

Don't hold your breath ... hold your wallet!

"It's getting to the point in our culture that almost everything that we do is going to be illegal, or you need a fee or a license." - Manitowoc resident Paul Simon, who was recently notified by the state Department of Revenue that he owes a 2 cents a gallon fuel tax on the home-made bio-diesel he uses in his 1982 Mercedes-Benz 240D.

Simon and Steven Griesbach of Manitowoc were profiled in the March 10th Herald Times Reporter of Manitowoc. Simon noted that the confusing DOR form appears intended for manufacturers and sellers, not hobbyists, and concluded, "I'm going to still (make biofuel), but I'm not too happy about the whole thing."

God bless his can-do spirit and enterprise, and fee-fi-foe-fum on the bloody state bureaucrats who thought their stealth and intimidation could drum up a few dollars more for Diamond Jim.

And while I'm thinking of it, God Bless Senator Rob Cowles and his Legislative Bureau Audits. It's time we hold the bloody bureaucrats accountable. Every chance we get it's time to call for an audit. Is it too much Cockney and the King's Road for you?

To be fair, this kind of thing would have been equally likely under previous administrations, but I am sure Thompson or McCallum would have put a stop to it. We'll have to see what Diamond Jim Doyle does.

His flack at DOR, Meredith Helgerson, said, "We frequently receive information from taxpayers and they are investigated to take appropriate action if at all necessary," added that the 2 cent tax covers state inspections of underground fuel tanks to verify that fuel isn't leaking into groundwater. I bet they don't have underground tanks.

And I bet Doyle does nothing to rein in his department's bully tactics and avarice. Consider Doyle's budget. Our umbrella group, the Wisconsin Taxpayers Alliance, noted Doyle's budget "contains more tax and fee changes - increases and decreases - than any budget since 1999-2001," with tax boosts outweighing tax cuts about 30 to 1 -- \$1.7 billion up, \$55 million down.

Our fellow fiscal conservatives at the Beloit Daily News highlighted WISTAX's report finding median income for Wisconsinites from 1999-2005 declined 2.2% to \$44,650, while the national median rose 13.8% to \$46,326. Then highlighting the Doyle budget;

Their March 16 editorial pondered bleakly, "Put it all together and taxpayers appear to be in for rough times. Unless, of course, government at every level exercises spending restraint, shrinks itself and holds the line on pay raises and expensive benefits.

"Don't hold your breath. Do hold your wallet."

Government restraint: an oxymoron. Taxpayers can prepare for another fiscal oxymoron: austerity feast. If Diamond Jim has his way, you can bet your sweet bippy that Big Granny Government won't be sharing that feast with us.

We just pray that Doyle's tax hikes are not as irreplaceable as was the Great \$450 million Tobacco Securitization of '02. Our fine fiscal friends had to eat that one because there was no other easy way to balance the budget.

It's time to give the State an "A", which stands for audit, on every highway job, every school construction, and finally, the State Education Administrative budget.

But this time, there is no good reason for the Doyle tax hikes. But, there persists a lack of courage in Madison. So, as our Beloiters amigos urged, don't hold your breath ... hold your wallet!

Richard Parins - President, Brown County Taxpayers Association

The BROWN COUNTY TAXPAYERS ASSOCIATION
Promoting Fiscal Responsibility in Government

Immigration Policy — 100 Years Ago.



“In the first place, we should insist that if the immigrant who comes here in good faith becomes an American and assimilates himself to us. He shall be treated on an exact equality with everyone else, for it is an outrage to discriminate against any such person because of creed, or birthplace, or origin.

But this is predicated upon the person's becoming in every facet an American and nothing but an American... There can be no divided allegiance here. Any person who says he is an American but something else also, isn't an American at all. We have room for but one flag, the American flag... We have room for but one language here, and that is the English language... and we have room for but one sole loyalty and that is a loyalty to the American people.”

Theodore Roosevelt-1907.

“Ninety percent of the politicians give the other ten percent a bad reputation.”
... Henry Kissinger

“The most tyrannical of governments are those which make crimes of opinions, for everyone has an inalienable right to his thoughts.”
... Baruch Spinoza

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 BCTA@ExecPC.Com.

"Forgotten Taxes" Add Up to Big Revenues

Wisconsin residents paid an average of more than \$500 per person last year in mostly small, "hidden" taxes that are often misunderstood or go virtually unnoticed. "Forgotten Taxes," a new report by the Wisconsin Taxpayers Alliance (WISTAX), examines these, as well as telecommunications, utility, real estate, and other small taxes that together generated more than \$500 million in 2006.

Did you ever wonder what that Federal Universal Service Fee is on your phone bill? The federal government charges phone companies a tax, the revenues of which provide affordable service to designated groups. Last year, revenues from the fee came to \$7.3 billion nationally. Wisconsin's share of \$161 million went to low-income individuals (\$8.8 million), schools and libraries (\$21.0 million), rural health care providers (\$0.9 million), and phone users in high-cost areas (\$130.2 million),

A smaller "forgotten tax" is the charge on phone bills for 911 emergency telephone system, or Enhanced 911, levied by the county. Counties larger than 500,000 people are limited to 25¢ per person, and smaller counties 40¢ per person (with the exception of start-up service of Enhanced 911 in small counties, which allows for a \$1 per person charge for up to three years). The wireless version for Enhanced 911 is 83¢ per month on cell phone bills.

