisconsin, is the home field of the Green Bay Packers. The 42-year-old facility has already been modified a number of times. Its current capacity is 60,890, which includes 198 suites and 1,920 club seats. There are 56,112 general admission seats.¹ The waiting list for tickets has 53,000 fans on it.² There are enough backlogged "orders" to almost fill another Lambeau Field. A business with that many backlogged "orders" needs to evaluate its pricing. Price regulates the supply and demand for goods or services. A new pricing strategy by the Packers' could help equalize the excess of demand over supply.

The Green Bay Packers need money to compete in the NFL (National Football League). There are three main sources of revenue for NFL teams: TV revenue, ticket sales, and merchandise sales. Depending on the way ticket sales are structured, for example through a "seat license," determines how much of the revenue is shared with other teams. One of the stated reasons to renovate Lambeau Field is to raise revenue to be able to afford players and stay competitive in the NFL. The Packers should be able to tap their strong fan base for the funds necessary to remain competitive.

From the Packer website: "The Packers Revenue (rank in the NFL): 1995 Revenue – 9th, 1999 Revenue - 15th, 2003 Revenue – 31st. For example, this season the Packers rank 15th out of 31 teams in total revenue. But in just a few short years, the team will rank dead last. Our fans and our community won't settle for that kind of performance. And neither will the Green Bay Packers."³

From a Milwaukee Journal/Sentinel article: "The Green Bay Packers had a net operating loss of \$419,000 last year, the first time the franchise has reported such a loss in more than 10 years."⁴

I estimate that the Packers generate almost \$14 million, per year, from stadium ticket sales. See spreadsheet)

The Green Bay Packers themselves realize they need to raise prices. "Will ticket prices be increased? Yes. In the near future, the Packers will announce new prices. But reasonably increasing ticket prices alone won't generate enough money to fix the stadium because visiting teams get a cut of 40 percent."⁵ The Packers will increase prices by \$6 a ticket in fiscal year 2001-'02 and by \$3 in 2002-'03. By not wanting to share their revenue, the Packers are holding themselves back.

The Packers currently play 10 games per season at Lambeau Field: 2 pre-season and 8 regular season games. One pre-season game is a charity game. For every dollar the Packers raise ticket prices, they could be getting over \$60,000 per game. With the 9 (non-charity) games they play, that would be an additional \$540,000, per dollar increase in ticket prices. Due to NFL revenue sharing, the Packers could keep 60%, or \$324,000. Opposing teams would get 40%, or \$216,000. Although they would have to share revenue, the Packers would be the major recipients of the new revenue.

"Despite the increases, the average price of a Packers ticket still is likely to be at or below the NFL average. In 1999, the average price of a ticket in the NFL was \$45.63, compared with \$42.57 for the Packers, according to Team Marketing Report, a Chicago-based firm that tracks ticket prices in the four major sports."⁶

I estimate that if the Packers merely charged NFL average ticket prices, about an additional three dollars per ticket, they could keep \$972,000 per year. (Three times \$324,000) This is a possible revenue opportunity for the Packers.

Current Situation (cont.): Evidence of Under-pricing

1. The "backlog" of ticket orders with 53,000 fans on the waiting list.
2. Underpricing their tickets, compared to average ticket prices for other NFL teams.
3. Ticket re-sales in the secondary market range in price from \$60-275.⁷ For the first exhibition game on Friday, August 4, 2000 against the NY Jets, prices ranged from \$60 in the end zone, to \$90 between the 30- and 50-yard lines. For the Chicago Bears' game on Sunday, October 1, 2000, prices ranged from \$185 to \$270.
4. Packer fans are fanatical about their team. Anecdotal reports of large numbers of Packer fans traveling long distances to see their team are common. Are Packer fans price-sensitive? When the Packers raised prices last year, very few fell off the waiting list. This shows that ticket prices are highly inelastic. This also shows that the Green Bay Packers could raise additional revenues by increasing ticket prices even more. The current Lambeau Field renovation plan asks current ticket holders to pay a one-time fee of \$200 per game. Holders of the Green Bay package (7 Games) will pay \$1400. The Milwaukee package, which has fewer games, (3 Games) will pay \$600.⁸ There has been some complaint from ticket holders, but fans probably realize what a bargain they currently receive, compared to other NFL tickets, and what tickets cost on the secondary market.

