
◆ The TAX TIMES ◆

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Newsletter of the Brown County Taxpayers Association

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The Santa Claus Effect: Fiscal policy solves outsourcing woes.

Unemployment is one of this year's top issues, as is its inverse, job creation. Outsourcing is a huge rhetorical factor in job loss, heavily cited by certain pols and pundits as the chief driver of unemployment and threat to America's Middle Class.

It's just like the eyes to focus on the wart on the nose of the otherwise beautiful face. They must look in the mirror or seek an objective opinion before they traipse cross-eyed off the cliff.

CNN's Lou Dobbs Tonight calls it "The Exporting of America." Mr. Dobbs sees outsourcers as shipping "American jobs" overseas. Dobbs embraces an intriguing entitlement: Americans owning their jobs and government defending their property. This does not sound very American to me.

In Socialism, government owns all jobs. In Capitalism, business owns all jobs. Communism comes closest to describing Dobbs' "American jobs" concept. But Communism is as far from American and A from Z.

Communism has been proven, in 2 large-scale tests, to be wholly unworkable. The Soviet Union fell, and China bears witness to the failure of communism. The former Soviet Union is now a burgeoning democracy. China is reforming, trying to hybridize the dissonant philosophies. It's story has just begun.

But while the fear of local jobs moving overseas is visceral, it is not rational. The Big Picture seems unable to calm the shriek of the Small Picture. Conservatives and liberals alike have begun publicly lamenting the job migration, responding to real unemployed workers in their districts. Conservatives, at least, are noting that perhaps 1 in 9 jobs lost have resulted from overseas outsourcing.

Dobbs and other paranoid analysts have also decried our growing foreign trade deficit as a further indicator of impending economic doom.

Our foreign trade deficit is not apocalyptic. It is merely an indication of our huge relative global wealth. It shows we are able to buy more stuff than we are able to produce.

And as we engage and employ foreign labor markets to make the stuff we want to buy, American business profits and foreign markets slowly emerge to buy more American stuff. We are paying the short-term price of getting the world up to global economic speed.

This is the price of leadership. We lose a few lower-skilled jobs in the short-term to gain higher-paid jobs and greater market share in the long-term.

Why did we lost those jobs and should we be concerned? Much of the lower skilled manufacturing jobs lost are surely due to union labor finally pricing itself out of the market. The computer, engineering and higher-skilled jobs leaving our continent are due to a complex confluence of social trends and

educational shortcomings.

We should be concerned on all counts. We have national security interests in maintaining a strong manufacturing and technical base. I am willing to give current policies more time to stabilize the situation. Current policies are working, albeit slowly. Others are less sanguine and prefer abrupt, severe intervention.

Common sense compromises may balance our national security interests with our interest in global economic democracy. One simple measure could be extending unemployment benefits one more time.

Another intervention may be ending some corporate tax loopholes that reward overseas outsourcing. Adding new tax credits, as some propose, is insane. That would be like throwing gasoline on fire.

American corporations face a disproportionate tax rate burden compared to other global democracies. CNBC reported that giant conglomerate Berkshire Hathaway is the only Fortune 500 company that pays the effective rate, and its tax paid equaled 2% of total corporate tax revenue. The biggest American corporations do not pay the effective tax rate due to tax code convolutions.

The corporate tax system is so twisted and fraught that slow, gradual repeal is the only sensible evolution. Eliminating the corporate tax would surely go along way toward dulling the pain of overseas outsourcing and trimming a turgid bureaucracy.

Constructing a fair tax system is the most sensible policy to grow jobs and boost the American middle class.

Sound fiscal policy is the opposite of sound health policy. Health experts tell us to trim our waistlines in order to become more healthy. But in our economy, the larger the middle, the healthier we are.

It's the Santa Claus effect. The more roly-poly we add to our middle, the more "Ho ho ho!" our economy will have.

The poor we will always have with us. Inversely, so shall we always have the rich. Common sense fiscal policy will help grow the mid-section.

This is a call to everyone to renew your belief in Santa Claus: Merry Christmas to all and to all a good job!

Richard Parins, President

THE BROWN COUNTY TAXPAYERS ASSOCIATION
Promoting Fiscal Responsibility In Government

PROTECTING THE TAXPAYER.

There's been a lot of noise lately from one special interest group after another attacking the so-called Taxpayer Bill of Rights - a constitutional amendment aimed at limiting government's ability to raise your taxes. This controversy is telling.

The idea behind a taxpayer protection amendment to the Wisconsin Constitution is simple. For too long, government has been increasing its own spending faster than individual income has been increasing. As a result, taxes have gotten further and further out of line with our families' ability to pay, and Wisconsin has come to have one of the heaviest tax burdens in the entire nation.

We attempted to address part of this problem in the state budget by passing a three-year property tax levy freeze. Unfortunately, Governor Doyle vetoed that freeze. As a result, spending and property taxes around the state went up at twice the rate of inflation, and working families fell even further behind in their struggle to make ends meet.