Residential, commercial, and industrial utility users pay a fee, called a "Non-taxable Customer Charge" on their energy bills. Fees collected help fund the Utility Public Benefits Fund (UPBF), operated by the state Department of Administration. The UPBF oversees energy conservation and low-income assistance programs in Wisconsin. This tax raised \$57.7 million in 2006, but on individual residential bills the fee cannot exceed \$2.97 per month or 3% of the total bill, whichever is lower.

The UPBF also collects a \$67.2 million annual transfer directly from utility companies to perform these conservation and public assistance tasks that were once directed by the utilities for "the common good." Some revenue from the UPBF has been transferred to the state general fund in recent years to balance the budget. The first such transfer was an \$8.4 million shift in 2003, and through 2006, \$65.8 million was shifted from UPBF to the general fund.

Increases in three "hidden taxes" are pending in the 2007-09 state budget. First, the real estate transfer fee, currently at 0.30% of a home's sale price, would double to 0.60%. In 2006, this tax generated \$100.7 million. The sale of a median-value home in Wisconsin (\$153,525 in 2006) required a transfer fee of \$461. Though significant, this tax is often lost among other closing costs and realtors' commissions.

Another proposed increase is a new tax on oil companies that will collect 2.5% of their gasoline sales. Created as a tax on corporate profits, the new oil tax is not intended to be passed along to consumers. However, many observers believe this cannot be enforced. Potential revenues are \$272 million over two years.

The third proposed increase would raise the cigarette tax from 77¢ to \$2.02 per pack, giving Wisconsin the fourth highest rate in the U.S. The current tax raised \$301.5 million in 2006, considerably higher than the liquor and wine tax which raised \$41.0 million.

Excise taxes in general are often "forgotten" because they are built into the final sale price of items, and used in addition to or in lieu of sales taxes. As an example, a gallon of gasoline in Wisconsin that costs \$2.25 includes a federal gas tax of 18.4¢ and a state excise tax of 32.9¢. Federal excise taxes totalled \$1.38 billion in 2006, and state taxes on alcohol, tobacco, and gas raised \$1.34 billion.

Revenues from Wisconsin's gas tax are intended for the state's transportation fund for highway construction, maintenance, etc. However, in the past two biennia, \$1.1 billion has been transferred to the general fund to help balance the budget.

Other "hidden" taxes are local-options that municipalities may collect such as a "room tax" of up to 8% on rental of hotel rooms. Revenues must be used for "tourism promotion and development." In 2004, 203 Wisconsin municipalities raised \$41.0 million in room taxes.

Wisconsin Taxpayers Alliance (WISTAX).

Legislature missed the mark on "budget repair."

The Governor robbed dedicated special funds to pay for overspending in the General Fund. He did this via the Budget Repair Bill, which shifts money around for the final months of the 2005-07 budget. We talked about this funds-transfer business at the end of last year, when, to stay afloat, the governor (and legislature) robbed dedicated funds of \$406 million! Dang it.

Ok, this current bill, tidying up loose ends, is comparatively minor - and the dollars are comparatively minor.

But all observers cared about in this last feckless run with the budget was to be sure A.G. Van Hollen got his FTE's to start working on that DNA backlog. The repair bill passed 24 - 9 in the Senate and 85 - 14 in the Assembly. Republicans voting against the blatant fund rip-offs in the bill were forced, accordingly, to vote against added personnel for DNA analysis and Democrats are already attacking them for it.

Well, here's the scoop on fund transfers, pointed out on the Senate floor by Senators Cowles, Fitzgerald and Leibham. They unsuccessfully attempted an amendment that would have deleted fund transfers from the bill. Senator Cowles said these shenanigans (my word) were "part and parcel of what's wrong with the budget process." Cowles has been pounding away at fund raids for years. He says fund raids are just plain wrong because they

1. Take money away from the purpose for which it was raised, and
2. Exacerbate the budget process, using one-time smoke and mirrors to balance the budget one year, increasing the funding problem in future years.

Revenue comes in to special funds to be spent for very specific purposes. But no matter how high and how strong the barricade is to prevent its being used for other programs, a very real risk exists that any fund will be raided for completely different programs. For example, as well intentioned (well, maybe) as the \$1.25 cigarette tax is, the raid is exactly the problem. The new tax is plain and simple one more new source of revenue for the governor and legislature to spend.

I digress. The fund raids for the current budget (we haven't even gotten to the 07-09 budget!) start with Recycling. The government has raided this fund repeatedly. This time it was another \$1.5M, peanuts compared to the \$20M already taken in FY '05-06. The fund's money comes from an add-on to tipping fees - paid by municipalities all over the state. In other words, paid by guess who.

The Agrichemical Mgmt. Fund - that one was raided to the tune of \$1.5M.

The Insurance Commissioner's license fees were raided by \$8M! These are fees (just recently increased) paid by the insurance industry. They are absolutely not meant to fund shortages in the General Fund.

