
◆ The TAX TIMES ◆

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Newsletter of the Brown County Taxpayers Association

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First Casualties at the Voting Booth.

Let's hope the first casualty coming out of the voting booth is a candidate, and not the voter. Governments are becoming alarmingly eager to circle the wagons and close off public scrutiny of information and negotiations. At state and local levels closed-door decisions and dealmaking seem to be growing. Under the guise of protection of public interest protection, governments are surrogating Truth in Our Name. Contracts, and negotiations require a degree of confidence, but when the need for confidence becomes subservient to full disclosure and discussion, we've 'got trouble right here in River City with a capital T and that rhymes with P and that stands for.....Phantom government.

The Governor and the State are privately negotiating gaming compacts having far-reaching implications for the fiscal and economic future of the State. We hear these proposals without the benefit of discussion or input after the ink dries.

The process undermines the credibility of the Governor's office at a crucial time. He declared a new day of open government, asking for our questions and suggestions. But these recent developments stymie the process and discredit his message. Behind closed doors "We the People" vanish before the nameless and faceless negotiations. It's the 'Daredevil' approach to politics.

Does the Governor's New Day Budget signify a renaissance for State affairs or an opportunistic political amalgam of short term fixes without fundamental reform? Does the budget represent a sincere attempt to change the way Wisconsin does business forever or is it a simple rearrangement of the deck chairs?

Negotiations for Brown County's regional water supply have lasted a decade or longer. Now the deal languishes in committee meetings and private discussions with an occasional announcement of a breakthrough in the negotiations. Just what is so threatening in this process that the citizens cannot be told the truth?

Again we face a Phantom government. Leaders strive to work out a deal, but who is the beneficiary? We move closer to a deal to clean up the Fox River is in the works but at what costs, and to what legitimate end? The end may be the destruction of the paper industry in the Valley.

Why doesn't our Phantom press relegate to the back pages information often published in out-of town papers such as the article published in the Journal Sentinel offering information about piping sludge from the Fox River following a recreational trail to some unfortunate farmer's fields. The deals for this piping process were made with little reporting in the local papers. What incentive remains for the paper industry, a critical segment of the local/state economy, to stay? Has the question ever been put before the voters; do you want the mills to leave? Mexico may have a much more appealing climate in more than one way.

To a degree, apathy and reluctance to question representative officials has lead us to this crossroads. At this crossroads the road leads to more of the same Phantom governing and budget tricksters or the harder road hopefully leading to a powerful change of direction, a victory, a renaissance. We must put an end to Phantom Government. Voters must make this the first casualty.

BROWN COUNTY TAXPAYERS ASSOCIATION.

Richard Parins,
President

Results of 2003 Taxpayer Survey in this TAX TIMES.

The BROWN COUNTY TAXPAYERS ASSOCIATION Promoting Fiscal Responsibility in Government

Governor's school statements suggest serious implications for local districts and taxpayers.

FOR SEVERAL YEARS, Wisconsin school districts have had a free-pass, courtesy of state government.

By that, we are not suggesting districts have had it easy - just that state policies have taken some of the hard decisions out of the hands of local school officials.

For example, state spending caps and the Qualified Economic Offer (QEO) system mostly settled any disputes between labor and management, more or less mandating a 3.8 percent increase in benefits-and-pay packages. Likewise, two-thirds state funding of public education allowed districts not just to hold the line on property taxes, but in many instances to enact rate reductions.

GRANTED, THE STATE system produced plenty of grumbling from teachers and administrators, and frequently squeezed budgets. But because state government set the standards, local peace prevailed.

Apparently, that's about to change.

Gov. Jim Doyle, wrestling with an enormous \$3.2 billion deficit, has uttered the magic words: **1.** Wisconsin cannot afford to maintain two-thirds funding of public education. **2.** The QEO and spending caps could be changed or discarded.

TRANSLATION: STATE DOLLARS for local school districts could shrink, just as pent-up demand is released for bigger raises and benefit enhancements.

That sounds like a sure-fire recipe for higher property taxes to be borne by local homeowners and businesses. The schools must be paid for, and local taxpayers are the last line of funding if state assistance contracts while labor costs expand.

Political interest in the schools has been minimal the past few years, in direct correlation to a general easing of property-tax pressures. School board meetings usually play to empty audiences. Board members frequently are elected unopposed. Citizens may or may not be satisfied with academic performance, but without the financial incentive of rising taxes the public rarely has been motivated to confront decision-makers.

OUR SUGGESTION: It's time to keep closer watch on the public schools and the decisions associated with running them. If the governor and legislators follow through by paring state aid and easing cost controls, every taxpayers' wallet is in serious jeopardy.

Property-tax payers' voices need to be heard in this process, before decisions are made in Madison and at local levels.

Richard Parins

"Taxes, Jobs & Economic Development," BCTA Holds Candidate Forum.

On Tuesday, March 18, the BCTA sponsored an important candidate forum on the subject of taxes, jobs and economic development. The forum included Green Bay mayoral candidates David Nennig and Jim Schmitt, and Brown County executive candidates Carol Kelso and Len Teresinski. Former BCTA president Rod Goldhahn served as moderator.

In the mayoral race, Nennig cited his 21 years of service to the city government and budget setting expertise as key among his qualifications. Schmitt contended his combination of business and government experience made him the best choice. Both men were cautious when asked if property tax rates would rise during their hoped-for administrations. Schmitt said he thought the current tax rate could be maintained "but a lot depends upon what the State does." Nennig stated he would not "make promises I don't know that I can keep", but added "we will do our darndest to keep the property tax rates from rising."

David Nennig

The candidates for county executive both touted their experience, and spoke to the approaches and focus they would bring to the office. Teresinski said he would establish a broad, diverse advisory group to get issues identified early so

Jim Schmitt

that timely and cooperative solutions could be developed. Kelso indicated she would concentrate her efforts in three areas: property taxes, restoring respect for county government, and economic development.