In order to circumvent the governor's veto, we are now looking at amending the Wisconsin Constitution to protect taxpayers. Our goal is to link spending at all levels of government to the taxpayers' ability to pay. We want to ensure that - unless specifically authorized by the voters in a referendum - government spending is not allowed to outpace inflation. Having constitutional spending restraints with a referendum requirement for exceeding those caps places power directly in the hands of the taxpayers and is the ultimate measure of local control.

Naturally, those who rely on runaway government spending have not been amused. To date over 45 different special interest groups, from the University of Wisconsin to the teacher's union to public employee unions - have come out in opposition to the concept of holding the line on government spending. The cries of protest we've been hearing this spring have had one important thing in common. They have all come from people benefiting under the current system governments themselves or other special

high interests groups feeding at the public trough.

I think these special interests' opposition to our constitutional amendment concept shows that we are on the right track. It is clear these groups fear that if the taxpayers are put in charge of the purse strings those taxpayers will apply the same sort of accountability, discipline and common sense to government budgets as they apply to their own family budgets.

Quite honestly, that's exactly what I'm counting on. For far too long, the taxpayers have been left to pick up the tab after the government spending feast is done. For far too long, government has decided how much it wants to spend and then has merely raised taxes in order to support that spending level.

A taxpayer protection amendment would mm that scenario on its head. With its ability to increase spending limited, government would have to look for ways to prioritize spending and eliminate waste, fraud and abuse. Most importantly, if a government wants to exceed the limits it would have to make its case directly to the voters and justify that excess spending.

The battle over this constitutional amendment will be a defining moment in Wisconsin history and will cause a fundamental shift in the relationship between the government and the people. The defenders of the spending status quo are already fully engaged. Now is the moment for the working families of this state to take up the banner for the Taxpayer Bill of Rights and fight to tilt the playing field in favor of the taxpayers instead of the tax spenders.

Assembly Speaker John Gard.

"An old-fashioned handshake is a good way to do business—unless the IRS demands a copy.:

. . . Cullen Hightower

"What power has laws where only money rules?"

. . . Gaius Petronius - 66AD

State Not Small-Business Friendly.

Wisconsin ranked 31st in its friendliness to small business in 2003, according to a recent report from the Small Business Survival Committee. The committee's index combines 21 major government-imposed or government-related costs that impact small business. These include various taxes, health care and electricity costs, and minimum wage laws, among others. Wisconsin's rank remained unchanged from 2002, though its score was slightly worse. Among Wisconsin's neighbors, Michigan (9th) and Illinois (13th) ranked higher; Iowa (41st) and Minnesota (49th) were lower. South Dakota was ranked as the most friendly in 2003, while Hawaii was rated least friendly. **Wisconsin Taxpayers Alliance.**

National Debt Update.

As of 7:30 PM, May 4, 2004, the unofficial U.S. National Debt stood at \$7,170,288,461,840. That's seven trillion plus, and probably a lot higher. This is an increase of about \$63 plus billion since last month, and amounts to \$114,193 per family. The increase in debt per family in the past month was \$912, which equates to \$10,944 per family per year. It should be obvious that you could not keep this up for too many years without reducing the total without getting yourself in serious trouble.

This is what 7 trillion amounts to. Each trillion is a thousand billion, and a billion is a thousand million. You do the math and figure out how much stuff you could buy.

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.

National Taxpayers Union Endorses TABOR. *Coalition of Taxpayers Groups Says Constitutional Taxpayer Protection is the Right Remedy for Wisconsin's Woes.*

Years of overspending and tax hikes in Wisconsin call for a state Constitutional remedy, according to a joint statement from 11 organizations that called on state lawmakers to enact Assembly Joint Resolution 55, a "Taxpayer's Bill of Rights" (TABOR) sponsored by Rep. Frank Lasee (R-2). The coalition was organized by the non-partisan National Taxpayers Union (NTU).

According to the signatories of the open letter to state leaders, TABOR is the prescription for good economic health in the face of state budget ills. "Wisconsin's Legislature should consider the positive example Colorado's TABOR offers," the statement said. "Colorado has led the nation in personal income growth and job growth, resulting in increased government revenues even in the absence of tax increases."

The bill would limit annual state spending increases to inflation plus population growth, and require voter approval of new taxes via referendum. These provisions are generally modeled after Colorado's successful TABOR, with several additional provisions (such as growth limits on school taxes that reflect enrollment).

Citing expenditures that far outpace inflation including spending increases on corrections at over nine times faster), the letter notes that Wisconsin taxpayers could have saved as much as \$21.5 billion, or more than \$10,200 per household, if AJR 55 had been in effect between 1990 and 2001.

In addition to NTU, the signatories included diverse groups such as the Milwaukee Public Affairs Council, United Wisconsin, American Family Business Institute, and the Association of American Physicians and Surgeons, Wisconsin chapter. All participants, whether headquartered in the state or not, had a substantial number of members in Wisconsin (NTU, for example, has over 7,500 members in the Badger State).

"TABOR would at last get government spending under control and give voters the final say over how much money government takes from them," the signatories noted. "This is not just an economic necessity; it is a common courtesy to taxpayers."

NTU was founded in 1969 to work for lower taxes, the elimination of wasteful spending, and more accountable government at all levels. Note: The full text of the coalition letter, along with more information on tax limitation efforts across the country, is available at www.ntu.org.