There is an extraordinary demand for Packer tickets by fans. Milwaukee Brewers' and the Milwaukee Bucks' games are not regular sell-outs.

Using sports pricing from baseball and basketball leads one to the conclusion that the differential between the "best" seats and the "worst" seats at a sporting event can be from 5- to 7-times. For example, the price range on Milwaukee Brewer tickets is \$5 to \$28.⁹ The price range on Milwaukee Bucks tickets is \$10 to \$75.¹⁰

The Packers currently have only six price levels¹¹: 1- End zone seats (sections 0-8 and 31-36) - \$42 (low-priced), 2- Other sideline seats (sections 9-14 and 25-30) \$46 (medium-priced), 3- Seats between the 20-yard lines (sections 15-24) \$53 (high-priced), 4-Wheelchair tickets \$44 . 5- Private box tickets \$56, and 6- Club seats \$126.

I will show that the Green Bay Packers could use ticket sales to bring in much more revenue that could be used for player salaries, or even pay for a new stadium.

Note: This entire report will ignore the private box tickets (\$56) and club seats (\$126), which ring Lambeau Field. These are already "premium" seats that the Packers offer. These two categories could also be raised. Some would say there be a danger from my recommendations that the skyboxes will lose pricing power since some of the same market that would be willing to pay for skyboxes would be also those that would be buying premium seats. I disagree because the skyboxes have their own separate amenities over and above anything offered in the stands. Therefore, there would be no overlap between the market for skyboxes, and the market for premium seating in the stands. This report will also ignore the wheelchair tickets, because there are relatively few of them.

This report counts only nine (non-charity) games in the spreadsheet calculations, (one pre-season and eight regular season games.) This report also does not even count revenue from playoff games, if any. Those games would be a bonus for the team.

Recommendations for the Green Bay Packers

These recommendations could be used by the Packers to maximize revenue from Lambeau Field: **1) Odd Number Pricing, 2) Double Current Ticket Prices, 3) Premium Seats, 4) Peak-load Pricing, 5) Deriving Revenue from Waiting List.**

Recommendation #1 - Odd Number Pricing

The Packers current prices (for 2000-01) are \$42, \$46, and \$53. These were raised from \$37, \$41, and \$46 for the 1999-2000 season. Merely by going to odd number pricing, such as \$49, \$59 and \$69, might help reduce fan reaction. The influence of previous prices would be a big obstacle and could cause a strong negative fan reaction. Packer fans have been used to below-market costs for their ticket prices, but if the Packers raise their prices in stages, this would cut negative fan reaction.

I estimate that if the Packers went to Odd Number Pricing, they could get \$17.4 million from stadium ticket sales. This is an increase of \$3.4 million, or 24.4%, per year, over current pricing. (See attached spreadsheet)

Recommendation #2 - Double Current Ticket Prices

The secondary market for Packer tickets shows what the market will bear much higher prices for tickets to Packer football games. Doubling current ticket prices may sound excessive, but the secondary market would say otherwise. For example, the Chicago Bears game range is \$185 to \$270. \$185

Continued next page

is 4.4 times the "low-priced" \$42 list price. \$270 is over 5 times the "high-priced" \$53 list price.

I estimate that if the Packers went to Double Current Ticket Pricing, they could get almost \$28 million from stadium ticket sales. This is an increase of almost \$14 million, or 100%,

per year, over current pricing. (See spreadsheet)

Recommendation #3 - Premium Seats

The best seats for a football game are those closest to the field on the 50-yard line. The further you are from this prime spot, the less desirable are the seats. Even the Green Bay Packers' current pricing considers this. The Packers could take advantage of this perception of "better" seats by adding a fourth category, which I call "premium" priced. These premium seats would be the lower 40% of the 10 "high-priced" sections. These premium seats would have even higher prices than the current "high-priced" seats because they are closer to the field, and better seats. The price-insensitive fans that want the better seats would pay these premium prices. On the attached spreadsheet, in the "plus Premium seating" areas, I have separated the "high-priced" sections into four premium, and six "high-priced" sections.

The Packers could also use bundle other benefits, along with the higher priced tickets, which would increase the value that fans perceive in them. Closer, reserved parking for the premium sections would cost the Packers almost nothing, yet would drive up demand for the premium seats.