This forum was the only pre-election venue in which the public was able to hear these four candidates speak exclusively to the vital issues of taxes and the economy. Audience members and BCTA directors submitted a wide range of questions to the candidate panel. All four candidates deserve to be commended for their willingness to participate in our forum and we thank them for fitting us into their busy campaign schedules.

Len Teresinski

We had originally planned this forum for Feb. 14, but canceled it due to a scheduling problem. We apologize for any inconvenience or misunderstanding. Thank you.

Tom Sladek - BCTA

Carol Kelso

Results of BCTA 2003 Taxpayer Survey.

Concern over increasing taxes, local and state issues.

The results of the BCTA 2003 Taxpayers Issue Survey have been tabulated, and we believe give a good idea of how our members perceive the various current issues that face Brown County taxpayers.

Similar polls have been recently publicized in the media. Ours is different in that we don't phone people at random, who may or may not be willing or knowledgeable to respond, or do not have time to give thought to their answers. Ours was strictly voluntary. We did not ask respondents to identify themselves, and they could give full consideration to their written answers.

Our membership represents various backgrounds and interests, all concerned with government issues and taxation, and it is obvious from their questionnaire answers that they were given careful consideration. We are pleased that almost 40% of you took the time to return our survey. The results will be used to guide us through the year to prioritize our activities, and to reinforce our position on various issues of current taxpayer interest.

Some of the areas covered have changed since our survey was mailed, and new developments may have effected both our questions and your answers. We will point these out as the results are presented. Results are given by percentage of respondents.

If (assuming) the State of Wisconsin opts to raise taxes to balance their budget, what would be the fairest and least painful for all concerned?

- A-Raise personal and corporate taxes across the board. 1%
- B-Raise sales tax rates and/or eliminate items such as legal fees, groceries, etc. 10%
- C-Reduce state aids to schools and municipalities and let local units of government raise their property taxes to make up the difference. 1%
- D-Reduce state aids to schools and municipalities and impose local option taxes, sales and other taxes approved by local referendum. 4%
- E-Raising taxes is not an option. Gov't agencies should submit revised budgets based on avail-

able revenues and any tax increases should be approved by public referendum.

- 80%
- F-Other. 4%

"Other" suggestions included freezing gov't spending, taking capital construction out of state funding for schools, noting that those who are unemployed or on fixed incomes cannot raise their incomes to pay more taxes, raising beer taxes, user fees & taxes directed more to those who use services, and evaluation/elimination of some government programs.

The Brown County Board is still debating what to do about a new mental health center. Based on your knowledge of this issue, how do you think they should proceed?

- A-Construction should proceed based on current plans and estimates of \$30+Million. 3%
- B-More thought should be given to cost, design, mandates and need before proceeding. 3%
- C-Full consideration should be given to privatizing the services, with cost estimates and compliance with state and federal mandates carefully evaluated. 31%
- D-Study should be given to building joint facility & share costs with other counties. 30%
- E-Consider all options, but delay the project to a later date under a possibly better priority and economic climate. 30%
- F-Other 3%

Other suggestions included remodeling the present structure, cut back on services, and how other counties get by without such facilities.

Do you believe this issue should be left to the voters to decide in a referendum? Yes - 53% No - 47%

Our conclusions to response from these last two questions indicate that options to building a \$30+ million facility should be considered, and that the county board should be capable of making the proper decision due to the fact there was not an overwhelming majority of respondents favoring a referendum on this issue.

The EPA is ready to start dredging the Fox River to remove pollutants, at an estimated cost of over \$300 million to be paid by area paper mills. Environmental groups seem to favor spending more money at taxpayer expense, while the mills are claiming economic hardships in maintaining their workforces. What are your thoughts on this?

- A-Dredging should start and proceed as proposed at the expense of the paper mills. 30%
- B-Dredging should start and continue at high priority regardless of cost to taxpayers. 0%
- C-We are all concerned with the environment, but more study is needed as to other possible environmental side effects, the transportation and disposal of soils and effect on local business. 49%
- D-Other items are more important now. 15%
- E-Other 6%

Other comments included "Determine what long range effects would result from doing nothing," "leave it be," "The \$300 million should be used to reduce amount of pollutants entering the river. Treat the cause, not the symptoms," "DNR compromise with some fine tuning might work," "hydraulic mining spoils could be used to provide docking for large vessels at the mouth of the bay" and "the paper mills are having a rough time now."

Since our questionnaire was mailed, it was disclosed that the DNR was considering using the Fox River trail as a route for piping dredged spoils to a site in southern Brown County. This may or may not have an effect on how people feel about this project.

If the Brown County budget keeps expanding, how should it be financed?

- A-An additional .5% county option sales tax in addition to the Lambeau Field sales tax. 7%
- B-Keep raising property taxes as needed. 7%
- C-Keep imposing and raising user fees. 28%
- D-Other 58%

Most of the respondents who chose "other" suggested contain the budget, cut spending, or stop expanding the county budget. More explicit ideas were to cut the number of employees, freeze spending, reduce salaried workers, take a closer look at property now exempt from property taxes, limit budget to rate of inflation, cut overtime pay, and "hold a Boston tea party, call it the cheeseheads challenge."



While county taxes are only about 25% of your property tax bill, how should rising school and municipal taxes be paid in the future?

- A-Additional local option sales taxes. 6%
- B-Keep raising property taxes as needed. 10%
- C-Keep imposing and raising user fees. 29%
- D-More money from state revenue sharing at taxpayer expense. 1%
- E-Other 54%

CONTINUED ON NEXT PAGE

SURVEY – CONTINUED

This question was included to emphasize the fact that although county spending gets much of our attention, the schools and municipal governments also are expanding their budgets which impact our property tax bills. Most of those who indicated “other” suggested cutting or freezing spending.

Also mentioned were “increasing productivity,” “compare spending to the private sector and mandate that costs be comparable,” “keep spending at or below the rate of inflation,” “rearrange on state level how school taxes are paid,” “Keep spending down, it is not impossible,” “the schools are government and therefore they waste. They need to change their mindset and focus on being a business with a business plan,” “cut unnecessary services and programs,” “have school in 2 shifts and stop building such expensive schools that are only used half the time,” “privatize schools,” “just say NO – for a few years,” “what if our schools held a telethon each year to raise funds,” and “give administrators the job of saving money rather than spending it.” Many of the respondents indicated frustration with increasing property taxes.