And lastly, the Forestry Account. This is a line on your tax bill that usually says "State." It's \$20 or so, depending on your assessed value. Under \$100, anyway. But it mounts up. And it's our property tax dollars, meant to be used specifically for forest maintenance. \$10.6 million of it was stolen to pay for forestry stuff that the General Fund is supposed to budget for.

That's a total of \$21.6M stolen from specific funds to make up shortfalls in the General Fund and to make the governor look good, increasing his ending balance by \$10M, from a measly \$65M to an almost as measly \$75M. Batten down the hatches for the upcoming really big (2007-2009) budget discussion.

Of course, FoxPolitics readers know a "positive ending fund balance," no matter how big or small, exists only in smoke and mirrors. Ours is a budget that hasn't been balanced in decades. And that's a whole separate, sad and dreary discussion

Jo Egelhoff, FoxPolitics.net.

(sign up for free daily E-Mail news summary at News@FoxPolitics.net.)

Letter from a reader.

"Environmental Protection Agency.
Washington, D. C. 20210

Gentlemen:

I see in the local paper you are ready to start dredging polluted sludge from our Fox River this spring. If you people say so, it is probably a good thing for all of us.

What I don't understand is hauling thousands of truckloads of "sludge" 500 miles to Detroit just to dump it. You have been studying and working on this situation for years. This is nuts! Who thought of this wild idea?

Now I can understand nobody wants this in their backyard, probably including the fine people of the Detroit area.

Also, I am not a mathematician but it seems the cost of hauling this worthless waste could possibly be 20 times the cost just to dig it up.

Do what you have to do, but in the meantime, please don't preach to me about reducing our dependence on foreign oil if you are going to waste precious fuel on a project like this.

This also goes for polluting the atmosphere with exhaust fumes, hauling contaminated materials on crowded highways or not having enough money to spend on other urgent projects you may come up with.

There has to be a better way to protect our environment.

Sincerely,

I. M. Fedup

"All people are born alike—Except Republicans and Democrats.:

. . . Grouch Marx

"Whenever you are on the side of the majority, it is time to pause and reflect."

. . . Mark Twain

"Our major obligation is not to mistake slogans for solution."

. . . Edward R. Murrow

"These politicians, when they can't make politics pay, can always fall back on—the honorable practice of law."
. . . Will Rogers

VISIT OUR WEBSITE
www.BCTAxpayers.Org
Email, BCTA@ExecPc.Com

Public Employee Wages and Benefits.

When public employee salaries are disclosed the public focus is often on the base salary and possible comparison with other employees in the same jurisdiction.

Often overlooked are the cost of benefits which also represent taxpayer expense and must be budgeted for payment accordingly.

These include the cost of health insurance, contributions to a retirement benefit account, an expense account, vacation pay, sick pay, etc. Although sometimes handled differently by private and public employers, holiday pay, sick pay, vacation and personal days, etc. can be considered as benefits or part of their regular salary. Either way, the employee does not perform official duties for his employer during that time.

While salaries are negotiated, along with annual and merit increases, and are somewhat under control, benefits such as health insurance have little cost controls to taxpayers as the benefit, not the cost is mandated.

In recent years the cost of mandated benefits, notably health insurance, has exceeded the growth in salaries. This in turn has meant that a larger proportion of municipal, schools, and state budgets must be allocated to employee costs. This proportion often exceeds normal growth of tax revenue and other necessary expense items.

For example, the annual taxpayer expense for health insurance for Brown County employees is \$17,878. for employees with families and \$6,672. for single employees. Employees pay 7.5% of the plans cost. Multiply this by 860 family and 380 single employees and you have an expense of almost 18 million for health insurance.

Green Bay employees pay 10% of their plans cost, leaving an annual expense to taxpayers of about \$13 million. DePere employees pay 15% of their insurance plans, with a taxpayer cost of about \$2 million per year.

The above only includes the benefit cost of health insurance plans. The Green Bay School District provided a list of the top 50 paid employees, which was broken down by base salary and benefits. We assume the benefits include both insurance, retirement and other benefit expenses. Of the total compensation of \$6,363,512. about 5% was listed as benefits, which is probably less than the average of all municipal employees as insurance generally costs the same for all employees so would not be as much as a factor with those earning a higher salary.

While it is obvious that employee benefits are difficult to control, we are concerned with their effect on our tax bills. We realize that our elected officials are aware of the problems and the compromises caused in their annual budgets. **Jim Smith and Jim Frink - BCTA**

March Meeting Notes.

Monthly meeting March 15, 2007 at Titledown Brewing.

Jim Frink presented selected responses from the BCTA annual membership survey showing remarkable unanimity on issues.

Current Local and National issues, % of respondents.

Mandatory ethanol usage:	85 percent NO
New sources of energy:	87 percent YES
Elections Board to be non-partisan:	90 percent YES
Identification of issue ad sponsors:	100 percent YES
Enforce laws for illegal aliens:	100 percent YES
Verification of citizenship:	100 percent YES
No benefits without citizenship:	98 percent YES
English as our official language:	98 percent YES
Amnesty for illegal aliens:	75 percent NO
State budget spending limits:	100 percent YES
Government subsidized health insurance	75 percent NO

More or less spending issues:

Downtown development:	7 percent MORE, 41 percent LESS
Fire and Police protection:	35 percent More, 12 percent LESS Local
school spending	56 percent less, 44 percent AS IS
Higher Education/Colleges	4 percent more, 37 percent AS IS
	59% included <u>LESS</u> money.