Used with the Odd Number Pricing (Recommendation #1), I estimate that if the Packers went to charging extra for Premium Seats, they could get \$19.9 million from stadium ticket sales. This is an increase of \$5.9 million, or 42.6%, per year, over current pricing. (See attached spreadsheet)

Used along with Double Current Ticket Pricing (Recommendation #2), I estimate that if the Packers went to charging extra for Premium Seats, they could get \$29.3 million from stadium ticket sales. This is an increase of \$15.3 million, or 109.8%, per year, over current pricing. *This could generate the greatest revenue covered in this report.*

Recommendation #4 - Peak-load Pricing

One idea that I have not even studied is the use of yield management to set peak-load pricing. There are certain teams that the fans are more willing to see. In the secondary ticket market, the Chicago Bears and the Minnesota Vikings, two teams in the NFL Central division, command higher premiums than other teams. The Packers could charge more for games with preferred teams, and charge less for low-demand teams. Charging more for playoff games, another idea for the Packers, is not covered in this report.

Once the Packers have trimmed their backlog of excess demand for tickets, they could use the Internet to sell tickets. They could offer variable pricing, based on demand for individual games, much as airlines do for their flights.

I have no way of estimating the revenue from Peak-load Pricing. As previously stated, prices in the secondary market for tickets to a Bears' game ranges from \$185 to \$270. This is another possible revenue opportunity for the Packers.

Recommendation #5 - Revenue from the Waiting List

The 53,000 people on the waiting list are already signed up as committed fans. The Packers could also gain more revenue by charging people on the waiting list and provide special premiums for them, such as a magazine like "Inside 1251," or the Packer yearbook. Even getting just \$10 per year

from each person on the waiting list would, by itself, bring in over a half million dollars per year.

Were the Green Bay Packers to take advantage of their incredible fan support and charge a true market rate for their product, there would be several advantages. Why go to the taxpayers when the Packer fans are the beneficiaries? Fans would get a more competitive team, and fans show the willingness to pay. Using Double Current Ticket Pricing, (Recommendation #2) along with Premium Seating (Recommendation #3) would bring in an additional \$15.3 million per year. This would pay for the entire Lambeau Field renovation costs in only 19.3 years, plus interest. (\$295 million divided by \$15.3 million). Later, there would be surpluses to pay for improvements to the team itself.

Summary

The Green Bay Packers need to maximize the revenue that they can generate from Lambeau Field. The Packers need a better pricing strategy, and could use any one of these five new recommendations to increase revenue. They need this revenue to renovate Lambeau Field, and to stay competitive. Using their unique advantage would help them in the long run. Charging below average and below-market ticket prices does not help the Packers at all. The Packers have already announced price increases for next year. The Packers could raise prices much more. Thank you.

Herbert Ripka

Sources:

- ¹ Lambeau Field Redevelopment Fact Sheet at <http://stadium.packers.com/faq/factsheet.html>
- ² Phone conversation with Green Bay Packers' ticket office
- ³ Green Bay Packer website at <http://stadium.packers.com/background>
- ⁴ Milwaukee Journal-Sentinel website at <http://www.jsonline.com/packer/news/may00/pack28052700.asp> "Packers post operating loss for last year" by Don Walker, May 27, 2000
- ⁵ Green Bay Packer website at <http://www.packers.com>
- ⁶ Milwaukee Journal-Sentinel website at <http://www.jsonline.com/packer/news/mar00/1packtix031700.asp>
- ⁷ Ticket prices from Ticket King (414-273-6007), Front Row (414-281-8100) and Event USA (414-351-3571)
- ⁸ Green Bay Packer website at <http://stadium.packers.com/faq>
- ⁹ Milwaukee Brewers website at <http://www.milwaukeebrewers.com>
- ¹⁰ Milwaukee Bucks website at <http://www.nba.com/bucks>
- ¹¹ Lambeau Field website at <http://www.packers.com/lambeau/stands>

We want to thank Mr. Ripka for his thoughtful and well prepared analysis, and present have included it in the "TAX TIMES" it as a suggestion that there are other ways for the Packers to fund their project than by imposing an unwelcome sales tax on the citizens of Brown County, Wisconsin. We realize that raising ticket prices beyond present levels and projections would be unpopular and has been already discussed to death by the Packer organization.