There has been much discussion regarding the financing of political campaigns. What are your thoughts?

Should political campaigns be financed at taxpayer expense? **YES 8%, No 92%**

Should spending limits be placed on political campaigns? **Yes 77% No 23%**

Should more restrictions be placed on special interest contributions?

Yes 82% No 18%

Should more disclosure be made to the public on legislation and political appointments regarding campaign contributions which could possibly be influencing the action being taken? **Yes 97% No 3%**

From our responses it is obvious that while we should favor meaningful campaign finance reform – it should not at the expense of taxpayers. Some of the comments we received on this subject were: “Donations should be limited to registered voters from the area the candidate represents,” “Restrict out-of-state influence in state and local political campaigns,” “Radio and TV should donate more time to all political parties,” “outlaw lobbying in every form,” “individual contributions only-document on website,” ~~ALL candidates should have access to the media TV, Radio, Press~~ to present their positions,” “should make time limits to election,” “All monies remaining in candidates campaign funds after an election should be contributed to charity. This would stop war chest building,” “no taxpayer financing; instant disclosures of contributors.”

Note: The BCTA has previously taken a firm stand AGAINST any public financing of political campaigns.

The Indian Tribes operating Gambling Casinos in Wisconsin are seeking extensions of their compacts which allow them to operate, what are your thoughts on this?

Would you favor extending the pacts to 25 years as the tribes are requesting? **Yes 17% No 83%**

Do you believe that more accounting to the state should be necessary first? **Yes 93% No 7%**

If the compacts are extended, should more money flow to the state treasury? **Yes 97% No 3%**

Do you favor continuation of the state lottery as it now exists with property tax relief? **Yes 60% No 40%**

While a majority of our survey respondents apparently see no problem

with the state run lotteries, (We didn't ask how many actually participate), there was certainly some question as to extending the Casino Compacts. Unfortunately our questionnaire was mailed and responses were returned prior to Gov. Doyle's disclosure that he had already taken care of things for us. Considering Wisconsin's long history of gambling restrictions, we had assumed this was a matter that would be discussed in the Legislature with an opportunity for public input prior to taking any action. We were disappointed. Also, it has not been made clear if the new compacts will provide for payments to municipalities harboring the casinos as at present, or if all of the money will go to the state first.

Some of the comments we received on this were, “No check cashing services or TYME machines within 500 yards of a casino,” “up the % the state receives for property tax relief,” “get rid of the lottery, the state shouldn't be in the gambling business,” “a lottery is not a proper function of government,” “use all casino money to the state for property tax relief,” “refund is not worth it,” “we don't now what happens to the money,” “eliminate gambling in the State of Wis.” “who are the players and what is their relationship to this tremendously important cash cow?” and “If Indian Tribes can operate casinos, then anyone should.”

Work is proceeding on a station to transfer locally collected solid waste to larger trucks for shipment to a remote waste disposal site. What are your thoughts on this?

This is a good idea, and will save taxpayers money in the long run. **Yes 34% No 35% Undecided 31%**

We included “undecided” as there were a significant number of respondents who indicated they did not know enough about this issue to answer.

More thought should be given to this plan and future solutions to waste disposal. **Yes 62% No 34% Undecided 16%**

Again, there were several comments that they had seen insufficient information to comment on this matter, or that any cost savings had not been adequately established. Other comments

were, "if all ramifications were made public, there would be no problem," "What are we doing compared to other areas?" "burn the solids that can't be recycled," "must keep looking for other ways to dispose of waste in the future," "what is the cost?" "it was done with too much secrecy," "county board should take control of solid waste accountability," "bureaucratic costs not eat up the proceeds. Bids were not taken for the transfer station and it is an environmental disaster," "too bad the public doesn't realize these are long term solutions that have been studied in detail," and "locate transfer station near highways 41 or 43."

From what you understand of the Metropolitan Water Agreement between the City of Green Bay and surrounding suburbs, do you believe this will be a good plan for all concerned?

Yes 50% No 34% Undecided 16%

While half of respondents indicated approval of the plan as it is proceeding, there were questions which could be a result of whether you live in Green Bay or one of the suburbs. Responses included "Suburbs should build own pipeline," "those with existing wells should not be forced to hook up to system," "water rates will triple under plan," "limit plan to those municipalities with present needs," "favors Green Bay too much," "We must build a new pipeline," "prefer a regional water agency including Green Bay and suburbs," "too much secret negotiating," "the suburbs should be moving forward on their own," "some communities have dropped out raising the cost for others. A cost/benefits study should determine it's value," "if the storage system works and Green Bay is paid fairly," and "a good first step, but perhaps a central water authority is better in the long run."

Do you think more consideration should be given to a Metro Police Force assuming the level of service and cost savings could be realized?

YES 92% NO 8%

Do you favor present spending cap limits imposed on public schools?

YES 93% NO 7%

Should changes in spending cap limits to be subject to referendum?

YES 74% NO 26%

Should the Chamber of Commerce continue to be pro-active politically?

YES 29% NO 71%

Do you feel that the county board should base their decisions on what is necessary for the county rather than a political philosophy?

YES 97% NO 3%

Should spending caps be imposed on county spending?

YES 94% NO 6%

Should spending caps be imposed on state spending?

YES 96% NO 4%

Should candidates for public office pledge not to raise taxes without public approval?

YES 82% NO 18%

Should a supermajority (2/3) be required by state and local governments to raise taxes?

YES 94% NO 6%

Would removal of parking meters in Green Bay help downtown development?

YES 61% NO 39%

Specific items you would remove from the city, county or school budgets to save taxpayers money.