The complete survey report was included in the March, 2007 TAX TIMES. E-Mail our website: BCTA@ExecPC.Com. for copies.

School Superintendent Dan Nerad's recommendations presented at the February 26 Green Bay School Board meeting were discussed. In the wake of the defeat of the school construction referendum, Mr. Nerad suggested reviewing the projections used to justify the construction proposal and also look for other options to ensure a quality, comparable and cost-effective education for students and taxpayers. He proposed that an independent firm be hired to determine the reasons the referendum did not pass as well as obtaining ideas to address overcrowding and projected growth.

This information would be provided to a newly formed planning task force. The task force's work should be completed by January, 2008 to allow for a referendum later in 2008 if recommended.

Members expressed concerns about the Green Bay school system, including the \$900,000 spent for school liaison officers, and declining test scores in all categories. One member reported that his research indicates the Green Bay School District spent \$67,000 educating" voters about the need for passing the referendum.

President Richard Parins noted that the proposed state budget contains \$1.9 billion in tax increases, spread across too many items to be individually challenged.

The next BCTA meeting is scheduled for April 19, with the speaker Robert Hornachek from WLUK – Channel 11. Details on the back cover of this *TAX TIMES*. **Dave Nelson – Secretary**

How Much Should a School Cost?

One of the questions prior to the February School Referendum was the projected cost of the new high school: \$60 million. While the exact size of the building or cost per sq. foot was not disclosed, the design and projected cost seemed elaborate. We realize construction costs are constantly rising.

For comparison, we note the D, C. Everest Middle School in Weston was completed in 2000 at a cost of about \$15 million, and Fox Valley Lutheran of Appleton cost less than \$17 million. While these are somewhat smaller schools than projected for Green Bay, they also have a number of unique design features at reasonable cost.

Per resolution approved at the Mar. 15, BCTA meeting, the following letter was sent to Supt. Dan Nerad and members of the Green Bay Area Bd. Of Education.

BROWN COUNTY TAXPAYERS ASSOCIATION

Mr. Dan Nerad, Supt.
Green Bay Area Public School Dist.
Green Bay, WI 54305-3387

March 26, 2007

Dear Dan:

The Brown County Taxpayers Association exists to ensure that taxes paid by tax payers in Brown County are used for prudent purposes. This includes taxes paid on a federal, state, and local level, with an emphasis on taxes expended within the county.

Our association primarily was opposed to the recent referendum for the new high school because of the many conflicting thoughts and ideas regarding the need for, and the design of the proposed high school, considering its capital cost and future operating expenses.

A short and long term strategic plan for the district is a prerequisite to addressing the need for additional schools.

A proposal has been put forth by the board to review the entire matter of the new school, including outside assistance to examine the issue and focus groups, to address the need and design. We sincerely hope that the consultants be instructed to carefully examine both sides of the issue, not only that information previously developed by the school district and used for its decision on the matter. People with conflicting information and opinions need to be included in future studies also. Hopefully there would be an agreement or at least a consensus of what needs to be done.

A plan for a new referendum should allow adequate time to thoroughly review the issue, bearing in mind the betterment of our children's education balanced against the capital expenditures and operating costs associated with additional physical plant. We also believe consideration could also be given to a separate referendum to take care of necessary improvements to existing facilities.

We would assume that the public will be kept informed as new proposals are developed.

Sincerely,

BROWN COUNTY TAXPAYERS ASSOCIATION.
Richard Parins, President.

CC: Members of The Green Bay Area School Board.
J.Marsch, K.Maloney, J.DeCleene, D.Juengst, B.Warren, A.Becker, M.Blecha.
Editor - Green Bay, Press-Gazette.

“IT”: Intelligent Technology or Incompetent Technicians.

It is reported that the state has spent over \$170 Million on failed computer projects and plans to spend millions more the next two years in an effort to fix their problems.

This includes projects for registering voters, payroll and benefit records for the University System, processing unemployment benefits and tracking sales tax revenues for the Dept. of Revenue. Unfortunately in addition to the money wasted on these failed systems, there have been additional costs to Wisconsin citizens due to mixed up payroll records, voter registrations and other important information of the states responsibility such as payments to counties of sales tax receipts including Brown Counties Lambeau Field tax.

The Legislature has appointed a committee to be headed by Rep. Phil Montgomery charged with examining the situation and hold state agencies responsible for wasting taxpayer money.

Who would private business fire under the same circumstances?

2007 Wisconsin Legislative and Congressional Directory.

The Wisconsin Taxpayers Alliance has prepared their 2007 Legislative and Congressional Directory.

Included are maps showing the geographical territories represented by members of the Wisconsin Senate and Legislature, their home addresses and telephone numbers. Also included are committee chairmen and the Wisconsin Congressional delegation.

We have obtained a number of copies of this useful document, and they will be given to everyone in attendance at our April 19, monthly meeting.

The scheduled speaker for the meeting will be Robert Hornachek, reported for WLUK-TV11. Please plan on attending.

Details on the back cover of this **TAX TIMES**.