"For every action, there is an equal and opposite government program." . . . **Bob Wells**

"I hope we never live to see the day when things are as bad as some of our newspapers make it." . . . **Will Rogers**

Brown County Needs a Higher Voter Turnout. *Project Vote. A Local Group, is determined to turn that around.*

The April 6th election is a perfect example of the importance of everyone's vote. Four of the Brown County races were determined by ballot recounts, yet only 15.6% of the eligible voters in Brown County bothered to vote. One-third (35%) of all of your tax dollars are decided by the local officials that we elect. Not being able to schedule voting into our busy lives is a very poor excuse, especially when an absentee ballot can now be completed without a reason, simply by going to your city or county office.

Project VOTE (Voice of the Electorate) is a non-partisan, volunteer based organization dedicated to increasing voter turnout in Brown County. As an issue-neutral, non-partisan organization Project VOTE does not endorse political parties, candidates or issues. Project VOTE has done a number of educational initiatives to provide information for the Brown County voters so that we not only increase voter turnout, but that it's also an educated vote. The ultimate objective is for Brown County to have the highest voter turnout in the state.

Project VOTE has initiated a number of activities to try and stimulate voter turnout. We would like to think the turnout would have been even worse without these efforts. Some of the efforts to date have been as follows:

- **TV PSA's (Public Service Announcements)**
- **Billboards**
- **Yard Signs**
- **Letters to the Editor**
- **Special Events, such as Candidate Forums (5)**
- **Establish a traveling trophy that resides with the local community with the best voter turnout. The Village of Hobart won the April 6th contest with a 33% turnout.**
- **Created a web site showing:**
 - Voting in Brown county (where and how),
 - Current elected positions
 - Past election information
 - Hot topics, etc.

For more information go to the **Project VOTE** web site: <http://www.project-vote.org>, or if you have any ideas on how to improve voter turnout, please contact me. Your support is greatly appreciated. **Thank you.**

Gary Delveaux 433-1105 (daytime)

Shifting Taxes Is No Solution.

According to some people, it's not that we pay too much in taxes, it's that the wrong people pay too little.

Why, for example, shouldn't corporations pay higher taxes than they do? We have a corporate income tax in Wisconsin. The rate is a flat 7.9%. That's higher than Wisconsin's top rate for individuals (6.75%) and it's relatively high compared to other states - only 10 states have flat rates higher than Wisconsin's. Some have no corporate income tax at all (and that's just not fair - they should tax their businesses higher, too!*)).

Wisconsin law allows several tax exemptions that businesses can use - for example, a few years ago, business-owned computers were exempted from the personal property tax. This saved businesses tens of millions of dollars, and made it easier for them to do business, and employ people, here in Wisconsin. This particular exemption was the direct result of a large business choosing a location for a processing center - in Wisconsin, or in another state, which didn't charge this tax. If they had located in the other state, the hundreds of jobs they brought would have gone there, too. The cost of doing business really does matter. It does make a difference in the number of jobs created and maintained in our state.

Some products are exempt from the sales tax, to help along the businesses (and individuals) who buy them. Electricity, used in the manufacturing process, for example. Some services, such as attorney fees and haircuts, aren't subject to the sales tax.

Eliminate these exemptions, say the people who want a "fairer" tax system. And eliminate exemptions from the personal property tax, increase the corporate income tax, and then decrease taxes elsewhere by the same amount. Put more of the burden on businesses and the wealthy, less on the ordinary working people.

Except the burden will stay on the ordinary working people, in the form of higher prices. Don't forget, businesses exist to make money. I know, that's not something that rings well in the ears of the Left, but it's true. Increase taxes on business, and you're increasing business overhead. You're narrowing the profit margin. You're making it harder for business men and women - many of whom are ordinary working people, just like the rest of us - to make a living. Their choices will be to cut costs elsewhere, like in employees, or raise their prices.

"The rich" are the other favorite target of those who say our tax system isn't fair. Let's raise taxes on them, so the rest of us can pay less. Of course, rich doesn't quite mean what it used to anymore. In 1999, anyone making more than \$87,700 was in the top 10% of wage earners in the country.

According to the Tax Foundation, about 44 million tax filers - one third of all tax filers in the nation - will pay zero federal income taxes this year. How much more can we shift?

And even if we did shift more, what would happen? Will people simply shake their heads and reach for their wallets? Or will they move somewhere else, and take their jobs with them (click here for a better explanation of this).

The problem isn't that we tax too little, or that we're taxing the wrong people. The problem is our government spends too much of our money, and too many people are addicted to it.

Rep. Frank G. Lasee

April Meeting Notes. *Comprehensive Smart Growth Plan Explained at April Meeting.*

Monthly meeting April 15, at the *Glory Years*.

Jennifer Sunstrom, Public Affairs Director for the Realtors Association of Northeast Wisconsin, presented an overview of the Brown County Smart Growth Plan, comprehensive planning effort currently underway. She emphasized it is vitally important that all parties in the comprehensive planning effort participate so solutions are reached on common ground.