"Have state, county, city & school districts employees pay more of their health care costs," "charge for bulk garbage pick-up; reducing planning & parks staff," "class sizes are now too small and their should be MORE discipline in schools," "combine police and fire services in the county as much as possible, and have garbage and trash collections privatized and removed from property taxes," "mental health center;" "Green Bay should stop spending money to get people down town," "reduce free and reduced school lunches unless income is verified," "have all city, county, state & school district employees pay half the cost of health insurance, especially dental and vision coverage," "return county parks

to municipalities," "reduce administrators in school districts," "stop enlarging govt. departments through consolidation - bigger govt. units are not cost efficient," "employees should pay a higher percentage of their health insurance-just like the private sector," "eliminate elementary school physical ed teachers," "better use of school buildings-they sit empty 185 days each year," "reduce pensions, health care, raises and people, way too many govt. employees doing little or nothing," "cut our little things such as bridge lights burning all winter telling us to proceed when the bridges aren't going up," "take a look at school bussing, lots of half empty buses with many children taken to school by car," "DARE program," "more privatization of county and municipal services," "many school grant programs seem to be of dubious quality and effectiveness with lots of pork fat," "accept more open bidding on projects," "The Brown County Golf Course - Sell it!," "the street department seems to waste a lot of money, & city buses run with few riders & sometimes empty," "athletic programs should be paid for more with user fees," "take a closer review of bonding," "a smaller county board and shrink school administration & salaries, get rid of special programs and study operations elsewhere that have lower & efficient taxes," athletics should be fun and not funded ads for schools," "completely overhaul & cut back on benefits packages, make the employees pay a greater share of their benefit packages and get them off the gravy train," "remove capital improvements from the 2/3ds state fund," "start with entertainment expenses such as the arena, water parks, etc., as with a family budget recreational expenses after other obligations have been met."

We point out that these were suggestions and observations from survey respondents and are not necessarily the position of the BCTA. We do believe, however, that all points of view are important in establishing a consensus to arrive at the best solution of problems.

Again we want to thank those who took the time to complete and return our survey, and for your interest in the Brown County Taxpayers Association. Further comments and material suitable for inclusion in the TAX TIMES is al-

Additional Comments from 2003 Taxpayer Survey.

The last item on our survey was, "list additional comments or concerns." Following are some of the responses received, *Note: Responses to our survey were anonymous, and are presented below in no particular order.*

"Retirement/benefits packages for public employees need to reflect what is happening in the private sector. Term limits would help get special interests out of the system. Politicians should not set pensions," "We absolutely have to find some way to reduce the tax burden on property owners with restraints on spending," "Public wages cannot keep going up each year when the private sector is losing jobs.," "Consolidations of services & agencies at the county level is a financial necessity," "more volunteers should be used to reduce costs in school programs," "all county buildings should be energy efficient and use alternative energy when possible," "unfort-unately, too many of the supervisors don't understand or don't respect the structures of the government of Brown County," "we need govt. of 'Have to 'Have' & eliminate 'Nice to Have' spending.. Maybe we need a 'Value Added' tax which targets disposable income," "partisan politics do not belong at city or county levels," "everyone else has had to cut back drastically because of the market returns - why (can't/doesn't) the government do the same?" "govt. spending and higher taxes will lead to a general collapse of our society - start moving your assets offshore now!" "a metro police force is a joke; too political to ever happen," "cut spending on everything," and, "reduce debt load for business and home owners."

Again, thank you for your input. We have tried to be accurate and complete in the presentation of our 2003 survey, and apologize for any errors or omissions. Your comments and suggestions for future polls are appreciated. JF

"In a free and republican government you cannot restrain the voice of the multitude."

George Washington

MEMBERSHIP - We Need Your Help !

Dear Brown County Taxpayer:

The life of our organization depends on membership. A larger group allows greater input into this organization as well as a larger voice on Taxpayer Issues.

Won't you take a moment to think of your friends and neighbors that might benefit from this and can offer broader support for us.

Please give them the attached application and suggest they join our effort in make State and Local Governments more responsible to the bearer of the taxes they levy.

PS: If they would like to talk to someone in the BCTA and to save you the time, have them call Rich Carlstedt, (membership chairman) anytime at 499-4899 and he will discuss the activities of our organization and times of our meetings. Or, if you prefer to provide the names and addresses of prospective members, we will write them with information and a request to join us.

Thank you.

**Rich Carlstedt
Membership Chairman**

February Meeting Notes:

Monthly BCTA meeting held Feb. 20, at the "Glory Years."

County Supervisor Tom Lund spoke on the concept of a multi-county mental health facility. He is the leading proponent of this idea. In support of this concept, Human Services Chair Steve Fewell has written agreements to keep counties from opting out to place their patients in surrounding counties' facilities. Supervisor Lund explained that the U.S. Supreme Court's Olmstead Decision requires that patients be placed in the "least restrictive environment" for their needs. He expressed his concern for individuals' dignity. Complying with the Olmstead decision is likely to require different types of facilities, with less patients in traditional facilities.

President Richard Parins discussed several components of the gov-

ernor's budget proposal for the state, including elimination of the QEO for school districts and the provisions of the gaming compacts for the tribes. He would like to see unfunded mandates eliminated. He urged BCTA members to write letters expressing their views and concerns to the papers.

Judge Kendall Kelley, running for a full term as a Brown County Circuit Court judge, outlined his qualifications and explained his philosophies as a judge.

The Water Supply Study Task Force reported that no minimums have been agreed upon yet. 10 million gallons of water with an arsenic level of 5 parts per million were pumped into a City well for a test. 120 million gallons have been pumped out and the arsenic levels were still above 10 parts per million. City wells are not cased deep enough for ASR.

David Nelson - Secretary

Say "No!" to an Internet Sales Tax.

Every day, thousands of American consumers take advantage of one of the most innovative and rapidly expanding forms of commerce -- The Internet. Internet sales totaled at \$13.1 billion alone during the 2002 holiday season - most of which was not subject to sales taxes.

In 1998, Rep. Chris Cox (R-CA) and Sen. Ron Wyden (D-OR) authored the Internet Tax Freedom Act that prohibited taxes on Internet access and sales. The prohibition of these taxes, however, expires in November 2003.