Nonetheless, one of his plans, possibly used in connection with other possible revenue sources could possibly

eliminate the need for dependence upon public funding for this project, which is really the goal of our organization.

In addition, this would place the burden of paying for this project more upon those actually attending games, and would also place more burden on those from without the area who attend Packer games which has been the discussion of much discussion recently. Such a plan could possibly place more season tickets in the hands of fans actually attending games than making them available to scalpers which presently seems to be the case. Following are tables provided by Mr. Ripka for the "TAX TIMES.

Brown County Executive Nancy Nusbaum to Address July BCTA Meeting.

Our July meeting will feature Brown County Executive Nancy Nusbaum, whom we are sure will address the upcoming county budget and what the options are for funding it. Details are on the back cover of this "TAX TIMES."

"There are plenty of recommendations on how to get out of trouble quickly and fast. Most of them comd down to this. Deny your responsibility." . . . **Lyndon B. Johnson**

BCTA Seeking Donations for Advertising Campaign.

The Brown County Taxpayers Association has made it perfectly clear on a number of occasions that we are as interested in seeing Lambeau Field renovation proceed as anyone. However, we do not believe that a county sales tax is either necessary or advisable for this project.

It is already clear that the Packers organization and supporters have unlimited funds available and fully intend to use every public relation method in the book in an effort to obtain your support.

We don't believe this should be completely one-sided, and have organized a campaign to promote this project without the use of a sales tax imposed. We love the Packers but do not believe that a sales tax to support them is necessarily right for Brown County.

Unfortunately, the BCTA is a volunteer organization, and our funds provide for very limited needs such as our newsletter and meeting expenses. If you would like to help with a contribution or any other assistance, please contact any of our directors, call Frank Bennett at 499-7866. Jim Frink at 336-6410, write us at P. O. Box 684, Green Bay 54305-0684.

Thank you.

"A fanatic is one who can't change his mind, and won't change the subject."

. . . **Winston Churchill**

"The power to tax involves the power to destroy."

. . . **John Marshall**

Negative Effects Of A County Sales Tax.

While the Packers and Brown County officials tout all of the positive things they could do with a little sales tax revenue, they seem to overlook items such as where is the money coming from, and who has to collect it for them. Many of the community leaders promoting this scheme have business connections with education, hospitals, social service agencies, law firms and others unlikely to have any concern with a sales tax except to pay "a few cents extra" on their day to day purchases. Item #1 - It is estimated that 35% of the tax would be paid by business on purchases of items they use. Manufacturers and farmers are exempt by law on tools and equipment they use but contractors and others are not. Any tax paid by business is usually passed on to their customers.

Item #2 - Each million dollars of sales tax revenue at 0.5% requires \$200 million in taxable retail sales to produce. To produce the \$15 million estimated annually would require \$3 billion in sales from all of the merchants in Brown County combined. This says a lot about the economy, and it is projected to keep increasing. A loss in sales due to the sales tax would be difficult to determine, and it would certainly effect some merchants more than others. For example, a 1% loss from 3 billion in sales would equate to \$30 million in lost business revenue. Unless Outagamie and other nearby counties suddenly decide to impose a county sales tax this could very well be a factor. This probably wouldn't effect restaurants or the rest of the entertainment sector which seems to be pushing this thing, but anyone selling appliances, furniture, jewelry and other large ticket items which are not titled or delivered may notice the difference. An example is all of the retail stores in Waukesha county which does not have the tax while Milwaukee county is wondering how to help it's shopping malls. Is this the shot in the arm that Port Plaza needs?

Item #3 - Even if visitors to Green Bay paid for 15% of the sales tax, guess who pays the rest. We live here all the time.

Item #4 - There is a lot more to the economy of Brown County than entertainment and shopping. At least 6 of the nations 500 largest private companies are headquartered here, plus other significant large companies. There are literally hundreds of wholesalers and others making sales all over the state and world. It is necessary for them to comply with every tax law and jurisdiction they come in contact with, and it does create an expensive headache. Much more than the restaurant owner who simply makes an adjustment to his cash register.

It is difficult to understand how imposing a sales tax for any purpose would be helpful for "small" business but that is what we are being told.

An editorial in the June 25 *Press-Gazette* commented on the fact that Wisconsin placed 46th out of the 50 states as far as individual personal wealth is concerned. The good news is that we are still ahead of Arkansas and West Virginia. Several valid reasons are given, but one of them was high taxes.