She stated that all nine of the plan elements must be considered to reach balanced conclusions: Issues and Opportunities, Housing, Transportation, Utilities and Community Facilities, Agricultural/Natural and Cultural Resources, Economic Development, Intergovernmental Cooperation, Land Use, and Implementation.

Ms. Sunstrom explained that the public must be involved in the planning process from beginning to end. Some stakeholders want it all. Amending approved comprehensive plans is laborious. Problems are limited public membership, limited time, and thick documents. Comprehensive planning is expensive, so most of the work is being performed by regional planning groups. There are exemptions for smaller governmental units. Intergovernmental communication and cooperation are critical. Local governments need to create their own identities in their plans. Economic development is a key component.

Land use regulations must follow comprehensive plan guidelines. The state law is flexible, but plans become ordinances. Communities don't need comprehensive plans if they don't do land use regulations. Land use regulations can't be enforced if they aren't in a comprehensive plan.

BCTA members voiced a number of concerns about the comprehensive planning process as it is being executed locally: Private property rights do not seem to receive much weight unless the affected individuals are in the middle of the process to defend their property rights. The assumption of infinite wisdom about the future by the planners is troubling in the area of property rights.

The boilerplate plans being rushed through to collect grant dollars while they are available are likely to escalate land costs. The five-year growth increments in the plans can lead to artificial markets.

The Smart Growth (comprehensive plan for Wisconsin) legislation was passed as part of the state budget bill with little scrutiny. Smart Growth was to be used as guidelines; now the plans are being used as laws.

Merged services are promoted as efficiency improvements, but they appear to create more layers and higher costs. There is little awareness of savings from existing shared services.

The next BCTA meeting is scheduled for Thursday, May 20, at the *Glory Years*. Scheduled speaker is Sandy Ducatt from NWTC. Details on the back page of this *Tax Times*.

Dave Nelson - Secretary

CANDID COMMENTS FROM THE DESERT.

From the Ashwaubenon Press.

Ted Pamperin, former Village President wrote his thoughts on the water situation between Green Bay and the suburbs from his vacation spot in Arizona during the past two months.

The beauty of the internet newspapers, emails and phone cards is the fact you can keep in touch with friends even though you are 2000 miles from home. As I watch the ongoing events regarding water and who to buy it from by the Brown County Water Authority, I am perplexed but not surprised by their decision to buy water from Manitowoc. Having attended meetings of this study group for over 10 years, I knew some members thought it would be really "cool" to own a pipeline.

It seems that the water authority believes in the old axiom "an expert is anyone who lives more than 25 miles from home". Now these experts are from Dupage County in Illinois, Chicago, Madison and Manitowoc. Now these experts have given the Water Authority their best advice on what to do. Being experts, I don't think the fact that they will make millions from this pipeline had anything to do with their advice to the Authority! I can understand the Authority not listening to Green Bay because they have successfully operated a pipeline from Lake Michigan for almost 50 years and besides they are not experts because they do not live more than 25 miles from home.

I have to admire Ashwaubenon's decision to stay with Green Bay to protect the water rates for Green Bay's large water users, who employ thousands of Brown County residents. Ashwaubenon is looking out for the economic future of Brown County and not Manitowoc.

The Ashwaubenon Water Advisory committee, headed by Trustee Jerry Menne, looked at every detail on this issue. They spent countless hours examining all the paperwork, options and ramifications, and as a result, a well informed Ashwaubenon Village Board made a unanimous decision to go with Green Bay.

You can't blame Manitowoc Mayor Kevin Crawford to try and undercut Green Bay's deal, when they could not convince Two Rivers, a city 5 miles to their north, to buy water from them. After all he has more business's leaving Manitowoc than major league baseball players denying the use of steroids.

He needed to stabilize water rates for Manitowoc especially with the demise of Mirror Aluminum, and sure enough he convinced 6 municipalities in Brown County to buy water at a few cents less than Green Bay's rate. However by the time the infrastructure and other costs are added, I think the 6 suburbs will pay substantially more.

Come to think of it, wasn't Manitowoc the first county to tell the Mayor of Green Bay to shove it when he asked for help with the Lambeau Field renovation? Now he is bragging about how great he is to the people of Manitowoc. I would not want to be a community leader from the Authority when the pipeline is done and they have to stand side by side with the Mayor of Manitowoc to cut the ribbon. I don't think many of the present ones have to worry about it because they won't be around when the final costs are added up.

Well as Sharon and I prepare to leave the warm desert southwest for the beautiful green of Wisconsin, I have some advice for the people here who are having the worse drought in history. After all I am an expert because I am 25 miles away from home. You can buy water from a little city in Wisconsin

for 81 cents per thousand gallons. All you have to do is pay for the pipeline to get it to you. Better yet, they can promote economic development along the pipeline through Kansas, Oklahoma, New Mexico into Arizona. That would probably pay for the pipeline. What a great idea.

I think I will call the Mayor of Manitowoc and see what he thinks. Better yet, I think I will call some Authority Members. They know a lot about economic development out of Brown County.

Thank you to Ted Pamperin and the ASHWAUBENON PRESS.

State Gas Tax Climbs 0.6¢ Per Gallon.