In the face of massive budget shortfalls, state governments are eyeing Internet sales as a source of revenue. To address the difficulties of different tax rates and rules, they envision a sort of "sales tax cartel" that would set a standard national sales tax rate. Such upward harmonization of state tax rates would set a dangerous precedent. Tax competition encourages states to keep taxes low to attract business. Agreeing to a national floor under tax rates opens the door to ever-higher taxes.

To protect innovation in the newest technologies, and to protect the idea of tax competition among the states, Congress must pass a permanent extension of the ban on Internet sales taxes, and must deny to the states the power to collude on tax policy. Go to <http://www.capwiz.com/atr>. Tell your Senators and Congressman to ban taxes on Internet sales, and to keep tax competition among the states!

Contributed by Mike Riley, TNI

BCTA Agrees, Internet Sales Tax a Bad Idea.

Anyone who uses the internet to any extent will agree that despite some frustration with learning and operating the use of computers, it is one of the greatest developments of modern technology. The ability to communicate with vendors, examine their offerings and place orders at your convenience has many advantages over the mail, telephone, and in many cases a personal visit to a retail establishment.

While the avoidance of applicable sales taxes are possibly a consideration, perhaps regarded by some as an exchange for having to pay delivery expenses, in most cases this already makes for an illegal transaction. Why? - Because just about every state that has imposed a sales tax law has also imposed what is called a "Use Tax Law." What this means is that if you purchase a taxable item from out of state, and do not pay sales tax on that purchase, you are liable to the state in which you live to submit the sales tax.

Assuming that you are a Wisconsin resident, and file an income tax return. There is a line that asks, "Did you make any taxable purchases from out-of-state firms during 2002 on which sales and use tax was not charged?" If yes, you must report Wisconsin sales and use tax on these purchases on line 26 of Form 1A or line 14 of WI-Z, if these items were stored, used, or consumed in Wisconsin. Technically, if you purchase an item out of state, you are expected to adjust your sales tax to the applicable Wisconsin rate if you paid a lesser amount. This is particularly true if you register a motor vehicle or other titled item of personal property purchased in a different state and try to register it in Wisconsin. Other complications arise because

some states consider clothing and other so-called "necessities" exempt while they are taxed in Wisconsin or may charge you a different rate which must be adjusted.

In other words, if everyone complied with state laws and paid sales tax for items they bought through the internet on their income tax returns like the state asks, their possibly wouldn't be any problem. If there is as much money involved as the state claims, they possibly should take a closer look at our income tax returns for compliance, along with a little publicity explaining the system.

The idea of a national collection system for sales tax could be a nightmare, possibly forcing many smaller operators out of business. Internet and mail order sales are conducted by sellers ranging from the largest chains to one person operations. It is doubtful that small operations would be excluded. The sales tax structure in Wisconsin is complicated enough with county and stadium taxes involved, but simple compared to other states which have municipal sales taxes, or even different rates for different products. There are a million exemptions to keep track of. While it is impossible for small establishments to register and report their sales for each state they do business in, many of the larger retailers are able to do this already. Also, possibly more sales tax dollars are paid by business on taxable purchases they make than by individuals. They are generally more susceptible to income tax audits than individuals, and generally play by the rules as far as taxes are concerned. If they neglect to pay applicable use tax, it would be disclosed and corrected on a tax audit along with some fines. I point this out as maybe the states estimates of lost revenue are a little high.

Having a national "sales tax cartel" would likely be another government nightmare: hindering business, a huge and expensive bureaucracy, not accomplishing its purpose.

While the states complain about losing sales tax revenue, we believe some of the push for this plan comes from established retailers who suspect competition from the internet. While we agree that sales over the internet should be subject to established taxes the same as any other retail transaction, the problem is with the solutions offered. If indeed Wisconsin is losing over \$200 million per year on uncollected sales tax via the internet, they should crank up the collection machinery that they already have in place rather than pay someone else big money to do it for them.

JF

"Most (tax revisions) didn't improve the system, they made it more like Washington itself; complicated, unfair, cluttered with gobbledygook and loopholes designed for those with the power and influence to hire high-priced lawyers and tax advisers." . . . Ronald Reagan

VISIT OUR WEBSITE
www.BCTAxpayers.Org

Total Union Membership Down, But Rising In the Public Sector.

A report from the Public Service Research Foundation in Washington DC, indicates that the number and percentage of union membership has dropped substantially during the past two years. Using statistics furnished by the Bureau of Labor Statistics, they show that the total U.S. workforce dropped by about 475,000 from 2001 to 2002, while the total number of unionized employees dropped by 280,000 during the same period. Out of the total workforce, 13.2% belonged to unions at the end of 2002, as compared with 13.4% at

	Total Workforce	Private Employees	Public Employees	% of public employees
2001	122,482,000	103,142,000	19,340,000	15.79 %
2002	122,007,000	102,419,000	19,588,000	16.05 %
Change	(475,000)	(723,000)	+ 248,000	+ .26 %

the end of 2001.

However, the drop of 475,000 employed consisted of a decrease of 723,000 in

	Total Union Members	Union members, private	Union members public	% Union Members Public
2001	16,387,000	9,201,000	7,186,000	43.8 %
2002	16,107,000	8,756,000	7,351,000	45.6 %
Change	(280,000)	(445,000)	165,000	+ 1.8%

the private sector and an increase of 248,000 public employees. The loss of 280,000 union members consisted of a decrease of 445,000 in the private sector offset by an increase in the public sector of 165,000 union employees. As a result, at the end of 2001 **43.8%** of all union members in the U.S. were public employees and at the end of 2002, the amount was **45.6%**, or nearly half of all union employees are supported by tax dollars.

"The trouble with most people is that they think with their hopes or fears or wishes rather than with their minds.

... Thomas Edison

"The only people who say worse things about politicians that reporters do are other politicians."

... Andy Rooney

"When everything is coming your way, you're in the wrong lane." ... Steve Wright

March Meeting Notes.

County Planner Explains Water Deal.

Monthly meeting of the BCTA March 20, 2003.