National Debt Update.

As of April 1, 2007 the U.S. National Debt. Was **\$8,842,511,198,167.24**, or an increase of \$67.4 Billion since last month at this time.

Annual interest *per capita* will take the first \$1,262.74 of your Fed. Tax return. Don't forget the wife and kids share, plus a few people who don't have to pay taxes and it starts to add up.

“Speak when you are angry and you will make the best speech you will ever regret.” . . **Ambrose Bierce**

“Why don't the Illegals stage rallies In Mexico to change the laws and conditions there?” . . **Today's Thought**

“In politics, absurdity is not a handicap.” . . . **Napoleon Bonapart**

The High Cost of Health Care. Are There Any Solutions?

This is a revision of an article which appeared in the January, 2003 *TAX TIMES*. Although 4 years have passed along with a lot of talk from Madison and Washington since that time, seemingly little has been accomplished. An exception could be Medicare part "D" enacted in 2005 which has possibly created more problems than it has solved.

It is generally acknowledged that the costs of medical care and insurance coverage are rising far faster than the rest of the economy and seems to be out of control. We have often noted that government on all levels must accept much of the blame for this problem, largely due to their administration of Medicare and other entitlement programs, as well as permitting the rapidly rising cost of insurance benefits for government employees to be passed on to taxpayers.

While there is a lot of finger pointing between the government, insurance companies, and health care providers as to the cause of the problem, the solutions always seem to be basically the same. #1-Either enact some sort of Universal Health Plan, either a copy of someone else's, or #2-make some sort of insurance plan available to everyone. Neither of solutions address the high cost of medical care, how they would be effectively administered, or how they would be paid for.

It appears however, that government, in its constant efforts to be everything for everybody is the primary culprit, and the problem seems to begin with their popular Medicare and Medicaid program. Following are a few examples of what seems to be driving up costs that we could identify. There are certainly many more.

- Insuring Medicare recipients costs government far more than is taken in by the relatively small deductions from their Social Security benefits. For 2007, in spite of annual increases, the cost of Medicare is only \$1,122.00 per year for each recipient. A fraction of the cost of private insurance. While most recipients carry supplemental coverage on their own, the cost of benefits furnished by providers also is still greater than the reimbursement they receive from the government and supplemental insurers.
- In an effort to control these costs, Medicare uses their own rate tables to reimburse providers, often at a fraction of what other patients, with or without insurance, would be charged. While costs have been rising, government reimbursement has not kept pace, causing some providers to refuse Medicare patients to treatment. Since they are compelled to accept the government's rate tables for services, much of the balance must be written off as a loss. Supplemental insurance usually only covers part of the balance.
- Reduced reimbursements for Medicare patients only causes these providers to charge more for their other patients. This includes those with private insurance or with no insurance coverage at all.
- In the meantime, well-meaning government mandates to insurers and providers keep piling on new benefits to be covered by existing insurance coverage.
- This in turn causes the cost of insurance to skyrocket,

making it more unaffordable for many and a huge expense burden on employers trying to provide a decent benefit package for their employees. Insurance costs are reflected in the cost of living because they often rise out of proportion to workers' salaries and is passed on to consumers.

- One possible downside of broad insurance coverage is that the insured take advantage of it to the fullest extent possible, which unfortunately helps to drive up costs.
- The high cost of insurance for government employees, who often have more comprehensive coverage than the private sector, is one of the fastest rising expenses contributing to the taxes we pay. With insurance costs rising at an average of 12% or more annually and wages at 3%, the cost of providing insurance will exceed the cost of wages in some cases within ten years.
- Often the cost of insuring the uninsured, or absorbing medical costs for the poor is passed on to taxpayers.
- Prescription drug costs are not covered by many insurance plans, and their cost is also becoming an issue requiring government assistance.
- The increasing volume of paperwork to providers, insurers, and even the government to track the volume of claims to be processed is a tremendous expense added to the cost of health coverage on all levels.
- Perhaps government actually encourages by allowing little in the form of legislation to prevent or limit the huge, sometimes unwarranted, lawsuits against doctors, drug manufacturers, insurers, or anyone determined to have deep pockets. This in turn has necessitated that providers carry huge amounts of liability insurance coverage, often costing in excess of their other expenses combined. We hear of trained and qualified doctors giving up their practices due to lawsuits or the cost of liability insurance. While we realize that legal action can be warranted, huge settlements far exceeding actual damages or pain and suffering are not. No matter how you look at this, the cost is passed on to the consumers, including the government and insurers.
- Nonetheless, health care is a lucrative business, with many of their customers' bills automatically covered by insurance with no questions asked. Drug manufacturers, clinics, hospitals and other providers have little incentive to really control costs.

In the 2007 BCTA poll we asked if respondents would consider a Canadian type system, mandated insurance for all employees. Or subsidized insurance should be initiated to cover all citizens. All three questions brought a definite "NO."

We also asked if a blue ribbon committee should examine the cost of medical care and recommend solutions. This brought a **83.7% "YES"** response. Solutions would be to explore what is driving the high costs of medical care to seek equitable compromises. Seek ways to assist those without insurance but not by further socializing our present system.