Wisconsin's gas tax rose 0.6¢ to 29.1 ¢ per gallon on April 1, 2004. Wisconsin also charges 3¢ per gallon to fund the Petroleum Environmental Cleanup Fund Act (PECFA). As of January 2004, Wisconsin's 31.5¢ gas tax was highest in the nation, ahead of Rhode Island (31.0¢), Washington (28.0¢) and Montana (27.0¢). At its new level of 32.1 ¢ per gallon, the Badger State's gas tax remains among the nation's highest.

The state gas tax rate has increased automatically on April 1 each year since 1985, when it rose 0.5¢ to 16.5¢ per gallon. Since the first automatic increase, there also have been two statutory per-gallon increases: 2¢ on August 1, 1987; and 1¢ on November 1, 1997. Since 1985, Wisconsin's gas tax has risen 81.9%, while gas tax revenues have climbed 150.9%.

Wisconsin Taxpayers Alli-

Federal Assistance Detailed.

Wisconsin state government administered more than \$9.1 billion in federal financial assistance in 2002-03. The aid came through: more than 700 individual grant programs; and 775 research and development grants. Federal financial assistance to the state has increased more than 55% since 1998-99, according to the Wisconsin Legislative Audit Bureau.

The Wisconsin Departments of Health and Family Services (\$3.6 billion) and Workforce Development (\$2.0 billion) received the majority of the \$8.3 billion of cash payments. The UW System received \$995.3 million; the Department of Transportation got \$643.9 million; and various other state agencies split \$1.1 billion.

The Badger State received \$182.4 million under the Temporary State Fiscal Relief Program to address 2002-03 and 2003-04 budget shortfalls. These dollars were appropriated for fiscal 2004 shared revenues to counties and municipalities.

Wisconsin Taxpayers Alliance.

Questions Remain on Medicare Prescription Drug Bill.

The Medicare Prescription Drug Bill is one of the most scandalous, surreptitiously concocted pieces of legislation ever passed by the United States Congress. Quite frankly, it appears to be a political election ploy and a payback for campaign funds contributed by pharmaceutical and insurance companies.

The Medicare Prescription plan will waste billions of our tax dollars in payments to special interests. There was no need to involve thousands of insurance companies and provide them with billions of tax-free dollars in incentives to provide prescription drug policies. There was no reason for the government to acquiesce to the drug companies by preventing Medicare from bargaining for lower drug prices, which will have a predatory effect on the elderly. The present administration seems bent on the concept of free trade. But, when it comes to protecting our senior citizens, double standards are applied and the free trade principle is restricted.

From the Rx plan, \$70 billion will be extorted to provide big business employers with the incentive to continue retiree insurance plans. At the same time, the EEOC has ruled that employers can legally discontinue retiree health insurance coverage. Again, double standards are applied. Big business employers can now put the retiree at the mercy of private insurance companies and report the government incentive funds as corporate profit. The administration apparently hoped that no one would notice. What a waste of the taxpayer's money.

With concern in recent years as to how to keep Social Security and Medicare solvent, the extravagant waste in the Prescription Drug bill may well destroy the system. It behooves Congress to start over and develop a simple prescription drug program that allows Medicare to negotiate with drug companies for lower prices and wipes out the billions of dollars that would be given to special interests. It also behooves the EEOC to rescind its ruling that allows businesses to dump retirees from their health plans.
Jim Smith - BCTA

State Technology Rank Falls. Wisconsin Lags on High-Tech Indicators.

Wisconsin lags the nation and most neighboring states on several indicators of the, "new economy." According to a recent report from the Milken Institute, Wisconsin's rank among the states fell two places to 27th on the 2004 State Technology and Science Index. The index summarizes the technology and science assets that a state can leverage to promote economic development. Massachusetts, California and Colorado had the highest scores, while Kentucky, Arkansas and Mississippi had the lowest.

The index summarizes scores on 75 indicators grouped into five major areas: research and development (R&D) inputs; risk capital and infrastructure; human capital investment; technology and science workforce; and technology concentration. States are then ranked on their scores. As the table below shows, Wisconsin's rank declined significantly in two of the areas.

The risk capital/infrastructure area uses information on venture capital, business incubators, patents and business starts to measure entrepreneurial activity and the availability of capital for these entrepreneurs. Wisconsin dropped 12 spots on this measure to 32nd nationally. This group of indicators saw large changes among the rankings of states, with nine, including Wisconsin, falling ten places or more, and six rising ten or more.

Wisconsin also dropped significantly in the area measuring concentration of skilled technical and science workers. The Badger State fell 13 positions to 30th nationally, the largest drop in the nation. Human capital investment summarizes information on student test scores, college degrees and state spending on higher education. Wisconsin's best performance was in this area, where it moved up five places to 18th. Despite the increase, Wisconsin still trailed Minnesota (2nd), Iowa (16th) and Illinois (17th).

Wisconsin Taxpayers Alliance.

Support The BCTA.

The Brown County Taxpayers Association is always looking for new members. The more members we have, the greater voice we have representing taxpayers interests against the ever increasing demands of government spending. Our monthly newsletter, *THE TAX TIMES*, is available for views pro and con of items of taxpayer interest, and our monthly meetings are open to all with a chance to speak out on issues of taxpayer interest.