Senior Planner Mike Parmentier of the Brown County Planning Commission provided some details of the water supply agreement being developed between the Central Brown County Water Authority (CBCWA) and the Green Bay Water Commission. He explained that the nine area communities depend upon groundwater for their water supplies, and will be encountering problems with both the quantity and quality of this supply. A Lake Michigan water supply can resolve both of these problems.

The CBCWA could build its own line to the lake for an estimated \$135 million, the most expensive option. Since Green Bay needs an additional line to the lake for redundancy, two more options are open to the CBCWA, partnering with Green Bay to build another line or buying water from Green Bay as a wholesale customer while Green Bay builds another line to the lake.

Aquifer Storage and Recovery (ASR) can provide additional water during peak periods, reducing the size and cost of the supply line to the lake. ASR is approved by the DNR in Wisconsin on a case-by-case basis, depending upon test results. Thus far, the test results do not look good for Green Bay wells due to arsenic levels of the water pumped out of the test well. Also, the Green Bay Water Commission approved only a 54-inch supply pipeline, which requires ASR to be successful for an adequate supply for the CBCWA members. However, the Green Bay City Council voted to build a bigger pipeline with capacity to supply the CBCWA communities without ASR. The CBCWA is to sign a contract with the City of Green Bay. There will be a basic contract with an ASR option. The CBCWA will then sign agreements with each of its member communities. These contracts will include the wholesale water cost plus

the cost of the spoke system to deliver water to the communities. Finally, the citizens will pay the sum of the wholesale water cost plus the CBCWA's spoke system delivery charges plus their respective communities' regular water distribution costs. Currently, they pay only their own communities' pumping and distribution costs, so they will see these additional wholesale and CBCWA delivery costs in future water bills. Final numbers aren't available but the increased water costs will be significant.

Jim Frink gave a brief overview of the recent BCTA members opinion survey: Only 3 percent support building a new \$30+ million mental health center. 80 percent said that raising state taxes is not an option. 92 percent opposed using tax money to fund political campaigns. 94 percent support a spending cap for Brown County. The complete survey results will be included in the April "TAX TIMES."

The next regular BCTA meeting will be April 17, and will be in the Nicolet Room of the Glory Years which can accommodate a larger attendance. Scheduled speakers will be Brown County supervisor Harold Kaye, Vern Krawczyk, and Ben Vandenberg, who will discuss the proposed Smart Growth plan being discussed for Green Bay and Brown County. **David Nelson – Secretary**

Wis. Voters Approve 55% Of School Referendums.

In the 10 year period from 1991 to 2001, a total of 1,221 school district referendums, ranging from new facilities, additions and upgrading, and exceeding revenue caps were presented to Wisconsin voters.

Of this total, 672, or 55% of the bond referendums, representing \$4,783 billion in spending were approved by voters. A complete report on School District Referendums appears in the Jan. "Wisconsin Taxpayer." **Wisconsin Taxpayers Alliance.**

THINGS THAT MAKE US WONDER.

The same day that Gov. Doyle gave his "State of the State address", acknowledging that sacrifices would have to be made to balance the state budget, the mayor of Madison proposed a resolution supporting federal legislation making reparations to descendants of black slaves in America.

We certainly acknowledge that this was well intended to correct a horrible blight on our nations history, but before we promise anything of this nature to anyone, and considering it could prove to be an enormous and possibly abused benefit shouldn't we take care of other matters first? The national debt or health care costs for example?

While Wisconsin copes with it's \$3.2 billion or so budget deficit, which will likely end up costing all of us with a combination of fees and taxes and reduced government services, we wonder how a private company like AOL-Time Warner was able to get in the mess it is in. What was once considered a fairly well managed company is now predicting a 2002 loss as high as \$100 billion. This amount is equal to the net deficit of all 50 states put together. We will probably end up bailing them out also.

Road construction on Lombardi Ave. is underway, to be completed the middle of October. Improved access to Lambeau Field was the primary reason we will have to put up with the inconvenience all summer. The cost of \$2.55 million is being divided between Brown County, Green Bay and Ashwaubenon taxpayers with a \$400,000 contribution from the "Professional Football Stadium District." While the Lambeau Field renovation plan was being crafted, the state of Wisconsin agreed to pay \$9.1 million for "infrastructure", as an integral part of the package. It was intended to ease the burden on Brown County taxpayers, and payment was publicly received by the Packer organization. My question is, if widening Lombardi Ave., doesn't qualify as "infrastructure", just how is the \$9.1 million being spent?

There has been a lot of discus-

sion on lowering the alcohol limit to .8% before a person is determined to be driving under the influence. We all agree that driving while intoxicated definitely shouldn't be tolerated. On this issue there are many arguments pro and con, from the federal government withholding highway funds if we don't comply to individuals claiming the loss of individual freedom. No doubt some people can function better than others regardless of their blood alcohol percentage, but so far this is the most accepted, while still only a method of measurement. The penalties, court fines, increased insurance costs, and restrictions in driving privileges would be disastrous to most of us. The bottom line is preventing accidents and loss of life by keeping problem drinkers off the roads, and whether lowering the alcohol limit would really help or just be another gold mine for law enforcement and the legal profession. It is ironic that while the governor proposes transferring \$500 million from the transportation to the general fund, he claims our highway program will suffer if the federal government holds back \$125 million from now to 2008 (2% of their annual contribution) if we don't lower the alcohol rate as a trade-off.

Had a **nicc** experience with the IRS the other day. They questioned an item (their error) on my 2000 return, and ignored my letter of explanation. They sent me an assessment notice so I called their toll free number expecting to spend at least an hour of frustration with no results. I was surprised that my call went right through to a competent person who was able to resolve the problem in about 5 minutes. The question I have is, if they are able to instantly access your file from millions and millions of social security numbers, how is it possible for illegal aliens to be employed by legitimate employers, and still slip through the cracks in the system to obtain all of the privileges and benefits of citizenship?