We are sure that everyone reading this can add to the list, or disagree with some of our observations. While it is easy to expect the government to solve the problem, is that what we in the United States really want, or for that matter, need? What are your thoughts on this subject?

Jim Frink – BCTA

Things That Make Us Wonder.

The "Federal Deficit Reduction Act" of 2006 provides that in order to receive Medicaid benefits applicants must present proof of citizenship with a passport or combination of a valid drivers license and birth certificate. This is at least some indication that our government is trying to control the benefits of U.S. Citizenship.

However, according to an article in the Mar. 11, *New York Times* thousands of people are complaining of being denied benefits because they are unable to locate these basic documents.

One of the responsibilities of all of us is to keep track of important papers, particularly a passport or drivers license. Duplicates of these records plus birth certificates are usually available with little difficulty and perhaps a small fee. Shouldn't we enforce what laws we have?

* * * * *

Apparently the state parole board makes every effort to mainstream released sex offenders as much as possible. No doubt public opinion can make this difficult. The map of acceptable sites for parolees under the proposed city of Green Bay ordinance intended to restrict settlement of these individuals only provides for residence in relatively uninhabited areas in the vicinity of paper mills, the power plant, and a couple of marshy areas inhabited by ducks. Other communities are following suit. Is this the way the system is supposed to work?

* * * * *

Manitowoc and Calumet Counties plus the state are starting to add up the taxpayers cost of the Steven Avery trial. Adding the cost of the court, jury expenses, security, attorneys for both sides, witness fees, etc., etc. and you had a very expensive production. The right to a fair trial of law is a unique American privilege and supposedly available to all. It is just unfortunate so much time and resources were tied up in one case.

* * * * *

One of the problems reported with criminal cases in Wisconsin has been a backlog caused by a shortage of DNA experts at the State Crime Lab. While

a shortage of funds has been blamed this is one place where money could be well spent. This due to the backlog of cases around the state which cannot proceed as they are waiting for information from the crime lab.

Although it is undoubtedly an essential part of their job, we noticed that personal from the crime lab had to spend several days on the witness stand during the Avery trial rather than in Madison helping to solve other crimes. We understand steps are underway to add as many as 31 DNA experts which should be helpful in speeding up investigations and criminal trials.

* * * * *

Speaking of crime solving, authorities in New York are considering exhuming the body of Harry Houdini who died and was buried there in 1926. They want to determine for sure if he died of natural causes or was perhaps actually murdered.

We thought we had a backlog problem in the Wisconsin crime lab.

* * * * *

An article in the Journal/Sentinal claims the Milwaukee Public Museum is considering filing for bankruptcy. While that doesn't mean it would close, they don't want it to be a taxpayer burden either. Assets exceed liabilities by about \$10 million. Declining attendance along with poor investments by the directors on behalf of the museum are blamed. Also, despite cuts there are still 149 people on the payroll.

This is unfortunate as this was always a wonderful place to visit.

* * * * *

A coalition of environmentalists and energy specialists is proposing the use of incandescent light bulbs be eliminated within the next 10 years. They claim they waste huge amounts of energy with new technology being 3 times as efficient. They may be right, but so far it has been difficult to convince consumers to purchase more efficient fluorescent bulbs costing 3 times more. There are also an estimated 4 billion light sockets in use that may have to be replaced.

While we don't question as fact that conservation of energy will become more critical as time progresses, it would seem there are a lot of places were elec-

trical use could be reduced big time without effecting our life style or economy. One problem in the past is that it seems whenever overall usage is down, the power companies raise their rates to offset the loss of revenue.

* * * * *

Many of us are probably wondering if there will be a presidential candidate acceptable to them out of the group that is running so far. With next years primaries, the one with the most state delegates committed will be the one nominated by their party to run.

In the past, these primaries were held over a period of several months, with most of the larger states making their choices in general compliance with the rest of the country.

However, California has now decided to move their primary up 4 months from June to Feb. 5, which could conceivably and effectively decide the ultimate nominees right there. California voters have the same rights as everyone else in the country, but sometimes their politics can be out of step with the other 49 states. The system and timing of these primaries should be just as much of an issue as campaign finance reform.

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It took the U.S. Postal Service 26 years, from 1932 to 1958 to raise the price of a first class stamp from 3 to 4 cents. By 1971, the price reached 8 cents, or an increase of only 6 cents in 39 years. However, as of May 14, 2007 the price for a first class stamp will increase to 41 cents or **412.5%** in only 36 years.

We realize the Postal Svc. has done much in recent years to improve service while co-existing with the internet and private delivery services. Their service is still absolutely necessary for the delivery of printed information and business mail. Unfortunately their increasing costs are an inflationary factor as the price of magazines, newspapers, and even mailing monthly bills is also effected. There could be trickle effects.

While much of private industry can compete without constant price increases, the massive postal service seems to keep operating like any government unit finding it easier to raise prices than to effectively cut costs. **Continued** →

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While Gov. Doyle figures out a way to keep everybody happy in his handling of a request by the Menomonee tribe to build a casino near Kenosha, it turns out even other tribes from Wisconsin are opposed to the idea. The Potawatomi tribe which operates several casinos in Wisconsin is concerned that profits from Kenosha would go to out of state investors, and have been sponsoring TV ads in opposition. There is also a matter of campaign contributions from various sponsors.