For information, check out our website www.BCTaxpayers.Org., or call Jim Frink at 336-6410.

Principles of Taxation.

- The most moral way of funding government services is through direct taxes and fees.
- General taxes are moral if they are taken from all citizens in equal proportions and used to the extent practical for the equal benefit of all citizens.
- The majority of taxes should be judged separately from the morality of the use of the taxes.
- Compassion and charity are personal and religious matters, not matters for the tax collector.

Tax Fairness vs. Tax Morality.
The

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

. . . Grover Cleveland

"Despite extraordinary efforts by Congress, there are nowhere as many laws as there are lawyers."

. . . Doug Larson

"Let us always have in mind that every attempt in the history of the world to establish a loafer's paradise has would up in a dictator's

**VISIT OUR WEBSITE
www.BCTaxpayers.Org**

THINGS THAT MAKE US WONDER.

The spring elections are history, and congratulations go to the winners. Seeking and being elected to public office is accepting responsibility and an obligation to both those who supported you and your opponents.

It is difficult to justify the pathetic 15.8% turnout of eligible voters in Brown County for this important election. Lack of interest is a poor excuse, as the candidates for county and municipal offices all went door to door, distributed literature, and made it very obvious with their yard signs that an important election was going on. The weather on Election Day was perfect. Reports from candidates indicated that constituents they spoke with were greatly concerned about the amount of taxes they pay, and what they were receiving in return. Perhaps it was forgotten that last years no-increase local budgets was due to the difficult decisions and hard work by their elected representatives, and there will be a far more difficult task this year and the years to come. It is already projected that revenues again will be short of spending requests on all levels of government.

If we do not bother to vote, does it mean approval of the job our elected officials have done for us? The results of the election, especially on the county level hardly indicated this as there were several changes and close votes in the results. Nonetheless, the troubling fact remains that 15.8% of eligible voters have decided who will represent the other 84.2% in deciding how the Brown County Board of Supervisors, the Green Bay City Council and School District, and all of the other municipalities in the county will spend more than \$500 million of our money.

Hopefully the November elections will generate more interest. Besides our vote for president, Congress, the state legislature, a third of the U. S. Senate and half of the Wisconsin Senate will be decided. These are the people who establish national and state spending and taxation policies, and as we are painfully learning, their decisions in the form of state and national aids and revenue shar-

ing can have a huge impact on our local property taxes. Understanding what the candidates stand for and your vote is important!

There were a number of races in Brown County with a winning margin of less than 10 votes, which shows how important each vote is. In Oshkosh, a margin of less than 200 voters has decided to prohibit smoking for everyone in all city eating establishments. While this mandate will be controversial and probably won't be finalized for awhile, it illustrates how important your vote is.

The governor has approved the cranberry as the official Wisconsin state fruit. We must have managed without a state fruit for 156 years. Now we will probably need a state vegetable. While corn, peas, beans and potatoes could be choices, the Wisconsin Blue Book lists corn as the official state grain, so it shouldn't qualify twice. Maybe they can have an official state legume which would be either peas or beans and then potatoes could be the official state tuber.

There is another bad side effect of the U.S. purchasing so many consumer and capital goods from China and other developing countries which will affect all of us. There have been a number of reports that these countries demand for raw materials including energy, some even furnished by the U.S., in order for them to produce these products and raise their own standards of living is creating material shortages of materials elsewhere. This in turn is being blamed for the rising cost of materials for our own consumption and manufacturing purposes, and will likely be a very negative factor in future economic projection.

We haven't heard much lately about the rare snails that caused delays and additional expense in the reconstruction of highway #57 north of Green Bay a couple of years ago. Now that this stretch of 4-lane highway is completed and open and the barriers are down they apparently are able to move

about as previous.

The Green Bay Stadium District has announced that the Packer Sales Tax ~~has brought in more revenue than originally anticipated~~, and estimated the stadium bonds could be paid for by 2011, which is certainly good news. The bad news is that the Packer Sales Tax will still be in effect for three more years after the bonds are retired, or until 2014.

The Indian Casinos have been advertising that as a result of the extended compacts initiated by Gov. Doyle, as many as 55,000 jobs could be added in Wisconsin. This is a lot of jobs. The U. S. Dept. of Commerce reports that the average per capita average income in Wisconsin for the year 2001 was \$29,270, so if each of these 55,000 jobs paid the average, it could add something like \$1,609,850,000. to our economy. The question is, where does the \$1.6 Billion come from?

The Allouez Village Board has announced plans for a new village hall and public works facility at a cost estimated at \$5.3 Million, plus \$768,000 for 6 acres of land, not including financing. It is acknowledged that the old facility was poorly suited for the job and badly in need of repair. However, even at today's costs this seems like a tremendous expense to pass on to property tax payers. The Village Board has been working on this project for some time, and should be able to explain and justify the cost. Also the impact it will have on residents property tax bills. The Village Board is proceeding without a referendum to approve the expenditure.

Unfortunately Allouez has virtually no vacant property for expansion and little commercial property so the burden will fall mainly on homeowners.