As an employer, if you pay wages and intend to deduct the amount paid as a business expense, you are required to carefully verify the citizenship of those on your payroll. Either a so-

cial security card, drivers license, passport, or birth certificate must be presented to you. The gross amount of wages you pay and claim as a business expense must agree with your list of employees social security numbers and total wages paid. Incorrect names or numbers should immediately be signaled by the IRS or Social Security Administration. Apparently it doesn't work that way. It was recently reported a total of 41,000 illegal immigrants are living and working in Wisconsin. We have no problem with legal channels and compassion towards those less fortunate, but somehow it seems this is getting out of hand. Our government officials should either stop looking the other way and make the system work by identify these aliens and categorizing them accordingly as far as citizenship privileges are concerned. It is a matter of jobs, national security, and expense involved to taxpayers.

While President Bush's proposed tax cuts are criticized for helping the "rich" it is estimated that an additional 3.8 million taxpayers would be exempt from paying federal income taxes due to increased dependent deductions and changes in tax brackets. This would raise the total to almost half of all wage earners being exempt from liability. One question would be, if things become really, really bad would we ever get this group to pay taxes again? Who would be left to pay the bills?

It had been disclosed that Gov. McCallum gave bonuses totaling over \$45,000 to 26 members of his staff as he left office. ~~Gov. Doyle has given increases over their predecessors earnings to new members of his staff.~~ These items are at the discretion of the Governor - at taxpayer expense. We realize that this is a common government practice, especially at the federal level and in private industry. In the meantime, state employees claim that the state has not delivered salary increases promised as much as two years ago. The bonuses

Continued on Next Page
Things That Make Us Wonder - Continued
and salary increases may be justified, but **if the state is going to control spending, the example has to start from the top** →

~~and not the bottom.~~ Several state legislators are publicizing the fact they are refusing salary increases previously granted for this term. If they really want to get the ball rolling, why don't they pass a unanimous resolution rescinding their increases and freezing other administrative salaries until such time they do what they are supposed to do which is manage state government in a responsible and fiscally well managed way.

We wonder if the people using the Fox River Trail, and the environmentalists anxious to spend \$300 million of ~~paper mill money to clean up the Fox River~~ really anticipated the DNR plans to construct a pipeline along the trail in order to pump sediment to southern Brown County, as reported recently in the Milwaukee Journal-Sentinel.

Does it seem that while they are not really interchangeable, the media and our elected representatives often get the terms million, billion, and trillion twisted around? While the state budget deficit is in the area of \$3 billion dollars, they come up with program cuts designed to save a million here or a couple million there. While for most of us it is probably difficult to imagine the purchasing power of a million dollars, our representatives keep proposing "deep" program cuts designed to save a million here or a couple million there. For the benefit of the media and our representatives in Madison, it takes a thousand million dollars to make a billion!

From what we read, the investigation on former Senate Majority Leader Chuck Chavala is turning in to a primer on "how to obtain political campaign ~~funding in favors in return.~~" We would doubt that his conduct in office was unique as far as politics go except for perhaps carrying it to a higher level and making a mockery out of our once proud state government. It is an unfortunate situation when one person or a small group can use their personal power to direct taxpayer spending at their will, or influence legislation to fit their personal agenda. Put otherwise, we are seeing contributions to election campaigns being repaid by the winners at taxpayers ex-

pense. Governor Doyle may also have some tough questions to answer if his generosity to the Indian tribes extending and enhancing their compacts are ever matched with the campaign contributions which helped get him elected. We have seen public officials imprisoned for lesser offenses.

While the Federal government is coping with budget problems of its own, they have allocated \$3.9 billion of our money to create a "Help America Vote Act", which will create a computerized database of registered voters and standardize voting procedures in all of the states. This equates to about \$10 for every citizen, and about \$100 for each of those who bother to vote. States must meet certain requirements to receive federal funding. How these lists would be maintained and used raises a lot of questions regarding privacy. While the last presidential election pointed out problems in uniformity between the various states, this just sounds like another big fat waste of taxpayers dollars that could be better used elsewhere. The question is, would it do anything to encourage rather than discourage citizens to exercise their rights to vote, and are there any provisions that would effectively control campaign finance reform and influence by special interests over our lawmakers? We doubt it.

In the meantime, the U.S. House of Representatives has passed a federal "Do Not Call" list similar to that in effect in Wisconsin. The NO-NOT CALL IMPLEMENTATION ACT ~~will be maintained by the FTC and~~ allow citizens to remain on the list for 5 years. While this certainly sounds like a popular idea, the question is if the federal government should really be using taxpayer money to pay for it. Is perhaps stopping a few annoying phone calls going to have a higher priority than other more pressing items?

The federal governments 2003 spending bill includes a number of expenditures directed towards Wisconsin including \$8.4 million to construct a "cereal crop laboratory" in Madison, \$1.2 million to protect pets and live-

stock from wolves, \$600,000 for dairy research at the UW, and \$500,000 for a program using space education to help students with math and science.

Doubtless the need and worthiness of these expenditures has been well documented by experts specializing in obtaining federal funding on our behalf. It still seems a lot of it qualifies as "pork" and we will look for them in the 2003 "Pig Book" of government spending projects later this year. While it is a fact that Wisconsin by no means receives its share of federal spending, it is still our money. Many of these projects, while worthy, probably wouldn't make the cut in the state budget. It would be nice to have a review of all federal spending projects after about 3-5 years, and use that with full disclosure of the results and benefits as the basis for future spending.

If there is any good budget news, perhaps snow plowing costs this winter will be less than anticipated.

The Governor has delivered his budget address, and while it sounded good at first it appears likely there will be a lot of discussion in the legislature before the next state budget is approved. State employees either fearful for their jobs or clamoring for wages and benefit increases they claim were promised but not delivered are taking full advantage of the media to state their cases. Many of the proposed cuts are relatively small and some of the employee reductions proposed may be meaningless inasmuch as they are presently authorized but not filled. The bottom line will be balancing the budget with available resources.

A recent item in "Fortune" magazine claims that lawsuit settlements cost each U. S. citizen \$721 during 2001, and could reach \$1,000 by 2005. This is reflected largely in our medical costs not including the cost of malpractice insurance. President Bush has proposed tort reform ~~limiting the size of settlements,~~ and we feel this is worthy of consideration and support.