Wasn't there a referendum a few years ago limiting expansion of gambling casinos in Wisconsin?

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By the time you receive this *TAX TIMES* the spring elections will be history. We congratulate the winners who convinced the voters they were the right persons for the job.

While maybe not quite as contentious as last falls congressional and gubernatorial campaigns, it's unfortunate that the race for Wisconsin Supreme Court justice seemed to wander from the importance and dignity required for the job. The direction the court will take in interpreting state law as relates to business and personal rights and decisions is what this election was all about. A look at the campaign contributions supporting the candidates would indicate who has what to gain from the outcome. Unfortunately decisions from the state supreme court are seldom publicized and people are unaware of their impact.

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The supreme court race used degrading character assassination rather than concentrating on the purpose of the supreme court and the candidates interpretation of state laws and the approach would take if elected.

These were decisions by the campaign managers. One item we have noticed in recent campaigns is the showing of an opponent in unfavorable views. Like drawing a mustache on someone's picture when you were a kid to make them look bad. One suggestion for campaign ethics reform would be do prohibit the use of an opponents image in advertising.

On our 2007 BCTA taxpayers

survey, we asked, "Should use of opponents images on public advertising be outlawed or restricted." Over 75% of respondents said YES, so it couldn't be too bad of an idea. At least the TV ads might not be as obnoxious.

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A recent item in "Forbes" notes that Iceland cut their corporate income taxes from 45% to 18% in the 10 years from 1991 to 2001. Personal income taxes were also cut to a flat rate of 22.75% from 33%. The result was that tax revenues actually tripled as economic growth grew at an annual rate of 4%. Other European countries are also finding their high tax rates are ruining their economy.

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The Press-Gazette reported that beginning in May, work will resume on removing toxic sludge from the Fox River, and shipping it by truck to a landfill near Detroit, about 500 miles by road from Green Bay. This plan was approved after local residents objected to disposing of the stuff in this area. The people in Detroit either don't mind or perhaps haven't heard about it yet.

It was not disclosed how many truckloads it will take to haul as many as 3.5 million yards of sludge but it will be a lot. Neither how much fuel will be consumed or air pollution will be created by the project, but it could be substantial. Considering the sludge is completely worthless is the expense of other resources really justified?

Local residents were told not to worry about contamination from the trucks as highways 172 and I-43 would be used. People along the rest of the route, through Milwaukee and Chicago, etc., will have to take their own chances.

While we know this matter has been studied and debated for years was this the only solution? Common sense doesn't always seem to matter when there is money to spend.

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A couple of Manitowoc men who own a trucking company found they could save some money by producing their own bio-diesel fuel for their trucks. Three days after it was publicized they received a letter from the Dept. of Reve-

nue along with a packet of forms telling they owed the state .31 cents per gallon fuel tax plus .02 cents per gallon fuel inspection fee. The state can move fast when there is money for them involved.

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It seems UW officials blame the "brain drain" or departure of Wisconsin educated college graduates to other states to make their fortune on a lack of money for their institutions.

Several other sources, however, claim the problem is our high taxes and the lack of opportunities for qualified college graduates to stay in Wisconsin. This revelation is nothing new, but it is common sense that it is better to do business with a demand rather than a supply.

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The Madison City Council is considering a plan to become only the third US city to use taxpayer funding for mayoral and city council elections.

Although details have yet to be worked out, they claim it would keep election campaigns honest. What happens in Madison should stay in Madison..

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A publicized report claims that Wisconsin Technical Teachers are paid more that the national average, and even more than some UW instructors.

It is difficult to compare competitive salaries in most any field due to work loads, experience, the subject and competition. There is possibly a public perception that the education business is similar to pro sports in that the players are more concerned with what the competition is making rather than qualifying themselves to earn the same. Taxpayers will generally accept the payment of competitive wages if justified by performance

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Effective April 1, a person applying for a Wisconsin Drivers License will be required to present proof that they are in the country legally. So far, we have been one of the few states not requiring such proof, and it will become a federal law in 2008.

According to Madison newspapers, "civil libertarians" claim this will only force immigrant workers further underground and "make their lives unbearable." Without a drivers license for iden-

tification they will have difficulty getting credit or any other services requiring the presentation of identification. Are we missing something here?

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With important state and local elections taking place, it is very discouraging to see candidate forums sponsored by civic minded organizations poorly attended by the public. While some take this as another sign of apathy and indifference towards politics and politicians in general, another reason may be a matter of poor publicity .

First consider the majority of these forums are sponsored by non-profit organizations and are free to the public. Expensive newspaper and radio advertising is out of the question. That is left to the candidates themselves and can be very misleading unless you have the opportunity to see and question them at an event like a candidate forum.

It should be assumed that any group sponsoring a forum and inviting the public would send a notice to our local newspaper, the *Green Bay Press-Gazette*, as well as other news sources. Whether they are all given equal attention we do not know.

A suggestion we would like to make would be in the months and weeks prior to an election or referendum of general interest, the *Press-Gazette* could regularly print a small column with the details of all upcoming forums or public meetings of interest, This would include the sponsor, participants, time and place. This could be an extremely valuable public service.