An AP poll of 1001 anonymous people concluded that 61% of us would prefer a balanced federal budget rather ~~than tax cuts. Although the questions used to draw this~~ (Continued on next page)

Things That Make Us Wonder – Continued conclusion were not disclosed, they reported that many of those surveyed felt

that other taxes and fees were costing as much as the tax cuts were giving them.

While this poll obviously had political motivations, it should be difficult for anyone to take seriously the opinion of only 1001 people out of 281 million U.S. Citizens: Regardless of who takes the poll or the methodology that is used.

While these conclusions could very well be true, there could be some confusion over the term "balanced budget." In private industry, and with most enterprises, it would mean that income is sufficient to meet expenses. With the Federal Government, however, it would likely mean raising income to the level of spending, which is a concept the people in Washington seem to know little about. It would mean raising taxes, and the way our government has been spending money recently, it would mean raising taxes dramatically. Is this what 61% of our people actually want?

The *Taxpayers Bill of Rights* plans which are being considered in Wisconsin and a number of other states also have a balanced budget goal. Only this would be accomplished by holding government spending on all levels to available income, with adjustments for inflation and growth. There is a lot of difference!

The City of Green Bay, Stadium District Board and the Packers have worked details in their lease agreement claimed satisfactory to all parties. This is good news as small differences can become major problems as we have seen in the past. We agree with the *Press-Gazette* that the Packers should not be treated as a cash cow by other parties. However, we assume the agreement does not impose any burden on city and county taxpayers. Hopefully the new agreement adequately covers expenses such as police and emergency rescue services and their associated overtime expenses which have created problem with the city and county budgets.

Job growth has been sluggish at best in Wisconsin. Particularly hard hit have been the paper industry and all of ~~the other industries supplying it.~~ In the meantime, we are all concerned about the

environment, but unfortunately, the paper industry has been the favorite target of environmental activists in their efforts to place blame and get someone to pay for clean-up costs. Unfortunately there are many big ticket items facing taxpayers including more money for education, infrastructure, social security and federal spending deficits, and you name it. Full employment and a healthy economy is necessary to pay these costs so it would appear the environmentalists will have to get on the list of priorities with every other problem seeking a solution.

While excessive use of state owned automobiles by state employees is being blamed on sloppy record keeping, isn't that just passing the buck? Shouldn't it be up to our elected officials who approve and oversee the state bureaucracy to establish and enforce the rules, which would include prudent use of state property. Legislators and supervisors should set a good example themselves. Government employees on all levels should be productive and cost conscious. While workers in private industry are all charged with making a profit for their employer, those in government service have an obligation to the taxpayers who support them That's the way it is.

Some of our politicians seem to think the way we should stop depending on foreign oil for our massive needs is to develop our own sources and reserves. That is a great idea. Unfortunately our own reserves are somewhat limited so what happens when they are depleted?

Politically motivated "tell-all" books and the free publicity they receive be former high-ranking government officials are not anything new and ~~are probably a by product of our open society.~~ Whether or not that they are fact or conjecture depends on the beliefs of the reader and the credibility of the writer.

It is discouraging, however, that any high ranking public employee, whether elected by the public or appointed and charged with responsibility

and the public trust uses their position to take notes for the purpose of later making a personal profit with information they were entrusted with as part of their job.

Perhaps the real problem is ghost writers and profit hungry publishers out to make a fast buck. None of the books are cheap.

"Packer Country", the 2004 **"Official Guide"** to greater Green Bay and the Lakeshore is available free at local hotels and tourist attractions. It is published by the Packer Country Regional Tourism Office, which apparently has superseded the Visitors and Convention Bureau in promoting the area, and is located in the Brown County Veterans Memorial Arena building.

It is an attractive publication, and we realize that advertising revenues are necessary to cover costs. Advertisers have a right to expect a return on their investment which is true with this type of guide everywhere you go. Nonetheless, we were disappointed that this "official guide" had some omissions of popular tourist attractions, some of which are tax supported as is the Brown County Arena. For example, we could find no mention of the NEW Zoo, or the Bay Beach amusement park. The *Press-Gazette* in their annual golfing issue listed about 15 courses for Brown County, but the guide only mentions one, Shorewood on the UWGB campus. In the points of interest guide, there are only three shopping places listed, a cheese store, an events ticket broker, and the Washington Commons Mall. Apparently shopping is not regarded as a visitor attraction. Only seven restaurants were listed.

The point is that while the Packers and Oneida Casino are unquestionably the biggest draws to our area, and are well covered in the booklet, many of the restaurants, stores, and other attractions are completely ignored. These establishments also depend on tourist business, and they also charged with collecting and submitting the Lambeau Field Sales Tax which paid for the structure around which our tourist business revolves. Should placement of advertising be a prerequisite to being listed in the "Official Guide?"

Our government seems to be bent on the competitive concept of free trade and the outsourcing of jobs to foreign countries. When the Medicare Prescription Drug bill was written, our legislators prevented Medicare from negotiating with drug companies. They also outlawed the purchase prescription drugs from Canada. It is apparent that they apply a different standard when it comes to protecting our senior citizens and saving billions of tax dollars. Of course, the drug companies need to profit for their campaign contributions. What better way for politicians to repay the drug companies than to give them a blank check for increasing drug prices which will increase our taxes and take advantage of the elderly who depend on prescription drugs.