Who is the largest private employer in Wisconsin? Would you believe Walmart. According to another

item from *Fortune*, Walmart, is the largest employer in 21 of the 50 states including Wisconsin. No numbers were given as to salary and benefit comparisons with other private or government employees.

If our BCTA membership survey is any indication, Gov. Doyle's sole decision to extend the Indian gaming compacts was not the will of the people. While our poll favored continuation of the state lottery as it now stands by a 60-40% majority, only 17% of respondents favored extending the compacts to 25 years. The governor did one better and made them permanent. Our once proud state has seen what appears to be a massive pay back for campaign contributions from special interests. Any short term gain may be regretted in the future as the casinos prosper and the state continues to scratch for revenue.

We acknowledge that the public conception and acceptance of this form of "recreation" has changed considerably in recent years, and the trend has been steadily towards more expansion. The potential revenue to be gained is the pot of gold for everyone from retired persons nursing their nest eggs to the state itself. While we haven't really seen a public demand for expansion, it would seem that it should be up to the legislature to monitor and regulate as conditions dictate. Have the counties and municipalities been considered in the governors clandestine negotiations? Whatever we gain will likely not be a fair exchange for the ultimate cost to taxpayers. We must remember that all the profit, taxes, winnings and whatever other benefits produced by casinos come directly from their patrons pockets. Hopefully our legislature will prevail and put all factors in their proper balance.

In addition to construction on Lombardi Ave., the state is starting work on Highway 41 on the west side of town. This will include replacement and new decks on some of the bridges plus highway resurfacing, and cause dangerous and frustrating congestion all summer long. What is difficult to understand is we thought this highway was supposed to be widened to three lanes one of these days, and we hope the money being spent

this year is a prelude to this rather than more delay and something that will be torn up again in a year or two.

Apparently naming rights for Lambeau are still for sale to the highest bidder. We are told that this will reduce the amount of the special .5% sales tax we are compelled to pay, but never really hear about if or when the tax will end. If these naming rights were not factored in the original proposal establishing the sales tax are they really necessary now? Would more naming rights revenue have prevented the Packers from raising this years ticket prices an average of \$59.00 a pair? The reason given was that "We were in the bottom third nationally, and this will put us in the upper half." The average per capita income in Wisconsin is 4% below the national average, a long way from the top half.

"On Broadway" has suggested a "tax" on Broadway St., business to help promote the area. My suggestion would be to first find out exactly how much the city collects from the parking meters on Broadway, remove the meters, and then use their money to reimburse the city for their net loss of income. From the unused meters I have observed in the area the amount shouldn't be too great, but being able to park without harassment could be a great boost for business. Parking meters may have been the way to go 40 years ago when downtown areas became congested, but there are too many others options available today, and the downtown areas often resemble a ghost town. We realize that some regulation over parking is necessary, and the ramps have to be paid for and maintained, but as long as the city keeps spending money to for downtown development there has to be a more productive approach.

It has probably been over 40 years since Green Bay went from an appointed to an elected school board. The idea was to open up these important positions to more candidates and let voters decide who would represent them. The Green Board of Education

receives and is responsible for spending about half of our property tax levies. This year, there were only four candidates running for two positions on the board. ~~While the board consists of capable and conscientious members,~~ it is discouraging that there isn't more interest in participating.

One of the networks covering the Iraq War pointed out that the price of crude oil was down, but it usually takes 4-6 weeks before we would notice it at the pumps. My question is, how can the price go up so much overnight if the oil companies even suspect there will be a shortage down the line?

Come April 1, and Wisconsin's gas tax will automatically rise another .8 cents. Like other Wisconsin taxes, it is one of the highest in the nation already.

As usual, lots of things that "make us wonder." JF

"A governmental monopoly need not worry that customers may go elsewhere or that inefficiency may mean its demise." . . Helmut Schoeck

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 TIMES." Please send them to the BCTA, P. O. Box 684, Green Bay, WI 54305-0684, or call Jim Frink at 336-6410. E-Mail Frink@ExecPC.Com.

Inside This Issue.

- First Casualties at the voting Booth.**
 - Governor's school statements suggest serious implications.**
 - BCTA Holds Candidate Forum.**
 - Results of 2003 BCTA Taxpayer Survey.**
 - Ask Your Friends to Join The BCTA.**
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 - Union Membership Up In Public Sector.**
 - Wisconsin Voters Approve 55% of School Referendums.**
 - Things That Make Us Wonder.**
- and more.

The TAX TIMES - April, 2003

BCTA Meeting and Events Schedule. (Mark Your Calendars.)

- Tuesday - April 1, 2003, General Elections. Did You VOTE?**
- Tuesday - April 15, 2003, Federal and State Income Taxes Due.**
- Thursday - April 17, 2003, BCTA Monthly Meeting.**
GLORY YEARS, Nicolet Room*, 12:00 Noon.
Program: County Supervisor Harold Kaye, Vern Krawczyk,
and Ben Vandenberg. Brown Counties "Smart Growth" Plan.
* Note: Meetings will be held in a **larger** room.
- Thursday - May 15, 2003, BCTA Monthly Meeting.**
GLORY YEARS, 12:00 Noon. Program to be announced.
- Thursday - June 19, 2003, BCTA Monthly Meeting.**
GLORY YEARS, 12:00 Noon. Program to be announced.

BCTA Monthly meetings are held the third Thursday of each month at the GLORY YEARS, 347 S, Washington St., Green Bay.

Cost - \$6.50 per meeting - includes lunch, tax & tip. Payable at meeting.

BCTA Members, their guests, and other interested parties are cordially invited to attend and participate in these open meetings.



**April,
2003**

**Support our
Troops.**

"Though the people support the government, the government should not support the people."

. . . Grover Cleveland

"When prosperity comes, do not use all of it." . . . Confucius

SUPPORT THE BCTA

**New Members are Always
Welcome.**

Call 336-6410 or 499-0768

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or visit our website**

**www.BCTaxpayers.Org
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