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The Wisconsin Teachers Union, WEAC, had formally registered its opposition to a constitutional amendment requiring that a photo ID be required for all persons voting at the polls in Wisconsin. However, WEAC requires all delegates to its conventions to show a photo ID when registering. Interesting.

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In 1900, "Tax Freedom Day," or the day when all of your taxes for the year would theoretically be paid occurred on January 22. By 1940 it had risen to March 6, and April 21, by 1980. The *Tax Foundation* which figures this out reports it was April 26, in 2006. People in Wis-

consin had to work 2 more days, until April 28, last year to pay all their taxes. The foundation claims Wisconsin's local and state tax burden ranks 7th highest nationally, and the business tax climate ranks 38th nationally.

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A 50 year old state law allows certain manufacturers property tax exemption for waste treatment facilities and equipment. Although tax incentives have been a traditional way of helping business provide jobs and move the economy, it is claimed this law is being used to the advantage of other property taxpayers, including homeowners. This includes several million dollars in Green Bay and DePere which means the revenue must come from other sources.

Senators Cowles and Hansen of Green Bay have authored a bill to correct this law and hopefully an equitable solution will be resolved.

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While Governor Doyle's two-year budget doesn't raise state sales or income taxes, it would still manage to squeeze another \$1.74 Billion out of the states economy. The equivalent of \$630 for each state income tax returned filed in 2005. The bulk of this new revenue would be from increased cigarette taxes, a new tax on hospitals, doubling the real estate transfer fund, and increased vehicle registration and other fees.

He has also proposed that local governments be allowed to raise their property tax levies by 4% annually rather than the present 2%. He is also proposing the state reduce state payment to municipalities with state owned buildings by 2%. This is paid to municipalities in lieu of property taxes for services such as police and fire protection. It would also represent an additional cost to paid by local taxpayers.

In the meantime, his proposed tax on hospital facilities is raising questions as some hospitals are already tax exempt as being non-profit and others do not qualify, which makes for a competitive advantage.

One problem is that the proposed additional revenue will go to new spending projects rather than the \$1.6 Billion deficit already in the budget.

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While Native Americans are buying available plots of land for preservation purposes, the State of Wisconsin is doing the same thing only on a much larger scale. Since 1989 the state has purchased more than 477,000 acres at a cost including interest of \$1.2 Billion.

The program was set to expire in 2010 but Gov. Doyle wants to increase the annual buying from \$60 to \$105 Million each year and extend the program to 2020. The money would be borrowed.

While preserving certain land may be in the interest of the public, the cost is rapidly rising. Partially due to the demand for recreational land, and partially because the state has shown interest which can drive up the value. Even swampland can be expensive when the state is a buyer.

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Finally, even though Wisconsin's per-capita income grew 4.3% during 2006, it was below the national average of 5.2% and was in the bottom 10 states for growth. This according to the Bureau of Economic Analysis of the U.S. Dept. of Commerce. Although such numbers can be interpreted in different ways, it should be a signal to Madison that economic growth is necessary if they intend to achieve their revenue projections to pay for the state budget.

As usual, lots of things to wonder about.

Jim Frink

"Things That Make Us Wonder" consists of thoughts that occur to us, mostly taxpayer related in some way, from the days news events. Some are relatively unimportant and probably not worth commenting about while others could easily be expanded to full length feature articles worthy of further study and action to protect our interests as taxpayers. We try to cover a wide variety of subjects in a limited space and put a different spin on items from what you read in the papers or see on TV. 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

Brown County Taxpayers Association
P. O. Box 684
Green Bay, WI 54305-0684

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The TAX TIMES - April, 2007

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

- Tuesday - April 3, 2007. Election Day, DID YOU VOTE?
- Tuesday - April 17, 2007. State and Federal Income Taxes due.
- Thursday - April 19, 2007. BCTA Monthly Meeting, 12:00 Noon.
TITLETOWN BREWING Co., 2d Floor Meeting Room
Speaker: Robert Hornachek, WLUK Channel 11
“Fair and Balanced in Brown County.”
- Thursday - May 17, 2007. BCTA Monthly Meeting. 12:00 Noon.
TITLETOWN BREWING Co., 2d Floor Meeting Room
Program to be Announced.
- Thursday - June 21, 2007. BCTA Monthly Meeting. 12:00 Noon.
TITLETOWN BREWING Co., 2d Floor Meeting Room
Program to be Announced.

Unless otherwise notified, BCTA monthly meetings are held the Third Thursday of each month, 12:00 Noon, at Tiletown Brewing Co., 200 Dousman St.

Meetings are open to the public.

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

COST” \$7.00, Payable at meeting. Includes lunch, tax & tip.
Call Jim Frink – 336-6410 for information or to leave message.



April, 2007

“Isn't it appropriate that the Month of the Tax begins with April Fools Day, and ends with cries of 'May Day'?”
... Short Thoughts

“One of the scariest aspects of our times is how easy it is for glib loudmouths to turn us against each other, weakening the whole framework of society, on which we all depend.” ... Thomas Sowell

SUPPORT THE BCTA

New Members are Always
Welcome. Call 336-6410
Write us at P. O. Box 684
or visit our website

www.BCTaxpayers.Org