The Wisconsin State retirement system is a massive bureaucracy rivaling the state government itself in size. It is responsible for something like \$69 Billion in assets with benefit payments of \$2.4 billion annually. There are about 500,000 working and retired participants, with 1,400 employers including school districts, state and municipal units. Assets are prudently invested and dependent on the economy for growth, and in most ways the plan is similar to those used in private industry.

The formula for determining benefits upon retirement is rather complex. While most employees are eligible for retirement at age 55, policemen and firefighters can retire at age 50. While length of service is a major factor, the three highest salary years paid is the determining factor in establishing the monthly retirement benefit.

Since most employees do not reach a high salary threshold until later in their working years, this gives them an advantage. Also, since overtime pay is also included in this determination, it is possible for some employees to work more overtime hours in the final years before retirement. The effect of this can be higher salary expenses than budgeted for certain employees such as fire fighters and police officers, and higher taxpayer supported contributions to the state retirement fund. Whether or not this is a factor with the high cost of fire protection and law enforcement in Green Bay and

Brown County should be a matter for our elected officials to examine and resolve.

As the presidential race heats up prior to November, so will all of the "polls" claiming to show who is ahead by how many points at the time, and how we all feel about various national issues. Usually this polls are accompanied by banner headlines, and often their purpose seems to be an attempt to influence rather than inform. Polls can be taken with a pre-determined result in mind, and can be scrapped if they do not fit the purpose of the sponsor. It is always important to #1-Asses the organizations sponsoring and taking the poll. #2-Consider the methodology used, the number and who was polled (if disclosed), the questions asked, (if given.) You need more than the expression "a recent poll". #3-Draw your own conclusions on what is right or wrong, or who to vote for.

The Wisconsin Taxpayers Alliance reports that while the average teachers salary in Wisconsin is 7.5% below the national average, we are still the 16th highest in the nation. However with the addition of paid benefits such as insurance, Wisconsin teachers earn about \$1,500 more than the national average. Obviously a lot of comparative data would need examination to draw conclusions. Also the average wages paid other workers in Wisconsin should be factored in the equation.

Despite its faults, the United States court system is probably one of the best in the world. One of the problems is that many courts have their dockets full, resulting in long delays in scheduling and completing trials, including jail overcrowding of those waiting for trials.

One wonders if all of the "showcase" trials of celebrities, which seem to take forever to conclude and use more than their share of resources the systems resources in both time and money are a necessary taxpayer expense for our protection and well being that could be accomplished with less hoopla.

Sometimes good ideas come from what others are doing. After the April election, the newly elected Marinette County Board, consisting of 30 members, held an all day orientation session. Each elected official and appointed department head gave a detailed presentation, including charts and statistics covering their particular department, personnel, responsibility, budget problems and expenses, goals, etc. It gave new board members a good oversight of county operations, and was a refresher for the returning supervisors as they prepare to tackle the coming budget.

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

"Things That Make Us Wonder" consists of thoughts that occur to us, mostly taxpayer related in some way, that come to mind during the days news events. Some of them are relatively unimportant and probably not worth commenting about. Others could easily be expanded to full length feature articles worthy of further study and action to protect our interests as taxpayers. Sometimes we try to put a different spin on items from what you read in the papers or see on TV. We try to cover a wide variety of subjects in a limited space, which also illustrates the wide variety of items of taxpayer concern which exist today. We acknowledge that our perspective of some issues in this column may be contrary to that of some our readers. However, one of our purposes is to encourage debate, as we realize there are two sides to every question. Comments are always welcome as well as suggestions for items to include in this section of the "TAX TIMES."

The TAX TIMES

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The TAX TIMES - May, 2004

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

- Thursday - May 20, 2004 – BCTA Monthly Meeting.**
GLORY YEARS, 12:00 Noon
Speaker – Sandy Duckett, VP, College Advancement, NWTC
- Thursday - June 17, 2004 – BCTA Monthly Meeting.**
GLORY YEARS, 12:00 Noon
Speaker – David Littig, Prof., Public and Environmental
Affairs & Political Science, UWGB
- Thursday - July 15, 2004 – BCTA Monthly Meeting.**
GLORY YEARS, 12:00 Noon
Program will be announced.
- Tuesday - September 14, 2004 – Primary Election.**
- Tuesday - November 2, 2004 – General Election.**

BCTA Monthly meetings are held the third Thursday of each month.
12:00 Noon at the GLORY YEARS, 347 S. Washington St., Green Bay.
Cost – \$6.50 per meal – Includes tax & tip. Payable at meeting.
All members of the BCTA, their guests and other interested parties
are cordially invited to attend and participate in our open meetings.
Call Jim Frink – 336-6410 for information or to leave message.



**May,
2004**

“The most successful politician is he who says what people are thinking most often and in the loudest voices.” . . . Theodore Roosevelt

“No activity in a government agency is given as high a priority as securing and enlarging its budget.” . . . Leonard Reed

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