A lot has been said about this, but the fact still remains that the total tax package burden on Wisconsin's citizens is right at the top nationally. Our economy is good, but business planning on expansion always takes the tax situation into consideration. Any tax burden which is added only makes the situation worse.

While those promoting the Lambeau Field project refer to those opposed to another tax burden as "Anti-Packer", those calling for the sales tax could be referred to as "Taxers and Spenders."

We seem to forget that not everyone can afford any more expenses of any kind whatsoever. The pennies here and there add up over the course of a year. There must be some significance to a report claiming 25% of Brown County children are considered living in poverty. Just where are our priorities?

Editor - TAX TIMES.

It is clear that our form of government is the best in the world. However, one weakness lies in the fact that many of our elected officials don't have the character and fortitude to hang tight to that which is right. The result of the debates and the vote on the Lambeau bill is an example of the lack of responsibility on the part of our state legislators. Recently, I discussed the subject of the Lambeau plan with one of my state state representatives. During the discussion I stated, "You realize that the Lambeau plan is a misuse of our tax system, don't you?" His reply was, "Yes, but whatever there is a proposal for a new tax, we should have a referendum." What he was saying was that in spite of the fact that the proposal is wrong, he didn't have the fortitude to vote against it, so let's go to a referendum and shift the responsibility.

As voters, we need to do more to seek out and encourage intelligent people to run for office who have the courage to separate right from wrong and stick to their convictions. This is the only way we can have a strong and responsible government.

Jim Smith, BCTA

"You can't legislate intelligence and common sense into people."

. . . **Will Rogers**

"When anyone gets something for nothing, someone gets nothing for something."

. . . **Anonymous**

"I can remember way back when a liberal was one who was generous with his own money."

. . . **Will Rogers**

"The governments view of the economy could be summed up in a few short phrases. If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it."

. . . **Ronald Reagan**

"The biggest danger for a politician is to shake hands with a man who is physically stronger, has been drinking and voting for the other guy."

. . . **William Proxmire**

"There is no such thing as a non-political speech by a politician."

Things That Make Us Wonder.

Whether the federal justice departments vengeance against Microsoft and other corporations is justified is difficult to understand. If it was intended to protect consumers, (as they claim), there seems to be a lot more being lost in the value of pension plans around the country than will be saved by consumers in the marketplace. Right or wrong, government has spoken and we will all have to keep looking over our shoulders as we conduct our business or make investments.

Personally I would feel more comfortable if the justice department would do a better job of punishing drug dealers who not only poison our society but evade taxes in the process, and also take care of some of the corrupt and inefficient government officials who keep falling through the cracks.

Shortages and high gasoline prices will probably be a way of life in the years to come, and hopefully we will be able to adjust accordingly. The present situation certainly doesn't justify any cause for higher taxes. The ancient Wisconsin mark-up law probably serves some useful purpose, and we realize that running a service station is not necessarily a profitable business. At least not until operators find that gas at \$2.00 a gallon is twice as profitable as \$1.00 a gallon, with the state backing them.

A recent "Press-Gazette" article brought attention to the new 65,600 seat Paul Brown stadium in Cincinnati and that construction costs borne by taxpayers were already \$45 million over budget. It was \$287 million to start with compared to the Packers \$295 million. The article further stated we shouldn't worry because the Packers were salting away \$20 million of surplus funds for contingencies. Even with overruns, the people in Cincinnati are getting a brand new state of the art stadium in a prime location for less announced money than the Packers want to spend enclosing their 42 year old bleachers. Seats in Cincinnati will be 20" wide (how wide are they at Lambeau?) and will probably include backs. They will have 400 concession stands when finished and average one toilet for every 50 patrons. There will be a few less box seats but about double the club seats planned for Lambeau. Perhaps because they don't have a waiting list, their ticket prices are somewhat below ours across the line. It just sounds like their fans are getting a lot more for their money, and are not worried about being last in the league in revenues. Incidentally, the population of metropolitan Cincinnati is about 2 million, and Hamilton county in which it is located had 867,000 residents in 1990, so whatever taxing scheme they used, they should have a much broader base than the 220,000 people of Brown County that the Packers want to extract \$300 million or so from.

The announcement that Wisconsin has adjusted its' income tax withholding tables for wage-earners does not mean that taxes have been reduced or our reputation as a high taxed state is in jeopardy. You may think their was actually a tax increase next April 15 when you expected refund check is smaller. Just like all taxes, the trick is to make them seem as small and unnoticeable as possible. It is actually up to each individual to make sure that sufficient taxes are withheld to meet their annual obligation to the government. If they want a refund and consider it a gift, they can adjust their withholding deductions accordingly. Remember the state or federal governments do not pay interest. Just wondering. JF

JF

JUNE MEETING NOTES.

Monthly BCTA meeting conducted June 15, 2000 at the Glory Years. President Frank Bennett reviewed the BCTA's objectives for providing Brown County taxpayers with a total unbiased picture of the issues concerning the proposed Lambeau Field renovation sales tax referendum. Speakers from the BCTA are available to speak to any local organizations about the sales tax referendum. Frank noted that the BCTA needs to obtain a copy of the Price Waterhouse study, with supporting data, estimating the Packers' annual economic contribution to Brown County, to verify the validity of this study.

Brown County Supervisor Pat Collins explained that the Brown County Board is working to get an understandable version of the Packer stadium renovation sales tax bill from Representative John Gard. Supervisor Collins stated emphatically that Brown County voters must understand exactly what they are voting on in the "Packer sales tax" referendum. He is concerned about a number of provisions in the stadium district law, including the stadium district's right to sue.

Green Bay Alderman Gary Kriescher stated that the Green Bay City Council committee searching for sources of alternate funding for the stadium renovation is very serious about its mission.

State Representative Frank Lasee explained that taxes are higher now than at any time since 1944. The government's take has increased from 36 percent of income to 38 percent in the last six years. We are closing in on European countries. Germany is at 50 percent. Sweden is at 66 percent.

Mike Riley of Taxpayers Network, Inc. distributed copies of "WHAT EVERYONE SHOULD KNOW ABOUT ECONOMICS AND PROSPERITY", published by the James Madison Institute. This concise book outlines the ten key elements which include, along with eight others: There is no such thing as a free lunch, and increases in real income are dependent upon increases in real output. One of the missions of the James Madison Institute is educating Americans and world leaders about the economic and moral superiority of capitalism.

The next BCTA meeting is scheduled for July 20, 2000, at the Glory Years. Brown County executive Nancy Nusbaum will be our speaker. David Nelson - Secretary

BCTA Meeting and Events Schedule.

Thursday - July 20, 2000 - Glory Years, Washington St. Inn.
347 S. Washington St. 12:00 Noon, BCTA Regular Meeting.
Speaker: Brown County Executive Nancy Nusbaum.

Thursday - August 17, 2000 - Glory Years, Washington St. Inn.
347 S. Washington St. 12:00 Noon, BCTA Regular Meeting.
Program to be announced.

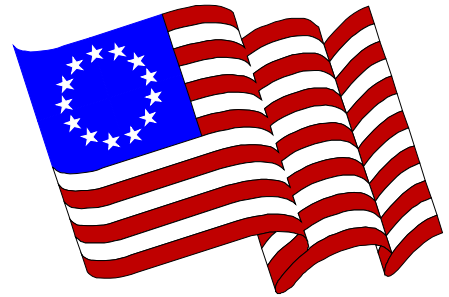
Tuesday - September 12, 2000 - Primary election day. Lambeau
Field Renovation Referendum to decide if Brown
County should have a sales tax.

Thursday - September 21, 2000 - Glory Years, Washington St. Inn.
347 S. Washington St. 12:00 Noon, BCTA Regular Meeting.

All member of the BCTA, their guests and other interested persons
are cordially invited to attend and participate in these open meetings.,
Phone 336-6410 of 499-0768 for information or to leave message.

Regular meetings are held on the third Thursday of each month at the
Glory Years, 347 S. Washington St., Green Bay.

PRICE - \$6.50 Per Meeting - Includes Lunch - Payable at door.



July - 2000

"I place economy among the first
and most important of Republican
virtues, and public debt as the
greatest of the dangers to be
feared." . . . Thomas Jefferson

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New Members are Always
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Call 336-6410 or 499-0768
Write us at P. O. Box 684
or visit our website
www.BCTAxpayers.Org

The TAX TIMES

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